



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

NORTH COAST RAILROAD AUTHORITY (NCRA) REGULAR BOARD MEETING

Wednesday, January 13, 2010~ **10:30 a.m.**
Ukiah Valley Conference Center
200 South School Street, Ukiah
Mendocino County

DRAFT Minutes

A. CALL TO ORDER

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

B. ROLL CALL

Directors Present: Colfax, Meyers, MacDonald, Wagenet, Atkins, Clendenin, Wolter,
Chairman Hemphill

Directors Absent: Kelley

Also Present: Executive Director Stogner, Legal Counsel CJ Neary, NCRA Project
Manager Dave Anderson, NCRA Transportation Planner Angel Lucero, Recording
Secretary Heather Lindsteadt

C. AGENDA APPROVAL

Agenda stood as presented.

D. PUBLIC COMMENT

John McCowen – Mendocino County Supervisor – He said he was speaking today as a citizen of Ukiah. Mr. McCowen said that he supports the lease or sale of the Ukiah Depot Property to the City of Ukiah. He said that he hopes that NCRA is able to reach agreement that will benefit all parties involved and the community of Ukiah.

E. CONDUCT OF BUSINESS

- 1. Discussion and Possible Approval of Second Amendment to Promissory Note Humboldt Bay Harbor Recreation and Conservation District**

Executive Director Stogner updated the Board on staff efforts to repay the Humboldt Bay Harbor, Recreation, and Conservation District loan. He said that the Harbor District received its first payment of \$90,394.91 in December 22, 2009 and will receive the balance of \$90,061.03 on or before July 1, 2010. Mr. Stogner recommended that the Board approve the Second Amendment of the Promissory Note which reflects the Harbor District's approval of the payment plan.

Director Meyers asked that the dollar amounts and correct dates be inserted into the Promissory Note.

Upon Motion by Director MacDonald, Seconded by Director Colfax, the Board approved the Second Amendment to the Promissory Note between NCRA, and Humboldt Bay Harbor Recreation and Conservation District, with Director Meyers additions **AYES: 8, NOES: 0, ABSTAIN: 0, ABSENT, 1**

2. Discussion and Possible Approval of Elimination of Stipends, Expenses and Mileage for Calendar Year 2010

Executive Director Stogner updated the Board on staff efforts to reduce spending. He said that one way to reduce expenses would be for the Board to temporarily suspend stipends, expenses, and mileage reimbursement for 2010.

Chairman Hemphill said that he is very sensitive to the expense reimbursement aspect of the proposal. He said that he also wants the public to continue to be involved and that NCRA staff would visit Marin County and Humboldt County to conduct town hall meetings once per quarter.

Director Meyers asked that staff to distribute his memo regarding Agenda items E.1 and E.2. Said memo is hereby made part of these minutes by reference.

Director MacDonald asked why NCRA was not imposing furlough days or cutting staff salaries.

It was the consensus of the Board that temporary suspension of stipends would be a good start to expense reductions, but that elimination of the expense reimbursement for mileage and lodging would impose too great of a hardship.

Chairman Hemphill said that the Finance Committee should continue to inventory possible ways revenues can be increased and expenses can be reduced. Director Wolter asked that the Chairman direct the Finance Committee to review Director Meyers' memo and pinpoint ways to mitigate the agency deficit.

Director Colfax said that as Chair to the Finance Committee he would accept the task of reviewing the agency deficit and attempt to begin to find possible solutions to deal with the deficit.

Upon Motion by Director Wagenet, seconded by Director Meyers stipends were temporarily suspended beginning in February 2010 for the remainder of the year. Motion carried unanimously **AYES: 8, NOES: 0, ABSTAIN: 0, ABSENT: 1**

3. Discussion and Possible Approval of Board Meeting Schedule for Calendar Year 2010 Assuming Board Approval of Item E.2

Executive Director Stogner said that additional cost savings would be realized by conducting 10 monthly Board meetings in Ukiah and one meeting in Humboldt County and one meeting in Marin County.

There was a discussion about conducting quarterly meetings rather than monthly.

Loretta Ellard explained to the Board some of the problems that could arise if the meetings are held by teleconference and the Brown Act requirements for such meetings. She also said that teleconference meetings are very expensive.

Robert (Bob) Simonson suggested that the meetings be held quarterly so that there could be one meeting in each county and everyone would be included.

It was the consensus of the Board to keep the schedule the same alternating between the counties and if the opportunity arose to cancel monthly meetings when the Chair determines a Board meeting is not needed in any given month.

Upon Motion by Director Wagenet, seconded by Director Atkins the Current Board Meeting schedule was retained, with the traditional rotation between the 4 counties. **AYES: 8, NOES: 0, ABSTAIN: 0, ABSENT: 1**

4. Committee Appointments

Executive Director Stogner recommended to the Board that the Committee structure remain the same for the remainder of 2010.

Director MacDonald suggested eliminating the Policies and Procedures Committee and requested an amendment to Director Wagenet motion requesting the elimination of the Policies and procedures committee.

Director Wagenet declined acceptance of Director MacDonald's amended motion.

Upon motion by Director Wagenet, seconded by Director Meyers the Committee appointments remain unchanged for 2010: **AYES: 8, NOES: 0, ABSTAIN:0, ABSENT:1**

F. CONSENT CALENDAR

1. Approval of Minutes - Regular Board Meeting – December 9, 2009
2. Acceptance of Financial Statements – Quarter 1 - FY 09/10
3. Approval of Warrants Issued - Agency 787010 – December 2009
4. Approval of Warrants Issued - TCRP 787101 – December 2009
5. Approval of Cal Card Statement – December 2009
6. Approval of Job Description – Executive Assistant

Prepared for Approval by the BOD
At its February 10, 2010 Meeting

Upon motion by Director MacDonald seconded by Director Wolter, consent calendar items F.1, F.3, F.4, F.5 were approved unanimously. **AYES: 8, NOES:0, ABSTAIN: 0, ABSENT: 1**

Items F.2, and F.6 were pulled for further discussion.

Director Meyers said that he is pleased that item F.2 - accrual based financial statements were provided but felt that because they were for the first quarter of FY 09-10, they did not provide all of the current financial information.

Director MacDonald said that he is in support of the accrual based financial statements, and said that the Finance Committee discussed the statements at length, and that the Board could expect to see additional back up documents provided that would enhance the accrual-based quarterly statements.

Upon Motion by Director MacDonald, seconded by Director Atkins Consent Calendar item F.2 was approved. **AYES: 7, NOES: 1, ABSTAIN:0, ABSENT: 1**

Director Wagenet said that item F. 6 Executive Assistant Job Description should be amended to include the type of minutes that the Executive Assistant takes. He said that he is suggesting adding action minutes rather than the detailed minutes that are currently provided.

A brief discussion ensued regarding the types of minutes each Director thinks is beneficial. Also discussed was the current Policy & Procedure regarding audiotape retention and the possibility of adding the recording of the meetings to the website.

Director Atkins requested that the motion be amended to include an additional task to the Executive Assistant job description to add the audio recording to the website. Director Wagenet, maker of the motion, approved the request.

Director MacDonald said that he thinks it is inappropriate to address a Board procedural policy through adoption of a staff job description.

Loretta Ellard (MCOG) said that Item F.6 is not the place to be taking action on the types of minutes that are transcribed, and that it should be a separate action item.

Motion and amendment by Director Wagenet, seconded by Director Colfax to approve item F.6 was withdrawn. Staff was directed to research the cost and ease of uploading the meeting audio tapes to the website. Staff was also directed to agendize the types of minutes that are taken for consideration at the February meeting.

Director Colfax updated the Board on the Finance Committee meeting that was held prior to the Board meeting. He said that he Committee reviewed the accrual based financial statements. He said that the Committee discussed streamlining the involvement of Sonoma County Auditor's Office in an effort to reduce costs. Executive Director Stogner said that staff was directed to contact Sonoma County to discuss ways to consolidate accounting tasks since Aycock & Edgmon was now fulfilling the roll of NCRA Accountant. Staff was also directed to inventory Director Meyers' memo and see if any items on his list would be feasible when attempting to maximize revenue and minimize expenses.

Chairman Hemphill requested that the Finance Committee meet prior to the February Board meeting to address these issues and give direction to the full Board of Directors.

G. STAFF REPORTS

1. Executive Director – Mitch Stogner

a. HNTB Contract Update

Executive Director Stogner updated the Board on the HNTB Agreement which will expire in March. He said that NCRA has two options: 1) Extend the agreement for 2 additional years, 2) Issue an RFP seeking proposals for Engineering, Design and Construction Management Services.

b. DEIR Status Update

Executive Director Stogner said that the DEIR comment period was extended until January 14, 2010.

c. EPIC Land Solutions Update

Executive Director Stogner said that Jim Overcamp, Vice-President, Epic Land Solutions would be visiting the NCRA office to do a preliminary review of leases in preparation of development of a proposal for Board consideration.

d. ISTE A Meeting January 25, 2010

Executive Director Stogner said that NCRA staff is meeting with CTC, Caltrans, FHWA and SMART in Sacramento to attempt to finalize a draft plan to utilize the ISTE A funds. He said the possible sale of the Ukiah Depot Property for a County Courthouse complex would also be on the agenda for discussion. Executive Director Stogner said that there was a small amount of TCI funds used for the purchase of the Depot Property which will have to be repaid if the property is sold. He said that since Federal funds were used to acquire the Willits segment, FHWA will have to approve sale of the property.

e. RRIF Status

Executive Director Stogner said that the FRA staff recommended a restructuring of the \$3 mil. RRIF loan application to cover only components of the Windsor to Lombard project which are not being reimbursed by TCRP.

f. SMART/NCRA Operating Agreement Discussions

Legal Counsel Neary reported that he has been exchanging draft operating agreements with SMART's legal counsel and the most recent version, which includes NWP Co.'s comments was recently sent to SMART.

H. PROJECT MANAGER REPORT

1. Dave Anderson – NCRA Project Manager

a. Updated Track Report

Mr. Anderson reported that Balfour Beatty has completed a punch list of items that were identified as remaining on the track repair project. He said that they are repairing signal circuits and bond wires that were damaged. He also said that there continues to be vandalism of the signal boxes.

Mr. Anderson said that Mass Electric will remobilize to do final signal testing and to finish Cherry Tree crossing which was damaged by vandals.

He also reported that the U.S. Fish and Wildlife Service will not issue the bridge permit at Novato Creek Bridge until after March which is after the Clapper Rail season has begun. He said that some work has been completed by staying off of the ground, but that the issuance of this federal permit is very important.

I. OPERATOR REPORT

1. NWP Co. – John Williams

No report

J. LEGAL COUNSEL REPORT

No report

K. MATTERS FROM THE BOARD

Chairman Hemphill asked if anyone had an opportunity to survey possible damage caused by the recent earthquake in Humboldt County.

Director Meyers asked about the status of the Quaker Hill contract.

The Board convened into closed session at 12:10 p.m.

L. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Govt. Code Section 54956.9
One case

2. CONFERENCE WITH LEGAL COUSEL –EXSISTING LITIGATION

Government Code Section 54956.9(a)
McGary v. Dept. of Transportation and NCRA
Mendocino Superior Court Case #08-52454

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Govt. Code Section 54956.8

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Property- Ukiah Depot Property

Negotiating Parties: Caltrans, City of Ukiah, County of Mendocino, Weston Solutions;
Union Pacific Railroad

Under Negotiation: regulatory matters, existing and potential contractual matters, price,
payment, terms;

Agency Negotiators: C.J. Neary, Mitch Stogner

The Board reconvened into Open Session at 1:25 p.m.

M. ANNOUNCEMENT OUT OF CLOSED SESSION

Legal Counsel Neary reported that the Board met on one matter of anticipated litigation, received information and no action was taken.

The Board approved a settlement with Lukes/McGarry for \$25,000 for the personal injury case.

He also said that the Board met with Real Estate Negotiators, received information, no action was taken.

N. ANNOUNCEMENT OF NEXT MEETING

February 10, 2010 – 1:00

City of Healdsburg Council Chambers

401 Grove Street

Healdsburg, Sonoma County

O. ADJOURNMENT

Chairman Hemphill adjourned the meeting at 1:28 p.m.