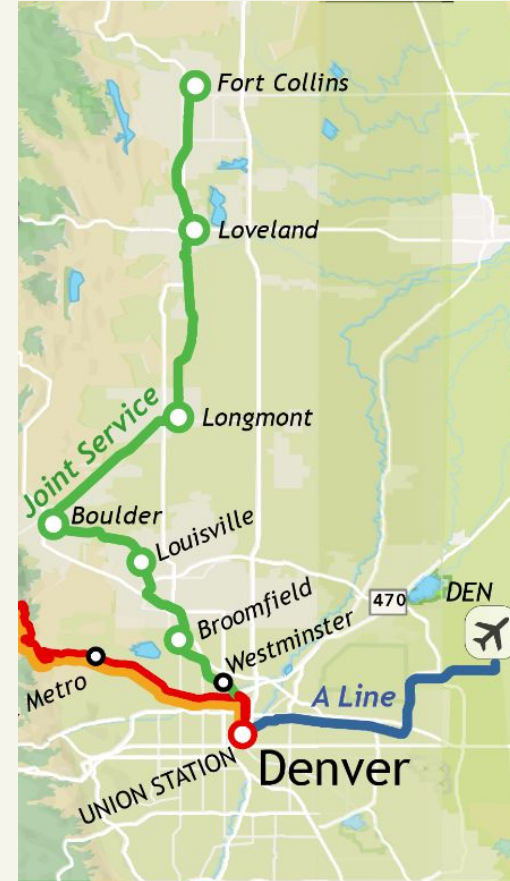


Joint Service: BNSF/CO Negotiation Update

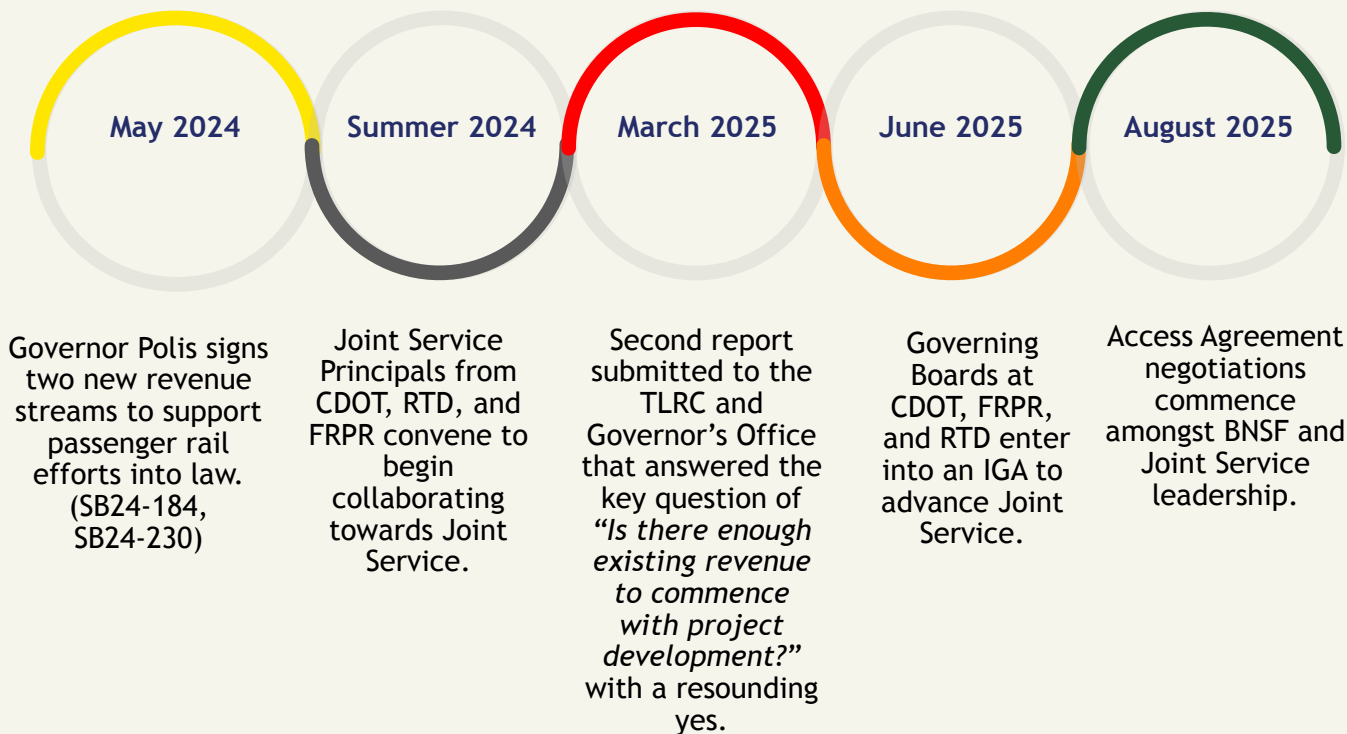


Joint Service Foundational Review

- Joint Service is a collaborative effort by RTD, FRPR, CDOT [CTE, CTIO, TC], and the Governor's Office to initiate a starter service from Denver to Fort Collins by January 2029.
- Joint Service drives for key efficiencies:
 - ◆ **One operator** running the service between Denver and Fort Collins
 - ◆ **One access agreement** with BNSF, allowing for passenger rail service
 - ◆ **One route** between Denver and Fort Collins
- Guiding Principles for the Negotiation Team:
 - ◆ Cost efficient starter service
 - ◆ Service is designed as a building block for Front Range Passenger Rail
 - ◆ Agreement to drive towards as much certainty of costs as possible
 - Process for verifying costs before proceeding to construction phase.



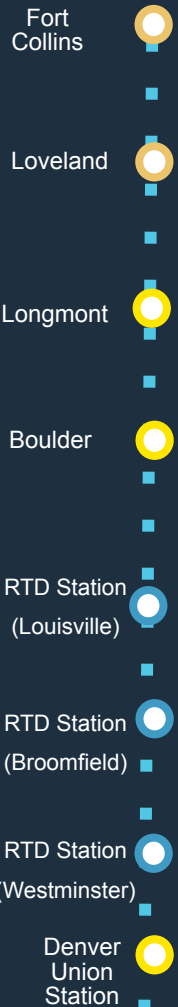
Joint Service Progress to Date



Agreed Upon Characteristics of Service

Schedule	Same schedule 7 days/week
Maximum Speed	79 MPH
Round Trip Frequency	3 daily round trips
Platforms	New Platforms, adjacent to BNSF Mainline
Route	RTD B-Line → BNSF Front Range sub
Station Stops	Eight station stops
Equipment	1 Revenue consist, 1 spare
No Pax Meets	No passenger train meets
Access Agreement Term	25 Years

Joint Corridor Service
3 daily round trips starting in 2029



What are the differing costs we know today?

	<u>RTD Peak Service Study</u>	<u>State's March 1st SB24-184 Financial Study</u>	<u>Term Sheet Estimated Joint Service Costs:</u>
Release Date	September 2024	March 2025	Early 2026
Service/ Region	3 In and 3 Out Trains Denver to Longmont	3 Round trips Denver to Fort Collins	3 Round trips Denver to Fort Collins
One Time & Capital Construction Costs	\$650M	\$885M	\$333M (Term Sheet Estimate)
Estimates Operations & Maintenance	\$12M - 16M <i>(Easement Access, annual O&M, dispatching and track maintenance)</i>	\$32M <i>(Included access fee, annual O&M, an operator's operations, and insurance)</i>	~\$25M-35M <i>(estimate Inclusive of BNSF Access Fee, Amtrak costs, and insurance and assumes leasing rolling stock)</i>

BNSF/CO Term Sheet Key Details

→ **Core Cost Efficiencies:**

- ◆ **Schedule designed to minimize unnecessary infrastructure:**
 - Less sidings, basic station infrastructure
- ◆ **Schedule design to have efficient rolling stock strategy:**
 - Peak Service Feasibility Study assumed 5 train sets to achieve the 3 in and 3 out service. In coordination with BNSF, Joint Service will require only 1 revenue set and 1 spare
- ◆ **Cost efficiencies achieved through having only one passenger rail service on this freight line:**
 - BNSF is being very efficient with needed project list as this proposal is predicated on having only 1 passenger rail service on their line. In the past, BNSF assumed both RTD and FRPR would need to share tracks with their freight trains
- ◆ **Cost efficiencies achieved through non-federal 209 service and contractual KPIs:**
 - This direct access agreement achieved efficiencies through non having federal jurisdiction over performance management, this is done instead through the contract with state law governing the contract.
 - Allows coordination for occasional freight long trains, versus spending millions in infrastructure for occasional long trains.
- ◆ **Cost efficiencies achieved through minimal station development for starter service:**
 - This proposal includes all needed track work, platforms and ADA access - it does not include full build out that would happen after FRPRD passes
 - This proposal focuses on platform placement to utilize existing RTD parking

Financial Plan

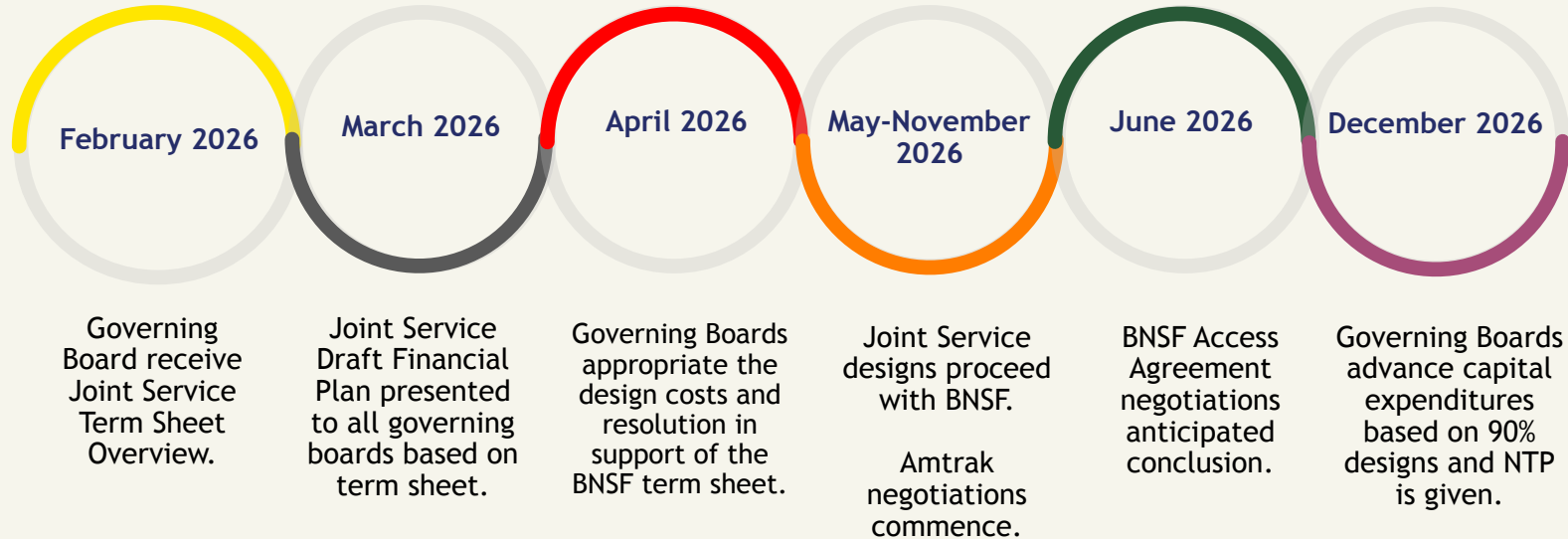
	<u>Termsheet Estimate Costs/ One time Investments</u>	<u>Design Costs</u>	<u>Estimate Operating Costs</u>
RTD Costs	\$156M <i>May be financed by RTD, dependent upon Board action.</i>	\$5.58M <i>(\$156M includes Design cost)</i>	\$10M-12M Annually
CTIO Costs	\$176M <i>Financed with SB184 revenue.</i>	\$3.83M <i>(\$176M includes Design cost)</i>	\$10M-12M Annually
CTE	-	-	\$10M-12M Annually <i>Financed with half of the rail set aside SB230 revenue.</i>



Important Notes

- ◆ RTD's FastTrack Savings Account has a balance of \$190M
- ◆ This financial plan would leave a nest egg in place for remaining unfinished FasTrack projects.
- ◆ The State is paying 53% of all-in, one-time costs
- ◆ Operating costs would be split between CTE, CTIO and RTD, or would be shared by FRPRD shall they pass a ballot initiative
- ◆ CTE would retain at least 50% of the rail set aside that is called out for the N Line completion

Joint Service Progress & Look Ahead



Negotiation Principles and Progress Report

→ Guiding Principles for the Negotiation Team:

◆ **Cost efficient Starter Service**

- Hybrid between commuter service and intercity passenger rail
- Starter service schedule designed to meet transit demand and minimize infrastructure needs
- Direct Access Agreement and contractual on-time performance metrics allows for legal approach to performance and minimize infrastructure
- Efficient strategy for rolling stock
- Maximizing use of existing RTD parking structures

◆ **Service is designed as a building block for Front Range Passenger Rail**

- Front Range Passenger Rail will benefit from Joint Service's investments in PTC/CTC, siding(s), and both speed and curve improvements
- Access Agreement to have a transfer provision to transfer Joint Service access agreement from the JSEOC to FRPRD

◆ **Agreement to drive towards as much cost certainty as possible**

- Process for verifying costs before proceeding to construction phase
- Locked in one-time payment for annual operations and maintenance
- Locked in access fee rate for 25 years with defined inflation index

Official Next Steps Action Timeline

→ **Approval of Term Sheet :**

- ◆ **April 9th-** Public Rollout of Term Sheet
- ◆ **April 28th:** RTD, TC, CTIO and CTE Governing Boards to consider resolutions in support of the BNSF/CO Term Sheet and appropriate funds for design phase

→ **Approval of Access Agreement :**

- ◆ **June 1, 2026:** Local Governments, JESOC and BNSF to agree on station locations
- ◆ **June 15, 2026:** Goal Date to Complete Access Agreement

→ **Notice to Proceed:**

- ◆ **December 2026:** Governing Boards vote to proceed and appropriate all one-time investments