



MEMO

To: NCRA Board of Directors

From: Executive Director Stogner

Date: May 9, 2018

Subject: **Agenda Item F.5 – Discussion and Possible Action Regarding SB1029 (McGuire)**

SB1029 (McGuire) has now been approved by the Senate Transportation and Housing Committee and the Senate National Resources and Water Committee. The measure, as amended April 30, now goes to the Senate Appropriations Committee for consideration prior to May 25. Prior to this hearing, additional substantial amendments are expected that would appropriate funds for operations and maintenance of the rail corridor north of Willits, as well as annual operations and maintenance funding for freight service south of Willits. Additionally, state funding to resolve NCRA's outstanding debt as well as NWP's leasehold interest may be a component of the state funding amendments.

The current April 30 version of SB1029 includes the following:

- Management of freight service on the NWP line from Brazos Junction to Willits would be transferred to SMART;
- Management of the rail line from Willits north would be transferred to a new entity called the Great Redwood Trail Authority comprised of representatives from Mendocino and Humboldt Counties and designated state agencies;
- The new entity north of Willits would eventually be responsible for railbanking from Willits to Eureka and managing a rails-with-trails alignment from Eureka to Arcata and Samoa that could accommodate a multi-use trail as well as an excursion train and a freight line around the Port of Humboldt Bay;
- Willits North would initially be transferred to Caltrans for up to 2 years before reverting to the Great Redwood Trail Authority;
- Transfer of all rail assets from Willits South to SMART and all rail assets from Willits North to Caltrans must occur before April 1, 2019. When these transfers are complete, NCRA would be dissolved.

