



Risk Assessment:

Utah Transit Authority Experience

Steve Meyer

Chief Capital Development Officer

smeyer@rideuta.com



Risk Assessments:

A standard part of the UTA project development process

- New Starts and local projects
 - Weber County to Salt Lake City Commuter Rail
 - Overall 2015 Program
 - Mid-Jordan Light Rail
 - Draper Light Rail

Weber County to Salt Lake Commuter Rail Project

- First UTA project to use Monte Carlo analysis
- \$612 million
- Results of assessment:
 - 1% chance of meeting budget
 - < 5% chance of meeting schedule



Weber County to Salt Lake Commuter Rail Project

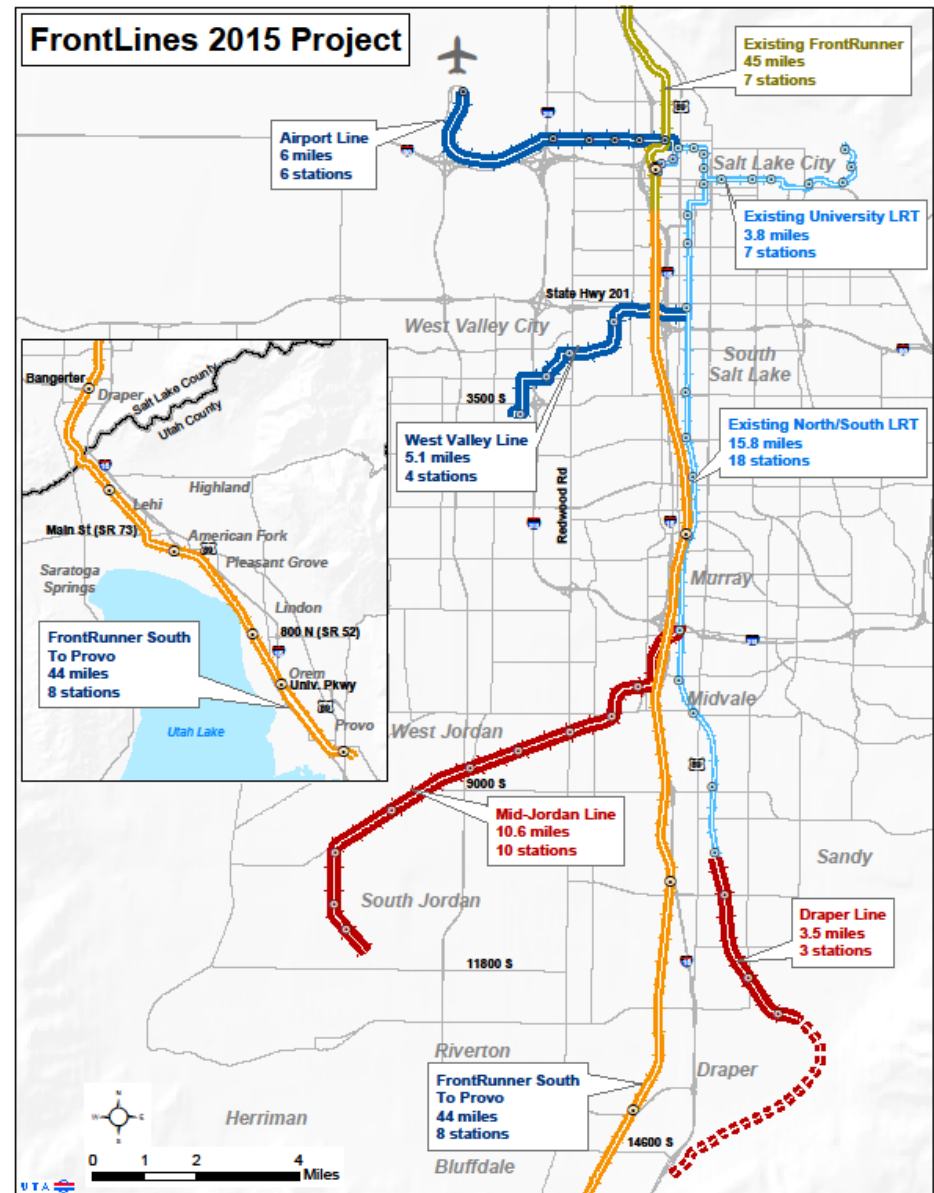
- Results of project:
 - Revenue service five months ahead of schedule
 - Under budget

Weber County to Salt Lake Commuter Rail Project

- Lessons learned:
 - Do your homework
 - Schedule
 - Budget
 - Work to understand the process
 - Avoid the ‘Black Box’
 - Some risks preclude other risks

FrontLines 2015

- UTA's largest project in its history
- Building 70 miles of rail in seven years
- One project that includes five lines
 - Mid-Jordan TRAX
 - West Valley TRAX
 - FrontRunner South
 - Draper TRAX
 - Airport TRAX



One Project / Five Lines

- One \$2.8 Billion Project
- Expecting to Nearly Double Daily Passengers



FrontLines 2015

- Risk Assessment at the conceptual phase for each project
- Calculate 95% and 5% budget probable costs
 - Program budget at 95% level
 - Project budget at 5% level
 - Difference held as program contingency



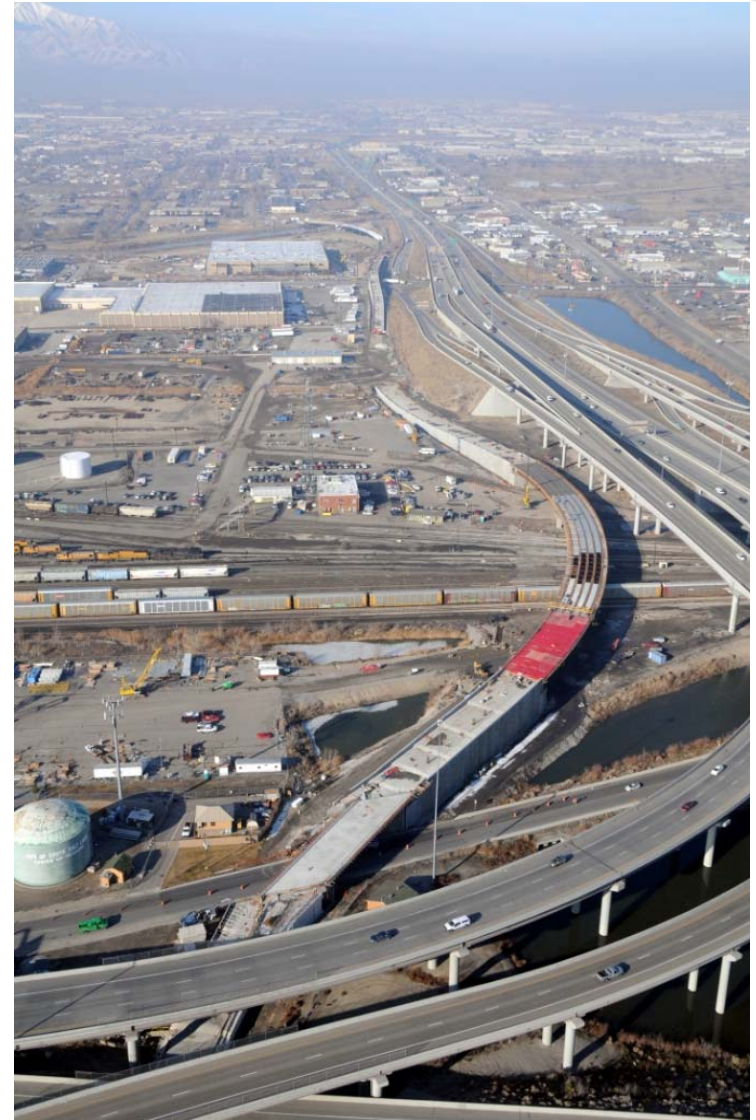
FrontLines 2015

- Continuation of risk evaluation throughout project development
 - Risk register
 - Assigns responsibility
 - Information shared with the entire project team
 - Weekly ‘Top 5’ meetings
 - Each project team
 - Focus on the key issues facing the project
 - Monthly program status meetings

FrontLines 2015

Results to date:

- Program is 75% complete
- Reduced program budget by \$300 million
 - Recession has reduced expected UTA revenues by \$565 million between 2007 and 2015
- On schedule



UTA's Experience

Risk Assessments are a valuable tool
for project management

