

Joint Service IGA

How the Parties Collaborate and Advance Joint Service



Joint Service Background

- SB24-184, Supporting Surface Transportation, passed the General Assembly and was signed into law May 2024
- Provided for new multimodal project funding to be administered through the Colorado Transportation Investment Office (“CTIO”) via a Congestion Impact Fee placed on rental cars
- Directed the Regional Transportation District, Front Range Passenger Rail District, and Colorado Department of Transportation to collaborate and deliver a starter intercity passenger rail service from Denver to Ft. Collins
- Allowed the Joint Service entities – RTD, FRPRD, and CDOT – to examine options and decide how best to work together:
 - ◆ An Intergovernmental Agreement (“IGA”), or
 - ◆ A new Colorado Rail Authority, or
 - ◆ A new legal entity

Why an Intergovernmental Agreement?

The Colorado General Assembly, via SB24-184, directed the State's three leading transit entities to use their statutory authority to study collaboratively how they could deliver the first phase of Front Range Passenger Rail.

This approach:

- Allows collaboration among the public entities and provides a governance structure for their activities
- Creates a Joint Service Executive Oversight Committee (JSEOC) that acts on behalf of the group of public entities (Executives or their designee of RTD, FRPRD, CTIO, CTE, CDOT, and the Colorado Governor)
- The JSEOC is the single entity that will negotiate the access agreement and construction agreement with BNSF

Overview of the IGA

- The IGA does not supersede or impact the authority of each individual public entity. The governing body of each public entity makes all decisions regarding appropriations and funding, unless such decisions have been expressly delegated by the individual governing body.
- Individual governing bodies will still need to vote and approve any investment in Joint Service once an access agreement has been negotiated by the JSEOC and BNSF.
- It is expected that the JSEOC initially will make decisions by super majority rule (majority +1).
- A process for electing to use a weighted voting mechanism has been added for protection of the interests of the public entities making large financial contributions to the Joint Service Project.
- The JSEOC will steer negotiations with BNSF, and solicit an operator for passenger rail service.

Overview of the IGA (continued)

- The JSEOC will strive to approve designs for or implement the Joint Service Project in a manner that will advance not only the Joint Service Project but also anticipated future phases of Front Range Passenger Rail service.
- The JSEOC will not approve designs for or implement the Joint Service Project in a manner that will render infeasible the interface of the Joint Service Project with RTD commuter rail operations in existence at the time such approval is given.
- The JSEOC will seek to make decisions and investments that will be mutually beneficial for the Joint Service Project and the Front Range Passenger Rail District. The JSEOC will not approve any course of action with respect to the Joint Service Project that would have the effect of unreasonably and severely impairing the implementation or operation of the Front Range Passenger Rail system.
- The IGA provides processes for termination of the IGA, withdrawal of a Party from the IGA, and creation by the JSEOC of a Transfer Plan with a vote of the members.

Joint Service Timeline

- **May 2025:** All Boards Workshop Draft IGA
- **June 2025:** The Boards begin voting and approving the IGA:
 - ◆ Mid June: CTIO, TC
 - Late June: RTD, CTE, FRPR
- **August 2025 - January 2026:** JSEOC to negotiate an access agreement with BNSF
- **Winter 2026:** All Boards to adopt financial plan based on a successful access agreement and construction agreement
- **Summer 2026:**
 - JSEOC conducts procurement for rolling stock and operator
 - JSEOC executes a construction agreement with BNSF on needed infrastructure investments
- **January 2029:** Joint Service train begins