



July 31, 2019

Chairman Smith and Members of the Board
Nevada High Speed Rail Authority
C/O Regional Transportation Commission of Southern Nevada
600 S. Grand Central Parkway
Suite 350
Las Vegas, NV 89106

RE: July 2019 XpressWest Report

Dear Chairman Smith and Members of the Board:

The purpose of this letter is to provide a status update on development of the XpressWest project.

As was reported to the Board in January 2019, Virgin Trains USA LLC (formerly Brightline Holdings LLC) (VTUS) entered into an agreement to acquire the membership interests in DesertXpress Enterprises LLC dba XpressWest ("XpressWest"). VTUS is the only privately owned and operated intercity passenger rail service in the United States and currently operates in Florida between Miami, Fort Lauderdale and West Palm Beach, with plans to expand into Orlando and Tampa.

The acquisition of XpressWest closed in March 2019. In June 2019, VTUS closed financing and broke ground to extend the existing system from West Palm Beach to Orlando. The XpressWest project development team has been focused on federal environmental reviews, advancing engineering design, stakeholder outreach, and financing activities.

The Federal Railroad Administration, as the lead Federal agency for environmental review of the project under the National Environmental Policy Act, is re-evaluating the Record of Decision (ROD) published in 2011. Federal cooperating agencies for the re-evaluation include the Bureau of Land Management, Surface Transportation Board, the Federal Highway Administration (with active participation by Caltrans and the Nevada Department of Transportation).

Stakeholder outreach has continued to occur with federal, state and local agencies, including Clark County in Nevada; San Bernardino County in California; the cities of Las Vegas, Barstow, Victorville, Apple Valley, Palmdale, Los Angeles, Ontario; the High Desert Corridor Joint Powers Authority; the Regional Transportation Commission of Southern Nevada; the Los Angeles Metropolitan Transportation Authority; the Southern California Regional Rail Authority (Metrolink); the California High Speed Rail Authority;



the Southern California Association of Governments; the San Bernardino County Transportation Authority; the Las Vegas Convention and Visitors Authority; the Las Vegas resort community; Native American Tribes; utilities; railroads along the corridor; and other stakeholders.

Lastly, VTUS is in the final stages of a procurement process to select a construction management team and private activity bond applications are progressing in California, Nevada and the U.S. Department of Transportation.

We look forward to an in-person briefing at the next Nevada High Speed Rail Authority meeting.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "K. Cobb".

Kolleen Cobb
Vice President
DesertXpress Enterprises, LLC
dba XpressWest