

# **CITY OF SACRAMENTO**



CITY PLANNING DEPARTMENT 927 TENTH STREET SACRAMENTO, CA 95814 SUITE 300 TELEPHONE (916) 449-5604

CITY MANAGER'S OFFICE

MARTY VAN DUYN PLANNING DIRECTOR

APPROVED

OFFICE OF THE CITY CLERK

1982

FFB 2

February 1, 1982

City Council Sacramento, California

Honorable Members in Session:

SUBJECT: Western Pacific Railroad (WPRR) Operations and Issues (M-564)

#### SUMMARY

In August of 1981, the City Council requested the staff to organize meetings between the Sierra Curtis Neighborhood Association representatives and Western Pacific Railroad representatives to discuss issues related to the yard operations on Sutterville Road. Meetings have been held since September of 1981 and this report discusses the progress made to date on identified issues relating to the WPRK yard. The discussions have generated mutual commitments on resolution of many of the identified problems at the WPRR yard. However, some specific issues and their potential solutions remain unresolved. This report is provided for Council information and any Council recommended direction as necessary.

## BACKGROUND

The Sierra Curtis Neighborhood Association, in August of 1981, requested the City Council to resolve several complaints in the operation of the Western Pacific Railroad yard. In response, the City Council directed staff to meet with WPRR and neighborhood representatives in an attempt to resolve the operating problems affecting the adjacent neighborhood. Several meetings have taken place over the past five months with representatives from Western Pacific and Union Pacific, the Sierra Curtis Neighborhood Association, City Attorney's Office, and Planning Department. Meetings, however, have not been regular nor frequent due to the WPRR/Union Pacific merger hearings (Washington, D.C.) and the normal holiday season conflict. The discussions to date, however, have realized a commitment from WPRR officials on correction of certain problem areas, but other areas of neighborhood concern are still unresolved. The primary area of neighborhood concern and meeting discussion involved complaints of excessive noise, night operations, lighting glare, air pollution and future development of the yard. The complaints were generally directed at the increased activity attributed to the trailers on flat car (TOFC) or piggy back operations. To the adjacent neighbors, the most offensive part of the TOFC operation is the actual loading and unloading of the trailers, the truck transportation in and out of the yard, and the storage of trailers with operating refrigerator units all occurring within close proximity to the homes along the easterly Western Pacific property lines.

The following is an itemization of the issues discussed and progress made to date:

Issue

Unresolved (Summarized)

#### 1. Lighting

. WPRR has agreed to the following:

a. Three lights are being entirely removed.

b. One light is being left in place but is to be shut off entirely.

c. The remaining lights are to be lowered and retilted in a manner designed to prevent intrusion of the lighting into the adjacent homes and neighborhood.

d. In addition, the practice of total discontinuance of all night lighting at the TOFC facility is to be continued.

# 2. Dust

WPRR has agreed to the following:

a. Some additional black-top or truck access road for TOFC activities.

 b. Proposed additional black-top on areas adjacent to tracks 60,62,64 (alternate TOFC tracks).

c. Willingness to review need for paving or relocation of refrigerated trailer parking area at southeast corner of yard.

d. Periodic oil treatment of nonpaved, high use areas of yard adjacent to neighborhood. Neighborhood recommends paving of all TOFC parking and roadway access areas for dust control. Extreme costs associated with black-topping entire area remains a stumbling block to W.P. In addition, some relocation of TOFC activity may eliminate paving needs.

No disagreement.

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Issue

3. Noise

a. Refrigerated trailers, with the refrigerator units operating, should be parked away from homes.

b. Willingness to examine sound barriers or relocation of refrigerated car activity at southeast corner of yard.

c. Priority of TOFC loading and unloading activities are to be designated to tracks 60,62 and 64. Track 70 (closest to easterly homesites) not to be used unless the volume of business increased beyond capacity of tracks 60,62,64.

d. Limit hours of TOFC operation to 6 a.m. to 6 p.m. Monday through Friday. (No weekends). The exception being switching operations.

# 4. Future Use

City staff has proposed:

The concept of special use permits regulating the trailer on flat car (TOFC) facility and future development of the yard. Any agreement to specifics is reserved until Western Pacific has an opportunity to review the specifics. Unresolved (Summarized)

Elimination of refrigerated trailer parking on southeast corner of yard or, in lieu, proper mitigation of noise and dust by sound barriers and paving.

Additional sound barriers should be placed as needed to eliminate, as much as possible, all yard noise to adjacent homesites.

Track 70 should not be used for any TOFC unloading, loading nor as storage for "operating" refrigerator units. (Other uses no objection).

Hours of operation should be 7 a.m. to 6 p.m. Violation of operating hours already evidenced (exclusive of switching).

Western Pacific officials have neither agreed nor disagreed with this "concept". Would want opportunity to review and discuss further.

Neighborhood accepts the use permit "concept" as an insurance toward review of future yard improvements. In addition, requests compliance with City noise and health regulations in yard activity to insure future compatibility.

# RECOMMENDATION

The staff requests, as an indication of direction, Council's comments on negotiations to date. In addition, it is recommended that the unresolved issues and proposed ordinances be the subject of further "accelerated" deliberations between the present parties. A suggested time frame of 60 days to return to the Council for action is recommended.

Respectfully submitted,

Marty Van Duyn/ Planning Dired

**Recommendation** Approved:

Walter J. (i∕pē City Manager

MVD:cp attachment M-564 February 2, 1982 District No. 5



# CITY OF SACRAMENTO

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CITY PLANNING DEPARTMENT SACRAMENTO, CALIF. 95814 725 "J" STREET

TELEPHONE (916) 449-5604

MARTY VAN DUYN PLANNING DIRECTOR

Report 29-BI August 13, 1981 PPROVED THE CITY COUNCIL PUB 1 6 1981

City Council Sacramento, California

OFFICE OF THE

Honorable Members in Session:

Western Pacific Railroad Yard Operations and Issues SUBJECT: (M-564)

#### SUMMARY

In February of 1981, the Council directed the Planning Commission to hold a public hearing relative to possible past violations by Western Pacific Railroad at their Sutterville Road facility. The matter was promoted by neighborhood complaints of excessive noise, night operations, lighting glare, and air pollution.

The Planning Commission held a hearing on May 7, 1981 and recommends to the City Council that 1) the Council designate a staff person responsible for carrying out a program of mitigation addressing problems in the yard's operation; and 2) the Council should amend the Zoning Ordinance to require a use permit for truck terminals in railroad yards.

#### BACKGROUND INFORMATION

In February of 1981, the City Council, responding to concerns expressed by the Sierra-Curtis Neighborhood Association, requested that the City Planning Commission hold a public hearing on complaints directed at the Western Pacific Railroad (WP) operations fronting on Sutterville The hearing was held on May 7, 1981, and representatives of the Road. adjacent neighborhood expressed their concern and past problems regarding the operation of the yard. The neighborhood association provided the Planning Commission written materials in support of arguments that WP's Sacramento facility is not the main railroad and repair shop in California (see attached exhibits). This issue is relevant to the 1909 Indenture Agreement entered into between the City of Sacramento' and WP as a condition responding to the "donation" used to purchase the WP yard site. The Planning Commission, however, did not take any action on the issue of the indenture agreement and limited their discussion to the land use complaints and areas where the Commission has jurisdiction. The Commission believes that any violations of the agreement should be acted upon by the Council.

The Commission did discuss the complaints regarding excessive noise, nighttime operation, lighting glare, and dust pollution. The staff prepared a report, after field inspecting the site and neighborhood. Staff's report suggested mitigation measures to correct the concerns expressed (see attached Exhibit A-1).

The staff noted the following problems and suggested corrective measures. Following the staff comments are WP's response and action taken to date (some of WP's responses were confirmed subsequent to the Commission hearing).

1. Noise. The noise problem is attributed to the loading and unloading of the trailers onto flat cars by a diesel jitney. To reduce the noise of the jitney, it is suggested that mufflers be installed. Western Pacific should also study the feasibility of installing a sound wall between the major noise source and the adjacent homes, or relocating the trailer loading and unloading activity to the center of the property at a reasonable distance from the homes.

WP Response: A muffler has been specially ordered for the jitney equipment and will be installed in the near future. In addition, the nighttime work, except for emergencies, has been discontinued.

2. Lighting. The loading activity at night has required installation of a pole lighting system. Eleven standards, 30 to 40 feet in height are creating all night glare and spillover lighting to nearby residences. Staff recommends light shields, less intensive light source, or lowering the standards to correct the problem. In addition, the staff recommended an alternative elimination of all piggy-back activities and lighting between 11:00 p.m. and 6:00 a.m.

WP Response: The nighttime operations have been eliminated except for emergency only situations. The lights are to be shut off no later than 8:00 p.m. every evening.

3. <u>Dust</u>. The truck traffic from the piggy-back operations and the jitney loading activities on unpaved areas causes a substantial amount of dust in the area. Staff recommends asphalt or concrete surfacing on all areas used for truck maneuvering and roadway access.

WP Response: The dust problem is acknowledged and surfacing (asphalt) will be placed along the driveway from Sutterville Road entrance to the shop area.

4. <u>Visual-aesthetics</u>. The northerly portion of the yard property along 24th Street between Portola Way and Donner Way is visually unattractive. Screening, such as landscaping or solid fencing along the street frontage and portion of the alleyway could improve the overall appearance of the neighborhood.

WP Response: No landscaping or fencing is contemplated. However, landscaping in cooperation with neighboring property owners may be possible given mutual agreement on maintenance, etc. City Council

The Planning Commission generally agreed with the mitigation recommendations, but at the same time, realized the property is presently zoned M-2, Heavy Industrial, and is being operated consistent with the present zoning. The recommended actions, therefore, are not generally enforceable given the present zoning. The Commission also determined that the major problem from the facility operations is the very active "piggy-back" loading and unloading activity which has substantially increased in the past several years. The Commission, therefore, made a two-part motion, which 1) addresses the present nuisance associated problems; and 2) suggests a special use permit requirement for truck terminals within railroad yards. This special permit requirement would address not only new facilities, but major expansion of existing truck terminals locating in railroad yards.

Attached are copies of the staff report, exhibits, and letters and petitions received by the Planning Commission.

#### VOTE OF COMMISSION

The Planning Commission, on May 7, 1981, voted eight ayes, one absent, to recommend that the Council:

- Designate a staff person responsible for carrying out these recommendations (per staff report) and to be a contact point between the City and the Railroad; and
- 2. The Council should amend the Zoning Ordinance to require a use permit for truck terminals in railroad yards.

#### RECOMMENDATION

The staff and Planning Commission recommend Council approval of the Commission's motion (stated above).

Respectfully submitted,

rty Van Du Planning Director

FOR CITY COUNCIL INFORMATION WALTER J. SLIPE CITY MANAGER

MVD:jm Attachments M-564 August 18, 1981 District No. 5 . . .

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ENNOIT A-1.

City Planning Commission Sacramento, California

Members in Session:

Subject: Western Pacific Railroad Yard Operations and Issues (M-564)

Location: Area Bounded by Portola Way, 24th Street and Sutterville Road

<u>Summary</u>: In February 1981, the City Council directed the City Planning Commission to hold a hearing relative to possible past violations by Western Pacific and possible remedial actions which might be taken by the City of Sacramento. In addition, the Council adopted Resolution No. 81-095 which reaffirms all of the City's rights under the original gift deed to Western Pacific Railroad dated January 30, 1909 to re-enter and terminate Western Pacific's property (see exhibit A).

The staff has identified the concerns of the Sierra-Curtis Neighborhood Association such as excessive noise, night-time operation, lighting glare and dust pollution. Mitigative measures to correct these concerns are suggested in this report.

Background Information: In 1909 the citizens of Sacramento, by donations from individuals, contributed approximately \$60,000 which was used to purchase the present Western Pacific Railroad yard. This money was raised, in part, to encourage the formation of Western Pacific and to provide competition to Southern Pacific Railroad. To summarize the 1909 indenture, Western Pacific is required to maintain the donated property as their main railroad and repair shop in California. The indenture contains language establishing a procedure for substituting property in Sacramento County in place of the donated property. It provides that, in the event of any breach of the conditions, the City may re-enter and repossess the property and the right, title and interest of Western Pacific in the property shall cease.

In 1969 Western Pacific built a repair and maintenance facility in Stockton and moved some of its personnel to that site. At that time the City Council adopted a resolution indicating they were not waiving any rights which the City may have to re-enter Western Pacific's property.

In early 1980 the Planning Department received numerous complaints from residents of the Curtis Park community pertaining to the railroad operation. These complaints related to the noise and bright lights from the Western Pacific Railroad yards and, more specifically, to the piggy-back operation and machinery used to load and unload trailers onto flat cars. The staff referred the matter to the County Health Department, who determined the loading of truck trailers exceeded the night-time noise standards. However, the City Attorney determined that the Federal Government has preempted this subject from local government control.

May 7, 1981

In January 1981 the Sierra-Curtis Neighborhood Association requested that the City Council pass a resolution which indicates that the City of Sacramento has not abandoned its rights over the Sacramento Western Pacific Railroad yard and investigate all aspects of the railroad yard operation relative to the land usage and noise and visual impacts. On February 10, 1981 the City Council adopted Resolution No. 81-095 which reaffirms the City's right to terminate Western Pacific's, as well as the successor's interests in its property and to re-enter said property unless all conditions of the 1909 indenture are complied with (see exhibit B). Also, the Council directed the Planning Commission to hold a hearing and investigate possible violations and recommend mitigative measures to rectify these violations.

<u>Railroad Operation</u> - Western Pacific has furnished the following information relative to the type of shops, number of employees, and assessed valuation for Sacramento, Stockton, and the Oroville facility:

The Sacramento site contains approximately 80+ acres. The Sacramento yard is the major railroad car repair shop and trailer-on-flat-car facility on the Western Pacific. The mechanical department (repair shops) contained approximately 100 employees. The non-mechanical consisted of 288 employees. The Sacramento facility consists of: freight car truck overhaul shop; air brake repair shop; and a piggy-back facility. Attached to the report is a list of all activities at the Sacramento, Stockton, and Oroville yards (exhibit C).

In the last two years the piggy-back facility has expanded from eight cars to 20 flat cars per day. The majority of repair activity occurs in the large buildings located on the southeastern portion of the railroad property. Western Pacific in Sacramento anticipates increasing the work force twofold in the near future because of the demand for equipped boxcars. The total assessed value of the Western Pacific facilities in Sacramento is \$788,645.

A spokesman from the Western Pacific indicated that Union Pacific Railroad is in the process of purchasing Western Pacific and that there are no plans for any major expansion after this purchase is completed.

The Stockton site contains 39+ acres. The Stockton yard is a major interchange with other railroads including the Santa Fe, Southern Pacific and a number of short lines. The major function of this yard is the repair and servicing of diesel locomotives and cabooses. In addition, the yard does light repairs to freight cars and sends heavy work to Sacramento. The total assessed value of the Western Pacific facility in Stockton is \$376,775.

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May 7, 1981

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The mechanical department (repair shops) contains a total of 225 employees. The non-mechanical consists of 552 employees.

In 1969 there were a total of 226 employees in Sacramento and 79 in Stockton. At that time a new engine repair facility was constructed at the Stockton yard which increased the number of employees to 259 and, due to relocation of employees, decreased the number of employees in Sacramento to 188. However, in 1971 Western Pacific expanded the Sacramento facility and relocated employees from other areas such as Oroville and thereby increased the number of employees in Sacramento to 242.

In general, it appears, based on facts submitted, that Sacramento is the major area for the origin and termination of railroad traffic and dispatching center for Western Pacific Railroad. It is also considered to be the major railroad repair center for Western Pacific. However, with the addition of the piggy-back operation and greater emphasis in the near future on this type of activity, staff not only has concerns regarding the impact on the neighborhood from such activity but also has concerns that the car repair shop function would be scaled-down and possibly relocated.

<u>Staff Evaluation</u>: The following is a review of the concerns of the neighborhood and staff's analysis of possible mitigative measures that can be applied:

- Land Use and Zoning The subject railroad property contains approximately 80+ acres that are zoned M-2, Heavy Industrial. This zone permits the manufacture or treatment of goods from raw materials. Such uses as cement products manufacturing, fuel yard, lumber yard, truck and tractor repair, terminal yard-trucking, and railroad yard and shops are allowed in the M-2 zone. Therefore, the subject property has the appropriate zoning and the uses are consistent with that zoning.
- Noise, Lighting and Dust Impact One of the major 2. complaints from the neighborhood is the noise attributed to the piggy-back operation and the lighting system which glares into the residences on 24th Western Pacific has located its operation Street. of the trailers-on-flat-car facilities (piggy-back) next to homes on 24th Street. For the residents whose homes border on the railyard, the most offensive part of the piggy-back operation is the actual loading and unloading of the trailers of the flat cars by a diesel jitney that is approximately 24 feet in height. The piggy-back activity is performed on a run-around track which comes within 50 feet of residences on 24th Street. According to the residents,

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the diesel jitney makes a whining noise as it lifts and lowers the truck trailers and involves in screeching of brakes, banging of metal arms and high pitched back-up warning systems. Several residents have indicated that the piggy-back activity continues to the late evening and starts as early as 5:00 in the morning.

In addition to the noise problem, the piggy-back activity required the installation of a lighting system. This lighting system consists of eleven lighting standards that are 30 to 40 feet in height. Residents have complained that these lights are kept on all night and they shine directly into the windows and yards of 24th Street residences and are visible several blocks away in all directions.

The third concern relative to the piggy-back operation is the dust problem. The increase truck traffic and the jitney operation on non-paved areas causes a substantial amount of dust in the area. The fourth concern is the visual and aesthetics problems on the boundaries of the yard. Specifically, the area on 24th Street between Portola Way and Donner Way is visually unattractive.

The Sacramento County Health Department investigated the noise concerns and found that there were certain times during the day when the noise exceeded the peak level of the City Noise Ordinance. The peak level during the day reached 80 dBA. Also, the noise level exceeded the 70 dBA standard at certain times during the evening hours.

The City Attorney's office has researched the noise problem relative to the piggy-back operation and has concluded that the Federal Government, Environmental Protection Agency, has preempted this subject from local government control.

<u>Site Inspection</u> - The staff, as well as two Commissioners, Councilman Thompson, and members of the Sierra-Curtis Neighborhood Association inspected the railroad yard operation on Monday, May 4, 1981. This report was completed prior to this on-site inspection. However, staff will present further information from the site inspection at the Commission meeting.

<u>Mitigative Measures</u> - The major concerns identified are - 1) noise, 2) lighting, 3) dust, and 4) visual and aesthetics. The following are suggested mitigative measures:

The noise problem is attributed to the loading and unloading of the trailers onto flat cars by a diesel jitney. To reduce the noise of the jitney it is suggested that mufflers be installed. Western Pacific should also study

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May 7, 1981

the feasibility of installing a sound wall between the major noise source and the adjacent homes or relocating the trailer loading and unloading activity to the center of the property at a reasonable distance from the homes.

The lighting problem can be mitigated by lowering the light standards and installing glare shields and possibly using a less intensive light source. An alternative to eliminate light glaring problems and terminate the major noise at night would be to eliminate all piggy-back activities including lighting between 11 PM and 6 AM. In respect to the dust problem, staff suggests that all the areas used for truck maneuvering and roadways be paved with asphalt or concrete.

The northerly portion of the subject property along 24th Street between Portola Way and Donner Way is visually unattractive. Western Pacific should provide some screening method such as landscaping and a solid fence along the street frontage and portion of the alley. This would visually improve the overall appearance of the neighborhood.

Expansion of Railroad Facilities - In analyzing the data presented by the Western Pacific, it appears that greater emphasis will be on the piggy-back type of activity in the Western Pacific operation. However, Western Pacific has not indicated any future expansion in the Sacramento yard. In addition, the Union Pacific Railroad is in the process of purchasing Western Pacific. If the Union Pacific anticipates any expansion, a master plan should be submitted to the staff for review. The Union Pacific should also be made aware of the concerns identified and the mitigative measures suggested in this report.

<u>Staff Recommendation</u>: From the data submitted, staff concludes the Sacramento yard is the major railroad repair center for Western Pacific. However, the railroad has expanded into a piggy-back type operation which has created several adverse impacts on the residential neighborhood that must be mitigated. Therefore, staff suggests the Commission transmit to the Council the identified concerns and suggested mitigative measures, as discussed in this report, relative to:

- 1. Noise
- 2. Dust
- 3. Lighting
- 4. Visual Aesthetics
- 5. Master Plan of Railroad Site

Respectfully submitted,

Weitman Wilfred

Wilfred Weitman, Senior Planner

WW:sg

M-564

May 7, 1981

EXHIBIT A

MAYOR

# RESOLUTION No. 832

Adopted by The Sacramento City Council on date of

WHEREAS, Western Pacific Railroad Company was given certain property presently located within the City of Sacramento upon the condition that it be used for its main railroad and repair shops in the State of California, and

WHEREAS, the reversionary interest in said property vests in the City of Sacramento with the right to terminate the ownership of Western Pacific and re-enter said property if the condition set forth in the gift deed to Western Pacific is not complied with, and

WHEREAS, Western Pacific intends to transfer a number of its employees presently working at the Sacramento Railroad yards to a new facility in Stockton, California, and

WHEREAS, said transfer of employees will result in a greater number of employees working in Stockton, California, than in Sacramento, California, and

WHEREAS, Western Pacific intends, no later than the year 1971, to increase the number of employees in the City of Sacramento so that it will closely approximate the number of employees working in the City of Stockton and to increase the plant facilities in the City of Sacramento so that they will have much greater value than the facilities located in the City of Stockton, and

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That, in reliance upon the assurances of the Western Pacific Railroad Company as to its future plans to increase the number of employees in the City of Sacramento and to increase the value of its facilities located in the City of Sacramento, the City of Sacramento will not institute proceedings at this time to terminate the ownership of Western Pacific in the land upon which its maintenance, shops are located in the City of Sacramento, and to re-enter said property, provided, however, that this decision of the City of Sacramento may be changed or modified at any time hereafter and shall not be construed in any way whatsoever as constituting a waiver of the rights of the City of Sacramento to terminate Western Pacific's interest in its property and to re-enter said property.

ATTEST:

CITY CLERK

EXHIBIT C



# Western Pacific Railroad Company

Law Department 526 Mission Street San Francisco, CA 94105 Telephone 415 982-2100

# RECEIVED

APR 1 1981 CITY ATTORNEY'S OFFICE Walter G. Treanor Sr Vice President-Law Katherine M. Griffin Eugene J. Toler Anthony C. Ching General Attorneys

#### March 27, 1981

#### File: 192

Mr. James P. Jackson City Attorney City of Sacramento Department of Law 812 Tenth Street Sacramento, CA 95814

Dear Jim:

I hope you understand the difficulties I am having in giving a meaningful report while I am almost 3,000 miles away. I regret the circumstances which have required my presence here in Washington for such a long period but I can understand the reasons for your insisting upon at least a preliminary report prior to my presently scheduled return late on April 8th.

I am asking my office to forward to you as enclosures herewith figures which will reflect the current employee count at Sacramento, Stockton and Oroville.

A few explanations would appear to be in order so that there is no initial confusion regarding these figures. The documents forwarded to you should break down the employee count as between shop employees and other transportation people. As I am sure you will recall there are several reasons for the increase in Stockton and they are totally unrelated to the situation at Sacramento and they do not and should not be construed as reflecting any diminution in our activities at Sacramento vis-a-vis Stockton. First, as to the mechanical or shop employees that are at Stockton they are engaged in diesel work, none of which was ever performed at Sacramento. They do represent a shift in the diesel servicing facilities essentially from Oroville to Stockton.

The heavy number of non-mechanical or shop people located at Stockton is as a result primarily of the fact that Stockton is an area where we have our greatest number of interchanges with other railroads including the Santa Fe, Southern Pacific and a number of the short lines and the number of transportation employees whose home terminal is at Stockton has not substantially changed over the many years we have been in business. The home terminals of the transportation people are influenced by a number of factors primarily the fact that they are distance related as well as hours of service related under Federal law. Also enclosed herewith is a report from our mechanical people as to what is presently going on in Sacramento and what our future plans for that area are in the nature of shop work. The main thing I want to emphasize at this time is that traileron-flatcar service is the major coming activity in the railroad business, particularly with the deregulation, by the Federal Government, of that activity and as you can see we have been planning for some time to emphasize that activity and its future growth in the Sacramento area.

I should also point out with regard to the Sacramento yard that we have made many improvements in the yard in order to enable us to better serve Campbell Soup, the Sacramento Port and other industries that we have been working with to further major industrial development in the Sacramento area. When you consider the Sacramento Port area, Campbell Soup and the T.O.F.C. operations I think you will immediately recognize the importance of the Sacramento area to our company.

Attention should also be called to the fact that our dispatching operation is centered in Sacramento (although not at the yard where we attempted to move them before we were enjoined by a court upon complaint of the Unions). This is another evidence that we are centralizing our operations as always in the Sacramento area.

Also enclosed herewith are the figures showing the assessed valuations of our properties at both Sacramento and Stockton (as well as Oroville) and I believe this will again emphasize our compliance with the requirements of the deed.

I was very disappointed, when I talked to my office on this matter, to find out that we had not finalized a recitation of the activities at all three yards but I am hopeful that by the time this letter goes out we will have received a report on those activities at Stockton and Oroville as well as the Sacramento area.

I trust that you will recognize that Sacramento is a major area for the origin and termination of traffic on our railroad as compared with the situation at Stockton where we do interchange with other railroads but which is not a major origin and termination of traffic industry-wise.

Please recognize that I am attempting to give you this report by dictating over the telephone from some considerable distance away and I trust that you will keep open the offer to provide additional information which we deem relevant to the question we are both struggling with. I will call you upon my return to the Bay Area and meanwhile if you do have any

EXHIBIT C

questions please do not hesitate to call Mrs. Fafoutis who will continue to keep me advised on this matter.

Best personal regards,

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WALTER G. TREANOR

WGT:df attach.

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(SNOP) - Mechanical Department authorized forces at the three points are:

Sacramento	-	91 (4 salaried, 87 agreement)
Stockton	-	225 (7 salaried, 218 agreement)
Oroville	-	28 (all agreement)

Additional authorized forces at the same three points are shown in the table below:

Department	Sacramento	Stocktor	n <u>Orovil</u>	<u>le</u>		
Transportation						
Salaried	11	6	3			
Agreement	124	269	78			
Totals	135	275	. 81			
Engineering (M/W, Sign. Comm)						
Salaried		3	4	•		
Agreement	32	· <u>37</u>	23			
Totals -	40	40	27			
Freight Claims	1 (agreen	vent) -	-			
Security	1 (salari	ied) 1 (	(salaried) -	· .		
Total Operating De	pt. 268	541	136	•		
Marketing	2 (agreen	nent) 2 (	(agreement) -			
Stores	6 (agreen	ment) 8 (	(agreement) 5	(agreement)		
Law/Claims	l'(salari	ied) 1 (	(salaried) -			
Intermodal/WPT	<u>11</u> (4 sal.	7 agmt <u>) -</u>				
Grand totals	288	552	141			

1980-81 (latest Available) Assessed Values of Western Pacific Facilities at Sacramento, Stockton and Oroville, California.

920-81 Assessed VALUE 366 080 886 34 7A 1 90.526 Ac. USAble 5745 0.89 mile MAin Line Trepsk 14.82 Other track 11 385 650 TOFC/COFC fAC. 59470 Shop mach Yard bldg. 542 Office + Store house # 516+517 Modular office bldg 2450 15170 4020 900 Vacd lighting Prung + driveways 1320 Misc. Sta 640 1510 WATER FAC. fuel oil fac. Mich. + erecting shop + 514 CAR shop = 518 Store bldg = 521 114000 11710 27 190 40820 Misc. shop fac. PR PL Mach: 3 390 5 895 All track 15.71 Miles (Allocation) Allocated Main Line Rolling stock Other track 2620 5690 195 820 Material & supplies Equipment Furniture Total Sacramento Shops AREA 3440 788 645 886 39 9F 1 38.878 Ac. USAble MAIN Line tRACK 6.85 mile other Franck YARd MASTER'S office 53750 -Hockton None 5260 3035 2120 Store bldg Diesel house 35440 2070 Bidgs = 2600 + 2601 2810 Con Eppeir shelter -----.270 Storage tAuks 400 Misc. shop f.Ac. 20060 Shop mach. Round house & mach shop 49710 1520 Diesel pump house Ofice bldg Inspection pit Spading fpc 6710 أمسيا والمراجع 11150 3740 1940 fac.\_\_\_\_ Lube ói 1020 Mise mach 19410 Paving + Roads Allocated All TRACK Other trac 2570 Material & supplies Furniture 2630 149980 1180 Furniture Total Stockton Diesel Terminal A 376775

Conpent Assessed Values of Western Parific Facilities (continued)

1980-81 Assessed VAlue 5480 886 4 4 4 por only - 4.5 Ac. 4k 7 10 CREVILLE 1030 4k 6 30.64 Main live track Other track - 3.82 miles (Approx.) 33 700 Nore 2935 2810 M. of W. bldg ... Mise fuel stA. FAC. Shop MACH. Mise fAC. Mise Water fAC. Storehouse = 642 2560 2730 3550 790 5250 7650 Mise shop fac. Allocated All tRack tock (other tak.) Rolling stock (other tak.) Material + Supplies Total OROVILLE General Terminal Ace 1435 1465 215900 287 295

1100 EXHIBIT

San Francisco - March 3, 1981 File - 192

# Mr. W. G. Treanor:

RECEIVED MAIN 3 1981 LAJA DEPT. Please refer to your letter of February 26, 1981, File: 192, regarding correspondence from the City of Sacramento's Attorney regarding Sacramento Yard operations.

In review of the above mentioned file, it seems reasonable at this time to look at activities over the past few years at our Shop facilities.

(1) We have rebuilt our Blacksmith Shop into a Freight Car Truck Overhaul Shop. Since the beginning of our railroad, trucks were overhauled at several points out on line. Now they are all overhauled at Sacramento in a modern and well-equipped shop. Techniques developed and used here (such as replacement bolster gibs and hardened replacement bolster bowls) have been adopted by most of the nation's railway systems.

(2) Even though comment has been made relative to moving locomotive repair out of Sacramento to Stockton, nowhere to my knowledge has anyone acknowledged that the Oroville locomotive facilities were moved at the same time and most of the wheel work at Oroville actually wound up at Sacramento. This work has increased at Sacramento in areas such as reclamation of axle bull gears which was never done at any of our facilities until three years ago.

(3) In order to increase productivity of heavy repairs, four (4) new tracks were connected to the "back shop" two years ago.

(4) In order to upgrade the shop, all the wood shop doors were replaced with rolling steel doors at a cost of \$46,000 last year.

(5) Contrary to our allegedly reducing work at Sacramento (overhauling an entire series of cars had not been done at Sacramento since before 1964), during 1978 we elected to completely rebuild 25 gondolas (4401-4425). We also rebuilt 29, 70-ton boxcars and converted them to XLIs (60411-60439). We also built 14 container flatcars (13301A-13307B). In 1979 we built 12 highside gondolas to handle Alfalfa cubes (5001 series). For the last year or so, because of a generally depressed economy, this activity was reduced. However, now being tooled for such work and in view of a business up-turn in general, we plan to immediately increase our work force and plan to repair an additional 112 freight cars within the next 12 months.

(6) Capital expenditure for tooling and equipment this year at the Shops will exceed \$100,000.

Mr. W. G. Treanor Page 2. March 3, 1981 File - 192

(7) Repair of air brake parts at one time was accomplished at four outside points as well as Sacramento. Now we have combined <u>all</u> this work at Sacramento Shops (which includes valves, pistons, reservoirs, slack adjusters, etc.). This practice was started about six years ago, and in addition, recently with the event of air bags used in equipped boxcars, we have begun to repair these at Sacramento Shops also.

(8) Repair of equipped boxcars (as increasingly used by several customers in the local area) has caused an increase in the tempo at our shops' forces and we foresee a great increase in future activity to the point where twice the amount of present employment could be required. This work force, of course, would be drawn from the local area.

(9) All freight car axle roller bearing repair and rebuilding is done at Sacramento. Note here that old style "friction bearings" are phasing out resulting in more roller bearing work being required.

The above for your information and use.

ustaro

W. Mustard

San Francisco - March 30, 1981

File - 352

# Mr. W. G. Treanor:

Further in reference to my letter of March 3, 1981, File: 192, wherein I gave you a review of Sacramento Yard and Shop operations.

Per your request, below find somewhat similar information covering Stockton Locomotive Facility, Stockton Car Facility, and Oroville Locomotive and Car Facilities.

#### Stockton Car Facility

The repair track here operates on the one-spot principal, which is a system of making light repairs to freight cars in one work area. Heavy work is sent to Sacramento Shops. A 75-foot by 225-foot shed covers 3 running tracks, one of which is equipped with an in-floor hydraulic jacking system. Overhead supply lines and reals eliminate hose congestion on the floor. Enclosed subsidiary shops provide miscellaneous minor air brake, pipe and wooden parts. The majority of material required for light repair is stocked on the floor adjacent to work locations. This facility is equipped to handle most types of running repairs.

There is also one additional outside rum-through track for repair of cars which do not lend themselves to the one-spot principal, such as replacement of cushion underframe units, load divider overhaul, truck swaps (replacement of worn-out car sets for completely rebuilt car sets), COT&S on unit beam ABD air, application of sill splices and minor programs which do not merit the forwarding of equipment to Sacramento Shops.

Approximately 600 light repairs and 2 heavy repairs are completed monthly at this terminal. Operations are on a six-day, one-shift basis, for repair functions. Train yard work is on a seven-day, three-shift basis.

Caboose repair and servicing is also done on a specially designed caboose repair track. All 64 system cabooses are assigned here for running maintenance. Stockton is used for caboose maintenance since most trains originate here. Mr. W. G. Treanor Page 2. March 30, 1981 File - 352

Within the train yard, two service track, with a capacity of 150 cars are used for preparation and washing of freight equipment. These two tracks are also equipped to provide light running repairs which, in many cases, eliminate the handling of bad order cars to the RIP track facility for a second time.

#### Oroville Locomotive Facility

This service facility consists of two tracks with three fuel risers, a fuel storage capacity of 475,000 gallons and lube oil storage capacity of 10,000 gallons. A turntable and one pit track are available if needed. Occasionally FRA inspections and truck lubes are done at this terminal. Locomotive work in general has decreased at this terminal.

#### Oroville Car Facility

Three repair tracks of 10-car capacity each are located here. This is a typical open air facility and is partially paved. A semi- one-spot principal is used with centrally located tools and material.

All types of running repairs and maintenance can be performed at this terminal as well as semi-heavy repairs. Approximately 181 cars are repaired and released on a monthly basis here.

A 200-ton industrial brownhoist derrick and complete wrecker outfit works out of this terminal (a strategic location at the lower end of 112-mile Feather River Canyon).

#### Stockton Locomotive Facility

This facility consists of a prefab 10-stall concrete roundhouse and an adjacent machine shop which was built in 1927 and is part of the present complex. A large addition was built in 1969 and now serves as the major locomotive facility on the Western Pacific.

Mr. W. G. Treanor Page 3.

## March 30, 1981 File - 352

The new shop building encompasses an area of 42,400 square feet, the roundhouse 20,300 square feet, a storage/store/training center of 9,300 square feet and the Lab and Engineering office 1,500 square feet. The heavy repair bay portion in the new shop has a capacity of two locomotives and is equipped with a 30-ton overhead traveling crane. The running repair portion of the new shop has a capacity of 10 locomotives combined on two through tracks and one stub track. Two of these tracks are equipped with a drop table which releases in the heavy repair bay. Two five-ton overhead traveling cranes are also in place. The roundhouse has seven stalls used principally for switch engine repair and heavy wreck work. Two additional stalls are used for heavy material storage and one stall has been converted to a paint shop where two units per month are completely repainted. Five additional tracks radiate from the turntable. Within this complex are located a tool room, air brake shop, electrical shop, and a component parts room, which provides for rebuilding of radiators, oil coolers, water pumps, journal boxes, air compressors and renovation or rebuilding of similar components.

Three outside service tracks are provided, one of which has a pit. Five fuel risers are located between these tracks as well as an automatic wash rack. Forty-five units are serviced and dispatched on a daily basis.

Periodic maintenance and inspections are performed on a current monthly basis at this shop. Also, major locomotive parts are replaced on locomotives at this facility.

The major reason our Stockton facility has grown to its present proportion is that prior to the transfer of employees from Oroville to Stockton, at the advent of our new Diesel facilities there, we had well over 100 employees at Oroville locomotive shop. Today, we have a mere 5 employees at Oroville.

After the advent of the Diesel locomotive, our railroad, along with all railroads over the entire country, reduced forces substantially because maintenance on Diesel locomotives was minute compared to the huge task of overhauling a steam locomotive, which took sometimes up to three months or longer to overhaul, whereas Diesels are in and out of repair shops but a few days or in major accident cases, a few weeks or more.

Prior to transfer of employees from Oroville and Sacramento, practically all locomotive work was done at Oroville and Stockton, except for handling of switch engines and some minor work when required. Mr. W. G. Treanor Page 4.

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Sacramento Shops is our major Car Shop on the Western Pacific and is again growing. Just this week we are increasing forces another eight or ten employees, bringing our employee force there close to 100. Undoubtedly, it will continue to grow rather than deteriorate.

R. W. Mustard

Exhbit d

Walter G. Treanor Sr Vice President-Law Katherine M. Grillin Eugene J. Toler Anthony C. Ching General Attorneys

# April 29, 1981

File: 192

Mr. James P. Jackson City Attorney City of Sacramento Department of Law 812 Tenth Street Sacramento, CA 95814

Western Pacific

Law Department

526 Mission Street San Francisco, CA 94105 Telephone 415 982-2100

Railroad Company

#### Re: Sacramento Yard Hearing

Dear Jim:

Please refer to my letter of March 27, 1981, and particularly to the enclosures therewith. Among the enclosures are some handwritten documents purporting to set forth assessed values of our properties at Sacramento, Stockton and Oroville. Upon my return to the office a quick review thereof suggested to me that all of those figures were extremely low and upon investigation I discovered that while they are accurate they are not complete. Our people misunderstood me as wanting the assessed values only of certain physical facilities (this will be clear from a review of the material earlier sent).

I am now enclosing a more complete set of figures for the three locations. The front sheet is the current assessed valuations of all of the operating properties at the locations described. As the note on the front sheet shows this is for operating plant only and the attached assessment roll detail would be higher because it includes non-operating property.

I should also point out that at all the locations the assessed valuations are considerably lower than the valuations would have been prior to the April 1979 purchase of all of our facilities from the holding company. While it boggles my mind I am now told that the assessed valuations are based on the purchase price of the total properties (we purchased the properties from the holding company for \$14 Million cash and the assumption of debt in excess of \$100 Million). I mention this so you won't be confused as to the difference in these figures from the last time we had a go around on this matter in 1969. If further refinement is considered necessary or desirable I am sure we can attack that as the City's investigation continues. This material is simply in response to your request for some starting point information in connection with the hearing on May 7th.

Best personal regards,

#### WALTER G. TREANOR

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WGT:df

cc: Mr. Marty Van Duyn Planning Director 725 J Street Sacramento, CA 95814

The Western Pricific Railword System 1980-81 State Bond of Equalization Assessed Values of Railroad's tor Operating Property Within City Limits of Surramento And Stockton And Within the Orouille Area of Butte County: Assessed Values Description LocAtion LAND - Right of WAY, YARds, 589 640 SACR'AMEN etc. Improvements: 11300 TRACK STRUCTURE. Buildings, paving, etc. 409 620 296 560 PERSONAL PROFERT 56540 Rolling stock FURNITURE, COMMUNICATIONS, etc. 79320 22 180 1078580 SACRAMENTO -TOTAL 252.440 LANd Stockton FRACK STRUCTURE 51 180 339 400 288 220 IMPR --buildings, etc 25600 Pers. Prop. - Rolling stock furniture, etc. 42510 16910 634 350 STOCKTON TOTA 140700 OROVILLE AREA LAND 43350 FRACK STRUCTURE 91560 Impr -21 700 PERS. Prop. - Rolling stock furmiture, etc. 30790 9090 263 050 TotAL OROVILLE AREA Note: Above is operating plant only. DRAW-of Assessment Roll detail attached includes Non-operating property and material and supplies. Gondon E. Ingle MANAGER- PROPERTY TAXES SAN FRANCISCO, CALIF. April 16, 1981

## SIFRRA-CURTIS NEIGHBORHOOD ASSOCIATION 2771 24th Street Sacramento, CA 95818

RECEIVED MAR 2 0 1981

March 18, 1981

City Planning Commission

Mr. Marty Van Duyn Planning Director 725 J Street Sacramento, CA 95814

Dear Mr. Van Duyn:

The Sierra-Curtis Neighborhood Association is dedicated to the education, recreation, safety, general welfare, and improvement of the portion of Sacramento known as the Sierra-Curtis Neighborhood. We are especially concerned with the impact that the Western Pacific Railroad Yard has on our immediate neighborhood. We have expressed our concern on numerous occasions to officials of the City of Sacramento, and we sponsored the passage of the February 10, 1981 resolution adopted by the City Council which reaffirms the city's right to assume ownership of the Western Pacific Railroad Yard unless it is operated within all terms of the 1909 indenture.

At that February 10 meeting, the Council directed the City Planning Commission to hold a hearing relative to "pessible past violations by Western Pacific and possible remedial actions of the widest sort which might be taken by the City of Sacramento." Consultation with the City Attorney and our association was urged within a "reasonable time frame," possibly 30-45 days.

The purpose of this letter is to offer the Sierra-Curtis Meighborhood Association's suggestions for the direction of this hearing. Two major tasks are opparent.

# I. Possible Violation of the 1909 Indenture.

The first priority of the Commission should be to document, in conjunction with the City Attorney's office, the extent of Western Pacific operations over the past ten years at their Sacramento, Stockton and Croville facilities, for the purpose of determining whether Sacramento is the "main railroad and repair shop in California" of Western Pacific. Various indicators should be investigated, including annual net investment in improvements, personnel, number of repairs performed, number of rail cars switched, volume of freight processed, and type of operations conducted. We would suggest that assessed valuation may not be a useful indicator, due to the statewide valuation of "unitary" railroad-owned property (that used in rail operations), which does not permit official application of specified assessed values to individual parcels or facilities. Changes in types of operations, as well as in land usage, should Mr. Harty Van Duyn March 18, 1981 Page Two

be considered in this evaluation. A case should then be made to the City Council establishing the City's present right to reenter this property. This leverage will place the city in a unique position to exercise some local control over the operation of a railyard and to rectify the onesided determination of what was originally intended to be a mutually beneficial relationship.

# II. Examination and Resolution of Neighborhood Conflict

The City Planning Commission should also prepare, in conjunction with the SCNA, the framework for the new formal agreement between the city and the Western Pacific or its successor concerning the future use of this property. This new agreement should establish the railroad as a good neighbor whose existence on this property will fulfill the original intent of the grant "for public benefit of the inhabitants of the said city and vicinity." This will entail:

- A. The investigation and documentation of neighborhood problems with the present mode of operation of the Western Pacific railyard. This includes:
  - 1. The environmental impact of railyard operations-
    - o violations of the city's noise ordinance,
    - intrusive glare from recently installed sodium vapor lighting system,
    - o night-time operations,
    - dust and air pollution from increased truck traffic and jitney operation,
    - visual and aesthetic problems on the boundaries of the yard,
    - dumping of garbage and waste materials on the site.
  - 2. Safety Problems--
    - the frequency of derailments,
    - handling of hazardous materials.

Solutions could be explored for each of these problems and others that come to light as a result of the Planning Commission's investigation.

B. Equally important, the City Planning Commission should also determine the plans Union Pacific has for the yard following the pending merger, and Western Pacific's own plans for the next two years. Both railroads must have master plans for development and operations. Union Pacific documents submitted to the ICC may be indicative of such plans. Mr. Marty Van Duyn March 18, 1981 Page Three

> From the second phase of the hearing, the City Planning Commission should have a good picture of the present and future status of the Western Pacific Railyard and its impact on neighboring city areas. This should form the basis for the negotiation of a new relationship with the railroad which would alleviate the present detrimental situation and also insure future protection for the city.

I hope these suggestions clarify what our association sees as the role of the Planning Commission in this matter. That role is an ambitious one but we are ready to cooperate with you throughout these efforts. Please don't hesitate to call upon me or Bob Leland (322-3730, days) for assistance.

Sincerely CULLUR.

Peter A. Lauwerys (442-17167 President

