

FasTracks Program Evaluation Frequently Asked Questions

1. **Will RTD deliver what it promised to voters?** Yes. RTD is committed to delivering FasTracks within the financial capacity approved by voters in 2004. We are planning to build all corridors and stations included in the original FasTracks plan. Some value engineering and cost containment strategies will continue to be implemented, but the general scope and character of the program will be delivered.

2. **Why is FasTracks already having budget problems? You haven't even built anything yet.** Since the FasTracks vote in 2004, the program has encountered a number of challenges, including a significant increase in the cost of construction materials and sales tax revenue forecasts that have not kept pace with original projections, which RTD has no control over.

3. **If public private partnerships aren't an option, what will RTD do to solve its budget problem?** RTD is currently working with and will continue to work with an independent team of experts examining a number of financial strategies to address the cost challenges in an effort to best maximize the agency's debt and service delivery capacity. One strategy RTD has already employed is accelerating the issue of bonds, taking advantage of interest rates significantly below projections. We will continue to maximize these opportunities when possible and look for cost containment opportunities whenever they exist.

4. **If public private partnerships happen, won't that take away the jobs that RTD promised FasTracks would provide?** No. Regardless of how RTD delivers FasTracks, there will be local job opportunities. As an example, the T-REX project was built as a design-build project, and 65 percent of that project's employees were from the local area. In addition, the project added \$1.08 billion to the local economy through wages, services and supplies, and subcontractor payments. We don't anticipate that changing regardless of how the corridors are delivered. In addition, regardless of project delivery method, RTD will assign a Disadvantaged Business Enterprise (DBE) goal on all construction contracts that use federal funds, and a Small Business Enterprise (SBE) goal on contracts that aren't federally funded.

5. **I've heard a lot of people say they never thought FasTracks could be built for \$4.7 billion. Is that true?** The FasTracks plan was developed with the best information available at the time and reviewed and validated by several independent entities, including and the Denver Regional Council of Governments (DRCOG) and the Metro Denver Chamber of Commerce. The plan was developed using the Consumer Price Index and the same model used in the four previous rail projects – all built on time and on budget. During the plan development and review, RTD never received information

that would have predicted the level of cost increases and budget impacts we have experienced.

6. **Why don't you just go back to voters and ask for more money?** RTD does not want to alter its long history of being fiscally responsible and is committed to delivering the FasTracks program within the financial capacity approved by voters in 2004.
7. **Who makes the final decisions?** The RTD Board provides policy direction about FasTracks after considering a number of criteria. Public input is one of those criteria, and a vital part of the process. It is considered along with the other decision-making criteria that are analyzed during the EIS process, including environmental impacts, cost, etc. On corridors where there is a Federal action, such as funding, the Federal agency issues a Record of Decision, based upon its review of RTD's recommended plans for moving forward.
8. **Who makes the final decision on vehicle technology?** The RTD Board provides policy direction about FasTracks, including technology, after considering a number of criteria. Public input is one of those criteria, and a vital part of the process. It is considered along with the other decision-making criteria that are analyzed during the EIS process, including environmental impacts, cost, etc. On corridors where there is a Federal action, such as funding, the Federal agency issues a Record of Decision, based upon its review of RTD's recommended plans for moving forward.
9. **Does the public really have a say?** Public input and involvement is extremely important in each corridor and the program overall. It is part of the evaluation criteria during the environmental planning phases, in addition to other criteria. As each corridor progresses through the various phases, the type of public involvement progresses as well. The best opportunity to make changes in a project is during the planning phase. The RTD Board is a publicly elected board and is ultimately responsible for agency decision-making, so the public's final say is through their elected officials.
10. **How were the original cost estimates put together?** The FasTracks plan was developed with the best information available at the time and reviewed and validated by several independent entities, including and the Denver Regional Council of Governments (DRCOG) and the Metro Denver Chamber of Commerce. The plan was developed using the Consumer Price Index and the same model used in the four previous rail projects – all built on time and on budget.
11. **Will FasTracks cost taxpayers more?** No. RTD is committed to delivering FasTracks within the financial capacity approved by voters in 2004. RTD is not planning to go back to voters asking for more tax dollars to help fund FasTracks. Through 2048, the amount of money that taxpayers pay for FasTracks is guaranteed not to increase because of the possibility of longer

debt repayment schedules. It's possible that the long-term debt costs could be higher. However, RTD will always have the opportunity to retire debt earlier, which could remove or even reduce debt financing.

12. Will the corridor budgets change? Yes. As part of the Program Evaluation, current working estimates have been established for each project. Those new numbers will become official only after RTD Board approval of an updated FasTracks Financial Plan. As we continue to refine design and engineering plans, budget changes are likely. Cost factors out of RTD's control could impact corridor budgets, but RTD's intent is to maintain corridor budgets to the greatest degree possible. Each year, the FasTracks plan will undergo an evaluation of cost trends and revenues from all sources, and the Financial Plan will be adjusted accordingly. The Annual Evaluation allows RTD to be proactive in addressing changing trends and make modifications to the FasTracks program as needed.

13. What exactly did FasTracks provide for/promise? The original FasTracks plan includes six new corridors and three extensions each with identified stations, an established budget and an implementation schedule. In planning for future changes that were inevitable but impossible to identify, before the FasTracks vote, the RTD Board passed a "Hold Harmless" Resolution stating that the FasTracks plan will be analyzed annually to determine current revenue projections from all sources. If revenues are better or worse than expected, then RTD may modify corridor project elements, as long as such modifications from one corridor do not negatively impact another corridor.

14. How can you say RTD is delivering what it promised when certain things have already been taken out of the plan? RTD is committed to delivering FasTracks by building all corridors and stations included in the original FasTracks plan within the financial capacity approved by voters in 2004. Some value engineering and cost containment strategies will continue to be implemented, but the general scope and character of the program will be delivered. Every FasTracks corridor will be looking at where we can tighten our belt operationally and still provide the basic FasTracks plan as promised.

15. What can RTD do to increase revenues?

- Sales tax revenues change each year and may increase in the future.
- RTD may choose to sell excess RTD properties.
- Bond interest rates also can change each year, which may allow RTD to issue bonds at rates lower than projected, as they did in 2006.
- The proposed Parking Management Program has potential for producing modest amounts of annual net revenue depending upon several variables that have yet to be determined by the Board.
- There may be opportunities to seek additional local, state and federal revenues.

16. When can I give input?

The public is always encouraged to attend the public and stakeholder meetings in their corridor, or contact their corridor project team with questions or feedback. The FasTracks Web site, www.rtd-fastracks.com is a good source for submitting comments to the program. The FasTracks Information Line, 303-299-2000, is another alternative for offering input.

17. Did RTD conduct a program evaluation last year? What did you find?

Yes. Every year, RTD conducts a program evaluation of FasTracks as part of our Senate Bill 208 submittal and the RTD Board's commitment in the "Hold Harmless" resolution. In 2006, RTD identified an opportunity to take advantage of lower interest rates by advancing \$600 million in bonds early. In addition, RTD changed the FasTracks plan to include the acceleration of the West Corridor and Denver Union Station projects by one year.

18. Will the DBE/SBE Program on FasTracks be maintained as a commitment by RTD in recognition of what must be added cost to the overall program?

Yes. Each FasTracks project will be analyzed by the Small Business Opportunity Office and an appropriate DBE or SBE goal will be determined and applied.