
MEMORANDUM

DATE: April 18, 2006
TO: City Council Members
FROM: Jennifer Bruno, Russell Weeks
RE: Interlocal Agreement: Intermodal Hub Trax Extension
CC: Cindy Gust-Jenson, Rocky Fluhart, Louis Zunguze, DJ Baxter, Ed Rutan, Tim Harpst, Max Peterson, Gary Mumford, Chris Bramhall, John Naser, Mary Guy-Sell

This memorandum pertains to issues involving the proposed interlocal agreement between Salt Lake City and the Utah Transit Authority (UTA). The agreement is scheduled for a briefing on April 18 and a public hearing on April 20. If the City Council adopts the agreement, the Transit Authority could start construction of the extension as early as mid-September.¹

OPTIONS

- Adopt the proposed ordinance.
- Do not adopt the proposed ordinance.
- Adopt the proposed ordinance with amendments that would:
 - A.) Shorten the time period to complete and operate the planned light rail station at 525 West 200 South.
 - B.) Require that any revenues above operation and maintenance costs at the Intermodal Hub be allocated to Salt Lake City mass transit needs or projects.

MOTIONS

- I move that the City Council adopt the ordinance approving and authorizing the execution of the interlocal agreement, negotiated by the Administration and UTA, regarding the design and construction of the TRAX extension project.
- I move that the City Council consider the next item on the agenda.
- I move that the City Council adopt the ordinance approving and authorizing the execution of the interlocal agreement, negotiated by the Administration and UTA, regarding the design and construction of the TRAX extension project with the following amendments:
 - A.) That the May 1, 2012 deadline to complete and operate the light-rail station at 525 West 200 South be moved forward to May 1, 2010., and
 - B.) That any revenues the Utah Transit Authority realizes beyond the cost of operating and maintaining the Intermodal Hub be allocated to Salt Lake City mass transit needs or projects.

KEY POINTS

- The proposed interlocal agreement contemplates a \$32 million, six-block TRAX connection between the Intermodal Hub at 600 West 200 South Street and the Delta Center station at 400 West South Temple Street. The project would include immediately building stations at the Intermodal Hub and 125 South 400 West and partially building a station at 525 West 200 South. The latter station would be completed when the number of passengers boarding TRAX warrants it.
- Under the proposed agreement Salt Lake City would turn over ownership of the Intermodal Hub to the Utah Transit Authority. In return, the Transit Authority would assume all responsibilities for improving, maintaining and administering tenant contracts. According to the Administration, the agreement would meet the requirements for property disposition in *Utah Code* 10-8-2 which regulates municipal appropriations and the acquisition and disposal of property (Doug Short hearing).
- Salt Lake City would pay \$8.45 million (26.4 percent) for its share of the project. The City has already secured funding and has “cash in hand” for \$7.6 million (\$2 million from UTA, \$2.4 million from existing RDA appropriations, \$3.2 million from already-secured FTA reimbursements). The remaining amount to fund is therefore \$850,000 which the City would need by July 2007.
- At one point the City lent the Intermodal Hub Enterprise Fund \$6.4 million for the hub project. Of that sum, \$1.8 million in Class C road funds is the only guaranteed revenue identified to repay the loan. About \$3.3 probably will be repaid from additional reimbursements from the Federal Transit Administration. The remaining \$1.3 million might have to come from sources such as Redevelopment Agency or Capital Improvement Projects funds. (Please see Item 4-c-ii on Page 3 of this memorandum for more detail.)
- In an effort to minimize adverse effects of the project to the community, the agreement specifies that once a “construction manager/general contractor” has been selected for the project, the contractor will develop a public outreach plan before construction starts. The plan will be approved by the City and UTA.

ISSUES/QUESTIONS FOR CONSIDERATION

- When and how is the Administration proposing to ask the Council for the additional \$850,000 needed to complete the City’s portion of the project?
- How likely is it that Salt Lake City will be completely reimbursed for its original \$6.4 million loan to the Intermodal Hub Enterprise Fund? Considering there will be anywhere from \$1.3 million to \$4.3 million “left to pay back,” does it make sense for the City to “pay back” the loan/capital contribution made by the City, with funds from the City (CIP or RDA)?
- How likely is it that the planned station at 525 West 200 South Street will be built before the May 1, 2012 date in the proposed agreement?
- How detailed will the “public involvement plan” be, and to what extent will property owners by or near the project be involved in the planning process?
- Will there be coordination of construction mitigation efforts among the project contractor, the City, and the Salt Lake Chamber of Commerce downtown mitigation ombudsman?

ISSUES

1. The proposed interlocal agreement contains a second agreement – *Public Way Use Agreement* (Exhibit F) – that, among other things, would grant the Transit Authority the use of parts of three public streets for 50 years plus two “additional, successive” 25-year terms.
2. If the ordinance is adopted, construction of the extension would start in mid-September and open for operations on November 28, 2007.²
3. Under the proposed agreement Salt Lake City would turn over ownership of the Intermodal Hub to the Transit Authority. The proposed agreement:
 - a. Stipulates that UTA would then be responsible for all contracts relating to the hub (development of permanent Amtrak facilities, parking, etc).
 - b. Includes a property conveyance of the Intermodal Hub. The Salt Lake City Planning Commission heard this issue at their April 12 meeting, and approved the property conveyance.
 - c. Requires the hub property to be developed as Gateway Mixed-Use zoning as identified in the *Gateway Specific (Master) Plan*. The site currently is zoned General Commercial. UTA would develop the property as if it were zoned GMU, and the City would change the zoning to GMU. At their April 12th meeting, the Planning Commission initiated a petition to start this rezoning process for the area.
 - d. Establishes a joint development committee of three representatives from UTA, three representatives from the City, and one representative from the RDA to find and guide development opportunities at the site.
4. The cost of the project is estimated at roughly \$32 million. UTA is projected to pay about \$23.6 million (around \$15 million of this will be eligible for Federal Reimbursement, which UTA has assumed responsibility for collecting), and the City is projected to pay about \$8.45 million.³ The cost estimates include:
 - a. Building the Hub and 125 South 400 West stations with the TRAX Connection.
 - b. Building the “wow” and structural foundations for the 525 West 200 South station – and placing the remaining funds necessary to build the station into an escrow account until ridership justifies building the second station.
 - i. The agreement specifies that the second station will be built when the total combined average weekday passenger boardings at the 400 West Station and Delta Center Station reach 3,500 or by May 1, 2012, whichever comes first.
 - ii. The agreement specifies that any increased costs of constructing this second station (above and beyond the funds that the City has already set aside) will be the sole responsibility of UTA.
 - c. Salt Lake City Corporation originally made a \$6.4 million “loan” to the Hub Enterprise Fund, to build the Intermodal Hub. The original intent was to pay off the loan with revenue generated at the Intermodal Hub. However, because the proposed agreement has UTA assuming ownership of the Hub, the City will forfeit all future revenue generated at the site (However, as a municipality, federal guidelines restrict the City

from spending any revenue generated at the Hub, anywhere except the Hub. UTA does not have these restrictions.)

- i. The only 100% “sure” money coming into the City to pay back this loan, is \$1.8 million in Class C road fund, in effect “repaying” the City for reconstruction of 200 South (a project that was needed and scheduled independently of the TRAX extension). This is money that is scheduled, but not yet appropriated, for FY 2009 according to the CIP 10 Year plan. 200 South was slated to be repaired *independent* of the TRAX extension project, using Class C funds. Since the repairs/upgrades will be done in conjunction with this project, the City is eligible to be “paid back” for this work with Class C funds.
 - ii. About \$3.3 million still “due” to the City from the Federal Transit Administration (FTA) is likely to be reimbursed because the proposed agreement in Section 12.1.3 calls for the City to be reimbursed from federal funds before UTA is reimbursed. The remaining \$1.3 million of the original loan would then have to be “repaid” with other sources – possibly from the RDA or the Capital Improvement Program. An alternative is for the City to elect not to “repay itself” (as the repayment would be from RDA or CIP funds into the general fund).
 - iii. Exhibit G in the proposed agreement contains a list of potential reductions to the \$32 million budget that will be considered if the Transit Authority fails to arrive at a “guaranteed maximum price” with a construction contractor, or if construction costs escalate. The potential reductions total around \$2 million (*Staff Note*: The Administration has communicated that this figure will continue to be revised by City and UTA staff, as more detailed engineering estimates are obtained).
5. In an effort to minimize the adverse impact of the project to the community, the agreement specifies that once a construction manager/general contractor has been selected, the contractor will develop a public outreach plan before construction starts. The plan will be approved by the City and UTA. A separate agreement between the City and the RDA is being developed to specify the RDA’s funding responsibilities. That agreement will be presented to the RDA Board at its May 9 meeting.
 6. The proposed interlocal agreement includes all issues specified in the Council’s Resolution No. 13 dated February 23, 2006.

BACKGROUND/DISCUSSION

As mentioned earlier the proposed interlocal agreement between Salt Lake City and the Utah Transit Authority includes a second agreement, the *Public Way Use Agreement*, as an exhibit – (Exhibit F). Two other exhibits are agreements in which UTA would assume the leases of Amtrak and Greyhound Bus Lines at the Intermodal Hub. In addition, the Administration transmittal includes a study of the proposed interlocal agreement’s transfer of the Intermodal Hub to the Transit Authority. As indicated earlier in this memorandum, the study indicates that the transfer would meet the requirements of

Utah Code 10-8-2 which regulates municipal appropriations and the acquisition and disposal of property.

All the agreements pertain to the Transit Authority's planned construction of a light-rail extension from the Delta Center station at South Temple and 400 South to the Intermodal Hub at 600 West 200 South. Streets involved in the construction will be 400 West, 200 South and 600 West streets. According to the Administration, construction will start at the Intermodal Hub site in July if the City Council adopts the proposed ordinance. Construction would reach 400 West Street by spring 2007. The line would open for operation in late November 2007.

INTERLOCAL AGREEMENT

Two terms pertinent to the proposed agreement are "CM/GC" and "GMP." "CM/GC" is the "construction manager/general contractor" that will build the extension. "GMP" is the guaranteed maximum price that the Transit Authority expects the contractor to meet but not exceed.

BUDGET

- A. The proposed agreement sets the project budget at \$32 million. Under the agreement Salt Lake City and UTA each would allocate \$8.45 million – 26.4 percent each – of the total project cost. The Transit Authority also would advance the remaining \$15.1 million and seek reimbursements "through one or more federal grants." The agreement recognizes \$2.46 million the City has spent or will spend on its contract with Parsons Transportation Group to design the project. The agreement counts the sum as part of the City's \$8.45 million share. The proposed agreement also would have the City "fund all required City permits, connection and impact fees related to the Project" as part of the City's project costs.
 - a. The Administration estimates that the cost of permits and fees would be less than \$30,000.
 - b. The proposed interlocal states "The City agrees to fund all required City permits, connection and impact fees related to the Project as part of its project costs" (p. 12, article 4.8). Because the payments of these permits and fees are not included in the \$8.45 million figure, the Council is, in effect, approving the payment of these fees in the future. Although Council legislative actions cannot bind future Councils to future budget requests, the proposed agreement appears to at least present future City Councils with an obligation. The Administration has estimated that impact fees would be roughly \$2,000 per station (\$6,000 total), and since these cannot be "waived" in total, they must be paid by the City if they are waived for UTA. The Administration estimates that all fees and permits related to this project will total no more than \$30,000.
- B. The project includes \$250,000 for "Art in Transit" (1% of the construction costs), to be allocated over the three new stations. In addition, the project budget would contain \$100,000 in escrow for the Transit Authority to fund "future

- maintenance, restoration and replacement of ... Art in Transit improvements installed at the stations.”
- C. The City and the Transit Authority already have approved Parsons Transportation Group’s 65 percent design drawings, and the City has authorized Parsons to proceed with final designs. The 65 percent design drawings are important because the project budget is based on them.
 - D. Parsons Transportation Group is required to provide 90 percent complete design drawings before making a final set of designs. The Transit Authority will use the 90 percent design drawings to negotiate a guaranteed maximum price with a company that is awarded the bid to build the extension. If UTA cannot negotiate a guaranteed maximum budget with the company, the City and UTA will meet to reduce the project’s costs starting with the items listed in Exhibit G. The proposed agreement also would allow the City and UTA to increase funds allocated to the project, or either the City or UTA could pay by itself “for any item that would otherwise be deleted” from the project, “or “reduce Project costs through implementation of value engineering proposals.” (Value engineering proposals are items that the project contractor and engineer would identify to eliminate or scale down in order to meet the project budget.)

PROJECT

As mentioned, the project involves building a six-block TRAX connection between the Intermodal Hub at 600 West 200 South Street and the Delta Center station at 400 West South Temple Street. The project would include immediately building stations at the Intermodal Hub and 125 South 400 West and partially building a station at 525 West 200 South.

Under the proposed agreement, the station at 525 West 200 South would be completed and placed into operational service within one year of the time when the “total combined” number of passengers boarding TRAX trains on weekdays at the 125 West 400 South station and the Delta Center station reaches an average of 3,500 riders per weekday.

It should be noted, that according to Transit Authority figures for December 2005, the average number of passenger boardings on weekdays for the North South line at the Delta Center station was 2,275. The average number of passenger boardings on weekdays for the University line at the Delta Center station was 1,484. The two figures equal 3,759.

Under the proposed agreement, if the average number of weekday boardings at the 400 West and Delta Center stations does not reach 3,500 boardings, the station at 525 West 200 South would be completed after May 1, 2012. It should be noted that there is some sentiment on the Council’s Intermodal Hub Subcommittee to move the 2012 date to 2010.

INTERMODAL HUB

A major point in the project involves Salt Lake City turning over ownership of the Intermodal Hub to the Transit Authority. Under the proposed agreement, the City could convey the title to the hub facility and 16.57 acres of land. In return, UTA would:

- Assume the risk of future federal appropriations for the TRAX connection between the Intermodal Hub and the Delta Center station.
- “Advance and commit” local UTA funds pending receipt of future federal funds. (It should be noted that UTA would advance \$15.1 million to the TRAX extension in expectation of receiving federal funds as well as \$8.45 million in direct UTA funds.)
- Assume the City’s obligation to relocate the existing Amtrak station, its parking facilities and tracks and provide Amtrak with interim and ultimately permanent Amtrak facilities.
- Assume the City’s obligations under Greyhound Bus Lines lease agreement with the City.
- Assume future responsibility for fixing or demolishing a warehouse on the site.
- Assume the City’s obligations for the Intermodal Hub Site management plan.
- Assume operation and maintenance responsibility for the Intermodal Hub.

In addition, the Transit Authority would “make all reasonable efforts” to develop the Hub site consistently with the City’s original site plan and to comply the City’s zoning criteria for Gateway Mixed-Use zoning. Under the agreement, UTA would support the City’s plans to rezone the Hub site as Gateway Mixed-Use instead of the site’s current General Commercial use zoning.

According to the Administration, turning over the Intermodal Hub to UTA would save the City money in capital costs for developing the site for Amtrak and Greyhound as well as operation and maintenance costs; remove the City’s uncertainty of receiving federal reimbursements for money it has spent and would spend on the project. (The City has long worked with UTA to obtain federal reimbursements, but the agreement would place responsibility solely on UTA.); and place the responsibility and operation of a mass transit facility in the hands of a mass transit provider.

The Administration also notes that any private development on Intermodal Hub property must be related to mass transit, and any revenues above the cost of operation and maintenance must be dedicated to mass transit purposes.⁴ The Administration contends that because the requirements limit the value of the Intermodal Hub as an asset it is better for UTA to own, operate and maintain it. It should be noted that there is some sentiment on the Intermodal Hub Subcommittee to require that any net revenues UTA receives from owning the Intermodal Hub should be assigned to mass transit projects or needs in Salt Lake City.

PUBLIC WAY USE AGREEMENT

The *Public Way Use Agreement* – listed as Exhibit F – would authorize the Transit Authority “to use, on a non-exclusive basis, such portion of the City Property, including, surface, subsurface and air space property, as shall be necessary to accommodate the construction, operation and maintenance” of the TRAX extension.⁵

The agreement would authorize UTA to use portions of 400 West, 200 South, and 600 West streets for an initial term of 50 years. The agreement also authorizes automatic renewal of the initial term for “two additional, successive 25-year terms.”⁶

In return for the authorization UTA would agree to build, operate and maintain the light-rail extension and provide regular service to the general public. The Transit Authority also would agree to pay “all costs incurred by the City in connection with maintaining, repairing, replacing or connecting” to City utility lines that would be more than the City would have paid if the light-rail extension were not in place. In addition, UTA would pay “all costs of repairing damage to City Lines to the extent such damage is caused” by UTA or its machinery.⁷

Another element of the agreement addresses the potential extension of UTA’s free fare zone in Salt Lake City’s downtown. The *Fixed Guideway Transit Corridor Agreement* that the City Council adopted in November 1996 as part of the original memorandum of understanding for the north-south light rail line contains the following language: “UTA agrees as follows: ... All transportation services relating to light rail or bus services provided by UTA within the Central Business District shall be offered to the public free of charge for passengers which both board and disembark within the Central Business District.” The agreement defined the Central Business District as “the area circumscribed by, and including, 500 South, 400 West, North Temple and 200 East” streets.

The proposed *Public Way Use Agreement* acknowledges that the Central Business District defined in the 1996 agreement is a free-fare zone. That means the planned station at 125 South 400 West Street would be in the free-fare zone but the stations at the Intermodal Hub and 525 West 200 South would not be. Under the proposed agreement, UTA staff would take any recommendation in the downtown transportation and transit study now under way that pertains ultimately to extending the free-fare zone in Salt Lake City to the UTA Board of Trustees for the Board’s consideration. The proposed agreement does not bind the UTA Board to adopt any recommendation to extend the free-fare zone beyond its current boundaries.⁸

It should be noted that people who will ride the Transit Authority’s commuter rail line to Salt Lake City will not have to purchase a light rail or bus ticket when they arrive at the Intermodal Hub. Passengers will use the transfer system UTA currently employs to transfer to light-rail cars or buses.

¹ Exhibit D – Project Schedule.

² Exhibit D – Project Schedule.

³ Exhibit C – Project Budget.

⁴ Memorandum – Study Regarding Transfer of Ownership, Page 3.

⁵ *Public Way Use Agreement*, Page F-3.

⁶ *Public Way Use Agreement*, Pages F-4 & 5.

⁷ *Public Way Use Agreement*, Page F-9.

⁸ *Public Way Use Agreement*, Pages F-10 & 11.

MEMORANDUM

TO: Steve Fawcett



FROM: Kay Christensen

DATE: April 3, 2006

SUBJECT: Study regarding the transfer of ownership of the Intermodal Hub from Salt Lake City Corporation to the Utah Transit Authority and a Right-of-Way agreement to give UTA a franchise to use City streets: Study to comply with Utah Code Annotated Section 10-8-2 (3)

Salt Lake City (City) is preparing to convey to the Utah Transit Authority (UTA), without direct monetary payment, the Salt Lake City Intermodal Hub Terminal (the Hub), located at 300 South 600 West, including all or a majority of the approximately 16.5 acres on which the Hub is located. The City is also preparing to grant to the UTA, without a franchise fee, a 100-year franchise to use City streets to construct and operate a light rail extension from the Delta Center station to the Hub, and to assign to UTA all of the agreements to which the City is a party relating to the Hub. These transactions require the study mandated by Utah Code Annotated Section 10-8-2 (3) when a City asset is transferred to another entity without the municipality receiving obvious fair market value for such transfer.

UCA 10-8-2 states the purposes for which a municipal body may appropriate public funds and the factors that must be considered in determining the propriety of such an appropriation. To ensure that the transfer of the Hub and the franchise fee waiver are in compliance with UCA 10-8-2, the following study has been performed. This study will consider the following factors:

- (1) The specific benefits to be received by the City;
- (2) The City's purpose in making the appropriation, including an

analysis of how the safety, health, prosperity, moral well -being, peace, order, comfort or convenience of the residents of Salt Lake City will be enhanced; and

(3) Whether the appropriation is "necessary and appropriate" to accomplish the City's goals.

Background:

The Gateway Development Master Plan, adopted by the City Council on August 11, 1998, supported 300 South and 600 West as the location for an intermodal transportation hub. An Environmental Assessment of the location was approved by the Federal Transit Administration (FTA) on September 18, 1998 and that was the basis for a federal grant.

In 1998, the project received authorization for a n FTA Grant totaling \$40 million, subject to appropriations over an unspecified number of years. UTA is the grantee, and the City is the sub-grantee. The FTA approved budget for the Hub is \$39,956,060. This includes the extension of TRAX to the Hub.

The Hub facility anticipates accommodating Amtrak, Greyhound, local bus, commuter rail, taxis, shuttles, pedestrians, bicyclists and connections to light rail. The 16.57 acre site is bordered by 600 West to the east, Union Pacific main lines to the west, 200 South to the north and 700 South to the south. The prime acreage for development is between 200 South and 400 South.

The Intermodal Hub Enterprise Fund was established February 9, 1999. The City Council adopted a resolution allowing the fund to borrow up to \$8.41 million from the General Fund. The RDA Board of Directors authorized a \$2.25 million dollar loan to the Intermodal Hub Enterprise Fund.

The City and the UTA signed an Interlocal Cooperative Agreement for the Gateway Intermodal Terminal on August 25, 1999. The agreement outlines the joint effort by UTA and the City to conceptualize, plan, design, construct, operate, and maintain the Hub. The agreement identifies the scope, schedule and budget for each phase of the project.

Phase 1 of the project included land acquisition, trackage work, site utilities, passenger platforms and the temporary Amtrak passenger facility . Phase 2 included design and construction of the permanent hub facility to accommodate Greyhound, local bus, taxis, pedestrian, bicycles, and future commuter rail systems. It also includes completion of environmental work on the Hub parcel. Phase 3 will bring TRAX to the Hub.

The Hub facility costs have totaled \$23,500,000 to date. A total of \$18,800,000 (80%) of that amount has been or will be reimbursed by the FTA through the Hub grant. The grant is based on an 80/20 match, so the local match is \$4,700,000 (20%). Greyhound paid \$1,400,000 toward that requirement, leaving \$3,300,000 to be funded locally . The City appropriated \$2.94 million in FY 2002 to cover this cost, and the remainder is related staff costs.

Benefits and Costs to Salt Lake City:

In considering the cost of the Salt Lake City Intermodal Hub Terminal to Salt Lake City and its value, it is important to note two requirements tied to the acceptance of federal funds for the project:

1. The property and facilities built with the funds must continue to be used only for mass transit related purposes. Therefore, the City could not choose to use the Hub for any purpose other than mass transit . Even if the City were to sell the property, the City would have to reimburse to the FTA 80% of the then current net market value of the property. For example, the land was purchased for \$4 a square foot and is now valued at \$17 a square foot (not including the facilities).

2. There can be private development on the Hub property, but it must be related to mass transit, and any net revenues must be dedicated to mass transit purposes. As a result, the Hub could not become a profit center for the City.

These two requirements limit the value of the Hub as an asset. If the City were to retain ownership of the Hub , the City would have to bear the cost of owning and managing a transit facility. Typically, transit facilities do not generate a profit, so a City subsidy might be necessary. The City is not in the transit business so it would also be necessary to contract with an outside entity to run the facility.

Salt Lake City receives the following tangible benefits from the transfer of the Hub to the Utah Transit Authority:

1. Salt Lake City assumed numerous obligations in the original Interlocal Agreement signed August 25, 1999. All of our obligations under that Agreement will be assumed by UTA when they take ownership.

2. The previous City Administration saw the reconstruction of I-15 as an opportunity to shorten the 4th, 5th and 6th South viaducts and consolidate the railroad corridor west of 600 West. It was necessary for Amtrak to relocate to make this possible. The City agreed to build a permanent facility for Amtrak in return for their agreement to move. In consideration of the transfer of ownership of the Hub, UTA has agreed to build the permanent Amtrak facility and related parking and transit plaza at an estimated cost of \$2 million. UTA will be eligible for federal reimbursement of this cost over time, but there is no guarantee those funds will be received, and, if the City had retained responsibility to build the facility, it would have had to pay the 20% match, a total of \$400,000 plus the upfront and ongoing financing costs.

3. UTA has argued that the City has a duty to extend TRAX from the Delta Center to the Hub. UTA has agreed to fund the extension on a roughly 75/25 basis in consideration of the Hub transfer, and in so doing, UTA argues it is more than compensating the City for transfer of the Hub. UTA will seek federal reimbursements for up to 50% of the TRAX costs. Of the City's \$8.5 million (25%) funding share, \$2 million has already been funded by UTA, resulting in an actual City share of \$6.5 million, or 20%.

4. UTA will assume responsibility for remediation of the derelict north warehouse on the Hub site. It is a public nuisance and a liability and must either be torn down, at an estimated cost of \$300,000, or rehabilitated.

5. UTA will assume responsibility for obtaining federal grants to complete the transit related projects. For several years, the City has had to concentrate our staff resources on obtaining such grants. UTA's assumption of this responsibility will free the City to pursue grants in other areas.

6. UTA will assume all obligations under existing agreements relating to the Hub, including the leases with Greyhound and Amtrak.

Payments under these leases essentially cover the City's ongoing costs of operation, and the leases are not considered assets by the City.

7. UTA will assume all responsibility and liability for further development of the project and management of the Hub on a day-to-day basis.

Salt Lake City receives benefits from granting UTA a 100-year right-of-way franchise to use City streets to construct and operate a light rail extension from the Delta Center station to the Hub, without receiving a franchise fee in return. UTA is providing the City with an important addition to our transit system that will substantially improve the City's transportation options and increase development potential in the area. This agreement is an essential part of the entire Hub transfer package.

With regard to the Hub transfer, there are also numerous intangible benefits to the City. Without further financial responsibility, Salt Lake City will continue to reap the benefits of transit development and related commercial development in the area with the inevitable increase in property values and taxes as well as sales tax.

Meeting Salt Lake City's Purposes and Enhancing the Quality of Life for Residents: Salt Lake City Corporation has made enhanced mass transit a major focus in the effort to reduce air pollution and global warming. The City has adopted a performance measurement tool called the Balanced Scorecard to assist the City in articulating strategic goals, measures and targets for all departments and divisions within the City. The Balanced Scorecard is divided into eight focus areas, including Community Building/Diversity, and Revitalization of Downtown/Neighborhoods, Economic Development and Growth/Quality of Life. The accompanying goals include strengthening neighborhoods by investing in quality of life initiatives, revitalizing downtown by improving the City's economic base, increasing the number of people living and working downtown, and protecting and enhancing the environment.

Therefore, at least four of the City's eight identified focus areas will be positively impacted by the Salt Lake City Intermodal Hub and the extension of TRAX to the Hub. It was necessary to reach the Hub transfer and right-of-way agreements with UTA to make these projects economically feasible for the City at the least possible cost to taxpayers.

Accomplishing Salt Lake City's Goals : The proposed Hub transfer and right-of-way franchise agreements are necessary and appropriate to accomplish Salt Lake City's goal of revitalizing downtown. As travel downtown is made easier, it will almost certainly lead to many future visits, thus assisting in the accomplishment of a major City goal -bringing people downtown to live, work and play.

Enhanced mass transit opportunities will also protect our environment by offering alternatives to commuting in personal vehicles and driving in the downtown area.

ROSS C. "ROCKY" ANDERSON
MAYOR



SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

COUNCIL TRANSMITTAL

TO: Rocky Fluhart, Chief Administrative Officer *[Signature]* **DATE:** March 31, 2006

FROM: D.J. Baxter, Senior Advisor to the Mayor *[Signature]*

RE: Salt Lake City and the Utah Transit Authority Hub/TRAX Interlocal

STAFF CONTACT: Mary Guy-Sell, Hub Project Manager, at 535-6244 or mary.guy-sell@slcgov.com

RECOMMENDATION: That the City Council schedules a briefing to hear the Administration's recommendations for the Hub/TRAX Interlocal

DOCUMENT TYPE: Briefing

BUDGET IMPACT: FY 07 - none

DISCUSSION:

The Salt Lake City Administration recommends approval of the Interlocal Agreement (ILA) Regarding Design and Construction of the Gateway Intermodal Terminal Connection to the TRAX LRT Project between Salt Lake City (City) and the Utah Transit Authority (UTA). The ILA addresses the following key issues.

1. TRAX Connection Project Scope:
 - a. Extend the TRAX line from the Delta Center to the Hub (refer to fig. 1).
 - b. Build the Hub and 125 S 400 W stations with the TRAX connection
 - c. Build the "wow" and structural footings/foundations for the 525 W 200 S station.
 - d. The 525 W 200 S station shall be built-out by UTA once the total combined average weekday passenger boardings at the 400 West Station and Delta Center Station reaches 3,500; or by May 1, 2012, whichever occurs first.
2. TRAX Connection Project Schedule:
 - a. Begin construction in July 2006.
 - b. Complete construction by December 2007 which will meet the early commuter rail completion date.

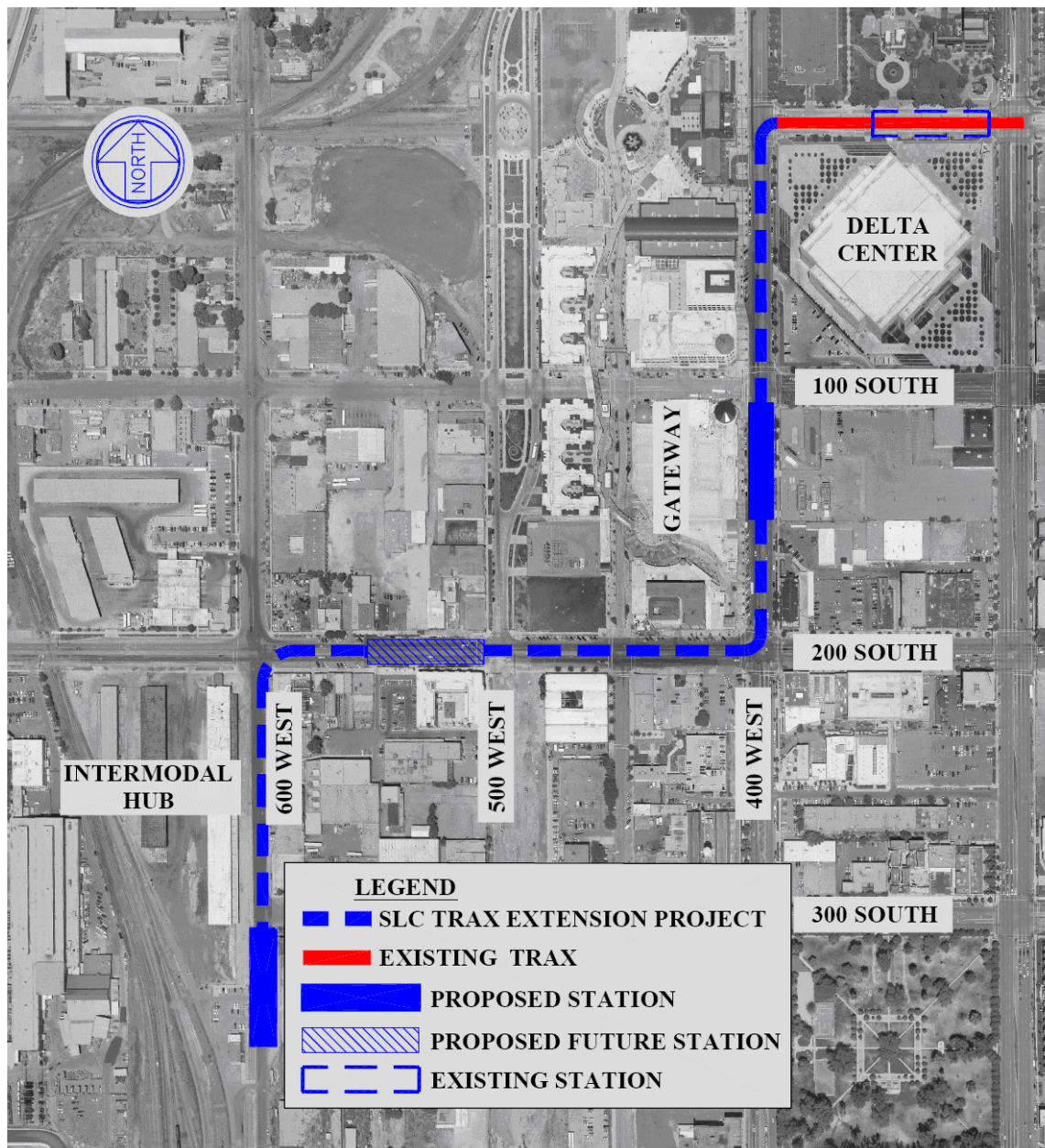


Figure 1 – TRAX Alignment

1. TRAX Connection Project Funding:

Salt Lake City	\$ 8.45 million (includes complete costs for 525 W 200 S station)
UTA/FTA	<u>\$23.63</u> million
Total Budget	\$32.08 million

In addition to the City's share of the project budget, the City will fund/waive all permits and impact fees for the project. These costs are estimated to be less than \$30,000.

The City and UTA have identified deductive alternates (ILA Exhibit G) which will be used to reduce costs if the project bid exceeds the budget.

The full costs for constructing the 525 W 200 S station are identified in Salt Lake City's share of the project budget. The portion of funds not expended on the initial phase of constructing the station will be encumbered in the City's Hub Enterprise Fund to be used by UTA for build-out of the future station. UTA shall pay any additional costs to construct the station in excess of the budgeted amount.

2. Project Management

Project Integration Team: The project will be managed by the Project Integration Team consisting of two City staff (John Naser and Chuck Call) and two UTA staff. UTA will contract for the Construction Manager/General Contractor.

Traffic and Staging Plans: The contractor is responsible for developing traffic and staging plans which coordinate holiday and other significant event planning for the impacted businesses. The contractor shall also be responsible for mitigating impacts to the Gateway parking garage throughout construction.

Public Outreach: A Public Outreach plan will be developed by the contractor and approved by both the City and UTA. The goal is to ensure that the impacted businesses, residents, and other property owners are kept well-informed and are able to provide input throughout the construction process.

3. Art in Transit

The project includes \$250,000 (approximately 1% of the construction costs) for Art in Transit. The Art in Transit project will be coordinated between the Salt Lake City Arts Council and UTA.

4. Transfer of Hub Ownership

The City shall transfer ownership of the Hub to UTA as part of the ILA. The City shall assign the Greyhound and Amtrak leases to UTA. In consideration for transferring ownership, UTA shall provide funding for the TRAX connection, complete the Hub transit plaza, build-out the Amtrak facility, and provide for on-site surface parking. UTA shall develop the Hub site in accordance with the Hub Site Development Plan (ILA Exhibit K) and the requirements of Gateway Mixed-use zoning. A Joint Development Committee has been established that is comprised of 3 UTA representatives, 3 City representatives (to be appointed by the Mayor) and an RDA representative. The intent of the committee is to "promote and support development of the Intermodal Hub Property, by initiating and proposing ideas, concepts and plans for consideration and action by UTA."

5. Public Way Use Agreement: The Public Way Use Agreement permits UTA to construct, operate, and maintain the TRAX line in city streets.

Future Hub Briefing Issues

1. 500 West / 200 South Intersection Reconstruction

Construction of the TRAX line along 200 South provides the opportunity for reconstructing the 500 West 200 South intersection to the full Park Block width. The Boyer Company is planning to construct an office building on the north side of 500 West between the 500 West Park Block right-of-way and Rio Grande Street.

City Engineering has estimated the costs for reconfiguring the 500 West / 200 South intersection to the full Park Block width at around \$2.5 million. This estimate includes the relocation of two existing power poles which will intrude into the proposed roadway. The RDA has identified \$2 million in costs for their project to bury the transmission lines on 500 West from 200 South to 700 South.

- The TRAX line has been designed to accommodate the widening of 500 West at 200 South.
- The street widening project cannot be reduced in scope nor can the work be completed in phases.
- It is not essential to complete the RDA project at the same time as the street-widening project.
- If the street widening project is delayed beyond construction of the TRAX line, it will not impact TRAX operations to complete the project in the future.

2. Capital Contribution Reimbursement

In 1999, the General Fund loaned the Hub project approximately \$6.4 million dollars for construction of the Intermodal Hub. The following plan has been developed to reimburse those monies

\$ 6.4 million loan (capital contribution)
\$-3.3 million FTA reimbursements (2007 - ?)
\$-1.8 million Class C road funds for 200 South reconstruction (FY 09)

\$ 2.3 million fund through future CIP and RDA requests

3. Redevelopment Agency (RDA) Interlocal Agreement

An interlocal agreement between the City and the RDA is being developed to identify RDA's interests in the TRAX Connection project and future Hub development. The agreement will be transmitted to the RDA Board for a May 9 briefing.

SALT LAKE CITY ORDINANCE

No. _____ of 2006

(Relating to the TRAX extension project, extending light rail service from the Delta Center Station to the Salt Lake City Intermodal Hub; the granting by Salt Lake City to Utah Transit Authority of certain City street surface rights for the operation of such light rail extension; the conveyance of the Salt Lake City Intermodal Hub to Utah Transit Authority; and related matters)

* * *

AN ORDINANCE (1) APPROVING, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, AN INTERLOCAL AGREEMENT BY AND BETWEEN SALT LAKE CITY CORPORATION AND UTAH TRANSIT AUTHORITY (A) RELATING TO THE DESIGN, CONSTRUCTION, OWNERSHIP AND FUNDING OF AN EXTENSION OF THE TRAX LIGHT RAIL LINE FROM THE DELTA CENTER STATION TO THE SALT LAKE CITY INTERMODAL HUB, (B) PROVIDING FOR TWO LIGHT RAIL STATIONS BETWEEN THE DELTA CENTER STATION AND THE INTERMODAL HUB, (C) PROVIDING FOR THE CONVEYANCE BY SALT LAKE CITY OF THE INTERMODAL HUB SITE AND THE IMPROVEMENTS THEREON TO UTAH TRANSIT AUTHORITY, AND (D) PROVIDING FOR OTHER RELATED MATTERS; (2) AUTHORIZING THE ASSIGNMENT TO UTAH TRANSIT AUTHORITY OF CERTAIN CONTRACTS RELATING TO THE SALT LAKE CITY INTERMODAL HUB AND THE TRAX EXTENSION PROJECT; (3) AUTHORIZING THE EXECUTION AND DELIVERY OF A PUBLIC WAY USE AGREEMENT GRANTING TO UTAH TRANSIT AUTHORITY CERTAIN CITY STREET SURFACE USE RIGHTS FOR OPERATION OF THE LIGHT RAIL EXTENSION; AND (4) AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY TO CONSUMMATE THE FOREGOING TRANSACTIONS; AND RELATED MATTERS.

* * *

WHEREAS, Title 11, Chapter 13, Utah Code Annotated, allows public entities to enter into cooperative agreements to provide joint undertakings and services; and

WHEREAS, Salt Lake City, Utah (the "City") and Utah Transit Authority ("UTA") desire to (a) provide for the design, construction, funding and ownership of facilities extending TRAX light rail line service from the Delta Center Station to the Salt Lake City Intermodal Hub (the "Hub"), (b) provide for the granting by the City to UTA of certain City street surface use rights, pursuant to a Public Way Use Agreement, for the operation of such TRAX light rail line, (c) provide for the conveyance by the City to UTA of the Hub, the Hub site and all related improvements, (d) provide for the assignment by the City to UTA of certain contracts relating to the Hub and the TRAX

extension project, and (e) make all other arrangements necessary or desirable in connection with the foregoing, and for this purpose have proposed entering into an interlocal cooperation agreement, as authorized by the Act; and

WHEREAS, a proposed interlocal cooperation agreement entitled "Interlocal Agreement Regarding the Design and Construction of the Salt Lake City Intermodal Terminal Connection to TRAX LRT Project Between Salt Lake City Corporation and Utah Transit Authority" (such interlocal cooperation agreement, including all exhibits attached thereto, being referred to herein as the "Interlocal Agreement"), has been negotiated, and has been presented to and is now before the City Council for consideration; and

WHEREAS, pursuant to the requirements of Section 10-8-2(3), Utah Code Annotated, a study has been performed setting forth an analysis and demonstrating the purpose for making the conveyances, assignments and grants contemplated by the Interlocal Agreement (the "Study"); and

WHEREAS, the City Council has, following the giving of not less than fourteen (14) days public notice, conducted a public hearing relating to the foregoing, in satisfaction of the requirements of Sections 10-8-2(3) and 10-8-2(4), Utah Code Annotated; and

WHEREAS, the Council has reviewed the Study, and has fully considered the analysis and conclusions set forth therein, and all comments made during the public hearing; and

WHEREAS, the City Council desires at this time to approve such Interlocal Agreement and all transactions contemplated therein,

NOW THEREFORE, BE IT ORDAINED by the City Council of Salt Lake City, Utah, as follows:

1. The City Council hereby adopts the conclusions set forth in the Study, and hereby finds and determines that, for all the reasons set forth in the Study, the conveyances and assignments contemplated by the Interlocal Agreement are supported by full and adequate consideration, both tangible and intangible.

2. That the Interlocal Agreement, in substantially the form presented to the City Council at the public meeting at which this Ordinance is adopted, is hereby approved, and Ross C. Anderson, Mayor of the City, or his designee, is hereby authorized to execute and deliver the Interlocal Agreement on behalf of the City, subject to such minor changes as do not materially affect the rights and obligations of the City thereunder and as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

3. The assignment by the City to UTA of all contracts contemplated in the

Interlocal Agreement to be so assigned, is hereby approved, and the Mayor, or his designee, is hereby authorized to execute and deliver on behalf of the City such documents as shall be deemed by the Mayor to be necessary or desirable to effect such assignments, including without limitation the Assignment and Assumption Agreement for Greyhound Lease, and the Assignment and Assumption Agreement for Amtrak Lease, in substantially the form of such Agreements attached to the Interlocal Agreement, subject to such minor changes as do not materially affect the rights and obligations of the City thereunder and as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

4. That certain Public Way Use Agreement, in substantially the form attached to the Interlocal Agreement, is hereby approved, and the Mayor, or his designee, is hereby authorized to execute and deliver such Agreement on behalf of Salt Lake City Corporation, subject to such minor changes as do not materially affect the rights and obligations of the City thereunder and as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

5. The Mayor, or his designee, is hereby authorized to execute and deliver all documents, certificates and showings, and to otherwise take any and all actions, deemed by the Mayor to be reasonably necessary or desirable to consummate the transactions contemplated by the foregoing.

6. Each of the foregoing documents authorized and approved by this Ordinance shall take effect on the date last signed by all necessary signatories.

7. This Ordinance shall become effective immediately upon publication of notice thereof by the Salt Lake City Recorder.

Passed by the City Council of Salt Lake City, Utah, this ____ day of _____, 2006.

SALT LAKE CITY COUNCIL

By: _____
CHAIRPERSON

ATTEST AND COUNTERSIGN:

CHIEF DEPUTY CITY RECORDER

APPROVED AS TO FORM
AND LEGALITY:


SENIOR CITY ATTORNEY

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INTERLOCAL AGREEMENT REGARDING

THE DESIGN AND CONSTRUCTION OF

THE SALT LAKE CITY INTERMODAL TERMINAL

CONNECTION TO TRAX LRT PROJECT

BETWEEN SALT LAKE CITY CORPORATION

AND UTAH TRANSIT AUTHORITY

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THIS INTERLOCAL AGREEMENT REGARDING THE DESIGN AND CONSTRUCTION OF THE SALT LAKE CITY INTERMODAL TERMINAL CONNECTION TO TRAX LRT PROJECT (the “Agreement”) is entered this ____ day of _____ 2006 by and between Salt Lake City Corporation, a municipal corporation and political subdivision of the State of Utah (the “City”), and Utah Transit Authority, a public transit district and political subdivision of the State of Utah (“UTA”). The City and UTA are hereafter sometimes collectively referred to as “parties” and either may be referred to individually as “party,” all as governed by the context in which such words are used.

RECITALS

WHEREAS, UTA owns and operates a light rail public transportation system (the “TRAX System”) within Salt Lake County, all segments of which currently extend to 350 West South Temple Street (the “Delta Center Station”) in Downtown Salt Lake City;

WHEREAS, UTA is constructing a high-speed commuter rail passenger system (the “Commuter Rail System”), the initial phase of which will extend from Weber County in the north to the Salt Lake City Intermodal Terminal (the “Intermodal Hub”) at approximately 600 West and 300 South in Downtown Salt Lake City;

WHEREAS, the City has substantially completed construction of Phases I and II of the Intermodal Hub utilizing City funding, with partial federal reimbursements provided through UTA;

WHEREAS, in order to connect the Commuter Rail System with the Salt Lake Central Business District, to stimulate growth and development adjacent to the Intermodal Hub, to redevelop a “blighted” area that is part of the Depot District and Central Business District redevelopment project areas, to physically connect the Commuter Rail System to the TRAX System, and to increase the convenience and usage of public transportation within Downtown Salt Lake City, the parties are cooperating to extend the TRAX System six (6) blocks from the

Intermodal Hub to the Delta Center Station (the rail, roadway and utilities, and all design, construction and other work related thereto, are hereafter referred to as the “Project”);

WHEREAS, the City has retained a consultant to perform the design work for the Project;

WHEREAS, UTA will retain a construction manager/general contractor to oversee and/or perform the construction work for the Project;

WHEREAS, the parties will each bear a portion of the Project costs as outlined in this Agreement;

WHEREAS, the Project will be constructed within public right-of-way owned by the City and will require the modification of City-owned roadways and roadway improvements;

WHEREAS, the Project will require the protection, modification or relocation of public utilities owned by the City;

WHEREAS, in connection with the development of Commuter Rail System and TRAX System improvements at the Intermodal Hub, the City will transfer ownership of the Intermodal Hub to UTA;

WHEREAS, there is an existing August 25, 1999 Interlocal Agreement entered between the parties and the parties intend that, unless specifically identified in this Agreement, all existing and prospective obligations under that Interlocal Agreement shall be superseded by this Agreement;

WHEREAS, this Agreement is entered into under and pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Act”), and the parties desire to evidence compliance with the terms and provisions of the Act; and

WHEREAS, the parties wish to enter this Agreement in order to identify and confirm their mutual agreements regarding the numerous issues related to the Project.

AGREEMENT

NOW, THEREFORE, on the stated 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:

ARTICLE I. DEFINITIONS

In addition to other terms that may be defined throughout this Agreement, the following capitalized terms shall have the meanings indicated below:

1.1 “Amtrak” means the National Railroad Passenger Corporation, which operates a passenger station and train servicing facility at the Intermodal Hub.

1.2 “Art in Transit” means the incorporation of artwork into public transit facilities in accordance with Federal Transit Administration Circular 9400.1A.

1.3 “Change” means any deletion, addition or other modification to the Project scope made after both the execution of the CM/GC Contract and the establishment of the GMP, which deletion, addition or modification results in a claim for a change order under the CM/GC Contract.

1.4 “City” means Salt Lake City Corporation, a municipal corporation and political subdivision of the State of Utah.

1.5 “City Representative” means the person so designated pursuant to Section 7.4 of this Agreement.

1.6 “City Right-of-Way” means those portions of 400 West Street, 200 South Street and 600 West Street that are owned by the City and will be occupied by TRAX System improvements as shown on Exhibit A to this Agreement.

1.7 “CM/GC” means the construction manager/general contractor with whom UTA will contract to: (a) coordinate with the Consultant during final design; (b) provide

preconstruction value engineering and constructability reviews; (c) prepare Traffic and Staging Plans and Public Outreach Plans (as such terms are defined in Article IX of this Agreement) for review by the parties; (d) construct those portions of the Project to be self-performed by the CM/GC; (e) procure, manage and oversee those portions of the Project to be subcontracted; and (f) negotiate and establish a GMP for the Project as identified in the CM/GC Contract.

1.8 “CM/GC Contract” means the contract UTA will execute with the CM/GC.

1.9 “Commuter Rail System” means the 44-mile commuter rail passenger line currently under construction and extending from Pleasant View City to the Intermodal Hub, and includes any future extensions, additions or modifications to such commuter rail line.

1.10 “Construction Submittals” means all construction schedules, construction staging plans, utility shutdown plans, Traffic and Staging Plans and Public Outreach Plans (as such terms are defined in Article IX of this Agreement), QA/QC plans, fabrication drawings, approved equals requests, value engineering proposals, product and test data and other deliverables that are provided by the CM/GC from time to time for review, approval or comment pursuant to the CM/GC Contract.

1.11 “Consultant” means the design consultant with whom the City has contracted to provide preliminary engineering and final design services, construction engineering and administration services, cost estimating and similar work for the Project.

1.12 “Consultant Contract” means the contract the City has entered with the Consultant.

1.13 “Delta Center Station” means the existing light rail station located at approximately 350 West South Temple Street.

1.14 “Design Submittals” means all interim drawings, specifications, basis of design documents, design assumptions, “over-the-shoulder” review items or other matters that are submitted by the Consultant from time to time for review, comment or determination in the preparation of 90% Design Drawings and Final Design Drawings.

1.15 “Final Design Drawings” means the final set of drawings, specifications and cost estimates sealed by the design engineer of record for the Project and prepared to conform with the GMP for the Project.

1.16 “FTA” means the Federal Transit Administration, the public transportation modal administration for the United States Department of Transportation.

1.17 “GMP” means the “not to exceed price” to be paid to the CM/GC for the performance of construction and other work related to the Project.

1.18 “Indemnified Party” has the meaning set forth in Article XIII of this Agreement.

1.19 “Indemnifying Party” has the meaning set forth in Article XIII of this Agreement.

1.20 “Intermodal Hub” means the Salt Lake City Intermodal Terminal constructed by the City with funding provided (or to be provided) in part by an FTA grant and including (or to include): (a) Greyhound facilities; (b) Amtrak facilities; (c) UTA bus facilities; (d) TRAX System facilities; (e) Commuter Rail System facilities; and (f) other improvements and facilities constructed from time to time.

1.21 “Greyhound” means Greyhound Lines Inc., which operates a passenger station and bus maintenance facility at the Intermodal Hub.

1.22 “Ninety Percent (90%) Design Drawings” means the set of drawings, specifications and cost estimates for the Project at 90% completion. “Ninety Percent (90%) Design Drawings” also means any additional deliverables that the Consultant is required to provide for the “Final Design Phase” pursuant to the Consultant Contract

1.23 “Performance Specifications” has the meaning set forth in Article V of this Agreement.

1.24 “Project” means the design, construction, systems integration, startup testing and other work necessary for the connection of the Intermodal Hub to the TRAX System.

1.25 “Project Budget” means the total amount allocated to the Project by the parties under this Agreement through local funds and anticipated federal grants. The Project Budget is attached as Exhibit C of this Agreement.

1.26 “Project Integration Team” means the committee comprised of representatives from each party, which committee is responsible for reviewing relevant Project matters for the parties. The composition of the Project Integration Team is set forth in Section 7.1 of this Agreement.

1.27 “Project Policy Team” means the dispute resolution and policy setting committee created pursuant to Section 7.5 of this Agreement.

1.28 “Project Schedule” means the proposed completion dates for Project milestones attached as Exhibit D to this Agreement.

1.29 “RDA” means the Redevelopment Agency of Salt Lake City, a body corporate and politic of the State of Utah.

1.30 “RFP” has the meaning set forth in Section 9.1 of this Agreement.

1.31 “Sixty Five Percent (65%) Design Drawings” means the set of drawings, specifications and cost estimates for the Project at 65% completion, which were prepared by the Consultant prior to the execution of this Agreement and which constitute the baseline for the Project scope and the Project Budget. The Sixty Five Percent (65%) Design Drawings are attached as Exhibit B of this Agreement.

1.32 “TRAX System” means the current Sandy and University TRAX Lines operated by UTA and includes any future projects, extensions, additions or modifications to such light rail lines. Upon completion of the Project, the term TRAX System shall include the six-block extension to the Intermodal Hub.

1.33 “UTA” means the Utah Transit Authority, a public transit district and political subdivision of the State of Utah.

1.34 “UTA Representative” means the person so designated pursuant to Section 7.3 of this Agreement.

ARTICLE II. STATUS OF PROJECT; PURPOSE OF AGREEMENT

2.1 Prior to the execution of this Agreement, the City retained the Consultant to prepare 65% Design Drawings, 90% Design Drawings and Final Design Drawings for the Project. The 65% Design Drawings have been accepted and approved by both parties and form the baseline for the Project scope and the Project Budget. The City has authorized the Consultant to proceed with final design of the Project. While the City will be the contracting party with respect to the Consultant Contract, the rail improvements constructed pursuant to the Project will ultimately be accepted, owned, operated and maintained by UTA as part of the TRAX System. Accordingly, it is important that the Project be designed in close coordination with UTA, and in accordance with UTA’s Light Rail Criteria Manual and other design and operational requirements and subject to the City’s needs, standards and requirements.

2.2 After consultation with the City, UTA will select and contract with the CM/GC responsible for Project construction. While UTA will be the contracting party with respect to the CM/GC Contract, the Project will be constructed in the City Right-of-Way and will affect traffic patterns and commercial and residential access within the City. Project construction will also impact public utilities, roadway improvements and other City-owned facilities. Hence, it is important that the Project be constructed in close coordination with the City and in accordance with the City’s engineering standards and requirements for public utility shutdowns, road closures, maintenance of commercial and residential access and similar matters.

2.3 As part of this Agreement, UTA will assume ownership and responsibility for and with respect to the Intermodal Hub and the operation thereof.

2.4 Therefore, the parties have entered into this Agreement for the following primary purposes:

2.4.1 To identify and document the interests and objectives of each party with respect to the Project and establish minimum Project requirements. This Agreement shall constitute the guiding document governing the Project and shall be referenced in the Consultant Contract and the CM/GC Contract.

2.4.2 To identify the allocation of Project costs between the parties.

2.4.3 To describe the respective responsibilities of the parties and establish cooperative procedures that will achieve the objectives identified herein.

2.4.4 To establish mechanisms for resolving any disputes between the parties arising in connection with the Project.

2.4.5 To establish the terms and conditions pursuant to which the City will convey fee title to the Intermodal Hub.

ARTICLE III. TERM

This Agreement shall be effective as of the date of execution by both parties and, unless otherwise agreed between the parties, shall continue thereafter in full force and effect until all obligations, commitments and requirements have been fully performed as set forth hereunder. Nothing provided herein shall be construed so as to exceed the term limitation provided in UCA §11-13-204 (as amended). The expiration or termination of this Agreement shall not relieve or excuse either party of any obligations accruing prior to the expiration or termination hereof including, without limitation, the covenants and warranties made hereunder and any obligations accruing under the indemnification provisions set forth in Article XIII of this Agreement.

ARTICLE IV. PROJECT DESCRIPTION

4.1 The Project shall be constructed in the City Right-of-Way. The Project shall be built with a center-of-street configuration, except for those portions constructed at the Intermodal Hub. The Project shall be integrated into the TRAX System and shall be generally consistent with the details and specifications of the TRAX System and standard reconstruction of City roadway pavement and utility improvements, storm drainage sidewalk improvements, street lights

and traffic signals. The scope of the Project is detailed in the 65% Design Drawings attached as Exhibit B of this Agreement.

4.2 A terminal station shall be constructed at the Intermodal Hub. The details and specifications for the transit plaza, including the terminal station, shall be consistent with the City's site plan for the Intermodal Hub attached as Exhibit E.

4.3 One intermediate station shall be constructed at approximately 125 South 400 West (the "400 West Station") as part of the initial build-out of the Project. This station shall be opened for revenue service with the Project. The station details and specifications shall be similar to other Downtown stations within the TRAX System.

4.4 The infrastructure and track alignment for a second intermediate station shall be constructed at approximately 525 West 200 South (the "200 South Station") as part of the initial build-out of the Project. The scope of the 200 South Station infrastructure shall be determined by the Project Integration Team. The City shall fund an amount equal to the difference between the cost of building the 400 West Station and the cost of building the 200 South Station infrastructure. This amount is part of the City's local funding commitment under Section 6.3 and shall be held by the parties to complete final build-out the 200 South Station. The future 200 South Station shall be completed upon the first to occur of the following events: (a) the total combined average weekday passenger boardings at the 400 West Station and Delta Center Station reach 3,500; or (b) May 1, 2012. When the first of the aforementioned events occurs as described above, UTA shall complete construction of the 200 South Station and place it into revenue service within one year or, if completion within one year is not practicable, as quickly as reasonable diligence allows. Any costs for constructing the 200 South Station in excess of the amounts provided by the City (as set forth above) shall be the sole responsibility of UTA.

4.5 The City shall grant UTA the right to construct, operate and maintain the Project in City Right-of-Way pursuant to an agreement in substantially the same form as the Public Way Use Agreement attached as Exhibit F to this Agreement.

4.6 The Project shall be constructed in general accordance with the Project Schedule attached as Exhibit D to this Agreement. The Project Schedule is coordinated with the anticipated opening of the Commuter Rail System and the parties acknowledge the importance of completing the Project prior to the opening of the Commuter Rail System. The parties agree to cooperate and coordinate in good faith to complete the Project in accordance with the Project Schedule.

4.7 The Project Budget includes an Art in Transit line item of one percent (1%) of the Project construction costs or \$250,000, whichever is less. The Art in Transit budget includes amounts for all three stations and will fund all artwork, artist's fees and all costs necessary to integrate Art in Transit into the Project. The purpose of the Art in Transit program is to enhance the TRAX stations by integrating an aesthetic component to the Project reflecting the character, history and cultural context of the CBD and Depot Districts. The Salt Lake Art Design Board (the "Art Design Board"), with administrative support from the Salt Lake City Arts Council, shall: (a) issue a request for qualifications for the public art to be incorporated into the stations; (b) review the materials submitted in response to the request for qualifications; (c) include City and UTA representatives at review meetings; and (d) provide a recommendation for the artist(s) to be selected for Art in Transit. Final approval for the artist(s) to be selected shall be made by the Salt Lake City Mayor and the General Manager of UTA. The Art Design Board shall not recommend any artwork that: (x) creates a potential safety hazard with respect to the operation of the TRAX System; or (y) materially increases the operation or maintenance costs of the TRAX System. UTA and the City shall contract with the approved artist(s). The City Arts Council shall serve as project manager for any Art in Transit project and UTA shall serve as budget manager. UTA shall cause the installation of supporting improvements for the approved artwork to be included within the scope of the CM/GC Contract with budget provided from the Art in Transit account.

4.8 The City agrees to fund all required City permits, connection and impact fees related to the Project as part of its Project costs.

4.9 The Project represents a major cooperative effort between the parties. Each party agrees to cooperate with the other in a manner consistent with the respective commitments and obligations made and assumed under this Agreement. Such cooperation shall include the dedication of personnel and payment of committed funds as necessary to complete the Project according to this Agreement.

ARTICLE V. PERFORMANCE SPECIFICATIONS

The parties agree that the Project shall be designed and constructed, at a minimum, in accordance with the following standards and requirements, which are collectively referred to as the “Performance Specifications.” Unless otherwise agreed by the parties: (a) the City shall cause the Consultant to incorporate the Performance Specifications into Project design; and (b) UTA shall cause the CM/GC to perform all preconstruction and construction work in accordance with the Performance Specifications. The following standards shall constitute the Performance Specifications:

5.1 UTA’s Light Rail Design Criteria Manual.

5.2 Manual of Standard Specifications, as published by the Utah Chapter of the American Public Works Association.

5.3 Manual of Standard Plans, as published by the Utah Chapter of the American Public Works Association.

5.4 The Salt Lake City Public Utilities Department Performance Specifications and Design Criteria for culinary water, sanitary sewer and storm drain facilities.

5.5 The FHWA Manual on Uniform Traffic Control Devices.

5.6 The Traffic Control Manual published by the Utah LTAP Center of Utah State University.

5.7 The City’s as-built construction drawings for the Intermodal Hub.

5.8 The Americans With Disabilities Act, and all rules, regulations, interpretive guidance and other authority promulgated pursuant to the Americans With Disabilities Act.

5.9 Salt Lake City Intermodal Hub Site Management Plan for the Salt Lake City Intermodal Hub.

5.10 All applicable building codes, laws and regulations.

ARTICLE VI. PROJECT BUDGET

6.1 The parties have established a total Project Budget of \$32,000,000. The Project Budget is detailed in Exhibit C to this Agreement.

6.2 UTA shall fund the Project in the amount of \$8,450,000 (26.4% of the total Project cost). This shall consist of local UTA funding.

6.3 The City shall fund the Project in the amount of \$8,450,000 (26.4% of the total Project cost). This shall consist of local City funding. The City has expended or will expend approximately \$2,462,000 toward the Consultant Contract. Actual City expenditures under the Consultant Contract shall be credited toward the City's share of the funding. The City has identified additional funding sources for the balance of its commitment in fiscal years 2007 and 2008. The City shall make these funds available to UTA on a monthly basis over the course of construction. UTA shall invoice the City on a monthly basis for the City's share of construction costs incurred by the CM/GC and paid to the CM/GC by UTA. The City will seek various sources for its share of the Project costs, including contributions from the RDA. RDA contributions will come from funds available associated with the Depot and Central Business Districts.

6.4 UTA shall advance the remaining portion of the Project Budget out of local funding. UTA shall seek to obtain reimbursement for some or all of this \$15,100,000 through one or more federal grants to be issued under the November 2, 2005 Letter of No Prejudice obtained with respect to the Intermodal Hub construction project. UTA shall assume all risks related to obtaining the required federal grants, as well as the appropriation of federal monies

pursuant to such grants. UTA will reimburse the City for any funds paid by the City under this Agreement for which UTA subsequently seeks and receives reimbursements from the FTA.

6.5 UTA shall maintain an accounting system and accounting records that thoroughly track the receipt and expenditure of all City and RDA contributions. The system shall be created and administered in a manner such that the City and RDA are able to affirmatively verify that all contributions are expended in compliance with limitations associated with funding sources from the Depot and Central Business Districts. UTA's accounting system and accounting records shall also satisfy all applicable FTA grant requirements.

6.6 Neither party has allocated or budgeted additional funds for the Project. Accordingly, the City has instructed the Consultant to design the Project to stay within the Project Budget. The Project Budget is based on the 65% Design Drawings, which establish the baseline for the Project scope. To the extent that either party requests a modification to the 65% Design Drawings, and such proposed modification will increase Project costs in a manner that increases the overall Project Budget, the requesting party shall agree to unilaterally fund the incremental cost.

6.7 To the extent it at any time becomes apparent from the cost estimates that the scope of design (as established by the 65% Design Drawings and refined during final design) shall cause the Project to exceed the Project Budget, the City shall cause the Consultant to reduce the scope of the Project. Reductions in scope shall be made in accordance with the priorities listed in the attached Exhibit G. In lieu of reducing the scope of the Project: (a) both parties may jointly agree to increase the Project Budget by written amendment to this Agreement, and based upon the Project Budget percentages identified in Sections 6.2 and 6.3 of this Agreement or as otherwise agreed; or (b) either party may agree to unilaterally fund any item that would otherwise be deleted from the scope of the Project. Nothing provided in this Section shall be construed so as to require or allow the Project to be designed in material conflict with any applicable Performance Specification unless otherwise agreed in writing by the parties.

6.8 Upon approval of the 90% Design Drawings, including construction cost estimates, UTA shall negotiate with the CM/GC a GMP (guaranteed maximum price) for construction. The GMP shall be consistent with the Project Budget. If UTA is unable to negotiate a GMP that is consistent with the Project Budget, the parties shall meet and determine whether to: (a) jointly increase and fund the Project Budget by written amendment to this Agreement, and based upon the Project Budget percentages identified in Sections 6.2 and 6.3 of this Agreement or as otherwise agreed; (b) reduce Project costs through modification or reduction in the scope of the Project; (c) allow either party to unilaterally fund any item that would otherwise be deleted from the scope of the Project; or (d) reduce Project costs through implementation of value engineering proposals. Reductions in the scope of the Project shall be made in accordance with the priorities listed in the attached Exhibit G. Nothing provided in this Section shall be construed so as to require or allow the Project to be constructed in material conflict with any applicable Performance Specification unless otherwise agreed in writing by the parties. The 90% Design Drawings shall be advanced to Final Design Drawings conforming to the established GMP.

6.9 After a GMP for construction is reached with the CM/GC, any incremental Project costs resulting from Changes shall be financed in accordance with this Section 6.9. Incremental costs that result from changed site conditions or other circumstances that were unknown to the parties at the time that the GMP was determined, shall be borne by the parties based upon the Project Budget percentages identified in Sections 6.2 and 6.3 of this Agreement or as otherwise agreed. Incremental costs resulting from a Change that is mutually agreed to by the Parties shall be borne by the parties based upon the Project Budget percentages identified in Sections 6.2 and 6.3 of this Agreement or as otherwise agreed. Incremental costs resulting from a Change requested by one party, but not accepted by the other party, shall be borne solely by the requesting party.

6.10 As part of the Project Budget, a sum of \$100,000 shall be deposited into an escrow account to be used by UTA to fund future maintenance, restoration and replacement of the Art in Transit improvements installed at the stations.

ARTICLE VII. PROJECT MANAGEMENT AND DISPUTE RESOLUTION

7.1 The parties hereby create a Project Integration Team consisting of the UTA Representative, the City Representative and additional representatives as agreed by the parties from time to time. The Project Integration Team shall: (a) review and approve relevant deliverables as set forth in this Agreement; (b) provide day-to-day input to the Consultant and the CM/GC as necessary for the Project design and construction; (c) implement modifications to the Project scope (as set forth in Exhibit G) as may be necessary to conform to the Project Budget; (d) if necessary, recommend any amendments to this Agreement changing the Project Budget as contemplated herein; and (e) address and resolve issues, disputes or concerns arising during the course of the Project. The initial members of the Project Integration Team shall be:

For the City:	John Naser	801-535-6240	john.naser@slcgov.com
	Chuck Call	801-483-6840	chuck.call@slcgov.com
For UTA:	Greg Thorpe	801-287-2572	gthorpe@uta.cog.ut.us
	Kevin Cox	801-287-2596	kcox@uta.cog.ut.us

Either party may change some or all of its representatives on the Project Integration Team by delivering written notice to the other party in accordance with the notice provisions set forth in Article XV of this Agreement.

7.2 The parties hereby commit to appoint to the Project Integration Team individuals who shall be dedicated to the Project as necessary to represent the respective interests of the parties, shall participate in the activities of the Project Integration Team as outlined in this Agreement, and shall attend applicable meetings held throughout the Project. Each member of the Project Integration Team shall consult with such technical experts, principals or other personnel of his or her respective party as may be appropriate in the performance of his or her

duties on the Project, and shall obtain any authority or approval required on the part of his or her appointing party prior to authorizing, approving or taking any action on behalf of the Project.

7.3 UTA shall designate the UTA Representative who shall serve on the Project Integration Team and shall be the principal contact point with respect to the CM/GC Contract. Any formal communications, directions, modifications requests for Changes, or other correspondence with the CM/GC shall be delivered by the UTA Representative. The initial UTA Representative shall be Greg Thorpe, UTA Manager of Light Rail Engineering and Construction. UTA may change the UTA Representative from time to time by delivery of written notice to the City as provided in Article XV of this Agreement.

7.4 The City shall designate the City Representative who shall serve on the Project Integration Team and shall be the principal contact point with respect to the Consultant Contract. Any formal communications, directions, modifications, requests for changes, or other correspondence with the Consultant shall be delivered by the City Representative. The initial City Representative shall be John Naser, Senior Engineering Project Manager. The City may change the City Representative from time to time by delivery of written notice to UTA as provided in Article XV of this Agreement.

7.5 The parties hereby create a Project Policy Team which shall be comprised of UTA's Chief Capital Development Officer and the City Engineer, Max Peterson. Any issues that cannot be resolved at the Project Integration Team level shall be elevated to the Project Policy Team for consideration and resolution.

7.6 Any dispute that cannot be resolved by the Project Policy Team shall be forwarded to UTA's General Manager and the City's Deputy Mayor, Rocky Fluhart.

7.7 The parties shall exhaust the dispute escalation and resolution process identified in this Article prior to the initiation of any formal legal action. If a dispute cannot be resolved by the parties after good faith negotiations as outlined in this Article, the dispute may then be brought before a court of competent jurisdiction as set forth in Article XVIII of this Agreement.

ARTICLE VIII. PROJECT DESIGN

8.1 The Consultant has completed the 65% Design Drawings, and the City has given the Consultant authorization to proceed with final design. The 65% Design Drawings constitute the scope of the Project and form the basis for the final design work to be performed by the Consultant.

8.2 The City shall oversee and manage the efforts of the Consultant consistent with the Consultant Contract, the Performance Specifications and the provisions of this Agreement. The City Representative shall be the sole point of formal contact with the Consultant until completion of the 90% Design Drawings. The City recognizes that UTA will have considerable interaction with the Consultant, but the parties agree that UTA shall not provide formal direction to the Consultant under the Consultant Contract.

8.3 Throughout the final design process, the City shall cause the Consultant to provide UTA with the opportunity to review and comment upon all Design Submittals. Each Design Submittal shall state the latest permissible date for receipt of comments, which date must be reasonable given the nature of the Design Submittal. Notwithstanding the identified review period, UTA shall use its best efforts to review and comment upon the Design Submittals in a shorter period of time, if such shorter review time is reasonable. The City shall cause the Consultant to address all comments and objections submitted by UTA with respect to the Design Submittals and to resolve such issues to UTA's reasonable satisfaction.

8.4 The City shall ensure that UTA participates in all formal and informal design meetings and reviews with the Consultant.

8.5 The City shall cause the Consultant to design the Project in a manner such that the cost estimates for construction, including contingency, are consistent with the overall Project Budget. The City shall monitor the design work against the overall Project Budget and shall address any potential overruns identified during the design process consistent with the provisions of Article VI of this Agreement.

8.6 The City shall cause the Consultant to provide UTA with a draft set of 90% Design Drawings. UTA shall have ten (10) days to review and comment upon the 90% Design Drawings. Notwithstanding the 10-day review period, UTA shall use its best efforts to review and comment upon the 90% Design Drawings in a shorter period of time. The City shall cause the Consultant to address all comments and objections submitted by UTA with respect to the 90% Design Drawings and to resolve such issues to UTA's reasonable satisfaction. The 90% Design Drawings shall be used by UTA to negotiate a GMP for the Project. Any changes to the 90% Design Drawings necessitated by the GMP negotiations shall be approved by both parties, and once so approved, shall be incorporated into the Final Design Drawings. The Final Design Drawings shall constitute the final work scope for Project construction.

8.7 Upon completion of the Final Design Drawings, the City shall assign and delegate to UTA, and UTA shall assume, all rights and obligations under the Consultant Contract. UTA shall oversee the construction-phase services to be performed by the Consultant including, without limitation, processing all Construction Submittals, invoices, change orders, requests for clarification and quality control on behalf of the parties as set forth in the Consultant Contract. The City's obligation to assign and delegate the Consultant Contract shall be subject to the City obtaining the consent of the Consultant. Upon assignment of the Consultant Contract, the City shall be released from all obligations under the Consultant Contract, excepting those obligations previously accrued as of the date of assignment.

8.8 The City and UTA each agree to enforce (for such period as each respectively holds the Consultant Contract) all terms, conditions, performance requirements and warranties provided under the Consultant Contract on behalf of the other party, and to cause the Consultant to correct any defective or non-compliant work as required by the Consultant Contract, the Performance Specifications or as reasonably requested by the other party.

ARTICLE IX. PROJECT CONSTRUCTION

9.1 Prior to completion of final design, UTA shall prepare, advertise and disseminate a request for proposals (“RFP”) to be used in the selection of the CM/GC. The RFP shall be based on the 90% Design Drawings. Prior to public dissemination, UTA shall deliver a draft RFP to the City for review and comment. The City shall have fifteen (15) days to review and comment on the draft RFP. Notwithstanding the 15-day review period, the City shall use its best efforts to review and comment upon the draft RFP in a shorter period of time, if such shorter review time is reasonable. The parties shall cooperate and resolve all City comments or objections to the RFP prior to public dissemination.

9.2 UTA shall coordinate the evaluation of proposals received in response to the RFP and the process of selecting the CM/GC. The Project Integration Team shall appoint the selection team for this procurement, which selection team shall evaluate the proposals received in response to the RFP and select the CM/GC. The CM/GC shall be selected according to a “best value” selection process based on the criteria set forth in the approved RFP.

9.3 UTA shall negotiate, prepare, execute and deliver the CM/GC Contract, and shall authorize the CM/GC to proceed with the preconstruction phase of the CM/GC Contract. The CM/GC Contract shall incorporate the scope, terms and conditions of the approved RFP.

9.4 UTA shall ensure that the City participates in all formal and informal meetings and reviews with the CM/GC.

9.5 UTA shall cause the CM/GC to provide the City with the opportunity to review and comment upon all Construction Submittals materially affecting the City, including any Construction Submittals related to the City’s roadway or utility facilities, the Project Budget, the management of traffic during construction or the distribution of construction information to the public. Each Construction Submittal shall state the latest permissible date for receipt of comments, which date must be reasonable given the nature of the Construction Submittal. Notwithstanding the identified review period, the City shall use its best efforts to review and

comment upon the Construction Submittals in a shorter period of time, if such shorter review time is reasonable. UTA shall cause the CM/GC to address all comments and objections submitted by the City with respect to the Construction Submittals, and to resolve such issues to the City's reasonable satisfaction.

9.6 UTA shall oversee and manage the efforts of the CM/GC consistent with the CM/GC Contract, the Performance Specifications and the provisions of this Agreement. UTA shall be the sole point of formal contact with the CM/GC during the preconstruction and construction phases of the Project. UTA recognizes that the City will have considerable interaction with the CM/GC, but the parties agree that the City shall not provide formal direction to the CM/GC under the CM/GC Contract.

9.7 The parties agree and acknowledge that the CM/GC shall begin preconstruction services, construction materials procurement and advance utility work before the approval of the 90% Design Drawings and Final Design Drawings. The parties have selected the CM/GC project delivery method, in part, to allow for value engineering proposals and constructability reviews. This delivery method also allows the CM/GC to provide input regarding Traffic and Staging Plans and Public Outreach Plans (as such terms are defined below) related to the Project. The involvement of the CM/GC during the preconstruction phase may result in changes to the design, or the redesign of certain elements of the Project. The parties agree to cooperate and closely coordinate the work of the Consultant and the CM/GC during the preconstruction phase of the Project in order to minimize duplicative work and to reduce the overall budget for the Project. The parties also agree to manage their respective contracts in a manner that allows for a cooperative and constructive process consistent with the Project Budget, the Project Schedule and the objectives identified in this Agreement.

9.8 UTA shall negotiate a GMP, and shall authorize the CM/GC to proceed with the construction phase of the CM/GC Contract. The GMP shall be consistent with the Project Budget described in Article VI of this Agreement. To the extent UTA is unable to negotiate a GMP for

the work identified in the 90% Design Drawings within the scope of the Project Budget, UTA and the City shall address the potential overruns consistent with the provisions of Article VI of this Agreement. Any changes to the 90% Design Drawings shall be subject to the approval of both parties and, once so approved, shall be incorporated into the Final Design Drawings. The Final Design Drawings shall constitute the final work scope for Project construction.

9.9 UTA shall ensure that the City has access to the Project site as necessary to monitor all Project construction. If, as a result of the City's observation of construction, the City objects to the manner in which work is being performed, the City shall immediately notify the UTA Representative or his or her designee. UTA shall cause the CM/GC to comply with the Final Design Drawings (including any Changes approved by the Project Integration Team), the Performance Specifications and the terms and conditions of this Agreement. The City shall not directly order the CM/GC to stop or correct work except as necessary to prevent or mitigate an imminent threat of death, bodily injury, or other serious damage to persons or property as determined by the City in good faith.

9.10 Any proposed Changes to the CM/GC Contract shall be subject to review and approval of the Project Integration Team. Any incremental costs that result from a proposed Change shall be allocated between the parties as provided in Article VI of this Agreement. Unless otherwise agreed between the parties, no Change will be approved to the extent that the Change would adversely affect the Project Schedule.

9.11 UTA agrees to enforce all terms, conditions, performance requirements and warranties provided under the CM/GC Contract on behalf of the City and to cause the CM/GC to correct any defective or non-compliant work as required by the CM/GC Contract and as reasonably requested by the City.

9.12 To the extent that the Final Design Drawings require privately-owned utility facilities (including but not limited to electric power, gas, telephone, cable or telecommunications) to be relocated, the City will, consistent with applicable law and on a case-

by-case basis, consider exercising any rights it may have under existing contracts, franchise agreements, ordinances or general law to cause such owners to relocate their utilities at the owner's expense. All direct and indirect costs incurred by the City in connection with the enforcement of such contracts, franchise agreements, ordinances or general law shall be borne by the Project.

9.13 In order to minimize the adverse impact of the Project on traffic and abutting property owners and patrons, UTA shall cause the CM/GC to prepare a Maintenance of Traffic and Access Plan, Traffic Control Plan and Construction Staging Plan (the "Traffic and Staging Plans") as part of the CM/GC's scope of work. The Traffic and Staging Plans shall be prepared by a Utah-licensed professional engineer with demonstrated expertise in traffic engineering and the development of maintenance of traffic and access plans in construction areas. The Traffic and Staging Plans shall include measures to minimize traffic disruption, provide traffic safety and assure abutting property access during construction. The Traffic and Staging Plans shall take into account other major construction projects which may affect traffic in and near the area affected by the Project. The Traffic and Staging Plans shall include construction-related traffic mitigation strategies, a signage plan from the 600 South Interchange recommending directions to the Gateway development and other impacted businesses, and construction staging. Notwithstanding the foregoing, the Traffic and Staging Plans shall address: (a) internal and external parking and circulation strategies in and around the Gateway development and other businesses impacted by the Project that would help mitigate any potential impacts of the Project; and (b) prohibitions regarding work performed on the Project during the holiday shopping season. The Traffic and Staging Plans shall be reviewed and approved by the parties.

9.14 In order to minimize the adverse impact of the Project to the community, the parties will cause a public outreach, communication and coordination effort (the "Public Outreach Plan") to be implemented with respect to all construction. Proposals for a Public Outreach Plan will be considered in the selection of the CM/GC, and the Public Outreach Plan will be developed

by CM/GC as part of the pre-construction services. The Public Outreach Plan will be reviewed and approved by the parties.

ARTICLE X. OWNERSHIP AND MAINTENANCE OF IMPROVEMENTS

10.1 Upon satisfactory completion of the track and station improvements constructed pursuant to the Project, UTA shall accept such improvements as part of the TRAX System. UTA shall assume all maintenance and operation responsibility with respect to such improvements, and shall indemnify the City with respect to the operation and maintenance of such improvements, consistent with the terms and conditions of the Public Way Use Agreement attached as Exhibit F.

10.2 Upon satisfactory completion of the utility, roadway, sidewalk and related improvements constructed pursuant to the Project, the City shall accept such improvements as the City's public improvements. The City shall assume all maintenance and operation responsibility with respect to such improvements, and shall indemnify UTA with respect to the operation and maintenance of such improvements, subject to the terms and conditions of the Public Way Use Agreement attached as Exhibit F. Nothing provided in this Section 10.2 shall be construed to limit UTA's obligation to enforce the terms of the CM/GC Contract as set forth in Section 9.11 of this Agreement.

ARTICLE XI. INSURANCE

11.1 The City shall cause the Consultant to maintain the following insurance: (a) professional liability insurance that provides limits of not less than \$5 Million per occurrence with a \$10 Million annual aggregate limit, and that insures the Consultant's obligation to indemnify the City and UTA under the Consultant Contract; (b) commercial general liability insurance with limits of at least \$1 Million per occurrence with a \$2 Million annual aggregate; (c) commercial automobile insurance with limits of not less than \$1 Million for any one accident or loss; and (d) worker's compensation and employer's liability insurance providing coverage for the statutory benefits required by Utah law. The commercial general liability and automobile liability policies shall each include an endorsement naming the City and UTA as additional

insureds. All insurance policies shall include an endorsement prohibiting any modification or cancellation of insurance without 30 days prior notice to the City and UTA. The City shall cause the Consultant to deliver UTA, on an annual basis, insurance certificates evidencing the insurance coverage described above. The Consultant shall be required to maintain the professional liability and commercial general liability insurance for a period of two years following the close out of the Consultant Contract or must provide a comparable “extended discovery” clause or “tail endorsement” to such policies.

11.2 UTA shall cause the CM/GC to maintain the following insurance: (a) commercial general liability insurance with limits of at least \$5 Million per occurrence with a \$10 Million annual aggregate, and that insures the CM/GC’s obligation to indemnify UTA and the City under the CM/GC Contract; (b) commercial automobile insurance with limits of not less than \$1 Million for any one accident or loss; and (c) worker’s compensation and employer’s liability insurance providing coverage for the statutory benefits required by Utah law. The commercial general liability and automobile liability policies shall each include an endorsement naming UTA and the City as additional insureds. All insurance policies shall include an endorsement prohibiting any modification or cancellation of insurance without 30 days prior notice to the UTA and the City. UTA shall cause the CM/GC to deliver the City, on an annual basis, insurance certificates evidencing the insurance coverage described above. The CM/GC shall be required to maintain the commercial general liability insurance for a period of two years following the close out of the CM/GC Contract or must provide a comparable “extended discovery” clause or “tail endorsement” to such policy.

ARTICLE XII. TRANSFER OF OWNERSHIP; INTERMODAL HUB

12.1 The parties acknowledge that:

12.1.1 the land acquisition, development and construction related to the Intermodal Hub were all financed with the City’s local money, part of which has

been reimbursed from the proceeds of an FTA grant with a federal/local matching ratio equal to 80/20 percent, respectively;

12.1.2 UTA has been the primary recipient of the federal funding provided by the FTA and has transferred FTA funds to the City pursuant to an August 25, 1999 Interlocal Cooperation Agreement (Gateway Intermodal Terminal);

12.1.3 the City is eligible to receive reimbursement of additional federal funds for expenditures incurred relative to the development of the Intermodal Hub. Reimbursement for those funds will be received by the City prior to UTA receiving reimbursements for the Project;

12.1.4 pursuant to the August 25, 1999 Interlocal Cooperation Agreement, UTA has been responsible for monitoring and ensuring the City's compliance with respect to federal grant programs mandated by the FTA;

12.1.5 UTA is currently providing bus service to the Intermodal Hub; and

12.1.6 with the addition of TRAX System and Commuter Rail System improvements at the Intermodal Hub, UTA's presence at the Intermodal Hub will increase dramatically.

12.2 The City hereby agrees to convey fee title to the Intermodal Hub and the underlying (estimated) [16.57] acres of real estate to UTA (collectively the "Intermodal Hub Property") as consideration for UTA: (a) assuming the risk of future appropriations of federal monies for the Project; (b) advancing and committing local UTA funds pending receipt of future federal monies; (c) incurring finance costs attributable to the Project pending receipt of federal reimbursement; (d) assuming responsibility for the development of interim pedestrian and parking improvements (as depicted in Exhibit E) as part of the Project; (e) assuming the obligation to relocate the Amtrak station, parking and trackage, and to provide Amtrak with interim passenger facilities, as part of the Project; (f) assuming future responsibility for construction of permanent Amtrak facilities; (g) assuming other obligations under the Amtrak

lease; (h) assuming obligations under the Greyhound lease; (i) assuming future responsibility for the mitigation of the north warehouse building; (j) assuming the City's obligations under the Salt Lake City Intermodal Hub Site Management Plan for the Salt Lake City Intermodal Hub; and (k) assuming operation and maintenance responsibility for the Intermodal Hub. No other consideration beyond the covenants and requirements of this Agreement shall be conveyed.

12.3 Within 30 days following the execution of this Agreement, the City shall convey fee title to the Intermodal Hub Property (including any easements, access rights, covenants, restrictions or other interests appurtenant to and benefiting the Intermodal Hub Property) to UTA by special warranty deed in substantially the same form as that attached as Exhibit H. The conveyance shall be made subject to all matters of record including the existing leases between: (a) the City and Greyhound; and (b) the City and Amtrak. The special warranty deed shall provide that the interest conveyed by the City thereunder shall revert back to the City in the event that UTA (or a successor public transit provider) ceases to use the Intermodal Hub Property for public transportation purposes, or in the event that UTA attempts to convey the Intermodal Hub Property to a third party, excepting a successor public transit provider.

12.4 Upon delivery of the special warranty deed for the Intermodal Hub Property, the City shall execute and deliver an assignment and assumption agreement assigning and delegating the City's rights and obligations under the Greyhound lease. The assignment and assumption agreement shall be in substantially the same form as that attached as Exhibit I.

12.5 Upon delivery of the special warranty deed for the Intermodal Hub Property, the City shall execute and deliver an assignment and assumption agreement assigning and delegating the City's rights and obligations under the Amtrak lease. The assignment and assumption agreement shall be in substantially the same form as that attached as Exhibit J. The assignment and assumption shall be subject to obtaining the required consent to assignment from Amtrak.

12.6 Prior to the execution of this Agreement, UTA has performed the following due diligence with respect to the Intermodal Hub Property: (a) UTA has reviewed the environmental

investigations conducted by the City in conjunction with the City's acquisition of the Intermodal Hub Property, and has conducted additional and/or updated environmental investigations as deemed necessary by UTA; (b) UTA has reviewed the preliminary title commitment for the Intermodal Hub Property and approved all matters set forth on such commitment; (c) UTA has reviewed the Greyhound and Amtrak leases affecting the Intermodal Hub Property and satisfied itself as to the content of such leases; (d) UTA has reviewed the rent rolls and other documents related to the program income (as such term is defined by the FTA) generated from Intermodal Hub Property; (e) UTA has conducted any physical inspections deemed necessary with respect to the Intermodal Hub Property; (f) UTA has reviewed estoppel letters from Greyhound and Amtrak (dated as of the date of this Agreement) stating the basic terms of each lease and providing that the leases are in good standing, in full force and effect, and free of any default or event of default; and (g) UTA has performed any additional due diligence it deemed necessary.

12.7 The City makes the following covenants and warranties with respect to the Intermodal Hub Property, both as of the date of this Agreement, and as of the date the deed is actually delivered: (a) after the date of this Agreement, and prior to the delivery of the special warranty deed, the City shall not have entered into any new contract or agreement with respect to the Intermodal Hub Property that will survive the delivery of the deed or affect the use, operation or enjoyment of the Intermodal Hub Property after delivery of the deed; (b) the City has paid all bills and invoices for labor, goods, materials, utilities and services of any kind related to the Intermodal Hub Property up to the date of the deed is delivered to UTA (provided that the City shall have up to 30 additional days to make prorated payments of utilities for the month during which the deed is delivered); (c) the City has no actual or constructive knowledge of any pending or threatened action to enforce or seek damages with respect to any federal or state environmental law or to cause the cleanup of (or seek contributions to be used in the cleanup of) the Intermodal Hub Property, or any portion thereof; (d) the City has no actual or constructive knowledge of any other pending or threatened action involving the City's ownership of the Intermodal Hub

Property, or contesting the City's title to the Intermodal Hub Property; (e) the City has no actual or constructive knowledge of any other pending or threatened action seeking to acquire the Intermodal Hub Property, or any portion thereof, through the use of eminent domain authority; (f) the City has no actual or constructive knowledge of any claims regarding liens or other encumbrances, except to the extent that such liens or encumbrances are shown as matters of record; and (g) the Greyhound and Amtrak leases are the only leases that affect the Intermodal Hub Property and will survive the delivery of the deed, and both leases are in good standing, in full force and effect and free from any default or event of default on the part of the City or either lessee. All covenants and warranties made pursuant to this provision shall survive the delivery of the special warranty deed and the expiration and/or termination of this Agreement. The covenants and warranties provided by the City are limited to those set forth in this provision. All other representations regarding the Intermodal Hub Property are specifically disclaimed. Except as otherwise provided in this Section 12.7 or elsewhere in this Agreement, UTA is accepting the Intermodal Hub Property on an "AS-IS" "WHERE-IS" basis and with all faults.

12.8 The City has developed a site development plan for the Intermodal Hub Property as depicted on the attached Exhibit K. After conveyance of the Intermodal Hub Property, UTA agrees to make all reasonable efforts, in good faith, to develop the Intermodal Hub Property consistent with the site development plan, as such plan is amended from time to time. It is the intent of the City to rezone the Intermodal Hub Property and other nearby properties to Gateway mixed-use ("GMU"), consistent with the Gateway area master plan. UTA, as a property owner, shall support the rezoning of the Intermodal Hub Property and other nearby properties to GMU, or other consistent zoning. UTA shall comply with the zoning requirements of GMU zoning for the development of the site and shall, to the greatest extent possible, integrate development at the Intermodal Hub Property with development of the surrounding area. In addition, UTA shall assure that all buildings constructed at the Intermodal Hub Property meet, at a minimum, the requirements of the U.S. Green Building Council Leadership in Energy and Environment Design

(LEED) for certification at the “Silver” level. UTA’s commitment under this provision shall be subject to UTA securing acceptable funding for the development of such improvements and receiving any necessary development approvals or other required approvals from third parties.

12.9 In connection with the development of the Intermodal Hub Property, there is hereby established a Joint Development Committee. The Joint Development Committee shall consist of three City employees, to be appointed by the Salt Lake City Mayor, three UTA employees, to be appointed by the UTA General Manager, and one employee of the Redevelopment Agency of Salt Lake City, to be appointed by the Redevelopment Agency Director. The purpose of the Joint Development Committee shall be to promote and support development of the Intermodal Hub Property, by initiating and proposing ideas, concepts and plans for consideration and action by UTA. The Joint Development Committee shall coordinate and integrate development of the Intermodal Hub Property with development of the surrounding area. The Joint Development Committee shall meet bi-monthly, and more frequently as determined by a majority of its members. UTA shall, in good faith, endeavor to implement the initiatives and proposals generated by the Joint Development Committee.

12.10 In addition to the general indemnity provisions provided in this Agreement, the City hereby agrees to assume, defend and hold UTA harmless with respect to, any third party claims relating to the ownership of the Intermodal Hub Property that accrued prior to the conveyance of the special warranty deed, unless such third party claims result from the actions or omissions of UTA.

12.11 In addition to the general indemnity provisions provided in this Agreement, UTA hereby agrees to assume, defend and hold the City harmless with respect to, any third party claims relating to the ownership of the Intermodal Hub Property that accrue after the conveyance of the special warranty deed, unless such third party claims result from the actions or omissions of the City.

12.12 Upon the execution of this Agreement, the August 25, 1999 Interlocal Cooperation Agreement shall be subsumed into, and replaced by, this Agreement. This provision shall not be construed so as to: (a) relieve the City of any violation or breach of any “Grant Requirements” (as such term is defined in the August 25, 1999 Interlocal Cooperation Agreement) prior to the conveyance of the Intermodal Hub Property; (b) nullify the City’s ability to seek and obtain reimbursement under federal grants for any costs properly incurred by the City prior to the date of this Agreement and otherwise reimbursable to the City under the terms of the August 25, 1999 Interlocal Cooperation Agreement; (c) nullify any debts, claims of liens, liabilities or other obligations incurred from, under or related to the City’s construction contract related to the construction of Phase II of the Intermodal Hub project; or (d) nullify any third party claims against the City relating to the ownership of the Intermodal Hub Property that accrued prior to the conveyance of the Intermodal Hub Property by special warranty deed.

ARTICLE XIII. INDEMNITY

Each party (the “Indemnifying Party”) hereby agrees to indemnify, defend and hold harmless the other party (the “Indemnified Party”) from and against any and all claims, demands, liens, liabilities, costs, fees (including reasonable attorneys’ fees), damages or other losses incurred by the Indemnified Party and arising out of or by reason of: (a) the negligent acts or omissions of the Indemnifying Party or its agents; or (b) the material breach of this Agreement by the Indemnifying Party or its agents. The indemnities provided hereunder are contractual obligations personal to the parties hereto. Nothing provided in this Agreement is intended to waive, modify, limit or otherwise affect any defense or provisions that the parties may assert with respect to any third party under the Utah Governmental Immunity Act or other applicable law.

ARTICLE XIV. DEFAULT

A party shall be deemed in default of this Agreement upon the failure of such party to observe or perform a covenant, condition or agreement on its part to be observed or performed, and the continuance of such failure for a period of thirty (30) days after the giving of written

notice by the non-defaulting party, which notice shall specify such failure and request that it be remedied; provided, however, that if the failure stated in such notice cannot be corrected within the applicable period, it shall not give rise to a default hereunder if corrective action is instituted within the 30-day period and diligently pursued until such failure is corrected. In the event of a default hereunder, the non-defaulting party shall have a breach of contract claim remedy against the defaulting party in addition to all other remedies provided or permitted by law, provided that no remedy which would have the effect of amending any provisions of this Agreement shall become effective without formal amendment of this Agreement.

ARTICLE XV. NOTICES

Any notice, demand, request, consent, submission, approval, designation or other communication which either party is required or desires to give under this Agreement shall be made in writing and mailed or faxed to the other party at the addresses set forth below or at such other addresses as the party may provide in writing from time to time. Such notices shall be hand delivered, mailed (by first-class mail, postage prepaid) or delivered by courier service as follows:

If to the City:
Salt Lake City Corporation
Attn: City Mayor
City & County Building
451 South State Street, Room 306
Salt Lake City, Utah 84111

With a Copy to
Salt Lake City Attorney's Office
City & County Building
451 South State Street, Room 505
Salt Lake City, Utah 84111

If to UTA
Utah Transit Authority
Attn: Deputy Chief, Major Capital Projects
3600 South 700 West
Salt Lake City, Utah 84119

With a Copy to
Utah Transit Authority
Attn: General Counsel's Office
3600 South 700 West
Salt Lake City, Utah 84119

ARTICLE XVI. NON-WAIVER

No covenant or condition of this Agreement may be waived by either party unless done so in writing by such party. Forbearance or indulgence by a party in any regard whatsoever shall not constitute a waiver of the covenants or conditions to be performed by the other party.

ARTICLE XVII. SEVERABILITY

If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

ARTICLE XVIII. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Utah, both as to interpretation and performance. It shall be enforced only a court of competent jurisdiction located in Salt Lake City, Utah.

ARTICLE XIX. NO THIRD PARTY BENEFICIARIES

There are no intended third party beneficiaries to this Agreement. It is expressly understood that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the parties, and nothing contained in this Agreement shall give or allow any claim or right of action by any third person under this Agreement. It is the express intention of the parties that any third person who receives benefits under this Agreement shall be deemed an incidental beneficiary only.

ARTICLE XX. ENTIRE AGREEMENT; AMENDMENT

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and no statements, promises or inducements made by any party or agents of any party that are not contained in this Agreement shall be binding or valid. This Agreement may not be amended, enlarged, modified or altered except through a written instrument signed by all parties.

ARTICLE XXI. POLICE POWER

The parties acknowledge the rights vested in the City pursuant to general law to exercise its police powers for the protection of health, safety and welfare of its constituents and their properties. Nothing in this Agreement shall be construed as precluding the City from exercising such powers in connection with the Project.

ARTICLE XXII. INTERLOCAL COOPERATION ACT REQUIREMENTS

In satisfaction of the requirements of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and in connection with this Agreement, the parties agree as follows:

21.1 The Agreement shall be authorized by resolution of the governing body of each party pursuant to §11-13-219 of the Act.

21.2 This Agreement shall be approved as to form and legality by a duly authorized attorney on behalf of each party pursuant to §11-13-202.5 of the Act.

21.3 A duly executed original counterpart of this Agreement shall be filed with the keeper of records of each party pursuant to §11-13-209 of the Act.

21.4 Prior to the expiration of the term of this Agreement pursuant to Article III of this Agreement, this Agreement may only be terminated by and upon the express written consent of the parties.

21.5 Except as otherwise specifically provided in this Agreement or in any of the documents incorporated herein, any real or personal property acquired by a party, or by the parties jointly, pursuant to this Agreement or in conjunction with the Project shall be acquired and held, and disposed of by such party upon termination of this Agreement as agreed among the parties or as otherwise required by applicable local, state and federal law.

ARTICLE XXIII. LIMITED OBLIGATIONS

Any obligations of the parties to pay money or incur costs under this Agreement shall be subject to appropriation of sufficient funds for such purpose to the extent such payments or incurrence of costs fall outside of the present fiscal year or exceed amounts budgeted and available therefore in the budget for the present fiscal year. Except as otherwise provided herein, this Agreement shall not be construed to obligate either party to make financial contributions toward the Project. It is not the intention of the parties to create, and no obligations of the parties

hereunder shall be construed as creating or constituting, debt within the meaning of Article XIV, Section 3 of the Utah Constitution.

ARTICLE XXIV. ETHICAL STANDARDS

UTA represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

ARTICLE XXV. INCORPORATION OF EXHIBITS

This Agreement in its entirety includes Exhibits A through D, all of which are incorporated herein and made a part hereof by this reference. The Exhibits of this Agreement are as follows:

- 23.1 Exhibit A – Project Alignment and Station Locations.
- 23.2 Exhibit B – Sixty Five Percent (65%) Design Drawings.
- 23.3 Exhibit C – Project Budget.
- 23.4 Exhibit D – Project Schedule.
- 23.5 Exhibit E – Site Plan for the Intermodal Hub.
- 23.6 Exhibit F – Public Way Use Agreement.
- 23.7 Exhibit G – Priority List of Scope Reduction Items.
- 23.8 Exhibit H – Special Warranty Deed for Intermodal Hub.
- 23.9 Exhibit I – Assignment and Assumption Agreement for Greyhound Lease.

23.10 Exhibit J – Assignment and Assumption Agreement for Amtrak Lease.

23.11 Exhibit K – Master Development Plan for Intermodal Hub.

IN WITNESS WHEREFORE, the parties have each executed this Interlocal Agreement Regarding the Design and Construction of the Salt Lake City Intermodal Hub Connection to TRAX LRT Project as of the date first set forth above.

SALT LAKE CITY CORPORATION

UTAH TRANSIT AUTHORITY

By: _____
Ross C. Anderson, Mayor

By: _____
John M. English, General Manager

ATTEST AND COUNTERSIGN:

By: _____
Chief Deputy City Recorder

By: _____
Michael Allegra, Chief Capital Development
Officer

APPROVED AS TO FORM AND LEGALITY:

APPROVED AS TO FORM AND LEGALITY:

Senior City Attorney

UTA Legal Counsel

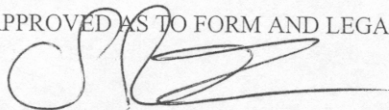
SALT LAKE CITY CORPORATION

By: _____
Ross C. Anderson, Mayor

ATTEST AND COUNTERSIGN:

By: _____
Chief Deputy City Recorder

APPROVED AS TO FORM AND LEGALITY:



City Attorney *March 31, 2006*

UTAH TRANSIT AUTHORITY

By: _____
John M. English, General Manager

By: _____
Michael Allegra, Chief Capital Development
Officer

APPROVED AS TO FORM AND LEGALITY:

UTA Legal Counsel

Exhibit A – Project Alignment and Station Locations

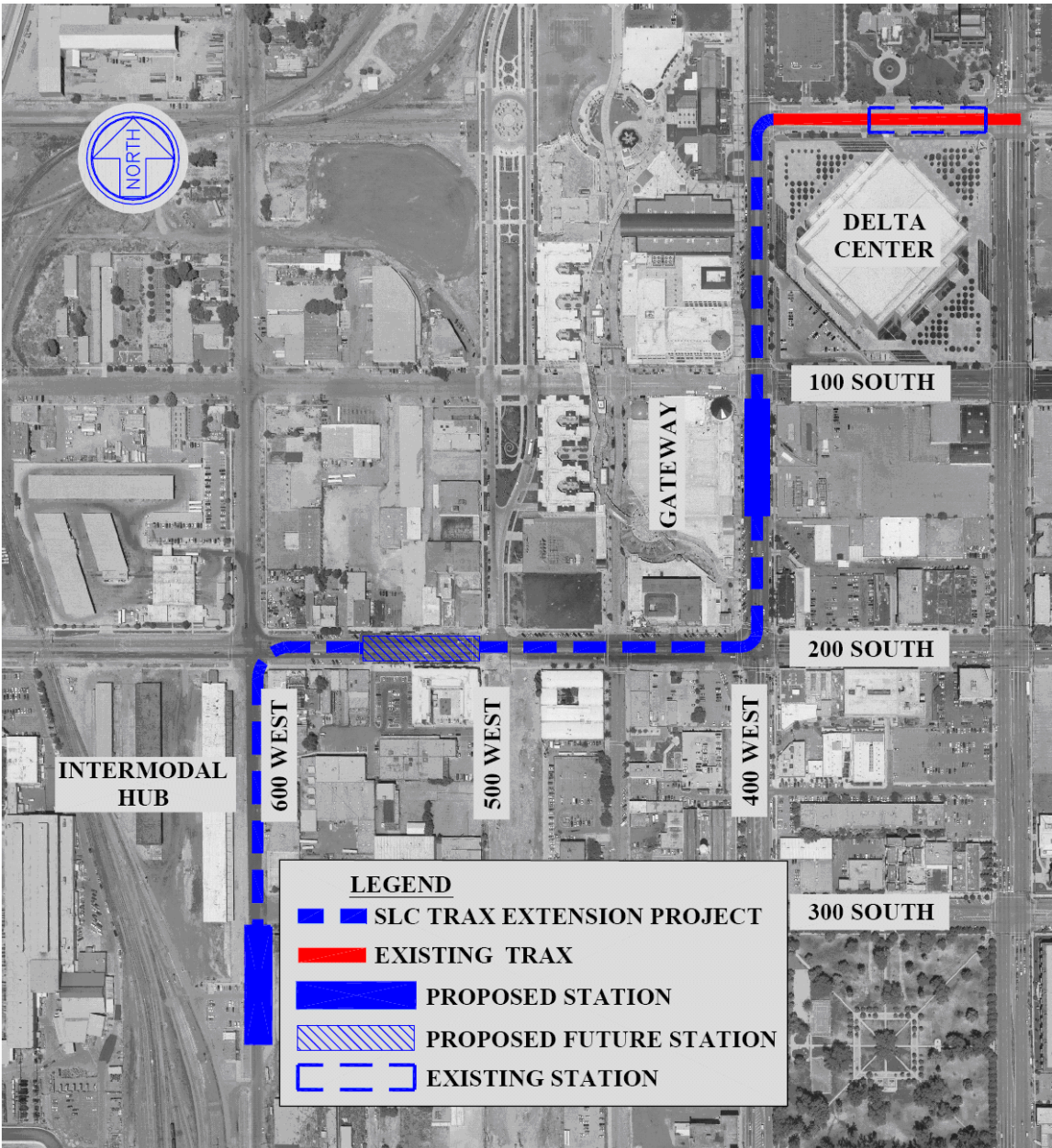


Exhibit B – Sixty Five Percent (65%) Design Drawings

The March 2006 65% Engineering Plans for SLC Intermodal Hub Connection to TRAX Project, prepared by Parsons Transportation Group, are hereby incorporated by reference and are made a part of this Agreement as if fully included herein.

Exhibit C – Project Budget

TRAX SEGMENT	TOTAL	UTA	SLC
400 W	\$11,378,523	\$8,697,686	\$2,680,837
200 S	\$9,413,371	\$5,661,379	\$4,201,992
600 W	\$11,287,511	\$9,268,799	\$1,568,712
Total	\$32,079,405	\$23,627,864	\$8,451,541
		74%	26%
Notes:			
1 Change Orders will be split 74%-UTA / 26%-SLC			

Exhibit D – Project Schedule

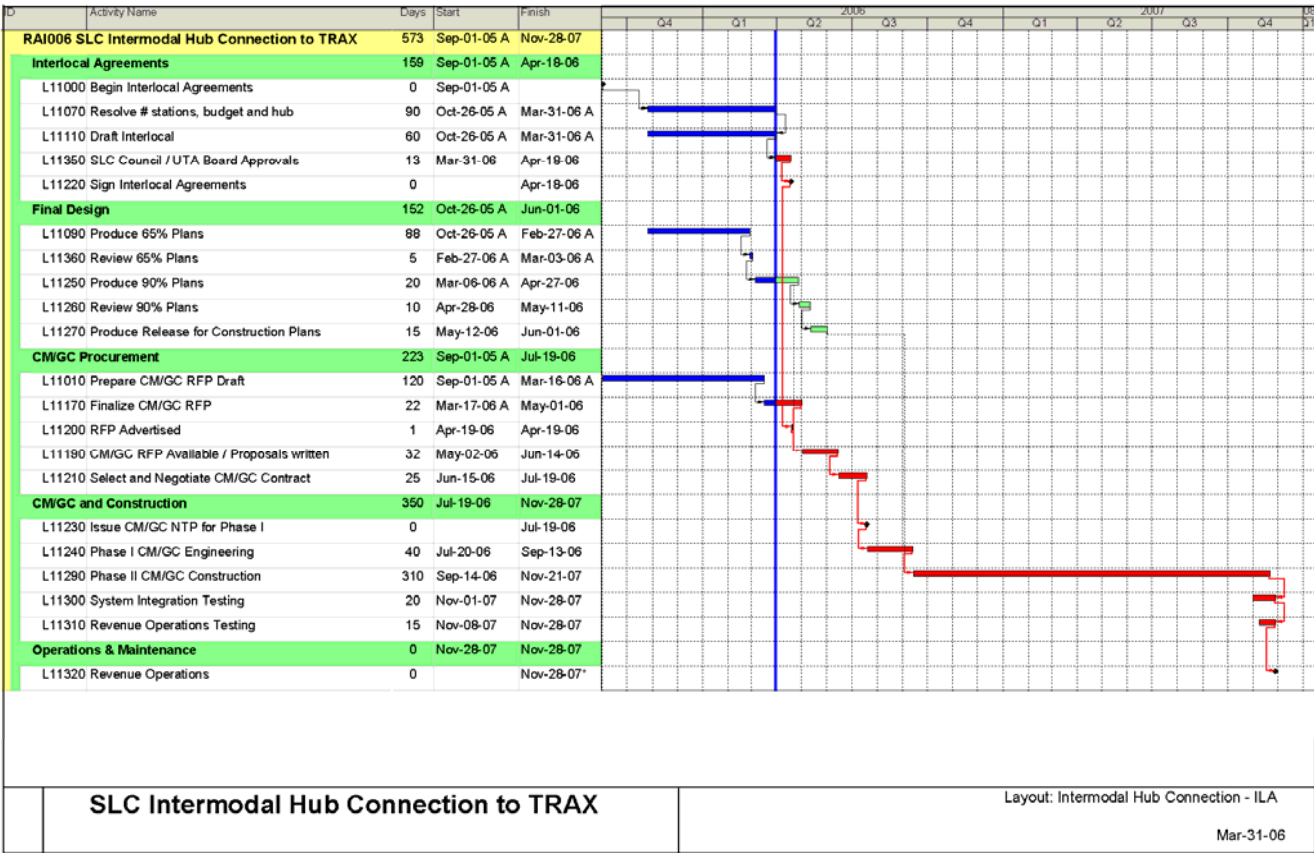
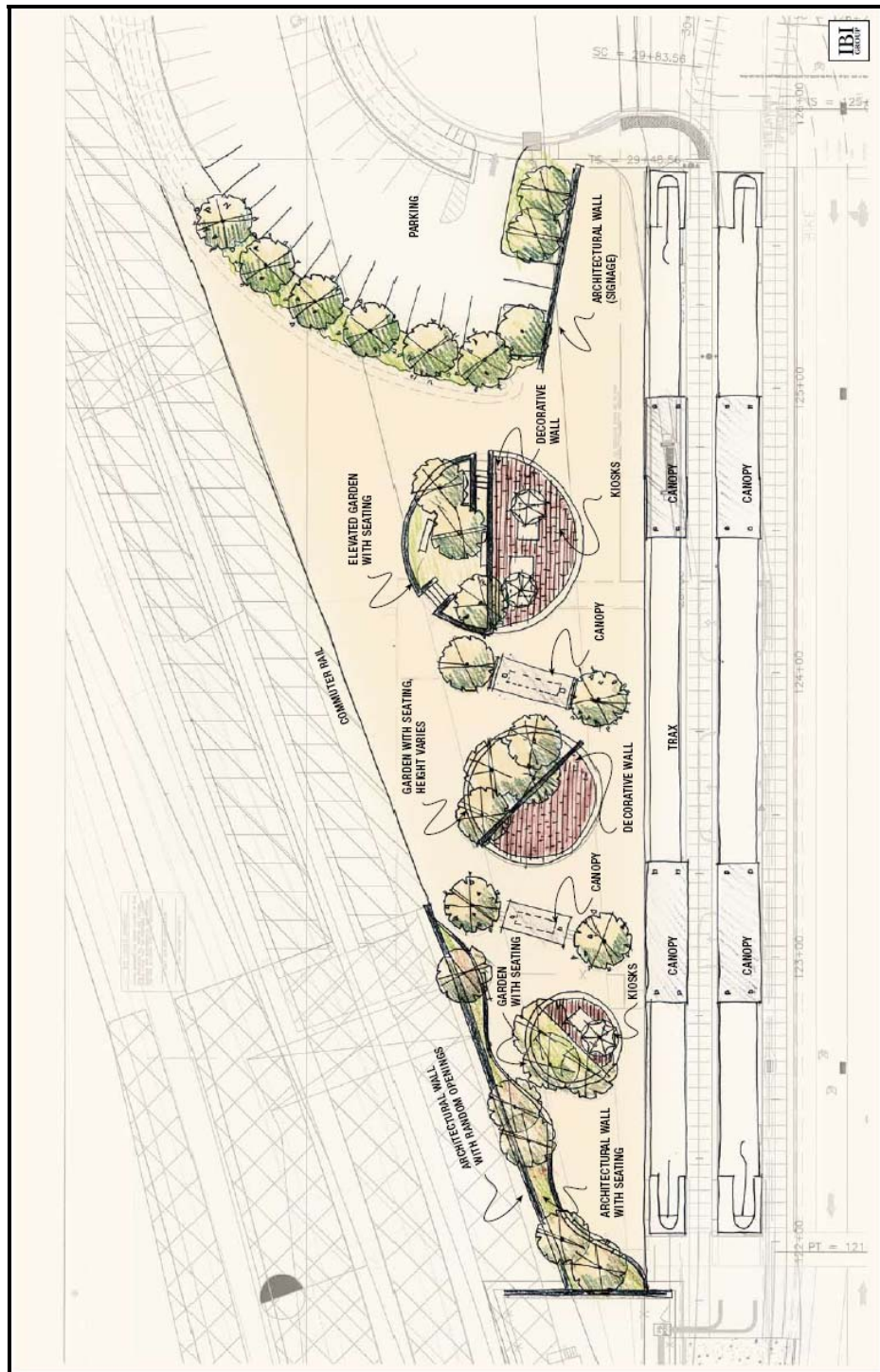


Exhibit E – Site Plan for the Intermodal Hub



SALT LAKE CITY INTERMODAL HUB
CONCEPTUAL TRANSIT PLAZA PLAN (3/30/06)

Exhibit F – Public Way Use Agreement

THIS PUBLIC WAY USE AGREEMENT (INTERMODAL HUB CONNECTION) (the “Agreement”) is hereby entered the ___ day of _____ 2006 by and between UTAH TRANSIT AUTHORITY ("UTA"), a public transit district and political subdivision of the State of Utah, and SALT LAKE CITY CORPORATION, a municipal corporation and political subdivision of the State of Utah (the “City”). UTA and the City are hereafter sometimes collectively referred to “parties” and either may be referred to individually as “party,” all as governed by the context in which such words are used.

RECITALS

WHEREAS, the City is the owner of various property rights and interests in certain streets and public ways which lie within the City; and

WHEREAS, UTA proposes to occupy and use a portion of such City streets and appurtenant property for the construction, operation and maintenance of a six-block extension to the UTA TRAX light rail system from the Delta Center Station to the Salt Lake City Intermodal Terminal; and

WHEREAS, the City has agreed in that certain Interlocal Agreement Regarding the Design and Construction of the Salt Lake City Intermodal Hub Terminal to TRAX LRT Project ("LRT Agreement"), dated as of the date hereof and by and between the City and UTA, to enter into this Agreement for the purpose of authorizing UTA to use certain City streets in connection with the light rail system along the alignment described herein; and

WHEREAS, the City desires to grant such rights and privileges to UTA, and to document the terms and conditions upon which such City streets and other property may be used by UTA.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein and in the LRT Agreement, and other good and valuable consideration, the

receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

SECTION 1. Definitions. The following capitalized terms shall have the following meanings when used in this Agreement, unless a different meaning is clearly intended:

“City Property” means all real property, including streets and other improvements thereto, which is owned or controlled by the City.

“CM/GC Contract” means the contract to be entered between UTA and the contractor selected to oversee the construction of the System, all as set forth in the LRT Agreement.

“Effective Date” means the date on which the UTA Use Rights granted hereunder become operative, as specified in Section 3 hereof.

“Final Design Drawings” means the plans for the System as approved by the parties pursuant to the LRT Agreement.

“Force Majeure” means any event which: (i) causes UTA to be unable to exercise the UTA Use Rights provided for hereunder; and (ii) is outside the reasonable control of UTA and could not be avoided by UTA through the exercise of due care. Force Majeure events include, without limitation: earthquakes, fires, floods, tornadoes, wars, labor strikes or similar accidents, disputes or similar events.

“Interlocal Act” means the Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated (1953), as amended.

“LRT Agreement” means that certain Interlocal Agreement Regarding the Design and Construction of the Salt Lake City Intermodal Hub Terminal to TRAX LRT Project entered by and between the City and UTA, dated as of the date hereof, which document sets forth the terms and conditions pursuant to which the System will be designed and constructed.

“Occupied City Property” means City property to be physically occupied by System facilities in accordance with this Agreement and pursuant to the Final Design Drawings.

“Project” means the planning, design, financing, construction and installation of the System as set forth in the LRT Agreement.

“Public Facilities” means all City-owned public improvements of any kind which are affected by construction or operation of the System including, without limitation, public utility facilities, curbs and gutters, sidewalks, street paving, trees, landscaping, planters, fountains, beautification facilities, traffic signals, street lights, wiring, controllers, poles and related facilities, signs, lighting facilities and fire protection facilities.

“System” means the six-block extension of the existing UTA TRAX light rail system from the Delta Center Station to the Salt Lake City Intermodal Terminal, including all tracks, stations, cars, conduits, electrical lines, traction power poles, traction power substations, cross-span wires, LRT traffic equipment, stray-current protection equipment, and other functionally related and appurtenant equipment and facilities.

“System Alignment” means the alignment for the System agreed to between the parties as identified in Exhibit A of the LRT Agreement.

“System Corridor” means all land located generally in and adjacent to City streets along the System alignment.

“UTA Use Rights” means the right to use the City Property, as granted to UTA by this Agreement.

SECTION 2. UTA Use of City Property.

(a) UTA is hereby authorized to use, on a non-exclusive basis, such portion of the City Property, including surface, subsurface and air space property, as shall be necessary to accommodate the construction, operation and maintenance of the System. UTA’s use of such property shall be strictly limited to the terms, conditions, limitations and restrictions contained herein.

(b) The location and extent of the City Property which may be utilized by UTA for System facilities, and the scope and nature of such use, shall be governed by the Final Design Drawings approved by the parties.

(c) UTA acknowledges that: (i) the City has previously granted franchises affecting the City Property; and (ii) no right of action in favor of UTA and against the City relating in any way to the existence of utility lines or facilities pursuant to such franchises, or for damages of any kind against the City relating to such franchises or lines and facilities or the existence of said franchises or franchised lines or equipment, shall arise or be deemed to arise from this Agreement. UTA and the City agree that, as between them, matters of relocation of private utility lines under existing franchises will be governed and handled pursuant to the terms and provisions of 9.12 of the LRT Agreement dated _____. The City agrees that, except for renewals or extensions of existing franchises, and renewals or extensions of existing use rights, the City shall not hereafter grant franchises or use rights which materially interfere with UTA's construction, operation or maintenance of the System.

(d) The City makes no warranties, either express or implied, regarding the nature, extent or status of its title to the Property or within the System Corridor or the existence or non-existence of rights in third parties which may be superior to the UTA Use Rights. If UTA finds it necessary to acquire additional rights from third parties, the City shall have no obligation whatsoever to pay, or to reimburse UTA for the payment of, any costs related to such acquisition, or in connection with any litigation challenging UTA's use of City Property.

SECTION 3. Effective Date; Term.

(a) The UTA Use Rights granted herein shall not become operative until the Effective Date, which shall be the date on which the contract with the CM/GC is executed by UTA in accordance with the terms of the LRT Agreement.

(b) Beginning on the Effective Date, this Agreement and the UTA Use Rights herein granted shall be operative for an initial term of fifty (50) years. The initial term shall

automatically (subject to the last sentence of this subsection (b)) be renewed by the City for two (2) additional, successive twenty-five (25) year terms; provided, however, that if, at least one hundred and eighty (180) days prior to the expiration of the initial term or the first renewal term, the City notifies UTA of one or more significant concerns regarding System facilities, or UTA's operation or maintenance of the System facilities, or UTA's operation or maintenance of the System (whether or not the matters of concern are addressed by or constitute a default under this Agreement), and such concerns are not corrected by UTA to the reasonable satisfaction of the City (or an appropriate amendment to this Agreement is not executed) within such 180 day period, the City shall not be obligated to renew the term of this Agreement, in which event the UTA Use Rights shall terminate at the end of the then-effective term. The parties do not intend that the term of this Agreement, or the UTA Use Rights granted hereunder, shall exceed any limitation imposed by law, including without limitation the Interlocal Act, and agree to comply with any applicable requirements of the Interlocal Act in connection with any renewal of the term of this Agreement.

(c) This Agreement, and the UTA Use Rights granted hereby, shall be subject to termination at the option of the City and by written notice delivered to UTA prior to the end of the otherwise effective term hereof upon the occurrence of any of the following events:

(i) UTA fails to commence construction of the System within twenty-four (24) months after approval of the Design Plans as provided in the Memorandum or to diligently proceed with construction;

(ii) UTA intentionally abandons the Occupied City Property, or disavows the UTA Use rights;

(iii) UTA shall discontinue use of the Occupied City Property for the provision of regular System service for a consecutive period of one year, provided any such discontinuation is not caused by Force Majeure; or

(iv) UTA is in default in the performance of any material covenant, term or condition contained in this Agreement, including any time frames set forth in the Agreement.

The City shall have no obligation to terminate this Agreement or the UTA Use Rights in the event of default, and may continue to perform hereunder without terminating and without waiving the right to terminate.

(d) The UTA Use Rights, including the right to use portions of the Occupied City Property, shall be subject to partial termination by written notice delivered to UTA prior to the end of the otherwise effective term hereof, if and to the extent that such rights are intentionally abandoned, or use of such portions of the Occupied City Property is discontinued for a consecutive period of one year (other than for reasons of Force Majeure).

SECTION 4. Consideration. In consideration for the UTA Use Rights granted by the City to UTA hereunder, UTA agrees as follows:

(a) UTA agrees to construct, operate and maintain the System as set forth in the LRT Agreement and this Agreement.

(b) UTA agrees to provide regular System service to the general public within the System Corridor.

SECTION 5. Maintenance and Repair. After construction of the System is completed, UTA shall comply with the following provisions concerning ongoing maintenance and repair work within the System Corridor:

(a) Except as otherwise provided in subsection (b) below, the System shall be maintained or replaced, and all Occupied City Property shall be maintained or replaced, by UTA at UTA's expense. The System and Occupied City Property shall be reasonably maintained in a manner consistent with the Final Design Drawings, and as required by this Agreement, by applicable State or Federal law and by City ordinance. The portion of the Occupied City Property to be utilized by vehicular or pedestrian traffic shall be maintained by UTA as a smooth, safe and

consistent surface (except for rumble areas approved by the parties), free of depressions or obstructions and consistent with the grade of the public streets, all in a manner consistent with the Final Design Drawings. The System and the Occupied City Property shall, at all times, be maintained in a neat, clean and orderly condition. Without limiting the foregoing, UTA shall keep the Occupied City Property free of weeds, garbage, and unsightly or deleterious objects or structures, and shall keep the System and all Occupied City Property free from graffiti.

(b) The City reserves the right to plant landscaping on any Occupied City Property, both within and outside of System stations. All landscaping planted by the City both within and outside of System stations shall be maintained by the City at its cost. All landscaping planted by UTA within stations shall be maintained by UTA at its cost.

(c) Prior to the performance by UTA of any maintenance or repair work within the System Corridor (other than routine maintenance which does not require excavation or removal of any portion of the street, or emergency work such as derailment), UTA will obtain any permits, and pay all fees and charges, required by City ordinance in connection with such work, and shall abide by the reasonable requirements thereof which are not in conflict with State or Federal laws or regulations.

(d) The City and UTA shall in good faith endeavor to avoid disruption of System service for maintenance and other work and may agree to perform work during off-peak traffic times to minimize disruptions to System operations, businesses and traffic. The City shall not be liable to UTA for interruption of System service for emergency work or for scheduled work or work for which proper notice is given. The parties agree that when interruption of the System is required for non-emergency work, the party performing the work shall provide at least ten (10) days prior written notice to the other and shall perform the work so as to minimize disruptions to the greatest extent possible. In cases of emergency or exigent circumstances, the party effecting the repair shall immediately notify and cooperate with the other party.

(e) For repair or maintenance work in City streets, UTA shall abide by the provisions of the City's Traffic Barricade Manual, as amended from time to time, except as preempted by Federal or State law. UTA shall prepare traffic control plans relating to repair and maintenance work, which shall be subject to City approval, and which shall be followed by UTA. The City may require repair and maintenance work to be done during off-peak traffic times to minimize business and traffic disruptions.

(f) If any maintenance is required to be performed by this Agreement or by any State or Federal legislative act, rule or regulation, and is not completed within ten (10) days after written notice is sent by the City to UTA, or within a longer reasonable time given the nature of the maintenance required (as approved by the City), the City may perform such maintenance or repairs as it reasonably deems necessary, not inconsistent with State or Federal law or regulation, pursuant to said notice. For such work, UTA shall entirely reimburse the City within thirty (30) days of receipt of the city's bill. UTA will pay any reasonable City costs or expenses incurred in collecting such maintenance costs and expenses, including attorney's fees.

(g) If, in connection with the performance of any repair or maintenance work, UTA shall remove or damage any Public Facilities, UTA shall repair or replace such Public Facilities with the same or similar materials, if available, as reasonably required by the City, consistent with applicable Federal and State laws and regulations and to the satisfaction of the City.

(h) Repair and maintenance of the tracks and related system facilities shall be done, to the extent practicable, in a manner which avoids unnecessary impediment to the common and ordinary use of City streets by pedestrians and vehicles. The duration during which repair and maintenance equipment and repair and maintenance operations may block pedestrian or vehicular passage on the street shall be controlled by City ordinance and State law.

(i) UTA shall be responsible for all removed snow on Occupied City Property. UTA will be allowed to place and store snow removed from Occupied City Property in the same

places and in the same manner as the City stores snow removed from other areas of the streets. Snow removal will be closely coordinated with the City snow removal operations to ensure that City snow removal operations are not unduly hindered.

(j) The City may, by separate agreement with UTA, and for adequate consideration, agree to undertake certain of UTA's maintenance responsibilities hereunder.

SECTION 6. Utilities.

(a) UTA agrees to pay, as long as the System is in place, all costs incurred by the City in connection with maintaining, repairing, replacing or connecting to City Lines, in excess of the costs which would have been incurred absent the System. UTA also agrees to pay, as long as the System is in place, all costs of repairing damage to City Lines to the extent such damage is caused by the System.

(b) In connection with the development of the Design Plans, the parties shall engage an independent corrosion consultant, approved by the City, and shall incorporate into the System, and maintain during the term of this Agreement at UTA's expense, such stray current protection measures and devices for all publicly-owned utilities, wherever located, as shall be reasonably required by the City, based upon the recommendations of such consultant. Prior to the start of System service, readings shall be taken by appropriate methods. Readings shall be taken after the commencement of service, and at regular intervals during the terms of this Agreement. Such readings shall be compared with the "before" readings. From these comparisons, the consultant shall develop a recommendation for further stray current mitigation measures, which shall be implemented as reasonably required by the City based upon such recommendation.

SECTION 7. Traffic Regulations. System vehicles traveling on City streets shall be subject to all generally applicable speed limits and other traffic control ordinances and regulations, consistent with State and Federal law. Nothing in this Section 6 shall be construed as

preventing the City from adopting traffic ordinances and regulations which apply solely to the System vehicles, other than speed limits.

SECTION 8. Traffic Signal Priority. UTA shall construct, install and maintain a traffic signal priority system in favor of System vehicles, approved by the City, which system shall be operated and controlled by the City.

SECTION 9. Advertising. Neither UTA nor any private party shall use any fixed System facilities for purposes of advertising, without first obtaining City approval, which approval may be granted or withheld by the City in its sole and absolute discretion. Nothing in this Section 8 shall prevent UTA from advertising its public transportation services, or providing information regarding such services, such as maps, schedules or information kiosks, at stations and stops.

SECTION 10. No Public Forums. In recognition of the safety concerns associated with potentially crowded station platforms, substantial foot traffic, street traffic and System vehicle traffic, and the resulting need for crowd control and attention to surroundings, UTA agrees not to take any action or authorize any activity which would result in any Occupied City Property (including such property as shall be occupied by stations) being designated or recognized as a public forum. Furthermore, the City may establish and enforce policies prohibiting public speaking or other free speech activities on any Occupied City Property, including without limitation Occupied City Property occupied by stations, and may take such other action as may be necessary to prevent the designation or recognition of such Occupied City Property as public forums.

SECTION 11. Potential Extension of Free Fare Zone. The Parties acknowledge that UTA provides public transportation services free of charge in the downtown area circumscribed by, and including, 500 South, 400 West, North Temple and 200 East. As of the date this Agreement is executed, the parties are conducting a downtown transportation and transit study. The downtown transportation and transit study will address, among other items, certain

recommendations regarding a potential extension of the free fare zone. To the extent that the downtown transportation and transit study makes a recommendation that free public transportation services be extended to the Salt Lake City Intermodal Terminal, UTA agrees that its staff will forward this recommendation to UTA's Board of Trustees (the "Board"). The parties agree and acknowledge that all decisions regarding any extension of the free fare zone may only be made by the Board by separate resolution or agreement. Neither the Board's approval of this Agreement, nor its approval of the LRT Agreement, shall be construed as approving any extension of the current free fare zone.

SECTION 12. Special Events. The City agrees not to issue special event permits for public events which substantially interfere with the operation of the System within the System Corridor without the prior written consent of UTA.

SECTION 13. Design Approval.

(a) The City has design approval rights with respect to the Final Design Drawings, as set forth in the LRT Agreement. In addition to the design approval rights set forth in the LRT Agreement, UTA agrees that the City shall have the right to review and approve (such approval not to be withheld unreasonably), during the term of this Agreement, any design plans and specifications for future significant additions, changes and alterations to, and modifications and replacements of, any System facilities within the City. UTA agrees not to construct, install or otherwise make any such significant additions, changes, alterations, modifications or replacements without first obtaining design approval from the City.

(b) The purpose of the City's design approval authority with respect to future significant additions, changes and alterations to, and modifications and replacements of, any System facilities is to ensure that the System remains a fully integrated element of the City, both functionally and aesthetically. The City agrees to negotiate any design changes with UTA in good faith, and not to impose unrealistic or overly burdensome design requirements on UTA. UTA recognizes, however, that design decisions shall not not be based soely or primarily on bedgetary

constraints.

SECTION 14. Agreement Non-Assignable. UTA may not assign or otherwise transfer any of its rights or obligations hereunder to a third party (other than to a successor public entity charged with providing public transportation), without the express prior written consent of the City, which may be granted or withheld by the City in its sole and absolute discretion.

SECTION 15. City approval of Agreements With Third Parties. All agreements between UTA and private parties which may affect the Occupied City Property or the subject matter of this Agreement including, without limitation, any agreements with companies operating private utilities, shall be subject to City approval as to those provisions which affect the City.

SECTION 16. UTA Indemnification of the City. UTA shall indemnify, defend and hold harmless the City, and its respective past, present and future employees (each an “Indemnified Party”), from and against all claims, demands, liens and all liability or damage of whatever kind, including attorneys’ fees and expenses of dispute resolution (including expert witness fees and investigative expenses), arising out of or by reason of any acts, errors or omissions: (a) related to the exercise of the UTA Use Rights after Project design and construction; (b) related to UTA’s breach of any material provision of this Agreement; or (c) related to UTA’s failure to comply with any federal, state, or local environmental laws or regulations in the operation of the System. This provision shall not impact, reduce or modify any indemnification provision related to the design and construction of the System as set forth in the LRT Agreement. These indemnification provisions shall survive the termination of this Agreement.

SECTION 17. Duty to Restore. Upon the expiration of this Agreement, or earlier termination or partial termination of the UTA Use Rights and/or this Agreement pursuant to Section 3 hereof, all System improvements located on Occupied City Property as to which UTA Use Rights have been terminated shall, at the option of the City, be removed, and the Occupied City Property shall be restored to a condition consistent with the then current condition of adjoining streets or other public facilities with respect to grade, appearance, quality, finish and

type of construction, at the sole cost and expense of UTA. Restoration shall be performed within ninety (90) days of such expiration or termination, or such longer period as shall be required by the nature of the work and agreed to by the City. If UTA fails to restore the Occupied City Property, the City may perform such work after thirty (30) days prior written notice to UTA, and UTA hereby agrees to pay all costs of the City in connection with such work, including any collection costs and attorney's fees.

SECTION 18. Notice. Any notice, demand, request, consent, submission, approval, designation or other communication which either party is required or desires to give under this Agreement shall be made in writing and mailed to the other parties at the addresses set forth below or at such other addresses as the parties may provide in writing from time to time. Such notices shall be hand delivered, mailed (by first-class mail, postage prepaid) or delivered by courier service as follows:

If to the City:
Salt Lake City Corporation
Attn: Salt Lake City Mayor
City & County Building
451 South State Street, Room 306
Salt Lake City, Utah 84111

With a Copy to
Salt Lake City Attorney's Office
City & County Building
451 South State Street, Room 505A
Salt Lake City, Utah 84111

If to UTA
Utah Transit Authority
Attn: General Manager
3600 South 700 West
Salt Lake City, Utah 84119

With a Copy to
Utah Transit Authority
Attn: General Counsel's Office
3600 South 700 West
Salt Lake City, Utah 84119

SECTION 19. Amendment. This Agreement may be modified or amended only by a written instrument executed by the parties and/or all their successors, as applicable.

SECTION 20. Police Powers. Each party acknowledges the right vested in the other pursuant to general law to exercise its police powers for the protection of the health, safety and welfare of its citizens/passengers and their properties. Nothing in this Agreement shall be construed as precluding either party from exercising such powers in connection with the System,

except with respect to matters specifically addressed in this Agreement, and then only to the extent of the express terms of this Agreement.

SECTION 21. Default. Either party shall be deemed in default under this Agreement upon the failure of such party to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder, and the continuance of such failure for a period of ninety (90) days after the giving of written notice by the other party, which notice shall specify such failure and request that it be remedied, unless the party giving such notice shall agree in writing to an extension of such time period prior to its expiration; provided, however, that if the failure stated in such notice cannot be corrected within the applicable period, it shall not give rise to a default hereunder if corrective action is instituted within the applicable period and diligently pursued until such failure is corrected. In the event of a default hereunder, the non-defaulting party shall have a breach of contract claim and remedy against the other in addition to any other remedy provided or permitted by law, provided that no remedy which would have the effect of amending any provisions of this Agreement shall become effective without the formal amendment of this Agreement. In the event of any dispute with respect to any of the covenants or agreements contained herein, the prevailing party shall be entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees, which may arise or accrue from enforcing this Agreement or its provisions, and in pursuing any remedy provided by this Agreement or the laws of the State of Utah or the United States, whether such remedy is pursued by filing a suit or otherwise.

SECTION 22. Dispute Resolution. Any dispute regarding the meaning of any provision of this Agreement or the determination of an issue of fact, and which is not resolved by staff, shall be referred to the General Manager of UTA and the City's Mayor. Prior to the initiation of any formal legal action, such individuals shall engage in good faith negotiations aimed at reaching an amicable solution of the dispute that is consistent with this Agreement and with the LRT Agreement. If, after good faith negotiations, a dispute cannot be resolved by such

individuals, such dispute may then be brought before a court of competent jurisdiction in Salt Lake County.

SECTION 23. Interlocal Co-operation Act Requirements. In satisfaction of the requirements of the Interlocal Act in connection with this Agreement, the parties agree as follows:

(a) This Agreement shall be authorized by resolution of the governing body of each party, pursuant to Section 11-13-219 of the Interlocal Act;

(b) This Agreement shall be approved as to form and legality by a duly authorized attorney on behalf of each party, pursuant to Section 11-13-202.5 of the Interlocal Act; and

(c) A duly executed original counterpart of this Agreement shall be filed with the keeper of records of each party, pursuant to Section 11-13-209 of the Interlocal Act.

(d) Except as provided in Section 3 hereof, this Agreement and the UTA Use Rights may be terminated only by and upon the express written consent of the parties.

(e) Except as otherwise specifically provided in this Agreement, any real or personal property acquired by either party, or by the parties jointly, pursuant to this Agreement or in conjunction with the Project shall be acquired and held, and disposed of by such party upon termination of this Agreement as agreed among the parties or as otherwise required by applicable local, State and Federal law.

SECTION 24. Governing Law. This Agreement shall be construed, interpreted and applied in accordance with the laws of the State of Utah.

SECTION 25. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and no statement, promises or inducements made by either party or agents or either party that are not contained in this Agreement shall be binding or valid, and this Agreement may not be enlarged, modified or altered except through a written instrument which is signed by all parties. To the extent of any

conflict between the provisions of this Agreement and the provisions of any later agreements, the later agreements shall be controlling.

SECTION 26. Non-Waiver. No covenant or condition of this Agreement may be waived by any party, unless done so in writing. Forbearance or indulgence by any party in any regard whatsoever shall not constitute a waiver of the covenants or conditions to be performed by the other.

SECTION 27. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

SECTION 28. Binding Agreement. This Agreement shall be binding upon all of the assigns, grantees and successors in interest to each of the parties, and shall remain in full force and effect until amended as provided herein.

SECTION 29. Further Assurances. The parties hereto shall execute such other documents and take such other actions as may be reasonably necessary or proper to achieve the intent and purposes hereof.

SECTION 30. Ethical Standards. UTA represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SALT LAKE CITY CORPORATION

UTAH TRANSIT AUTHORITY

By: _____
Ross C. Anderson, Mayor

By: _____
John M. Inglish, General Manager

ATTEST AND COUNTERSIGN:

By: _____
Chief Deputy City Recorder

By: _____
Michael Allegra, Chief Capital Development Officer

APPROVED AS TO FORM AND LEGALITY:

APPROVED AS TO FORM AND LEGALITY:

Senior City Attorney

UTA Legal Counsel

STATE OF UTAH)
 : ss
County of Salt Lake)

On the __ day of _____, 2006, personally appeared before me Ross C. Anderson and _____, who being by me duly sworn did say that they are the Mayor and Chief Deputy Recorder, respectively, of SALT LAKE CITY CORPORATION, a municipal corporation of the State of Utah; and that the foregoing instrument was signed on behalf of said corporation by authority of a resolution of its City Council; and said persons acknowledged to me that said corporation executed the same.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF UTAH)
 : ss
County of Salt Lake)

On the __ day of _____, 2006, personally appeared before me John M. Inglish and Michael Allegra, who being by me duly sworn did say that they are the General Manager and Chief Capital Development Officer, respectively, of UTAH TRANSIT AUTHORITY, a public transit district and political subdivision of the State of Utah; and that the foregoing instrument was signed on behalf of said public transit district by authority of a resolution of its Board of Trustees and said persons acknowledged to me that said public transit district executed the same.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

Exhibit G - Preliminary List of Scope Reduction Items							
Item of Work	Location	Estimated Cost (\$) *	Estimated Const. Cost	% Soft Costs	Est. Total Cost	Comments	
Roadway and Utility Items							
Concrete Crosswalk Assembly incl. Pavers	400 West and 200 South	\$107,000	\$70,200	52.40%	\$106,986	use painted crosswalks	
Concrete Sidewalk Pavers	200 South and 600 West	\$349,000	\$228,800	52.40%	\$348,695	use concrete sidewalks only	
12" PVC Sanitary Sewer Pipe	200 South	\$119,000	\$78,000	52.40%	\$118,873		
12" PVC Water Line	400 West	\$230,000	\$151,000	52.40%	\$230,126		
15" RCP Storm Drain	200 South, 600 West	\$67,000	\$44,000	52.40%	\$67,057		
streetlights	200 South and 600 West	\$251,000	\$164,950	52.40%	\$251,386		
Subtotal Roadway and Utilities		\$1,123,000					
TRAX Work							
Platform Trees at stations	All 3 Stations	\$55,000	\$36,000	52.40%	\$54,865	Trees do not survive	
No. 10 Double Crossover, Embedded	400 West	\$762,000	\$500,000	52.40%	\$762,008	Operations prefers exposed switch	
High Profile in lieu of Low Profile OCS w/out bases	Entire Alignment	\$292,000	\$191,400	52.40%	\$291,697	Match 400 South poles, bases like 700 West	
Third Tail Track and Switches	600 West	\$494,000	\$324,000	52.40%	\$493,781	Results in two tail tracks	
Subtotal Track		\$1,603,000					
Total		\$2,726,000					
* Estimated cost includes all costs for the item including CM/GC construction cost, contingencies, project administration and management, and other related soft costs.							

Exhibit I – Assignment and Assumption Agreement for Greyhound Lease

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

This Assignment, Assumption and Consent Agreement (“Agreement”) is hereby entered into this ___ day of _____ 2006 by and between Utah Transit Authority, a public transit district organized under the laws of the State of Utah (“UTA”), Salt Lake City Corporation, a municipal corporation and political subdivision of the State of Utah (the “City”), and Greyhound Lines, Inc., a corporation organized under the laws of the Delaware (“Greyhound”). UTA, the City and Greyhound are hereafter collectively referred to as the “parties” and any of the foregoing may be individually referred to as “party,” all as governed by the context in which such words are used.

RECITALS

WHEREAS, the City and Greyhound entered into a *MONTH, DATE*, 2005 Lease Agreement (hereafter collectively the “Lease”);

WHEREAS, the Lease provided for Greyhound’s lease of exclusive and common areas for a bus maintenance and passenger station facility at the Salt Lake City Intermodal Terminal, located at approximately 600 West 300 South in Downtown Salt Lake City (the “Intermodal Hub”);

WHEREAS, effective the date of this Agreement, the City has conveyed the Intermodal Hub (including the real estate subject to the Lease) and the underlying real estate to UTA;

WHEREAS, the City is willing to assign and delegate all rights and obligations under the Lease, and UTA is willing to accept and assume all such rights and obligations; and

WHEREAS, although not required under the Lease, Greyhound consents to the assignment described herein.

AGREEMENT

NOW THEREFORE, on the stated Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and Lease 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. Assignment and Assumption. The City hereby assigns and delegates and UTA hereby accepts and assumes all rights and obligations of the City under the Lease. The Assignment shall be effective as of the date set forth above. Hereafter, UTA shall be solely responsible for all obligations and requirements allocated to the City under the Lease, and UTA shall be the sole beneficiary of all rights and obligations allocated to Greyhound under the Lease. Greyhound hereby releases the City from all obligations and liability accruing under the Lease.
2. Consent to Assignment. Greyhound hereby consents to the assignment of the Lease as set forth in this Agreement.

3. Payment of Rent and Other Obligations. Any rent payments or other obligations payable by Greyhound under the Lease shall be delivered in accordance with the Agreements and to the following address:

Utah Transit Authority
Attn: Property Administrator – Intermodal Hub
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

4. Notices. Any notices or other communications deliverable by Greyhound under the Lease shall be provided in accordance with the Agreements to the following addresses:

Utah Transit Authority
Attn: Deputy Chief – Asset Management and Business Development
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

With a Copy to:

Utah Transit Authority
Attn: General Counsel
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

5. Ethical Standards. UTA represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.
6. Other Provisions. Except as specially amended by this Agreement, all terms, conditions and provisions of the Lease shall continue unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the date first herein written.

UTA

THE CITY

UTAH TRANSIT AUTHORITY

SALT LAKE CITY CORPORATION

By: _____
John English, General Manager

By: _____
Ross C. Anderson, Mayor

By: _____
Michael Allegra, Chief Capital Development Officer

ATTEST AND COUNTERSIGN:

By: _____
Chief Deputy City Recorder

APPROVED AS TO FORM AND LEGALITY

APPROVED AS TO FORM AND LEGALITY:

UTA General Counsel's Office

Senior City Attorney

GREYHOUND LINES, INC

By: _____
Stephen Gorman
President and Chief Executive Officer

Exhibit J – Assignment and Assumption Agreement for Amtrak Lease

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

This Assignment, Assumption and Consent Agreement (“Agreement”) is hereby entered into this ___ day of _____ 2006 by and between Utah Transit Authority, a public transit district organized under the laws of the State of Utah (“UTA”), Salt Lake City Corporation, a municipal corporation and political subdivision of the State of Utah (the “City”), and National Railroad Passenger Corporation, a corporation organized under the laws of the District of Columbia (“Amtrak”). UTA, the City and Amtrak are hereafter collectively referred to as the “parties” and any of the foregoing may be individually referred to as “party,” all as governed by the context in which such words are used.

RECITALS

WHEREAS, the City and Amtrak entered into a November 2, 1999 development agreement and a November 2, 1999 lease agreement (hereafter collectively the “Intermodal Agreements”);

WHEREAS, the Intermodal Agreements provided for the relocation of Amtrak’s passenger rail station and rail improvements to the Salt Lake City Intermodal Terminal located at approximately 600 West 300 South in Downtown Salt Lake City (the “Intermodal Hub”);

WHEREAS, the Intermodal Agreements provided for the lease of approximately ____ acres of real property for the development passenger platforms, parking improvements and trackage;

WHEREAS, the Intermodal Agreements provided for the installation of a temporary, modular building to be used by Amtrak until the completion of the permanent Amtrak improvements as contemplated by Exhibit A of the development agreement;

WHEREAS, the Intermodal Agreements provided for the development of permanent Amtrak improvements in conjunction with the development of UTA’s commuter rail and light rail facilities at the Intermodal Hub;

WHEREAS, effective the date of this Agreement, the City has conveyed the Intermodal Hub (including the real estate subject to the Intermodal Agreements) and the underlying real estate to UTA;

WHEREAS, the City is willing to assign and delegate all rights and obligations under the Intermodal Agreements, and UTA is willing to accept and assume all such rights and obligations; and

WHEREAS, Amtrak consents to the assignment described herein.

AGREEMENT

NOW THEREFORE, on the stated Recitals, which are incorporated herein by reference, and for and in consideration of the mutual covenants and Intermodal 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. Assignment and Assumption. The City hereby assigns and delegates, and UTA hereby accepts and assumes, all rights and obligations of the City under the Intermodal Agreements. The Assignment shall be effective as of the date set forth above. Hereafter, UTA shall be solely responsible for all obligations and requirements allocated to the City under the Intermodal Agreements, and UTA shall be the sole beneficiary of all rights and obligations allocated to Amtrak under the Intermodal Agreements. Amtrak hereby releases the City from all obligations and liability accruing under the Intermodal Agreements.
2. Consent to Assignment. Amtrak hereby consents to the assignment of the Intermodal Agreements as set forth in this Agreement.
3. Payment of Rent and Other Obligations. Any rent payments or other obligations payable by Amtrak under the Intermodal Agreements shall be delivered in accordance with the Agreements and to the following address:

Utah Transit Authority
Attn: Property Administrator – Intermodal Hub
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

4. Notices. Any notices or other communications deliverable by Amtrak under the Intermodal Agreements shall be provided in accordance with the Agreements to the following addresses:

Utah Transit Authority
Attn: Deputy Chief – Asset Management and Business Development
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

With a Copy to:

Utah Transit Authority
Attn: General Counsel
3600 South 700 West
P.O. Box 30810
Salt Lake City, Utah 84130-0810

5. Ethical Standards. UTA represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or

employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

6. Other Provisions. Except as specially amended by this Agreement, all terms, conditions and provisions of the Intermodal Agreements shall continue unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate as of the date first herein written.

UTA

THE CITY

UTAH TRANSIT AUTHORITY

SALT LAKE CITY CORPORATION

By: _____
John English, General Manager

By: _____
Ross C. Anderson, Mayor

By: _____
Michael Allegra, Chief Capital Development Officer

ATTEST AND COUNTERSIGN:

By: _____
Chief Deputy City Recorder

APPROVED AS TO FORM AND LEGALITY

APPROVED AS TO FORM AND LEGALITY:

UTA General Counsel's Office

Senior City Attorney

NATIONAL RAILROAD PASSENGER CORPORATION

By: _____
Lee W. Bullock
President, Amtrak Intercity

Exhibit K – Site Development Plan for Intermodal Hub





