



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Execute an Amendment to the Memorandum of Understanding between the City of Lodi and Various Railroads Approved by Council on September 18, 2002

MEETING DATE: July 2, 2003

PREPARED BY: Public Works Director

RECOMMENDED ACTION. That the City Council adopt a resolution authorizing the City Manager to execute an amendment to the Memorandum of Understanding between the City of Lodi and Union Pacific Railroad Company (UPRR), Euriington Northern and Santa Fe Railway Company (BNSF), and Central California Traction Company (CCT) approved by Council on September 18, 2002.

BACKGROUND INFORMATION: On September 18, 2002, Council adopted a resolution authorizing the City Manager to execute a Memorandum of Understanding (MOU) between the City of Lodi and the Railroads. The MOU set forth terms and conditions under which the City would be authorized to remove and abandon the existing railroad tracks along Lodi Avenue between the UPRR mainline and a point approximately 200 feet easterly of Cherokee Lane. Snortiy after the MOU was executed. the tracks were temporarily paved aver by City crews to improve safety and driveability along this corridor.

The existing MOU allows the Railroads and the City to construct agreed upon alternative improvements in lieu of rehabilitating and reopening the existing Kentucky ilouse Branch (KHB) railroad and accompanying switchyard facilities. The alternative currently being considered includes rehabilitating the existing CCT short line between Lodi and Stockton. In accordance with the original MOU, the Railroads would facilitate the construction work and bill the City for each progress payment. Aside from a i-educed project cast to tlie City, this alternative would further enhance Central City rail safety by eliminating five (5) additional vehicle crossings along Lockeford Street and all east and westbound rail traffic between the UPRR mainline and the CCT Mainline.

Selection of the above mentioned alternate plan would sigrificantly reduce the design and property acquisition costs associated with the original Rail Plan. It is anticipated the cost savings to the City will exceed the additional funds to be provided to the Railroads by the City. as outlined in the Amendment to the MOU. Therefore, appropriating additional funding is not required as part of this Couiicil action.

The Amendment to the MOU does not change the terms and conditions of the original MOU, unless the City and Railroads mutually agree to implement alternate rail improvements.

Staff recommends Council adapt a resolution authorizing the City Manager to execute the Amendment to the MOU between the City and the Railroads approved by Council on September 18, 2002.

FUNDING No additional appropriations are needed.


Richard C. Prima,
Public Works Director

Prepared by Charlie Swimley Senior Civil Engineer
RCP/CES/pmt
Attachment

cc: Randy Hays, City Engineer Wes Fujitani, Senior Civil Engineer Sharon Welch, Senior Civil Engineer
F. Wally Sandelin, City Engineer Paula Fernandez, Senior Traffic Engineer

APPROVED: 
H. Dixon Flynn -- City Manager

(Draft) AMENDMENT

WHEREAS on September 18, 2002 the City of Lodi, a municipal corporation of the State of California, (hereinafter referred to as "City"), the Central California Traction Company ("CCT"), a California corporation owned jointly by The Burlington Northern and Santa Fe Railway Company ("BNSF") and the Union Pacific Railroad Company ("UP"), both UP and BNSF being Delaware corporations, (CCT, UP and BNSF hereinafter referred to collectively as "Railroads") entered into a memorandum of understanding (hereinafter referred to as "MOU") the purpose of which was to set forth the terms and conditions under which CITY would be allowed to remove CCT's rail line from Lodi Ave and the City would provide funding for alternate rail facilities as described on Exhibit A to the MOU and referred to therein and herein as the "Rail Plan"; and

WHEREAS, Section 7 of the MOU allows Railroads and City to make alternate improvements in lieu of rehabilitating and reopening that line of railroad referred to in the MOU as the Kentucky House Branch ("KHB") as described within the Rail Plan; and

WHEREAS, Railroads and City agree that the selection of an alternate plan by the Railroads will significantly reduce the cost to the City referred to in Section 1 of the MOU related to engineering design work on the Rail Plan and for procurement of property required to build a connection between the existing CCT railroad line and the KHB; and

WHEREAS, City is willing to increase the funds provided to the Railroad by City if the Railroads, at their sole discretion, choose to implement a plan that does not include rebuilding of the KHB.

NOW, THEREFORE, it is mutually agreed and understood by and between City and Railroads:

In the event that Railroads choose a rail plan that continues to provide rail service to the City of Lodi, California, but does not include that portion of the current Rail Plan that requires rehabilitation and reopening of the KHB, then the MOU shall be amended as follows:

1. City shall not be obligated or required to provide any engineering design work other than is required for track construction and track rearrangement along Lodi Avenue east of Beckman Road.

2. Section 5 of the MOU, that requires purchase by the City and deeding over to CCT the necessary property for a rail connection between the KHB and the CCT, shall be deleted in its entirety and held for naught.

Exhibit A1

5. The funds provided to Railroads by City under Section 6 of the MOU shall be increased from \$6,694,000 to \$6,892,000.

Except as specifically changed and provided for herein, the MOU shall remain in full force and effect, This amendment shall be effective as of June ____ 2003.

Accepted For:
City of Lodi, a municipal corporation

Accepted For:
Central California Traction Company

(Signature)

(Signature)

Name: H. Dixon Flynn
Title: City Manager

Name: _____
Title: President

Approved as to Form:

Randall A. Hays, City Attorney

Attest: *

Susan J. Blackston, City Clerk

Accepted For:
Union Pacific Railroad Company

Accepted For:
**The Burlington Northern and
Santa Fe Railway Company**

(Signature)

(Signature)

Name: _____

Name: _____

Title: _____

RESOLUTION NO. 2003-119

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF
LODI AND VARIOUS RAILROADS TO CONSTRUCT TRACK
IMPROVEMENTS ALLOWING ABANDONMENT OF THE
EXISTING LODI AVENUE RAILROAD TRACKS

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WHEREAS, on September 18, 2002, the City Council adopted a Resolution authorizing the City Manager to execute a Memorandum of Understanding (MOU) between the City of Lodi and Union Pacific Railroad (UPRR) Company, Burlington Northern and Santa Fe Railway Company, and Central California Traction (CCT) Company to construct railroad track improvements to facilitate the abandonment of the existing Lodi Avenue railroad tracks as part of the Lodi Central City Railroad Safety Improvement Project; and

WHEREAS, the MOU set forth the terms and conditions under which the City would be authorized to remove and abandon the existing railroad tracks along Lodi Avenue between UPRR mainline and a point approximately 200 feet easterly of Cherokee Lane. Shortly after the MOU was executed, the tracks were temporarily paved over by City crews to improve safety and drive-ability along this corridor; and

WHEREAS, the alternative currently being considered includes rehabilitating the existing CCT short line between Lodi and Stockton, and in accordance with the original MOU, the Railroads would facilitate the construction work and bill the City for each progress payment; and

WHEREAS, aside from a reduced project cost to the City, this alternative would further enhance Central City rail safety by eliminating five (5) additional vehicle crossings along Lockeford Street and all east and westbound rail traffic between the UPRR mainline and the CCT Mainline; and

WHEREAS, the selection of the above-mentioned alternate plan would significantly reduce the design and property acquisition costs associated with the original Rail Plan.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute an amendment to the MOU between the City of Lodi and various Railroads approved by the City Council on September 18, 2002.

Dated: July 2, 2003
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I hereby certify that Resolution No. 2003-119 was passed and adopted by the Lodi City Council in a regular meeting held July 2, 2003, by **the** following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Howard, Land, and Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk