

**RESOLUTION NO. 2026-06
OF THE FRONT RANGE PASSENGER RAIL DISTRICT**

**APPROVING TASK ORDER NO. 2
WITH
EY INFRASTRUCTURE ADVISORS, LLC**

WHEREAS, pursuant to Section 32-22-101, *et seq.*, C.R.S. (the “Act”), the Front Range Passenger Rail District (the “District”) was established as a body politic and corporate and a political subdivision of the state to research, develop, construct, operate, and maintain an interconnected passenger rail system within the front range that is competitive in terms of travel time for comparable trips with other modes of surface transportation; and

WHEREAS, Section 32-22-105(2)(d), C.R.S. authorizes the Board of Directors of the District (the “Board”) to pass resolutions necessary for the government and management of the affairs of the District and the execution of the District’s powers and duties; and

WHEREAS, pursuant to Section 32-22-105(2)(g)-(h), C.R.S., the Board is authorized to appoint, hire, and retain engineers and other professional consultants, and to prescribe methods for the performance or furnishing of labor, materials, or supplies that may be required to carry out the purposes of the Act; and

WHEREAS, on December 11, 2023, the District executed a contract with Ernst & Young Infrastructure Advisors, LLC (“EYIA”) for the purpose of providing municipal and financial advisory services and financial modeling for the District (the “Contract”); and

WHEREAS, together therewith, the District executed Task Order No. 1 (“Task Order No. 1”) for initial financial advisory services and financial modeling related to the District’s advancement of a detailed financial plan for delivering passenger rail service to fulfill the District’s statutory obligations; and

WHEREAS, the Board now desires to execute Task Order No. 2 for further financial analysis services in support of the District’s 2026 ballot readiness efforts as described in the scope of services provided in Task Order No. 2, attached hereto as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Front Range Passenger Rail District that the Board of Directors hereby approves Task Order No. 2 pursuant to the Contract and authorizes the General Manager to execute Task Order No. 2 in substantially the form presented.

APPROVED this 27th day of February 2026.

A handwritten signature in black ink, appearing to read "K. E. Peterson", written over a horizontal line.

Chair

ATTEST:

Joan Peck

Secretary

EXHIBIT A

TASK ORDER NO. 2

[See attached]

TASK ORDER CONTRACT
BETWEEN
THE FRONT RANGE PASSENGER RAIL DISTRICT AND
EY INFRASTRUCTURE ADVISORS, LLC
FOR
PROFESSIONAL SERVICES
TASK ORDER NO. 3

This Task Order is made as of this 27th day of February, 2026, in accordance with the terms of the Task Order Contract for Professional Services (the “Contract”) between the Front Range Passenger Rail District (the “District”) and EY Infrastructure Advisors, LLC (the “Consultant”) made and entered into on December 11, 2023.

1. SCOPE OF SERVICES

Pursuant to Section 3 of the Contract, the Consultant is authorized to and shall perform the services set out in Appendix 1 of this Task Order, including providing any deliverables defined therein.

2. COMPENSATION

In return for the performance of the foregoing scope of services, the District will compensate the Consultant an amount not to exceed Two Hundred Twenty-Five Thousand Dollars (\$225,000.00), on the following basis:

B. Time and Materials

The District will pay the Consultant allowable costs as they are incurred in the performance of this Task Order in accordance with Appendix 2 of this Task Order (which hourly rates shall supercede those set forth in Exhibit 2 of the Contract) and the terms and conditions of the Contract.

The Consultant is not authorized to perform services in excess of the not to exceed amount under this Task Order without prior written authorization from the District.

3. PERFORMANCE PERIOD

The Consultant shall perform all services described in this Task Order by September 30, 2026. The Consultant shall not perform any services described in this Task Order prior to February 27, 2026, or after September 30, 2026, unless such time period is extended in a written notification from the District.

4. PERSONNEL

As part of Exhibit 2 of this Task Order, the Consultant and Subconsultant personnel who are authorized to perform the services set out in Appendix 1 of this Task Order are provided. Other Consultant or Subconsultant personnel are not authorized to perform services under this Task Order without prior authorization by the District in accordance with the terms of the Contract.

5. INSURANCE REQUIREMENTS

The Consultant shall comply with the insurance requirements set out in the Contract, including any insurance requirements applicable to any of the Subconsultants, unless otherwise modified in is Task Order.


6. WORK PRODUCT OWNERSHIP


All finished or unfinished documents and materials and Work Product produced or procured under this Task Order, including all intellectual property rights thereto, will become the District’s property, subject to the terms and conditions of the Contract.

All terminology used in this Task Order shall be interpreted in accordance with the Contract unless specifically defined differently in this Task Order.

EY Infrastructure Advisors, LLC

Front Range Passenger Rail District

By: 

By: 

Tom Rousakis
Senior Managing Director

Sal Pace
General Manager

APPENDIX 1. SCOPE OF SERVICES

Financial Analysis Support for District Polling and Election Efforts

Front Range Passenger Rail Project

Purpose

Ernst & Young Infrastructure Advisors, LLC (“EY”) will provide financial modeling and scenario analysis services for the Front Range Passenger Rail project (the “Project”) to support District polling, strategic decision-making, and potential ballot initiative development. The analysis will evaluate sales and use tax requirements, debt capacity, and financing structures under a range of implementation, phasing, and funding scenarios.

Phase 1A: Preliminary Scenario Modeling and Strategic Support

(February – April 2026)

EY will coordinate closely with the District, District consultants, and CDOT technical advisors to develop a flexible financial model capable of supporting District decision-making on key policy, polling, and strategic issues related to tax rates, District boundary configurations, project phasing, and TABOR-related financing constraints.

1. Model Inputs and Coordination

Coordinate with the District and its technical advisors to source and validate updated financial model inputs, including capital costs, operating costs, lifecycle costs, implementation schedules, and District boundary configurations.

2. District Boundary and Tax Base Flexibility

Incorporate the ability to model **up to three (3) District boundary configurations**, defined by the District, each of which will be associated with a separate sales and use tax revenue projection based on the taxable sales base of a given boundary configuration.

3. Sales and Use Tax Revenue Updates

Update previously-developed sales and use tax revenue projections to reflect observed growth between FY 2024 and FY 2026 and any District boundary changes specified by the District. This work will constitute an update to prior forecasts, not the development of a new baseline forecast.

4. Base Case Implementation Schedule

Establish a base case Project implementation schedule, with target start/end construction dates and revenue service dates provided for each identified Project phase. Model will be able to adjust phase durations to support scenario testing.

5. **Scenario Modeling Framework**

Using updated inputs, develop a financial model capable of evaluating up to five (5) District-defined scenarios, including:

- Base case and high-capital-cost variants using common implementation schedule assumptions; and
- Up to three (3) alternative implementation scenarios, which may vary by the timing of capital expenditures, origin-destination pairs, service level assumptions, financing structure, and/or revenue ramp-up profiles.

6. **Tax and Debt Outputs**

For each scenario, estimate a **range of feasible sales and use tax rates and corresponding debt issuances** that satisfy scenario constraints.

7. **Allocation of Capital and Operating Costs**

Enable capital expenditures (“capex”) and operating expenditures (“opex”) to be allocable to an identified

- **Geography or service coverage area** (e.g., North vs. South); and/or
- **Funding partner** (e.g., Joint Service vs. District).

Additionally, the model will be capable of varying the share of total opex allocable to the District on an annual basis, as directed by the District.

8. **Escalation and Cost Dynamics**

Enable the escalation rates applied to capex to be adjusted dynamically by year or project phase

9. **Debt Metrics for TABOR Considerations**

Present results in terms of estimated principal, maximum annual debt service, and total debt service to address TABOR-related considerations in District polling language.

10. **Debt Optimization Considerations**

Identify and assess high-level strategies for reducing total debt service for a preferred scenario, subject to District policy direction.

12. **Revenue Pledge and Lien Structure**

Confirm with the District the intended lien status of sales and use tax revenues pledged to local municipalities and their placement within the Project cashflow waterfall relative to operating expenses and District debt.

Phase 2: Additional Scenario Support and Model Refinement

(May – June 2026)

15. Additional Scenarios

Model up to two (2) additional scenarios, if needed, to support follow-up polling, legislative considerations, or ballot initiative refinement.

16. Ad Hoc Strategic Support

Provide ad hoc analytical and modeling support related to scenario interpretation, refinement of model inputs or assumptions, and stakeholder questions.

17. Model Handover

Deliver a fully functional Excel-based financial model with documented assumptions and scenario controls.

Key Assumptions and Clarifications

- “Joint Service” refers to the delivery of commuter rail–related service between Denver Union Station and Fort Collins on a shared-use corridor that will also be utilized by the District for intercity Front Range Passenger Rail service. Joint Service is anticipated to be funded through a combination of Denver Regional Transportation District (“RTD”) resources and State funding programs, including SB-184 and SB-230 revenues programmed by the Colorado Transportation Investment Office (“CTIO”) and the Colorado Department of Transportation (“CDOT”), respectively.
- Where the Scope refers to Joint Service or Joint Service-funded costs, such references are understood to mean costs associated with this commuter rail service. These Joint Service-related costs are further understood to constitute a subset of the Phase 1 Project costs described in the Service Development Plan (“SDP”). Model inputs will be provided from the draft **Service Development Plan** or via coordination with other District consultant(s) or CDOT technical advisors, facilitated by the District.
- The financial model will accommodate **up to three (3) alternative District boundary configurations**, with flexibility to evaluate uniform and non-uniform rates by geography, if required.
- District will provide the total taxable base for each of the three revised District boundary configurations, with a breakdown of the total taxable base by the relevant unit of geography needed for modeling purposes.

- EY will collaborate with the District’s selected consultant to align the source data for sales and use tax projections used in the financial model with those revised District boundaries.
- Consistent with prior modeling efforts, District will assume a ratings (pessimistic) case for the sales & use tax projections; such case will be applied consistently across scenarios
- Given the current level of design, the capital cost estimate for the Project is available only in current year dollars escalated to the midpoint of construction. CDOT and its technical advisors will provide guidance and input on an appropriate construction cost curve for each phase of the Project and on the conversion of annual expenditures into monthly construction draw schedules.
- CDOT and its technical advisors will also supply any assumptions related to construction cost escalation. Research on historical inflation trends or indices for modeling purposes can be undertaken for an additional fee.
- Capital and operating cost inputs are assumed to be provided in a format that **cleanly distinguishes between Joint Service-funded and non-Joint Service-funded capex and opex.**
- Capital and operating costs will be structured within the model such that they are allocable to a given geography or service coverage area (e.g., North vs. South) and/or to a given funding partner (e.g., non-District [RTD and/or State] vs. District).
- The model will incorporate projected federal, state, RTD, and other third-party funding sources for each Project phase to the extent such inputs are provided by the District. No coordination by EY will be needed with District funding partners on the timing or amount of contributions to Project capital or operating expenses. Other than sales and use tax projections, no funding source forecasting will be performed by EY.
- Model will account for a portion of annual sales and use tax revenue to be set aside for municipalities served by FRPR stations. Assumptions related to the timing and amount of such set-asides will be supplied by the District. Scope does not include any financial analysis or advice on the sufficiency of such set-asides for their intended purpose.
- No probabilistic risk analysis will be performed. Any risk allowances or contingencies will be incorporated as scenario inputs provided by the District or its technical advisors.

Deliverables

- Preliminary scenario analysis results: **April 30, 2026**
- Final scenario analysis: **July 30, 2026**
- Fully functional Excel financial model: **August 15, 2026**

APPENDIX 2. AUTHORIZED PERSONNEL & HOURLY RATES

Name	Rank / Labor Classification
Tom Rousakis	Senior Managing Director
Adam Christian	Senior Director
Scott Ladner	Senior Director
Caroline Sallee	Executive Director
Khandekar Mainul Alam	Manager
Denise Liu	Manager
Leqi Zhao	Manager
Brett Syndergaard	Senior Associate
Nina Borja	Senior Associate

CONSULTANT RATES

Rank/Labor Classification	Hourly Rate
Senior Managing Director / Partner / Principal	\$641
Managing Director / Executive Director	\$641
Senior Director / Senior Manager	\$566
Director / Manager	\$500
Senior Associate	\$419
Associate / Analyst / Staff	\$296
Administrative Assistant	\$161
Principal (Strae)	\$382

Compensation

- Phase 1: **\$175,000**
- Phase 2: **\$60,000**
- **Total: \$225,000**, invoiced on a time-and-materials basis.