



Client Status Report
For
North Coast Railroad Authority
(NCRA)

June 2018

Prepared by Mike Dannelly
*as of July 9, 2018

Summary

Since 2013, FEC Real Estate Services (FEC), formerly Parallel Infrastructure, has successfully generated over \$285K in revenue for NCRA’s Right of Way (ROW) portfolio. FEC continues to pursue prospective opportunities which could generate over \$30K in new income.

Areas of potential interest are listed below:

- Recology Inc. has agreed to pay a onetime license fee of \$25,000 for an “at grade” crossing located in Samoa (MP 300.9). An adjustment was made to the insurance requirement term, a separate statement was made to ensure maintained WC insurance during the term of the agreement as well as maintaining the current indemnification for the liability portions with NCRA as additional insured. The agreement is pending final signature by both parties.
- Wooster Energy Engineering Services is researching the possibility of setting up solar power energy production operations on NCRA Right of Way owned properties.
- A revised license agreement was provided to Humboldt Bay Municipal Water District (HBMWD) with the Board approved changes to the agreement added. The agreement is pending signature,

Current Account Metrics

	Surface	Utility*	Total
Prioritized Encroachments	181	180	361
Prospects Contacted	232	115	347
Amendments	0	35	0
Closed Opportunities	53	42	95

*Category limited to phone, fiber, power, and gas utilities with major companies

New Agreements awaiting Execution

As of	Proposed Tenant	Milepost/Location	Stage	Comments / Next Steps
6/2018	Humboldt Bay Municipal Water District	Arcata	Out for Signature	\$1,200/Annually – Awaiting FEMA funding
12/2017	Humbud - Collective	KAM Branch	Out for Signature	\$3,000/Annually
6/2018	Recology	300.9	Out for Signature	\$25,000/20 year License

Encroachments/Inquiries

As of	Proposed Tenant	Milepost/Location	Stage	Comments / Next Steps
2/2018	Mercer, Fraser Co.	237.16	Stalled	Company has supposedly vacated NCRA ROW
2/2017	Garth & Linda Sundberg	KAM Branch		Building Encroachment – Glendale Area
6/2017	Underground Const.	119.475		Cathodic Testing Station for PG&E Gas Transmission Pipe

Marketing/Outreach Opportunities

Proposed Tenant	Milepost/Location	Stage	Comments / Next Steps
Wooster Energy Engineering	TBD	Prospecting	Looking into Alternative Energy Production
Michels Corporation	101.74	Negotiating	3 Temp Worksite Locations in Ukiah
PG&E	101.74	Negotiating	3 CTS & 6 sniff stations for Gas Pipeline

Closed Agreements

Proposed Tenant	Milepost/Location	Stage	Comments / Next Steps
Big Daddy Garden	114.31	Closed	Fully executed and delivered to NCRA
Andrew Lee Burgess	119.48	Closed	Fully executed and delivered to NCRA
Asti & Associates	82.41	Closed	Fully executed and delivered to NCRA
Alpha Analytical	114.5	Closed	Fully executed and delivered to NCRA
Animal Medical Center	70.31	Closed	Fully executed and delivered to NCRA
MacDonald Ltd. Partnership	77.76	Closed	Fully executed and delivered to NCRA
Welch Commercial Properties	70.15	Closed	Fully executed and delivered to NCRA
E&M Electric Machine (Deas Family Trust)	68.32	Closed	Fully executed and delivered to NCRA
Jacquard Products (Rupert, Gibbon, Spider)	69.38	Closed	Fully executed and delivered to NCRA
H&W Vineyards	120.69	Closed	Fully executed and delivered to NCRA
Crofoot Ranch	103.72	Closed	Fully executed and delivered to NCRA
Pine Ridge Winery dba Seghesio Family Vineyards	68.95	Closed	Fully executed and delivered to NCRA
Foley Family Wines	79.60	Closed	Fully executed and delivered to NCRA
Foley Family Wines	79.72	Closed	Fully executed and delivered to NCRA
PG&E	117.66	Closed	Fully executed and delivered to NCRA
Comcast	115.20	Closed	Fully executed and delivered to NCRA
Valentine Vineyards	89.70	Closed	Fully executed and delivered to NCRA
PG&E	72.90	Closed	Fully Executed and Delivered to NCRA
Ray & Betty Jo Pigoni	77.22	Closed	Fully Executed and Delivered to NCRA
Duckhorn Wine Co.	77.22	Closed	Fully Executed and Delivered to NCRA
Jackson Family Wines, Inc.	72.62	Closed	Fully Executed and Delivered to NCRA
PG&E (Temp Access)	Blanket	Closed	Fully Executed and Delivered to NCRA
Humboldt Redwood Company LLC	237.25	Closed	Fully Executed and Delivered to NCRA
PG&E (One Time)	Blanket	Closed	Fully Executed and Delivered to NCRA
Mary Ann Fredson & Logan Hopper	72.79	Closed	Fully Executed and Delivered to NCRA
KBarr Daughters, LLC	77.39	Closed	Fully Executed and Delivered to NCRA

Michael & Lorene Kuimelis	79.35	Closed	Fully Executed and Delivered to NCRA
Mendocino Forest Products LLC	116.59	Closed	Fully Executed and Delivered to NCRA
Vino Farms, LLC	74.25 74.65 74.88 75.10	Closed	Fully Executed and Delivered to NCRA
Black Horse Vineyards	77.54	Closed	Fully Executed and Delivered to NCRA
Constellation Brands	76.58 76.76	Closed	Fully Executed and Delivered to NCRA
Pastori Winery	77.77 77.88	Closed	Fully Executed and Delivered to NCRA
Everett & Ora Lampson Trust	73.16	Closed	Fully Executed and Delivered to NCRA
Linde Vineyards	79.24	Closed	Fully Executed and Delivered to NCRA
Hotel Hopland LLC	99.97	Closed	Fully Executed and Delivered to NCRA
Mendocino Forest Products LLC	116.17	Closed	Fully Executed and Delivered to NCRA
AT&T	Multi	Closed	Blanket Agreement Executed
Cristobal Lopez dba Hopland Weighing Station	99.7	Closed	Fully Executed & Delivered to NCRA
North Fork Lumber	139.87	Closed	Fully Executed and Delivered to NCRA
Sparetime Supply, Inc.	138.77	Closed	Fully Executed and Delivered to NCRA
Sparetime Supply, Inc.	139.16	Closed	Fully Executed and Delivered to NCRA
PG&E	Blanket Agreement	Closed/Amend	Agreement Amended for 32 utility crossings
Ocino, Inc.	120.0	Closed	Fully Executed and Delivered to NCRA
PG&E	68.21	Closed	\$2,000/Amendment to Blanket Agreement
City of Ukiah	110.69-111.14	Closed	\$25,000/10 year License for 3 crossings
PG&E	74.89	Closed	ROE Granted for Existing Crossing Repair
Michels Pipeline Construction	137.848	Closed	Fully Executed & Delivered to NCRA

Encroachments – Stagnant or Unable to Convert to Lease/License

As of	Proposed Tenant	Milepost/Location	Stage	Comments / Next Steps
11/2014	Cerro Pacific Lumber (Lee Burgess)	122.195	Stalled	Lee Burgess, property owner, refuses to require tenant to move fence and encroachment.
08/2014	Grant Street Enterprises	68.85	Stalled	Building encroachment on NCRA right of way, NW quadrant of Grant Street. Owner Not responding. Recommend NCRA legal review and reach out.
10/2014	Tim Zimmerer Construction	112.04	No Response	Tim Zimmerer Const. has not removed encroachments despite several attempts to

				contact and resolve he continues to use R/W has he pleases. Recommend Legal pursue.
03/2015	Arlen Burpee	122.13	Stalled	Private access road. Mr. Burpee became irate and refused to lease or cease utilization
06/2014	Superette	119.80	No Response	Using NCRA Right of Way for building encroachment and parking/driveway. Formerly held lease and paid for the land use. Refused to continue paying, not able to get a response to secure new agreement. Recommend NCRA legal contact.
02/2017	Keith Lampson	73.16	Referred to Legal	Closed See Closed Agreements (Evert & Ora Lampson)
10/2015	Max & Joan Schlienger	104.49	Referred to Legal	Max Negotiating directly with NCRA counsel
10/2015	Flight Rail Corp.	105.26	Referred to Legal	Max Negotiating directly with NCRA counsel
01/2017	Ferrari-Carano Vineyards	78.56	Stalled	Hick Represented Client/No Response
11/2015	Granite Const. Company	115.73 117.79	Referred to Legal	Received response from Granite – in Legal review by NCRA
11/2015	Agwood Mill & Lumber, Inc.	115.93	Stalled	No Response
11/2016	Dufferin Bevill	77.77	Stalled	Hicks Represented Client/No Response
03/2017	E & J Gallo Winery	80.90 81.12 81.28 81.84	Stalled	Sent Agreements – E&J stated that they would sign but have not returned executed copies or payment – Hick Represented Client
12/2016	Marietta Cellars & Chris Bilbro	77.10	Out for Signature	Hicks Represented Client/No Response
10/2015	Dennis and Nancy McFarland	119.75	Referred to Legal	Mr. McFarland claims crossing is a public Road.
01/2016	AG 101, LLC	120.0	Decided not to Lease	Doesn't fit in current business plan – Building repairs costly – Property now under agreement with Ocino, Inc.
08/2015	John E. Fetzer/Orci	101.47	No Response	Will not respond – may refer to legal
04/2016	Marin Ventures, LLC	115.20	Stalled	Marin doesn't want to meet NCRA Terms - Billboard
12/2015	MCI Transformer	138.78	Stalled	Has not responded to Proposal/Follow-up/No Response
06/2016	Francis Coppola Winery	76.97	Stalled	Revised Proposal with longer term – Waiting on Attorney
09/2015	Moreno & Company	76.97	Stalled	
08/2015	RER Properties, LLC	119.86	Stalled	Owner called possibly selling property
03/2017	Trentadue Winery LLC	73.24 73.42	No Response	Hicks Represented Client – Agreements sent for execution – Followed up – Problems with Terms

NCRA Actions/Open Items

- Ongoing reconciliation of billings for FEC-procured agreements

FEC Actions/Open Items

Confidential



- Continue activities to tender license opportunities for execution
- Review and explore for new opportunities along the NCRA corridor

Application Fees Collected

- Fifty (50) application fees have been collected to date, for a total of \$48,800.