

**QUESTIONS SUBMITTED FOR THE 2/20/07 RACSAC MEETING
ANSWERS PREPARED BY UNION PACIFIC RAILROAD**

Submittal #1

Cliff O'Neill, Administrator
City of Somerton

1. Who is the local representative for Union Pacific?
 - Union Pacific has two people who are tasked with interacting with the Yuma community.
 - Chris Peterson, who works out of Omaha. Chris can be reached at: 402-544-3875.
 - Luis Heredia, who was just hired. Luis is a Somerton native and most recently worked for Congressman Grijalva. Luis can be reached at: 928-373-8842. You will see Luis around the community a great deal in the coming weeks and months, so please feel free to ask him questions about the project.

2. What corridors have been considered in California?
 - Refer to route maps.
 - Union Pacific is evaluating a California option just as we are evaluating a Yuma option. To this point, the California evaluation has been limited to engineering and real estate work.

3. Is Yuma Valley the only option to enter Yuma County?
 - Refer to route maps.
 - Yuma Valley is not the only option - but we view it as an option that holds the most promise.
 - The reasons Yuma Valley holds promise are varied. Geography is certainly a factor. Project economics are another factor as entering the U.S. in the Yuma area is a much shorter rail route than some of the other options being considered. The bid guidelines also may be a factor. As was discussed in the last RACSAC meeting, the bid guidelines may mandate the rail line be built only in Baja California and not Sonora - that will certainly limit route options. Further, the concession process is being directed by the State of Baja California and the Mexican federal government. Therefore we believe a bid that includes a rail route only through Baja may be viewed more favorably than a route that crosses into other Mexican states.

4. Will UP assist the town of Wellton in constructing an overpass?
 - Union Pacific regularly works with communities across our 23 state network on grade separations (overpasses and underpasses). The motoring public gains significant benefits from a grade separation while railroad benefits are minimal if non-existent. While the public gains improved mobility and safety, the railroad cannot run heavier, faster or with fewer crews. As such, in accordance with

federal regulations, Union Pacific typically contributes five percent of the cost of a grade separation when an existing at-grade crossing is closed.

Submittal #2

Anonymous

5. Has UP [sought] alternative areas of Yuma County for the railroad? Would like to review all areas for the project.

- Refer to route maps.

Submittal #3

Anonymous

6. What other areas have been considered other than Yuma county?

- Refer to route maps.

7. Why has Yuma been chosen?

- Yuma has not been chosen - it is an option being considered.
- As mentioned, there are a number of attractive features about the Yuma community that makes it a viable option. But no final decision has been made.

8. What are the financial consideration(s) that have made Yuma the only choice?

- Again, Yuma is not the only choice, but we view Yuma as the best option.
- As mentioned, the distance from the proposed port at Punta Colonet to Yuma and its location on the Sunset Route make it an attractive choice from a rail economics standpoint.
- However, financial considerations are not the only factor. Community interest and support are important. Union Pacific's ability to partner with a community is important. And, the bid requirements will play a significant factor in rail route locations.

9. What are the railroad's overall plans for the future? (e.g. marshalling yard, financial impact on the city and benefit to the citizens of Yuma)

- UP wants to partner with the community to help decide on what the future will look like.
- If it becomes reality, UP believes this project will serve as a catalyst for economic development in the Yuma area. Possibilities include:
 - Rail service to a logistics center;
 - Rail service to an industrial park; and
 - Rail service to a produce loading facility.
- There are no plans for a marshalling or classification yard in the Yuma area. An intermodal facility (or logistics center) is a possibility.
- UP is also considering moving its current office and crew change facility from downtown Yuma to somewhere further east along the Sunset Route. The Gateway Project makes this project more likely. If this facility is moved, it

becomes possible for this area of downtown to be sold and/or leased for redevelopment..

- UP is currently working on a study to look at the long-term economic benefits these opportunities might bring to the Yuma community (or other communities where the rail line might be located) and we will share the findings with you at a future meeting.

Submittal #4

Anonymous

10. What options outside Yuma County have been evaluated? (e.g. Baja California to California just west of Pilot Knob?)

- Refer to route maps.

11. The presentation outlined benefits to Yuma - what are the disbenefits (sic) as seen by UPRR? (e.g. adverse impacts on vegetable production?)

- UP believes the upside of the project outweighs the downsides.
- UP fully realizes that there will be costs to the Yuma community (or other communities where the rail line might be located).
 - Land will be needed for the new rail route and possible economic development projects.
 - Clearly, there will be increased train traffic - about six trains per day to start (three northbound, three southbound).
 - We appreciate the concerns some have raised about emissions from locomotives and we want to spend some time discussing that issue:
 - Freight trains are three times more fuel efficient than trucks, and therefore have less of an impact on emissions than do trucks.
 - UP recently implemented the Fuel Masters program that rewards engineers for efficiently operating trains. In 2005 alone, this program saved UP 16 million gallons of fuel.
 - If 25 percent of truck freight was diverted to rail by 2025 it would lead to: 1) nearly 800,000 fewer tons of air pollution; 2) 16 billion fewer gallons of fuel used; and 3) 2.8 billion fewer traveler hours wanted in congested traffic.
 - UP owns and operates the cleanest locomotive fleet in the nation.
 - UP is working closely with locomotive manufacturers to design more fuel efficient locomotives that generate fewer emissions.

Submittal #5

Anonymous

12. Trains use high sulfur diesel, farmers have to use low sulfur. Farmers have to comply and try to correct “junk” in the air. How will the train not pollute the air?

- See above answer
- The current EPA diesel standard actually is the same for locomotives as for tractors and other off-road engines.

- Starting in June 2007, diesel for both locomotives and tractors must meet EPA's "low sulfur" requirement (500 ppm).
- By 2010, the fuel used by tractors must meet the more strict "ultra low sulfur" requirement.
- By 2012, diesel for locomotives also must meet the "ultra low sulfur" requirement (15 ppm). The year 2012 is the expected timeframe in which this project will become operational, should it go forward.
- 98% of the diesel fuel purchased by Union Pacific in California today meets the so-called "California standard," which already requires "ultra low sulfur." This means that large numbers of Union Pacific's locomotives passing through Yuma every day are using the cleanest diesel fuel available.

13. People have moved to Yuma for quality of life issues. (No question following)

- We realize and fully appreciate Yuma's high quality of life.
- If it is decided that a rail route will go near the Yuma community, UP is committed to working with all interested parties to balance the construction of the rail line and related economic development with the area's quality of life.

14. Rail line financed by Chinese money?

- If UP is chosen to build the rail line and makes a determination to proceed with the project, the rail line will be privately financed.
- One of UP's project partners is Hutchison Port Holdings, the world's largest port operator.
- HPH is a subsidiary of Hutchison Whampoa. Hutchison Whampoa is an international corporation with global operations and headquarters based in Hong Kong. It is a publicly traded company listed on the Hong Kong Stock Exchange and is subject to regulations put forth by that exchange.
- UP is a publicly traded company listed on the New York Stock Exchange and is subject to regulations put forth by that exchange.

Submittal #6

Anonymous

15. When will the line reach capacity and what volume?

- Upon commencement of operations, we project 3-6 trains per day will use the line. Five years after operation commences, we expect the volume of trains to grow to an estimated 14-17 trains per day (half southbound, half northbound).

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Submittal #7

Anonymous

16. It appears the consensus is in opposition of constructing the rail through Yuma...Question: why not construct and direct the rail system through Gila Bend? They need the system and benefit more than Yuma.

- We hope there is not a consensus against a possible route through Yuma. We will use the next few months to continue a dialogue with area stakeholders. At this point, we are seeking a community partnership to include in our bid.
- We think there are benefits for Yuma if this project moves ahead and the rail line is built in the area.
- But, other options are on the table and the bid requirements will play a significant factor in the selected rail route. Refer to route maps.

Submittal #8

Mark Spencer

Yuma County Farm Bureau

17. Why not cross from B.C. north into California to connect with the Sunset Route?

- Refer to route maps.
- A California route is an option under consideration.

18. Why not come through Yuma County east of the Gila or even Mohawk Mountains (public lands) avoiding private lands?

- Refer to route maps.
- The areas suggested are within the Barry M. Goldwater Bombing Range, thus it is not feasible to consider a route in that corridor. The MCAS base commander has been clear on this point.

19. Is UP continuing with acquisition of specific right of ways (sic) even before the community has an opportunity to ask questions and provide input? (Such activity limits and/or renders useless the committee's efforts.)

- The Committee provides an opportunity for UP to exchange information with a broad group of stakeholders.
- This process is important for UP and the community.
- UP's real estate work continues and if we determine that one or more parcels of land have to be optioned or purchased to preserve a potential route, we will do so. We are prepared to risk acquiring an option or purchasing property to preserve a route even if the project never happens.

20. What are the specific routes being considered?

- Refer to route maps.

Submittal #9

Paul Johnson

Yuma City Councilman

21. Given that the UPRR is double tracking the Sunset Route from El Paso, TX to Colton, CA and; Given that the UPRR is planning on building a new double track bridge across the Colorado River between the Ocean to Ocean bridge and the I-8 bridge and; Given that a subsidiary of the Trans-Canada pipeline company buried a 36" gas pipeline from Blythe, CA for 80 miles to Mexico near Olgiby Road and states they had problems

getting the permits from the state of California, why does UPRR continue to refuse to consider and seriously discuss bringing the line into the U.S. over the all American Canal near Ogliby Road where it is all open desert?

- Refer to route maps
- UP is considering the possibility of building the new line in California. A route in California across the desert, between Winterhaven and El Centro, is being evaluated.
- UP fully appreciates the challenges it faces in obtaining the necessary local, state and federal permits and approvals for this project. That is a factor UP's Board of Directors will carefully consider before making a final decision on whether or not to proceed with this project.

Submittal #10 (submitted separate from MPO fax)

Russ Jones (through Chris Camacho, Greater Yuma EDC)

22. I assume from the presentation, that there are other real and potential bidders for the "Concession" to build the port and rail access. Since so far we've only heard from UP, who are the other interested parties and what routes are they proposing?

- UP does not have a list of all the interested parties as that information is being held by the Mexican government and the consulting firm assisting the government.
- However, based on press reports, there seem to be at least 3 other railroads (Ferromex, Canadian Pacific and BNSF) interested and perhaps as many as 15 port operators (including HPH, Dubai Ports, SSA and some Mexican companies) who are considering submitting a bid.
- The interested railroads have not shared with us their possible route options.

23. Long before this project came about, it was discussed and agreed that it would be in the best interest of all parties that any future rail route from Mexico would enter Arizona from the South and run along the BMG range to connect with the "Sunset" route in Yuma. Thus creating an effective barrier to range encroachment, while at the same time [creating] the least negative impact on existing use of land. What has changed to make that route less desirable than those proposed by UP now?

- UP was not aware or was made party to previous discussions about a rail route from Mexico to the Sunset in the Yuma area.
- UP believes if a Yuma route is included in the selected bid, the possibility of providing rail service to the new San Luis Commercial Port of Entry Industrial Park becomes a realistic opportunity.
- Refer to route maps.

24. Does the railroad Arizona rights of state eminent domain include tribal lands?

- UP can condemn allotted lands just like any other land in Arizona, but not unallotted tribal lands (as to which UP would need to apply to the Department of Interior for a right of way grant).
- However, to the best of our knowledge, UP has never condemned land in Arizona and we do not believe the Southern Pacific condemned land in Arizona in the

years leading up to the UP-SP merger.

25. What are the jurisdictional, right of way needs, ecological & environmental barriers to double tracking the existing or a new rail crossing over the Colorado? How long would such a project take and what would be the estimated cost?

- Union Pacific has begun studying options for double-tracking across the Colorado River. The study process includes the four components in the question as well as engineering and railroad operating considerations. When the survey and study process is complete, later this year or sometime in 2008, we'll evaluate the options. Assuming there is a viable option, it will take at least 3-4 years from today to complete the project. The project will certainly cost tens of millions of dollars but it is such a large project with many variables that it is difficult to estimate costs until we know the options.

26. What will be the anticipated transit time from Punta Colonet and the minimum speed required to satisfy CBP for homeland security purposes?

- The transit time from Punta Colonet will be roughly similar to that from the ports of LA/Long Beach to Yuma.
- The project will meet or exceed CBP/DHS standards on both the US and Mexican sides of the border. Minimum speed is less important than instituting a security protocol that ensures safe and secure movement of trains from Punta Colonet across the US border.

27. When was the last time and circumstances when UP or any other railroad exercised their rights of eminent domain in Arizona?

- We can only speak to matters involving UP and do not know the last time another railroad exercised eminent domain in Arizona.
- To the best of our knowledge, UP has never condemned land in Arizona and we do not believe the Southern Pacific condemned land in Arizona in the years leading up to the UP-SP merger.

Submittal #11 (Submitted separate from the January 30 meeting questions)

City of Yuma

28. Is UP willing to depress the rail line from County 14th to the existing line so all crossings will be at-grade and for the purpose of noise reduction that will result in what will be one of our major growth areas for housing?

- Union Pacific regularly works with communities across our 23 state network on public infrastructure projects to mitigate noise and safety concerns. UP will work with local jurisdictions on how to address these concerns along a proposed new route.
- If a new route is developed, UP will evaluate the effectiveness of noise reduction barriers such as walls and trees.

29. Who will UP pay for [major railroad] crossings?

- UP will work with ADOT and local jurisdictions to determine the public infrastructure needed at railroad crossings.
- Some crossings may be grade separated while others will have safety devices such as flashing lights and gates.
- When a public road authority seeks to upgrade the safety measures at an at-grade crossing for an existing rail line, the public road authority typically pays 95-100% of the cost.
- For the new rail line UP is considering in the Yuma area, UP will work with public road authorities to determine appropriate safety measures and agree to a funding plan.

30. What noise reduction measurements will be taken?

- Refer to Question 28.

31. Given that the Union Pacific is in the process of spending several billion dollars to double track their “Sunset Line” between El Paso, Texas and the Los Angeles, California area; and

Given that the Union Pacific has publicly stated that they need to double track [the] bridge over the Colorado River on the “Sunset Line” in Yuma; and

Given that the Union Pacific has told the City of Yuma that they are currently considering design solutions; and

Given that a subsidiary of a [natural] gas pipeline company was able to obtain all the necessary permits and environmental studies for an 80+ mile long buried pipeline that is only about 4 to 6 miles from the Mexican border and given that there is more than ample open desert for the construction of a rail port-of-entry and rail line between the Mexican border and the Union Pacific’s “Sunset Line” between Sidewinder and Ogilby Roads west of Yuma; and

Given that such a route directly north into California from Mexico in that area would not only require the construction of a couple of 200 foot long bridges; therefore

Why doesn’t Union Pacific identify its reasons for not using this alternative route?

- UP is considering the possibility of building the new line in California. A route across the desert is being evaluated.
- Union Pacific is currently in the process of evaluating options to construct a double track bridge over the Colorado River on its Sunset Route.
- As UP has previously stated, we are looking for a community to partner in this project and we believe the Yuma Area is an attractive partner because of a favorable business climate and an opportunity to serve new industry from the new line.

32. Is there any idea how many homes would be affected to accomplish its new rail line?

- The goal is to minimize the affects on all residential areas in the Yuma community - regardless of where the rail line might ultimately be located.
- That is a difficult question to answer at this point in time because UP has not decided upon a final route for the possible rail line.

33. Will Union Pacific provide additional Railroad Police Officers for the Yuma area and will the latest technology be utilized for border protection and smooth flow of traffic? Could we have further briefings on these efforts and the areas that we might see this technology in action?

- We hope to use the April 4 RACSAC meeting to unveil an outline for the project's security plan.
- Because it will employ advanced security technologies, be staffed by trained security personnel and include multiple layers of security, this project will have the most secure infrastructure facilities in North America.
- UP and HPH are prepared to closely coordinate their vision for the proposed project's security plan with all relevant local, state and federal officials in the U.S. and Mexico.
- Should it come to fruition, this project will be in full compliance with all the major U.S. and international trade security initiatives such as the Megaports, Container Security Initiative and the Customers-Trade Partnership Against Terrorism ("C-TPAT)

34. Will Union Pacific provide video monitoring of the switching yard and take appropriate security precautions?

- We will take all appropriate security options throughout the proposed project.
- UP does not plan to build a switching yard in the Yuma area. If Yuma area, rail-served business grows because of the new rail line, as we expect it might, we will re-evaluate the need for a local industry support yard.
- We are planning on having closed circuit television monitoring of the entire port and rail facility at Punta Colonet. Additionally, the facility will be patrolled 24/7 by trained security personnel.

35. How will Union Pacific address the potential problem of illegal immigrants riding on the trains into the U.S.?

- Illegal immigrants, illegal contraband and compromised containers will all be addressed within an all encompassing and multi-layered security framework.
- All experts and law enforcement officials believe the best way to achieve a secure trade environment is a layered approach with multiple inspection points using a variety of technologies accompanied by human oversight and constant coordination between authorities at the all levels of the process.
- We are still working to develop the security framework, but here is an outline of our thoughts:
 1. High security perimeter fencing around the maritime terminal and rail yard at Punta Colonet, closed-caption television and other electronic security measures;

2. Strictly controlled access controls to secure areas;
 3. Non-invasive measures such as VACIS, OCR and RPM screening technology; and
 4. Human monitoring of operations and, when appropriate, inspection of cargo.
36. Will trains carrying hazardous materials remain parked in the switching yard?
- Cargo from Punta Colonet to the US is expected to be cargo containers and no TIH haz-mat is expected to be moved from the port to the US.
 - There is no plans for a switching, marshalling, or classification yard in the Yuma area.
 - UP is currently working closely with TSA/DHS to develop more stringent protocols with respect to movement of haz-mat by rail.
37. How will Union Pacific deal with train crossings at arterial streets? How will the cost of at-grade crossings and split grade crossings be apportioned between Union Pacific, Yuma County, [the] City of Yuma and other affected communities?
- Union Pacific regularly works with communities across our 23 state network on public infrastructure projects.
 - We plan to work with local jurisdictions to identify roads with significant traffic counts to evaluate the need and scope of grade separations.
 - UP will also work with surrounding property owners to address concerns such as the movement of farm equipment.
38. Will gates at grade or underpasses and overpasses be used?
- UP will work with the appropriate public road authority (ADOT, city and/or county) to implement safety measures at each crossing. Whether flashing lights and gates, flashing lights, crossbucks or grade separations, all safety measures will be installed and/or built to Federal Highway Administration standards.
39. At-grade crossings present response issues for fire emergencies. The less the better and it is very difficult to get them in after the line is [laid]. Need to minimize the at-grade crossings of our roads. Where will the at-grade crossings be and are there any long range plans for putting up bridges once traffic warrants it?
- After a route has been identified and if UP and its partners win the bid in Mexico, UP will work with ADOT, Yuma County and cities of jurisdiction to ensure that decisions about crossing safety measures take into account current and projected future traffic counts.
 - Safety measures and grade separations will meet Federal Highway Administration standards.
40. The yards are moving and that is a good thing. The further and faster we can get them out of downtown the better. Where are they moving to and when? Can we get an overview of how this yard will be utilized for local and through railroad traffic?
- We believe you are referencing the possibility that Union Pacific may move the current office building and crew change location from downtown Yuma to a point further east along the Sunset Route. The new location may include refueling

facilities.

- If the Gateway Project (new rail line from Mexico) is built in Arizona, and/or a new Colorado River Bridge is built in the downtown Yuma area, the completion of one or especially both of these projects significantly increases the need to move the office building and crew change location. However, a decision has not been made to move this facility and operation.
- UP does not have plans to build a switching, marshalling or classification yard in the Yuma area. The Yuma area crew change location has (and a new location would have) several parallel tracks where trains park during a change in crews.

41. Are the railroads going to fund for security as it relates to Homeland Security issues or will the cities and/or federal government have to provide the needed security infrastructure out of hide?

- The total cost of the security measures is hard to predict at this point in time because a security plan has not been finalized.
- However, UP and its partners are fully prepared to provide the security measures at their respective facilities and, if necessary, for the construction of a new facility for a border crossing.

42. Local governments in Yuma County have recently become an attainment area for air pollution standards. We have been vitally concerned with PM-10 regulations and have worked hard for over the last decade to achieve compliance. What steps will Union Pacific take to achieve compliance with air pollution standards.

- UP understands Yuma County has worked hard to become an attainment area for air pollution standards.
- We want to partner with the community so UP's actions do not pose a risk the community falling back into non-attainment.
- UP is working very hard to limit the emissions from its locomotives.
 - Freight trains are three times more fuel efficient than trucks, and therefore have less of an impact on emissions than do trucks.
 - UP recently implemented the Fuel Masters program that rewards engineers for efficiently operating trains. In 2005 alone, this program saved UP 16 million gallons of fuel.
 - If 25 percent of truck freight was diverted to rail by 2025 it would lead to: 1) nearly 800,000 fewer tons of air pollution; 2) 16 billion fewer gallons of fuel used; and 3) 2.8 billion fewer traveler hours wasted in congested traffic.
 - UP owns the cleanest locomotive fleet in the nation.
 - UP is constantly working with locomotive manufacturers to design more fuel efficient locomotives that generate fewer emissions.

43. How will Union Pacific address the possibility of ambient noise levels, particularly at night, over the cities caused by the frequency and length of trains?

- Union Pacific regularly works with communities across our 23 state network on public infrastructure projects to mitigate noise and safety concerns. UP will work

with local jurisdictions on how to address these concerns along a proposed new route.

- If a new route is developed, UP will evaluate the effectiveness of noise reduction barriers such as walls and trees.

44. How will Union Pacific compensate the cities for crossings in terms of initial costs and long-term maintenance?

- See questions 4, 29, 37 and 38.
- The usual practice is for UP to pay the cost of maintaining warning devices at crossings. There is a limited pool of federal funding which can be accessed to pay for a portion of the cost. Maintenance of the crossing surface is typically paid for by UP.

45. What options does Union Pacific know about that will deal with traffic delays at crossings that disrupt citizens and slow down the cross-city economy to include movement of farm trucks and tractors?

- See questions 4, 29, 37, 38 and 44.
- We will work with ADOT, Yuma County and local cities to identify roads with significant traffic counts to evaluate the need and scope of grade separations.
- UP will also work with surrounding property owners to address concerns such as the movement of farm equipment and irrigation ditches.

46. The City and County need to know issues involving the compatibility of railroads with adjacent residential housing for long-term planning purposes. How will Union Pacific reduce the visible detraction to allow for continued development of eligible lands?

- Much of this planning will take place when a rail route is finalized -- assuming this project goes forward.
- UP will work with local jurisdictions to develop mitigation plans for areas impacted by the new rail route. Mitigation plans could include, but not necessarily be limited to, buffering, trees, walls, and compatible land-use designations for adjacent property.

47. The City of Yuma is concerned [about] the creation of a physical barrier through the middle of the city limits in a community that is already divided up by many elements (i.e. river, MCAS, agricultural lands, canals, and mesa). What efforts can Union Pacific advise to mitigate such effects?

- See questions 4, 29, 37, 38 and 44-46.
- One of the reasons UP has been supportive of the RACSAC is to engage the community in a discussion on issues such as this.
- Community input into the rail line is vital to proactively address community planning issues.
- While it is important for the right-of-way to be secure and not compromised by encroachment, it is also important for the right-of-way to not become a barrier that unnecessarily divides the Yuma community.

48. How will Union Pacific avoid detracting from future recreational agreements with the

Yuma Mesa Irrigation District to use canals for liner parks and bicycle pathways? Please describe compatibility mitigation measures that address pedestrians, walkways, bikeways, and recreational facilities.

- Many of these issues will merit further discussion if and when a rail route is finalized.
- Each situation will merit an individual assessment and the possibility of maximizing public benefits through community partnerships will be given a high priority throughout the new rail route.

49. The citizens of Yuma and other Yuma County cities are going to demand a cost benefit analysis of this proposed project. How does Union Pacific plan to identify economic incentives to the City that will be offset by potential problems that will be created?

- We believe the benefits of this potential project outweigh the costs.
- UP wants to partner with the community to help decide on what the future will look like.
- If it becomes reality, UP believes this project will serve as a catalyst for economic development in the Yuma area. Possibilities include:
 - Rail service to a logistics center;
 - Rail service to an industrial park; and
 - Rail service to a produce loading facility.
- UP is currently working on a study to look at the long-term economic benefits these opportunities might bring to the Yuma community (or other communities where the rail line might be located) and we will share the findings with you at a future meeting.

50. How will Union Pacific avoid impacts that will severely hinder residential growth and reduce property values for homes near the rail line, particularly in light of recent statewide Arizona proposition 207?

- One of the reasons for this process and meeting with you is to avoid as many negative consequences as possible to the community.
- Union Pacific does not want to severely hinder residential growth or reduce property values and the route along with mitigation measures will be intended to limit those consequences.

51. Existing utility crossings must be protected from all impacts of heavy rail crossing. How will Union Pacific accomplish this?

- UP's will work closely with utility authorities to ensure impacts are minimized from the outset of the design of the new rail line.

52. Trains carrying hazardous cargo must not pass within close proximity of Public Works treatment facilities. Should the City of Yuma be concerned due to the Union Pacific proximity to [the] Agua Viva water plant?

- UP does not anticipate carrying TIH haz-mat to or from Mexico on the new line.
- Should the City of Yuma desire chlorine shipments via rail for the Agua Viva water plant, UP is prepared to discuss such movements.

53. Railroads throughout the country have taken steps in urban areas to reduce noise pollution and traffic accidents (i.e. Sugarland, TX--BNSF improvements as a model). What actions are anticipated by the Union Pacific to utilize the latest technology to address noise and traffic conflicts?

- Union Pacific regularly works with communities across our 23 state network on public infrastructure projects to mitigate noise and safety concerns. UP will work with local jurisdictions to address these concerns along the proposed new route.
- If a new route is developed, UP will evaluate the effectiveness of noise reduction barriers such as walls and trees.

Submittal #12 (Submitted on February 15, 2007)

Rick Rademacher, President

Yuma Fresh Produce Association

54. Will Union Pacific pay 100% of the costs for overpasses and underpasses for the Yuma rail corridor?

- See questions 4, 29, 37, 38 and 44-47.
- UP will work with local jurisdictions to determine the public infrastructure needed to minimize the impact of the new proposed rail line.

55. What criteria are used to determine whether a rail overpass or underpass is necessary?

- UP regularly works with communities across our 23 state network on grade separations. Motor vehicle traffic counts and train counts are significant factors in determining whether a grade separation is warranted.

56. As a good faith partner in the community of Yuma, will Union Pacific expedite and pay 100% of the costs for a new and wider rail underpass for Avenue 3E?

- UP is aware of the importance of expanding Yuma's roadway infrastructure to address population and traffic growth.
- The proposed expansion of Avenue 3E over UP's existing rail line provides no benefits to the railroad but will contribute greatly to the quality of life and mobility of Yuma residents and visitors. Because UP will not benefit from the project, the railroad will not be contributing to the cost of the project.

57. What criteria are used to determine which streets will dead end at the rail tracks and which streets will have a crossing?

- UP will work with controlling road authorities including ADOT, Yuma County and local cities to evaluate every potential road crossing and determine a safety plan that will include a combination of grade separations and safety devices for at-grade crossings. Road closures are possible but that will be determined by the controlling road authority, not the railroad.

58. Will Union Pacific pay 100% of the costs for rerouting irrigation canal and irrigation ditches?

- UP will pay for the rerouting of irrigation canal and irrigation ditches that are required because of the new rail line.

59. What construction companies will be invited to bid on the Yuma rail corridor project?

- No decision has been made about what construction company or companies will be invited to bid or if UP will build the rail line itself.
- UP has construction crews capable of building a new rail line.
- However, there may be an opportunity for a general contractor and sub-contractors to build most, if not all, of the project.

60. What rail spurs are currently available and being used in the Yuma area?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

61. Are rail spurs to Fertizona and Gowan Company currently operational? If no, why not?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

62. At what rate is rail property assessed by the City of Yuma? By the City of Wellton? By the County of Yuma?

- Rail property is assessed by the Arizona Department of Revenue and distributed to beneficiaries through a centrally valued process. Operating mines, utilities, pipelines, and telecommunication companies are assessed through the same process (centrally valued). The rate varies year to year but Arizona Revised Statute sets the assessment ratio at 21%. Residential is assessed at 10% and agricultural is assessed at 16%

63. If Union Pacific purchases private properties for the rail corridor, will Union Pacific pay the same amount of property tax this currently being paid on the property?

- Refer to Question 62.

64. The Committee Goal stated on the 1-30-07 Meeting Notice of the Rail Corridor Stakeholders Advisory Committee is “To Assist YMPO in identifying a rail corridor(s) for Yuma County that provides the maximum benefit for county residents.” Why is the community of Yuma assuming anything about this proposed rail corridor is beneficial for county residents?

- UP wants to partner with the community to help decide on what the future will look like.
- If it becomes reality, UP believes this project will serve as a catalyst for economic development in the Yuma area. Possibilities include:
 - Rail service to a logistics center;
 - Rail service to an industrial park; and
 - Rail service to a produce loading facility.
- UP is currently working on a study to look at the long-term economic benefits these opportunities might bring to the Yuma community (or other communities

where the rail line might be located) and we will share the findings with you at a future meeting.

65. Why is the community placed in the position of having to present evidence that the proposed rail corridor will be detrimental to the community? Why does not the Union Pacific Railroad have to present irrefutable evidence that the rail corridor is beneficial to the Yuma community?

- Refer to Question 64.
- However, keep in mind that UP is looking for a community partnership to strengthen its bid. The reasons the Yuma area holds promise are varied. Geography is certainly a factor. Project economics are another factor as entering the U.S. in the Yuma area is a much shorter rail route than some of the other options being considered. The bid guidelines also may be a factor.
- As was discussed in the last RACSAC meeting, the bid guidelines may mandate the rail line be built only in Baja California and not Sonora - that will certainly limit route options. Further, the concession process is being directed by the State of Baja California and the Mexican federal government. Therefore we believe a bid that includes a rail route only through Baja may be viewed more favorably than a route that crosses into other Mexican states.

66. Specifically, how and where will trains entering the United States be secured to ensure the trains are not used for human smuggling and contraband smuggling?

- The location has yet to be determined.
- However, the facility will house appropriate officials from the Department Homeland Security, specifically the Bureau of Customs and Border Protection.
- Refer to question 35.

67. Specifically, where will trains entering the United States be inspected by the United States Department of Agriculture officials to ensure injurious pest and diseases will not enter our country?

- Cargo will receive all necessary inspections as mandated by U.S. law and administered by U.S. Bureau of Customs and Border Protection.
- In addition, cargo along the route will have to be monitored and protected as directed by a security plan approved by federal and state agencies.

68. Given the number of trains expected for the rail corridor, what are the anticipated daily particulate emissions?

- Refer to question 42.

69. Since Yuma has had past violations of the PM-10 standard, specifically what steps will Union Pacific take to reduce particulate emissions in the Yuma rail corridor?

- Refer to question 42.

70. Specifically, what matter (gas, solid, liquid) is emitted by trains?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

71. Given the number of trains expected for the rail corridor, what are the anticipated daily emissions for each matter (identified in question [70]) emitted by the train?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

72. In the past five years, how many train incidents and accidents have occurred in the area surrounding Salinas, California?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

73. In the past 2 to 5 years, where is the place similar to Yuma (with agricultural and urban interface) that Union Pacific has constructed a new rail corridor?

- UP has not built a new rail corridor in the past 2 to 5 years similar to this project.

74. In relation to question [73] what accommodations did Union Pacific make to the community?

- Refer to question 73.

75. On what date will Union Pacific officials and members of the Yuma community be able to have an open discussion with verbal questions and responses instead of submitting written questions prior to a Rail Corridor Stakeholders meetings?

- UP's community engagement doesn't start or end with the RACSAC.
- For 18 months UP has been soliciting community input on the Gateway Project. This community engagement process has included one-on-one meetings with stakeholders, group meetings, and direct interaction with local news media.
- The RACSAC provides an opportunity for stakeholders and UP to come together and exchange information about the Gateway Project.
- After the organizational meeting of the RACSAC, UP was pleased to receive more than 80 questions to be answered at the second meeting of the stakeholders' group. UP hopes RACSAC meetings can include time for Q&A because we want to hear community questions and concerns so we can work to address them.
- UP will be engaging stakeholders in one-on-one and group meetings over the next several months to answer questions, address concerns and explore potential benefits of the Gateway Project.
- If UP and its project partners win the Mexican bid, the new rail route within the US will be subject to approval of the federal Surface Transportation Board – a lengthy, public process involving significant community engagement.

Submittal #13 (Submitted on February 16, 2007)

Bill Mundell, Commissioner

Arizona Corporation Commission

76. How many crossings will the new line have? How many will be at grade? How many will be grade separation?

- UP has not decided on a route for the potential new line.

- Refer to questions 4, 29, 37, 38, 44-47, and 54.

77. What will be the FRA class of tracks?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

78. Will there be a signal system that controls train movement or will it be a “dark territory”?

- This question was not received in time for the Gateway Project team to determine the answer. An answer will be provided soon.

79. Will hazardous [sic] materials be transported on the line?

- Refer to questions 36 and 52.

80. How many trains will run on the track in a 24-hour period?

- Refer to question 15.

81. Will there be a new port of entry in California or Arizona?

- Yes, the Gateway Project will require a new port of entry.
- If UP and its partners are the winning bidders for the Mexican concession, we will seek a new port of entry to connect a new rail line in Mexico to a new rail in the US.
- We believe a route through Yuma County provides a terrific opportunity for UP to partner with a community, advance the project in a business-friendly environment, and provide service to new customers who will create jobs and invest in Yuma County

82. What security measures will be taken for cargo entering the US from Mexico?

- Refer to questions 33-35, 66 and 67.