

September 26, 2018

Mr. Greg Smith
Project Manager
Linn Economic Development Group
435 West First Ave.
Albany, OR 97321

RE: Mid-Willamette Valley Transload Project, Millersburg, OR

Mr. Smith,

This letter is in regards to on-going conversations between our teams concerning the proposed Mid-Willamette Valley Transload Project at Millersburg, OR. The Union Pacific Railroad ("UP") has reviewed the preliminary rail layout (Project Schematic) for the Millersburg, OR transload and industrial complex and finds the design conceptually acceptable. While UP cannot make a commitment on any specific commodity type nor level of service at this early stage, the UP looks forward to working with the Linn Economic Development Group to further progress the project into formal design and examine potential commercial opportunities. It goes without saying that the UP is excited by the eagerness of your staff as well as that of the community to develop a highly functional, rail-served complex at the site of the former International Paper Mill.

In the weeks ahead, the UP team desires to again meet with your staff and the community leaders to discuss next steps. We have much to discuss and the UP team is ready to engage your team and support staff immediately.

I look forward to hearing from you very soon.

Sincerely,

Paul F. MacDonald

General Director Network Economic & Industrial Development

Union Pacific Railroad Company

Ref: Project Schematic - Phase 1, RailPros Field Services, 08-23-2018

