

**- Santa Cruz Branch Rail Line ROW Acquisition Project -
Projected Timeline by Task - Approved 04/06/2006
(subject to change)**

1	2	Previous Actions & Upcoming Key Dates	Calendar Year 2006														
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
3	I. FUNDING AND REGULATORY APPROVAL																
4	A. Proposition 116 and STIP Funds																
5	1. Phase 1: Application for Pre-Acquisition Activities	CTC Approved Aug 2003															
6	2. Phase 2: Prop 116 and STIP Application for Right of Way Acquisition																
7	a. Obtain Caltrans ROW Approval	After appraisals done															
8	b. CTC Review and Approval of AB3090 Designation																
9	c. CTC Review & Approval of Prop 116 Application																
10	d. Establish Funding Agreements and Obtain Funds Transfer																
11			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
12	B. Other Funding Sources																
13	1. Coastal Conservancy																
14	a. RTC Considers & Authorizes Reimbursable Grant Request	Approved October 2005															
15	b. Coast Conserv Approval for Reimbursable Grant	Approved December 2005															
16	c. Finalize Reimbursable Grant Agreements																
17	d. Execute Agreement (after AB 3090)																
18	2. Request Federal Appropriation Funds	Completed Apr 2004															
19			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
20	C. Surface Transportation Board (STB) Filings																
21	1. Prepare and File Application with STB																
22	2. STB Considers Application and Issues Ruling																
23	3. Period for Challenges to STB Ruling																
24			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
25	II. DUE DILIGENCE																
26	A. Appraisal Work																
27	1. Produce Administrative Draft Appraisals and Review Appraisals	Completed April 2005															
28	2. Produce Final Information for Appraisals	Completed October 2005															
29	3. Produce Final Appraisals and Review Appraisal																
30	4. Appraisals Presented to the RTC																
31	5. Follow up to report conclusions*																
32			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
33	B. Structures Assessment																
34	1. Conduct Initial Structural Assessment	Completed August 2005															
35	2. Conduct Detailed Structural Assessment																
36	3. RTC Considers Structural Assessment Report																
37	4. Follow up to report conclusions*																
38			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
39	C. Title Work																
40	1. Conduct Title Search and Issue Preliminary Report	Completed March 2005															
41	2. Prepare Revised Prelim. Title Report	Completed May 2005															
42	3. RTC Considers Revised Prelim. Title Report	Accepted June 2005															
43	4. Consider Title Insurance																
44			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
45	D. Phase II Environmental Site Assessment																
46	1. Obtain and Finalize UP Right of Entry Agreements	Completed February 2004															
47	2. Site Reconnaissance, Field Testing, and Analysis	Completed May 2005															
48	3. RTC Considers Draft Phase II Report	Closed Session June 2005 TPW															
49	4. RTC Considers Final Phase II Report																
50	5. Follow up to report conclusions*																
51	6. Consider Hazardous Materials Insurance																
52	7. Phase II Reports Available to the Public (after ED recommends purchase)																

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54	III. OPERATIONS																
55	A. Insurance																
56	1. Obtain Hazardous Materials Coverage Quotes																
57	2. Obtain Property/Liability Coverage Quotes and Binders																
58																	
59	B. Conduct Lease Investigation																
60	1. Obtain information from UP																
61	2. Prepare Draft Report																
62	3. Report presented to RTC																
63	4. Follow up to report conclusions*																
64																	
65	C. Shortline Freight Service																
66	1. Discuss Freight Needs with CEMEX (and other shippers?)	ongoing															
67	2. Develop RFP	Completed June 2005															
68	3. Finalize and Release RFP	After Structures Assessment															
69	4. Conduct Interviews and Select Shortline Operator	To be Determined															
70	5. Shortline Transition Period*																
71			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
72	IV. Financial Plan																
73	A. Acquisition																
74	1. Develop and Approve Initial Acquisition Financial Plan	Completed August 2003															
75	2. Revise Acquisition Financial Plan as necessary*	Last updated November 2005															
76			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
77	B. Rail Line Operations Budget																
78	1. Develop and Accept Draft Business Plan	Accepted Aug 2004															
79	2. Discuss operations budget concepts with RTC																
80	3. Prepare initial plan and budget																
81	4. Prepare final plan and budget*																
82			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
83	C. Comprehensive Financial Plan for Acquisition and Operations (A+B)																
84	1. Draft Comprehensive Financial Plan																
85	2. Final Comprehensive Financial Plan*																
86			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
87	V. Acquisition Negotiations with Union Pacific																
88	1. Letter of Intent	Approved Dec 2004															
89	2. Purchase Agreement																
90	a. Concepts to the RTC																
91	b. Draft Purchase Agreement																
92	c. Finalize Purchase Agreement*																
93	3. Make Final Purchase Decision and Prepare Property Transfer																
94	4. Close Escrow																

Notes: "RTC" marks Commission decision points
 "CC" marks Coastal Conservancy decision points
 "CTC" marks California Transportation Commission decision points

Items in italics have been completed.
 * May include negotiations with Union Pacific regarding price and/or other options

This timeline assumes that if any issues arise from the due diligence reports yet to be completed, they will not be significant and will not require extensive negotiations with Union Pacific. If any significant issues do arise, this timeline will likely require revision and the final closing date will be affected.