



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

## **NORTH COAST RAILROAD AUTHORITY (NCRA) Board of Directors Meeting**

Humboldt County Board of Supervisors Chambers  
825 5<sup>th</sup> Street, Eureka  
Humboldt County  
Wednesday, May 10, 2017 – 10:30 a.m.

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### **FINAL MINUTES**

#### **A. CALL TO ORDER**

Chair Hemphill called the meeting to order at 10:34 a.m.

#### **B. ROLL CALL**

**Directors Present:** Peters, Fennell, Wagenet, Marks, Chair Hemphill

**Directors Absent:** McCowen, Kelley, Stroeh

**Others Present:** Executive Director Mitch Stogner, Legal Counsel Chris Neary, Guillon Inc. Steve Honeycutt

#### **C. AGENDA APPROVAL**

Upon motion by Director Peters, seconded by Director Fennell the Agenda was approved with the following changes: Agenda Item F.4 was designated "Discussion" only and "Action" on this item was delayed to a future Board meeting. Due to findings after the Agenda was published, Item F.5 was added- **F.5- Discussion and Possible Action regarding Resolution 2017-03 Increasing the NCRA Budget for 2016-17.**

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

#### **D. PUBLIC COMMENT**

No public comment.

#### **E. PRESENTATIONS**

1. Humboldt Bay Rails with Trails Project Update – Hank Seemann - Humboldt County Public Works, Miles Slattery - City of Eureka, Netra Khatri - City of Arcata

Mr. Seemann, Mr. Slattery, and Mr. Khatri presented slides depicting various phases of the Humboldt Bay Rails with Trails Project and gave updates on construction plans, progress, and the permitting process.

## **F. CONDUCT OF BUSINESS**

1. **Discussion and Possible Action regarding a Request from The Riverlife Foundation to Erect 3 Concrete Barricades at 3<sup>rd</sup> and Main Streets in Fortuna**

Upon motion by Director Fennell, seconded by Director Marks the Board unanimously approved a Request from The River Life Foundation to Erect 3 Concrete Barricades at 3<sup>rd</sup> and Main Streets in Fortuna.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

2. **Discussion and Possible Action regarding Extension of Woodman Creek - Cal Trout Land Owner Agreement**

Upon motion by Director Wagenet, seconded by Director Peters the Board unanimously approved Extension of Woodman Creek - Cal Trout Land Owner Agreement.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

3. **Discussion and Possible Action regarding Contract with Guillon Inc. to Sell/Lease Excess Railroad Property North of Citrus Fair Drive in Cloverdale**

Upon motion by Director Peters, seconded by Director Marks the Board unanimously approved Contract with Guillon Inc. to Sell/Lease Excess Railroad Property North of Citrus Fair Drive in Cloverdale.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

4. **Discussion regarding Abandonment of Eureka NCRA Office Building on West 2<sup>nd</sup> Street in Eureka**

Upon Motion by Director Wagenet, seconded by Director Peters the Board approved addition of Agenda Item - 2, a **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Claim by City of Eureka for Nuisance Penalty.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

The public was given as opportunity to voice its concern regarding this issue.

**Tim Callison, City of Eureka** - Mr. Callison said he wanted the Board to have a clear view of the public hazard this building causes and would like the Board to hear public comment.

**Bill Gillespie, Fire Chief, Humboldt Bay Fire**- Mr. Gillespie said in the last year fire crews have responded to four major structure fires and made numerous rescues while the building was on fire. He said the large amount of rubbish has created health and safety issues within this location has created hazardous situations that puts the fire crews, law enforcement personnel, and first responders in immediate danger. He said he would like to see something done at this location to secure the property from transients and abate the public nuisance this building creates.

**Andy Mills, Eureka Chief of Police**- Mr. Mills requested that NCRA “do what’s right for the safety of the community”. He said right now this building is a magnet for crime and for public health problems.

**Pete Oringer, Timber Heritage Society**- Mr. Oringer said that historical records have been moved from the building and are being stored by the Timber Heritage Society in Eureka.

**Leishara Ward, Caltrans**- Ms. Ward wanted to be sure that all historical documents have been removed from this building.

**Brian Issa, Deputy Director City of Eureka Public Works**- Mr. Issa said he recommends no one enter the building due to the hazardous materials present. He said that the neighborhood is being adversely impacted by the condition of the building and he asked that NCRA work with the city and all parties involved to abate the hazard.

**A handout was provided by Mr. Issa. This handout referred to an attached letter from the City of Eureka to NCRA. This letter, dated October 13, 2016, was not attached to the handout.**

**Brian Gerving, Chief Building Official, City of Eureka**- Mr. Gerving said he would like to see NCRA demolish this structure and encouraged the Board to work with Security National to formulate a solution and fulfill its requirement as a public agency and not “wash its hands” of this issue.

**Greg Sparks, Eureka City Manager**- Mr. Sparks said that this is a dangerous structure, a concern for the Eureka City Council, the businesses in the area, and was recently a topic of discussion between residents and the City of Eureka. He encouraged NCRA to look for a possible solution to remedy the problem.

**Director Fennell**- Ms. Fennell said that she does not want NCRA to be associated with the quote that we “wash our hands of this” and she said that the NCRA Board is very concerned about blight in the area and will work with everyone involved to find a solution to this problem.

**5. Discussion and Possible Action regarding Resolution 2017-03 Increasing the NCRA Budget for 2016-17**

Upon motion by Director Fennell, seconded by Director Marks the Board unanimously approved Resolution 2017-03 Increasing the NCRA Budget for 2016-17.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

**G. CONSENT CALENDAR**

**1. Approval of Minutes – Regular Board Meeting – April 12, 2017**

**2. Acceptance of Cal Card Statement – April 2017**

Upon motion by Director Marks, seconded by Director Fennell the Consent Calendar was approved as presented.

**Motion Carried:**

**AYES:** 5- Peters, Fennell, Wagenet, Marks, Chair Hemphill

**NOES:**0

**ABSTAIN:**0

**ABSENT:**3- McCowen, Kelley, Stroeh

**H. STAFF REPORT – Mitch Stogner – Executive Director**

Mr. Stogner said that SMART is scheduled to begin service in late spring or early summer and have been holding to that schedule. The City of Petaluma managers have been insistent on Quiet Zones which have caused quite a bit of controversy. The FRA has concluded that for safety reasons train horns need to be sounded during certain times. He also said that freight rail service runs Tuesdays and Thursdays after 5 p.m.

**I. LEGAL COUNSEL REPORT – CJ Neary**

Mr. Neary reported that the Quiet Zone issue is different in Novato because of a lawsuit that required the NCRA to maintain Quiet Zones.

**J. MATTERS FROM THE BOARD**

Mr. Wagenet said that he was contacted by Lear Asset Management and was informed that last week Lear had contacted 13 individuals that were in the area of the Willits Depot yard fire, and advised these individuals to vacate the area.

The Board convened to Closed Session at 12:33 p.m.

**K. 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 LEGAL COUNSEL – ANTICIPATED ITIGATION**

Government Code Section 54956.9 (a) (one case)

- a. Claim by City of Eureka for Nuisance Penalty

**3. 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 from Closed Session at 1:57 p.m.

**L. ANNOUNCEMENT OUT OF CLOSED SESSION**

The Board met in Closed Session on 1 item of Existing Litigation, “Friends of the Eel River vs. NCRA, received information and no action taken. The Board also met on another matter that was added to the Agenda, regarding Anticipated Litigation, Action taken unanimously by the Board, to direct staff to work with Security National and the City of Eureka to promptly develop a solution resulting in addressing the public safety hazard at the property located at 4 W. 2<sup>nd</sup> St. in Eureka.

**M. ANNOUNCEMENT OF NEXT MEETING**

**Regular Board Meeting  
Wednesday, June 14, 2017 - 10:30 a.m.  
Healdsburg City Council Chambers  
401 Grove Street, Healdsburg, CA  
Sonoma County**

**N. ADJOURNMENT**

Chair Hemphill adjourned the meeting at 2:05 p.m.