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ELECTRONICALLY FILED 10/28/2021 3:14 PM Superior Court of California County of Mendocino

By: Desaug Slass D. Jess Deputy Clerk

## SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF MENDOCINO

CITY OF FORT BRAGG, a California municipal corporation, Plaintiff,

Case No.21CV00850

vs.

MENDOCINO RAILWAY AND DOES 1–10, inclusive

Defendants.

VERIFIED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

(GOV. CODE, § 11350; CODE CIV. PROC., § 1060)

JUDGE: CLAYTON BRENNAN DEPT.: TEN MILE

Plaintiff CITY OF FORT BRAGG, CA ("City" or "Plaintiff") files this action seeking judicial declaration regarding the validity of the Mendocino Railway's status as a public utility pursuant to Code of Civil Procedure section 1060 and/or injunctive relief, alleging as follows:

1. The operations of the Mendocino Railway have been reduced over time and now consist of only the operation of out and back excursion trips starting in either Fort Bragg, California or Willits, California and therefore the Mendocino Railway is no longer entitled to status as a public utility, is in fact an excursion only railroad, and therefore is subject to the jurisdiction of the City of Fort Bragg and all ordinances, codes and regulations set forth in the City of Fort Bragg Municipal Code.

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### **PARTIES**

- 2. At all relevant times herein, Plaintiff City of Fort Bragg was and is a municipal corporation organized and existing under and by virtue of the laws of the State of California.
- 3. Defendant Mendocino Railway is currently listed as a class III railroad by the California Public Utilities Commission ("CPUC"), and as such is subject to CPUC jurisdiction and has all legal rights of a public utility. At all relevant times herein, it has and does own and operate the "Skunk Train," as described herein, within the City of Fort Bragg, as well as owning and thus having maintenance and other responsibilities for real property relating thereto and also situated within the City of Fort Bragg.
- 4. Plaintiff is currently unaware of the true names and capacities of Does 1 through 10, inclusive, and therefore sues those parties by such fictitious names. Does 1 through 10, inclusive, are responsible in some manner for the conduct described in this complaint, or other persons or entities presently unknown to the Plaintiff who claim some legal or equitable interest in regulations that are the subject of this action. Plaintiff will amend this complaint to show the true names and capacities of Does 1 through 10 when such names and capacities become known.

### **BACKGROUND FACTS**

- 5. The Mendocino Railway, aka the "Skunk Train," does in fact have a long and storied history of operations between Fort Bragg and Willits. Since the 1980s, Defendant's rail operations consisted primarily of an excursion train between Fort Bragg and Willits.
- 6. In 1998, the Public Utilities Commission issued an opinion that the predecessor owner of the Skunk Train, California Western Railroad ("CWRR"), was not operating a service qualifying as "transportation" under the Public Utilities Code because in providing this "excursion service, CWRR is not functioning as a public utility." (CPUC Decision 98-01-050, Filed January 21, 1998.)

- 7. Although the rail lines of the Mendocino Railway and/or the trains it was operating thereafter apparently did or may have had the capacity to carry freight and passengers from point-to-point, no rail lines presently have any such capacity. Moreover, the excursion train, even when it was running previously between Fort Bragg and Willits was exclusively a sightseeing excursion, was not transportation, was not essential, and did not otherwise constitute a public utility function or purpose.
- 8. On April 11, 2013, Defendant's operations were disrupted following the partial collapse of Tunnel No. 1, which buried nearly 50 feet of its 1,200 feet of track under rocks and soil, the third major collapse in the over 100-year-old tunnel's history. The collapse of the tunnel eliminated the ability of rail operations temporarily to continue between Fort Bragg and Willits. On June 19, Save the Redwoods League announced an offer to pay the amount required to meet the fundraising goal for repair work, in exchange for a conservation easement along the track's 40-mile (64 km) right-of-way. The acceptance of the offer allowed the railroad to resume full service of the whole sightseeing line in August 2013.
- 9. Tunnel No. 1 was once again closed in 2016 after sustaining damage from the 2015–16 El Niño, but Defendant had equipment at the Willits depot to allow the running of half-routes to the Northspur Junction and back (which had not been the case during the 2013 crisis), as well as trains running loops from Fort Bragg to the Glen Blair Junction and back.
- 10. Plaintiff is informed and believes the estimates for the repair to reopen the tunnel are in the area of \$5 Million, and that Defendant has stated the tunnel repair will happen in 2022, but there are currently no construction contracts in place for that repair.
- 11. Current operations of the Defendant consist of a 3.5 mile excursion out and back trip from Fort Bragg to Glen Blair Junction, and a 16 mile out and back trip originating in Willits to Northspur Junction both of which are closed loop sightseeing excursions.

- 12. In June, 2017, City staff deemed the roundhouse as so dilapidated that it may be necessary to demolish the building and rebuild instead of repairing. The City even offered to assist with funding to assist with those costs. Attempts to inspect the roundhouse by the County Building Inspector were refused and rebutted with a message from the Defendant that the City has no authority over a railroad. In 2019, when the City red tagged Defendant's work on a storage shed on the Skunk Train's property for failure to obtain a City building permit, the Defendant removed the tag and proceeded with the work. More recently in August, the City sent an email to Defendant to inform them that they needed a Limited Term Permit for a special event after 10pm that would create additional noise in the neighborhood surrounding the Defendant's property. Defendant's response was that they are "outside the City's jurisdictional boundaries and thus not subject to a permit".
- 13. Defendant is directly responsible for the activities occurring as set forth herein in connection with operation of the Skunk Train and the condition of real property in violation of law as alleged herein. Defendant is thus responsible for continuing violations of the laws and public policy of the State of California and/or local codes, regulations and/or requirements applicable to such operations and activities and/or have permitted, allowed, caused, or indirectly furthered such activities/operations in a manner in violation of law, and Defendant's use of and activities in connection with the Skunk Train and the condition of real property relating thereto, including the allowance or maintenance of such activities, operations and conditions in violation of law are inimical to the rights and interests of the general public and constitute a public nuisance and/or violations of law.

#### FIRST CAUSE OF ACTION

# Declaratory and/or Injunctive Relief [Cal. Civil Proc. Code §§ 1060, 526]

14. Plaintiff realleges and incorporates by reference the allegations in paragraphs 1 through 13 as if fully set forth herein.

- Defendant. Defendant has failed to comply with City's code enforcement efforts to have Defendant repair a dangerous building on their property. Defendant also claims its status as a public utility preempts local jurisdiction and provides immunity from the City's Land Use and Development Codes. City disagrees and maintains that, as an excursion-only railroad, Defendant is not a public utility, is not a common carrier, and/or does not provide transportation, and therefore Defendant is subject to the City's ordinances, regulations, codes, local jurisdiction, local control and local police power and other City authority. City is entitled to a declaration of its rights and authority to exercise local control/regulation over the property and Defendant and Plaintiff City has the present right, obligation and need to exercise such control, power and authority for the public interest, benefit and safety.
- 16. A judicial determination of these issues and of the respective duties of Plaintiff and Defendant is necessary and appropriate at this time under the circumstances because the Defendant continues to resist compliance with City directives to repair and make safe the dangerous building on its property, and to comply with the City Land Use and Development Codes, and/or other valid exercise of City governing authority.
- 17. No other adequate remedy exists by which the rights and duties at issue herein between the parties can be determined.
- 18. The City and the public will suffer irreparable injury if the nature of Defendant's conduct, as alleged herein, is not determined by the Court and/or enjoined.
- 19. Plaintiff City also, or in the alternative, seeks injunctive relief against Defendant and thus brings this action pursuant to California Civil Code Section 526 in order to enjoin or require Defendant to refrain from engaging in the conduct alleged here, cease violations of law, and/or to require Defendant to bring its property and operations into compliance with the law, as applicable.
- 20. Unless and until restrained and enjoined by this Court's issuance of injunctive relief as requested herein, Defendant will continue to maintain nuisance