



MEMO

To: NCRA Board of Directors

From: Executive Director Stogner

Date: February 14, 2018

Subject: **Agenda Item E.2 – Discussion and Possible Action Regarding License Agreement with the City of Ukiah for 3 Water Pipe Crossing in Ukiah, Mendocino County**

On January 8, 2018 the Property Committee met to consider a proposal from the City of Ukiah for 3 water pipeline crossings at MP 110 and 111 in Ukiah. These water lines would be placed under the tracks in order to supply recycled water to users located on the west side of NCRA right-of-way.

The Property Committee recommended that our property manager, Mike Dannelly (FECRES), negotiate a one-time payment with the city's representative for these subsurface railroad crossings.

Accordingly, a tentative agreement has been reached with the city of Ukiah for payment of \$25,000 for a 10-year license agreement to install the 3 water lines. Under the tentative agreement, the license agreement would be for a duration of 10-years and reassessed in 2028 to reflect the current market values.

Staff Recommendation:

Approve the 10-year license agreement with the City of Ukiah for a one-time payment of \$25,000 to install 3 water pipe lines at MP 110 and MP 111 in Ukiah.