Written Statement by Greg Hughes
Chairman of the Board of Trustees
of the Utah Transit Authority
The Highways and Transit Subcommittee of the
The House Transportation and Infrastructure Committee
2:00pm, December 11, 2013

Mr. Chairman, and distinguished Members of the Committee, it is a pleasure to be with you today. My name is Greg Hughes and I serve as the Chairman of the Board of Trustees for the Utah Transit Authority. I am also a member of the Utah House of Representatives and currently serve as the House Majority Whip. By way of a business background, I own and operate a small business specializing in real estate development and property management. I live in Draper, Utah, a suburb of Salt Lake City, Utah. Before moving to Utah, I was born and raised in Pittsburg, Pennsylvania and later moved to Utah to attend college. I now reside in Utah with my wife and three children.

Utah Transit Authority (UTA) is the state's largest transit agency, and provides service to an area known as the Wasatch Front, where over 80 percent of Utah's residents live. The transit authority is governed by a 16-member board of trustees appointed by state and local government elected officials. The UTA Board of Trustees provides broad direction, governs the Authority, and sets the policies and goals on issues such as ridership, services and financial responsibilities. Members of the board are generally appointed by the city and county governments within UTA's service area that support the agency with a local-option sales tax. Some members are also appointed by the governor and state legislature. I was appointed to the board in 2006 by the municipalities within Salt Lake County.

Growing up in Pittsburgh, I understood the importance of transit service in large metropolitan cities; in fact, I relied upon Pittsburgh's transit service, as I didn't have access to a vehicle. However, when I was appointed to the board of trustees of the Utah Transit Authority, I was skeptical of transit service in Utah. I thought Utah's population was too small to warrant a growing transit system, and as a conservative legislator I was concerned about taxpayer dollars funding a mass transit system in Utah.

Today I feel differently. I believe that mass transit is a necessary investment and a core function of federal, state and local governments. Managed properly, mass transit investment is a very wise use of public money as it will reduce the need for expensive roads and highways, increase mobility, promote economic growth and commerce and improve air quality and the quality of life in communities that adopt transit systems.

Transit in Utah:

From 1970 until 1998, Utah Transit Authority (UTA) was a small, single mode bus agency, however, over the last 14 years Utah has experienced a transit renaissance.

In 1999, UTA began operations on its first light rail line, an 18 mile service dubbed TRAX. Shortly after, a second line was constructed connecting the University of Utah to Salt Lake City's central business district and the original TRAX line. Ridership on the TRAX light rail system far exceeded original projections and communities began to experience revitalization near light rail stations.

The success of mass transit in Utah prompted community leaders and local government officials to begin planning efforts that incorporated mass transit as a new and necessary tool for communities to accommodate Utah's growing population.

According to the US Census Bureau, Utah is currently the fourth fastest growing state in the country. It is also one of the most urbanized states in the country. It is home to nearly three million residents, and over 80 percent live within the primary urbanized area called the Wasatch Front. The Wasatch Front, with Salt Lake City located in the center, is geographically constrained by the Wasatch Mountains to the east and the Great Salt Lake and Utah Lake to the west. This unique geography has produced a natural transportation corridor that spans 120 miles from north to south and ranges from 2 to 15 miles wide, east to west.

Due to Utah's high population growth rate and limited room for expansion, communities throughout the Wasatch Front viewed the success of UTA's TRAX system and other transit services as a new means for their communities to accommodate growth. Nearly a decade ago, local communities developed a plan to expand UTA's mass transit system by 2030 with several new projects. In 2006, however, these same communities decided that they needed better transportation solutions sooner than 2030. They proposed that voters increase funding for major projects to be completed by 2015, and voters gave a resounding approval. This began UTA's FrontLines 2015 program.

The FrontLines 2015 Program required UTA to construct and open five new rail projects, totaling over 70 miles, by 2015. The program included FrontRunner commuter rail (44 miles), Mid-Jordan light rail (10.6 miles), West Valley light rail (5 miles), Airport light rail (6 miles) and Draper light rail (3.8 miles). UTA completed the FrontLines 2015 Program two years ahead of schedule and more than $300 million under budget.

The combined cost of the program was about $2.3 billion, and the federal share was about $544 million, or just 23% of the total program cost. FrontRunner commuter rail, West Valley light rail and Airport light rail were built entirely by local funds. The Mid-Jordan and Draper light rail lines both received some federal funds.

UTA's FrontLines 2015 program of projects has successfully increased capacity by mitigating congestion on Utah's highways and local roads. The projects have also reduced the need for parking at the airport, downtown and at our public funded universities. They've also helped to improve regional air quality, and have attracted

many new riders that otherwise would only have had the option of a vehicle. In fact, since the completion of FrontLines 2015, nearly 80% of UTA riders have access to a vehicle but instead chose to ride transit.

UTA's FrontLines 2015 projects have also had significant impacts on the local economy. During the construction phase they created or saved around 23,000 direct and indirect jobs. They have also spurred roughly $7 billion in private development along their corridors.

Sugar House Streetcar:
In addition to the FrontLines 2015 Program, UTA recently completed construction of a two-mile streetcar project funded by a TIGER II grant. The streetcar connects portions of South Salt Lake City and Salt Lake City and also connects to UTA's TRAX light rail system. Much like UTA's light rail and commuter rail lines, the streetcar is stimulating economic development, and as of December 2013, along the streetcar corridor over $1 billion in private development has occurred or is in the permitting process.

Local & Federal Partnerships:
UTA has successfully built six New Starts rail projects ahead of schedule and under budget. Ridership on these lines has significantly exceeded projections and continues to increase; and since 1998, ridership on UTA's total system has increased more than 77 percent. This track record has created a level of trust and confidence in the community and a desire to further expand and enhance transit services.

Key to the success of UTA's transit system expansion has been the agencies philosophy of partnership and engagement with elected officials, community stakeholders and federal agencies. As a result, UTA enjoys great support from all levels of government at the local, state and federal level.

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

- Unified stakeholder relationships – UTA has excellent relationships with its metropolitan planning organizations, the Utah Department of Transportation, Federal Transit Administration, the local business community, labor unions and the disabled community. This unified coalition made possible one of the greatest transportation investment programs in the nation.
- Innovative oversight by the Board of Trustees – UTA's visionary and mission-driven governance model allows the agency to be creative and adaptive in planning, procurement and project management.
- Delivering cost effective projects under fiscal constraint – UTA's major capital projects have consistently been built as some of the lowest cost per mile in the country.

- Early acquisition of Rights of Way (ROW) and transportation corridors – In 2002, UTA purchased over a 175 miles of ROW from Union Pacific Railroad. This historic agreement has allowed for the rapid expansion of UTA's rail program and has preserved valuable land corridors for future transit projects.
- Inter-Local Agreements (ILA) before construction to prevent cost overruns or unexpected impacts during construction. UTA has signed a master ILA with 43 cities, allowing for the rapid deployment of our rail program.
- Co-locating contractors, consultants and the transit agency – This technique has provided extreme efficiency and a unified sense of ownership in the project.
- Using the right construction delivery method to fit the job – UTA has used traditional design-bid-build, design-build, construction manager/contractor project delivery and anticipates using a 'construction alliance' approach for future jobs.

What's Next for UTA:

FrontLines 2015 Program was one of the most aggressive rail programs in the nation, and has created a world-class transit system along Utah's Wasatch Front. "Ahead of schedule and under budget" was not just a sound bite, but is a manifestation of UTA's culture and commitment to excellence. Now that the program has finished, UTA embarks on a new effort to transform the agency and better serve Utah's public. This effort includes:

Sustainability:

Sustainability is a core value embraced by UTA's Board of Trustees and practiced throughout the organization. In an effort to reduce emissions from buses and improve Utah's air quality, UTA has rolled out a fleet of CNG buses. These new additions also operate on domestic fuel, primarily produced in Utah. In the near future UTA will also be constructing a new bus maintenance and refueling facility that will allow us to greatly expand our CNG bus fleet.

UTA is co-developing "WAVE" technology for electric buses and its potential application on fixed-route bus service. The technology, now beginning service at the University of Utah, allows an electrical current from a supply source in the street to charge batteries without plugs or wires, enabling zero emission electric buses to periodically charge along the route.

UTA is also beginning to find ways to implement solar power technology. In fact, just recently we installed 288 solar panels along a light rail corridor that will generate 67.6 kWh of power, which will help offset electricity used to operate the line.

Technology:
UTA is leading the way in adopting new technologies to make transit safer and more convenient. The agency has a strong commitment to exploring new technologies designed to gather, process and disseminate system information, allowing customers to make better decisions about how to travel and to improve the customer experience.

UTA has opened its real-time data feed to private developers to use in creating mobile applications. Many applications are now available to the public or will be made available in the coming year and allow the public to track their train or bus in real-time.

Recently, UTA released a new reloadable pre-paid fare card branded as FAREPAY. FAREPAY allows customers to load cash value on an electronic tap card to use as fare payment on UTA's system. The cards are available online and at retailers throughout the community. In addition to FAREPAY, UTA is among the first transit agencies in the world to accept mobile payments. Customers using ISIS mobile payment network from their smart phone can now board any UTA train or bus by simply taping their phone.

Transit-Oriented Development:
UTA is partnering with private developers to find innovative solutions to maximize the convenience of transit near light rail and commuter rail stations. Through these partnerships we create transit-oriented developments that are high-density mixed use communities designed to increase transit ridership and promote pedestrian and bicycle mobility.

Bus Rapid Transit:
UTA has partnered with several communities, the Utah Department of Transportation and many stakeholders to begin the process of creating bus rapid transit (BRT) corridors. One project in particular is the BRT line in the cities of Provo and Orem, Utah. This project is among the leading proposed BRT projects in the nation, as it will connect UTA's commuter rail network with major regional destinations including, Utah Valley University, Brigham Young University, the University Parkway retail corridor, downtown Provo, and the East Bay technology district.

Mountain Transportation:
UTA has joined several local government agencies and private sector businesses and organizations to evaluate transportation and other issues associated with the Central Wasatch Mountains of Utah. UTA believes that this partnership can lead to the development of an innovative transportation system that will connect the Salt Lake Valley to nearby recreation and resort areas in the Wasatch Mountains, as well as connecting to the town of Park City, Utah.

Recommendations:

UTA offers the following ideas and recommendations on Current and Future Demands on FTA's Capital Investment program.

Federal funding leverages local investment: Utah's local leaders understand the need for increased investment in transportation infrastructure for better mobility, economic development, improved air quality and better quality of life. Utah voters have also supported funding for mass transit. I encourage this committee and the Congress to restore and expand funding to FTA's Capital Investment programs to help state and local governments develop mass transit solutions, including: high speed rail, light rail, bus rapid transit and commuter rail. Public transportation provides mobility that significantly contributes to national goals and policies in support of global economic competitiveness, energy independence, environmental sustainability, congestion mitigation and emergency preparedness. In order to sustain our growth and a healthy economy, we must invest in transportation infrastructure.

- One program in particular that is currently located in the Highway section of the bill is called the Projects of National and Regional Significance. We believe this section should be modified so that the Secretary of Transportation more actively examines transit projects of national or regional significance. Currently, while this program lists transit agencies as an authorized recipient of PNRS, it has not been opened up for funding. We would like to work with the Committee on improving the existing language as it relates to potential transit projects.

Program of Interrelated Projects: UTA supports strengthening the Program of Interrelated Projects language in MAP-21. Project sponsors should be encouraged to leverage local and state monies invested in corridor-based projects so that local share can be counted as non-federal match above the twenty percent current requirement. As the demand for transportation options increases, communities have decided to tax themselves to pay for transportation improvements. Congress should simplify and streamline the current federal grant approval process to speed project delivery and reduce costs. Project sponsors that have secured sufficient local and state monies, that seek to build multiple projects at the same time, and don't intend to rely on New Starts monies for each project corridor should be encouraged to implement a "program of projects" approach. Localities that have built projects without New Starts funds should have those funds credited as "local match" towards a project that is funded through the New Starts program without having to seek special legislation. FTA's role would shift to that of portfolio manager where it has executed a MOU or Project Development Agreement (PDA) with a project sponsor.

Incentivize the delivery of New Starts projects on time and under budget. Continue to streamline project delivery to cut red tape, eliminate waste, and streamline bureaucracy wherever possible. This approach would result in financial

savings for the federal government and local taxpayers by allowing approved projects to begin construction sooner, thereby saving on finance charges and other costs. Allow a project sponsor to use project savings for other project related activities that have accrued based upon good stewardship. This will encourage project efficiency and reward good practices.

Encourage the use of alternative construction delivery programs: UTA encourages Congress to promote the use of alternative and innovative construction delivery programs such as design-build, construction manager/general contractor, project delivery and alliancing. FTA oversight should be adjusted to the contracting approach undertaken by the project sponsor, i.e.: a design-build contract that has been executed with fixed prices for project costs, or where the project sponsor agrees to execute a PDA. As well, FTA oversight must be balanced with the complexity of the project and the experience of the project sponsor: an experienced project sponsor should not be subject to the same frequency of reviews as a first time project sponsor or one with limited history of building complex infrastructure projects.

Bus and Bus Facilities Formulas and Discretionary Grants: UTA notes that under MAP 21 authorized funding for the Bus and Bus Facility Program was reduced by 57%. In addition, all funds were allocated by formula. The current program does not take into account the periodic need for significant increases in funding to make major bus purchases or replace obsolete maintenance facilities. We recommend revising the program structure to provide that 50% of the Bus and Bus Facilities Funds are distributed by formula and 50% of the funds are distributed through a competitive discretionary program. Such a change could only work properly if the entire Bus and Bus Facility Program is increased to accommodate a robust discretionary program.