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**CITY OF SACRAMENTO
CALIFORNIA**

OFFICE OF THE CITY MANAGER
OFFICE OF SPECIAL PROJECTS

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September 21, 1997

City Council
Sacramento, CA

Honorable Members in Session

SUBJECT: UNION PACIFIC RAILROAD WORKSHOP - DISCUSSION OF RAILROAD REAL ESTATE AND OPERATIONAL ISSUES

LOCATION AND COUNCIL DISTRICT: Real Estate Issues: Downtown Railyards - District 1
Operational Issues: Districts 3, 5 and 6

RECOMMENDATION:

This report is presented for information and discussion only. The following subjects will be discussed at the workshop:

- ▶ The Sacramento Historic Depot Project and Opportunities to Explore Ballpark Siting
- ▶ The Status of Railyards Remediation and its Affect on 7th Street Construction
- ▶ 20th Street Bikeway Status
- ▶ Freight Traffic on the 19th/20th Corridor and Rail Spurs in the Curtis Park Yard
- ▶ Railroad Crossing at Power Inn and 21st Street

CONTACT PERSON: Wendy S. Saunders, Senior Management Analyst, 264-8196

FOR COUNCIL MEETING OF: September 30, 1997

SUMMARY:

This workshop will provide a forum for discussion of a variety of issues related to Union Pacific Railroad. It is recommended that public testimony be taken during the workshop.

BACKGROUND INFORMATION:

On September 9, 1997, a scheduled hearing on rezoning of a portion of the downtown Union Pacific Railyard was postponed pending Council review of various Railroad real estate and operational issues. This workshop is intended to provide a forum for Council discussion of those issues. The workshop agenda is attached as Exhibit A.

FINANCIAL CONSIDERATIONS:

There are no financial impacts resulting from this report.

ENVIRONMENTAL CONSIDERATIONS:

There are no environmental impacts resulting from this report.

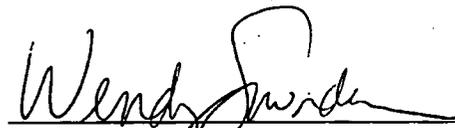
POLICY CONSIDERATIONS:

Although no actions are recommended by this report, some of the issues discussed at the workshop may lead to future Council policy decisions. Policy issues will be fully addressed when Council actions are recommended.

MBE/WBE:

Not applicable to this report.

Respectfully submitted,



Wendy Saunders
Senior Management Analyst

APPROVED FOR COUNCIL INFORMATION:

fr


WILLIAM H. EDGAR
City Manager



THOMAS V. LEE
Deputy City Manager

Attachments

EXHIBIT A

**AGENDA
UNION PACIFIC RAILYARDS
WORKSHOP**

September 30, 1997, 7:00 p.m.

- (10 Minutes) I. Overview (Tom Lee/Wendy Saunders)
- ▶ Summary of Issues to be Discussed during the Workshop
 - ▶ Scheduled Hearing on UP Rezone, Finance Plan and Letter to UP officials
 - Introduction of UP Representatives
- (45 Minutes) II. Union Pacific Real Estate Issues
- A. Sacramento Historic Depot Project; Opportunity to Explore Ballpark Siting (Wendy Saunders)
- ▶ Briefing (See Attachment A-1)
 - ▶ Questions from the Council
- B. Status of Downtown Railyards Remediation; Affect of Remediation on 7th Street Construction (Wendy Saunders/Terry Moore)
- ▶ Briefing (See Attachment A-2)
 - ▶ Questions from the Council
- (30 Minutes) III. City Issues regarding UP Operations; UP Responses (See Attachment A-3)
- A. 20th Street Bikeway
- ▶ Briefing
 - ▶ Questions from the Council
- B. Freight Traffic on 19th/20th Corridor and Removal of Curtis Park Yard Rail Spurs
- ▶ Briefing
 - ▶ Questions from the Council
- C. Railroad Crossing at Power Inn/21st Street
- ▶ Briefing
 - ▶ Questions from the Council

Attachment A-1 Historic Sacramento Depot Project

Background

- In 1995, City obtained a \$300,000 grant from the State Petroleum Violation Escrow Account to be used to improve Sacramento's patronage of public transit
- Sacramento hired VBN Architects of Oakland with grant funding. VBN has completed concept-level plans for restoration of the Historic Sacramento Depot. Plan elements include:
 - Seismic, electrical, mechanical and ADA upgrades
 - Restoration of architectural features to historic grandeur
 - Redesign of the site surrounding the depot to separate private vehicles from public transit for better transit service and safer pedestrian environment
 - Site landscape/hardscape improvements to improve aesthetics better identify pedestrian and transit user access points

Current and Anticipated Transit Functions:

- Light rail transit to be extended to depot in 1999 (project fully funded; now under environmental review)
- Successful Amtrak Capitol Corridor service connecting Sacramento to Bay Area has made Depot the 3rd busiest station in the state; Capitol Corridor to increase from current 4 round trip trains per day to 6 in 1998
- Station serves Amtrak interstate rail - Coast Starlight Express daily from San Diego to Seattle; California Zephyr daily between Oakland and Chicago

Economic Development Opportunities:

- Federal Courthouse (about 350,000 sf) to open next summer; building includes only 300 parking spaces with estimated demand for 1,400. Will create reliance on LRT service
- Depot building to include 30,000 sf private commercial space (mostly office, some small food/retail vendors)
- Railway Express Agency to include 24,000 sf commercial space - 12,000 first floor restaurant, 12,000 upper floor office
- Project will enhance links to Old Sacramento and encourage increase tourist traffic from Amtrak rail to Old Sacramento

Funding

- Total Project Cost: \$17 million
- Per Council direction, staff submitted an application for funding through Inter-City Rail component of the State Transportation Improvement Program (STIP). (Allocations to through the Rail program do not compete with other City STIP requests.) The City's application has been endorsed by CalTrans, which is recommending that \$7 million be granted to the project in the 1998 STIP.
- Sacramento is seeking a \$3 million ear-marking in the Intermodal Surface Transportation Enhancement Act (ISTEA) reauthorization bill.

Parking

- Analysis shows additional parking is needed - both for transit users (LRT and AMTRAK) and commercial/retail users - to ensure the success of the project. Parking is also expected to become severely impacted with the opening of the Federal Courthouse, which has only 300 spaces and an estimated demand for 1,400 spaces.
- City and UP are jointly exploring construction of interim surface parking lots on the UP development parcels. This would require moving the UP mainline to the north.

Opportunity to Explore Ballpark Siting

- The Mayor is seeking UP cooperation in identifying a ballpark site within the downtown Railyards area. If UP concurs, the feasibility of locating the ballpark on Railyards Parcel 1-B, which is located immediately behind the depot, will be explored.

Attachment A-2 Status of Railyards Remediation

Background

- Site remediation under oversight of State Department of Toxic Substances Control (DTSC) began in 1984
- Site divided into six "study areas" for the purpose of investigation and remediation
- 7th Street extension is located within the Car Shop Nine and Lagoon Study Areas
- Plan for remediation of lead-contaminated soil is to encapsulate it within a the new railroad berm planned on the northern boundary of the Railyard

Accomplishments and Reasons for Slip in Schedule

- Please see memorandum from Ben Leslie-Bole to Wendy Saunders, attached

Remediation Schedule Delays and Affect on 7th Street Construction

- Since December 1994, schedules for the Lagoon Study Area and the Car Shop 9 Study Area have slipped two and three years, respectively
- Completion of 7th Street under current schedule would not occur until 2003, a two-year slip since 1994

Constraints related to Expediting Construction of 7th Street

Physical/Logistical

- Please see Exhibit C to Item 11.3

Memorandum

To: Wendy Saunders, City of Sacramento

From: Ben Leslie-Bole, ERM-West

Subject: UPRR Compliance With Negotiated Schedule

Date: August 11, 1997

cc: Jim Levy, UPRR

The following list of items have been compiled to demonstrate UPRR's efforts to comply with negotiated schedules and initiate remediation of soil and ground water at the Sacramento Rail Yard.

- Source control measures including the installation of a 700 foot long, 65 foot deep cutoff wall and ground water pumping from 12 extraction wells have been implemented in the Central Shops.
- Interim remedial measures have also been implemented at the former Industrial Wastewater Lagoon (3,000 cubic yards of VOC contaminated soil removed), the former Cleaning Building (more than 3,000 pounds of VOCs removed), and the New Paint Facility (over 250 gallons of oil and solvents removed from water table) as source control and source removal actions.
- A gallery of 8 ground water extraction wells has been installed along P Street in downtown Sacramento at the downgradient margin of the VOC plume to prevent further plume migration and to remove the contaminants.
- Over 250 ground water monitoring wells have been installed to depths ranging to over 240 feet below ground surface along a one mile length of VOC plume.
- Soil and ground water remediation at the Drum Storage Area using soil vapor extraction wells and two ground water extraction wells has been proceeding according to the approved RAP implementation schedule; soil cleanup is being completed faster than originally estimated.
- UPRR is actively operating and maintaining the remediation systems to maximize their effectiveness and efficiency and summarizes the results in

routine reports submitted to DTSC, RWQCB, and other regulatory agencies.

- Over 75,000 cubic yards of lead and TPH soil were excavated originally and an additional 3,000 yards of soil were excavated in the Sacramento Station Area on an expedited schedule to allow for the Federal Courthouse development.
- The most significant delays in the negotiated schedule can be attributed to regulatory review of submitted documents.
- UPRR is combining the Car Shop Nine and Central Corridor study area Remedial Investigation Reports to expedite the reporting schedule. These areas represent about 60 to 80 acres of the Rail Yard and combining the reporting schedules results in a streamlined process that will move towards remediation faster.
- The Battery Shop RAP was implemented on time and is currently undergoing the post-closure 5-year review.
- UPRR is currently responding to comments on the draft Feasibility Study for the Lagoon Soil Study Area. The draft FS was submitted in January 1997, comments were received on June 30, 1997, a meeting and resolution for the final FS approach took place on July 25, 1997, the revised document will be submitted on September 26, 1997, with DTSC approval due the end of October 1997. Upon approval of this document, which is expected to occur before the end of 1997, UPRR will prepare a RAP that is expected to present the Rail Berm as the remedy for lead-impacted soil at the Rail Yard.

GPM/gpm/1051.01.01

**Attachment A-3
City Issues Regarding UP Operations;
UP Responses**

Issue #1: 20th Street Bikeway

- Following closure of 14th Street tunnel, public works, bike advocates and Souther Pacific developed a plan to replace bike route. Plan for new bike crossing along SP easement at 20th Street was complete - environmental clearance, bike advocates and neighborhood support, money through ISTEA (\$400,000) secured, written concurrence from UP and all permits except easement agreement from UP. Construction was to begin by June 1996 and be complete by August 1996.
- In January 1996, UP/SP merger halted discussion of easement for 18 months. In July 1997, UP determined that bikeway plan would not work given UP operations after the merger in proximity to planned easement.

Status:

- On August 5, 1997, UP submitted to City a revised bikeway plan that requires a bridge structure under the main line track. Bike advocates are reviewing the new plan.
- Revised plan will be more expensive because of the bridge structure. UP believes that an additional \$300,000 available in grade crossing elimination funds from Caltrans for the bridge.

Request to UP:

In order to expedite installation of the bike path, the City requests that UP undertake the following:

- Apply to PUC for additional money for the project.
- Commit to a schedule to complete implementation by August 1998.
- Complete the engineering and construction drawings in-house by November 1997.
- Construct the railroad-related portion of the improvements.
- To the extent that ISTEA and PUC funding do not cover full cost of project, underwrite completion of UP administrative, engineering and inspection work and dedicate the easement at no cost to the City.

UP Response

"Union Pacific will cooperate with the City of Sacramento to seek application for additional funds from Caltrans to cover the anticipated increase in costs for the project. The City is still reviewing the proposal submitted by our Engineering department on August 5. Until the City responds to this proposal, and the application of funding is submitted and approved, Union Pacific cannot commit to a schedule

for completion. Union Pacific cannot consider underwriting any portion of this project until all costs and the level of funding available from ISTEA and Caltrans are quantified"

Issue #2: Curtis Park Yard

- The City needs clarification of the operational plans for the Curtis Park yard. Specifically, the City needs to the following:
(pww)
 1. What are the plans for switching operations at the yard? Can some of the stub tracks be removed to accommodate different land uses in the land use plan that is now being developed?
 2. What are the plans for decreasing the number of freight trains on the 20th Street corridor? It was the City's understanding that the number of freight trains would decrease from 18 to 5 trains per day with completion of the SP/UP merger. The City wants a firm commitment to reduce the amount of freight traffic and a schedule for the reduction.

UP Response

"The operational plans for the switching tracks at Curtis park are not currently subject to change. The anticipated reduction in train densities through this yard do not effect the number of tracks needed to service local customers. At this time, the railroad requires all the switching tracks at the yard to adequately service our customers. Therefore, incorporation of reduced track requirements into the Curtis Park planning process is not possible. Our marketing personnel have been asked to profile the number of shippers in the area and chart service levels to determine recent trends. This information will not be available until next month.

"There is no fixed schedule for reduction of trains along the 19th corridor. In its filing with the Surface Transportation Board, Union Pacific estimated that train density would go from 18 to 5 trains per day. However, full implementation of the operation plan proposed at that time and stabilization of traffic after implementation are necessary before the reductions could occur. This period was estimated at approximately 5 years from the merger effective date. As you know, completion of the Roseville hub, renegotiation of the labor agreements, and relocation of personnel are key milestones for plan implementation. Roseville is not scheduled for completion until 1999."

Issue #3: Railroad Crossings at Power Inn Road South of 21st Ave

- UP has three sets of tracks that cross Power Inn Road at an angle. The tracks are settled and wooden bits between the tracks are deteriorated and settled, resulting in an extreme change of grade as vehicles cross the tracks. Power Inn is a four-lane road with a 45 mph speed limit. The condition of the tracks and speed of traffic results in hazardous driving conditions.

Status:

- City has been requesting improvement of this condition for about five years. The City has installed improvements to alleviate condition as much as possible without railroad participation.

UP Response

"The Railroad crossing at Power Inn road is scheduled for inspection late next week (by September 26). If the inspector determines it is necessary, he will arrange for a cold patch of the crossing within the next 30 days. If this is not sufficient to alleviate the problem, a full concrete upgrade could be scheduled."

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