



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

NORTH COAST RAILROAD AUTHORITY (NCRA) Board of Directors Meeting

Novato Sanitary District
500 Davidson Street, Novato, CA
Marin County
Wednesday, April 12, 2017 – 10:30 a.m.

DRAFT MINUTES

A. CALL TO ORDER

Chair Hemphill called the meeting to order at 10:30 a.m.

B. ROLL CALL

Directors Present: Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

Others Present: Executive Director Mitch Stogner, American Rail Engineer David Anderson, Guillon Inc. Steve Honeycutt, Legal Counsel Chris Neary, Legal Counsel NWP Co. Doug Bosco

C. AGENDA APPROVAL

Upon Motion by Director Peters, seconded by Director Stroeh the Board Approved the Agenda with the following changes – Agenda Item F.3 moved for discussion following Closed Session and Agenda Items G.5 and G.6 to be discussed as one item.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

D. PUBLIC COMMENT

No Public Comment.

E. PRESENTATIONS

1. Woodman Creek Project Update - Darren Mierau, Cal Trout North Coast Director and David Anderson, American Rail Engineers

Mr. Mierau and Mr. Anderson gave updates on Cal Trout fish crossing projects in Mendocino and Humboldt counties. Also, they updated the Board on the Woodman Creek fish restoration project and showed some photos of the location and the progress. The Board requested that a revision to the Cal Trout

Land Owner Access Agreement be added to the May 10, 2017 Agenda. Section III- Duration of Agreement will need to be extended to March of 2019 due to a delay in the project completion date.

F. CONDUCT OF BUSINESS

1. Discussion and Possible Action regarding Resolution Declaring Certain Property North of Citrus Fair Dr. in Cloverdale to be Excess Railroad Property

Upon Motion by Director Marks, seconded by Director Peters the Board Approved Resolution 2017-01 declaring certain property North of Citrus Fair Dr. in Cloverdale to be excess railroad property contingent upon an amendment to the Resolution declaring that this excess property is not necessary for NWP Co. railroad operations.

Motion Carried:

AYES: 7- Fennell, Stroeh, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 1- Wagenet

2. Discussion and Possible Action regarding Approving an Exemption from Competitive Bidding Procedure for Listing Agreement with Guillon Inc.

Upon Motion by Director McCowen, seconded by Director Wagenet the Board Approved an exemption from competitive bidding procedure for Listing Agreement with Guillon Inc.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

At the request of Legal Counsel, Item F.3 was deferred to follow Closed Session.

4. Discussion and Possible Approval of Final Audited Financial Statements for the 2015-16 Fiscal Year Ended June 30, 2016

Upon Motion by Director Peters, seconded by Director Stroeh the Board Approved Final Audited Financial Statements for the 2015-16 Fiscal Year Ended June 30, 2016.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

Findings in Closed Session, which came to the attention of the Board after the Agenda was published, resulted in the addition of Agenda Item F.5. which follows Closed Session.

G. CONSENT CALENDAR

- 1. Approval of Minutes – Regular Board Meeting – March 8, 2017**
- 2. Acceptance of NCRA Financial Statements – March 2017**
- 3. Acceptance of Warrants Issued – March 2017**
- 4. Acceptance of Cal Card Statement – March 2017**
- 5. Acceptance of Property Management Report – February 2017 & March 2017**

Upon Motion by Director Stroeh, seconded by Director Peters the Board Approved the Consent Calendar as presented.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

H. STAFF REPORT – Mitch Stogner – Executive Director

Mr. Stogner thanked Directors McCowen and Wagenet for their assistance with addressing the ongoing homeless and transient issues at the Ukiah Depot site and for working with the Ukiah Police Dept. Mr. Honeycutt gave a summary of the Ukiah Depot property project. He said that the permitting process is behind schedule due to staffing issues with Corps of Engineers and the submitted applications for permits should be approved in the next 60 days.

I. OPERATOR REPORT – Doug Bosco – NWP Co. Legal Counsel

Mr. Bosco suggested that NCRA not let the contract with the Ukiah Depot slip because the state has been rejecting projects that do not meet their completion deadlines. He said all permits for the Lagunitas spur have been approved. He said the bids for this turnout project have been received and are higher than originally expected. He said that all the LPG cars have been moved to the site authorized in the February MOU with SMART.

J. LEGAL COUNSEL REPORT – CJ Neary

No report

K. MATTERS FROM THE BOARD

Fennell- Ms. Fennell requested that The Riverlife Foundation's request to erect 3 barricades be added to the May 10, 2017 Agenda. These barricades would potentially block trespassers in the areas of 3rd and Main Streets in Fortuna. The Board unanimously agreed that this item be added to May Agenda.

Wagenet- Mr. Wagenet reported a fire at the Willits Depot yard that caused a privately-owned rail car to be destroyed. The owner of the destroyed railcar has been contacted and has stated he has no way to move the destroyed car. Legal counsel will review this information and provide an update on the best remedy for this incident at the May 10, 2017 Board meeting in Eureka.

McCowen- Mr. McCowen suggested a future Board discussion regarding property owners that refuse to come to terms with agreements concerning NCRA property encroachments.

The Board convened to Closed Session at 12:22 p.m.

L. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Government Code Section 54956.9(a) (one case)

- a. Friends of the Eel River, Californians For Alternatives to Toxic vs. NCRA et al. Supreme Court Case No. S222472

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

- a. Ukiah Depot Property, including Mason Street Property

Negotiation Regarding Disposition of Ukiah Depot Property, including Mason Street Property

Agency Negotiators: Mitch Stogner, Chris Neary

Under Negotiation: Price, Terms

- b. Cloverdale Property north of Citrus Fair Drive
Negotiation Regarding Disposition of Cloverdale Property north of Citrus Fair Drive

Agency Negotiators: Mitch Stogner, Chris Neary

Under Negotiation: Terms

- c. NWP Co.
Gov. Code 54956.8
Parties to Negotiation: NCRA; NWP Co.
Agency Negotiators: Mitch Stogner, Chris Neary
Under Negotiation: Payment Provisions of 2006 Lease Agreement with NWP Co. including other Consideration, including Track Abandonment and Methodology of Consideration Calculations

The Board reconvened to Open Session at 1:58 p.m.

M. ANNOUNCEMENT OUT OF CLOSED SESSION

The Board met with its counsel on one item of Existing Litigation and received information, authorized the Executive Director to take certain actions incident to the litigation, and provided instruction to counsel.

The Board met on 3 items of Property Negotiations, received information and gave direction, authorized Executive Director to execute documents as necessary to support NWP Co. in finalizing abandonment of track near Schellville.

Two potential Open Session Items arose during Closed Session Pursuant to Gov. Code 54954.2 (b)(2)

- 1- Listing Agreement – Agenda Item F.2
- 2- One matter arose after the Agenda was posted - Agenda Item F.5

F. CONDUCT OF BUSINESS CONT.

- 2. **Discussion and Possible Action regarding Approval of Listing Agreement with Guillon Inc. for Sale or Lease of Excess Railroad Property North of Citrus Fair Dr. in Cloverdale**

Upon Motion by Director McCowen, seconded by Director Kelley the Board Approved Listing Agreement with Guillon Inc. for Sale or Lease of Excess Railroad Property North of Citrus Fair Dr. in Cloverdale.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

- 5. **Discussion and Possible Action regarding Schellville Easement Agreement**

Upon Motion by Director Kelley, seconded by Director McCowen the Board Authorized Executive Director to Approve Agreement regarding Schellville Easement.

Motion Carried:

AYES: 8- Fennell, Stroeh, Wagenet, McCowen, Kelley, Peters, Marks, Chair Hemphill

NOES: 0

N. ANNOUNCEMENT OF NEXT MEETING

Regular Board Meeting

Wednesday, May 10, 2017 - 10:30 a.m.

Humboldt County Board of Supervisors Chambers

825 5th Street, Eureka, CA

Humboldt County

Director Stroeh left the meeting at 2:00 p.m.

O. ADJOURNMENT

Chair Hemphill adjourned the meeting at 2:22 p.m.

DRAFT