

1 **RESOLUTION**

2 **of the**

3 **Board of Directors**

4 **of**

5 **NORTH COAST RAILROAD AUTHORITY**

6 Resolution No. 2017-12

<p>7</p> <p>8 IN THE MATTER OF:</p> <p>9 Resolution No. 2017-12</p> <p>10 Approving an Exemption from</p> <p>11 Competitive Bidding Procedure</p> <p>12 for Contracts Necessary to</p> <p>13 Carry-Out the March 2016 Off-</p> <p>14 Site Improvement Agreement</p> <p>15 with the Judicial Council of</p> <p>16 California</p>

17 **WHEREAS**, NCRA is a public entity authorized to provide passenger and freight

18 railroad service in Humboldt, Mendocino, Sonoma, Napa, and Marin Counties, and pursuant to

19 that authority has acquired railroad right of way, station sites and appurtenant railroad

20 infrastructure, including the Ukiah Railroad Depot Property, consisting of a net area of

21 approximately 6 acres following the sale of 4.1 acres to the State of California as the intended

22 site of a new Mendocino County Superior Court building, identified as Assessor's Parcel

23 Numbers 002-232-15 and 002-282-20, located in Ukiah, Mendocino County, California;

24 **WHEREAS**, since its inception, NCRA has been undercapitalized, with no identified,

25 stable source of funding for ongoing maintenance and operations, has experienced severe storm

26 damage, is faced with legacy issues, including environmental contamination, has been subject to

27 an emergency order requiring the cessation of operations, has found it difficult to obtain timely

or adequate funding for the extensive capital improvements required to resume railroad

1 operations on those segments not currently operable and is currently operating in a very
2 challenging position financially;

3 **WHEREAS**, NCRA, in consultation with its operator, North Western Pacific, Co.
4 (NWP Co.), has identified certain excess, or surplus properties, that are no longer needed for
5 railroad operations, including a portion of the Ukiah Railroad Depot Property, excluding
6 therefrom the historic Ukiah Train Station Building and appurtenant property leased to the City
7 of Ukiah by lease dated August 24, 2009, and the Northwestern Pacific Railroad Right of Way
8 mainline which is reserved for railroad operations and which lies westerly of the west line of
9 that property leased to the City of Ukiah as described in the aforesaid lease; that portion of the
10 Ukiah Railroad Depot Property identified as excess, or surplus, less the above stated exclusions,
11 shall hereafter be known as the "Depot Property";

12 **WHEREAS**, for several years NCRA has pursued the necessary steps to be in a position
13 to sell the excess Depot Property and the excess Mason Street property in order to apply the net
14 proceeds in furtherance of NCRA's mission to preserve railroad operations; NCRA has met
15 with representatives of state and federal agencies regarding conditions relevant to the funding
16 agreements by which NCRA has acquired an interest in the Depot Property and has
17 agreed to pay 10% of the gross proceeds to Caltrans;

18 **WHEREAS**, in March 2016 NCRA entered into an Off-Site Improvement
19 Agreement with the Judicial Council of California (JCC) wherein NCRA agreed to construct
20 street and utility infrastructure to the benefit of the JCC property and the remaining NCRA
21 property, and the JCC committed to pay NCRA the sum of \$1,690,000 representing the JCC
22 share of the cost of the improvements, and stipulating that the work must be completed by
23 October 1, 2017;

24 **WHEREAS**, the JCC has agreed to an amendment of the Off-Site Improvement
25 Agreement to extend the schedule for completion until June 30, 2018 due to permitting
26 issues and other delays beyond the control of NCRA and its project manager;

27 **WHEREAS**, NCRA and its project manager remain committed to completion of the
\$2,648,000 in improvements to the Depot Property under an accelerated project schedule

1 and a contract amendment with the JCC revising the terms and timing of progress payments
2 and extending the completion date until at least June 30, 2018;

3 **WHEREAS**, NCRA policy requires compliance with public bidding procedures but
4 allows for exemptions in exigent or emergency circumstances,

5 **NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF**
6 **THE NORTH COAST RAILROAD AUTHORITY** as follows:

7 For all of the above stated reasons, the NCRA Board of Directors hereby finds and
8 declares that there are exigent and/or emergency circumstances which warrant exceptions
9 from public bidding procedures to allow NCRA and its Ukiah Depot project manager to
10 negotiate with selected, qualified contractors and award construction contracts to
11 construct the improvements outlined in the March 2016 Off-Site Improvement
12 Agreement between the NCRA and the Judicial Council of California.

13 Introduced and adopted this 23rd day of August 2017, at a Special meeting of the Board
14 of Directors of North Coast Railroad Authority by the following vote:

15 **AYES:**

16 **NOES:**

17 **ABSENT:**

18 _____
19 Chairman Hemphill NCRA

20 **ATTEST:**

21 _____
22 Executive Director NCRA
23
24
25
26
27