

Exhibit 3: Letters of Cooperation



North Coast Railroad Authority
419 Talmage Road, Suite M
Ukiah, CA 95482

September 11, 2008

State Coastal Conservancy
1330 Broadway 13th Floor
Oakland, Ca 94612

Dear Board of Directors:

On August 13 representatives from the City of Arcata made a presentation to the North Coast Railroad Authority (NCRA) Board of Directors summarizing the city's intention to pursue a Coastal Conservancy planning grant. As explained, the grant funds would be used to initiate the planning and design for the possible construction of a 3.8 mile coastal trail from Northern Arcata through the city and extending south to the Bracut Marsh. Most of the proposed trail would be located on NCRA railroad right-of-way.

NCRA supports Arcata's grant request provided that it is determined by the NCRA Board that NCRA's statutory authority permits the granting of easements over NCRA's railroad property for such purposes, that the trail conforms with NCRA's Trail Guidelines, and that design plans for the proposed trail are reviewed and approved both by NCRA's Project Manager and NCRA's contract railroad Operator who has raised safety issues related to the proximity of bicycle/pedestrian trails to active railroad use. Although NCRA is committed to working in a cooperative and collaborative planning effort with the goal of meeting these objectives, the Conservancy should be aware that the referenced Trail Guidelines are in the process of public review, and will not be finalized until later this year.

With these understandings, the NCRA Board of Directors supports Arcata's request for a trail planning grant which would apply to NCRA right-of-way between northern Arcata and Bracut Marsh.

Thank you for providing NCRA the opportunity to comment on the city of Arcata's grant request.

Sincerely,

A handwritten signature in cursive script that reads "Allan Hemphill".

Allan Hemphill, Chairman
North Coast Railroad Authority

cc: Arcata City Council
NCRA Board of Directors
John Williams, NWP Co.
Chris Neary, NCRA General Counsel



United States Department of the Interior



FISH AND WILDLIFE SERVICE

Humboldt Bay National Wildlife Refuge Complex
P.O. Box 576, 1020 Ranch Road
Loleta, California 95551
(707) 733-5406 Phone
(707) 733-1946 Facsimile

August 31, 2008

State Coastal Conservancy
1330 Broadway 13th Floor
Oakland CA 94612

Dear Board of Directors:

The U.S. Fish and Wildlife Service is generally supportive of community and recreational trails which provide for non-motorized and low impact transportation, quality recreation experiences (including wildlife observation), interpretation, environmental education and getting people outside and re-connected to nature. There has long been discussion of "bay trails"; both on the bay for people in boats, and around the bay for people, whether on foot, wheelchair or bike. The Humboldt Bay National Wildlife Refuge has been an interested participant in community meetings pursuing these alternative modes of travel.

The Service is generally supportive of conducting initial planning studies and assessment of the proposed bay trail segment from Arcata to Bracut. We recommend the following issues be addressed in the initial study/assessment:

- There have been several potential trail routes put forward and all need to be assessed for their impacts to fish and wildlife resources and habitats and their feasibility. Information regarding threatened and endangered species that may be affected by a bay trail in this area.
- Measures to avoid impacts to wildlife and their habitats, and to fully mitigate for all such impacts which are shown to be unavoidable should be incorporated into design alternatives.
- Impacts of future sea level rise as a result of climate change should be considered in design alternatives.
- Other stakeholders including the California Department of Fish and Game, Coastal Commission, Humboldt Bay Harbor, Recreation, and Conservation District, California Waterfowl Association, the North Bay Mariculture Industry, Audubon, etc. should be contacted for their input/concerns.

We look forward to reviewing any initial studies and assessments related to the bay trail segment between Arcata and Bracut. We are anxious to work with the Conservancy to find a project design that will both meet project purposes, and conserve the valuable fish and wildlife resources of the Humboldt Bay area.

If you have any questions, please contact me at 707-733-5406, or Randy Brown, Deputy Field Supervisor of the Arcata Fish and Wildlife Office at 707/822-7201.

Sincerely,

Eric T. Nelson
Refuge Manager

