

## **EAST-WEST RAIL FEASIBILITY STUDY FREQUENTLY ASKED QUESTIONS**

**This document contains many of the commonly asked questions regarding an East-West Rail Feasibility Study and their answers. The questions have come from a number of sources since January 2012.**

### **1. What is the history of the East-West rail concept and why has it come up now?**

At the Eureka City Council meeting of December 20, 2011, Council heard a presentation by several citizens who were speaking in favor of conducting a study to determine the feasibility of an alternative rail route connecting the port facilities in Humboldt Bay to the national rail system. The presenters explained that this so-called “east-west” route was not a new idea, but one that actually had its origins in the late 1800s. The “Humboldt and Eastern Railroad” was in the process of acquiring financing and obtaining easements to build a rail line from Humboldt Bay area to the Sacramento Valley when the 1906 San Francisco earthquake and fire made the competing north-south rail line necessary to supply materials to rebuild the City. Within a few years, the eastern route was shelved, but not before the route was scouted and mapped.

Presenters also noted the economic potential that rail service to Humboldt Bay may add to the local economy noting that there are 382 short line railroads in the US that service areas of high levels of economic activity. It was also noted that the average railroad job pays approximately \$104,000/year. Presenters pointed out that locally we haven’t really looked at improving transportation infrastructure for a long time. The last real boom in rail, port and road building occurred more than 40 years ago. They pointed out that the Humboldt County area is challenged by its aging infrastructure.

From its inception, Eureka has been a water-dependent community and thus the City has a vested interest in developing infrastructure improvements that result in economic growth and sustainable job creation that utilize the harbor. Today, approximately 20 percent of the shoreline within City limits is dedicated to coastal dependent industrial uses. In addition, the City owns approximately 347 acres of underutilized coastal dependent industrial property near Fairhaven on Humboldt Bay’s North Spit. This City property is in addition to approximately 600 more acres of underutilized port property in the entire harbor region of Humboldt Bay. Twenty to thirty years ago, these properties employed thousands of Humboldt County residents. Today, those engaged in private sector marine-related jobs number in the hundreds. And yet, Humboldt County is home to one of only 11 deep water ports in California and the only one along a 400 mile stretch of Pacific coast; a rare and underutilized economic driver for our community.

It has been noted that one of the factors keeping Humboldt Bay’s harbor from regaining its status as an economic engine and sustainable job-creator is the lack of rail service. The North Coast Railroad Authority (NCRA) has allowed the north-south Northwestern Pacific rail line to remain out of service for more than 10 years. This lost decade is full of examples of marine-related commercial-industrial businesses that showed great interest in locating on Humboldt Bay and providing jobs, only to move to some other port city where rail service is available. Reportedly, two recent missed opportunities have shown that our community lost approximately \$25 million per year of economic value because the shipping opportunities located elsewhere due to the lack of an active rail connection to Humboldt Bay.

The proponents of the Alternative Rail Route Feasibility Study believe that the economic potential of connecting Humboldt Bay to the national rail system is worthy of pursuing the Alternative Rail Route Feasibility Study to determine once and for all, what it would take to bring

the historic Humboldt and Eastern rail concept back to life. An east-west rail connection to the national rail system would function as a much needed "land-bridge".

## **2. The City of Eureka's Resolution supports an alternate route study, but there is no mention of what it is an alternative to or why we need an alternative. Why is that?**

Resolution 2012-02 adopted on January 17, 2012 by the Eureka City Council contained the following phrases: *WHEREAS, it is not known when, or if, the North Coast Railroad Authority (NCRA) will ever restore rail service to Humboldt Bay; and*

*WHEREAS, due to the apparent economic potential of a rail line connecting Humboldt Bay to the national rail system and since it is unknown whether NCRA will be able to restore a rail connection to Humboldt Bay in the foreseeable future, the City of Eureka now has an opportunity to lead an effort to explore the feasibility of an alternate rail route to the east.*

In both phrases, NCRA is prominently mentioned and it is well known that NCRA owns/controls the existing North-South rail line. Thus, the east-west line is mentioned here as an obvious "alternative" to NCRA's (north-south) line.

Regarding the "why": the above phrases contain language that has been a commonly held view by some NCRA Directors and their General Manager and Council for some time i.e. "*it is unknown whether NCRA will be able to restore a rail connection to Humboldt Bay in the foreseeable future*". NCRA has stated this position many times in the past.

## **3. What is the Purpose of the Feasibility Study?**

As conceptually proposed, the purpose of the Humboldt Bay Alternative Rail Route Feasibility Study would be to analyze the concept of developing an east-west alternative rail route from the national rail system to Humboldt Bay that is roughly half of the distance (approximately 125 miles) as compared to the 316-mile main line using the existing Northwestern Pacific Railroad's right-of-way. A new easterly route would likely connect Humboldt Bay to an existing Union Pacific main rail line just south of Red Bluff near Gerber, CA. This new route potentially involves a fraction of the tunnels, bridges and signaled crossings of the existing rail line.

Specifically, the Feasibility Study would involve a literature review on the history of this route; identification of a proposed route from the analysis of no less than three possible routings; identification of land ownerships along the proposed route; a conceptual development plan that includes rail ownership/governance, preliminary engineering feasibility, highway connectors and any proposed modifications to improve highway/rail interface, market potential, estimated permitting needs, estimated environmental issues and potential mitigations; an examination of additional uses of the rail corridor such as for fiber optic or other utilities, trail and others; and estimated development costs and timeline. An easterly route could also incorporate the Humboldt Bay Short Rail portion of the existing NCRA right-of-way from South Fork to Fairhaven.

## **4. What were the 2 projects on Humboldt Bay that were missed? From where was the quantifiable \$25 million number generated or referenced? Where did the projects end up, if not here?**

These two projects were noted by Wilson Lacy, Director of Maritime Commerce for the Humboldt Bay Harbor District in approximately 2009/10. He had apparently been working with a

car export company and a company that was to import wind energy components. Both didn't choose Humboldt Bay because both needed a rail connection and NCRA ultimately wasn't able to give them one in a timely fashion. The way he explained it was that approximately \$21 million of economic value was lost to our area by the car company not locating here and an additional approximately \$4 mil lost from the wind energy relocating. According to Lacy, the car company (Pasha) wanted to export +/- 40,000 cars per year from the mid-west. Lacy had apparently worked with Pasha for approximately 2 years when they decided to move to Grays Harbor due to the uncertainty of the rail connection. Lacy noted that within a year, Pasha was servicing three ships per week with what originally was export of Chryslers from the mid-west and later added Caterpillar equipment. His economic estimates were based upon what three ships per week to Humboldt Bay would be worth. In this case, the lack of rail to lost the Humboldt Bay Harbor District approximately \$1.8 mil/year (in Pilot fees and harbor improvement surcharge) in addition to more than a \$21 million loss of economic value to the community.

The Grays Harbor Chamber of Commerce has noted the importance of rail to their area by noting there are approximately 750 jobs within their "Port District" and that as many of 500 of them are dependent on having an active rail connection. In other words, if the rail were not there, the workforce within the Port District would drop by approximately 67 percent.

The second example as relayed by Lacy was to import components for approximately 44 wind turbines for a wind project near Burney, CA. In this case, Lacy detailed that because of no rail service from Humboldt Bay, these components were shipped to the Port of Stockton. He estimated that this order would have taken approximately 30 ships for the entire project. His estimate was that the Harbor District lost \$300,000 from this lost opportunity and the community lost an additional approximately \$4 million in economic value. The way he explained it was that the "economic value" component included things such as the stevedore, dock charges, tugs, longshore, etc.

Although these are current examples, there have been several other examples of shipping or coastal manufacturing opportunities lost because of the lack of rail service to the port over the past 10 years.

#### **5. Where was the 125 mile estimated length referenced from?**

These were figures were mentioned at the December 20, 2011, Eureka City Council meeting by rail supporters. As the "route" is really just a concept today, no actual distance is known. That is why it was said "*WHEREAS, this potential new route, at approximately 125 miles long, is roughly half of the...*" in the Resolution. Clearly just looking at a map and the general description that Bill Barnum provided at that Council meeting shows the distance from Humboldt Bay to the Gerber area is MUCH shorter than the 300+ mile long existing Northwestern Pacific rail line.

#### **6. What is the reason for putting a study outline in a resolution?**

It was felt that it was important for the decision-makers to see a general idea of what this "study" may entail so that they could make the best informed decision on whether to support the Resolution or not.

## **7. Was consideration made about what the impact would be to NCRA's current plans?**

As far as is generally known, NCRA has no plans to connect Humboldt Bay to the national rail system in the foreseeable future. With all the financial stresses that have been, and are, being placed on the City of Eureka, *no plans within the foreseeable future* is not specific enough to allow future planning for the Humboldt Bay area. As stated in the City of Eureka's Agenda Summary, this study will allow this concept to be examined so that it can either be pursued or dismissed as an economic development tool. Economic development strategies are important to other northern California agencies as well. The City of Eureka is grateful that so many of these other agencies have joined with the City in supporting this study.

## **8. What agencies and other organizations support a feasibility study?**

Support to date includes the Cities of Eureka, Fortuna, and Rio Dell; ; the Counties of Humboldt, Trinity and Tehama; Six Rivers and Shasta Trinity National Forests (who are the major land stewards of any potential route); Northern California Tribal Chairman's Association; Wiyot Tribe; Humboldt State University; Humboldt County Office of Education; Humboldt County Sheriff's Office; Northwestern Pacific Railroad; Union Pacific Railroad; Humboldt Redwood Company; Green Diamond Resources Company; California Redwood Company; Humboldt Association of Realtors; Humboldt Cattlemen's Association; California Marine and Intermodal Transportation Advisory Council; California Association for Local Economic Development; Greater Eureka Chamber of Commerce; Upstate California Economic Development Council; Building and Construction Trades Council of Humboldt and Del Norte Counties; Central Labor Council AFL-CIO; International Longshoreman's and Warehousing Union Local 14; Operating Engineers Union Local No. 3; State Building and Construction Trades Council of California; Bricklayers and Allied Craftworkers Local No. 3, California; Building and Construction Trades Department of the American Federation of Labor-Congress of Industrial Organizations; Humboldt Deputy Sheriffs Organization; Eureka Police Officers Association; East-West Rail Advocates; land bridge Alliance; Rail and Port Infrastructure Task Force; Humboldt Bay Harbor Working Group.

## **9. Can this study also include the east west proposal have electric locomotives (e.g. east coast overhead rail)? What about a trail with the rail?**

During the preparation of a "Request for Qualifications" to retain a consultant to complete the feasibility study, the City of Eureka and partner agencies will solicit ideas for inclusion and analysis in the feasibility study. This could include items such as electric or low emission engines; additional uses of the rail corridor (such as fiber optic, passengers, other utilities; trail, etc); and others. From this list, the consultant will analyze the compatibility of the proposed additional uses of the corridor such within the corridor.

## **10. Given the cost and regulatory hurdles of hanging fiber line on existing PG&E poles , how could this be estimated, permitted, funded?**

A part of the feasibility study will be dedicated to looking at permitting requirements, environmental considerations and possible mitigation measures.

## **11. What would be hauled on trains? People? Goods?**

The feasibility study is generally characterized as a "physical" feasibility study focusing on answering the questions "can it be built; where can it be built; who are the landowners; what

kind of permitting is required; what are associated uses of the rail corridor; how long it might take to build and how much it might cost". This study will not include a traditional "market study" looking at detailed questions such as who would use the rail; what commodities might be shipped on it; and where they would go, but instead will include an assessment of potential markets. From experience over the past 10 years, it has been demonstrated many times that if there were a rail connection to Humboldt Bay, it would be used. This is based upon many examples of business interests that have been lost due to a lack of rail.

## **12. What specific funding sources are likely for this?**

Local agencies have been very adamant that they will not use any general fund monies to develop the feasibility study. Therefore, the feasibility study is proposed to be funded through grants or private sources. The feasibility study itself will examine the potential governance strategies and sources for construction funding. At this stage, it is safe to say that it is a possibility that there are three potential sources of funding to build the line, namely, public funds; private funds; or a combination of public/private funding.

## **13. How will you get land from multiple public and private land owners?**

The feasibility study will examine ownerships and will include outreach to those owners.

## **14. What would we ship? Where is the data?**

The study is proposed to include an assessment of potential markets and the physical feasibility of the rail line but is not a market study. Examples of lost opportunities because of a lack of rail to Humboldt Bay include automobile and equipment export; wind turbine import; iron ore export; marine industrial component import/export; manufacturing and others. These demonstrate the variety of commodities available for shipment through Humboldt Bay.

## **15. How do we keep the rail running in this kind of unstable environment? Slides?**

The feasibility study will examine geologic and environmental issues in the development of a preferred route and two alternatives.

## **16. What's the name of the former Harbor District Director of Maritime Commerce?**

His name was Wilson Lacy and he worked in the maritime industry for more than 40 years. He was also the former Director of Maritime for the Port of Oakland and thus was extremely knowledgeable of the maritime industry. In the short time he worked for the Humboldt Bay Harbor District he was really the father of centering Humboldt Bay as the coastwide leader in exploring the marine highway and largely responsible for the federal government's designation of the M-5 Marine Highway Corridor along the whole west coast of the US. Additionally, he got Humboldt Bay recognized as a part of the west coast maritime transportation system and created a very solid link between maritime transportation and the other transportation modes (like road and rail) through his work with a group called the West Coast Corridor Coalition. Until Lacy got involved, this group focused solely on road transportation through CA, OR, and WA. Now thanks to Lacy, they cover the "entire" transportation system including maritime. He also brought any number of prospective businesses to Humboldt only to have them move on due to a lack of rail. He was very valuable to the Harbor District and it was disappointing that his entire three years at the harbor district were during the global recession. Due to the recession and the

lack of rail, the Harbor District was never able to take full advantage of his talents. He retired in early 2011 and moved out of state.

**17. Where can I find documentation on the difference in shipping times from Asia to Humboldt Bay versus other west coast ports?**

The former Director of Maritime Commerce from the Humboldt Bay Harbor District calculated the following distances from Hong Kong to several California ports if travelling at 25 knots:

Humboldt Bay	5,868 Nautical Miles	9 Days
Oakland	6,147 “ “	10 Days
Long Beach	6,363 “ “	11 Days
San Diego	6,534 “ “	11 Days

**18. I've been told that Rob Arkley is paying for the City of Eureka's expenses to pursue support for this project. Is that true?**

Untrue. Mr. Arkley has not contributed any funding to the feasibility study or the study planning process. Mr. Arkley does however own a marine terminal on Humboldt Bay, as do others, that would benefit from a national rail connection and allow them to more fully utilize their properties to create jobs and improve the local economy.

**19. It has been said that Union Pacific is interested in this proposal. Who can I call to confirm this?**

On August 31, 2012, Union Pacific Railroad (UP) wrote a letter to City of Eureka Mayor Frank Jager and the City Council stating that UP “stands ready to cooperate in studying how such a line can best connect to our existing rail system”, and that “This is indeed an exciting project and UP looks forward to working with you and your representatives”. It can also be said that fundamentally, any Class 1 railroad would be interested in looking at an opportunity presented by any alternative that would allow them to move cargo on uncongested rail lines; from a harbor with available, properly zoned land; and through a corridor that is not already congested with existing freight and passenger rail traffic. A new rail line from an underutilized port like Humboldt would meet these criteria.

**20. Is it true that the Humboldt Bay Harbor District has no Authority to consider the Alternative Rail Route.**

The District appears to have the authority and guidance necessary to support a study of the feasibility of the Alternative Rail Route as detailed below in excerpts from:

- Appendix II of the California Harbors and Navigation Code;
- the District current Strategic Plan (2007-2011); and
- the Humboldt Bay Management Plan.

- A. Outlined in the **District's enabling legislation**, paragraph 4 of Appendix II of the California Harbors and Navigation code states:

“4. District Powers and Authority

A district for the acquisition, construction, maintenance, operation, development, and regulation of harbor works and improvements, including rail, water, and air terminal facilities, for the development, operation, maintenance, control, regulation, and management of Humboldt Bay upon the tidelands and lands lying under the inland navigable waters of Humboldt Bay, for the promotion of national and international commerce, navigation, fisheries, and recreation thereon, and for the development and protection of the natural resources of the area, may be established or organized and governed as provided in this act and it may exercise the powers expressly granted herein.”

Seems clear from Paragraph 4 that actions like supporting the eastern route are exactly what the District was established to do particularly when regional agencies such as the Upstate Economic Development Commission (that is made up of the economic development commissions from the 22 northern California counties); and CALMITSAC that looks at the entire transportation system in California, are supporting the study. The District was commissioned by the State to carry out these mandates to the benefit of the State AND local public.

- B. **Current (2007-2011) District Strategic Plan** (although the District has worked on a more recent version of a Strategic Plan for 2012-2016, they have not completed nor adopted this plan as of March 2013).

*Strategic Objective #2* states:

2. Pursue economic development that is attainable, innovative and consistent with both best environmental practices and the Humboldt Bay Management Plan.

*Strategic Plan Management Objective Harbor #12* states:

12. Assist NCRA to restore rail service to Humboldt Bay

*Strategic Plan Potential Initiatives* include:

- Promote the redevelopment of a rail-link and road improvements

- C. **Humboldt Bay Management Plan** Page 164 states in part:

*3.2 Harbor-Related Land Use and Development*

*3.2.1 Goals and Objectives*

The Revitalization Plan identified potential sites for marine-dependent (or coastal dependent) industrial uses, and recommended implementation elements to assure that these sites would be available for use by potential coastal dependent industrial users; the HBMP does not address upland land uses, but the District can utilize the policy focus in the HBMP to assure that areas within the District's jurisdiction support coastal-dependent uses identified in adopted land use plans.

### *Goals*

- Assure (with upland agencies) the availability and readiness of large coastal dependent industrial sites adjacent to Humboldt Bay
- Assure (with upland agencies) the development and long-term maintenance of harbor-related infrastructure in Humboldt Bay

### *Objectives*

- Working with local governments, protect designated water-dependent or coastal-dependent industrial sites near Humboldt Bay and maintain opportunities for designating additional water dependent or coastal-dependent industrial sites and uses near Humboldt Bay
- Working with local, state, and federal agencies, facilitate reviews that are necessary for implementing water-dependent or coastal dependent uses and other harbor-related uses and infrastructure

### **21. Some residents feel that the Northcoast is a special place due to the lack of "corporate" big business influence. Would building a RR open the region to that influence and destroy our culture here?**

The East–West rail feasibility study is intended to help enhance, not destroy, our "culture", with an improved economy. It is clear that the community desires to maintain as much local control of their destiny as is possible and that we must try to do so while developing good jobs that will enable people to form families and provide for them. World history shows that "special places" with great natural resources that lack economic strength and power tend to be colonized; the weakness of our region invites less benevolent outside interests. Many people locally are needlessly suffering as a result of a lack of opportunity. A rail connection can be achieved without harming the environment and in fact conservation and recreation improvements should be greater with the revenue generated by public entities from the increased economic activity.

### **22. What do you mean by the term "land-bridge".**

The economic viability of the proposed rail lies in its use as a "land bridge" between the port and the national rail network. Effectively this creates jobs for existing residents and is limited in scope with regard to new corporate development. The population of the region would likely remain steady while the unemployment rate would drop through high paying, benefitted jobs. Local agencies and local communities would benefit from taxation and fees associated with increased port usage; and local business through decreased transportation costs. The existing population and resource markets do not merit local import/export port utilization as the market has determined resulting in the existing neglected condition and underutilization of our port. Creating a land bridge brings money into the community for projects that will enhance our way of life and environment within which we all live, increasing the quality of life for existing residents through both increased incomes and environmental quality

### **23. Some are convinced that this project is very far-fetched. The funding, environmental and engineering challenges are staggering. Some argue that if an outside company was really interested in this prospect, they would gladly fund their own feasibility study.**

You could probably find as many opinions as you could find people to ask. A large part of the reason for that is that there is no real information on which to base a factual argument for or against this rail line concept. That is exactly what the feasibility study is aimed at answering. The facts we do have however are that this is the only port in CA w/out an active rail connection; this is the only port in CA that has not grown in the past 10 years (in fact declined); that

economic modeling done when the rail was here showed that this port had the potential to do 10x the shipping (and approximately 10x the harbor-related jobs) than it is presently doing; and that several business opportunities have been turned away from the county because of lack of an active rail. With that as a backdrop and given the overall state of the economy, local agencies may actually perceive that they have an obligation to explore whatever they can to use the assets that they have to generate economic growth and enhance job creation in our area. It has been stated "why wouldn't we look at the feasibility of something that might have great economic potential here."

Regarding the use of public funds to fund the feasibility study, the general view is that these local agencies look at the feasibility study as "priming the pump" which may generate the private interest in the complete project faster than if there were no information available. This is the same type of approach that can be seen around we have seen around this county when public agencies work on what they call "site-readiness" efforts where the public agency clears titles; perhaps cleans up toxic materials; tears down dilapidated buildings; builds connecting roads to the property; and so on in an effort to attract private investment to redevelop the property and put it back into productive use sooner than if the property just sat idle waiting for someone to invest. Same kind of idea here. The feasibility study will provide necessary information that private investment will need to judge their level of participation in building/operating the project.

#### **24. What groups are involved in the Alternative Rail Route Feasibility Study effort and what are their roles?**

Presently there are four groups that are directly involved with the Alternative Rail Route Feasibility Study. They are:

**East-West Rail Advocates (EWRA):** This is the formal name of the grass-roots group that came together initially to ask the Harbor District to fund the Alternative Rail Route Feasibility Study in December 2011. When the Harbor District turned down that opportunity, the group went to ask the Eureka City Council to support the concept and has been meeting nearly weekly ever since January 2012 in order to coordinate the educational and political needs for the promotion of the feasibility study. The EWRA also functioned as the "East-West Rail Action Team" as part of the Humboldt County's Prosperity 2012 process. The group has defined itself as "a working group dedicated to the completion of the Alternative Rail Route Feasibility Study".

**Land Bridge Alliance (LBA):** The Land Bridge Alliance is a California non-profit organization formed to promote a new rail link bridging the isolated coastal communities with those of the Sacramento Valley in Northern California. The Land Bridge Alliance was formed through a perceived need by the members of the East-West Rail Advocates to have an organization that could accept private funding for use in funding the Alternative Rail Route Feasibility Study and to provide educational outreach for the concept of an east-west rail line. LBA was officially formed in October 2012. [www.landbridgealliance.org](http://www.landbridgealliance.org)

**UpState RailConnect Committee (URCC):** The *UpState RailConnect Committee* was formed to further this now regional effort to study the feasibility of an East West Rail Route through a Memorandum of Agreement (MOA) between the County stakeholders (Humboldt, Trinity, and Tehama); the City of Eureka; the UpState California Economic Development Council and the Northern California Tribal Chairmen's Association. Through the MOA these agencies have powers, duties, and experience to contribute to the public outreach, information gathering, planning and oversight of a study to examine the feasibility of establishing a rail line between the harbor portion of Humboldt Bay and the national rail system in the Sacramento Valley.

The general purpose of the URCC is to coordinate the production of the Humboldt Bay Alternative Rail Route Feasibility Study. Specifically, the purpose of the URCC is to gather public input; conduct public outreach efforts in each member agencies region; review documents such as Request for proposals, consultant submittals, draft and final reports; participate in consultant selection; provide consultant oversight; assist with grant writing and local technical in-kind efforts; and other tasks as mutually agreed upon by the members. There is no financial obligation created on any of the member agencies.

Specifically, the URCC's role is to:

- a) Conduct public outreach and develop the scope of work for the feasibility study
- b) Obtain funding for the feasibility study
- c) Retain a consultant to complete the feasibility study
- d) Oversee consultant activities
- e) If feasible, the Committee will use feasibility study results to identify capital and investors

The URCC was officially formed on October 16, 2012 and met for the first time on November 14, 2012.

**City of Eureka (COE):** At the City Council meeting of January 17, 2012, the Eureka City Council approved a resolution in favor of conducting a study to determine the feasibility of an alternative rail route connecting the port facilities in Humboldt Bay to the national rail system. With this action, the City of Eureka took the lead to explore support for the Alternative Rail Route Feasibility Study. In less than 10 months, the City of Eureka garnered support from 33 government agencies, labor, business, education, law enforcement and citizen groups representing a vast portion of Northern California. The City of Eureka was awarded a \$25,000 grant from the State's Housing and Community Development agency to fund coordination of the *UpState RailConnect Committee* and pursuit of funding to complete the Alternative Rail Route Feasibility Study.

**25. What groups are a part of the *UpState RailConnect Committee* and what does the Memorandum of Agreement say?**

The *Upstate RailConnect Committee* was formed in the fall of 2012 and consists of representatives from the following agencies: City of Eureka, County of Humboldt; County of Trinity; County of Tehama; Upstate California Economic Development Council; and the Northern California Tribal Chairmen's Association.

***UpState RailConnect Committee***  
**MEMORANDUM OF AGREEMENT**

This Memorandum of Agreement is entered into by and between the City of Eureka; County of Trinity; County of Tehama; County of Humboldt; and the UpState California Economic Development Council; hereinafter collectively referred to as "UpState RailConnect Agencies".

**WHEREAS**, the region of California covered by the Upstate RailConnect Agencies has suffered vast economic hardships and job losses in recent years; and

**WHEREAS**, Humboldt Bay is one of only 11 deepwater harbors in the State of California and the only one on a 400-mile stretch of coast between San Francisco, CA and Coos Bay, OR therefore representing the only deepwater international access within the approximately 40,000 square-mile UpState region of California; and

**WHEREAS**, Humboldt Bay is the only seaport in California without an active rail connection and the only California seaport that has not seen any economic growth in the past decade; and **WHEREAS**, the City of Eureka has recently spearheaded an effort to examine the feasibility of creating an alternate rail line that would travel east from Humboldt Bay to a connection to the national rail system in the Sacramento Valley which would be roughly one-half of the length and involve a fraction of the bridges and tunnels of the existing inactive north-south rail line; and **WHEREAS**, a Humboldt Bay Alternative Rail Route Feasibility Study could be envisioned to include: potential rail routes; potential highway and port connections; identification of market potential; other uses of the rail corridor such as for fiber optics , trails and etc; environmental issues; any proposed mitigation measures; and estimated costs and timelines; and **WHEREAS**, the UpState RailConnect Agencies are presently the most active public entities concerned with the establishment of a rail connection between the harbor portion of Humboldt Bay and the national rail system in the Sacramento Valley; and **WHEREAS**, the UpState RailConnect Agencies have powers, duties, and experience to contribute to the public outreach, information gathering, planning and oversight of a study to examine the feasibility of establishing a rail line between the harbor portion of Humboldt Bay and the national rail system in the Sacramento Valley. **WHEREAS**, the UpState RailConnect Agencies all desire to coordinate efforts to achieve the highest degree of success in gathering information on the feasibility of establishing a rail line between the harbor portion of Humboldt Bay and the national rail system in the Sacramento Valley.

**NOW, THEREFORE**, the parties do agree as follows:

1. To support the creation of the “*UpState RailConnect Committee*.”
2. *UpState RailConnect Committee* member agencies include City of Eureka; County of Trinity; County of Tehama; County of Humboldt; the UpState California Economic Development Council and the Northern California Tribal Chairmen’s Association.
3. Each member agency shall designate two people to represent their agency on the *UpState RailConnect Committee*. Agency representatives are to be appointed by the Agency, and can include agency Board or Council members, agency staff, technical consultants or members of the public. Each member agency shall have the ability to place any terms or conditions on their appointment process and each member agency shall have the ability to extend or replace their representatives at any time.
4. That the general purpose of the *UpState RailConnect Committee* is to coordinate the production of the Humboldt Bay Alternative Rail Route Feasibility Study. Specifically, the purpose of the *Upstate RailConnect Committee* will be to gather public input; conduct public outreach efforts in each member agencies region; review documents such as Request for proposals, consultant submittals, draft and final reports; participate in consultant selection; provide consultant oversight; assist with grant writing and local technical in-kind efforts; and other tasks as mutually agreed upon by the *UpState RailConnect Committee* members.
5. Neither the *UpState RailConnect Committee*, nor a member agency’s representatives to the committee, shall have the power or authority to create any legal obligation on the part of a member agency.
6. There is no financial obligation created by this Memorandum of Agreement on any of the *UpState RailConnect Committee* member agencies. *UpState RailConnect Committee*

member agencies will cover their own expense to participate on the *UpState RailConnect Committee*.

7. The term of this agreement is three (3) years. This agreement may be extended for up to three (3) additional years by mutual agreement of the *UpState RailConnect Committee*. Any member agency may have the option to withdraw at any time.

## **26. What might be included in the Alternative Rail Route Feasibility Study?**

The *UpState RailConnect Committee* is charged with developing the scope of work that a consultant will use to develop the following information:

- Identification of a proposed route and alternatives
- Identification of land ownerships
- Economic benefit to the entire rail corridor
  - Assessment of market potential
  - Assessment of indirect benefactors
  - Assessment of impact to ports
- A conceptual development plan that will include:
  - Recommendations on ownership/governance of the rail line
  - Prelim engineering
  - Highway/port connectors/potential stops/spurs along the route
  
  - Outline of national security issues
  - Additional uses of the corridor (fiber optic, trail, water, etc)
  - Estimated permitting needs
  - Estimated environmental issues and mitigations
  - Estimated development costs and timelines

## **Index of the list of the 26 questions posed in this document:**

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- 2. The City of Eureka's Resolution supports an alternate route study, but there is no mention of what it is an alternative to or why we need an alternative. Why is that?**
- 3. What is the Purpose of the Feasibility Study?**
- 4. What were the 2 projects on Humboldt Bay that were missed? From where was the quantifiable \$25 million number generated or referenced? Where did the projects end up, if not here?**
- 5. Where was the 125 mile estimated length referenced from?**
- 6. What is the reason for putting a study outline in a resolution?**
- 7. Was consideration made about what the impact would be to NCRA's current plans?**
- 8. What agencies and other organizations support a feasibility study?**
- 9. Can this study also include the east west proposal have electric locomotives (e.g. east coast overhead rail)? What about a trail with the rail?**
- 10. Given the cost and regulatory hurdles of hanging fiber line on existing PG&E poles , how could this be estimated, permitted, funded?**
- 11. What would be hauled on trains? People? Goods?**
- 12. What specific funding sources are likely for this?**
- 13. How will you get land from multiple public and private land owners?**
- 14. What would we ship? Where is the data?**
- 15. How do we keep the rail running in this kind of unstable environment? Slides?**
- 16. What's the name of the former Harbor District Director of Maritime Commerce?**
- 17. Where can I find documentation on the difference in shipping times from Asia to Humboldt Bay versus other west coast ports?**
- 18. I've been told that Rob Arkley is paying for the City of Eureka's expenses to pursue support for this project. Is that true?**
- 19. It has been said that Union Pacific is interested in this proposal. Who can I call to confirm this?**
- 20. Is it true that the Humboldt Bay Harbor District has no Authority to consider the Alternative Rail Route.**

21. Some residents feel that the Northcoast is a special place due to the lack of "corporate" big business influence. Would building a RR open the region to that influence and destroy our culture here?

22. What do you mean by the term "land-bridge".

23. Some are convinced that this project is very far-fetched. The funding, environmental and engineering challenges are staggering. Some argue that if an outside company was really interested in this prospect, they would gladly fund their own feasibility study.

24. What groups are involved in the Alternative Rail Route Feasibility Study effort and what are their roles?

25. What groups are a part of the *UpState RailConnect Committee* and what does the Memorandum of Agreement say?

26. What might be included in the Alternative Rail Route Feasibility Study?