

AGENDA: September 1, 2005

TO: Regional Transportation Commission/Rail Trail Authority
FROM: Luis Pavel Mendez, Acting Deputy Director
RE: Santa Cruz Branch Rail Line Acquisition Project – Additional Structural Analyses

RECOMMENDATIONS

Staff recommends that the Regional Transportation Commission:

1. Accept this status report on activities to produce the additional analyses recommended in the draft Santa Cruz Branch Rail Line Structural Assessment report and consider any staff recommendations that may be presented orally at the meeting; and
 2. Accept this status report on other activities regarding the Santa Cruz Branch Rail Line Acquisition project.
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BACKGROUND

The Regional Transportation Commission has been working on acquisition of the Santa Cruz Branch Rail Line for over four years. In December 2004, the RTC approved entering into a non-binding Letter of Intent with Union Pacific to purchase the Santa Cruz Branch Rail Line for \$19 million. A number of reports and steps must be completed before the RTC can make a final decision on acquisition of the Branch Line and to obtain the necessary approvals from the relevant funding and regulatory agencies.

A draft Structural Assessment report was prepared by Biggs Cardosa Associates and Systra Consulting and presented to the RTC at its August 4, 2005 meeting. The report recommended additional structural analysis for some structures. At its August 18, 2005 Transportation Policy Workshop (TPW), the RTC approved a revised financial plan and budget to produce the additional analyses recommended in the structural assessment reports. The RTC also directed staff and consultants to conduct the necessary negotiations with Union Pacific to produce the additional analyses and to solicit proposals.

DISCUSSION

Proposals for Additional Structural Analyses

Kirk Trost of Miller, Owen and Trost has been negotiating with Union Pacific amendments to agreements, potential cost sharing, and other details for production of the additional analysis recommended in the structural assessment reports produced by Biggs Cardosa and Systra. Union Pacific has indicated a willingness to share the cost for the additional analysis of the La Selva Beach Trestle as long as the selected structural analysis consultant is acceptable to both the RTC and Union Pacific. Consultants and staff have also been working with Biggs Cardosa to refine the scope of the additional structural analysis required.

One of the structural engineering consultants suggested by Union Pacific is HNTB Corporation. HNTB Corporation has a general engineering contract with Union Pacific and serves as an engineering subconsultant for the RTC's Highway 1 Widening/HOV Lane project. HNTB also has a contract with the North Coast Railroad Authority (NCRA) to produce inspections and assessments for the track, roadbed and structures of a 300 mile rail line stretching from San Rafael in Marin County to Eureka. Staff has been working with HNTB to obtain a proposal for the additional structural assessment needed for the Santa Cruz Branch Rail Line.

Kirk Trost will provide an oral update on the progress of negotiations with Union Pacific regarding the additional structural analysis. If any proposals are available by the date of this meeting, they will be distributed at the meeting with any relevant staff recommendations.

Timeline

Due to the results of the draft structural assessment report and additional work recommended, other elements of the Santa Cruz Branch Rail Line Acquisition project have been delayed. Consultants and staff continue to negotiate details of the additional structural assessment work needed and other project elements. Once staff has a better understanding of the extent of the impact on the project timeline, staff will revise the timeline and present it to the RTC. Staff hopes to provide a revised timeline at the RTC's September 15th TPW meeting.

Request for Proposals for Freight Service

As you know, the RTC will need to have a freight operator identified before closing a purchase with Union Pacific for the Santa Cruz Branch Rail Line. At its June 16, 2005 TPW meeting, the RTC approved releasing a request for proposals (RFP) for the freight service on the Santa Cruz Branch Rail Line once Union Pacific provided some information required for the RFP. Prospective short line operators would be required to maintain the track and structures on the rail line. Union Pacific has provided the information and will be available to prospective bidders under a confidentiality agreement. However, due to the results of the draft structural assessment recommending additional analysis on some structures, the need to

negotiate with Union Pacific to conduct the additional analysis, the need to provide prospective bidders with information on the condition of the tracks and structures, and the uncertainty regarding the timing of completion of the additional structural analysis, the RFP for freight rail service has not been released.

When staff returns with the updated overall project timeline, the RTC can consider the timing issues for release of the RFP.

SUMMARY

Consultants and staff continue to work on the negotiations and various details to produce the additional structural analysis recommended by the draft Santa Cruz Branch Rail Line Structural Assessment Report. Consultants and staff will provide additional information at the meeting regarding proposals and negotiations with Union Pacific to complete the work. Information on other elements of the Rail Line Acquisition Project is presented. Staff expects to return to the September TPW meeting with a revised timeline.

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