February 22, 2018

Chair Leopold and Commissioners
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Re: Selection of Progressive Rail as new operator of the Santa Cruz Branch Line

Dear Chair Leopold and Commissioners,

After reviewing the proposals submitted in response to the “Request for Proposals for An Operator of Freight and Recreational Passenger Rail Service on the Santa Cruz Branch Rail Line dated December 8, 2017”, we urge the RTC to diligently negotiate with Progressive Rail, Inc. (PGR) in an effort to obtain a mutually beneficial agreement.

PGR’s proposal and their presentation at the January 18th RTC meeting, demonstrate PGR’s professional approach, due diligence and business plan. Of particular note is their:

- Thorough due-diligence demonstrated by their on-site inspection of the entire 32-mile rail line, all bridges and all crossings with the goal of establishing quiet zone crossings in residential areas;
- Contacting potential customers including the Boardwalk, potential freight customers and their existing customers within their six-state network;
- Meeting with TAMC to understand and explore mutually beneficial interests affecting the Santa Cruz Branch Line (SCBL);
- Retaining two rail advisors to explore environmentally friendly and CA-compliant rail vehicles;
- Commitment to open a fully staffed local office;
- Thorough mobilization plan, service plan and maintenance plan;
- Proposed freight operations, especially their proposed transloading facility;
- Serious analysis of passenger rail operations and visitor serving / tourism activities.

Progressive Rail appears to be fully qualified and capable of operating the SCBL in a safe and responsible manner; will put local people to work in their business operations; will attract investments in other local businesses supporting associated rail operations; and, will fulfill the legal obligations that came with accepting the many millions of dollars from the State of California used to purchase the SCBL. The jobs created and investments made will benefit our local community while simultaneously reducing our collective impact on the environment and getting big highway trucks off our roads. We trust you will diligently work towards putting Progressive Rail under contract ASAP maximizing the benefits offered by the SCBL to our people, our planet and our economy.

877 Cedar Street, Suite 240, Santa Cruz, CA, 95060 | Tel: 831.426.5925
www.railandtrail.org
Should you wish to discuss this matter in more detail, please contact me.

Respectfully yours,

[Signature]

Mark Mesiti-Miller, P.E.
Board Chair, Santa Cruz County Friends of the Rail and Trail
35 year resident of the City of Santa Cruz

cc: George Dondero, RTC Executive Director
City Councils of Capitola, Santa Cruz, Scotts Valley and Watsonville
FORT Board of Directors
February 22, 2018

Chair Leopold and Commissioners
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060

Re: Progressive Rail’s proposal for a Propane Distribution Facility in Watsonville

Dear Chair Leopold and Commissioners,

A few folks have recently raised concerns about the dangers and hazards of Progressive Rail’s proposal to transport propane along the Santa Cruz Branch Line and to locate a propane distribution facility in the Watsonville area. As you know, propane is already being transported into our County by long-haul trucks to serve the hundreds, probably thousands, of existing homes and businesses that rely on propane throughout the County. Actually, transporting propane into our County via rail is far safer and better for the environment. Consider the following facts:

SAFETY
Transporting LPG (propane) or any other freight by rail has been studied several times by many organizations and consistently found to be 14x to 17x safer than transporting same by truck! According to a paper published in 2017 by the Steel Interstate Coalition titled Rail vs. Truck and Auto Safety Record, “Railroads and trucks carry roughly equal hazmat ton-mileage, but trucks have 16 times more hazmat releases than railroads. Statistically, railroads are the safer form of transportation for hazardous materials.”

ENVIRONMENTAL BENEFITS
Moving freight by rail is much better for the environment. According to a paper titled The Environmental Benefits of Moving Freight by Rail published in June 2017 by the American Association of Railroads, “On average, railroads are four times more fuel efficient than trucks, according to an independent study for the Federal Railroad Administration. Greenhouse gas emissions are directly related to fuel consumption. That means moving freight by rail instead of truck lowers greenhouse gas emissions by 75 percent.”

LOCAL CONTROL
It is my understanding, there is no existing “rail yard” within which Progressive Rail could locate a new propane distribution facility. Any such facility will necessarily be located on a parcel of land adjacent to the existing rail line and therefore subject to all local land use regulations and permitting requirements. Moreover, this is all a moot point since:

A local company, Mountain Propane (MP) of Felton, is already building a propane distribution facility adjacent to the railroad tracks in Watsonville. MP recently received a permit to place a

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www.railandtrail.org
50,000 gallon tank on the triangular piece of property between the Agron lead and main rail line in Watsonville. MP anticipates adding a pair of 30,000 gallon tanks shortly. MP is in contact with all relevant regulatory agencies in Watsonville. If all goes well, MP hopes to have the facility completed by the end of this year. The street address of MP’s new facility is 950 West Beach Street, Watsonville.

Summarizing, transporting propane or any other freight by rail instead of truck is safer and better for the environment. Furthermore, getting big rig trucks off the road will improve the safety of our local highways, streets and roads; reduce the wear and tear on same; and help preserve the capacity of our highways, streets and roads for other users.

Accordingly, please move forward with replacing Iowa Pacific with a qualified rail operator as soon as possible.

Respectfully submitted,

Mark Mesiti-Miller, P.E.
Board Chair, Santa Cruz County Friends of the Rail and Trail
Professional Civil Engineer C 40945
35 year resident of the City of Santa Cruz

cc: George Dondero, RTC Executive Director
City Councils of Capitola, Santa Cruz, Scotts Valley and Watsonville
Santa Cruz Area Chamber of Commerce
Pajaro Valley Chamber of Commerce
Santa Cruz County Business Council
Bike Santa Cruz County
Campaign for Sensible Transportation
Land Trust of Santa Cruz County
Ecology Action
Sierra Club, Santa Cruz Group
Regeneration Pajaro Valley
Save Our Shores
Surfrider Foundation
Santa Cruz County Climate Action Network, Paula Seales
Citizens Climate Lobby, Lynda Marin
Item: 16

AGENDA: March 1, 2018

TO: Regional Transportation Commission

FROM: George Dondero, Executive Director

RE: Director’s Report

THIS ITEM FOR INFORMATION ONLY

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SB 1 Adds Fuel to California's Economy

From CALCOG, here are the key economic impacts of SB 1 according to a new study by the American Road and Transportation Builders Association:

**Economic Activity.** A whopping (our word) $182.6 Billion for California residents and businesses.

**Jobs & Wages.** An average of 68,000 jobs per year for 10 years that will yield $3.3 billion in salaries for California workers each year.

**Safety.** Benefits from reduced crashes, injuries and fatalities valued at $584 million over 10 years.

**Good for Business.** Increase business sales by $112 billion over 10 years.

**Lower Operating Costs.** Drivers will save $8.2 billion in auto operating costs over 10 years.

**Better Roads.** Supports the repair, repaving, and reconstruction of 84,000 lane miles of roadway on 19,000 miles of roadway.

**More Bridges.** Increased investments will ensure the replacement of an additional 556 bridges.

**Keep on Truckin.'** Saves $1.6 billion per year (e.g., reduced travel times) for the 14 million trucks that use the urban interstate, an average of $114,000 per truck each year. And so much more. Read the full report. Of particular interest is the section in the end that spells out the economic benefits across 18 major industrial sectors (e.g., Manufacturing, Utilities).

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Self-Help Counties Coalition

On Feb. 20th I attend the SHCC meeting in Sacramento. Executive Director Keith Dunn did a great job of leading us through various business and legislative items. The Coalition has not had a dues change since 1992. The annual conference provides most of the revenue needed to run the organization. The 2018 conference will be in October in Riverside. The Coalition has a good relationship with the California Transportation Commission, and held a “town hall” meeting with the CTC last year. It was seen as successful by both parties, and the CTC has expressed interest in doing another. Signs of new leadership at high level
state offices are already being noticed as the November election approaches. Secretary of Transportation Brian Kelly and Caltrans Director Malcolm Dougherty have both left their posts.

There was much discussion about the current effort to repeal SB 1. The Coalition contributed $50,000 toward the study documenting Economic Impacts of SB 1 in California (see above CALCOG item). That money comes from a reserve that accumulates from each conference. Other organizations working to stop the repeal of SB 1 include CSAC, the League of Cities, and CALCOG. Current efforts are focused on support of Proposition 69, which has a strong message of protecting the revenues generated under SB 1 from being used for other than transportation uses, thereby building trust, transparency and accountability with the voters.

**Daniel Nikuna – 25 years already?**

Chief Financial Officer Daniel Nikuna has passed the twenty-five year mark for years of service to the RTC. Daniel’s expertise in all things fiscal has kept the wheels turning and the audits admirable. Today a resolution in recognition of his dedication and fine work will be passed.

**Introducing Shannon Munz**

We are proud to introduce Shannon Munz as the new RTC Communications Specialist. Shannon resides in Capitola and says her commute is much better now, as she no longer has to make the daily drive to Stanford University. Shannon has over eleven years experience in public relations, strategic media cultivations and editorial expertise. Previous employers include Stanford, City of Palo Alto, AOL/Patch.com, Commonwealth Club of California, and Media News in Lost Gatos. She has a B.A. degree in Journalism from San Francisco State University. Her strengths include: journalistic writing, public relations, marketing, creative problem solving, and project management. Welcome aboard, Shannon!

**Executive Director Retiring**

Next month will mark my twelfth year of service to the Commission. Rumors have been circulating about my pending retirement. Today I can confirm there is some truth to these rumors. My exit will take place by the end of this calendar year. It has been a privilege and honor to serve the community and to work with so many highly accomplished and professional staff, and with a board that works diligently for the greater good of all members of the community.
-----Original Message-----
From: Ann Hoholick [mailto:ahoholick@icloud.com]
Sent: Monday, February 26, 2018 7:56 PM
To: info@sccrtc.org
Subject: Please protect our corridor and our coast!

Dear Commissioners,

Given the unique and extraordinary value of our coastal corridor, the speed and secrecy of the rail operator proposal and negotiation process are not prudent.

Would there be more transparency in this process if Progressive Rail were “poised to partner with Lansing Trading” to construct a propane distribution terminal on the Westside of Santa Cruz rather than in Watsonville?

Progressive Rail’s interactions with other communities where they operate and the fact that preemption may put our corridor and our coast at risk for unwanted activity or development should be carefully considered.

Please slow down and proceed with caution. These decisions may have profound effects for many generations to come.

Thank you,

Ann Hoholick
Kim Jaspers
Christopher Jaspers
Juliet Goldstein
Kandi Lippert
Leslie Altman
Michelle Miranda
James Claussen
Gerrett Nelson
Steve Barber
Nadene Thorne
Thomas Evans
Kathleen Hansen
Caren Nessen
Rich McMillan
Guy Chanda
Greg Cross
Shahe Moutafian
Lael Ambrose
Richard & Sheri Watson-Riley

Scott Bongiorno
Jessica Hansen
Danielle Ynostroza
Suzanne Helfman
Rod Mendelsohn
Carolyn Del Po
Kevin Lockwood
Daniel Spero
Leslie Walter
Ann Whitlock
Ellen Hilbrich
Liza McHugh
Tom Haid
Toni Miras
Greg Heath
David Hunt
Tom Fieweger
Caroline Ceconi
Kandi Lippert
Erik Nielsen

Susan Gross
William Gray
Brian Brunelli
Kimberley Bermender
Diana Adamic
Chantal Hopkins
Jackie Nunez
Steve Bock
Julie Tobin
Terri Foster
Jerry V Finney
Heather Paul
Melissa Edwards
Dr. Marina Ramon
Chris Stallard
Brian Friel
Walter Stauss
Jean Mahoney

From: Dana Abbott [mailto:abbottpress@gmail.com]
Sent: Monday, February 26, 2018 9:13 PM
To: info@sccrtc.org
Subject: RE: Potential Rail Project

Dear RTC:

Please work to replace a train corridor with a bike/walk path. I believe a train project would be way too expensive and disruptive, and won’t relieve congestion on the freeway. It makes much more sense to open up the corridor to walking. I also am alarmed to hear that this corridor may be opened to hazardous materials transport, such as propane. We have far too valuable a resource of coastal area that should not be put at risk! A bike/walk path encourages healthy exercise and people do use it when this is made available to them. No fences that cut off coastal access.

Dana Abbott
From: Debby Molina [mailto:dlmolina_2000@yahoo.com]
Sent: Monday, February 26, 2018 9:56 PM
To: Sccrtc Info
Subject: Progressive Rail

Dear RTC,

It is very clear that you have a train agenda, but your rush to negotiate a contract with Progressive Rail lacks thoroughness and transparency. Progressive Rail has a history of transporting fuels. This is not what our community wants and may be dangerous and foolhardy.

If your plan of keeping the coastal corridor for trains is no longer viable to reduce traffic congestion, then you should consider a plan that can help our community get out of our cars and commute safely through our county. Build a trail now that will do just that.

Do not throw Santa Cruz County under the bus by agreeing to a suspect, potentially dangerous agreement with Progressive Rail, which has an unknown agenda and a dubious track record.

Please do the right thing for our community. Don't waste this incredible opportunity to make Santa Cruz an even better place to live, now and in the future. Take action to build a bike and pedestrian trail, without a train, and without Progressive Rail.

Thank you,
Deb Molina
Dan Spero

-----Original Message-----
From: Barbara Roettger [mailto:***********]
Sent: Monday, February 26, 2018 10:45 PM
To: info@sccrtc.org
Subject: Please slow down and proceed with transparency

Dear Commissioners,

Progressive Rail’s interactions with other communities where they operate and the fact that preemption may put our corridor and our coast at risk for unwanted activity like transporting, storing and transferring petrol products. Any development should be carefully considered. Please slow down and proceed with caution. These decisions may have profound effects for many generations to come and need to have more transparency.

Given the unique and extraordinary value of our coastal corridor, the speed and secrecy of the rail operator proposal and negotiation process are not prudent.

Thank you,
Barb Roettger

-----Original Message-----
From: Ellen Nelson [mailto:***********]
Sent: Monday, February 26, 2018 11:42 PM
To: info@sccrtc.org
Subject: Please protect our corridor and our coast!

Dear Commissioners,

Take time to study the Progressive Rail issue carefully and thoroughly. Please don’t put our precious resources in jeopardy.

Thank you, Ellen Nelson
From: Monica McGuire
Sent: Monday, February 26, 2018 11:58 PM
To: info@sccrtc.org
Subject: I cannot attend your meeting this Thursday morning, 3/1/18, at 9am (during business hours) so please take my comments now

Dear RTCommissioners,
I cannot attend your meeting this Thursday morning, 3/1/18, at 9am (during business hours) so please take my comments now. I feel great concern that there seems to be secret incentives that some in the RTC have to push for Progressive Rail. Please use the Precautionary Principle and heed the public’s concerns.
I feel angry that our requests and opinions have been squelched for so long, since I have heard many ways the RTC has ignored the public’s interest in PRT and other better transportation options for the whole 21 years I have lived in this county.
My large circle of family and friends is talking about how the RTC doesn’t seem to care to keep our county and coast safe from the likes of Progressive Rail, which pretends to offer us an over-priced “tourist train” while hiding their intentions to run gas and oil trains.
Please do NOT move quickly or any further against the public wishes, endangering your own children’s and grandchildren’s lives, in addition to mine.
Thank you,
Monica McGuire

-----Original Message-----
From: Purea Koenig
Sent: Tuesday, February 27, 2018 7:11 AM
To: info@sccrtc.org
Subject: Please protect our corridor and our coast!

Dear Commissioners,
Please do not sign a deal with Progressive Rail under any circumstance. After careful consideration, I truly believe that a trail only for pedestrians, bikes and small electric vehicles is the best use of the rail corridor from Davenport to Watsonville.
You have the opportunity to do something truly extraordinary for Santa Cruz County. The Trail only proposal submitted by Greenway will transform our community in a healthy and positive way.
A deal with Progressive Rail will put our corridor and our coast at risk.
Please slow down and proceed with caution. Your decisions may have profound effects for many generations to come.
Thank you, Purea Koenig

From: Harold R. Mancusi-Ungaro, Jr.
Sent: Tuesday, February 27, 2018 8:55 AM
To: info@sccrtc.org
Subject: Please consider the consequences of your process and decision

Dear Commissioners,
Given the unique and extraordinary value of our coastal corridor, the speed of the review of the rail operator’s proposal and negotiation does not seem prudent or justified.
Progressive Rail’s interactions with other communities where they operate and the fact that preemption may put our corridor and our coast at risk for unwanted activity or development should be carefully considered.
Please slow down and proceed with caution. These decisions will have profound effects on our neighborhoods and property values.
Respectfully,
Harold R. Mancusi-Ungaro, Jr., M.D.
From: David J Montgomery [mailto:bykerscott@yahoo.com]  
Sent: Tuesday, February 27, 2018 9:02 AM  
To: info@sccrtc.org  
Subject: Please protect our corridor and our coast!

Dear Commissioners, I don't want our county to be forced into a rash decision by any outside entity! Please listen to the citizens that have elected officials and paid their taxes. Study the fiscal impact of your decisions long and hard before you strap us to the most expensive project ever considered. You have a fiduciary responsibility to the public you serve!

Thank you, David Montgomery

From: Sandra Baron [mailto:sandybar3@gmail.com]  
Sent: Tuesday, February 27, 2018 9:21 AM  
To: info@sccrtc.org  
Subject: More public information needed on rail contract

Dear Commissioners,

I am writing to voice my concern over the pending proposal to give Progressive Rail a contract for train service in Santa Cruz County. There are many outstanding questions to resolve before awarding this contract, such as:

(1) The pros and cons of trail only vs rail and trail. I am a retired avid biker and have enjoyed many rail trails. None of them had trains, so this is a very unusual proposal. Currently, my husband and I visit the Monterey rail trail almost weekly, spending money for lunch and gas in Monterey Co instead of in Santa Cruz Co. We are very excited about the possibility of riding the Santa Cruz Rail Trail and are doubtful that a train combo will work. However, maybe it could but the constituents need much more information on what the rail part will look like (pick-up spots, parking lots, etc) and a comparison with buses + commuter lanes.

(2) What potential other projects is Progressive interested in putting in our county?

(3) Greenway asks a good question here
"Would there be more transparency in this process if Progressive Rail were “poised to partner with Lansing Trading” to construct a propane distribution terminal on the Westside of Santa Cruz rather than in Watsonville?" What is the deal with the propane terminal?

(4) What is "preemption" and what that might mean for our community?

(5) What percentage of trains would be passenger vs freight?

(6) What is the predicted amount of passenger usage and what would happen if it is not sufficient to keep a passenger train in business?

Thank you,
Sandra Baron
Watsonville, CA

From: Robert Singleton [mailto:robert.singleton@sccbusinesscouncil.com]  
Sent: Tuesday, February 27, 2018 9:56 AM  
To: George Dondero; info@sccrtc.org  
Subject: RE: Progressive Rail

Dear SCCRTC Commissioners and Staff,

The Santa Cruz County Business Council has taken a keen interest in the recent selection of Progressive Rail (PR) as the preferred operator for both future freight and tourist rail service in Santa Cruz County. Specifically, while we do not have a formal stance on the selection of this firm, we do have some
questions and concerns regarding some of the planned items in its proposal, and the potential that a
selection of any rail service provider might have on a "Trail Only" bicycle and pedestrian path, which
86% of our membership supported in a vote in July, 2018.

Please see the attached document for our full correspondence.

Sincerely,
Robert Singleton
Executive Director
Santa Cruz County Business Council
To: Santa Cruz County Regional Transportation Commission  

From: Santa Cruz County Business Council  

RE: Rail Operator Contract Selection, February 27th, 2018

__________________________________________________________________________

Dear SCCRTC Commissioners and Staff,

The Santa Cruz County Business Council has taken a keen interest in the recent selection of Progressive Rail (PR) as the preferred operator for both future freight and tourist rail service in Santa Cruz County. Specifically, while we do not have a formal stance on the selection of this firm, we do have some questions and concerns regarding some of the planned items in its proposal, and the potential that a selection of any rail service provider might have on a "Trail Only" bicycle and pedestrian path, which 86% of our membership supported in a vote in July, 2018.

Given these questions and concerns, we are requesting that the Regional Transportation Commission please respond to our questions as listed below, so that we may better understand the context and intent behind the selection.

1. Given that the Unified Corridors Study (UCS) is still underway, with preliminary results not due out until late 2018, and given that one of the scenarios being studied is “Trail Only”, Would the choice of this provider affect or limit any other choice of use for the corridor? How?
2. If the Commissioners of the RTC decide that the “Trail Only” scenario being studied by the UCS is the best option for the community, how would the RTC go about terminating the contract with Progressive Rail?
3. Is Progressive Rail aware of the uncertainty surrounding the future of rail use in Santa Cruz County?
4. What due diligence has been done to assess the relationship between Progressive Rail and the other communities in which it does business? Has the due diligence been done with the communities themselves? Have they been well received and non-controversial?
5. What is the breakdown in revenue between Progressive Rail’s proposed freight service and their proposed “suntan special” tourist train from San Jose?
6. Iowa Pacific still owes the RTC over $60,000 in repair costs yet has backed out of its current contract, how does the RTC plan to address this financial shortfall?
7. How will the RTC resolve the $1.2 million in needed track repair costs that will have to addressed before new rail service can begin?
8. What are the specific cost items associated with the $1.2 Million in needed repairs? 
   What will the money be used to repair?
9. Will any Measure D funds be used to support this new service?
10. What is the timeline for appointing community representatives to the Measure D 
    Oversight Committee that is supposed to administer a regular audit of all relevant funds 
    received under the law?
11. It is our understanding that as part of their proposal Progressive Rail would like to open 
    and operate a propane depot in South County, has this been vetted for safety 
    considerations? What is the volume estimate for the amount of propane that will likely be 
    transported on the rail line in Santa Cruz County?
12. Will any other petroleum-based or other controversial products be shipped through 
    Santa Cruz County under Progressive Rail’s freight service? Will there be legal 
    prohibitions to transport of such products?
13. Is the RTC concerned about the potential for federal “pre-emption”, which could 
    supersede local policy?

Thank you in advance for responding to our questions and considerations. The members of the 
Santa Cruz County Business Council appreciate the Regional Transportation Commission’s 
commitment to transparency and service to our community.

Sincerely,
The Santa Cruz County Business Council Board of Directors
**From:** Contact Request Form [mailto:admin@sccrtc.org]  
**Sent:** Tuesday, February 27, 2018 12:13 PM  
**To:** info@sccrtc.org  
**Subject:** New submission from Contact Form  
This Contact Request Form has been submitted by a member of the public to [http://sccrtc.org/contact-us/](http://sccrtc.org/contact-us/).

<table>
<thead>
<tr>
<th>Name</th>
<th>Jonathon Klinkman</th>
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<tr>
<td>Email</td>
<td><a href="mailto:jpklinkman@comcast.net">jpklinkman@comcast.net</a></td>
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<tr>
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**Your Message**

I have reviewed materials regarding a train in Santa Cruz county and it is obvious to me that this would be a very costly undertaking that may never generate enough votes to pass a tax measure. A train would do little if anything to reduce vehicle traffic in Santa Cruz county. Thus the train concept should be abandoned. The SCCRTC should use its resources to reduce vehicle traffic problems in the county as quickly as feasible. I suggest the trail corridor be used as a bicycle/pedestrian trail.

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**From:** Katie Lage [mailto:katielage@gmail.com]  
**Sent:** Tuesday, February 27, 2018 12:54 PM  
**To:** info@sccrtc.org  
**Subject:** Item 22: Closed Session Property Negotiation with Progressive Rail

Dear Commissioners,

Why are you moving so fast to select a rail operator and negotiate them when we haven't even decided if we will have rail and/or trail??? It doesn't make sense and it's short-changing the community.

I support a trail-only solution, that preserves the rail for future possibilities, but allows us to support a healthy community. Rail will not work--it is inconvenient, loud, slow, and simply does not go the places we need to go. And I do not see many viable locations for depots/parking, etc. Who will ride it? And now come to find out that commercial rail is a big part of it and we will have oil and other cargo traveling through our communities. Outrageous!

I support Greenway's plan for the rail corridor and their healthy, forward-thinking vision for our overall county transportation outlook.

Please help to ensure Greenway's alternative plan is given fair consideration in the Unified Corridor Study. Our county needs realistic, affordable alternatives to gridlock not a fantasy train with invisible riders.

Sincerely,  
Your constituent,  
Kathryn Lage  
Aptos, CA

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**From:** Liz Levy [mailto:lizlevy@optimaledge.com]  
**Sent:** Tuesday, February 27, 2018 3:22 PM  
**To:** info@sccrtc.org  
**Cc:** John.Leopold@santacruzcounty.us  
**Subject:** Serious problems with Progressive Rail

Dear Commissioners,  
I understand you are moving towards some kind of agreement with a company called Progressive Rail that is interested in taking over the rail corridor contract abandoned by Iowa-Pacific.
Are you aware of the fact that any rail company in the United States can choose to engage in commercial activities without any regard for state or local regulations? The federal Surface Transportation Board (STB) could allow Progressive Rail to ignore California Coastal Commission oversight, and apparently, even federal EPA oversight, if it chose to engage in transporting dangerous chemicals or petroleum products.

For example:

"In 2014, the Environmental Protection Agency approached the STB with a question of fundamental importance regarding approval of a state environmental plan by California that included new restrictions on train idling. The plan is required by federal law and, if approved by the EPA, would carry the "force and effect of federal law." If the EPA approves California’s law, will the STB allow railroads to ignore it anyway?

In a letter of "guidance," the STB answered, "it is likely that the Rules would be preempted." (From https://www.necir.org/2015/09/28/loopholes-in-national-railroad-policy-take-communities-by-surprise-documentation/ )

After decades of community concern and discussion about the plans for our unique coastal rail corridor, and with no final decision made yet, it is very troubling that the RTC seems so keen on inking an agreement with a company such as Progressive Rail, which:

- Is a Midwest freight rail operator with no background in tourist trains, that nevertheless submitted a 60-page "tourist train" proposal to the SCCRTC that included a single, buried bullet point about their plans to construct a propane distribution terminal in Watsonville.
- Has strong ties to the oil and gas industry: Chair/CEO, Craig McKenzie has a 29-year career as an oil and gas executive. At least four of six on Progressive Rail’s leadership team, including Craig McKenzie, sat on the board of Dakota Plains Holdings, a company connected to the 2013 Lac-Mégantic rail disaster that later declared bankruptcy. Craig McKenzie was CEO of Dakota Plains Holdings when the 2013 disaster happened.
- Has a history of using and threatening to use railroad preemption to establish, maintain, and expand operations that have created safety, health, traffic, and environmental concerns in Lakeville, MN; Chippewa Falls, WI; Eagle Point, WI; and other communities where they operate.

While Santa Cruz County residents delicately argue about the fine distinctions between rail transit, rail-banking, or the width of a walking/biking trail along the coast, the idea of a train operator muscling in and using the corridor to transport propane gas, or future unknown chemicals is a truly frightening prospect, not to mention a huge political gaffe. I strongly urge you to SLOW DOWN and POSTPONE any final decision on a rail operator at this time.

Sincerely,
Elizabeth Levy
Soquel, CA

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From: Richard Corcoran [mailto:rickcorc@gmail.com]
Sent: Tuesday, February 27, 2018 3:35 PM
To: info@sccrtc.org; Richard Corcoran
Subject: Please protect our corridor and our coast!

Dear Commissioners,

I want you to strongly consider the "Trail Only" proposal by Greenway Santa Cruz, and reject the rail use entirely. Working with "Progressive Rail", or any other train corporation that promises a benign and beneficial impact on us is just not truthful. Also, a train, and the costs to maintain the rail line, is just throwing money at something no one would use or benefit from in our county.

We don't need a "Tourist Train" that would only benefit the owners of the company, and certainly offer no "benefit" to the people that live here.

We don't need freight traffic, which again, only benefits the rail company, and causes local disturbances along the rail corridor in noise and train traffic at road crossings.

Freight traffic would likely include the transport of fossil fuels like oil and gas. This is because due to the success of shutting down gas and oil pipeline building in the US, fossil fuel transport companies
have moved shipping of fossil fuels to train transport. Aren’t we trying to do things, especially in
California, that reduce our impact on climate change? California is the 6th largest country in the world,
and what we do here has a dramatic effect on the rest of the world.

Please google oil spills and gas leakages (Natural Gas is 25 times more damaging than carbon dioxide)
to see the damage this is causing across America. I’m originally from Portland, Or, and here is just one
example that occurred in 2016:
http://www.oregonlive.com/pacific-northwest-
news/index.ssf/2016/06/oil_train_derails_near_hood_ri.html
We also don’t need a commuter train. No one would use it. The single rail line just does not encompass
practical and convenient access from where people live to where they work. There is always what’s
known as ”the last mile” problem. That is, from your residence to the rail line, and then from the rail
line to where you work. This commuter train concept just will not get people off Hwy 1, and reduce the
traffic problem in our community.

I am a lifetime member of the Sierra Club, an avid bike rider, and was involved in transportation issues
with Ecology Action from 2008 to 2012. I worked with their group MBEVA as the education coordinator
introducing Electric Vehicles and the addition of solar panels to your house for a highly sustainable
approach to personal transportation. As an early adopter, and highly educated in the subjects of
energy, macroeconomics, climate change, and evolving sustainable transportation concepts, I was the
ideal person to educate others concerning this. I have also testified in front of the EPA regarding
Electric vehicles at the request of the Sierra Club.

Please slow down and proceed with caution. These decisions you are making have profound effects for
many generations to come.

Thank you,
Dr. Richard Corcoran

-----Original Message-----
From: Christy Tall [mailto:ctrun831@gmail.com]
Sent: Tuesday, February 27, 2018 5:12 PM
To: info@sccrtc.org
Subject: I support Greenway

Dear Commissioners,
I support Santa Cruz county Greenway’s plan for the rail corridor and their healthy, forward thinking
vision for our overall county transportation outlook. When you meet on Thursday, please help to ensure
Greenway’s alternative plan is given fair consideration in the Unified Corridor Study. Our county needs
realistic affordable alternatives to gridlock that can be implemented relatively quickly. We DO NOT
NEED OR WANT a fantasy train with invisible riders that won’t take us anywhere we need to go.

A trail only option is feasible, environmental, affordable and is the right fit for OUR community. Please
give Greenway’s plan a chance.

This is important to me, my family, my friends and my community. We are watching. And we vote.

Thank you,
Christy Tall

From: Daniel Spero [mailto:danspero@gmail.com]
Sent: Tuesday, February 27, 2018 5:38 PM
To: General Info
Subject: RE: Please protect our corridor and our coast!
We want No train, just a great bike route.
₁(NullException) Dan Spero
From: Monica McGuire [mailto:monica.healingcoach@gmail.com]
Sent: Tuesday, February 27, 2018 6:23 PM
To: General Info
Subject: Re: I cannot attend your meeting this Thursday morning, 3/1/18, at 9am (during business hours) so please take my comments now

Thank you, Virginia.

I am glad to read your statements that the trail is moving forward.

I wish to clarify that I and many others would feel unhappy if trees get cut in anticipation of adding trains later, OR if great extra expense is incurred by any unnecessary maintenance of the rails (since their use is so questionable sounding) while adding the trail, now.

Is the commission aware that the vast majority of the public is horrified at the thought of wasting money on exorbitantly-costly trains that can never significantly relieve Highway 1?

I will read more about all this online without adding my name to the email list.

Sincerely,
~Monica

Monica McGuire

From: Gregory Becker [mailto:greg@laselva.us]
Sent: Wednesday, February 28, 2018 1:03 AM
To: info@sccrtc.org; zach.friend@co.santa-cruz.ca.us
Cc: Gregory Becker
Subject: Please protect our corridor and our coast! (La Selva /South County perspective)

Dear Commissioners,

I was lucky to ride the caboose of a freight train from Watsonville to the Boardwalk while doing a video documentary in 1981. The ride was slow and creaky, but an engineering marvel in finding the most level route from the south to the north of our county. Years later the "Train to Christmastown" introduced tourists to the slow and creaky route. Four-year olds were sometimes charmed, but it was a consumer rip-off and an aesthetic flop that did nothing to advance Santa Cruz county tourism (outside of the Iowa Pacific souvenir tent on Lee Road). As you know, "Christmastown" was the Buena Vista Landfill and in following years the KOA campground, places one would walk past or ride by on a bike, but which were the final destinations on the train.

"Christmastown" was a bad prototype for tourist rail, but I suspend my "Christmastown" disbelief when I compare it to what you are considering with, so-called, Progressive Rail. Their CV and expertise is Midwestern industrial, so a dangerous and dirty industrial scenario is more likely with them than a successful tourist or commuter operation.

I heartedly endorse Greenway's position: given the unique and extraordinary value of our coastal corridor, the speed and secrecy of the rail operator proposal and negotiation process are not prudent. To me it's beyond imprudent; it's an example of the self-serving CYA possible on commissions without significant public membership.

Would there be more transparency in this process if Progressive Rail were "poised to partner with Lansing Trading" to construct a propane distribution terminal on the Westside of Santa Cruz rather than in Watsonville? Would there, Mr. Rotkin?

Progressive Rail's interactions with other communities where they operate and the fact that preemption may put our corridor and our coast at risk for unwanted activity or development should be carefully considered.

Please slow down and proceed with caution. These decisions may have profound effects for many generations to come.

Thank you,

Greg Becker
From: Andrew J. Wulf [mailto:ajwulf@gmail.com]
Sent: Wednesday, February 28, 2018 8:39 AM
To: info@sccrtc.org
Subject: please make the negotiation with Progressive Rail transparent

Hello,
My name is Andrew Wulf and I am a long-time tax-paying resident of Santa Cruz County, and home/property owner in Capitola. I believe strongly that we need to have an open and fair discussion regarding the usage of this rail corridor with the public involved and not rushed through to a negotiation with an oil and gas company for usage. Increased freight activity on unsafe, non-updated rail tracks and corridor through neighborhoods and communities is not what the community wants nor deserves. We need to stop all advancement on the rail usage until the full community has a clear say in its current and future usage, something that more and more the community is starting to say something different than the vision RTC. Whatever vision should be followed, we should wait at least until an independent analysis and feasibility study is complete BEFORE going ahead with any plans that would hinder and block other possible usage from having a fair hearing.
There are many people in and throughout my community of Cliffwood Heights and others with whom I have spoken at length who feel the same way.

Thank you for your consideration and transparency,
Andrew-Capitola resident and homeowner

-----Original Message-----
From: Buzz & Jennie Anderson [mailto:buzznjen@comcast.net]
Sent: Wednesday, February 28, 2018 9:17 AM
To: info@sccrtc.org
Subject: Please turn down Progressive's bid to control the rail corridor!

Dear Commissioners,

It would be a gross disservice to the voters and people of Santa Cruz County if the RTC were to award a contract to Progressive Rail at this time. Please wait until the United Corridors Study is completed.

Progressive has strong ties to the fossil fuel industry, and if they were to control the rail line they could (without government objection) carry propane, coal and fuel oil along our tracks. This is not what Santa Cruz wants! Think of the future generations of county residents first. Do not partner with Progressive!

Thank you, Buzz Anderson

From: Gail McNulty [mailto:gail.mcnulty@sccgreenway.org]
Sent: Tuesday, February 27, 2018 3:32 PM
To: General Info
Cc: RTC Commissioners
Subject: March 1 RTC Item 22: Closed Session property negotiation with Progressive Rail

Dear Commissioners and Staff,

Please read the attached letter and proceed with extreme caution in your negotiations with Progressive Rail.

We are depending on you to protect our corridor, our coast, and our residents.
Thank you,
Gail McNulty
Executive Director
Santa Cruz County Greenway
February 27, 2018

Dear Santa Cruz County RTC Commissioners and Staff:

Santa Cruz County Greenway is concerned that the RTC staff is moving unusually quickly and quietly with the current rail operator proposal and negotiation process. Given the unique and extraordinary value of our coastal corridor and the risk to its future, this is not prudent.

Basic research about Progressive Rail, the rail operator currently negotiating with RTC to operate freight on the Watsonville section of the corridor, turns up disturbing info:

1. Progressive Rail, a Midwest freight rail operator with no background in tourist trains, submitted a 60-page "tourist train" proposal that included a single, buried bullet point about their plans to construct a propane distribution terminal in Watsonville.

2. Progressive Rail has strong ties to the oil and gas industry. Chair/CEO, Craig McKenzie has a 29-year career as an oil and gas executive. At least four of six on Progressive Rail’s leadership team, including Craig McKenzie, sat on the board of Dakota Plains Holdings, a company connected to the 2013 Lac-Mégantic rail disaster that later declared bankruptcy. Craig McKenzie was CEO of Dakota Plains Holdings when the 2013 disaster happened.

3. Progressive Rail has a history of using and threatening to use railroad preemption to establish, maintain, and expand operations that have created safety, health, traffic, and environmental concerns in Lakeville, MN; Chippewa Falls, WI; Eagle Point, WI; and other communities where they operate.

WHY DOES PROGRESSIVE RAIL REALLY WANT TO COME TO SANTA CRUZ COUNTY?

“If you happen to be a short line that’s in and around and operating near one of these shale formations, the money that you are making is unprecedented.”
—Rich Simmons, President of the American Short Line and Regional Railroad Association

The U.S. oil and gas industry is booming like never before. The Federal Government is working to encourage off-shore drilling and new drilling sites on public land. There is a growing demand to ship dangerous Bakken Crude by rail and the oil and gas industry is exploiting historic railroad "preemption" law to circumvent local zoning and environmental regulations in communities across the U.S.. In light of these national trends and our local situation, the RTC staff should exhibit extraordinary caution before signing a contract with a new rail operator.

RAILROAD PREEMPTION LEAVES COMMUNITIES VULNERABLE

Preemption is a federal process used by railroad operators to control a rail corridor and sidestep the wishes of local communities. Preemption is adjudicated by the federal Surface Transportation Board (STB).
The following excerpt from a September 2015 report by the New England Center for Investigative Reporting shows how one community fell prey to railroad preemption. Let’s hope the RTC can protect Santa Cruz County from the vulnerabilities railroad preemption creates.

In December 2012, Delli Priscoli finally unveiled his plans to more than 100 Grafton, MA residents at a meeting in the municipal gym. The railroad yard, he announced, was to become a propane transfer or “transloading” facility, meaning that propane would be brought there by rail and unloaded onto tanker trucks to be distributed. With four 120-foot long, 80,000-gallon storage tanks to be filled by up to 2,000 train tank cars a year, it would be the biggest rail propane facility in Massachusetts.

Residents were dumbfounded: The location was in the middle of a residential neighborhood, less than 2,000 feet from an elementary school and atop the town’s water supply. But, aside from an application to the state’s fire marshal (still unapproved), the railroad’s owner had not requested nor obtained, town officials say, any local construction permits, environmental assessments, zoning variances — or permission.

And as residents would learn, it was the railroad’s position that it didn’t have to: Being a railroad, the Grafton & Upton was exempt from any state or local law that interfered with its business, a legal doctrine known as preemption.

As one resident put it, “You mean we have no rights?”

Around the country, in towns as small as Grafton and as large as Philadelphia and Chicago, communities are beginning to ask the same question as the domestic energy boom makes the expansion of railway infrastructure — to host trains carrying crude oil, propane and ethanol — a profitable venture indeed.

Railroads are exploiting a large, surprising loophole in federal regulatory law, critics say, and they are doing so with the backing of an obscure federal agency, the Surface Transportation Board (STB), which has been quietly creating what some call a “regulation-free zone” and asserting a jurisdiction over railroads that trumps health and safety laws.

The result is a “regulatory hole you could drive a train through,” says Ginny Sinkel Kremer, an attorney who represents the town of Grafton in its legal battles against the transloading facility and the STB.

Read the full NECIR story.

WHY DO WE NEED TO CHOOSE A NEW RAIL OPERATOR NOW?

Perhaps the biggest question is: Should the RTC even choose a new rail operator now when the Unified Corridor Study (UCS) to be completed in December 2018 may determine that a non-rail option is the best use of the corridor?

We are fortunate that the RTC had the foresight to purchase the corridor from Union Pacific. Now that our current rail operator, Iowa Pacific, has asked to pull out of their contract prior to 2021, we are free to move forward with the best plan for the corridor in 2019. Let’s not risk losing our options by choosing an inappropriate rail operator.
Please slow down and proceed with caution. We are depending on you to protect our corridor, our coast, and our residents.

Thank you,

Gail McNulty
Executive Director
Santa Cruz County Greenway
REFERENCES


“Unified Corridor Study.” Santa Cruz County Regional Transportation Commission, sccrtc.org/projects/multi-modal/unified-corridor-study/.
-----Original Message-----
From: William Cook [mailto:cookconstr@cruzio.com]
Sent: Wednesday, February 28, 2018 7:29 AM
To: info@sccrtc.org
Subject: closed door negotiations with Progressive Rail

I must take strong exception to any and all ongoing discussion with Progressive Rail. Their values are entirely at odds with those of our citizens. As a community we have put more effort into keeping oil and gas interests away than any other single issue. By inviting them in we lose virtually all control courtesy of the Surface Transportation Board. Send them home immediately. Business as usual will not serve.

Thank You
Bill Cook

______________________________

From: Gina Colfer [mailto:ginacolfer@aol.com]
Sent: Wednesday, February 28, 2018 8:43 AM
To: info@sccrtc.org
Subject: Rail Trail

Please stop the nonsense about discussions of anything but a Trail on the site. To do anything but a trail at this point will be fiscally irresponsible and environmentally devastating! The number of trees that would have to be cut down and number of Trestles and culverts that would have to be redone is mind boggling! By the time all of the arguing and back and forth is all done, we'll all be too old to enjoy any kind of Trail if you don't build it now. Upkeep could be done with neighborhood and local business adoption. Please consider a common sense approach!

Thank you!
Gina Bella Colfer
Aptos Resident

______________________________

From: Katie Lage [mailto:katielage@gmail.com]
Sent: Tuesday, February 27, 2018 3:22 PM
To: General Info
Subject: Re: Item 22: Closed Session Property Negotiation with Progressive Rail

Thanks for your feedback on my comments. Sounds like you aren't really taking comments into account but are responding reflexively to support the action already taken???

______________________________

From: joe martinez [mailto:joexmart@comcast.net]
Sent: Wednesday, February 28, 2018 11:06 AM
To: info@sccrtc.org
Subject: RTC Meeting Item #22 - On going Negotiation with Progressive Rail and SCCRTC

Commissioners,

The ongoing negotiations with Progressive Rail need to have public oversite during the negotiation and not afterwards. Closed-door negotiations with Progressive Rail does not ensure our rail corridor will be protected. Stop the negotiation now and wait until the Unified Corridor study is completed and the public has had an opportunity review and comment. The RTC staff who have been assigned to lead the negotiations are less than trustworthy and have no credibility with a majority of residents.

Joe Martinez
February 19, 2018

Santa Cruz County Regional Transportation Commission

Dear Commissioners,

As you know, our organization is in full support of developing transit on the rail corridor. We are grateful for Santa Cruz County’s proud history of action regarding fossil fuel impacts, including the May 2014 ban on oil development (including fracking) and the December 2017 lawsuit against 29 fossil fuel companies. Santa Cruz County has been a pioneer in standing up to fossil fuel interests, as further evidenced by the March 2015 decision to oppose oil-related rail expansion in Santa Maria.

We have some concerns, given Progressive Rail’s interest in working with Lansing Trading to build a propane facility in Watsonville, and we seek to obtain clarity regarding the following questions:

1. To what extent is Santa Cruz County required to have an outside rail operator?
2. Could the RTC function directly as its own rail operator, long-term or short-term?
3. What is the relationship between RTC and a rail operator? (In particular, what are the legal obligations of the RTC and the rail operator?)
4. What are the specific terms of the proposed contract between RTC and Progressive Rail?
5. Is Union Pacific still involved with our rail corridor, and if so, what is the relationship between RTC, Union Pacific, and any new rail operator?
6. Can the rail operator contract prohibit fossil fuel activities, and would that provision be enforceable?
7. How does RTC plan to resolve potential conflicts if the Unified Corridor Study recommends bus rapid transit on the corridor, while a contract is in place with a rail operator?
8. Given that there may be markets for beach sand, how can we be confident that any rail operator will honor the expected shutdown of the Lapis sand mine near Marina?
9. To what extent has RTC contacted authorities in Grafton, Massachusetts, to research their experience with a local rail operator who built a propane facility, without permits or environmental assessments?[^1]
10. What protection do Santa Cruz County and RTC have in the event that a rail operator wants to provide services for offshore oil drilling?
11. According to the ICC Termination Act of 1995, rail operators and the Surface Transportation Board can override local and state regulations. Does RTC’s ownership of the rail corridor provide any protection against this pre-emption?

12. Regarding Lansing Energy, how large is the proposed propane facility, where specifically would it be located, and what region would it serve? Can limits be enforced?

13. To what extent have Watsonville citizens and elected officials participated in discussions regarding the propane facility and the initial proposed rail contract?

14. To what extent has RTC researched reports of conflicts between Progressive Rail and the communities where it operates?²

15. To what extent has RTC researched reports of alleged fraudulent activity connected with Progressive Rail Leadership Team members David Fellon, Craig MacKenzie, Jim Thornton, and Dustin Heichel?³

16. Given Progressive Rail’s focus on frac sand and crude oil, and their deep connections with the fossil fuel industry⁴, is a contract with Progressive Rail consistent with Santa Cruz County values?

We urge the RTC to provide detailed answers to these questions, and to provide ample opportunity for community input, prior to considering a contract with any rail operator. We also urge due diligence to ensure that no rail operator can bring unwanted fossil fuel projects to Santa Cruz County.

Sincerely,

Addendum: Progressive Rail and Community Relationships

In 2011, the Minnesota Pollution Control Agency fined Progressive Rail $75,000 for violations related to hazardous material spills and failure to report.

http://archives.ecmpublishers.com/2011/05/19/update-progressive-rail-fined-for-environmental-violations/

Progressive Rail’s hometown boasts a popular Facebook group known as “Move Progressive Rail’s train out of Lakeville neighborhoods.”

https://www.facebook.com/ProgressiveRailMoveYourTrain/

Progressive Rail’s proposal to house 6.7 million gallons of hot liquid asphalt in Cannon Falls, Minnesota, was resoundingly rejected by local citizens. Progressive Rail owner Dave Fellon was quoted, “We only have an agenda of creating commerce.”


² See Addendum: Progressive Rail and Community Relationships

³ See Addendum: Fraud Allegations related to Progressive Rail leaders

⁴ See Addendum: Progressive Rail and Fossil Fuels
Progressive Rail’s record appears to be inconsistent with its assurance to Watsonville City Council members that “we believe in working closely with local communities and have constructed all of our other facilities in compliance with local rules and regulations.”

Addendum: Fraud Allegations related to Progressive Rail leaders
We’re not sure to what extent Progressive Rail executives may be guilty in the following cases, but they may be worth looking into.

2016-2017 16-CV-09727 Gruber v. Gilbertson
Huge securities fraud case involving fraudulent bonuses over $30 million.
https://www.leagle.com/decision/infdco20170906h73
http://securities.stanford.edu/filings-documents/1059/DPHI00_01/201752_r01c_16CV09727.pdf

This case was apparently related to the previous one, and denied. (Note that Ryan Gilberson is a co-defendant in other cases.)
https://www.sec.gov/Archives/edgar/data/1367311/000089710116003214/R17.htm

Dustin Heichel sentenced to four years probation for theft in 2010. (Given that this person was involved in Minnesota trains, we believe he is the same Dustin Heichel who is Operations Managing Director at Progressive Rail.)
https://www.unionfacts.com/olmscrime/Locomotive_Engineers/Officials_Sentenced

2009-2010 09-CV-10087 Sgalambo v. McKenzie
Securities fraud / misleading statements / Canadian Superior Energy
https://www.leagle.com/decision/infdco20100806b03

Someone named Jim Thornton was sentenced for real estate fraud. (That’s probably a common name, so we don’t know if this is the same Jim Thornton who is Legal Managing Director at Progressive Rail.)

Defendants: Ryan Gilbertson, Douglas Hoskins, Nick Shermeta

2016 16-CV-3779 SEC v. Ryan Gilbertson, Thomas Howells, and Douglas Hoskins

Addendum: Progressive Rail and Fossil Fuels
Progressive Rail’s holdings include the Wisconsin Northern Rail whose shipments are 90% (frac) sand, COER in Illinois whose primary business includes coal and petroleum (among other products), in addition to the PGR Rails in Minnesota which includes fuels among its major commodities.
Furthermore, at least four of the seven on Progressive Rail’s leadership team, including Craig McKenzie, also sit (or have sat) on the board for Dakota Plains Holdings, a company that declared bankruptcy recently and whose businesses include:

- Dakota Plains Transloading LLC which owns and operates a transloading facility, through which producers, transporters, and marketers transload crude oil and related products.
- Dakota Plains Sand LLC which owns and operates sand transloading facility.
- Dakota Plains Marketing LLC which, through its subsidiary, purchases, markets, stores, and transports hydrocarbons.
- DPTS Marketing LLC which purchases and markets crude oil
- DPTS Sand LLC which operates a sand transloading facility in North Dakota
- Dakota Petroleum Transport Solutions LLC, an integrated midstream energy company operating the Pioneer Terminal with services that include outbound crude oil storage, logistics, and rail transportation and inbound frac sand logistics

Craig McKenzie’s decades of experience appear to be in fossil fuels, not trains!

Mr. Craig Morgan McKenzie served as the Chairman of the Board of Dakota Plains Holdings, Inc. from June 1, 2016 to November 4, 2016 and served as its Chief Executive Officer from February 2, 2013 to September 26, 2016. Mr. McKenzie served as the Chief Executive Officer at ZaZa Energy Corporation from February 22, 2012 to August 1, 2012 and also served as its Secretary and Vice President. Mr. McKenzie served as the President of ZaZa Energy Corporation since February 22, 2012 until May 21, 2012. He served as the Chief Executive Officer and President at Toreador Resources Corp. since March 26, 2009. Mr. McKenzie served as an Interim Chief Executive Officer of Toreador Resources Corp. since January 22, 2009. Mr. McKenzie served as the Chief Executive Officer of Sonde Resources Corp. (formerly Canadian Superior Energy Inc.) from October 1, 2007 to December 2008. Mr. McKenzie is a well known and respected industry leader with 23 years of diversified experience spanning international Exploration & Production ('E&P') and Liquefied Natural gas ('LNG') operations, projects, commercial and corporate operations which well-grounded in large-scale business transformations. He served as the President of BG Trinidad & Tobago Limited at BG Group PLC from May 2004 to September 2007. Prior to BG Group plc, Mr. McKenzie was at BP plc, following its merger with Amoco Corporation, from 1986 to May 2004 where he held various senior positions including, but not limited to, Head of North Sea Projects and Exploration Unit, Executive Assistant of Group Chief Executive and Lead Negotiator of the M&A Group. Mr. Morgan served as the President of Dakota Plains Holdings, Inc. from February 2, 2013 to February 28, 2015. He served as the Chairman of Dakota Plains Holdings, Inc. from February 2, 2013 to February 28, 2015. He served as the Chairman of the Board of ZaZa Energy Corporation since May 2, 2012 its Director from February 22, 2012 to August 1, 2012. He serves as a Director of Seeker Petroleum Ltd. He served as an Executive Director of Dakota Plains Holdings, Inc. from February 2, 2013 to November 4, 2016. He served as a Director of Canadian Superior Energy Inc. from November 15, 2007 to December 2008 and Toreador Resources Corp. since January 2009. He served as a Member of the Atlantic LNG shareholders' board from September 2004 to September 2007. Mr. McKenzie holds an M.B.A. from the Kellogg School of Management, Northwestern University, Illinois and a B.S. Degree in Petroleum Engineering from Louisiana State University.

https://www.bloomberg.com/research/stocks/people/person.asp?personId=37560370&ticker=ZAZA