

# ***UpState RailConnect Committee***

***Dedicated to Completion of the Alternative Rail Route Feasibility Study***

## **Meeting Announcement**

**May 15, 2013**

**10:00 AM**

**Tehama County Administration Building  
727 Oak Street, Red Bank Conference Room, 2<sup>nd</sup> Floor  
Red Bluff, CA 96080**

## **AGENDA**

- 1. Introductions**
- 2. Public Comment**
- 3. Review of Agenda**
- 4. Approval of minutes from March 21, 2013 meeting (action anticipated)**
- 5. Receipt of the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District "UPSTATE RAILCONNECT COMMITTEE MEMORANDUM OF UNDERSTANDING" entered into by Humboldt Bay Harbor, Recreation and Conservation District (HBHRCD) on April 25, 2013 (action anticipated)**
- 6. Discussion on Feasibility Study funding progress (action anticipated)**
  - a. Public**
  - b. Private**
    - 1. Land Bridge Alliance update**
- 7. Discussion on the Draft Scope of Work (action anticipated)**
- 8. Discussion on potential and scheduled presentations and events**
- 9. Reports**
  - a. Staff**
  - b. Humboldt/Eureka representatives**
  - c. Trinity representatives**
  - d. Tehama Representatives**
  - e. UpState California Economic Development Council representatives**
  - f. Northern California Tribal Chairmen's Association representatives**
- 10. Task Assignments/Items for Next Agenda**
- 11. Next Meeting**

**For information regarding this meeting, please contact the *Upstate RailConnect Committee* at 707.496.3120 or at [hullspier@aol.com](mailto:hullspier@aol.com)**

## ***UpState RailConnect Committee***

***Dedicated to Completion of the Alternative Rail Route Feasibility Study***

**March 21, 2013  
Minutes (Subject to Approval)**

***Meeting held telephonically, as per Subsection 54953 (b) of the  
Government Code Via Teleconference***

### ***Teleconference locations***

**727 Oak Street, 2<sup>nd</sup> floor, Room 203 (Red Bank Room), Red Bluff, CA  
531 K Street, Mayor's Office, Eureka, CA  
11 Court Street, Room 230, Weaverville, CA  
406 Wildwood Avenue Rio Dell, CA**

#### **1. Introductions**

**Committee Members Present:** City of Eureka Councilmember Lance Madsen and Councilmember Mike Newman; Tehama County Supervisor Steve Chamblin; Trinity County Supervisor Debra Chapman and CAO Wendy Tyler; Upstate California Economic Development Council General Manager Alison O'Sullivan; and Northern California Tribal Chairmen's Association representative Nick Angeloff.

**Committee Members Absent:** County of Humboldt Supervisor Rex Bohn; County of Trinity Supervisor John Fenley; Upstate California Economic Development Council Board President Brynda Stranix; Tehama County CAO Bill Goodwin.

**Staff:** David Hull

**Public:** David Tyson; Larry Glass

#### **2. Public Comment:** None

#### **3. Review of Agenda**

No changes

#### **4. Approval of minutes from February 15, 2013 meeting**

Nick Angeloff moved for approval of the February 15, 2013 minutes; Supervisor Chamblin seconded the motion. Roll Call Vote:

Ayes: Madsen; Newman, Chamblin, Chapman; Angeloff

Noes:

Abstain: Alison O'Sullivan and Supervisor Chapman

## 5. Discussion on Potential Funding Sources

a. **Public Sources:** David Hull described the list and progress made on exploring public sources of feasibility study funding as follows:

- **MAP-21 Grants** – After the February 15, 2013 UpState RailConnect Committee meeting, Chair Madsen and David Hull met with Supervisor Chapman to discuss Supervisor Chapman’s recent meetings with representatives from USDA which included the potential use of MAP-21 funds for the Feasibility Study. It was reported that those conversations are ongoing.
- **CalTrans Transportation Planning Grants** – David Hull reported that he is preparing the 2013/14 CalTrans Transportation Planning grant application and suggested that the City of Eureka be the applicant and the Upstate California Economic Development Council be the sub-applicant. David Hull asked for any comments or thoughts regarding this proposal. The UpState RailConnect Committee members discussed and agreed with this proposal. The application Grant application is due April 2, 2013.

b. **Private Sources:**

- **Land Bridge Alliance Update:** David Tyson, Chair of the Land Bridge Alliance (LBA), reported on LBA activities since the last UpState RailConnect Committee meeting. David Tyson noted that LBA was established to assist with public outreach and education and to generate private funding for the Alternative Rail Route Feasibility Study. He noted that several of the LBA members have been actively soliciting donations for the study and that LBA has raised approximately \$20,000 to-date. He also reported that during the previous weekend LBA hosted an informational booth at the Redwood Region Logging Conference at the Redwood Acres Fairground in Eureka, CA. He estimated that 400-500 people came through the booth during the three days of the event with 170 signing a petition in favor of conducting the feasibility study. With the overwhelming success of this form of project education and outreach, he asked the UpState RailConnect Committee members to let him know of similar events in their communities.
- **Trinity-Tehama Outreach:** It was discussed that at the last UpState RailConnect Committee meeting that there were several opportunities to present the feasibility study concept with various audiences. Supervisor Chamblin noted that he was doing some outreach to the Farm Bureau, Rotary Club and others that are interested in hearing more about the study. Supervisor Chamblin noted that he will continue his effort at scheduling as many of these presentations together as possible to maximize the effort to travel to Tehama County. Supervisor Chapman recommended that Supervisor Fenley be contacted to assist with scheduling presentations in southern Trinity County such as the Hayfork Rotary and the Ruth Lake Summer Fest.

## 6. Discussion on the Draft Scope of Work

No additional changes to the Scope of Work were made. The draft Scope of Work continues to stand as follows:

- Identification of a proposed route and alternatives
- Identification of land ownerships
- Assessment of economic benefit of a connection to the national rail system
  - Assessment of market potential
  - Assessment of community and socioeconomic benefits along the proposed route
  - Assessment of impact to ports
- A conceptual development plan that will include:
  - 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, passenger, etc)
  - Estimated permitting needs
  - Estimated environmental issues and mitigations
  - Estimated development costs and timelines

## 7. Discussion on Public Outreach/Input Process and Timelines in each Jurisdiction

It was discussed that there should continue to be some attempt to schedule a presentation in Southern Trinity and Hayfork and that Supervisor Fenley should be contacted to assist in coordinating the dates and locations.

It was also discussed that outreach in Humboldt County have been made through several presentations to various local organizations and through guest editorials called "My Word" in the Times-Standard newspaper.

It was also noted that it would be handy to have a one-page directory to all of the websites that contain information related to the feasibility study. To-date, information can be found on the City of Eureka's website (see button on home page) and on the Land Bridge Alliance website.

No other changes were made to the draft outreach process at this meeting. The draft outreach process stands as:

- Add into the Request for Proposals for a consultant to conduct the feasibility study time for outreach/public meetings as follows:
  - a. Humboldt/Eureka: 5 public meetings
  - b. Trinity County: 9 public meetings
  - c. Tehama County: 3 public meetings
  - d. Upstate California Economic Development Council: 3 public meetings
  - e. Tribal (NCTCA): 3 public meetings

## 8. Reports:

- a. **Staff:** David Hull reported that UpState RailConnect Committee comments to the State Rail Plan were submitted asking for the inclusion of the Alternative Rail Route Feasibility Study in the final rail plan. It was noted that the draft State Rail Plan was already helpful as it states that one of the objectives of the State Rail Plan is to connect each deep water seaport in California to the national rail system.
- b. **Humboldt/Eureka:** Chair Madsen discussed his response (included in the meeting packet) to a Humboldt Bay Harbor District letter detailed at the last UpState RailConnect Committee meeting. Chair Madsen also reported that the Harbor District is apparently going to conduct their own minimally funded (~\$20,000) feasibility study with no coordination with the Upstate RailConnect Committee.
- c. **Trinity:** No report
- d. **Tehama:** Supervisor Chamblin reported that everything he has heard about the proposed study is positive and that having the Tribal Chairs Association on the Committee is a good thing.
- e. **Upstate California Economic Development Council:** Alison O'Sullivan noted that she is still talking up the study at various meetings she attends throughout Northern California and that everyone is still excited. She also noted that she would also make up a list of potential presentation venues and events throughout the greater Upstate region of California.
- f. **Northern California Tribal Chairmen's Association:** Nick Angeloff reported that he will be a contact for the NCTCA and that he will reach out to the tribe that operates the Rolling Hills Casino for possible presentations.

## 9. Task Assignments/Other: The committee agreed the following tasks would be carried over from the last meeting:

- a. All UpState RailConnect Committee members to send Chair Madsen ideas for community events and presentations so they can be scheduled with the Land Bridge Alliance.
- b. All UpState RailConnect Committee members to send Chair Madsen ideas for Land Bridge Alliance members in their communities.
- c. Supervisor Chamblin agreed to get dates, times and locations for presentations in Tehama County.
- d. Nick Angeloff will make contact with Rolling Hills casino regarding a presentation.

## 10. Next Meeting: It was decided that the next meeting will be held in Tehama County however, the date and time for the next meeting was left open as it will depend on when presentations can be arranged so a meeting can be held concurrent with those events.

11. **Meeting adjourned:** 11:06 AM

Approved:

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Lance Madsen, Chair

**UpState RailConnect Committee**  
***Dedicated to Completion of the Alternative Rail Route Feasibility Study***

**Agenda Detail**

**Date: May 15, 2013**

**Agenda Item #5:**

Receipt of the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District "UPSTATE RAILCONNECT COMMITTEE MEMORANDUM OF UNDERSTANDING" entered into by Humboldt Bay Harbor, Recreation and Conservation District (HBHRCD) on April 25, 2013 (attached).

**Recommendation:** Discuss the Harbor District's action and direct the Chair and staff to prepare a response, if any.

**Background:**

The Humboldt Bay, Recreation and Conservation District (HBHRCD) was established in the early 1970's by the State of California to promote national and international commerce, navigation, fisheries, recreation and to provide for the conservation of the natural resources of Humboldt Bay. Hearing the title "Port Authority" a common assumption is that the Authority has control over the port; for example owning and leasing or operating marine terminals and other critical maritime transportation infrastructure; assisting terminal operators with national and international marketing; and providing law enforcement throughout the entire harbor area. In this context, the Humboldt Bay Harbor District is not a typical port authority.

While it does control the Bar Pilot services, maintains tideland leases for docks in some of the harbor area and now owns a fireboat, it does not own or operate any active marine terminals (the active ones are all privately owned and operated), has no current plans or funding to restore the inactive public terminals to maritime shipping uses, does not regularly market the port to national or international shippers, and does not own or control any of the property that contains a main rail line. It also does not provide "safe harbor moorage and docking facilities at multiple berths" as stated in the MOU except for fishing vessels. Those duties for deep-draft cargo vessels are borne by the private terminal operators. It is important to note that a majority of the private marine terminal operators or owners have written unconditional letters of support for the Alternate Rail Route Feasibility study.

**History:**

In December 2011 the Harbor District had a grant in-hand to fully fund an alternative rail route feasibility study, but unanimously rejected it in favor of another project.

Twice in the spring /summer of 2012, the Eureka City Manager was asked to make a presentation on the East/West Rail Feasibility leaving an opportunity for Harbor District support. Each time the City Manager was uninvited without explanation.

In February 2013, the Harbor District sent a letter to the UpState RailConnect Committee. This letter supported the general concept that the Upstate RailConnect Committee was “promoting”. It then went on to make recommendations and requests that if accepted by the RailConnect Committee would have completely altered the mutually agreed upon direction established by the MOA that created the UpState RailConnect Committee. It should be noted that the Harbor District MOU has no mention of support for the UpState RailConnect Committee’s feasibility study approach but declares itself a member of the Committee.

In March 2013, Chair Madsen reported to the UpState RailConnect Committee that the Harbor District was apparently going to conduct their own minimally funded (~\$20,000) rail feasibility study with no coordination with the Upstate RailConnect Committee, its goals or process. That study is in process and has involved flights over of regions between Humboldt Bay and points east and addressed three routes which were established or determined by unknown means or reason.

Harbor District board members have been openly critical of the need for a feasibility study; the need to reestablish rail to the port; have encouraged taking the existing rail line out in favor of trails through a “railbanking” process; have characterized people that support maritime shipping as being a part of a “cargo cult”; and have called representatives of other organizations to discourage their support for the Alternative Rail Route Feasibility Study

In anticipation of possible future requests for additional UpState RailConnect Committee members, the RailConnect Committee discussed this issue at their first meeting of November 14, 2012. The following is an excerpt from the minutes of that meeting dealing with potential additional members:

#### **5. UpState RailConnect Committee Organization Discussion**

*How to Handle Requests for Additional Committee Members: The Committee members felt that the UpState RailConnect Committee was already big enough with five member agencies with 10 agency representatives. The Committee outlined potential methods to deal with requests for additional committee members that included the other agencies feeding input through a member agency, or entering input through public comment, or feeding input to the Committee through the non-profit organization, the Land Bridge Alliance. It was also discussed that there may be a need for technical support and review where other agencies, such as the North State Super Region or regional transportation agencies could function as a “Technical Advisory Committee”.*

At the very next RailConnect meeting (January 18, 2013) the RailConnect Committee considered membership of a regional tribal association called the Northern California Tribal Chairmen’s Association (NCTCA). The following is an excerpt from the minutes of the January 18, 2013 meeting regarding NCTCA’s request:

#### **5. Presentation by Chairman Masten of Hupa Tribe and Nick Angeloff Director of Economic Development for the Blue Lake Rancheria on behalf of the Northern California Tribal Chair Association regarding Committee membership**

*Chair Masten was unable to attend so a presentation was made by Nick Angeloff, representing the Northern California Tribal Chairmen’s Association (NCTCA) requesting membership on the UpState RailConnect Committee. Mr. Angeloff explained that his Association had member tribes on the coast and in the Sacramento valley. Mr. Angeloff explained that the Wiyot tribe had actually been the first organization to support the concept of a feasibility study for an east-west rail line. He also noted that membership of the NCTCA could allow expanded access to federal funding, capital funding, grants and legislative support.*

*After discussion: Motion Chapman/Second Bohn to approve membership of the NCTCA on the Upstate RailConnect Committee. Motion carried without dissent.*

*Committee Staff David Hull was asked to forward a copy of the UpState RailConnect Committee Memorandum of Agreement to the NCTCA for their action.*

As can be seen from the above excerpt, a part of the consideration by the UpState RailConnect Committee members in considering NCTCA's request for membership included:

- NCTCA being a regional entity comprised of many tribes on the coast and in the Sacramento valley that covers the geographic area of a proposed alternative rail route.
- Some members of NCTCA have a long-standing support for an east-west rail.
- The possibility that having NCTCA membership may allow for potential funding sources not available without them.

If the same these criteria were applied to the Harbor District, the results would likely be as follows:

- The Humboldt Bay Harbor District only covers Humboldt County and as a County-wide agency, the Harbor District is already represented on the UpState RailConnect Committee by the County of Humboldt.
- The Harbor District has not been a long standing supporter of an east west rail line.
- The Harbor District has no unique funding sources. Their funding sources are available to other local agencies or economic/transportation organizations.
- If they were included in the Upstate RailConnect Committee, then Humboldt County would have 3 of 7 members and thus a greater disproportionate influence on the committee.

#### **The Memorandum of Understanding:**

The Harbor District's MOU is also technically confusing:

- This MOU was not solicited by any UpState RailConnect Committee member Agency or sitting member of Committee, and did not evolve from discussions by or negotiations with the Committee membership.
- All of the UpState RailConnect Committee member organizations approved a Memorandum of Agreement, not a Memorandum of Understanding; begging the question as to whether they actually meant the MOA or something else. Although not critical, it may indicate the Harbor District's lack of communication and coordination with the Upstate RailConnect Committee members.
- The MOU starts out by saying "This MOU is entered into by and between the Upstate RailConnect Committee and the Harbor District" yet it contains only one signature line (the Harbor Districts).
- The cover letter with the MOU is simply a letter of transmittal, not what one might expect as a letter requesting that the Harbor District be considered as a member of the UpState RailConnect Committee.
- Finally, as stated earlier, the MOU does not express any support for the direction of the Upstate RailConnect Committee, only states that the "purpose of this MOU is for the Harbor District to become a member" of the Committee.

COMMISSIONERS

1st Division  
Aaron Newman  
2nd Division  
Greg Dale  
3rd Division  
Mike Wilson  
4th Division  
Richard Marks  
5th Division  
Patrick Higgins

**HUMBOLDT BAY  
HARBOR, RECREATION, AND CONSERVATION  
DISTRICT**

**(707) 443-0801  
P.O. Box 1030  
Eureka, California 95502-1030**



April 30, 2013

Lance Madsen, Chair  
UpState RailConnect Committee  
531 K Street  
Eureka, CA 95501

RE: Memorandum of Understanding

Dear Mr. Madsen:

Please find enclosed the signed Memorandum of Understanding approved by the Board of Commissioners of the Humboldt Bay Harbor, Recreation and Conservation District at their meeting of April 25, 2013.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patricia L. Tyson".

Patricia L. Tyson  
Director of Administrative Services

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Enclosure

**UPSTATE RAILCONNECT COMMITTEE  
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (MOU) is entered into by and between the UpState RailConnect Committee Agencies and the Humboldt Bay Harbor, Recreation and Conversation District (Harbor District).

The general purpose of this MOU is for the Harbor District to become a member of the UpState RailConnect Committee and participate in production of the Humboldt Bay Alternative Rail Route Feasibility Study. The Upstate RailConnect Committee Agencies will 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.

The Harbor District is a local government entity created by the State with the purpose of managing Humboldt Bay for the promotion of commerce, navigation, fisheries, recreation and the protection of natural resources. The Harbor District serves as Humboldt Bay's Port Authority providing vessel pilot services, vessel support for fire and rescue, safe harbor moorage and docking facilities at multiple berths. The Harbor District also has the regulatory power under The Harbor and Navigation Code Appendix II, to acquire, construct, maintain and operate railroads within Humboldt County. Reestablishing a rail line connection between the Harbor District's facilities and the national rail system would improve shipping opportunities.

The Harbor District Board of Commissioners will appoint two representatives that will attend and participate in UpState RailConnect meetings and will provide staff and technical consultants for committee support. The Harbor District as a committee member agrees not to have power or authority to create any legal obligation on the part of the UpState RailConnect Committee or its agency members.

There is no financial obligation created by this MOU on any of the UpState RailConnect Committee member agencies. The Harbor District agrees to cover their own expenses to participate.

The term of this MOU is three (3) years. This MOU 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.

DATE; 11 25, 2013



Mike Wilson  
President  
Humboldt Bay Harbor Recreation  
and Conservation District

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**Fiscal Year 2013-14  
TRANSPORTATION PLANNING GRANT  
APPLICATION**

**Check One Grant Program**

- |  |  |
|--|--|
| <input type="checkbox"/> Environmental Justice                                     | <input type="checkbox"/> Partnership Planning                          |
| <input checked="" type="checkbox"/> Community-Based Transportation Planning        | <input type="checkbox"/> Statewide or Urban Transit Planning Studies   |
| <input type="checkbox"/> Catalyst Project for Sustainable Strategies Pilot Program | <input type="checkbox"/> Rural or Small Urban Transit Planning Studies |
|  | <input type="checkbox"/> Transit Planning Student Internships          |

<b>PROJECT TITLE</b>	Alternative Rail Route Feasibility Study		
<b>PROJECT LOCATION (city and county)</b>	Tehama, Trinity and Humboldt Counties		
	<b>APPLICANT</b>	<b>SUB-APPLICANT</b>	<b>SUB-APPLICANT</b>
Organization	City of Eureka	Upstate California Economic Development Council	
Mailing Address	531 K Street	21880 Parkway drive	
City	Eureka	Red Bluff	
Zip Code	95501	96080	
Executive Director/designee and title	Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> William Panos City Manager	Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Alison O'Sullivan General Manager	Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/>
E-mail Address	bpanos@ci.eureka.ca.gov	alison@upstatecalifornia.com	
Contact Person and title	Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> David Hull Consultant	Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input checked="" type="checkbox"/> Alison O'Sullivan General Manager	Mr. <input checked="" type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/>
Contact E-mail Address	hullspier@aol.com	alison@upstatecalifornia.c	
Phone Number	(707) 496-3120	(530) 528-1397	

**FUNDING INFORMATION**  
Use the Match Calculator to complete this section.  
Match Calculator

Grant Funds Requested	Local Match - Cash	Local Match - In-Kind	Total Project Cost
\$ 295,000	\$ 42,500	\$ 35,000	\$ 372,500

**Specific Source of Local Cash Match (i.e., local transportation funds, local sales tax, special bond measures, etc.)**

HCD Planning and Technical Grant - \$25,000  
Applicant and Sub-Applicant Labor - \$17,500

**Fiscal Year 2013-14  
TRANSPORTATION PLANNING GRANT  
APPLICATION**

<b>LEGISLATIVE INFORMATION</b>			
<b>Information in this section must directly be tied to the applicant's zip code.</b>			
<b>All legislative members in the project area do not need to be listed.</b>			
State Senator(s)		Assembly Member(s)	
Name(s)	District	Name(s)	District
Jim Nielson	4	Wesley Chesbro	2
Noreen Evans	2	Dan Logue	3

\* Use the following link to determine the legislators.  
<http://findyourrep.legislature.ca.gov> (search by zip code)

Grant applications must clearly demonstrate how the proposed transportation planning project promotes federal and/or state transportation planning goals.

**1. Select the goals that apply to your grant application.**

**STATE TRANSPORTATION PLANNING GOALS**  
**For all Grant Programs**

- Improve Mobility and Accessibility:** Expand the system and enhance modal choices and connectivity to meet the State's future transportation demands.
- Preserve the Transportation System:** Maintain, manage, and efficiently utilize California's existing transportation system.
- Support the Economy:** Maintain, manage, and enhance the movement of goods and people to spur the economic development and growth, job creation, and trade.
- Enhance Public Safety and Security:** Ensure the safety and security of people, goods, services, and information in all modes of transportation.
- Reflect Community Values:** Find transportation solutions that balance and integrate community values with transportation safety and performance, and encourage public involvement in transportation decisions.
- Enhance the Environment:** Plan and provide transportation services while protecting our environment, wildlife, historical and cultural assets.

**Fiscal Year 2013-14**  
**TRANSPORTATION PLANNING GRANT**  
**APPLICATION**

**2. Project Description (Do not exceed the space provided.) (20 points)**

- A. Briefly summarize project. (10 points)
- B. Describe the project area. (10 points)

2A. Summary of the Project: All of California's seaports are presently serviced by active rail connections to the national rail system except one, Humboldt Bay. Although a fluke of history dictated the creation of a north-south rail line in the early 1900s, this rail line has been inactive since 1999 with no plans to restore this critical transportation link. The lack of rail has resulted in many missed economic opportunities, many of which relocated out of the State of California losing not

only localized job creation and economic value, but also a loss to California. Since 2012, a multi-agency group called the *Upstate RailConnect Committee* has been overseeing Phase 1 or the "Pre-Feasibility" phase of the Alternative Rail Route Feasibility Study Project to look at an alternative rail route travelling east-west and connecting Humboldt Bay's harbor to the national rail system in the Sacramento valley. Due to the lost opportunities, no active rail since 1999, no repair schedule for the north-south rail line and the fact that economic modeling has predicted that Humboldt Bay's harbor has the potential to do more than 10 times its present economic activity, the *UpState RailConnect Committee* feels it is the time to explore the feasibility of an east-west rail route. This grant will fund Phase 2 of the Alternative Rail Route Feasibility Study Project to determine if such a route is feasible by developing a thorough base of information by which public and private decision-makers can make informed decisions whether an east-west rail line will meet the Draft State Rail Plan's objective of connecting all of the State's seaports to the national rail system. If found feasible, an east-west route could vastly improve rail transportation and rail access to a large portion of the State of California. Specifically, the proposed Feasibility Study would involve identification of a proposed route; land ownerships along the proposed route; an assessment of market potential; a conceptual development plan that includes rail ownership/governance, preliminary engineering, highway connectors and any proposed modifications to improve highway/rail interface, permitting needs, environmental issues, development costs and timelines. The *UpState RailConnect Committee* is comprised of representatives from the Counties of Humboldt, Trinity, and Tehama, the City of Eureka, the Upstate California Economic Development Council and the Northern California Tribal Chairmen's Association. This Committee covers the likely new rail corridor through Humboldt, Trinity and Tehama counties. As of February 2013, this Committee has been supported by 37 other government agencies, law enforcement, education, business, labor and citizen groups.

2B. Describe the Project Area: Humboldt Bay is California's second-largest natural bay and the only deepwater port along a 400 mile stretch of coast from San Francisco, CA to Coos Bay, OR. Humboldt Bay has been an active seaport since the 1850s and handled as much as 5 percent of all cargo on the U.S. West coast. Lack of rail transportation is one of the main factors that have allowed this seaport to decline to such a state that there are approximately 1,000 acres of properly-zoned and underutilized or vacant coastal-dependent industrial property along the 9.9 miles of federally maintained deep ship channels. These channels which were deepened in 1999/2000 to accommodate ships up to 950' in length and 38' of draft making this harbor available to approximately 80 percent of the fleet in the Pacific. This Study will examine the feasibility of connecting Humboldt Bay's underutilized, deepwater seaport to the national rail system by travelling east through Humboldt, Trinity and Tehama counties with the likely national rail connection in Gerber, CA. Such an east-west rail connection would be approximately one-half as long as the existing north-south rail route and involve a fraction of the tunnels and bridges as the north-south route.

**Fiscal Year 2013-14**  
**TRANSPORTATION PLANNING GRANT**  
**APPLICATION**

**3. Project Justification (Do not exceed the space provided.) (20 points)**

- A. Describe the problems or deficiencies the project is attempting to address. (10 points)
- B. Describe how the project will address the identified problems or deficiencies. (10 points)

**3A. Problems the Project is attempting to address:** Thirty years ago, Humboldt Bay's harbor area employed thousands of Humboldt County residents. Today, those engaged in private sector marine-related jobs number in the hundreds and harbor activity is less than 10 percent of past economic modeling predictions. It has been noted that one of the main factors keeping Humboldt Bay's harbor from regaining its status as an economic engine and sustainable job-creator is the lack of rail service. Although a north-south rail connection exists and is owned by a California Special District (North Coast Railroad Authority - NCRA) this line has not operated along its entire 310 mile length since 1999. This existing line is replete with challenges to its reestablishment including frequent landslides, legal challenges, lack of funding and high maintenance costs. These factors have forced NCRA to state that it cannot see restoration of service along the entire line within the foreseeable future. The lack of rail and the lack of a restoration schedule have resulted in severe economic consequences. This "lost decade" without rail service 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. Two recent missed opportunities (auto export that went to the Port of Gray's Harbor WA and wind turbine import that went to the Port of Stockton) have shown that the North state lost approximately \$25 million per year of economic value because these shipping opportunities located elsewhere due to the lack of an active rail connection to Humboldt Bay.

There is also a social cost to not pursuing a fuller utilization of assets such as Humboldt's harbor for the creation of jobs. For example, Humboldt County schools are challenged to serve a growing number of children from families that are struggling economically. A recent report from the Center for the Next Generation shows that in 2011, just over 22 percent of children in Humboldt County were living in poverty. That is an increase of nearly 10 percent from just three years before. All counties in Northern California suffer from generally the same types of social challenges. An active rail connection would allow for the fuller utilization of the harbor and thus more harbor related jobs which could result in an improvement in the social condition. With these examples of the economic potential of a rail line connecting Humboldt Bay to the national rail network; the need to improve the social conditions on the North coast and throughout Northern California; and since it appears that NCRA will not be able to restore rail service along the entire Northwestern Pacific rail line in the foreseeable future, the multi-agency *UpState RailConnect Committee* has taken the lead to explore the feasibility of an alternate rail route to the east.

**3B: How the Project will address the problems:** The Alternative Rail Route Feasibility Study will address the problems noted in #3A by determining if an east-west rail line is feasible. This Study is proposed to examine the challenges, opportunities and costs of developing an east-west rail connecting Humboldt's harbor to the national rail system in the Sacramento valley. Without this Study, too many questions remain unanswered to be able to make sound project development and investment decisions. If it is found to be feasible, past economic modeling has shown that Humboldt's harbor could have a significant economic impact on the North coast region of California by providing an additional 3,000 jobs, a \$90 million dollar increase in wage payments and a \$400 million increase in the regions gross regional product. Even if this modeling is off by 50 percent, Humboldt's harbor has vastly more potential to create jobs and better social conditions than is presently being realized. Although this study is proposed to contain a task to assess potential markets, this study is not a market study. Conducting a "market" study prior to the feasibility study has been thoroughly discussed with the conclusion being that the information provided by the feasibility study will allow others the ability to utilize that information in developing any market or operational models. To create these models without the benefit of the feasibility study information would require making a vast number of assumptions which would put the validity of the modeling results in question.

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**4. Public Participation (Do not exceed the space provided.) (20 points)**

- A. Identify the stakeholders (e.g. low-income and minority communities, Native American Tribal governments, other underrepresented groups, community-based organizations, and businesses) affected by the grant work. (10 points)
- B. Describe the outreach and engagement methods that will be used to reach and gather input from stakeholders. (10 points)

**4A. Identify the Stakeholders:** This project is truly a community-based planning effort. A grass-roots citizen-led effort in December 2011 brought the concept of a new east-west rail route into the spotlight. On 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 (now 37) government agencies, labor, business, education, law enforcement and citizen groups representing a vast portion of Northern California (see Supplemental Information Public Agency and Private Org. Support). The City of Eureka was recently awarded a \$25,000 grant from the State's Housing and Community Development agency to fund coordination of the *UpState RailConnect Committee* and its pursuit of funding to complete the Alternative Rail Route Feasibility Study. [www.ci.eureka.ca.gov](http://www.ci.eureka.ca.gov).

There is a broad spectrum of stakeholder support for the feasibility study, with significant progress in research and organization of the study process. To-date, there are four groups that are actively coordinating Phase 1, the Pre-Feasibility Phase of the Alternative Rail Route Feasibility Study Project. Specifically, these are the *UpState RailConnect Committee*; the East-West Rail Advocates; Land Bridge Alliance; and the Humboldt Bay Harbor Working Group. The roles of these various groups are summarized as follows:

**UpState RailConnect Committee (URCC):** The *UpState RailConnect Committee* was created to formalize this now regional effort to study the feasibility of an East West Rail Route through a Memorandum of Agreement (MOA) between the Counties of Humboldt, Trinity, and Tehama; the City of Eureka; the Upstate California Economic Development Council and the Northern California Tribal Chairmen's Association (see Supplemental Information - MOA). 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 Qualifications, 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. Two URCC members are the Applicant and Sub-Applicant for this grant application. These are the City of Eureka (Applicant) and Upstate California Economic Development Council (Sub-Applicant). As can be seen in the attached Scope of Work, timeline and budget, the URCC has a major role in the oversight and execution of this grant.

**East-West Rail Advocates (EWRA):** This is the formal name of the grass-roots group that asked the Eureka City Council to support the concept of an east-west rail feasibility study and has been meeting nearly weekly ever since January 2012 in order to coordinate the educational needs for the promotion of the feasibility study. The group has defined itself as "a working group dedicated to the completion of the Alternative Rail Route Feasibility Study". The EWRA also functioned as the "East-West Rail Action Team" as part of Humboldt County's Prosperity 2012 process.

**Land Bridge Alliance (LBA):** The Land Bridge Alliance was formed as a non-profit organization 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)).

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If necessary, use this page to continue response for Question #4 (Public Participation).

**Humboldt Bay Harbor Working Group (HBHWG):** Formed in November of 2011, the Humboldt Bay Harbor Working Group began as a group exploring job creation opportunities on the North coast. From the very beginning the focus of the group was JOBS. It was discovered that there is a huge potential for job creation in Humboldt Bay's harbor that is not being tapped with one of the main reasons being the lack of an active rail connection from Humboldt Bay's harbor to the national rail system. The goal of the group is "To reach community agreement on projects to revitalize the harbor that provide jobs and maintains the integrity of the environment".

Since November 2011, the HBHWG has conducted a great deal of research and participated in various outreach efforts such as Humboldt County's Prosperity 2012 process as the "Revitalize the Harbor Action Team"; the Humboldt Bay Symposium and conducting monthly harbor oriented community lunch forums. In order to revitalize the harbor portion of Humboldt Bay, the HBHWG is pursuing two priority recommendations. Priority Recommendation 1 is to sponsor community forums to inform the public about the harbor to generate conversations on economic development. Priority Recommendation 2 is to seek adoption of a resolution from each local agency with land use authority over the harbor portion of Humboldt Bay affirming their commitment to create jobs and sustainable growth through Humboldt Bay's harbor. These agencies include the City of Eureka, County of Humboldt, Wiyot Tribe and the Humboldt Bay Harbor, Recreation and Conservation District. The resolution contains six action initiatives that recommend equal cooperation and coordination amongst these four agencies with respect to supporting and promoting many forms of maritime commerce; supporting enhancements to other transportation modes such as highway improvements and **rail service connecting to the national rail system**; and completing a one-year planning process for a 12 year "2025 Harbor Action Initiative".

**4B: Outreach and Engagement methods:** Over the past 14 months, the organizations described in 4A above have made a vast number of presentations on the proposed Alternative Rail Route Feasibility Study. These presentations have been made to State legislators, County Supervisors, City Councils, Service Clubs, business and business associations, as well as economic development, engineering, transportation and tribal organizations. In addition, this Study has been presented at various public venues such as the Humboldt Bay Harbor Working Group Forum Northern California Logging Conference, Humboldt Bay Symposium, Humboldt County Prosperity 2012, Northern California Economic Development Conference and others. This outreach during the "Pre-Feasibility Study" phase of the project has led to an informed citizenry and ultimately to 37 letters of support from government agencies, business, labor, educational, law enforcement and citizen organizations. Outreach efforts to date have been focused on general education of the proposed study and to collect input as to what should be in the scope of work with the intention that the final feasibility study document will answer as many questions as possible that are on the minds of Northern California citizens.

Once the Study is funded and Phase 2 of the project begins, the multi-agency *UpState RailConnect Committee* will direct their consultant to conduct outreach/public meetings as follows:

Humboldt County/Eureka: 5 public meetings

Trinity County: 9 public meetings

Tehama County: 3 public meetings

Upstate California Economic Development Council : 3 public meetings

Tribal (NCTCA): 3 public meetings

Additional outreach methods developed in Phase 1 which will be continued in Phase 2 are the posting of relevant documents and information on the City of Eureka's website ([www.ci.eureka.ca.gov](http://www.ci.eureka.ca.gov)) and newsletters will also continue to be produced. Lastly, the multi-agency *Upstate RailConnect Committee* meetings are publicly-noticed with agendized public comment.

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**5. Project Implementation (Do not exceed the space provided.) (20 points)**

- A. List the project's anticipated accomplishments and final deliverables. **(10 points)**
- B. Explain how the final product will be carried forward into the implementation phase. **(10 points)**

**5A. Project's anticipated accomplishments and final deliverables.** The anticipated accomplishment of Phase 2 of this project will be the completion of the Alternative Rail Route Feasibility Study. The Study will contain an analysis of the feasibility of establishing a new rail route connecting Humboldt Bay's harbor to the national rail system in the Sacramento valley by providing the following deliverables:

- Identification of a proposed route and alternatives
- Identification of land ownerships
- Economic benefit to the entire rail corridor
- A conceptual development plan

**5B. How Final product will be carried forward into the implementation phase.** As a final product, if the Alternative Rail Route Feasibility Study shows that this new rail line is feasible, it will contain recommendations on next steps toward the actual construction of the rail. These recommendations will describe the future role of the *UpState RailConnect Committee* in developing, coordinating and providing oversight for any additional special studies; implementation funding; rail line governance, environmental documentation; land owner coordination and other tasks. The information contained in the final report will be essentially be a road-map toward implementation and will be crucial to the project's success.

## **SCOPE OF WORK: Alternative Rail Route Feasibility Study**

**INTRODUCTION:** This Scope of Work will result in the completion of Phase 2 of the Alternative Rail Route Feasibility Study Project by completing the Alternative Rail Route Feasibility Study. This project will determine the feasibility of the establishment of a new rail line connecting the deepwater seaport of Humboldt Bay to the national rail system in the Sacramento Valley.

**RESPONSIBLE PARTIES:** Applicants are the City of Eureka and the Upstate California Economic Development Council with Project oversight provided by the multi-agency Upstate RailConnect Committee. A consultant has not yet been selected and the proper procurement process will be used through a competitive RFQ process. The Applicant’s staff anticipates that these figures will not differ substantially and will not exceed the grant request amount.

### **OVERALL PROJECT OBJECTIVES:**

#### **1. Task Title: Public Outreach and Initial Research**

**Task 1.1: Project initiation/Kick off meeting**

**Task 1.2: Acquire, copy, archive and catalog historic information**

**Task 1.2: Humboldt/Eureka Outreach**

**Task 1.3: Trinity County Outreach**

**Task 1.4: Tehama County Outreach**

**Task 1.5: Upstate California Economic Development Council Outreach**

**Task 1.6: Northern California Tribal Chairmen’s Association Outreach**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee**

<b>Task</b>	<b>Deliverable</b>
<i>1.1</i>	<i>Project initiation/kickoff meeting</i>
<i>1.2</i>	<i>Acquire, copy, archive and catalog historic information</i>
<i>1.3</i>	<i>Description of comments and issues that are relevant to the project by Humboldt County citizens at 5 public meetings – includes travel</i>
<i>1.4</i>	<i>Description of comments and issues that are relevant to the project by Trinity County citizens at 9 public meetings - includes travel</i>
<i>1.5</i>	<i>Description of comments and issues that are relevant to the project by Tehama County citizens at 3 public meetings - includes travel</i>
<i>1.6</i>	<i>Description of comments and issues that are relevant to the project by Upstate California EDC at 3 public meetings - includes travel</i>

1.7	<i>Description of comments and issues that are relevant to the project by Tribal members in the NCTCA at 3 public meetings - includes travel</i>
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**2. Task Title: Identification of Proposed Route and Alternatives**

**Task 2.1: Identification of Proposed Route and Alternatives**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee**

Task	Deliverable
2.1	<i>Identification of Proposed Route and Alternatives</i>

**3. Task Title: Identification of land ownerships along the proposed route and alternatives**

**Task 3.1 Identification of land ownerships along the proposed route and alternatives**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee**

Task	Deliverable
3.1	<i>Identification of land ownerships along the proposed route and alternatives</i>

**4. Task Title: Economic benefit to the entire rail corridor**

**Task 4.1: Assessment of market potential**

**Task 4.2: Assessment of indirect benefactors**

**Task 4.3: Assessment of impact to ports**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee**

<b>Task</b>	<b>Deliverable</b>
4.1	<i>Assessment of market potential</i>
4.2	<i>Assessment of indirect benefactors</i>
4.3	<i>Assessment of impact to ports</i>

**5. Task Title: Conceptual Development Plan**

**Task 5.1: Recommendations on ownership/governance of the rail line**

**Task 5.2: Preliminary engineering**

**Task 5.3: Highway/port connectors/potential stops and spurs along the route**

**Task 5.4: Outline of national security issues**

**Task 5.5: Additional uses of the corridor**

**Task 5.6: Estimated permitting needs**

**Task 5.7: Estimated environmental issues and mitigations**

**Task 5.8: Estimated development costs and timelines**

**Task 5.9: Draft and Final reports**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee**

<b>Task</b>	<b>Deliverable</b>
5.1	<i>Provide recommendations on ownership/governance of the rail line</i>
5.2	<i>Provide Preliminary engineering</i>
5.3	<i>Describe highway/port connectors/potential stops and spurs along the route</i>
5.4	<i>Describe national security issues</i>
5.5	<i>Describe additional uses of the corridor such as fiber optic, trail, passenger, water, etc.</i>
5.6	<i>Describe estimated permitting needs</i>
5.7	<i>Describe estimated environmental issues and mitigations</i>
5.8	<i>Describe estimated development costs and timelines</i>
5.9	<i>Complete draft and final reports</i>

**6. Task Title: Administration**

**Task 6.1: Procurement of Consultant**

**Task 6.2: Grant Administration**

**Task 6.3: Final punch list and reporting to CalTrans**

- **Responsible Party: Work by Consultant(s) overseen by the multi-agency Upstate RailConnect Committee (6.2/6.3); and work by Applicant and Sub-Applicant (6.1/6.2)**

<b>Task</b>	<b>Deliverable</b>
6.1	<i>Includes circulating RFQ; competitive procurement of consultant using the City of Eureka's procurement process and retention of qualified consultant</i>
6.2	<i>Grant Administration/Invoicing/Quarterly Reports including Invoicing as required by CalTrans</i>
6.3	<i>Close out of project</i>



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Application Signature Page

If selected for funding, the information contained in this application will become the foundation of the contract with Caltrans.

To the best of my knowledge, all information contained in this application is true and correct. If awarded a grant with Caltrans, I agree that I will adhere to the program guidelines.



Signature of Authorized Official (Applicant)

WILLIAM PANOS

Print Name

CITY MANAGER, CITY OF EUREKA

Title

3-29-2013

Date

Alison O'Sullivan

Digitally signed by Alison O'Sullivan  
DN: cn=Alison O'Sullivan, o, ou,  
email=alisono@edoncall.com, c=US  
Date: 2013.03.29 16:11:10 -0700'

Signature of Authorized Official (Sub-Applicant)

GENERAL MANAGER

Upstate California Economic Development

Title

Council

ALISON O'SULLIVAN

Print Name

3-29-2013

Date