

**- Santa Cruz Branch Rail Line ROW Acquisition Project -  
Projected Timeline by Task - 05/19/2005**

| Line | Task Description   | Previous Actions & Upcoming Key Dates | Calendar Year 2005 |     |     |     |     |     |     |     |     |     |     |     |
|------|--|---------------------------------------|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|      |  |                                       | Jan                | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| 1    | <b>I. FUNDING AND REGULATORY APPROVAL</b>                              |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 2    | <b>A. Proposition 116 and STIP Funds</b>                               |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 3    | 1. RTC Considers Developing Draft Prop 116 App with Rec Rail           | RTC Approved May 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 4    | 2. Phase 1: Pre-Acquisition Activities Application                     |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 5    | a. Prepare and Submit Application                                      | RTC Approved Aug 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 6    | b. CTC Review and Approval   | Completed Aug 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 7    | c. Establish Funding Agreements  | Completed Nov 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 8    | 3. RTIP and FTIP Amendments (Prop 116 and Fed Earmark)                 | RTC Approved Apr 2004                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 9    | 4. Phase 2: Prop 116 and STIP Application for Right of Way Acquisition |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 10   | a. Obtain Caltrans ROW Approval  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 11   | b. Investigate and Develop AB3090 Plan for STIP Funds                  | RTC approved March 2005               |                    |     |     |     |     |     |     |     |     |     |     |     |
| 12   | c. Prepare & Submit AB3090 Request for STIP Funds                      |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 13   | d. Prepare and Submit Prop 116 Application                             |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 14   | e. CTC Review & Approval for AB 3090                                   | Aug. 18 and Sep. 29, 2005             |                    |     |     |     |     |     |     |     |     |     |     |     |
| 15   | f. CTC Review & Approval for Prop 116                                  | Sep. 29, 2005                         |                    |     |     |     |     |     |     |     |     |     |     |     |
| 16   | g. Establish Funding Agreements  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 17   | h. Invoice/Fund Transfer Agreements                                    |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 18   | 5. Options for Prop 116 Application                                    |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 19   | a. RTC Establishes Ad Hoc Committee                                    | January 20, 2005                      |                    |     |     |     |     |     |     |     |     |     |     |     |
| 20   | b. Ad Hoc Committee and staff Discuss with CTC Staff                   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 21   | c. CTC Staff Review  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 22   | d. RTC Considers Prop 116 Application as Corridor Preservation         |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 23   | e. RTC Considers Effects of Corridor Preservation on Other Tasks       |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 24   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 25   | <b>B. Other Funding Sources</b>  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 26   | 1. Coastal Conservancy   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 27   | a. RTC Authorizes Funding Request                                      | Approved Dec 2002                     |                    |     |     |     |     |     |     |     |     |     |     |     |
| 28   | b. Approve submittal of Reimbursable Grant Request                     |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 29   | c. Obtain Approval for Reimbursable Grant                              | Sep. 8, 2005 CC Meeting               |                    |     |     |     |     |     |     |     |     |     |     |     |
| 30   | d. Finalize Reimbursable Grant Agreements                              |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 31   | 2. Request Federal Appropriation Funds                                 | Completed Apr 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 32   | 3. Continuously Research All Funding Possibilities                     |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 33   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 34   | <b>C. Surface Transportation Board (STB) Filings</b>                   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 35   | 1. Prepare and File Application with STB                               |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 36   | 2. STB Considers Application and Issues Ruling                         |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 37   | 3. Period for Challenges to STB Ruling                                 |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 38   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 39   | <b>II. DUE DILIGENCE/PURCHASE DOCUMENTATION</b>                        |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 40   | <b>A. Appraisal Work</b>   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 41   | 1. Consider and Release RFP for Appraisal and Review Appraisal         | RTC Approved Aug 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 42   | 2. Select Appraiser and Review Appraiser                               | RTC Approved Nov 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 43   | 3. Set-up Appraisal Contracts  | Completed Dec 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 44   | 4. Conduct Net Liquidation Value of Equipment and Structures           |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 45   | 5. Conduct Going Concern Valuation Appraisal                           |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 46   | 6. Conduct Real Estate Appraisal                                       |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 47   | 7. Conduct Review Appraisal  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 48   | 8. RTC Considers Appraisal and Review Appraisal                        |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 49   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 50   | <b>B. Acquisition Tasks</b>  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 51   | 1. Negotiate Purchase  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 52   | 2. Negotiate Letter of Intent  | Completed Nov 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 53   | 3. RTC Considers and Approves Letter of Intent                         | Approved Dec 2004                     |                    |     |     |     |     |     |     |     |     |     |     |     |
| 54   | 4. Conduct Structures Assessment                                       |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 55   | 5. Conduct Historical Site Investigation                               |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 56   | 6. Draft Purchase Agreement  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 57   | 7. Finalize Purchase Agreements  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 58   | 8. Conduct Due Diligence, Prepare Property Transfer                    |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 59   | 9. Close Escrow  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 60   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 61   | <b>C. Title Work</b>   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 62   | 1. Conduct Title Search and Issue Preliminary Report                   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 63   | 2. Review Prelim. Report and Issue Comments                            |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 64   | 3. Prepare Revised Prelim. Title Report                                |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 65   | 4. RTC Considers Revised Prelim. Title Report                          |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 66   | 5. Review All Unrecorded Agreements Affecting ROW                      |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 67   | 6. Consider Title Insurance  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 68   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 69   | <b>D. Phase II Environmental Site Assessment</b>                       |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 70   | 1. Obtain and Finalize UP Right of Entry Agreement                     |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 71   | 2. Site Reconnaissance, Work Plan Approval, & Agency Coordination      |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 72   | 3. Field Testing Sampling and Analysis                                 |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 73   | 4. Prepare Reports   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 74   | 5. RTC Considers Phase II Report                                       | Closed Session June 2005 TPW          |                    |     |     |     |     |     |     |     |     |     |     |     |
| 75   | 6. Consider Hazardous Materials Insurance                              |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 76   | 7. Phase II Reports Available to the Public                            |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 77   |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 78   | <b>III. OPERATIONS</b>   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 79   | <b>A. Recreational Rail EIR</b>  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 80   | 1. Preliminary Activities  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 81   | a. Consider and Release RFP  | RTC Approved Apr 2004                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 82   | b. Develop Draft Rec. Rail PSR   | Completed Aug 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 83   | c. RTC Considers Rec Rail PSR  | RTC Accepted Aug and Sep 2003         |                    |     |     |     |     |     |     |     |     |     |     |     |
| 84   | d. Select Rec. Rail EIR Consultant and Issue Contract                  | RTC Approved Jun 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 85   | 2. Initial Study   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 86   | a. Develop Initial Study   | Completed Sep 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 87   | b. RTC Considers & Releases Initial Study                              | RTC Approved Oct 2003                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 88   | c. Public Scoping Meeting  | Held Oct 2003                         |                    |     |     |     |     |     |     |     |     |     |     |     |
| 89   | d. Comment Period  | Completed Nov 2003                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 90   | 3. Draft EIR   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 91   | a. Prepare Draft EIR Documents   | Completed May 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 92   | b. Public Hearing on Project Continuation                              | RTC Approved Mar 2004                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 93   | c. RTC Considers and Releases Draft EIR                                | RTC Approved May 2004                 |                    |     |     |     |     |     |     |     |     |     |     |     |
| 94   | d. Public Comment Period   | Completed Jul 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 95   | e. Public Hearing on Draft EIR   | Held Jun 2004                         |                    |     |     |     |     |     |     |     |     |     |     |     |
| 96   | f. Secure Legal Review of EIR and Responses                            | Approved Aug 2004                     |                    |     |     |     |     |     |     |     |     |     |     |     |
| 97   | g. Review Comments and Determine Response                              | Completed Nov 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 98   | 4. Revised Draft EIR   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 99   | a. Consider Revised Draft EIR with Business Plan Alternative           | Approved Dec 2004                     |                    |     |     |     |     |     |     |     |     |     |     |     |
| 100  | b. Approve Business Plan Alternative Project Description               | Approved Jan 6, 2005                  |                    |     |     |     |     |     |     |     |     |     |     |     |
| 101  | c. Prepare and Release Revised Draft EIR                               | Released Feb 4, 2005                  |                    |     |     |     |     |     |     |     |     |     |     |     |
| 102  | d. Public Comment Period on Revised Draft EIR                          |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 103  | e. Public Hearing on Revised Draft EIR                                 | March 17, 2005                        |                    |     |     |     |     |     |     |     |     |     |     |     |
| 104  | 5. Final EIR   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 105  | a. Develop Responses and Draft Final EIR                               |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 106  | b. Resolve Noise and Traffic Issues                                    |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 107  | c. Certify Final EIR   | To be Determined                      |                    |     |     |     |     |     |     |     |     |     |     |     |
| 108  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 109  | <b>B. Insurance</b>  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 110  | 1. Obtain Hazardous Materials Coverage Quotes                          |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 111  | 2. Investigate Property and Liability Coverage                         |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 112  | 3. Obtain Final Property/Liability Coverage Quotes and Binders         |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 113  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 114  | <b>C. Conduct Lease Investigation</b>                                  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 115  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 116  | <b>D. Shortline Service Freight</b>                                    |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 117  | 1. Discuss Freight Needs with Cemex (formerly RMC Pacific Materials)   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 118  | 2. Develop and Release RFP for Shortline Freight Service               |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 119  | 3. Conduct Interviews and Select Shortline Operator                    | To be Determined                      |                    |     |     |     |     |     |     |     |     |     |     |     |
| 120  | 4. Shortline Transition Period   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 121  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 122  | <b>IV. Business Plan</b>   |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 123  | 1. Develop Draft Business Plan   | Completed Jul 2004                    |                    |     |     |     |     |     |     |     |     |     |     |     |
| 124  | 2. RTC Considers Draft Business Plan                                   | Accepted Sep 2004                     |                    |     |     |     |     |     |     |     |     |     |     |     |
| 125  | 3. Refine Business Plan  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 126  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |
| 127  |  |                                       |                    |     |     |     |     |     |     |     |     |     |     |     |

Note: Items in italics have been completed. "RTC" marks Commission decision points, "CC" marks Coastal Conservancy decision points, and "CTC" marks California Transportation Commission decision points.

\* Line Revised \*\* Line Added