



**SANTA CRUZ, BIG TREES & PACIFIC RAILWAY COMPANY**

P.O. BOX G-1 • FELTON • SANTA CRUZ COUNTY • CALIFORNIA 95018 • (831) 335-4484

January 4, 2018

Mr. Luis Pavel Mendez  
Deputy Director  
Santa Cruz County Regional Transportation Commission  
1523 Pacific Avenue  
Santa Cruz, CA 95060

**Subject: Proposal for Operator of Rail Service**

Dear Luis:

This is the transmittal letter specified in SCCRTC's request for proposals for operation of the Santa Cruz Rail Line.

The Santa Cruz, Big Trees & Pacific Railway appreciates this opportunity to present to the commission a proposal that highlights the benefits of selecting an operator that is already vested in the transportation sector of the Santa Cruz community. We believe you will find that we have all the qualifications as put forth in the SCCRTC's proposal.

With over 50 years of operation, along with our parent company Roaring Camp Railroad, we have grown to be a well-loved destination in the Santa Cruz community. Our highlights include:

- We are one of the oldest tourist railroads in continuous operations in the United States, giving us considerable experience in passenger service.
- We have carried well over a million passengers over our 50 years of operations, with an impeccable safety record.
- We are a common carrier freight railroad registered with the Surface Transportation Board.
- We embrace rail and trail for the community – our own railway is slated to have a section of the new pedestrian and bicycle path run adjacent to a portion of our right of way when construction begins this year.
- We wholly support the transportation benefits, both now and in the future, that the right of way provides to the community and are open to working with SCCRTC to achieve those goals.

Our dedicated employees are longtime residents of Santa Cruz County, living within each of the 5 districts. They are locals that understand the sensitivity of the rail lines future, while wanting to maintain the charm of the neighborhoods they love and raise their families in. We are not out of town operators, we understand the Santa Cruz community, and believe we can work with the SCCRTC to achieve its short and long-term goals for passenger, freight and a multi-use trail on the Santa Branch Rail Line.

In regard to the specifics outlined in the proposal:

- I am authorized to sign for the company.
- Email: [Melani.C@roaringcamp.com](mailto:Melani.C@roaringcamp.com).
- Our offices are located at:
  - Location > 5401 Graham Hill Rd., Felton, CA 95018
  - Mail > P.O. Box G1, Felton, CA 95018
  - Phone > (831) 335-4484 Fax (831) 335-3509
- Outside Contractors:

**Signal Maintenance:**

West Coast Signal, Inc.  
3200 Markham Way  
Roseville, CA 95747 US  
[jastewart@wcsignal.com](mailto:jastewart@wcsignal.com)

**Bridge Engineering/Inspection:**

American Rail Engineers  
18 Technology Drive, Ste. 205, Irvine, CA 92618  
(603) 389 7505 c | 714 460 8696 x 2 | [syouschak@are-corp.com](mailto:syouschak@are-corp.com)

**Jacobs (formerly) J.L. Patterson & Associates, Inc.**

725 Town and Country Rd  
Orange, CA 92868  
(714) 835-6355

**Bridge Repairs:**

Hamilton Construction  
PO Box 659  
Springfield, OR 97477  
P (541) 746-2426 F (541) 746-7635

**Track:**

H&H Engineering Construction, Inc.  
212 Industrial Drive  
Stockton, CA 95206-3905  
(209) 983-0708

**Litter & Trash:**

Clean Team Associates  
SANTA CRUZ, CA 95062-3622  
Tel..831.713.7812 [cleanteamassociates@aol.com](mailto:cleanteamassociates@aol.com)

Junk King Santa Cruz  
[\(831\) 331-4854](tel:(831)331-4854)  
200 Washington Street #207  
Santa Cruz, CA 95060

**Vegetation Abatement:**

Agrichem  
36053 Co Rd 31  
Davis, CA 95616  
(530) 753-4178

**Disaster recovery, "acts of god" etc.:**

Hulcher Services  
1001 South B St.  
Stockton, CA 95205  
P: (209) 546-1763

Demo Unlimited  
51350 Desert Club Dr Suite 3  
La Quinta, CA 92253  
(760) 775-5884

Thank you,



Melani Clark  
C.E.O.  
Roaring Camp Railroads



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# PROPOSAL FOR OPERATOR OF RAIL SERVICE

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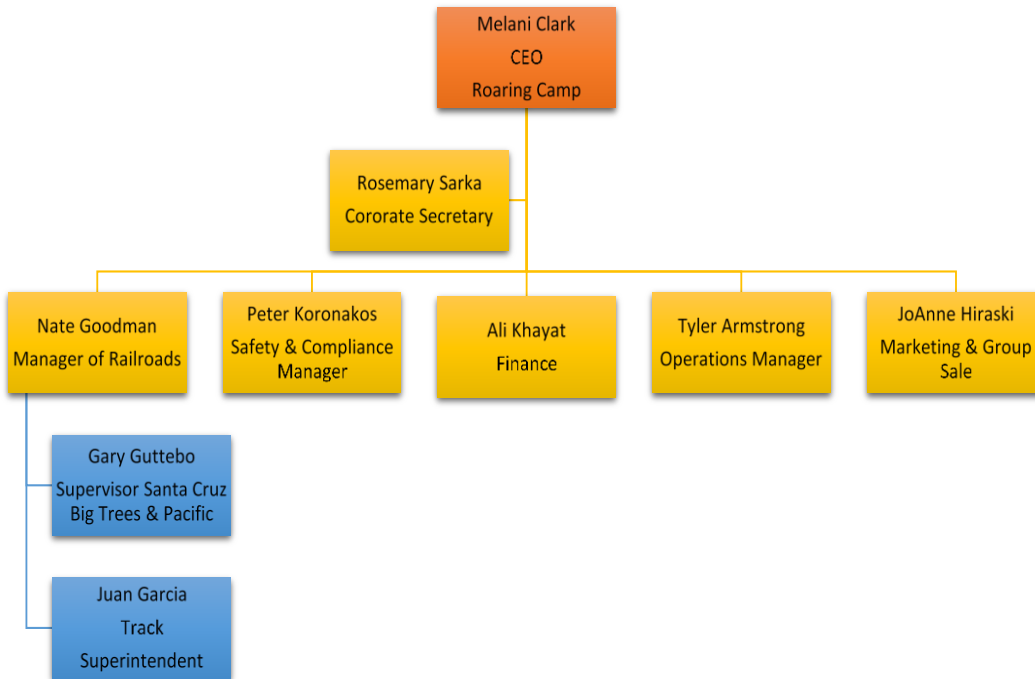


JANUARY 4, 2018  
SANTA CRUZ, BIG TREES & PACIFIC RAILWAY  
P.O. Box G-1, Felton, California 95018

2. ORGANIZATION CHART

Roaring Camp, Inc. ("Roaring Camp"), through its subsidiary The Santa Cruz, Big Trees and Pacific Railway ("SCBT&P"), currently provides freight and tourist rail service between the cities of Santa Cruz and Felton, operating over the Felton Branch line (between Felton and the wye in Santa Cruz), and a portion of the Santa Cruz line between the wye and Beach Street, adjacent to the Santa Cruz Beach Boardwalk. Collectively, Roaring Camp and SCBT&P, (sometimes herein referred to as the "company"), operate with approximately 50 full time employees, and during the high season the railroad employs an additional 30-40 seasonal employees. The two corporations are jointly managed, under the organizational chart shown below:

2. Roaring Camp Railroads  
Organization Chart



**Nate Goodman**, *Manager of Railroads*: Mr. Goodman oversees all aspects of rail line, equipment, structures and railroad crew training. In addition, he manages all major rail line and structure repair with outside contractors. He is responsible for Federal Railroad Administration (FRA) and California Public Utilities Commission (CPUC) compliance with regard to equipment, track and structures. Mr. Goodman has been with Roaring Camp for 12 years.

**Gary Guttebo**, *Santa Cruz, Big Trees & Pacific Railway Supervisor*: Mr. Guttebo oversees locomotive and passenger car maintenance, as well as assists with maintenance-of-way along the rail line. He is actively involved with passenger service and special event coordination. He's been a Designated Supervisor of Locomotive Engineers and has been in the railroad industry for 41 years.

**Juan Garcia**, *Maintenance of Way Supervisor*: Mr. Garcia oversees the repair and maintenance of the SCBT&P. He has over 35 years of industry experience working on the Southern Pacific Railroad and the Union Pacific Railroad, with duties that included Maintenance-of-Way Supervisor on the Santa Cruz Branch Line.

**Peter Koronakos**, *Safety and Compliance Manager*: Mr. Koronakos oversees all FRA compliance regarding record keeping, and safety and rules training for employees. In addition, he is responsible for ensuring compliance with the Environmental Protection Agency, OSHA and DOSH regulatory agencies. He has been with the company for 18 years.

**Ali Khayat**, *Finance*: Mr. Khayat manages accounting, finance and insurance for the railroad. He oversees freight billing, Railroad Retirement record keeping and various other FRA reports. Prior to working for the railroad Mr. Khayat worked for McSherry & Hudson Insurance Brokers in Watsonville, California, and the U.S. State Department. He has been with the Company for 31 years.

**Tyler Armstrong**, *Operations Manager*: Mr. Armstrong is responsible for passenger service, ticket sales, station management, special events and running the day-to-day operation of the railroad. He has worked in multiple capacities in retail, foodservice, marketing, sales and event development. Prior to working for Roaring Camp, he worked for the Santa Cruz Beach Boardwalk. He has been with the Company for nine years.

**JoAnne Hirasaki**, *Director of Marketing and Sales*: Ms. Hirasaki has over 40 years' experience in the tourism industry. She oversees group sales, international and domestic travel markets, the educational market and advanced public passenger sales. She is a board member of the Santa Cruz County Conference and Visitors Council, and is actively involved with several tourism organizations in California and throughout the

USA. Before working for Roaring Camp, she was the director of the San Jose Convention and Visitors Bureau.

### **3. SAFETY, TRAINING AND COMPLIANCE**

The SCBT&P makes safety its number one priority. Led by a very diligent Safety and Compliance manager, the railroad has a superb safety record. As a result SCBT&P has been repeatedly awarded the American Short Line Railroad Association's annual "Jake" Award for safety performance since 2002.

#### *Safety and Training:*

The SCBT&P has a rigorous annual training program that all employees must complete prior to working on the railroad. Having had the Union Pacific as a Class 1 railroad and freight interchange partner, we have adopted its 'General Code of Operating Rules' (GCOR), as a foundation for training all railroad employees. This helps to facilitate seamless interchanges between the two railroads. To obtain and maintain certification, all crew members must:

- Attend annual rules and regulation classes. Classes cover required FRA and CPUC regulations, as well as safety and operational rules specific to the SCBT&P. These classes include both classroom and hands-on portions and culminate in testing on the subject material;
- Attend additional rules classes and testing specific to their position, i.e. locomotive engineer, conductor, maintenance-of-way, etc.;
- Score an 85% or higher on written tests;
- Pass ongoing announced and un-announced performance evaluation and efficiency testing;
- Complete a minimum number amount of field training hours under the supervision of a designated senior crew member;
- Pass random drug testing;
- Pass hearing and vision testing.

As a result of our commitment to our internal safety and prevention program, we continually operate well above average in reporting injury-free days.

#### *Compliance*

Over its 30 years in operation, the SCBT&P has continued to comply with all applicable FRA regulations. The railroad receives annual and courtesy inspections from various departments within the FRA to ensure compliance with the Code of Federal Regulations (CFR). The railroad continues to meet current requirements and integrates new requirements as they are added to the CFR. Managers on the railroad take a preventative approach to safety by initiating and continuing close communications with inspector's year around. Over the past several years, due to a diligent internal control program, regulatory agency visits have been standard annual

inspections, interlaced with occasional courtesy drop-ins to provide communication and support.

In addition, the SCBT&P complies with all regulations set forth by the California Public Utility Commission (CPUC) as it pertains to the Felton Branch Line. The railroad has annual and courtesy inspections of crossings and signals administered by agency inspectors. The railroad remains in good standing with the CPUC.

In addition to the FRA and CPUC, the railroad works with CALOSHA, Environmental Health Services, various Federal, State and Local agencies, as well as Insurance Industry requirements. The Company also maintains a:

- Spill Prevention Control and Counter Measures Program
- Injury and Illness Prevention Program

#### **4. MOBILIZATION PLAN**

The Santa Cruz, Big Trees & Pacific Railway is the only common carrier railroad that is located in the county of Santa Cruz. We are the community railroad, having train crews, support staff, locomotives, passenger cars, administration offices, and maintenance yards established and ready to start operations on the branch line immediately. Unlike other railroads, there is no delay in setup time needed to find sufficient facilities, qualified staff or deal with the arduous task of moving train equipment. Our location is established with a facility ready to provide the requested rail service at a moment's notice.

More importantly, we have a reputation and brand that takes many years to build. Visitors from around the world come to our website and social media sites looking to ride our railroads. This has given us an important advantage which has been underestimated by prior competitors.

Since we don't need to focus on setting up an entire company, we can focus directly on operations that can start as early as Spring 2018. The extension of Santa Cruz excursions to our current schedule would integrate seamlessly. To begin, we propose ramping up recreational passenger service carefully, during the first few operating seasons. This would allow the SCBT&P to test the recreational passenger market, and at the same time acclimate the surrounding community to train service in the area. As exposure and popularity grow, multiple departure times and station stops could be added to the schedule. Samples of proposed services which could be operated in 2018 are outlined on the next page.



Sample #1 – Beach Towns & History > Boardwalk, Capitola & Wilder Ranch Excursion

Departure:	Time:	Arrive:	Time:
Beach Boardwalk	11:00 AM	Wilder Ranch	11:30 AM
Wilder Ranch	12:30 AM	Beach Boardwalk	1:00 PM
Beach Boardwalk	1:30 PM	Capitola	2:00 PM
Capitola	3:00 PM	Beach Boardwalk	4:00 PM

Sample #2– Shinning Seas to Redwood Trees > Boardwalk, Capitola & Felton Excursion

Departure:	Time:	Arrive:	Time:
Beach Boardwalk	11:00 AM	Capitola	11:30 AM
Capitola	11:45 AM	Beach Boardwalk	12:15 PM
Beach Boardwalk	12:30 PM	Felton	1:30 PM
Felton	2:30 PM	Beach Boardwalk	3:30 PM
Beach Boardwalk	3:45 PM	Capitola	4:15 PM
Capitola	4:30 PM	Beach Boardwalk	5:00 PM

Sample #3 – Coastal Towns > Boardwalk, Capitola & Aptos Excursion

*\*dependent on repair to storm damage areas of railroad.*

Departure:	Time:	Arrive:	Time:
Beach Boardwalk	10:30 AM	Capitola	11:00 AM
Capitola	11:15 AM	Aptos	11:45 PM
Aptos	12:00 PM	Capitola	12:30 PM
Capitola	12:45 PM	Beach Boardwalk	1:15 PM
Beach Boardwalk	1:30 PM	Capitola	2:00 PM
Capitola	2:15 PM	Aptos	2:45 PM
Aptos	3:00 PM	Capitola	3:30 PM
Capitola	3:45 PM	Beach Boardwalk	4:15 PM

Sample #4 – Santa Cruz County Experience > Boardwalk, Capitola, Aptos & Watsonville

*\*dependent on repair to storm damage areas of railroad.*

Departure:	Time:	Arrive:	Time:
Watsonville	10:30 AM	Aptos	11:30 AM
Aptos	11:45 AM	Capitola	12:15 PM
Capitola	12:30 PM	Beach Boardwalk	1:00 PM
Beach Boardwalk	2:00 PM	Capitola	2:30 PM
Capitola	2:15 PM	Aptos	2:45 PM
Aptos	3:00 PM	Watsonville	4:00 PM

## 5. SERVICE PLAN

### *Equipment*

The SCBT&P has the following equipment:

- *Locomotives:*
  - *4 CF7 EMD Locomotives = (2) Felton & (2) In transit to Felton.*
  
- *Passenger cars:*
  - *3 Coaches – capacity 180 passengers & ADA access*
  - *8 passenger cars – capacity 600 & ADA access*
  
- *Maintenance of Way:*
  - *1 Center dump ballast car*
  - *2 Crew inspection speeders*
  - *1 Ballast regulator (in transit to Felton)*
  - *1 Tamper (in transit to Felton)*
  - *2 Flat cars*
  - *1 Hi-rail Case backhoe*

All equipment is maintained to FRA requirements and specifications by SCBT&P staff. While the majority of maintenance and repair is accomplished in house, major repairs are contracted out. Equipment safety inspections are performed each operating day, and all locomotives undergo FRA required 92-day inspections. Passenger cars also undergo extensive annual testing and inspection which includes structural, mechanical, and braking systems.

### *Community Sensitivities*

Roaring Camp, Inc. the parent company of SCBT&P has been operating trains in Santa Cruz County since 1963. With over 50 years of experience in railroad operations, it has become an integral member of the community. The key to achieving so many years of successful operation has revolved around listening to community issues, responding to concerns, as well as understanding the public's sensitivity to train operations through neighborhoods and business corridors.

For more than 30 of those years, SCBT&P trains have run directly through downtown Santa Cruz residential and commercial streets. Since its inception SCBT&P has worked to maintain good relations with the neighbors through whose community it passes.

The Company is also proactive on maintaining the aesthetics of the right-of-way in regard to trash, vandalism and debris related to pedestrian traffic and homeless encampments. Several times a year SCBT&P collaborates with Santa Cruz City Police, County Parks & Recreation, Santa Cruz County Homeless Services, and Santa Cruz County Sheriffs in an organized clean sweep through high traffic areas. In addition, SCBT&P does not store railroad tank cars along its Felton branch line, and does not handle hazardous materials.

As a part of Roaring Camp Railroads, SCBT&P rightfully benefits from community service provided by its parent corporation. For example, the company donates its facilities each year to hold events put on to benefit various local charities. SCBT&P Thomas the Tank Engine events “employ” many local non-profit organizations, from San Lorenzo Valley High School Athletics, to the Mountain Parks Association, to Friday Night Live Watsonville, all of whom provide volunteer staff for the events in return for donations to their organizations.

A representative of Roaring Camp serves on the Board of Directors of the Santa Cruz County Conference and Visitors Council, and cooperative ventures between SCBT&P and other area attractions such as the Santa Cruz Beach Boardwalk have been mutually beneficial. The annual Santa Cruz Holiday Lights Train, now in its 17<sup>th</sup> year, is a good example of this. The SCBT&P presence in the community is well known, and generally speaking, SCBT&P is appreciated by the business community as a tourist draw and generator of revenue to the County. SCBT&P's regularly scheduled Beach Train delivers train loads of tourists to the highly traffic-impacted Main Beach area without their cars.

Most importantly, as mentioned in the opening letter, the SCBT&P along with its parent company Roaring Camp, is staffed by of many locals who live in all five of the county districts. Our employees are as concerned as anybody with maintaining the appealing qualities of the communities they live and raise their families in.

### *Freight Service*

The SCBT&P is excited to provide reliable freight service to businesses along the Santa Cruz line. Initial service would begin in the Watsonville area with existing customers that already utilize the railroad to ship their goods. The SCBT&P will work closely with those customers to optimize their shipping needs.

The railroad would take all precautions to avoid any disruption of service by stationing a locomotive in the Watsonville area. With several backup locomotives on our roster, we feel confident that disruption of service due to equipment issues would be resolved in a timely and efficient manner. With staff members and consultants who represent decades of railroad

experience, the SCBT&P is equipped to handle various anticipated and unanticipated circumstances. We have a full crew experienced in the rerailling of cars and locomotives, as well as recovery of track challenges that arise from environmental issues. Regardless of various past challenges, including washouts, landslides and minor derailments, the SCBT&P has never had service interrupted for an extended period of time. Our focus is on safety, reliability, and great customer service.

We believe that future economic growth and technological advances will generate new customers along the Santa Cruz lines right of way. By working closely with state and local economic development agencies, we believe freight will develop on the Santa Cruz line as business will recognize the advantages of using rail to move their goods to destinations throughout the country, while reducing the number of trucks on local highways. Upon acceptance of our proposal, the SCBT&P will be contracting with Alan Lambert to further develop freight business on the Santa Cruz Branch. Mr. Lambert is a specialist in developing railroad freight business, and worked with Sierra Northern during their time operating the Santa Cruz Branch.

#### *Trackage Rights Agreement*

The choice of the SCBT&P as the Operator of the Branch Line will alleviate any concerns regarding the trackage rights agreement as it pertains to the requirement stated in the Request for Proposal (RFP). As noted previously, SCBT&P has provided passenger train service between the communities of Felton and Santa Cruz for 33 years. Passenger service has included public trains, private charter trains, and variety of special event trains. The majority of those years, the SCBT&P worked simultaneously with the Union Pacific (UP) sharing track usage in the area of the wye and Beach Street. In 2011, Big Trees worked with the Sierra Northern when it assumed freight operation on the branch line. Since 2012 the SCBT&P shared track usage with the Iowa Pacific. In all situations the SCBT&P demonstrated its ability to cooperate with the railroads that were operating on the Branch Line, including providing assistance to them when they faced challenges with their equipment, track and operations.

#### *Passenger Service*

Passenger service is our primary business. The SCBT&P operates more than 500 scheduled passenger trains per year between Felton and Santa Cruz. To begin service on the Santa Cruz Line, the SCBT&P would introduce special excursions on selected weekends throughout the summer months (see above sample excursion schedule).

In addition, along with its parent company, the railroad has over 20 Special Events on its public calendar and hosts numerous other private events throughout the year. In 2014, the SCBT&P approached the SCCRTC and its selected operator Iowa Pacific Holdings about working together to bring a locally historically significant steam locomotive home to Santa Cruz County for a special event. This event was extremely successful and operated several sold-out trains between Felton and Wilder Ranch. These trains utilized SCBT&P historic passenger equipment

and were powered by the Santa Cruz Portland Cement #2, a steam locomotive which originally operated at the Davenport Cement plant between the early 1900's to the 1920's.

Upon selection by the SCCRTC, the SCBT&P could host additional events similar to the above, as well as:

- Wharf-to-Wharf race transportation support;
- Pumpkin Trains to Watsonville or Davenport;
- First Friday Art Train;
- Wilder Ranch Special Events Train;
- Holiday themed Excursions;
- Watsonville Strawberry Festival Train;
- ...and many others!

Event trains are a specialty of ours, and tourist railroads from around the country watch our events to get ideas. Having had so many years in the Santa Cruz community we know what works and what doesn't.

In addition, as the SCCRTC looks to expand usage of the rail line in the future, the SCBT&P would like to work together in whatever capacity it can contribute. SCBT&P shares the goal of providing a rail line that supports the community's transportation and environmental needs, and believes the development of passenger service to Watsonville where interchange with a main line provider is obtainable.

## **6. MAINTENANCE PLAN**

Maintenance for the Santa Cruz line will be maintained to Class I standards by the SCBT&P maintenance-of-way crew. Crew will utilize hi-rail equipment, speeders and other equipment owned by SCBT&P and stored at the Felton location. Maintenance will include but not be limited to:

- Regular FRA required inspections on track and structures;
- Joint maintenance, tie replacement, tamping and switch maintenance;
- Maintenance of culverts and ditches;
- Weed and brush control and abatement.

SCBT&P recognizes that current damage to the Santa Cruz line exists from winter 2017 and the SCCRTC is working to rehabilitate damaged sections. Structural damage that is not normal wear and tear, such as Acts of God, or pre-existing conditions, shall not be the responsibility of SCBT&P, but will be considered capital projects to be funded by SCCRTC. SCCRTC will hold SCBT&P harmless from the physical condition of the track or any liability associated with any pre-existing environmental contamination or hazardous commodity contamination. At execution of the administration and coordination license agreement, the SCBT&P proposes to assist SCCRTC with any storm damage rehabilitation project management that complies with SCRTC and 3<sup>rd</sup> party agencies.

Maintenance and repair of signals will be performed by West Coast Signal, who provides signal services on the SCBT&P Santa Cruz to Felton branch line, as well as currently providing signal services on the Santa Cruz Branch for the current operator.

Maintenance on rolling stock is performed routinely and is compliant with federal laws governing locomotive and passenger equipment. SCBT&P carries out all maintenance of its locomotive and passenger equipment at its facilities in Felton, California. Roaring Camp, the parent company of SCBT&P, has a Spill Prevention Counter Measure and Control program as mandated by the state. The same diligence would be extended to all locations of SCBT&P operations.

## **7. FINANCIAL PLAN - 5 YEAR PROJECTION**

The following is SCBT&P's proposed financial plan. The plan was prepared from a conservative point of view. The following assumptions were made:

- Unless new business develops along the corridor in the next 5 years, freight will hold relatively steady with modest growth.
- Passenger revenue will start slow and should increase steadily as word grows about the new service and train departure dates expand.
- Events will be tested to find those that connect best with the Rail Line.
- We believe breakeven will happen between years 3 and 4, although this is a very conservative estimate.
- SCBT&P agrees that the railroad is owned by SCCRTC, and as an operator SCBT&P shall have no responsibility for real property taxes or assessments.

	2018	2019	2020	2021	2022
Revenue - Freight	\$ 45,000	\$ 45,500	\$ 46,000	\$ 46,500	\$ 47,000
Revenue - Passenger	150,000	180,000	225,000	255,000	330,000
Revenue - Event	100,000	120,000	150,000	170,000	220,000
Other	100,000	100,000	100,000	100,000	100,000
<b>Total Revenue:</b>	<b>\$ 395,000</b>	<b>\$ 445,500</b>	<b>\$ 521,000</b>	<b>\$ 571,500</b>	<b>\$ 697,000</b>
Salary & Benefits	150,000	153,000	156,000	159,000	162,000
Fuel	9,000	9,500	9,580	10,225	11,300
Insurance	110,000	110,800	111,600	112,400	113,200
Utilities	10,000	10,000	10,000	10,000	10,000
Repair & Maintenance	109,000	112,000	115,000	118,000	121,000
Other	106,103	107,230	110,375	111,875	112,800
Revenue Sharing	19,750	22,275	26,050	28,575	34,850
<b>Total Expenses:</b>	<b>\$ 513,853</b>	<b>\$ 524,805</b>	<b>\$ 538,605</b>	<b>\$ 550,075</b>	<b>\$ 565,150</b>
<b>Operating Income:</b>	<b><u>\$ (118,853.00)</u></b>	<b><u>\$ (79,305.00)</u></b>	<b><u>\$ (17,605.00)</u></b>	<b><u>\$ 21,425.00</u></b>	<b><u>\$ 131,850.00</u></b>

## INSURANCE

The ProForma reflects current Commercial General Liability insurance coverage for SCBT&P at its own cost and expense, of no less than \$7 million each occurrence and an aggregate limit of no less than \$14 million. SCBT&P, also at its own cost and expense, provides Workers' Compensation and FELA insurance.

If the ProForma were adjusted to reflect the insurance limits as set out in the RFP, specifically a limit not less than \$25 million each occurrence and an aggregate limit of not less than \$50 million, the increased \$40,000 annual expense for SCBT&P would further delay breakeven.

## 8. REVENUE SHARING

During the term of the agreement SCBT&P proposes to compensate SCCRTC at an amount equal to 5.0% of gross receipts derived from movement of freight, passenger service and events that take place on the Santa Cruz line. All payments shall be made quarterly.

## **9. REFERENCES**

### **Passenger Service:**

*Mr. Dave Burns  
Director of Adult Ministries  
Mount Hermon Christian Conference Center  
P.O. Box 413  
Mount Hermon, CA 95041*

*Services:* Mount Hermon Christian Conference Center charters private train excursions from its Redwood Camp location in Mount Hermon to the Santa Cruz Beach Boardwalk and return. The Center arranges approximately 6-8 charters each summer for groups of 350-450 conference attendees per chartered trip. Big Trees has continued to provide charter service to the conference center for over 10 years.

### **Freight Service:**

*Mr. Lee Jardine  
Area Vice President  
San Lorenzo Lumber  
P.O. Box 1808  
Santa Cruz, CA 95061  
(831) 420-3557*

*Services:* SCBT&P has provided freight service to the ProBuild Lumber Yard located in Felton, California for over 22 years. Lumber cars are delivered to the wye in Santa Cruz via Union Pacific and then transferred to ProBuild in Felton via the Big Trees.

### **Event Service:**

*Ms. Kiera Moore  
Event Planner – Day Out with Thomas  
Mattel  
501 Meacham Blvd.  
Fort Worth TX 76106  
(817) 302-3321*

*Services:* SCBT&P has hosted a Day Out with Thomas for 15 years, and Thomas & Percy's Halloween Party for the past 4 years. The summer event draws over 5000 people a day, with as many as 10 train departures with 600 passengers per train, while the Fall event attracts close to 2500 people a day, with as many as 6 train departures with 400 passengers per train. Mattel Event Coordinators consistently rank the SCBT&P as one of the best railroads for operations and train ride experience in the nation.













