



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, August 9, 2017 – 10:30 a.m.

DRAFT MINUTES

A. CALL TO ORDER

Chair Hemphill called the meeting to order at 10:33 a.m.

B. ROLL CALL

Directors Present: Marks, Breen, Peters, Hagele, and Chair Hemphill. Directors Wagenet and McCowen arrive at 10:54 a.m.

Directors Absent: Fennell and Kelley.

Others Present: Executive Director – Mitch Stogner, Legal Counsel – Chris Neary, NWP Co. Legal Counsel – Doug Bosco, and Recording Secretary – Hiedy Torres.

C. AGENDA APPROVAL

Upon motion by Director Peters, seconded by Director Marks the agenda stood as presented with one modification - Agenda Item E.1 will be moved to Closed Session.

D. PUBLIC COMMENT

Bernie Meyers- Mr. Meyers asked if a memo was provided for Item E.1.

Mitch Stogner- Mr. Stogner said there is Closed Session Information, but no memo for Item E.1.

E. CONDUCT OF BUSINESS

E.1 moved to Closed Session, no Action taken.

- 1. Discussion and Possible Action Regarding Potential Action on Memorandum of Understanding with Northwestern Pacific Railroad Company Regarding Disposition of Anticipated Proceeds and Funds on Deposit, Development Process for Ukiah Depot, Including Extension Request for Off-Site Improvements at Ukiah**

Depot Property, Prosecution of Basin Street Property Enforcement, Payment of Loans to NWP Co. and Amendment of Rent Provisions in the Operating Agreement

2. Discussion and Possible Action Regarding Consideration of NCRA Sponsorship of Legislation

Upon motion by Director Peters, seconded by Director McCowen the Board Authorized the Executive Director to proceed with NCRA Sponsorship of Legislation, identify available funding sources, and develop a plan to seek funding for operation and maintenance costs.

Motion Carried:

AYES: 7- Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

Public Comment-

Mr. Graber handed out a disk containing recordings of major storm damage to the rail line that occurred in the past.

3. Discussion and Possible Action Regarding Resolution 2017-08 Approving 2017-18 Final Agency Budget

Upon motion by Director Wagenet, seconded by Director Peters the Board Approved Resolution 2017-08 Approving 2017-18 Final Agency Budget.

Motion Carried:

AYES: 7- Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

4. Discussion and Possible Action Regarding Resolution 2017-09 Approving 2017-18 Final Property Budget

Upon motion by Director Peters, seconded by Director Wagenet the Board Approved Resolution 2017-09 Approving 2017-18 Final Property Budget.

Motion Carried:

AYES: 7- Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

5. Discussion and Possible Action Regarding Resolution 2017-10 Approving 2017-18 Final Federal Railroad Administration RRIF Budget

Upon motion by Director McCowen, seconded by Director Peters the Board Approved Resolution 2017-10 Approving 2017-18 Final Federal Railroad Administration RRIF Budget.

Motion Carried:

AYES: 7- Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

6. Discussion and Possible Action Regarding Resolution 2017-11 Approving 2017-18 Final TCRP Budget

Upon motion by Director Peters, seconded by Director Hagele the Board Approved Resolution 2017-11 Approving 2017-18 Final TCRP Budget.

Motion Carried:

AYES: 7- Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

F. CONSENT CALENDAR

- 1. Approval of Minutes – Regular Board Meeting – July 12, 2017**
- 2. Approval of NCRA Financial Statements – July 2017**
- 3. Approval of Warrants Issued – July 2017**
- 4. Approval of Cal Card Statement – July 2017**

Upon motion by Director McCowen, seconded by Director Breen the Board approved the Consent Calendar as presented.

Motion Carried:

AYES: Marks, Wagenet, McCowen, Breen, Peters, Hagele, Chair Hemphill.

NOES: 0

ABSENT:2- Fennell and Kelley.

ABSTAIN: 0

G. STAFF REPORT – Mitch Stogner – Executive Director

Mr. Stogner invited Steve Honeycutt, Guillon Inc. to give a brief update on the Ukiah Depot property project progress. Mr. Honeycutt said permits have all been submitted and he is awaiting approval from the permitting agencies. He also said that construction is scheduled to begin within the next month.

H. OPERATOR REPORT – Doug Bosco

No Operator Report.

I. LEGAL COUNSEL REPORT – CJ Neary

Mr. Neary said that early this year NCRA entered into a temporary Agreement with SMART. He said the permanent Agreement is being negotiated and should be ready for full board review in September.

J. MATTERS FROM THE BOARD

Dir. Peters – Mr. Peters said that the Golden Gate Railroad Museum is moving to the Schellville area and reported in their newsletter that they have entered into an Agreement with NCRA for storage of their rolling stock.

Mr. Neary – Mr. Neary said that operations in that area (Schellville) are being carried out on a spur track that NWP Co. has paid for and installed.

Dir. Marks – Mr. Marks reported on an abatement issue in Manila in Humboldt County. He said he walked the tracks with the Humboldt County code enforcement personnel and they encountered a shed structure that had been built on NCRA right-of-way and reported by residents in the area. Mr. Marks and the County personnel notified the occupant of the code violation and were asked to leave the property. Humboldt County will follow up with the occupants.

The Board convened to Closed Session at 12:25 p.m.

K. CLOSED SESSION

- 1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(a) two cases**
 - a. FRIENDS OF THE EEL RIVER V. NORTH COAST RAILROAD AUTHORITY
California Supreme Court Case # S222472**
 - b. CATS V. NORTH COAST RAILROAD AUTHORITY
California Supreme Court Case # S222472**
- 2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(b)**

Filing Notice pursuant to 27 USC § 1257 (two cases)

- 3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

- a. Ukiah Depot Property, including Mason Street Property
Government Code Section 54956.9.8**

Negotiation Regarding Disposition of Ukiah Depot Property, including Mason Street Property
Agency Negotiators: Mitch Stogner, Chris Neary
Under Negotiation: Price, Terms; Interaction with Judicial Council on Joint Courthouse Off0Site Improvements.
- b. NWP Co.
Government Code Section 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 and Resolution of Outstanding Debt.

Chair Hemphill left the meeting at 1:05 p.m.

Director Hagele left the meeting at 1:06 p.m.

The Board reconvened to Open Session at 1:36 p.m.

L. ANNOUNCEMENT OUT OF CLOSED SESSION

Conference with Legal Counsel – Existing Litigation - The Board met on three (3) Items of Existing Litigation. The Board received information and gave direction.

Conference with Legal Counsel – Anticipated Litigation – The Board Authorized suit against Sparetime Supply concerning several encroachments.

Conference with Real Property Negotiators – The Board received information and established a tentative Special Meeting for August 23, 2017 to review issues.

M. ANNOUNCEMENT OF NEXT MEETING

Regular Board Meeting
Wednesday, September 13, 2017 - 10:30 a.m.
Humboldt County Board of Supervisors Chambers
825 5th Street, Eureka, CA
Humboldt County

N. ADJOURNMENT

Vice Chair Wagenet adjourned the meeting at 1:38 p.m.

DRAFT