2025

Joint Service Overview

Review of Joint Service

Colorado Rail Agenda

Provide transportation choices through cost efficient passenger rail projects that uses existing, under utilized infrastructure and prioritizes collaboration with host railroads and other transit agencies.

- **Joint Service: Starter Service from Denver to Fort Collins by 2029**
  - Paid through existing revenue: Congestion Impact Fee (SB184), Oil and Gas Fee (SB230), and RTDs FasTracks Sales and Use Tax; maximizing cost efficiencies
  - Designed to maximize mutually beneficial infrastructure improvements that paves the way for Front Range Passenger rail and increased frequency
  - Currently in negotiations with BNSF

- **RTDs N Line:**
  - State funding secured through SB24-230
  - State ready and willing partner to finish this project in collaboration with RTD

Colorado Rail Project Map Overview

Senate Bill 24-184 Implementation Milestones

September 2024

First report submitted to the TLRC and Governor's Office that detailed progress made by RTD, FRPRD, and CDOT to collaborate towards a plan to deliver an initial starter service by January 2029.

December 2024

RTD, FRPRD, CDOT agree that an Interagency Agreement is the best mechanism by which to formally collaborate towards 3 daily round trips by January 2029.

March 2025

Second report submitted to the TLRC and Governor's Office that answered the key question of *"Is there enough existing revenue to commence with project development?"*

June 2025

Governing Boards from RTD, FRPRD, CDOT adopt an Interagency Agreement, forming the Executive Oversight Committee ("EOC") to oversee the project.

Joint Service Progress to Date

December 2023

Front Range Passenger Rail accepted into Phase II Corridor ID Program.

Spring 2024

Governor Polis signs two new revenue streams to support passenger rail and expanded transit efforts into law. (SB24-184, SB24-230)

Summer 2024

Joint Service Principals from CDOT, RTD, and FRPR convene to begin collaborating towards Joint Service.

June 2025

Governing Boards at CDOT, FRPR, and RTD enter into an IGA to advance Joint Service.

August 2025

Access Agreement negotiations commence amongst BNSF and Joint Service leadership.

Joint Service Lookahead

Goal:
December 2025

Parties have reached agreement on terms with BNSF.

Goal:
January - Feb 2026

Present Access Agreement and preliminary financial information to Governing Boards.

Goal:
February - March 2026

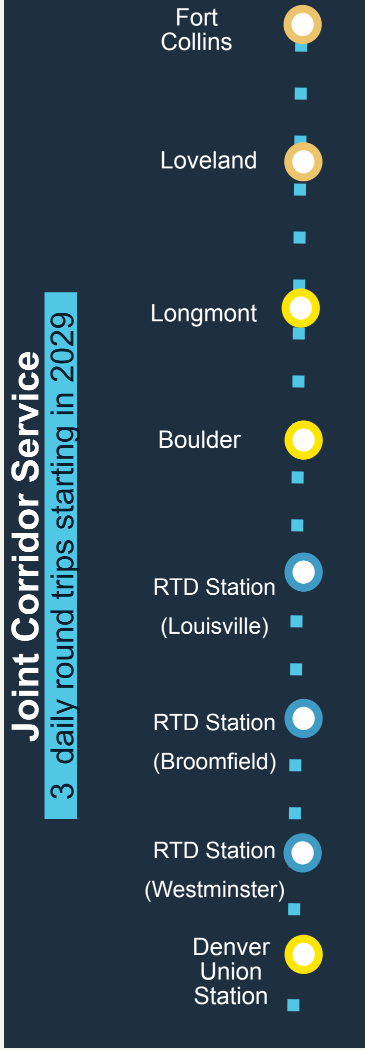
Governing Boards adopt Joint Service Financial Plan.

2026-2028

Procurement and Construction for Joint Service.

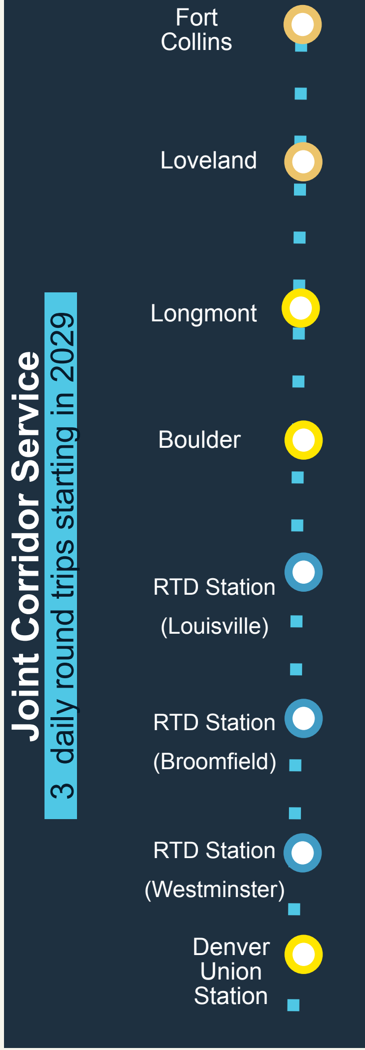
Joint Service Basics

- ➔ Joint Service is a collaborative effort by RTD, FRPR, CDOT [CTE, CTIO], and the Governor's Office to initiate a starter service from Denver to Fort Collins by January 2029;
- ➔ No one agency can currently deliver their planned independent service alone in the near-term;
- ➔ The collaboration amongst these entities was mandated by Senate Bill 24-184,which also directed the parties to identify to existing infrastructure, previous investments, existing revenue streams, and studies to drive a cost-efficient project to bring rail for Coloradans by January 2029
- ➔ The guiding principles of Joint Service are the following:
  - ◆ Most cost efficient design and delivery model that can be brought to market as fast as possible,
  - ◆ Designing the initial service for minimal infrastructure within BNSF's ROW, and
  - ◆ Leveraging wherever possible existing infrastructure and investments.
- ➔ <u>**No new taxes are needed to commence service,**</u> using existing revenue streams.



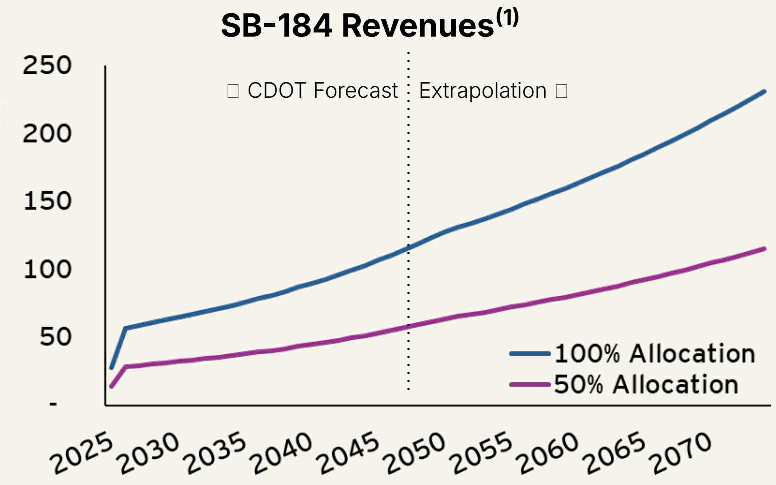
How do Peak Rail, Front Range Passenger Rail, and Joint Service Station Sites differ from one another?

	Joint Service	Peak Rail	FRPR
What	Hybrid between commuter and intercity from DUS to Ft. Collins	Commuter service DUS to Longmont	Intercity passenger rail service along Front Range
Stations	8	10	5 (Northern CO)
Frequency	3 daily RT	3 daily RT (3 AM, 3 PM)	10 daily RT
Timing	Jan. 2029	Projected 2045	Must go to the ballot for funding, impacting timeline

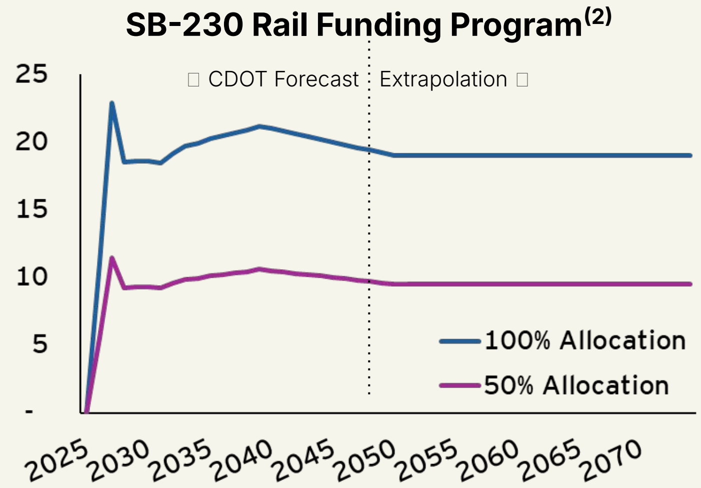


SB-184 & SB-230 Revenue Forecast

SB-184 and SB-230 revenues are subject to allocation across multiple projects. The following charts illustrate revenues from each source at 100% and 50% allocation levels.



SB-184 imposes a daily rental car fee up to $3 commencing on January 1, 2025, adjusted annually for inflation. Receipts are estimated at $57m in FY26, growing to $110m by FY50.



SB-230 imposes an incremental oil and gas production fee, commencing on July 1, 2025, to be allocated to a Clean Transit Enterprise (CTE) Sub Fund, 20% of which will be dedicated to the Rail Funding Program.

(1) Source: CDOT forecast through 2050; assumes CPI thereafter.
(2) Source: CDOT forecast through 2050; assumes level revenue thereafter.

What will the corridor likely learn from final access agreement?

- **Core Details**
  - Agreement on route and stops
  - Initial schedule and meets
  - Structure of the relationship between Class I Railroad, State of Colorado, and Operator (*Important cost savings*)
- **Economics**
  - Access Fee
  - Annual Operations & Maintenance Cost
  - Insurance and Indemnification requirement
  - Performance Incentives
- **Construction**
  - Needed capital projects
  - Process for future service changes, or increased frequency

What will the corridor *NOT* likely learn from final access agreement?

- **Economics:**
  - Annual operating costs for the *operator* and associated maintenance costs
  - Purchasing and/or leasing rolling stock options
- **Timeline:**
  - Expansion of service for full buildout of FRPR

Where You Fit In...

- ➔ **Presentations:** Invite the Joint Service Team to share information about the project with your organization or local groups in any of the benefiting communities.
- ➔ **Information about the project:** The Joint Service Team can provide background documents and social media tools to help you share information about the project with your networks.

Conclusion // Question and Answer

- ➔ The State of Colorado is taking a bold, innovative approach to starting passenger rail in Colorado, demonstrating a new way forward, and doing it faster and more cost effective than any other state in the country.
- ➔ The State's approach to passenger rail has been a collaborative approach, with host railroads and transit agencies, using under-utilized rail lines, and to do so in a cost efficient manner.
- ➔ We are <u>on a path</u> to deliver Mountain Rail starter service by November 2026.
- ➔ We are working towards a plan to deliver an initial starter passenger rail service from Denver to Fort Collins <u>with no new taxes needed</u> to commence service by 2029.