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SURFACE TRANSPORTATION BOARD

Docket No. AB 1305 (Sub-No. 1)

GREAT REDWOOD TRAIL AGENCY—ADVERSE ABANDONMENT—MENDOCINO  
RAILWAY IN MENDOCINO COUNTY, CAL.

The attached memoranda and related correspondence are entered into the record  
in this docket.



**Surface Transportation Board**  
Washington, D.C. 20423-0001

**MEMORANDUM**

TO: Cynthia T. Brown, Chief, Section of Administration, Office of Proceedings

FROM: Lisa Novins, Chief of Staff

RE: Communication Related to Docket No. AB 1305 (Sub-No. 1)

DATE: July 8, 2025

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Chairman Fuchs met with Mr. Robert Pinoli of Mendocino Railway on May 5, 2025, from 3:30 to 4:00 PM ET. Lisa Novins, Chief of Staff, was also in attendance.

When asking for the meeting, Mr. Pinoli emailed Chairman Fuchs on April 9, 2025, writing that “[w]hile we have business before the STB, I recognize I cannot speak with you as to that, nor do I intend too.”

Mr. Pinoli’s May 15, 2025, email to Chairman Fuchs purporting to summarize the May 5 meeting implies that Chairman Fuchs inquired in the meeting about specifics about certain grants and loans, including as pertaining to Mendocino Railway. Chairman Fuchs did not make such an inquiry, and no specific details pertaining to Mendocino Railway were discussed.

The following topics were discussed during the May 5, 2025, meeting:

- After introductions, Mr. Pinoli shared his academic and professional experience and his planned activities for “Railroad Day on the Hill,” including advocacy regarding the 45G tax credit, which he stated has bipartisan support.
- Mr. Pinoli explained the general structure of the Sierra Railroad, parent company of Mendocino Railway. He highlighted recent activities and growth of several Sierra subsidiaries, including Sierra Northern and Sunburst. Mr. Pinoli highlighted recent upgrades that have improved operations and Sierra’s related use of grants.
- The conversation pivoted to latest trends across the industry, continued support for shortline growth, and the importance of shortline railroads in supporting the expansion of domestic manufacturing.
- Mr. Pinoli closed by raising the concern that the notice of exemption process does not provide a paper license for railroads and that the country would benefit from stronger preemption precedent.

This memorandum and the attached emails from Mr. Pinoli are to be included in the public docket of Great Redwood Trail Agency—Adverse Abandonment—Mendocino Railway in Mendocino County, Cal., Docket No. AB 1305 (Sub-No. 1).

**From:** [Robert Pinoli](#)  
**To:** [Fuchs, Patrick](#)  
**Subject:** ASLRRRA - Nice Meeting You (Mendocino Railway)  
**Date:** Wednesday, April 9, 2025 12:13:50 AM

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You don't often get email from [rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com). [Learn why this is important](#)

Patrick –

It was a pleasure meeting you this morning. Thank you for your time and for staying after the general session to talk with friends, old and new.

A bit about me, what started out as a summertime job during high school turned into a career spanning 34 years (this May) in nearly every facet of railroad operations, management, and finance. My passion and love for trains runs deep, but at this point in my career it's about helping the industry move forward to meet the contemporary needs facing the transportation industry.

I'll be in Washington, D.C., for Railroad Days, and I would appreciate the opportunity to meet with you then, sooner if your calendar allows for that.

While we have business before the STB, I recognize I cannot speak with you as to that, nor do I intend too. But I'd love to share with you more about my company and the amazingly innovative spirit we have coupled with the work we're doing as recipients of CRISI Grant and the only railroad to receive a RRIF loan in recent years.

I also want to extend an offer, if you or your colleagues would like to see our operations in motion, you're more than welcome to visit anytime.

Lastly, because everyone is always asking you for things, if there's anything we as a Class III short line can do to help you in your work please don't hesitate to call / lean on us, we're all in this together.

Respectfully,

Robert

**Robert Jason Pinoli**

President & CEO – [Mendocino Railway](#)

**A** Foot of Laurel Street, Fort Bragg, California 95437

**P** 707.964.6371 **M** 707.849.1922 **E** [RJPinoli@SierraRailroad.com](mailto:RJPinoli@SierraRailroad.com)

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**From:** [Robert Pinoli](#)  
**To:** [Fuchs, Patrick](#)  
**Subject:** Follow up to meeting - thank you  
**Date:** Thursday, May 15, 2025 10:29:05 AM  
**Attachments:** [STB - Suggested Letter of Common Carrier 2025.5.docx](#)

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Patrick,

I very much appreciated your time last week, allowing me to explain more about the efforts Sierra Railroad Company's group of companies (Mendocino Railway, Sierra Northern Railway, Sierra Energy, and RailPower, Inc.) are making to improve our industry. We are very committed to this industry and feel that our creativity and outside-the-box thinking is what separates us from most of our short line peers.

As to the specific programs and actions you inquired about:

2019: Sierra Northern embarked on a \$35 million CRISI grant to upgrade its Sierra line in California's Central Valley from excepted and Class I track to Class II. This has involved replacing 90,000 ties and 10 miles of worn rail. While this project has less than a year left to go, the increased traffic and operational efficiencies these improvements have enabled, including the development of an inland port, have allowed us to already exceed our financial projections.

2024: Sierra Northern and Mendocino Railway successfully completed a grueling four-year process (including \$1 million in application fees and costs) to obtain a \$31 million RRIF Express Loan from the Build America Bureau. Mendocino Railway is already using its \$21.5 million portion of these loan proceeds to, among other things, repair its Tunnel #1, replace 32,000 ties and 1,500 sticks of rail, add crew walkways to many of its more than 30 bridges, and purchase new equipment. Sierra Northern Railway has already used its \$9.5 million portion of the loan proceeds to construct seven miles of new sidings needed to meet local freight demand.

2024: Mendocino Railway was awarded a \$15 million CRISI grant to replace three of its Tier 0 locomotives.

One of the issues we discussed was the problems short line railroads are experiencing with state and local agencies and governments that contest our common carrier status and argue that we are not entitled to federal preemption, all because we don't have an official STB license. These governments and agencies argue that all regulated businesses have official licenses (e.g., bars have liquor licenses, barbershops and salons have barbering and cosmetology licenses, doctors and lawyers are required to have licenses, etc.) and that our lack of an STB license means that we are not actually a common carrier.

These governments and agencies refuse to accept a notice of exemption as proof of common carrier status. Nor can I honestly fault them for this as a published notice of exemption is not a ruling as such. For the same reason, no court can take judicial notice of any notice of exemption as proof of common carrier status. Such proof (and judicial notice) would require a subsequent STB decision that actually grants such status, an STB-issued license, or at least a list on the STB's website of

approved common carrier railroads, none of which exists.

This lack of official common carrier certification has caused both Mendocino Railway and Sierra Northern significant problems over the years. We have had to spend literally millions of dollars to repeatedly debate—and even to repeatedly litigate—our status with state and local governments and agencies. Short lines such as ours are always short of funding; the money we've had to waste on these disputes would have been far better spent on improving line safety, developing new transload or other railroad facilities, etc.

The lack of official common carrier certification is also currently putting Mendocino Railway's continued existence at risk. The California Coastal Commission and other state actors are seeking to subject Mendocino Railway to state and local environmental and land-use regulation in a manner that would prevent us from continuing to meet our common carrier obligations, all based on the argument that Mendocino Railway is no longer a common carrier railroad entitled to preemption from those regulations. If they succeed, not only will Mendocino Railway be forced out of business (given the crushing delays and costs associated with such permitting processes), but so will likely be many of the people and businesses of Mendocino County as a whole who rely on our services, all of whom will also thereby lose their last connection to our national railroad network. Even a one-line letter from the STB confirming Mendocino Railway's status as a common carrier railroad, under STB jurisdiction and entitled to any applicable protections of federal preemption, could resolve these disputes overnight. Yet our future remains uncertain as no such confirmation of our common carrier status exists as to which any court will readily accept as proof.

While Mendocino Railway's fate could be decided in as little as 30-45 days, such that it may be too late for us, I hope the STB will address this problem as to the many other short line railroads that likewise suffer from this problem. I believe that even a letter such as the attached, being issued as an official statement from the STB to railroads that request it (which could be required to provide any evidence of their common carrier status that the Board may request, saving the Board the effort of researching their status), could help short line railroads avoid being put to such great risk and expense from over-reaching state and local governments and agencies, ensuring that our national railroad network continues to function as it was meant to.

Again, thank you for your time and the consideration in the above request. I look forward to working with and seeing you in the future.

Best regards,

Robert

**Robert Jason Pinoli**

President & CEO – [Mendocino Railway](#)

A Foot of Laurel Street, Fort Bragg, California 95437

P 707.964.6371 M 707.849.1922 E [RJPinoli@SierraRailroad.com](mailto:RJPinoli@SierraRailroad.com)

This letter certifies on behalf of the United States Surface Transportation Board (the "Board") that, until otherwise noticed by the Board, Mendocino Railway is a Class III common carrier railroad subject to the jurisdiction and regulation of the Board and entitled to all applicable rights of federal preemption.



Surface Transportation Board  
Washington, D.C. 20423-0001

MEMORANDUM

TO: Cynthia T. Brown, Chief, Section of Administration, Office of Proceedings

FROM: Janie Sheng, Director, Office Public Assistance, Governmental Affairs, and Compliance

RE: Communication Related to Docket No. AB 1305 (Sub-No. 1)

DATE: July 8, 2025

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Vice Chairman Schultz met with Mr. Robert Pinoli of Mendocino Railway on May 7, 2025, from 3:30 to 4:00PM EDT. Janie Sheng, Director, Office Public Assistance, Governmental Affairs, and Compliance, was also in attendance. There were guardrails in place at the commencement of this meeting as Vice Chairman Schultz made clear that matters pending before the Board were not to be discussed.

When asking for the meeting, Mr. Pinoli emailed Vice Chairman Schultz on April 29, 2025, writing that “[w]hile we have business before the STB, I recognize I cannot speak with you as to that, nor do I intend too.” In a follow-up email to schedule the meeting, Mr. Pinoli again wrote, “I know you cannot discuss pending matters, as I mentioned in my initial email, I have no desire to go there. My goal is to simply meet face to face, let you know what we’re working on and the many exciting things happening in our company.”

Mr. Pinoli’s May 16, 2025 email to Vice Chairman Schultz purporting to summarize the May 7 meeting suggests that Mr. Pinoli and Vice Chairman Schultz discussed Sierra Northern’s and Mendocino Railway’s freight rail operations, including investments in Mendocino Railway’s line that might facilitate freight operations. Those topics were not discussed in the meeting.

The following topics were discussed during the May 7, 2025 meeting:

- Prior to Vice Chairman Schultz’s arrival, Mr. Pinoli mentioned to Ms. Sheng the difficulty he sometimes has when asked to produce a license or document showing that Mendocino Railway is a licensed railroad.
- After introductions, Mr. Pinoli shared his academic and professional experience.



- The remainder of the time was spent hearing about Mr. Pinoli's excursion train services, including the general geography of the area, places of interest, and sites viewable from the train.

This memorandum and the attached emails from Mr. Pinoli are to be included in the public docket of Great Redwood Trail Agency—Adverse Abandonment—Mendocino Railway in Mendocino County, Cal., Docket No. AB 1305 (Sub-No. 1).

**From:** [Robert Pinoli](#)  
**To:** [Schultz, Michelle](#)  
**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway  
**Date:** Friday, May 16, 2025 11:24:16 AM

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Good morning, Michelle –

I very much appreciated your time last week, allowing me to explain more about the efforts Sierra Railroad Company's group of companies (Mendocino Railway, Sierra Northern Railway, Sierra Energy, and RailPower, Inc.) are making to improve our industry. We are very committed to this industry and feel that our creativity and outside-the-box thinking is what separates us from most of our short line peers.

To highlight some of our recent accomplishments –

2019: Sierra Northern embarked on a \$35 million CRISI grant to upgrade its Sierra line in California's Central Valley from excepted and Class I track to Class II. This has involved replacing 90,000 ties and 10 miles of worn rail. While this project has less than a year left to go, the increased traffic and operational efficiencies these improvements have enabled, including the development of an inland port, have allowed us to already exceed our financial projections.

2024: Sierra Northern and Mendocino Railway successfully completed a grueling four-year process (including \$1 million in application fees and costs) to obtain a \$31 million RRIF Express Loan from the Build America Bureau. Mendocino Railway is already using its \$21.5 million portion of these loan proceeds to, among other things, repair its Tunnel #1, replace 32,000 ties and 1,500 sticks of rail, add crew walkways to many of its more than 30 bridges, and purchase new equipment. Sierra Northern Railway has already used its \$9.5 million portion of the loan proceeds to construct seven miles of new sidings needed to meet local freight demand.

2024: Mendocino Railway was awarded a \$15 million CRISI grant to replace three of its Tier 0 locomotives.

Again, thank you for your time. I look forward to working with and seeing you in the future.

Best regards,

Robert

**Robert Jason Pinoli**

President & CEO – [Mendocino Railway](#)

**A** Foot of Laurel Street, Fort Bragg, California 95437

**P** 707.964.6371 **M** 707.849.1922 **E** [RJPinoli@SierraRailroad.com](mailto:RJPinoli@SierraRailroad.com)

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**From:** Robert Pinoli <rjpinoli@sierrarailroad.com>

**Sent:** Sunday, May 4, 2025 7:18 PM

**To:** Schultz, Michelle <Michelle.Schultz@stb.gov>

**Cc:** Perry, Shelia <Shelia.Perry@stb.gov>; Caine, Jessica <Jessica.Caine@stb.gov>

**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Good evening, Michelle –

I am so sorry that your daughter isn't feeling well, I hope she gets better soon.

Might we move our meeting to 330pm on Wednesday, please?

Thank you,

Robert

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**From:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>

**Sent:** Sunday, May 4, 2025 6:45 PM

**To:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>

**Cc:** Perry, Shelia <[Shelia.Perry@stb.gov](mailto:Shelia.Perry@stb.gov)>; Caine, Jessica <[Jessica.Caine@stb.gov](mailto:Jessica.Caine@stb.gov)>

**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Hi Robert,

I am so very sorry, but I need to reschedule our 10:00 tomorrow morning. My daughter is not feeling well, and I am going to take her to the doctor tomorrow morning. I could meet with you on Wednesday from either 1:00-1:30 or from 3:30-4:00. Again, apologies for the last-minute change.

Best,  
Michelle

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**From:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>

**Sent:** Thursday, May 1, 2025 11:46 PM

**To:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>

**Cc:** Perry, Shelia <[Shelia.Perry@stb.gov](mailto:Shelia.Perry@stb.gov)>

**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Thank you, Michele. I really appreciate you making the time.

I know you cannot discuss pending matters, as I mentioned in my initial email, I have no desire to go there. My goal is to simply meet face to face, let you know what we're working on and the many exciting things happening in our company.

Sheila – I believe we've connected before and worked on an appointment many years ago when I

met with Robert Primus, nice to connect with you again.

Have a delightful weekend,

Robert

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**From:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Sent:** Thursday, May 1, 2025 5:15 PM  
**To:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Cc:** Perry, Shelia <[Shelia.Perry@stb.gov](mailto:Shelia.Perry@stb.gov)>  
**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Thanks Robert. Yes – at the STB Offices:

395 E Street SW  
Washington, DC 20423

Looping in my scheduling assistant so she can let securing know you will be coming. Looking forward to meeting you on Monday. As you already noted, I will not be permitted to discuss any pending matters.

Wishing you safe travels and see you Monday.

Best,  
Michelle

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**From:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Sent:** Thursday, May 1, 2025 6:44 PM  
**To:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Hi Michelle –

Thank you so much for the note back and for having the ability to meet. Monday, May 5<sup>th</sup> from 10 to 10:30am would be great. I presume at the STB Building?

Robert

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**From:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Sent:** Thursday, May 1, 2025 1:21 PM  
**To:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

Hi Robert,

I could meet with you on Monday, May 5<sup>th</sup> from 10:00 to 10:30. I also could meet with you on Wednesday, May 7<sup>th</sup> from 10:00 to 10:30 as well. Would either of those work?

Best,  
Michelle

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**From:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Sent:** Wednesday, April 30, 2025 2:25 PM  
**To:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Subject:** RE: Meeting Request - Class III Short Line - Mendocino Railway

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Thank you so very much for the note back and kind words, Michelle.

If you by change have free time on Wednesday, I'll gladly skip out the hill and let my colleagues represent me. Otherwise I do understand the business of your calendar.

Best,

Robert

**Robert Jason Pinoli**

President & CEO – [Mendocino Railway](#)

**A** Foot of Laurel Street, Fort Bragg, California 95437

**P** 707.964.6371 **M** 707.849.1922 **E** [RJPinoli@SierraRailroad.com](mailto:RJPinoli@SierraRailroad.com)

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**From:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Sent:** Wednesday, April 30, 2025 7:59 AM  
**To:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Subject:** EXTERNAL - RE: Meeting Request - Class III Short Line - Mendocino Railway

**Caution:** This is an external email and may be malicious. Please take care when clicking links or opening attachments.

Hi Robert,

Thanks so much for reaching out. I am unfortunately not available to meet with you on Monday morning or Tuesday due to prior commitments.

Wishing you safe travels and best of luck with your advocacy during Railroad Day on the Hill. Keeping the Members of Congress informed about the network is incredibly helpful – both to

the industry and to the STB.

On another note, I did visit your website and watched your overview of your company. It is clear you are passionate about what you do.

Thanks again for your email.

Best,  
Michelle

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**From:** Robert Pinoli <[rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com)>  
**Sent:** Tuesday, April 29, 2025 5:08 PM  
**To:** Schultz, Michelle <[Michelle.Schultz@stb.gov](mailto:Michelle.Schultz@stb.gov)>  
**Subject:** Meeting Request - Class III Short Line - Mendocino Railway

You don't often get email from [rjpinoli@sierrarailroad.com](mailto:rjpinoli@sierrarailroad.com). [Learn why this is important](#)  
Ms. Schultz –

Hello & Good afternoon!

I wanted to inquire about meeting with you next week since I will be in Washington, D.C. for Railroad Days on the Hill.

Mendocino Railway is an STB regulated Class III carrier which owns and operates the California Western Railroad / Skunk Train along with other railroads.

A bit about me, what started out as a summertime job during high school turned into a career spanning 34 years (this May) in nearly every facet of railroad operations, management, and finance. My passion and love for trains runs deep, but at this point in my career it's about helping the industry move forward to meet the contemporary needs facing the transportation industry.

While we have business before the STB, I recognize I cannot speak with you as to that, nor do I intend too. But I'd love to share with you more about my company and the amazingly innovative spirit we have coupled with the work we're doing as recipients of CRISI Grant and the only railroad to receive a RRIF loan in recent years.

I have availability Monday, May 5<sup>th</sup> in the morning, and seem to be wide open on Tuesday, May 6<sup>th</sup>.

I look forward to hearing from you.

Respectfully,

Robert

**Robert Jason Pinoli**

President & CEO – Mendocino Railway

**A** Foot of Laurel Street, Fort Bragg, California 95437

**P** 707.964.6371 **M** 707.849.1922 **E** [RJPinoli@SierraRailroad.com](mailto:RJPinoli@SierraRailroad.com)

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