



BOARD OF SUPERVISORS

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June 18, 2010

Dear Fellow Supervisor,

As elected officials of the Merced region and members of the Greater Merced High-Speed Rail Committee, we are writing to request your assistance. Our region is in a severe competition to secure the California High-Speed Rail Heavy Maintenance Facility (HMF). This facility will create approximately 1,500 high paying jobs and significant economic benefits to the Merced region which are greatly needed. How does this HMF facility benefit your community? Well, the HMF will draw from the labor force within a 60 mile radius in all directions, which means your City/County workforce will be drawn upon to fill these jobs. With a 22% unemployment rate, we must put all of our efforts to mobilize the northern Central Valley and show our united support behind the HMF being located in Merced County. Merced County is the most northern Central Valley stop in phase one of the high-speed system (for more information and route maps, please visit our website at [www.mercedhighspeedrail.com](http://www.mercedhighspeedrail.com)).

Though your City or County will not have high-speed rail until phase two of the system development, we need to ensure that the HMF is as far north on the proposed phase one system. Due to recent actions and discussions that have occurred at the California High-Speed Rail Authority (Authority) Board meetings, we are concerned that Fresno County is using their political muscle to secure the "Big 10" mayors to generate political support to locate the HMF in Fresno. We must show the Authority that the northern Central Valley cities and counties are united around the HMF site being in Merced County.

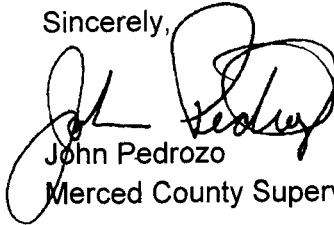
We are proud to say, that earlier this year our Committee submitted what we believe is the most competitive HMF site proposal, but we would be naïve not to factor in the importance of political and local support. ***So, if you have not done so already, we respectfully request either a resolution or letter from you in support of locating the high-speed rail HMF in Merced County.***

It is essential that we receive the requested resolutions or letters as quickly as possible. A draft letter is attached with the address of where the letter or resolution should be mailed. A copy to us would be appreciated and can be faxed, emailed or mailed to the following address.

County of Merced  
County Executive Office  
Attn: Mr. Angelo Lamas  
2222 M. Street, Merced, CA 95340  
Phone: 209-385-7543  
Fax: 209-385-7375  
Email: [alamas@co.merced.ca.us](mailto:alamas@co.merced.ca.us)

The northern Central Valley is most successful when we stand together in support of an issue and we need to fight for these 1,500 jobs. We sincerely appreciate your support and know we can be victorious when we all work together.

Sincerely,

  
John Pedrozo  
Merced County Supervisor

  
Bill Spriggs  
Mayor, City of Merced

June 2, 2010

Mr. Curt Pringle  
Chairman  
California High-Speed Rail Authority  
925 L. Street, Suite 1425  
Sacramento, CA 95814

Re: Heavy Maintenance Facility Sites in Merced County/Region

Dear Mr. Pringle

I am writing in support of the California statewide high-speed rail system as well as locating the heavy maintenance facility in the Merced region.

It is great news that the California High-Speed Rail Authority (CHSRA) is moving forward in the environmental review and development process in an expeditious manner. The high-speed rail system is greatly needed in California and is the largest statewide infrastructure project we have seen in many years. As an elected official in the northern Central Valley, I can't express to you how badly jobs are need in the region. With unemployment rates well over 20% and foreclosure rates at the nation's highest in both Merced and Stanislaus County - we are desperate for good paying full time jobs. Given the market conditions, our labor pool is abundant. The numerous educational and training institutions surrounding the area are ready to develop programs to train the workforce for heavy maintenance facility positions. The challenge is not having a clear understanding of the required positions and skill sets needed to operate and manage a high-speed rail heavy maintenance facility developed in California.

It is my understanding that the HMF's will be required for the California High-Speed Rail system for repairing, maintaining, cleaning, fueling and storing the vehicles that will serve the system and locations for possible maintenance facilities will be decided by the CHSRA in the near future. The CHSRA has estimated that the construction and operation needs of a high-speed train heavy maintenance facility will require 1,500 employees including rolling stock maintenance staff, train operators, central control supervisors and staff, system-wide engineering, maintenance of way personnel, and CHSRA management staff. These jobs are planned to be full time positions.

Bringing high-speed rail to California provides the much needed "jobs package" to put people to work immediately, and put the economy on a fast-track to recovery. It is our understanding that for every \$1 billion spent on infrastructure projects, jobs are created for 18,000 Californians. These jobs will consist of:

- Operating engineers needed for graded and earthwork;
- Laborers needed to lay the track and ties;

- Steelworkers laying rebar – the reinforcement bars that provide strength for concrete structures;
- Carpenters building forms and scaffolding around bridges;
- Plumbers who will build drainage structures;
- Workers to build the electrical grid, steel towers, and run cables;
- And electricians needed to electrify the high-speed rail track.

The direct benefits of these jobs are extremely significant in that every dollar spent on infrastructure projects comes back to the State's economy six-fold. For the reasons listed about and many more we offer our strongest support.

We are pleased that the Greater Merced High-Speed Rail Committee has submitted two proposals for the heavy maintenance facility and want to communicate to you the regional labor support for the HMF and our willingness to assist in the success of this project.

Please consider us your partners in making high-speed rail a reality in California and locating the HMF in the Merced region. Thank you.

Sincerely,

Insert Name  
Insert Title

cc: California High-Speed Rail Authority Board Members  
California High-Speed Rail Authority Executive Director, Mr. Roelof van Ark  
Assemblymember Cathleen Galgiani  
Congressman Dennis Cardoza

**California High-Speed Rail Heavy Maintenance Facility  
Letters of Support Bullets/Sample Letter**

**Please customize letter to fit your organizational mission.**

Date

Mr. Curt Pringle  
Chairman  
California High-Speed Rail Authority  
925 L. Street, Suite 1425  
Sacramento, CA 95814

Re: High-Speed Rail Heavy Maintenance Facility Site in Merced

As the development of the California High-Speed Rail system becomes a reality, we (organization's name) have been working closely with the Greater Merced County High-Speed Rail Committee (Committee) which is comprised of over 20 public officials, private sector leaders, educational institutions and community organizations from the Merced region. The main goal of the Committee is to convey to all interested parties that the Merced regional community is supportive of the statewide high-speed rail system, a route stop in the City of Merced and the location of the heavy maintenance facility at Castle.

We are aware that the California High-Speed Rail Authority (CHSRA) is soliciting Expressions of Interest (RFEI) from communities to house High-Speed Rail Heavy Maintenance Facilities (HMF) that meet the set criteria outlined by the CHSRA. HMF's will be required for the California High-Speed Rail system for repairing, maintaining, cleaning, fueling and storing the vehicles that will serve the system and locations for possible maintenance facilities will be decided by the CHSRA in the near future.

The Greater Merced County High-Speed Rail Committee is proposing several HMF sites in the Merced region, with a first-class location at Castle. This location provides a host of economic opportunities and incentives. This site is approximately 160 acres in size and has an estimated value of nearly \$21 million. Greater than 90% of this property is owned by one single entity, Merced County. In addition to having a single owner, the Castle site offers unique incentives that will greatly assist the Authority in constructing the HMF and will also help foster future development opportunities for ancillary businesses connected with the High-Speed Rail system. These incentives include, but are not limited to the following:

- Enterprise Zone
- Recovery Zone Financing Potential
- Foreign Trade Zone
- Low-cost Electricity
- Expedited entitlement processing

- Defense Base Closure and Realignment Funding Opportunities

Below outlines the economic and labor benefits of successfully locating a HMF in the Merced region:

#### **Job Creation**

- The CHSRA has estimated that the construction and operation needs of a high-speed train heavy maintenance facility will require 1,500 employees including rolling stock maintenance staff, train operators, central control supervisors and staff, system-wide engineering, maintenance of way personnel, and CHSRA management staff. These jobs are planned to be full time positions.
- If the State is successful in receiving the ARRA federal funding, rough estimates show job creation in the San Jose to Merced region to be 112,000 new jobs, while the Merced to Bakersfield region is reaching 135,000 jobs. The immediate employment needs of the HMF can be achieved by working in partnership with local colleges, educational institutions and training programs.

#### **Capital Investment/ Reuse of Castle**

- Since the closure of Castle Air Force Base, the communities of Atwater, Merced and Merced County have worked diligently to implement an effective and innovative reuse plan and strategy to maximize the unique benefits the base has to offer.
- Home to the 4<sup>th</sup> largest civilian runway in the State which is 11,800 feet long and 300 feet wide, Castle is ideal for a transportation related maintenance facility that can benefit from the existing infrastructure and cargo airport for domestic or international equipment.
- A successful siting of the HMF on Castle can serve as an anchor for other maintenance ancillary businesses.
- The County of Merced has committed to maximizing the utility of the diverse and unique infrastructure attributes of Castle, ensuring that the airport is improved and maintained.
- The airport continues to be positioned for use as a heavy cargo and maintenance facility.
- Existing infrastructure at Castle includes water distribution, sewer, industrial waste pipeline, electrical distribution, natural gas distribution, telephone system, cable system, roads, sidewalks, parking lots and storm drains.

- Over the last 10 years there have been improvements to the property including power transmission lines, fiber optic systems and sewer line extensions.

**Direct and Indirect Economic Benefits**

While it is difficult to estimate the exact economic and capital investment of the development of an HMF, facilities in other countries range from \$400M to \$900M in facility construction costs. The construction phase alone will have significant direct and indirect positive economic benefits on jobs and local income, retail and local contractor spending as well as local tax revenues. The economic spin-off effects of the HMF project both during construction and during the ongoing operation of the project will circulate through the local economy and stimulate additional job creation, income and tax benefits for the region.