

Santa Cruz County Coastal Rail Board Meeting

AGENDA

Thursday, May 7, 2026
9:00 a.m.

In-Person Meeting

Watsonville City Council Chambers
275 Main Street, Fourth Floor
Watsonville, CA 95076

Remote Participation (see page 5 for more information)

RTC Zoom

<https://us02web.zoom.us/j/89597173447>

Dial-in: +1 312 626 6799

Webinar ID: 895 9717 3447

Accessibility: See last page for details.

En Español: Para servicios de traducción al español, diríjase a la última página.

Agendas Online: <https://www.sccrtc.org/meetings/regional-transportation-commission/agendas/>

BOARD MEMBERSHIP

City of Capitola	Gerry Jensen
City of Santa Cruz	Fred Keeley
City of Scotts Valley	Steve Clark
City of Watsonville	Eduardo Montesino
County of Santa Cruz	Felipe Hernandez
County of Santa Cruz	Justin Cummings
County of Santa Cruz	Kimberly DeSerpa
County of Santa Cruz	Manu Koenig
County of Santa Cruz	Monica Martinez
Santa Cruz Metropolitan Transit District	Rebecca Downing
Santa Cruz Metropolitan Transit District	Fabian Leonor
Santa Cruz Metropolitan Transit District	Shebreh Kalantari-Johnson

The majority of the board constitutes a quorum for the transaction of business.

1. Roll call
2. Additions or deletions to consent or regular agendas
3. Oral communications

Any member of the public may address the Board on any item within the jurisdiction of the Board that is not already on the agenda. The Board will listen to all communication, but in compliance with State law, it may not take action on items that are not on the agenda.

Speakers are requested to state their name clearly so that it can be accurately recorded in the minutes of the meeting.

CONSENT AGENDA

All items appearing on the consent agenda are considered to be minor or non-controversial and will be acted upon in one motion if no member of the Board wishes an item to be removed and discussed on the regular agenda. Members of the Board may raise questions, seek clarification or add directions to consent agenda items without removing the item from the consent agenda as long as no other Board members objects to the change.

4. Adopt Bylaws and Appoint Officers for Santa Cruz County Coastal Rail, a Non-Profit Corporation (**Resolutions**)

REGULAR AGENDA

5. Approve an Administration, Coordination, and License Agreement with the Santa Cruz County Regional Transportation Commission for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line & Authorize Filings with the Surface Transportation Board for the Santa Cruz County Coastal Rail to Serve as the Designated Common Carrier for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line
(Sarah Christensen, RTC Executive Director)
 - a. Staff Report
 - b. Resolution
 - i. Bylaws of Santa Cruz County Coastal Rail
6. Next meetings

No meeting is scheduled for the Santa Cruz County Coastal Rail at this time. Future meetings will be scheduled as needed.

HOW TO REACH US

Santa Cruz County Coastal Rail
1101 Pacific Avenue, Suite 250 Santa Cruz, CA 95060
phone: (831) 460-3200 / email: info@sccrtc.org

LIVE BROADCASTS

Meetings of the SCCCR are broadcast live by Community Television of Santa Cruz. More information about channels and schedule can be found online (www.communitytv.org) or by calling (831) 425-8848.

AGENDA PACKETS

Complete agenda packets and all documents related to items on the open session are posted online at <https://sccrtc.org> at least 72 hours prior to the meeting. Sign up for E-News updates at sccrtc.org/about/esubscriptions/

COMMENTS FROM THE PUBLIC

Items on the agenda: Written comments received by 9:00 a.m. on Wednesday before the meeting will be posted to the RTC website by 2:00 p.m. that same afternoon to allow time for Board Member review. The opportunity to make oral comments is offered prior to the discussion period of each item.

Items not on the agenda: The opportunity to make oral comments to the Board on such topics is offered during Oral Communications.

REMOTE PARTICIPATION

The public may participate in the meetings of the Santa Cruz County Coastal Rail (SCCCR) in person or remotely via the provided Zoom link. If technical difficulties result in the loss of communication for remote participants, the RTC will work to restore the communication; however, the meeting will continue while efforts are being made to restore communication to the remote participants. Members of the public participating by Zoom are instructed to be on mute during the proceedings and to speak only when public comment is allowed, after requesting and receiving recognition from the Chair.

PARTICIPACIÓN REMOTAMENTE

El público puede participar en las juntas de el Ferrocarril Costero del Condado de Santa Cruz (SCCCR) en persona o remotamente a través del enlace Zoom proporcionado. Si problemas técnicos resultan en la pérdida de comunicación con quienes participan remotamente, la RTC hará lo posible por restaurar la comunicación. Pero, la junta continuara mientras se hace lo posible por restaurar la comunicación con quienes participan remotamente. A los miembros del público que participan por Zoom se les indica que permanezcan en silencio durante los procedimientos y que hablen solo cuando se permitan comentarios públicos, después de solicitar y recibir el reconocimiento del presidente.

ACCESSIBILILTY

The Santa Cruz County Coastal Rail Board does not discriminate on the basis of disability and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. This meeting location is an accessible facility. If you wish to attend this meeting and require special assistance in order to participate, please contact SCCCR staff at 460-3200 (CRS 800/735-2929) at least three working days in advance of this meeting to make arrangements. People with disabilities may request a copy of the agenda in an alternative format. As a courtesy to those persons affected, please attend the meeting smoke and scent-free.

SERVICIOS DE TRADUCCIÓN/ TRANSLATION SERVICES

Si gusta estar presente o participar en esta junta del SCCCR y necesita información o servicios de traducción al español por favor llame por lo menos con tres días laborables de anticipo al (831) 460-3200 para hacer los arreglos necesarios. (Spanish language translation is available on an as needed basis. Please call (831) 460-3200 at least three days in advance to make advance arrangements.

TITLE VI NOTICE TO BENEFICIARIES

The SCCCR operates its programs and services without regard to race, color and national origin in accordance with Title VI of the Civil Rights Act. Any person believing to have been aggrieved by the RTC under Title VI may file a complaint by contacting the SCCCR at (831) 460-3200 or 1101 Pacific Avenue, Suite 250, Santa Cruz, CA 95060 or online at www.sccrtc.org. A complaint may also be filed directly with the Federal Transit Administration to the Office of Civil Rights, Attention: Title VI Program Coordinator, East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE, Washington, DC 20590.

AVISO A BENEFICIARIOS SOBRE EL TITULO VI

El SCCCR conduce sus programas y otorga sus servicios sin considerar raza, color u origen nacional de acuerdo al Titulo VI del Acta Sobre los Derechos Civiles. Cualquier persona que cree haber sido ofendida por la RTC bajo el Titulo VI puede entregar queja con la RTC comunicándose al (831) 460-3200 o 1101 Pacific Avenue, Suite 250, Santa Cruz, CA 95060 o en línea al www.sccrtc.org. También se puede quejar directamente con la Administración Federal de Transporte en la Oficina de Derechos Civiles, Atención: Coordinador del Programa Titulo VI, East Building, 5th Floor-TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590.

DATE: May 7, 2026

TO: Santa Cruz County Coastal Rail Board

FROM: RTC Staff

RE: Adopt Bylaws and Appoint Officers for Santa Cruz County Coastal Rail, a Non-Profit Corporation.

RECOMMENDATIONS

Staff recommends that the Board of Directors:

1. Adopt a Resolution (Attachment 1) approving the Adoption of Bylaws (Exhibit A to Attachment 1) for Santa Cruz County Coastal Rail, a 501(c)(4) Non-Profit Corporation providing Rail Services for the Santa Cruz Branch Rail Line; and
 2. Adopt a Resolution (Attachment 2) appointing the Chairperson, Vice-Chairperson, and Secretary of the Board to serve as Officers for the Santa Cruz County Coastal Rail Non-Profit Corporation
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BACKGROUND

On March 19, 2026, the Santa Cruz County Regional Transportation Commission (RTC) formed a 501(c)(4) social welfare non-profit subsidiary entity to support rail operations and to serve as the operating or non-operating common carrier for all or most of the Santa Cruz Branch Rail Line.

This action, established the framework under which the Santa Cruz County Coastal Rail (SCCCR) would be created to support RTC's goals, including freight rail, passenger rail, trail, and Zero Emission Passenger Rail and Trail (ZEPRT)-related activities.

Completion of the organizational structure requires the adoption of Bylaws that define governance, authority, responsibilities, and administrative procedures and appointments of the Chairperson, Vice-Chair, Secretary of the Board, and other such officers (Officers) to accomplish the purposes of the SCCCR.

DISCUSSION

The proposed Bylaws set forth essential governance components for the SCCCCR, including:

- The purpose of the organization as aligned with SCCRTC-approved rail responsibilities;
- The composition, powers, and duties of the Board of Directors;
- Officer roles and annual appointments;
- Meeting procedures consistent with the Ralph M. Brown Act and the California Conflict of Interest Laws;
- Recordkeeping and Public Records Act compliance;
- Indemnification and insurance provisions;
- Operational and administrative requirements; and
- Amendment procedures.

The Bylaws ensure that the SCCCCR functions in a manner consistent with:

- California Corporations Code;
- 501(c)(4) social welfare organizational requirements;
- SCCRTC-established policies; and
- Public transparency and accountability provisions.

Adoption of the attached Bylaws (Exhibit A to Attachment 1) will allow the organization to proceed with contracting, administration, rail operations support, the formal establishment of governance procedures, and appointment of Officers to the Board of the SCCCCR.

The SCCCCR must appoint officers to carry out the business and affairs of the non-profit corporation, including Chairperson, Vice-Chair, Secretary of the Board, and other such officers from time to time as designated by the Board. Officers must be Board Members and will be chosen annually for a term of one year, or until their successors are elected and qualified, and will perform all duties as stipulated in the Bylaws to achieve the purposes of the SCCCCR. Upon approval of the Resolution (Attachment 2) the Officers of the Board will be comprised of the following individuals, with the appointment of Secretary to be selected by the Board at the first meeting:

- Chairperson of the Board: Eduardo Montesino
- Vice-Chairperson of the Board: Steve Clark
- Secretary: (to be selected)

Staff recommends that the Board adopt the Bylaws and appoint Officers through approval of the accompanying Resolutions, (Attachments 1 & 2).

FISCAL IMPACT

There is no direct fiscal impact associated with adopting the Bylaws and appointing Officers to the SCCCR Board. Administrative and operational costs associated with the SCCCR are anticipated to be funded through future SCCRTC-approved budgets, cooperative agreements, or other rail revenue mechanisms as authorized under the Bylaws.

SUMMARY

Adoption of the Bylaws is a required step in formally establishing the SCCCR as the non-profit corporation and subsidiary entity authorized by SCCRTC on March 19, 2026. The Bylaws define governance structure, responsibilities, procedures, and legal compliance necessary for the organization to operate effectively. Appointing Officers to the SCCCR Board will allow elected individuals to carry out the business and affairs of the non-profit corporation.

Staff recommends approval of the Resolutions adopting the Bylaws and appointing Officers to enable the SCCCR to begin functioning as intended.

ATTACHMENTS

1. Resolution
 - a. SCCCR Bylaws
2. Resolution
 - a. Appointments

RESOLUTION NO.

Adopted by the Santa Cruz County Coastal Rail Board
on the date of May 7, 2026
on the motion of Director
duly seconded by Director

A RESOLUTION AUTHORIZING THE ADOPTION OF BYLAWS FOR SANTA CRUZ COUNTY COASTAL RAIL, A 501(C)(4) NON-PROFIT CORPORATION PROVIDING RAIL SERVICES FOR THE SANTA CRUZ BRANCH RAIL LINE

WHEREAS, on March 19, the Santa Cruz County Regional Transportation Commission (SCCRTC) authorized the formation of a 501(c)(4) social welfare non-profit subsidiary entity under the item titled "Authority to Form a 501(c)(4) Social Welfare Non-Profit Corporation as a Subsidiary Entity to Provide Rail Services and Serve as the Common Carrier for All or Most of the Santa Cruz Branch Rail Line"; and

WHEREAS, Santa Cruz County Coastal Rail, established pursuant to that authorization, requires bylaws to govern its structure, operations, and activities; and

WHEREAS, draft Bylaws have been presented to the Board of Directors, setting forth provisions regarding the organization's name and principal office, purpose, limitations, Board of Directors structure and authority, meetings, officers, committees, indemnification, records, operations, administration, and amendment procedures; and

WHEREAS, the Board of Directors has reviewed the proposed Bylaws and finds them to be consistent with the organization's formation documents, applicable provisions of the California Corporations Code, the Ralph M. Brown Act, the California Public Records Act, and the organization's purpose of promoting social welfare, including operation, maintenance, preservation, and enhancement of the Santa Cruz Branch Rail Line.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors of Santa Cruz County Coastal Rail hereby adopts the Bylaws of Santa Cruz County Coastal Rail in the form presented at this meeting; and

BE IT FURTHER RESOLVED THAT the Chairperson, Vice-Chairperson, and Secretary are authorized and directed to take all actions necessary to implement, consistent with Board Direction, and maintain the Bylaws, including making them available at the organization's principal office and ensuring compliance with all applicable laws; and

BE IT FURTHER RESOLVED THAT the Secretary or Clerk of the Board is directed to insert the adopted Bylaws into the official records and to certify this resolution as

part of the official minutes of the organization.

AYES: DIRECTORS

NOES: DIRECTORS

ABSTAIN: DIRECTORS

SCCCR Chair

ATTEST:

Sarah Christensen, Clerk

Distribution: RTC Admin

Exhibits:

a) Bylaws of Santa Cruz County Coastal Rail

**Bylaws of
Santa Cruz County Coastal Rail
A California Nonprofit Mutual Benefit Corporation**

**ARTICLE I
NAME AND PRINCIPAL OFFICE**

The name of the corporation is “Santa Cruz County Coastal Rail”. The principal office for the transaction of the affairs and activities of this corporation shall be located in the County of Santa Cruz. The Board of Directors may change the location of the principal office.

**ARTICLE II
PURPOSE**

Section 1: General Purpose. The purpose of this corporation is to operate as a 501(c)(4) social welfare non-profit corporation established on behalf of the Santa Cruz County Regional Transportation Commission (SCCRTC) to provide rail services for the SCCRTC by serving as the operating or non-operating common carrier of the Santa Cruz Branch Rail Line to facilitate and provide passenger rail and freight rail services for the benefit of the public and provide functions to manage, operate, maintain, and improve the rail property as necessary.

Section 2: Specific Purposes. The corporation is authorized to conduct all activities, including as provided in California Corporations Code Section 7140 and Title 26 United States Code Section 501(c)(4), necessary or convenient to accomplish the foregoing general purpose and the following specific purposes:

- A. Promote social welfare, including rail infrastructure operation, maintenance, and enhancement in Santa Cruz County.
- B. Direct net earnings exclusively to advance the social welfare of the communities served by SCCRTC, including but not limited to activities supporting transportation, rail operations, infrastructure maintenance, public mobility, environmental stewardship, and other public purposes consistent with operation, maintenance, preservation, or enhancement of the Santa Cruz Branch Rail Line.
- C. Serve as an operating or non-operating common carrier for passenger and freight rail on the Santa Cruz Branch Line;
- D. Assist the SCCRTC in implementing the Zero Emission Passenger Rail and Trail (ZEPRT) Project and other rail projects;

ARTICLE III LIMITATIONS

This Corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits or dividends to its Directors and officers and is organized solely for the promotion of social welfare. No part of the profits or net income of this Corporation shall ever inure to the benefit of any director, officer or to any individual. Upon the dissolution or winding up of the Corporation, after payment of, or provision for payment of, all debts and liabilities of this Corporation, the remaining assets shall be distributed to SCCRTC or a nonprofit fund, foundation or corporation so that the original purposes can be carried out, as nearly as possible.

ARTICLE IV MEMBERS

Section 1: Definitions. This corporation shall have no members within the meaning of the California Nonprofit Corporation Law, pursuant to Corporation Code §7332(a).

ARTICLE V DIRECTORS

Section 1: Number. The corporation shall have twelve (12) Directors. Each Director shall have one vote.

Section 2: Tenure. Each director of the corporation shall serve in that role during the time that Director serves as a SCCRTC Commissioner.

Section 3: Criteria. Each SCCRTC Commission Member shall be eligible to and shall serve as a Director only during their term as an SCCRTC Commissioner. No other person may serve as a Director. Each Director may have one alternate who shall be the person designated as Alternate Commissioner for the SCCRTC Commissioner.

Section 4: Initial Appointment. The initial members of the Board of Directors shall be appointed by the incorporator of the corporation. The initial members of the Board of Directors shall be the currently appointed Commissioners for the SCCRTC.

Section 5: Reserved.

Section 6: Powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation and these Bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised by, or under the

direction of, the Board.

Section 7: Specific Powers. Without prejudice to the general powers set forth in Articles II, Section 2 and V, Section 6 of these Bylaws, but subject to the same limitations, the Board shall have the power to do the following:

- A. Appoint and remove, at the pleasure of the Board, all corporate officers, agents, consultants, and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.
- B. Change the principal office or the principal business office in the County of Santa Cruz from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in the County of Santa Cruz for holding any meeting of Directors.
- C. Contract with SCCRTC for administrative services to negotiate, amend, administer, manage, and terminate agreements related to freight easement, rail property, and rail assets, facilities, and infrastructure, including but not limited to operator agreements, crossing agreements, right-of-entry agreements, leases, maintenance of way contracts, and other agreements to achieve the purposes of Santa Cruz County Coastal Rail;
- D. Assist the SCCRTC in implementing the Zero Emission Passenger Rail and Trail (ZEPRT) Project and other rail and multi-modal trail projects within the Santa Cruz Branch Line Rail right-of-way.
- E. Comply with Surface Transportation Board requirements, federal railroad laws, federal railroad employment retirement laws, and other applicable federal and state regulations;
- F. Perform all other acts and exercise all lawful powers in order to implement passenger and freight rail; .
- G. Contract with other rail operators;
- H. Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidence of debt and securities;
- I. Enter into cooperative agreements with SCCRTC;
- J. Prepare annual budgets for review by SCCRTC and make expenditures consistent with approved budgets;
- K. File and respond to litigation;
- L. Obtain insurance as required by any agreements or determined appropriate by the Board; and,
- M. Accept and convey real property interests including land and easement conveyances, leases, licenses, encroachment permits and right-of-entry agreements.

Section 8: Occurrence of Vacancies. A vacancy or vacancies on the Board shall occur in the event of:

- A. The death, removal or resignation of any Director; or
- B. The declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty arising under Corporations Code §7238 or other applicable laws; or
- C. The end of Director's service as a SCCRTC Commissioner or Commission Alternate; or, A Board member no longer being authorized to represent the jurisdiction they were appointed to represent; or

Section 9: Reserved.

Section 10: Compensation and Reimbursement. Directors shall serve as volunteers and shall not be compensated. Directors may be reimbursed for expenses, as the Board may establish by resolution to be just and reasonable to the Corporation at the time that the resolution is adopted.

Section 11: Duties. Each Director shall perform the duties of a Director, including duties as a member of any committees on which the Director serves, in good faith, in a manner such Director believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be able to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by:

- A. One or more officers, employees or consultants of the Corporation whom the Director believes to be reliable and competent on the matters presented;
- B. Counsel, independent accountants, or other persons as to matters which the Directors believes to be within such person's professional or expert competence;
- C. A committee of the board on which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidences, so long as in any such case the Director acts in good faith, after reasonable inquiry, when the need therefore if indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted; or
- D. A person who performs the duties of Director in accordance with this section shall have no liability based on any alleged failure to discharge the person's obligations as Director.

Section 12: Conflicts of Interest. Directors shall be subject to all conflict-of-interest requirements under the California Political Reform Act, Government Code Section 1090

et. seq. and other applicable California laws related to potential conflicts of interest for public officials of transportation agencies and authorities.

ARTICLE VI MEETINGS

Section 1: Annual Meeting. The annual meeting of the Corporation shall be held at such time in the first quarter of the fiscal year as the Board may fix from time to time. At the annual meeting, the Chairperson, Vice-Chair, and Secretary of the Board shall be elected and other business may be transacted, subject to the provisions of these Bylaws. Notice of the annual meeting shall be made in compliance with the Ralph M. Brown Act (Government Code Section 54950 et seq. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.

Section 2: Board of Directors Regular Meetings. The Board shall meet quarterly on dates agreed upon by the Board. Notice of regular meetings shall be posted made in compliance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act.

Section 3: Board of Directors Special Meetings. Special meetings of the Board may be called by the Chairperson of the Board or any three Directors. Notice of special meetings shall be given to each Director stating the time, place, and business to be discussed at least twenty-four hours before the time of the meeting specified in the notice. Notice shall be delivered to the Board personally or by any other means pursuant to Government Code §54956. Notice shall also be posted at least twenty-four hours prior to the meeting in a publicly accessible location in accordance with the requirements of the Ralph M. Brown Act.

Section 4: Notice of Meetings. Notice of all meetings will be given in accordance with the provisions of the Ralph M. Brown Act, Government Code §54950 et. seq. and posted at standard locations for posting of SCCRTC notices. The noticing provisions in these Bylaws shall be subject to revised terms of the Ralph M. Brown Act as such revisions may occur in the future.

Section 5: Place of Meetings. All meetings of the Corporation shall be held at such location in the County of Santa Cruz as may be determined by the Board.

Section 6: Telephonic or Video Appearance. Teleconferencing or video appearance, as authorized by §54953 of the Ralph M. Brown Act may be used for all purposes in connection with meetings. All votes taken during a teleconferenced or videoconference meeting shall

be by roll call. If teleconferencing is used, the Board shall post agenda at all teleconference locations and conduct teleconference meetings in a manner that protects that statutory and constitutional rights of the parties or the public appearing before the Board. Each teleconference location shall be identified in the notice and agenda of the meeting, and each teleconference location shall be accessible to the public. Consistent with Government Code §54953, individual Directors may participate remotely under “just cause” or “emergency circumstances,” without the requirement to make their teleconference location public, provided that all procedural requirements of §54953 are followed, including limitations on frequency of remote participation, disclosure of circumstances, two-way audiovisual participation, and public access. During the teleconference, at least a quorum of the members of the Board shall participate from locations with the boundaries of Santa Cruz County. The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to §54954.3 at each teleconference location.

Section 7: Quorum. At any meeting of the Board, a majority of the members of the Board shall constitute a quorum. If less than a quorum is present at a meeting, a majority of the Directors present or the Clerk of the Board may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. There shall be no voting by proxies or voting by absentia.

ARTICLE VII OFFICERS

Section 1: Offices Held. The officers of the corporation shall be a Chairperson, a Vice-Chairperson, a Secretary, and such other officers as the Board may from time to time designate. All officers shall be members of the Board. Any number of offices may be held by the same person. The officers of the Corporation shall also serve on the executive committee of the corporation.

Section 2: Election of Officers. The officers of this corporation shall be chosen annually by the Board and shall serve at the pleasure of the Board.

Section 3: Term of Office for Officers. All officers shall be elected for a term of one year or until their successors are elected and qualified.

Section 4: Appointment of Other Officers. The Board may appoint and authorize the Chairperson or another officer to appoint any other officers that the Corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in these Bylaws or established by the Board.

Section 5: Removal of Officers. The Board may remove any officer with or without cause.

Section 6: Resignation of Officers. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 7: Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed by these Bylaws for normal appointments to that office. However, vacancies need not be filled on an annual basis.

Section 8: Responsibilities of Chairperson. The Chairperson shall preside at all meetings and have such other powers and duties as the Board or these Bylaws may require.

Section 9: Responsibilities of Vice-Chairperson. The Vice-Chairperson shall assume the duties of the Chairperson in his or her absence, and shall have such other powers and duties as the Board or these Bylaws may require.

Section 10: Responsibilities of Secretary. The Secretary of the Corporation shall have the following responsibilities:

- A. The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and if special, how authorized; the notice given; and the names of persons present at Board and committee meetings.
- B. The Secretary shall keep or cause to be kept, at the Corporation's principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.
- C. The Secretary shall give, or cause to be given, notice of all meetings that these Bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.
- D. The Secretary shall maintain, or cause to be maintained, the Corporation's records in accordance with the requirements of the California Public Records Act, Government Code §6250 et seq.
- E. The duties set forth hereinabove for the Secretary may be completed with assistance from the Clerk of the Board.

Section 11: Responsibilities of Treasurer. The Treasurer of the Corporation, as designated by the Board, shall have the following responsibilities:

- A. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.
- B. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate; shall disburse the corporation's funds as the Board may order; shall render to the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation; and have such other powers and perform such other duties as the Board or these Bylaws may require.

Section 12: Prohibition on Contracts with Directors. No Director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation.

ARTICLE VIII COMMITTEES

Section 1: Establishment. The Board, upon recommendation from the Chairperson, and approval by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors but less than a quorum, to serve at the pleasure of the Board. The Board, upon and following a recommendation by the Chairperson, may appoint one or more Directors as alternate members of such committee, who may replace any absent member at any meeting.

Section 2: Executive Committee. Pursuant to Article VII of these Bylaws, the Board shall appoint two or more Directors of the Corporation to serve as the executive committee of the Board. All actions of the executive committee shall be reported to and ratified by the Board at the next duly scheduled Board meeting.

Section 3: Reserved.

Section 4: Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of committees and calling of special meetings of committees may be set either by Board resolution, or if none, by resolution of the committee. Notice of committee meetings will be given in

accordance with the provisions of the Ralph M. Brown Act. Minutes of each meeting shall be kept and shall be filed with the corporate records, and in accordance with the provisions of the California Public Records Act. The Board may adopt rules for governance of any committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules, the committee may do so.

ARTICLE IX INDEMNIFICATION AND INSURANCE

Section 1: Indemnification.

- A. To the fullest extent permitted by law, this Corporation shall indemnify its directors and officers, and may indemnify employees, consultants and other persons described in the Corporations Code, including persons formerly occupying such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in the Corporations Code, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in the Corporations Code. "Expenses," as used in these Bylaws, shall have the same meaning as in the Corporations Code.
- B. To the fullest extent permitted by law including California Corporations Code Section 7237, this Corporation shall indemnify, defend (with counsel acceptable to the SCCRTC), and hold harmless SCCRTC and its elected and appointed officers, officials, employees, agents, contractors and consultants (collectively, the "SCCRTC Indemnitees") from and against any and all liability, loss, damage, claims, expenses and costs (including, without limitation, attorneys' fees and costs of litigation) (collectively, "Liability") of every nature arising out of or in connection with work performed for SCCRTC under the Cooperative Agreement between SCCRTC and the Board
- C. On written request to the Board by any person seeking indemnification under the Corporations Code, the Board shall promptly decide under that code whether the applicable standard of conduct set forth has been met, and if so the Board shall authorize indemnification.
- D. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

Section 2: Insurance. This Corporation shall have the right, and shall use its best efforts,

to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, consultants and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, Director's, employee's, or agent's status as such. In addition, this Corporation shall procure insurance as required in the Cooperative Agreement between SCCRTC and this Corporation.

ARTICLE X RECORDS

Section 1: Maintenance. This Corporation shall keep all of the following records, either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two:

- A. Adequate and correct books and records of account; and
- B. Minutes of the proceedings of its board and committees.

Section 2: Inspection by Directors. Every Director shall have the absolute right, at any reasonable time, to inspect the Corporation's books, records, and documents of every kind, and to inspect the physical properties of the Corporation. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of books, records, and documents of every kind.

Section 3: Articles and Bylaws. This Corporation shall keep, at its principal office, the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date.

Section 4: Annual Reports. The Secretary of the corporation shall prepare and submit, or cause to be prepared and submitted, the following annual reports. The Secretary shall keep, or cause to be kept, copies of all annual reports with the corporation's records.

- A. Annual Report. The annual report shall be prepared within 120 days after the end of the Corporation's fiscal year. This section shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year. The report shall contain the following information in appropriate detail:
 - a. A balance sheet as of the end of the fiscal year, an income statement, and statement of cashflows for the fiscal year, accompanied by an independent accountant's report, or if none, by the certificate of an authorized officer of the Corporation that they were prepared without audit from the Corporation's books and records; and
 - b. Any other information required by these Bylaws or the Board.

Section 5: Annual Statement. As part of the annual report, or as a separate document if no annual report is issued, the Corporation shall annually prepare and furnish to its Directors a statement of any transaction or indemnification of the kinds in subparagraph B below within 120 days after the end of the Corporation's fiscal year.

- A. The statement shall include:
 - a. A brief description of the transaction;
 - b. The names of interested persons involved and their relationship to the Corporation;
 - c. The nature of interested persons in the transaction;
 - d. The amount of the interested persons' interest, except that in a partnership in which such person is a partner, only the partnership interest need be stated.
- B. Transactions included in the statement shall be those transactions:
 - a. To which the Corporation was a party; and,
 - b. Which involved more than \$10,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$10,000.

ARTICLE XI OPERATIONS AND ADMINISTRATION

Section 1: Fiscal Year. The fiscal year of the Corporation shall begin on July 1 and end on June 30 of each year.

Section 2: Funds. All funds of the Corporation shall be deposited in such banks, trust companies, or other reliable depositories as the Board from time to time may determine. Deposit balances shall not exceed the Federal Deposit Insurance Corporation insured limit. All checks, drafts, endorsements, notes and evidence of indebtedness of the corporation shall be signed by such officers or agents of the Corporation and in such manner as the Board may determine from time to time. Endorsements for deposits to the credit of the Corporation shall be made in such manner as the Board may determine from time to time.

Section 3: Contracts. The Chairperson or any other officer or agent specifically authorized by the Board may, in the name of and on behalf of the Corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board. Without the express and specific authorization of the Board, no officer or agent may enter into any contract or execution or deliver any instrument in the name of or on behalf of the Corporation.

Section 4: Brown Act Compliance. The Board will comply with the provisions of Government Code §54950 through and including §54961. To the extent that any

provisions of these Bylaws are inconsistent with the Ralph M. Brown Act, the provisions of said Act shall prevail. In the event the Corporation does not meet the requirements of Government Code §54952(c), then the Board will not endeavor to meet the requirements of the Brown Act.

ARTICLE XII AMENDMENT

Except as otherwise provided herein, and subject to the power of Directors to amend or repeal the Bylaws, these Bylaws may be altered, amended or repealed. Bylaws may be adopted by an affirmative vote of a majority of the Directors present at any regular or special meeting, a quorum being assembled, provided that written notice of such meeting, setting forth in detail the proposed revision(s) and explanation(s) therefore, be given not less than 7 days prior to such meeting.

RESOLUTION NO.

Adopted by the Santa Cruz County Coastal Rail Board
on the date of May 7, 2026
on the motion of Director
duly seconded by Director

A RESOLUTION AUTHORIZING THE APPOINTMENT OF CHAIRPERSON, VICE-CHAIRPERSON, AND SECRETARY OF THE BOARD TO SERVE AS OFFICERS FOR THE SANTA CRUZ COUNTY COASTAL RAIL NON-PROFIT CORPORATION

WHEREAS, on March 19, 2026, the Santa Cruz County Regional Transportation Commission (SCCRTC) authorized the formation of a 501(c)(4) social welfare non-profit subsidiary entity;

WHEREAS, the Santa Cruz County Coastal Rail (SCCCR), is established pursuant to that authorization and must appoint officers to carry out the business and affairs of the non-profit corporation, including Chairperson, Vice-Chair, Secretary of the Board, and other such officers from time to time as designated by the Board (Officers);

WHEREAS, the SCCCR Bylaws set forth the provisions for electing Officers of the SCCCR, which shall be chosen annually by the Board for a term of one year or until their successors are elected and qualified;

WHEREAS, the SCCCR Bylaws describe the responsibilities for each Officer, for which Officers are authorized and directed to perform all duties and exercise all powers within their office to further the Corporation's purpose and in accordance with the SCCCR Bylaws;

WHEREAS, the Officers are authorized to take actions and execute documents as necessary or appropriate to carry out the intent of the purpose of the SCCCR.

THEREFORE, BE IT RESOLVED BY THE SANTA CRUZ COUNTY COASTAL RAIL THAT The Board of Directors of the Santa Cruz County Coastal Rail hereby appoints the following individuals to serve in accordance with the Corporation's Bylaws and until their successors are duly elected and qualified or until their earlier resignation or removal:

- Chairperson of the Board: _____
- Vice-Chairperson of the Board: _____
- Secretary: _____

AYES: DIRECTORS

NOES: DIRECTORS

ABSTAIN: DIRECTORS

SCCCR Chair

ATTEST:

Sarah Christensen, Clerk

Distribution: RTC Admin

DATE: May 7, 2026

TO: Santa Cruz County Coastal Rail

FROM: Sarah Christensen, RTC Executive Director

RE: Approve an Administration, Coordination, and License Agreement with the Santa Cruz County Regional Transportation Commission for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line & Authorize Filings with the Surface Transportation Board for the Santa Cruz County Coastal Rail to Serve as the Designated Common Carrier for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line

RECOMMENDATIONS

Staff recommends that the Santa Cruz County Coastal Rail adopt a Resolution ([Attachment 1](#)):

1. Approving an Administration, Coordination, and License Agreement ([Exhibit A to Attachment 1](#)) with Santa Cruz County Regional Transportation Commission for the Santa Cruz County Coastal Rail to serve as the common carrier (non-operating) for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line effective as of the conveyance of the Remainder of the Freight Easement from St. Paul & Pacific Rail to Santa Cruz County Coastal Rail; and
 2. Authorizing the necessary filings with the Surface Transportation Board be made, for Santa Cruz County Coastal Rail to serve as the designated common carrier for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line.
-

BACKGROUND

The Santa Cruz County Regional Transportation Commission (RTC) owns the 32-mile Santa Cruz Branch Rail Line (SCBRL) corridor, spanning from the town of Pajaro, in north Monterey County, to Davenport in Santa Cruz County. The RTC purchased the corridor and all rail assets in 2012 to advance multi-modal transportation projects, including future passenger rail, freight service and a multi-use trail along the right-of-way. As part of the purchase, Union Pacific retained a freight easement right which has transferred to two common carriers since RTC acquired the SCBRL. The RTC

entered into an Administration, Coordination, and License (ACL) Agreement with the current operator, St. Paul & Pacific Rail (SPPR), in 2018, however the RTC has managed and maintained the corridor and rail assets north of active freight operations in Watsonville since 2018.

To advance the RTC’s goal of utilizing the SCBRL for transportation purposes, the RTC created a separate entity, Santa Cruz County Coastal Rail (SCCCR), a 501(c)(4) Social Welfare Non-Profit Corporation, formed at the March 19, 2026 RTC Special Meeting. At the April 2, 2026, Commission Meeting, the RTC approved a voluntary Separation and Release Agreement (Release Agreement) with SPPR. The Release Agreement requires that SPPR file for discontinuance status for the out-of-service portion of the line and transfer this “Remainder” of the Freight Easement north of Watsonville (Lee Road, Milepost 3.0) to the SCCCR. A map of the SCBRL showing the active freight section in Watsonville in blue, and Remainder Freight Easement in red, is included as Figure 1.



Figure 1 - Map of SCBRL Showing Active Portion in Watsonville and Inactive Remainder Portion North of Watsonville

For SCCCR to accept the Remainder of the Freight Easement from SPPR, it must enter into a new ACL Agreement with the RTC. This ACL Agreement will be included with the Surface Transportation Board (STB) filing to transfer common carrier status from SPPR to SCCCR north of Milepost (MP) 3 in Watsonville.

DISCUSSION

The ACL Agreement between SCCCR and the RTC (Exhibit A to Attachment 1) outlines the rights, obligations, and terms for advancing uses on the Remainder Freight Easement and Rail Property starting at MP 3.0 and

continuing north for the remainder of the SCBRL. At present and assuming STB approval, it is anticipated that the SCBRL north of MP 3 will be under a discontinued designation, meaning that it is not available to shippers for freight use until certain substantial repairs are made to bridges and the railway facilities along the Remainder of the Freight Easement. The purpose of SCCCR under the ACL is to preserve the Remainder of the Freight Easement for reactivation of freight service when the repairs to the infrastructure are made and there is a reasonable request for freight shipping service, and to provide functions to manage and maintain the Remainder of the Freight Easement property and facilities as necessary to accomplish the same. It is anticipated that SCCCR will remain the non-operating common carrier for the foreseeable future and will have limited responsibilities. The RTC has undertaken maintenance and improvement of the rail line north of MP 3 which is anticipated to continue.

The Commission will grant to SCCCR, subject to the terms of existing rail agreements, the rights to perform freight service without interference, to use, maintain, repair, and operate the Remainder of the Freight Easement, to enter into licenses and to make capital repairs to the Remainder of the Freight Easement property. Freight is not anticipated to occur on the Remainder of the Freight Easement until such time as repairs are made to the property, however the right to perform freight service is a critical function of the SCCCR as a designated common carrier. As such, the ACL Agreement includes allowable uses such as limited rail car storage that, while not likely to occur for the foreseeable future, are rights that would be provided to any rail operator for the RTC. Similarly the Commission will retain the rights to advance key public projects, like the Coastal Rail Trail and Passenger Rail, within the corridor so long as they do not permanently interfere with freight use. The RTC may perform activities that temporarily interfere with freight service as long as Railroad Facilities are restored at a future time when freight service is reactivated.

To memorialize this action, **staff recommends Santa Cruz County Coastal Rail adopt a Resolution (Attachment 1) approving an Administration, Coordination, and License Agreement (Exhibit A to Attachment 1) with the Santa Cruz County Regional Transportation Commission for Santa Cruz County Coastal Rail to become the common carrier (non-operating) for the Remainder of the Freight Easement of the Santa Cruz Branch Rail Line north of MP 3, and authorizing the necessary filings with the Surface Transportation Board be made for Santa Cruz County Coastal Rail to serve as the designated common carrier for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line.**

FISCAL IMPACT

There are no new fiscal impacts with the proposed actions. Sufficient funding exists in the current fiscal year budget for these expenditures. Expenditures for SCCCR will be funded through rail revenue. Any net earnings for SCCCR would be distributed to the Commission.

SUMMARY

An Administration, Coordination, and License (ACL) Agreement is needed for the inoperable portion of the SCBRL north of MP 3 for SCCCR to act as the common carrier (non-operating) for the Remainder Freight Easement property north of Watsonville.

ATTACHMENTS

1. Resolution
 - a. ACL Agreement with the Santa Cruz County Regional Transportation Commission

RESOLUTION NO.

Adopted by the Santa Cruz County Coastal Rail
on the date of May 7, 2026
on the motion of Commissioner
duly seconded by Commissioner

APPROVE AN ADMINISTRATION, COORDINATION, AND LICENSE AGREEMENT
WITH SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE
REMAINDER OF THE FREIGHT EASEMENT NORTH OF WATSONVILLE OR MILEPOST
3 OVER THE SANTA CRUZ BRANCH RAIL LINE

WHEREAS, the Regional Transportation Commission (RTC) purchased the Santa Cruz Branch Rail Line (SCBRL) in October 2012 to provide regional multimodal transportation options for the public, including passenger rail, and freight rail service as long as it is required by the Surface Transportation Board (STB);

WHEREAS, as part of the acquisition, Union Pacific retained the freight easement and common carrier status for the SCBRL, and the current operator, St. Paul & Pacific Railroad, a subsidiary of Progressive Rail Inc. (SPPR) has owned the freight easement and operated the rail line under an Administrative, Coordination, and License Agreement (ACL Agreement) with the RTC since 2018;

WHEREAS, in March the RTC took steps to establish Santa Cruz County Coastal Rail (SCCCR), a 501(c)(4) Social Welfare Non-Profit Corporation to provide rail services by serving as the operating or non-operating common carrier of the Santa Cruz Branch Railroad Line to facilitate and provide passenger rail and freight rail services for the benefit of the public and provide functions to manage, operate, maintain, and improve the Remainder of the Freight Easement property as necessary;

WHEREAS, The purpose of SCCCR under the ACL is to preserve the Remainder of the Freight Easement for reactivation of freight service when the repairs to the infrastructure are made and there is a reasonable request for freight shipping service, and to provide functions to manage and maintain the Remainder of the Freight Easement property as necessary to accomplish the same;

WHEREAS, the RTC is in the process of effectuating an amicable termination of the current ACL Agreement with SPPR to transfer operations and common carrier obligations from SPPR to the SCCCR, and for SPPR to file for discontinuance on the non-operational portion of the SCBRL;

WHEREAS, the area between MP 3.0 and MP 31.39 will be designated as the Remainder of the Freight Easement for the Santa Cruz Branch Rail Line and will be transferred to the SCCCR per the terms of the Separation Agreement with

SPPR; a new operator separate from the non-operational portion of the SCBRL will acquire and operate the portion of the Santa Cruz Branch Rail Line freight easement in Watsonville between MP 0.4 and MP 3.0;

WHEREAS, the RTC desires to enter into a new ACL Agreement with SCCR to provide a license agreement for freight service and to identify rights and obligations between both RTC and SCCR.

THEREFORE, BE IT RESOLVED BY THE SANTA CRUZ COUNTY COASTAL RAIL THAT:

1. The RTC Executive Director is hereby authorized to formally enter into an Administration, Coordination, and License Agreement with Santa Cruz County Coastal Rail for the Remainder of the Freight Easement and make non substantiative revisions subject to legal counsel review as to form; and
2. The RTC Executive Director is hereby authorized to prepare and make necessary filings with the Surface Transportation Board for Santa Cruz County Coastal Rail to serve as the designated common carrier for the Remainder of the Freight Easement over the Santa Cruz Branch Rail Line.

AYES: COMMISSIONERS

NOES: COMMISSIONERS

ABSTAIN: COMMISSIONERS

SCCCR Chair

ATTEST:

SCCCR Secretary

Exhibits:

- a) Administration, Coordination, and License Agreement with Santa Cruz County Coastal Rail

ADMINISTRATION, COORDINATION, AND LICENSE AGREEMENT

This administration, coordination, and license agreement (the "Agreement") is dated as of _____, 2026, and is between the Santa Cruz County Regional Transportation Commission (the "Commission"), a public agency created under California law, and the Santa Cruz County Coastal Rail, a 501(c)(4) Social Welfare Non-Profit Corporation ("Railway").

The Commission purchased the Santa Cruz Branch Railroad Line (the "Property") from Union Pacific Railroad Company ("UP"), via an August 20, 2010, Purchase and Sale Agreement (the "Purchase and Sale Agreement");

UP reserved an easement to conduct common carrier freight railroad operations on and over the Property (the "Freight Easement"), which Freight Easement is set forth in the Quitclaim Deed by which UP, as grantor, quitclaimed all its right, title and interest in and to the Property to the Commission, as grantee;

UP quitclaimed all its right, title, and interest in and to the Freight Easement to a previous operator to act as the sole freight rail operator on the Freight Easement;

The Freight Easement requires that any assignment of the Freight Easement shall be conditioned upon the assignee assuming all of the obligations set forth in the Freight Easement, and entering into an administration, coordination and license agreement with the Commission;

The Commission has created Railway as a non-profit subsidiary entity to become the common carrier for all or a portion of the Santa Cruz Branch Railroad Line to advance priority transportation projects;

The general purpose of Railway under this Agreement is to preserve the Remainder of the Freight Line Easement and associated line of railroad for reactivation of freight service as and when the line of railroad is in a condition to handle freight traffic and there are any reasonable requests for service, and to provide functions to manage and maintain the Remainder of the Freight Easement property as necessary to accomplish the same ("Railway Purposes");

The prior administration, coordination and license agreement has been terminated and the Commission will coordinate the transfer of the Freight Easement for the area between MP 3.0 and MP 31.39 to Railway ("Remainder of the Freight Easement");

Railway will assume control of the Remainder of the Freight Easement for a 10-year term with an automatic 5-year renewal unless terminated by the RTC; and

Railway and the Commission desire to establish their respective rights and obligations with respect to the Remainder Property and the Remainder of the Freight Easement by entering into this Agreement.

The parties therefore agree as follows:

1. Definitions

- 1.1 The term "Commission" is defined in the introductory paragraphs of this Agreement and includes its directors, officers, employees, agents, parents, subsidiaries, affiliates, commonly controlled entities, and all others acting under its or their authority. This term excludes Railway for the purposes of this Agreement.
- 1.2 Reserved.
- 1.3 The term "FRA" is defined as the United States Federal Railroad Administration or its regulatory successor.
- 1.4 The term "Freight Easement" is defined in the introductory paragraphs of this Agreement.
- 1.5 The term "Freight Easement Property" is defined as the portion of the Property subject to the Freight Easement consisting of any and all real and personal property within ten (10) feet of the centerline of any track on the Property except where roadways, buildings, or Property boundary lines reduce such distance to less than ten (10) feet, and except for any retained rights and personal property described herein.
- 1.6 The term "Freight Service" is defined as any and all common carrier rail freight operations, rights, or obligations as to the

Freight Easement Property including freight transportation, switching, temporary rail car storage (subject to the conditions of Section 2.5), transloading freight and dispatching.

- 1.7 The term "Hazardous Materials" is defined as any substance:
(a) that now or in the future is regulated or governed by, requires investigation or remediation under, or is defined as any hazardous waste, hazardous substance, bio-hazard, medical waste, pollutant, or contaminant under any governmental statute, code, ordinance, regulation, rule, or order, or any amendment thereto, including the Hazardous Material Transportation Act 49 U.S.C. § 5101 *et seq.*, the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 *et seq.*, and the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*; or
(b) that is toxic, explosive, corrosive, flammable, radioactive, carcinogenic, dangerous, or otherwise hazardous, including gasoline, diesel, petroleum hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, radon, and urea formaldehyde foam insulation.
- 1.8 The term "Hazardous Materials Laws" means all present and future governmental statutes, codes, ordinances, regulations, rules, orders, permits, licenses, approvals, authorizations, and other requirements of any kind applicable to Hazardous Materials.
- 1.9 The terms "include," "includes," and "including" are to be read as if they were followed by the phrase "without limitation."
- 1.10 The term "Loss" is defined as any loss, damage, claim, demand, action, cause of action, penalty, fine, payment, cost, liability, or expense of whatsoever nature, including court costs and reasonable attorneys' fees, resulting from or related to: (a) any injury to or death of any person, including officers, agents, and employees of the Commission or Railway; or (b) damage to or loss or destruction of any property, including the Property, any adjacent property, and the roadbed, tracks, equipment, other property of the Commission or Railway, and any property in the

Commission's or Railway's care or custody.

- 1.11 The term "Property" is defined as the entire Santa Cruz Branch Railroad Line right-of-way purchased from UP by the Commission, including all improvements thereto, whether now existing or hereafter constructed.
- 1.12 The term "PUC" is defined as the California Public Utilities Commission.
- 1.13 The term "Railroad Facilities" is defined as all tracks and other railroad property and fixtures, including ties, switches, trackbeds, bridges, trestles, retaining walls, culverts, railroad signs, switch mechanisms, signals, grade crossings, active and passive grade crossing warning devices and other appurtenances associated with the trackage described on Exhibit A and located on the Freight Easement Property.
- 1.14 The term "Railway" is defined in the introductory paragraphs of this Agreement and includes its directors, officers, agents, parents, except for the purposes of this Agreement the Commission, subsidiaries, affiliates, commonly controlled entities, any other related persons and entities, and all others acting under its or their authority.
- 1.15 The term "Railway Purposes" is defined in the introductory paragraphs of this Agreement.
- 1.16 The term "Remainder Property" is defined as the portion of the Santa Cruz Branch Railroad Line right-of-way purchased from UP by the Commission between MP 3.0 and MP 31.39, including all improvements thereto, whether now existing or hereafter constructed, as shown on Exhibit B.
- 1.17 The term "Remainder of the Freight Easement" is defined as the portion of the Freight Easement related to the Remainder Property consisting of any and all real and personal property within ten (10) feet of the centerline of any track on the Property except where roadways, buildings, or Property boundary lines reduce such distance to less than ten (10) feet, and except for any retained rights and personal property described herein.

- 1.18 The term "STB" is defined as the United States Surface Transportation Board or its regulatory successor.
- 1.19 The term "UP" is defined in the introductory paragraphs of this Agreement.
- 1.20 The term "Watsonville Branch Line Property" is defined as the portion of the Santa Cruz Branch Railroad Line right-of-way between MP 0.4 and MP 3.0 purchased from UP by the Commission, including all improvements thereto, whether now existing or hereafter constructed, as shown on Exhibit C, to this Agreement.
- 1.21 The term "Watsonville Branch Line Freight Easement" is defined as the Freight Easement as it applies only to the Watsonville Branch Line Freight Easement Property.
- 1.22 The term "Watsonville Branch Line Freight Easement Property" is defined as the portion of the Property, as shown on Exhibit C, between approximately MP 0.4 and MP 3.0 subject to the Watsonville Branch Line Freight Easement consisting of any and all real and personal property within ten (10) feet of the centerline of any track on the Property except where roadways, buildings, or Property boundary lines reduce such distance to less than ten (10) feet, and except for any retained rights and personal property described herein.

2. Commission Grant Rights

- 2.1. Freight Service. Upon the later of the effective date of this Agreement or the date upon which Railway is approved by the STB to be a common carrier for the Remainder of the Freight Easement, the Commission grants Railway the exclusive right and obligation to provide Freight Service on the Remainder of the Freight Easement. Railway may not, in performing such Freight Service, exceed the maximum speeds authorized by applicable law for the existing track conditions or transport rail cars exceeding the applicable track and bridge weight limits.
- 2.2. Trackage License. The Commission grants Railway an exclusive license to use, maintain, repair, and operate all of the

Remainder of the Freight Easement and related Railroad Facilities for all Freight Service purposes.

2.3. No Material Interference with Freight Service. Notwithstanding the rights retained by the Commission under this Agreement, the exercise of such rights by the Commission may not materially interfere with Railway's Freight Service rights and obligations under federal law on, or rights under the Remainder of the Freight Easement, unless first approved by the STB.

2.4. Third-Party Licenses for Remainder Property.

2.4.1. Third-Party Licenses. The Commission reserves the right to grant additional licenses over the Remainder Property and the Railroad Facilities, (excluding licenses for temporary rail car storage or repairs on the Railroad Facilities), provided that any such licenses: (a) do not materially conflict with, and are subject and subordinate to, Railway's right to use, maintain, repair, and operate all of the Railroad Facilities on the Remainder of the Freight Easement for all Freight Service purposes, (b) do not materially conflict with, and are subject and subordinate to, any other license granted to Railway hereunder, (c) require the licensee to pay its proportionate share of Railway's prior (incurred within the preceding five years) and current costs (including labor costs, materials costs, equipment costs - using equivalent rental costs as a proxy for capital and maintenance and repair costs - travel, fuel, contract labor, and appropriate overhead) to maintain the Remainder Property and Railroad Facilities used by the licensee, and (d) require the licensee to (i) provide adequate insurance based on the scope and potential risks of operations of the licensee, as determined by the Commission and (ii) indemnify and hold harmless Railway and the Commission as to any Loss arising out of or related to licensee's operations.

2.4.2. If Railway constructs capital improvements to the Remainder of the Freight Easement and Railroad Facilities used by a third-party licensee, the Commission shall promptly and reasonably determine (i) (a) the benefit of such improvements to such licensee or (b) the diminution of value to such improvements for Railway, (ii) the apportionment of benefit or loss for such improvements between Railway and such licensee, and (iii) the appropriate amortization period for such improvements (for capital improvements the Commission shall make such determination concurrently with its approval of such capital improvements pursuant to Section 2.4.2). The Commission's contract with such licensee will (i) require the licensee to pay amounts due within 30 calendar days following receipt of written notice from Railway and (ii) name Railway as a third-party beneficiary with rights of enforcement. As used in this Agreement, the term "capital improvement" means any improvement or repair that is subject to the capital depreciation rules of the Internal Revenue Service.

2.4.3. Each third-party licensee's proportionate share of Railway's costs shall be calculated in advance by Railway (based on the prior year's maintenance and repair costs plus any reasonably anticipated extraordinary maintenance and repair costs, and the parties' relative need or usage during the licensee's operating season) on a car-mile basis as to the Remainder Property and Railroad Facilities used by such licensee. (As used in this subsection, "repair costs" refers to the cost of repairs that maintain property in good operating condition and not to repairs that are "capital improvements," which are dealt with in Subsection 2.4.2.) Such licensee shall pay its proportionate share of costs monthly in advance during the months of the licensee's operations. Railway shall at the end of each calendar year reconcile the amounts paid to the actual costs incurred. The Commission's contract with such licensee will (i)

provide that if the actual costs exceed the amount charged to such licensee, such licensee will, within 30 calendar days following receipt of written notice of such reconciliation from Railway pay the additional amount to Railway and (ii) name Railway as a third-party beneficiary with rights of enforcement. If the actual costs are less than the amount charged to such licensee, Railway will within 30 calendar days following such reconciliation refund the balance to such licensee.

2.4.4. Reserved.

2.4.5. The Commission, may elect to require a lower level of liability insurance coverage for the licensee than the level of coverage then required of Railway under Section 9, provided that Railway reasonably concurs with the Commission that the level of operations of a licensee providing a lower level of liability coverage than required of Railway under Section 9 justifies the reduced coverage.

2.4.6. Railway will reasonably cooperate with any third-party holding rights to use the Remainder Property, including, without limitation, any third-party licensee seeking to secure the necessary certification or qualification required by applicable law to operate on the Railroad Facilities, provided such cooperation does not require significant unreimbursed expense for Railway.

2.4.7. In addition to all other rights of Commission under this Agreement, and notwithstanding anything to the contrary in this Agreement, the Commission reserves the right to use the Remainder Property including the Remainder of the Freight Easement and Railroad Facilities for special events. Such special events shall be subject to the provisions of Sections 6 and 7, provided that such special events will only be deemed to materially conflict with Freight Service if they operate during the same days and times of day, as Railway operations for Freight Service. The Commission will consult with Railway regarding

Railway's willingness and ability to operate such special events. Nothing in this paragraph shall preclude the Commission and Railway from negotiating arrangements for special events.

- 2.5. Temporary Rail Car Storage. Subject to the terms and conditions of this Agreement, Railway may undertake temporary rail car storage or repairs related to its own rail operations on the Railroad Facilities. For clarification, the staging of rail cars for unloading or loading in connection with transloading activities will not be considered rail car storage hereunder.
- 2.6. Reserved.
- 2.7. Warranties on Remainder of the Freight Easement. Other than as set forth herein, Railway shall take the Remainder of the Freight Easement without any express or implied warranties, including, but not limited to, any warranties of merchantability, fitness for a particular purpose or volume or quality of traffic on the Remainder of the Freight Easement, and subject to: (i) encroachments or other existing conditions, (ii) all existing ways, alleys, privileges, rights, appurtenances and servitudes, howsoever created, and (iii) the Commission's rights hereunder.
- 2.8. Release. Railway acknowledges that it has been formed by the Commission as a subsidiary entity for the limited purpose of carrying out common-carrier functions on the Remainder of the Freight Easement, including managing and maintaining the rail line, and that certain administrative activities may be performed by personnel of the Commission acting on Railway's behalf pursuant to a separate service agreement between the Commission and SCCCR. In light of the Commission's ongoing involvement, Railway hereby releases the Commission from any claims relating to the physical, environmental, or operational condition of the Remainder of the Freight Easement, except to the extent that any such claim arises from the Commission's gross negligence or willful misconduct, or from environmental contamination that was known, documented, or previously

identified by the Commission prior to Railway's involvement. Railway further agrees that any insurer providing coverage to Railway shall waive rights of subrogation against the Commission.

2.8.1. Railway hereby grants to Commission, on behalf of any insurer providing property, general liability, or automobile liability insurance to either Railway or Commission with respect to the operations of Railway, a waiver of any right to subrogation which any such insurer of Railway may acquire against Commission by virtue of the payment of any loss under such insurance.

2.8.2. If any Loss described in Section 2.82 is caused by a third party under contract with the Commission, the Commission may, at its option, (i) pursue any claim it may have against the third-party contractor, or (ii) assign to Railway any such claim. Any amounts recovered as a result of any such claim shall, to the extent they exceed any fees and costs incurred in pursuing such claim, be used to achieve the objectives of Railway or for any other purposes consistent with the Commission's objectives and, as necessary Proposition 116 restrictions.

2.8.3. If Railway commences abandonment proceedings for the Remainder of the Freight Easement under Section 1.2, the Commission will not assign any such claim to Railway and neither party will have any further responsibility under this Subsection 2.1 as to such claim. If Railway's abandonment application is withdrawn, or not approved by the STB, the Commission may assign such claim to Railway, as provided above.

2.8.4. The provisions of this Section 2.8 shall survive the termination or expiration of this Agreement.

2.9. The rights granted by the Commission under Sections 2.1-2.5 are subject to all existing licenses, leases, easements, restrictions, conditions, covenants, encumbrances, liens and

claims of title that may affect the Remainder Property including the Remainder of the Freight Easement and the word "grant" as used herein shall not be construed as a covenant against the existence of any thereof.

3. Limitation and Subordination of Rights Granted

3.1. Commission's Use of Property. The foregoing granted rights are subject and subordinate to the Commission's prior and continuing right to use and maintain the Property and the Remainder Property. Without limiting the generality of the foregoing, the Commission may construct, maintain, repair, renew, use, operate, change, modify or relocate public projects of any kind (including but not limited to a trail consistent with the Monterey Bay Sanctuary Scenic Trail (MBSST) Network Final Master Plan), railroad tracks, signals, communication equipment, fiber optics, pipelines, or other facilities upon, along, or across any or all of the Property and Remainder Property, all or any of which the Commission may freely do at any time or times without liability to Railway for compensation or damages; provided, however, that the Commission may not permanently materially interfere with Railway's rights and operations under this Agreement or Railway's Freight Service rights and obligations under federal law or under the Remainder of the Freight Easement, unless first approved by the STB; and provided, further, that the Commission shall to the extent possible notify Railway as soon as practicable of any such planned or actual interference and provided that the Commission takes all practicable measures to minimize any such interference. The Commission's activities may temporarily interfere with Railway's ability to perform future Freight Service if the Commission agrees to remove the interference and restore the Railroad Facilities and the Remainder of the Freight Easement at such time as Freight Service is reactivated. Railway shall reasonably cooperate with the Commission in implementing the foregoing uses of the Property and the Remainder Property.

3.2. Reserved.

3.3. Commission's Inspection Access; Access for Maintenance. The Commission may (i) inspect the Remainder of the Freight Easement and the related Railroad Facilities, including any

facility used in connection with Freight Service, and (ii) access the Remainder of the Freight Easement and related Railroad Facilities (including access with Commission or third-party rail vehicles) as necessary to maintain areas of the Remainder Property. The Commission shall ensure that any of its officers, directors, employees, agents, invitees, and contractors involved in such inspections are trained in all safety requirements and qualified for any operations related to work conducted on or near railroad operations.

- 3.4. Future At-Grade Crossings. The parties acknowledge that local governments may desire to create future at-grade public crossings. Railway shall, at no cost or expense to itself, cooperate with the efforts of any applicable local governments to secure PUC approval of such crossings; provided, however, that Railway shall be entitled to raise any reasonable safety concerns related to such crossings. The fees and costs associated with the construction, maintenance, and repair of such crossings shall be set either by agreement between Railway and the applicable local government (which agreement shall become a Railway Agreement under Sections 4.3 and 4.4), or by the PUC pursuant to Public Utilities Code Section 1202, *et seq.*

4. Assignment of Certain Contracts and Agreements

- 4.1. Upon approval of Railway to operate, or become non-operating common carrier for, all or a portion of the Remainder of the Freight Easement by the STB, the current operator will assign to Railway, certain agreements concerning the operation of the related Railroad Facilities, including all track agreements, grade crossing agreements, and other operating agreements set forth in Exhibit D hereto (all such agreements hereinafter referred to as the "Railway Agreements"), and (ii) to the Commission, all other agreements relating to the Property including the Remainder Property, including all easements, licenses, and leases (all such agreements hereinafter referred to as the "Commission Agreements"). For any assigned Railway Agreements that grant third-party rights of access to, or use of, the Remainder of the Freight Easement or related Railroad Facilities, Railway will instruct the holders of such agreements to name the Commission as an additional insured on their

insurance policies and provide copies of such agreements to the Commission.

- 4.2. Through this Agreement and consistent with its purposes, Railway is authorized to enter into, amend, administer, collect fees for, manage, negotiate, and terminate agreements related to the Remainder of the Freight Easement and the related Railroad Facilities, including but not limited to non-freight operator license agreements (i.e. excursion services or recreational use such as rail biking) crossing agreements, right-of-entry agreements, leases, maintenance of way contracts, and other agreements to achieve the purposes of the Railway.
- 4.3. Subject to the provisions of Section 2.3, which prohibit material interference with Railway's Freight Service rights and obligations under federal law or under the Remainder of the Freight Easement, unless first approved by the STB, any new Railway Agreement granting third-party rights of access to, or use of, the Remainder of the Freight Easement or related Railroad Facilities, or contemplating alterations thereto, is subject to Railway providing advance notice to the Commission. Such Railway Agreements will be documented by Railway using forms approved by the Commission, which forms shall, among other things, include provisions indemnifying the Commission and holding it harmless from any Loss in connection with the exercise of rights under such agreements, insurance requirements and the construction, maintenance, or operation, of any facilities constructed in connection with such agreements.
- 4.4. Railway is not, without the Commission's prior written consent (subject to the provisions of Section 2.3, which prohibit material interference with Railway's Freight Service rights and obligations under federal law or under the Remainder Freight Easement, unless first approved by the STB), to execute any new Railway Agreements affecting the Remainder of the Freight Easement or related Railroad Facilities for a term exceeding the term of this Agreement.
- 4.5. Railway is not, without the Commission's prior written consent, to terminate or modify any Railway Agreement

granting third-party rights of access to, or use of, the Remainder of the Freight Easement or related Railroad Facilities, or contemplating alterations thereto.

5. Maintenance and Operation of Railroad Facilities

5.1. Reserved.

5.2. Maintenance of Remainder of the Freight Easement and Railroad Facilities.

5.2.1. Remainder of the Freight Easement and Related Railroad Facilities. Railway shall keep the Remainder of the Freight Easement in good repair and in a good and safe condition with applicable law or any Railway Agreement, and in substantially the same condition provided by the Commission.

5.2.2. Weeds, Trash, Drainage and Graffiti. The parties agree that Railway shall be responsible for: (i) drainage and culvert maintenance and clearance on the entire Remainder of the Freight Easement unless a third person or entity is contractually responsible for such maintenance and clearance, and (ii) weed abatement, vegetation management, and trash collection over the Remainder of the Freight Easement as required by applicable law and in substantially the same condition provided by the Commission. If Railway does not assume such responsibility, then the Commission may elect to perform such maintenance responsibilities. The Commission grants Railway a license to enter all portions of the Remainder Property including the Remainder of the Freight Easement as necessary to perform such maintenance.

5.2.3. Slopes, Trees and Other Conditions outside of Santa Cruz Branch Line Freight Easement Property. Railway may, at its option, enter portions of the Remainder Property outside Remainder of the Freight Easement to maintain or repair slopes, clear fallen trees and branches, or address other conditions, as necessary to

ensure the safety and efficiency of Railway's operations. The Commission grants Railway a license to enter all portions of the Remainder Property as necessary to perform such work.

5.2.4. Scope of Maintenance. For purposes of this Section 5.2, the maintenance and repairs to be performed by Railway may include, (a) inspections, testing, track profiling, adjustments, lubricating, welding, re-spiking surfacing, tamping, and any other tasks constituting customary and routine maintenance of active track structures; (b) repair, renewal, replacement, or other customary and routine work required to ensure the safety of active Railroad Facilities, including compliance with any applicable bridge safety management program regulations that may be promulgated by the Secretary of Transportation pursuant to Public Law 110-432, Section 417, including the regulations set forth in 49 CFR Part 237; (c) weed and brush control and drainage management; and (d) compliance with all mandated reporting. The Commission shall have no responsibility to maintain the trackage, structures, or any other Railroad Facilities except as otherwise specifically required herein.

5.2.5. Concurrently with the execution of this Agreement, the required parties shall execute and deliver to the FRA a written notice of the assignment of track inspection and maintenance responsibilities, and bridge safety management responsibilities, to Railway in accordance with 49 CFR § 213.5(c) and 49 CFR § 237.3. The notice of assignment shall attach a copy of this Agreement.

5.2.6. Limits of Commission Liability. Notwithstanding the foregoing, the Commission shall be responsible for the maintenance of any improvement it constructs on any portion of the Remainder Property. Maintenance responsibility for improvements to public crossings shall be governed by the provisions of Section 2.10.

5.2.7. Reserved.

5.3. Ownership of Track Materials. All track materials, structures, and improvements installed by Railway on the Remainder of the Freight Easement, including any materials acquired or installed using Measure D funds or any other Commission funding sources, shall be and remain the property of the Commission. Railway does not own, and shall not acquire, any ownership interest in track materials or improvements. If Railway removes any materials as part of maintenance or repair activities performed by or on behalf of Railway, such removed materials shall remain the property of the Commission unless the Commission directs otherwise in writing.

5.4. Clearing of Obstructions, Derailments, and Wrecks. Railway shall as soon as practicable clear any obstructions, derailments, and wrecks of railroad equipment on Railroad Facilities, and shall restore the Remainder of the Freight Easement and Railroad Facilities to the condition required to provide freight service.

5.4.1. Reserved.

5.4.2. The Commission may perform the required action and charge Railway the reasonable cost thereof.

5.4.3. Nothing in this section is intended to preclude legal action by Railway or the Commission against any third party causing such obstruction, derailment, or wreck.

5.5. Responsibility for Repair or Replacement.

5.5.1. Reserved.

5.5.2. Damage Caused by Commission. Railway will not be responsible to repair or replace any damage to the Remainder of the Freight Easement or Railroad Facilities caused by the Commission, its officers, directors, employees, agents, or contractors.

5.5.3. Damage Caused by Acts of God or Other Factors beyond Railway's Control. If any portion of the Remainder of the

Freight Easement or the related Railroad Facilities are damaged or destroyed by flood, fire, civil disturbance, earthquake, earth movement, storm, sabotage, act of God, terrorism, accident or any other event beyond Railway's reasonable control, including damage or destruction caused by third parties, even if said damage or destruction originates outside of the Remainder of the Freight Easement, then Railway may (but, except to the extent covered by insurance required under this Agreement, shall not be required to) at no cost or expense to the Commission, (a) repair, or cause to be repaired, the damaged or destroyed portion of the Remainder of the Freight Easement or related Railroad Facilities; or (b) replace, or cause to be replaced, such portion of the Remainder of the Freight Easement or the Railroad Facilities. In the event Railway does not elect to repair or replace the damaged or destroyed portion of the Remainder of the Freight Easement or Railroad Facilities, Railway shall reasonably cooperate, at its own cost, with the Commission to seek funding and cause the repair or replacement of the damaged or destroyed Railroad Facilities, or otherwise to suspend or abandon (if and as permitted by the STB) Freight Service over such portion of the Property as the parties mutually agree is necessitated by the damage or destruction.

6. Construction, Relocation, or Removal of Railroad Facilities

6.1. By the Commission.

6.1.1. The license herein granted is subject to the Commission's needs and requirements to improve and use the Remainder Property. Subject to Railway's rights under this Agreement, the Commission, at its sole cost and expense, may add to or remove any portion of the Railroad Facilities, or change or relocate them to new locations as reasonably designated by the Commission, whenever, in the furtherance of the Commission's needs and requirements, the Commission finds such action to be necessary.

6.1.2. In the course of performing such work, the Commission may not permanently materially reduce, or otherwise materially interfere with, Railway's rights and operations under this Agreement or Railway's Freight Service rights and obligations under federal law or rights under the Remainder of the Freight Easement, unless first approved by the STB. The Commission's work may temporarily interfere with Railway's ability to perform future Freight Service if the Commission agrees to remove the interference and restore the Railroad Facilities and the Remainder of the Freight Easement at such time as Freight Service is reactivated. The Commission shall to the extent possible notify Railway as soon as practicable of any such planned or actual interference and take all practicable measures to minimize any such interference.

6.1.3. Reserved.

6.1.4. Commission may execute and administer all Right-of-Entry permits for the Remainder of the Freight Easement and the Remainder Property, provided that such Right-of-Entry permits provide the same protections to the Commission and to Railway.

6.1.5. The Commission shall have the right to salvage, stockpile, or otherwise dispose of any Railroad Facilities removed pursuant to this section; provided, however, that if the removed Railroad Facilities are reusable elsewhere on the Remainder of the Freight Easement, then Railway shall have the right to so reuse them. Any Railroad Facilities not so reused on the Remainder Property shall be disposed of or otherwise removed at the Commission or Railway's expense, subject to the Commission's obligation to replace and restore such Railroad Facilities as provided under Section 6.1.2.

6.1.6. All such work performed, and any installation of Railroad Facilities, shall be in conformance with all applicable laws. If the Commission relocates any portion of the tracks used for Freight Service, the

centerline of the Freight Easement Property shall, upon completion of the relocation work, be deemed to have been modified to coincide with the centerline of the realigned tracks.

6.2. By Railway. Railway may, at its cost and expense, modify or improve the Remainder of the Freight Easement and Railroad Facilities as needed and in compliance with Railway's Purpose; provided, however, that Railway first obtains either the Commission's written approval of plans for such modifications and improvements. Subject to the provisions of Section 2.3, which prohibit material interference with Railway's Freight Service rights and obligations under federal law, or rights under the Remainder of the Freight Easement, unless first approved by the STB, Railway's modification or improvement of the Remainder of the Freight Easement and Railroad Facilities will be coordinated with existing or future legal public uses of the Remainder Property that the Commission may authorize. Railway may, upon the termination of this Agreement or upon the abandonment of any applicable section of the Remainder of the Freight Easement or portion of the Railroad Facilities, remove any modifications or improvements to such Remainder of the Freight Easement or Railroad Facilities that were paid for by Railway, that do not constitute any repair or replacement to such Remainder of the Freight Easement or related Railroad Facilities, and that have not become fixtures to such Remainder of the Freight Easement or related Railroad Facilities.

6.3. Reserved.

6.4. The terms, conditions, and stipulations expressed in this Agreement as to the Remainder of the Freight Easement and Railroad Facilities shall apply to the Remainder of the Freight Easement and Railroad Facilities as they may at any time be expanded, added to, modified, changed, or relocated.

7. Net Earning Use

7.1. No License Fees or Profit Sharing. Railway is a subsidiary entity created by the Commission to fulfill Railway Purposes. Because Railway currently has no employees and no independent Rail Service operations, , no license fees, profit sharing, net earnings transfers, or revenue-based payments shall be owed by Railway

to the Commission except as set forth in Section 7.2.

- 7.2. Revenues Collected on Behalf of the Commission. Railway shall not retain revenue or accumulate net earnings. Any revenue arising from freight activity, third-party access, rights-of-entry, special use agreements, or any other permitted activity shall be received by Railway and distributed to the Commission.
- 7.3. Reserved.
- 7.4. Reserved.
- 7.5. Commission Approval of Railway Budget . Railway shall submit its annual budget and any budget modifications to the Commission for review and approval. Railway shall only approve expenditures that are consistent with the approved budget.
- 7.6. Temporary Use of Laydown Space. Railway may from time to time make arrangements with a temporary shipper by rail for the use of otherwise unused laydown space (open space outside of the Remainder of the Freight Easement next to railroad track).

8. Term and Termination

- 8.1. This Agreement shall become effective when fully executed and delivered to the parties and shall continue in full force for a period of ten (10) years unless otherwise terminated by a minimum of one hundred eighty (180) days' written notice to the other party. The term of this Agreement shall automatically extend for an additional five (5) years at the end of the initial term or any extended term unless either party provides a minimum of 180 days' advance written notice to the other party that it desires to terminate this Agreement at the end of the then current term.
- 8.2. Reserved.
- 8.3. Abandonment. Railway may at any time, in its sole and absolute discretion, immediately and without any liability to the Commission (except as expressly provided herein, including but

not limited to Section 1.4): (a) seek STB approval to abandon Freight Service over all or such portion of the Remainder Property as Railway deems appropriate. No such abandonment or any concurrent proposed transfer of Freight Service operations shall be effective unless and until the STB has issued its approval thereof.

8.3.1. Any abandonment proceedings instituted by Railway shall comply with the abandonment provisions set forth in the Freight Easement, including the railbanking/OFA provisions thereof.

8.3.2. To the extent the STB approves abandonment or transfer of Freight Service over all or any part of the Remainder of the Freight Easement or Railroad Facilities, this Agreement and any other rights and obligations of Railway to the Commission, shall, remain in full force, with the exception of obligations, terms, or rights related to freight use. Upon the effective date of such abandonment, Railway may as determined by Commission or Railway's Directors (i) assign to the Commission or new operator, as applicable, any Railway Agreements affecting the abandoned or transferred Remainder of the Freight Easement and Railroad Facilities, (ii) quitclaim the abandoned portion of the Remainder of the Freight Easement to the Commission or new operator, as applicable, and (iii) execute any additional documents reasonably necessary to effectuate the purpose and intent of this Agreement.

8.4. Upon the effective date of termination of this Agreement, Railway shall, if so requested by the Commission, (i) assign to the Commission all Railway Agreements, (ii) quitclaim the Remainder of the Freight Easement to the Commission, and (iii) execute any additional documents reasonably necessary to effectuate the purpose and intent of this Agreement.

8.5. Reserved.

9. Insurance. Railway shall obtain insurance appropriate for the activities and uses to occur on the Remainder of the Freight Easement for the life of this Agreement. All insurance policies must be written by a reputable insurance company reasonably acceptable

to the Commission, or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in California. The limits of insurance coverage required under this section shall be increased every five years during the term hereof and any extended term based on any increases or decreases in the Producer Price Index, or any successor index.

9.1 Railway Railroad Liability Insurance. If and when Railway were to operate Freight Service, then Railway would be required to provide and procure at its own cost and expense Railroad Liability insurance, including Federal Employee Liability Act insurance. The Commission retains full discretion to determine the types and limits of such coverage at such time and shall advise the Railway of such required amounts not later than thirty (30) days after Railway notifies Commission of Railway's intention to operate Freight Service. The minimum required insurance coverage amounts shall be as set forth in this Agreement.

9.2 Reserved.

9.3 Railway Liability Insurance. Until such time as Railway were to operate Freight Service, Railway shall provide and procure at its own cost and expense Commercial General Liability insurance in the minimum amount of \$1,000,000 and Worker's Compensation insurance to the extent required by law. The liability insurance policy must include the Commission as an "additional insured" and the property insurance policy shall name the Commission as a loss payee.

9.4 Required Provisions. The insurance policy shall contain, or be endorsed to contain, the following provisions:

9.4.1 For any claims related to this Agreement, Railway's insurance coverage shall be primary insurance as respects the Commission, its directors, officers, employees, and agents and any insurance or self-insurance maintained by the Commission, its directors, officers, employees, or agents, shall be in excess of Railway's insurance and shall not contribute to

it. However, this section shall not apply to any claims that result from the sole negligence or willful misconduct of the Commission or its officers, directors, employees, agents, or invitees; as to any such claim, the Commission's insurance shall be primary, and any insurance or self-insurance maintained by Railway, its directors, officers, employees, or agents, shall be in excess of Commission's insurance and shall not contribute to it.

9.4.2 Railway shall comply with all reporting or other provisions of the policies, as necessary to maintain coverage required hereunder, including coverage to be provided to the Commission, its directors, officers, employees, or agents. Railway shall notify Commission in writing of any claims submitted relating to the Property under any policy required under this Agreement.

9.4.3 Railway's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

9.4.4 Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after 30 days' prior written notice by certified mail, return receipt requested, has been given to the Commission.

9.5 The fact that insurance is obtained by Railway or by the Commission on behalf of Railway will not be deemed to release or diminish Railway's liability, including liability under the indemnity provisions of this Agreement. Damages recoverable by the Commission from Railway or any third party will not be limited by the amount of the required insurance coverage.

9.7 Commission Insurance. The Commission shall, at its own cost and expense, provide and procure such Commercial General Liability ("CGL") insurance as it deems necessary to cover its obligations under this Agreement.

9.8 Railroad Protective Liability (Work On or Near Tracks). Any contractor, utility, or third party performing work on or within 50 feet of the active portion of tracks shall be required to provide Railroad Protective Liability (RPL) insurance naming the Commission and Railway as insureds, with limits determined by the Commission in view of project risk, typically \$2,000,000 each occurrence / \$6,000,000 aggregate or \$5,000,000 each occurrence / \$10,000,000 aggregate, with capacity available up to \$25,000,000. RPL coverage shall be primary and non-contributory and include waiver of subrogation in favor of the Commission and Railway. In lieu of Railroad Protective Liability insurance, the Commission in its sole discretion may alternatively require that the party performing work provide CGL insurance under which an exclusion of work within fifty (50) feet of railroad right-of-way shall be deleted (Endorsement CG2417).

9.9 Event and Venue Insurance (Excursion/Special Events). Where an excursion company sponsors passenger events or special activities using the Property, the excursion operator shall maintain Commercial General Liability with limits and endorsements required by the Commission, in addition to Railroad Liability. Policies shall name the Commission and Railway as additional insureds, be primary and non-contributory, and include waiver of subrogation.

10. Notices. All correspondence, notices, and other papers shall be delivered either in person or by certified or registered mail, postage prepaid, or via email, to the parties hereto at the following addresses:

If to Railway:

Clerk
Santa Cruz County Coastal Rail

1101 Pacific Avenue Suite 250
Santa Cruz, CA 95060
Fax: 831-460-3215
Email:

If to Commission:

Executive Director
Santa Cruz County Regional Transportation
Commission
1101 Pacific Avenue Suite 250
Santa Cruz, CA 95060
Fax: 831-460-3215
Email: info@sccrtc.org

- 11. Coordination.** Railway shall comply with all reasonable requests of the Commission for representatives of Railway to attend public meetings organized by the Commission to provide non-confidential information about Railway's operations under this Agreement.
- 12. Claims and Liens for Labor and Material.** Railway agrees to pay in full for all materials joined or affixed to the Remainder of the Freight Easement, to pay in full all persons who perform labor upon the Remainder of the Freight Easement, and not to permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the Remainder of the Freight Easement or the Remainder Property, as to any work done or materials furnished thereon by Railway or at Railway's request. Railway shall indemnify, hold harmless and defend Commission (with counsel reasonably acceptable to Commission) against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.
- 13. Property Taxes.** So far as it lawfully may do so, the Commission shall assume, bear, and pay all property and other taxes and assessments of whatsoever nature or kind (whether general, local, or special) levied or assessed upon or against the Remainder Property, excepting taxes levied upon and against any Remainder of the Freight Easement or related Railroad Facilities. Railway shall assume, bear, and pay all property and other taxes and assessments

of whatsoever nature or kind (whether general, local, or special) levied or assessed upon or against any Remainder of the Freight Easement or related Railroad Facilities for which it has a license to operate, including possessory interest taxes under California Revenue and Taxation Code Section 107 *et seq.*, unless applicable law otherwise excuses payment of taxes due to the Railway's status as a common carrier railroad, or the Commission's ownership of the Remainder Property, or the Railroad Facilities.

14. Indemnity

14.1 Railway shall indemnify, defend and hold harmless the Commission from any Loss which is due to or arises from: (a) Railway's operation, maintenance, repair, or use of the Remainder of the Freight Easement, Railroad Facilities, any appurtenances thereto, or any part thereof; (b) Railway's provision of Freight Service; or (c) Railway's failure to comply with or perform any of the terms and conditions set forth in this Agreement; except to the extent that the Loss is caused by the negligence or willful misconduct of the Commission, its officers, agents, or employees, or a breach of an express material warranty of the Commission. The provisions of this section shall survive the termination or expiration of the term of this Agreement for a period of two years.

14.2 The Commission shall indemnify, defend and hold harmless Railway from any Loss to the extent caused by or arising from the negligence or willful misconduct of the Commission, its officers, agents, employees, and contractors. For purposes of this Section 14 only, the term "Loss" is limited to any loss, damage, claim, demand, action, cause of action, penalty, fine, payment, cost, liability, or expense of whatsoever nature, including court costs and reasonable attorneys' fees, resulting from or related to: (a) any injury to or death of any person, including officers, agents, and employees of the Commission or Railway; or (b) damage to or loss or destruction of Railway's equipment, rolling stock and any items being transported on behalf of Railway's customers. Any Loss related to damage to or destruction of the Remainder of the Freight Easement or Railroad Facilities is subject to the provisions of Section 2.8. The provisions of this section shall survive the termination or expiration of the term of this Agreement for a period of two years.

14.3 Each party's obligations to the other under Sections 14.1 and 14.2 respectively are subject to the following conditions: (a) the party seeking indemnification (the "Indemnified Party") shall, following Indemnified Party's discovery of a Loss for which Indemnified Party seeks indemnification, or of circumstances that may reasonably result in such a Loss, promptly deliver notice to the other party (the "Indemnifying Party") describing such Loss or circumstances, (b) the Indemnified Party shall make reasonable efforts to mitigate the effect of such Loss or circumstances, (c) the Indemnified Party shall give the Indemnifying Party the opportunity to control the defense against such Loss, and shall not compromise or settle such Loss without the Indemnifying Party's prior written consent, and (d) in no event shall either party be liable to the other for consequential, incidental, indirect or punitive damages, even if notified of the possibility of such damages, unless such damages are included in any third-party claim against the Indemnified Party.

15. Reserved

16. Hazardous Substances and Wastes

16.1 Except as provided in Subsection 16.2 through 16.6, Railway shall not be liable or responsible for any Hazardous Materials present on, in, or under the Remainder of the Freight Easement, or other problems relating to the Remainder of the Freight Easement, prior to the commencement date of its operations on the Remainder of the Freight Easement, except to the extent Railway's activities exacerbate the contamination of any such pre-existing Hazardous Materials.

16.2 Railway shall comply with all applicable laws in its occupancy, operation, and maintenance of the Remainder of the Freight Easement and Railroad Facilities. Without first obtaining the Commission's written permission (which may be withheld in the Commission's sole reasonable discretion), Railway shall not treat or dispose of Hazardous Materials on the Remainder of the Freight Easement including the Railroad Facilities. Railway

shall not release any Hazardous Materials on or at the Remainder of the Freight Easement or Remainder Property, including the Railroad Facilities, including through any drainage or sewer systems. Railway assumes all responsibility for the investigation and cleanup of any such release or exacerbation by Railway and shall indemnify, defend, and hold harmless the Commission and its property, its officers, agents, and employees, for all costs, including reasonable environmental consultant and reasonable attorneys' fees, and claims resulting from or associated with any such release or exacerbation by Railway. Railway shall assume all responsibility for and shall indemnify, defend, and hold harmless the Commission against all costs and claims associated with a release or leak of Hazardous Materials, or exacerbation of pre-existing Hazardous Materials, occurring between the commencement date of its ownership of the Remainder of the Freight Easement, and the expiration or sooner termination of this Agreement, and related to Railway's use of the Remainder of the Freight Easement and Railroad Facilities, unless such event was caused by the sole negligence or willful misconduct of the Commission, its officers, employees, or agents.

- 16.3 Railway shall not install any above-ground or underground storage tanks without the Commission's prior written consent, which consent may be granted or withheld in Commission's sole and absolute discretion. If such consent is granted, Railway shall obtain any necessary permits, notify the proper authorities, and provide the Commission with copies of any such permits and notifications. Railway shall assume all responsibility for and shall indemnify, defend, and hold harmless the Commission against all costs and claims associated with a release or leak of the contents of any such tank occurring between the commencement date of its ownership of the Remainder of the Freight Easement, and the expiration or termination of this Agreement, unless such event was caused by the sole negligence or willful misconduct of the Commission, its officers, employees, or agents.
- 16.4 The Commission understands and acknowledges that the regular operation and maintenance of railroad equipment and tracks involve the storage, use, and release of *de minimus* amounts of Hazardous Materials, including petroleum products,

creosote, and chromated copper arsenate. The Commission agrees that Railway shall not be liable or responsible for the *de minimus* release of any such Hazardous Materials, unless (i) such release violates applicable law, or (ii) the Commission is otherwise entitled to defense and indemnity under Section 14.1 or 16.2.

16.5 If Railway knows, or has reasonable cause to believe, that any Hazardous Materials have come to be located under or about the Remainder of the Freight Easement or Railroad Facilities, other than as specifically provided herein or as previously consented to in writing by the Commission, Railway shall immediately give the Commission written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to or received from any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Materials.

16.6 This Section 16 shall continue in full force and effect regardless of whether this Agreement is terminated pursuant to any other provision or the Remainder of the Freight Easement and Railroad Facilities are abandoned and vacated by Railway.

17. Trespassers and Dangerous Conditions. Railway shall not be required to take any action or incur any expense (including posting signage or warnings, providing fencing or other security) as to or against trespassers on the Remainder Property, or invitees of the Commission, other than to promptly notify local law enforcement and the Commission concerning any trespassers observed on the Remainder Property by Railway personnel. If Railway becomes aware of any dangerous conditions on or about the Remainder Property, Railway shall promptly notify the Commission of such conditions.

18. Waivers. The failure of either party hereto to enforce any of the provisions of this Agreement, or to enforce any right or option which is herein provided, shall in no way be construed to be a waiver of such provision(s) as to the future, nor in any way to affect the validity of this Agreement or any part hereof, or the right of either party to thereafter enforce each and every such provision and to exercise any such right or option. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

- 19. Consent.** Unless expressly provided to the contrary elsewhere in this Agreement, whenever the consent, approval, judgment, or determination (collectively, "consent") of a party is required or permitted under this Agreement, the consenting party shall exercise good faith and reasonable judgment in granting or withholding such consent. No party may unreasonably withhold or delay its consent; except as otherwise expressly provided herein, consent shall be deemed to have been withheld if a party fails to consent to the other party within 30 days of having been given written notice of the other party's intention to take any action as to which consent is required or permitted.
- 20. Entire Agreement.** This document, and the exhibits attached hereto, constitute the entire agreement between the parties, all oral agreements being merged herein, and supersedes all prior representations, agreements, arrangements, understandings, or undertakings, whether oral or written, between or among the parties relating to the subject matter of this Agreement that are not fully expressed herein.
- 21. Modification to Agreement.** The provisions of this Agreement may be modified at any time by agreement of the parties hereto, provided such modification is in writing and signed by all parties to this Agreement. Any agreement made after the date of this Agreement and related to the subject matter contained herein shall be ineffective to modify this Agreement in any respect unless in writing and signed.
- 22. No Assignment Absent Consent.** Except as specifically provided in this Agreement, Railway shall not assign this Agreement, in whole or in part, or any rights herein granted, without the Commission's prior written consent.
- 23. Successors and Assigns.** Subject to the provisions of Section 23, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.
- 24. Venue and Choice of Law**
- 24.1 Any and all disputes, controversies, or claims arising out of, relating to, or in connection with this Agreement shall be

instituted and maintained in a competent court in Santa Cruz County, California, with regard to claims arising under California law, and Santa Clara County, with regard to claims arising under Federal law, and the parties hereby consent to the jurisdiction of any such court and to service of process by any means authorized under California law.

24.2 This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California, without reference to its conflicts of laws provisions. The prevailing party in any claim or action arising out of or connected with this Agreement shall be entitled to recover all reasonable attorneys' fees and related costs, in addition to any other relief that may be awarded by any court or other tribunal of competent jurisdiction.

25. Miscellaneous

25.1. In the event that any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be invalid or unenforceable, the remaining portions hereof shall remain in full force and effect and any invalid or unenforceable provisions shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed to the extent necessary to make such provisions valid and enforceable. Without limiting the generality of the foregoing, if the requirement in Section 5.2 that Railway comply with applicable bridge safety management program regulations (under Public Law 110-432, Section 417) is held to be a non-delegable duty of the Commission, the Commission may, at its option, (i) undertake this obligation and charge Railway for the cost thereof, or (ii) terminate this Agreement.

25.2 Reserved.

25.3 Each party acknowledges that the officer executing this Agreement has the authority to enter into this Agreement on behalf of the party and in so doing is authorized to bind the party on whose behalf he or she is signing, to the terms and conditions of this Agreement.

25.4 This Agreement may be executed in one or more counterparts and by facsimile signature, each of which shall be deemed an

original, but all of which together constitute one and the same instrument.

In witness whereof, the parties hereto have caused this Agreement to be executed as of the date first herein written.

SANTA CRUZ COUNTY REGIONAL
TRANSPORTATION COMMISSION

By:

Sarah Christensen,
Executive Director

Approved as to form

By:

Steve Mattas,
RTC Legal Counsel

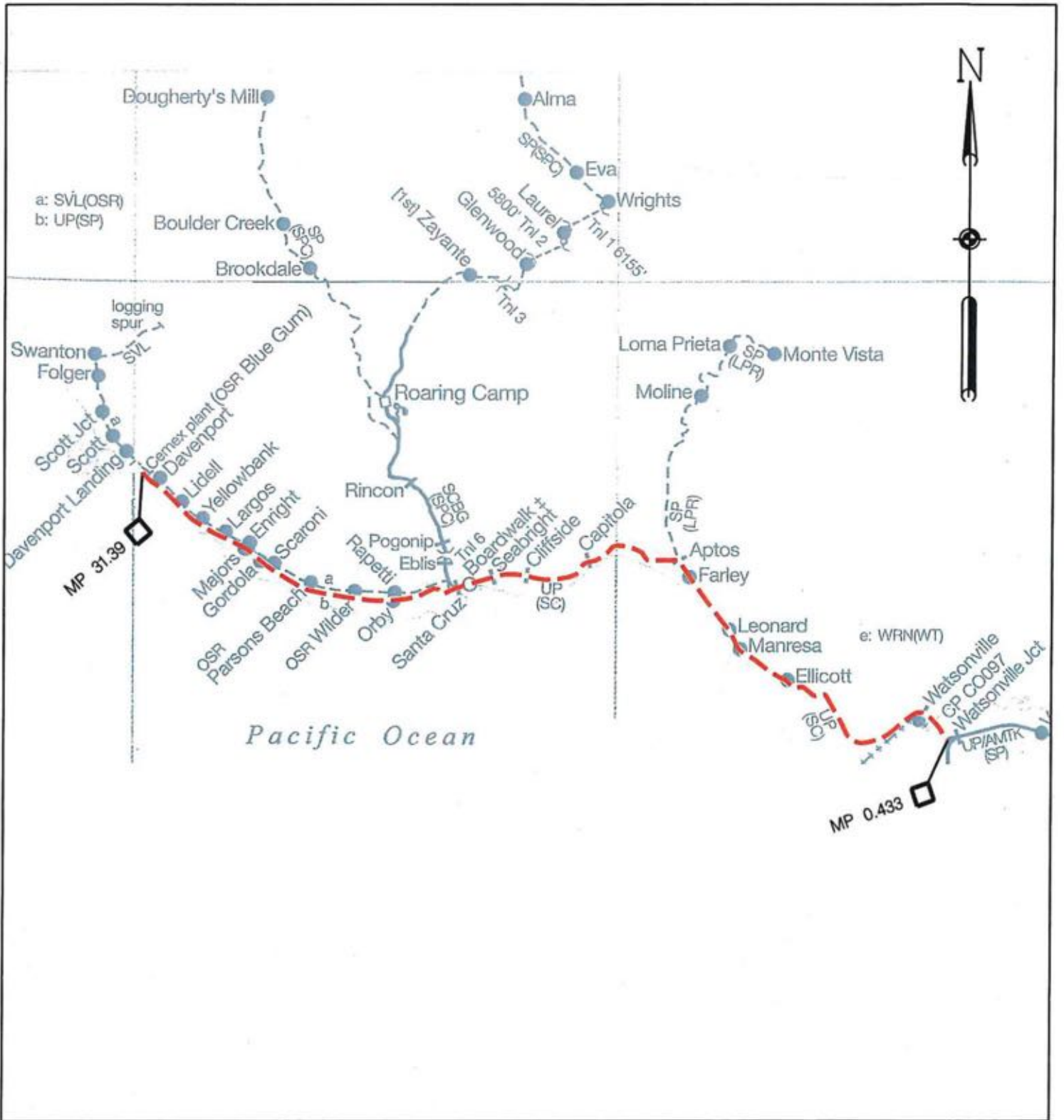
SANTA CRUZ COUNTY COASTAL RAIL

By:

Eduardo Montecino
Chairperson

EXHIBIT A

Map of Railroad Facilities



NOT TO SCALE

LEGEND

LINE TO BE LEASED SHOWN
MP 0.433 - 31.39



EXHIBIT "A"

UNION PACIFIC RAILROAD CO.

TO ACCOMPANY AGREEMENT WITH
SIERRA NORTHERN RAILWAY
WATSONVILLE JCT - DAVENPORT, CA.
M.P. 0.433 - 31.39+- SANTA CRUZ SUB.
SP CA V72 /1-6 & V89 /1-7
REAL ESTATE DEPARTMENT OMAHA NE.
FILE #1728-03 DATE: 11-2-2009 T.D.A.

EXHIBIT B

Map of Remainder Property and Remainder of Freight Easement



EXHIBIT C

Map of Watsonville Branch Line Property



City of Watsonville

Monterey County

- Santa Cruz Branch Rail Line
- Rail Spur*



Santa Cruz Branch Rail Line and Spurs * MP .4 - MP 3.
 *Spurs shown are a combination of privately owned and RTC owned

NAD 1983 StatePlane California III FIPS 0403 Feet

January 15, 2026

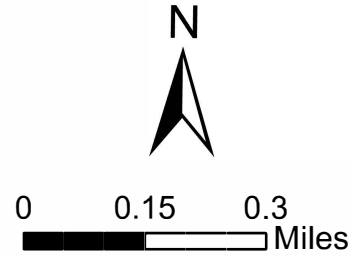


EXHIBIT D

Railway Agreements

Exhibit D: Railway Agreements															
Assigned by U.P.R.R. REAL ESTATE DEPARTMENT															
MILE POST NO. 0.433															
FOLDER NO. 0172803															
PROJECT	AUDIT	FOLDER	# of FNET	LEG STAT	PARTY NAME	PURPOSE	MANAGER	COUNTY	CITY	ST	SUBDV	MP START	ANNUAL AMT	DISPOSITION	CONTAINED
186878	207416	158035	1	Active	CITY OF WATSONVILLE	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	WATSONVILLE	CA	Mojave	102.62	\$0	Assigned	Totally
190837	202098	161195	1	Active	SANTA CRUZ CITY OF	Warning Devices - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA	SANTA CRUZ BRANCH	119.4	\$0	Assigned	Totally
200142	S155932		1	Active	APTOS SEASCAPE CORP	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	APTOS	CA	SP Route Code EC	111.04	\$0	Assigned	Totally
200154	S157723		1	Active	SANTA CLARA COUNTY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	APTOS	CA	SP Route Code EC	111	\$0	Assigned	Totally
200156	S156717		1	Active	SANTA CRUZ COUNTY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	APTOS	CA	SP Route Code EC	113.7	\$0	Assigned	Totally
200157	S157786		1	Active	SANTA CRUZ COUNTY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	APTOS	CA	SP Route Code EC	108	\$0	Assigned	Totally
203028	S158150		1	Active	SANTA CRUZ CITY OF	Crossing - Private Roadway	Paul G. Farrell	Santa Cruz	ORBY	CA	SP Route Code EL	81.4	\$0	Assigned	Totally
203789	S163007		1	Active	SANTA CRUZ PORT DISTRI	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	SEABRIGHT	CA	SP Route Code EC	119.09	\$0	Assigned	Totally
206269	S032513	250763	1	Active	COUCH DISTRIBUTING CO INC	Track: Industry Track Agreement	John Herdzina	Santa Cruz	WATSONVILLE	CA	SP Route Code EC	103.1	\$0	Assigned	Totally
210408	S189267		1	Active	SANTA CRUZ COUNTY OF	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	CLIFFSIDE	CA	SP Route Code EC	118.1	\$0	Assigned	Totally
211518	S012360		1	Active	TOBEYS RASP SERVICE INC	Track	John Herdzina	Santa Cruz	SANTA CRUZ	CA	SP Route Code EL	80.7	\$0	Assigned	Totally
231292	S194780		2	Active	RESEAR, ANTHONY P / PILO, MARY	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	WATSONVILLE	CA	SP Route Code EC	102	\$0	Assigned	Totally
235323	S191872		1	Active	TRESTLE BEACH ASSOCIATES	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	APTOS	CA	SP Route Code EC	109.6	\$0	Assigned	Totally
238757	S182045		1	Active	CALIFORNIA UNIVERSITY REGENTS	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	ORBY	CA	SP Route Code EL	81.8	\$10	Assigned	Totally
239770	S161499		1	Active	SULLIVAN, R. & A.	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	APTOS	CA	SP Route Code EC	109.07	\$10	Assigned	Totally
245617	S171658		1	Active	GARCIA, R.L.	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	CAPITOLA	CA	SP Route Code EC	115.6	\$10	Assigned	Totally
245622	S212398	206085	1	Active	HOLCOMB CORPORATION	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	APTOS	CA	SP Route Code EC	110.54	\$134.98	Assigned	Totally
252817	S157272		1	Active	LORENZI, G,B,LO & ZEIH, K	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	MAJORS	CA	SP Route Code EL	86.51	\$10	Assigned	Totally
253187	S184589		1	Active	SANDOVAL SALVADOR	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	ORBY	CA	SP Route Code EL	80.2	\$0	Assigned	Totally
256900	S181065		1	Active	SANTA CRUZ COUNTY CA	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	CLIFFSIDE	CA	SP Route Code EC	117.1	\$0	Assigned	Totally
256902	S192311		1	Active	SANTA CRUZ COUNTY CA	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	APTOS	CA	SP Route Code EC	112.81	\$0	Assigned	Totally
257860	S211909	181663	1	Active	SANTA CRUZ CITY OF	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	SANTA CRUZ	CA	SP Route Code EC	120.41	\$80	Assigned	Totally
260304	S708852	195115	3	Active	CASCADE REFRIGERATED NORTHERN CALIF., INC.	Track: Track Lease (Non-Haz)	John Herdzina	Santa Cruz	WATSONVILLE	CA	SP Route Code EC	102.01	\$2,160	Assigned	Totally
367101	207254	58589	1	Active	MARTINELLI & COMPANY	Crossing - Private Roadway	John S. Hertzler		SYSTEM	CA		0	\$130.48	Assigned	Totally
410634	S015548	250762	2	Active	DEL MAR FOOD PRODUCTS CORPORATION	Track: Industry Track Agreement	John Herdzina	Santa Cruz	WATSONVILLE	CA		103.1	\$0	Assigned	Totally
412823	S000771		2	Active	PISTA, B.	Track	John Herdzina	Santa Cruz	WATSONVILLE	CA			\$0	Assigned	Totally
446570	S017462		2	Active	SANTA CRUZ COUNTY OF	Crossing Public Roadway Grade Separation	Paul G. Farrell	Monterey	APTOS	CA			\$	Assigned	Totally
455863	S080717		3	Active	COUNTY OF SANTA CRUZ	Crossing - Public Roadway	Paul G. Farrell	Monterey	APTOS	CA			\$	Assigned	Totally
457023	S087624		1	Active	CAPITOLA, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	CAPITOLA	CA			\$	Assigned	Totally
457497	S091557		1	Active	CAPITOLA, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	CAPITOLA	CA			\$	Assigned	Totally
459511	S108176		1	Active	COAST DAIRIE & LAND CO.	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	DAVENPORT	CA			\$	Assigned	Totally
465104	SPA7491		1	Active	SANTA CRUZ COUNTY OF	Warning Devices - Public Roadway	Paul G. Farrell	Monterey	APTOS	CA		112.8	\$	Assigned	Totally
514595	211721	76287	1	Active	SANTA CRUZ, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA			\$	Assigned	Totally
655249	227449	211468	2	Active	SANTA CRUZ, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA	Santa Cruz Sub.	20.78	\$	Assigned	Totally
655250	227485	211469	3	Active	SANTA CRUZ, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA	Santa Cruz Sub.	20.75	\$0	Assigned	Totally
655251	228377	211470	1	Active	SANTA CRUZ, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA	Santa Cruz Sub.	19.02	\$	Assigned	Totally
690096	242123	232126	1	Active	SANTA CRUZ, CITY OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	SANTA CRUZ	CA	Santa Cruz Lead	22.09	\$	Assigned	Totally
702125	253471	252215	1	Active	SILVER CREEK YUBA I, LLC	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	WATSONVILLE	CA	Santa Cruz	9.4	\$0	Assigned	Totally
702128	253472	252218	1	Active	SILVER CREEK YUBA I, LLC.	Crossing - Private Roadway	Kylan Crawford	Santa Cruz	WATSONVILLE	CA	Santa Cruz	9.57	\$0	Assigned	Totally
716300	259047	267911	5	Active	CALIFORNIA, STATE OF	Crossing - Public Roadway	Paul G. Farrell	Santa Cruz	DAVENPORT	CA	Santa Cruz Lead	31.28	\$0	Assigned	Totally
719596	261655	271611		Active	SANTA CRUZ, BIG TREES & PACIFIC RAILWAY	Trackage Rights & Interchange Agreement	Melissa Grosz	Santa Cruz	SANTA CRUZ	CA			\$0	Assigned	Totally