



**COLORADO**

Department of Transportation

# Bustang Funding Joint TC/CTIO Workshop

March 18, 2026



# Agenda

- Quantifying Bustang Benefits
  - Consumers
  - Society
  - Highway Operations
- Bustang Ridership
- Service Optimization Scenarios
- Funding Sources with Transit Eligibility
- Next Steps





# Consumer Costs of Driving vs. Taking Transit

- In Colorado and nationally, Transportation is the second largest monthly household expense behind Housing.\*
- The average cost to own and operate a personal vehicle is \$12,297 a year or about \$1,025 a month (equivalent to **\$0.60 to \$0.85 per mile**).\*\*
- Bustang offers distance-based fares equivalent to **\$0.17 per mile**
- Example - Ft. Collins to Denver
  - Adult (12+) \$10
  - Seniors (65+) \$7
  - Child (2-11) \$5
  - Child (< 2) Free
- 10, 20, 40 ticket packages are also available at 10-25% discounts
- RTD Standard Monthly Pass is \$88 or \$1,056 annually

\*2024 Bureau of Labor Statistics (BLS) Household Expense Data. Costs vary based on location, household size, and lifestyle.

\*\*2024 AAA Your Driving Costs Data. Includes costs associated with vehicle financing, maintenance, insurance, registration, depreciation, parking, unexpected repairs, traffic tickets, tolls, and vehicle fuel efficiency.



# Public Transit Creates Positive Externalities

## Environmental:

- Improved air quality
- Energy efficiency
- Improved urban form
- Reduced sprawl

## Social:

- Enables mobility for non-driving, elderly, disabled and low-income populations
- Reduced social isolation
- Improved public health
- Increased safety

## Economic:

- Reduced congestion
- Opportunities for transit-oriented development
- Increasing activity, connections for local transit
- Workforce access to jobs





# Economic Returns from Public Transit

The American Public Transit Association (APTA) estimates that every \$1 billion invested in public transportation generates \$5 billion in long-term economic value and supports tens of thousands of jobs across the U.S.

Local Example - \$500M in public investment at Denver Union Station led to \$3.5B in private development, including

- 1.9M sq ft of office space
- 250k sq ft of retail space
- 3,000 residential units
- 750 hotel rooms



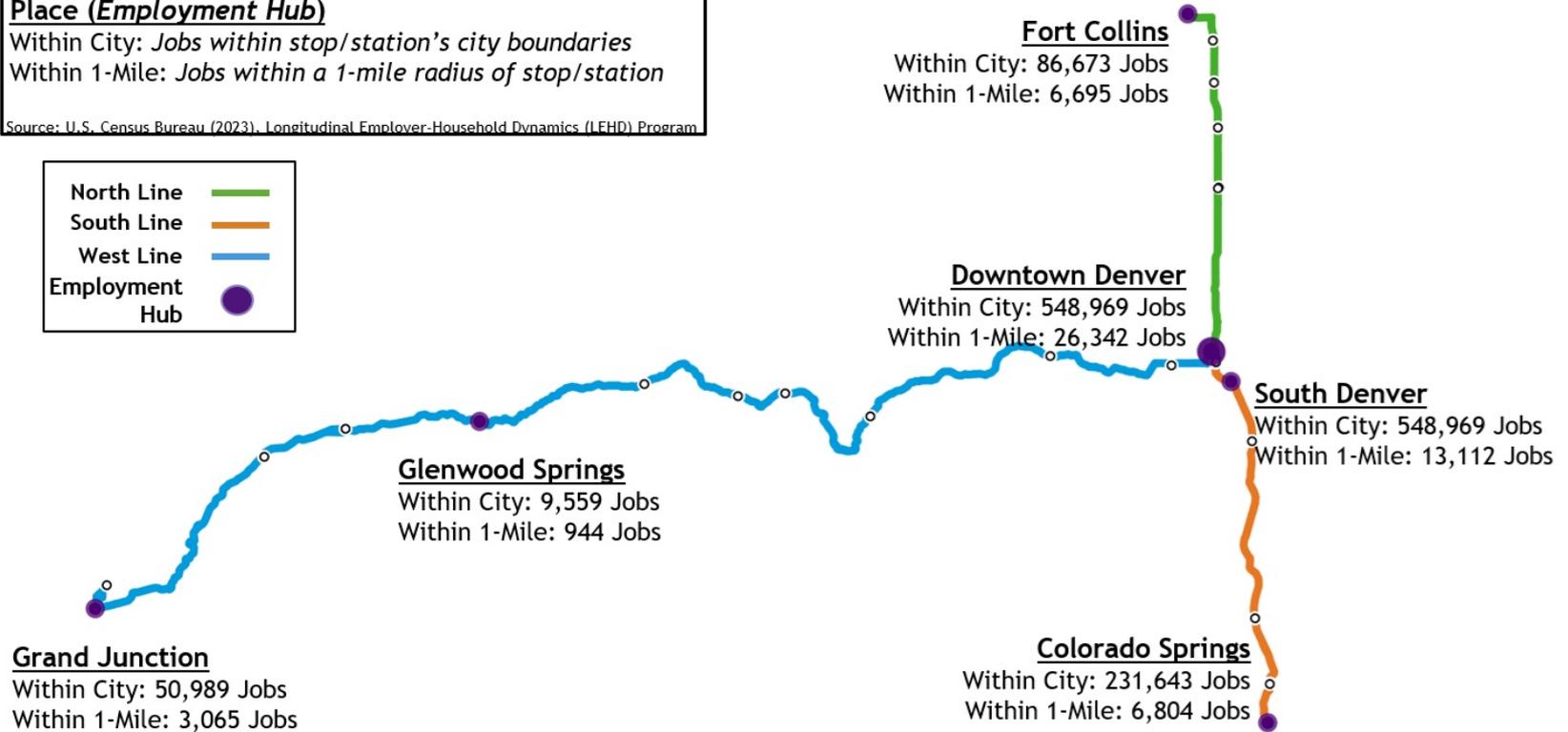
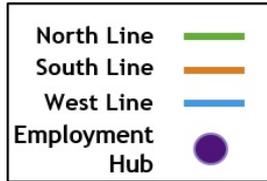


# Bustang Connects Coloradans to Economic Centers & Jobs

## Place (Employment Hub)

Within City: *Jobs within stop/station's city boundaries*  
Within 1-Mile: *Jobs within a 1-mile radius of stop/station*

Source: U.S. Census Bureau (2023). Longitudinal Employer-Household Dynamics (LEHD) Program





# Public Transit Makes Roads Safer and More Efficient

- Transit travel has about one tenth (1/10th) the traffic casualty (death or injury) rate as automobile travel.\*
- Transit-oriented neighborhoods have about one fifth (1/5th) the per capita crash casualty rate as automobile-oriented areas.\*
- Transit tends to have lower overall crime rates than driving, eliminating risky behaviors such as aggressive or impaired driving.\*
- Fewer crashes improve roadway operations and reduce costs associated with traffic enforcement and emergency services.\*\*



\*Safer Than You Think! Revising the Transit Safety Narrative, 21 December 2025, Todd Litman Victoria, Transport Policy Institute

\*\* Economic Impact of Public Transportation Investment, 2026 February, American Public Transportation Association



# CDOT Systems and Bustang

Gov. Polis's Transportation Vision identifies strategies to reduce pollution, advance affordability, and improve quality of life for all Coloradans including;

1. Expansion of transit service
2. Implementing policies to encourage compact land use and walkable communities to reduce the number and distance of vehicle trips
3. Increasing travel choices by investing in bicycle and pedestrian infrastructure and micro mobility services that assist with "first and last mile" connections to transit facilities.

On I-25 and I-70 especially, where transit infrastructure is actively being integrated into the highway, Bustang contributes to identified strategies for affordable, accessible, and convenient transportation across the state.





# Service Overview

## Bustang Main Line

- Operates along Colorado's busiest corridors (I-70 and I-25)
- Focused on providing express service and meeting demand along corridors

## Outrider

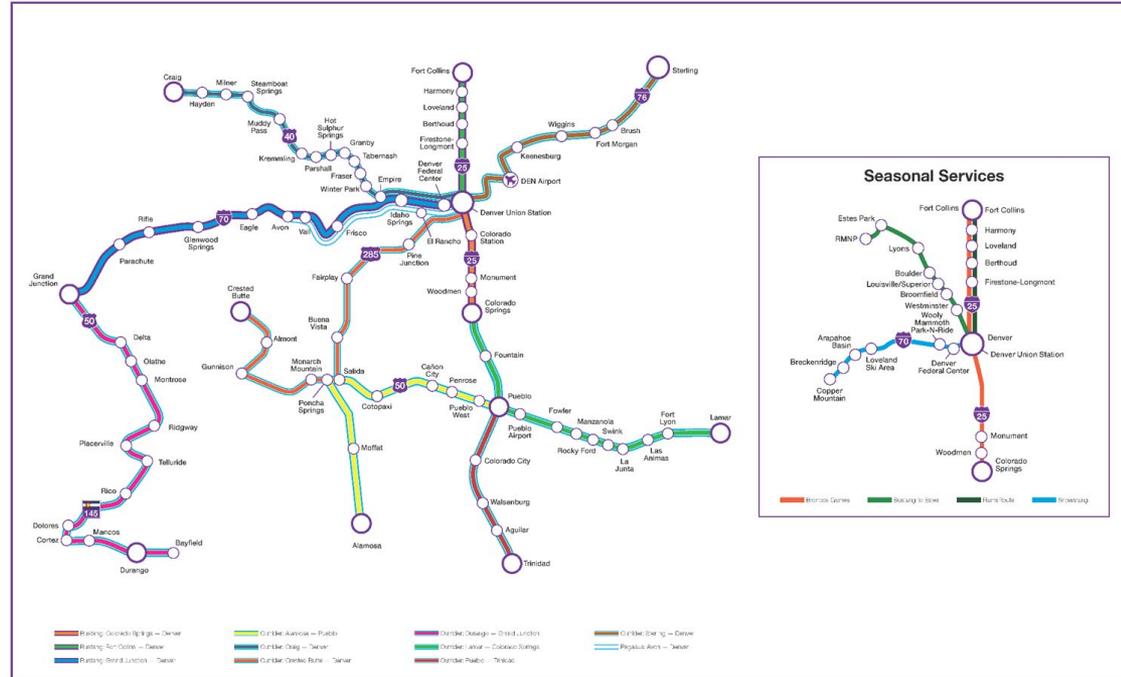
- Rural connector service.
- Focused on providing access and transit connections for rural communities across the state

## Pegasus

- Express shuttle service on I-70 West
- Focused on providing a more nimble travel option with mountain express lane access.

## Seasonal Services

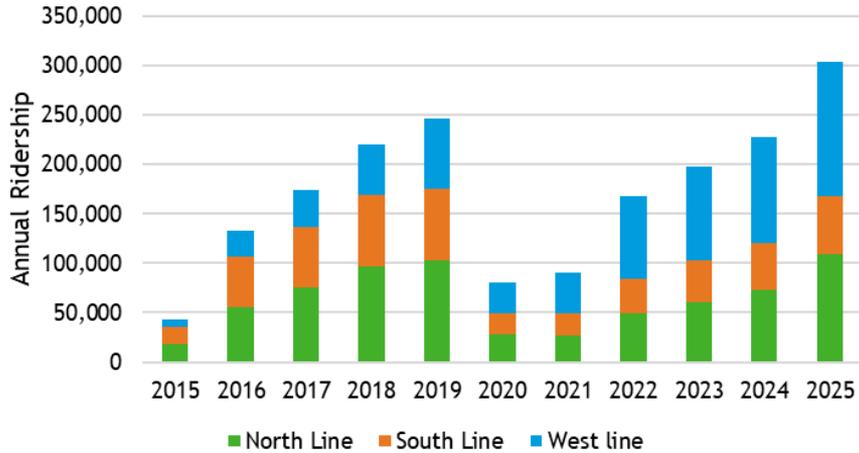
- Event-based services
- Focused on seasonal demand from events





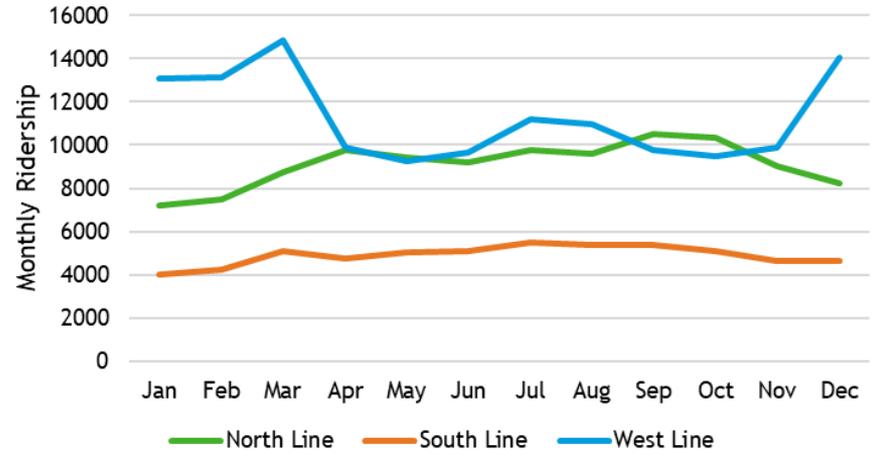
# Bustang Main Line Ridership

### Ridership by Calendar Year



- 2025 ridership above pre-pandemic levels
  - 2019: 246,000 riders
  - 2025: 303,000 riders

### CY2025 Main Line Ridership



- First full year of post-expansion data
- Total 2025 ridership by line:
  - North Line: 109,000 riders
  - South Line: 59,000 riders
  - West Line: 135,000 riders



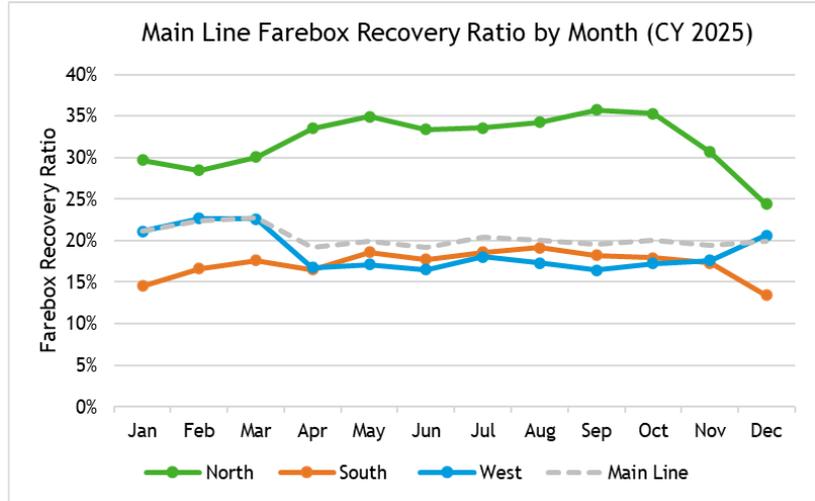
# Bustang Main Line Farebox

## 2025 Farebox Revenue by Line

■ North ■ South ■ West



**Total: \$3,973,439**



## National Trends

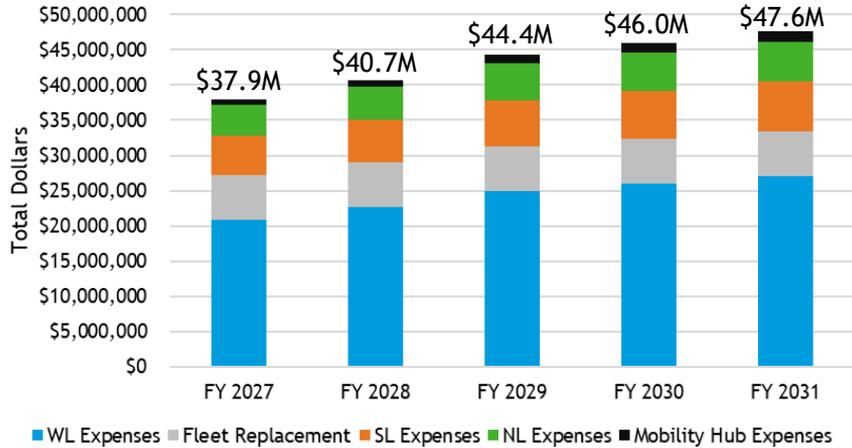
Type	Average Length (miles)	Farebox Recovery Ratio	Data Year (most recent)
Commuter Bus	30	24%	2024
Bus	10	7%	2024
Bustang Main Line	North/South - 65 West - 240	20%	2025

Source: Federal Transit Administration (FTA), National Transit Database (NTD) Report (2024)

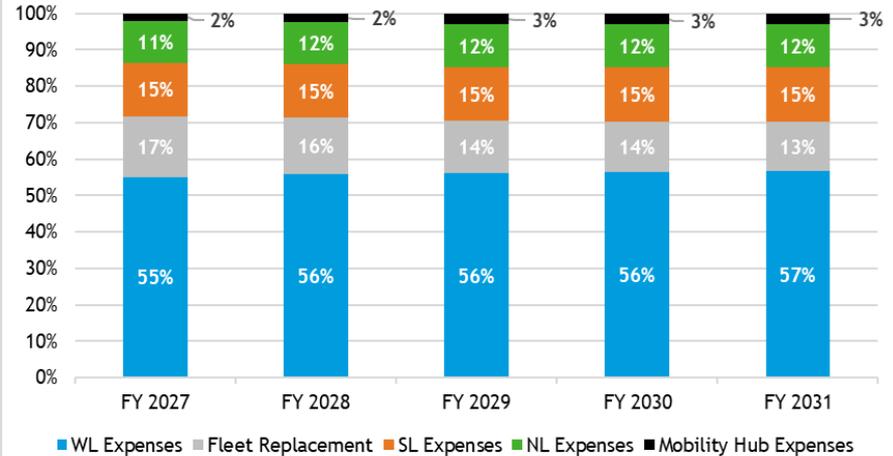


# Bustang Main Line Expenses

Main Line Expenses by Fiscal Year (2027-2031)



Percent of Total Costs Shown by Fiscal Year (2027-2031)



**Includes:**

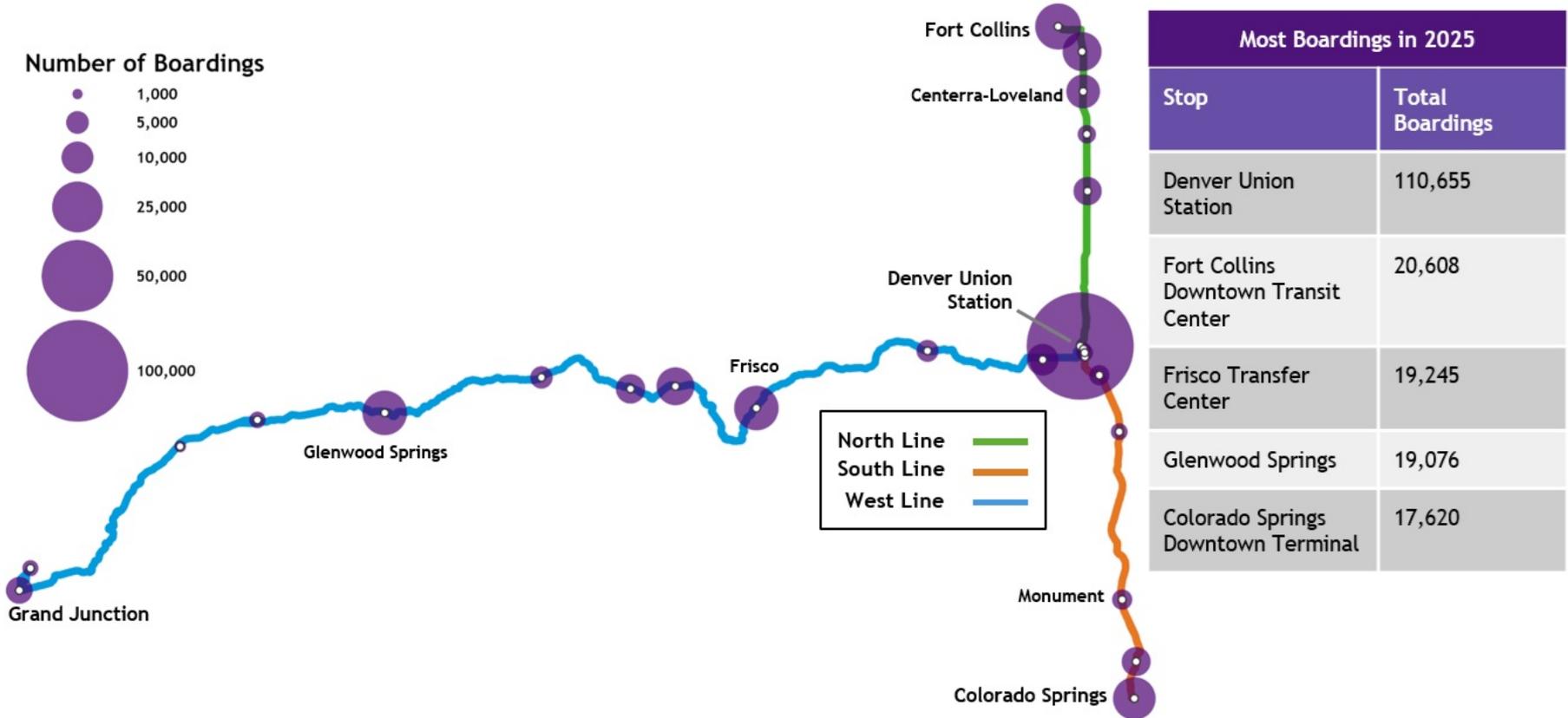
- Main Line expenses (direct operating and planned expenses (admin))
- Bustang fleet replacement costs
- Mobility Hub expenses

**Excludes:**

- Outrider expenses, Pegasus expenses, Seasonal Service expenses and other planned expenses (admin) for all Bustang services



# Bustang Main Line Boardings by Stop (2025)

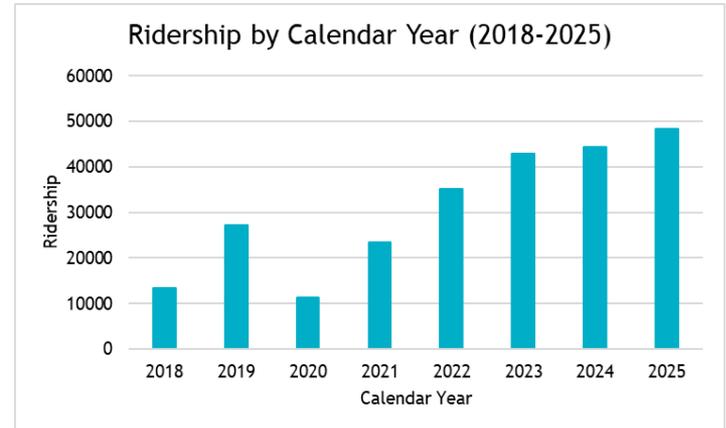
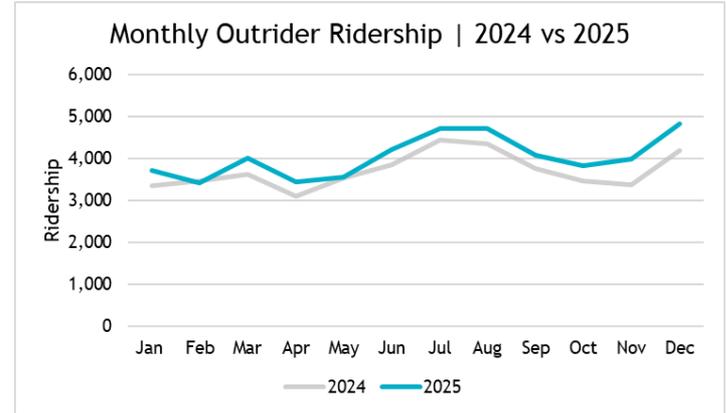




# Outrider Performance Overview

Outrider Route	2025 Ridership	% Change vs. 2024	Recent Service Changes
Crested Butte - Denver	18,900	+10%	Second round trip added 2/2025
Craig - Denver	13,600	+9%	-
Durango - Grand Junction	5,200	+7%	-
Lamar - Colorado Springs	4,500	+14%	-
Alamosa - Pueblo	2,500	0%	Stop added 2/2026 (Cañon City)
Sterling - Denver	1,700	+160%	Stop added (DEN) 10/2024, Weekend service added 2/2026
Trinidad - Pueblo	1,500	+13%	-
Sterling - Greeley	300	+133%	Service discontinued 1/2026
<b>Outrider Total</b>	<b>48,400</b>	<b>+9%</b>	<b>-</b>

Note: Telluride - Grand Junction, not shown, service was discontinued in February 2025. Ridership included in Outrider total calculations. 1,200 riders in 2024 and 100 riders in 2025.

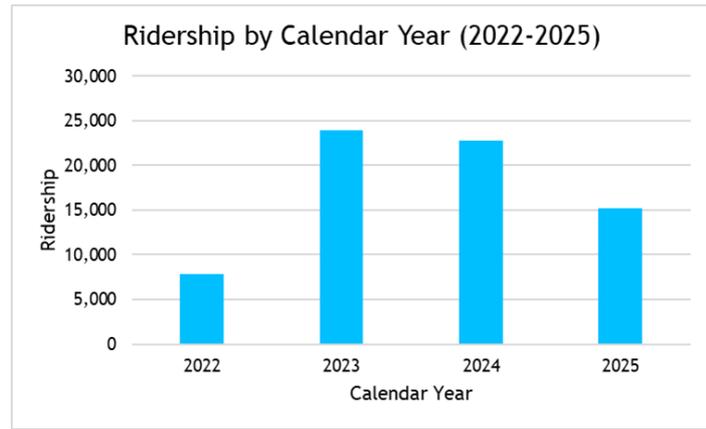
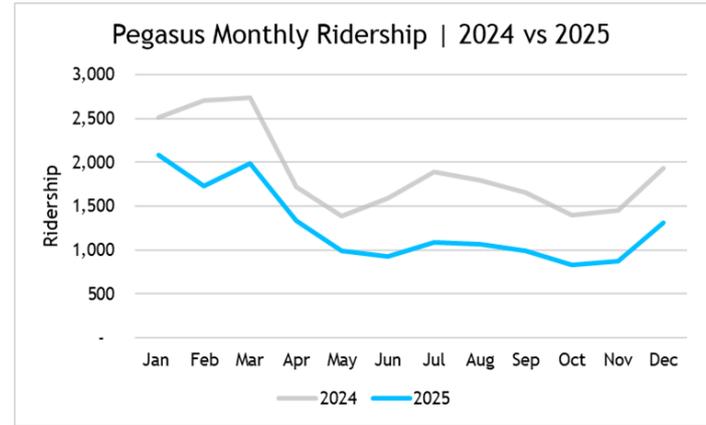




# Pegasus Performance Overview

Pegasus Service		
2025 Ridership	% Change vs. 2024	Recent Service Changes
15,200	-33%	El Rancho Stop Added

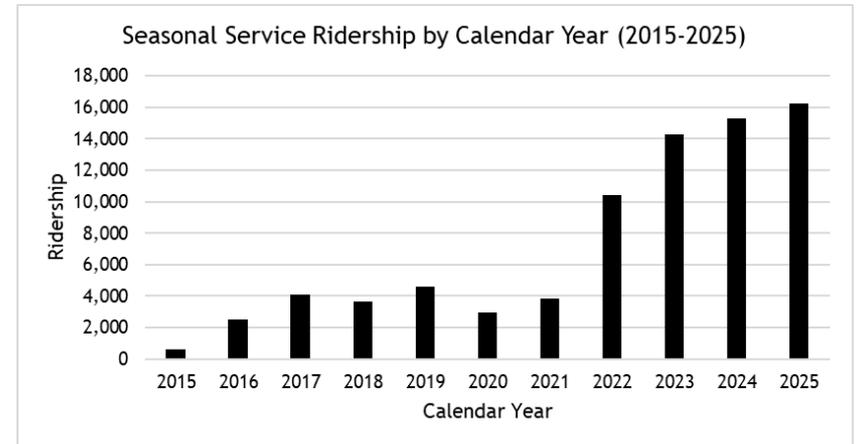
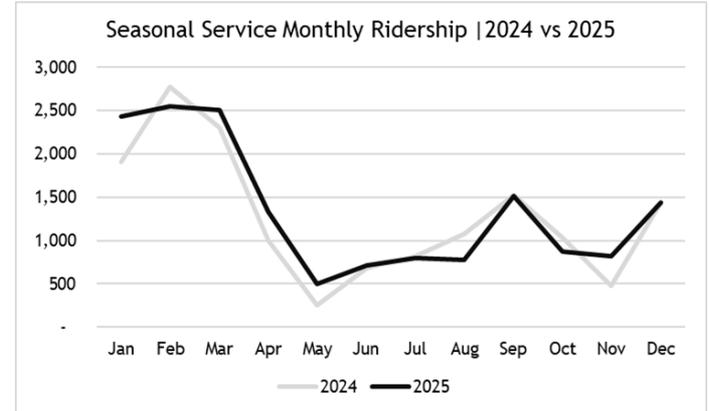
- Pegasus’s declining ridership, along with growth on the West Line appear to be making Bustang West Line and Pegasus competing services, not complimentary.
- Pegasus and Bustang West Line share the same route (Denver-Avon) and nearly identical stops
- Prior to current service levels, Pegasus supplemented West Line service during periods of minimal schedule overlap
- Pegasus is a mitigation action for the Floyd Hill project





# Seasonal Services Performance Overview

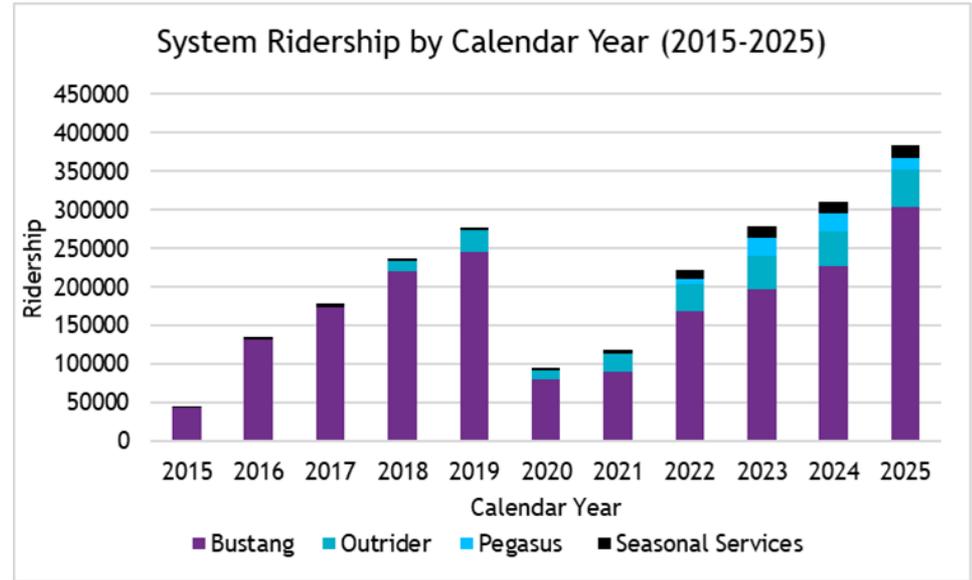
Seasonal Service	2025 Ridership	% Change vs. 2024	Recent Service Changes
Snowstang	8,900	+7%	-
Bustang to Estes	3,200	-4%	-
RamsRoute	2,100	-3%	-
Bustang to Broncos	2,100	+36%	-
<b>Seasonal Services Total</b>	<b>16,300</b>	<b>+6%</b>	<b>-</b>





# Bustang System Performance Summary

Service	2025 Ridership	% Change vs. 2024
Bustang Main Line	303,400	+33%
Outrider	48,395	+9%
Pegasus	15,200	-33%
Seasonal Services	16,300	+6%
<b>Bustang Total</b>	<b>383,300</b>	<b>+24%</b>



- 2.3 million riders over 10 years
- Six consecutive years of service growth
- Recovered pre-pandemic ridership starting in 2024



# Operating Efficiency Measures

## System Optimization

- Elimination of Telluride-Grand Junction and Sterling-Greeley routes
- Improved scheduling on North Line with introduction of Mobility Hubs and Express Lanes
- Upcoming Outrider Request for Proposals (RFP) to renegotiate rates and operators

## Establishing Partnerships

- Snowstang partnerships with resorts have a 60/40 cost share
- Outrider exploring partnerships with local jurisdictions for service expansion
- Idaho Springs Mobility Hub slip ramp design configuration

## Transit System Expansion

- CTE formula grants have implemented Transit Connections Study recommendations through local operators - Granby to Grand Lake, etc.



# Future Service Scenarios

Scenario	Overview	Impact	FY 27 Annual Budget*	FY 27 Funding Gap
No Action	Continue at existing service levels for FY27	<ul style="list-style-type: none"> <li>Results in significant budget shortfall</li> <li>Maintains current routes and frequencies</li> </ul>	\$47.8 M	\$25.3 M
1	<b>Significantly Reduce Service</b> to align with 2023 revenue levels	<ul style="list-style-type: none"> <li>Reduces operating budget to available revenue</li> <li>Focus on optimizing service to budget available</li> <li>Significant service reductions (N, S, W, Pegasus, Outrider)</li> </ul>	\$22.5 M	\$0
2	<b>Reduce and Optimize Service</b> to invest in best performing routes, reduce service on other routes	<ul style="list-style-type: none"> <li>Reduces operating budget by \$5-10M per year</li> <li>Optimize all routes and invest in highest performers</li> <li>Some service reductions (N, S, W, Pegasus, Outrider)</li> </ul>	\$37-42 M	\$15-20 M
3	<b>Optimize and Targeted Expansion</b> of high performing service and invest in targeted new service opportunities	<ul style="list-style-type: none"> <li>Results in significant budget shortfall</li> <li>Optimizes current routes and frequencies</li> <li>Allows for targeted expansion opportunities (5%)</li> </ul>	\$50.6 M	\$28.1 M

\*Proposed one-time reallocation of roll-forward funding could increase available FY 27 budget by up to \$21.1 M.



# Federal Funding Sources with Transit Eligibility

- Federal Sources
  - STBG and Carbon Reduction (state allocations)
    - Limited to capital costs, whereas majority of funding gap is operating funds.
    - Would require reallocation of funds from CDOT capital construction program (10-Year Plan and asset management).
  - CMAQ (state allocation)
    - Limited to non-attainment area and to capital costs. Operating is eligible but only for new service and only for 3 years.
    - Already proposed for reallocation to Bustang.
  - FTA various programs
    - FTA 5311(f) funding is already allocated to Bustang Outrider.
    - Allocation of additional FTA funds would require reallocation of funds from local transit grant programs. Additionally, there are limitations on eligibility.



# State Funding Sources with Transit Eligibility

- State Sources
  - General Fund
    - General Fund transfers to CDOT were already significantly cut in FY 26 and FY 27.
    - \$10 M was already allocated to Bustang in FY 26 and \$6 M is allocated annually in the 10-Year Plan beginning in FY 27.
    - Allocation of additional General Fund would require reallocation of funds from CDOT capital construction program (10-Year Plan).
  - HUTF
    - HUTF revenue has very limited transit eligibility.
    - Would require reallocation of funds from CDOT maintenance and operations program, which already faces a significant funding shortfall.
  - MMOF / FASTER Transit
    - State share of MMOF and a portion of FASTER transit already allocated to Bustang.
    - Allocation of additional FASTER transit funds would require reallocation of funds from local transit grant programs.



# Enterprise Funding Sources with Transit Eligibility

- NAAPME
  - SB 21-260 Retail Delivery Fee and SB 21-260 Rideshare Fee
    - Limited revenue stream, approximately \$13 M annually.
    - Could be considered for grant funding, but would not be ongoing funding.
    - Would be problematic for CDOT to be an applicant from a TABOR perspective.
- CTE
  - SB 21-260 Retail Delivery Fee
    - Bustang is generally not eligible with funds dedicated to local transit ZEV grant programs.
  - SB 24-230 Oil and Gas Production Fee
    - Bustang is generally not eligible with 80% statutorily directed to local transit grant programs and 20% statutorily directed to passenger rail.



# Enterprise Funding Sources with Transit Eligibility (continued)

- CTIO
  - SB 24-184 Congestion Impact Fee
    - Could be considered for funding, but funds are spread thin between competing needs including Front Range Passenger Rail and Mountain Rail projects.
    - TABOR considerations related to ownership/partnership structure with CDOT.
  - Toll Revenue
    - Could be considered for funding, subject to existing corridor restrictions and availability of net toll revenue after accounting for debt service, maintenance and operating costs and other planned projects.
    - TABOR considerations related to ownership/partnership structure with CDOT.



## Next Steps

- Continued follow up with TC and CTIO Boards on funding strategies
- Ongoing engagement with stakeholders
- Consideration and potential action on proposal for additional FY27 CDOT funding by the Transportation Commission
- Engagement with Attorney General's Office on legal questions and paths forward