

Innovation in Community-Driven Railway Technology

Mendocino Railway

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MENDOCINO RAILWAY CELEBRATES 20TH ANNIVERSARY AND EMBARKS ON HISTORIC INFRASTRUCTURE PROJECT

Fort Bragg, California – (May 6, 2024) – Mendocino Railway, a wholly owned subsidiary of Sierra Railroad Company proudly announces a significant moment in its history as it celebrates its 20th anniversary on May 1, 2024, marking two decades since it revived the California Western Railroad / Skunk Train (CWR) from bankruptcy. Mendocino Railway is also embarking on an historic infrastructure project, putting its recently awarded Railroad Rehabilitation & Improvement Financing (RRIF) loan funds to work, starting on May 28th, at Tunnel #1's east portal along the Noyo River.

The journey to this point has been one of revival, resilience, and commitment. In 2004, Mendocino Railway acquired the CWR, reviving it and preserving freight and passenger service for the community. This acquisition marked the beginning of a \$30 million transformation of the line.

Mendocino Railway now stands at the threshold of a new chapter, having secured a \$21 million RRIF loan from the Build America Bureau (BAB), a division of the U.S. Department of Transportation (DOT). The RRIF loan program exists to further the DOT's policy of ensuring that communities—especially rural and underserved communities—will continue to benefit from freight and non-excursion rail service, providing funds to restore and rehabilitate railroad infrastructure. The DOT granted its RRIF loan to Mendocino Railway for those precise purposes. The loan will be instrumental in allowing Mendocino Railway to make necessary line improvements, including restoring Tunnel #1.

Mendocino Railway's President, Robert Jason Pinoli, stated, "This is an exciting time as 2024 marks my 32nd year of railroading. The CWR holds a special place in my heart and this RRIF loan brings our combined investment in the line to more than \$50 million. It's a crucial step towards

ensuring that the CWR remains capable of providing passenger and freight rail service to our communities for years to come."

The objectives of Mendocino Railway's project include rehabilitating Tunnel #1, replacing rails and ties, making siding improvements, and improving 27 bridges. These enhancements will rejuvenate a vital transportation corridor and help bring economic opportunities to Mendocino County's people and businesses.

Securing this loan is a testament to Mendocino Railway's perseverance and dedication, as the process began nearly four years ago, in May/June 2020, when Mendocino Railway submitted its initial interest letter for RRIF and the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance. The Federal Railroad Administration (FRA) initiated its review of the environmental, legal, and engineering aspects of the project in August 2020, as required under the National Environmental Policy Act (NEPA).

Despite challenges—including delays caused by the City of Fort Bragg and the California Coastal Commission ("CCC")—Mendocino Railway remained steadfast in its commitment and the FRA completed a thorough environmental review, culminating in the issuance of a Categorical Exclusion in July 2022. In response to CCC concerns, the FRA conducted additional review before affirming its initial determination. Mendocino Railway emphasizes its commitment to environmental stewardship and assures the public that the FRA conducted a comprehensive review of the project, fulfilling its NEPA responsibility.

This monumental achievement reflects upon the CWR's profound transformation since 2004: from the brink of closure to record-breaking milestones, this journey symbolizes the strength of Mendocino Railway's vision and the unwavering support of its staff, visitors, and supporters. This journey would not have been successful without the added support of the DOT and BAB, for which Mendocino Railway is grateful.

Marking the 20th anniversary of the CWR's revival, Mendocino Railway's President, Robert Jason Pinoli, reflects, "The transformation of this iconic railway stands as a testament to perseverance and dedication. It's a journey that showcases the remarkable spirit of our team and the enduring legacy of the railroad. We are pleased to be able to improve our infrastructure so as to maintain our rail services to the community."

As Mendocino Railway marks this milestone and embarks on this historic endeavor, it extends its heartfelt gratitude to all who have been a part of this extraordinary journey, especially the FRA and BAB. Mendocino Railway looks forward to together ushering in a new era of transportation excellence, ensuring the CWR remains an integral part of our community for years to come.

California Western Railroad / Skunk Train, located in the redwood forests of Northern California's Mendocino County, is a heritage railroad that has offered and provided freight and passenger service since 1885. Initially used to move redwood logs from the rugged backcountry to coastal sawmills, the Skunk Train has become a beloved institution touted as one of the "10

Best Rail Tours in the Country" (USA Today) and a "Top 10 Family Activity in California" (National Geographic Traveler). The Skunk Train journey covers 40 miles of scenic delights, 30 bridges, and an 840-foot tunnel, while retaining its original charm—minus the pungent aroma that historically preceded its arrival. Operating year-round, this multigenerational experience welcomes passengers to bring their families, friends, and even dogs, ensuring a memorable and inclusive adventure. For tickets and more information, visit www.skunktrain.com or call (707) 964-6371. But the railroad's operations are not limited to its Skunk Train. Mendocino Railway also offers non-tourist and common carrier rail freight services in the Ft. Bragg to Willits corridor, something the line has offered since 1885. Mendocino Railway is vigorously pursuing infrastructure improvements using RRIF loan funding to improve its existing freight services and will be instituting new transload and other rail services to take polluting trucks off community roads and put that freight on rail.

Sierra Railroad Company, is a pioneer in the energy, freight, and passenger rail industries. With Sierra Energy, Sierra Northern Railway, Mendocino's California Western Railroad / Skunk Train, Sacramento's River Fox Train, and Ventura's Sunburst Train, we embody the essential spirit of California, our home since the 1800s; bridging history with sustainability, connectivity, innovation, and growth while providing valuable services to California's businesses and residents and helping craft memorable experiences for visitors. For more information, visit www.sierrarailroad.com.

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