

Egan Consulting Group

Thomas J. Egan, Principal
227 Hersey Street
Hingham MA 02043

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Luis Pavel Mendez
Deputy Director
Santa Cruz County
Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz CA 95060

Dear Mr. Mendez

Per our discussion yesterday, herewith is a proposal from Egan Consulting Group (ECG) to perform consultant services for the Santa Cruz County Regional Transportation Commission. (SCCRTC) Additionally, I have attached a current copy of my resume. Since I would assume that SCCRTC has a standard form of contract, I have not included an ECG standard form of contract.

SCCRTC is in the process of acquiring certain property (inclusive of rights and obligations to provide rail service) from the Union Pacific Railroad (UP). SCCRTC intends to establish a contractual relationship with a short-line operator (Operator) to provide rail management, operations, and maintenance of the acquired property.

In regards to the transaction referenced above, ECG proposes to perform the following duties;

- Make site visit(s) as required with SCCRTC and/or UP officials,
- Meet with the UP to identify and assess any issues with the proposed transaction,
- Handle negotiation and development of contractual terms with UP as directed by SCCRTC, however Contractor is without power or authority to sign contracts or formally obligate SCCRTC to contractual terms. Such right belongs solely to SCCRTC.
- Make visit(s) to UP offices to accomplish the two tasks above,
- Assist in the development of an RFP for a short-line operator (Operator) to manage, operate and maintain the property acquired from UP.
- Handle negotiation and development of contractual terms with the proposed Operator as directed by SCCRTC, however Contractor is without power or authority to sign contracts or formally obligate SCCRTC to contractual terms. Such right belongs solely to SCCRTC.
- Help SCCRTC identify potential partners in the development of rail customers on the property,
- Help SCCRTC identify potential customers for the property,

- Other duties as assigned or agreed upon.

I propose that this engagement be handled on a time and material basis, and that duties to be performed by ECG be compensated under the following schedule.

Principal/Senior Consultant	\$150.00 per hour
Admin Support	\$ 50.00 per hour

Further, I propose that ECG will bill SCCRTC monthly for duties performed and expenses incurred in the performance of these duties. SCCRTC will reimburse ECG for all reasonable costs associated with ECG's performance of the duties outlined above including, but not limited to, travel and lodging expenses for travel as requested and/or approved by SCCRTA.

Please Let me know if this proposed scope and terms meets your approval.

Sincerely,

Thomas J. Egan

Principal,

Egan Consulting Group

Enclosure;

Resume, Thomas J. Egan

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Summary:

A performance driven, well-rounded transportation professional with extensive experience in business development, railroad and governmental relations, joint facilities, asset management/line sales, operations and strategic planning, and railroad operations

- ❖ Outstanding record for building business and fostering solid collaborative relationships.
- ❖ Solutions oriented with tactical experience.
- ❖ Develops trust and maintains integrity by following through on commitments.
- ❖ Communicates candidly and values diversity, demonstrating respect, dignity and ethical treatment at all times.
- ❖ Makes fact based decisions, with a broad perspective and thorough knowledge of customer requirements.
- ❖ Confident in leadership abilities, as manifested in communication, networking and mentoring.
- ❖ Meets or exceeds expectations with a contagious drive for excellence.

Professional Experience:

Egan Consulting Group (March 2004-present)

Am currently Principal in a transportation consulting company working with Shortline Railroads, Rail Customers, Public Agencies and Architectural and Engineering firms. The firm provides management support and subject matter expertise in various areas, including marketing, industrial development, operations planning, project analysis, management practices and government relations.

Current or Recent Projects:

- Provide analysis of commercial, financial and operations systems of a major shortline railroad operating in the Pacific Northwest
- Provided financial analysis of a shared corridor service (commuter rail and freight) for a Texas transit authority
- Rail relations, including rate negotiations, for industrial, manufacturing and distribution companies throughout the US.
- Industrial Development and Class One relations support for several Northeast shortline railroads.
- Rail contract analysis for an off-shore venture capital firm interested in investing in short line and regional railroads in the US.
- Part of a team developing a Massachusetts State Freight and Rail Plan
- Working on rail operations (both passenger and freight) portion of a study to assist in the determination of relocation possibilities, and alternate uses, for a major freight and intermodal yard in Boston.
- Performed rail Intermodal terminal analysis for the Massachusetts Port Authority.
- Developed rail operations and business analysis for Massachusetts Port Authority project determining potential use of Mystic Wharf Branch in Charlestown.
- Performed rail analysis for Port of Tacoma (WA) initiative to develop a satellite intermodal facility (freight village) away from the port area.

- Worked on creation of an issues and opportunities report, for Massachusetts Executive Office of Transportation, as part of a larger program to support rail initiatives.
- Provided rail operation and process analysis, and help develop contract specs, for rail movement of up to 4 million tons of Hudson River dredge for an environmental clean-up project.
- Logistics analysis, rail operations and material handling analysis, and rate negotiation support for rail movement of up to 20,000 tons per day of MSW for the Department of Sanitation of New York City.
- Rail site design, rail logistics and rate negotiation for several major ethanol manufacturers throughout the Mid-West.
- Development of rail served destination facilities for ethanol (for several clients) on both East Coast and West Coast as well as upstate New York
- Development of bio-fuels strategy for a number of freight railroads.
- Part of a team for a major petroleum industry trade association, evaluating rail, truck and marine capacities for handling the volumes of ethanol prescribed by the Federal Government in the Renewable Fuels Standard.
- Worked on several industry-wide initiatives on behalf of the American Short Line and Regional Railroad Association
- Assisting a regional oil distribution company to identify distribution opportunities for Midwest ethanol utilizing rail and barge

CSX Transportation

Worked for CSXT and predecessor railroads (Conrail, Penn Central and New Haven Railroad) (1965-2004)

Director of Short Line and Regional Railroad Development

Responsibilities included serving as CSXT liaison with 86 short line and regional railroads in 12 states and 2 Canadian provinces. Dealt with all aspects of the relationship between CSXT and these other railroads, including commercial (business development, sales, marketing and customer relation support), operations and service design, joint facility, property, public advocacy and external communications, and field operations. Provided commercial oversight and input for line sales/leases. Was also responsible for a portion of CSXT's relationship with 4 commuter agencies.

Director of Commercial Operations- Northeast

Handled all interface between operations and commercial functions in Northeast. Worked to identify bottlenecks, remove same, and provide platform for business growth. Heavy focus on CSXT's I-95 initiative, improving service, and developing capacity on existing service, between Maine and Florida.

Director of Industrial Switching-Planning, Service Design

Developed CSXT Local Area Management program, crafting mechanism for reducing costs and improving asset utilization (crews and cars). Provided tangible linkage in the field between commercial and operations sides of the business, by providing shared P&L responsibility.

Regional Account Manager-Local Area Management

Worked on Conrail Local Area Management project, focusing specifically on operations in New England and downstate New York. Made these units the premier operating units on Conrail.

Manager of Community Affairs and Special Projects

Handled Conrail community relations in New England and downstate New York. Was state coordinator for Mass. Operation Lifesaver, and Conrail liaison to Massachusetts Railroad Association, and Connecticut Railroad Association. Also worked on development of rail participation in movement of construction materials and waste.

Manager of Boston Project

Worked as lead in Conrail's initiative to become a key transportation supplier to major highway construction project (Boston's CA/T- "The Big Dig"). Also lead initiative to certify Conrail as a general contractor for purpose of bidding as prime contractor on Materials Processing Operation contract within that construction project. Initiative lead to significant railroad participation in movement of structural steel, rebar, cement, stone and contaminated dirt, commodities normally handled into and out of construction projects by truck. Initiative also lead to larger understanding of forces at play in construction industry, and mechanisms needed for rail participation.

System Supervisor of Contract Administration

Crafted, negotiated and managed joint facility agreements (interchange, haulage, trackage rights, access, run-through, etc.) with other railroads. These are the various agreements that provide for the interplay between railroads, and allow traffic to efficiently move from one railroad to another.

Terminal General Foreman for New England

Trainmaster/General Foreman

General Foreman Car and Locomotives

Foreman/Wreckmaster

Education:

Boston College, Center for Corporate Community Relations:
Certificate in Corporate Community Relations, 1996

Harvard University
Certificate of Special Studies in Administration and Management, 1990

Boston College
B.A in Education, 1971

References furnished upon request