

**California Department of Transportation
Strategic Partnership Grant Application**



**Fresno Council
of Governments**

**California Inland Port Feasibility Study
*Phase Three***

February 2021



Sustainable Transportation Planning Grant Program

GRANT APPLICATION COVER SHEET

PART A. APPLICATION INFORMATION

FY 2021-22

Grant Category (choose only one)

(X)	Sustainable Communities (MPOs with sub-applicant, RTPAs, Transit Agencies, Cities, Counties, Tribes, other Public Transportation Planning Entities)	(X)	Strategic Partnerships (MPOs and RTPAs only)
	Sustainable Communities Competitive (11.47% Local Match requirement)		Strategic Partnerships (FHWA SPR Part I) (20% Local Match requirement)
	Sustainable Communities Competitive Technical (11.47% Local Match requirement)		Strategic Partnerships Transit (FTA 5304) (11.47% Local Match requirement)

Application Submittal Type (choose only one)

(X)	New	(X)	Prior Phases	(X)	Re-Submittal
	New Application		Continuation of a prior project. If so, list the project title below.		Re-submittal from a prior grant cycle. If so, list below how many times grantee has submitted an application for this project

PART B. PROJECT INFORMATION

Project Title and Location

Project Title			
Project Location (City)		Project Location (County)	

PART D: Funding Information

- Is the applicant proposing to meet the minimum local match requirement or an over-match? Use the Match Calculator to determine the appropriate match. [Match Calculator](#)
 Minimum Local Match Over-Match
- What is the source of Local Match funds being used? (MPOs – Federal Toll Credits, PL, and FTA 5303 Funds cannot be used to match Sustainable Communities Competitive)
 Local Transportation Funds Local Sales Tax Special Bond Measures
 Other, specify:

Grant Funds Requested	Local Match (Cash)	Local Match (In-Kind)	Total Local Match	% Local Match	Total Project Cost



Sustainable Transportation Planning Grant Program

GRANT APPLICATION COVER SHEET

PART C. CONTACT INFORMATION

	Applicant	Sub-Applicant	Sub-Applicant
Organization (legal name)			
Street Address			
Phone Number			
City			
Zip Code			
Executive Director Name			
Title			
Contact Person Name			
Contact Person Title			
Phone Number			
Contact E-mail address			

PART D. COMPLIANT HOUSING ELEMENT

City/County Applying for Sustainable Communities Grants	Yes (X)	No (X)
Does the City/County have a compliant Housing Element?		
Has the City/County submitted Annual Progress Report to HCD for calendar years 2018 and 2019?		

Left blank as this is a Strategic Partnership Grant.



Sustainable Transportation Planning Grant Program

GRANT APPLICATION COVER SHEET

PART E. LEGISLATIVE INFORMATION

Use the following link to determine the appropriate legislative members in the Project area.

Search by address: <http://findyourrep.legislature.ca.gov/>

State Senator(s)		Assembly Member(s)	
District	Name	District	Name

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Jim Patterson

PART F. LETTERS OF SUPPORT

List all letters of support received for the proposed project.

Name/Agency	Name/Agency



Sustainable Transportation Planning Grant Program

GRANT APPLICATION SIGNATURE PAGE

If selected for funding, the information contained in this application will become the foundation of the contract with Caltrans.

To the best of my knowledge, all information contained in this application is true and correct. If awarded a grant with Caltrans, I agree that I will adhere to the program guidelines.

Applicant			
Authorized Official (Applicant)			
Print Full Name	Tony Boren		
Title	Executive Director		
Signature	<i>Tony Boren</i>	Date	2/11/21
Sub-Applicant(s)			
Authorized Official (Sub-Applicant)			
Print Full Name	Terri King		
Title	Chair of the San Joaquin Valley Regional Planning Agencies		
Signature	<i>Terri King</i>	Date	2/11/21
Authorized Official (Sub-Applicant)			
Print Full Name			
Title			
Signature		Date	
Authorized Official (Sub-Applicant)			
Print Full Name			
Title			
Signature		Date	



Sustainable Transportation Planning Grant Program
STRATEGIC PARTNERSHIPS - GRANT APPLICATION NARRATIVE

PART G. APPLICATION NARRATIVE

FY 2021-22

Project Information

Organization (legal name)	
Project Title	
Project Area Boundaries	

Application Narrative

1. Project Description 150 words maximum (10 points)

Briefly summarize the project in a clear and concise manner, including major deliverables, parties involved, and any connections to relevant local, regional, and/or State planning efforts. **Do not exceed the space provided.**



Sustainable Transportation Planning Grant Program STRATEGIC PARTNERSHIPS - GRANT APPLICATION NARRATIVE

2. Project Justification (30 points)

- Describe the problems or deficiencies the project is attempting to address, as well as how the project will address the identified problems or deficiencies.
- List the ramifications of not funding this project.
- Clearly define the existing issues surrounding the project (e.g., transportation issues, inadequate transit services, impacts of heavy trucking on local streets, air pollution, etc.).
- Competitive applications support the need for the project with empirical data.
- Describe how this project addresses issues raised.
- Describe the impact of not funding the project.
- **Do not exceed the space provided.**



3. Project Justification (continued)



Sustainable Transportation Planning Grant Program

STRATEGIC PARTNERSHIPS - GRANT APPLICATION NARRATIVE

4. Grant Specific Objectives (Total 20 points)

Integrate the following Grant Program Considerations (Grant Application Guide, Chapter 1.2) in the responses for 3A-3D below, as applicable:

- Caltrans Strategic Management Plan
- California Transportation Plan (CTP) 2040
- Modal Plans that Support the CTP 2040
- Title VI and Environmental Justice

3A. Grant Specific Objectives (5 points)

- List and explain how the proposal would accomplish the Federal Planning Factors (Grant Application Guide, Chapter 4.2), achieve the Caltrans Mission and the Grant Program Objectives (Grant Application Guide, Chapter 1.2.)
- **Do not exceed the space provided.**



Sustainable Transportation Planning Grant Program

STRATEGIC PARTNERSHIPS - GRANT APPLICATION NARRATIVE

3B. Grant Specific Objectives (5 points)

- Explain how the proposal partners with Caltrans to identify and address statewide, interregional, or regional transportation deficiencies in the State Highway System (or multimodal transportation system for transit-focused projects).
- Clearly define how Caltrans will be a partner in the proposed project, as appropriate for the project.
- **Do not exceed the space provided.**

3C. Grant Specific Objectives (5 points)

- Explain how the proposal strengthens government-to-government relationships.
- Outline the entities involved with the proposed project and how partnerships will be strengthened as a result.
- **Do not exceed the space provided.**



Sustainable Transportation Planning Grant Program

STRATEGIC PARTNERSHIPS - GRANT APPLICATION NARRATIVE

3D. Grant Specific Objectives (5 points)

- Explain how the proposal results in programmed system improvements.
- Discuss next steps for project implementation, including timing for programming improvements that would result from the planning effort.
- **Do not exceed the space provided.**

4. Project Management (Total 40 points)

See Scope of Work and Cost and Schedule samples and checklists for requirements (Grant Application Guide, Appendix B), also available on the Caltrans grants website, <https://dot.ca.gov/programs/transportation-planning/regional-planning/sustainable-transportation-planning-grants>

4A. Scope of Work (20 points)

4B. Cost and Schedule (20 points)

Scope of Work Checklist

Scope of Work	
(x)	Ensure these items are completed prior to submitting to Caltrans
X	Use the Fiscal Year 2021-22 template provided and in Microsoft Word format.
X	Include the activities discussed in the grant application.
X	List all tasks using the same title as stated in the Project Cost and Schedule.
X	Include task numbers in accurate and proper sequencing, consistent with the Project Cost and Schedule.
X	Ensure that sub-task numbers are not included.
X	Include a thorough Introduction to describe relevant background, related planning efforts, the project and project area demographics, including a description of the disadvantaged community involved with the project, if applicable.
X	Include a thorough and accurate narrative description of each task.
X	Task 01 is a required task. It must be titled "Project Administration", it cannot exceed 5% of the grant award amount, and only the grantee can charge against this Task. This Task must only include the following activities and deliverables: <ul style="list-style-type: none"> • Project kick-off meeting between the grantee and Caltrans at the start of the grant • Invoicing and quarterly reporting to Caltrans • DBE Reporting (federal grants only)
X	Include Task 02 for the procurement of a consultant (if needed). This task for the <u>grantee only</u> .
X	Public outreach task must include detailed public participation and services to diverse communities.
X	Identify public outreach strategies in a manner that provides flexibility and allows for a diverse range of outreach methods (both in-person and on-line), considering the current COVID-19 environment.
X	Must include a Task(s) for a Draft and Final product. The draft plan must include an opportunity for the public to provide feedback. (Excludes technical projects)
X	The final product must include a summary of next steps your agency will take towards implementing the project.
X	Achievable project deliverables must be listed for each Task.
X	EXCLUDE environmental, complex design, engineering work, and other ineligible activities outlined in the Grant Application Guide.

SCOPE OF WORK

Project Information	
Grant Category	Strategic Partnership
Grant Fiscal Year	Fiscal Year 2021-2022
Project Title	California Inland Port Feasibility Study Phase Three
Organization (legal name)	Fresno Council of Governments (on behalf of the SJV MPOs)

Introduction

The California Inland Port is a project of statewide significance that will create positive benefits from the Bay Area and Sacramento regions in the north to the Los Angeles region in the south, and importantly including the entire San Joaquin Valley region. As a 425-mile-long transportation and logistics district, this project would be the largest inland port project in the United States and in the world. This is a large and complex project and building on the successful foundations of Phase One, the California Inland Port Feasibility Study and Phase Two which represent the fundamental steps in the development of the project.

The origins of the project began three years ago in preliminary discussions with leaders from seaports, business and civic leaders and it has made remarkable progress in that period of time. The project was sustained by coalescing and coordinating the input and planning with seaports, market shippers, a myriad of public officials and civic leaders, and has required a commitment by all of those involved. Advancing a project like this in California to delivery is extraordinarily challenging and cannot occur without the dedication of a team of public and private players.

The core of the project will include a new containerized freight rail service designed to remove trucks from California highways by transporting international cargo via rail to and from seaports to markets throughout the State. Beyond that, the Inland Port system would have intermodal hub anchors that would be built as next-generation investment/logistics hubs in the Central Valley region. These hubs (called TradePorts) would be purpose-designed on top of a platform of clean-energy powered equipment and automated cargo handling. Harnessing the best available technologies, these investment/logistics TradePorts would be global models for cargo handling efficiency and would be designed as carbon neutral business hubs that are economic development centers for new trade-oriented investment. TradePorts would be seen by the market as highly attractive investment centers due to their ability to create significant cost reductions for cargo movement.

Phase One of this project analyzed the size of the market; reviewed the underlying truck versus rail transportation costs; and analyzed the reduction in criteria pollutants, fuel use and GHG emissions. Phase Two is developing market readiness and acceptance, estimating costs, developing a partnership with one or both Class One railroads, reviewing the economic competitiveness impact to the region and understanding the environmental process to move forward.

This grant will be used to fund Phase Three which will require a similar approach as used in the previous phases and will move the project forward to the delivery stage, utilizing the contribution and involvement by a range of partners and other stakeholders. We have created a system that carefully integrates these efforts over a seven-month project period. Tasks have been sequenced

so that there is a logical progression, culminating with clear direction to support advancing the project to delivery. Major tasks include:

- Project Financial Performance Model
- Business Plan for Green, High-Efficiency Logistics/Investment Hubs Around Intermodal Facilities
- Intermodal Facility Site Selection
- Detailed Capital Cost Program
- Railroad Agreement to Collaborate
- Public-Private Delivery Options

The path toward delivery is to create a structured business plan and develop a consortium of dedicated entities to deliver.

Project Stakeholders

The primary stakeholders on this project represent a unique blend of public and private partners, all committed to increasing the competitiveness of the San Joaquin Valley: The Port of Los Angeles; The Port of Long Beach; Union Pacific Railroad; BNSF Railroad; The San Joaquin Valley Air Pollution Control District (Kern County, Kings County, Tulare County, Fresno County, Madera County, Merced County, Stanislaus County, San Joaquin County); South Coast Air Quality Management District; San Joaquin Valley Metropolitan Planning Organizations (Kern County, Kings County, Tulare County, Fresno County, Madera County, Stanislaus County, San Joaquin County); Sacramento County; Sacramento Council of Governments; Sacramento Metropolitan Air Quality Management District; and the Central Valley Community Foundation.

Overall Project Objectives

The implementation of the inland port concept in the Sacramento region and the San Joaquin Valley supports a wide range of State and local community public policy objectives, including a significant improvement in economic competitiveness, a substantial decrease in greenhouse gas emissions and a sizable reduction in highway congestion, particularly along CA-99. Moving forward, given the scale of the California market, the vastness of its geography and the Asian-market orientation of its seaports, the California Inland Port is well positioned to become a nationally significant logistics, environmental improvement, and economic development project.

The objectives of the California Inland Port are:

- Support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the San Joaquin Valley region.
- Create a more robust and efficient distribution system with a specific focus on high-value manufacturing, e-commerce, and the agriculture sectors.
- Reducing shipping costs for shippers that manage global supply chains through direct intermodal rail service to/from the San Pedro seaports.
- Significantly reduce air pollution and greenhouse gas emissions by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- Reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; accident-avoidance savings; all of this reducing cost and creating more capacity from existing infrastructure.

Summary of Project Tasks

Project Management activities must be identified within the task they are occur.

Task 01: Project Administration

The Fresno COG project manager will provide progress reports and invoices to Caltrans on a monthly or quarterly basis.

Fresno COG will manage and administer the grant project according to the Grant Application Guidelines, Regional Planning Handbook, and the executed grant contract between Caltrans and Fresno COG.

Task Deliverables
<ol style="list-style-type: none">1. Project Kick-Off Meeting Minutes2. DBE reports (as needed)3. Quarterly Invoices

Task 02: Consultant Procurement

Fresno COG will procure a consultant, consistent with state and federal requirements, Local Assistance Procedures Manual for procuring non-Architectural and Engineering consultants, the Grant Application Guide, Regional Planning Handbook, and the executed grant contract between Caltrans and Fresno COG.

Task Deliverables
<ol style="list-style-type: none">1. Copy of Request for Proposal2. Copy of contract between Fresno COG and selected consultant3. Copies of all amendments to contract (as needed)4. Meeting notes from all consultant meetings

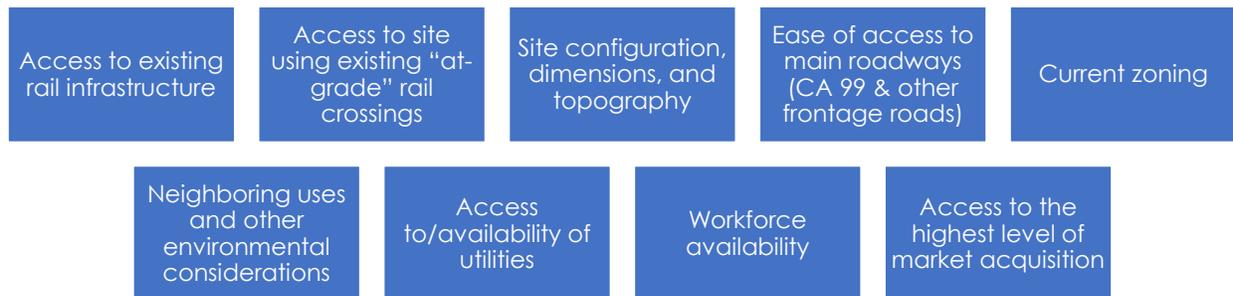
Task 03: Intermodal Site Suitability Analysis

In the Phase One California Inland Port Feasibility study, no specific sites or locations were considered because the viability of the Inland Port concept was unproven. Now that the depth of the market is understood and the concept is considered viable, it is appropriate to begin to evaluate facility location options to accommodate an intermodal facility and TradePort District. It is important for the stakeholders of this study to understand that the ultimate site selection will be made in cooperation with the railroad(s) and that the work undertaken in Phase Three will be a preliminary assessment using rail industry criteria to find the optimal sites to be reviewed with the railroad(s). It should also be noted that the locations of such facilities will vary depending on which rail line infrastructure (UPRR or BNSF, or both) is being considered.

In addition to cost, schedule and frequency considerations, a significant barrier to many shippers using intermodal logistics is proximity to the intermodal ramp facility. An intermodal loading facility located within a transit efficient distance is essential to justify using intermodal as a viable transport option. As distance to an intermodal facility increases, it becomes less viable to use the intermodal option as transit times and costs increase. In terms of location considerations, it is clear that there needs to be a substantial shipper market within a 100-mile radius of an intermodal terminal, with greater use intensity occurring within a 50-mile radius. Locations adjacent to high-volume supply chain lanes allows shippers to take advantage of the efficiencies that are provided by shipping

via rail. An intermodal logistics hub would not only import goods from outside of the San Joaquin Valley but would also produce and export goods throughout the nation and the world.

An Intermodal Site Suitability Analysis Matrix will be developed to establish the criteria that will need to be measured to determine the best site. In addition to physical characteristics, a market sensitivity analysis will provide information on the locations that can produce the highest level of market acquisition. The matrix will be based upon the myriad of factors that railroads consider when evaluating the development of intermodal facilities.



Task Deliverables
1. A scored Intermodal Site Suitability Analysis Matrix that will identify the optimal intermodal sites throughout the San Joaquin Valley. These sites will then be jointly reviewed with the railroads.

Task 04: Railroad Agreement to Collaborate

Realistically a new intermodal facility can only be successful if shippers provide adequate cargo volumes and the local government (including public sector and local groups) and the railroads see the benefit of operating or constructing a new intermodal terminal. A successful intermodal project must offer reliable service at a competitive cost to meet the needs of the target shipper market. In addition, government needs to collaborate with the railroads, to make sure supporting infrastructure needs are addressed to assist in the efficient movement of goods in and out of the intermodal facilities. There is exposure and risk for all of the parties involved in developing a new intermodal facility, but the most successful new projects have involvement from the shippers, government and railroads who can work together to justify the economics of a new intermodal facility.

As dialogue continues with the railroads, it is important to acknowledge that railroads do an extensive amount of due diligence before committing to invest in and operate new facilities. The fundamental basis for their level of commitment is market demand projections and a clear view of return on capital invested and operating margins. From an investment perspective, the project will need to meet internal risk and profitability hurdles for all the parties involved. From a financial perspective, railroad companies will first and foremost be concerned to not negatively impact their existing business. Beyond that, they will be concerned about a range of issues including capital investment requirements for rolling stock, intermodal facility infrastructure assets, technology and for supporting transport and other infrastructure. It may be that the project could be seen as working effectively from operational and business development perspectives, but that the project is perceived as too risky for the required capital investment levels, especially in the early stages of operations. It can be expected that market take-up rates will increase over time, which will lead to increasingly better financial performance as rates of adoption go higher, and potentially higher per unit revenues as the competitive advantages over truck may have increasing spreads. The proposed intra-California intermodal service:

- Must not negatively impact the railroad's core long-haul business; it is well-understood that, historically, the core business for both railroad companies has been carrying long-haul east-west cargo.
- Must produce economics that allow for net-profitable operations, including both operational and capital cost considerations. It should be noted that the railroad companies likely have no current capital commitments to such a service, and that there are a complex matrix of associated operating costs including track maintenance, labor/crew costs, etc.
- Must not create labor relations challenges for shippers, railroads, ocean carriers or seaports.

In the course of Phase Three, work will be undertaken to create a collaborative arrangement with the railroad(s) that will:

- Provide a regional strategy involving multiple jurisdictions, that not only will create new original business for them but will also enhance their potential to develop additional opportunities.
- Provide green field site options that offer future long-term opportunities (distribution, warehouse, trucking, etc.) with customers based upon close proximity to the intermodal terminals.
- Demonstrate the market's ability to produce consistent high volumes which allows the railroads stability for scheduling purposes and train origination.
- Deliver a list of projected dedicated financially stable main customers.
- Demonstrate a consistent load balance for both inbound and outbound cargo over the course of a year.
- Make the project more viable by providing internal efficiencies in the facilities through enhancements in technology.

Task Deliverables
1. Railroad Agreement to Collaborate

Task 05: Project Financial Performance Model

To recognize the realistic potential of the Inland Port, it is critical to understand how the Inland Port would financially perform as a business operation. Though there are a myriad of public policy advantages associated with advancing the Inland Port, it is important to know the degree to which the project can stand as a pure self-supporting commercial enterprise or if it will require public support. This baseline information will provide the foundation to design the best path for project implementation, including the options for blending various public and private resources.

From the outset, the expectation is that the project will need to function as a self-sufficient business operation once established. It is understood that the project will not proceed or otherwise survive in the marketplace if it cannot be an ongoing viable commercial operation following launch. This means that the project may or may not require public investment at the beginning. During its feasibility/development stage it is important to understand if there may be limits to the project's ability to function with only private capitalization. It may be necessary for the project to include various investments from private or public funds to spread or dilute the risk.

While the project is at its core a railroad project, the inland port system and the economic development, road management and environmental benefits extend from the core railroad element. Some will see the Inland Port as solely a railroad responsibility but given the wider dimensions of the project this analytical work will assess the wider scope of the project and prescribe options for funding the various infrastructure elements including direct rail-related

investment, indirect supporting transportation infrastructure, technology, and clean energy infrastructure.

The key elements of the Financial Performance Model include the following components:

- A clear estimate of the associated project-supported capital costs. This will require clarity of the project scope and development costs for the direct project infrastructure.
- A working estimate of project operating costs
- An estimate of operating revenues

Each of these three Financial Performance Model elements will be developed with multiple scenarios ranging from low-to-high, so that the full spectrum of possible financial performance and forward path options can be considered. The analysis will produce a strong understanding of likely net operating income and return on invested equity. This analysis will support understanding whether the project could benefit from commercial risk capital dilution – meaning investment from private sources other than railroads. From this basis, if there are significant commercial viability gaps, it will be critical to consider investment support from the State or federal sources.

These analyses will create an understanding for how capital and operating investment and costs will fare when considered against other investment project options. The outcome of the analytics will yield clarity to the State and the railroad companies about the likely financial performance of the project. With that information, we will bring forward options for raising the necessary capital to implement the project. The funding cocktail will have ramifications for the Inland Port's governance structure.

Task Deliverables
1. Detailed Finance Performance Model

Task 06: Detailed Capital Cost Program

The consultant will undertake a comprehensive review of the range of capital costs that will be associated with development of the California Inland Port. The delivery of the California Inland Port requires a thorough understanding of the capital costs that will be associated with developing the project. For the project to advance, this information will be critical for use in producing profitability metrics which will consider a range of anticipated project revenues, operating expenses, and capital costs. To understand the commercial viability and delivery path for a project like the Inland Port, it is important to have dependable costs to construct the infrastructure both at the intermodal facility itself, but also for offsite costs associated with developing a multifaceted logistics investment hub.

Toward supporting the project's full freight transportation, environmental improvement and economic potential, the intermodal facility and the surrounding TradePort investment district are envisioned to be designed and built as the most advanced industrial/logistics hubs in the world. This will require project cost estimates to be reviewed over a combination of direct intermodal facility costs and indirect costs for infrastructure for non-intermodal facility infrastructure.

If it proves necessary for public involvement, it will be important to be able to articulate the project cost scope in reviews with the State of California and federal government. The consultant will interpret federal infrastructure funding programs, including from the US Department of Transportation but also the Department of Commerce. As well, the consultant will collaborate with both seaports (Los Angeles and Long Beach) about federal funding for inland ports.

**Indirect Project
Infrastructure
TradePort
Investment District**

In Phase Three the consultant will produce design development-level capital infrastructure cost estimates for intermodal facilities and related infrastructure. This will assume intermodal projects of a specific capacity, physical size and location. As well, the consultant will determine associated infrastructure that could support the intermodal facility and an investment district surrounding the intermodal facility,

called TradePorts.

As determined from discussions with the railroads, the Phase Three analysis will include detailed project cost estimates for one or more intermodal facilities, including: rail track and intermodal infrastructure, related water, sewer, electricity/natural gas, telecommunications, stormwater infrastructure and security fencing and control access. The analysis will also calculate associated infrastructure for necessary approach roads to the facility and for other supporting infrastructure for a TradePort investment zone around the intermodal asset. These roads and other support infrastructure shall be jointly agreed with the local community, regional and local governments, and Caltrans, as appropriate.

The intermodal facility and the investment district shall be planned from the outset as a renewable energy fueling/charging hub and integrated automated logistics-factory/warehouse system. This would include:

- An automated cargo management system within the intermodal complex, including automated container handling both loading/unloading from the train, but also within the adjacent and wider investment district.
- Renewable energy fueling and/or charging infrastructure to support clean energy trucks, for operations in the TradePort investment district, the surrounding market area, and also for through-trucks operating on long-haul routes.

Project cost estimates will take into consideration the full range of costs associated with development of a modern multimodal logistics investment district. The consultant will focus on costing the capital expenditures that will be necessary to support the success of the intermodal facility and enable the investment in the surrounding TradePort district. Prior to determining final

**Direct Core Project
Infrastructure Rail
Intermodal
Complex**

locations and a more precise cost structure, the costs for developing the TradePort hubs development districts can be prescribed alongside onsite costs for the non-intermodal facility infrastructure. This will include associated approach roadways, water, and sewer, electric and/or natural gas infrastructure and unique green/power utility costs. Roadway and utility costs will

also receive special attention for the support of automated cargo movements to and from the intermodal facility, and within the TradePort for warehouse-to-warehouse cargo transfers.

The combined intermodal facility and surrounding TradePort investment districts will be specified to be purpose-planned and designed to be the most efficient and environmentally neutral logistics projects in the world. A key component of this would be design that minimizes transit distances. It is envisioned that the intermodal facility and the investment district would be designed and built on a carbon neutral platform, supported by a dedicated fleet of renewable-powered equipment. This includes a range of electric and hydrogen powered cargo handling equipment inside the intermodal complex and cargo movement between the intermodal complex and surrounding distribution centers and manufacturing facilities.

Task Deliverables
1. Summary of Anticipated Direct Costs
2. Summary of Anticipated Indirect Costs

Task 07: Business Plan for Green, High-Efficiency Logistics/Investment Hubs Around Intermodal Facilities

The California Inland Port platform provides an extraordinarily unique platform to create next-generation integrated transport and industrial districts, or TradePorts. These districts are envisioned as purpose-built models for clean energy transportation and for automated cargo movement.

With its reliance on an integrated automated cargo transfer system, the TradePort model produces a highly competitive business environment, supporting lower costs and higher reliability for manufacturing and distribution investment. This system includes automation at the intermodal facility and automated cargo movement to and within the TradePort District which is an area around the intermodal facility. Along with automation, cargo handling equipment at the intermodal facility and within the TradePort would be supported by a dedicated fleet of clean-energy vehicles. An engineered combination of automation and clean-energy equipment creates a unique industrial business platform that would be very attractive to corporate supply chain executives and other business decision-makers who can celebrate cost reductions and a near carbon-neutral investment. The Inland Port's rail connections and facilities create a foundation to create a cohesive investment strategy that produce the prototype for how an intelligent cargo and logistics system can create investment.

It is important to mention that the technology exists to support the clean and automated program that is referenced here. This project would be globally groundbreaking and would be viewed as a model for economic development and industrial environmental stewardship.

Development of California Inland Port TradePort Districts will require defining the technologies, the supporting infrastructure, and the implementation business strategy that can advance the projects. This will include work to define:

- The automated cargo handling strategy at the intermodal point and for the intersecting truck pick-up/drop off points in a defined industrial district.
- The extended intermodal complex will also include an automated truck mobility complex where future clean/automated long-haul truck routes could hand-off for local/regional deliveries via a manned truck. Fueling and charging infrastructure will be installed at the truck mobility complex.
- A system that provides a fleet of clean and automated cargo handling equipment
- The business strategy that integrates the infrastructure and operational model into a delivery plan, including costs, equipment and technology requirements, and operating protocols and necessary partnerships.

Task Deliverables
1. A business plan for green, high-efficiency logistics/investment hubs around intermodal facilities

Task 08: Public-Private Delivery Options

Armed with project financial performance information, the delivery of the Inland Port will require a range of commitments to the project in the form of funding, construction responsibility, and operations. The solution may involve a cocktail of public and private investment partners. This work will review a range of options to advance the project.

There are a series of key issues that need to be addressed in order to review the various delivery options, including the following:

- **Railroad Involvement:** If the project should advance it will require the participation of one or both Class One railroads that own rail tracks that connect the Inland Port market area. It is fundamental to vet the business interest of each railroad to determine how inland port

freight rail service would operate alongside existing operations and how each views the project from an investment/business perspective. Following levels of interest from the railroads, the Phase Three analysis will review operating scenarios that include one or the other, or both rail lines.

Key question: Will the Inland Port involve one or both railroads, and otherwise as two separate operations?

- **Construction:** The project will require construction of various infrastructure components including rail track, intermodal facilities, and other intersecting infrastructure. The issues associated with construction include design and planning authority, specifications agreement, bidding and procurement responsibility and construction management responsibility.

Key Question: Who is responsible for constructing each element of infrastructure and who assumes construction risk and requirements associated with asset integration?

- **Rail Service Operational Responsibilities:** The Inland Port rail service could be operated by one or both railroads, or a combination of the two, or separately by a third-party operator. Separately, the intermodal facility(s) may be operated by a railroad, a combination of both railroads, or by a third party.

Key Questions: Who will operate the rail portion(s) of the project? Who will operate the intermodal facility of facilities?

- **Project Capital Funding Commitment:** The project will require significant funding to support the capital infrastructure plan. If the project assumes no public investment, the capital investment must be supported by a revenue and expense model that yields an adequate net operating income profile. In that case, funding commitments will be necessary from railroads, or other private investors. If the project proves to not have adequate revenue resources, then some public investment will be required. This assumes that public investment will not require a payback and return on investment as would be expected from private investment.

Key Questions: Will the project yield adequate net operating income to support required private capital investment? In this case, to what degree if any will the railroads fund the project, or can other private risk capital investors provide funding? If the project cannot support capital investment payback, what is necessary from the public sector? Would public investment be required only for initial capital costs, or will it also require initial seed capital until market adoption supports stand-alone operations?

The consultant will provide answers to these questions and also provide critical foundations for determining the best model for project governance.

Due to the California Inland Port's sheer size and its strategic ability to play a central role in further developing California's global and trade economy, this opportunity represents a substantial component of the San Joaquin Valley's economic future. For this opportunity to become a project of national scale for continental logistics, distribution and export-oriented manufacturing, a highly structured business and development strategy must be created with a supporting governance structure.

Consultant will investigate various governance models that would allow this development to occur in an orderly and strategic manner but in a way that limits and manages risks. We will look at models that suggest that the State take all the risk in forward-funding infrastructure to the benefit of private property interests as well as models that depict the State as an investor along with private risk capital.

Task Deliverables
1. A series of delivery options and overall project implementation path options.

Task 09: Advisory Committee Meetings

A California Inland Port Executive Advisory Group will be formed to guide and oversee the project through its planning and delivery. The CIPEAG will have a clear mandate to guide and shape the project into an investment project that meets the requirements for private investment and supports a myriad of public policy objectives, largely centered on improving air quality, increasing economic competitiveness, and reducing congestion and maintenance on the state's highway system. The CIPEAG will be engaged in the project in its entirety and will be comprised of executive participants from government and business. This body will represent State and local government, transportation planning agencies, air quality management agencies, seaport authorities, regional foundations, logistics community and shippers.

The CIPEAG will be composed of a Full Committee, Steering Committee and Shippers Committee.

- The Full Committee would be comprised of State and local government, transportation planning agencies, air quality management agencies, seaport authorities, railroad companies and logistics community, regional foundations, and shippers. They will provide direction at the beginning of the project, receive bi-monthly updates throughout the project and review the final report and provide input for the final recommendations at the conclusion of the project.
- The Steering Committee will be comprised of a smaller group of participants and will include executives from the Fresno Council of Governments, Caltrans, the Ports of Los Angeles, and Long Beach, California Forward, and the San Joaquin Valley Air Pollution Control District. The Steering Committee will meet for monthly briefings and progress review sessions as well as on an as-needed basis. The Steering Committee will advise consultant on key public policy issues, business strategy project approach, and railroad collaboration.
- The Shippers Committee will be formed to act as a liaison with the shipping community, informing them of the project and its ongoing progress and most importantly to receive feedback about the requirements for both inbound and outbound shippers. The Shippers Committee will be comprised of large and small inbound and outbound shippers, with representation at a minimum from the following supply chain sectors: retail/ecommerce, automotive, agriculture and industrial machinery.



Meeting Structure – Project management team will organize all meeting logistics which will be held in-person, as appropriate as well as electronically. Agendas will be sent out ahead of each meeting and a summary will be sent to participants following each meeting.

CIPEAG Schedule and Participation – All members of the Committee will be expected to participate at the executive level.

- The Full Committee will be formed at the outset of the project and will have its Kick-Off meeting on Week 3. This Committee will receive bi-monthly project status reports and will have a Review Meeting three weeks prior to project completion, allowing for Committee input to final recommendations.
- The Steering Committee will meet monthly beginning four weeks after the Kick-Off meeting. The Steering Committee will provide a briefing to the Full Committee at the Review Meeting, held three weeks prior to project completion. There will be interface with Committee members throughout the project on an as needed and as-requested basis.

Task Deliverables
<ol style="list-style-type: none">1. Project Timeline2. Progress Schedule3. Committee Rosters4. Meeting Agendas5. Meeting Minutes

Task 10: Public Engagement

In consultation with the Inland Port Executive Advisory Group, Fresno COG and the consultant team will schedule at least two public engagement events that will incorporate presentations to the Inland Port stakeholders organizations, such as, but not limited to, the Los Angeles Board of Harbor Commissioners; the Port of Long Beach Harbor Commissioners; the Board of the San Joaquin Valley MPOs; the Boards of the Sacramento Metropolitan Air Quality Management District, South Coast Air Quality Management District and The San Joaquin Valley Air Pollution Control District. All presentations will be conducted during public meetings to give all members of the public an opportunity to engage with the project, ask questions, and voice comments.

Task Deliverables
<ol style="list-style-type: none">1. PowerPoint Presentations2. Sign-In or Attendance Sheets3. Meeting Notes

Task 11: Draft and Final Phase Three Study

The consultant will provide an opportunity to the public and stakeholders to provide input and comments into the draft study. Consultant will respond and/or incorporate comments into the final study.

Task Deliverables
<ol style="list-style-type: none">1. Final Phase Three Study incorporating any stakeholder comments

Task 12: Board's Review and Approval

The consultant will present the completed study findings to interested bodies as needed. These include but are not limited to any Caltrans Body, MPO Policy Boards, Air District Governing Boards, and Port Authority Executive Boards.

Task Deliverables
<ol style="list-style-type: none">1. Presentations as identified above (as needed)

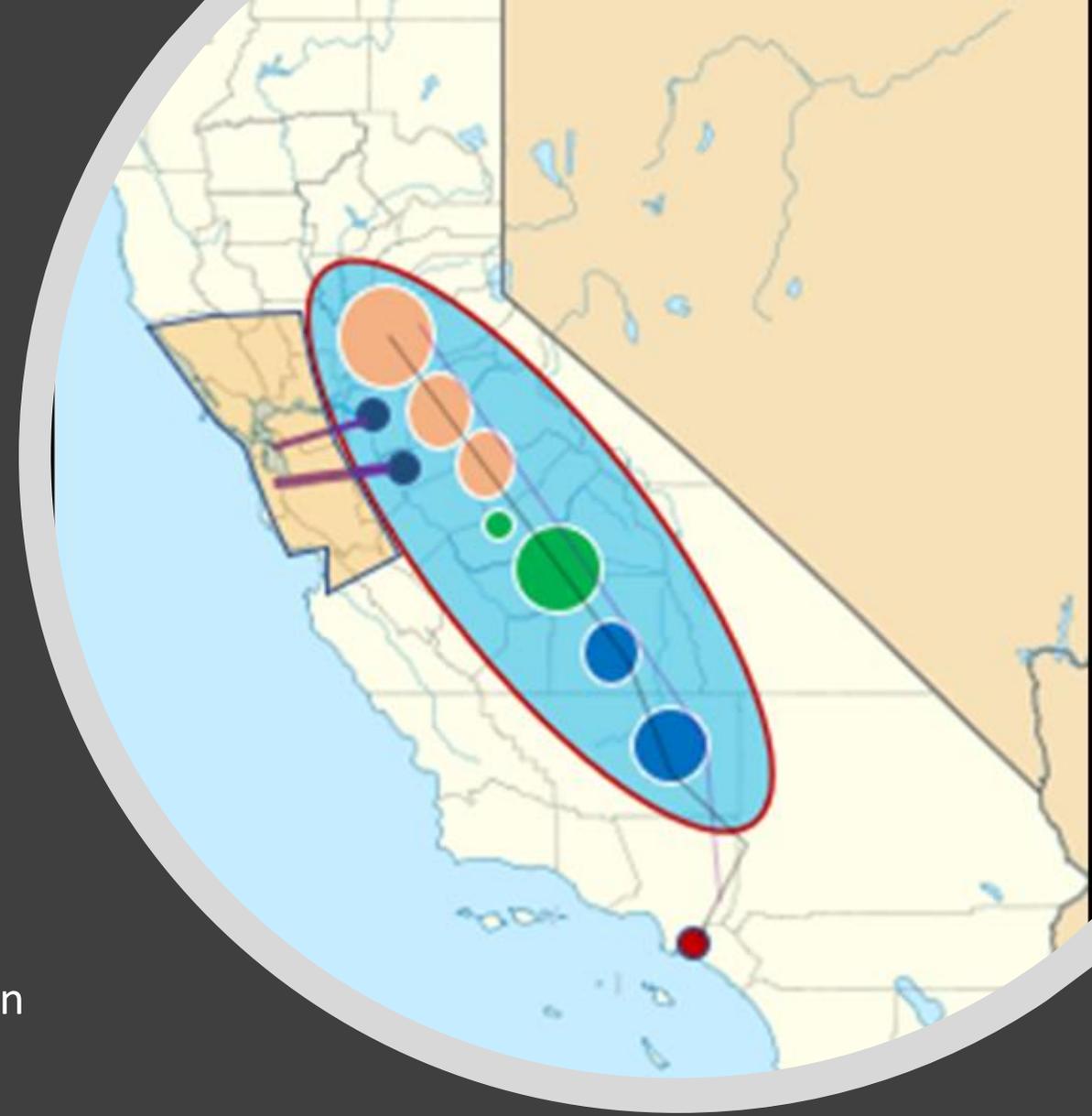
Project Cost and Schedule Checklist

The Project Cost and Schedule is the official budget and timeline for the project. Tasks 1-6 outlined in the Project Cost and Schedule are for illustrative purposes only. **The Cost and Schedule must be consistent with the Grant Application Cover Sheet. Applications with missing components will be at a competitive disadvantage.**

Project Cost and Schedule	
(x)	Ensure these items are completed prior to submitting to Caltrans
x	Use the Fiscal Year 2021-22 template provided (do not alter the template).
x	List all tasks with the same title as stated in the Scope of Work.
x	Include task numbers in proper sequencing, consistent with the Scope of Work.
x	Ensure that sub-task numbers are not included.
x	Task 01 is a required task. It must be titled "Project Administration", it cannot exceed 5% of the grant amount requested, and only the grantee can charge against this Task. This Task must only include the following activities and deliverables: <ul style="list-style-type: none"> •Project kick-off meeting between the grantee and Caltrans at the start of the grant •Invoicing and quarterly reporting to Caltrans •DBE Reporting (federal grants only)
x	Include Task 02 for procurement of consultants, if consultants are needed. This task is for the <u>grantee only</u> .
x	Complete all budget columns as appropriate: Total Cost, Grant Amount, Local Cash Match, and if applicable, Local In-Kind Match.
x	Ensure the correct minimum local match amount, calculated as a percentage of the total project cost (grant plus local match), is provided.
x	The total Local Match amount must meet the minimum required Local Match for the specified Grant Category
x	Each task must include a grant amount and local match amount (excluding Tasks 01 and 02).
x	Identify if a Tapered Local Match approach will be used, which allows grantees to vary the required local match ratio over the life of the grant contract. Grantee agrees to satisfy the total local match amount by the contract expiration date.
x	Identify the estimated indirect cost rate if indirect costs will be reimbursed. If FY 2021-22 indirect cost rates are not available, the rate will be an estimate based on the currently approved rate.
x	Include a best estimate of the amount of time needed to complete each task.
x	State a realistic total cost for each task based on the work that will be completed.
x	Start the timeframe at the beginning of the grant period (July 2021 for MPO/RTPAs; October/November 2021 for non-MPO/RTPAs).
x	Extend the timeframe to the end of the grant period (Project end dates differ based on applicant type (MPO/RTPA or non-MPO/RTPA) and type of funds (State or federal). See Grant Application Guide, Chapter 8.2, for more details).

California Inland Port Market Zone

- 14M Population
- 1M TEUs annually; all moving via truck
- Bakersfield–to-Sacramento along CA 99 highway spine, includes Bay Area
- UP & BNSF rail tracks parallel road corridor
- Central Valley distribution serves Bay Area market
- Inbound: consumer goods
Outbound: agriculture
- 74% of all containerized cargo moves through Ports in Los Angeles
- Full-system intermodal business plan





February 11, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

RE: Letter of Support for the California Inland Port Feasibility Study Phase Three, FY 2021-22 Caltrans Strategic Partnership Grant Application

Dear Director Omishakin:

The San Joaquin Valley Regional Planning Agencies' Directors' Committee strongly supports the California Inland Port Feasibility Study Phase 3 project, and is pleased to be a sub-applicant for this grant submittal.

The inland port concept would support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, a sizable reduction in highway congestion, particularly along State Route 99, in addition to significant improvement in economic competitiveness. The California Inland Port concept is positioned to be a nationally significant logistics and economic development project with tremendous benefits to our region and California:

- Significant reduction in air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- Improved use of rail for freight, resulting in less highway road congestion, with a parallel reduction in the requirement for road maintenance.
- Improved highway and roadway safety from the removal of larger trucks from the State and local road system.
- New job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region, with a specific focus on high-value manufacturing sectors and a more robust and efficient distribution system.

The initial phases of the study have shown the viability of the Inland Port concept and as a result, the regional planning agencies of the San Joaquin Valley are contributing \$70,000 in local funding to support phase three of this important planning effort. We appreciate Caltrans' consideration of this project, and are thankful for our ongoing partnership with the State of California to strategically and sustainably improve our region.

Sincerely,

Terri King, Executive Director for the Kings County Association of Governments
Chair of the San Joaquin Valley Regional Planning Agencies' Directors' Committee

Kings County
Association of
Governments
Terri King - Chair

Kern
Council of
Governments
Ahron Hakimi - Vice Chair

Tulare County
Association of
Governments
Ted Smalley

Madera County
Transportation
Commission
Patricia Taylor

(559) 266-6222
(559) 314-6015 (Fax)



<http://sjvcogs.org>



Stanislaus
Council of
Governments
Rosa Park

Merced County
Association of
Governments
Stacie Guzman

San Joaquin
Council of
Governments
Diane Nguyen

Fresno
Council of
Governments
Tony Boren

339 W. D. St. Suite B
Lemoore, CA 93245

February 10, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

**RE: Letter of Support for Fresno COG's (on behalf of the San Joaquin Valley MPOs) FY 2021-22
Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study
Phase 3**

Dear Director Omishakin,

The San Joaquin Valley Air Pollution Control District (District) supports the California Inland Port Feasibility Study Phase 3 project application.

If designed properly, the inland port concept has the potential to support a range of State and local community objectives, including a substantial decrease in criteria pollutant and greenhouse gas emissions, increased roadway safety, a sizable reduction in highway congestion (particularly along CA99/I-5), in addition to significant improvement in economic competitiveness of the region.

Reductions in mobile sources are critical to attaining federal air quality standards in the San Joaquin Valley. Over 85% of NOx emissions in the Valley come from mobile sources, of which over 40% come from heavy-duty diesel trucks. The San Joaquin Valley is intersected by two major transportation corridors connecting Northern and Southern California, and a majority of all of truck traffic within California occurs within the San Joaquin Valley. The District, in conjunction with the California Air Resources Board, continues to work to deploy advanced technology heavy-duty trucks to reduce the impact of goods movement on the Valley's air quality. While technology deployment will take us a long way, a more efficient goods movement system needs to be developed in order for us to meet our collection air quality and greenhouse gas reduction goals. A well designed inland port system has the potential to reduce truck emissions and allow for the quicker deployment of shorter range advanced technology trucks, reduce cargo handling emissions through the utilization of clean equipment, and serve as a model of how to efficiently move freight into the future.

The District appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Sincerely,



Samir Sheikh
Executive Director/APCO

Samir Sheikh
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



February 8, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

RE: FY 2021-22 Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study Phase 3

Dear Director Omishakin,

The Port of Long Beach is pleased to submit this letter of support for the California Inland Port Feasibility Study Phase 3 grant application. As envisioned, the proposed California Inland Port would include a new freight rail service designed to remove trucks from state highways by transporting containerized cargo via rail to and from seaports to markets with a series of next-generation logistics hubs in the Central Valley region.

The proposed inland port would support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, a sizable reduction in highway congestion (particularly along CA99/I-5), in addition to significant improvement in economic competitiveness of the region. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region. With specific focus on high-value manufacturing sectors and a more robust and efficient distribution system, direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

The Port of Long Beach appreciates Caltrans consideration of this grant application and partnership on the California Inland Port Feasibility Study Phase 3.

Respectfully,

Mario Cordero
Executive Director
Port of Long Beach



425 S. Palos Verdes Street Post Office Box 151 San Pedro, CA 90733-0151 TEL/TDD 310 SEA-PORT www.portoflosangeles.org

Eric Garcetti

Mayor, City of Los Angeles

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Commissioners**

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Commissioner

Lucia Moreno-Linares
Commissioner

Anthony Pirozzi, Jr.
Commissioner

Eugene D. Seroka

Executive Director

February 10, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

RE: Letter of Support for Fresno COG's (on behalf of the San Joaquin Valley MPOs) FY 2021-22
Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study
Phase 3

Dear Director Omishakin:

The Port of Los Angeles strongly supports the California Inland Port Feasibility Study Phase 3 project application. As envisioned, the project would include a new freight rail service designed to remove trucks from California highways by transporting containerized cargo via rail to and from seaports to markets through the State with a series of next-generation logistics hubs in the Central Valley region.

A Phase One preliminary feasibility analysis funded by a coalition of seaports, air districts, San Joaquin Valley governments and the Central Valley Community Foundation concluded that a California Inland Port has the potential to significantly reduce costs to shippers as well as to reduce truck traffic -- thereby beneficially impacting highway congestion, safety and maintenance -- and materially reduce greenhouse gas emissions and criteria pollutants. Given the scale of California's market and its seaport infrastructure, the California Inland Port would become a nationally significant logistics and economic development project.

Work on a Phase Two feasibility study is expected to begin in March 2021, again funded by local sources. Phase Two will identify company-level market requirements and develop contingent commitments from shippers; conduct market sensitivity analyses; develop conceptual plans for state-of-the-art intermodal facilities; define class one railroad requirements; estimate capital costs and indirect costs; and produce preliminary projections of revenue and costs.

Phase Three, which is the subject of this grant application, is aimed at bringing this project to fruition in close coordination with key stakeholders. It will include identification of sites for proposed intermodal facilities, project level environmental impact analysis, development of a full profitability model, and identification of financing sources.

The proposed inland port will support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, a sizable reduction in highway congestion (particularly along CA99/I-5), in addition to significant improvement in economic competitiveness of the region. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region. With specific focus on high-value manufacturing sectors and a more robust and efficient distribution system, direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

The Port of Los Angeles appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Sincerely,



EUGENE D. SEROKA
Executive Director



February 9, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

RE: Letter of Support for Fresno COG's (on behalf of the San Joaquin Valley MPOs) FY 2021-22
Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study
Phase 3

Dear Director Omishakin,

Sacramento County strongly supports the California Inland Port Feasibility Study Phase 3 project application. As envisioned, the project would include a new freight rail service designed to remove trucks from California highways by transporting containerized cargo via rail to and from seaports to markets through the State with a series of next-generation logistics hubs in the Sacramento and Central Valley regions.

A Phase One preliminary feasibility analysis funded by a coalition of seaports, air districts, San Joaquin Valley governments and the Central Valley Community Foundation concluded that a California Inland Port has the potential to significantly reduce costs to shippers as well as to reduce truck traffic -- thereby beneficially impacting highway congestion, safety and maintenance -- and materially reduce greenhouse gas emissions and criteria pollutants. Given the scale of California's market and its seaport infrastructure, the California Inland Port would become a nationally significant logistics and economic development project.

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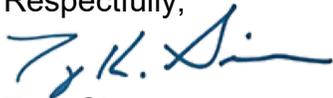
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competitiveness of the region. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley, Sacramento and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Sacramento and Central Valley regions. With specific focus on high-value manufacturing sectors and a more robust and efficient distribution system, direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

Sacramento County appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Respectfully,



Troy Givans

Director of Economic Development



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City of Sacramento

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Council Member
City of Sacramento

EXECUTIVE DIRECTOR
Alberto Ayala

February 10, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

RE: Letter of Support for Fresno COG's (on behalf of the San Joaquin Valley MPOs) FY 2021-22 Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study Phase 3

Dear Director Omishakin,

The Sacramento Metropolitan Air Quality Management District (Sac Metro Air District) strongly supports the California Inland Port Feasibility Study Phase 3 project application. The Sac Metro Air District is the local agency with responsibility for advancing the greater capital region towards meeting all national ambient air quality standards and the state's decarbonization commitments for protection of the global climate. As envisioned, the project would include a new freight rail service designed to remove heavy duty trucks from California highways by transporting containerized cargo via rail to and from seaports to markets through the State with a series of next-generation logistics hubs in the Sacramento and Central Valley regions.

A Phase One preliminary feasibility analysis funded by a coalition of seaports, air districts, San Joaquin Valley governments and the Central Valley Community Foundation concluded that a California Inland Port has the potential to significantly reduce costs to shippers as well as to reduce truck traffic -- thereby beneficially impacting highway congestion, safety and maintenance -- and materially reduce greenhouse gas emissions and criteria pollutants. Given the scale of California's market and its seaport infrastructure, the California Inland Port would become a nationally significant logistics and economic development project.

Work on a Phase Two feasibility study is expected to begin in March 2021, again funded by local sources. Phase Two will identify company-level market requirements and develop contingent commitments from shippers; conduct market sensitivity analyses; develop conceptual plans for state-of-the art intermodal facilities; define class one railroad requirements; estimate capital costs and indirect costs; and produce preliminary projections of revenue and costs.

Phase Three, which is the subject of this grant application, is aimed at bringing this project to fruition in close coordination with key stakeholders. It will include identification of sites for proposed intermodal facilities, project level environmental impact analysis, development of a full profitability model, and identification of financing sources.

The proposed inland port will support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, a sizable reduction in highway congestion (particularly along CA99/I-5), in addition to significant improvement in economic competitiveness of the region. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley, Sacramento and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Sacramento and Central Valley regions. With specific focus on high-value manufacturing sectors and a more robust and efficient distribution system, direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

In addition, Sac Metro Air District has been working with regional partners to find ways of further reducing emissions in rail by moving to zero emission locomotives. Sac Metro Air District is providing funding for a hydrogen locomotive and fueling station near major regional goods movement corridors. This builds upon the projects goals of reducing emissions by providing opportunities for new and cleaner rail technologies.

Sac Metro Air District appreciates Caltrans' consideration of this project and is very pleased to submit this letter of support. Should you have any questions or need further clarification, please do not hesitate to contact Mr. Jaime Lemus, Manager, Transportation and Climate Change Division at jlemus@airquality.org or (916) 874-2911. Thank you for your consideration.

Sincerely,



Alberto Ayala, Ph.D., M.S.E.

Executive Director/Air Pollution Control Officer



CALIFORNIA FORWARD

January 22, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

RE: Letter of Support for Fresno COG's (on behalf of the San Joaquin Valley MPOs) FY 2021-22
Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study
Phase 3

Dear Director Omishakin,

California Forward strongly supports the California Inland Port Feasibility Study Phase 3 project application. As envisioned, the project would include a new freight rail service designed to remove trucks from California highways by transporting containerized cargo via rail to and from seaports to markets through the State with a series of next-generation logistics hubs in the Central Valley region.

A Phase One preliminary feasibility analysis funded by a coalition of seaports, air districts, San Joaquin Valley governments and the Central Valley Community Foundation concluded that a California Inland Port has the potential to significantly reduce costs to shippers as well as to reduce truck traffic -- thereby beneficially impacting highway congestion, safety and maintenance -- and materially reduce greenhouse gas emissions and criteria pollutants. Given the scale of California's market and its seaport infrastructure, the California Inland Port would become a nationally significant logistics and economic development project.

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Phase Three, which is the subject of this grant application, is aimed at bringing this project to fruition in close coordination with key stakeholders. It will include identification of sites for proposed intermodal facilities, project level environmental impact analysis, development of a full profitability model, and identification of financing sources.

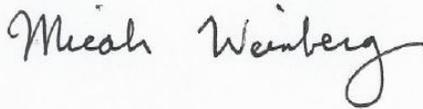
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- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.

- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region. With specific focus on high-value manufacturing sectors and a more robust and efficient distribution system, direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

California Forward appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Sincerely,



Micah Weinberg
CEO
California Forward

February 1, 2021

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

RE: Letter of Support for Fresno COG's FY 2021-22 Caltrans Strategic Partnership Grant Application for the California Inland Port Feasibility Study Phase 3

Dear Director Omishakin,

The Madera County Transportation Commission strongly supports the California Inland Port Feasibility Study Phase 3 project application.

The inland port concept would support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, and sizeable reduction in highway congestion, particularly along California's State Route 99, in addition to significant improvement in economic competitiveness. If this project went forward, given the scale of California's market, the vastness of its geography/positioning and through its seaports – the California Inland Port would become a nationally significant logistics and economic development project. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; thus, reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region; with specific focus on high-value manufacturing sectors and a more robust and efficient distribution system; direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

The Madera County Transportation Commission appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'PTJ', with a long horizontal flourish extending to the right.

Patricia Taylor
Executive Director
Madera County Transportation Commission

February 9, 2021

Member Agencies

City of Ceres

City of Hughson

City of Modesto

City of Newman

City of Oakdale

City of Patterson

City of Riverbank

City of Turlock

City of Waterford

Stanislaus County

Policy Board Chair

Terry Withrow

Policy Board Vice-Chair

Richard O'Brien

Executive Director

Rosa De León Park

Toks Omishakin, Director
California Department of Transportation
1120 N Street
Sacramento CA 95814

RE: Letter of Support for Fresno COG's FY 2021-22 Caltrans Strategic Partnership
Grant Application for the California Inland Port Feasibility Study Phase 3

Dear Director Omishakin,

The Stanislaus Council of Governments (StanCOG) strongly supports the California Inland Port Feasibility Study Phase 3 project application. The inland port concept would support a range of State and local community objectives, including a substantial decrease in greenhouse gas emissions, increased roadway safety, and a sizable reduction in highway congestion, particularly along CA99, in addition to significant improvement in economic competitiveness.

If this project went forward, given the scale of California's market, the vastness of its geography/positioning and through its seaports – the California Inland Port would become a nationally significant logistics and economic development project. More specifically, the study will be undertaken with Caltrans core objectives in mind:

- To significantly reduce air pollution by reducing the number of truck trips from the seaports complex in the Los Angeles region to the Central Valley and the Bay Area.
- To reduce highway road congestion, with a parallel reduction in the requirement for road maintenance; this reducing cost and creating more capacity from existing infrastructure.
- To improve highway and roadway safety from the removal of larger trucks from the State and local highway/roadway system.
- To support new job creation and investment growth by fundamentally repositioning the economic competitiveness of the Central Valley region; with specific focus on high-value manufacturing sectors and a more robust and efficient distribution system; direct rail service to/from deep seaports would reduce shipping costs for shippers that manage global supply chains.

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Toks Omishakin, Director
February 9, 2021

StanCOG appreciates Caltrans consideration of this project and is very pleased to submit this letter of support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rosa De León Park". The signature is fluid and cursive, with a large initial "R" and "P".

Rosa De León Park
Executive Director