



DesertXpress Project Summary

The Pressing Need

Today, over one-third of the 38 million annual Las Vegas visitors come from Southern California, and most of them drive to Las Vegas on Interstate 15. Further, as Las Vegas has grown into a very large metropolitan area, the demand for travel to Southern California from Las Vegas has continued to increase as well. As the only roadway directly linking Southern California to Las Vegas, I-15 has rapidly evolved into a time-consuming, stressful, and often congested and dangerous travel experience. With no public funds programmed, nor plans developed to widen this aging highway over the majority of its length, which in most places has only two through lanes in each direction, and with traffic forecasted to grow 60% in the corridor, the situation will only worsen.



Travel Demand on Existing Modes

A new transportation alternative will alleviate the congestion on I-15 facilitating both Las Vegas bound and Southern California bound travelers. Las Vegas has consistently been the fastest growing large city in the country over the past decade. This growth has only strengthened the demand for travel from Nevada to Southern California. And in the wake of the current economic downturn, hotel occupancy in Las Vegas has remained strong at nearly 90%; and, traffic counts on the I-15 freeway at the CA-NV State Border have shown increases in 2009.

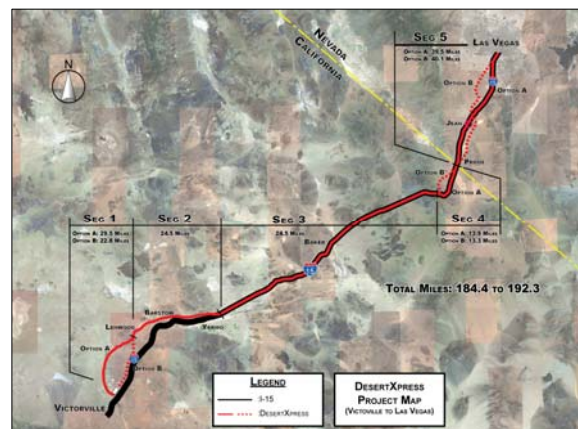
A New Transportation Alternative

The DesertXpress project is being privately developed to extend over nearly 200 miles on new, high quality exclusive double track with no at-grade crossings. DesertXpress will provide a convenient and efficient travel alternative to Interstate 15. With trains departing both ends of the line as frequently as every 20 minutes on Fridays and Sundays, and hourly during most of the week, passengers will not need to worry about traffic congestion, erratic timetables and long security lines. In just its first year of operation, this new “people pipeline” is estimated to carry more passengers than all of the airlines from all of the five Southern California airports combined (LAX, Ontario, Burbank, John Wayne, San Diego), most of whom otherwise would have driven on I-15.

The Route

From Victorville, a completely separate, dedicated two-track passenger railway will be constructed, largely following the north side or median of I-15, making maximum use of excess freeway right-of-way, and minimizing the impact upon the largely undeveloped land alongside the highway. There will be no grade crossings with vehicles or other traffic, thereby maximizing speed and safety.

Approximately 180 miles of the route will be primarily alongside Interstate I-15. Therefore, the majority of the track will utilize public rights of way on property administered by the Bureau of Land Management (BLM), and the two state Departments of



Exclusive right-of-way primarily adjacent to I-15



Transportation: Caltrans and NDOT. Express trains will provide non-stop service between Victorville and Las Vegas. The Victorville station will be located at one of two sites along the west side of I-15 between the North and South Stoddard Wells Road interchanges on about 60 acres of land, plus parking, and the Las Vegas station will be located at one of four possible locations designed to interface with extensions of the Las Vegas Monorail™, with shuttles serving the resorts and the central business district. The Las Vegas terminal station is designed to serve as a multi-modal facility with convenient access to rental cars, hotel shuttles, taxis and the Las Vegas Monorail. In addition, DesertXpress has the capacity to provide dedicated trains operating between Las Vegas and the proposed Ivanpah Valley Airport.

Victorville as the Hub

Convenient access to the Victorville station will be from the two existing Stoddard Wells Road interchanges and the planned E-220 interchanges. The 50-acre train maintenance and storage facility and operations center is proposed to be located near the station, also within in the Victor Valley Economic Development Area. The maintenance facility will include a train washing facility, repair shop, parts storage, trains storage tracks, meeting rooms and administrative offices.

Victorville is the ideal location for the Southern California hub. Located within only a 30- to 45-minute drive for roughly 5 million people who live in the Inland Empire, Antelope Valley, and the eastern portions of Los Angeles County, and only an hour's drive for most of the rest of the Southland's 20 million residents, the Victorville hub will provide convenient access from I-15, valet parking, hotel check-in and baggage service direct to a resort of choice – delivering on the Las Vegas experience starting in Victorville.

Proven, Reliable, Safe Technology



DesertXpress Electric Multiple Unit Train

DesertXpress will utilize proven off-the-shelf European high-speed Electric Multi Unit trains (EMUs) capable of traveling at up to 150 mph and further customized for the unique setting of the corridor. Train interiors will be configured to maximize entertainment and passenger comfort. Individual cars within the train set will be self-propelled to provide the high power-to-weight ratio needed to follow the I-15 alignment and negotiate its relatively steep grades across the Mojave Desert.

DesertXpress will speed by the congested automobile traffic, making the 190-mile trip in 1 hour and 20 minutes, like clock work, every day of the year. The initial operations plan includes 16 train sets with 10 cars (9 passenger cars with a total seated capacity of 675 passengers, and an entertainment car).



Environmental Review, Approvals and Permits

The Federal Railroad Administration (FRA) is the federal lead agency for the environmental impact statement (EIS), with the Surface Transportation Board (STB), the Bureau of Land Management, the Federal Highway Administration (FHWA), and National Park Service (NPS) as cooperating agencies. FRA has purview over the safety for this train along interstate and freight rail transportation corridors; STB has exclusive regulatory authority to issue a necessity to construct permit; BLM administers much of the I-15 and alternative right-of-way; and FHWA has purview regarding the integrity of the Interstate freeway system. The US Fish and Wildlife Service is being consulted for the Endangered Species Act Section 7 clearance; the State Historic Preservation Officers are being consulted for Section 106 effects to historic properties and cultural resources; the Army Corps of Engineers has authority to issue a Section 404 permit to cross the Mojave River and other drainages or wetlands, and requires an alternatives analysis to identify a Least Environmentally Damaging Alternative (LEDPA); and the State and Regional Water Quality Control Boards will ensure compliance with the Clean Water Act.

The Draft Environmental Impact Statement (DEIS) was issued by the FRA on March 19th and marks the first ever privately funded high speed passenger rail DEIS.

Financial Feasibility and Economic Impact

A wide range of fares has been studied. At the midpoint one-way fare of \$50, ridership in the first full year of service is estimated to be 5.1 million round trips, which will divert 27.8% of the total annual trips (18.2 million) between the two cities. Trains will operate between 6 am to 10 pm (or later), daily, 365 days a year, at 20 minute intervals during peak periods and 1 hour intervals during non-peak periods.

The preliminary capital cost for DesertXpress is estimated to be approximately \$3.5 – 4.0 billion, including design, construction, trains, systems, testing, and commissioning. Construction of the project is estimated to take up to four years, beginning in 2010 following successful completion of the entitlement process.

A study conducted by the Sacramento Regional Research Institute found that the economic impact of \$2.5 billion invested in transportation infrastructure results in over \$50 billion in total economic impact from direct, indirect and induced impact comprised of output, employment, value added and employee compensation. Based upon this study, the private investment to design, build, operate and maintain the DesertXpress will generate a positive economic impact for both states and the local economies, and will create nearly 80,000 new direct and indirect jobs¹.

DesertXpress is a unique opportunity for the private sector to demonstrate its ability to implement this critically needed transit link between Southern California and Las Vegas without diverting limited federal or state funds from the pressing needs of the nation's cities and counties. Revenues from fares and advertising make the project financially feasible without public funding.

A Fully Expandable System

The DesertXpress line could be extended over approximately 50 miles to interface with the inter-modal facility planned in Palmdale on the voter-approved California High Speed Rail Project. And because the system will use non-proprietary, high quality, standard gauge steel rail technology, it does not tie the hands of the public sector. This ensures that the lowest possible cost can be realized for such expansions.

¹ California Infrastructure Coalition: Economic Impact of Funding California's Transportation Infrastructure, 2004

