



LOSSAN RAIL CORRIDOR AGENCY BOARD OF DIRECTORS MEETING

**Monday, January 29, 2018
12:30 p.m. to 2:30 p.m.**

Orange County Transportation Authority Headquarters
Board Room – Conference Room 07
550 South Main Street
Orange, California

Teleconference Sites

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Board Conference Room - 3rd Floor
Los Angeles, California

San Diego Metropolitan Transit System
1255 Imperial Avenue
Executive Committee Room - 10th Floor
San Diego, California



REVISED - BOARD OF DIRECTORS AGENDA

Any person with a disability who requires a modification, accommodation or agenda materials in an alternative format in order to participate in the meeting should contact the LOSSAN Clerk of the Board, telephone 714-560-5676, no less than two (2) business days prior to this meeting to enable LOSSAN to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board of Directors may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Comments on Agenda Items

Members of the public may address the Board of Directors regarding any item. Please complete a speaker's card and submit it to the Clerk of the Board or notify the Clerk of the Board the item number on which you wish to speak. Speakers will be recognized by the Chairman at the time the agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes.

All documents relative to the items referenced in this agenda are available for public inspection at www.lossan.org or through the LOSSAN Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

2018 BOARD OF DIRECTORS

(revision as of 01-19-18)

County	Members	Alternates
San Luis Obispo: 1 vote	Fred Strong Council Member, City of Paso Robles San Luis Obispo Council of Governments	John Shoals Mayor, City of Grover Beach San Luis Obispo Council of Governments
Santa Barbara: 1 vote	Michael T. Bennett Council Member, City of Goleta Member, Santa Barbara County Association of Governments	Jason Dominguez Council Member, City of Santa Barbara Member, Santa Barbara County Association of Governments
Ventura: 1 vote	Bryan MacDonald (Vice Chairman) Council Member, City of Oxnard Member, Ventura County Transportation Commission	Jim White Representative, Ventura County Transportation Commission
Los Angeles: 2 votes	(Vacant) John Fasana Council Member, City of Duarte Member, Los Angeles County Metropolitan Transportation Authority	David Perry Representative, Los Angeles County Metropolitan Transportation Authority Mary Lou Echternach Representative, Los Angeles County Metropolitan Transportation Authority
Orange: 2 votes	Al Murray Mayor, City of Tustin Member, Orange County Transportation Authority Tim Shaw Mayor, City of La Habra Member, Orange County Transportation Authority	Lisa A. Bartlett Supervisor, 5 th District Orange County Board of Supervisors Member, Orange County Transportation Authority Mark A. Murphy Mayor Pro Tem, City of Orange Member, Orange County Transportation Authority



REVISED - BOARD OF DIRECTORS AGENDA

County	Members	Alternates
Riverside: 1 vote	Greg Pettis Mayor Pro Tem, City of Cathedral City Member, Riverside County Transportation Commission	Dana Reed Council Member, City of Indian Wells Member, Riverside County Transportation Commission Deborah Franklin Mayor Pro Tem City of Banning Member, Riverside County Transportation Commission
San Diego: 2 votes	Tony Kranz (Chairman) Council Member, City of Encinitas Member, North County Transit District Lorie Bragg Council Member, City of Imperial Beach Member, San Diego Metropolitan Transit System Terry Sinnott Mayor, Representative, San Diego Association of Governments	Ed Gallo Council Member, City of Escondido Member, North County Transit District Guy McWhirter Council Member, City of La Mesa Member, San Diego Metropolitan Transit System Ron Morrison Mayor, City of National City Member, San Diego Association of Governments
Ex-Officio Members: Amtrak	Eric Hosey Representative, Amtrak	
Caltrans	Kyle Gradinger Representative, California Department of Transportation	
California High-Speed Rail Authority	Michelle Boehm California High-Speed Rail Authority	
Southern California Association of Governments	Art Brown Council Member, City of Buena Park Member, Southern California Association of Governments	

Call to Order

Pledge of Allegiance

1. Public Comments

At this time, members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors, but no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per speaker, unless different time limits are set by the Chairman subject to the approval of the Board of Directors.

Special Calendar

2. Election of Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors Chairman

Jennifer L. Bergener

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency bylaws state that, at its first meeting each year, the Board of Directors shall elect a Chairman who shall preside over meetings. Per updated Board Policy No. 1, the sitting Chairman shall call for nominations for the position of Chairman, which shall be made from among the existing Board Members.

3. Election of Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors Vice Chairman

Jennifer L. Bergener

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency bylaws state that, at its first meeting each year, the Board of Directors shall elect a Vice Chairman who shall preside in the Chairman's absence.

Consent Calendar (Items 4 through 6)

All items on the Consent Calendar are to be approved in one motion unless a Board Member or a member of the public requests separate action or discussion on a specific item.

4. Approval of Minutes

Approval of the minutes of the Special LOSSAN Board of Directors meeting of December 6, 2017.

5. Conflict of Interest Code and 2017 Annual Statement of Economic Interests Filing

Olga Prado

Overview

Pursuant to the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's Conflict of Interest Code, Members of the Board of Directors and designated positions are required to file a Statement of Economic Interests - Form 700.

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2017 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 2, 2018.

6. Federal Legislative Update

Dustin Sifford

Overview

A federal legislative update is provided, including an overview of two continuing resolutions passed by Congress and signed into law by the President in December 2017, ensuring funding for all departments of the federal government until January 19, 2018. Updates are also provided on the tax legislation and pending confirmations to the Department of Transportation.

Recommendation

Receive and file as an information item.

Regular Calendar

7. Annual Business Plan and Budget Assumptions for Fiscal Year 2018-19 and Fiscal Year 2019-20

Jason Jewell

Overview

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency is required to submit an annual business plan to the California State Transportation Agency by April 1 of each year that provides the basis for its annual budget request and any proposed changes to the Pacific Surfliner service. A list of key assumptions used in developing the budget and business plan for fiscal year 2018-19 and fiscal year 2019-20 is presented for Board of Directors' review.

7. (Continued)

Recommendation

Direct staff to incorporate the key assumptions into the development of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency business plan for fiscal year 2018-19 and 2019-20.

8. **Pacific Surfliner Peak Period Service to Ventura and Santa Barbara Counties**

Jennifer L. Bergener

Overview

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency has worked with the California State Transportation Agency in coordination with the Santa Barbara County Association of Governments to evaluate alternatives and develop an operating plan to provide peak-period service between Los Angeles and Santa Barbara County. An implementation plan has been developed and is presented for Board of Directors' consideration.

Recommendations

- A. Direct staff to continue efforts to implement peak-period service between Los Angeles and Santa Barbara County.
- B. Direct staff to initiate negotiations with the Santa Barbara County Association of Governments for cost sharing and marketing related to the peak-period service between Los Angeles and Santa Barbara County.

Discussion Items

9. **2018 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors Initiatives**

Jennifer L. Bergener

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors annually adopts Board of Directors-specific initiatives. Staff will provide a general update of the 2017 initiatives and will seek Board of Directors input for the development of the 2018 initiatives.

10. **Quarterly Marketing Update**

Emilia Doerr

Staff will provide an overview of recent marketing activities and performance of ongoing marketing initiatives.

11. Transit and Intercity Rail Capital Program Grant Application Update

Michael Litschi

Staff will provide an update on the 2018 Transit and Intercity Rail Capital Program call for projects, which provides funding for transit, commuter rail, and intercity rail projects that help reduce greenhouse gas emissions. The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency submitted a total of three applications for funding in collaboration with its member agencies by the January 12, 2018, application deadline.

12. Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Fiscal Year 2017-18 and 2018-19 Business Plan Update and Approval

Jennifer L. Bergener

The California State Transportation Agency has approved the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Fiscal Year 2017-18 and 2018-19 Business Plan. Staff will provide an update on the approval.

13. Managing Director's Report

14. Board Members' Report

15. Closed Session

A closed session will be held for the following:

Pursuant to Government Code Section 54957 to evaluate the performance of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Managing Director.

16. Adjournment

The next regularly scheduled meeting of this Board will be held:

Wednesday, February 21, 2018

12:30 p.m. to 2:30 p.m.

Los Angeles County Metropolitan Transportation Authority

Board Room -Third Floor

One Gateway Plaza

Los Angeles, California



MINUTES

Special Board of Directors' Meeting

Call to Order

The December 6, 2017 Special Board of Directors (Board) meeting of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) was called to order by Chairman Kranz at 12:47 p.m., at the Los Angeles County Metropolitan Transportation Authority, Board Room – Third Floor, One Gateway Plaza, Los Angeles, California.

Chairman Kranz announced that several of the Directors would participate in today's meeting via teleconferencing, and all votes would be taken by roll call.

Directors Present: Tony Kranz, Chairman
 Bryan MacDonald, Vice Chairman
 Fred Strong, SLOCOG (teleconference)
 Helene Schneider, SBCAG (teleconference)
 Mary Lou Echternach, Metro
 David Perry, Metro
 Al Murray, OCTA (teleconference)
 Tim Shaw, OCTA (teleconference)
 Deborah Franklin, RCTC
 Lorie Bragg, SDMTS (teleconference)
 Terry Sinnott, SANDAG
 Eric Hosey, Amtrak, Ex-Officio
 Michelle Boehm, CHSRA, Ex-Officio
 Art Brown, SCAG, Ex -Officio

Directors Absent: John Fasana, Metro
 Greg Pettis, RCTC
 Kyle Gradinger, Caltrans

Staff Present: Jennifer L. Bergener, Managing Director
 Michael Litschi, Deputy Managing Director
 Olga Prado, LOSSAN Agency Clerk of the Board
 Cassie Trapesonian, Associate General Counsel

Pledge of Allegiance

The pledge of allegiance was led by Chairman Kranz.

1. Public Comments

Janet Rogers, Train Coalition, San Diego, joined via teleconference from the Metropolitan Transit System offices. Ms. Rogers reported that she resides at the towers next to the Santa Fe Depot. She commented on the impacts of the train maintenance activities in the community, including odors/gas from dumping the train waste, and suggested that these activities be moved to another area within the station or occur at a different time when it will be less impactful to the residents.

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Items 2 through 8)

2. Approval of Minutes

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 8-0, to approve the minutes of the LOSSAN Agency's regular Board of Directors meeting of September 8, 2017.

Vice Chairman MacDonald was not present to vote on this item.

Chairman Kranz and Director Franklin abstained on this item.

3. Proposed 2018 Board of Directors and Committee Meeting Schedule

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to review and approve the 2018 Board of Directors and Committee meeting schedule for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.

Vice Chairman MacDonald was not present to vote on this item.

4. Status Report on State Legislation Enacted in 2017

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to receive and file as an information item.

Vice Chairman MacDonald was not present to vote on this item.

5. Final Draft of the 2018 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to adopt the final draft of the 2018 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program.

Vice Chairman MacDonald was not present to vote on this item.

6. Fiscal Year 2017-18 First Quarter Budget Status Report

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to receive and file as an information item.

Vice Chairman MacDonald was not present to vote on this item.

7. Release of Request for Proposals for Corridor Optimization Support Services

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to:

- A. Approve the release of a Request for Proposals for Corridor Optimization Support Services.
- B. Approve the proposed evaluation criteria and weightings for a Request for Proposals for selection of consultant to provide Corridor Optimization Support Services.

Vice Chairman MacDonald was not present to vote on this item.

8. Los Angeles - San Diego - San Luis Obispo Rail Corridor Trends for the Third Quarter of Federal Fiscal Year 2016-17

A motion was made by Director Strong, seconded by Director Murray, and following a roll call vote, declared passed 10-0, to receive and file as an information item.

Vice Chairman MacDonald was not present to vote on this item.

Regular Calendar

9. Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Fiscal Year 2016-17 Annual Financial Audit

Jason Jewell, LOSSAN Chief Financial Officer, reported on the LOSSAN Agency's fiscal year 2016-17 audited financial statements and auditor's report. Mr. Jewell stated that the auditors completed the required annual audit in November 2017 and reported a clean audit opinion on LOSSAN's financial statements, no deficiencies in internal control were found, and there were no written management recommendations issued.

No action was taken on this receive and file information item.

10. Fare Restructuring - Final Policy Approval and Implementation Plan

Roger Lopez, Principal Transportation Analyst, provided background information on the past 18 months' worth of effort on the Pacific Surfliner fare restructuring, the revised fare tables previously approved by the Board, and discussed Attachment A of the Staff Report (Proposed Fare Restructuring: Public Outreach Results) as follows:

- Outreach Overview;
- Survey Results: Overview;
- Snapshot of Respondents;
- Overall Fare Policy;
- 10-Trip Ticket; and
- Additional Comments.

A discussion ensued regarding:

- Multi-ride pass, and if there is an ability to enter a discount code when purchasing tickets.
- Types of market research being conducted regarding customer satisfaction, fare and discount changes, and the impact of on-time performance.

Director Bragg expressed her appreciation for the preservation of discounts for senior citizens and disabled passengers.

10. (Continued)

A motion was made by Director Strong, seconded by Director Sinnott, and following a roll call vote, declared passed 10-0, to:

- A. Review and approve the final fare policy developed as part of the 2017 Pacific Surfliner fare restructuring effort.
- B. Approve the proposed implementation plan and schedule for the revised Pacific Surfliner fare structure.

Vice Chairman MacDonald was not present to vote on this item.

11. 2018 Transit and Intercity Rail Capital Program Grant Application

Jennifer Bergener, Managing Director, provided opening remarks and referred back to Item 1 on the Agenda (Public Comments), and reported that she has met with the homeowners association (known as the Train Coalition, San Diego) on several occasions. In addition, Ms. Bergener has done a walkabout with San Diego's Assemblymember Todd Gloria's and Councilmember Chris Ward's offices to familiarize them with the San Diego Santa Fe Depot and the activities that occur at the station daily and in the evening.

Mr. Bergener reported that four trains layover overnight at the San Diego Santa Fe Depot. She stated that here are a number of required tests and activities that need to occur over that period, including general cleaning and inspection, dumping of the waste systems, and Federal Railroad Administration required testing of the horns. Ms. Bergener also stated that over the last couple of years, staff has worked hard to mitigate impacts to residents, including providing cases and dampening devices for the waste tanks and placing trains on ground power as quickly as possible to ensure the engines are only running as long as is absolutely necessary.

Ms. Bergener stated that staff has also offered to do a walkabout with the homeowners association/Train Coalition and the offer still stands.

Michael Litschi, Deputy Managing Director, provided an update on the LOSSAN Agency's strategy for submitting grant applications for the State's 2018 Transit and Intercity Rail Capital Program (TIRCP). He reported that the goal of the TIRCP is to improve California's transit and passenger rail services by funding projects that reduce vehicle miles traveled and traffic congestion, ultimately reducing greenhouse emissions.

11. (Continued)

Mr. Litschi reported that the 2018 TIRCP is a five-year program of projects, and the total dollar amount available to public agencies is currently estimated at \$2.4 billion statewide over the five-year period. He highlighted staff's work, in collaboration with the member agencies, to develop a strategy and proposed projects and the applications that the LOSSAN Agency plans to submit.

Public comments were heard via teleconference from the Metropolitan Transit System offices from:

Paul Herstein, Train Coalition, San Diego, who thanked Ms. Bergener for being sympathetic to the coalition's concerns. He briefly described what the Train Coalition supports, and stated that they are delighted to see that the list of capital projects requested for funding, which includes a study for alternatives for new maintenance/layover facilities for Pacific Surfliner trains in downtown San Diego.

Mr. Herstein provided a brief history when the area changed from an industrial freight yard to a residential area. He asked that the Board consider communicating with the California Department of Transportation (Caltrans) to support the movement of the layover facility out of downtown San Diego to a more suitable location, and hopes that the LOSSAN Agency participates in funding the study.

Fred Hottinger, a resident in the surrounding area of the Santa Fe Depot, San Diego, suggested as a short-term improvement to not have Amtrak P42 locomotives layover in San Diego, but rather have other types of locomotives. He felt that the P-42 locomotives are noisy and become a disturbance at nighttime. He stated that it was mentioned, approximately a year ago, that two new locomotives were going to be added to this corridor, which is the second busiest rail corridor in the nation.

A discussion ensued regarding:

- How the "to be determined (TBD)" amounts, listed in Attachment A of the Staff Report, will progress/be appropriated. Staff responded that as the cost estimates are developed by the host railroads, the table will be updated and a completed list will be brought back to the Technical Advisory Committee (TAC) and the Board in January 2018.
- Staff will send a follow-up memorandum to the Board with respect to the use of the different types of locomotives.

11. (Continued)

Director Franklin expressed her support for the demonstration project, as someone who lives midway between Coachella and Los Angeles. She stated that the demonstration project would be a great way to review how to help eliminate some of the gridlock that occurs because of traffic and the various special events.

Director Sinnott expressed his support for the effort to move ahead with planning in the area of the Santa Fe Depot in San Diego.

Chairman Kranz expressed his hopes that the City of San Diego and the San Diego Association of Governments prioritize this issue to re-double the LOSSAN Agency's efforts and assist with a resolution.

Director Echternach thanked LOSSAN Agency staff for its efforts in terms of working with the member agencies on the various grants.

Director Bragg thanked the Train Coalition speakers and encouraged the Board to fully consider this issue and stated she would appreciate the Board's support.

A motion was made by Director Strong, seconded by Director Franklin, and following a roll call vote, declared passed 11-0, to:

- A. Approve the draft program of projects for inclusion in the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's 2018 Transit and Intercity Rail Capital Program grant application.
- B. Authorize the Managing Director to submit a 2018 Transit and Intercity Rail Capital Program grant application and process all necessary agreements to facilitate the submission and acceptance of grant funds.

12. State Rail Assistance Program

Roger Lopez, Principal Transportation Analyst, provided background information on the State Rail Assistance (SRA) program, which is an element of Senate Bill 1 (SB-1) and an update as follows:

- When SB-1 passed, it was intended to provide over \$50 billion to improve all elements of California's transportation infrastructure, including the SRA program.
- \$440 million were directed specifically to commuter and intercity rail services for both operational and capital improvements.
- The LOSSAN Agency is an eligible recipient of SRA funds.

12. (Continued)

- The SRA program will be administered by the California State Transportation Agency (CalSTA), and their role is to validate the eligibility of projects and disbursement of funds.
- The SRA program formula process begins with fiscal year 2017-18 and the LOSSAN Agency has been allocated an initial distribution of \$3.1 million.
- Guidelines for the use of these funds were published by CalSTA in October 2017, and reflected a requirement that allocations for the first year be submitted by December 15, 2017, which did not allow an opportunity to coordinate with the LOSSAN TAC Committee to develop a project list.
- In the absence of an opportunity to coordinate with the TAC Committee, staff developed a list of projects from prior efforts that did include the TAC and is reflected on Attachment B of the Staff Report.

A motion was made by Director Murray, seconded by Director Strong, and following a roll call vote, declared passed 11-0, to:

- A. Approve the recommended program of projects for fiscal year 2017-18 State Rail Assistance formula funds.
- B. Direct staff to develop a program of operational and capital improvement projects, in coordination with the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Technical Advisory Committee, utilizing fiscal years 2018-19 and 2019-20 State Rail Assistance formula funds, for future Board of Directors approval.
- C. Approve Resolutions No. 2017-L001 and No. 2017-L002 authorizing the Managing Director to act on behalf of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency in obtaining funding under the State Rail Assistance Program.
- D. Authorize the Managing Director to negotiate and execute necessary agreements and program supplements to facilitate the utilization of State Rail Assistance funding.

Chairman Kranz commented that he supports SB-1 and he hopes everyone can do their part to advocate on behalf of SB-1.

13. Amendment to Contract with Truth and Advertising to Support Pacific Surfliner Winter Marketing Campaign

Emilia Doerr, Marketing & Communications Officer, provided background information on the promotion of the Pacific Surfliner and implementation of marketing programs. Ms. Doerr reported that staff has prepared an expenditure plan for an upcoming winter marketing campaign, beginning early 2018, to promote use of the Pacific Surfliner during months that traditionally show lower ridership. She stated that staff is proposing an amendment to the current marketing services contract by \$400,000 for direct costs of purchasing campaign advertising.

A short discussion ensued regarding:

- Is there a way to measure which types of communications are most effective.
- Quarterly marketing updates are prepared, and through those, staff is able to track effectiveness of digital media purchases. In addition, staff has proposed in the expenditure plan, various levels of investment for both broad-reach and direct response marketing.
- Online advertising (i.e., Google, Facebook, etcetera), costs are measured by impressions (visibility, as well as actionable transactions such as “like” clicks).
- The \$400,000 for this item is within the budgeted amount for the 2017-18 approved budget.

A motion was made by Vice Chairman MacDonald, seconded by Director Strong, and following a roll call vote, declared passed 11-0, to:

- A. Approve the proposed expenditure plan for the 2018 Pacific Surfliner winter marketing campaign.
- B. Authorize the Managing Director to amend Agreement No. L-7-0004 with Webb & Duffy’s, doing business as Truth and Advertising, by \$400,000, for direct costs of purchasing campaign advertising.

Discussion Items

14. Retiming Update

Jennifer Bergener, Managing Director, provided background information on the retiming efforts to provide peak period service into Ventura and Santa Barbara counties, originating out of Los Angeles County. She reported that the current effort is a retiming of the existing trains as to minimize impacts to the core Pacific Surfliner service and not impact Metrolink negatively. Staff is in the process of working with Amtrak to develop the cost estimates.

14. (Continued)

Ms. Bergener added that this week, she and a number of Amtrak and LOSSAN staff met with a company called Great Lakes Central Railroad, who has equipment available for lease or sale. She reported that while the State has proceeded with issuing a contract that includes Siemens single-level equipment, the procurement is only for 49 cars which may not meet the needs of this corridor. The approximate time of receiving those cars would be in 24 to 36 months and the cars would still need to go into a testing process before being put into service.

Ms. Bergener stated that staff is reviewing how to expand and provide peak period service in Ventura and Santa Barbara counties. A comprehensive update will be provided at the January 2018 Board meeting.

Director Schneider expressed Santa Barbara County Association of Governments' (SBCAG) appreciation to staff for these efforts and stated that SBCAG is doing as much as possible to make this work.

15. Managing Director's Update

Jennifer Bergener, Managing Director, reported:

- A presentation will be made to the Board on the continuance of the administrative support agreement with the Orange County Transportation Authority. She stated that the LOSSAN Agency will have special Counsel to review the administrative support agreement, and OCTA will retain its existing General Counsel.
- Staff is embarking on the renegotiation of LOSSAN's Interagency Transfer Agreement, which expires June 2018.
- Eric Hosey was introduced as LOSSAN's new Amtrak Ex-Officio Board Member. Mr. Hosey has a long railroad history and will be a tremendous asset to the LOSSAN Agency.
- In addition to the snack box that is being offered in the business class, staff is also running a pilot program in the coming weeks for a kid's snack box to be sold in the café car. A picture of the snack box will be sent to the Board.
- The Holiday Train Fest and Toy Drive event will be held on Saturday, December 16, 2017, from 4:00 p.m. – 8:00 p.m., at the Los Angeles County Metropolitan Transportation Authority.

16. Board Members' Report

Vice Chairman MacDonald apologized for arriving late to the Board meeting due to most of the western portion of the County of Ventura being on fire which has impacted traffic via the freeway and train service.

Vice Chairman MacDonald also showed the new snack box he purchased during his travel, which is being offered in business class. He complimented staff for an excellent job of upscaling the services in the café car.

Director Schneider expressed her appreciation to the Board and staff, and stated that this would be her last meeting as a LOSSAN Board Member before she terms off as Mayor of Santa Barbara and Director of SBCAG. She wished everyone well and thanked the Board for the opportunity to serve.

Chairman Kranz offered his thanks on behalf of the Board for all the advocacy Director Schneider provided on behalf of public transit in Santa Barbara.

Director Shaw provided a comment in regards to the public comments received. He stated that as a member of the Orange County Sanitation District (District), he knows that there is an unbelievable amount of effort on the "waste" topic and suggested that staff reach out to the District to see what they do. Director Shaw announced an congratulated Director Murray on becoming the Mayor of Tustin.

Chairman Kranz wished everyone happy holidays.

17. Closed Session

There was no Closed Session scheduled.



MINUTES

Special Board of Directors' Meeting

18. Adjournment

The meeting of the LOSSAN Board adjourned at 1:53 p.m. The next regularly scheduled meeting of this Board will be held:

Monday, January 29, 2018

12:30 p.m. to 2:30 p.m.

Orange County Transportation Authority Headquarters

Board Room – Conference Room 07

550 South Main Street

Orange, California

ATTEST

Tony Kranz
LOSSAN Chairman

Olga Prado
Clerk of the Board



January 29, 2018

To: Members of the Board of Directors
From: Jennifer L. Bergener, Managing Director
Subject: Conflict of Interest Code and 2017 Annual Statement of Economic Interests Filing

Overview

Pursuant to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Conflict of Interest Code, Members of the Board of Directors and designated positions are required to file a Statement of Economic Interests - Form 700.

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2017 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 2, 2018.

Background

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to review designated positions and disclosure categories to determine accuracy to date.

Discussion

Members of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Board of Directors and designated positions are required to file an annual Statement of Economic Interests - Form 700 (Form 700) with the LOSSAN Agency's Clerk of the Board (Attachments A and B).

The Human Resources and Organizational Development Division of the managing agency (Orange County Transportation Authority) and the LOSSAN Agency's General Counsel reviewed the disclosure categories (Attachment C) and list of designated positions required to file a Form 700, and made required changes to the disclosure categories and the corresponding positions.

The LOSSAN Agency's Clerk of the Board shall retain the electronic or original Form 700s submitted by the designated positions. The California Fair Political Practices Commission's filing deadline for the 2017 annual Form 700 statement is April 2, 2018.


Summary

The Board of Directors annually reviews and approves the list of designated positions and disclosure categories subject to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Conflict of Interest Code.

Attachments

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Conflict of Interest Code
- B. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, List of Designated Positions, Conflict of Interest Code
- C. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Disclosure Categories

Prepared by:



Olga Prado
LOSSAN Clerk of the Board
(714) 560-5439

**LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO
RAIL CORRIDOR AGENCY**

CONFLICT OF INTEREST CODE

LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

CONFLICT-OF-INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN).

Individuals holding designated positions shall file their statements of economic interests with LOSSAN, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by LOSSAN.

**LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO
RAIL CORRIDOR AGENCY**

**LIST OF DESIGNATED POSITIONS
CONFLICT OF INTEREST CODE**

LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY

**LIST OF DESIGNATED POSITIONS
CONFLICT OF INTEREST CODE**

<u>Designated Positions</u>	<u>Disclosure Category</u>
CLERK OF THE BOARD	01
DEPUTY MANAGING DIRECTOR	01
MANAGING DIRECTOR	01
FINANCE & ADMINISTRATION MANAGER	01
GENERAL COUNSEL/STAFF	01
MARKETING & COMMUNICATIONS OFFICER	02
MECHANICAL COMPLIANCE OFFICER	02
OPERATIONS COMPLIANCE & SAFETY MANAGER	02
TRANSPORTATION ANALYST PRINCIPAL	02
CONSULTANTS/NEW POSITIONS	*

Note: All positions are filled by employees of a member agency, but act in a staff capacity for LOSSAN.

Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The Managing Director may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Managing Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Government Code Section 81008).

<u>Public Officials Who Manage Public Investments</u>	<u>Disclosure Category</u>
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The following positions are not covered by the conflict-of-interest code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

MEMBERS AND ALTERNATE MEMBERS OF THE BOARD OF DIRECTORS
TREASURER

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe

their position has been categorized incorrectly. The Fair Political Practices Commission will make the determination whether a position is covered by Government Code Section 87200.

**LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO
RAIL CORRIDOR AGENCY**

DISCLOSURE CATEGORIES

APPENDIX B

LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY

DISCLOSURE CATEGORIES

Category 1: All investments, business positions in business entities, and sources of income, including gifts, loans, travel payments, from entities that provide services or supplies of the type utilized by LOSSAN. Also, all interests in real property within the jurisdiction of LOSSAN or within two miles of the boundaries of the jurisdiction.

Category 2: All investments, business positions in business entities, and sources of income, including gifts, loans, travel payments, from entities that provide services or supplies of the type utilized by LOSSAN.



January 29, 2018

To: Members of the Board of Directors
From: Jennifer L. Bergener, Managing Director
Subject: Federal Legislative Update

Overview

A federal legislative update is provided, including an overview of two continuing resolutions passed by Congress and signed into law by the President in December 2017, ensuring funding for all departments of the federal government until January 19, 2018. Updates are also provided on the tax legislation and pending confirmations to the Department of Transportation.

Recommendation

Receive and file as an information item.

Discussion

Continuing Resolutions Passed

On December 8, 2017, the President signed a Continuing Resolution (CR), a “stop-gap” funding measure to ensure funding for all departments of the federal government through December 22, 2017. The previous government funding bill was set to expire on December 8, 2017. This two-week CR passed the Senate by a vote of 81-14 and the House of Representatives by a vote of 235-193. On December 22, 2017, the President signed another CR to fund the federal government through January 19, 2018. This CR passed the Senate by a vote of 66-32 and the House by a vote of 231-188. At the time the staff report was written, negotiations on a government funding bill were ongoing. Staff will provide a verbal update at the meeting with the latest developments.

Both CRs reflect current funding levels for transportation programs rather than the increases authorized by the Fixing America’s Surface Transportation Act. The most recent CR also contained other provisions, including language to authorize foreign surveillance programs and funding for healthcare programs that benefit children and veterans. Congress must fund the federal government for the remainder of the fiscal year, which includes lifting the discretionary budget

caps imposed by the Budget Control Act of 2011. A failure to do so would result in the return of sequestration's across-the-board spending cuts.

Congress also faces other legislative deadlines in the coming weeks. The debt ceiling had been suspended until December 8, 2017. When this suspension expired, the U.S. Treasury began what are known as "extraordinary measures" to prevent a default. Congress must increase or further suspend the debt ceiling in the near future, although the exact deadline will depend on government receipts. Congress must also address much-needed disaster aid funding, shortfalls in multiple health care programs, and the pending expiration of the Deferred Action for Childhood Arrivals program.

Tax Legislation

On November 2, 2017, members of the House of Representatives introduced legislation meant to reform our nation's tax code. A week later, the Senate introduced a companion bill. Each chamber passed its version of the bill, and negotiations ensued to resolve the differences between the two proposals. The final bill passed the House by a vote of 224-201 and the Senate by a vote of 51-48. On December 22, 2017, the President signed this legislation into law.

The final bill did not include a long-term fix for the Highway Trust Fund's structural revenue deficit, contrary to what many transportation groups advocated. It did, however, include many provisions with implications for the transportation sector, including limiting the employer deduction for transportation benefits and repealing the employee deduction for bicycle benefits. Without these tax incentives, commuter benefits will become more expensive, potentially causing employers to alter or terminate their current benefit packages. The final agreement also repealed the tax exemption for advance refunding bonds, which will likely increase borrowing costs for transportation agencies that issue these instruments. The final bill did not repeal the tax exemption for private activity bonds or the tax credit for plug-in electric vehicles, each of which was included in the House bill. The conference report included a projected \$324.4 billion worth of repatriated earnings over the next ten years, an amount that was significantly more than that the original proposals. This lost revenue could have otherwise been used to fund infrastructure projects.

The final bill is expected to increase the federal deficit by \$1.456 trillion over the next decade. The most recent CR included a provision to prevent the budgetary effects of the tax reform legislation from being counted for purposes of the Statutory Pay-As-You-Go Act of 2010, which triggers automatic spending cuts if Congress enacts legislation changing taxes, fees, or mandatory expenditures in a way that increases projected deficits.

Pending Confirmations to the Department of Transportation

Several confirmations to the Department of Transportation are currently pending or are still awaiting nomination. On July 10, 2017, the President nominated Ronald L. Batory, former President and Chief Executive Officer of Conrail Inc., to be the Administrator of the Federal Railroad Administration. The nomination was initially referred to the Senate Committee on Science, Commerce and Transportation, where he was reported favorably on August 2, 2017. Currently, Batory's nomination is awaiting to be confirmed in the full Senate.

On September 11, 2017, the President nominated Paul Trombino, former Director of the Iowa Department of Transportation, to be the Administrator of the Federal Highway Administration. The nomination was initially referred to the Senate Committee on Science, Commerce and Transportation, where he was reported favorably on October 25, 2017. On December 11, 2017, Trombino removed himself, citing family concerns. No replacement has been named at the writing of this report.

The President has yet to nominate an Administrator to the Federal Transit Administration. Staff will keep the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Board of Directors updated as the nominations and confirmations progress.

Summary

Updates are provided on the government funding, tax reform legislation, and pending confirmations to the Department of Transportation.

Attachment

None.

Prepared by:




Dustin Sifford
Senior Government Relations Representative
(714) 560-5389



January 29, 2018

To: Members of the Board of Directors

From: Jennifer L. Bergener, Managing Director 

Subject: Annual Business Plan and Budget Assumptions for Fiscal Year 2018-19 and Fiscal Year 2019-20

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is required to submit an annual business plan to the California State Transportation Agency by April 1 of each year that provides the basis for its annual budget request and any proposed changes to the Pacific Surfliner service. A list of key assumptions used in developing the budget and business plan for fiscal year 2018-19 and fiscal year 2019-20 is presented for Board of Directors' review.

Recommendation

Direct staff to incorporate the key assumptions into the development of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency business plan for fiscal year 2018-19 and 2019-20.

Background

Per the interagency transfer agreement (ITA) between the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) and the California Department of Transportation, as well as the LOSSAN Joint Powers Agreement, the LOSSAN Agency must annually develop a business plan to be approved by the LOSSAN Agency Board of Directors (Board). This business plan must be submitted to the Secretary of the California State Transportation Agency (CalSTA) by April 1 of each year. The business plan is a two-year planning, operations, and budget document that serves as the LOSSAN Agency's formal annual budget request to CalSTA. CalSTA is required to review and approve the annual business plan by September 1 of each year. The annual business plan must be consistent with the most recently adopted State Rail Plan, and California High-Speed Rail Authority business plan.

The annual business plan is required to include a report on performance of the Pacific Surfliner service; an overall operating plan, including proposed service

enhancements to increase ridership and accommodate travel demand; a marketing plan; a short-term and long-term capital improvement program; funding requirements for the upcoming fiscal year (FY); and an action plan with specific performance goals and objectives. The business plan must also document any planned operational changes necessary to provide the service, including operating plans to serve peak-period trips, and consideration of other service expansions and enhancements.

In addition, the business plan must clearly delineate how funding and accounting for state-sponsored intercity passenger rail service will be separate from locally sponsored services in the rail corridor. Proposals to expand or modify passenger services are required to be accompanied by the identification of all associated costs and ridership projections. The business plan also establishes, among other things: fares, operating strategies, and other initiatives designed to meet performance standards established in the ITA.

Discussion

The initial LOSSAN Agency business plan was submitted to CalSTA concurrent with the ITA in June 2016, and covered FY 2015-16 and FY 2016-17. It included a detailed background and history on the Pacific Surfliner service as it was the first business plan prepared by the LOSSAN Agency. The business plan for FY 2018-19 and FY 2019-20 will largely focus on charting the LOSSAN Agency's progress toward meeting the goals and objectives set forth in the first three business plans, as well as outlining planned updates, operational strategies, equipment, and marketing initiatives, as well as a discussion of upcoming planning studies. Draft budget projections will also be provided as part of the updated business plan as a placeholder, but will be revised and resubmitted for final approval by June 15, 2018, following receipt of operating cost estimates from Amtrak for federal FY 2018-19. These cost estimates are typically received March 31, with the deadline for submitting the business plan being April 1.

The following key assumptions are proposed to be incorporated into the FY 2018-19 and FY 2019-20 business plan:

- Implementation of a new roundtrip between San Diego and San Luis Obispo, creating a 13th roundtrip between San Diego and Los Angeles, a 6th roundtrip between San Diego and Goleta, and a 3rd roundtrip between San Diego and San Luis Obispo
- Additional seasonal service for holidays and special events
- 3 percent ridership growth and a 4 percent revenue growth

- Continuation of Rail 2 Rail Program with Metrolink at a reimbursement rate of \$7 per boarding, consistent with the average Metrolink fare per boarding
- Continuation of Rail 2 Rail Program with COASTER at a reimbursement rate consistent with average COASTER fare per boarding, subject to possible changes in operating policy
- Continuation of Pacific Surfliner Transit Transfer Program using remaining Transit and Intercity Rail Capital Program (TIRCP) funds, to be supplemented with future state operating funds
- Twelve full-time staff positions, with the addition of one part-time intern, a Transportation & Analysis Manager, Marketing Programs Administrator, and Senior Accounting Analyst
- Four percent performance-based merit increase pool for administrative employees and three percent special award pool, consistent with Orange County Transportation Authority budget proposal for FY 2018-19
- Annual marketing budget of \$2 million, plus use of prior year surplus
- Minor capital revenue from state of \$500,000 per year with multi-year program of projects
- Professional services budget of \$200,000 to fund audit and on-call consulting services for planning, modeling, and project management
- TIRCP funding of \$1 million to support corridor optimization study, including update of capital improvement and operating plans
- State Rail Assistance funding of \$4.9 million in FY 2018-19 and \$5.1 million in FY 2019-20
- Assumes the renewal of ITA for a five-year term

Next Steps

Staff will finalize the draft business plan and budget for FY 2018-19 and FY 2019-20, and return to the Board for review and approval prior to the April 1, 2018 submittal deadline.

Summary

Staff has developed key assumptions for use in the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency budget and business plan for fiscal year 2018-19 and fiscal year 2019-20. Staff will finalize the draft business plan and budget and return to the Board of Directors for final review and approval prior to the April 1, 2018 submittal deadline.

Attachment

None.

Prepared by:

A handwritten signature in black ink, appearing to read 'J. Jewell', is written over a light gray rectangular background.

Jason Jewell
LOSSAN Finance and Administration Manager
(714) 560-5086



Annual Business Plan and Budget Assumptions for Fiscal Year 2018-19 and Fiscal Year 2019-20

Board of Directors
January 29, 2018

Assumptions

- Implementation of a new roundtrip between San Diego and San Luis Obispo, creating a 13th roundtrip between San Diego and Los Angeles, a 6th roundtrip between San Diego and Goleta, and a 3rd roundtrip between San Diego and San Luis Obispo
- Additional seasonal service for holidays and special events
- Continuation of Rail 2 Rail (R2R) program with Metrolink at a reimbursement rate of \$7.00 per boarding, consistent with the average Metrolink fare per boarding
- 3 percent increase in ridership and 4 percent increase in revenue over Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Fiscal Year (FY) 2017-18 actuals

Assumptions

- Continuation of R2R program with COASTER at a reimbursement rate consistent with the average COASTER fare per boarding, subject to possible changes in operating policy
- Continuation of Pacific Surfliner Transit Transfer Program using remaining Transit and Intercity Rail Capital Program (TIRCP) funds, supplemented with state operating funds
- Twelve full time staff positions, with the addition of one part-time intern, a Transportation & Analysis Manager, Marketing Programs Administrator, and Senior Accounting Analyst
- Four percent performance-based merit increase pool for administrative employees and three percent special award pool, consistent with Orange County Transportation Authority budget proposal for FY 2018-19

Assumptions

- Annual marketing budget of \$2 million, plus use of prior year surplus
- Minor capital revenue from state of \$500,000 per year with multi-year program of projects
- Professional services budget of \$200,000 to fund audit and on-call consulting services for planning, modeling, and project management
- TIRCP funding of \$1 million to support corridor optimization study, including update of capital improvement and operating plans
- State Rail Assistance funding of \$4.9 million in FY 2018-19 and \$5.1 million in FY 2019-20
- Assumes the renewal of Interagency Transfer Agreement for a five year term

Next Steps


- Staff will incorporate assumptions into draft business plan and budget for FY 2018-19 and FY 2019-20
- Staff will return to the Board for review and approval prior to the April 1, 2018 submittal deadline





January 29, 2018

To: Members of the Board of Directors

From: Jennifer L. Bergener, Managing Director 

Subject: Pacific Surfliner Peak Period Service to Ventura and Santa Barbara Counties

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency has worked with the California State Transportation Agency in coordination with the Santa Barbara County Association of Governments to evaluate alternatives and develop an operating plan to provide peak-period service between Los Angeles and Santa Barbara County. An implementation plan has been developed and is presented for Board of Directors' consideration.

Recommendations

- A. Direct staff to continue efforts to implement peak-period service between Los Angeles and Santa Barbara County.
- B. Direct staff to initiate negotiations with the Santa Barbara County Association of Governments for cost sharing and marketing related to the peak-period service between Los Angeles and Santa Barbara County.

Background

Improving peak hour passenger rail service between Los Angeles and Ventura–Santa Barbara counties has been identified as a priority in several Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) planning documents, including the Strategic Implementation Plan and all LOSSAN Agency annual business plans. Over 15,000 people commute daily between Ventura and Santa Barbara Counties. Over the last two years, the LOSSAN Agency has worked with the California State Transportation Agency (CalSTA) and in coordination with the Santa Barbara County Association of Governments (SBCAG) to evaluate alternatives for providing peak-period service between Los Angeles County and Ventura – Santa Barbara counties. These efforts have included an evaluation of the current infrastructure, securing additional operating slots and the retiming of existing trains.

Peak-period service is strongly supported within Santa Barbara County. The SBCAG 101 In Motion Plan also supports the implementation of peak-period service between Los Angeles and Ventura – Santa Barbara counties. The local sales tax measure, Measure A, includes funding to support this effort.

Discussion

The LOSSAN Agency has worked with CalSTA to evaluate alternatives for providing the peak-period service between Los Angeles and Ventura – Santa Barbara counties. In evaluating these options three key considerations were included: protect the core Pacific Surfliner service, minimize impacts to existing Metrolink service, and implement the service in April 2018. In order to achieve these goals, it is necessary to retime (reschedule) existing Pacific Surfliner trains in a manner that provides peak-period service between Los Angeles and Ventura – Santa Barbara counties.

There are currently three key activities underway to implement this service:

- Schedule approval by the host railroads, including retimed trains
- Development of operating costs and revenue estimates, along with the corresponding cost share for SBCAG
- Pursuit of additional passenger rail cars to facilitate the increased train trips

Staff, working in close coordination with Amtrak and the host railroads, have developed a retimed schedule that provides for arrival into Santa Barbara at approximately 7:30 a.m., with an approximate 4:40 p.m. departure. This schedule has been submitted to the host railroads for official review and approval.

Amtrak is underway with the development of the operating cost estimates to provide the retimed service. The California Department of Transportation, through consultant resources, had previously developed ridership and revenue projections to support the retimed schedule. These projections are currently under review. Staff is working with SBCAG and CalSTA to determine an approach for cost sharing and marketing the retimed service.

Staff continues to pursue options for additional equipment, including current discussions with the Great Lakes Central Railroad. While additional equipment is not required to implement the retimed schedule, it will be required for any further service expansions and will serve to provide better efficiencies in the operation of the daily Pacific Surfliner service following the implementation of the retimed schedule.

Next Steps

Staff will finalize initiation negotiations with SBCAG for cost sharing, continue to seek approval of the retimed schedule from the host railroads and return to the Board of Directors with the full operating plan in February 2018.

Summary

Staff has developed an implementation plan to provide peak-period service between Los Angeles and Ventura – Santa Barbara counties. This plan is presented for Board of Directors' consideration.

Attachment

None.



**LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO
RAIL CORRIDOR AGENCY**

Supplemental Information

**2018 Los Angeles – San Diego – San Luis Obispo
Rail Corridor Agency Board of Directors Initiatives**



2017 BOARD OF DIRECTORS INITIATIVES

LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY



EXPAND awareness of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency and Pacific Surfliner service

- Develop and implement a comprehensive marketing plan, including launching of the new website, enhanced social media, and expanded local partnerships



ENHANCE the passenger experience

- Work with Amtrak, host railroads and member agencies to improve on-time performance, and expedite recovery from service disruptions
- Work with Southern California Leadership Group and Amtrak to develop uniform dispatching policies to enhance service reliability and on-time performance



ENSURE fiscal sustainability for the Pacific Surfliner

- Advocate for long-term sustainable operating and capital funding sources
- Pursue additional rail equipment to address capacity constraints and service enhancements and expansions
- Carry forward efforts to advance the 2017 Legislative Program, including meetings with state and federal legislators



INTEGRATE with connecting services

- Pursue integrated ticketing with connecting services
- Expand and enhance the transit transfer pass program with participating agencies
- Coordinate with major project sponsors and the California High Speed Rail Authority



ADVANCE the expansion of the Pacific Surfliner service along the LOSSAN rail corridor

- Continue service development efforts to provide peak-period service to Ventura and Santa Barbara Counties
- Initiate service planning efforts to provide a 13th round trip between Los Angeles and San Diego



Quarterly Marketing Update

Board of Directors
January 29, 2018

2017 Performance Summary

In 2017, Amtrak reported a consistent increase in sales and revenue from referral traffic from PacificSurfliner.com – a positive indicator of people booking tickets as a direct result of visiting the Pacific Surfliner website.

- More than 243,000 qualified sales leads delivered to Amtrak.com in 2017*
- 23,000+ bookings* from the ticket widget on PacificSurfliner.com, 9.6% conversion rate

Month	Unique Visits to PacificSurfliner.com	Referral Traffic to Amtrak.com	Bookings on Amtrak.com	Revenue
Jan. – Mar.	121,720	40,933	3,786	\$231,730
Apr. – Jun.	391,917	89,481	7,836	\$528,700
Jul. – Sept.	435,576	112,732	11,657	\$777,908
Oct. – Dec.*	417,686	-	-	-
TOTAL (Jan. – Sept.)	949,213	243,146	23,279	\$1,538,338

**Note: Referral tracking was implemented by Amtrak in 2017. Referral sales tracking data is not available for Q4 of 2017 due to Amtrak.com transition from Webtrends to Adobe Analytics.*

Digital Channel Summary

January – December 2017

PACIFICSURFLINER.COM

3 million page views – 226 percent increase over 2016

SEARCH ENGINE TRAFFIC

Discover the website through related keyword searches

400 percent increase in organic search traffic

DIRECT TRAFFIC

URL input directly into the browser

100 percent increase in direct traffic

REFERRAL TRAFFIC

Visits from other sites such as social media and news sources

100 percent increase in referral traffic

SUPPORTING TACTICS

ORGANIC SEARCH

Improve rankings in search engines like Google so the website has a prominent position in searches related to the service

BRAND AWARENESS

Engage key audiences through paid advertising both online and offline

SOCIAL MEDIA

154 percent growth in Facebook, 71 percent growth on Twitter, 886 percent growth in video views

PAID SEARCH

Reach key audiences intentionally searching for content relevant to the service

FIELD MARKETING

Extend messages by leveraging partnerships, print collateral, local events, and more

Field Marketing

Engaged local partners to build awareness of the service, highlight the benefits of train travel, and strengthen relationships with local communities:

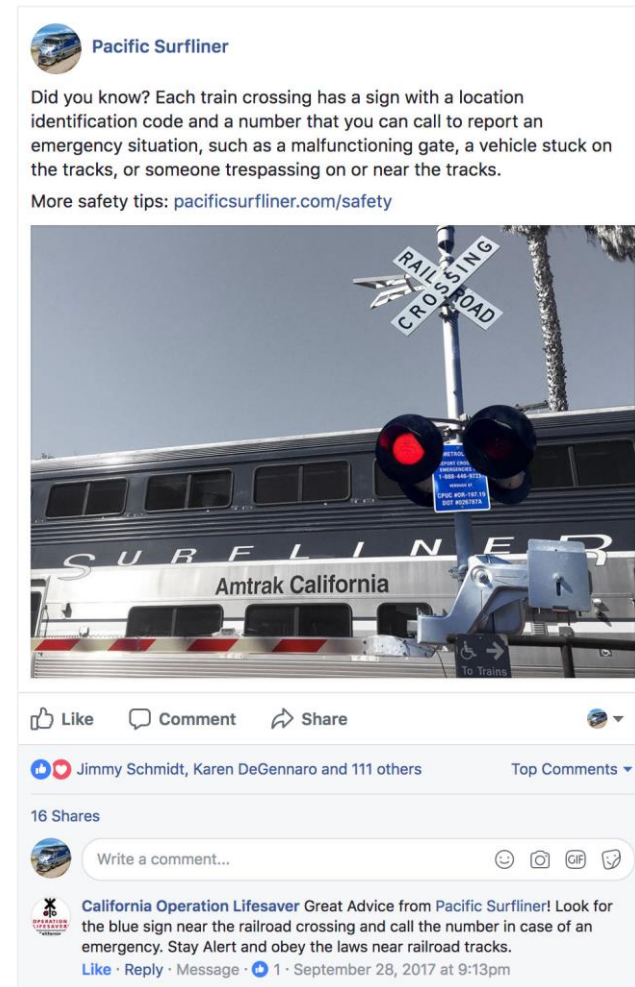
- Implemented special late night train service for three events in partnership with LiveNation for the opening weekend of the Five-Point Amphitheater, a new outdoor concert venue next to the Irvine Station
- Entered a season-long pilot program with the Anaheim Ducks professional hockey team, leveraging the team's loyal fans' alignment with the demographics of Pacific Surfliner riders



Rail Safety Month

Participated in efforts to educate the public about rail safety to reduce the risk of accidents, on or near railroad tracks, along the Los Angeles – San Diego – San Luis Obispo rail corridor

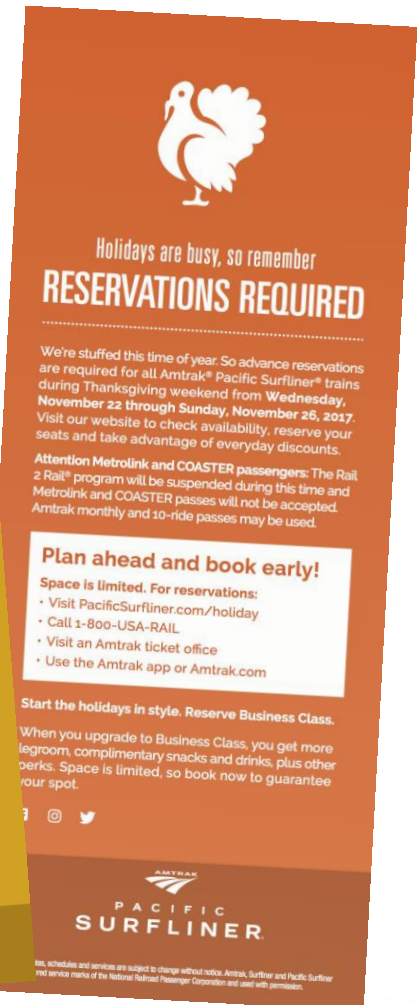
- Amplified Operation Lifesaver safety messages and tips via public relations and social media
- Partnered with the San Diego Padres and California Operation Lifesaver on a community outreach event at Petco Park in San Diego



Passenger Communication

Pacific Surfliner channels continue to provide enhanced accessibility to relevant and timely passenger information

- Promoted all-reserved service during Thanksgiving week to help manage increased demand and inform holiday travelers. Ridership during Thanksgiving week was up 9.8 percent over 2016
- Service communications such as the October schedule changes and planned track closures for capital projects were implemented to help customers plan their trip and enhance passenger satisfaction.

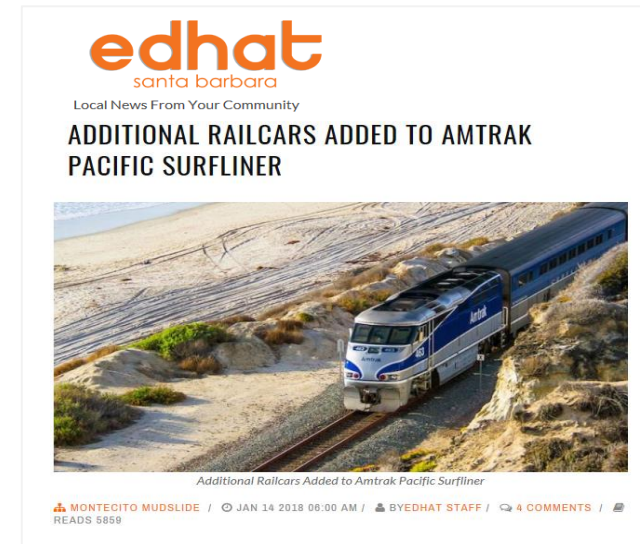


Crisis Response

Thomas Fire, Montecito Mudslides

Provided timely information during natural disasters in Ventura and Santa Barbara Counties

- Shared service updates, train status details, and emergency response information online, including Twitter, for passengers in transit and during trip planning
- Actively monitored social media and responded to hundreds of comments to help manage customer expectations and capture real-time passenger feedback
- Worked with Amtrak, community partners, and media outlets to get critical communications out to impacted communities



California Everyday Discounts

Launched January 7, 2018, to preserve ongoing savings that were recently reduced or eliminated by Amtrak on a national level

- **Goal:** Maintain the best possible fares for Pacific Surfliner passengers who have come to rely on year-round discounts

	California Everyday Discounts*	Amtrak National Discounts
Seniors	15 percent discount for seniors ages 62+	10 percent discount for seniors ages 65+
Students	15 percent discount for students ages 13-25	No discount
Passengers with Disabilities	15 percent discount	10 percent discount

**Note: Special passenger fares are valid on state-supported routes, which benefit from continued investments by the State of California to fund public transportation between regions of the state*

New Video Content

Continued to develop localized content that elevates unique characteristics of the Pacific Surfliner service, including videos designed to generate engagement and increase awareness.

- Two new time-lapse videos highlighting the Pacific Surfliner route were launched in October 2017



Chatsworth Tunnels



Santa Barbara County

Looking Ahead

- Winter Marketing Campaign
- Disneyland Partnership
- Fare Restructuring Outreach
- Pacific Surfliner Media Room
- Santa Barbara Peak-Period Service
- Field Marketing Engagement Program



**LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO
RAIL CORRIDOR AGENCY**

Supplemental Information

Transit and Intercity Rail Capital Program Grant Application Update

**Summary of 2018 Transit and Intercity Rail Capital Program Applications Submitted by
Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency**

All Aboard 2018: Transforming Southern California Rail Travel

Project	County	TIRCP Request
Batiquitos Lagoon Double Track	San Diego	\$44,400,000
Sorrento to Miramar Phase 2 Double Track	San Diego	\$104,900,000
San Dieguito Lagoon Double Track and Platform Construction	San Diego	\$183,500,000
North San Diego County Fencing Project	San Diego	\$1,300,000
San Diego Maintenance/Layover Facility	San Diego	\$300,000
Signal Respacing and Optimization Project	San Diego	\$15,900,000
On-Time Performance Incentive Program	San Diego	\$20,700,000
San Onofre Bridge Replacement and Turnouts	San Diego	\$47,000,000
Eastbrook to Shell Double Track	San Diego	\$71,900,000
Carlsbad Village Trenching	San Diego	\$10,000,000
Station Wayfinding Signage	Multiple	\$700,000
TOTAL		\$500,600,000

Building UP: LOSSAN North Improvement Program

Project	County	TIRCP Request
Union Pacific Capitalized Track Access and On-Time Performance Incentive	Multiple	\$42,839,191
Camarillo Station Improvements	Ventura	\$6,890,000
Leesdale Siding	Ventura	\$24,527,346
Ortega Siding	Santa Barbara	\$25,375,000
Carpinteria Station Double Track	Santa Barbara	\$30,346,575
Goleta Layover Facility Improvements	Santa Barbara	\$9,861,863
Upgrade of Non-Powered Switches	Santa Barbara and San Luis Obispo	\$26,800,000
Island Centralized Traffic Control	Santa Barbara and San Luis Obispo	\$30,000,000
TOTAL		\$196,639,975

Coachella Valley Special Events Train

Project	County	TIRCP Request
Coachella Valley Special Events Train	Los Angeles/Riverside	\$8,077,521
TOTAL		\$8,077,521