

SACRAMENTO-PLACERVILLE TRANSPORTATION CORRIDOR JOINT POWERS AUTHORITY

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

June 22, 2007

Dan Bolster
El Dorado County
3000 Fairlane Court, Suite 1
Placerville, CA 95667

Tom Garcia
City of Folsom
50 Natoma Street
Folsom, CA 95630

Tammy Urquhart
County of Sacramento
906 G Street, Suite 510
Sacramento, CA 95814

Subject: Use of SPTC-JPA Corridor

Dear JPA Staff Members:

The Sacramento-Placerville Transportation Corridor Joint Powers Authority (JPA) Board of Directors has directed JPA staff to obtain community input on potential uses and improvements to the Placerville Branch rail corridor as it stands today. These improvements may include excursion rail service, demonstration rail service, Class 1 bike trails and natural trails. With light rail service now extended to downtown Folsom, the segment of current interest would reach from the Wye in Folsom to Placerville. This segment passes through portions of the corridor allocated to the City of Folsom and the Counties of Sacramento and El Dorado.

Two Workshops were conducted in April and May to solicit public interest; one in Placerville and one in Folsom. The Workshops were well-attended and demonstrated a significant interest in developing trails for hiking, biking and equestrian usage. The development of such trails does not necessitate a high degree of coordination among the member agencies (though some coordination is desirable) and, therefore, each member agency should be responsible for developing trail improvements(s) in its own allocated portion. The JPA's role is only to ensure that:

- A continuous rail corridor is preserved and the uses do not violate any existing agreement, or the Rails-to-Trails Act for all rail-banked portions;
- The rights reserved by the JPA and other JPA member agencies in the Reciprocal Use and Funding Agreement (RUFA) are maintained; and

The JPA and its members are adequately protected from liability exposure.

However, a number of people at the Workshops expressed interest in the initiation of some form of excursion rail service on the railroad corridor. Any such excursion rail service would likely cross the allocated portions of more than one member agency. One of the roles of the JPA is to assist in coordinating uses of the corridor that span two or more member agencies' allocated portions and to advise the member agencies of potential practical and legal issues that may affect the proposed uses.

Given the JPA Board's direction, the public interest, and the above circumstances, JPA staff is taking the lead in preparing a Request for Proposals (RFP) to solicit proposals for the development of excursion rail service in the corridor. Such service would likely be within the portion allocated to each of your jurisdictions. In order for the JPA to issue an RFP and award a lease or other contract to the successful excursion rail operator, the governing body of each of your jurisdictions will need to consider and approve the proposed RFP and authorize the JPA to award the contract. Accordingly, I am requesting that you present your Board/Council with the details of this opportunity and request their approval of the general parameters of the RFP, attached. If the governing body of each of your jurisdictions approves the general parameters, JPA Staff will prepare the actual RFP and certain key contract provisions for their review and approval.

Thank you for your assistance in this matter. Timing-wise, JPA staff would like to present the status of the RFP development to the JPA Board at the August 13, 2007 Regular Meeting.

Sincerely,



John C. Segerdell
Chief Executive Officer
SPTC-JPA

c: Fred Arnold - Regional Transit
Paul Chrisman - Miller Owen & Trost
Bob Grandy - Fehr & Peers
Jill Happ - Regional Transit

**RFP PARAMETERS
FOR
EXCURSION RAIL SERVICE**

1. Geographic Limits: Proposals may include any or all of the following alternatives for the geographic limits of the proposed excursion rail service. The SPTC-JPA reserves the right to choose the alternative it deems most beneficial. The starting point for each alternative is assumed to be the Folsom Wye.

Ending Point Alternatives:

- a. Highway 50
 - b. Sacramento/El Dorado County line
 - c. Latrobe
 - d. Shingle Springs
2. Schedule of Rail Operations: Excursion rail service will be limited in its operating hours to weekends and holidays only. Within El Dorado County, excursion rail service is further limited to daylight hours, subject to seasonal variation, but not earlier than 8:00 a.m., or later than 8:00 p.m., with a maximum of two round trips per day. Special events may be scheduled, but will be subject to the prior written approval of the City of Folsom, the County of Sacramento, and/or the County of El Dorado, as applicable.
3. Joint Use of Right-of-Way and Tracks:
 - a. The SPTC-JPA will reserve the right to permit third-party usage of the tracks at any time outside of the excursion operator's normal operating hours. In addition, should the SPTC-JPA so request from time to time, the excursion operator will cooperate reasonably with third parties to permit other uses of the tracks during the excursion operator's normal operating hours, subject to reasonable safety precautions.
 - b. The SPTC-JPA and its member agencies intend to preserve the excess width of the right-of-way for other potential uses, including natural trails, bicycle trails and equestrian trails. All proposals must evidence compatibility of the excursion rail service with such other uses of the right-of-way and provide for reasonable safety precautions.

4. Financial Issues: The proposal must include the following:
 - a. Financial Proposal for Capital Expenses: The proposer is responsible for assessing the condition of the right-of-way and trackage, and determining the capital improvements necessary to operate the proposed excursion rail service. The SPTC-JPA may obtain a report from an engineering consultant, but the proposer must perform its own due diligence investigation and may not rely upon the SPTC-JPA's report. The SPTC-JPA and its member agencies may assist the operator in obtaining state or federal grants, but will not provide any local funding for capital expenses.
 - b. Financial Proposal for Operating Expenses and Revenues: The proposal must include a financial plan setting forth the estimated operating expenses and revenues. The proposal must also include the amount of rent or license fees to be paid to the SPTC-JPA for the lease or license. Neither the SPTC-JPA, nor its member agencies, will subsidize operating expenses.

5. Liability and Insurance:
 - a. Insurance: The operator will be required to carry insurance in an amount approved by the SPTC-JPA and its member agencies.
 - b. Allocation of Liability: The excursion operator will defend and indemnify the SPTC-JPA against all liabilities arising out of its usage of the right-of-way, except for liabilities arising out of the active negligence of the SPTC-JPA or its member agencies.

6. Lease/License Subject to Existing Rights:
 - a. Railbanking Rights: The lease or license will be subject to the potential reinstatement of freight rail service on the right-of-way. The SPTC-JPA will reserve the right to modify, or terminate, the lease or license for excursion rail service in the event freight rail service is reinstated on the right-of-way.
 - b. Rights under Reciprocal Use and Funding Agreement: The Reciprocal Use and Funding Agreement among the SPTC-JPA and its member agencies sets forth certain reciprocal rights to use each member agency's allocated portion of the right-of-way. To date, these reciprocal usage rights have not been invoked by any member agency.

7. Other Issues:

- a. The proposal must show compliance with the Americans with Disabilities Act and other applicable laws, rules and regulations.
- b. The proposal must include a plan for storing and maintaining rail vehicles when not in use.
- c. The proposal must include a plan for appropriate station facilities at the start point.
- d. The operator will be responsible for ensuring compliance with regulatory requirements for all operations of excursion rail service and uses of the track, including crossings of the right-of-way.
- e. The operator will be responsible for maintaining the leased area of the right-of-way, including the surface of each crossing, to the extent of the envelope of the leased area within the crossing. The SPTC-JPA and its member agencies reserve the right to perform any maintenance or repair they deem necessary within the envelope of the leased area within each public crossing, and to charge the operator for the cost thereof.
- d. The operator will not permit passengers to disembark its trains, except at stops approved by the SPTC-JPA in writing.