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9 MENDOCINO RAILWAY

10
11 **UNITED STATES DISTRICT COURT**
12 **NORTHERN DISTRICT OF CALIFORNIA**

13 CITY OF FORT BRAGG,

14 Plaintiff

15 v.

16 MENDOCINO RAILWAY,

17 Defendant.

18 CALIFORNIA COASTAL COMMISSION,

19 Plaintiff-Intervenor

Case No.: 4:22-cv-06317-JST

**DECLARATION OF ROBERT PINOLI IN
SUPPORT OF DEFENDANT MENDOCINO
RAILWAY'S CONSOLIDATED
OPPOSITION TO PLAINTIFFS' MOTIONS
TO REMAND**

Date: February 2, 2023

Time: 2 p.m.

Dept: Courtroom 6

Judge: Hon. Jon S. Tigar

Action Removed: October 20, 2022

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DECLARATION

I, Robert Pinoli, declare as follows:

1. I am the President of Defendant MENDOCINO RAILWAY (“MR”) and am authorized to make this declaration on its behalf. I have personal knowledge of the facts stated herein and, if called to testify, I would and could testify competently thereto.

2. Mendocino Railway is a railroad corporation organized under the laws of the State of California. It owns real property, rail facilities and rail equipment in various regions of the State, including but not limited to the coastal zone and the City of Fort Bragg in Mendocino County. It is a Class III railroad subject to the jurisdiction of the Surface Transportation Board (“STB”).

3. MR owns and operates a line that runs 40 miles, from its main station in Fort Bragg to its eastern depot in Willits (“Willits Depot”). The Fort Bragg-Willits line—also known as the California Western Railroad (“CWR”) line—is not the only line that MR owns and operates. MR has operations in other parts of the State, as well. Mendocino Railway’s Fort Bragg station is fully developed as a rail facility, with, among other things, passenger coaches and freight cars, an engine house, and a dry shed for storage of railroad equipment. Since acquiring the line in 2004 and up through the present, the Fort Bragg-Willits line owned by MR has operated tourist and non-tourist passenger services, as well as freight services. The line has never provided *only* a “sightseeing” or “excursion” service.

4. MR’s Fort Bragg-Willits line connects to the national rail system via the North Coast Rail Authority line that is operated by Northwestern Pacific Railroad (“NWP”). While the NWP segment that connects to MR has been temporarily embargoed pending track repairs, that segment has not been abandoned and remains a part of the national rail system. The Surface Transportation Board’s National Rail Network Map, showing the Fort Bragg-Willits line (running west-east) connecting to the NWP line (running north-south), is reproduced accurately and fully below. The image accurately represents my personal knowledge of the location of the intersecting lines.

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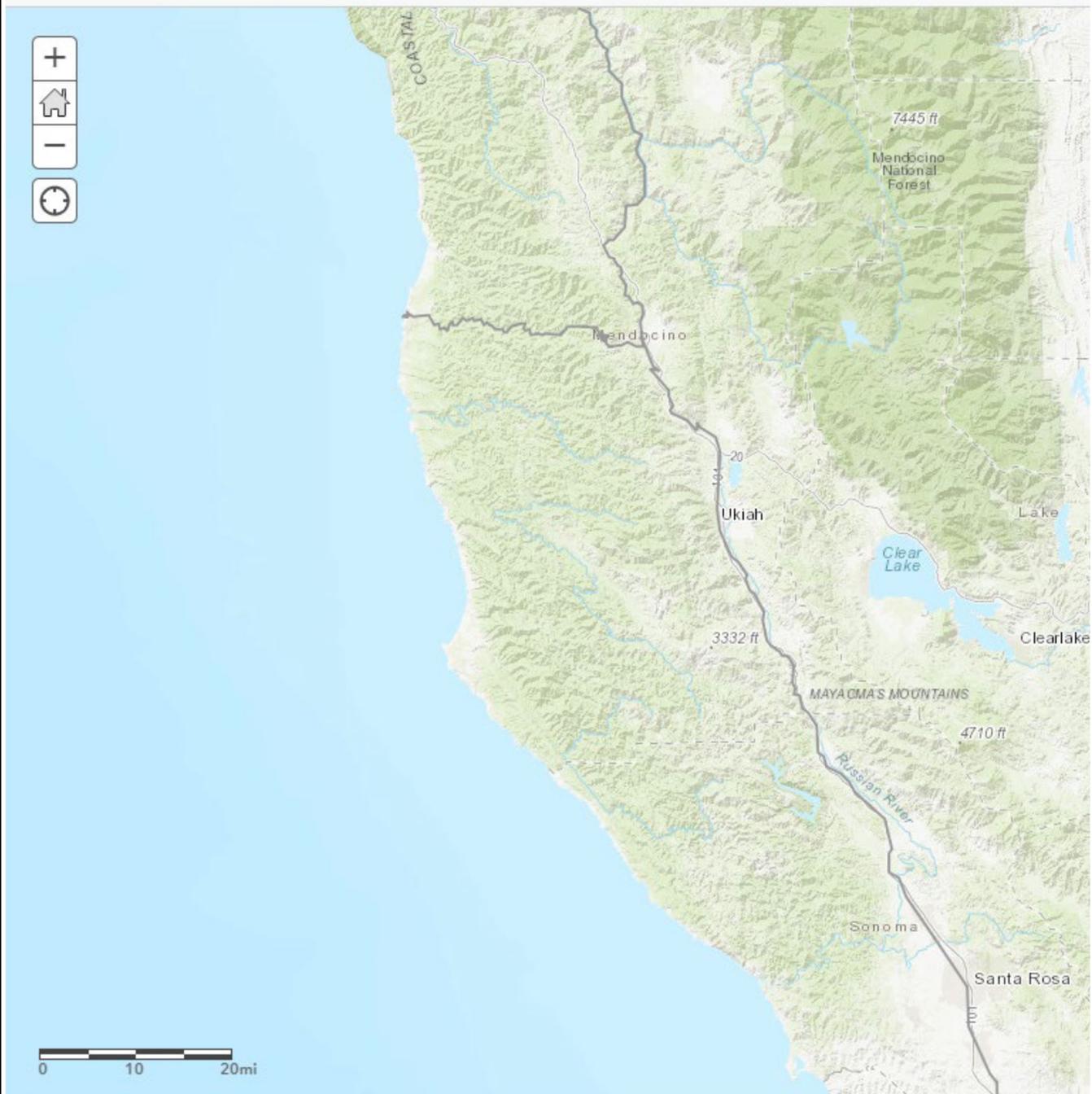
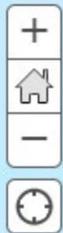
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Home ▾ National Rail Network Map

Details | Basemap |



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1 5. In addition to its connection to the NWP line, the Fort Bragg-Willits line connects via
2 Amtrak, which runs a thruway service at MR's Willits Depot, connecting the line to Amtrak's national
3 railway system.

4 6. In furtherance of its freight operations, MR has pursued and continues to pursue a variety
5 of much-needed rail-related activities on property and facilities located in the State's coastal zone. These
6 activities have included, without limitation: (a) improvements to side tracks; (b) repair and maintenance
7 work on its rail station and engine house; (c) clean-up work in and around a dry shed and elsewhere on
8 railroad property; (d) improvements to the dry shed in order to provide space for the storage of rail cars
9 and other railroad equipment, such as tires for steam locomotives, railcar axles, and other parts and
10 components for steam and diesel locomotives; (e) a lot-line adjustment related to the railroad's
11 acquisition of historically rail-related property from Georgia-Pacific LLC; and (f) development of the
12 recently acquired land for rail-related uses. These rail-related activities—pursued in furtherance of MR's
13 railroad operations—are the objects of the Commission's and City's complaints that a land-use permit
14 was not obtained for those activities.

15 7. Approximately 77 acres of the Georgia-Pacific land adjacent to the main rail station in
16 Fort Bragg were previously used for more than a century to conduct and support freight and passenger
17 operations. In 2019, after 15 years of discussions, MR acquired those 77 acres from Georgia-Pacific to
18 further MR's efforts to fully restore freight and passenger services on the Fort Bragg-Willits line.
19 Subsequently, MR acquired another approximately 220 acres from GP at the mill site, another 70 acres
20 of pudding Creek, and (through MR's sister company, Sierra Northern Railway) 14 acres from another
21 entity (Harvest Market). In total, approximately 300 acres of the former mill site were acquired.

22 8. MR has not applied for land-use permits from any state or local land-use authority for
23 any of its rail-related activities, because local land-use permitting requirements are federally preempted.

24 9. Plaintiff California Coastal Commission has for years argued to MR that it has plenary
25 land-use authority over MR's rail activities in the coastal zone, on the (mistaken) assumption that MR is
26 not a railroad within the STB's exclusive jurisdiction. The threat of formal enforcement or other action
27 by the Commission loomed large during those years, causing substantial regulatory uncertainty for MR
28

1 and potential disruption of MR’s railroad operations and projects. For those reasons, MR filed a federal
2 action in this Court on August 9, 2022.

3 10. As for the City of Fort Bragg, in October 2021, it filed a lawsuit against MR in Mendocino
4 County Superior Court. While superficially cloaked in allegations about the MR’s past refusal to submit
5 to the City’s land-use inspection and permit requirements, the City’s complaint is nothing more than a
6 misguided vendetta against MR for purportedly employing its eminent domain power (as a public utility)
7 to acquire the Georgia-Pacific land. City officials were interested in acquiring and controlling the 300
8 acres purchased by MR from Georgia-Pacific, but they failed. The City claims that the railroad somehow
9 “stole” that opportunity from the City. With its lawsuit, the City hopes to deflect public criticism for its
10 failures and to gain substantial development control over the acquired property—through land-use
11 permit oversight—without having to purchase it. While the City directly challenges only MR’s “public
12 utility” status, the City seeks an injunction compelling the railroad to submit to the City’s unfettered
13 land-use authority.

14 11. After sitting for years on its alleged concerns about MR’s compliance with its land-use
15 permit requirements, the Coastal Commission reacted to MR’s federal action by moving to intervene in
16 the City’s state-court action on September 8, 2022, which was about one month after MR filed its federal
17 action.

18 12. After MR acquired the assets of California Western Railroad in 2004, and until recently,
19 MR itself did not perform the freight rail service on the on the Fort Bragg-Willits line. Instead, that
20 freight rail service was performed by its sister company, Sierra Northern Railway. Recently, MR made
21 application to the U.S. Railroad Retirement Board to take over the performance of the freight service
22 from Sierra Northern Railway on the Fort Bragg-Willits line. Given the remote location of the Fort
23 Bragg-Willits line and Sierra Northern’s other extensive obligations, MR began performing freight
24 service on the line.

25 13. True and correct copies of MR’s Freight Tariffs, CWR 9500, effective January 1, 2008,
26 and January 1, 2022, respectively, are attached hereto as Exhibit 1. A true and correct copy of the Notice
27 of Exemption dated March 12, 2004, from the U.S. Surface Transportation Board (Finance Docket No.
28 FD34465) is attached hereto as Exhibit 2.

1 I declare, under penalty of perjury under the laws of the State of California, that the foregoing is
2 true and correct. Executed at Fort Bragg, California.

3
4 DATED: December 5, 2022



5 ROBERT PINOLI

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EXHIBIT 1

CWR 9500

MENDOCINO RAILWAY

FREIGHT TARIFF CWR 9500

LOCAL AND INTERCHANGE
CHARGES
APPLYING
BETWEEN/AND AT
STATIONS ON THE
MENDOCINO RAILWAY / CALIFORNIA WESTERN RAILROAD (CWR)

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items.

ISSUED: January 1, 2022

EFFECTIVE: January 1, 2022

ISSUED BY
Robert Jason Pinoli, President
Mendocino Railway / California Western Railroad
100 West Laurel Street
Fort Bragg, California 95437

CONTACT INFORMATION
707-964-6371 Phone
707-964-6428 Fax
Info@SkunkTrain.com

(The provisions published herein, if effective, will not result in an effect on the quality of the human environment.)

RULES AND OTHER GOVERNING PROVISIONS
GENERAL RULES AND REGULATIONS

ITEM 10 SUPPLEMENTS AND REISSUES

When reference is made in this tariff, or supplements, to other publications for rates or other information, it includes "Supplements thereto or successive issues thereof."

Where reference is made in this tariff to items, it includes "reissues" of such items.

ITEM 15 REFERENCES TO TARIFFS, ITEMS, NOTES, RULES, ETC.

Where reference is made in this tariff to another tariff by number, such reference applies also to such tariff as it may be applicable on intrastate traffic, or traffic within Canada.

When the words tariffs or contracts are used in this tariff, they refer to tariffs or contracts lawfully on file with the U.S. Surface Transportation Board as to interstate traffic and State Commissions as to intrastate traffic, or their respective successors.

ITEM 20 METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff, or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A. Example: Item 100-A cancels Item 100 and Item 300-B cancels Item 300-A in a prior supplement which, in turn, cancelled Item 300.

ITEM 30 PAYMENTS OF CHARGES

Customer shall pay the applicable charges to Railroad upon invoice and on or before the due date specified in the invoice. Charges are due and payable within thirty (30) days following the date of the invoice. In the event that the invoice has not been paid or payment has not been made by Customer on or before the due date, a late payment charge of two percent (2%) of each unpaid charge shall be assessed immediately, and then finance charges of two percent (2%) per month shall then accrue and be assessed on the outstanding balance (payments, late payment charges and interest) owed. Payments shall be applied first to late payment charges, then to interest charges, and then to the outstanding balance.

MENDOCINO RAILWAY

CWR 9500

SECTION 1 SWITCHING

(Charges in dollars and cents per car, except as otherwise noted)

ITEM 1000

SWITCHING CARS DELIVERED BY CONNECTIONS IN ERROR AT ALL STATIONS ON CWR

Cars, loaded or empty, delivered in error by connecting carriers will be subject to charges as shown in this item. Charges for cars delivered in error include the movement from and return as necessary to interchange track(s) of the carrier making the erroneous delivery. Charges are payable by the delivering connecting carrier.

CHARGE \$300.00 per car

ITEM 1050

CARS DELIVERED IN INTERCHANGE TO CONNECTING CARRIERS

Cars received in interchange, loaded, or empty, for immediate switch service to another carrier or destined to points on the CWR which require CWR handling or switching service prior to placement or delivery to the interchange track(s) will be subject to the charges shown herein. Charges are payable by the delivering connecting carrier.

CHARGE \$300.00 per car

MENDOCINO RAILWAY

CWR 9500

ITEM 1100

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1110	All stations in California	Any location at any industry	Another location within the confines of the same switching limits.	Cars of railroad or private ownership loaded, partially loaded or empty.	\$300.00
		When at the request of owner of private track a car or cars are switched from a private track to the tracks of CWR or other private tracks as a temporary expediency to make room for another car or cars.		Cars of railroad or private ownership loaded, partially loaded or empty.	\$300.00
		If such car or cars are returned to the private tracks.		Cars of railroad or private ownership loaded, partially loaded or empty.	\$300.00
1020	All stations in California	Any location at an industry shed, dock platform or open area served by a common set of tracks or parallel tracks where cars are regularly placed for loading, unloading, or other purposes.	Another location at the same industry shed, dock, platform or open area served by a common set of tracks or parallel tracks where cars are regularly placed for loading, unloading, or other purposes.	Cars of railroad or private ownership loaded, partially loaded or empty. Applies only when prior or subsequent to a linehaul and when it is necessary to move the car incidental to switching of other cars to or from the tracks serving the shed, dock, platform or open area, or is otherwise determined by CWR to be necessary for its operations.	No charge (Exception to Item 1010)

MENDOCINO RAILWAY

CWR 9500

ITEM 1100 (Continued)

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1030	All stations at which track scales are located in California	Any location on track within switching limits.	Track scales and return.	Freight Carloads (Applies only when incidental to a linehaul.)	\$300.00 (Note 1)
				Freight Carloads (Applies only when not incidental to a linehaul.)	\$300.00 (Note 1)
		Interchange tracks of connecting carrier with which carrier has an interchange arrangement.	Track scales and return.	Freight Carloads (Also applies on empty railway equipment.)	\$300.00 (Note 1)

(1) – Applies on movements to track scales and return, loaded or empty on request of shipper or consignee and where weights thus obtained are not used for assessing freight charges. Does not apply on freight, including empty railway equipment received from interchange tracks and returned to interchange tracks and returned tracks of connecting carriers.

MENDOCINO RAILWAY

CWR 9500

ITEM 1100 (Continued)

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1050	All stations in California	Industry track loading location within switching limits.	Any track within same switching limits where loaded cars may be held for disposition.	Freight Carloads (See Note 1)	\$300.00 (Note 2)

Note 1 – Applies only on loaded cars moved from loading track at shipper’s directions, when such cars are to be held awaiting dispositioning. When billing instructions are furnished within 24 hours after the first 7:00 a.m. after the switching service is performed, exclusive of Saturdays, Sundays and (6) holidays, no charge will be made when billing instructions are furnished within the time limit specified herein.

Note 2 – Applies only when movement is incidental to a subsequent linehaul, otherwise, Item 1150 applies. Other applicable charges may also apply.

MENDOCINO RAILWAY

CWR 9500

SECTION 2

Switching charges

(Charges in dollars and cents per car, except as otherwise noted)

LINEHAUL CHARGES (Rule 11)

ITEM 2000			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	All Other, FAK (Note 1)	\$1080.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	All Other, FAK (Note 1)	\$1440.00 per car
ITEM 2010			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	Empty rail cars for dismantling or furtherance to off rail points (Note 1)	\$480.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	Empty rail cars for dismantling or furtherance to off rail points (Note 1)	\$720.00 per car
ITEM 2020			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	Hazardous Materials, STCC 28,29,48,49	\$1320.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	Hazardous Materials, STCC 28,29,48,49	\$1680.00 per car

Note 1: Rates do not apply on hazardous materials (STCC 28,29,48,49), COFC, TOFC.

ITEM 2500

OVERLOADED OR IMPROPERLY LOADED CARS RECEIVED IN INTERCHANGE

When a car is discovered to be loaded in excess of its stenciled or allowable load limits, or improperly loaded on the CWR, the connecting carrier will be notified and requested to provide disposition.. Cars subject to the above conditions will be placed at a location on the CWR, held pending disposition, and will be subject to storage and other charges as may be applicable under the provisions described in CWR Tariff 6001, and CWR will bill shipper of record (as shown on the Bill of Lading) for such charges until disposition or other instructions have been received. When disposition is received, the applicable charges as shown below will be applied.

- A. When a car is received from a connecting carrier and returned to the same connecting carrier at the same junction under one or more of the conditions described above, a charge of \$360.00 per car will be assessed.
- B. When a car is received from a connecting carrier and switched to and/or from any of the following stations on the CWR for the purpose of reducing, transferring, trimming, shifting or reloading, a charge of \$360.00 per car will be assessed. For all other Stations, a charge of \$720 per car will be assessed.

Note 1: Disposition on overloaded or improperly loaded cars must be in writing and clearly define the party, name, address, phone and fax numbers, responsible for the charges. This information must be delivered to the CWR via US Mail, facsimile (707-964-6428), or email to CWR's customer service department (Info@SkunkTrain.com).

MENDOCINO RAILWAY

CWR 9500

SECTION 3 WEIGHING

(Charges in dollars and cents per car, except as otherwise noted)

ITEM 3000

WEIGHING

- A. Applicable at all stations on the CWR
 - B. Weighing will be performed where requested by the customer, provided it is practicable for the CWR to do so and railroad or private scales are available.
 - C. Charges, if applicable, will be performed pursuant to applicable switching charges under Item 1100.
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MENDOCINO RAILWAY

CWR 9500

SECTION 4

SPECIAL MOVEMENTS & ADDITIONAL CREWS

(Charges in dollars and cents per car, except as otherwise noted)

ITEM 3500

SPECIAL MOVEMENTS

- A. Applicable at all stations on the CWR
- B. Special movements / work trains maybe scheduled to moves goods or materials with a diesel locomotive and the following CWR cars; flat cars, bottom dump gravel hopper, and side dump car.
 - i. Locomotive fee per shall include a basic crew and will be charged at a rate of \$800.00.
 - ii. CWR Flat Cars will be charged at a rate of \$400.00 each per day.
 - iii. CWR bottom dump gravel hopper will be charged at a rate of \$400.00 per day.
 - iv. CWR side dump car will be charged at a rate of \$400.00 per day.
- C. Crews for any special movements will be billed out at cost, plus benefits, plus overhead.

- END -

CWR 9500

MENDOCINO RAILWAY

FREIGHT TARIFF CWR 9500

LOCAL AND INTERCHANGE
CHARGES
APPLYING
BETWEEN/AND AT
STATIONS ON THE
MENDOCINO RAILWAY (CWR)
(Freight Operations by Sierra Northern Railway—SERA)

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items.

ISSUED: January 1, 2008

EFFECTIVE: January 1, 2008

ISSUED BY
Alan H. Lambert
VP Marketing
Sierra Northern Railway
341 Industrial Way
Woodland, CA 95776

(The provisions published herein, if effective, will not result in an effect on the quality of the human environment.)

RULES AND OTHER GOVERNING PROVISIONS
GENERAL RULES AND REGULATIONS

ITEM 10

SUPPLEMENTS AND REISSUES

When reference is made in this tariff, or supplements, to other publications for rates or other information, it includes "Supplements thereto or successive issues thereof."

Where reference is made in this tariff to items, it includes "reissues" of such items.

ITEM 15

REFERENCES TO TARIFFS, ITEMS, NOTES, RULES, ETC.

Where reference is made in this tariff to another tariff by number, such reference applies also to such tariff as it may be applicable on intrastate traffic, or traffic within Canada.

When the words tariffs or contracts are used in this tariff, they refer to tariffs or contracts lawfully on file with the U.S. Surface Transportation Board as to interstate traffic and State Commissions as to intrastate traffic, or their respective successors.

ITEM 20

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff, or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A. Example: Item 100-A cancels Item 100 and Item 300-B cancels Item 300-A in a prior supplement which, in turn, cancelled Item 300.

ITEM 30

PAYMENTS OF CHARGES

Customer shall pay the applicable charges to Railroad upon invoice and on or before the due date specified in the invoice. Charges are due and payable within thirty (30) days following the date of the invoice. In the event that the invoice has not been paid or payment has not been made by Customer on or before the due date, a late payment charge of two percent (2%) of each unpaid charge shall be assessed immediately, and then finance charges of two percent (2%) per month shall then accrue and be assessed on the outstanding balance (payments, late payment charges and interest) owed. Payments shall be applied first to late payment charges, then to interest charges, and then to the outstanding balance.

MENDOCINO RAILWAY

CWR 9500

SECTION 1 SWITCHING

(Charges in dollars and cents per car, except as otherwise noted)

ITEM 1000

SWITCHING CARS DELIVERED BY CONNECTIONS IN ERROR AT ALL STATIONS ON CWR

Cars, loaded or empty, delivered in error by connecting carriers will be subject to charges as shown in this item. Charges for cars delivered in error include the movement from and return as necessary to interchange track(s) of the carrier making the erroneous delivery. Charges are payable by the delivering connecting carrier.

CHARGE \$250.00 per car

ITEM 1050

CARS DELIVERED IN INTERCHANGE TO CONNECTING CARRIERS

Cars received in interchange, loaded, or empty, for immediate switch service to another carrier or destined to points on the SERA which require SERA handling or switching service prior to placement or delivery to the interchange track(s) will be subject to the charges shown herein. Charges are payable by the delivering connecting carrier.

CHARGE \$250.00 per car

MENDOCINO RAILWAY

CWR 9500

ITEM 1100

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1110	All stations in California	Any location at any industry	Another location within the confines of the same switching limits.	Cars of railroad or private ownership loaded, partially loaded or empty.	\$250.00
		When at the request of owner of private track a car or cars are switched from a private track to the tracks of SERA or other private tracks as a temporary expediency to make room for another car or cars.		Cars of railroad or private ownership loaded, partially loaded or empty.	\$250.00
		If such car or cars are returned to the private tracks.		Cars of railroad or private ownership loaded, partially loaded or empty.	\$250.00
1020	All stations in California	Any location at an industry shed, dock platform or open area served by a common set of tracks or parallel tracks where cars are regularly placed for loading, unloading, or other purposes.	Another location at the same industry shed, dock, platform or open area served by a common set of tracks or parallel tracks where cars are regularly placed for loading, unloading, or other purposes.	Cars of railroad or private ownership loaded, partially loaded or empty. Applies only when prior or subsequent to a linehaul and when it is necessary to move the car incidental to switching of other cars to or from the tracks serving the shed, dock, platform or open area, or is otherwise determined by SERA to be necessary for its operations.	No charge (Exception to Item 1010)

MENDOCINO RAILWAY

CWR 9500

ITEM 1100 (Continued)

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1030	All stations at which track scales are located in California	Any location on track within switching limits.	Track scales and return.	Freight Carloads (Applies only when incidental to a linehaul.)	\$250.00 (Note 1)
				Freight Carloads (Applies only when not incidental to a linehaul.)	\$250.00 (Note 1)
		Interchange tracks of connecting carrier with which carrier has an interchange arrangement.	Track scales and return.	Freight Carloads (Also applies on empty railway equipment.)	\$250.00 (Note 1)

(1) – Applies on movements to track scales and return, loaded or empty on request of shipper or consignee and where weights thus obtained are not used for assessing freight charges. Does not apply on freight, including empty railway equipment received from interchange tracks and returned to interchange tracks and returned tracks of connecting carriers.

MENDOCINO RAILWAY

CWR 9500

ITEM 1100 (Continued)

CARS SWITCH FOR CONSIGNOR, CONSIGNEE OR PRIVATE CAR OWNERS

ITEM	STATION	FROM	TO	COMMODITY	CHARGE
1050	All stations in California	Industry track loading location within switching limits.	Any track within same switching limits where loaded cars may be held for disposition.	Freight Carloads (See Note 1)	\$250.00 (Note 2)

Note 1 – Applies only on loaded cars moved from loading track at shipper's directions, when such cars are to be held awaiting dispositioning. When billing instructions are furnished within 24 hours after the first 7:00 a.m. after the switching service is performed, exclusive of Saturdays, Sundays and (6) holidays, no charge will be made when billing instructions are furnished within the time limit specified herein.

Note 2 – Applies only when movement is incidental to a subsequent linehaul, otherwise, Item 1150 applies. Other applicable charges may also apply.

MENDOCINO RAILWAY

CWR 9500

SECTION 2**Switching charges**

(Charges in dollars and cents per car, except as otherwise noted)

LINEHAUL CHARGES (Rule 11)

ITEM 2000			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	All Other, FAK (Note 1)	\$900.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	All Other, FAK (Note 1)	\$1200.00 per car
ITEM 2010			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	Empty rail cars for dismantling or furtherance to off rail points (Note 1)	\$400.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	Empty rail cars for dismantling or furtherance to off rail points (Note 1)	\$600.00 per car
ITEM 2020			
BETWEEN	AND	COMMODITY	CHARGE
Willits CA.	Northspur, CA (Willits Subdivision)	Hazardous Materials, STCC 28,29,48,49	\$1100.00 per car
Willits CA.	Fort Bragg, CA (Fort Bragg Subdivision)	Hazardous Materials, STCC 28,29,48,49	\$1400.00 per car

Note 1: Rates do not apply on hazardous materials (STCC 28,29,48,49), COFC, TOFC,

ITEM 2500**OVERLOADED OR IMPROPERLY LOADED CARS RECEIVED IN INTERCHANGE**

When a car is discovered to be loaded in excess of its stenciled or allowable load limits, or improperly loaded on the CWR, the connecting carrier will be notified and requested to provide disposition.. Cars subject to the above conditions will be placed at a location on the CWR, held pending disposition, and will be subject to storage and other charges as may be applicable under the provisions described in CWR Tariff 6001, and CWR will bill shipper of record (as shown on the Bill of Lading) for such charges until disposition or other instructions have been received. When disposition is received, the applicable charges as shown below will be applied.

- A. When a car is received from a connecting carrier and returned to the same connecting carrier at the same junction under one or more of the conditions described above, a charge of \$300.00 per car will be assessed.
- B. When a car is received from a connecting carrier and switched to and/or from any of the following stations on the CWR for the purpose of reducing, transferring, trimming, shifting or reloading, a charge of \$300.00 per car will be assessed. For all other Stations, a charge of \$600 per car will be assessed.

Note 1: Disposition on overloaded or improperly loaded cars must be in writing and clearly define the party, name, address, phone and fax numbers, responsible for the charges. This information must be delivered to the CWR via US Mail, facsimile (530-666-2919), or email to SERA's customer service department.

MENDOCINO RAILWAY

CWR 9500

SECTION 3

WEIGHING

(Charges in dollars and cents per car, except as otherwise noted)

ITEM 3000

WEIGHING

- A. Applicable at all stations on the CWR
- B. Weighing will be performed where requested by the customer, provided it is practicable for the CWR to do so and railroad or private scales are available.
- C. Charges, if applicable, will be performed pursuant to applicable switching charges under Item 1100.

- END -

POST FORT BRAGG DEPOT 3/27/93

Exhibit A

C.P.U.C. No. 22
CANCELS C.P.U.C No. 21

Only one supplement to this tariff may be in effect at any time.

C A L I F O R N I A W E S T E R N R A I L R O A D

LOCAL PASSENGER TARIFF NO. 3-Q

(Cancels local Passenger Tarriff No. 3-P)

OF

ONE-WAY AND ROUNDTRIP FARES

Also

TEN ROUNDTRIP COMMUTATION FARES

And

INTERMEDIATE POINT FARES

BETWEEN STATIONS IN CALIFORNIA

On

CALIFORNIA WESTERN RAILROAD AS SHOWN HEREIN

ISSUED - March 27, 1993

EFFECTIVE - April 1, 1993

Issued and made effective on five (5) days notice under authority of the Public Utilities Commission of the State of California in Decision No. 93-03-065 of March 24, 1993 in Application A 92-12-029.

NOTICE - The provisions published herein will not result in an effect on the quality of the human environment.

Issued by

LYNN T. CECIL, PRESIDENT

Fort Bragg, California

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SECTION A

RULES AND REGULATIONS GOVERNING THIS TARIFF
STATIONS FROM AND TO WHICH THIS TARIFF APPLIES

1. Fares authorized herein apply between stations in California named specifically in SECTIONS B, C, D, and E hereof.

FARES AND LIMITS

2. Fares shown herein are as follows:

SECTION B - ONE-WAY FARES. One-way tickets will be limited for passage to thirty (30) days in addition to date got which sold as indicated on ticket and will not be valid for transportation after midnight of date of final limit.

SECTION C - ROUNDTRIP FARES. Roundtrip tickets will be limited for passage to thirty (30) days in addition to date for which sold as indicated on ticket. Going trip must commence on any day within final limit. Return trip must be completed before midnight of final limit.

SECTION D - TEN ROUNDTRIP COMMUTATION FARES.
Ten roundtrip commutation tickets will be limited for passage ninety (90) days from date of sale.

SECTION E - SPECIAL INTERMEDIATE POINT ROUNDTRIP TICKETS.
Special intermediate point roundtrip tickets may only be purchased from the conductor on the train when passenger boards at intermediate station, holding valid commute ticket for that station (point of origin).
One dollar (\$1.00) minimum charge will be made for all special intermediate point tickets.

NOTE: When two fares are shown in Sections B and C, top fare is the adult fare and the bottom fare is the childrens fare.

RULES AND REGULATIONS GOVERNING THIS TARIFF - Continued

No extension of limit can be made on any ticket sold pursuant to SECTIONS B, C, D, or E of this Tariff.

CHILDRENS FARES

3. (a) Children under five (5) years of age, when accompanied by parent or guardian, will be transported without charge, except when occupying a seat will be charged the one-way and roundtrip fares as shown in Sections B and C herein. Minimum fare will be one dollar (\$1.00).
- (b) Children of five (5) and under twelve (12) years of age will be charged the one-way and roundtrip fares as shown in Section B and C herein. Minimum fare will be one dollar (\$1.00). Children twelve (12) years of age and over will be charged the adult fare.
- (c) Ten (10) roundtrip commutation tickets at fares shown in Section D and special intermediate point roundtrip tickets at fares shown in Section E will not be reduced for children of five (5) and under twelve (12) years of age.
- (d) Children of five (5) and under (12) years of age, who are not mature enough to take care of themselves when traveling alone, must not be ticketed unless accompanied by parent or guardian.

EMERGENCY STOPS - FARES

4. Fares are published herein applying to and from all stations to which trains are scheduled to stop. If authority is given to stop trains at intermediate points not named herein, passengers destined to or from such temporary stops will pay proper ticket fare to or from next station beyond, as published herein.

DATES OF SALE

5. Tickets will be on sale daily except for Thanksgiving Day, Christmas Day, and New Years Day.

BAGGAGE

6. There is no checked baggage service. A passenger may bring aboard carry-on baggage, limited to what he or she is reasonably able to carry on board the train.

STOP-OVERS

7. Ten (10) roundtrip adult commutation tickets are limited to continuous passage in each direction. Stop-overs will be allowed on one-way, roundtrip and special intermediate point tickets on First Class Motor only, at all intermediate stations enroute, upon application to conductor.

RULES AND REGULATIONS GOVERNING THIS TARIFF - Concluded

TICKETS NON-TRANSFERABLE

7. All tickets sold at fares named herein are non-transferable, and will be valid only for transportation for whom originally purchased.

REDEMPTION OF TICKETS

9. (a) A service charge of \$2.00 will be made for a full refund, except that a full refund will be made if requested because the train did not operate on the scheduled date of travel.
(b) Partly used tickets will be redeemed at the difference between the fare paid and the value of transportation furnished, except that no refund will be made for a partially used commute ticket.

RESERVATIONS

10. Requests for reservations will be accepted by telephone or by mail, addressed to Reservation Desk, California Western Railroad, Fort Bragg, California 95437, or in person at station of departure.

MISCELLANEOUS REGULATIONS

11. Except as otherwise specifically provided herein, the fares named in this tariff are subject to any other rules and regulations which may be shown in other tariffs of issuing carrier lawfully on file with the Interstate Commerce Commission and California Public Utilities Commission which in any way affect the measure of the service or charges shown in this tariff.

SECTION B - ONE WAY ADULT AND CHILDREN FARES (30 DAY LIMIT)

BETWEEN AND	FORT BRAGG CALIFORNIA	SOUTH FORK CALIFORNIA	RANCH CALIFORNIA	REDWOOD LODGE CALIFORNIA	GROVE CALIFORNIA	CAMP NOYO CALIFORNIA	ALPINE CALIFORNIA
SOUTH FORK.....CA	3.45 1.65						
RANCH.....CA	4.75 ✓ 2.25 ✓	1.25 1.00					
REDWOOD LODGE.....CA	5.25 2.50	1.80 1.00	1.00 1.00				
GROVE.....CA	6.65 3.15	2.20 1.50	1.90 1.00	1.40 1.00			
CAMP NOYO.....CA	7.46 3.70	4.35 2.05	3.10 1.45	2.60 1.20	1.20 1.00		
ALPINE.....CA	9.50 4.50	6.00 2.85	4.75 2.25	4.25 2.00	2.80 1.35	1.70 1.00	
CAMP MENDOCINO.....CA	10.30 4.90	6.80 3.25	5.60 2.65	5.00 2.40	3.60 1.70	2.50 1.15	1.00 1.00
NORTHSPUR.....CA	10.50 5.00	7.70 3.65	6.50 3.05	5.90 2.80	4.50 2.15	3.40 1.60	1.70 1.00
IRMULCO.....CA	12.55 5.95	9.10 4.30	7.80 3.70	7.30 3.45	5.90 2.80	4.70 2.25	3.05 1.45
SHAKE CITY.....CA	14.05 6.70	10.00 5.05	9.35 4.45	8.80 4.20	7.40 3.50	6.25 2.95	4.30 2.15
CLARE MILL.....CA	15.95 7.60	12.50 5.95	11.20 5.35	10.70 5.10	9.30 4.40	8.10 3.85	6.50 3.05
CROWLEY.....CA	17.10 8.15	13.65 6.50	12.30 5.90	11.90 5.65	10.45 4.95	9.30 4.40	7.60 3.60
SUMMIT.....CA	18.60 8.85	15.10 7.20	13.90 6.60	13.30 6.35	11.90 5.65	10.80 5.10	9.10 4.30
WILLITS.....CA	21.00 10.00	17.50 8.35	16.25 7.75	15.75 7.50	14.30 6.80	13.30 6.25	11.50 5.45

SECTION B ONE WAY ADULT AND CHILDRENS FARES (30 DAY LIMIT) CONTINUED

BETWEEN AND	CAMP MENDOCINO CALIFORNIA	NORTHSPUR CALIFORNIA	IRMULCO CALIFORNIA	SHAKE CITY CALIFORNIA	CLARE MILL CALIFORNIA	CROWLEY CALIFORNIA	SUMMIT CALIFORNIA
NORTHSPUR.....CA	1.00 1.00						
IRMULCO.....CA	2.25 1.05	1.37 1.00					
SHAKE CITY.....CA	3.75 1.80	2.90 1.35	1.50 1.00				
CLARE MILL.....CA	5.70 2.70	4.75 2.25	3.40 1.60	1.90 1.00			
CROWLEY.....CA	6.50 3.10	5.90 2.80	4.60 2.15	3.05 1.45	1.15 1.00		
SUMMIT.....CA	8.30 3.95	7.40 3.52	6.00 2.85	4.50 2.15	2.60 1.25	1.50 1.00	
WILLITS.....CA	10.70 5.10	10.50 5.00	8.50 4.00	6.90 3.30	5.00 2.40	3.90 1.85	2.40 1.15

BETWEEN AND	FORT BRAGG CALIFORNIA	SOUTH FORK CALIFORNIA	RANCH CALIFORNIA	REDWOOD LODGE CALIFORNIA	GROVE CALIFORNIA	CAMP NOYO CALIFORNIA	ALPINE CALIFORNIA
SOUTH FORK.....CA	6.95 3.30						
RANCH.....CA	9.45 4.50	2.50 1.20					
REDWOOD LODGE.....CA	10.50 5.00	3.55 1.70	1.05 1.00				
GROVE.....CA	13.35 6.35	6.40 3.05	3.90 1.85	2.80 1.35			
CAMP NOYO.....CA	15.65 7.45	8.70 4.15	6.20 2.95	5.15 2.45	2.30 1.10		
ALPINE.....CA	19.00 9.05	12.05 5.75	9.60 4.55	8.50 4.05	5.70 2.70	3.40 1.60	
CAMP MENDOCINO.....CA	20.60 9.80	13.65 6.50	11.13 5.30	10.10 4.80	7.25 3.45	4.90 2.35	1.60 1.00
NORTHSPUR.....CA	21.00 10.00	15.45 7.35	12.90 6.15	11.90 5.65	9.00 4.30	6.70 3.20	3.40 1.60
IRMULCO.....CA	21.95 10.40	18.15 8.65	15.65 7.45	14.60 6.95	11.80 5.60	9.45 4.50	6.10 2.90
SHAKE CITY.....CA	22.70 10.70	21.10 10.00	18.80 8.95	17.64 8.40	14.80 7.05	12.50 5.95	9.10 4.35
CLARE MILL.....CA	23.60 11.05	21.95 10.40	21.35 10.15	21.10 10.05	18.05 8.60	16.30 7.75	12.95 6.15
CROWLEY.....CA	24.15 11.25	22.50 10.60	21.90 10.35	21.65 10.25	20.90 9.95	18.60 8.85	15.20 7.25
SUMMIT.....CA	24.85 11.55	23.20 10.90	22.60 10.65	22.35 10.55	21.70 10.25	21.10 10.05	18.70 8.65
WILLITS.....CA	26.00 12.00	24.35 11.30	22.75 11.10	22.50 11.00	22.80 10.75	22.30 10.50	21.50 10.20

SECTION C - ROUNDTRIP ADULT AND CHILDRENS FARES (30 DAY LIMIT) continued...

BETWEEN AND	CAMP MENDOCINO CALIFORNIA	NORTHSPUR CALIFORNIA	IRMULCO CALIFORNIA	SHAKE CITY CALIFORNIA	CLARE MILL CALIFORNIA	CROWLEY CALIFORNIA	SUMMIT CALIFORNIA
NORTHSPUR.....CA	1.80 1.00						
IRMULCO.....CA	4.50 2.15	2.75 1.30					
SHAKE CITY.....CA	7.55 3.60	5.80 2.75	3.05 1.45				
CLARE MILL.....CA	11.35 5.40	9.55 4.55	6.85 3.25	3.80 1.80			
CROWLEY.....CA	13.00 6.20	11.85 5.65	9.15 4.35	6.10 2.90	2.30 1.10		
SUMMIT.....CA	16.60 7.90	14.80 7.05	12.10 5.75	9.05 4.30	5.25 2.50	2.95 1.40	
WILLITS.....CA	21.40 10.20	21.00 10.00	16.95 8.05	13.85 6.60	10.10 4.80	7.75 3.70	4.85 2.30

SECTION D: - N (10) ROUNDRIP ADULT COMMUTATION FARES

BETWEEN AND	Fort Bragg, California	South Fork, California	Ranch, California	Redwood Lodge, California	Grove, California	Camp Noyo, California	Alpine, California
South Fork..... Calif.	7.90						
Ranch..... "	9.80	4.50					
Redwood Lodge.. "	10.90	4.50	4.50				
Grove..... "	13.75	7.00	5.05	4.50			
Camp Noyo..... "	16.80	9.80	7.90	7.00	4.50		
Alpine..... "	18.75	11.80	9.80	7.90	5.05	4.50	
Camp Mendocino. "	20.60	13.75	11.80	10.90	7.00	5.05	4.50
Northspur..... "	22.40	15.75	12.80	11.80	8.95	5.95	4.50
Irmulco..... "	25.95	18.10	16.10	15.10	12.20	9.10	7.10
Shake City..... "	28.60	21.45	18.75	17.70	14.90	11.80	9.80
Clare Mill..... "	31.30	25.95	21.45	21.45	18.95	16.05	14.10
Crowley..... "	34.90	27.70	25.95	25.00	21.45	18.05	16.05
Summit..... "	36.65	30.60	27.70	26.80	25.00	20.00	18.75
Willits..... "		34.40	32.20	30.40	28.60	25.95	23.25

No Ten (10) Roundtrip Adult Commutation Fares between Fort Bragg and Willits

BETWEEN AND	Camp Mendocino, California	Northspur, California	Irmulco, California	Shake City, California	Clare Mill, California	Crowley, California	Summit, California
Northspur..... Calif.	4.50						
Irmulco..... "	5.40	4.50					
Shake City..... "	8.10	7.00	4.50				
Clare Mill..... "	12.20	10.20	7.75	5.05			
Crowley..... "	14.30	12.50	9.80	7.00	4.50		
Summit..... "	16.80	14.90	12.40	9.80	5.95	4.50	
Willits..... "	21.45	19.70	16.80	13.75	10.90	8.95	5.95

SECTION E - SPECIAL INTERMEDIATE POINT ROUNDTRIP TICKET (3-day limit)

BETWEEN AND	Fort Bragg, California	South Fork, California	Ranch, California	Redwood Lodge, California	Grove, California	Camp Noyo, California	Alpine, California
South Fork.... Calif.	1.60						
Ranch..... "	2.00	1.00					
Redwood Lodge. "	2.20	1.00	1.00				
Grove..... "	2.75	1.40	1.00	1.00			
Camp Noyo..... "	3.35	2.00	1.60	1.40	1.00		
Alpine..... "	3.75	2.35	1.95	1.60	1.00	1.00	
Camp Mendocino "	4.10	2.75	2.35	2.20	1.40	1.00	1.00
Northspur..... "	4.50	3.15	2.55	2.35	1.80	1.20	1.00
Irmulco..... "	5.20	3.60	3.20	3.00	2.45	1.80	1.40
Shake City.... "	5.70	4.30	3.75	3.55	3.00	2.35	1.95
Clare Mill.... "	6.25	5.20	4.30	4.30	3.80	3.20	2.80
Crowley..... "	7.00	5.55	5.20	5.00	4.30	3.60	3.20
Summit..... "	7.35	6.10	5.55	5.35	5.00	4.00	3.75
Willits..... "		6.90	6.45	6.10	5.70	5.20	4.65

BETWEEN AND	Camp Mendocino, California	Northspur, California	Irmulco, California	Shake City, California	Clare Mill, California	Crowley, California	Summit, California
Northspur..... Calif.	1.00						
Irmulco..... "	1.10	1.00					
Shake City.... "	1.60	1.40	1.00				
Clare Mill.... "	2.45	2.05	1.55	1.00			
Crowley..... "	2.85	2.50	1.95	1.40	1.00		
Summit..... "	3.35	3.00	2.50	1.95	1.20	1.00	
Willits..... "	4.30	3.95	3.35	2.75	2.20	1.80	1.20

Commuter Fares





July 10, 2014

To: All Concerned

From: Robert Jason Pinoli

Re: COMMUTE FARES

The following is an update to the policies and procedures for commute fares and takes effect immediately.

There are now two styles of tickets being issued - 10 round-trips between a designated station and another designated station. The second is a 1-trip pass between a designated station and another (this is meant for people going out to camp to visit).

There is a significant difference now, the 10 round-trip tickets are only good for the person who is named on the front, and this will rule be strictly enforced.

Ticket Agents, Conductors, Brakemen, and Motormen not enforcing the policies will be held accountable.

Fares have also been simplified considerably and fares have increased.

Commute Tickets pricing policies are lattached.

Updated 2014.9.10

MENDO00455



TEN ROUND-TRIPS COMMUTAITON TICKET

- Good for one person ONLY. Their name must be on the front as indicated.
- Must be known to the train crew or have a valid photo ID at the time of boarding to accompany this ticket (NO EXCEPTIONS).
- Subject to provisions on the back side of the ticket.
 - For example if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. TEN TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

Going	1	2	3	4	5	6	7	8	9	10
CALIFORNIA WESTERN RAILROAD TEN ROUND-TRIP PARTY COMMUTATION TICKET										
Between ----- and -----										
Purchaser -----										
Date of Sale ----- <i>See reverse side for conditions of sale.</i>										
No. _____ FORM 101										
Return	1	2	3	4	5	6	7	8	9	10

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for Ten (10) round-trips between the points named on face of this ticket, and it will not be good for passage after Three (3) months from date of sale.
2. This ticket MUST be accompanied by a valid photo ID and may only be used by the purchaser named on the front.
3. That it will be good only for continuous trips between the stations named. Ticket is to be lifted by the conductor with last trip on the ticket.



SINGLE ROUND-TRIP COMMUTATION TICKET

- Good for one person who’s name must be on the front as indicated.
- Subject to provisions on the back side of the ticket.
 - For example if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. ONE TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

CALIFORNIA WESTERN RAILROAD SINGLE ROUND-TRIP PARTY COMMUTATION TICKET			
Between -----		and -----	
Purchaser -----			
Date of Sale -----		<i>See reverse side for conditions of sale.</i>	
No. _____		FORM 101	
	Going	Return	

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for One (1) round-trip between the points named on the face of this ticket, and it will not be good for passage after Three (3) months from the date of sale.
2. This ticket MUST be accompanied by a valid photo ID and may only be used by the purchaser named on the front.
3. That it will be good only for continuous trips between the stations named. Ticket is to be lifted by the conductor with last trip on the ticket.



DESIGNATED STATIONS & FAMILY NAMES

Designated stations stops are in bold all others are "flag stops"

Fort Bragg

Glen Blair Junction

No Residents

South Fork

Merritts (across the river before Bridge 7.88)

Ranch

Clark, Paul & Barbara (westerly most cabin)
 Fernandez, Gary (cabin just West of Ranch)
 Holmes, Leonard (cabin at the East end of Ranch)
 Rayman, Dan or Rosanna
 McDonald

Redwood Lodge

No Residents (the cabin just past 9.86 is vacant).

Grove

Bowman's

Gayle Bowman
 Vic Kosonen
 Patty Kosonen
 Will Kosonen
 David Kosonen
 Jennifer Carlson (Gayle Bowman's other daughter)
 Johnny Ciro
 Anna-Kristina Rosenquist
 Justin Mynatt
 Scott Mayberry
 Roberta Mayberry

English Camp

Gevas
 Holmes (Norma, Cookie, Allan)
 Kosta
 Nowlins
 Swales
 Webster

Camp Little Stinker

Daniels / Delong / Kjeldsens / Kostas

Camp Three

No Residents

Camp Noyo

Hemphill

Alpine

No Residents at Alpine proper
 Four Point Lodge (just west of Bridge 19.28) Dennett

Camp Mendocino

Bohlen

Old Camp 7 (just east of Camp Mendo)

Cameron, Kristen & Gordon
 Schmidt, Phil
 Matson, Jerry



Northspur

Ballard
Bello
Fernandez (Caretaker)
Doll
Hinton, Leanne
Ingram
Neutra, Raymond
Pratt
Rossetto, Jason
Scott, Gary



DESIGNATED STATIONS & FAMILY NAMES

Designated stations stops are in bold all others are "flag stops"

Willits

Summit	Jergenson
Crowley	Baldo
Clare Mill	
Burbeck	Urban, John
Shake City	Burkhardt Hess Redwood Creek Old Maguires Ranch (Wilderness Unlimited)
Irmulco	Benedetti Big Stump - Piatt Boone Camp Saint Albert Faulkner Larson McCarthy McLaughlin Nystrom
Northspur	See Above



FARES

	Mile	10 Round-Trip Ticket	1 Round-Trip Ticket
Fort Bragg	0		
Glen Blair	3.5	N/A	N/A
South Fork	6.6	\$20	\$8
Ranch	9	\$30	\$11
Redwood Lodge	10	\$40	\$13
Grove	12.7	\$50	\$16
Camp Three	14.9	\$75	\$19
Alpine	18.1	\$90	\$23
Northspur (*)	21.3	\$100	\$27
Willits	40		
Summit	35.4	\$30	\$7
Crowley	34.1	\$30	\$9
Clare Mill	30.4	\$40	\$14
Burbeck	27.8	\$50	\$18
Shake City	26.8	\$75	\$19
Irmulco	23.9	\$90	\$23
Northspur (*)	21.3	\$100	\$27

(*) Fares to Northspur are only for those spending the night with a resident and returning the next day.

Tickets may not be sold to non-residents (of the line) or guests thereof, and are defined by the preceding list.

The "1 Round-Trip Tickets" are meant to be used for people who are just going out and back.

Commuter Fares



Updated 2016.7.16



July 16, 2016 (UPDATED)

To: All Concerned

From: Robert Jason Pinoli

Re: COMMUTE FARES

The following is an update to the policies and procedures for commute fares and takes effect immediately.

There are now two styles of tickets being issued - 10 round-trips between a designated station and another designated station. The second is a 1-trip pass between a designated station and another (this is meant for people going out to camp to visit).

There is a significant difference now, the 10 round-trip tickets are only good for the person who is named on the front, and this will rule be strictly enforced.

Ticket Agents, Conductors, Brakemen, and Motormen not enforcing the policies will be held accountable.

Fares have also been simplified considerably and fares have increased.

Commute Tickets pricing policies are attached.

Updated 2016.4.2

MENDO00463



TEN ROUND-TRIPS COMMUTAITON TICKET

- Good for one person ONLY. Their name must be on the front as indicated.
- Must be known to the train crew or have a valid photo ID at the time of boarding to accompany this ticket (NO EXCEPTIONS).
- Subject to provisions on the back side of the ticket.
 - For example, if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. TEN TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

Going	1	2	3	4	5	6	7	8	9	10
CALIFORNIA WESTERN RAILROAD TEN ROUND-TRIP PARTY COMMUTATION TICKET										
Between ----- and -----										
Purchaser -----										
Date of Sale ----- <i>See reverse side for conditions of sale.</i>										
No. _____ FORM 101										
Return	1	2	3	4	5	6	7	8	9	10

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for Ten (10) round-trips between the points named on face of this ticket, and it will not be good for passage after Three (3) months from date of sale.
2. This ticket MUST be accompanied by a valid photo ID and may only be used by the purchaser named on the front.
3. That it will be good only for continuous trips between the stations named. Ticket is to be lifted by the conductor with last trip on the ticket.



SINGLE ROUND-TRIP COMMUTATION TICKET

- Good for one person whose name must be on the front as indicated.
- Subject to provisions on the back side of the ticket.
 - For example, if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. ONE TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

CALIFORNIA WESTERN RAILROAD SINGLE ROUND-TRIP PARTY COMMUTATION TICKET			
Between -----		and -----	
Purchaser -----			
Date of Sale ----- <i>See reverse side for conditions of sale.</i>			
No. _____		FORM 101	
	Going	Return	

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for One (1) round-trip between the points named on the face of this ticket, and it will not be good for passage after Three (3) months from the date of sale.
2. This ticket **MUST** be accompanied by a valid photo ID and may only be used by the purchaser named on the front.
3. That it will be good only for continuous trips between the stations named. Ticket is to be lifted by the conductor with last trip on the ticket.



DESIGNATED STATIONS & FAMILY NAMES

Designated stations stops are in bold all others are “flag stops”

Fort Bragg

Glen Blair Junction	No Residents
South Fork	Merrits (across the river before Bridge 7.88)
Ranch	Clark, Paul & Barbara (westerly most cabin) Fernandez, Gary (cabin just West of Ranch) Holmes, Leonard (cabin at the East end of Ranch) Rayman, Dan or Rosanna McDonald
Redwood Lodge	No Residents (the cabin just past 9.86 is vacant).
Grove	Bowman’s Gayle Bowman Vic Kosonen Patty Kosonen Will Kosonen David Kosonen Jennifer Carlson (Gayle Bowman's other daughter) Johnny Ciro Anna-Kristina Rosenquist Justin Mynatt Scott Mayberry Roberta Mayberry English Camp Gevas Holmes (Norma, Cookie, Allan) Kosta Nowlins Swales Webster
Camp Little Stinker	Daniels / Delong / Kjeldsens / Kostas
Camp Three	No Residents
Camp Noyo	Hemphill
Alpine	No Residents at Alpine proper Four Point Lodge (just west of Bridge 19.28) Dennett
Camp Mendocino	Bohlen
Old Camp 7 (just east of Camp Mendo)	Cameron, Kristen & Gordon Schmidt, Phil Matson, Jerry



Northspur

Ballard
Bello
Fernandez (Caretaker)
Doll
Hinton, Leanne
Ingram
Neutra, Raymond
Pratt
Rossetto, Jason
Scott, Gary



DESIGNATED STATIONS & FAMILY NAMES

Designated stations stops are in bold all others are "flag stops"

Willits

Summit	Jergenson
Crowley	Baldo
Clare Mill	
Burbeck	Urban, John
Shake City	Burkhardt Hess Redwood Creek Old Maguires Ranch (Wilderness Unlimited)
Irmulco	Benedetti Big Stump – Piatt McKenna – LaRue / Grice Boone Camp Saint Albert Faulkner Larson McCarthy McGrath, April McLaughlin Nystrom
Northspur	See Above



FARES

	Mile	10 Round-Trip Ticket	1 Round-Trip Ticket
Fort Bragg	0		
Glen Blair	3.5	N/A	N/A
South Fork	6.6	\$20	\$8
Ranch	9	\$30	\$11
Redwood Lodge	10	\$40	\$13
Grove	12.7	\$50	\$16
Camp Three	14.9	\$75	\$19
Alpine	18.1	\$90	\$23
Northspur (*)	21.3	\$100	\$27
Willits	40		
Summit	35.4	\$30	\$7
Crowley	34.1	\$30	\$9
Clare Mill	30.4	\$40	\$14
Burbeck	27.8	\$50	\$18
Shake City	26.8	\$75	\$19
Irmulco	23.9	\$90	\$23
Northspur (*)	21.3	\$100	\$27

(*) Fares to Northspur are only for those spending the night with a resident and returning the next day.

Tickets may not be sold to non-residents (of the line) or guests thereof, and are defined by the preceding list.

The "1 Round-Trip Tickets" are meant to be used for people who are just going out and back.

Commuter Fares





June 9, 2017 (UPDATED)

To: All Concerned

From: Robert Jason Pinoli

Re: COMMUTE FARES

The following is an update to the policies and procedures for commute fares and takes effect immediately.

There are now two styles of tickets being issued - 10 round-trips between a designated station and another designated station. The second is a 1-trip pass between a designated station and another (this is meant for people going out to camp to visit).

There is a significant difference now, the 10 round-trip tickets are only good for the person who is named on the front, and this will rule be strictly enforced.

Ticket Agents, Conductors, Brakemen, and Motormen not enforcing the policies will be held accountable.

Fares have also been simplified considerably and fares have increased.

Commute Tickets pricing policies are attached.

Updated 2017.6.9

MENDO00471



TEN ROUND-TRIPS COMMUTAITON TICKET

- Good for one person ONLY. Their name must be on the front as indicated.
- Must be known to the train crew or have a valid photo ID at the time of boarding to accompany this ticket (NO EXCEPTIONS).
- Subject to provisions on the back side of the ticket.
 - For example, if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. TEN TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

Going	1	2	3	4	5	6	7	8	9	10
CALIFORNIA WESTERN RAILROAD TEN ROUND-TRIP PARTY COMMUTATION TICKET										
Between ----- and -----										
Purchaser -----										
Date of Sale ----- <i>See reverse side for conditions of sale.</i>										
No. _____ FORM 101										
Return	1	2	3	4	5	6	7	8	9	10

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for Ten (10) round-trips between the points named on face of this ticket, and it will not be good for passage after Three (3) months from date of sale.
2. This ticket MUST be accompanied by a valid photo ID and may only be used by the purchaser named on the front.
3. That it will be good only for continuous trips between the stations named. Ticket is to be lifted by the conductor with last trip on the ticket.



SINGLE ROUND-TRIP COMMUTATION TICKET

- Good for one person whose name must be on the front as indicated.
- Subject to provisions on the back side of the ticket.
 - For example, if someone is going to Holmes, Swales, English, or Bowman’s Camp which are just east of MP 10.0 “Redwood Lodge” they are charged to Grove. In every case ticket fares are based on the next station. When filling out the tickets though you should put the actual spot they are getting off (Fort Bragg to Swales Camp).

CALIFORNIA WESTERN R.R. ONE TRIP COMMUTE
Between ----- and -----
DATE SOLD:
SOLD TO:
No. _____ FORM 101

CALIFORNIA WESTERN RAILROAD SINGLE ROUND-TRIP PARTY COMMUTATION TICKET			
Between -----		and -----	
Purchaser -----			
Date of Sale ----- <i>See reverse side for conditions of sale.</i>			
No. _____		FORM 101	
	Going	Return	

In consideration of this ticket being sold at a reduced price from the regular full rate, it is subject to the following limitations and conditions:

1. That it will be good for One (1) round-trip between the points named on the face of this ticket, and it will not be good for passage after Three (3) months from the date of sale.
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Glen Blair Junction

No Residents

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Merritts (across the river before Bridge 7.88)

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Clark, Paul & Barbara (westerly most cabin)
 Fernandez, Gary (cabin just West of Ranch)
 Holmes, Leonard (cabin at the East end of Ranch)
 Rayman, Dan or Rosanna
 McDonald

Redwood Lodge

No Residents (the cabin just past 9.86 is vacant).

Grove

Bowman's
 Gayle Bowman
 Vic Kosonen
 Patty Kosonen
 Will Kosonen
 David Kosonen
 Jennifer Carlson (Gayle Bowman's other daughter)
 Johnny Ciro
 Anna-Kristina Rosenquist
 Justin Mynatt
 Scott Mayberry
 Roberta Mayberry

English Camp

Gevas

Holmes (Norma, Cookie, Allan)

Kosta

Nowlins

Swales

Webster

Camp Little Stinker

Daniels / Delong / Kjeldsens / Kostas

Camp Three

No Residents

Camp Noyo

Hemphill

Alpine

No Residents at Alpine proper
 Four Point Lodge (just west of Bridge 19.28) Dennett

Camp Mendocino

Bohlen

Old Camp 7 (just east of Camp Mendo)

Cameron, Kristen & Gordon
 Schmidt, Phil
 Matson, Jerry



Northspur

Ballard
Bello
Doll
Hinton, Leanne
Ingram
Neutra, Raymond
Pratt
Rossetto, Jason
Scott, Gary



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Irmulco	Benedetti Big Stump – Piatt McKenna – LaRue / Grice Boone Camp Saint Albert Faulkner Larson McCarthy McGrath, April McLaughlin Nystrom
Northspur	See Above



FARES

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The "1 Round-Trip Tickets" are meant to be used for people who are just going out and back.

EXHIBIT 2

210287



SIERRA RAILROAD COMPANY

341 Industrial Way
Woodland, CA 95776-6012
Tel: 530-666-9646
Fax: 530-666-2919

March 11, 2004

Secretary
Surface Transportaton Board
1925 K Street, NW
Washington, DC 20423-0001



Re: Notice of Exemption, Mendocino Railway, FD 34465

Dear Sir or Madam:

The following is enclosed:

1. An original and 10 copies of the Notice of Exemption by Mendocino Railway;
2. A 3.5 inch floppy disk contining the Notice of Exemption in WordPerfect 5.1 format.
3. A check in the amount of \$1,400.00 for the filing fee.

Please contact me if there are any questions regarding the above matters.

Sincerely,

David Magaw
Vice President, Sierra Railroad Company
President, Mendocino Railway

ENTERED
Office of Proceedings
MAR 12 2004
Part of
Public Record

FEE RECEIVED

MAR 12 2004

SURFACE
TRANSPORTATION BOARD

FILED

MAR 12 2004

SIERRA
TRANSPORTATION BOARD

210287

BEFORE THE SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION



FINANCE DOCKET NO. FD 34465

VERIFIED NOTICE BY MENDOCINO RAILWAY FOR EXEMPTION UNDER 49 C.F.R. § 1150.31 OF
ACQUISITION OF THE ASSETS OF THE CALIFORNIA WESTERN RAILROAD

FEE RECEIVED

MAR 12 2004

**SURFACE
TRANSPORTATION BOARD**

Torgny Nilsson, General Counsel
Mendocino Railway
341 Industrial Way
Woodland, California 95776
(530) 666-9646

FILED

MAR 12 2004

**SURFACE
TRANSPORTATION BOARD**

**ENTERED
Office of Proceedings**

MAR 12 2004

**Part of
Public Record**



BEFORE THE SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. FD 34465

VERIFIED NOTICE BY MENDOCINO RAILWAY FOR EXEMPTION UNDER 49 C.F.R. § 1150.31 OF
ACQUISITION OF THE ASSETS OF THE CALIFORNIA WESTERN RAILROAD

1. Introduction

This verified notice is filed pursuant to 49 C.F.R. section 1150.31 by Mendocino Railway, a non-carrier, to exempt from regulation under 49 U.S.C. section 10901, its acquisition of the assets of the California Western Railroad (the “CWR”) from the CWR through its trustee in bankruptcy and with the approval of the Bankruptcy Court for the Northern District of California. Mendocino Railway’s acquisition of the CWR will hereinafter be referred to as the “Acquisition.” Mendocino Railway intends to at least initially operate the CWR with the help of its affiliated entities: Sierra Northern Railway (a Class III common carrier); Midland Railroad Enterprises Corporation (a railroad construction and track maintenance company); and Sierra Entertainment (a tourism, entertainment, and passenger operations company). The CWR is located in Mendocino County, California. The total mileage to be acquired is approximately forty (40) miles.

Mendocino Railway is a California corporation formed for the purpose of acquiring and operating the CWR. Mendocino Railway’s status as a wholly-owned subsidiary of Sierra Railroad Company (a non-carrier holding company), and its relationships with its affiliated entities give Mendocino Railway access to the experienced personnel, equipment, and economies of scale needed to conduct the repairs and maintenance required if the CWR is to reopen in time for the May 1, 2004 beginning of the tourist season in Mendocino County. Reopening by this deadline is crucial as the CWR has—at least recently—relied almost solely on tourism to support its continued operation.

2. Information

In accordance with 49 C.F.R. section 1150.33, Mendocino Railway hereby states as follows:

a. Full Name And Address Of Applicant

Mendocino Railway
341 Industrial Way
Woodland, California 95776

b. Representative Of Applicant To Receive Correspondence

Torgny Nilsson, General Counsel
Mendocino Railway
341 Industrial Way
Woodland, California 95776
(530) 666-9646

c. Statement Of Agreement Reached

Judge Alan Jaroslovsky of the Bankruptcy Court for the Northern District of California has issued a February 11, 2004 Order Authorizing Sale of Railroad Assets that authorized the Trustee to sell the railroad assets of the CWR to Sierra Railroad Company. Sierra Railroad Company has formed Mendocino Railway as a wholly owned subsidiary to acquire and operate the CWR. A true and correct copy of the court's Order is attached as Exhibit "A" hereto.

Mendocino Railway is in the process of attempting to reach an agreement with Hawthorne Timber Company, LLC ("Hawthorne") for the transfer to Mendocino Railway of Hawthorne's fee interest in the real property underlying the CWR's tracks, but no such agreement has yet been reached.

d. The Operator Of The Property

Mendocino Railway will operate the CWR, at least initially with the help of its affiliated entities: Sierra Northern Railway (a Class III common carrier); Midland Railroad Enterprises Corporation (a railroad construction and track maintenance company); and Sierra Entertainment (a tourism, entertainment, and passenger operations company).

e. Summary Of Proposed Transaction

i. Name, Address, And Telephone Number Of Railroad Transferring Property

The railroad transferring the property is the CWR, through its bankruptcy trustee, Michael H. Meyer, 3510 Unical Place, Suite 108, Santa Rosa, California 95403; (707) 544-5500, and with the approval of Judge Alan Jaroslovsky of the Bankruptcy Court for the Northern District of California, 99 South "E" Street, Santa Rosa, California 95404; (707) 525-8520.

ii. Proposed Time Schedule

Following open bidding and a bankruptcy court hearing on December 16, 2003 that involved testimony by, and questioning of, representatives of all parties bidding to acquire the CWR, Judge Jaroslovsky on December 17, 2003 issued a Memorandum on Confirmation of Plan or Sale of Assets selecting SRC as the successful bidder for the CWR's assets. A true and correct copy of Judge Jaroslovsky's Memorandum on Confirmation of Plan or Sale of Assets is attached as Exhibit "B" hereto and incorporated by reference herein.

SRC subsequently incorporated Mendocino Railway to implement the Acquisition. Mendocino Railway, the bankruptcy trustee, and Hawthorne have worked diligently to promptly finalize the Acquisition. Mendocino Railway and SRC have conducted extensive inspections of the CWR's equipment and tracks and formulated repair and maintenance plans so that the CWR can reopen on or about May 1, 2004. Mendocino Railway and SRC have also commenced maintenance and repair of the CWR's tracks and equipment.

Provided that there are no delays to the conclusion of this notice process, Mendocino Railway anticipates completing its Acquisition by the middle of March 2004 and reopening the CWR on or about May 1, 2004.

iii. Mile Posts Of Subject Property

The subject property consists of all rail lines owned by the CWR, described as between milepost 0 and milepost 40.

iv. Total Route Miles Being Acquired

Approximately 40 route miles are being acquired.

f. Map Indicating Area To Be Served

A map indicating the area to be served is attached as Exhibit "C" hereto and incorporated by reference herein.

g. Certificate That Applicant's Projected Revenues Do Not Exceed Those That Would Qualify It As a Class III Carrier

Mendocino Railway certifies that its projected revenues do not exceed \$5 million per year and do not exceed those that would qualify it as a Class III carrier.

3. Environmental Report

Pursuant to 29 C.F.R. section 1105.6(c)(2), no environmental documentation is required because this proceeding involves authority for an acquisition under 49 U.S.C. section 10901 that will not result in significant changes in operations of the CWR or operations exceeding the thresholds established in 49 C.F.R. section 1105.7(e)(4) or (5).

4. Historic Report

No historic report under 49 C.F.R. section 1105.8(b)(1) is required because the acquisition merely involves the acquisition for continued rail operations and further Board approval is required to discontinue or abandon any service. Mendocino Railway has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

5. Labor Protection

Mendocino Railway does not believe that its Acquisition is subject to labor protection conditions. However, Mendocino Railway's Acquisition will not result in any layoffs or other reductions of personnel: the CWR shut down for the winter in or about September 2003 and has not employed more than one person since that time. Mendocino Railway anticipates that the Acquisition will result in the hiring of, not the reduction of, personnel.

6. Caption Summary

The caption summary required by 49 C.F.R. section 1150.34 is attached as Exhibit "D" hereto.

Respectfully Submitted,



Torgny Nilsson
General Counsel
Mendocino Railway
341 Industrial Way
Woodland, California 95776
(530) 666-9646

VERIFICATION

I, Davis Magaw, the incorporator of Mendocino Railway, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed this 11th day of March 2004.



David Magaw

EXHIBIT A

1 STATE BAR NO. 60780
2 DAVID N. CHANDLER
3 David N. Chandler, p.c.
4 1747 Fourth Street
5 Santa Rosa, CA 95404
6
7 (707) 528-4331
8 Attorney for Trustee

FILED
February 11, 2004
U.S. Bankruptcy Court
Santa Rosa, CA

9 UNITED STATES BANKRUPTCY COURT
10 NORTHERN DISTRICT OF CALIFORNIA

11 IN RE:) CASE No. 02-12924
12 CALIFORNIA WESTERN) CHAPTER 11
13 RAILROAD, INC.,)
14 Debtor.) ORDER AUTHORIZING SALE
15 OF RAILROAD ASSETS

FEB 13 2004

16 The above captioned matter having regularly come on for hearing
17 on the Motions of Michael H. Meyer, Trustee, for an Order Determining
18 Secured Status, for Order Authorizing Sale Free and Clear of Liens
19 and for Confirmation of a Plan on December 16, 2003, David N.
20 Chandler appearing for Michael H. Meyer, Trustee, Timothy Hoffman
21 appearing for John and Sandra Mayfield, et al., Don Poole appearing
22 for WestAmerica Bank, Douglas Provencher appearing for Economic
23 Development Corporation, and appearances having been made on behalf
24 of bidders for the assets of the California Western Railroad,
25 evidence having been presented, the cause argued and submitted, and
26 the Court having filed its Memorandum on December 17, 2003, and good
27 cause appearing,

28 IT IS HEREBY ORDERED as follows:

29 1. The Trustee is authorized to sell the railroad assets
30 described in the Motion and the First Amended Plan to Sierra Railroad
31 Company for \$1,400,000.

32 2. Title to said property shall be delivered free and clear of
33 liens as agreed and consented in open Court and pursuant to further
34 Order of the Court. Said liens shall attach to the proceeds of sale
35 to the following extent:

36 John Mayfield, et. al. \$300,000.00
WestAmerica Bank 700,000.00

3. Sierra Railroad Company shall promptly seek, at its expense,

Law Offices
of
David N. Chandler, p.c.
1747 Fourth Street
Santa Rosa, CA 95404
(707) 528-4331

1 Surface Transportation Board approval to acquire the railroad assets
2 of the Debtor.

3 4. Said sale may be made and consummated in conjunction with
4 the confirmation of the Second Amended Plan, the effective date of
5 which is the date of consummation of the said sale.

6
7 Dated: February 11, 2004

8
9
10
11 
12 Alan Jaroslovsky
13 U.S. Bankruptcy Judge

14 CERTIFICATE OF ELECTRONIC SERVICE

15 The undersigned deputy clerk of the United States Bankruptcy Court for the Northern District of
16 California hereby certifies that a copy of the attached document was electronically served on this date
17 on all parties listed below in accordance with the Federal Rules of Bankruptcy Procedure, and Rule
18 5(b)(2)(D) of the Federal Rules of Civil Procedure.

19 Dated: Feb 11, 2004

20 

21 Dawn Passalacqua
22 Deputy Court Clerk

23 Michel Meyer
24 mmeyer@sr13.com

25 David Chandler
26 dchandler1747@yahoo.com

27 Philip Arnot
28 ArnotInc@aol.com

29 Terrance Ponsford
30 tponsford@smrh.com

31 Tim Hoffman
32 THOFFMA@abbeylaw.com

33 Douglas Provencher
34 dbp@PROVLAW.com

35 John MacConaghy
36 dyork@pacbell.net

CERTIFICATE OF MAILING

The undersigned deputy clerk of the United States Bankruptcy Court for the Northern District of California hereby certifies that a copy of the attached document was mailed to all parties listed below as required by the Bankruptcy Code and Rules of Bankruptcy Procedure.

Dawn Passalacqua

Dated: Feb 11, 2004

Dawn Passalacqua
Deputy Court Clerk

Ross Walker
111 E Commercial St.
Willits, CA 95490

Michael Gogna
401 Mendocino Ae.
Santa Rosa, CA 95401

Torgny Nilsson
341 Industrial Way
Woodland, CA 95776

Hanno T. Powell
Law Offices of Hanno T. Powell
1640 W Shaw Ave. #101
Fresno, CA 93711

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Law Offices
of
David N. Chandler, p.c.
1747 Fourth Street
Santa Rosa, CA 95404
(707) 528-4331

EXHIBIT B

DEC-22-2003 15:14

P.02/06

FILED
December 17, 2003
U.S. Bankruptcy
Court
Santa Rosa, CA

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

In re

CALIFORNIA WESTERN RAILROAD, INC.,
Debtor.

No. 02-12924

Memorandum on Confirmation of Plan or Sale of Assets

Introduction

Debtor California Western Railroad filed a petition under Subchapter IV (Railroad Reorganization) of Chapter 11 of the Bankruptcy Code on December 3, 2002. Michael Meyer is the trustee appointed pursuant to § 1163 of the Code. His plan of reorganization proposed under § 1172 of the Bankruptcy Code is now before the court. The plan calls for the sale of all of the assets, which is the only way the railroad can survive, as Meyer is unable to continue to operate the railroad. In the event that all of the requirements of confirmation cannot be met, Meyer seeks leave to sell the railroad pursuant to § 363(b) of the Code.

Background

California Western Railroad operates on approximately 48 miles of track between Ft. Bragg and Willits, California. It was originally built as a logging railroad, but has also provided significant passenger service since 1912. It remains a vital link between Willits and the coastal communities.

At Willits, California Western owns a depot which is located on the Northwestern Pacific (NWPY) track, on which California Western has trackage rights. California Western connects to the

196

DEC-22-2003 15:15

P.03/06

1 NWPY track, which connects to the Union Pacific Railroad mainline. However, the NWPY line has
2 been closed recently due to maintenance issues, which has resulted in at least a temporary stop to freight
3 traffic. As a result, it has operated in recent years primarily as an excursion railroad. Though there is no
4 longer direct connection to the rest of the country through the NWPY track, Amtrak allows California
5 Western to have access to the Union Pacific Mainline.

6
7 **Procedural Status**

8 There is no question that the railroad must be sold now in order to survive. There is also no
9 question that the value of the railroad is insufficient to result in any dividend to the general unsecured
10 creditors, although the plan is still confirmable because, as required by § 1129(b)(2)(B) of the Code, no
11 junior class is to receive anything. Both § 1165 and § 1173(a)(4) require the court to consider the
12 public interest in making its decision.

13 The Trustee's plan calls for the court to select a buyer from among five potential purchasers,
14 considering their bids and business plans. Two of the potential purchasers have dropped out, leaving
15 bids by Pacific Cascade Railway, LLC ("Pacific Cascade"), Sierra Railroad Company ("Sierra"), and
16 Old 45, LLC ("Old 45"). The highest bid is that of Pacific Cascade, at \$1.5 million. The other two
17 bidders have offered \$1.4 million each.¹ Although none of the bidders have standing to argue which
18 should be selected, the court permitted them to present their proposals and allowed limited examination
19 of each others' representatives.² The court also allowed counsel for the affected communities to
20 participate.

21
22 _____
23 ¹Sierra Railroad had originally bid only \$1 million. Upon understanding that a plan simply
24 would not work at that number, Sierra expressed a willingness to increase its bid to \$1.4 million. Upon
25 request of the Trustee, the court agreed to consider the sale to Sierra at its increased bid.

26 ²Pacific Cascade claimed standing to proceed as a creditor by virtue of having purchased a small
unsecured claim. However, standing based on this claim evaporated when it became clear that under no
circumstances would there be a dividend to unsecured creditors, who therefore had no economic interest
in the case.

DEC-22-2003 15:15

P. 04/06

1

2 Selection of Purchaser

3

4 I. Old 45

5 The least attractive purchaser, by far, is Old 45. Its business plan completely lacks vision and
6 hope. Under its ownership, the railroad would abandon any idea of ever again fulfilling its intended role
7 as an important economic asset for the area it serves and instead become a plaything for adults who had
8 outgrown their model railroad toys. While the historical aspect of the railroad is important and worth
9 preserving, Congress did not enact the special railroad provisions of the Bankruptcy Code in order to
10 create amusement rides. The court is not ready to reduce a valuable, working railroad to the status of a
11 living museum.

12 Moreover, the principals proposed by Old 45 to operate the railroad are, for the most part,
13 seriously lacking in both railroad experience and business acumen. If their limited use of the railroad
14 did not result in a profit, or if they grew tired of it, they would not have the ability to modify their
15 strategy or create new sources of revenue. The Old 45 proposal is the one most likely to result in the
16 demise of the railroad. The court would be very reluctant to approve a sale to Old 45 even if it was the
17 only bidder.

18

19 II. Pacific Cascade

20 The proposal of Pacific Cascade is in many ways the opposite of the Old 45 proposal. While
21 Pacific Cascade would continue passenger service, its plan foresees a potential heavy industrial use for
22 the railroad in conjunction with development of deep-water docking services.³

23

24 ³A similar proposal was made for the Eureka Southern Railway in 1992. At the urging of the
25 local communities, the court chose a sale to a state-funded entity instead. The local communities
26 probably regret their position in light of the failure of the purchaser to keep the railroad open. The court
certainly regrets its decision.

DEC-22-2003 15:15

P. 05/06

1 Pacific Cascade's proposal has several attractive aspects. Its bid is \$100,000.00 higher than the
2 other two, which is worthy of consideration although not crucial.⁴ In addition, it properly recognizes the
3 value of the railroad as a still-viable tool for economic development and commerce. However, Pacific
4 Cascade does not have the backing of the local communities, who fear that Pacific Cascade's intended
5 use may be too industrial for the area and that failure of Pacific Cascade to realize its more ambitious
6 goals could result in the end of the railroad. This unease has been fostered by Pacific Cascade's failure
7 to successfully court the local communities and its apparent lack of candor in presenting its case to them.

8
9 III. Sierra

10 The Sierra proposal seems to strike a good balance between the theme park approach of Old 45
11 and the industrial development approach of Pacific Cascade. It recognizes that the railroad is still a
12 valuable instrument of commerce and that a combination of shipping and excursion service is the best
13 way to return the railroad to profitability and keep it operating. It also recognizes the historic place of
14 the railroad in its community and its value to the local tourism industry.

15 The court is impressed by Sierra's railroad resume, which is far more impressive than that of
16 either Old 45 or Pacific Cascade. It has operated railroads since 1897. It is currently operating several
17 railroads, some of which operate excursion trains and some which handle heavy freight operations. It
18 has demonstrated that its ability to use track maintenance personnel and equipment on many different
19 lines will result in an economy of scale which could be the difference between survival and demise for
20 this railroad.

21 Moreover, Sierra has a vision for the future utterly lacking from Old 45, and it is a vision
22 which, unlike Pacific Cascade's, is shared by the local communities. In all important respects, Sierra is
23 the best purchaser for this railroad.

24
25 ⁴The benefit of the higher offer is offset by a secured creditor's consent to confirmation only if
26 the purchaser is other than Pacific Cascade. The economic effect of dealing with the rights of this
creditor probably makes the choice a push as far as creditors are concerned.

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1 Conclusion

2 Sierra Railroad Company will be confirmed as the purchaser of the California Western Railroad,
3 at a price of \$1.4 million. At present, the Trustee has demonstrated all of the elements necessary for
4 confirmation of his plan except that the purchase price is insufficient to pay all of the priority claims as
5 required by § 1173(a) and § 1129(a)(9) of the Bankruptcy Code in the absence of their agreement to
6 other treatment.⁵ Accordingly, his plan will be confirmed if he obtains the required consents of the
7 priority creditors. If he cannot obtain the consents, the sale will be approved as a sale under § 363(b) of
8 the Code, with the treatment of secured creditors in the same manner as they have consented to treatment
9 under the plan.

10 This memorandum constitutes the court's findings and conclusions pursuant to FRCP 52(a) and
11 FRBP 7052. Counsel for the Trustee shall submit an appropriate form of order forthwith.

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13 Dated: December 17, 2003

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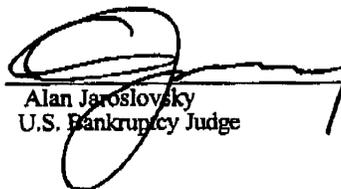
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⁵Their agreement would seem to make sound economic sense since all other alternatives, including liquidation in Chapter 7, would result in smaller dividends to them. Once the railroad is sold, the debtor will be eligible for Chapter 7. *In re Eureka Southern R. Co., Inc.*, 177 B.R. 323 Bankr. (Bankr.N.D.Cal. 1995).



Alan Jaroslovsky
U.S. Bankruptcy Judge

EXHIBIT C

MAP TO BE
SCANNED
LATER

EXHIBIT D

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. FD 34465

MENDOCINO RAILWAY

– ACQUISITION –

CALIFORNIA WESTERN RAILROAD

Mendocino Railway has filed a notice of exemption to acquire the assets of the California Western Railroad, including its line between milepost 0 and milepost 40. Comments must be filed with the Board and served on Torgny Nilsson, General Counsel, Mendocino Railway, 341 Industrial Way, Woodland, California 95776; (530) 666-9646.

This notice is filed under 49 C.F.R. section 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.