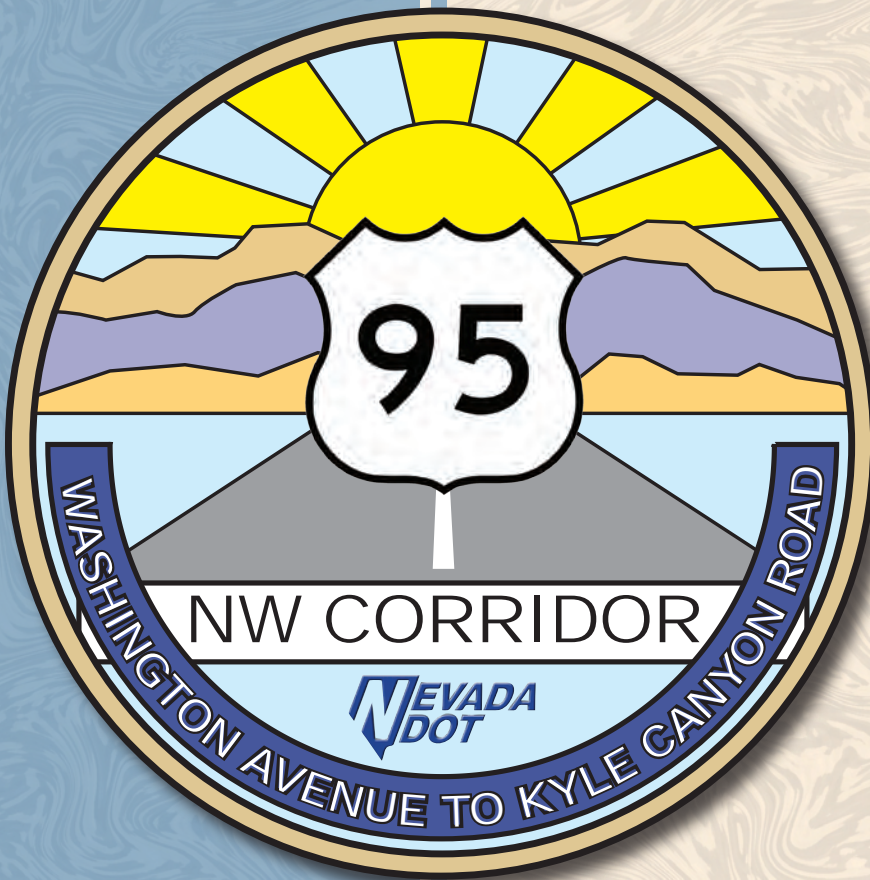


US-95 Northwest Corridor Initial Financial Plan





US-95 Northwest Corridor Initial Financial Plan

Letter of Certification

The Nevada Department of Transportation (NDOT) has developed a comprehensive Financial Plan for the US-95 Northwest Corridor Project. This plan provides detailed cost estimates to complete the project and estimates of financial resources to be utilized to fully finance the project.

The Financial Plan provides a realistic estimate of future costs based on the engineer's estimate and expected construction cost escalation factors. While the estimates of financial resources rely upon assumptions regarding future economic conditions and demographic variables, they represent realistic estimates of available monies to fully fund the project.

The Financial Plan is a living document. It provides an accurate basis upon which to schedule and fund the US-95 Northwest Corridor project. NDOT will review and update the Financial Plan on an annual basis during the month of April.

To the best of our knowledge and belief, the Financial Plan as herein submitted, fairly and accurately presents the financial position of the US-95 Northwest Corridor Project, including cash flows and expected conditions for the project's life cycle. The financial forecasts in the Financial Plan are based on our judgment of the expected project conditions and our expected course of action. We believe the assumptions underlying the Financial Plan are reasonable and appropriate. Furthermore, we have made available all significant information that we believe is relevant to the Financial Plan and, to the best of our knowledge and belief, the documents and records supporting the assumptions are appropriate.

Preparation of this Financial Plan has been coordinated with both Clark County and the City of Las Vegas. NDOT will obtain signatures from both entities to receive formal endorsement of this plan by late-2009.

Respectfully Submitted:

A handwritten signature in blue ink that reads "Kent L. Cooper".

Kent L. Cooper, Assistant Director Engineering
State of Nevada Department of Transportation

Date: 24 April, 2009



TABLE OF CONTENTS

INTRODUCTION	1
BACKGROUND	3
SECTION 1 - IMPLEMENTATION PLAN	4
SECTION 2 - COST ESTIMATE	7
SECTION 3 - FINANCING AND REVENUES	15
SECTION 4 - CASH FLOW	25
SECTION 5 - RISK IDENTIFICATION AND MITIGATION FACTORS	32
SECTION 6 - COST AND REVENUE HISTORY	35
SECTION 7 - COST AND REVENUE TRENDS	35
SECTION 8 –SUMMARY OF SIGNIFICANT COST REDUCTIONS	35
SECTION 9 – SUMMARY OF SIGNIFICANT COST INCREASES	35
Exhibit 1: Project Area Map	2
Exhibit 2: Project Cost Estimates (With Ranges)	8
Exhibit 3: Project Cost Estimates (Fiscal Year Expenditures)	12
Exhibit 4: Total Project Cost Estimate	13
Exhibit 5: Detailed Project Cost Estimate	14
Exhibit 6: Programmed Revenues	16
Exhibit 7: Phase 1 Funding Breakdown	17
Exhibit 8: Phase 2 Funding Breakdown	18
Exhibit 9: Phase 3 Funding Breakdown	19
Exhibit 10: Phase 4 Funding Breakdown	20
Exhibit 11: Phase 5 Funding Breakdown	21
Exhibit 12: Total Project Funding Breakdown	22
Exhibit 13: Phase 1 Cash Flow	26
Exhibit 14: Phase 2 Cash Flow	27
Exhibit 15: Phase 3 Cash Flow	28
Exhibit 16: Phase 4 Cash Flow	29



Exhibit 17: Phase 5 Cash Flow----- 30
Exhibit 18: Total Project Cash Flow----- 31



INTRODUCTION

The US-95 Northwest Corridor from Washington Avenue to Kyle Canyon Road is one of the fastest growing areas in southern Nevada. The US-95 freeway facility links urbanized Las Vegas on the south to rural Clark County and the Paiute Indian Reservation to the north. It serves heavy regional commuter demands between predominately residential areas in northwest Las Vegas and large employment centers in downtown Las Vegas and the Las Vegas resort corridor. This highway also serves as the only major transportation link between Las Vegas and the Toiyabe National Forest, commonly referred to as Mount Charleston. Mount Charleston serves a dual role as a small community and as a getaway for southern Nevadans, attracting thousands of vehicles every weekend.

According to the University of Nevada Las Vegas Center for Business and Economic Research, the population in the Las Vegas Valley is expected to increase by 72% from 2004 to 2030, bringing the total population in Las Vegas to over 2.9 million residents. Suburban residential development in northwest Las Vegas has progressed rapidly in recent years and now exists within a mile of the Kyle Canyon Road/US-95 intersection.

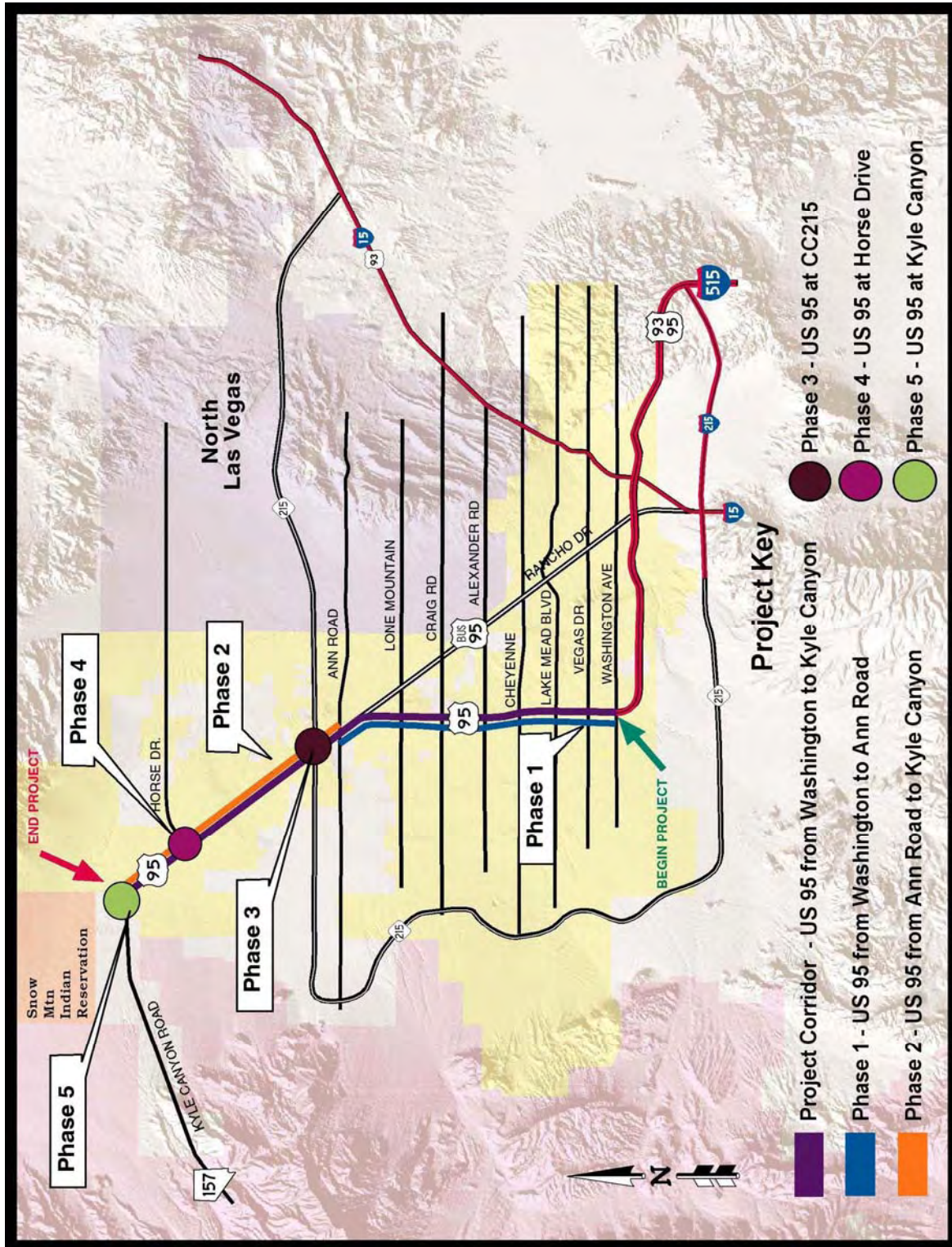
The project area, located within Clark County, Nevada, extends on US-95 from Washington Avenue to Kyle Canyon Road, a distance of approximately 13 miles, as shown in Exhibit 1. Within the project area, the existing divided freeway varies from 8 lanes between Washington Avenue and Craig Road, 6 lanes between Craig Road and Centennial Parkway, and 4 lanes between Centennial Parkway and Kyle Canyon Road.

In 2006, the corridor carried approximately 135,000 vehicles per day in the southern part of the corridor decreasing to approximately 99,000 vehicles per day in the northern part of the corridor. By 2030, these volumes are predicted to increase to approximately 250,000 vehicles per day in the southern part of the corridor and to approximately 215,000 vehicles per day in the northern part of the corridor. Presently, travelers face significant congestion between the Craig Road Interchange and the Centennial Parkway Interchange on a daily basis due to heavy demand and the reduced number of lanes. If no improvements are made to US-95, the congestion will extend farther to the northwest as the valley develops over the next 10 years and beyond.

The Clark County 215 Bruce Woodbury Beltway and US-95 Interchange will provide a system to system link between two major freeway facilities in the northwest area of the Las Vegas Valley. The interchange will improve connectivity to the regional street and highway network, reduce congestion and serve the growing population of residents and businesses in the northwest Las Vegas valley. The 2030 projected traffic volumes through the interchange approaches 200,000 vehicles per day.



Exhibit 1 – Project Area Map





The Horse/US-95 Interchange will relieve congestion in the northwest part of the Las Vegas Valley due to current overloading of the existing Durango/US-95 Interchange. This area has developed quickly over the past several years and is now in need of an additional connection due to existing volumes. The Durango/US-95 Interchange currently handles over 50,000 vehicles per day with multiple movements resulting in the failure of adjacent intersections due to the lack of alternative US-95 access. The Horse/US-95 Interchange will help alleviate these intersections as well as accommodate the nearly 20,000 homes that have been approved for the future development as part of the Kyle Canyon East and West Master Plan.

Travel demand forecasts for the proposed Kyle Canyon Road/US-95 Interchange are currently being updated. Previous 2030 forecasts projected 60,000 vehicles per day on US-95 at Kyle Canyon Road and turning demands between US-95 and Kyle Canyon Road of 40,000 vehicles per day. The planned Kyle Canyon Gateway Project is programmed to consist of 16,000 residential dwelling units, 775,000 square feet of commercial space and a 1,712 acre hotel/casino development. If no improvements are made, the traffic demands associated with the development are expected to soon exceed the safe operating capacity of the corridor.

BACKGROUND

The Nevada Department of Transportation (NDOT), in cooperation with the Federal Highway Administration (FHWA), Clark County, the Regional Transportation Commission of Southern Nevada (RTC) and the City of Las Vegas initiated preliminary engineering and alternative studies to identify the freeway configuration consistent with demand in the US-95 corridor while minimizing adverse social, economic and environmental impacts. Public comment on the project was solicited through two public information meetings.

The proposed improvements to US-95 include widening the roadway to include one HOV lane and three general purpose lanes in each direction from Washington Avenue to Durango Drive and three general purpose lanes in each direction from Durango Drive to Kyle Canyon Road. Other project components include new service interchanges at Horse Drive and Kyle Canyon Road, the system-to-system interchange between US-95 and the Bruce Woodbury Beltway (CC-215) and improvements to the Cheyenne Avenue, Rancho Drive/Ann Road and Durango Drive interchanges. Auxiliary lanes between interchanges throughout the project limits in the northbound (NB) and southbound (SB) directions are proposed as well as ramp metering facilities with HOV bypass lanes at the entrance ramps from Washington Avenue to Durango Drive. A new park-and-ride facility in the southwest quadrant of the US-95/Durango Drive interchange is also proposed.



The Benefit/Cost analysis for the US-95 Northwest Corridor Project, completed in 2007, yielded a Benefit-Cost ratio of about 8 with a Net Present Value Benefit-Cost ratio of 3.6. Phase-specific Benefit-Cost analyses have not been initiated at this time but may be required as the final design for each phase progresses.

The purpose of the project is to relieve congestion and improve the operational characteristics of the US-95 Northwest Corridor in response to continued and proposed development and the resultant traffic growth in the Las Vegas Valley. The proposed improvements to US-95 will:

- accommodate projected local traffic;
- decrease congestion;
- reduce travel times;
- improve access to areas planned for development;
- improve freeway operations;
- improve safety;
- meet stakeholder/public expectations;
- reduce vehicle emissions;
- reduce idling;
- beautify the corridor; and
- improve driver comfort.

SECTION 1 - IMPLEMENTATION PLAN

PROJECT DESCRIPTION AND CONSTRUCTION SEQUENCE

The US-95 Northwest Corridor improvements have been subdivided into five phases for construction, consistent with the timing of the anticipated need for improvements. The project limits of these phases and the proposed improvements are as follows:

Phase 1 – Washington Avenue to Ann Road

- widening US-95 from 3 general purpose lanes in each direction to accommodate 1 HOV (High Occupancy Vehicle) and auxiliary lanes in each direction from Washington Avenue to Ann Road;
- widening the Gowan Road grade separation;
- constructing tieback walls at the grade separations;
- improving operations at Cheyenne Avenue interchange by constructing a loop ramp to accommodate the heavy westbound Cheyenne Avenue to southbound US-95 demand;
- improving operations at Durango Drive interchange by constructing a loop ramp to accommodate the heavy westbound Durango Drive to southbound US-95 demand;
- constructing sound walls in noise sensitive areas;



- perpetuating drainage, lighting, signing and Intelligent Transportation Systems (ITS) facilities;
- improving landscape and aesthetic features; and
- relocating utilities as necessary.

The Phase 1 improvements will be constructed within the existing US-95 right-of-way. Temporary construction easements may be needed, so an estimated cost is included in the total cost for Phase 1.

Phase 2 – Ann Road to Kyle Canyon Road

- widening US-95 from 3 general purpose lanes in each direction to accommodate 1 HOV lane and auxiliary lanes in each direction from Ann Road to Centennial Parkway;
- widening US-95 from 2 general purpose lanes in each direction to accommodate 1 additional general purpose lane, 1 HOV lane and auxiliary lanes in each direction from Centennial Parkway to Durango Drive;
- widening US-95 from 2 general purpose lanes in each direction to accommodate 1 additional general purpose lane and auxiliary lanes in each direction from Durango Drive to Kyle Canyon Road;
- constructing a new park-and-ride facility in the southwest quadrant of the US-95/Durango Drive interchange;
- constructing sound walls in noise sensitive areas;
- perpetuating drainage, lighting, signing and ITS improvements;
- improving landscape and aesthetic features; and
- relocating utilities as necessary.

The Phase 2 improvements will be constructed within the existing US-95 right-of-way. Temporary construction easements may be needed, so an estimated cost is included in the total cost for Phase 2.

Phase 3 – US-95/CC-215 Northern Beltway Interchange

- constructing new ramps to complete a system-to-system interchange configuration;
- perpetuating drainage, lighting, signing and ITS improvements;
- improving landscape and aesthetic features; and
- relocating utilities as necessary.

Phase 3 improvements will be constructed within the existing right-of-way of US-95 and CC-215.

Phase 4 – US-95 at Horse Drive



- constructing a new service interchange;
- perpetuating drainage, lighting, signing and ITS improvements;
- improving landscape and aesthetic features; and
- relocating utilities as necessary.

Approximately 22 acres of right-of-way is required to construct this new service interchange. This land has been acquired from the Bureau of Land Management.

Phase 5 – US-95 at Kyle Canyon Road

- constructing a new service interchange;
- perpetuating drainage, lighting, signing and ITS improvements;
- improving landscape and aesthetic features; and
- relocating utilities as necessary.

The Phase 5 improvements will be constructed within the existing US-95 right-of-way. Temporary construction easements may be needed, so an estimated cost is included in the total cost for Phase 5.

PROJECT SCHEDULE

Phase 1, US-95 from Washington Avenue to Ann Road, will be designed, awarded and administered by NDOT. Phase 1 is scheduled to start in FY 2011 with completion in FY 2013. It is planned for delivery by traditional design-bid-build.

Phase 2, US-95 from Ann Road to Kyle Canyon Road, will be designed, awarded and administered by NDOT. Phase 2 is scheduled to start in FY 2026 with completion in FY 2028. It is planned for delivery by traditional design-bid-build.

Phase 3, US-95 at CC-215, will be designed, awarded and administered by NDOT. Phase 3 is scheduled to start in FY 2011 with completion in FY 2014. It is planned for delivery by the traditional design-bid-build.

Phase 4, US-95 at Horse Drive, will be designed, awarded and administered by the City of Las Vegas. Phase 4 is scheduled to start in FY 2009 with completion in FY 2011. It is planned for delivery by the traditional design-bid-build.

Phase 5, US-95 at Kyle Canyon Road, will be designed by the City of Las Vegas. The project may be awarded and administered by NDOT. Phase 5 is scheduled to start in FY 2016 with completion in FY 2018. It is planned for delivery by the traditional design-bid-build.

As shown above, Phase 4 will be the first phase to be constructed; however, it is not shown as the first phase. Phases 1-3 were previously identified in the STIP, so the



names were kept to avoid confusion. Mainline improvements to US 95 were previously broken into 3 phases. To address the congestion at Ann Road, the mainline improvements were re-phased into Phases 1 and 2 as defined above.

SECTION 2 - COST ESTIMATE

COST ESTIMATE BY PHASE AND COST ELEMENT

The total cost estimate for all components of the US-95 Northwest Corridor Project ranges from \$650 to \$732 million. The individual costs for each phase are summarized in Exhibits 2 through 5. A Cost Estimate Review, conducted by the Federal Highway Administration in November 2008, determined the 70% cost estimate to be \$635 million.

Subsequent to the November 2008 Cost Estimate Review, updates were made to the Regional Transportation Committee of Southern Nevada's 2009-2030 Clark County Regional Transportation Plan (RTP). In April 2009, a reassessment of the cost estimate review was conducted. The estimates were updated based on the new dates funding would be available as shown in the current RTP. The updated 70% value determined by the reassessment is \$709 million. All projects will be programmed based on this new 70% figure; therefore, all further discussion and illustration on cost estimates and funding in this financial plan is based on that value.

Current copies of the projects as shown in the RTP can be found at the end of this financial plan.



Exhibit 2 – Project Cost Estimates (With Ranges)

Project Phase	PROJECT COSTS in Millions of Dollars		
	Low Estimate 10% Confidence	High Estimate 90% Confidence	Financed Estimate 70% Confidence
Phase 1 - Washington Avenue to Ann Road			
Preliminary Engineering	\$1.8	\$3.4	\$3.3
Right of Way	\$0.0	\$0.0	\$0.0
Utility Relocation	\$2.0	\$2.0	\$2.0
Construction	\$124.4	\$136.3	\$133.3
Construction Engineering	\$11.8	\$14.8	\$13.9
TOTAL	\$140.0	\$156.5	\$152.5
Phase 2 - Ann Road to Kyle Canyon Road			
Preliminary Engineering	\$5.5	\$6.3	\$6.0
Right of Way	\$6.0	\$6.8	\$6.5
Utility Relocation	\$6.3	\$7.2	\$6.9
Construction	\$154.4	\$176.0	\$168.7
Construction Engineering	\$14.4	\$18.5	\$17.3
TOTAL	\$186.6	\$214.8	\$205.4
Phase 3 - US-95 at CC-215			
Preliminary Engineering	\$10.9	\$13.3	\$12.6
Right of Way	\$0.0	\$0.0	\$0.0
Utility Relocation	\$0.0	\$0.0	\$0.0
Construction	\$194.5	\$209.8	\$205.0
Construction Engineering	\$22.1	\$28.0	\$26.0
TOTAL	\$227.5	\$251.1	\$243.6
Phase 4 - US-95 at Horse Drive*			
Preliminary Engineering	\$3.0	\$3.0	\$3.0
Right of Way	\$13.0	\$13.0	\$13.0
Utility Relocation	\$0.3	\$0.3	\$0.3
Construction	\$41.0	\$50.0	\$50.0
Construction Engineering	\$2.8	\$2.8	\$2.8
TOTAL	\$60.1	\$69.1	\$69.1
Phase 5 - US-95 at Kyle Canyon Road			
Preliminary Engineering	\$2.6	\$2.9	\$2.8
Right of Way	\$0.1	\$0.3	\$0.2
Utility Relocation	\$0.9	\$1.0	\$0.9
Construction	\$29.5	\$33.4	\$32.1
Construction Engineering	\$2.3	\$2.9	\$2.7
TOTAL	\$35.4	\$40.5	\$38.7
GRAND TOTAL	\$649.6	\$732.0	\$709.3

* - Based on construction bid and actual right of way acquisition costs



The following is a breakdown of the costs for each phase. The overall range is shown as well as the amount that represents 70% of the value of the range as seen in Exhibit 2.

Phase 1 – Washington Avenue to Ann Road

The total cost for Phase 1 ranges from \$140 to 157 million. Construction costs are inflated to Fiscal Year 2011 which is the anticipated midpoint of construction. The following is a breakdown of the costs for Phase 1: Preliminary Engineering \$3.3 million; Utility Relocation \$2 million; Construction \$133.3 million; and Construction Engineering \$13.9. There are no Right of Way Acquisition costs for this phase.

Phase 2 – Ann Road to Kyle Canyon Road

The total cost for Phase 2 ranges from \$187 to \$215 million. Construction costs are inflated to Fiscal Year 2027 which is the anticipated midpoint of construction. The following is a breakdown of the costs for Phase 2: Preliminary Engineering \$6 million; Right of Way Acquisition \$6.5 million; Utility Relocation \$6.9 million; Construction \$168.7 million; and Construction Engineering \$17.3 million.

Phase 3 – US-95/CC-215 Northern Beltway Interchange

The total cost for Phase 3 ranges from \$228 to \$251 million. Construction costs are inflated to Fiscal Year 2012 which is the anticipated midpoint of construction. The following is a breakdown of the costs for Phase 3: Preliminary Engineering \$12.6 million; Construction \$205 million; and Construction Engineering \$26 million. There are no Right of Way Acquisition or Utility Relocation costs for this phase.

Phase 4 – US-95 at Horse Drive

The total cost for Phase 4 ranges from \$60 to \$69 million. The project was advertised to bidders in November 2008, and bids were opened in December 2008. Seven (7) bids, ranging from \$41 to \$50.7 million, were received. Two contractors contested the bids, and the City of Las Vegas resolved the issue. The contract was awarded thereafter.

The following is a breakdown of the actual costs for Phase 4: Preliminary Engineering \$3 million; Right of Way Acquisition \$13 million; and Utility Relocation \$0.3 million. To allow for any unknown issues which may arise during construction, a value of \$50 million for Construction and \$2.8 million for Construction Engineering has been estimated. The 70% value determined during the Cost Estimate Review for Construction was \$58.3 million and was \$2.9 million for Construction Engineering.



Phase 5 – US-95 at Kyle Canyon Road

The total cost for Phase 5 ranges from \$35 to \$41 million. Construction costs are inflated to Fiscal Year 2017 which is the anticipated midpoint of construction. The following is a breakdown of the costs for Phase 5: Preliminary Engineering \$2.8 million; Right of Way Acquisition \$0.2 million; Utility Relocation \$0.9 million; Construction \$32.1 million; and Construction Engineering \$2.7 million.

INFLATION

All cost estimates in this Financial Plan are in year-of-expenditure dollars. Year-of-expenditure costs are calculated by applying an estimated annual inflation rate to base year 2008 cost estimates. For the US-95 Northwest Corridor Initial Financial Plan, an annual inflation rate of 4% per year has been used unless stated otherwise.

COST ESTIMATING METHODOLOGY

Preliminary cost estimates for the US-95 Northwest Corridor project include estimates for construction items, design, construction engineering, right-of-way acquisition, utilities relocation, and contingencies.

Quantities for the major items of construction were estimated from preliminary engineering plans and investigations. Estimated unit costs for these major items were developed from actual bid prices for similar work in the Las Vegas urban area. The primary sources of current bid prices include:

- NDOT Reasonable Cost database which is updated as contracts are awarded.
- City of Henderson – I 15 at Galleria Drive Interchange. Bid date: January 2008.
- City of Las Vegas - Martin Luther King Roadway Improvements. Bid date: December 2007.
- Clark County 215 – Decatur Boulevard to North 5th Street. Bid date: October 2007.
- Clark County 215 – Hualapai Way to Charleston Boulevard. Bid date: September 2007.

In addition to the cost of the major construction items, other elements, such as mobilization, traffic control, etc., of the preliminary cost estimates have been accounted for as lump sum allowances or percentages of the cost of other elements.

As discussed above, the Cost Estimate Review validated the team's cost estimate by verifying the accuracy and reasonableness of the total cost estimate and schedule. During the Cost Estimate Review, the risks and opportunities were developed, and the



Project Team selected probability curves that best modeled the risk and opportunities. Probability ranges were developed for the cost estimate that represents the Project's current state of development.



Exhibit 3 – Project Cost Estimates (Fiscal Year Expenditures)

Project Phase	PROJECT COSTS in Millions of Dollars								Project Total
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15-30	
Phase 1 - Washington Avenue to Ann Road									
Preliminary Engineering		\$3.3							\$3.3
Right of Way									\$0.0
Utility Relocation		\$2.0							\$2.0
Construction				\$66.7	\$66.6				\$133.3
Construction Engineering				\$7.0	\$6.9				\$13.9
TOTAL	\$0.0	\$5.3	\$0.0	\$73.7	\$73.5	\$0.0	\$0.0	\$0.0	\$152.5
Phase 2 - Ann Road to Kyle Canyon Road									
Preliminary Engineering					\$6.0				\$6.0
Right of Way								\$6.5	\$6.5
Utility Relocation								\$6.9	\$6.9
Construction								\$168.7	\$168.7
Construction Engineering								\$17.3	\$17.3
TOTAL	\$0.0	\$0.0	\$0.0	\$0.0	\$6.0	\$0.0	\$0.0	\$199.4	\$205.4
Phase 3 - US-95 at CC-215									
Preliminary Engineering		\$6.3	\$6.3						\$12.6
Right of Way									\$0.0
Utility Relocation									\$0.0
Construction				\$100.0	\$53.0	\$52.0			\$205.0
Construction Engineering				\$13.0	\$7.0	\$6.0			\$26.0
TOTAL	\$0.0	\$6.3	\$6.3	\$113.0	\$60.0	\$58.0	\$0.0	\$0.0	\$243.6
Phase 4 - US-95 at Horse Drive									
Preliminary Engineering	\$2.0	\$0.4	\$0.3	\$0.3					\$3.0
Right of Way	\$13.0								\$13.0
Utility Relocation		\$0.3							\$0.3
Construction		\$10.0	\$30.0	\$10.0					\$50.0
Construction Engineering		\$0.7	\$1.3	\$0.8					\$2.8
TOTAL	\$15.0	\$11.4	\$31.6	\$11.1	\$0.0	\$0.0	\$0.0	\$0.0	\$69.1
Phase 5 - US-95 at Kyle Canyon Road									
Preliminary Engineering				\$2.8					\$2.8
Right of Way				\$0.2					\$0.2
Utility Relocation				\$0.9					\$0.9
Construction								\$32.1	\$32.1
Construction Engineering								\$2.7	\$2.7
TOTAL	\$0.0	\$0.0	\$0.0	\$3.9	\$0.0	\$0.0	\$0.0	\$34.8	\$38.7
FISCAL YEAR TOTAL	\$15.0	\$23.0	\$37.9	\$201.7	\$139.5	\$58.0	\$0.0	\$234.2	\$709.3



Exhibit 4 – Total Project Cost Estimate

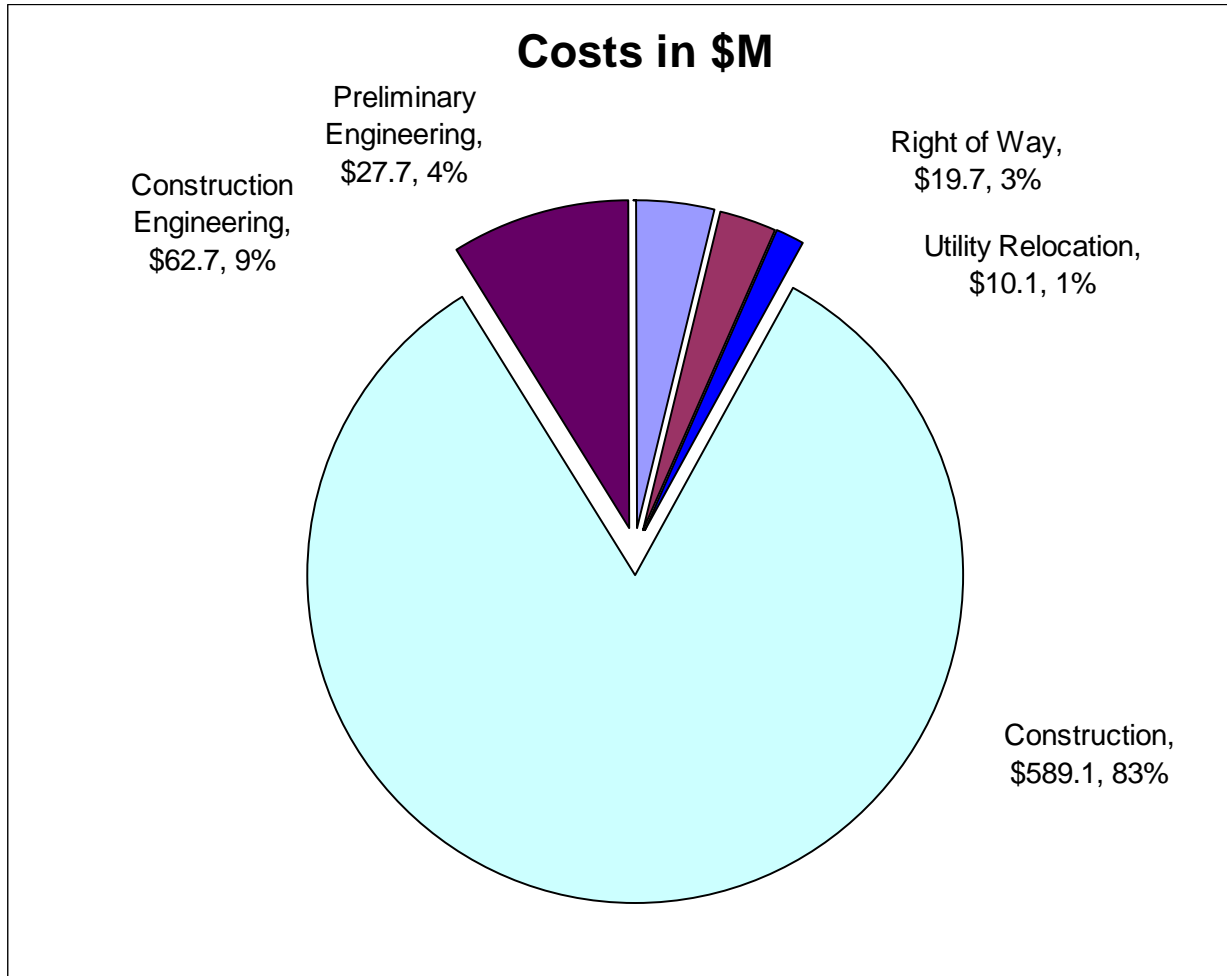




Exhibit 5 – Detailed Project Cost Estimates (Developed prior to CER)

Costs in \$M*	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Preliminary Engineering					
Preliminary Engineering	\$3.3	\$3.6	\$13.2	\$2.6	\$2.6
Right of Way					
R/W Acquisition	\$0.0	\$3.9	\$0.0	\$10.5	\$0.2
Utilities					
Utility Relocation	\$2.0	\$4.1	\$0.0	\$2.6	\$0.9
Construction					
Site Preparation/Grading	\$8.8	\$9.7	\$6.5	\$0.6	\$3.9
Roadway Pavements	\$27.1	\$27.9	\$18.2	\$14.0	\$5.0
Drainage Facilities	\$6.7	\$4.5	\$17.1	\$9.0	\$0.9
**Structures	\$36.1	\$11.0	\$73.1	\$16.0	\$5.2
Traffic Control Facilities	\$6.5	\$9.5	\$10.5	\$0.3	\$1.2
Permanent Signs	\$3.0	\$3.5	\$3.5	\$0.5	\$0.8
Signals/Lighting	\$2.8	\$2.0	\$0.0	\$5.0	\$2.3
ITS	\$9.1	\$5.4	\$0.0	\$0.4	\$0.2
***Incidentals	\$3.5	\$5.3	\$14.3	\$2.0	\$2.4
Subtotal	\$103.4	\$78.8	\$143.2	\$47.8	\$21.9
****Landscaping @ 3%	\$3.1	\$2.4	\$4.3	\$1.4	\$0.7
Total Construction	\$106.5	\$81.2	\$147.5	\$49.2	\$22.6
Construction Engineering					
Construction Engineering	\$13.9	\$10.3	\$27.2	\$2.0	\$2.5
Phase Total	\$125.7	\$103.1	\$187.9	\$66.9	\$28.8
Grand Total US 95 NW					\$512.5

* Base costs (no contingency factors)

** new structures, existing structure work, MSE walls, retaining walls, tie back walls, sound walls, etc.

*** fencing, curb and gutter, median island paving, sidewalks, driveways, survey, mobilization, temporary erosion control, etc.

**** Percentage can increase based on participation from Local Public Agencies



SECTION 3 - FINANCING AND REVENUES

Generally, much of the revenue for highway improvements comes from fuel taxes. Nearly all sales of gasoline, diesel and jet fuel include federal, state and county taxes. Of course, the sale of state bonds is another common means to fund improvements. The various sources of revenue to the state are placed in the 'State Highway Fund' that is administered by NDOT. The federal funds are programmed by NDOT and the Metropolitan Planning Organizations on specific projects from one or more of the various funding categories. The project funds are programmed through locally, state and federally approved programming documents. The US-95 Northwest Corridor will be financed through a combination of federal, state and local funds. Exhibit 6 identifies the project financing programmed in the current Department Statewide Transportation Improvement Program (STIP), the Regional Transportation Commission of Southern Nevada (RTC) Transportation Improvement Program and Regional Transportation Plan. The project timeline covers Fiscal Year 2008 through Fiscal Year 2030.

Phase 4, the Horse Drive Interchange at US-95 project, is primarily funded through the Regional Transportation Commission of Southern Nevada Gas Tax that does not have any priority process. New roadway projects in the City of Las Vegas are identified with Traffic Engineering based on existing and proposed traffic demands.

Phase 5, the Kyle Canyon Road Interchange at US-95 project, will be financed through a combination of federal, local, and private funds. The City of Las Vegas has submitted a request for federal funds (Federal Appropriations) to be used for this project, which will be allocated for Fiscal Year 2009-2010. Local funding is being utilized for this project in the form of Regional Transportation Commission Gasoline Funds, although this has not yet been approved. This funding is programmed to be allocated as follows: \$1,000,000 for Fiscal Year 2009, \$2,926,750 for Fiscal Year 2010 and \$2,926,750 for Fiscal Year 2011. Private funding has been committed for this project by the Kyle Canyon Gateway Project through a land owner-developer agreement.

It can be seen from Exhibit 6 that there are nine distinct sources of revenue for this corridor project.

Exhibits 7 through 11 demonstrate the funding breakdowns for each Phase of this project. Exhibit 12 shows the estimated project revenues are anticipated to be funded with approximately 7.2 percent federal resources, 5.7 percent state resources and 87.1 percent local resources.



Exhibit 6 – Programmed Revenues

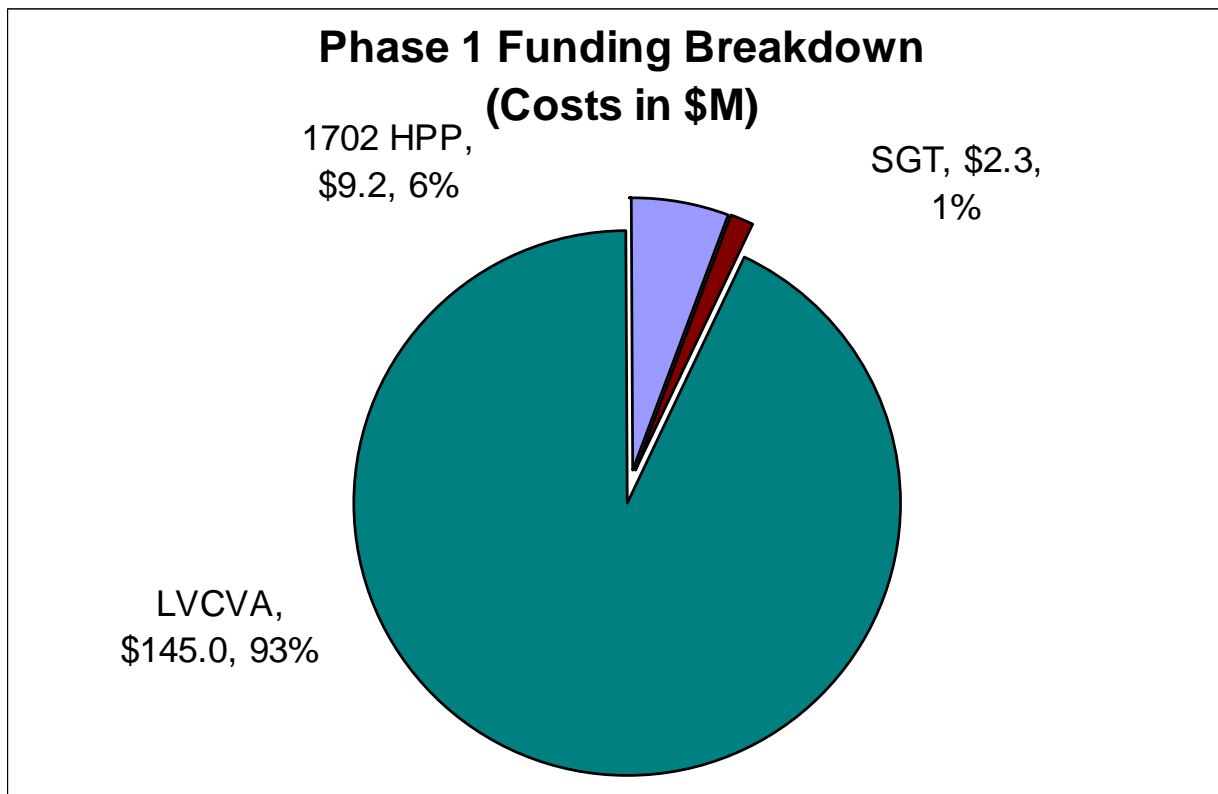
Funding Category	Phase	PROJECT PROGRAMMING in Million of Dollars								Project Total
		FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15-30	
Phase 1 - Washington Avenue to Ann Road										
1702 HPP	PE,R/W,C		\$9.2							\$9.2
SGT	PE,R/W,C		\$2.3							\$2.3
LVCVA	PE,R/W,C				\$145.0					\$145.0
TOTAL		\$0.0	\$11.5	\$0.0	\$145.0	\$0.0	\$0.0	\$0.0	\$0.0	\$156.5
Phase 2 - Ann Road to Kyle Canyon Road										
SGT	PE,R/W,C								\$40.0	\$40.0
LVCVA	PE,R/W,C					\$4.0			\$230.0	\$234.0
TOTAL		\$0.0	\$0.0	\$0.0	\$0.0	\$4.0	\$0.0	\$0.0	\$270.0	\$274.0
Phase 3 - US-95 at CC-215										
1702 HPP	PE,R/W,C		\$10.6							\$10.6
SGT	C		\$0.5							\$0.5
Q10 - Beltway	C				\$216.7					\$216.7
TOTAL		\$0.0	\$11.1	\$0.0	\$216.7	\$0.0	\$0.0	\$0.0	\$0.0	\$227.8
Phase 4 - US-95 at Horse Drive										
1702 HPP	C		\$3.9							\$3.9
STP Clark	C	\$20.0								\$20.0
SGT	C		\$0.2							\$0.2
RFCD/RTC	C,PE	\$7.0								\$7.0
Q10 - HSLM	C,PE,R/W		\$4.2	\$15.0						\$19.2
RTC	C,PE,R/W		\$16.0	\$2.9						\$18.9
TOTAL		\$27.0	\$24.3	\$17.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$69.2
Phase 5 - US-95 at Kyle Canyon Road										
STP Clark	C								\$11.4	\$11.4
SGT	C								\$0.6	\$0.6
RTC	PE		\$1.0	\$2.9	\$2.9					\$6.8
PDP	C								\$18.5	\$18.5
TOTAL		\$0.0	\$1.0	\$2.9	\$2.9	\$0.0	\$0.0	\$0.0	\$30.5	\$37.3
PROJECT TOTAL		\$27.0	\$47.9	\$20.8	\$364.6	\$4.0	\$0.0	\$0.0	\$300.5	\$764.8

- 1702 HPP SAFETEA-LU Section 1702 High Priority Projects Category
- STP Clark SAFETEA-LU Surface Transportation Program Clark Urban Area
- SGT State Gas Tax
- LVCVA Las Vegas Convention and Visitors Authority Bonding
- RFCD/RTC Regional Flood Control District/RTC Bonding
- Q10 - Beltway Funding for Beltway Improvements
- Q10 - HSLM Funding for High Speed Lane Mile Improvements
- RTC Gas Tax Directed to RTC for Transportation Improvements
- PDP Private Development Participant

Source: RTP 2009-2030



Exhibit 7 – Phase 1 Funding Breakdown

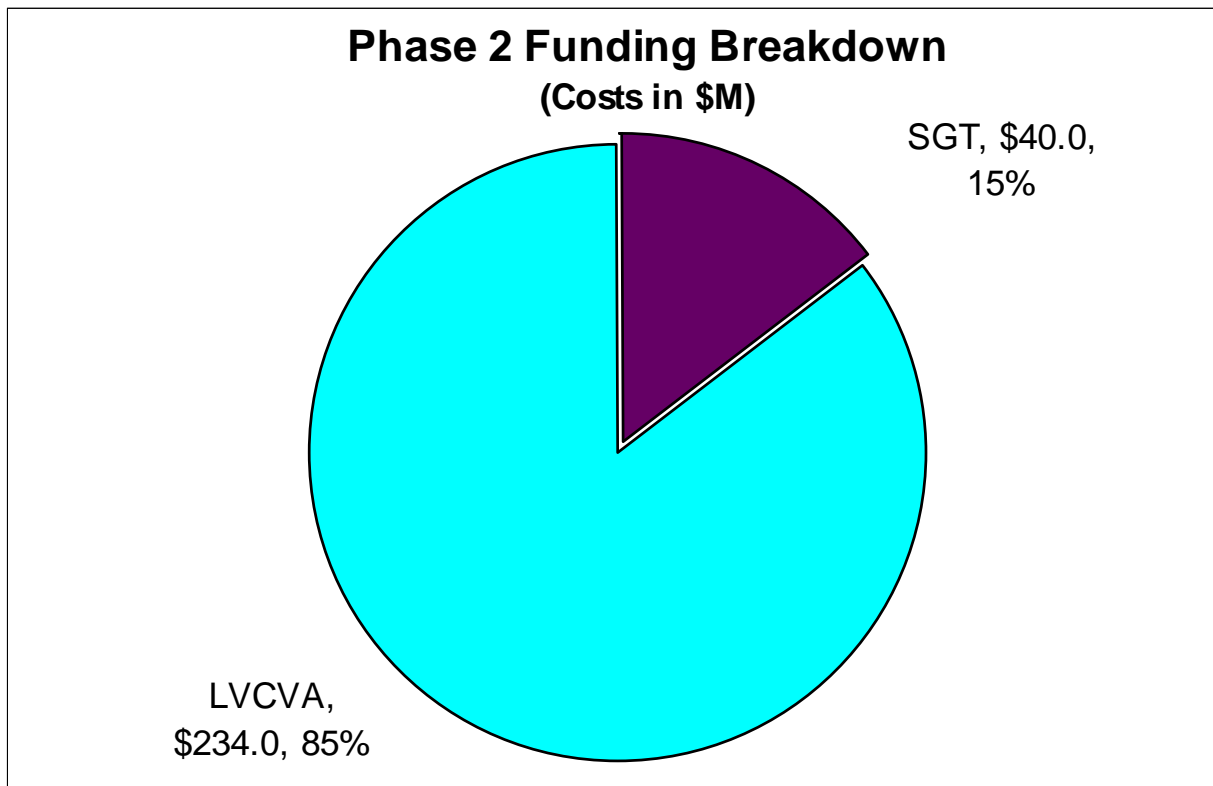


1702 HPP SAFETEA-LU Section 1702 High Priority Projects Category
SGT State Gas Tax
LVCVA Las Vegas Convention and Visitors Authority Bonding

Source: RTP 2009-2030



Exhibit 8 – Phase 2 Funding Breakdown

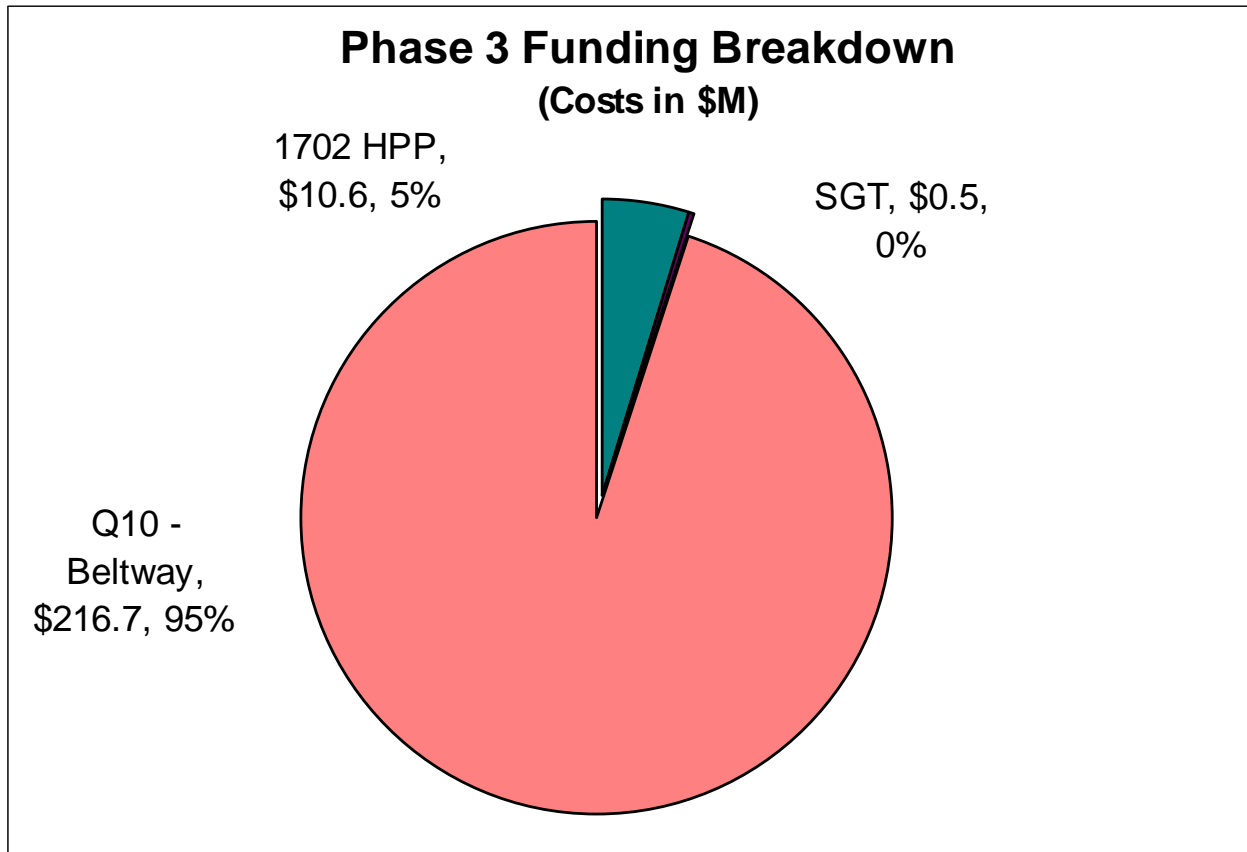


SGT State Gas Tax
LVCVA Las Vegas Convention and Visitors Authority Bonding

Source: RTP 2009-2030



Exhibit 9 – Phase 3 Funding Breakdown

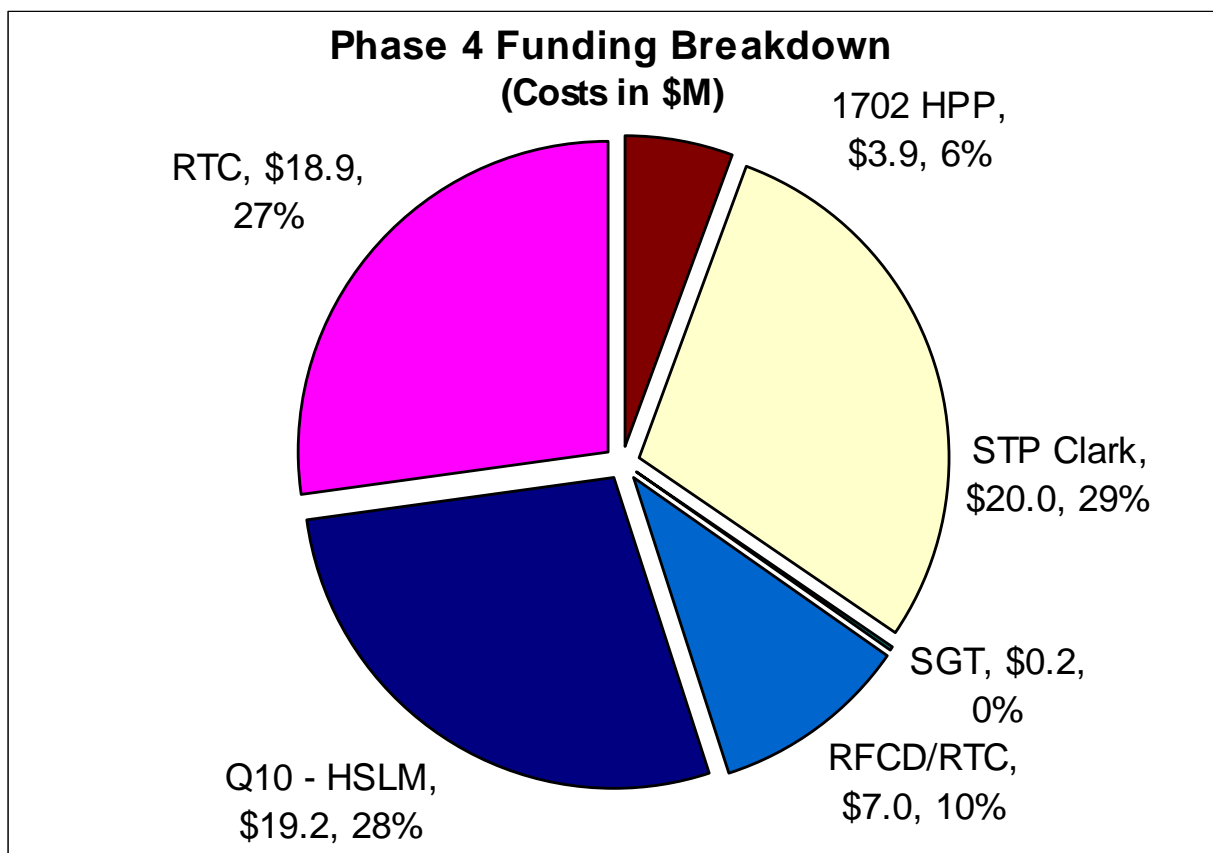


1702 HPP SAFETEA-LU Section 1702 High Priority Projects Category
SGT State Gas Tax
Q10 - Beltway Funding for Beltway Improvements

Source: RTP 2009-2030



Exhibit 10 – Phase 4 Funding Breakdown

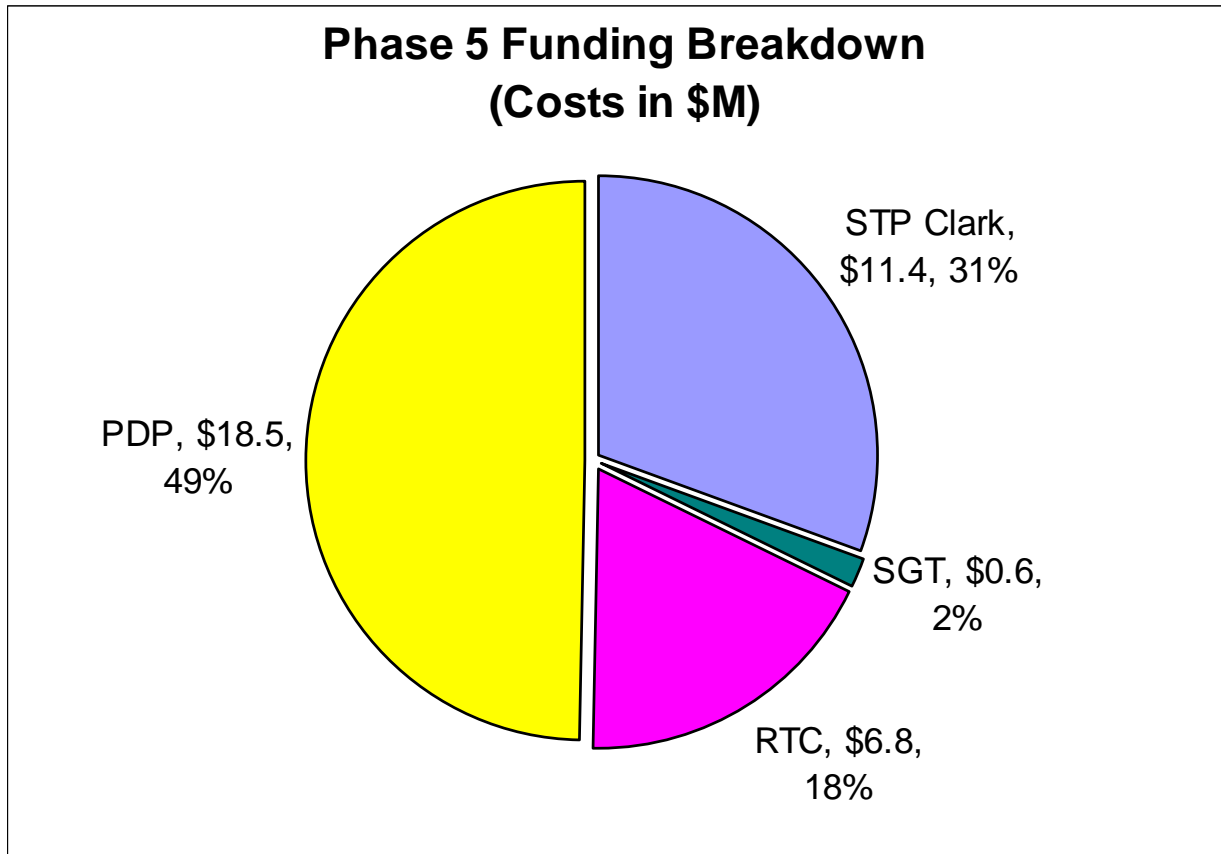


- 1702 HPP SAFETEA-LU Section 1702 High Priority Projects Category
- STP Clark SAFETEA-LU Surface Transportation Program Clark Urban Area
- SGT State Gas Tax
- RFCD/RTC Regional Flood Control District/RTC Bonding
- Q10 - HSLM Funding for High Speed Lane Mile Improvements
- RTC Gas Tax Directed to RTC for Transportation Improvements

Source: RTP 2009-2030



Exhibit 11 – Phase 5 Funding Breakdown

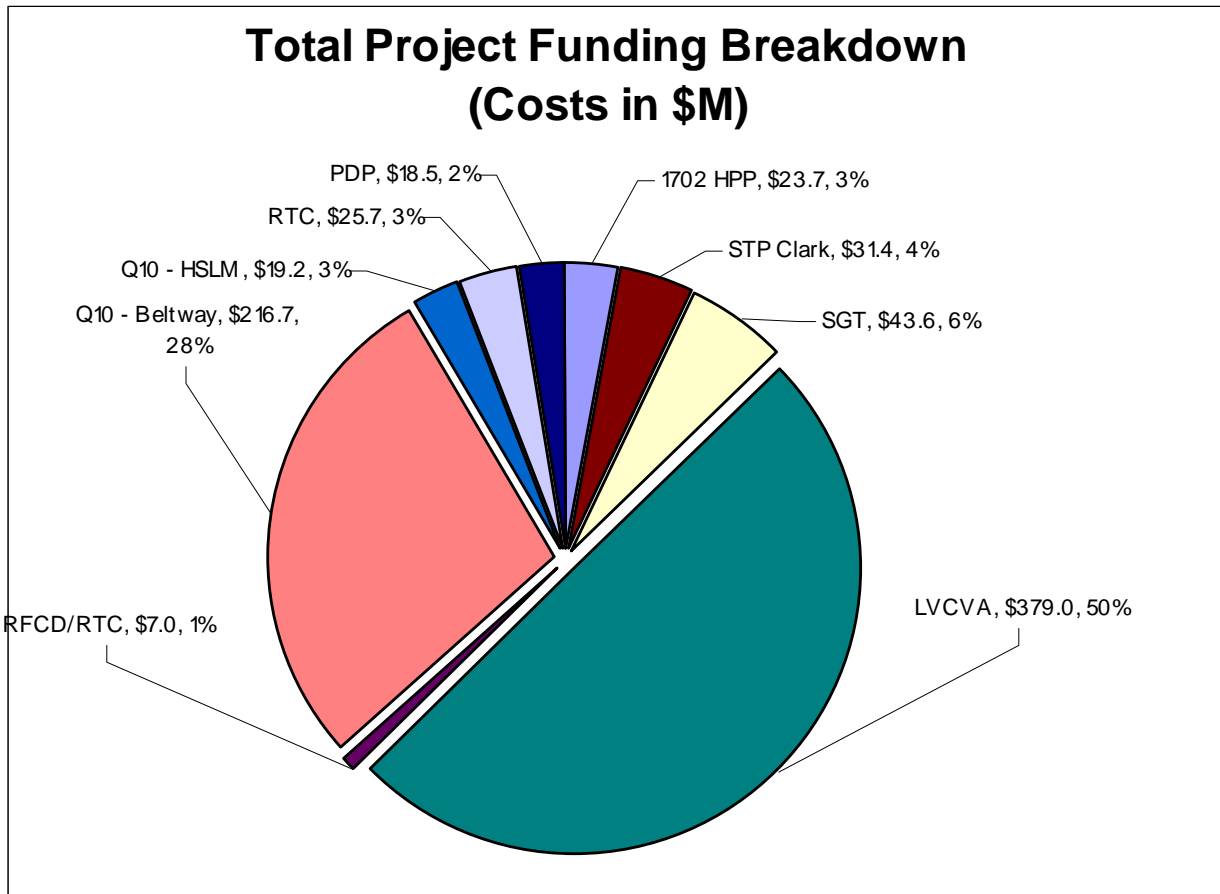


STP Clark SAFETEA-LU Surface Transportation Program Clark Urban Area
SGT State Gas Tax
RTC Gas Tax Directed to RTC for Transportation Improvements
PDP Private Development Participant

Source: RTP 2009-2030



Exhibit 12 – Total Project Funding Breakdown



- 1702 HPP SAFETEA-LU Section 1702 High Priority Projects Category
- STP Clark SAFETEA-LU Surface Transportation Program Clark Urban Area
- SGT State Gas Tax
- LVCVA Las Vegas Convention and Visitors Authority Bonding
- RFCD/RTC Regional Flood Control District/RTC Bonding
- Q10 - Beltway Funding for Beltway Improvements
- Q10 - HSLM Funding for High Speed Lane Mile Improvements
- RTC Gas Tax Directed to RTC for Transportation Improvements
- PDP Private Development Participant

Source: RTP 2009-2030



The following paragraphs describe each of the ten funding sources depicted in the exhibits above, and are arranged by federal, state and local funding sources.

FEDERAL FUNDS

SAFETEA-LU Section 1702 High Priority Project Funding

SAFETEA-LU includes a number of earmarks for specific “High Priority” projects. The US-95 Northwest Corridor is identified as one of these projects within the State of Nevada. Section 1702 of SAFETEA-LU is expected to provide approximately \$23.7 million to this project in Fiscal Year 2009.

Surface Transportation Program

The Surface Transportation Program (STP) is intended for a wide range of purposes. The fund is highly flexible and can be used for new construction, maintenance, transit, ridesharing/employer trip reduction, centralized traffic control systems and traffic management programs. Surface Transportation Program funds are divided into several sub-categories such as Surface Transportation Program-Statewide and Surface Transportation Program-Urban, and allocated for various priorities within the state. NDOT estimates that approximately \$17 million will be allocated each year under the Surface Transportation Program-Statewide. These funds are available for distribution according to statewide priorities as determined by NDOT.

Thirty percent of the Surface Transportation Program funds are allocated to urbanized areas of the state with a population of 200,000 or more. These funds are subject to the provision that they may not be used to build new capacity projects for single occupant vehicles, unless the projects come from the adopted Congestion Management System for the area. NDOT estimates that approximately \$19 million will be allocated each year under the Surface Transportation Program-Urban program for use in the Las Vegas Urbanized Area, amounting to about \$460 million over the 25-year Plan period. These funds are available for distribution according to local priorities as determined by the local Metropolitan Planning Organization in cooperation with the State Department of Transportation and local entities. The Regional Transportation Commission of Southern Nevada has allocated approximately \$20 million Surface Transportation Program (STP) funding for the US-95 Northwest Corridor in Fiscal Year 2008 and \$11.4 million in Fiscal Years 2015-2030 for a grand total of \$31.4 million.



STATE FUNDS

State Highway Fund

Article 9, Section 5 of the Nevada constitution provides: "The proceeds from the imposition of any license or registration fee or any other charges with respect to the operation of any motor vehicle upon any public highway in the state and the proceeds from the imposition of any excise tax on gasoline or other motor vehicle fuel, shall, except cost of administration, be used exclusively for the construction, maintenance and repair of the public highways of this state." Highway-user revenues are deposited and maintained in the State Highway Fund. Currently, this fund provides NDOT with approximately \$300 million that is normally used to match federal highway funds and to support high priority projects which are not eligible for federal funds, or when other funds are not available.

For the US-95 Northwest Corridor, the State Highway Fund is expected to provide approximately \$3 million in Fiscal Year 2009, approximately \$40.6 in Fiscal Years 2015-2030 for a grand total of \$43.6 million.

LOCAL FUNDS

LVCVA Bonds

The 2007 Assembly Bill 595, Section 46.5, requires local entities, at the request of Department, to provide bonding authority to help with highway improvements funded by the State Highway Fund. This legislation applied to only urban areas having a population of at least 400,000 which applies to the Las Vegas Urbanized Area. The law authorizes an initial \$300,000,000 in bonding authority for the Las Vegas area, through the Las Vegas Convention and Visitors Authority (LVCVA). This source is expected to provide approximately \$145 million for the US-95 Northwest Corridor in Fiscal Year 2011, approximately \$4 million in Fiscal Year 2012 and approximately \$230 million during Fiscal Years 2015-2030 for a grand total of \$379 million.

RFCD/RTC

The Regional Flood Control District/Regional Transportation Commission bonding authority provides some funds for highway improvements. This source is expected to provide \$7 million for the US-95 Northwest Corridor in Fiscal Year 2008.

Question 10 Funding

A second funding initiative for transportation projects in Southern Nevada was approved in 2002. Question 10 included a number of funding sources for transportation. They



include: an increase on residential and non-residential development, a jet aviation fuel tax increase, redirection of existing capital projects tax levy and a sales tax increase. The combined Question 10 revenues provide approximately \$61 million annually divided among five programs; namely, high speed lane miles, beltway, project implementation and bonding, intermodal and long-term projects.

Question 10 Beltway Program is expected to provide approximately \$216.7 million for the US-95 Northwest Corridor in Fiscal Year 2011.

Question 10 High Speed Lane Miles Program is expected to provide approximately \$4.2 million for the US-95 Northwest Corridor in Fiscal Year 2009 and approximately \$15 million in Fiscal Year 2010 for a total of \$19.2 million.

The grand total funding expected from Question 10 is \$235.9 million.

RTC Gas Tax

As authorized in NRS 373, in Clark County, there is 9 cents per gallon in gas tax revenue that is collected by the State of Nevada and administered by the local Regional Transportation Commission. This generates approximately \$70 million per year for roadway overlays, reconstruction and new construction. This source is expected to provide approximately \$17 million for the US-95 Northwest Corridor in Fiscal Year 2009, approximately \$5.8 million in Fiscal Year 2010 and approximately \$2.9 million in Fiscal Year 2011 for a grand total of \$25.7 million.

Property Developer Participation (PDP)

Local private funds can be a significant source for improving and constructing secondary roads. From the history of this source, local governments expect approximately \$30 million annually. Since there is a strong positive correlation between roadways and land use development, it is not surprising that private developers would financially participate in certain roadway improvements. This source is expected to provide \$18.5 million for the US-95 Northwest Corridor in Fiscal Years 2015-2030 through a land development project, Kyle Canyon Gateway Project. An agreement will be needed to secure this funding source.

SECTION 4 - CASH FLOW

NDOT, with the support of federal and local funding, expects to have sufficient revenues available to complete the US-95 Northwest Corridor; however, adjustments to the State Transportation Improvement Program will need to be made in order to allocate the correct amount to each aspect of the project. See exhibits 13 through 18 for project cash flow.



Exhibit 13 – Phase 1 Cash Flow

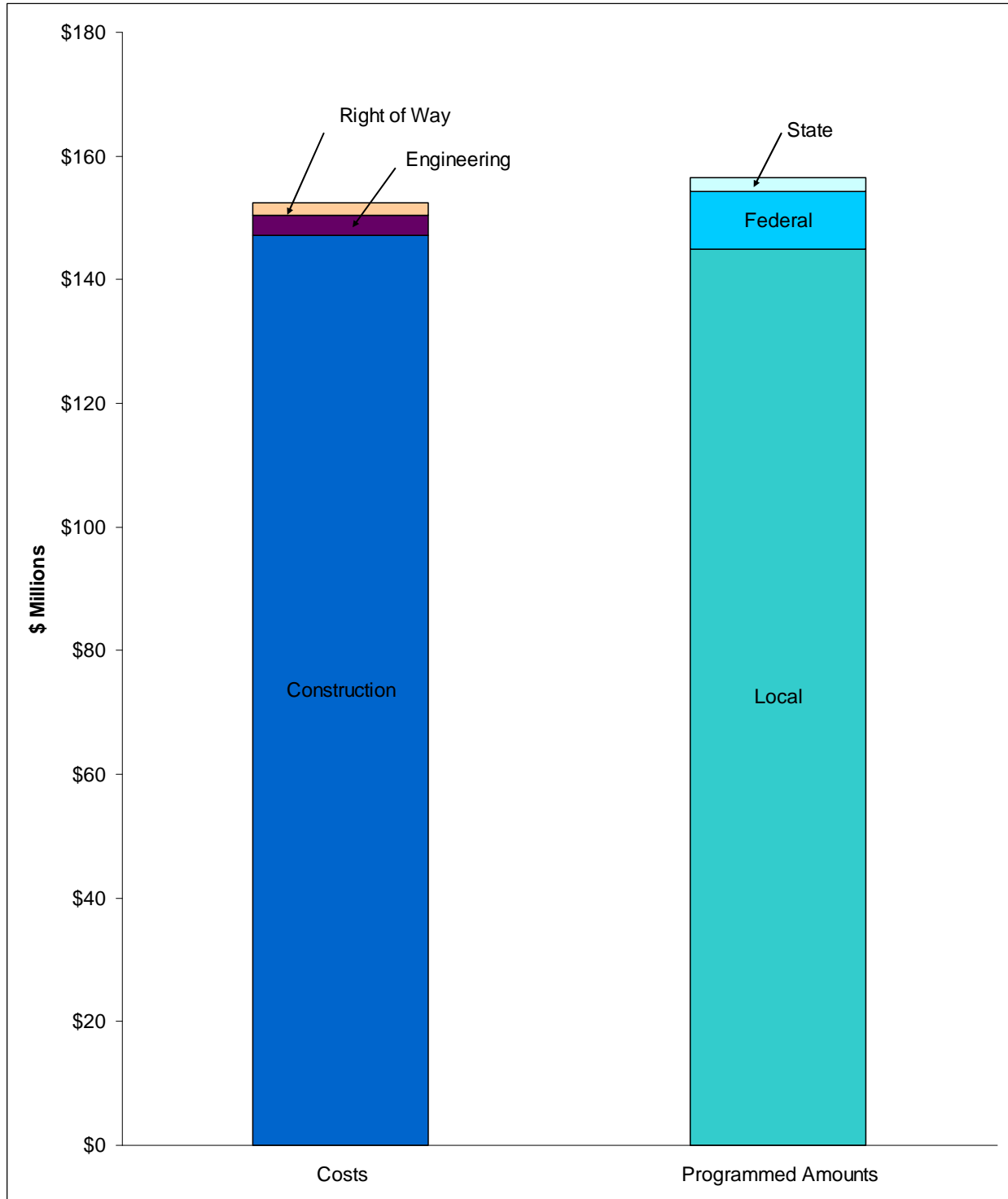




Exhibit 14 – Phase 2 Cash Flow

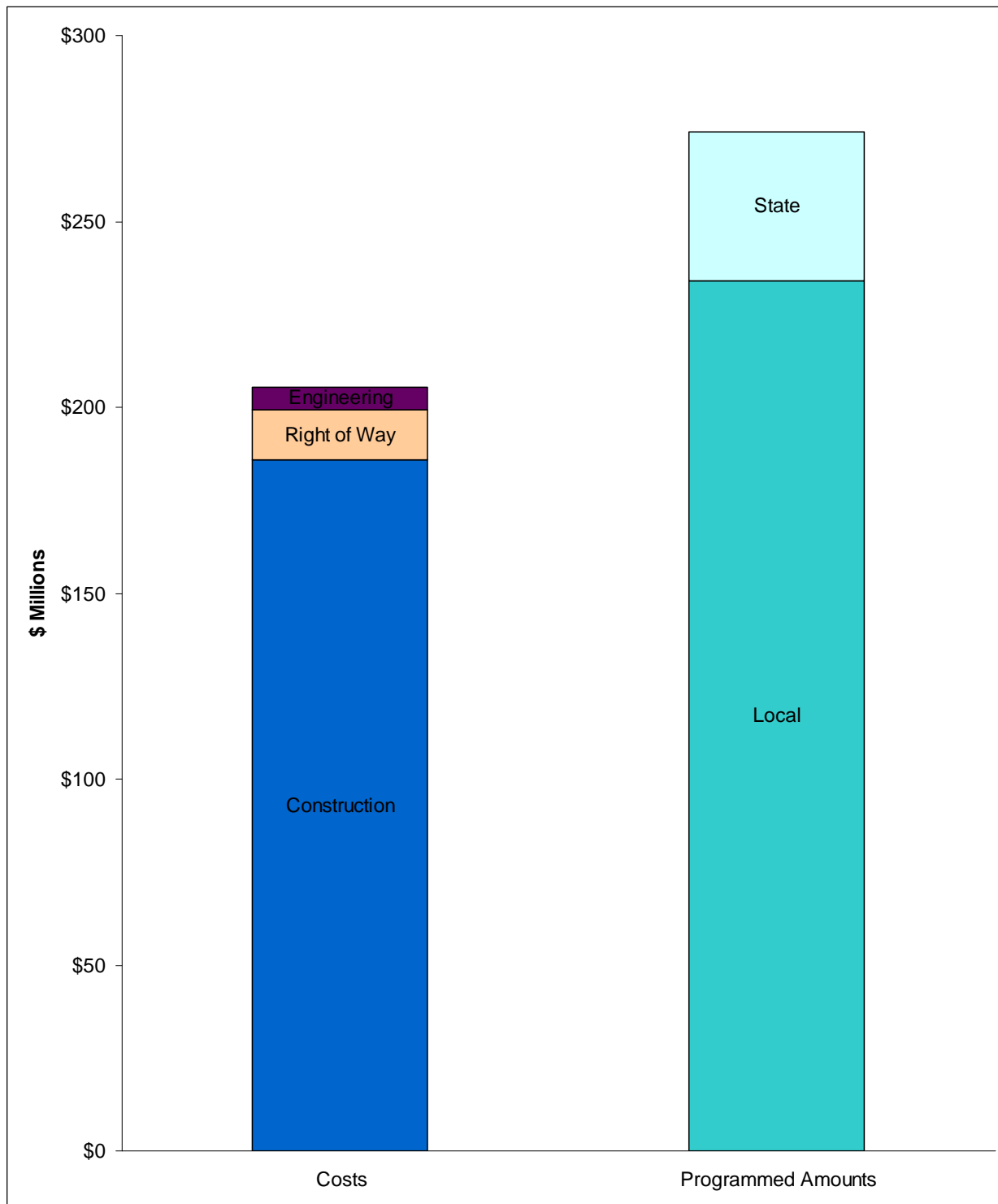




Exhibit 15 – Phase 3 Cash Flow

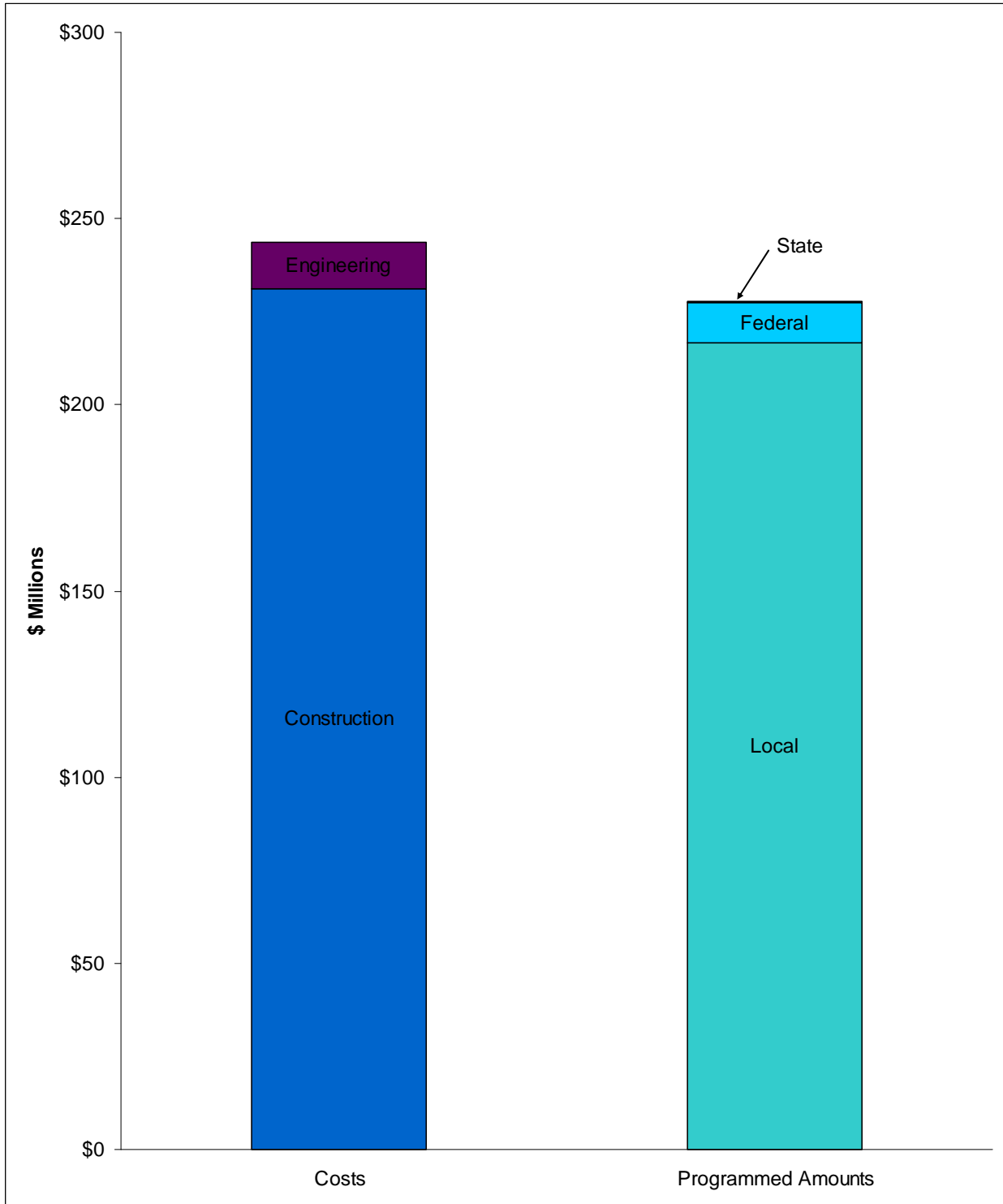




Exhibit 16 – Phase 4 Cash Flow

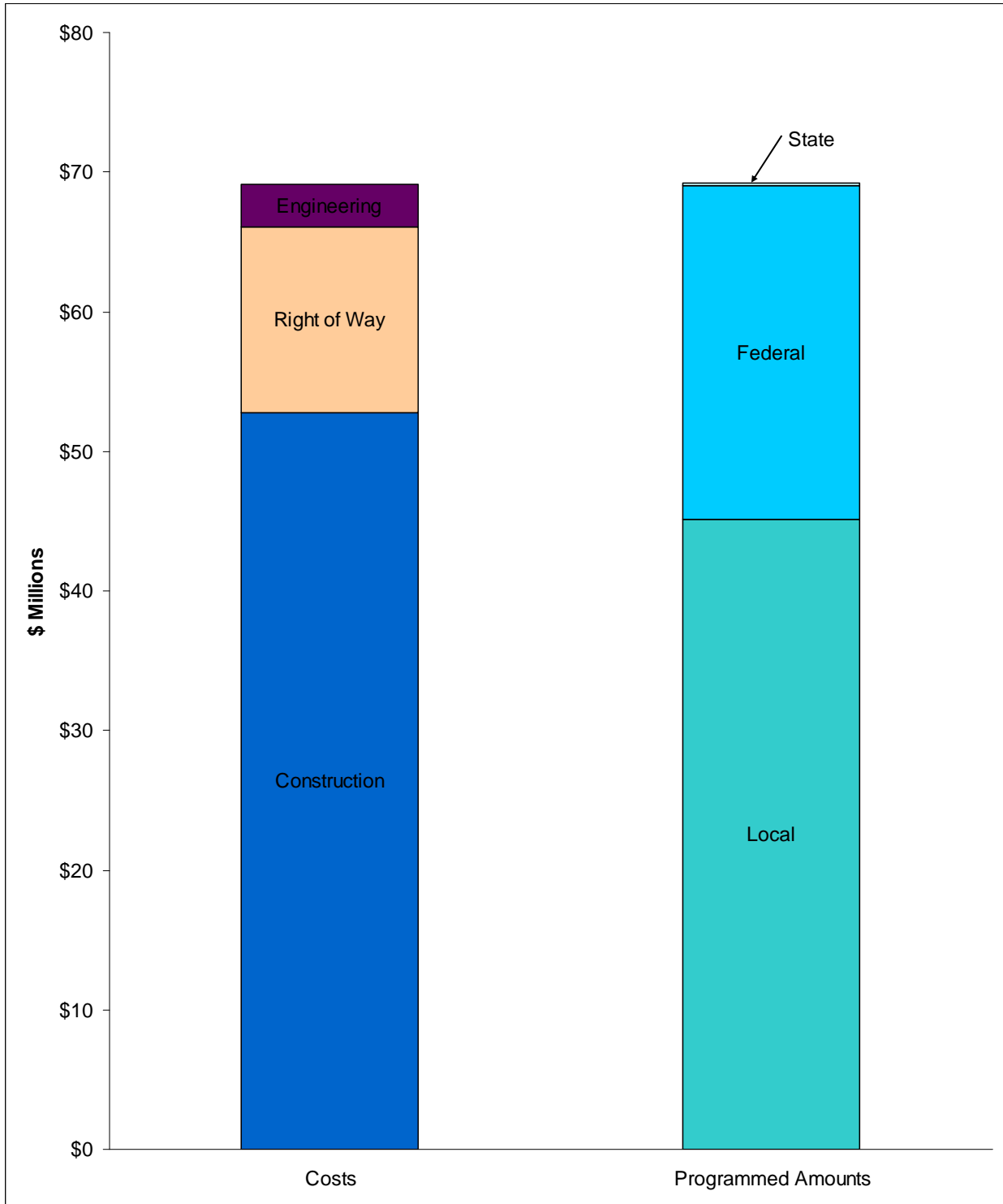




Exhibit 17 – Phase 5 Cash Flow

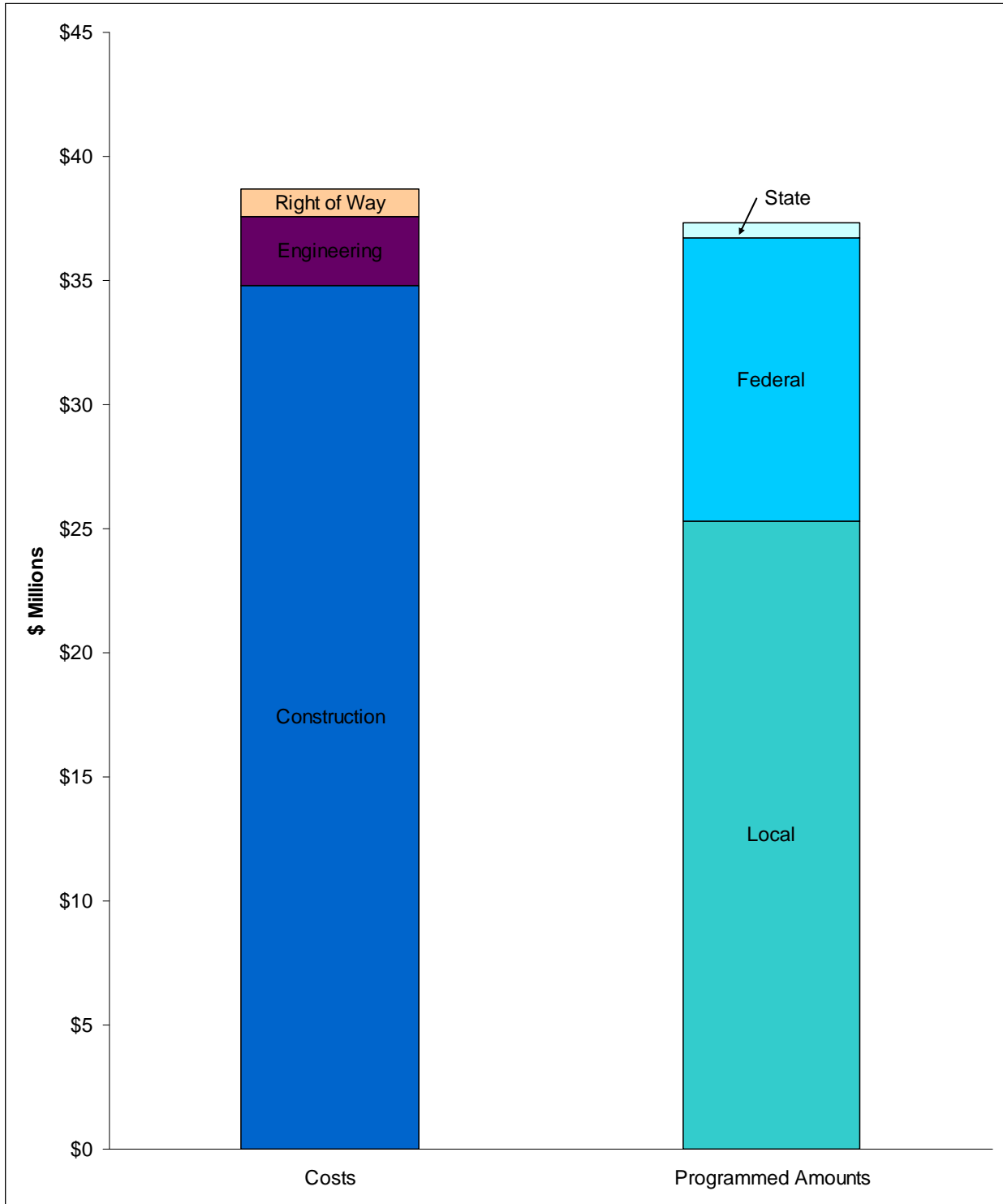
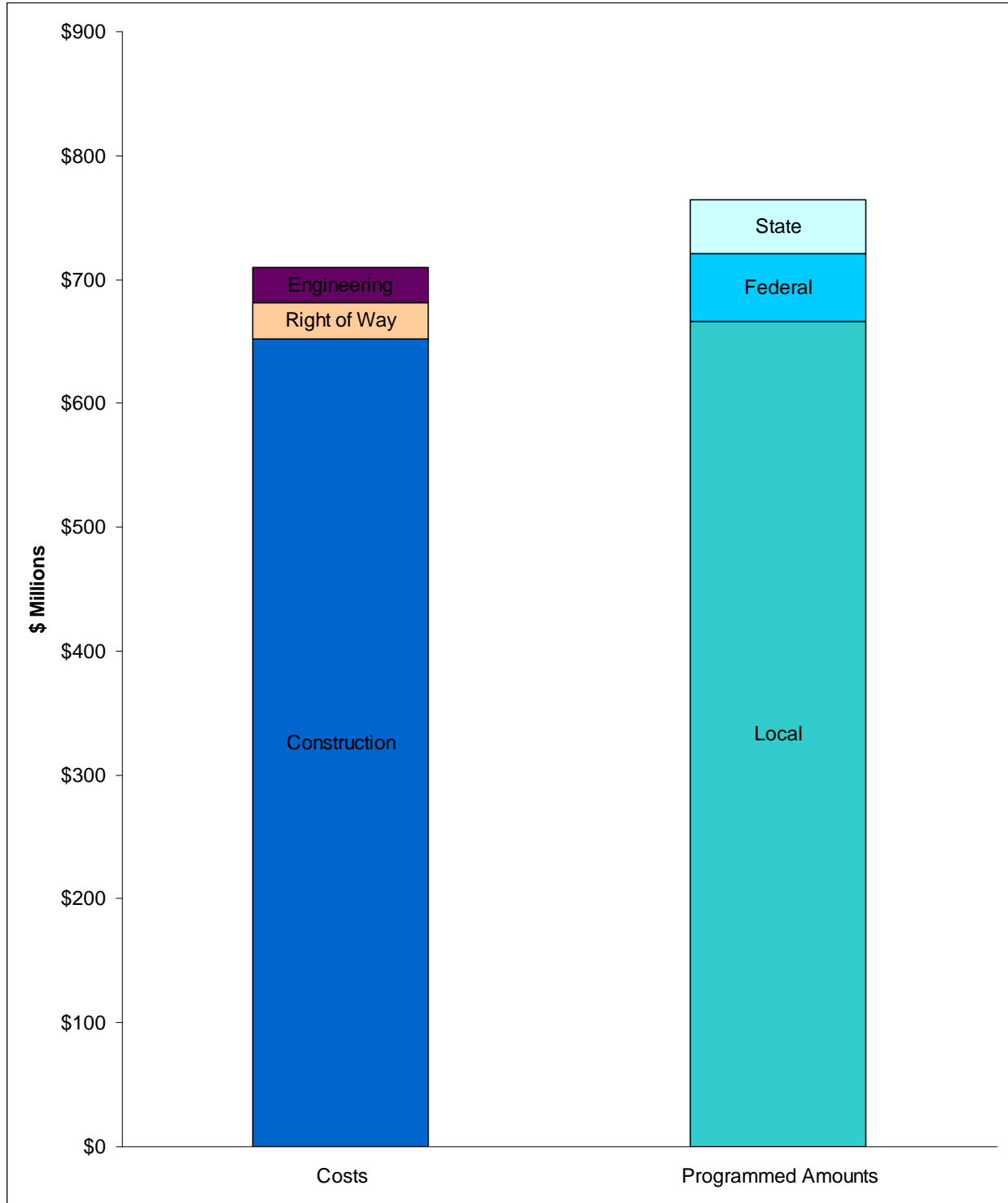




Exhibit 18 – Total Project Cash Flow





SECTION 5 - RISK IDENTIFICATION AND MITIGATION FACTORS

A Cost Estimate Review was conducted by the Federal Highway Administration in November 2008. The Cost Estimate Review validated the team's cost estimate by verifying the accuracy and reasonableness of the total cost estimate and schedule. During the Cost Estimate Review, the risks and opportunities were also developed, and the Project Team selected probability curves that best modeled the risk and opportunities. Probability ranges were developed for the cost estimate that represents the Project's current state of development. The Cost Estimate Review identified the following sensitivities impacting the estimates: years of escalation, roadway embankment, market conditions, escalation rate, construction engineering, contingency, market conditions, years of escalation, number of years and escalation rate. An executive summary for the Final Report can be found in the Project Management Plan.

To further identify and minimize risk to the cost estimate, both Risk Assessment analysis as well as Value Analysis will be conducted as final design progresses. The Risk Assessment process is a dynamic process that reviews initial cost estimates, schedule, and risk associated with these items. As part of the workshop, project risks will be identified and the potential for these risks to affect cost and schedule will be quantified. Based on these risks a project budget and overall schedule will be identified based on a 70% chance of the project meeting the schedule and budget.

The Risk Assessment for Phase 1 was completed in February 2009, and an executive summary for the report is included in the Project Management Plan.

The Value Analysis for Phase 1 was completed in December 2007, and an executive summary for the report and approval memo is included in the Project Management Plan.

Major Assumptions

Federal Funds

The major assumption for federal funding is a constant federal aid formula for funding available to Nevada at SAFETEA-LU levels. The project is scheduled for completion beyond the current SAFETEA-LU authorization; consequently, another assumption is that additional authorizations will at least provide a similar level of federal funding. This would mean that approximately \$225 million per year in federal highway funding will continue through Federal Fiscal Year 2015.



State Funds

The major assumption is the current level of state funds from fuel taxes will be maintained through Fiscal Year 2015. There will be some fluctuation caused by variations in fuel sales and especially from a reduction in vehicle-miles of travel. Overall, the changes are assumed to be minimal. This would mean that Nevada State fuel taxes will provide approximately \$300 million annually to the State Highway Fund through Fiscal Year 2015.

Local Funds

The major assumption is the level of local funding programs will continue much the same as at present. As discussed, a new source at the local level is Las Vegas Convention and Visitors Authority (LVCVA) bonding authority that was approved in Assembly Bill 595 during the 2007 legislature. This will provide up to \$300 million for highway improvement in the near future. Additionally, this bill will add another revenue stream in Fiscal Year 2009 to support roadway improvement. This source in Section 47 will come from local property taxes.

Local funding, for Phase 4 Horse Drive Interchange, has been dedicated and cannot be used elsewhere.

Major Risks

Funding for this project is under review at all levels of government – federal, state and local. While most of the financial commitments for the project have been approved, significant sources of funding have not been finalized.

Federal Funds

Currently, the Federal Highway Trust Fund will have more than a \$3 billion shortfall for Federal Fiscal Year 2009. In Federal Fiscal Year 2010, the shortfall will increase to approximately 50% of the total authorization. It is expected that Congress will keep the trust fund solvent, but there is no guarantee. Additional pressure is added due to the rapid increase in fuel prices that will reduce consumption and, subsequently, revenue. Another revenue problem is the increased use of ethanol which, at the federal level, is taxed at a lower rate than conventional gasoline. Finally, the federal formulas that allocate funds to the states could be revised and cause Nevada to lose some federal funds.

If funding stipulations are not met or completed by the sunset date, the funding could be re-disbursed.

State Funds



The state fuel tax revenue has shown signs of declining with increased fuel costs; however, there should be sufficient state funds to match the federal funds programmed for the project.

Local Funds

Some of the local funds are a direct function of fuel tax, which is proportional to the amount of travel. As economies decline, other revenue sources will decline as well. With the 2007 Assembly Bill 595 diverting significant local property taxes to the State Highway Fund, the local governments might request a change in the current law during the 2009 Legislative session to at least reduce the diversion. This change in the current diversion would reduce the level of roadway funding.

If funding stipulations are not met or completed by the sunset date, the funds could expire.

Mitigation

There are several mitigation actions that will be undertaken to deal with the previously discussed items. They are:

1. A Value Analysis will be conducted for each phase of the project.
2. Staging the construction for individual phases will be considered in order to postpone some of the significant costs. For example, construct bridges in Fiscal Year 2009 and Fiscal Year 2010 and widen lanes in Fiscal Year 2011.
3. Revenue increases may be requested in future Legislative sessions.
4. For Phase 4, Horse Drive Interchange, local funds may be used if federal funding is not available.
5. For Phase 4, Horse Drive Interchange, time extensions could be pursued for funding beyond sunset years.
6. NDOT has submitted an enabling legislation request to authorize the limited use of tolls.



SECTION 6 - COST AND REVENUE HISTORY

This Section will be added with annual updates to the Financial Plan.

SECTION 7 - COST AND REVENUE TRENDS

This Section will be added with annual updates to the Financial Plan.

SECTION 8 –SUMMARY OF SIGNIFICANT COST REDUCTIONS

This Section will be added with annual updates to the Financial Plan.

SECTION 9 – SUMMARY OF SIGNIFICANT COST INCREASES

This Section will be added with annual updates to the Financial Plan.