

APPENDIX D

North Coast Railroad Authority (NCRA) Planned Operations Memorandum

Mendocino County Rail-with-Trail Corridor Plan

MAY 2012

Technical Memorandum: North Coast Railroad Authority (NCRA) Proposed Plans and Rail Issues in and adjacent to Mendocino County

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Prepared by Redwood Community Action Agency

1. Introduction

The North Coast Railroad Authority (NCRA) is a public entity that was created by the California legislature in 1989 and mandated to ensure continuation of railroad service in Northwestern California along the Northwestern Pacific (NWP) rail line. The NWP line runs 316 miles from Napa County to Humboldt Bay. The NCRA maintained rail service into Mendocino County through 1998 when a series of slides and tunnel closures forced the Federal Railroad Administration (FRA) to close the entire NWP line. Portions of the southern section of NWP line were reactivated for short periods in 2001; however, Mendocino County has not had rail service since 1998.

The NCRA leases operation of trains on the NWP line. The NCRA entered into a 5-year lease agreement with Northwestern Pacific Railroad Company (NWP Co) in 2006 to manage and operate trains on the NWP line. In 2011, the NCRA renewed the agreement with NWP Co for another 99-year lease option to operate trains along the NWP line. NWP Co is the exclusive common carrier of all freight trails and passenger excursion trains on the NWP line between Lombard in Napa County and Willits.

The NCRA is currently engaged in rehabilitating the NWP line through Sonoma and Mendocino Counties. Train operations have recommenced along the southern portion of the line and the NCRA is now focusing efforts on improvements to extend service north to Willits in Mendocino County.

2. Rail Operations Adjacent to Mendocino County

The southern end of the NCRA line, from Brazos Junction in Napa County to Windsor in Sonoma County, recently reopened to hauling freight in July 2011; however, this service is under question in two ongoing lawsuits against the NCRA (see below). The NCRA has concentrated its efforts in this southern end of the line where the corridor rehabilitation was most feasible and freight rail most economically viable. Since 2007, NCRA has spent over \$68 million (including \$60 million from the California Transportation Commission) to update the corridor and infrastructure along this 62-mile stretch to operate freight service. Before July 2011, the railroad had not been in operation through Sonoma County for over 13 years.

The NCRA completed an environmental impact report (EIR) in March 2011 to document planned freight rail operations and examine the impacts of those operations from Lombard in Napa County to Willits, 142 miles of rail corridor known as the Russian River Division of the NWP line. The EIR states an intention to “resume the operations of freight service in the rail corridor from Willits to Lombard for transport of general freight to serve the communities in the rail corridor.”

The recent operations on the southern portion of the line are operating by this EIR under CEQA. The Friends of the Eel River and Californians for Alternatives to Toxics (CATs) recently filed legal actions regarding this EIR stating that the NCRA and NWP Co. have purposely segmented this EIR and legally it should encompass the whole rail line as an entire project (including the Eel River Division of the rail line). In addition, the plaintiffs claim NCRA and NWP Co. have not presented full

plans to mitigate impacts and protect water quality and clean up toxic sites along the corridor as was promised in an Environmental Consent Decree in 1999.

John Williams, the president of NWP Co, expects the line to Windsor to operate three round trip trains per week and haul 2,000 to 2,500 carloads of cargo a year by the end of its second full year of operation. In December 2011, NWP has been running two or three round-trip trains per week along the southern part of the NWP line. However, freight service has been minimal as cargo business has mostly been limited to three feed mills in Petaluma and declining construction activity is limiting the shipment of wood products.

Along another portion of the southern line, NCRA has finalized an operational and coordination agreement with SMART (Sonoma Marin Area Rail Transit) that hopes to open passenger rail service between Cloverdale and Larkspur in Marin County.

3. Planned Operations through Mendocino County

Having reactivating rail service in mid-2011 along the southern portion of the rail line in Napa and southern Sonoma counties, NCRA is now focusing efforts to acquire funds to rehabilitate the rail corridor and rail infrastructure through Mendocino County from Cloverdale in Sonoma County to Willits in Mendocino County. Once these rail infrastructure improvements are made, NCRA plans to extend commercial freight service from the southern portion of the line to Willits. The NCRA expects 60-car trains to eventually traverse the line from Lombard to Willits. John Williams of NWP Co has expressed interest in ensuring financial stability of operations along the southern portion of the line to Windsor before extending service into Mendocino County.

NCRA has been seeking financing for improvements along the rail corridor from Cloverdale to Willits. On Monday, September 19th, the NCRA board approved a \$3.8 million loan through the Railroad Rehabilitation & Improvement Financing (RRIF) Program of the Federal Railroad Administration in order to work towards opening the rail line through Mendocino County to Willits. The purpose of this loan would be to conduct track and corridor rehabilitation and infrastructure improvements north from Cloverdale in Sonoma County to Willits.

The NCRA has identified several key rehabilitation sites along the NWP line. The NCRA is planning rehabilitation activities at Bakers Creek, the site of a railroad embankment failure between Willits and Ukiah. The proposed repairs at Bakers Creek include reconstruction of the failed embankment and 200 feet of track and the construction of a creek culvert through the railroad embankment. Another proposed project includes improvement to the the existing Willits Yard at the north end of Willits. This yard will be upgraded and used by NWP Co for train switching, storage and light maintenance.

Besides rail operations, NCRA operates as a property manager within Mendocino County. NCRA maintains property leases to private and public institutions along the rail corridor, including through Mendocino County. As rail-with-trail corridors are planned for trail implementation, negotiations with property owners along the corridor, including NCRA property leasers, will need to be considered.

The NCRA does not have eminent plans to extend rail service north of Willits into the Eel River Canyon. The EIR to operate rail along the Russian River Division states that the 'NCRA has not identified reasonable foreseeable funding for restoration of the ERD [Eel River Division]'. The NCRA

will consider restoration of rail service through the Eel River Canyon north from Willits when several key issues are fully addressed:

- A Business Plan is developed by NWP Co. which identifies freight volume sufficient to justify the costs of repairs and maintenance of the NWP line through the Eel River Canyon;
- The funds necessary to repair the NWP line to at least Class II level (25 mph) through the Eel River Canyon have been identified;
- An Environmental Impact Report (EIR) that evaluates the costs to repair the rail infrastructure and operate trains, and evaluates the environmental impact of such repairs and operations through the Eel River Canyon, is prepared and certified by the NCRA Board of Directors.

However, the possibility of freight service north of Mendocino County on a belt line around Humboldt Bay, in conjunction with short sea shipping for shipment of lumber and aggregate, has been discussed by the NCRA, NWP Co and special interest groups.

4. Conclusion

The NCRA is currently working to rehabilitate the NWP rail line through Mendocino County north to Willits; however, planned rail operations through Mendocino County are unlikely to occur for at least another five to ten years. The return of rail service through Mendocino County is dependent upon the financial stability of operations along the southern portion of the line, identification of cargo business within Mendocino County and available funds to implement rehabilitation. NCRA will, however, be focusing efforts towards rehabilitating the line north to Willits.

Thus rail-with-trail corridor planning should fully consider rail operations along the corridor south from Willits. As rehabilitation along the rail line such as bridge improvements or rail prism reconstruction could also benefit trail development, close coordination between NCRA and trail planners could streamline rails-with-trails development.

Citations

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