

Monorail Agreement

Item 43

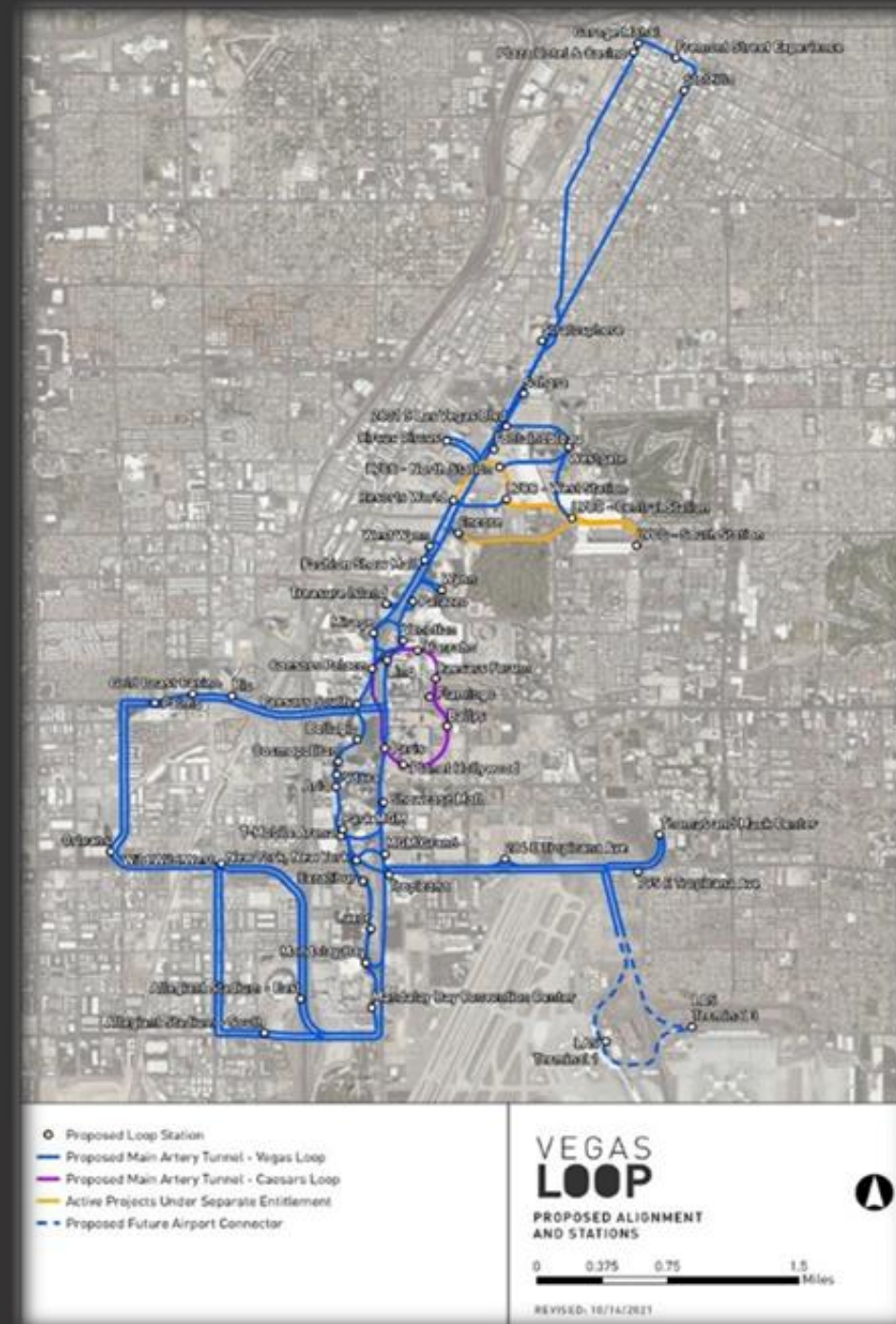
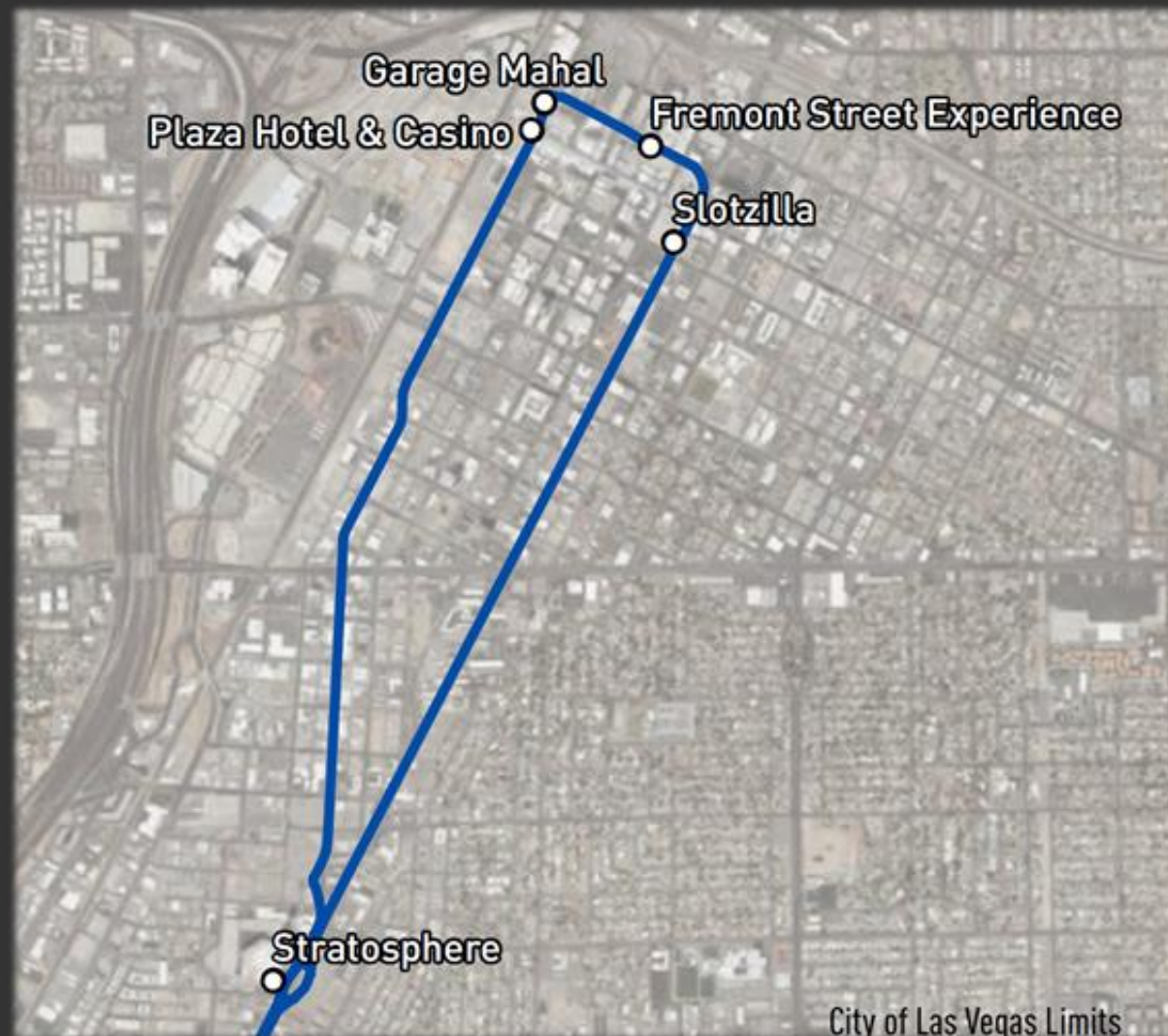
**Mike Janssen, P.E.,
Executive Director of Infrastructure**

**John Ridilla, P.E.,
Chief Deputy City Attorney**

Overview

- 50 year **non-exclusive** agreement
- About 95% identical to Clark County's agreement approved on 10/20/21
- Allows The Boring Company to use our right-of- way to construct, operate, and maintain a **privately funded** underground transportation system
 - **No taxpayer funds requested or contributed: all funding from The Boring Company and private properties**
- Vegas Loop is envisioned to be a 34+ mile tunnel network with 55+ stations including Harry Reid Airport and Allegiant Stadium
 - 5+ miles of tunnels and 5+ stations in the City
- The Boring Company pays all standard plan check, permit, and inspection fees

Vegas Loop Alignment



Major Steps in Developing Vegas Loop

1. Secure Special Use Permit (approved by City Council on 12/16/20)
2. Secure approval of a Monorail Agreement (under consideration today)
3. Secure approval of design development studies (such as the Fire and Life Safety Plan, Geotechnical Report, Drainage Analysis)
4. Secure approval of final design and construction plans and permits
5. Construction Phase
6. Operational Testing Phase
7. Certificate of Operation issued (renewed annually)
8. Vegas Loop service begins

What is Vegas Loop?

EXPRESS TRANSPORTATION SYSTEM

Travel directly to your destination without stopping at intermediate stations

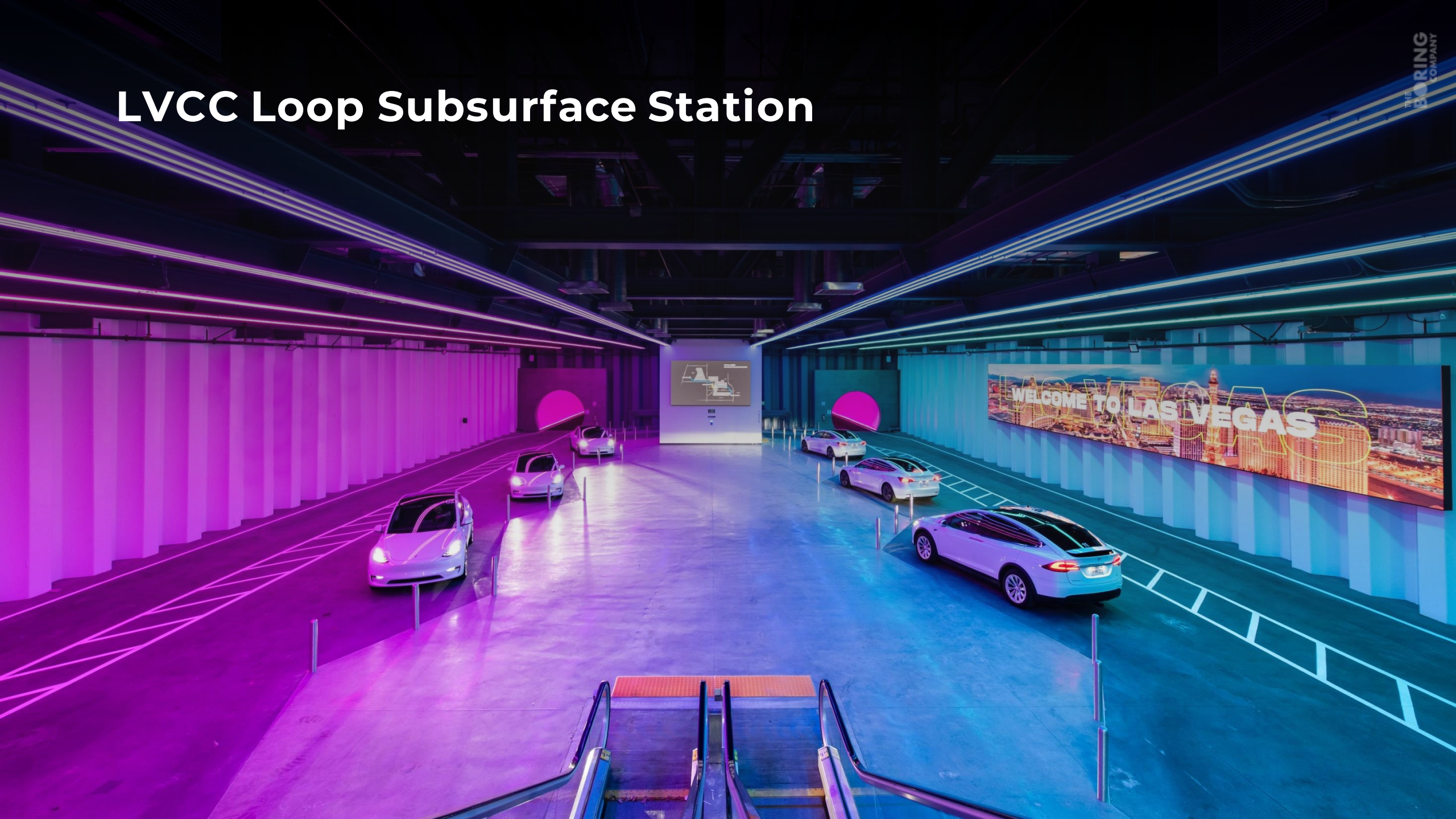
Passengers are transported in Tesla Models X and Y

ALL-ELECTRIC

Battery-powered, zero emissions



LVCC Loop Subsurface Station



LVCC Loop Surface Station



Vegas Loop Safety Features

VEHICLE

Loop vehicles (Tesla Models X and Y) are NHTSA 5-star rated

SYSTEM

Real-time gas and smoke detection; Ventilation system designed to NFPA standards

Direct communications within tunnel to Control Center via tunnel intercoms, cell service, and WiFi

Emergency communications and regularly-scheduled practice drills with Police and Fire Departments

DRIVE SURFACE

Wide walkway for emergency egress; No third rail or touch-hazards

SECURITY

Received the Department of Homeland Security TSA Gold Standard Award for achieving top scores in review of LVCC Loop's system security plans

Fire and Life Safety – Our #1 Priority

Section 3.2

All applicable provisions of the LVMC, applicable National Fire Protection Association (“NFPA”) fire and life safety standards **as determined by LVFR and the City Building Departments**, and all provisions of this Agreement shall be binding upon the Company, its successors, or assignees.

Section 5.5

The Monorail shall be designed and constructed in accordance with all applicable federal, state, and local laws, rules, and regulations, including the Americans with Disabilities Act and all building, electrical, fire, and safety codes.

Fire and Life Safety – Our #1 Priority

Section 6.4

The Company shall conduct Critical Infrastructure Vulnerability Assessments of the Monorail in accordance with the National Infrastructure Protection Plan issued by the Cybersecurity & Infrastructure Security Agency of the U.S. Department of Homeland Security. The Company shall coordinate with LVFR, City Building Department, and the Department of Homeland Security on a regular basis, including discussions pertaining to the results of the initial and future Critical Vulnerability Assessments. No City Building Department permits shall be issued until LVFR and City Building Departments have approved in writing that it is satisfied with the Company's public safety and security plans.

Fire and Life Safety – Our #1 Priority

Section 9.1

LVFR shall develop a list of equipment that Company will purchase to cover LVFR's public safety costs in connection to the Monorail. Prior to the issuance of the first construction permit the Company shall pay the City an amount to be determined by the Parties, and shall make subsequent payments thereafter as agreed upon by the Parties, which may include both equipment costs and operating costs, as determined by the Parties. No permits shall be issued until LVFR is satisfied, in its reasonable discretion, with the equipment list, associated operating costs and payment phasing.

Three Tier Civic Station Revenue Funding Model

- Key difference between City and County agreements
- City agreement provides a mechanism to generate additional funding that could be used to fund civic stations in support of our Downtown Districts and any other tunnel extensions/civic stations **the City desires**
- E.g., a civic station could be constructed to serve the Arts District at Boulder Plaza



Vegas Loop
Boulder Plaza Station - Option B

Civic Station Revenue Funding Model Benefits

- The Three Tier Civic Station Revenue Funding Model has the potential to generate an additional \$1.35M per year over the County's Two Tier Revenue Funding Model **for the same revenue**
- Therefore, The Boring Company could contribute an extra \$13.5M every 10 years using the City Three Tier Model rather than County Two Tier Model
- The Agreement allows City or TBC the opportunity to convert the Three Tier Civic Station Revenue Funding Model to the County's Two Tier Revenue Funding Model after the 10th anniversary of the Agreement's effective date for any reason

Indemnification, Liability, and Insurance

Section 15.1

The Company shall indemnify, hold harmless, and defend the City, its officers and employees, individually and collectively, from all damages, fines, liens, suits, claims, demands, actions, costs of investigation and litigation, attorneys' fees and expenses, consultants' fees and expenses, and expert witnesses' fees and expenses, judgments or liability of any kind arising out of or in any way connected with (i) the design, installation, construction, operations, maintenance, or condition of the Monorail; (ii) the remediation, decommissioning or abandonment of the Monorail, including obligations under the Decommissioning Plan; (iii) any action or inaction, including intentional, reckless or willful misconduct, by the Company, its officers, employees, and agents, including those represented as contractor or sub-contractor, in connection with the Monorail, the Rights-of-Way, and this Agreement;

Indemnification, Liability, and Insurance

Section 16.1

The Company shall at its own cost and expense, obtain and maintain commercial general liability insurance naming the City, its officers, employees, volunteers, and agents as additional insureds for the duration of this Agreement. Commercial general liability insurance coverage must be provided either on a commercial general liability form or a broad form comprehensive general liability form. The Company shall maintain at all times limits of no less than \$1 million combined single limit per occurrence for bodily injury (including death), personal injury, and property damage.

Abandonment and Decommissioning

Section 12.1

In the event that:

- A. the Company (i) does not successfully complete the construction of the Monorail; (ii) has stopped construction of the Monorail or all or a material portion of the Monorail, including the portion located in the Rights-of-Way for a period in excess of one hundred eighty (180) calendar days; or (iii) has not been in continuous operation (as scheduled) transporting passengers for a period in excess of one hundred eighty (180) calendar days, and has made no effort to cure the above circumstances, unless such failure to operate is permitted by the LVMC or the City Council or a Force Majeure event, or the terms of this Agreement; and

Abandonment and Decommissioning

Section 12.1

- B. such failure to operate has not been remedied within sixty (60) calendar days after receipt by the Company and/or Lender's Agent of written notice from the City specifying the same, provided that if the Company or Lender's Agent submits a written request to the City within sixty (60) calendar days, the request shall be placed before the City Council and such sixty (60) calendar day period may be extended by the City Council if it reasonably determines that the cause of such failure may be corrected but cannot reasonably be corrected within sixty (60) calendar days; and
- C. the Company and/or Lender's Agent are given an opportunity to be heard; then the City Council may declare all or such portion of the Monorail to be abandoned and may terminate this Agreement.

Abandonment and Decommissioning (continued)

Section 17.1

At least thirty (30) calendar days prior to Commencement of Construction, the Company shall provide...security in a bond, an irrevocable Letter of Credit, or cash (at the Company's sole discretion) for THREE HUNDRED AND FIFTY THOUSAND DOLLARS (\$350,000)...that guarantees the safe securing of the Monorail within Rights-of-Way in accordance with the terms of the Decommissioning Plan.

Closing Thoughts

- Benefits for Downtown:
 - Every vehicle that Vegas Loop removes from City surface streets “frees up” traffic capacity that can be used to continue supporting Downtown (re)development. This will help the City and other developers avoid costly roadway widening
 - Connectivity to/from key destinations throughout the resort corridor is greatly enhanced
 - An additional form of transportation to/from Downtown is created with **no public funding**
 - It would be unfortunate if a Vegas Loop rider getting on at MGM Grand wanted to visit Fremont St but was told the system stops at Sahara Ave