Attachment E

Summer 2013 Newsletter

UpState RailConnect Committee

Dedicated to Completion of the Alternative Rail Route Feasibility Study

SUMMER NEWSLETTER 2013

July 2013

Dear Supporter,

Thank you for your continued support of the Alternative Rail Route Feasibility Study. Since our last newsletter in December 2012, a lot of progress has been made toward the initiation of that study to explore the feasibility of an east-west rail line connecting the deepwater harbor at Humboldt Bay to the national rail system in the Sacramento Valley. This newsletter presents an update on the progress made over the past six months and how this effort continues to need your support.

Support: Just to refresh your memory, 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 City of Eureka took action to lead an effort to inform other governmental agencies and organizations of the concept. In less than 10 months, the City of Eureka received support from 33 government agencies, labor, business, education, law enforcement and citizen groups representing a vast portion of Northern California including some statewide and national organizations. Since the last newsletter, nine more organizations have joined in support of this study for a current total of 42. The list of supporters now includes:

- City of Eureka, CA
- City of Fortuna, CA
- City of Rio Dell, CA
- County of Humboldt, CA
- County of Trinity, CA
- County of Tehama, CA
- Upstate California Economic Development Council
- Northern California Tribal Chairman's Association
- Wiyot Tribe
- Corning CA Chamber of Commerce
- California Marine and Intermodal Transportation System Advisory Council
- California Association for Local Economic Development
- Humboldt Association of Realtors
- Humboldt State University
- Humboldt County Office of Education
- The Greater Eureka Chamber of Commerce
- Oroville Chamber of Commerce
- Humboldt Bay Harbor, Recreation and Conservation District
- The Humboldt County Sheriff's Office
- Shasta-Trinity National Forest
- Six Rivers National Forest
- Union Pacific Railroad
- Northwestern Pacific Railroad Company

- Building and Construction Trades Council of Humboldt and Del Norte Counties
- State Building and Construction Trades Council of California
- Longshore and Warehouse Union, Local 14
- Operating Engineers Local 3
- Bricklayers and Allied Craftworkers Local No. 3, California
- Building and Construction Trades Department of the American Federation of Labor – Congress of Industrial Organizations
- Central Labor Council, AFL-CIO of Humboldt and Del Norte Counties
- Eureka Police Officer's Association
- Humboldt Deputy Sheriff's Organization
- East-West Rail Advocates
- Land Bridge Alliance
- Military Officers Association of America
- Rail and Port Infrastructure Task Force
- Humboldt Bay Harbor Working Group
- Sierra Pacific Industries
- Green Diamond Resource Company
- California Redwood Company
- Humboldt Cattlemen's Association
- Humboldt Redwood Company

Project Organization: General oversight of the Alternative Rail Route feasibility Study process is under the multi-agency *UpState RailConnect Committee*. The *UpState RailConnect Committee* (URCC) 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 County stakeholders (Humboldt, Trinity, and Tehama); the City of Eureka; the Upstate California Economic Development Council and the Northern California Tribal Chairmen's Association. The general purpose of the URCC is to coordinate the production of the Alternative Rail Route Feasibility Study. Specifically, the URCC gathers public input; conducts public outreach efforts in each member agencies region; reviews documents such as Request for Qualifications, consultant submittals, draft and final reports; participates in consultant selection; provides consultant oversight; assists with grant writing and local technical in-kind efforts; and other tasks as mutually agreed upon by the members. There is no financial obligation for being a member of the URCC.

The URCC was officially formed on October 16, 2012 and met for the first time on November 14, 2012 and meets roughly monthly. To follow URCC progress, agendas, minutes and other URCC information can be found on the City of Eureka's website www.ci.eureka.ca.gov - look for the "Alternative Rail Route Study" button on the homepage.

UpState RailConnect Committee Members include:

City of Eureka
Councilmember Lance Madsen; Councilmember Mike Newman; Alternate - Councilmember Marian Brady
County of Humboldt
Supervisor Rex Bohn; David Tyson; County Staff CAO Phillip Smith-Hanes
County of Trinity
Supervisor Debra Chapman; Supervisor John Fenley; County Staff CAO Wendy Tyler
County of Tehama
Supervisor Steve Chamblin; CAO Bill Goodwin
Upstate California Economic Development Council
Board President Brynda Stranix; General Manager Alison O'Sullivan
Northern California Tribal Chairmen's Association
Garth Sundberg, Chair NCTCA; Nick Angeloff

UpState RailConnect Committee Chair: Eureka Councilmember Lance Madsen
Upstate RailConnect Committee Vice-Chair: Humboldt County Supervisor Rex Bohn

What will be included in the Feasibility Study? Since December 2012, the *UpState RailConnect Committee* has had a standing agenda item to discuss any proposed changes to the feasibility study scope of work. Additions to the scope of work have come mainly from public input through URCC members and from audiences at numerous presentations. To date, the proposed scope of work for the Feasibility Study includes:

a) Identification of a proposed route and alternatives
b) Identification of land ownerships
c) Assessment of market potential

d) A conceptual development plan that will include:
(1) Ownership/governance of the rail line
(2) Prelim engineering
(3) Highway/port connectors
(4) Additional uses of the corridor (fiber optic, trail, passenger, water, etc)
(5) Estimated permitting needs
(6) Estimated environmental issues and mitigations
(7) Estimated development costs and timelines

Funding Progress: The Alternative Rail Route Feasibility Study as outlined above is estimated to cost approximately $300,000. Since December 2012, two important steps have been taken to meet that funding goal.

First, the Land Bridge Alliance (LBA) is a California non-profit organization and was 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 and since December 2012, LBA members have made more than 25 Presentations to various Service Clubs, businesses, government agencies, potential investors and donors. This educational outreach effort has taken place throughout Humboldt, Trinity and Tehama Counties and has members in both Humboldt and Tehama counties. In March 2013, LBA members hosted an informational booth at the Northern California Logging Conference where more than 170 people signed a form in support of the Alternative Rail Route Feasibility Study. Since December 2012, LBA has also raised more than $20,000 for production of educational and presentation materials. For more information on the Land Bridge Alliance or to donate, please see www.landbridgealliance.org.

Secondly, since December 2012, the *UpState RailConnect Committee* has researched a wide variety of potential sources to fund the Alternative Rail Route Feasibility Study. This effort has included research of potential local, state of California and federal government funding sources. In March 2013, as a member of the *UpState RailConnect Committee*, the City of Eureka applied for a $295,000 Community Based Transportation Planning grant through the California Department of Transportation. Another *UpState RailConnect Committee* member, the Upstate California Economic Development Council, agreed to be the sub-applicant for that grant application. CalTrans sources have indicated that grant applicants will be notified in August 2013 if chosen. If awarded, funding will be available for the feasibility study in February 2014.

Both Land Bridge Alliance and *UpState RailConnect Committee* will continue to conduct funding research throughout the remainder of 2013.

Other support: Throughout the first six months of 2013, in addition to the multi-agency *UpState RailConnect Committee*, other groups have made notable progress laying the groundwork for the Alternative Rail Route Feasibility study by participating in meetings, making presentations, writing letters to the editor and assisting to craft local public policy that is favorable toward the establishment of an active rail connection between Humboldt Bay's deep water harbor and the national rail system. The Humboldt Bay Harbor, Recreation and Conservation District has

recently completed a draft study entitled the "Humboldt Bay Rail Concept level Construction Cost and Revenue Analysis". The information in this report will be used as a part of the Alternative Rail Route Feasibility Study literature review. Two other groups that have been involved over the past six months include the East-West Rail Advocates and the Humboldt Bay Harbor Working Group. The roles of these various groups are summarized as follows:

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 have been meeting nearly weekly ever since January 2012. Their continuing role is 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.

Humboldt Bay Harbor Working Group (HBHWG): Formed in November of 2011, the Humboldt Bay Harbor Working Group began as a group dedicated to exploring local job opportunities. 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 was 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 HBHWG 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 Humboldt County's Prosperity 2012 process as the "Revitalize the Harbor Action Team". In order to revitalize the harbor portion of Humboldt Bay, the HBHWG proposed two priority recommendations. Since December 2012, both of the recommendations have been accomplished. Priority Recommendation 1 was to sponsor community forums to inform the public about the harbor and generate conversations on economic development. Since February 2013, the HBHWG has sponsored luncheons at the world famous Samoa Cookhouse in Samoa, California located along one of Humboldt Bay's deep water shipping channels. Each month a luncheon speaker presents information on various economic and business interests in Humboldt Bay's harbor area. To date, luncheon topics have included a primer on the HBHWG process and goals; the Alternative Rail Route Feasibility Study; the Humboldt Bay Offshore Reef Project; Current Projects from the Humboldt Bay Harbor, Recreation and Conservation District; and the Land Bridge Alliance Tehama County Support and Sacramento Valley Rail Opportunities. The HBHWG Harbor Luncheon Forums are the last Wednesday of each month at noon at the Samoa Cookhouse, Samoa, CA.

Priority Recommendation 2 was 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 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; completing a one-year planning process for a 12 year "2025 Harbor Action Initiative"; developing within one-year a

coordinated marketing plan; obtaining financing for infrastructure projects and equipment; and working with existing maritime industries to avoid, minimize or mitigate environmental impacts and assist in environmental compliance. This effort is important to the Alternative Rail Route Feasibility Study as it demonstrates the political will amongst harbor agencies to utilize the harbor for commercial purposes; an essential component in measuring the success of an alternative rail route.

As of June 2013, all four of these agencies had adopted resolutions affirming their commitment to create jobs and sustainable growth through Humboldt Bay's harbor. During the balance of 2013, the HBHWG will provide coordination for this harbor agency action team and assist in the facilitation of the harbor Initiative process. For more information on the HBHWG, please see www.humboldtworkingport.org.

I hope that the above summary has given you an informative update on the progress to initiate the "Alternative Rail Route Feasibility Study". Although there are many opinions out there as to the "best" route, what will be shipped, who will use such a line and what it will cost, as Chair of the *UpState RailConnect Committee*, I want to assure you that nothing has been decided and that all of those questions and more are to be explored by the feasibility study itself.

On behalf of the *UpState RailConnect Committee*, I want to thank you again for your continued support of the Alternative Rail Route Feasibility Study. As you can see from the information in this letter, a great deal of progress has been made in the first half of 2013. With your support and broad Northern California agency, business, labor, education and law enforcement participation, we look forward to continuing our pace throughout the remainder of 2013. If you need any additional information regarding the Alternative Rail Route Feasibility Study or its process, or would like us to meet with you or make a presentation to your organization, please let me know.

Sincerely,

Lance Madsen, Chair
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C: UpState RailConnect Committee