

SUBJECT: APPROVAL OF MEASURE R SUPPLEMENTAL AGREEMENT –
ACQUISITION OF RAILROAD RIGHT-OF-WAY

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: The Tulare County Association of Governments, acting as the Local Transportation Authority (“Authority”) is requesting that the City of Porterville (City) approve and submit a Supplemental Agreement (SA) for the Acquisition of Railroad Right-of-Way Project. The Authority requires the processing of a SA for the purpose of funding 100% of the acquisition price.

On August 19, 2014, the City adopted Resolution 61-2014 accepting the Purchase and Sale Agreement and Joint Escrow Instructions with the Union Pacific Railroad Company and authorizing staff to begin escrow.

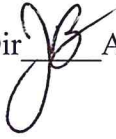

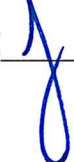
The acquisition will preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs. A locator map identifying the project limits is included in the Council’s packet.

As stated above, a Supplemental Agreement, Resolution and Exhibit ‘A’ must be received by the Authority before the City can seek reimbursement for said acquisition. Exhibit ‘A’ provides the project title and estimate of probable cost for the acquisition.

RECOMMENDATION: That the City Council:

1. Approve the attached Resolution affirming the City Council’s support of Acquisition of Railroad Right-of-Way;
2. Authorize the Mayor and City Manager to execute the Acquisition of Railroad Right-of-Way Project Supplemental Agreement for the purchase of railroad property; and
3. Direct the City Clerk to transmit the executed Supplemental Agreements to Tulare County Transportation Authority.

ATTACHMENTS: Resolution 61-2014
Locator Maps
Supplemental Agreement
Draft Resolution
Exhibit ‘A’

Dir  Appropriated/Funded  CM 

Item No. 5

RESOLUTION NO. 61- 2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
APPROVING AND AUTHORIZING THE PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS WITH THE UNION PACIFIC RAILROAD
COMPANY, A DELAWARE CORPORATION

WHEREAS, the City of Porterville desires to preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs; and

WHEREAS, the Union Pacific Railroad Company, a Delaware Corporation has agreed to sell the abandoned 8.2± mile rail line, bounded to the north by Frazier Hwy (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128), together with all culverts, ballast, bridge structures and appurtenances, to the City of Porterville; and

WHEREAS, City staff has negotiated an agreement for the purchase of the Property, which terms and conditions are set forth in the Purchase and Sale Agreement and Escrow Instructions ("Agreement") attached as Exhibit A.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES HEREBY RESOLVE AS FOLLOWS:

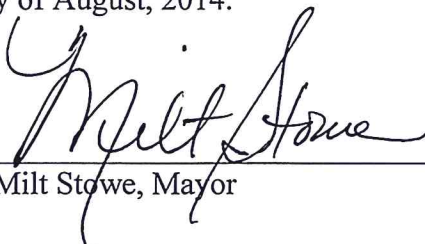
Section 1. That the above recitals are true and correct and incorporated herein.

Section 2. That the Agreement, attached as Exhibit A, is hereby approved

Section 3. That the City Council authorizes and directs the City Manager and/or City Attorney to make any final modifications to the Agreement that are consistent with the substantive terms of the Agreement approved hereby, and to thereafter authorize the Mayor to sign the Agreement on behalf of the City.

Section 4. That the City Council authorizes and directs the Mayor to (i) sign such other and further documents, including but not limited to escrow instructions and (ii) take such other and further actions, as may be necessary and proper to carry out the terms of the Agreement.

PASSED, APPROVED, and ADOPTED this 19th day of August, 2014.



Milt Stowe, Mayor

ATTEST:

John D. Lottis, City Clerk



By: Patrice Hildreth, Chief Deputy City Clerk

STATE OF CALIFORNIA)
 CITY OF PORTERVILLE) SS
 COUNTY OF TULARE)

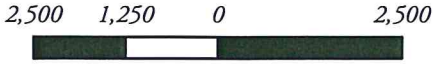
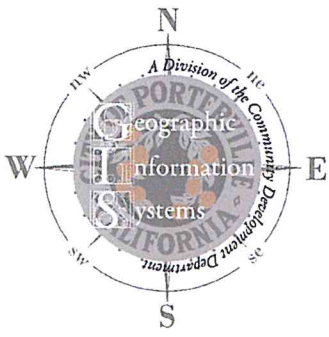
I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 19th day of August, 2014.

THAT said resolution was duly passed, approved, and adopted by the following vote:

Council:	REYES	WARD	STOWE	HAMILTON	GURROLA
AYES:	X	X	X	X	X
NOES:					
ABSTAIN:					
ABSENT:					

JOHN D. LOLLIS, City Clerk


 By: Luisa M. Zavala, Deputy City Clerk





City of Porterville
Community Development Department
291 North Main Street
Porterville, CA 93257
(559) 782-7460

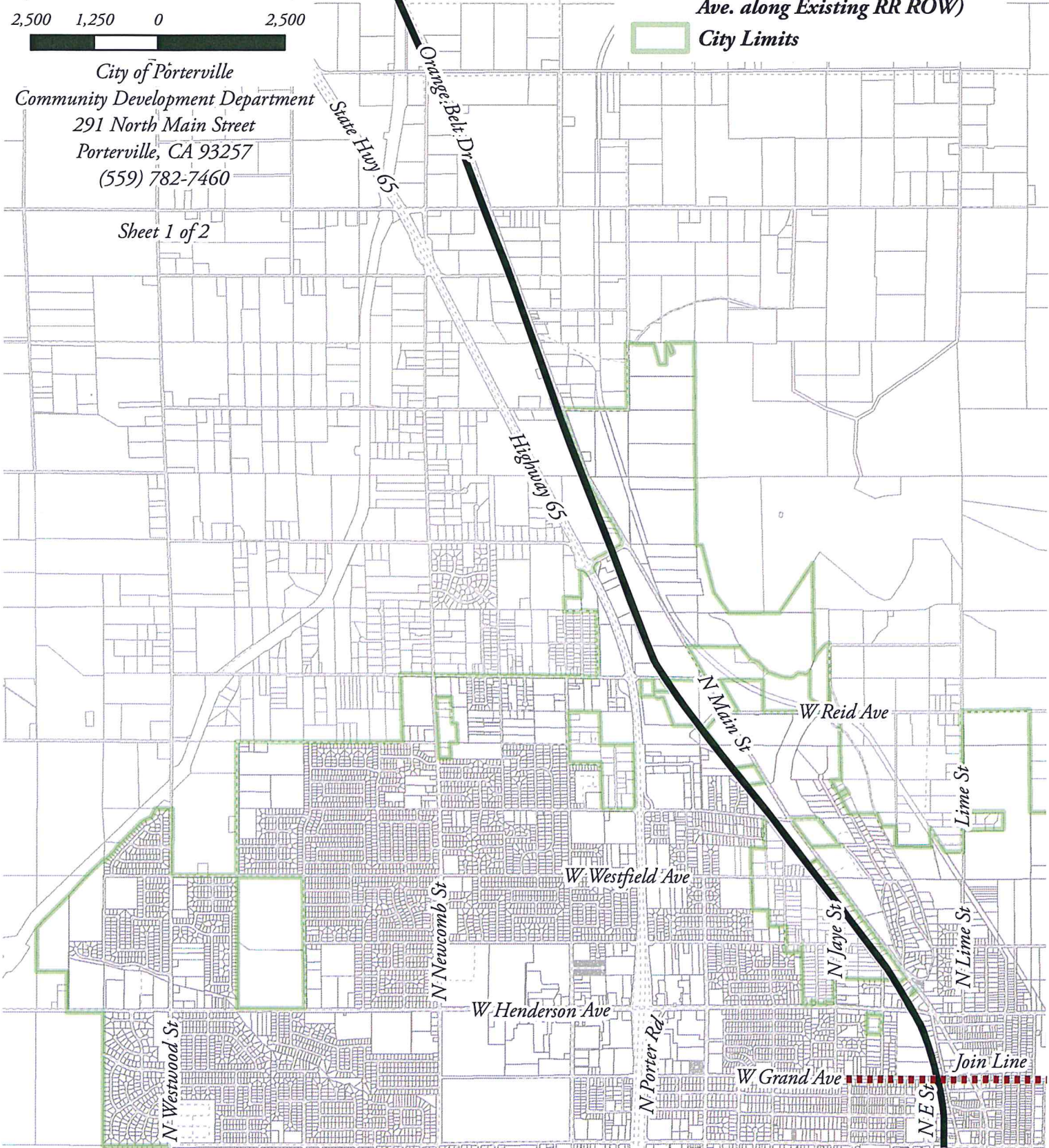
Sheet 1 of 2

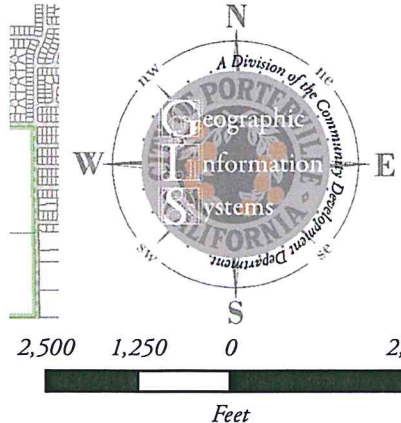
Frazier Hwy

Avenue 196

Locator Map

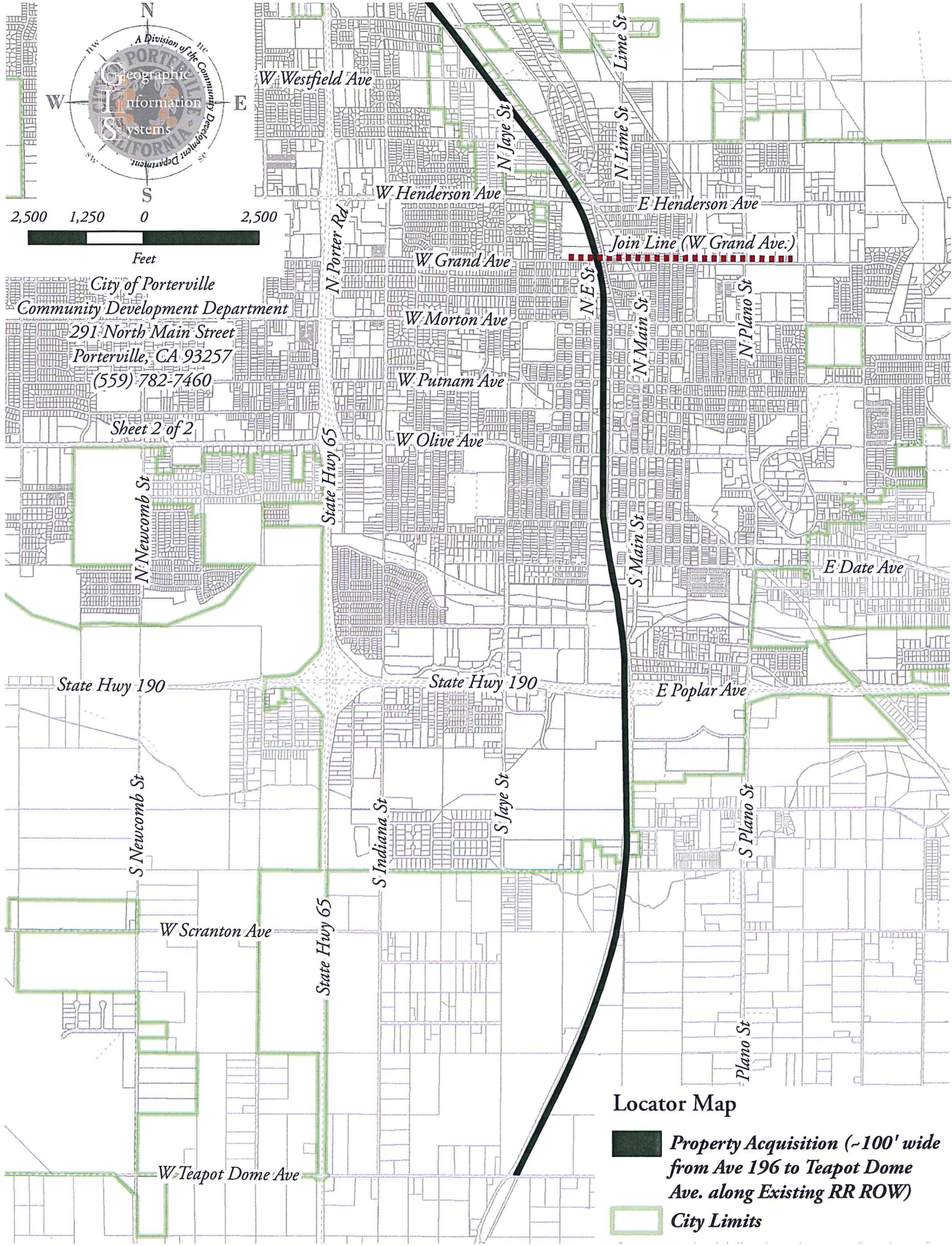
-  Property Acquisition (~100' wide from Ave 196 to Teapot Dome Ave. along Existing RR ROW)
-  City Limits





City of Porterville
 Community Development Department
 291 North Main Street
 Porterville, CA 93257
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Sheet 2 of 2



Locator Map

- Property Acquisition (~100' wide from Ave 196 to Teapot Dome Ave. along Existing RR ROW)**
- City Limits**

MEASURE R PROGRAM SUPPLEMENT TO
COOPERATIVE AGREEMENT

This Program Supplement is made and entered into on September ____, 2014, by and between the City of Porterville (“Sponsor”) and the TULARE COUNTY ASSOCIATION OF GOVERNMENTS, acting as the Local Transportation Authority (“Authority”).

This Program Supplement hereby incorporates the “Measure R Cooperative Agreement” for Measure R expenditures, which was entered into between the Sponsor and the Authority on May 29, 2007, and is subject to all terms and conditions thereof. This Program Supplement is executed under authority of Resolution No. ____-2014, approved by the Sponsor on September 2, 2014 (see copy attached).

Project scope and costs are incorporated herein as Exhibit ‘A’ and agreed upon by Sponsor and Authority.

Covenants of Sponsor

- 1.1 SPONSOR agrees that it will only proceed with acquisition with a written “Authorization to Proceed” or AUTHORITY action and will not proceed with future phase(s) of this project(s) prior to receiving a written “Authorization to Proceed” or AUTHORITY action.
- 1.2 The SPONSOR will advertise, award, and administer the project(s) in accordance with SPONSOR standards.
- 1.3 Award information shall be submitted by the SPONSOR to the AUTHORITY within 60 days after the project contract award.
- 1.4 Failure to submit award information in accordance with Section 1.3 will cause a delay (without interest or penalties) in AUTHORITY processing invoices for the construction phase.
- 1.5 If no costs have been invoiced for a six-month period, SPONSOR agrees to submit a written explanation of the absence of project activity along with target billing date and billing amount.

IN WITNESS WHEREOF, the undersigned parties have executed this agreement of the day and year first written above.

COUNTY OF TULARE
TRANSPORTATION AUTHORITY

CITY OF PORTERVILLE

By: _____
Authority Director

By: _____
Milt Stowe, Mayor

Attest:

By: _____
John D. Lollis, City Clerk

RESOLUTION NO. _____-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
AFFIRMING AND APPROVING THE SUPPORT OF THE CITY COUNCIL FOR THE
ACQUISITION OF RAILROAD RIGHT-OF-WAY

WHEREAS, the City of Porterville Acquisition of Railroad Right-of-Way Project is eligible to receive 100% funding for the acquisition of the recently abandoned railroad right-of-way within its general jurisdictional boundaries; and

WHEREAS, the Tulare County Association of Governments is requesting that the City of Porterville approve and submit a Supplemental Agreement that will allow the City to receive funding for all acquisition costs incurred;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Porterville does hereby affirm and approve support of the Acquisition of Railroad Right-of-Way Project and authorizes the Mayor and City Clerk to execute the Program Supplement and any other related documents as may be required.

PASSED, APPROVED AND ADOPTED this 2nd day of September, 2014.

Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk

By: Patrice Hildreth, Chief Deputy City Clerk

EXHIBIT 'A'

Acquisition of Railroad Right-of Way Project

PROJECT SCOPE

Acquisition of recently abandoned Railroad Right-of-Way in the city of Porterville and within its general jurisdictional boundaries. The limits are approximately ten (10) miles bounded to the north by Frazier Highway (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128). The acquisition will preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs.

PROJECT COSTS

Acquisition of Railroad Right-of-Way Tasks	Costs (All but acquisition costs are estimated)
Acquisition Costs	\$3,000,000
Escrow Costs	\$10,000
Deed Preparation	\$25,000
Feasibility Review (engineering studies, soils investigations, environmental assessments, surveys and physical inspection of the property)	\$8,000 for Phase 1 and soil tests
Review and execution of all documents	\$7,000

PROJECT SCHEDULE

Acquisition of Railroad Schedule	Start Dates (Estimate - Dates depend on start of escrow)	Completion Dates (Estimate - Dates depend on start of escrow)
Open Escrow	September 3, 2014	December 29, 2014
Update Preliminary Report	September 3, 2014	October 17, 2014
Legal Description	September 3, 2014	December 1, 2014
Approved Feasibility Review	September 3, 2014	December 1, 2014