



PRESS RELEASE

San Joaquin Council of Governments

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First Short Line Railroad Grant in California State History Secured by SJCOG and OmniTrax, Inc.

SAN JOAQUIN COUNTY – The San Joaquin Council of Governments (SJCOG) served as the lead applicant and secured the largest grant from California Transportation Commission’s Short-Line Railroad Improvement Program (SLRIP) in the amount of \$1,799,990 to improve the Stockton Terminal and Eastern Railroad (STE).



A short line railroad is an independently owned, financed, and operated rail company that operates over a relatively short distance, as compared to the large regional networks operated by the major railroads. The Stockton Intermodal Transload and Alternative Fuel (SITAF) Project will modernize infrastructure on STE to handle the influx of alternative diesel fuels to satisfy California and federal low carbon fuel standards. The grant will fund a safety modernization resurfacing and rail tie replacement program that removes deteriorating 100-year rail, rehabilitates degraded switches for essential connection points and replaces six grade crossing surfaces in the track.

“The SLRIP grant will greatly enhance our operational efficiency and rail operations in Stockton and preserve and improve transload capacity to meet increased in demand. The project will also significantly reduce costs, emissions and truck travel in the region. We appreciate the partnership with the San Joaquin Council of Governments, which is helping us safely connect our communities and maintain a safe, efficient and environmentally friendly supply chain,” said Sergio Sabatini, President of OmniTRAX.

The end result will be lower transportation costs for California consumers and the reduction of congested roadway corridors throughout San Joaquin County. This project is consistent with the SJCOG Regional Transportation Plan and advances policy objectives related to goods movement, air quality, environmental sustainability, safety, and economic vitality. The SITAF Project will eliminate 1,302 tons of CO₂ emissions, and 2 tons of NO_x emissions each year.

“The partnership with OmniTRAX, Inc. is a great example of how private/public partnerships are effective in advancing large infrastructure projects for the betterment of the community and economic development,” Diane Nguyen, SJCOG Executive Director, said.

About The San Joaquin Council of Governments (SJCOG)

SJCOG is the regional planning agency in San Joaquin County responsible for transportation planning, habitat conservation planning, and a range of other responsibilities that include managing the Measure K transportation program as well as housing, air quality and airport land use planning. The operating budget for the agency is over \$13 million and SJCOG programs and apportions out approximately \$150 million in transportation investments annually.

About OmniTRAX, Inc.

As one of North America's largest and fastest growing private railroad and transportation management companies, OmniTRAX's core capabilities range from providing transportation and supply chain management services to railroad and port companies, to providing intermodal and industrial switching operations to railroads, ports and a diverse group of industrial companies. Through its affiliation with The Broe Group and its portfolio of managed companies, OmniTRAX also has the unique capability of offering specialized industrial development and real estate solutions, both on and off the rail network managed by OmniTRAX. More information is available at omnitrax.com.

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