

**SACRAMENTO-PLACERVILLE TRANSPORTATION
CORRIDOR JOINT POWERS AUTHORITY**

Member Agencies: City of Folsom / County of El Dorado / County of Sacramento / Regional Transit

September 12, 2012

John R. Knight
Supervisor, District 1
County of El Dorado
330 Fair Lane
Placerville, CA, 95667

LATE DISTRIBUTION

DATE 9-26-12

2012 SEP 26 AM 11:11

BOARD OF SUPERVISORS
EL DORADO COUNTY

Re: License Agreement P&SVRR for Excursion Rail Service

Dear Supervisor Knight,

This is in response to your letter dated August 20, 2012 regarding the proposed License Agreement between the JPA and P&SVRR. You indicate that the License Agreement will be presented for action at a special meeting of the El Dorado County Board of Supervisors on September 24, 2012.

You express in your letter that you intend to present a motion to deny the proposed License Agreement based on your personal belief that only one operator can be successful in this portion of the corridor. I would like to draw your attention to the following provision of the License Agreement as approved by the JPA Board on August 6, 2012, which addresses this issue:

2.1.8 The portion of the License Property situated between milepost 137 (South Shingle Road, Shingle Springs, CA) and milepost 144.9 (Missouri Flat Road, Diamond Springs, CA) is subject to the prior rights of the El Dorado Western Railway ("EDWR"). The rights granted to P&SVRR hereunder for such portion of the License Property are subject to, and conditioned upon, a written agreement between P&SVRR and EDWR governing the conduct and coordination of rail operations thereon.

The significance of this provision is that only one operator would be in control of the excursion operations – that being the El Dorado Western Railway (EDWR). If EDWR does not wish to work with another operator, this License Agreement will not require them to do so. However, eliminating the ability of another operator to work with EDWR would deprive EDWR of the opportunities to have supplemental equipment, volunteer labor and a promotional venue. Your proposed action may also deprive other operators, such as Motorcar Operators West (MOW) and other speeder groups from enjoying the use of the rails (under the control of EDWR) in this scenic corridor.

Your decision to oppose approval of the License Agreement with P&SVRR in El Dorado County does come as a disappointment. I feel a better solution to minimizing potential

conflicts of excursion rail operations in this segment of the corridor, would be to support the following plan:

Revise the draft License Agreement (version dated 7/30/2012) as follows:

- Remove the provisions identifying Shingle Springs to Missouri Flat Road as an operating segment in the License Property.
- Include operations from the Sacramento/El Dorado County line to the west side of Latrobe Road in El Dorado County as an operating segment in the definition of the License Property.
- Include the previously developed provisions to enhance the benefits for El Dorado County, including the termination provision (“escape clause”) that would be used in the event there was an approved trails project developed that would be conflicted by the existence of excursion rail operations.

The above plan is a more flexible approach than the direction you are favoring. It would allow EDWR to have sole control over the Shingle Springs segment. However, by not denying the use by a specific operator, it would still allow EDWR to work with P&SVRR, FEDS, MOW, or other groups, if it benefitted their operational plans for an event, or did not conflict with their planned operations. And, it will still allow the P&SVRR to have a viable, scenic, 10-mile operating segment that includes a separate portion of El Dorado County that is not of interest to EDWR’s operations.

I plan to attend the September 24th Special Board Meeting which I hope will result in a decision by the Board of Supervisors that represents the interests of the public majority.

Sincerely,



John C. Segerdell
Chief Executive Officer
SPTC-JPA

cc - JPA Board Members
EDC Board Members
JPA Staff Members