

FrontRunner 2X
Salt Lake City, Utah
Core Capacity Project Development
(Rating Assigned November 2024)

Summary Description	
Proposed Project:	Commuter Rail 82 Miles, 16 Stations
Core Capacity Capital Cost (\$YOE):	\$1,439.41 Million
Section 5309 CIG Share (\$YOE):	\$1,151.53 Million (80.0%)
Annual Operating Cost (opening year 2030):	\$14.83 Million
Existing Ridership in the Corridor:	14,800 Daily Linked Trips 4,134,500 Annual Linked Trips
Existing Seated Load:	82.0%
Overall Project Rating:	Medium
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium

Project Description: The Utah Department of Transportation (UDOT), in conjunction with the Utah Transit Authority (UTA), proposes double-tracking sections of the FrontRunner Commuter Rail Line, which currently runs on a single track over the majority of its length between Ogden and Provo, Utah, to increase capacity. The project includes the purchase of 10 trainsets and signal improvements. These improvements allow for increased service frequency from trains running every 30 minutes during peak periods and every 60 minutes at other times of day currently to trains running every 15 minutes during peak periods and every 30 minutes at other times of day. This additional service is anticipated to increase overall capacity by at least 32 percent.

Project Purpose: The project corridor is bound on the east by the Wasatch Mountains and on the west by Utah Lake and Great Salt Lake, which physically constrain growth in the area between the major cities of Ogden, Salt Lake City and Provo. As such, Interstate 15 (I-15) and FrontRunner are the two major options for north-south travel through the region. The Project allows for increased train speeds, improves reliability, and allows for the provision of more frequent service. This in turn leads to a more attractive travel option than driving on I-15.

Project Development History, Status and Next Steps: UTA selected the locally preferred alternative (LPA) in May 2022. The project entered Core Capacity Project Development in November 2022. The LPA was adopted into the region’s long range transportation plan in May 2023. UDOT completed the environmental review process with receipt of a Categorical Exclusion from FTA in July 2024. UTA anticipates receiving a Full Funding Grant Agreement in August 2026 and opening for revenue service in 2030.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal: Section 5309 CIG	\$1,151.53	80.0%
State: State of Utah Transit Transportation Investment Fund	\$212.88	14.8%
Local: Utah Transit Authority Sales Tax	\$75.00	5.2%
Total:	\$1,439.41	100.0%

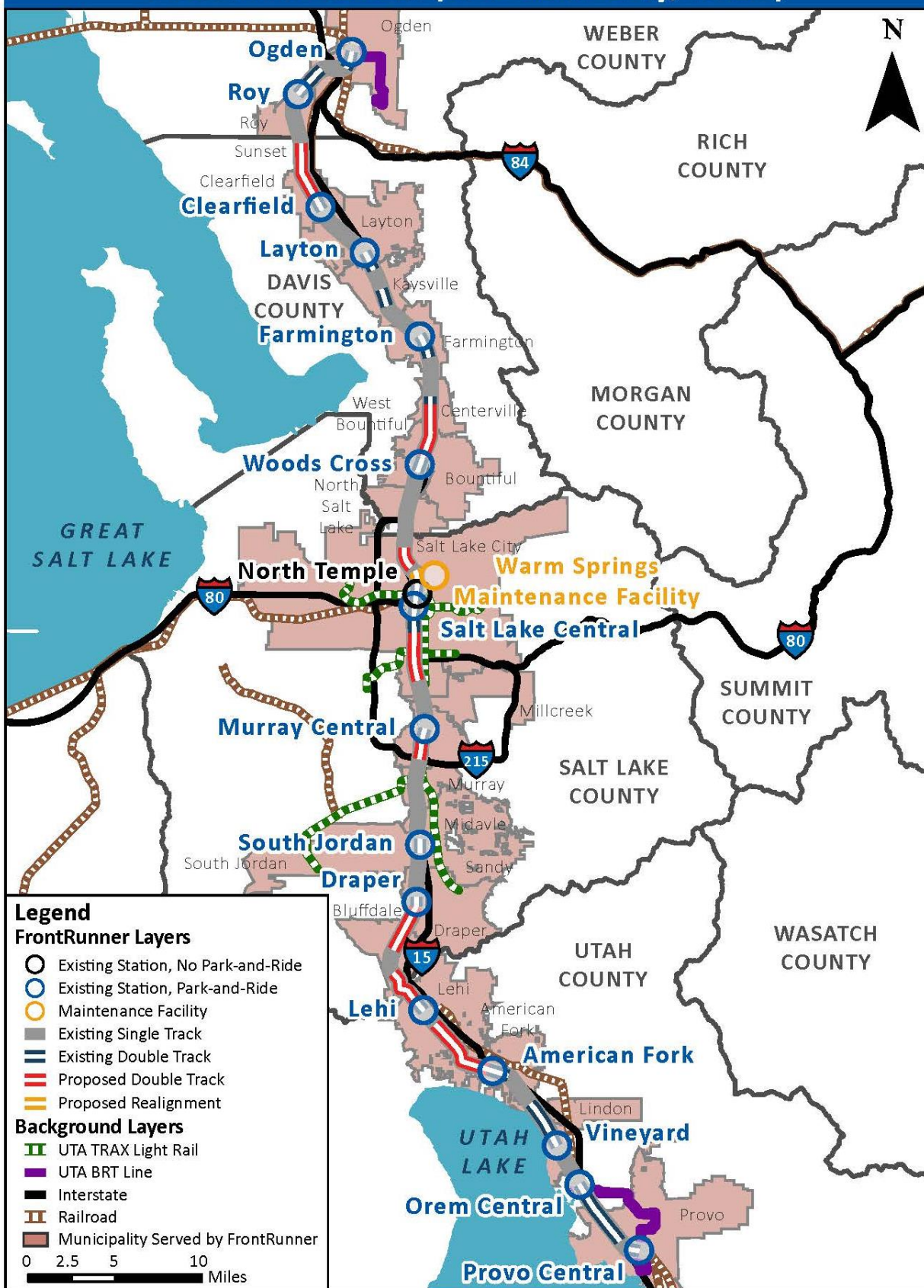
NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

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Factor	Rating	Comments
Local Financial Commitment Rating	Medium	
Non-Section 5309 CIG Share	N/A	The CIG share of the project is 80.0 percent.
Summary Financial Plan Rating	Medium	
Current Capital and Operating Condition (25% of local financial commitment rating)	Medium-High	<ul style="list-style-type: none"> • The average age of the bus fleet from Utah Transit Authority (UTA) is 7.8 years, which is in-line with the industry average. • The most recent bond ratings for the UTA (the project operator), issued in September 2023, are as follows: Moody's Investors Service Aa2, Fitch's AA, and Standard & Poor's Corporation AA+. The most recent bond ratings for the State of Utah (which the project sponsor Utah DOT is a part of) are as follows: Moody's Investors Service, Aaa; Fitch's AAA; and Standard & Poor's, Corporation AAA. • UTA's current ratio of assets to liabilities as reported in its most recent audited financial statement is 2.77 (FY2023). State of Utah's (Utah Department of Transportation) reported a current ratio of 1.0 in its most recent audited financial statement (FY2023). • There were no service cutbacks or cash flow shortfalls in recent years.
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	High	<ul style="list-style-type: none"> • All of the non-Section 5309 CIG capital funds are committed. Sources of funds include a one-time allotment from the State of Utah Transit Transportation Investment Fund which is comprised of highway general obligation bonds, as well as a voter-approved, dedicated UTA sales tax. • Approximately 99 percent of the funds needed to operate and maintain the Project in the first full year of operation are committed or budgeted, and 1 percent are considered planned. Sources of funds include Federal formula funds (apportionments for Sections 5307, 5310, 5337, and 5311), State of Utah vehicle licensing tax revenue, UTA sales tax, farebox revenues, Salt Lake City bus operating revenue and subsidies, and other local sources including advertising revenues, investment income, and forecasted funding from local partners for purchased services.
Reasonableness of Capital and Operating Cost Estimates and Planning	Medium - Low	<ul style="list-style-type: none"> • Assumed growth in capital revenues is optimistic compared to recent historical experience. • The capital cost estimate is reasonable.

<p>Assumptions/Capital Funding Capacity (50% of local financial commitment rating)</p>	<ul style="list-style-type: none">• Regarding growth in operating revenue assumptions, farebox collections, Federal formula and discretionary grants, investment income and farebox collections are optimistic compared to recent historical experience. State vehicle licensing, sales tax, advertising, and Salt Lake City bus revenues are reasonable compared to recent historical experience.• Operating cost estimates are reasonable compared to recent historical experience.• UDOT (the project sponsor) did not provide information as to whether it has access to funds via additional debt capacity, cash reserves, or other committed funds to cover unexpected cost increases or funding shortfalls. UTA (the project operator) has 45.0 percent of annual system wide operating expenses available in reserve (5.4 months).
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Legend

FrontRunner Layers

- Existing Station, No Park-and-Ride
- Existing Station, Park-and-Ride
- Maintenance Facility
- Existing Single Track
- Existing Double Track
- Proposed Double Track
- Proposed Realignment

Background Layers

- UTA TRAX Light Rail
- UTA BRT Line
- Interstate
- Railroad
- Municipality Served by FrontRunner

0 2.5 5 10 Miles