



BUILDING AMERICA®

December 20, 2021

Honorable George Gascón
Los Angeles County District Attorney
District Attorney's Office
211 West Temple Street
Suite 1200
Los Angeles, CA 90012

Re: Union Pacific Railroad Train Thefts and Safety Concerns

Dear District Attorney Gascón,

On behalf of Union Pacific Railroad (UP) and our 1,600 employees covering 275 miles of track at our nine rail facilities throughout Los Angeles County, I am reaching out to request your leadership, attention, and immediate action to the spiraling crisis of organized and opportunistic criminal rail theft that is impacting our employees, customers and supply chain industry.

UP plays a vital role in the Los Angeles County, California and U.S. transportation and goods movement system. That system has been in keen focus this past year throughout the national supply chain crisis. Our extensive rail network and facilities provide the County an economic engine that drives commercial and workforce development in various transportation, retail, and industrial sectors. In fact, UP has been recognized by the White House, California Governor's Office, and the Ports of Los Angeles and Long Beach for our committed efforts to provide supply chain solutions that increase economic fluidity and associated public benefits.

While operating a freight railroad is our primary business, safety is our top priority. Since December 2020, UP has experienced an over 160% increase in criminal rail theft in Los Angeles County. In several months during that period, the increase from the previous year surpassed 200%. In October 2021 alone, the increase was 356% over compared to October 2020. Not only do these dramatic increases represent retail product thefts – they include increased assaults and armed robberies of UP employees performing their duties moving trains.

Specifically, just over the past three months of intermodal peak season in preparation for holiday shopping, UP has had the following experience in Los Angeles County:

- On average, **over 90 containers compromised per day**.
- In partnership with Los Angeles Police Department (LAPD), Los Angeles County Sheriff's Department (LASD), and California Highway Patrol (CHP) we estimate **over 100 arrests** have been made of active criminals vandalizing our trains. UP alone making several dozens of arrests.
- With our law enforcement partners we have **deterred hundreds of individuals** from trespassing and vandalizing our trains.
- Of all those arrests, however, **UP has not been contacted for any court proceedings**.

This increased criminal activity over the past twelve months accounts for approximately \$5 million in claims, losses and damages to UP. And that value does not include respective losses to our impacted customers. Nor does it capture the larger operating or commercial impacts to the UP network or supply chain system in Los Angeles County.

In response to this increased, organized, and opportunistic criminal activity, UP by its own effort and cost enlisted additional and existing Special Agents across the UP system to join our local efforts with LAPD, LASD and CHP to help prevent the ongoing thefts. We have also utilized and are further exploring the use of additional technologies to help us combat these criminals through drones, specialized fencing, trespass detection systems, and other measures.

But even with these expanded resources and closer partnerships with local law enforcement, we find ourselves coming back to the same results with the Los Angeles County criminal justice system. Criminals are caught and arrested, turned over to local authorities for booking, arraigned before the local courts, charges are reduced to a misdemeanor or petty offense, and the criminal is released after paying a nominal fine. These individuals are generally caught and released back onto the streets in less than twenty-four hours. Even with all the arrests made, the no-cash bail policy and extended timeframe for suspects to appear in court is causing re-victimization to UP by these same criminals. In fact, criminals boast to our officers that charges will be pled down to simple trespassing – which bears no serious consequence. Without any judicial deterrence or consequence, it is no surprise that over the past year UP has witnessed the significant increase in criminal rail theft described above.

As a result of Los Angeles County's rail theft crisis, customers like UPS and FedEx that utilize our essential rail service during peak holiday season are now seeking to divert rail business away to other areas in the hope of avoiding the organized and opportunistic criminal theft that has impacted their own business and customers. Like our customers, UP is now contemplating serious changes to our operating plans to avoid Los Angeles County. We do not take this effort lightly, particularly during the supply chain crisis, as this drastic change to our operations will create significant impacts and strains throughout the local, state, and national supply chain systems.

UP and our goods movement partners strongly urge you to reconsider the policies detailed in Special Directive 20-07. While we understand the well-intended social justice goals of the policy, we need our justice system to support our partnership efforts with local law enforcement, hold these criminals accountable, and most important, help protect our employees and the critical local and national rail network. We thank you for taking our concerns into account. We stand ready to meet with you and other stakeholders to help implement needed and immediate actions. We look forward to that necessary collaboration to restore public safety and order.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adrian Guerrero". The signature is fluid and cursive, with a prominent initial "A" and a long, sweeping underline.

Adrian Guerrero