



**LOSSAN RAIL CORRIDOR AGENCY  
BOARD OF DIRECTORS MEETING**

**Tuesday, February 18, 2020  
11:15 a.m. - 12:30 p.m.**

Orange County Transportation Authority Headquarters  
550 South Main Street  
Conference Room 07  
Orange, CA

**Teleconference Sites:**

City of Oxnard  
300 West Third Street, Fourth Floor  
Oxnard, CA

Poway City Hall  
13325 Civic Center Drive  
Second Floor, Conference Room #2118  
Poway, CA

Del Mar City Hall  
1050 Camino Del Mar  
First Floor, Lobby Conference Room  
Del Mar, CA

San Diego Metropolitan Transit System  
1255 Imperial Avenue  
Board Room – 10th Floor  
San Diego, CA

The public is welcome to attend and testify at any of the LOSSAN member agency locations listed above, all of which are accessible to the public. For more information, please contact LOSSAN Rail Corridor Agency staff, at (714) 560-5676 or e-mail at [lweinert@octa.net](mailto:lweinert@octa.net), for specific meeting room locations at least 72 hours in advance of the meeting.

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.

## **Public Availability of Agenda Materials**

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



# BOARD OF DIRECTORS AGENDA - REVISED

## 2020 BOARD OF DIRECTORS

(revision as of 1/27/20)

County	Members	Alternates
<b>San Luis Obispo:</b> 1 vote	Fred Strong Council Member, City of Paso Robles Member, San Luis Obispo Council of Governments	Jeff Lee Mayor, City of Grover Beach Member, San Luis Obispo Council of Governments  Andy Pease Council Member, City of San Luis Obispo Member San Luis Obispo Council of Governments
<b>Santa Barbara:</b> 1 vote	Gregg Hart Supervisor, 2nd District Santa Barbara County Board of Supervisors Member, Santa Barbara County Association of Governments	Cathy Murillo Mayor, City of Santa Barbara Member, Santa Barbara County Association of Governments
<b>Ventura:</b> 1 vote	Bryan MacDonald Council Member, City of Oxnard Member, Ventura County Transportation Commission	Jim White Representative, Ventura County Transportation Commission
<b>Los Angeles:</b> 2 votes	Jess Talamantes Council Member, City of Burbank Member, Los Angeles County Metropolitan Transportation Authority  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



## BOARD OF DIRECTORS AGENDA - REVISED

County	Members	Alternates
<b>Orange:</b> 2 votes	<p>Al Murray (Chairman) Representative, Orange County Transportation Authority</p> <p>Tim Shaw Council Member, City of La Habra Member, Orange County Transportation Authority</p>	<p>Laurie Davies Mayor, City of Laguna Beach Member, Orange County Transportation Authority</p> <p>Joseph Muller Council Member, City of Dana Point Member, Orange County Transportation Authority</p>
<b>Riverside:</b> 1 vote	<p>Dana Reed (Vice Chairman) Mayor Pro Tem, City of Indian Wells Member, Riverside County Transportation Commission</p>	<p>Randall Bonner Council Member, City of Canyon Lake Member, Riverside County Transportation Commission</p>
<b>San Diego:</b> 2 votes	<p>Jewel Edson Mayor, City of Solana Beach Member, North County Transit District</p> <p>Caylin Frank Deputy Mayor, City of Poway Member, San Diego Metropolitan Transit System</p> <p>Ellie Haviland Mayor, City of Del Mar Member, San Diego Association of Governments</p>	<p>Priya Bhat-Patel Mayor Pro Tem, City of Carlsbad Member, North County Transit District</p> <p>Bill Sandke Council Member, City of Coronado Member, San Diego Metropolitan Transit System</p> <p>Ron Morrison Council Member, City of National City Member, San Diego Association of Governments</p>
<b>Ex-Officio Members:</b>		
<b>Amtrak</b>	<p>Tamika Smith Representative, Amtrak</p>	
<b>California Department of Transportation</b>	<p>Kyle Gradinger Representative, California Department of Transportation</p>	<p>Andrew Cook, Representative, California Department of Transportation</p>
<b>California High-Speed Rail Authority</b>	(Vacant)	
<b>Southern California Association of Governments</b>	(Vacant)	



**Call to Order****Pledge of Allegiance**

Director Hart

**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**

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**

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 8)**

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 LOSSAN Agency Board of Directors meeting of November 18, 2019.

5. **Fiscal Year 2019-20 First Quarter Budget Status Report**  
Jason Jewell

**Overview**

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's Fiscal Year 2019-20 Budget was approved by the Board of Directors on March 18, 2019 and amended on June 17, 2019, in conjunction with the approval of the annual business plan for fiscal years 2019-20 and 2020-21. This report provides a summary of financial activities and performance through the first quarter of fiscal year 2019-20, covering the months of July, August, and September.

**Recommendation**

Receive and file as an information item.

6. **The Los Angeles - San Diego - San Luis Obispo Rail Corridor Trends for the Fourth Quarter of Federal Fiscal Year 2018-19**  
Roger M. Lopez

**Overview**

A report on ridership, revenue, and on-time performance trends for passenger rail services on the Los Angeles - San Diego - San Luis Obispo rail corridor, including the Pacific Surfliner, Metrolink, and COASTER, covering the fourth quarter of federal fiscal year 2018-19, is presented for consideration by the Board of Directors.

**Recommendation**

Receive and file as an information item.

7. **Approval to Release Request for Proposals for Pacific Surfliner Digital Marketing Services**  
Emilia Doerr

**Overview**

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency is responsible for marketing the Pacific Surfliner in order to enhance public awareness of the service and increase ridership and revenue. Consultant services are needed to provide professional marketing services for the Pacific Surfliner, including social media management, content strategy and development, and strategic and technical consultation as needed. Staff has developed a request for proposals to initiate a competitive procurement process to retain consultant(s) to provide digital marketing services and is seeking Board of Directors approval to release the request for proposals.

**7. (Continued)****Recommendations**

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 0-2025 to provide digital marketing services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.
- B. Approve the release of Request for Proposals 0-2025 for digital marketing services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency for a one-year initial term with two, one-year option terms.

**8. Amendment to Agreement for Website Design and Development Services  
Emilia Doerr****Overview**

On February 21, 2018, the Los Angeles - San Diego - San Luis Obispo Board of Directors approved an agreement with Nansen Inc., formerly known as Making Waves USA, Inc., to provide website design and development services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency for a two-year initial term and three, one-year option terms. An amendment is requested to exercise the first option term effective March 16, 2020 through March 15, 2021.

**Recommendation**

Authorize the Managing Director to negotiate and execute Amendment No. 6 to Agreement No. L-7-1917 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Nansen Inc., to exercise the first option term of the agreement, in the amount of \$301,140, to provide continued website design and development services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$1,048,640.

**Regular Calendar****9. Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Fiscal Year 2018-19 Annual Financial Audit  
Jason Jewell****Overview**

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency is required to complete an annual financial audit pursuant to Government Code Section 6505.6, and as specified in the joint powers agreement, bylaws, and the administrative support agreement. Crowe LLP, an independent accounting firm, has completed the annual audit of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency financial statements for fiscal year 2018-19, and has issued its independent auditors' opinion.

**9. (Continued)****Recommendation**

Receive and file the fiscal year 2018-19 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency audited annual financial statements and accompanying independent auditor's report.

**10. Final Draft Business Plan for Fiscal Years 2020-21 and 2021-22**

Roger M. Lopez

**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 1st of each year that provides the basis for its annual budget request, outlines operations and service goals, and discusses any proposed changes to the Pacific Surfliner service. Staff has prepared a draft of the business plan for fiscal years 2020-21 and 2021-22 for the Board of Directors' review.

**Recommendation**

Direct staff to incorporate comments received from the Board of Directors into the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Business Plan for fiscal years 2020-21 and 2021-22 and return to the Board of Directors on March 16, 2020, to seek final approval.

**11. Continuance of the Pacific Surfliner Peak-Period Service Between Los Angeles - Ventura - Santa Barbara Counties**

Jennifer L. Bergener

**Overview**

In February 2018, the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors approved an agreement with the Santa Barbara County Association of Governments to facilitate the implementation of the peak-period service between Los Angeles - Ventura and Santa Barbara counties. The current agreement expires March 31, 2020, and a new agreement is necessary to continue the service. Board of Directors approval is requested to authorize the Managing Director to negotiate and execute an agreement not to exceed \$1,861,880, with the Santa Barbara Association of Governments for cost-sharing to continue the peak-period service through March 31, 2021.

**11. (Continued)****Recommendation**

Authorize the Managing Director to negotiate and execute an agreement with the Santa Barbara Association of Governments in an amount not to exceed \$1,861,880, for cost-sharing to facilitate the continuance of peak-period service between Los Angeles - Ventura and Santa Barbara counties, for a period of one year through March 31, 2021.

**12. Agreement with Union Pacific Railroad to Implement Two Additional Passenger Train Pairs**

James D. Campbell

**Overview**

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency has programmed \$117,277,870 in funding to advance service improvement and expansion goals through investment in the Union Pacific Railroad-owned Santa Barbara subdivision. Staff has worked with the Union Pacific Railroad to develop a recommended program of capital projects necessary to implement additional service on the Santa Barbara subdivision, along the northern end of the Los Angeles - San Diego - San Luis Obispo rail corridor. In order to advance the capital investment and commensurate expanded service, staff is seeking Board of Directors approval to negotiate and execute an agreement with the Union Pacific Railroad to finalize and deliver the program of projects

**Recommendations**

- A. Authorize the Managing Director to negotiate and execute an agreement between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Union Pacific Railroad for a not-to-exceed amount of \$124,600,000 to design and construct the capital improvements necessary to implement two additional roundtrips north of Los Angeles.
  
- B. Amend the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's fiscal year 2019-20 revenue and expense budget in the amount of \$35,000,000 to reflect the estimated amount of project activity through the remainder of fiscal year 2019-20.

**Discussion Items****13. Pacific Surfliner Fourth Quarter On-Time Performance Analysis for Federal Fiscal Year 2018-19**

Roger M. Lopez

Staff will provide a detailed analysis of Pacific Surfliner on-time performance during the fourth quarter of federal fiscal year 2018-19.



**14. Pacific Surfliner Marketing Update**

Emilia Doerr

Staff will provide a summary of marketing activities and performance in 2019.

**15. Managing Director's Report**

**16. Board Members' Report**

**17. Closed Session**

There is no Closed Session scheduled.

**18. Adjournment**

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

**Monday, March 16, 2020**

**11:15 a.m. - 12:30 p.m.**

Orange County Transportation Authority Headquarters

Board Room - Conference Room 07-08

550 South Main Street

Orange, California.



# MINUTES

## *Board of Directors' Meeting*

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### Call to Order

The November 18, 2019 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 Murray at 11:18 a.m., at the Orange County Transportation Authority (OCTA) Headquarters, Board Room – Conference Room 07, 550 South Main Street, Orange, California.

Chairman Murray 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: Al Murray, Chairman  
Dana Reed, Vice Chairman  
Mary Lou Echternach, Metro  
Jewel Edson, NCTD (teleconference)  
Caylin Frank, SDMTS (teleconference)  
Gregg Hart, SBCAG  
Ellie Haviland, SANDAG  
Bryan MacDonald, VCTC (teleconference)  
Fred Strong, SLOCOG (teleconference)  
Jess Talamantes, Metro  
Andy Cook for Kyle Gradinger, Caltrans, Ex-Officio  
(teleconference)  
Alan D. Wapner, SCAG, Ex -Officio (teleconference)

Directors Absent: John Fasana, Metro  
Tim Shaw, OCTA  
Kyle Gradinger, Caltrans, Ex-Officio

Staff Present: Jennifer L. Bergener, Managing Director  
Olga Prado, LOSSAN Agency Clerk of the Board  
James Donich, General Counsel

## **Pledge of Allegiance**

The pledge of allegiance was led by Director Talamantes.

### **1. Public Comments**

There were no public comments.

## **Special Calendar**

There were no Special Calendar Matters.

## **Consent Calendar (Items 2 through 7 and Item 10)**

Chairman Murray announced that Consent Item 6 “Amendment to Agreement for Outreach and Marketing Services for the Pacific Surfliner” was intended to be a Regular Calendar item. Also, he stated that Regular Calendar Item 10 “Agreement for Pacific Surfliner Creative Services” action will be taken as part of the Consent Calendar.

### **2. Approval of Minutes**

A motion was made by Vice Chairman Reed, seconded by Director Hart, and following a roll call vote, declared passed 10-0, to approve the minutes of the LOSSAN Board of Directors meeting of October 21, 2019.

### **3. Conflict of Interest Code and 2019 Annual Statement of Economic Interests Filing**

A motion was made by Vice Chairman Reed, seconded by Director Hart, and following a roll call vote, declared passed 10-0, to direct the Clerk of the Board to distribute and monitor the 2019 annual Statement of Economic Interests – Form 700 to Members of the Board of Directors and designated positions, to be filed by April 1, 2020.

### **4. Status Report of State Legislation Enacted in 2019**

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



**5. Update on the Transit and Intercity Rail Capital Program Funded Projects and Layover Facility Expansions**

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

**7. Agreement for Pacific Surfliner Videographer and Photographer Services**

A motion was made by Vice Chairman Reed, seconded by Director Hart, and following a roll call vote, declared passed 10-0, to:

- A. Approve the selection of Goal Productions, Inc. to provide videographer and photographer services for the Pacific Surfliner marketing program.
- B. Authorize the Managing Director to negotiate and execute Agreement No. L-9-0015 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Goal Productions, Inc., in the amount of \$300,000, to provide videographer and photographer services for the Pacific Surfliner marketing program for a one-year initial term with two, two-year option terms.

**10. Agreement for Pacific Surfliner Creative Services**

A motion was made by Vice Chairman Reed, seconded by Director Hart, and following a roll call vote, declared passed 10-0, to:

- A. Approve the selection of Pastilla, Inc., to provide creative services for the Pacific Surfliner marketing program.
- B. Authorize the Managing Director to negotiate and execute Agreement No. L-9-0013 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Pastilla, Inc., in the amount of \$400,000, to provide creative services for the Pacific Surfliner marketing program for a one-year initial term with two, two-year option terms.

## Regular Calendar

### 6. **Amendment to Agreement for Outreach and Marketing Services for the Pacific Surfliner**

Emilia Doerr, Marketing & Communications Officer, provided background information on the outreach and marketing services agreement and staff's recommendation to exercise the first option term as follows:

- The agreement scope of work includes:
  - Marketing and outreach services as needed.
  - Critical public awareness efforts for the Pacific Surfliner service and to work with the LOSSAN Agency on ridership and revenue objectives.
  - Leveraging key sponsorships and advertising opportunities to connect with regional target audiences.
  - Management and fulfillment of partnerships to strategically influence consumer purchase decisions within LOSSAN Agency service areas.
- The contract value is based on current commitments and historic trends.
- The first option term includes additional budget to fund the direct costs of media investments, including direct advertising costs for the winter ridership campaign, sponsorships with professional and college sports teams, and integrated media packages including broadcast and digital advertising.

A motion was made by Vice Chairman Reed, seconded by Director Talamantes, and following a roll call vote, declared passed 10-0, to authorize the Managing Director to negotiate and execute Amendment No. 1 to Agreement No. L-8-0012 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Monarch Sport, LLC, to exercise the first option term of the agreement, in the amount of \$2,200,000, to provide continued outreach and marketing services for the Pacific Surfliner marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$2,800,000.

**8. 2020 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program**

Dustin J. Sifford, Senior Government Relations Representative, provided an update on the 2020 LOSSAN Agency Legislative Program (Program) as follows:

- Each year, the LOSSAN Agency Board of Directors (Board) adopts its Legislative Program.
- The Program is organized into three major sections:
  - I. Secure Sustainable Funding
  - II. Connectivity and Integration
  - III. Infrastructure, Service, and Safety Improvements
- The only recommended substantive change is the addition of a provision to monitor implementation of the Governor's Executive Order N-1919.
- The Executive Order N-1919 seeks to align transportation investments with the State's goals by ensuring that transportation is built closer to housing, seeking ways to facilitate mode shifts, and investing in zero-emission vehicles.
- Attachment A of the Staff Report, Section I, was highlighted and the additional language states, "monitor the implementation of Executive Order N-1919...".
- Concerns that Executive Order N-1919 could be used to shift funding away from its intended purposes.

A discussion ensued as follows:

- Director Echternach agreed with staff's recommendation, and stated that primarily in the Central Valley, there have been attempts to shift dollars from highway projects to rail projects, and it could go the other direction.
- Director Strong stated that during the Self-Help Counties Coalition Focus on the Future Conference, the Secretary of Transportation assured attendees that all Senate Bill 1 funds will be expended as originally intended. He felt that the Secretary of Transportation does not want to make changes, at this time, to any funds that are allocated.
- The Program is brought before the Board yearly and when changes are made. In addition, any bills that are not on the Program but might affect the LOSSAN Agency are brought before the Board regularly.

A motion was made by Vice Chairman Reed, seconded by Chairman Murray, and following a roll call vote, declared passed 10-0, to adopt the 2020 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program.

**9. Annual Business Plan and Budget Assumptions for Fiscal Years 2020-21 and 2021-22**

Jennifer L. Bergener, Managing Director, provided opening comments and introduced Roger M. Lopez, Manager, Planning and Analysis.

Mr. Lopez provided an update, via teleconference, on the development of the LOSSAN Agency's Business Plan (Plan) and budget assumptions for fiscal years (FY) 2020-21 and 2021-22 as follows:

- The Plan lays out the LOSSAN Agency's goals and initiatives.
- The Plan development is approximately a six month process, and the key assumptions detailed in the staff report were highlighted.
- With the additional work that the LOSSAN Agency is undertaking, the Plan proposed two new full-time positions, a program manager level position and an additional analyst position.
- The professional services budget increased slightly over the prior years because funds for both construction management and environmental consultant services were included.
- Next steps to finalize the Plan were highlighted.
- The Plan's draft chapters will be provided to the Technical Advisory Committee (TAC) in January 2020 for review and input.
- Staff will return to the Board in February 2020 for an initial review and approval.

A discussion ensued regarding:

- An organizational chart will be included in the Plan and will include the two currently proposed positions.
- The Plan includes a performance measure for on-time performance (OTP) which is also specified in the LOSSAN Agency's annual operating agreement with Amtrak.
- Staff will continue to report quarterly on the performance metrics
- Examples of access and incentive agreements were highlighted.
- The quarterly Corridor Improvement Team meets quarterly and the discussion highlights OTP by segment/owner within the corridor and separates delays by the host agencies and third-party responsibilities such as trespasser strikes, weather issues, and outside of the LOSSAN Agency's control.
- Staff will add a slide to the quarterly OTP and/or corridor trends presentation to provide more specific details on third-parties responsibilities.

**9. (Continued)**

- One key assumption included are the number of additional roundtrips between San Diego County and other locations and any new service would be implemented in the months of October or April.
- If there is an opportunity to implement an additional frequency off schedule, staff would need concurrence from all the host agencies and the other operators.
- Concerns that the additional extension to the Bay Area will fall through the cracks, and staff was asked to begin some discussions with Union Pacific Railroad for the long-range plan.

A motion was made by Vice Chairman Reed, seconded by Director Talamantes, and following a roll call vote, declared passed 10-0, to 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 2020-21 and 2021-22.

**11. 2020 Transit and Intercity Rail Capital Program Grant Application**

Michael Litschi, Manager of Communications and Passenger Experience, provided an update on the Transit and Intercity Rail Capital Program (TIRCP) as follows:

- The TIRCP is a grant program administered by the California State Transportation Agency (CalSTA) and the California Department of Transportation (Caltrans), and provides funding to projects intended to reduce greenhouse gas emissions and increase ridership.
- This is the fourth round of TIRCP funding. In the last three rounds, the LOSSAN Agency successful secured about \$230 million in grant funds for a variety of projects.
- CalSTA released a call for projects for the 2020 TIRCP and will seek to adopt a new five-year program of TIRCP projects by April 1, 2020.
- Through the TAC, staff had preliminary discussions with each member agency regarding candidate projects, and also participated in a formal consultation meeting with staff from Caltrans and CalSTA.
- The LOSSAN Agency plans to submit a TIRCP application for funding for a few projects, including the purchase of approximately 59 Amtrak-owned passenger cars currently being leased for use on the Pacific Surfliner service.
- Over the next six weeks, staff will be working with the member agencies and CalSTA staff to refine the scope and develop cost estimates for these projects and submit the application.

**11. (Continued)**

- Since the next Board meeting is in February 2020, Staff is asking that the Board to allow the Managing Director the flexibility to revise the list of candidate TIRCP projects as necessary to ensure the most competitive application is submitted, and to process all necessary agreements.

A discussion ensued regarding:

- Staff is currently underway with a full evaluation of the annual cost savings for the purchase of the passenger car equipment and will have more information in the mid-December 2020.
- Staff would have a competitive solicitation for a specialized team to undertake the cost evaluation of purchasing the railroad.
- The San Diego County Layover Facility (Facility) is not on the list of projects being considered for the TIRCP grant application. There is current funding to conduct an assessment for the Facility, and the project details needed for the TIRCP application are not available.
- The Facility remains a high-priority project and staff would look at future rounds of funding as the project details become available.

A motion was made by Vice Chairman Reed, seconded by Director Hart, and following a roll call vote, declared passed 10-0, to:

- A. Authorize the Managing Director to submit 2020 Transit and Intercity Rail Capital Program grant applications.
- B. Authorize the Managing Director to process all necessary agreements to facilitate the acceptance of any resulting Transit and Intercity Rail Capital Program grant funds.

**Discussion Items**

**12. On-Board WiFi Update**

Michael Litschi, Manager of Communications and Passenger Experience, provided a PowerPoint presentation on this item as follows:

- Background;
- Current WiFi Challenges;
- WiFi Service Alternatives;
- Next-Generation WiFi;
- Other Alternatives; and
- Next Steps.

## 12. (Continued)

A discussion ensued as follows:

- For the next on-board WiFi update, staff was requested to provide an update on Metrolink and other agencies Wi-Fi pilots, and update on the satisfaction survey from customers and WiFi costs.
- With the next update, staff will provide a complete overview of the options, opportunities, and limitations of the WiFi service.
- Cost is a strong factor, and the costs delta between two providers or what would be a Tier 1 and Tier 2 service are millions of dollars.
- There are ongoing costs associated with WiFi service depending on how robust one wants the system to be, and there are a variety of ways to offset the costs.
- It has been approximately six years since the Orange County Transportation Authority has been the managing agency for the LOSSAN Agency, and up and to this point, Amtrak has been solely responsible for providing the on-board WiFi.
- Amtrak indicated recently that it no longer wants to support WiFi on behalf of the inner-city programs.
- Defining goals would be part of the next step, and the very simplistic goals are to provide efficient and reliable on-board WiFi service.
- There are important view corridors throughout most of the LOSSAN corridor. If the WiFi solution requires equipment to be installed alongside the tracks, it is important to understand the impacts of that infrastructure.

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

## 13. Overview of Field Marketing Initiatives Video

Emilia Doerr, Marketing & Communications Officer, presented a short video clip that highlights the field marketing program, strategic partnerships, high-profile sponsorships, and associated promotional campaigns designed to build awareness of the Pacific Surfliner service in key markets.

Ms. Doerr reported that a lot of hard work goes into making these partnerships successful that brings value back to the LOSSAN Agency.



## 13. (Continued)

A discussion ensued as follows:

- The Los Angeles (LA) Kings, professional hockey team, reached out to Chairman Murray. Staff worked with the LA Kings and determined it was better to not proceed with an agreement at this time due to the very high price for entering into an agreement with LA Kings that has limited returns.
- A lot of the constraints for the LA market is the cost, very crowded market, not cost efficient, and difficult direct access to places like the Staples Center or LA Live via the Pacific Surfliner service.
- Staff is reviewing expansion of the Pacific Surfliner presence in the LA market with KDOC radio and Fox Sports West. There are drop-in commercials across LA Clippers and Anaheim Ducks broadcasts.
- Staff was able to negotiate a couple of commercials with the LA Kings.
- LA Metro has successfully partnered with the LA Sparks team, and perhaps review entering into an agreement with a women's team.
- Staff reviews the corridor communities and markets along the Pacific Surfliner route.
- As part of the negotiations with the Big West Conference, the LOSSAN Agency has some radio spots airing during the University of California, Los Angeles basketball broadcast.

## 14. Managing Director's Report

Jennifer L. Bergener, Managing Director, reported on the following:

- Integration of the Pacific Surfliner tickets with the LA Metro subway system have been in progress. Within the next few weeks, the LOSSAN Agency will be sent a letter of concurrence from LA Metro to proceed with the efforts.
- Introduced Tim Corbett the new acting Assistant Superintendent for the Pacific Surfliner service and will also oversee the Coast Starlight service. Mr. Corbett will work under Michelle Caudill who was recently appointed as the Amtrak Assistant Vice President.
- Several staff are back east training to utilize a modeling software that will allow the LOSSAN agency to model in-house schedules, etcetera. The modeling software was made possible through the TIRCP grant.
- Michael Litschi, Manager of Communications and Passenger Experience, has resigned his LOSSAN Agency position and will be working for the City of Laguna Beach.
- Director Hart congratulated Michael Litschi on his new position and complimented his great work performance for the LOSSAN Agency.





**15. Board Members' Report**

Director Haviland reported that the Carlsbad Poinsettia Station pedestrian undercrossing opened to the public on October 21. She stated that the station undercrossing provides safe and direct accessibility to both platforms. Director Haviland also reported that undercrossing has operational benefits and eliminates the holdout rule which prohibits trains from passing within the station.

Chairman Murray thanked Mr. Litschi for his work at the LOSSAN Agency and wished him the best in his next endeavors.

**16. Closed Session**

A Closed Session was held as follows:

Pursuant to Government Code Section 54957 - Public Employee Appointment - LOSSAN Managing Director.

Director Strong was not present for the Closed Session item.

There was no report out on the Closed Session item.

**17. Adjournment**

The meeting of the LOSSAN Agency's Board adjourned at 12:19 p.m. The next regularly scheduled meeting of this Board will be held:

**Monday, February 18, 2020**

**11:15 a.m. – 12:45 p.m.**

Orange County Transportation Authority Headquarters

Board Room – Conference Room 07

550 South Main Street

Orange, California

ATTEST:

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Al Murray  
LOSSAN Chairman

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Laurena Weinert  
LOSSAN Clerk of the Board



**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director

**Subject:** Fiscal Year 2019-20 First Quarter Budget Status Report

### **Overview**

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Fiscal Year 2019-20 Budget was approved by the Board of Directors on March 18, 2019, and amended on June 17, 2019, in conjunction with the approval of the annual business plan for fiscal years 2019-20 and 2020-21. This report provides a summary of financial activities and performance through the first quarter of fiscal year 2019-20, covering the months of July, August, and September.

### **Recommendation**

Receive and file as an information item.

### **Background**

On March 18, 2019, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Board of Directors (Board) approved the LOSSAN Agency Annual Business Plan for fiscal year (FY) 2019-20 and FY 2020-21 (Business Plan), as well as the FY 2019-20 budget. Included in both the adopted budget and the Business Plan is funding for FY 2019-20 administrative and marketing services, in the amount of \$6,962,548 (including interest revenue), as well as \$37,897,875, for net train operations (including \$500,000 for minor projects and \$1,177,275, for reimbursement from other agencies), and \$12,000,000, for grant programs bringing the total adopted budget to \$56,860,423. The adopted budget for operations was based on preliminary cost estimates available at the time of adoption.

The LOSSAN Agency received Amtrak's federal FY (FFY) 2019-20 operating revenue and expense forecast on April 1, 2019. The California State Transportation Agency (CalSTA) allowed for the LOSSAN Agency to submit a revised budget and resubmittal of the Business Plan by June 30, 2019, in order to

incorporate Amtrak's FFY 2019-20 forecast. The budget amendments were approved by the Board on June 17, 2019, which adjusted the net train operations budget to \$37,195,218 (including \$500,000 for minor capital projects and \$1,177,275 reimbursements from other agencies), to align the budget with the Amtrak forecast. The budget amendments also included upgrades to superliner rail cars (\$516,935), business class car enhancements (\$1.5 million) and additional funding capacity for FFY 19 Amtrak operating costs (\$3 million). The budget amendment increased administration revenues and expenses by \$360,000, increased grant revenues and expenses by \$67,000, and marketing revenues and expenses by \$1,450,000 (to incorporate the approved use of prior year marketing surplus funds), bringing the total budget to \$58,034,766.

Amtrak operates on a FFY of October 1 – September 30; thus, the operating contract has historically been executed on a FFY basis.

### ***Discussion***

The LOSSAN Agency bylaws state that a quarterly written report shall be filed with the Board reporting the amount of money held, the amount and source of receipts since the last report, and the amount and recipient of the amounts paid out since the last report. The Quarterly Budget Status Report (Attachment A) provides a detail-level overview of financial activity, including a comparison of budget to actuals and explanations for any budget-to-actual variances through the first quarter (July 1, 2019 through September 30, 2019) of FY 2019-20. A summary of these activities is provided below.

Budgeted revenues through the first quarter of FY 2019-20 totaled \$11,951,104, which is comprised of \$8,875,863 in state advance operating funds, \$3,016,750 in grant funds (other state funding), and \$58,491 for interest revenue.

Actual revenues through the first quarter totaled \$14,885,230, versus a budgeted amount of \$11,951,104. The actuals are comprised of state operating funds of \$10,667,973, other state funding (grant revenue) of \$4,265,883, state administrative funding of \$79,459, interest revenue of \$57,554, an accrual for Amtrak penalty and assessment revenue of (\$55,900), and an accrual for reimbursements from other agencies of (\$129,740). The majority of the variance is due to receiving additional operating funds in the first quarter that were used to cover increased Amtrak operating costs throughout FFY 2018-19 as well as higher than anticipated revenues received for grant related projects. The budget versus actual variances are further detailed in Attachment A.

Budgeted expenses through the first quarter of FY 2019-20 total \$14,044,118, which is comprised of \$9,170,064 for Amtrak operations, \$3,016,750 for grant programs, and \$1,857,304 for administrative and marketing services. Actual expenses through the first quarter totaled \$9,042,390, versus a budgeted amount of \$14,044,118. The major areas experiencing budget variances are within grant

programs, administrative staffing, marketing services, and net train operating expenses. These variances are further detailed in Attachment A.

The LOSSAN Agency bylaws also call for a report of all expenditures under \$100,000 to be provided on a quarterly basis. This report is included as Attachment B.

The LOSSAN Agency Board has directed staff to provide a listing of all open agreements, including vendor, description of purchase, contract number, contract amount, amount spent, remaining balance, and expiration date on a quarterly basis. This report is provided in Attachment C.

### ***Summary***

Through the first quarter of Fiscal Year 2019-20, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency’s actual revenues are higher than budgeted while expenses are below budget. The majority of the revenue variance is due to receiving additional operating funds in the first quarter of fiscal year 2019-20 that were used to cover net operating expenses during federal fiscal year 2019-20, as well as receiving additional grant revenue than expected. The expense variances are due to lower than expected activity within grant programs, timing of payments for administrative fees, and lower than expected activity within net Amtrak train expenses and marketing expenses.

***Attachments***

- A. Quarterly Budget Status Report, First Quarter of Fiscal Year 2019-20
- B. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, First Quarter Financial Activity Report, Fiscal Year 2019-20
- C. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Open Agreements Listing as of September 30, 2019

**Prepared by:**

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

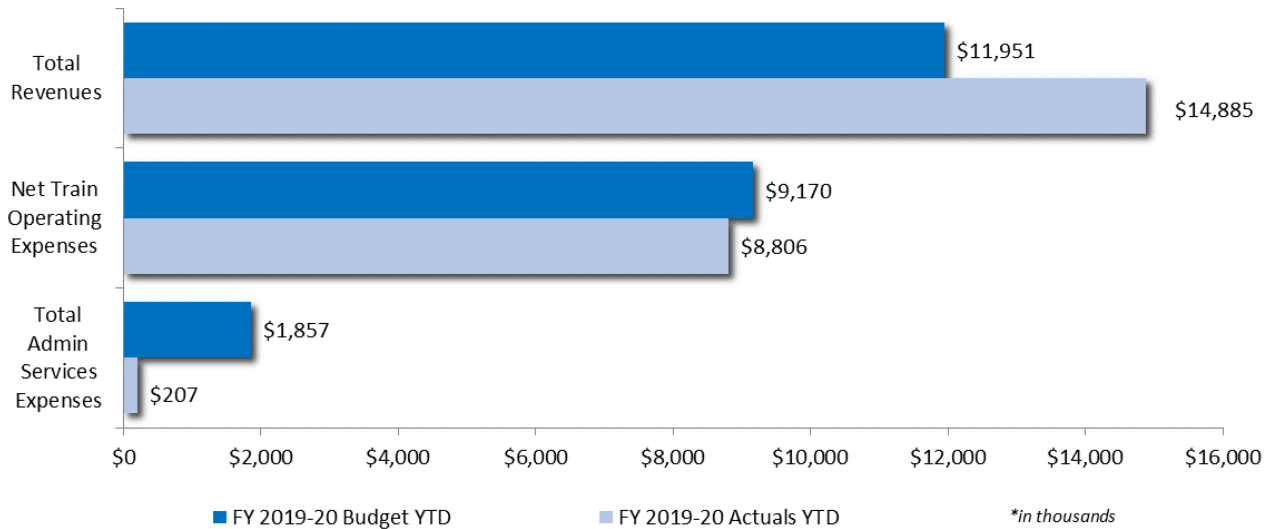
Jason Jewell  
Finance and Administration Manager  
(714) 560-5086



# Quarterly Budget Status Report

First Quarter of Fiscal Year 2019-20

FY 2019-20 Budget to Actuals Year-To-Date



## OVERVIEW

On March 18, 2019, the Board of Directors (Board) approved the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Business Plan for Fiscal Year (FY) 2019-20 and FY 2020-21 (Business Plan), as well as the FY 2019-20 budget. Included in the Business Plan and budget is funding for FY 2019-20 administrative and marketing services in the amount of \$6,962,548 (which includes interest revenue within the revenue budget), as well as \$ 37,897,875 for net train operations (including \$500,000 for minor capital projects and \$1,177,275 reimbursement from other agencies), and \$12,000,000 for grant programs, bringing the total adopted budget to \$56,860,423. The adopted budget for operations was based on preliminary cost estimates available at the time of adoption.

The LOSSAN Agency received Amtrak’s federal FY (FFY) 2019-20 operating revenue and expense forecast on April 1, 2019. The California State Transportation Agency (CalSTA) allowed for a revised budget and resubmittal of the business plan by June 30, 2019, in order to incorporate Amtrak’s FFY 2019-20

forecast. On June 17, 2019, the Board approved budget amendments which adjusted the net train operations budget to \$37,195,218 (including \$500,000 for minor capital projects and \$1,177,275 reimbursement from other agencies), to align the budget with the Amtrak forecast as well as increase funding capacity for additional projects and operations. The budget amendment included upgrades to superliner rail cars (\$516,935), business class car enhancements (\$1.5 million) and additional funding capacity for FFY 2019-20 Amtrak operating costs (\$3 million). The budget amendment also increased Administrative expenses and revenues by \$360,000 which includes professional services (\$210,000 re-budgeted from prior FY) for the San Diego County layover and maintenance facility study, additional funding capacity to hire vacant positions at a salary between midpoint and top of range, as well as increases in insurance and travel budgets. The additional funding for salary, insurance, and travel line items are funded by a budgeted increase in interest revenue. The amendment also increased grant revenues and expenses by \$67,000. Lastly, marketing revenues and expenses

increased by \$1,450,000, to incorporate the approved use of prior year marketing surplus funds.

The budget includes estimates to implement a 14th round trip from Los Angeles to San Diego (\$1,114,820). While it is the intent of the LOSSAN Agency to implement additional roundtrip service north of Los Angeles to San Luis Obispo, staff will come back to the Board for additional budget authorization once host rail road approval is granted and the necessary equipment is identified to extend the service. The budget also includes emergency bus bridge services (\$60,000) continuation of the Transit Transfer Program (\$40,000) and retimed train service from Ventura to Santa Barbara/Goleta (\$1,177,275). This brings the total budget to \$58,034,766.

The LOSSAN Agency submitted a revised FY 2019-20 and FY 2020-21 Business Plan to CalSTA on June 28, 2019 for approval, which was subsequently approved by CalSTA on July 31, 2019. The net train operating funding level approved by CalSTA included the FFY 2019-20 Amtrak forecast amount for train operations at \$30,403,463, less \$1,177,275 in funding for re-timed trains from the Santa Barbara County Association of Governments. CalSTA approved additional funding of \$1,114,820 to implement an additional round trip from Los Angeles to San Diego, as well as continuation of the Transit Transfer Program (\$40,000), funding for emergency bus bridge services (\$60,000), Live Nation concert train service (\$60,000), and superliner car upgrades (\$516,395). The business class car enhancements (\$1.2 million from the State plus \$300,000 State Rail Assistance funds) and additional operating funding for FFY 19 (\$3 million) were approved by CalSTA separately from the business plan approval.

Amtrak operates on an FFY of October through September, thus the operating contract has historically been executed on an FFY basis. The LOSSAN Agency operates on a FY between July and June.

The FY 2019-20 adopted budget assumes the California Department of Transportation Division of Rail and Mass Transportation will directly fund equipment capital charges for the Amtrak-owned railcars and locomotives used on the three state-supported corridors. As a result, equipment capital charges are not included in the operating agreement between Amtrak and the LOSSAN Agency.

This report highlights the major variances between the budget and actual revenues and expenses through the first quarter of FY 2019-20. This report was completed prior to the conclusion of the FY 19 audit, and therefore may not reflect all adjusting entries which could have an impact on FY 20 actuals. Any adjustments made will be included in the second quarter budget status report.

**REVENUES**

Budgeted revenues through the first quarter of FY 2019-20 are \$11,951,104, which is comprised of \$8,875,863 in state advance operating funds, \$3,016,750 in other state funding, and \$58,491 for interest revenue.

Actual revenues through the first quarter totaled \$14,885,230, versus the budgeted amount of \$11,951,104. The actuals are comprised of state operating funds of \$10,667,973, other state funding (grant revenue) of \$4,265,883, state administrative funding of \$79,459, interest revenue of \$57,554, an accrual for

REVENUES	FY 2019-20 Adopted Budget	FY 2019-20 Working Budget	FY 2019-20 Working Budget Year To Date	FY 2019-20 Actuals Year To Date	\$ Variance Year To Date	% Variance Year To Date	Percent of Budget Used to Date
State Administrative Funding	\$ 4,878,548	\$ 5,088,548	\$ -	\$ 79,459	\$ 79,459	N/A	1.6%
State Marketing Funding	\$ 2,000,000	\$ 3,450,000	\$ -	\$ -	\$ -	N/A	0.0%
State Operating Funding	\$ 36,220,600	\$ 35,517,943	\$ 8,875,863	\$ 10,667,973	\$ 1,792,110	20%	30.0%
Reimbursements from other Agencies	\$ 1,177,275	\$ 1,177,275	\$ -	\$ (129,740)	\$ (129,740)	N/A	-11.0%
Other State Funding <sup>1</sup>	\$ 12,000,000	\$ 12,067,000	\$ 3,016,750	\$ 4,265,883	\$ 1,249,133	41%	35.4%
State Capital Funding <sup>2</sup>	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	N/A	0.0%
Revenue	\$ -	\$ -	\$ -	\$ (55,900)	\$ (55,900)	N/A	N/A
<b>Net State/Other Agency Funded</b>	<b>\$ 56,776,423</b>	<b>\$ 57,800,766</b>	<b>\$ 11,892,613</b>	<b>\$ 14,827,676</b>	<b>\$ 2,935,063</b>	<b>25%</b>	<b>25.7%</b>
Interest Revenue	\$ 84,000	\$ 234,000	\$ 58,491	\$ 57,554	\$ (937)	-2%	24.6%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	N/A
<b>Total Revenues</b>	<b>\$ 56,860,423</b>	<b>\$ 58,034,766</b>	<b>\$ 11,951,104</b>	<b>\$ 14,885,230</b>	<b>\$ 2,934,126</b>	<b>25%</b>	<b>25.6%</b>

<sup>1</sup> Includes Transit & Intercity Rail Capital Program, California Transit Security Grant Program, State Rail Assistance and State Transportation Improvement Program Funds

<sup>2</sup> Includes State Minor projects funding

Working budget is the adopted budget plus any amendments approved during the year.

Amtrak penalty and assessment revenue of (\$55,900), and an accrual for reimbursements from other agencies of (\$129,740).

The major areas experiencing budget variances are within State operating funding, and other State funding. The variance within State operating funding is due to receiving additional operating funds in the first quarter of FY 2019-20 that were used to cover increases in net operating expenses that occurred during the entire Amtrak operating FFY 2018-19.

The variance in other state funding of \$1,249,133 is primarily attributed to the receipt of State Rail Assistance (SRA) revenue of \$4,381,910 vs. the budgeted amount of \$1,275,000 in the first quarter. This is partially offset by lower than anticipated revenues in Transit and Intercity Rail Capital Program (TIRCP) grant funds for the corridor optimization study (\$1,207,777), California Office of Emergency Services (CalOES) funds for various corridor wide projects (\$300,000), and Transit Transfer Program funding (\$350,000) due to lower than anticipated expenses.

The variance in State administrative funding is attributed to the receipt of administrative funds in the amount of \$79,459 vs. the budgeted amount of \$0 in the first quarter for the reimbursement of the San Diego County Maintenance and Layover Facility study.

Reimbursements from other agency's in the amount of (\$129,740) is related to a prior fiscal year accrual for fare subsidies provided by the Santa Barbara County Association of Governments (SBCAG). Amtrak penalty and assessment revenue in the amount of (\$55,900) is related to a prior fiscal year accrual for assessments charged to Amtrak in the performance of train operations. Revenue related to these prior fiscal year accruals are expected to be received in the second and third quarters.

**OPERATING EXPENSES**

Budgeted expenses through the first quarter of FY 2019-20 total \$14,044,118, which is comprised of \$9,170,064 for net Amtrak operations, \$3,016,750 for grant programs, and \$1,857,304 for administrative and marketing services. Actual expenses through the first quarter totaled \$9,042,390 versus a budgeted amount of \$14,044,118. The actuals are primarily comprised of net train operating expenses of \$8,806,450, total administrative services (including marketing) of \$207,176, and grant programs of \$28,764. The major areas experiencing budget variances are within grant programs, administrative staffing, marketing, and net train operating expenses.

Grant programs expenses came in lower than budgeted by \$2,987,986 through the first quarter. The variance is due to lower than anticipated expenses for the TIRCP funded North County Transit District (NCTD) on-time performance incentive and maintenance agreement (\$1.1 million), corridor wide SRA-funded projects (\$1 million), TIRCP grant funds for the corridor optimization study (\$363k), and CalOES funded station improvements (\$300k) through the first quarter. Expenses for these programs are anticipated to be incurred in the second quarter.

The administrative staffing line item budget variance is due to timing. Administrative fees for the first quarter are estimated to be \$987k and are anticipated to be paid during the second quarter. Additionally, there were salary savings from two vacant positions that were filled during the middle of the first quarter, which include the LOSSAN Transportation Analyst, Principal and the LOSSAN Mechanical and Equipment Manager.

Net train operating expenses came in lower than budgeted by \$363,614 for the first quarter. The first quarter of LOSSAN's FY20 is the fourth quarter of Amtrak's FFY19 (July-September). When compared to Amtrak's forecast for the fourth quarter of FFY19, net train operating expenses tracked approximately \$830,000 over. Ticket revenue came in lower than forecast by approximately \$2.2 million. This is primarily due to flat ridership as compared to the same period in the previous year. Offsetting the decrease in revenue is operating expenses coming in lower than the Amtrak forecast by approximately \$1.8 million in the major areas of fuel and power, host railroad charges and overall route costs. These expense variances are primarily attributed to higher forecasted expenses being allocated to July, August and September for these line items. Although the overall ridership was flat during the first quarter (as compared to the same period last FY), September ridership has grown slightly over the previous FY (2.5%). We will continue to monitor trends in net operating costs through FY20.

Marketing expenses came in lower than budgeted by \$520,549. The variance is due to timing of paid invoices from media and sports sponsorship vendors. However, actuals are anticipated to align with the budget as the FY progresses.



Quarterly Budget Status Report - LOSSAN

First Quarter of FY 2019-20

EXPENSES							
Administrative Budget Line Items	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	\$ Variance	% Variance	FY 2019-20
	Adopted Budget	Working Budget	Working Budget	Actuals			
			Year To Date	Year To Date	Year To Date	Year To Date	Percent of Budget
							Used to Date
Administration - Staffing	\$ 4,408,398	\$ 4,535,398	\$ 1,133,410	\$ -	\$ 1,133,410	100%	0.0%
Legal Services	\$ 50,000	\$ 50,000	\$ 8,500	\$ 2,556	\$ 5,944	70%	5.1%
Travel	\$ 26,950	\$ 34,950	\$ 6,919	\$ 2,662	\$ 4,257	62%	7.6%
Marketing	\$ 2,000,000	\$ 3,450,000	\$ 676,511	\$ 155,962	\$ 520,549	77%	4.5%
Insurance	\$ 68,000	\$ 83,000	\$ -	\$ -	\$ -	N/A	0.0%
Contracted services (Audit, Planning)	\$ 400,000	\$ 610,000	\$ 31,250	\$ 45,426	\$ (14,176)	-45%	7.4%
Dues & Memberships	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	N/A	0.0%
<b>Net State Funded Services</b>	<b>\$ 6,958,348</b>	<b>\$ 8,768,348</b>	<b>\$ 1,856,590</b>	<b>\$ 206,607</b>	<b>\$ 1,649,983</b>	<b>89%</b>	<b>2.4%</b>
Banking Services	\$ 4,200	\$ 4,200	\$ 714	\$ 304	\$ 410	57%	7.2%
<b>Total Admin Services</b>	<b>\$ 6,962,548</b>	<b>\$ 8,772,548</b>	<b>\$ 1,857,304</b>	<b>\$ 206,910</b>	<b>\$ 1,650,394</b>	<b>89%</b>	<b>2.4%</b>
Non Budgeted Expenses							
Other Business Expenses	\$ -	\$ -	\$ -	\$ 266	\$ (266)	N/A	N/A
<b>Non Budgeted Admin Services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 266</b>	<b>\$ (266)</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Administrative Services</b>	<b>\$ 6,962,548</b>	<b>\$ 8,772,548</b>	<b>\$ 1,857,304</b>	<b>\$ 207,176</b>	<b>\$ 1,650,128</b>	<b>89%</b>	<b>2%</b>
Operating/Capital Budget Line Items							
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	\$ Variance	% Variance	FY 2019-20
	Adopted Budget	Working Budget	Working Budget	Actuals			
			Year To Date	Year To Date	Year To Date	Year To Date	Percent of Budget
							Spent to Date
Net Train Operating Expenses	\$ 37,397,875	\$ 36,695,218	\$ 9,170,064	\$ 8,806,450	\$ 363,614	4%	24.0%
Minor Projects	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	N/A	0.0%
Grant Programs <sup>1</sup>	\$ 12,000,000	\$ 12,067,000	\$ 3,016,750	\$ 28,764	\$ 2,987,986	99%	0.2%
<b>Total Operating/Capital Budget</b>	<b>\$ 49,897,875</b>	<b>\$ 49,262,218</b>	<b>\$ 12,186,814</b>	<b>\$ 8,835,214</b>	<b>\$ 3,351,600</b>	<b>28%</b>	<b>17.9%</b>
<b>Total Budget</b>	<b>\$ 56,860,423</b>	<b>\$ 58,034,766</b>	<b>\$ 14,044,118</b>	<b>\$ 9,042,390</b>	<b>\$ 5,001,728</b>	<b>36%</b>	<b>15.6%</b>

<sup>1</sup> Includes Transit & Intercity Rail Capital Program, California Transit Security Grant Program, State Rail Assistance and State Transportation Improvement Program Funds  
Working budget is the adopted budget plus any amendments approved during the year. Actuals year to date include encumbrances.



**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**First Quarter Financial Activity Report**  
**Fiscal Year 2019-20**

Date	Payee	Debit	Credit	Balance
<b>July</b>				
7/1/2019	Bank Account Balance Forward			24,962,359.24
6/30/2019	Managing Director Travel	168.00		24,962,191.24
6/30/2019	Deputy Managing Director Travel	620.64		24,961,570.60
6/30/2019	Marketing Manager - Travel	173.01		24,961,397.59
6/30/2019	Strategic Planning & Customer Experience Manager - Travel	169.00		24,961,228.59
6/30/2019	Making Waves - Web Marketing Services	11,689.25		24,949,539.34
6/30/2019	Monarch Sport LLC - Pacific Surfliner Marketing	16,300.00		24,933,239.34
6/30/2019	Amtrak - Station Upgrades	5,612.05		24,927,627.29
6/30/2019	North County Transit District - Transit Transfer Program	1,342.57		24,926,284.72
6/30/2019	OCTA - Transit Transfer Program	5,119.92		24,921,164.80
6/30/2019	Pastilla Inc. - Creative Design & Strategic Communication	2,090.00		24,919,074.80
6/30/2019	ACE Agency - Professional Services	1,612.50		24,917,462.30
6/30/2019	Senior Marketing Specialist - Travel	109.30		24,917,353.00
6/30/2019	Union Pacific - Capacity Analysis	17,500.00		24,899,853.00
6/30/2019	Woodruff, Spradlin & Smart - May - Legal Services	447.00		24,899,406.00
6/30/2019	Amtrak - Station Upgrades	8,923.99		24,890,482.01
6/30/2019	Amtrak Train Service - April Operating	1,915,712.25		22,974,769.76
6/30/2019	Civilian - Pacific Surfliner Marketing	8,300.00		22,966,469.76
6/30/2019	Facebook - Advertising	9,884.81		22,956,584.95
6/30/2019	Google - Advertising	35,875.52		22,920,709.43
6/30/2019	Finance and Administration Officer - Travel	551.76		22,920,157.67
6/30/2019	Making Waves - Web Marketing Services	28,511.75		22,891,645.92
6/30/2019	OCTA Administrative Services April-May	233,243.40		22,658,402.52
6/30/2019	ACE Agency - Professional Services	2,625.00		22,655,777.52
7/2/2019	Amtrak Train Service - July Operating	2,881,806.00		19,773,971.52
7/10/2019	Bank of the West - Credit Card Charges Various	1,814.87		19,772,156.65
7/17/2019	Amtrak Train Service - August Operating	2,686,832.00		17,085,324.65
7/22/2019	Bank of the West - June Bank Fees	122.61		17,085,202.04
7/23/2019	DB Engineering Viriato Set-up	60,000.00		17,025,202.04



**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**First Quarter Financial Activity Report**  
**Fiscal Year 2019-20**

<b>Date</b>	<b>Payee</b>	<b>Debit</b>	<b>Credit</b>	<b>Balance</b>
7/23/2019	Amtrak - Station Upgrades	392,224.58		16,632,977.46
7/30/2019	Anaheim Transportation Network - Transit Transfer Program	12,362.00		16,425,135.46
7/30/2019	OCTA Administrative Services May-June	421,939.26		16,003,196.20
7/30/2019	San Luis Obispo Regional Transit Authority - Transit Transfer	9.96		16,003,186.24
7/30/2019	South County Transit District - Transit Transfer Program	2.10		16,003,184.14
7/30/2019	Ventura County Transportation Commission - Transit Transfer Program	5,822.11		15,997,362.03
7/30/2019	Woodruff, Spradlin & Smart - June - Legal Services	3,227.80		15,994,134.23
7/30/2019	WSP USA Inc. - San Diego Layover Facility Feasibility Study	79,459.43		15,914,674.80
7/31/2019	Bank of the West - July Interest		18,025.15	15,932,699.95
<hr/>				
<b>August</b>				
8/1/2019	Bank Account Balance Forward			15,932,699.95
8/1/2019	Pastilla Inc. - Creative Design & Strategic Communication	7,167.90		15,925,532.05
8/6/2019	Civilian - Pacific Surfliner Marketing	51,863.75		15,873,668.30
8/9/2019	Bank of the West - Credit Card Charges Various	1,669.97		15,871,998.33
8/13/2019	Civilian - Pacific Surfliner Marketing	468,828.10		15,403,170.23
8/13/2019	City of Glendale - Transit Transfer Program	1,199.70		15,401,970.53
8/13/2019	Goal Productions - Videography	10,261.79		15,391,708.74
8/13/2019	OCTA - Transit Transfer Program	4,522.37		15,387,186.37
8/13/2019	Santa Barbara Metropolitan Transit District -Transit Transfer Program	9,200.00		15,377,986.37
8/20/2019	Bank of the West - July Bank Fees	113.20		15,377,873.17
8/20/2019	Anaheim Transportation Network - Transit Transfer Program	4,538.00		15,373,335.17
8/20/2019	Managing Director Travel	213.75		15,373,121.42
8/20/2019	Civilian - Pacific Surfliner Marketing	12,971.52		15,360,149.90
8/20/2019	Strategic Planning & Customer Experience Manager - Travel	268.52		15,359,881.38
8/20/2019	Making Waves - Web Marketing Services	34,886.75		15,324,994.63
8/20/2019	Monarch Sport LLC - Pacific Surfliner Marketing	6,930.00		15,318,064.63
8/20/2019	Pastilla Inc. - Creative Design & Strategic Communication	2,590.30		15,315,474.33
8/20/2019	ACE Agency - Professional Services	2,100.00		15,313,374.33



**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**First Quarter Financial Activity Report**  
**Fiscal Year 2019-20**

<b>Date</b>	<b>Payee</b>	<b>Debit</b>	<b>Credit</b>	<b>Balance</b>
8/22/2019	Deposit - Caltrans Operating Funds		2,879,806.00	18,193,180.33
8/22/2019	Deposit - Caltrans Reimbursement for Siemens Mobility Inc. - Charger Locomotive Paint		436,834.70	18,630,015.03
8/22/2019	Deposit - Caltrans Operating Funds		2,708,804.94	21,338,819.97
8/22/2019	Deposit - 2019 State Rail Assistance Funds		4,381,910.35	25,720,730.32
8/27/2019	Operations, Compliance & Safety Manager - Travel	305.71		25,720,424.61
8/27/2019	Facebook - Advertising	11,800.00		25,708,624.61
8/27/2019	Google - Advertising	36,552.56		25,672,072.05
8/27/2019	Equipment and Mechanical Manager - Travel	125.58		25,671,946.47
8/27/2019	Monarch Sport LLC - Pacific Surfliner Marketing	49,915.00		25,622,031.47
8/27/2019	Amtrak - Station Upgrades	16,356.48		25,605,674.99
8/27/2019	Senior Accounting Analyst - Travel	31.20		25,605,643.79
8/27/2019	Woodruff, Spradlin & Smart - July - Legal Services	2,555.79		25,603,088.00
8/28/2019	Trenolab - Viriato License and Maintenance Fees	24,000.00		25,579,088.00
8/30/2019	SMA and Partners AG - Viriato License and Maintenance Fees	195,480.00		25,383,608.00
8/31/2019	Bank of the West - August Interest		15,398.85	25,399,006.85
<hr/>				
<b>September</b>				
9/1/2019	Bank Account Balance Forward			25,399,006.85
9/4/2019	Gold Coast Transit District - Transit Transfer Program	654.29		25,593,832.56
9/5/2019	Deposit - Caltrans Operating Funds		3,013,163.12	28,606,995.68
9/10/2019	Bank of the West - Credit Card Charges Various	7,053.16		28,599,942.52
9/10/2019	Making Waves - Web Marketing Services	17,407.25		28,582,535.27
9/10/2019	Marketing Manager - Travel	230.55		28,582,304.72
9/12/2019	Deposit - Caltrans Operating Funds		1,724,045.13	30,306,349.85
9/12/2019	Deposit - American Association of State Highway and Transportation Officials Travel Reimbursement		2,012.97	30,308,362.82
9/17/2019	Crowe LLP - Audit Services	10,000.00		30,298,362.82
9/17/2019	Operations, Compliance & Safety Manager - Travel	404.23		30,297,958.59



**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
 First Quarter Financial Activity Report  
 Fiscal Year 2019-20**

<b>Date</b>	<b>Payee</b>	<b>Debit</b>	<b>Credit</b>	<b>Balance</b>
9/17/2019	Facebook - Advertising	11,474.71		30,286,483.88
9/17/2019	Google - Advertising	14,574.15		30,271,909.73
9/17/2019	Equipment and Mechanical Manager - Travel	395.16		30,271,514.57
9/17/2019	Finance and Administration Officer - Travel	70.06		30,271,444.51
9/17/2019	Mering Carson - Marketing and Passenger Communications Program	2,400.00		30,269,044.51
9/19/2019	Amtrak Train Service - September Operating	2,407,096.00		27,861,948.51
9/20/2019	Bank of the West - August Bank Fees	190.52		27,861,757.99
9/24/2019	Civilian - Pacific Surfliner Marketing	13,442.50		27,848,315.49
9/24/2019	Equipment and Mechanical Manager - Travel	48.55		27,848,266.94
9/24/2019	HDR Engineering - Central Coast Layover Facility PR&ED	40,533.44		27,807,733.50
9/24/2019	Monarch Sport LLC - Pacific Surfliner Marketing	75,780.00		27,731,953.50
9/24/2019	Pastilla Inc. - Creative Design & Strategic Communication	490.00		27,731,463.50
9/24/2019	PR Newswire Professional Marketing Services	21,010.00		27,710,453.50
9/24/2019	ACE Agency - Professional Services	2,287.50		27,708,166.00
9/24/2019	WSP USA Inc. - San Diego Layover Facility Feasibility Study	35,425.89		27,672,740.11
9/30/2019	Bank of the West - September Interest		24,129.66	27,696,869.77

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Open Agreements Listing as of September 30, 2019**

AGREEMENT NUMBER	VENDOR	DESCRIPTION	EFFECTIVE	TERMINATES	CONTRACT AMOUNT	AMOUNT PAID TO DATE	CONTRACT BALANCE	CONTRACT STATUS
C-4-1816	Woodruff Spradlin & Smart	Professional legal services. Piggyback off of Orange County Transportation Authority's (OCTA) contract.	7/1/15	6/30/29	\$160,000	\$140,156	\$19,844	OPEN
C-5-3490	Joanna Capelle	Professional services for financial programming, coordination and reporting services relating to grants. Piggyback off of OCTA's contract.	9/4/15	9/30/19	\$44,550	\$13,455	\$31,095	OPEN
L-5-0001	California Department of Transportation	Interagency Transfer Agreement Between California Department of Transportation and Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (Amended into L-8-0009)	7/1/15	6/30/21	N/A	N/A	N/A	OPEN
L-5-0002	N/A	Joint Powers Agreement Concerning the LOSSAN Agency	N/A	N/A	N/A	N/A	N/A	OPEN
L-5-0006	Goal Productions	Consultant Services for Professional Video services for the LOSSAN Agency - Pacific Surfliner.	5/16/16	12/31/19	\$230,000	\$230,000	\$0	OPEN
L-6-0005	Santa Barbara Metropolitan Transit District	Cooperative Agreement with Santa Barbara Metropolitan Transit District for Pacific Surfliner Transit Transfer Agreement	6/6/16	6/30/21	\$184,000	\$57,699	\$126,301	OPEN
L-6-0006	San Luis Obispo Transit	Cooperative Agreement with San Luis Obispo Transit for Pacific Surfliner Transit Transfer Agreement.	7/1/16	6/30/21	\$10,000	\$20	\$9,980	OPEN
L-6-0007	South County Transit	Cooperative Agreement with South County Transit for Pacific Surfliner Transit Transfer Agreement.	6/1/16	6/30/21	\$5,000	\$32	\$4,968	OPEN
L-6-0009	Orange County Transportation Authority (OCTA)	Cooperative Agreement with OCTA for Pacific Surfliner Transit Transfer Agreement.	6/6/16	6/30/21	\$95,000	\$49,900	\$45,100	OPEN
L-6-0010	Anaheim Resort Transit	Cooperative Agreement with Anaheim Resort Transit for Pacific Surfliner Transit Transfer Agreement.	6/2/16	6/30/21	\$124,000	\$52,174	\$71,826	OPEN
L-6-0012	Ventura County Transportation Commission	Cooperative Agreement with Ventura County Transportation Commission for Pacific Surfliner Transit Transfer Agreement	6/1/16	6/30/21	\$87,000	\$13,019	\$73,981	OPEN
L-6-0013	Gold Coast Transit	Cooperative Agreement with Gold Coast Transit for Pacific Surfliner Transit Transfer Agreement.	7/1/16	6/30/21	\$20,000	\$3,682	\$16,318	OPEN
L-6-0015	San Luis Obispo Regional Transportation Authority	Cooperative Agreement with San Luis Obispo Regional Transportation Authority for Pacific Surfliner Transit Transfer Agreement.	6/1/16	6/30/21	\$18,000	\$45	\$17,955	OPEN
L-6-0016	Glendale Beeline	Cooperative Agreement with Glendale Beeline for Pacific Surfliner Transit Transfer Agreement.	6/22/16	6/30/21	\$7,500	\$6,697	\$803	OPEN
L-6-0017	North County Transit District	Cooperative Agreement with North County Transit District for Transit Transfer Agreement	6/6/16	6/30/21	\$95,000	\$6,365	\$88,635	OPEN
L-6-0023	Amtrak and OCTA	Cooperative Agreement with OCTA and Amtrak for Emergency bus bridge agreement. Funds flow between Amtrak and OCTA.	7/10/17	5/31/21	\$50,000	N/A	N/A	OPEN

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Open Agreements Listing as of September 30, 2019**

AGREEMENT NUMBER	VENDOR	DESCRIPTION	EFFECTIVE	TERMINATES	CONTRACT AMOUNT	AMOUNT PAID TO DATE	CONTRACT BALANCE	CONTRACT STATUS
L-7-0008	Amtrak	Operating Agreement with Amtrak for the provision of passenger rail service for Fiscal Years 2017-18 and 2018-19	10/1/17	9/30/19	\$58,172,017	\$55,910,085	\$2,261,932	OPEN
L-7-0011	Marsh Risk and Insurance Services	Consultant services to provide Insurance brokerage services	7/1/17	6/30/22	\$50,000	\$20,000	\$30,000	OPEN
L-7-0013	Amtrak	Security Projects for LOSSAN Corridor with AMTRAK	3/12/18	Project Completion	\$1,887,000	\$536,456	\$1,350,544	OPEN
L-7-0014	Union Pacific Rail Road Corporation	Corridor analyst reimbursement agreement for proposed additional Pacific Surfliner intercity passenger rail service (Capacity analysis)	12/8/17	At Completion	\$35,000	\$35,000	\$0	OPEN
L-7-1917	Making Waves USA, Inc.	Consultant services for website design and development services for the LOSSAN Agency - Pacific Surfliner	3/28/18	3/15/20	\$650,000	\$618,562	\$31,438	OPEN
L-8-0001	Bank of the West	Commercial Banking Services	9/6/18	8/31/23	\$25,000	\$756	\$24,244	OPEN
L-8-0003	Monarch Sport LLC	Pacific Surfliner Field Marketing	7/16/18	6/1/20	\$50,000	\$49,978	\$22	OPEN
L-8-0005	Ace Agency	Pacific Surfliner Public Relations	8/8/18	6/30/20	\$50,000	\$41,302	\$8,698	OPEN
L-8-0006	Pacific Graphics	Specialty Printing Services for the Pacific Surfliner	6/26/18	6/30/20	\$50,000	\$47,287	\$2,713	OPEN
L-8-0007	Meringcarson	Email Marketing and Passenger Communications Program	1/7/19	12/31/19	\$49,800	\$2,400	\$47,400	OPEN
L-8-0008	Pastilla	Creative Design and Strategic Communications Program	10/9/18	8/31/20	\$50,000	\$27,398	\$22,602	OPEN
L-8-0009	California Department of Transportation	Interagency Transfer Agreement Between State of California Department of Transportation and Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency	7/1/18	6/30/21	N/A	N/A	N/A	OPEN
L-8-0010	OCTA	Managing Agency Agreement for OCTA to provide administrative services to LOSSAN	7/1/18	6/30/21	Reimbursable Agreement	\$2,756,974	N/A	OPEN
L-8-0011	Civilian, Inc.	Creative Services and Advertising Marketing for Pacific Surfliner	1/9/19	12/31/19	\$1,000,000	\$555,406	\$444,594	OPEN
L-8-0012	Monarch Sport LLC	Field Marketing and Community Outreach Services for Pacific Surfliner	2/21/19	12/31/19	\$600,000	\$324,940	\$275,060	OPEN
L-8-0013	North County Transit District, Amtrak	Rail to Rail Cooperative Agreement with LOSSAN, NCTD & Amtrak	8/1/18	7/31/20	No Funds Flow Through LOSSAN	N/A	N/A	OPEN
L-8-0014	Sparkloft Media	Pacific Surfliner Social Media Marketing	11/2/18	3/31/20	\$50,000	\$0	\$50,000	OPEN
L-8-0015	PR Newswire Assn LLC	PR Newswire Services	10/3/18	9/4/21	\$63,080	\$40,812	\$22,268	OPEN
L-8-0017	Deutsche Bahn Engineering & Consulting	Corridor Optimization consultant services	1/14/19	12/31/21	\$990,238	\$0	\$990,238	OPEN
L-8-0019	Civilian, Inc.	Media planning and buying services	9/24/18	9/23/19	\$50,000	\$20,545	\$29,455	OPEN

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Open Agreements Listing as of September 30, 2019**

AGREEMENT NUMBER	VENDOR	DESCRIPTION	EFFECTIVE	TERMINATES	CONTRACT AMOUNT	AMOUNT PAID TO DATE	CONTRACT BALANCE	CONTRACT STATUS
L-8-0021	SMA	License and maintenance for Viriato software	5/14/2019	4/30/2020	\$195,480	\$195,480	\$0	OPEN
L-8-0022	Trenolab	License and maintenance for TRENO Analysis software	4/25/2019	4/30/2020	\$24,000	\$24,000	\$0	OPEN
L-8-0023	Deutsche Bahn Engineering & Consulting	Database maintenance, administration of the server, and first level support for the Viriato software	4/25/2019	4/30/2020	\$60,000	\$60,000	\$0	OPEN





**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director

**Subject:** The Los Angeles – San Diego – San Luis Obispo Rail Corridor Trends for the Fourth Quarter of Federal Fiscal Year 2018-19

### **Overview**

A report on ridership, revenue, and on-time performance trends for passenger rail services on the Los Angeles – San Diego – San Luis Obispo rail corridor, including the Pacific Surfliner, Metrolink, and COASTER, covering the fourth quarter of federal fiscal year 2018-19, is presented for consideration by the Board of Directors.

### **Recommendation**

Receive and file as an information item.

### **Background**

The 351-mile Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor travels through a six-county coastal region in Southern California and is the busiest state-supported intercity passenger rail corridor in the United States. The LOSSAN rail corridor includes 41 stations and more than 150 daily passenger trains, with an annual ridership of more than 2.9 million on Pacific Surfliner intercity passenger rail trains and 5.3 million on Metrolink and COASTER commuter trains.

### **Discussion**

This report provides an update on the performance of the passenger rail services on the LOSSAN rail corridor by presenting the current trends of the service in three specific areas: usage (ridership and passenger miles), efficiency (revenue and farebox recovery), and quality (on-time performance (OTP) and customer satisfaction). The report includes the Pacific Surfliner intercity passenger rail service, as well as commuter rail service on Metrolink's Ventura County Line (VCL) and Orange County Line (OCL), and the North County Transit District's COASTER system. Amtrak national data is included for comparative purposes. The reporting

period is the fourth quarter of federal fiscal year (FFY) 2018-19, covering the months of July, August, and September 2019.

Usage

For the fourth quarter of FFY 2018-19, total LOSSAN rail corridor ridership on the three services was 2,216,207, a 0.2 percent decrease when compared to the same period of the previous year. A 24-month ridership chart for the LOSSAN rail corridor, with the specific performance of each service, can be found in Figure 1.1.

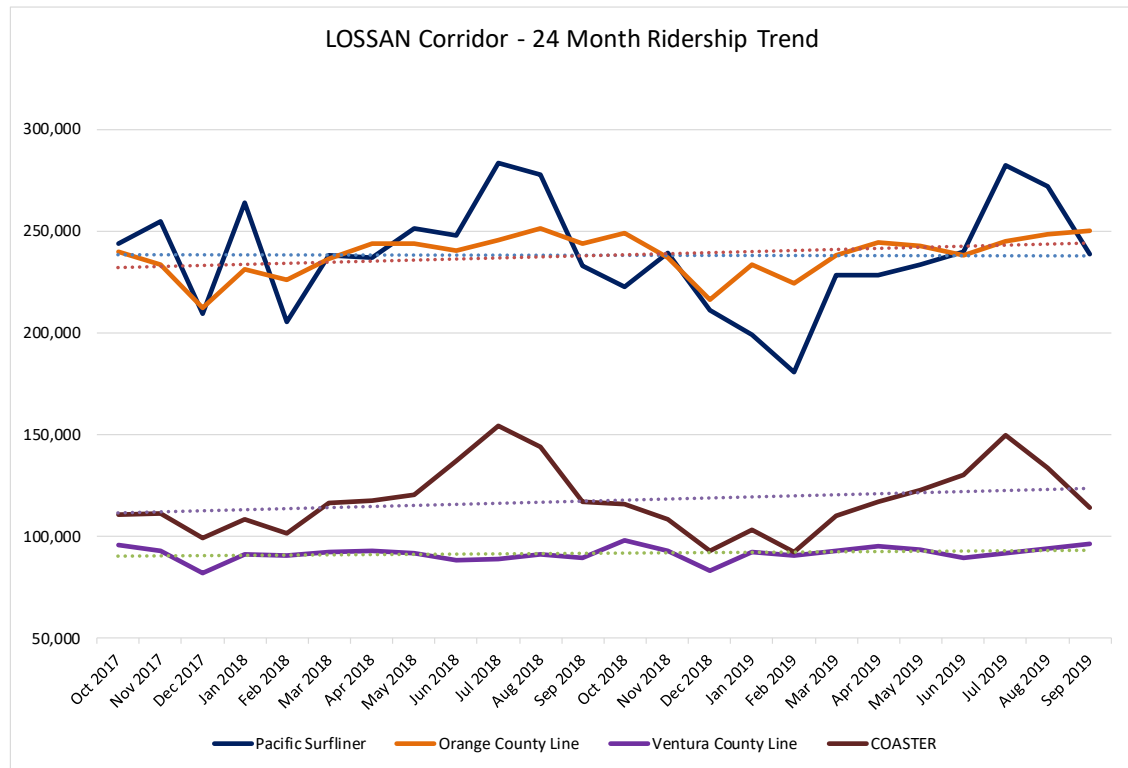


Figure 1.1

The 24 months of ridership data included in Figure 1.1 provides a more accurate indicator of the overall change in ridership along the corridor. Due to seasonal variances, a complete ridership trend is difficult to discern from a single 12-month period. Including 24 months of data accounts for the seasonal variation and provides sufficient information to allow for the development of a linear trendline for each service. A summary table of the ridership, revenue, and OTP for the LOSSAN rail corridor can be found in Attachment A. In addition to this overall corridor data, details on the performance of each service are provided below.

Pacific Surfliner

Part of the overall decline in LOSSAN rail corridor ridership can be attributed to the Pacific Surfliner (San Luis Obispo to San Diego) intercity passenger rail service ridership, which decreased during the fourth quarter of FFY 2018-19 by 0.1 percent when compared to the same period last year as is demonstrated in Figure 1.2. Ridership in this report includes Metrolink and COASTER pass holders utilizing the Rail 2 Rail (R2R) Program, which allows Metrolink monthly pass holders and COASTER passengers to ride Pacific Surfliner trains within the stations identified on their valid fare media, subject to certain restrictions. As prior analysis has demonstrated, the impact of lower R2R ridership as well as the ridership decreases associated with implementation of the peak-period service between Ventura and Santa Barbara counties, have continued through this reporting period.

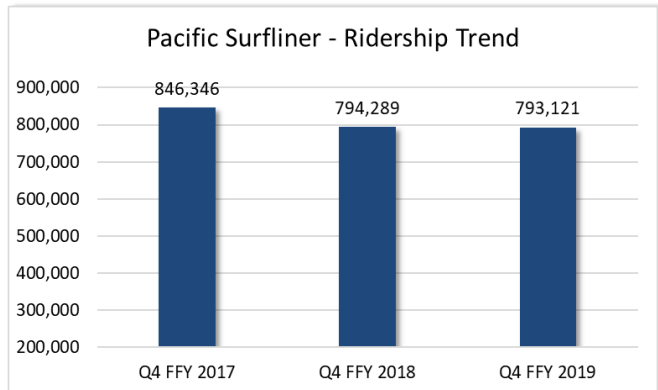


Figure 1.2

Metrolink

Overall LOSSAN rail corridor ridership was positively impacted by the minor ridership increase experienced by Metrolink’s VCL as demonstrated in Figure 1.3. The VCL, which operates between East Ventura and Los Angeles, saw a ridership increase of 4.8 percent when compared to the fourth quarter last year. The OCL, which operates between Los Angeles and Oceanside, saw a 0.3 percent increase in ridership over the same report period in the prior year.

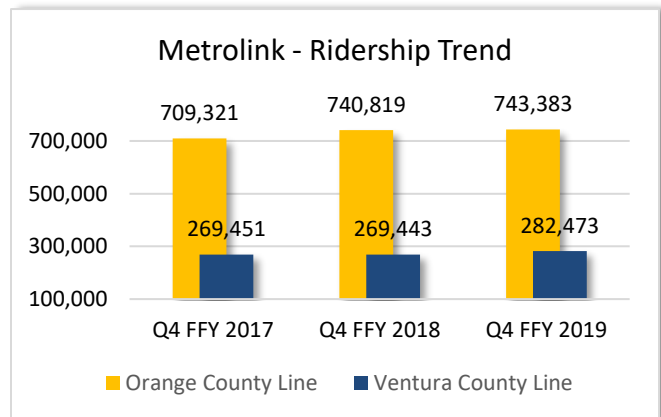


Figure 1.3

Metrolink pass holders riding Pacific Surfliner trains, utilizing the R2R Program, averaged 1,080 per weekday for the fourth quarter of FFY 2018-19, which is a decrease of 6.6 percent compared to the same period last year. As noted previously, the elimination of train 761 as part of the peak-period retiming effort

between Ventura and Santa Barbara counties has negatively impacted overall R2R ridership, eliminating a heavily utilized morning commuter connection.

### COASTER

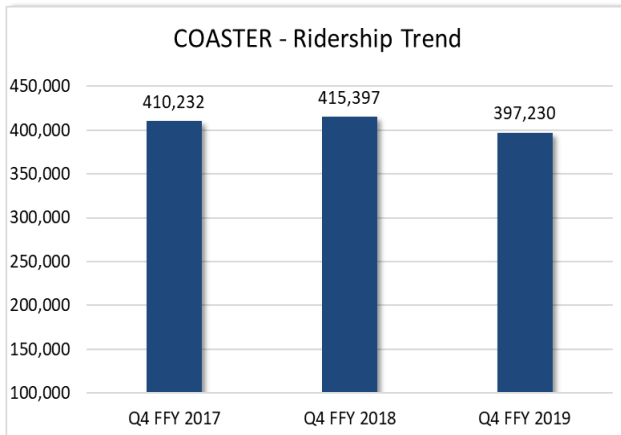


Figure 1.4

COASTER (serving between Oceanside and San Diego) ridership decreased by 4.4 percent during the fourth quarter of FFY 2018-19, when compared to the same period the prior year as shown in Figure 1.4.

During the fourth quarter of FFY 2018-19, there were an average of 31 total COASTER pass holders per day on Pacific Surfliner trains, utilizing the R2R program.

This was a decrease of 77.7 percent when compared to last year. This decrease is consistent with the forecasted loss associated with the elimination of an additional two COASTER stations from the R2R Program in October 2018.

### Amtrak System

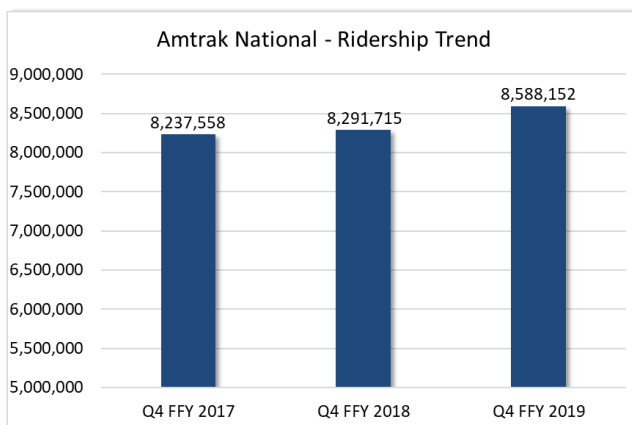


Figure 1.5

Amtrak service nationwide had a cumulative ridership increase of 3.6 percent for the fourth quarter of FFY 2018-19 compared with the same period the prior year, as demonstrated in Figure 1.5.

Amtrak's Coast Starlight (Seattle to Los Angeles) saw ridership decrease by 2.5 percent in the fourth quarter compared with the same period last year. The Capitol Corridor (Auburn/Sacramento to Oakland and San Jose) and the

San Joaquins Corridor (Sacramento/Oakland to Bakersfield) are the other two California State-supported intercity passenger rail services operated by Amtrak, and although serving significantly different markets, do provide a comparison to the Pacific Surfliner service. Ridership on the Capitol Corridor increased by 2.8 percent and San Joaquins ridership decreased by 1.9 percent in the fourth quarter compared to the same period last year.

## Passenger Miles

A passenger mile is defined as one passenger traveling one mile. As an example, 10 passengers, each traveling 100 miles, would then generate 1,000 passenger miles. This metric depicts the growth in passenger usage and distance traveled.

The Pacific Surfliner generated nearly 71 million passenger miles during the fourth quarter of FFY 2018-19, which is a 0.2 percent decrease compared to the same period in the prior year. The decrease in passenger miles is less than anticipated based on what was experienced in overall ridership. Factoring in the average pounds of carbon dioxide emissions per passenger mile in a private automobile versus riding on passenger rail, those 71 million passenger miles resulted in a reduction of over 25,479 tons of greenhouse gases. A visualization of the impact this has on the environment is always helpful. The pollution eliminated is the equivalent of burning over 2.6 million gallons of gasoline.

## Efficiency

### Revenue

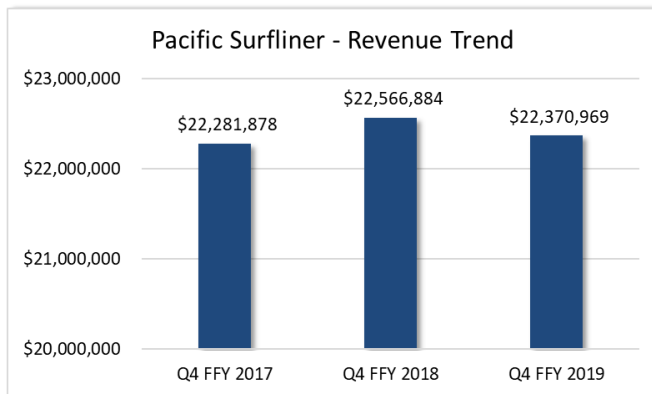


Figure 1.6

Despite the significant losses in annual ridership, ticket revenue continues to perform relatively well. For the fourth quarter of FFY 2018-19 overall revenue decreased by 0.9 percent when compared with the same period in the prior year as shown in Figure 1.6.

For the Capitol Corridor, total revenue increased by 1.8 percent for the fourth

quarter, the San Joaquin rail corridor saw a decrease of 1.9 percent, and the Coast Starlight decreased by 2 percent.

## Farebox Recovery

The Pacific Surfliner is legislatively required to achieve a minimum of 55 percent farebox recovery. As a performance measure, farebox recovery is normally calculated on an annual basis. Expenses throughout the year are not linear and can cause significant fluctuations in the farebox recovery ratio from quarter to quarter.

The California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) reports quarterly to the California Transportation Commission (CTC) on all state-supported corridors via the *California Department of Transportation's Intercity Passenger Rail Operations Report*. This report focuses on a rolling 12-month report period instead of the quarter. On December 4, 2019, Caltrans DRMT reported to the CTC on the 12 months ending June 2019 (the most recent available data) and indicated that the Pacific Surfliner realized a 72.5 percent farebox recovery ratio for that time period.

### Quality

#### OTP

The methodologies for calculating OTP vary significantly between intercity and commuter rail services. Commuter trains are considered late if trains arrive six or more minutes late to the terminal location. Pacific Surfliner trains are considered late if trains arrive 15 or more minutes after scheduled arrival times.

In the fourth quarter of FFY 2018-19, average endpoint Pacific Surfliner OTP was 72.2 percent, which was a 2.8 percent decrease over the prior year. All-station OTP, which is calculated by combining and averaging OTP at each station, averaged 75.9 percent. By comparison, the endpoint OTP on the Capitol Corridor averaged 88.0 percent, and the San Joaquins averaged 65.3 percent during the report period. Amtrak system-wide endpoint OTP averaged 72.0 percent for the fourth quarter. A monthly OTP trend for the Pacific Surfliner can be seen in Figure 1.7.

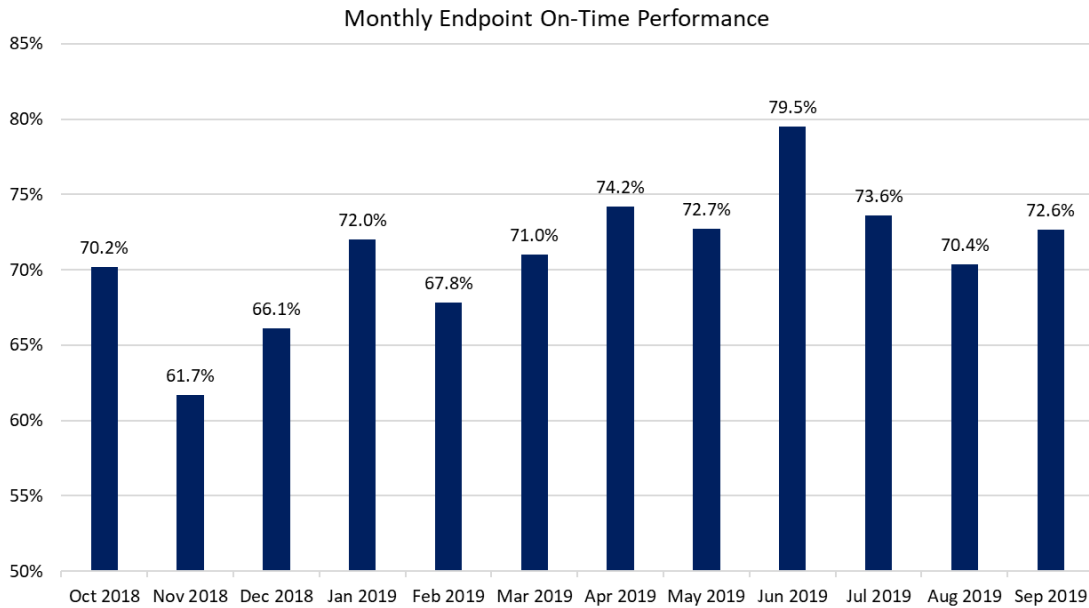


Figure 1.7

The LOSSAN Rail Corridor Agency (Agency) continues to work collaboratively with the host railroads to identify operational improvements that can favorably impact OTP. Primarily this is accomplished via the quarterly Corridor Improvement Team (CIT) meetings. The improvement of OTP in recent months is a direct result of the efforts of the CIT. The issues impacting OTP, continue to primarily be mechanical challenges associated with the implementation of positive train control and the introduction of new charger locomotives, commuter and passenger train interference on the south end of the rail corridor, as well as signal issues on the north end. The LOSSAN Agency continues to work with the host railroads and Amtrak to address these issues.

### Customer Satisfaction

Amtrak reports an Electronic Customer Satisfaction Index (eCSI) score monthly for all routes, in which a 'very satisfied' percentage is calculated out of 100 passengers via surveying. For the fourth quarter of FFY 2018-19, the Pacific Surfliner scored an average eCSI of 85.5 percent, which represents an increase of 4.2 percent over the same period the prior year.

Detailed analysis of the eCSI data show somewhat of a shift in the drivers related to the overall score. The top five biggest drivers for customer dissatisfaction include issues related to the clarity and availability of station signage and announcements, and the reliability of onboard Wi-Fi service.

Additional Performance Indicators

Food and Beverage Sales

The LOSSAN Agency's focus on improving service quality and the customer experience has prompted additional attention to the food and beverage selections offered in the Pacific Surfliner Café car. Continual effort is being made to ensure that menu items are meeting the expectations of our passengers. As part of that effort, LOSSAN Agency staff closely monitors food and beverage sales in an effort to gauge the success of what is being offered and to highlight items that need to be adjusted.

<i>Sales Category</i>	<i>Quarter 4 FFY 2017-18</i>	<i>Quarter 4 FFY 2018-19</i>	<i>Increase</i>
Baked Goods	\$135,325	\$113,539	<b>-16.1%</b>
Beer	\$360,127	\$362,200	<b>0.6%</b>
Beverages	\$424,716	\$412,291	<b>-2.9%</b>
Dairy Products	\$9,304	\$13,935	<b>49.8%</b>
Packaged Snack Foods	\$1,115,306	\$1,093,638	<b>-1.9%</b>
Fresh Prepared Foods	\$199,908	\$272,824	<b>36.5%</b>
Liquor	\$191,259	\$208,943	<b>9.2%</b>
Miscellaneous Merchandise	\$6,665	\$7,589	<b>13.9%</b>
Salads	\$20,845	\$23,561	<b>13.0%</b>
Wine	\$548,400	\$606,147	<b>10.5%</b>
	<b>\$3,011,854</b>	<b>\$3,114,667</b>	<b>3.4%</b>

Figure 1.8

For the fourth quarter of FFY 2018-19, food and beverage sales increased by 3.4 percent over the same quarter in the prior year. This growth is especially significant considering the overall loss in ridership experienced during the report period. Details on the performance of each specific sales category are included in Figure 1.8.

Amtrak Thruway Bus Service

Pacific Surfliner rail service is supplemented by Amtrak's network of Thruway buses that connect passengers throughout the LOSSAN rail corridor. The bus routes function as part of the Pacific Surfliner service and include:

- Route 4: Los Angeles to Santa Barbara/Goleta. Two daily one-way trips.
- Route 17: Santa Barbara to San Luis Obispo to Oakland (where it connects with Capitol Corridor). Eleven daily one-way trips.
- Route 39: Fullerton to Palm Springs and Coachella Valley. Four daily one-way trips.

For the fourth quarter of FFY 2018-19, ridership on these three routes totaled 23,114 riders, which was a decrease of 10.9 percent when compared to the same period in the prior year.



***Summary***

This report provides an update of trends for the usage, efficiency, and quality of the passenger rail services on the Los Angeles – San Diego – San Luis Obispo rail corridor, including the Pacific Surfliner, Metrolink, and COASTER for the fourth quarter of federal fiscal year 2018-19. During the fourth quarter, total Los Angeles – San Diego – San Luis Obispo rail corridor ridership decreased by 0.2 percent compared to the same period last year. Ridership on the Pacific Surfliner decreased by 0.1 percent, while revenue realized a 0.9 percent decrease when compared to the same period last year.

***Attachment***

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Performance Summary, Fourth Quarter Federal Fiscal Year 2018-19

**Prepared by:**



Roger M. Lopez  
Manager, Planning and Analysis  
(714) 560-5438

**Los Angeles – San Diego – San Luis Obispo Rail Corridor Performance Summary  
Fourth Quarter Federal Fiscal Year 2018-19**


<u>Service</u>	<u>Ridership (total)</u>	<u>Ridership - Growth Over Same Quarter Previous Year</u>	<u>Revenue (total)</u>	<u>Revenue - Growth Over Same Quarter Previous Year</u>	<u>Endpoint OTP (3 mo. avg)</u>
Pacific Surfliner	793,121	-0.1%	\$ 22,370,969	-0.9%	72.2%
Metrolink Ventura County Line	282,473	4.8%	---	---	93.8%
Metrolink Orange County Line	743,383	0.3%	---	---	91.5%
COASTER	397,230	-4.4%	---	---	92.4%
<b>LOSSAN Total/Average</b>	<b>2,216,207</b>	<b>0.2%</b>			<b>87.5%</b>

Amtrak Nationwide	8,588,152	3.6%	\$ 602,574,965	4.0%	72.0%
Capitol Corridor	450,811	2.8%	\$ 8,862,808	1.8%	88.0%
San Joaquin	268,490	-1.9%	\$ 7,918,851	-1.9%	65.3%
Coast Starlight	118,133	-2.5%	\$ 12,400,663	-2.0%	56.0%



**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director 

**Subject:** Approval to Release Request for Proposals for Pacific Surfliner Digital Marketing Services

### **Overview**

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is responsible for marketing the Pacific Surfliner in order to enhance public awareness of the service and increase ridership and revenue. Consultant services are needed to provide professional marketing services for the Pacific Surfliner, including social media management, content strategy and development, and strategic and technical consultation as needed. Staff has developed a request for proposals to initiate a competitive procurement process to retain consultant(s) to provide digital marketing services and is seeking Board of Directors approval to release the request for proposals.

### **Recommendations**

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 0-2025 to provide digital marketing services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.
- B. Approve the release of Request for Proposals 0-2025 for digital marketing services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency for a one-year initial term with two, one-year option terms.

### **Discussion**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is responsible for marketing the Pacific Surfliner service in order to enhance public awareness of the service. The official Pacific Surfliner social media channels (which include Facebook, Twitter, Instagram, YouTube, and a blog) have become an increasingly important asset to the marketing program through educating the public about the service, inspiring trips, and driving traffic to PacificSurfliner.com.

In late 2018, the LOSSAN Agency initiated a competitive procurement process for consultant support to assist staff in social media marketing of the Pacific Surfliner service. On November 2, 2018, an informal, \$50,000 contract was awarded for a one-year term. The contract helped to grow and enhance the Pacific Surfliner social media program, allowing digital platforms to further support marketing program goals and position the Pacific Surfliner as a preferred transportation option. It was determined that the marketing program would benefit from a larger engagement with a more robust scope of work (SOW) that will continue to build on the success of these digital platforms and expand growth opportunities. Therefore, the LOSSAN Agency is seeking Board of Directors' (Board) approval for new digital marketing support that includes an updated SOW.

Digital marketing services SOW includes the following:

- Managing the official Pacific Surfliner social media accounts.
- Developing content, such as blog articles, social posts, photography, and videos.
- Interacting with individuals who post about the Pacific Surfliner online.
- Strategically planning out social media campaigns to drive website traffic to PacificSurfliner.com.
- Planning, producing, placing, and optimizing paid media.
- Engaging with influencers (individuals on social media with large followings) to increase exposure of the Pacific Surfliner.
- Building reports to inform on the performance of the program and identify opportunities for growth.

### ***Procurement Approach***

The LOSSAN Agency's Board of Directors (Board)-approved procurement policies and procedures require that the Board approve all requests for proposals (RFP) over \$100,000, as well as approve the evaluation criteria and weightings. LOSSAN Agency staff is submitting for Board approval the draft RFP and evaluation criteria and weights, which will be used to evaluate the proposals received in response to the RFP.

The proposed evaluation criteria and weightings are as follows:

- |                                     |            |
|-------------------------------------|------------|
| • Qualifications of the Firm        | 25 percent |
| • Staffing and Project Organization | 25 percent |
| • Work Plan                         | 30 percent |
| • Cost and Price                    | 20 percent |

Several factors were considered in developing these weightings. Work plan is weighted at 30 percent to emphasize the importance of the firm demonstrating

its ability to provide solutions specific to the LOSSAN Agency's marketing needs and opportunities. Qualifications of the firm is weighted at 25 percent because due to the breadth and depth of the requested services, the successful firm must have a proven track record for meeting similar requirements in previous projects. Staffing and project organization is also weighted at 25 percent as the firm's proposed project team must demonstrate familiarity with required marketing specializations in terms of knowledge, skills, and experience. Cost and price are weighted at 20 percent to ensure the LOSSAN Agency receives the best value for the services provided.

The contract resulting from this procurement will have a one-year initial term with two, one-year option terms. The total cost for the initial term is anticipated to be approximately \$200,000.

This RFP will be released upon Board approval of these recommendations.

#### Fiscal Impact

Marketing services were included in the LOSSAN Agency's Fiscal Year (FY) 2019-20 and 2020-21 annual business plan and Board-adopted budget. The LOSSAN Agency requested and received \$2 million in state-provided marketing funds for FY 2019-20. This amount is consistent with the three prior FY marketing budgets approved by the California State Transportation Agency.

#### **Summary**

Board approval is requested to release RFP 0-2025 for digital marketing services and the approval of the proposed evaluation criteria and weights.

#### **Attachment**

- A. Draft Request for Proposals (RFP) 0-2025, Pacific Surfliner Digital Marketing Services

Prepared by:



Emilia Doerr  
Marketing & Communications  
Manager  
714-560-5370

**DRAFT REQUEST FOR PROPOSALS (RFP) 0-2025**

**PACIFIC SURFLINER DIGITAL  
MARKETING SERVICES**



**ORANGE COUNTY TRANSPORTATION AUTHORITY  
ON BEHALF OF:  
LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR  
AGENCY  
550 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
(714) 560-6282**

**Key RFP Dates**

<b>Issue Date:</b>	<b>February 18, 2020</b>
<b>Pre-Proposal Conference Date:</b>	<b>February 25, 2020</b>
<b>Question Submittal Date:</b>	<b>February 28, 2020</b>
<b>Proposal Submittal Date:</b>	<b>March 10, 2020</b>
<b>Interview Date:</b>	<b>April 1, 2020</b>

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February 18, 2020

**NOTICE OF REQUEST FOR PROPOSALS (RFP)**

**RFP 0-2025: “PACIFIC SURFLINER DIGITAL MARKETING SERVICES”**

**TO: ALL OFFERORS**

**FROM: ORANGE COUNTY TRANSPORTATION AUTHORITY**

On behalf of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency), the Orange County Transportation Authority (Authority) invites proposals from qualified consultants to provide digital marketing services, including content development, strategic planning, and account management of the official Pacific Surfliner social media platforms. The budget for this effort is \$200,000 for a one-year initial term.

**Proposals must be received in the Authority’s office at or before 2:00 p.m. on March 10, 2020.**

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
600 South Main Street, (Lobby Receptionist)  
Orange, California 92868  
Attention: Iris Deneau, Senior Contract Administrator**

Proposals delivered using the U.S. Postal Service shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Iris Deneau, Senior Contract Administrator**

Note: The Authority utilizes a third-party delivery service; therefore, anticipate a 48-hour delay in delivery of proposals mailed to the P.O. Box listed above. Proposals are considered received once time stamped at the Authority’s physical address.



Proposals and amendments to proposals received after the date and time specified above will be returned to the Offerors unopened.

Firms interested in obtaining a copy of this RFP may do so by downloading the RFP from CAMM NET at <https://cammnet.octa.net>.

All firms interested in doing business with the LOSSAN Agency are required to register their business on-line at CAMM NET. The website can be found at <https://cammnet.octa.net>.

To receive all further information regarding this RFP 0-2025, firms and subconsultants must be registered on CAMM NET with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

<u>Category:</u>	<u>Commodity:</u>
Marketing, Advertising & Media Services	Communications Marketing Services

A pre-proposal conference will be held on February 25, 2020 at 2:00 p.m. at the Authority's Administrative Office, 550 South Main Street, Orange, California, in Conference Room 09. All prospective Offerors are encouraged to attend the pre-proposal conference.

The Authority has established April 1, 2020 as the date to conduct interviews. All prospective Offerors will be asked to keep this date available.

Offerors are encouraged to subcontract with small businesses to the maximum extent possible.

All Offerors will be required to comply with all applicable equal opportunity laws and regulations.

The award of this contract is subject to receipt of federal, state, and/or local funds adequate to carry out the provisions of the proposed agreement including the identified Scope of Work.

**SECTION I: INSTRUCTIONS TO OFFERORS**

**SECTION I. INSTRUCTIONS TO OFFERORS****A. PRE-PROPOSAL CONFERENCE**

A pre-proposal conference will be held on February 25, 2020 at 2:00 p.m. at the Authority's Administrative Office, 550 South Main Street, Orange, California, in Conference Room 09. All prospective Offerors are encouraged to attend the pre-proposal conference.

**B. EXAMINATION OF PROPOSAL DOCUMENTS**

By submitting a proposal, Offeror represents that it has thoroughly examined and become familiar with the work required under this RFP and that it is capable of performing quality work to achieve the LOSSAN Agency's objectives.

**C. ADDENDA**

The Authority reserves the right to revise the RFP documents. Any Authority changes to the requirements will be made by written addendum to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The Authority will not be bound to any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. Offerors shall acknowledge receipt of addenda in their proposals. Failure to acknowledge receipt of Addenda may cause the proposal to be deemed non-responsive to this RFP and be rejected.

**D. AUTHORITY CONTACT**

All communication and/or contacts with Authority staff regarding this RFP are to be directed to the following Contract Administrator:

Iris Deneau, Senior Contract Administrator  
Contracts Administration and Materials Management Department  
600 South Main Street  
P.O. Box 14184  
Orange, CA 92863-1584  
Phone: 714.560.5786, Fax: 714.560.5792  
Email: ideneau@octa.net

Commencing on the date of the issuance of this RFP and continuing until award of the contract or cancellation of this RFP, no proposer, subcontractor, lobbyist, or agent hired by the proposer shall have any contact or communications regarding this RFP with any Authority's staff; member of the evaluation committee for this RFP; or any contractor or consultant involved with the procurement, other than the Contract Administrator named above or unless expressly permitted by this RFP. Contact includes face-to-face, telephone, electronic mail (email), or formal written communication. Any proposer, subcontractor, lobbyist or agent hired by the

proposer that engages in such prohibited communications may result in disqualification of the proposer at the sole discretion of the Authority.

## **E. CLARIFICATIONS**

### **1. Examination of Documents**

Should an Offeror require clarifications of this RFP, the Offeror shall notify the Authority in writing in accordance with Section E.2. below. Should it be found that the point in question is not clearly and fully set forth, the Authority will issue a written addendum clarifying the matter which will be sent to all firms registered on CAMM NET under the commodity codes specified in this RFP.

### **2. Submitting Requests**

- a. All questions, including questions that could not be specifically answered at the pre-proposal conference, must be put in writing and must be received by the Authority no later than 5:00 p.m. on February 28, 2020.
- b. Requests for clarifications, questions, and comments must be clearly labeled, "Written Questions." The Authority is not responsible for failure to respond to a request that has not been labeled as such.
- c. Any of the following methods of delivering written questions are acceptable as long as the questions are received no later than the date and time specified above:
  - (1) U.S. Mail: Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.
  - (2) Personal Delivery: Contracts Administration and Materials Management Department, 600 South Main Street, Lobby Receptionist, Orange, California 92868.
  - (3) Facsimile: (714) 560-5792.
  - (4) Email: [ideneau@octa.net](mailto:ideneau@octa.net).

### **3. Authority Responses**

Responses from the Authority will be posted on CAMM NET no later than March 4, 2020. Offerors may download responses from CAMM NET at <https://cammnet.octa.net>, or request responses be sent via U.S. Mail by emailing or faxing the request to Iris Deneau, Senior Contract Administrator.

To receive email notification of Authority responses when they are posted on CAMM NET, firms and subconsultants must be registered on CAMM NET with at least one of the following commodity codes for this solicitation selected as part of the vendor's on-line registration profile:

<u>Category:</u> Marketing, Advertising & Media Services	<u>Commodity:</u> Communications Marketing Services
--	---

Inquiries received after 5:00 p.m. on February 28, 2020 will not be responded to.

## F. SUBMISSION OF PROPOSALS

Offeror is responsible for ensuring third-party deliveries arrive at the time and place as indicated in this RFP.

### 1. Date and Time

Proposals must be received in the Authority's office at or before 2:00 p.m. on March 10, 2020.

Proposals received after the above-specified date and time will be returned to Offerors unopened.

### 2. Address

Proposals delivered in person or by a means other than the U.S. Postal Service shall be submitted to the following:

**Orange County Transportation Authority  
Contracts Administration and Materials Management (CAMM)  
600 South Main Street, (Lobby Receptionist)  
Orange, California 92868  
Attention: Iris Deneau, Senior Contract Administrator**

Or proposals delivered using the U.S. Postal Services shall be addressed as follows:

**Orange County Transportation Authority  
Contracts Administration and Materials Management (CAMM)  
P.O. Box 14184  
Orange, California 92863-1584  
Attention: Iris Deneau, Senior Contract Administrator**

Note: The Authority utilizes a third-party delivery service; therefore, anticipate a 48-hour delay in delivery of proposals mailed to the P.O. Box

listed above. Proposals are considered received once time stamped at the Authority's physical address.

**3. Identification of Proposals**

Offeror shall submit an **original and four (4) copies** of its proposal in a sealed package, addressed as shown above in E.2. The outer envelope must show the Offeror's name and address and clearly marked with RFP number. In addition to the above, Proposers shall also include one (1) electronic copy of their entire RFP submittal package in "PDF" format, on a CD, DVD, or flash drive.

**4. Acceptance of Proposals**

- a. The Authority reserves the right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in proposals.
- b. The Authority reserves the right to withdraw or cancel this RFP at any time without prior notice and the Authority makes no representations that any contract will be awarded to any Offeror responding to this RFP.
- c. The Authority reserves the right to issue a new RFP for the project.
- d. The Authority reserves the right to postpone proposal openings for its own convenience.
- e. Each proposal will be received with the understanding that acceptance by the Authority of the proposal to provide the services described herein shall constitute a contract between the Offeror and Authority which shall bind the Offeror on its part to furnish and deliver at the prices given and in accordance with conditions of said accepted proposal and specifications.
- f. The Authority reserves the right to investigate the qualifications of any Offeror, and/or require additional evidence of qualifications to perform the work.
- g. Submitted proposals are not to be copyrighted.

**G. PRE-CONTRACTUAL EXPENSES**

The Authority shall not, in any event, be liable for any pre-contractual expenses incurred by Offeror in the preparation of its proposal. Offeror shall not include any such expenses as part of its proposal.

Pre-contractual expenses are defined as expenses incurred by Offeror in:

1. Preparing its proposal in response to this RFP;
2. Submitting that proposal to the Authority;
3. Negotiating with the Authority any matter related to this proposal; or
4. Any other expenses incurred by Offeror prior to date of award, if any, of the Agreement.

**H. JOINT OFFERS**

Where two or more firms desire to submit a single proposal in response to this RFP, they should do so on a prime-subcontractor basis rather than as a joint venture. The Authority intends to contract with a single firm and not with multiple firms doing business as a joint venture.

**I. TAXES**

Offerors' proposals are subject to State and Local sales taxes. However, the Authority is exempt from the payment of Federal Excise and Transportation Taxes. Offeror is responsible for payment of all taxes for any goods, services, processes and operations incidental to or involved in the contract.

**J. PROTEST PROCEDURES**

The Authority has on file a set of written protest procedures applicable to this solicitation that may be obtained by contacting the Contract Administrator responsible for this procurement. Any protests filed by an Offeror in connection with this RFP must be submitted in accordance with the Authority's written procedures.

**K. CONTRACT TYPE**

It is anticipated that the Agreement resulting from this solicitation, if awarded, will be a firm-fixed price contract specifying firm-fixed prices for individual tasks specified in the Scope of Work, included in this RFP as Exhibit A. The Agreement will have a one-year initial term with two, one-year option terms.

**L. CONFLICT OF INTEREST**

All Offerors responding to this RFP must avoid organizational conflicts of interest which would restrict full and open competition in this procurement. An organizational conflict of interest means that due to other activities, relationships, or contracts, an Offeror is unable, or potentially unable, to render impartial assistance or advice to the Authority; an Offeror's objectivity in performing the work identified in the Scope of Work is or might be otherwise impaired; or an Offeror has an unfair competitive advantage. Conflict of Interest issues must be fully disclosed in the Offeror's proposal.

All Offerors must disclose in their proposal and immediately throughout the course of the evaluation process if they have hired or retained an advocate to lobby Authority staff or the Board of Directors on their behalf.

Offerors hired to perform services for the Authority are prohibited from concurrently acting as an advocate for another firm who is competing for a contract with the Authority, either as a prime or subcontractor.

**M. CODE OF CONDUCT**

All Offerors agree to comply with the Authority's Code of Conduct as it relates to Third-Party contracts which is hereby referenced and by this reference is incorporated herein. All Offerors agree to include these requirements in all of its subcontracts.



**SECTION II: PROPOSAL CONTENT**

## **SECTION II. PROPOSAL CONTENT**

### **A. PROPOSAL FORMAT AND CONTENT**

#### **1. Format**

Proposals should be typed with a standard 12-point font, double-spaced, and submitted on 8 1/2" x 11" size paper, using a single method of fastening. Charts and schedules may be included in 11" x 17" format. Proposals should not include any unnecessarily elaborate or promotional materials. Proposals should not exceed fifty (50) pages in length, excluding any appendices, cover letters, resumes, or forms.

#### **2. Letter of Transmittal**

The Letter of Transmittal shall be addressed to Iris Deneau, Senior Contract Administrator, and must, at a minimum, contain the following:

- a. Identification of Offeror that will have contractual responsibility with the Authority. Identification shall include legal name of company, corporate address, telephone and fax number, and email address. Include name, title, address, email address, and telephone number of the contact person identified during period of proposal evaluation.
- b. Identification of all proposed subcontractors including legal name of company, contact person's name and address, telephone and fax number, and email address; relationship between Offeror and subcontractors, if applicable.
- c. Acknowledgement of receipt of all RFP addenda, if any.
- d. A statement to the effect that the proposal shall remain valid for a period of not less than 120 days from the date of submittal.
- e. Signature of a person authorized to bind Offeror to the terms of the proposal.
- f. Signed statement attesting that all information submitted with the proposal is true and correct.

#### **3. Technical Proposal**

##### **a. Qualifications, Related Experience and References of Offeror**

This section of the proposal should establish the ability of Offeror to satisfactorily perform the required work by reasons of: experience in performing work of a similar nature; demonstrated competence in the

services to be provided; strength and stability of the firm; staffing capability; work load; record of meeting schedules on similar projects; and supportive client references.

Offeror to:

- (1) Provide a brief profile of the firm, including the types of services offered; the year founded; form of the organization (corporation, partnership, sole proprietorship); number, size, and location of offices; and number of employees.
- (2) Provide a general description of the firm's financial condition and identify any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) that may impede Offeror's ability to complete the project.
- (3) Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project.
- (4) Identify subcontractors by company name, address, contact person, telephone number, email address, and project function. Describe Offeror's experience working with each subcontractor.
- (5) Identify all firms hired or retained to provide lobbying or advocating services on behalf of the Offeror by company name, address, contact person, telephone number, and email address. This information is required to be provided by the Offeror immediately during the evaluation process, if a lobbyist or advocate is hired or retained.
- (6) Provide as a minimum three (3) references for the projects cited as related experience, and furnish the name, title, address, telephone number, and email address of the person(s) at the client organization who is most knowledgeable about the work performed. Offeror may also supply references from other work not cited in this section as related experience.

**b. Proposed Staffing and Project Organization**

This section of the proposal should establish the method, which will be used by the Offeror to manage the project, as well as identify key personnel assigned.

Offeror to:

- (1) Identify key personnel proposed to perform the work in the specified tasks and include major areas of subcontract work. Include the person's name, current location, proposed position for this project, current assignment, level of commitment to that assignment, availability for this assignment, and how long each person has been with the firm.
- (2) Furnish brief resumes (not more than two [2] pages each) for the proposed Project Manager and other key personnel that includes education, experience, and applicable professional credentials.
- (3) Indicate adequacy of labor resources utilizing a table projecting the labor-hour allocation to the project by individual task.
- (4) Include a project organization chart, which clearly delineates communication/reporting relationships among the project staff.
- (5) Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the Authority.

**c. Work Plan**

Offeror should provide a narrative, which addresses the Scope of Work, and shows Offeror's understanding of LOSSAN Agency's needs and requirements.

Offeror to:

- (1) Describe the approach to completing the tasks specified in the Scope of Work. The approach to the work plan shall be of such detail to demonstrate the Offeror's ability to accomplish the project objectives and overall schedule.
- (2) Outline sequentially the activities that would be undertaken in completing the tasks and specify who would perform them.
- (3) Furnish a project schedule for completing the tasks in terms of elapsed weeks.
- (4) Identify methods that Offeror will use to ensure quality control, as well as budget and schedule control for the project.

- (5) Identify any special issues or problems that are likely to be encountered in this project and how the Offeror would propose to address them.
- (6) Offeror is encouraged to propose enhancements or procedural or technical innovations to the Scope of Work that do not materially deviate from the objectives or required content of the project.

**d. Exceptions/Deviations**

State any technical and/or contractual exceptions and/or deviations from the requirements of this RFP, including the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C), using the form entitled "Proposal Exceptions and/or Deviations" included in this RFP. This Proposal Exceptions and/or Deviations form (Exhibit G) must be included in the original proposal submitted by the Offeror. If no technical or contractual exceptions and/or deviations are submitted as part of the original proposal, Offerors are deemed to have accepted the Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C). Offerors will not be allowed to submit the Proposal Exceptions and/or Deviations form (Exhibit G) or any technical and/or contractual exceptions after the proposal submittal date identified in the RFP. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed by Authority.

All exceptions and/or deviations will be reviewed by the Authority and will be assigned a "pass" or "fail" status. Exceptions and/or deviations that "pass" do not mean that the Authority has accepted the change but that it is a potential negotiable issue. Exceptions and/or deviations that receive a "fail" status means that the requested change is not something that the Authority would consider a potential negotiable issue. Offerors that receive a "fail" status on their exceptions and/or deviations will be notified by the Authority and will be allowed to retract the exception and/or deviation and continue in the evaluation process. Any exceptions and/or deviation that receive a "fail" status and the Offeror cannot or does not retract the requested change may result in the firm being eliminated from further evaluation.

#### 4. Cost and Price Proposal

As part of the cost and price proposal, the Offeror shall submit proposed pricing to provide the services for each work task described in Exhibit A, Scope of Work.

The Offeror shall complete the "Price Summary Sheet" form included with this RFP (Exhibit B), and furnish any narrative required to explain the prices quoted in the schedules. It is anticipated that the Authority will issue a firm-fixed price contract specifying firm-fixed prices for individual tasks.

#### 5. Appendices

Information considered by Offeror to be pertinent to this project and which has not been specifically solicited in any of the aforementioned sections may be placed in a separate appendix section. Offerors are cautioned, however, that this does not constitute an invitation to submit large amounts of extraneous materials. Appendices should be relevant and brief.

### B. FORMS

#### 1. Campaign Contribution Disclosure Form

In conformance with the statutory requirements of the State of California Government Code Section 84308, part of the Political Reform Act and Title 2, California Code of Regulations 18438 through 18438.8, regarding campaign contributions to members of appointed Board of Directors, Offeror is required to complete and sign the Campaign Contribution Disclosure Form provided in this RFP and submit as part of the proposal.

This form **must** be completed regardless of whether a campaign contribution has been made or not and regardless of the amount of the contribution.

The prime contractor, subconsultants, lobbyists, and agents are required to report all campaign contributions made from the proposal submittal date up to and until the Board of Directors makes a selection.

Offeror is required to submit only **one** copy of the completed form(s) as part of its proposal and it must be included in only the **original** proposal.

#### 2. Status of Past and Present Contracts Form

Offeror shall complete and sign the form entitled "Status of Past and Present Contracts" provided in this RFP and submit as part of its proposal. Offeror shall identify the status of past and present contracts where the firm has either provided services as a prime vendor or a subcontractor during the

past five (5) years in which the contract has been the subject of or may be involved in litigation with the contracting authority. This includes, but is not limited to, claims, settlement agreements, arbitrations, administrative proceedings, and investigations arising out of the contract. Offeror shall have an ongoing obligation to update the Authority with any changes to the identified contracts and any new litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations that arise subsequent to the submission of Offeror's proposal.

A separate form must be completed for each identified contract. Each form must be signed by the Offeror confirming that the information provided is true and accurate. Offeror is required to submit one copy of the completed form(s) as part of its proposals and it should be included in only the original proposal.

**3. Proposal Exceptions and/or Deviations Form**

Offerors shall complete the form entitled "Proposal Exceptions and/or Deviations" provided in this RFP and submit it as part of the original proposal. For each exception and/or deviation, a new form should be used, identifying the exception and/or deviation and the rationale for requesting the change. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed nor considered by the Authority.

**SECTION III: EVALUATION AND AWARD**



### SECTION III. EVALUATION AND AWARD

#### A. EVALUATION CRITERIA

The Authority will evaluate the offers received based on the following criteria:

- 1. Qualifications of the Firm 25%**

Technical experience in performing work of a closely similar nature; strength and stability of the firm; strength, stability, experience, and technical competence of subcontractors; assessment by client references.
- 2. Staffing and Project Organization 25%**

Qualifications of project staff, particularly key personnel and especially the Project Manager; key personnel's level of involvement in performing related work cited in "Qualifications of the Firm" section; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.
- 3. Work Plan 30%**

Depth of Offeror's understanding of LOSSAN Agency's requirements and overall quality of work plan; logic, clarity, and specificity of work plan; appropriateness of resource allocation among the tasks; reasonableness of proposed schedule; utility of suggested technical or procedural innovations.
- 4. Cost and Price 20%**

Reasonableness of the total price, as well as the individual tasks; competitiveness with other offers received; adequacy of data in support of figures quoted.

#### B. EVALUATION PROCEDURE

An evaluation committee will be appointed to review all proposals received for this RFP. The committee is comprised of Authority staff and may include outside personnel. The committee members will evaluate the written proposals using criteria identified in Section III A. A list of top-ranked proposals, firms within a competitive range, will be developed based upon the totals of each committee members' score for each proposal.

During the evaluation period, the Authority may interview some or all of the proposing firms. The Authority has established April 1, 2020 as the date to conduct interviews. All prospective Offerors are asked to keep this date available. No other interview dates will be provided, therefore, if an Offeror is unable to attend the interview on this date, its proposal may be eliminated from further discussion. The

interview may consist of a short presentation by the Offeror after which the evaluation committee will ask questions related to the firm's proposal and qualifications.

At the conclusion of the proposal evaluations, Offerors remaining within the competitive range may be asked to submit a Best and Final Offer (BAFO). In the BAFO request, the firms may be asked to provide additional information, confirm or clarify issues, and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee will recommend to the LOSSAN Board of Directors, the Offeror with the highest final ranking or a short list of top ranked firms within the competitive range whose proposal(s) is most advantageous to the Authority.

**C. AWARD**

The Authority will evaluate the proposals received and will submit the proposal considered to be the most competitive to the LOSSAN's Board of Directors for consideration and selection. The Authority may also negotiate contract terms with the selected Offeror prior to award, and expressly reserves the right to negotiate with several Offerors simultaneously and, thereafter, to award a contract to the Offeror offering the most favorable terms to the Authority.

The Authority reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the Authority may deem to be in its best interest. In addition, negotiations may or may not be conducted with Offerors; therefore, the proposal submitted should contain Offeror's most favorable terms and conditions, since the selection and award may be made without discussion with any Offeror.

The selected Offeror will be required to submit to the Authority's Accounting department a current IRS W-9 form prior to commencing work.

**D. NOTIFICATION OF AWARD AND DEBRIEFING**

Offerors who submit a proposal in response to this RFP shall be notified via CAMM NET of the contract award. Such notification shall be made within three (3) business days of the date the contract is awarded.

Offerors who were not awarded the contract may obtain a debriefing concerning the strengths and weaknesses of their proposal. Unsuccessful Offerors, who wish to be debriefed, must request the debriefing in writing or electronic mail and the Authority must receive it within three (3) business days of notification of the contract award.

**EXHIBIT A: SCOPE OF WORK**

## **SCOPE OF WORK**

### **Pacific Surfliner Social Media Marketing and Passenger Communications**

#### **I. INTRODUCTION**

This Scope of Work describes Consultant's essential roles, responsibilities, functions, activities, and deliverables necessary for the successful implementation of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency's (Agency) social media marketing and passenger communications program for the Amtrak Pacific Surfliner.

The LOSSAN Agency wishes to contract with a strategic marketing firm to provide services related to social media marketing and digital communications as needed for the purpose of:

- Increasing ridership, positive brand associations, and visibility of the Pacific Surfliner
- Promoting loyalty, encouraging repeat usage, and improving the return on investment for marketing activities
- Promoting visibility of the Pacific Surfliner through key influencers to promote consumer purchase decisions within communities served
- Better defining audiences and delivering targeted marketing messages to promote long-term relationships and increase customer lifetime value
- Enhancing customer service by proactively serving up relevant information and also encouraging two-way dialogue between customers and the Pacific Surfliner brand
- Supporting ongoing communication and marketing efforts

Through this contract, consultants shall provide expertise in specific service categories and supplement the LOSSAN Agency's in-house marketing and communications staff, as well as work with external vendors contracted for specific marketing specialties including web development, creative services, public relations, videography, and advertising.

#### **II. BACKGROUND**

The 351-mile LOSSAN Rail Corridor travels through a six-county coastal region in southern California and is the second busiest intercity passenger rail corridor in the United States. The LOSSAN Agency manages the Amtrak Pacific Surfliner service, which has an annual ridership of nearly 3 million. There are currently 26 daily Pacific Surfliner trains between the cities of Los Angeles and San Diego, with 10 trains extending to the City of Santa Barbara/Goleta and four to the City of San Luis Obispo. The Pacific Surfliner serves 27 stations between the cities of San Diego and San Luis Obispo.

The LOSSAN Agency promotes the Pacific Surfliner as a viable transportation option for travelers to destinations along the LOSSAN Rail Corridor and beyond. In addition to rail service, dedicated Amtrak Thruway bus connections supplement the train by providing transportation to and from the City of San Luis Obispo for rail passengers making connections to Pacific Surfliner trains in the City of Santa Barbara. Thruway Buses also provide connections between northern and southern California, and between Orange County and Palm Springs/Coachella Valley.

The goals of the LOSSAN Agency marketing program are outlined in section V. Appendix.

### **III. OVERVIEW**

The project will achieve the development and implementation of a robust social media marketing program that delivers timely and relevant information including passenger communications, promotions, upcoming events, and news. The goal of the program is to drive website traffic and ticket bookings among current and potential customers who have indicated an interest in the Pacific Surfliner.

Throughout the project, Consultant will provide strategic support in various areas including the following:

- Strategic planning
- Development and implementation of specialized social marketing programs
  - o Crisis communications
  - o Influencer engagement
  - o Partnerships
- Content planning and development/digital storytelling
  - o Evergreen and promotional activities
  - o Seasonal marketing effort support
  - o Premium content
- Community management
- Paid media
- Reporting and optimization

### **IV. DEFINITION AND SCOPE**

The Consultant shall complete the following tasks and specific deliverables required for each phase of the project.

#### **Task 1 – Strategic Planning**

Review the Pacific Surfliner social media marketing program and recommend adjustments to improve the ability to develop long-term relationships with fans and attract potential customers. Social media channels supplement marketing programs by driving

website traffic, increasing ticket bookings, and encouraging two-way dialogue between customers and the brand. A quarterly update will provide recommendations for the overarching strategy, as well as identify areas of opportunity. This includes:

- Emerging platforms, technology, assets, and/or content types that will boost the reach and engagement of Pacific Surfliner messages
- Opportunities to grow Pacific Surfliner social channels via integrations on-board the train, at the stations, through partners, etc.
- Short-term and long-term improvements along with the level of effort required and how to implement them

**Task 1 Deliverables:**

1. Detailed quarterly strategic planning document with actionable recommendations for improving the social program through technology, new platforms, best practices, etc.
2. Quarterly analysis of two (2) to three (3) related social media programs (in the travel industry, rail transportation, etc.) to discover trends, effective content, etc.

**Task 2 – Development and Implementation of Specialized Social Marketing Programs**

Produce and implement robust social media marketing programs that help establish long-term relationships with fans and attracts potential customers. Social media channels supplement marketing programs by driving website traffic, increasing ticket bookings, and encouraging two-way dialogue between customers and the brand.

Provide ongoing strategic support with the following:

- Develop an ongoing “always on” social media marketing program that will grow channels, increase engagement, extend the reach of messages, and drive traffic to PacificSurfliner.com. Include sections for:
  - o Distribution (paid media, partner integration)
  - o Content strategy. Existing content includes:
    - Branding/Awareness: Scenic photos and videos of the train, specialized videography (time-lapse, drone, etc.), behind the scenes
    - Education: News/service information, onboard amenities, safety tips, riding tips
    - Incentives/Inspiration: Discounts, influencer content, trip ideas, events
- Recommend opportunities for extending the reach of Pacific Surfliner messages for both evergreen content and promotional/seasonal marketing effort
- Leverage existing Pacific Surfliner photo and video assets and provide recommendations for and/or assistance in sourcing additional photography and videography relative to content

- Regularly analyze performance to determine possible improvements to the overall strategy

In addition, lead the development and implementation of specialized programs that will leverage social channels and complement ongoing marketing activities:

- Crisis Communications: Work closely with LOSSAN Agency staff to build and then maintain a comprehensive plan to guide critical communication efforts in the event of a natural disaster or unforeseen event
- Influencer Engagement: Establish a framework to guide influencer campaigns, leveraging the reach and unique perspective of local influencers to showcase the Pacific Surfliner experience to relevant audiences. Research relevant influencers along the LOSSAN Rail Corridor and work with the LOSSAN Agency's Public Relations vendor to engage them throughout the year. Pacific Surfliner travel can be traded for coverage (including social posts, photos, and articles) by qualified influencers. Ensure coverage is accurate, positive, and has a high reach.
- Partnerships: Create, manage, and execute social media co-op campaigns with relevant partners to generate interest in the Pacific Surfliner among target audiences and build brand equity

**Task 2 Deliverables:**

1. Ongoing 12-month calendar of planned social media activities that will complement marketing campaigns centered around promotions, local events, and service impacts
2. Distribution plan to augment social engagement and blog readership, including a paid media schedule (with target audiences, budgets, etc.) and procedures for identifying and repurposing popular content
3. Comprehensive crisis communications plan
4. Overarching influencer engagement strategy document
5. At least six (6) high-quality influencer partnerships resulting in positive exposure for the Pacific Surfliner
6. At least four (4) co-op campaigns with partners along the corridor. Develop a toolkit for each partner with customized messaging, related photos, and pertinent links and/or copy points.

**Task 3 – Content Planning and Development / Digital Storytelling**

Work with the in-house marketing team to develop engaging and relevant stories and posts for social media that educate and inspire fans while growing customer base and cultivating user loyalty.

In addition to original, standalone social posts, the Consultant shall also collaborate with the in-house marketing team to expertly craft long-form, evergreen articles for the Pacific Surfliner blog that motivate action among readers and also reflect the personality, vision, and values of the brand.

The Consultant will be responsible for writing compelling copy, providing editorial direction, and executing deliverables. Existing Pacific Surfliner marketing assets may be leveraged to build posts that share continuity with existing content, however, the Consultant should also make adjustments to improve creative and optimize for each channel (Facebook, Twitter, Instagram). Features such as Instagram Stories should be leveraged to broaden the content mix.

Marketing efforts will be focused on promoting distinct features of Pacific Surfliner route, as well as onboard amenities. Customer communications will focus on consumer-centric messaging ranging from relevant travel tips and emotional visuals to critical service advisories and train status information.

In addition, the Consultant may assist in providing on-demand digital design and development services to support the social media marketing program, which may include graphics, video, and animation with the following deliverables:

- Job delivery – May include web page design, programming, maintenance, animation, video editing, photo editing, and any other deliverables deemed necessary. Any design assets should be packaged for future design needs, including high resolution JPGs, fonts, and links.
- Timeframe – Many projects will have appropriate timelines. However, in some cases, projects will require same-day delivery, so the availability of the Consultant will be necessary.

**Task 3 Deliverables:**

1. A calendar of proposed social media topics for a twelve-month period following the social media strategy
2. Monthly: Eight (8) evergreen social media posts (copy, imagery, implementation, standard post types) to support the content calendar, optimized across channels (variations for Facebook, Twitter, and Instagram) (96 annually)
3. Monthly: One (1) evergreen blog post (copy, imagery, implementation) supporting the content calendar (12 annually)
4. Monthly: Two (2) premium pieces of content (specialized ad, poll, video story, social media stickers, etc.) (24 annually)

**Task 4 – Community Management**

Work with the LOSSAN Agency to engage with current and potential riders on social media, fostering two-way dialogue to strengthen the relationship between customers and the brand, answer questions, and address concerns. Activities may include:

- Analyzing common questions and complaints from Pacific Surfliner channels and recording responses via a working reference document
- Engage with individuals posting about the Pacific Surfliner on social media through hashtags or tagged locations (proactive messaging). Interact with users who shared nice photos or stories of the experience and get permission to share on Pacific Surfliner channels



- Gather relevant photos and stories from various social media platforms that can be shared on Pacific Surfliner accounts

**Task 4 Deliverables:**

1. Community management procedures document for determining how the Consultant would support the LOSSAN Agency on proactive and reactive messaging, as well as elevating and documenting interactions.
2. Database of common questions and comments and subsequent responses.
3. Thoughtfully engage with at least thirty (30) individuals each month on various platforms who are posting about the Pacific Surfliner via hashtags or tagged locations (but not on Pacific Surfliner channels).
4. Build a library of permission-based user generated photography. Engage with at least twenty (20) individuals each month on various platforms to ask for permission to share photos on Pacific Surfliner accounts.

**Task 5 – Paid Media**

Develop monthly advertising plans to extend the reach of Pacific Surfliner messages among relevant audiences. Activities may include:

- Provide recommendations for enhancing the setup of the advertising accounts (conversion tracking, audiences, reporting, etc.)
- Research and recommend new advertising avenues on social platforms that are not currently in use by the LOSSAN Agency.
- Provide a monthly plan with strategy, audience targeting, creative, and messaging for advertising on social media channels. Implement and optimized approved plans, and provide reporting on a monthly basis.
- Extend the reach and boost engagement of posts with an ongoing media spend on corresponding social media channels.

**Task 5 Deliverables:**

1. Monthly advertising plan that identifies top-performing organic social posts that should get extra exposure, as well as target audiences, timelines, and budgets. Include recommendations for advertising placements and/or formats that could provide added exposure, such as Instagram Stories or Instant Experiences on Facebook.
2. At least one (1) optimized advertising placement for social media each month (12 annually). For example, crafting messages, gathering images, and building the ad for an Instant Experience on Facebook.

**Task 6 – Reporting and Optimization**

Regularly evaluate performance of social media channels and identify opportunities to improve engagement (reach, organic interactions, etc.). Provide reports for the LOSSAN Agency that provides a monthly snapshot of social activity, which may include:

- Summary of key performance metrics, including both organic reach, impressions, interactions (likes, comments, shares, link clicks), as well as paid activity/expenditures

- Summary of most effective types of posts, times of day, frequency, post length, etc.
- Call out most successful posts with recommendations for repurposing/re-sharing
- Recommend opportunities for improvement

Raw data should be captured on a channel level and post level to document detailed performance metrics. This document should be well-organized and easy to update with new rows of data on a monthly basis with summary tables that update automatically.

Task 6 Deliverables:

1. Comprehensive monthly report with a summary of key metrics, most effective posts, and opportunities for improvement
2. Rolling document with raw data from social media channels

## **SCHEDULE**

The LOSSAN Agency requires that all of the deliverables of the project be completed within twelve (12) months of the initial project meeting.

## **PROGRAM MANAGEMENT**

The LOSSAN Senior Marketing Specialist will be the key contact for the Consultant and will direct the Consultant's work efforts. The selected firm will be responsible for implementing the tasks described in the Scope of Work under the direction of the LOSSAN Senior Marketing Specialist. The LOSSAN Senior Marketing Specialist will form, and be a part of, an internal project team to assist in providing project direction. All jobs performed by the Consultant will require a cost estimate within two (2) days of project requests and the prior approval from the Senior Marketing Specialist before commencing work.

The Consultant shall designate a project manager within the firm to be the primary liaison with the LOSSAN Agency for day-to-day marketing activities. The project manager shall have the authority to make commitments and decisions that are binding to the Consultant. Any changes to a Consultant's personnel under this project shall be subject to the LOSSAN Agency's written approval.

The selected firm will invoice the LOSSAN Agency based on the percentage of each task completed on a monthly basis.

If necessary to complete the requirements of the scope of work, the Consultant will direct license with vendors to access and obtain necessary tools and utilities. All invoicing pertaining to any license agreement shall be managed by the selected firm. The LOSSAN Agency shall be listed as an "additional user" on any license agreements. At the end of the term (or earlier), the selected firm shall assign/transfer all its rights to the license agreement to LOSSAN at no additional charge.

## **CONTRACT PERIOD**

The contract period will be for one year initial term, with two, one-year option terms.

## **V. APPENDIX**

The LOSSAN Agency's efforts to create awareness and generate interest in the Pacific Surfliner service include a broad range of marketing activities from communicating critical rider information and engaging with audiences through various channels to launching new service promotions and working to increase revenue related to key business objectives. The focus of the Fiscal Year (FY) 2019-20 and FY 2020-21 marketing plan is to support key priorities outlined in the Business Plan, as well as engage in the marketing strategies and programs listed below.

### Marketing Strategies

#### **Strengthening the Pacific Surfliner brand**

LOSSAN Agency staff will continue to develop and strengthen the Pacific Surfliner brand with efforts that include continuous review of the current brand as it is presented today, as well as customer analysis and qualitative market research. LOSSAN Agency staff will also work to define all aspects of the brand, ultimately developing guidelines for voice and visuals that help support clear and consistent communications across various channels and diverse audiences. Developing and documenting the Pacific Surfliner visual identity and editorial style will help ensure the LOSSAN Agency continues to create compelling campaigns and stories that resonate with audiences while telling a clear and powerful story about the Pacific Surfliner experience and driving intended actions.

#### **Building marketing tools and content**

Building a marketing program requires a deep understanding of the Pacific Surfliner audience and their motivations. Conducting market research and mapping out buyer personas will be critical to identifying any potential concerns or questions that prospective passengers may have. Developing tools and content to answer these questions are key not only for boosting awareness, but also for motivating action. Designing reusable content around a clear purpose will help boost marketing productivity.

#### **Passenger communications**

The LOSSAN Agency's marketing efforts will include developing offers that address audience concerns and motivations from sweepstakes and trial promotions to educational tools and interactive content in order to promote loyalty and engagement. Staff will identify target markets and develop strategic campaigns to drive tangible outcomes (email acquisition, engagement with content, trial usage, promotional redemption). The LOSSAN Agency will also pilot new channels and refine current efforts to more effectively reach existing audiences and new markets while building long-term customer relationships.

Informational messages and critical passenger information regarding service impacts will continue to be regularly communicated to both customers planning trips and passengers in transit via the Pacific Surfliner website, social media accounts, and other relevant channels. These efforts to enhance communication will help increase customer satisfaction.

### **Public relations**

The LOSSAN Agency will develop and implement targeted public relations campaigns to generate featured stories and related publicity in order to boost awareness of the Pacific Surfliner service while enhancing the brand's credibility. In addition to regular press release distributions to print, online, and broadcast media, the LOSSAN Agency will work to pitch stories and develop media contacts across industries including transportation and tourism. Efforts will also include working with bloggers and online influencers to promote visibility and awareness of the Pacific Surfliner. In addition to increasing the Pacific Surfliner's overall presence, public relations efforts will utilize media monitoring tools to track coverage and identify opportunities to protect and enhance the Pacific Surfliner brand.

### **Generating sales referrals to Amtrak.com**

One of the key metrics that the LOSSAN Agency uses to help measure the impact of marketing activities on ridership and revenue is Amtrak referral sales reports. These reports track the number of visits to PacificSurfliner.com that ultimately result in successful bookings on Amtrak.com. The LOSSAN Agency uses a combination of broad reach and targeted marketing efforts to ensure that high quality sales leads are directed to PacificSurfliner.com.

### **Destination marketing**

The LOSSAN Agency will continue to expand its destination-based marketing efforts to promote train travel among consumers in market to travel to key destinations along the LOSSAN Rail Corridor. The LOSSAN Agency continues to build and cultivate partnerships along the Pacific Surfliner route to increase market share and brand awareness in target markets encouraging more southern California residents and visitors to take the train. Participating in cross-promotional opportunities with strategic partners helps to decrease advertising costs and provides added value for Pacific Surfliner customers.

### **Branding and awareness**

Ongoing campaigns will be designed to boost engagement with the Pacific Surfliner brand. General advertising along the corridor is necessary to generate a high number of impressions and create interest in the Pacific Surfliner service while highlighting key

selling points, such as scenic views, stress-free travel, and the comfort and convenience of onboard amenities.

New marketing channels will be tested to more effectively reach both existing audiences and new markets. Investments will be made in digital, outdoor, print, and broadcast advertising, as well as partnerships with local sports teams and local visitors bureaus to generate awareness and support traffic back to the PacificSurfliner.com and Amtrak sales channels.

### **Advertising campaigns and direct marketing**

Staff will plan and implement short- and long-term integrated advertising and outreach campaigns to increase market share and strengthen customer relationships. Staff will work with contracted vendors to identify target markets and develop comprehensive media plans focused on boosting brand awareness and increasing ridership. Regular reporting and data analysis will provide opportunities to refine campaigns to maximize return on marketing investments. This will include a robust marketing effort to support the initiation of additional roundtrips between San Luis Obispo, Los Angeles, and San Diego, as well as any other service improvements that are implemented.

### **New Pacific Surfliner digital platform**

A new PacificSurfliner.com digital platform was launched in early 2019, including a new content management system, which will allow future marketing efforts to adapt to changing market conditions while keeping pace with evolving technology and customer expectations.

Many of the bookings on PacificSurfliner.com are assumed to be from new or latent riders, as frequent passengers tend to book directly through Amtrak.com or the Amtrak mobile app. This illustrates that the LOSSAN Agency's marketing efforts are crucial to not only maintain current customers, but also to reach new and distinct markets that present opportunities to grow ridership and revenue. It is especially important to capture new market segments. New passengers on the Pacific Surfliner can then be turned into return customers by Amtrak through its national sales and promotional efforts, retargeting activities using transactional data, and loyalty incentives like Amtrak Guest Rewards that drive customers back to Amtrak points of sale for future trips.

### **Field marketing engagement**

The field marketing engagement program is designed to build awareness of the Pacific Surfliner service while developing and strengthening relationships with local communities. By generating interest and engagement with the Pacific Surfliner service, the program will position the Pacific Surfliner brand as top of mind and drive customers to PacificSurfliner.com and Amtrak points of sale. The program will include investments in sponsorships, memberships, and advertising programs that are coordinated through

strategic partnerships with convention and visitors' bureaus, collegiate and professional sports franchises, live event promoters, and local event producers.

**Metrics and milestones**

As the LOSSAN Agency further develops its marketing program, it is prudent to invest in expanded marketing activities once marketing staff has sufficient insight into which efforts are productive and are able to take action on efforts that need to be refined. In addition to campaign monitoring and reporting, LOSSAN Agency staff will continue to develop analytics to demonstrate return on investment, provide audience insight, and help inform future marketing activities. LOSSAN Agency staff will also continue to work with Amtrak to improve reporting in order to better reconcile marketing efforts with Amtrak sales data and gain insight to optimize future marketing strategies.

**EXHIBIT B: COST AND PRICE FORMS**

**PRICE SUMMARY SHEET**

**REQUEST FOR PROPOSALS (RFP) 0-2025**

Enter below the proposed price for each of the work phases described in the Scope of Work, Exhibit A. Prices shall include direct costs, indirect costs, and profits. The Authority's intention is to award a firm-fixed price contract.

Task	Description	Firm-Fixed Price
1	Strategic Planning	\$ _____
2	Development and Implementation of Specialized Social Marketing Programs	\$ _____
3	Content Planning and Development/Digital Storytelling	\$ _____
4	Community Management	\$ _____
5	Paid Advertising	\$ _____
<b>Total Firm-Fixed Price</b>		<b>\$ _____</b>

1. I acknowledge receipt of RFP 0-2025 and Addenda No.(s) \_\_\_\_\_

2. This offer shall remain firm for \_\_\_\_\_ days from the date of proposal  
(Minimum 120)

COMPANY NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

TELEPHONE \_\_\_\_\_

FACSIMILE # \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

SIGNATURE OF PERSON  
AUTHORIZED TO BIND OFFEROR \_\_\_\_\_



NAME AND TITLE OF PERSON  
AUTHORIZED TO BIND OFFEROR

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DATE SIGNED

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**EXHIBIT C: PROPOSED AGREEMENT**

1 **PROPOSED AGREEMENT NO. L- 0-0001**

2 **BETWEEN**

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

4 **AND**

5 \_\_\_\_\_  
6 **THIS AGREEMENT** is effective this \_\_\_\_ day of \_\_\_\_\_, 2020 ("Effective Date"),  
7 by and between the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency, 550 South Main  
8 Street, P.O. Box 14184, Orange, California 92863-1584, a joint powers authority of the State of California  
9 (hereinafter referred to as "AGENCY"), and (hereinafter referred to as "CONSULTANT").

10 **WITNESSETH:**

11 **WHEREAS**, AGENCY requires assistance from CONSULTANT to provide digital marketing  
12 services, including content development, strategic planning, and account management of official Pacific  
13 Surfliner social media platforms; and

14 **WHEREAS**, said work cannot be performed by the regular employees of AGENCY; and

15 **WHEREAS**, CONSULTANT has represented that it has the requisite personnel and experience,  
16 and is capable of performing such services; and

17 **WHEREAS**, CONSULTANT wishes to perform these services;

18 **NOW, THEREFORE**, it is mutually understood and agreed by AGENCY and CONSULTANT as  
19 follows:

20 **ARTICLE 1. COMPLETE AGREEMENT**

21 A. This Agreement, including all exhibits and documents incorporated herein and made  
22 applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of  
23 this Agreement between AGENCY and CONSULTANT and it supersedes all prior representations,  
24 understandings and communications. The invalidity in whole or in part of any term or condition of this  
25 Agreement shall not affect the validity of other terms or conditions.

26 B. AGENCY's failure to insist in any one or more instances upon CONSULTANT's performance

1 of any terms or conditions of this Agreement shall not be construed as a waiver or relinquishment of  
2 AGENCY's right to such performance or to future performance of such terms or conditions and  
3 CONSULTANT's obligation in respect thereto shall continue in full force and effect. Changes to any  
4 portion of this Agreement shall not be binding upon AGENCY except when specifically confirmed in  
5 writing by an authorized representative of AGENCY by way of a written amendment to this Agreement  
6 and issued in accordance with the provisions of this Agreement.

7 **ARTICLE 2. AGENCY DESIGNEE**

8 The Managing Director of AGENCY, or designee, shall have the authority to act for and exercise  
9 any of the rights of AGENCY as set forth in this Agreement.

10 **ARTICLE 3. SCOPE OF WORK**

11 A. CONSULTANT shall perform the work necessary to complete in a manner satisfactory to  
12 AGENCY the services set forth in Exhibit A, entitled "Scope of Work," attached to and, by this reference,  
13 incorporated in and made a part of this Agreement. All services shall be provided at the times and places  
14 designated by AGENCY.

15 B. CONSULTANT shall provide the personnel listed below to perform the above-specified  
16 services, which persons are hereby designated as key personnel under this Agreement.

17 **Names**

**Functions**

18  
19  
20  
21  
22  
23  
24  
25 C. No person named in paragraph B of this Article, or his/her successor approved by AGENCY,  
26 shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function or level of

1 commitment hereunder be changed, without the prior written consent of AGENCY. Should the services  
2 of any key person become no longer available to CONSULTANT, the resume and qualifications of the  
3 proposed replacement shall be submitted to AGENCY for approval as soon as possible, but in no event  
4 later than seven (7) calendar days prior to the departure of the incumbent key person, unless  
5 CONSULTANT is not provided with such notice by the departing employee. AGENCY shall respond to  
6 CONSULTANT within seven (7) calendar days following receipt of these qualifications concerning  
7 acceptance of the candidate for replacement.

8 **ARTICLE 4. TERM OF AGREEMENT**

9 A. This Agreement shall commence upon execution by both parties, and shall continue in full  
10 force and effect through \_\_\_\_\_ (Initial Term), unless earlier terminated or extended as  
11 provided in this Agreement.

12 B. AGENCY, at its sole discretion, may elect to extend the term of this Agreement  
13 an additional twelve (12) months, commencing \_\_\_\_\_, and continuing through  
14 \_\_\_\_\_ (First Option Term), and thereupon require CONSULTANT to continue to provide  
15 services, and otherwise perform, in accordance with Exhibit A, entitled "Scope of Work," and at the rates  
16 set forth in Article 5, "Payment."

17 C. AGENCY, at its sole discretion, may elect to extend the term of this Agreement  
18 an additional twelve (12) months, commencing \_\_\_\_\_, and continuing through  
19 \_\_\_\_\_ (Second Option Term), and thereupon require CONSULTANT to continue to provide  
20 services, and otherwise perform, in accordance with Exhibit A, entitled "Scope of Work," and at the rates  
21 set forth in Article 5, "Payment."

22 D. AGENCY's election to extend the Agreement beyond the Initial Term shall not diminish  
23 its right to terminate the Agreement for AUTHORITY's convenience or CONSULTANT's default as  
24 provided elsewhere in this Agreement. The "maximum term" of this Agreement shall be the period  
25 extending from \_\_\_\_\_ through \_\_\_\_\_, which period encompasses the Initial  
26 Term, First Option Term, and Second Option Term.

**ARTICLE 5. PAYMENT**

A. For CONSULTANT’s full and complete performance of its obligations under this Agreement and subject to the maximum cumulative payment obligation provisions set forth in Article 6, AGENCY shall pay CONSULTANT on a firm-fixed price basis in accordance with the following provisions.

B. The following schedule shall establish the firm-fixed payment to CONSULTANT by AGENCY for each work task set forth in the Scope of Work. The schedule shall not include any CONSULTANT expenses not approved by AGENCY, including, but not limited to reimbursement for local meals.

<u>Tasks</u>	<u>Description</u>	<u>Firm-Fixed Price</u>
1	Strategic Planning	\$0.00
2	Development and Implementation of Specialized Social Marketing Programs	\$0.00
3	Content Planning and Development/Digital Storytelling	\$0.00
4	Community Management	\$0.00
5	Paid Media	<u>\$0.00</u>
<b>TOTAL FIRM-FIXED PRICE PAYMENT</b>		<b><u>\$0.00</u></b>

C. CONSULTANT shall invoice AGENCY on a monthly basis for payments corresponding to the work actually completed by CONSULTANT. Percentage of work completed shall be documented in a monthly progress report prepared by CONSULTANT, which shall accompany each invoice submitted by CONSULTANT. CONSULTANT shall also furnish such other information as may be requested by AGENCY to substantiate the validity of an invoice. At its sole discretion, AGENCY may decline to make full payment for any task listed in paragraph B of this Article until such time as CONSULTANT has documented to AGENCY’s satisfaction, that CONSULTANT has fully completed all work required under the task. AGENCY’s payment in full for any task completed shall constitute AGENCY’s final acceptance of CONSULTANT’s work under such task.

D. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be submitted in duplicate to AGENCY’s Accounts Payable office. CONSULTANT may also submit invoices electronically

EXHIBIT C

1 to AGENCY's Accounts Payable Department at vendorinvoices@octa.net. Each invoice shall be  
2 accompanied by the monthly progress report specified in paragraph C of this Article. AGENCY shall  
3 remit payment within thirty (30) calendar days of the receipt and approval of each invoice. Each invoice  
4 shall include the following information:

- 5 1. Agreement No. L- 0-0001;
- 6 2. Specify the task number for which payment is being requested;
- 7 3. The time period covered by the invoice;
- 8 4. Total monthly invoice (including project-to-date cumulative invoice amount);
- 9 5. Monthly Progress Report;
- 10 6. Certification signed by the CONSULTANT or his/her designated alternate that a)

11 The invoice is a true, complete and correct statement of reimbursable costs and progress; b) The backup  
12 information included with the invoice is true, complete and correct in all material respects; c) All payments  
13 due and owing to subcontractors and suppliers have been made; d) Timely payments will be made to  
14 subcontractors and suppliers from the proceeds of the payments covered by the certification and; e) The  
15 invoice does not include any amount which CONSULTANT intends to withhold or retain from a  
16 subcontractor or supplier unless so identified on the invoice.

- 17 7. Any other information as agreed or requested by AGENCY to substantiate the  
18 validity of an invoice.

19 **ARTICLE 6. MAXIMUM OBLIGATION**

20 Notwithstanding any provisions of this Agreement to the contrary, AGENCY and CONSULTANT  
21 mutually agree that AGENCY's maximum cumulative payment obligation (including obligation for  
22 CONSULTANT's profit) shall be \_\_\_\_\_ Dollars (\$\_\_\_\_\_.00) which shall include all  
23 amounts payable to CONSULTANT for its subcontracts, leases, materials and costs arising from, or due  
24 to termination of, this Agreement.

25 **ARTICLE 7. NOTICES**

26 All notices hereunder and communications regarding the interpretation of the terms of this

1 Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing  
2 said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and  
3 addressed as follows:

4 To CONSULTANT:

To AGENCY:

5 Los Angeles-San Diego-San Luis Obispo Rail

6 Corridor Agency

7 550 South Main Street

8 P.O. Box 14184

9 Orange, California 92863-1584

10 ATTENTION:

ATTENTION: Iris Deneau

11 Senior Contract Administrator

12 (714) 560 - 5786

13 ideneau@octa.net

14 **ARTICLE 8. INDEPENDENT CONTRACTOR**

15 A. CONSULTANT's relationship to AGENCY in the performance of this Agreement is that of an  
16 independent contractor. CONSULTANT's personnel performing services under this Agreement shall at  
17 all times be under CONSULTANT's exclusive direction and control and shall be employees of  
18 CONSULTANT and not employees of AGENCY. CONSULTANT shall pay all wages, salaries and other  
19 amounts due its employees in connection with this Agreement and shall be responsible for all reports and  
20 obligations respecting them, such as social security, income tax withholding, unemployment  
21 compensation, workers' compensation and similar matters.

22 B. Should CONSULTANT's personnel or a state or federal agency allege claims against  
23 AGENCY involving the status of AGENCY as employer, joint or otherwise, of said personnel, or  
24 allegations involving any other independent contractor misclassification issues, CONSULTANT shall  
25 defend and indemnify AGENCY in relation to any allegations made.

26 /



1           **ARTICLE 9. INSURANCE**

2           A. CONSULTANT shall procure and maintain insurance coverage during the entire term of this  
3 Agreement. Coverage shall be full coverage and not subject to self-insurance provisions. CONSULTANT  
4 shall provide the following insurance coverage:

5                 1. Commercial General Liability, to include Products/Completed Operations,  
6 Independent Contractors', Contractual Liability, and Personal Injury Liability, and Property Damage with  
7 a minimum limit of \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

8                 2. Automobile Liability Insurance to include owned, hired and non-owned autos with  
9 a combined single limit of \$1,000,000.00 each accident;

10                3. Workers' Compensation with limits as required by the State of California including  
11 a waiver of subrogation in favor of AGENCY, its officers, directors, employees or agents; and

12                4. Employers' Liability with minimum limits of \$1,000,000.00.

13           B. Proof of such coverage, in the form of a certificate of insurance, with AGENCY, its officers,  
14 directors, employees and agents, designated as additional insureds as required by contract. In addition,  
15 provide an insurance policy blanket additional insured endorsement. Both documents must be received  
16 by AGENCY prior to commencement of any work. Proof of insurance coverage must be received by  
17 AGENCY within ten (10) calendar days from the effective date of this Agreement. Such insurance shall  
18 be primary and non-contributive to any insurance or self-insurance maintained by AGENCY.  
19 Furthermore, AGENCY reserves the right to request certified copies of all related insurance policies.

20           C. CONSULTANT shall include on the face of the Certificate of Insurance the Agreement No.  
21 L- 0-0001; and, the Senior Contract Administrator's Name, Iris Deneau.

22           D. CONSULTANT shall also include in each subcontract the stipulation that subcontractors shall  
23 maintain insurance coverage in the amounts required from CONSULTANT as provided in this Agreement.

24           E. CONSULTANT shall be required to immediately notify AGENCY of any modifications or  
25 cancellation of any required insurance policies.

26 /

1                   **ARTICLE 10. ORDER OF PRECEDENCE**

2                   Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence:

3                   (1) the provisions of this Agreement, including all exhibits; (2) the provisions of  
4                   RFP 0-2025; (3) CONSULTANT's proposal dated \_\_\_\_\_; (4) all other documents, if any, cited  
5                   herein or incorporated by reference.

6                   **ARTICLE 11. CHANGES**

7                   A. By written notice or order, AGENCY may, from time to time, order work suspension and/or  
8                   make changes in the general scope of this Agreement, including, but not limited to, the services furnished  
9                   to AGENCY by CONSULTANT as described in the Scope of Work. If any such work suspension or  
10                  change causes an increase or decrease in the price of this Agreement, or in the time required for its  
11                  performance, CONSULTANT shall promptly notify AGENCY thereof and assert its claim for adjustment  
12                  within ten (10) calendar days after the change or work suspension is ordered, and an equitable  
13                  adjustment shall be negotiated. However, nothing in this clause shall excuse CONSULTANT from  
14                  proceeding immediately with the Agreement as changed.

15                  B. CONSULTANT shall only commence work covered by an amendment after the amendment  
16                  is executed by AUTHORITY.

17                  **ARTICLE 12. DISPUTES**

18                  A. Except as otherwise provided in this Agreement, any dispute concerning a question of fact  
19                  arising under this Agreement which is not disposed of by supplemental agreement shall be decided by  
20                  the Orange County Transportation Authority's Director, Contracts Administration and Materials  
21                  Management (CAMM), who shall reduce the decision to writing and mail or otherwise furnish a copy  
22                  thereof to CONSULTANT. The decision of the Director, CAMM, shall be final and conclusive.

23                  B. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with  
24                  the performance of this Agreement and in accordance with the decision of the Director, CAMM. This  
25                  Disputes clause does not preclude consideration of questions of law in connection with decisions provided  
26                  for above. Nothing in this Agreement, however, shall be construed as making final the decision of any

1 AGENCY official or representative on a question of law, which questions shall be settled in accordance  
2 with the laws of the State of California.

3 **ARTICLE 13. TERMINATION**

4 A. AGENCY may terminate this Agreement for its convenience at any time, in whole or part, by  
5 giving CONSULTANT written notice thereof. Upon said notice, AGENCY shall pay CONSULTANT its  
6 allowable costs incurred to date of termination and those allowable costs determined by AGENCY to be  
7 reasonably necessary to effect such termination. Thereafter, CONSULTANT shall have no further claims  
8 against AGENCY under this Agreement.

9 B. In the event either Party defaults in the performance of any of their obligations under this  
10 Agreement or breaches any of the provisions of this Agreement, the non-defaulting Party shall have the  
11 option to terminate this Agreement upon thirty (30) days' prior written notice to the other Party. Upon  
12 receipt of such notice, CONSULTANT shall immediately cease work, unless the notice from AGENCY  
13 provides otherwise. Upon receipt of the notice from AGENCY, CONSULTANT shall submit an invoice  
14 for work and/or services performed prior to the date of termination. AGENCY shall pay CONSULTANT  
15 for work and/or services satisfactorily provided to the date of termination in compliance with this  
16 Agreement. Thereafter, CONSULTANT shall have no further claims against AGENCY under this  
17 Agreement. AGENCY shall not be liable for any claim of lost profits or damages for such termination.

18 **ARTICLE 14. INDEMNIFICATION**

19 CONSULTANT shall indemnify, defend, and hold harmless AGENCY, its officers, directors,  
20 employees and agents from and against any and all claims (including attorneys' fees and reasonable  
21 expenses for litigation or settlement) for any loss, costs, penalties, fines, damages, bodily injuries,  
22 including death, damage to or loss of use of property, arising out of, resulting from, or in connection with  
23 the performance of CONSULTANT, its officers, directors, employees, agents, subconsultants or suppliers  
24 under the Agreement. Notwithstanding the foregoing, such obligation to defend, hold harmless, and  
25 indemnify AGENCY, its officers, directors, employees and agents shall not apply to such claims or  
26 liabilities arising from the sole or active negligence or willful misconduct of AGENCY.

**ARTICLE 15. ASSIGNMENTS AND SUBCONTRACTS**

A. Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONSULTANT either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONSULTANT, without the prior written consent of AGENCY. Consent by AGENCY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all terms and conditions of this Agreement.

B. AGENCY hereby consents to CONSULTANT's subcontracting portions of the Scope of Work to the parties identified below for the functions described in CONSULTANT's proposal. CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not AGENCY, is solely responsible for payment to the subcontractor for the amounts owing and that the subcontractor shall have no claim, and shall take no action, against AGENCY, its officers, directors, employees or sureties for nonpayment by CONSULTANT.

<u>Subcontractor Name/Addresses</u>	<u>Subcontractor Amounts</u>
	\$0.00
	\$0.00

**ARTICLE 16. AUDIT AND INSPECTION OF RECORDS**

CONSULTANT shall provide AGENCY, or other agents of AGENCY, such access to CONSULTANT's accounting books, records, payroll documents and facilities, as AGENCY deems necessary. CONSULTANT shall maintain such books, records, data and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during CONSULTANT's performance hereunder and for a period of four (4) years from the date of final payment by AGENCY. AGENCY's right to audit books and records directly related to this Agreement shall also extend to all first-tier subcontractors identified in Article 15 of this Agreement. CONSULTANT shall permit any of the foregoing parties to reproduce documents by any means whatsoever or to copy excerpts and transcriptions as reasonably necessary.

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1                   **ARTICLE 17. CONFLICT OF INTEREST**

2                   CONSULTANT agrees to avoid organizational conflicts of interest. An organizational conflict  
3 of interest means that due to other activities, relationships or contracts, CONSULTANT is unable, or  
4 potentially unable, to render impartial assistance or advice to AGENCY; CONSULTANT's objectivity  
5 in performing the work identified in the Scope of Work is or might be otherwise impaired; or  
6 CONSULTANT has an unfair competitive advantage. CONSULTANT is obligated to fully disclose to  
7 AGENCY in writing Conflict of Interest issues as soon as they are known to CONSULTANT. All  
8 disclosures must be submitted in writing to AGENCY pursuant to the Notice provision herein. This  
9 disclosure requirement is for the entire term of this Agreement.

10                   **ARTICLE 18. CODE OF CONDUCT**

11                   CONSULTANT agrees to comply with AGENCY's Code of Conduct as it relates to Third-Party  
12 contracts which is hereby referenced and by this reference is incorporated herein. CONSULTANT  
13 agrees to include these requirements in all of its subcontracts.

14                   **ARTICLE 19. PROHIBITION ON PROVIDING ADVOCACY SERVICES**

15                   CONSULTANT and all subconsultants performing work under this Agreement, shall be  
16 prohibited from concurrently representing or lobbying for any other party competing for a contract with  
17 AGENCY, either as a prime consultant or subconsultant. Failure to refrain from such representation  
18 may result in termination of this Agreement.

19                   **ARTICLE 20. FEDERAL, STATE AND LOCAL LAWS**

20                   CONSULTANT warrants that in the performance of this Agreement, it shall comply with all  
21 applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and  
22 regulations promulgated thereunder.

23                   **ARTICLE 21. EQUAL EMPLOYMENT OPPORTUNITY**

24                   In connection with its performance under this Agreement, CONSULTANT shall not discriminate  
25 against any employee or applicant for employment because of race, religion, color, sex, age or national  
26 origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that

1 employees are treated during their employment, without regard to their race, religion, color, sex, age or  
2 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,  
3 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other  
4 forms of compensation; and selection for training, including apprenticeship.

5 **ARTICLE 22. PROHIBITED INTERESTS**

6 CONSULTANT covenants that, for the term of this Agreement, no director, member, officer or  
7 employee of AGENCY during his/her tenure in office or for one (1) year thereafter shall have any interest,  
8 direct or indirect, in this Agreement or the proceeds thereof.

9 **ARTICLE 23. OWNERSHIP OF REPORTS AND DOCUMENTS**

10 A. The originals of all letters, documents, reports and other products and data produced under  
11 this Agreement shall be delivered to, and become the property of AGENCY. Copies may be made for  
12 CONSULTANT's records but shall not be furnished to others without written authorization from AGENCY.  
13 Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained  
14 by AGENCY.

15 B. All ideas, memoranda, specifications, plans, manufacturing, procedures, drawings,  
16 descriptions, and all other written information submitted to CONSULTANT in connection with the  
17 performance of this Agreement shall not, without prior written approval of AGENCY, be used for any  
18 purposes other than the performance under this Agreement, nor be disclosed to an entity not connected  
19 with the performance of the project. CONSULTANT shall comply with AGENCY's policies regarding such  
20 material. Nothing furnished to CONSULTANT, which is otherwise known to CONSULTANT or is or  
21 becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not  
22 use AGENCY's name, photographs of the project, or any other publicity pertaining to the project in any  
23 professional publication, magazine, trade paper, newspaper, seminar or other medium without the  
24 express written consent of AGENCY.

25 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be  
26 released by CONSULTANT to any other person or agency except after prior written approval by

1 AGENCY, except as necessary for the performance of services under this Agreement. All press releases,  
2 including graphic display information to be published in newspapers, magazines, etc., are to be handled  
3 only by AGENCY unless otherwise agreed to by CONSULTANT and AGENCY.

4 **ARTICLE 24. PATENT AND COPYRIGHT INFRINGEMENT**

5 A. In lieu of any other warranty by AGENCY or CONSULTANT against patent or copyright  
6 infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense any claim  
7 or suit against AGENCY on account of any allegation that any item furnished under this Agreement or  
8 the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any  
9 presently existing U.S. letters patent or copyright and CONSULTANT shall pay all costs and damages  
10 finally awarded in any such suit or claim, provided that CONSULTANT is promptly notified in writing of  
11 the suit or claim and given authority, information and assistance at CONSULTANT's expense for the  
12 defense of same. However, CONSULTANT will not indemnify AGENCY if the suit or claim results from:  
13 (1) AGENCY's alteration of a deliverable, such that said deliverable in its altered form infringes upon any  
14 presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other  
15 material not provided by CONSULTANT when such use in combination infringes upon an existing U.S.  
16 letters patent or copyright.

17 B. CONSULTANT shall have sole control of the defense of any such claim or suit and all  
18 negotiations for settlement thereof. CONSULTANT shall not be obligated to indemnify AGENCY under  
19 any settlement made without CONSULTANT's consent or in the event AGENCY fails to cooperate fully  
20 in the defense of any suit or claim, provided, however, that said defense shall be at CONSULTANT's  
21 expense. If the use or sale of said item is enjoined as a result of such suit or claim, CONSULTANT, at  
22 no expense to AGENCY, shall obtain for AGENCY the right to use and sell said item, or shall substitute  
23 an equivalent item acceptable to AGENCY and extend this patent and copyright indemnity thereto.

24 **ARTICLE 25. FINISHED AND PRELIMINARY DATA**

25 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,  
26 photographs, tapes, software, software design documents, including without limitation source code,

1 binary code, all media, technical documentation and user documentation, photoprints and other graphic  
2 information required to be furnished under this Agreement, shall be AGENCY's property upon payment  
3 and shall be furnished with unlimited rights and, as such, shall be free from proprietary restriction except  
4 as elsewhere authorized in this Agreement. CONSULTANT further agrees that it shall have no interest  
5 or claim to such finished, AGENCY-owned, technical data; furthermore, said data is subject to the  
6 provisions of the Freedom of Information Act, 5 USC 552.

7 B. It is expressly understood that any title to preliminary technical data is not passed to AGENCY  
8 but is retained by CONSULTANT. Preliminary data includes roughs, visualizations, software design  
9 documents, layouts and comprehensives prepared by CONSULTANT solely for the purpose of  
10 demonstrating an idea or message for AGENCY's acceptance before approval is given for preparation  
11 of finished artwork. Preliminary data title and right thereto shall be made available to AGENCY if  
12 CONSULTANT causes AGENCY to exercise Article 11, and a price shall be negotiated for all preliminary  
13 data.

14 **ARTICLE 26. FORCE MAJEURE**

15 Either party shall be excused from performing its obligations under this Agreement during the time  
16 and to the extent that it is prevented from performing by an unforeseeable cause beyond its control,  
17 including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products,  
18 plants or facilities by the federal, state or local government; national fuel shortage; or a material act or  
19 omission by the other party; when satisfactory evidence of such cause is presented to the other party,  
20 and provided further that such nonperformance is unforeseeable, beyond the control and is not due to  
21 the fault or negligence of the party not performing.

22 **ARTICLE 27. HEALTH AND SAFETY REQUIREMENT**

23 CONSULTANT shall comply with all the requirements set forth in Exhibit \_\_, Level 1 Safety  
24 Specifications.

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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. L- 0-0001 to be executed as of the date of the last signature below.

**CONSULTANT**

**LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL**

**CORRIDOR AGENCY**

By \_\_\_\_\_

By \_\_\_\_\_

Jennifer L. Bergener  
Managing Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

By \_\_\_\_\_

James M. Donich  
General Counsel

Date: \_\_\_\_\_

**EXHIBIT D: STATUS OF PAST AND PRESENT CONTRACTS FORM**

**STATUS OF PAST AND PRESENT CONTRACTS FORM**

On the form provided below, Offeror/Bidder shall list the status of past and present contracts where the firm has either provided services as a prime vendor or a subcontractor during the past five (5) years in which the contract has been the subject of or may be involved in litigation with the contracting authority. This includes, but is not limited to, claims, settlement agreements, arbitrations, administrative proceedings, and investigations arising out of the contract.

A separate form must be completed for each contract. Offeror/Bidder shall provide an accurate contact name and telephone number for each contract and indicate the term of the contract and the original contract value. Offeror/Bidder shall also provide a brief summary and the current status of the litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations. If the contract was terminated, list the reason for termination.

Offeror/Bidder shall have an ongoing obligation to update the Authority with any changes to the identified contracts and any new litigation, claims, settlement agreements, arbitrations, administrative proceedings, or investigations that arise subsequent to the submission of the bid. Each form must be signed by an officer of the Offeror/Bidder confirming that the information provided is true and accurate.

<b>Project city/agency/other:</b>	
<b>Contact Name:</b>	<b>Phone:</b>
<b>Project Award Date:</b>	<b>Original Contract Value:</b>
<b>Term of Contract:</b>	
<b>(1) Litigation, claims, settlements, arbitrations, or investigations associated with contract:</b>	
<b>(2) Summary and Status of contract:</b>	
<b>(3) Summary and Status of action identified in (1):</b>	
<b>(4) Reason for termination, if applicable:</b>	

By signing this Form entitled "Status of Past and Present Contracts," I am affirming that all of the information provided is true and accurate.

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Title

\_\_\_\_\_

Date

**EXHIBIT E: CAMPAIGN CONTRIBUTION DISCLOSURE FORM**

**CAMPAIGN CONTRIBUTION DISCLOSURE FORM**

**Information Sheet**

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

The attached Campaign Contribution Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use pending before the Board of Directors of LOSSAN or any of its affiliated agencies. (Please see next page for definitions of these terms.)

**IMPORTANT NOTICE**

Basic Provisions of Government Code Section 84308

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any board member or his or her alternate. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends three months after a final decision is rendered by the Board of Directors. In addition, no board member or alternate may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any board member or his or her alternate during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual board member or his/or her alternate during the 12 months preceding the decision on the application or proceeding, that board member or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the board member or alternate returns the campaign contribution within 30 days from the time the director knows, or should have known, about both the contribution and the fact that you are a party in the proceeding. The Campaign Contribution Disclosure Form should be completed and filed with your proposal, or with the first written document you file or submit after the proceeding commences.

1. A proceeding involving "a license, permit, or other entitlement for use" includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your "agent" is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are "agents."
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different directors or their alternates are not aggregated.
4. A list of the members and alternates of the Board of Directors is attached.

This notice summarizes the major requirements of Government Code Section 84308 of the Political Reform Act and California Code of Regulations, Title 2 Sections 18438-18438.8.

LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY  
CAMPAIGN CONTRIBUTION DISCLOSURE FORM

RFP Number: \_\_\_\_\_ RFP Title: \_\_\_\_\_

Was a campaign contribution made to any LOSSAN Board Member within the preceding 12 months, regardless of dollar amount of the contribution by either the proposing firm, proposed subconsultants and/or agent/lobbyist? Yes \_\_\_\_\_ No \_\_\_\_\_

**If no**, please sign and date below.

**If yes**, please provide the following information:

Prime Contractor Firm Name: \_\_\_\_\_

Contributor or Contributor Firm's Name: \_\_\_\_\_

Contributor or Contributor Firm's Address: \_\_\_\_\_

\_\_\_\_\_

Is Contributor:

- The Prime Contractor Yes\_\_\_\_ No \_\_\_\_
- Subconsultant Yes\_\_\_\_ No \_\_\_\_
- Agent/Lobbyist hired by Prime to represent the Prime in this RFP Yes\_\_\_\_ No \_\_\_\_

Note: Under the State of California Government Code section 84308 and California Code of Regulations, Title 2, Section 18438, campaign contributions made by the Prime Contractor and the Prime Contractor's agent/lobbyist who is representing the Prime Contractor in this RFP must be aggregated together to determine the total campaign contribution made by the Prime Contractor.

Identify the Board Member(s) to whom you, your subconsultants, and/or agent/lobbyist made campaign contributions, the name of the contributor, the dates of contribution(s) in the preceding 12 months and dollar amount of the contribution. Each date must include the exact month, day, and year of the contribution.

Name of Board Member: \_\_\_\_\_

Name of Contributor: \_\_\_\_\_

Date(s) of Contribution(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Name of Board Member: \_\_\_\_\_

Name of Contributor: \_\_\_\_\_

Date(s) of Contribution(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Contributor

\_\_\_\_\_  
Print Firm Name

\_\_\_\_\_  
Print Name of Contributor

**LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY  
AND AFFILIATED AGENCIES**

**Board of Directors**

**Al Murray, Chairman**  
**Dana Reed, Vice Chairman**  
**Priya Bhat-Patel, Director**  
**Laurie Davies, Director**  
**Mary Lou Echternach, Director**  
**Jewel Edson, Director**  
**John Fasana, Director**  
**Caylin Frank, Director**  
**Kyle Gradinger, Director**  
**Gregg Hart, Director**  
**Ellie Haviland, Director**  
**Jeff Lee, Director**  
**Bryan MacDonald, Director**  
**Ron Morrison, Director**  
**Cathy Murillo, Director**  
**Mark A. Murphy, Director**  
**Andy Pease, Director**  
**David Perry, Director**  
**Bill Sandke, Director**  
**Tim Shaw, Director**  
**Fred Strong, Director**  
**Jess Talamantes, Director**  
**Alan D. Wapner, Director**  
**Jim White, Director**



**EXHIBIT F: SAFETY SPECIFICATIONS**

**PART I – GENERAL**

**1.1 GENERAL HEALTH, SAFETY & ENVIRONMENTAL REQUIREMENTS**

- A. The Contractor, its subcontractors, suppliers, and employees have the obligation to comply with all Authority health, safety and environmental compliance department (HSEC) requirements of this safety specification, project site requirements, bus yard safety rules, as well as all federal, state, and local regulations pertaining to scope of work, contracts or agreements with the Authority. Additionally, manufacturer requirements are considered incorporated by reference as applicable to this scope of work.
- B. Observance of repeated unsafe acts or conditions, serious violation of safety standards, non-conformance of Authority health, safety and environmental compliance department (HSEC) requirements, or disregard for the intent of these safety specifications to protect people and property, by Contractor or its subcontractors may be cause for termination of scope or agreements with the Authority, at the sole discretion of the Authority.
- C. The health, safety, and environmental requirements, and references contained within this scope of work shall not be considered all-inclusive as to the hazards that might be encountered. Safe work practices shall be planned and performed, and safe conditions shall be maintained during this work scope.
- D. The Authority Project Manager shall be responsible to ensure a safety orientation is conducted of known potential hazards and emergency procedures for all Contractor personnel, subcontractors, suppliers, vendors, and new employees assigned to the project prior to commencement of the project.
- E. The Contractor shall ensure that all Contractor vehicles, including those of its subcontractors, suppliers, vendors and employees are parked in designated parking areas, and comply with traffic routes, and posted traffic signs in areas other than the employee parking lots.
- F. California Code of Regulations (CCR) Title 8 Standards are minimum requirements; each Contractor is encouraged to exceed minimum requirements. When the Contractor's safety requirements exceed statutory standards, the more stringent requirements shall be applied for the safeguard of public and employees.

**1.2 REGULATORY**

- A. Injury/Illness Prevention Program  
The Contractor shall comply with CCR Title 8, Section with California Code of Regulations (CCR) Title 8, Section 3203. The intent and elements of the IIPP shall be implemented and enforced by the Contractor and its sub-tier contractors, suppliers, and vendors. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.
- B. Substance Abuse Prevention Program

Contractor shall comply with the Policy or Program of the Company's Substance Abuse Prevention Policy that complies with the most recent Drug Free Workplace Act. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**C. Heat Illness Prevention Program**

Contractor shall comply with CCR Title 8, Section, Section 3395, Heat Illness Prevention. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**D. Hazard Communication Program**

Contractor shall comply with CCR Title 8, Section 5194 Hazard Communication Standard. Prior to use on Authority property and/or project work areas Contractor shall provide the Authority Project Manager copies of SDS for all applicable chemical products used, if any. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

- a. All chemicals including paint, solvents, detergents and similar substances shall comply with South Coast Air Quality Management District (SCAQMD) rules 103, 1113, and 1171.

**E. Storm Water Pollution Prevention Plan**

The Contractor shall protect property and water resources from fuels and similar products throughout the duration of the contract. Contractor shall comply with Storm Water Pollution Prevention Plan (SWPPP) requirements. The program or plan if required by scope shall be provided to the Authority's Project Manager, upon request, within 72 hours.

**1.3 INCIDENT NOTIFICATION AND INVESTIGATION**

- A. The Authority shall be promptly notified of any of the following types of incidents including but not limited to:

1. Damage incidents of property (incidents involving third party, contractor or Authority property damage);
2. Reportable and/or Recordable injuries (as defined by the U. S. Occupational Safety and Health Administration), a minor injury, and near miss incidents;
3. Incidents impacting the environment, i.e. spills or releases on Authority projects or property.
4. Outside Agency Inspections; agencies such as Cal/OSHA, DTSC, SCAQMD, State Water Resources Control Board, FTA, CPUC, EPA, USACE and similar agencies.

- B. Notifications shall be made to Authority representatives, employees and/or agents. This includes incidents occurring to contractors, vendors, visitors, or members of the public that arise from the performance of Authority contract work. An immediate verbal notice followed by an initial written incident investigation report shall be submitted to the Authority's Project Manager within 24 hours of the incident.

- C. A final written incident investigative report shall be submitted within seven (7) calendar days and include the following information. The Current Status of anyone injured, photos of the incident area, detailed description of what happened, Photos of the existing conditions and area of the injury/incident, the contributing factors that lead to the incident occurrence, a copy of the company policy or procedure associated with the incident and evaluation of effectiveness, copy of task planning documentation, copy of the Physician's first report of injury, copy of Cal/OSHA 300 log of work related injuries and illnesses, the Cal/OSHA 301 Injury Illness Incident Report, and corrective actions initiated to prevent recurrence. This information shall be considered the minimum elements required for a comprehensive incident report provided to OCTA.
- D. A Serious Injury, Serious Incident, OSHA Recordable Injury/Illness, or a Significant Near Miss shall require a formal incident review at the discretion of the Authority's Project Manager. The incident review shall be conducted within seven (7) calendar days of the incident. This review shall require a company senior executive, company program or project manager from the Contractors' organization to participate and present the incident review as determined by the OCTA Project Manager. The serious incident presentation shall include action taken for the welfare of the injured, a status report of the injured, causation factors that lead to the incident, a root cause analysis (using 5 whys and fishbone methods), and a detailed recovery plan that identifies corrective actions to prevent a similar incident, and actions to enhance safety awareness.
1. Serious Injury: includes an injury or illness to one or more employees, occurring in a place of employment or in connection with any employment, which requires inpatient hospitalization for a period in excess of twenty-four hours for other than medical observation, or in which an employee suffers the loss of any member of the body, or suffers any serious degree of physical disfigurement. A serious injury also includes a lost workday or reassignment or restricted injury case as determined by the Physician's first report of injury or Cal/OSHA definitions.
  2. Serious Incident: includes but not limited to property damage of \$500.00 or more, an incident requiring emergency services (local fire, paramedics and ambulance response), news media or OCTA media relations response, and/or incidents involving other agencies (Cal/OSHA, EPA, AQMD, DTSC, Metrolink, FTA, FRA etc.) notification or representation.
  3. OSHA Recordable Injury / Illness: includes and injury / illness resulting in medical treatment beyond First Aid, an injury / illness which requires restricted duty, or an injury / illness resulting in days away from work.
  4. Significant Near Miss Incident: includes incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.

#### 1.4 DESIGNATED HEALTH AND SAFETY REPRESENTATIVE

- A. Upon contract award, the contractor within 10 business days shall designate a health and safety representative and provide a resume and qualifications to the Authority project manager, upon request, within 72 hours.
- B. This person shall be a competent or qualified individual as defined by the Occupational, Safety, and Health Administration (OSHA), familiar with applicable CCR Title 8 Standards (Cal/OSHA) and has the authority to affect changes in work procedures that may have associated cost, schedule and budget impacts.

#### 1.5 PERSONAL PROTECTIVE EQUIPMENT

- A. The Contractor, its subcontractors, suppliers, and employees are required to comply with applicable personal protective equipment (PPE) requirements while performing work at any Authority project or property. Generally minimum PPE requirements include eye protection; hearing protection, head protection, class 2 or 3 safety reflective vests, and appropriate footwear.
- B. The Contractor, its subcontractors, suppliers, and employees are required to provide their own PPE, including eye, head, foot, and hand protection, safety vests, or other PPE required to perform their work safely on Authority projects or property. The Authority requires eye protection on construction projects and work areas that meet ANSI Z-87.1 Standards.

#### 1.6 REFERENCES

- A. CCR Title 8 Standards (Cal/OSHA)
- B. FCR Including 1910 and 1926 Standards
- C. NFPA, NEC, ANSI, NIOSH Standards
- D. Construction Industry Institute (CII)
- E. OCTA Yard Safety Rules

END OF SECTION

**EXHIBIT G: PROPOSAL EXCEPTIONS AND/OR DEVIATIONS**

**PROPOSAL EXCEPTIONS AND/OR DEVIATIONS**

The following form shall be completed for each technical and/or contractual exception or deviation that is submitted by Offeror for review and consideration by Authority. The exception and/or deviation must be clearly stated along with the rationale for requesting the exception and/or deviation. If no technical or contractual exceptions or deviations are submitted as part of the original proposal, Offerors are deemed to have accepted Authority's technical requirements and contractual terms and conditions set forth in the Scope of Work (Exhibit A) and Proposed Agreement (Exhibit C). Offerors will not be allowed to submit this form or any contractual exceptions and/or deviation after the proposal submittal date identified in the RFP. Exceptions and/or deviations submitted after the proposal submittal date will not be reviewed by Authority.

Offeror: \_\_\_\_\_

RFP No.: \_\_\_\_\_ RFP Title: \_\_\_\_\_

Deviation or Exception No. : \_\_\_\_\_

Check one:

- Scope of Work (Technical) \_\_\_\_\_
- Proposed Agreement (Contractual) \_\_\_\_\_

Reference Section/Exhibit: \_\_\_\_\_ Page/Article No. \_\_\_\_\_

Complete Description of Deviation or Exception:

\_\_\_\_\_  
\_\_\_\_\_  
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Rationale for Requesting Deviation or Exception:

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\_\_\_\_\_  
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\_\_\_\_\_


Area Below Reserved for Authority Use Only:

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**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director 

**Subject:** Amendment to Agreement for Website Design and Development Services

**Overview**

On February 21, 2018, the Los Angeles – San Diego – San Luis Obispo Board of Directors approved an agreement with Nansen Inc., formerly known as Making Waves USA, Inc., to provide website design and development services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency for a two-year initial term and three, one-year option terms. An amendment is requested to exercise the first option term effective March 16, 2020 through March 15, 2021.

**Recommendation**

Authorize the Managing Director to negotiate and execute Amendment No. 6 to Agreement No. L-7-1917 between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Nansen Inc., to exercise the first option term of the agreement, in the amount of \$301,140, to provide continued website design and development services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$1,048,640.

**Discussion**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is responsible for marketing the Pacific Surfliner service to enhance public awareness of the service and increase ridership and revenue.

On February 21, 2018, the LOSSAN Agency’s Board of Directors (Board) approved an agreement with Nansen Inc., formerly Making Waves USA, Inc., (Nansen) to provide website design and development services. These services are focused on driving more traffic to PacificSurfliner.com, improving the overall online customer experience, and increasing ridership and revenue. The PacificSurfliner.com website is the start of the online ticket booking journey for thousands of rail riders and refers millions of dollars in ticket sales to Amtrak for purchase.



Under the scope of the agreement, the consultant provides website and digital marketing services as needed for:

- Driving awareness of and consideration for the Pacific Surfliner train service within the online space
- Ongoing maintenance and support for Episerver DXC, the Content Management System (CMS) that powers PacificSurfliner.com
- Increasing ridership, positive brand associations, and visibility of the Pacific Surfliner
- Identifying opportunities and implementing solutions to improve the website user experience and overall customer satisfaction
- Improving the organic visibility of PacificSurfliner.com within key search engine platforms such as Google and Bing
- Referring qualified PacificSurfliner.com visitors to Amtrak.com for ticket purchase

Nansen has performed its obligations well, providing services under the scope of work to support and advance LOSSAN Agency's goals. In order to continue these efforts and based on contractor performance, staff recommends the Board approve an amendment to extend the first option term.

### ***Procurement Approach***

The procurement was originally handled in accordance with LOSSAN Agency's Board-approved policies and procedures for professional services. On February 21, 2018, the LOSSAN Agency's Board approved the award of the agreement with Nansen. The original agreement was awarded on a competitive basis and includes a two-year initial term and three, one-year options. The initial term of the agreement expires March 15, 2020, as described in Attachment A.

The proposed Amendment No. 6 is to exercise the first option term of the agreement through March 15, 2021. Amending this agreement will increase the maximum obligation by \$301,140, bringing the total contract value to \$1,048,640. The contract value projects an estimated \$301,140 in annual costs based on current and historic commitments. This includes additional budget to fund the direct costs of Episerver DXC license and other technology fees. The escalation of hourly rates will remain as originally negotiated. Exercising the first option term will allow Nansen to continue providing website design and development services for the Pacific Surfliner.com and Pacific Surfliner marketing efforts.

### **Fiscal Impact**

The LOSSAN Agency's Board adopted fiscal year (FY) 2019-20 Budget and FY 2019-20 and 2020-21 annual business plan approved by the California State

Transportation Agency (CalSTA) includes \$2,000,000 in state provided marketing funds and the use of \$1,450,000 in remaining marketing funds from prior FYs. The FY 2019-20 adopted marketing budget includes \$100,000 of the \$301,140 increase in contract value that is anticipated to be utilized during the remainder of FY19. The remaining \$201,140 of the increase in contract value is anticipated to be used in FY 2020-21 and is included in the LOSSAN Agency's proposed annual business plan for FY 2020-21 and FY 2021-22. The annual marketing spend will be adjusted to be in alignment with future budget allocations approved by the LOSSAN Agency Board and funded by CalSTA.

***Summary***

Staff recommends the Board of Directors authorize the Managing Director to negotiate and execute Amendment No. 6 to Agreement No. L-7-1917 with Nansen Inc., to exercise the first option term in the amount of \$301,140, for a total contract value of \$1,048,640, for continued website design and development services for the Pacific Surfliner.com and Pacific Surfliner marketing efforts.

***Attachment***

- A. Nansen, Inc., Agreement No. L-7-1917 Fact Sheet

**Prepared by:**



Emilia Doerr  
Marketing & Communications Manager  
(714) 560-5370


**Nansen, Inc.  
Agreement No. L-7-1917 Fact Sheet**

1. February 21, 2018, Agreement No. L-7-1917, \$650,000, approved by the Board of Directors (Board).
  - To provide website design and development services for the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Pacific Surfliner.com and Pacific Surfliner marketing program.
  - Initial term effective March 16, 2018 through March 15, 2020 with three, twelve-month option terms.
2. September 18, 2018, Amendment No. 1, Agreement No. L-7-1917, \$0, approved by Contract Administration and Materials Management (CAMM).
  - Add key personnel at no increase to maximum cumulative payment obligation.
3. May 16, 2019, Amendment No. 2, Agreement No. L-7-1917, \$0, approved by CAMM.
  - Revise key personnel at no increase to maximum cumulative payment obligation.
4. July 2, 2019, Amendment No. 3, Agreement No. L-7-1917, \$97,500, approved by CAMM.
  - Additional budget to cover extended implementation and launch of LOSSAN's website design and development services.
5. October 1, 2019, Amendment No. 4, Agreement No. L-7-1917, \$0, approved by CAMM.
  - Changed legal name from Making Waves USA, Inc. to Nansen, Inc.
6. November 13, 2019, Amendment No. 5, Agreement No. L-7-1917, \$0, approved by CAMM.
  - Revised Price Summary Sheet
7. February 18, 2020, Amendment No. 6 to Agreement No. L-7-1917, \$301,140, pending approval by Board.
  - Exercise the first option term of the Agreement effective March 16, 2020 through March 15, 2021.

Total committed to Nansen, Inc., under Agreement No. L-7-1917: \$1,048,640.



**February 18, 2020**

**To:** Members of the Board of Directors 

**From:** Jennifer L. Bergener, Managing Director

**Subject:** Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency  
Fiscal Year 2018-19 Annual Financial Audit

### **Overview**

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is required to complete an annual financial audit pursuant to Government Code Section 6505.6, and as specified in the joint powers agreement, bylaws, and the administrative support agreement. Crowe LLP, an independent accounting firm, has completed the annual audit of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency financial statements for fiscal year 2018-19, and has issued its independent auditors' opinion.

### **Recommendation**

Receive and file the fiscal year 2018-19 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency audited annual financial statements and accompanying independent auditor's report.

### **Background**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) contracted with an independent public accounting firm to perform an annual audit of the accounts of the LOSSAN Agency pursuant to Government Code Section 6505.6, and as specified in the LOSSAN joint powers agreement, bylaws, and the administrative support agreement (ASA).

Following a joint competitive procurement with the managing agency, Orange County Transportation Authority, on April 2, 2019, the LOSSAN Agency entered into an agreement with Crowe LLP to perform the LOSSAN Agency annual financial audits for fiscal years (FY) 2018-19, 2019-20, and 2020-21. The agreement also contains options to audit two subsequent FYs (2021-22 and 2022-23).

LOSSAN Agency staff prepares the annual financial statements.

***Discussion***

On January 8, 2020, Crowe LLP completed its annual audit and issued an unmodified (also known as “clean”) opinion of the LOSSAN Agency financial statements for the FY that ended June 30, 2019 (Attachment A). The audit was conducted in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. This unmodified opinion indicates that the LOSSAN Agency financial statements, “present fairly, in all material respects, the financial position of the LOSSAN Agency, as of June 30, 2019, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.”

As part of the annual audit, Crowe LLP reported on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*. Crowe LLP found no deficiencies in internal control over financial reporting and no instances of noncompliance or other matters that are required to be reported. This report is included on page 23 of the FY 2018-19 financial statements (Attachment A).

As part of its financial statement audit, Crowe LLP is required to communicate significant audit findings. Crowe LLP has communicated no significant audit findings (Attachment B).

***Summary***

Staff prepared the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's annual financial statements for the fiscal year that ended June 30, 2019. Crowe LLP, an independent accounting firm, has audited the financial statements and has issued an unmodified opinion as to the fairness of the financial statements' presentation.

***Attachments***

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Basic Financial Statements, Year Ended June 30, 2019
- B. Letter from Crowe LLP, to the Board of Directors, Los Angeles –San Diego – San Luis Obispo Rail Corridor Agency, Dated January 8, 2020

**Prepared by:**



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

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

**Basic Financial Statements**

**Year Ended June 30, 2019**

**(With Independent Auditor's Report Thereon)**

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

**Basic Financial Statements**

**For the Fiscal Year Ended June 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Orange, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the LOSSAN Agency's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the LOSSAN Agency as of June 30, 2019, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2020 on our consideration of the LOSSAN Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LOSSAN Agency's internal control over financial reporting and compliance.



Crowe LLP

Costa Mesa, California  
January 8, 2020

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**Management's Discussion and Analysis**  
**(unaudited)**  
**For the Fiscal Year Ended June 30, 2019**

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**Introduction**

The following discussion and analysis of the financial performance and activity of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) provides an introduction and understanding of the basic financial statements of the LOSSAN Agency for the year ended June 30, 2019. This discussion was prepared by management. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 11.

**The Basic Financial Statements**

The basic financial statements provide information about the LOSSAN Agency's enterprise fund. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB).

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the LOSSAN Agency's financial statements. The financial statements are comprised of two components: 1) the financial statements and 2) the notes to the financial statements.

The statement of net position presents information on all assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the LOSSAN Agency is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the LOSSAN Agency's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statement of cash flows presents information using the direct method and include a reconciliation of cash to the statement of net position. The financial statements can be found on pages 11-13 of this report.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 14-22 of this report.

**Statements of Net Position**

As noted previously, net position may serve over time as a useful indicator of the LOSSAN Agency's financial position. At June 30, 2019, the LOSSAN Agency's net position was \$412,403, an increase of \$199,234 from June 30, 2018.

**Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency  
Management’s Discussion and Analysis  
(unaudited)  
For the Fiscal Year Ended June 30, 2019**

The analysis below focuses on net position (Table 1) and changes in net position (Table 2, page 6) of the LOSSAN Agency’s financial activities.

Table 1  
LOSSAN Rail Corridor Agency  
Net Position

	2019	2018	Difference Increase (Decrease)	% Increase (Decrease)
<b>Assets:</b>				
Current assets	\$ 22,175,889	\$ 26,131,832	\$ (3,955,943)	-15.1%
Restricted assets	7,925,535	7,245,462	680,073	9.4%
<b>Total assets</b>	<b>30,101,424</b>	<b>33,377,294</b>	<b>(3,275,870)</b>	<b>-9.8%</b>
<b>Liabilities:</b>				
Current liabilities	29,689,021	33,164,125	(3,475,104)	-10.5%
<b>Total liabilities</b>	<b>29,689,021</b>	<b>33,164,125</b>	<b>(3,475,104)</b>	<b>-10.5%</b>
<b>Net position</b>				
Unrestricted	412,403	213,169	199,234	93.5%
<b>Total net position</b>	<b>\$ 412,403</b>	<b>\$ 213,169</b>	<b>\$ 199,234</b>	<b>93.5%</b>

In fiscal year 2019, total assets decreased by \$3,275,870, primarily due to a decrease in cash and receivables. Cash decreased by \$2,558,257 primarily due to an increase in payments to Amtrak due to higher than anticipated operating costs. Receivables decreased by \$638,444 in due from other governments, primarily due to receiving train operations and administrative services funding prior to the end of the fiscal year compared to fiscal year 2018 in which the receivables were outstanding.

Total liabilities decreased by \$3,475,104 primarily due to a decrease in unearned revenue, partially offset by an increase in accounts payable, amount due to Union Pacific, and due to other governments. Unearned revenue decreased by \$18,536,606, primarily due to an increase in recognition of prior year unearned revenue to offset fiscal year 2019 train operating expenses. This is offset by an increase in accounts payable of \$4,137,487, an increase in amount due to Union Pacific of \$8,500,000, and due to other governments of \$2,424,015. The increase in accounts payable is primarily due to amounts due to Amtrak for train operations, as well as amounts owed to various other vendors for advertising and marketing June services. The increase in amount due to Union Pacific is due to an amount owed for host railroad improvements related to positive train control. The increase in due to other governments is primarily due to an amount owed to the North County Transit District for on-time performance and track maintenance, as well as administrative fees owed to the Orange County Transportation Authority.

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**Management's Discussion and Analysis**  
**(unaudited)**  
**For the Fiscal Year Ended June 30, 2019**

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Restricted assets represent cash received from CalOES and SRA grants, which is restricted for use on corridor-wide station safety and improvement projects.

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position changed from \$213,169 at June 30, 2018 to \$412,403 at June 30, 2019. This increase of \$199,234 was primarily due to interest revenue earned.

The analysis on changes in net position of the LOSSAN Agency's financial activities can be found in Table 2 on the next page.

**Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency**  
**Management’s Discussion and Analysis**  
**(unaudited)**  
**For the Fiscal Year Ended June 30, 2019**

The analysis in Table 2 below focuses on the changes in net position. Table 2  
LOSSAN Rail Corridor Agency  
Changes in Net Position

	2019	2018	Difference Increase (Decrease)	% Increase (Decrease)
Operating revenues:				
Assessments	\$ 200,100	\$ -	\$ 200,100	N/A
Fare reimbursements	382,192	-	382,192	N/A
Total operating revenues	582,292	-	582,292	N/A
Operating expenses:				
Contracted services for train operations	\$ 32,492,636	\$ 23,416,027	\$ 9,076,609	38.8%
Administrative fees	2,742,001	2,557,355	184,646	7.2%
Marketing services	2,760,356	2,022,670	737,686	36.5%
Other administrative expenses	254,449	169,490	84,959	50.1%
Total operating expenses	38,249,442	28,165,542	10,083,900	35.8%
Operating income (loss)	(37,667,150)	(28,165,542)	(9,501,608)	33.7%
Nonoperating revenues (expenses):			-	N/A
State funding for train operations	30,438,751	23,416,027	7,022,724	30.0%
State funding for administration and marketing	5,756,806	4,749,515	1,007,291	21.2%
Contributions from other Agency for train operations	1,471,593	-	1,471,593	N/A
State funding for railroad improvements	8,500,000	-	8,500,000	N/A
Contributions for railroad improvements	(8,500,000)	-	(8,500,000)	N/A
State funding for minor projects facility enhancements	-	11	(11)	-100.0%
Minor projects facility enhancement expenses	-	(11)	11	-100.0%
Grants for transit programs and projects	3,736,377	121,795	3,614,582	2967.8%
Grant expenses for transit programs and projects	(3,720,015)	(129,424)	(3,590,591)	2774.3%
Other miscellaneous revenue	715	3,500	(2,785)	-79.6%
Investment income	182,157	11,791	170,366	1444.9%
Total nonoperating revenues (expenses)	37,866,384	28,173,204	9,693,180	34.4%
Changes in net position	199,234	7,662	191,572	2500.3%
Total net position – beginning	213,169	205,507	7,662	3.7%
Total net position – ending	\$ 412,403	\$ 213,169	\$ 199,234	93.5%

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The LOSSAN Agency’s operating expenses consist of net Amtrak charges for train operations and bus feeder services, marketing and administrative expenses and other expenses. Operating expenses are partially funded by operating revenue that includes assessments charged to Amtrak in the performance of train operations, and fare subsidies provided by the Santa Barbara County Association of Governments. The majority of operating expenses are financed from funds received from Caltrans DRMT. This funding is reported as nonoperating revenue under State funding for administration and marketing and State funding for train operations. The LOSSAN Agency’s net nonoperating revenues increased by \$9,693,180 due to funds received from Caltrans DRMT for train operations, funds received for railroad improvements needed for the implementation of positive train control, administrative and marketing funding, as well as recognizing prior year unearned revenue to offset train operations. Total operating expenses increased by \$10,083,900 due to the cost for train operations, as well as administrative and marketing expenses.

**Budgetary Highlights**

Revenues

The primary sources of revenue for the LOSSAN Agency is from Caltrans DRMT. In fiscal year 2018-19, the original budget was \$51,568,286. This includes \$35,993,957 in revenue to fund the operations of train and bus feeder services. It also includes \$6,170,129 in administrative and marketing funding, \$8,900,000 in grant funds, \$500,000 for minor projects and \$4,200 in interest revenue. A budget amendment was completed which adjusted the total original revenue budget from \$51,568,286 up to \$62,499,565. The budget amendment was completed in order to align the original budget with the annual Amtrak financial forecast and incorporate funding for additional round trips and corridor improvement projects.

Actual revenues were lower than the final budget by \$13,114,377. This is primarily due to budgeted funds from the State for additional round trips were not received (\$8 million) due to the additional round trips not being implemented in FY 2018-19, as well as lower than anticipated activity associated with grant programs (\$6.6 million). This is offset by an increase in unearned revenue related to administrative funds of \$1.4 million.

Expenses

The original expense budget for fiscal year 2018-19 was \$51,568,286 and consisted of \$35,993,957 for payments to Amtrak for train operations and bus feeder services, \$6,174,329 in administrative and marketing expenses, \$8,900,000 in grant expenses, and \$500,000 for minor projects. A budget amendment was completed which adjusted the total original expense budget from \$51,568,286 up to \$62,499,565. The budget amendment was completed in order to align the original budget with the annual Amtrak financial forecast and incorporate funding for additional round trips and corridor improvement projects.

Actual expenses were lower than the final budget by \$9,194,490. The amended budget for train operations of \$45,166,461 included funding capacity to implement additional round trips from San Diego to San Luis Obispo (\$8 million), which were not implemented during fiscal year 2019. This is partially offset by net train operating costs coming in higher than forecast by approximately \$4.8 million in the

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areas of car and locomotive maintenance, fuel, and stations costs. Grant expenses were lower than budgeted by approximately \$3.7 million due to lower than anticipated activity with the corridor wide SRA-funded projects, CalOES funded station improvements, and transit transfer program expenses. State funded minor projects came under budget by \$500,000 as no projects that qualified for this funding were completed during the fiscal year. Administrative expenses underran the budget by approximately \$1.3 million during the year primarily due to position vacancies.

**Economic and Other Factors**

Funding for the LOSSAN Agency for administration, marketing, train and bus feeder operations is provided by Caltrans DRMT. This funding is subject to annual budget appropriation by the State Legislature, and to the extent required, programmed by the California Transportation Commission to carry out the purposes of the interagency transfer agreement (ITA) between the LOSSAN Agency and Caltrans.

The LOSSAN Agency has historically negotiated and entered into annual agreements with Amtrak to provide Pacific Surfliner intercity passenger rail service and connecting bus feeder services for the LOSSAN Rail Corridor. A two-year agreement was entered into on October 1, 2017, with a term from October 1, 2017 through September 30, 2019. Following the end of term, the agreement allows the continuation of service up to six months or until a new annual agreement is executed. A new agreement is expected to be entered into in FY 2019-20 that covers October 1, 2019 through September 30, 2020.

Per the ITA and the LOSSAN Joint Powers Agreement, the LOSSAN Agency must develop an annual business plan to be approved by the LOSSAN Agency Board and 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 outlines operating and service goals for the Pacific Surfliner service. The Board approved the business plan for fiscal years 2019-20 and 2020-21, including a draft budget for fiscal year 2019-20, on March 18, 2018. On June 17, 2019, the Board amended the business plan for fiscal years 2019-20 and 2020-21 to reflect a revised budget in order to incorporate Amtrak's operating revenue and expense forecast and other adjustments. The revised business plan for fiscal year 2019-20, including the amended budget for fiscal year 2019-20 was submitted to CalSTA on June 28, 2019.

The LOSSAN Agency's fiscal year 2019-20 amended budget includes \$31,678,283 for net Amtrak operations, including \$160,000 for transit connectivity and integration programs. The budget includes \$8,772,548 for administrative and marketing funding (including the use of \$1,450,000 in Board authorized marketing surplus funds) and \$500,000 for minor projects. The budget also includes \$1,400,000 in transit and intercity rail capital program (TIRCP) grant funds to continue the transit transfer program, \$4,367,000 in TIRCP funds for host railroad on-time performance and track maintenance, \$1,200,000 for station security upgrades funded by the California Office of Emergency Services, as well as \$5,100,000 in state rail assistance funds for various corridor improvement projects.



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Beginning in June 2016, the LOSSAN Agency initiated a Pacific Surfliner Transit Transfer Program (Program) on a one-year pilot basis and has since continued the program. The Program allows Pacific Surfliner passengers to transfer to connecting transit services by presenting a valid Pacific Surfliner ticket. The program is funded by a Transit and Intercity Rail Capital Program (TIRCP) grant awarded by the California State Transportation Agency. The California Transportation Commission (CTC) approved the allocation of \$1,675,000 for this pilot program.

The LOSSAN Agency was awarded a total of \$7.2 million in grants from the California Office of Emergency Services (CalOES) for security and safety enhancements for rail facilities. These funds were received during fiscal years 2017 and 2018.

During fiscal year 2015-16, the LOSSAN Agency was awarded \$82 million in TIRCP grant funds to advance several improvement projects on the LOSSAN rail corridor, including the replacement of five railway bridges, constructing additional double track, station and safety enhancements, signal and switch upgrades, planning studies to improve coordination between all trains operating on the corridor, as well as funding for leasing rail equipment.

During fiscal year 2017-18, the LOSSAN Agency was awarded \$188.3 million in TIRCP grant funding to advance capital improvements and planning studies on both the northern and southern ends of the LOSSAN rail corridor. This grant funding is provided through Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, and proceeds from the State's Cap and Trade program.

During fiscal year 2017-18 and 2018-19, the LOSSAN Agency was awarded \$2.7 million of State Rail Assistance (SRA) funds. Funding for this program comes from SB 1. The program funds will be used to improve rail service along the LOSSAN corridor, and includes projects for the San Luis Obispo platform repair, replacement of station siding, update of the LOSSAN Corridor strategic plan, corridor optimization software, station safety improvements and an interregional connectivity improvement project.

In March of 2019, CalSTA awarded the LOSSAN Agency \$3,917,074 of SRA funds to complete station safety, security and facility improvement projects. An additional \$718,750 was awarded in May 2019 for a corridor integrated signage and wayfinding program.

During fiscal year 2018-19, the California Transportation Commission approved \$3,500,000 in State Transportation Improvement Program (STIP) funds to advance the Central Coast Layover Facility Expansion project through the project approval and environmental documents phase. Further detail on grants can be found in the notes to the financial statements.

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**Contacting the LOSSAN Agency's Management**

This financial report is designed to provide the LOSSAN Agency's Board of Directors, management, creditors, legislative and oversight agencies, citizens and customers with an overview of the Agency's finances and to demonstrate its accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the LOSSAN Agency, at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

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

**Statement of Net Position  
June 30, 2019**

**Assets:**

Current Assets

Cash and cash equivalents	\$ 17,036,824
Restricted cash and cash equivalents	7,925,535
Prepaid expense	72,500
Receivables:	
Due from other governments	5,010,665
Other receivables - National Railroad Passenger Corporation	55,900

**Total Assets** 30,101,424

**Liabilities:**

Current Liabilities

Accounts payable	4,616,020
Amount due to Union Pacific	8,500,000
Due to other governments	3,012,263
Unearned revenue	13,560,738

**Total liabilities** 29,689,021

**Net position:**

Unrestricted	412,403
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**Total net position** \$ 412,403

See accompanying notes to the financial statements.

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

**Statement of Revenues, Expenses and Changes in Net Position**

**Year Ended June 30, 2019**

<b>Operating Revenues:</b>	
Assessment revenue	\$ 200,100
Fare reimbursements	382,192
<b>Total Operating Revenue</b>	582,292
<b>Operating Expenses:</b>	
Contracted services for train operations and bus feeder services	32,492,636
Administrative fees and other expenses	2,996,450
Marketing services	2,760,356
<b>Total Operating Expenses</b>	38,249,442
<b>Operating Loss</b>	(37,667,150)
<b>Nonoperating revenues (expenses)</b>	
State funding for train operations	30,438,751
State funding for administration and marketing	5,756,806
Contributions from other Agency for train operations	1,471,593
State funding for railroad improvements	8,500,000
Contributions for railroad improvements	(8,500,000)
Grants for transit programs and projects	3,736,377
Grant expenses for transit programs and projects	(3,720,015)
Miscellaneous revenue	715
Interest income	182,157
<b>Total nonoperating revenues (expenses)</b>	37,866,384
<b>Change in net position</b>	199,234
Net position, beginning of year	213,169
<b>Net position, end of year</b>	\$ 412,403

See accompanying notes to the financial statements.

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

**Statement of Cash Flows**

**Year Ended June 30, 2019**

<b>Cash flows from operating activities</b>	
Payments for train operations and bus feeder services	\$ (30,002,124)
Payments for marketing and administrative services	(5,291,548)
<b>Net cash used in operating activities</b>	<b>(35,293,672)</b>
 <b>Cash flows from noncapital related financing activities</b>	
Receipts from State for train operations and bus feeder services	15,642,888
Receipts from State for marketing and administrative services	7,362,260
Receipts from State for railroad improvements	8,943,777
Receipts for grant programs	761,615
Payments for grant expenses	(157,282)
<b>Net cash provided by noncapital financing activities</b>	<b>32,553,258</b>
 <b>Cash flows from investing activities</b>	
Interest received on investments	182,157
<b>Net cash provided by investing activities</b>	<b>182,157</b>
<b>Net increase in cash and cash equivalents</b>	<b>(2,558,257)</b>
Cash and cash equivalents at beginning of year	27,520,616
<b>Cash and cash equivalents at end of year</b>	<b>\$ 24,962,359</b>
 <b>Reconciliation of operating loss to net cash used in operating activities</b>	
Operating loss	(37,667,150)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in due from other governments	(382,192)
(Increase) decrease in other receivables	(55,900)
(Increase) decrease in prepaid assets	112,325
Increase (decrease) in accounts payables	2,605,187
Increase (decrease) in due to other governments	94,058
<b>Net cash used in operating activities</b>	<b>\$ (35,293,672)</b>

See accompanying notes to the financial statements.

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**1. Reporting Entity**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is a joint powers authority originally formed in 1989 that works to increase ridership, revenue, capacity, reliability, coordination and safety on the 351 mile coastal rail line between San Diego, Los Angeles and San Luis Obispo, California. The Agency consists of eleven member agencies which include the Los Angeles County Metropolitan Transportation Authority, North County Transit District, San Luis Obispo Council of Governments, Santa Barbara County Association of Governments, Ventura County Transportation Commission, Orange County Transportation Authority, Riverside County Transportation Commission, San Diego Metropolitan Transit System and San Diego Association of Governments. The governing board of the Agency is comprised of eleven voting members representing the member agencies, as well as four non-voting, ex-officio members representing Amtrak, California Department of Transportation (Caltrans) Division of Rail and Mass Transit (DRMT), California High Speed Rail and Southern California Association of Governments.

On September 29, 2012, Governor Jerry Brown signed SB1225 which authorized the LOSSAN Agency to oversee the state-supported intercity passenger rail service, commonly referred to as the Pacific Surfliner, subject to approval of an interagency transfer agreement (ITA) with the State of California. The ITA commenced on July 1, 2015 along with the transition of administrative responsibility for the Pacific Surfliner service to the LOSSAN Agency. The overall goal of the governance change is to transform the existing Pacific Surfliner intercity rail service into a service under local control that is more responsive to local needs, issues and consumer desires.

The LOSSAN Agency receives funding from Caltrans DRMT for administration and management of the Pacific Surfliner train service. The train equipment used in the LOSSAN Rail Corridor service is owned by the State of California and the train service is operated by the National Railroad Passenger Corporation (Amtrak) under contract to the LOSSAN Agency. The railroad track is owned by Burlington Northern and Santa Fe Railway (BNSF), Union Pacific Railroad Company (UPRR), Metrolink, and North County Transit District. The LOSSAN Agency is staffed by the Orange County Transportation Authority (OCTA) under a management services agreement.

**2. Summary of Significant Accounting Policies**

The accounting policies of the LOSSAN Agency are in conformity with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

*(a) Basis of Accounting and Presentation*

The basic financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues, consisting primarily of funding from Caltrans DRMT, are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenues received from Caltrans DRMT are received in advance and used by the LOSSAN Agency to fund train operations provided by Amtrak.

The financial statements are reported using an Enterprise fund and full accrual method of accounting. The LOSSAN Agency has the authority to set and modify fares as the governing body managing the Pacific

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Surfliner intercity passenger rail service. As the managing agency of the service, the LOSSAN Agency also has control over train schedules and corridor-wide improvements that will maximize revenue and ridership. Due to this unique responsibility provided to the LOSSAN Agency through SB1225, the LOSSAN Agency reports the financial statements as an Enterprise Fund.

*(b) Proprietary Accounting and Financial Reporting*

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. Operating revenue includes assessment fees charged to Amtrak in the performance of the train operations, and fare revenue subsidies provided by the Santa Barbara County Association of Governments (SBCAG) associated with retimed train service from Ventura to Santa Barbara and Goleta. The primary funding source of the LOSSAN Agency is funding received by the Caltrans DRMT for both train operations and marketing and administration. This revenue is considered nonoperating revenue. Operating expenses for the LOSSAN Agency include the cost of train operations and bus feeder services, charges for marketing and administration, and other operating expenses. All expenses not meeting this definition are reported as nonoperating expenses.

*(c) Cash and Investments*

The LOSSAN Agency currently does not have a written investment policy. The treasurer of the managing agency, the Orange County Transportation Authority (OCTA), serves as the Agency's treasurer. The treasurer serves as the depository of funds and has custody of funds for the Agency.

The LOSSAN Agency's cash and investments consist of an overnight repurchase sweep account. The LOSSAN Agency did not have any other investments as of June 30, 2019. See Note 3.

*(d) Cash and Cash Equivalents*

The LOSSAN Agency considers all short-term investments with an initial maturity of three months or less to be cash equivalents.

*(e) Restricted Cash and Cash Equivalents*

Restricted cash includes grant funds received from the California Office of Emergency Services (CalOES) to be used for security and safety enhancements of rail facilities. It also includes State Rail Assistance (SRA) grant funds to be used for various rail service improvements throughout the rail corridor.

The LOSSAN Agency has setup an Operating Reserve Fund in accordance with the ITA. Funds provided by the state for train operations which exceed the actual billings, are considered surplus funds and can be used to fund future variability in operating costs that may vary from the budgeted amount. The maximum level of funds allowed to be retained is 12.5% of the state subsidy level in the most recently completed Amtrak contract year. As of June 30, 2019 the Operating Reserve Fund balance is \$0. During fiscal year 2019, the operating reserve fund was used to cover unanticipated Amtrak operating expenses.

*(f) Unearned Revenue*

The LOSSAN Agency receives advance funding from the State to pay for Amtrak provided train operations and bus feeder services, as well as administrative and marketing services. The LOSSAN Agency recognizes

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revenues in the period in which the related expenses are incurred. Any funds received in advance or amounts due from the State that are not used to offset current expenses are classified as unearned revenue. Unearned revenue also includes various grant funding received that has not been used to offset current expenses.

*(g) Net Position*

Net position represents the residual interest in the LOSSAN Agency's assets after liabilities are deducted. The statement of net position reports total net position. This amount reported is considered unrestricted net position since it is accessible for general use and is not invested in capital assets or restricted by third parties, constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the LOSSAN Agency's policy to use restricted resources first and then unrestricted resources as needed and in accordance with the ITA.

*(h) Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

### **3. Cash and Cash Equivalents**

*(a) Cash and Investments*

Beginning in September 2018, the LOSSAN Agency entered into a new fixed interest investment repurchase agreement with Bank of the West, in which the daily balance of its checking account is transferred into an overnight sweep account. Under the repurchase agreement, the LOSSAN Agency earns a fixed 1.00% interest rate on the daily amount transferred to the sweep account, regardless of any fluctuation in the market price of the underlying securities purchased by the bank. The funds are collateralized by a U.S. Treasury note. Each business day, the bank automatically transfers the balance in the sweep account and interest earned back into the LOSSAN Agency bank deposit account.

The repurchase agreement is measured at cost, based upon the deposit account value that is transferred to the sweep account.

*(b) Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. California Government Code Section 53652 requires California banks and savings and loan associations to secure governmental deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the agency's deposits.

Under the terms of the repurchase agreement with the bank, amounts transferred into the overnight sweep account for investment by the bank is not a deposit and is not insured by the Federal Deposit Insurance Corporation or guaranteed by the government. The LOSSAN Agency retains a security interest in the



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amount of collateral placed into the sweep account, which is in a U.S. Treasury Note. Pursuant to the Master Repurchase Agreement the amounts in the overnight repurchase agreement sweep account are collateralized 102 percent with the collateral held by the bank's custodian.

If the bank were to fail, the LOSSAN Agency would be treated as either the owner of the securities or as a secured creditor of the bank. If the aggregate market value of the LOSSAN Agency's security were to decline, the LOSSAN Agency would become an unsecured creditor of the Bank to the extent that the aggregate market value becomes less than the account balance and accrued interest.

Upon completion of the daily sweep, funds transferred back into the LOSSAN Agency checking deposit account on a daily basis are considered deposits and the amounts are covered by federal depository insurance or were collateralized by the pledging financial institution as required by Section 53652 of the California Government Code. Such collateral is held by the pledging financial institution's trust department or agent in the Agency's name.

**4. Prepaid Expense**

During fiscal year 2019, the LOSSAN Agency purchased various marketing advertising that will be utilized in both fiscal years 2019 and 2020. Prepaid expenses include \$72,500 in marketing advertising that will be amortized during fiscal year 2020.

**5. Due From Other Governments**

Due from other governments consists of amounts due to the LOSSAN Agency from SBCAG for train operating costs and fare revenue subsidies. It also includes amounts due from Caltrans DRMT for grant revenue for on-time performance and track maintenance, the reimbursement of costs relating to the rebranding of twelve charger locomotives, grant revenue for transit transfer program reimbursements, as well as administration revenue for station and layover facility enhancements.

Due from SBCAG grant reimbursements	\$	1,853,785
Due from Caltrans DRMT grant reimbursements		2,640,586
Due from Caltrans DRMT for train operations		436,835
Due from Caltrans DRMT for administration		79,459
Total	\$	5,010,665

**6. Due To Other Governments**

Due to other governments consists of amounts due to the North County Transit District (NCTD) for train on time performance and track maintenance, amounts due to OCTA for administrative services and to various other government agencies for transit services provided under the transit transfer program. The table below provides detail of due to other governments as of June 30, 2019.

Due to NCTD for performance and maintenance	\$	2,299,000
Due to OCTA for administrative services		661,645
Due to transit agencies for transit transfer program		51,618
Total	\$	3,012,263

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**7. Unearned Revenue**

Unearned revenue consists of amounts received from the State for fiscal year 2019 operating, administrative and marketing funding, in advance of incurring the expenses. It also includes unearned revenues from prior-year State operating and marketing funding received. It includes grant revenue from the California Office of Emergency Services for facility security and safety enhancements, and State Rail Assistance grant revenues. The table below shows detail of unearned revenue as of June 30, 2019.

Unearned advanced train operating funds	\$	3,755,046
Unearned grant revenue		6,827,166
Unearned advanced marketing funds		1,494,696
Unearned advance administrative funds		1,483,830
Total	\$	13,560,738

**8. Contracted Services for Train Operations**

The LOSSAN Agency negotiates and enters into annual agreements with Amtrak to provide Pacific Surfliner intercity passenger rail service and connecting bus feeder services for the LOSSAN Rail Corridor. An agreement was entered into which covers the time period between October 1, 2017 through September 30, 2019. Following the end of the term, the agreement allows the continuation of service up to six months or until a new annual agreement is executed. A new agreement is expected to be entered into in FY 2019-20 that covers October 1, 2019 through September 30, 2020.

Payment to Amtrak by the LOSSAN Agency is based on a projected amount mutually agreed to by both parties as part of the agreement. This projected amount is net of related fare revenues. The actual amounts are reconciled and provided to the LOSSAN Agency on a monthly basis. Any surplus or deficits are applied to the following months invoice. The actual net expense for train operations as of June 30, 2019 is \$32,492,636 net of adjustments due to year end reconciliation with Amtrak from results of operations.

Beginning April 1, 2018, Amtrak implemented peak period hour rail service between Ventura and Santa Barbara counties. The LOSSAN Agency entered into a cost sharing agreement with SBCAG to offset costs associated with the service. SBCAG funds a portion of the operating costs to run the service, and the State of California funds the other half of the costs. In addition, SBCAG pays the LOSSAN Agency for any fare discounts that are provided to customers for the service.

Also included in contracted services for train operations is a one-time payment for the painting and branding of State-owned locomotives.

**9. Contributions for Railroad Improvements**

Contributions for railroad improvements includes an expense for funds provided to Union Pacific Railroad for railroad track improvements related to the implementation of positive train control on the Santa Barbara subdivision. The improvements include track side signal and communications, double track and bridge improvements already completed by the owner of the track, the Union Pacific Railroad. The LOSSAN Agency's share of the cost is estimated to be \$8,500,000. The LOSSAN Agency received funds from the State for this one-time expense during fiscal year 2019.

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**10. Charges for Marketing and Administration**

Effective November 21, 2013, the Agency entered into an agreement with OCTA to provide administrative support services through the initial term of the ITA (June 30, 2018). In accordance with the agreement, OCTA is reimbursed by the Agency for administrative staff time including an agreed upon overhead rate. A new administrative services agreement with OCTA was entered into on June 25, 2018, effective July 1, 2018 for a three-year term through June 30, 2021. The agreement may be extended by mutual agreement for two additional three-year terms through June 30, 2027. Charges from OCTA for these services are highlighted in the table below.

Administrative Services	\$ 2,747,177
Marketing Expenses	2,760,356
Professional Services	110,599
Insurance	57,349
Legal Services	24,714
Travel	23,964
Audit Services	22,079
Other Business Expenses	10,568
<b>Total</b>	<b><u><u>\$ 5,756,806</u></u></b>

**11. State Funding for Train Operations and Administrative and Marketing**

Effective July 1, 2015, the LOSSAN Agency and the State of California Department of Transportation (Caltrans) entered into an interagency transfer agreement (ITA), which transferred the administrative responsibility for the operation of rail services along the LOSSAN corridor. The ITA carried an initial three-year term through June 30, 2018. As part of the ITA, the LOSSAN Agency entered into a Master Fund Transfer Agreement (MFTA) with the State. The MFTA provides for State funding, appropriated by the State Budget Act and allocated to the LOSSAN Agency in accordance with the provisions of the MFTA and ITA, for the LOSSAN corridor rail service. In accordance with the MFTA and ITA provisions, funding is contributed towards actual marketing and administrative costs, as well as train operations.

On June 30, 2018, the LOSSAN Agency and Caltrans entered into the first amended ITA, with a term commencing on July 1, 2018 and ceasing on the third anniversary date, June 30, 2021, with two four-year options for renewal.

During fiscal year 2019, Caltrans provided the LOSSAN Agency additional funding for one-time costs associated with the rebranding of Charger locomotives and for host railroad costs associated with railroad improvements needed for the implementation of positive train control.

**12. Grants for Transit Programs**

*(a) Transit and Intercity Rail Capital Program (TIRCP)*

Beginning in June 2016, the LOSSAN Agency initiated a Pacific Surfliner Transit Transfer Program (Program) on a one-year pilot basis, and has since continued the program. The Program allows Pacific Surfliner passengers to transfer to connecting transit services by presenting a valid Pacific Surfliner ticket. The program is funded by a Transit and Intercity Rail Capital Program (TIRCP) grant awarded by the California State Transportation Agency. The California Transportation Commission (CTC) approved the

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**For the Fiscal Year Ended June 30, 2019**

allocation of \$1,675,000 for this pilot program. As of June 30, 2019, the total receivable is \$140,000 and is included as part of due from other governments. The funding for the program will expire December 31, 2019, however the California Department of Transportation has approved additional operations funding to continue the program through June 30, 2020.

During fiscal year 2016, the LOSSAN Agency was awarded \$82 million in TIRCP grant funds to advance several improvement projects on the LOSSAN rail corridor, including the replacement of five railway bridges, constructing additional double track, station and safety enhancements, signal and switch upgrades, planning studies to improve coordination between all trains operating on the corridor, as well as funding for leasing rail equipment. For many of the projects, other transportation agencies will serve as the lead agency for the projects and will receive the grant funding directly. The LOSSAN Agency will be the lead agency for the planning studies and the leasing of rail equipment. The LOSSAN Agency is currently not leasing any rail equipment. The LOSSAN Agency began a corridor wide optimization study in 2019, and has incurred approximately \$160,000 of expenses related to this project. A matching receivable is recorded in due from other governments for the State grant funding for this project.

During fiscal year 2018, the LOSSAN Agency was awarded \$188 million in TIRCP grant funds to advance capital improvements and planning studies on both the northern and southern ends of the LOSSAN rail corridor. The funding is provided through SB 1 and the proceeds from the Cap and Trade program. On the northern end of the corridor, the program of projects includes construction of additional double track and siding extensions, station and layover facility enhancements, incentives for improved on-time performance, and upgrades to signal systems and switches. On the southern end of the corridor, the program of projects includes signal improvements, creating a more robust capital maintenance program and installing new fencing in San Diego County. It is anticipated that some of the projects will begin in fiscal year 2020. It is also anticipated that various other transportation agencies will serve as the lead for these projects and will receive grant funding directly. For fiscal year 2019, the LOSSAN Agency has recorded approximately \$2.3 million in expenses related to an agreement with the NCTD for on-time performance and track maintenance. A matching receivable is recorded in due from other governments for the State grant funding for this project.

*(b) California Office of Emergency Services (CalOES)*

The LOSSAN Agency was awarded grants from CalOES for security and safety enhancements for rail facilities in prior fiscal years totaling \$7,171,080. To date, \$3,025,079 has been recognized as revenue to offset program expenses, including \$1,070,468 in fiscal year 2019, leaving a balance of \$4,146,001 in unearned revenue.

*(c) State Rail Assistance (SRA)*

During fiscal year 2018 and 2019, the LOSSAN Agency was awarded \$2,723,000 of SRA funds, of which \$2,008,625 was received during fiscal year 2018 and \$714,375 was received during fiscal year 2019. Funding for this program comes from Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017. The program funds will be used to improve rail service along the LOSSAN corridor, and includes projects for the San Luis Obispo platform repair, replacement of station siding, update of the LOSSAN Corridor strategic plan, corridor optimization software, station safety improvements and an interregional connectivity improvement project. During fiscal year 2019, \$41,835 of SRA revenue was recognized to offset project expenses, leaving a balance of \$2,681,165 in unearned revenue.

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In March of 2019, CalSTA awarded the LOSSAN Agency \$3,917,074 of additional SRA funds to complete station safety, security and facility improvement projects. It is anticipated that some of the projects will begin in fiscal year 2020. In May 2019, CalSTA awarded the LOSSAN Agency \$718,750 in competitive SRA funds for a corridor integrated signage and wayfinding program. It is anticipated that this project will begin in fiscal year 2020 and be completed within two years.

*(d) State Transportation Improvement Program (STIP)*

During fiscal year 2019, the California Transportation Commission approved \$3,500,000 in State Transportation Improvement Program (STIP) funds to advance the Central Coast Layover Facility Expansion project through project approval and environmental documents. The funding will be used to identify a preferred location and configuration, design and environmentally clear a new or expanded layover and light maintenance facility for the Pacific Surfliner intercity passenger rail service. Funds for this project are provided on a reimbursement basis. Work has started for this project during fiscal year 2019 and is expected to continue through fiscal year 2020.

**13. Commitments and Contingencies**

*Commitments*

The LOSSAN Agency has various outstanding contracts. Total outstanding purchase commitments at June 30, 2019 were \$18,230,719. The most significant is with Amtrak at \$12,326,757 which includes \$10,237,666 for train operations and bus feeder services and \$2,089,091 for various facility safety and security improvements. Other purchase commitments with various vendors total \$3,295,426 and are for professional services for a corridor optimization study, San Diego layover facility study, and Central Coast layover facility environmental document. Purchase commitments for professional marketing services total \$1,714,586, while administrative and other professional services total \$190,292. This amount does not include a value for the administrative services agreement with OCTA, as this is an actual cost based reimbursable agreement. Cooperative agreements in place with other transit agencies for the Transit Transfer Program total \$424,178 as of June 30, 2019. The Transit Transfer Program agreements are also on a reimbursement basis, where the LOSSAN Agency is only billed when passengers use the program. Finally, purchase commitments for rail planning & scheduling software, and database maintenance services total \$279,480.

*Contingencies*

The LOSSAN Agency is currently disputing marketing related additive charges under the operating agreement with Amtrak. The dispute involves Amtrak's compliance with the Passenger Rail Investment and Improvement Act of 2019 (PRIIA 209) policy's definition of activities associated with the marketing additive charge to the LOSSAN Agency. The LOSSAN Agency's position is that Amtrak removed certain marketing services without amending the policy or mutually agreeing to a reduction of the marketing additive charge proportional to the services being provided. For fiscal year 2019, the amount being disputed is approximately \$753,000. An adjustment to expenses and liability has been recorded in the financial statements.

*Agreement with Union Pacific*

As of fiscal year-end 2019, the LOSSAN Agency was actively negotiating an agreement with the Union Pacific Railroad to provide reimbursement for improvements and enhancements to the Santa Barbara rail

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subdivision required for the implementation of positive train control. The LOSSAN Agency anticipates paying the Union Pacific Railroad for improvements the host railroad owner has completed. This amount is estimated to be \$8,500,000, which is recorded as an expense and liability in the financial statements. The State has provided the funding for this one-time payment to the Union Pacific Railroad during fiscal year 2019, which has been recorded as an offsetting revenue in the financial statements.

**14. Risk Management**

As part of the annual operating agreement with Amtrak, Amtrak is responsible to pay any settlement or final judgment of claims against the LOSSAN Agency arising directly from Amtrak's operations of the rail passenger and bus feeder service. The LOSSAN Agency pays an allocated share of the cost of Amtrak's master insurance policies as they relate to the services being provided by Amtrak under contract. The LOSSAN Agency also purchases general liability and excess liability insurance with an aggregate limit of \$4,000,000, errors and omissions public officials' liability of \$1,000,000 and crime liability of \$2,000,000. There have been no claims or settlements that have exceeded insurance coverages within the past three fiscal years.

**15. Concentration of Funding**

Funding for the administration of the LOSSAN Agency as well as funding for marketing, train and bus feeder operations is provided by Caltrans DRMT, and is subject to annual budget appropriation by the California State Legislature (Legislature) and programming by the California Transportation Commission (CTC). This represents 99% of total LOSSAN Agency revenue. There is no guaranty that funding will actually be appropriated by the Legislature and to the extent required, programmed by the CTC.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the LOSSAN Agency's basic financial statements, and have issued our report thereon dated January 8, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the LOSSAN Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LOSSAN Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the LOSSAN Agency's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the LOSSAN Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Costa Mesa, California  
January 8, 2020





Board of Directors  
Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency  
Orange, California

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

### **AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA**

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with the Agency for further information on the responsibilities of management and of Crowe LLP.

### **AUDITOR'S RESPONSIBILITY UNDER GOVERNMENT AUDITING STANDARDS**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of the Agency's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts or disclosures. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **PLANNED SCOPE AND TIMING OF THE AUDIT**

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters regarding the planned scope and timing of the audit were discussed with you.

- How we proposed to address the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.
- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
- Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- Your views and knowledge of matters you consider warrant our attention during the audit, as well as your views on:
  - The allocation of responsibilities between you and management.

- The entity's objectives and strategies, and the related business risks that may result in material misstatements.
- Significant communications with regulators.
- Other matters you believe are relevant to the audit of the financial statements.

## **SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES**

Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Also, Those Charged with Governance should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform Those Charged with Governance about such matters. There were no such accounting changes or significant policies requiring communication.

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term. We evaluated the key factors and assumptions used to develop the estimates in determining that they appeared reasonable in relation to the financial statements taken as a whole.

## **AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES**

We are to discuss with you our comments about the following matters related to the Agency's accounting policies and financial statement disclosures.

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements.
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- The effect of the timing of transactions in relation to the period in which they are recorded.
- The potential effect on the financial statements of significant risks and exposures, and uncertainties that are disclosed in the financial statements.
- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures.
- The factors affecting asset and liability carrying values, including the entity's basis for determining useful lives assigned to tangible and intangible assets.
- The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

In our evaluation of the financial statements and related disclosures there were no issues to communicate related to the form, arrangement, and content of the financial statements. We did not identify bias in management's judgments about the amounts and disclosures in the financial statements. We are not aware of any significant unusual transactions recorded by the Agency.

## CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures.

There were no such misstatements.

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements.

There were no such misstatements.

## OTHER COMMUNICATIONS

Communication Item	Results
<p><b>Other Information in Documents Containing Audited Financial Statements</b> Information may be prepared by management that accompanies the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether such information, or the manner of its presentation, is materially inconsistent with information in the financial statements. If we consider the information materially inconsistent based on this reading, we are to seek a resolution of the matter.</p>	<p>We understand that management has not prepared such information to accompany the audited financial statements.</p>
<p><b>Significant Difficulties Encountered During the Audit</b> We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.</p>	<p>There were no significant difficulties encountered in dealing with management related to the performance of the audit.</p>
<p><b>Disagreements with Management</b> We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Agency's financial statements or the auditor's report.</p>	<p>During our audit, there were no such disagreements with management.</p>
<p><b>Consultations with Other Accountants</b> If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.</p>	<p>We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.</p>
<p><b>Representations the Auditor Is Requesting from Management</b> We are to provide you with a copy of management's requested written representations to us.</p>	<p>We direct your attention to a copy of the letter of management's representation to us provided separately.</p>

Communication Item	Results
<p><b>Significant Issues Discussed, or Subject to Correspondence, With Management</b>            We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.</p>	<p>There were no such significant issues discussed, or subject to correspondence, with management.</p>
<p><b>Significant Related Party Findings and Issues</b>            We are to communicate to you significant findings and issues arising during the audit in connection with the Agency's related parties.</p>	<p>There were no such findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>
<p><b>Other Findings or Issues We Find Relevant or Significant</b>            We are to communicate to you other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>	<p>There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>

We are pleased to serve your Agency as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities, and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of the Board of Directors and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.

  
 Crowe LLP

Costa Mesa, California  
 January 8, 2020



**February 18, 2020**

**To:** Members of the Board of Directors  
**From:** Jennifer L. Bergener, Managing Director  
**Subject:** Final Draft Business Plan for Fiscal Years 2020-21 and 2021-22

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, is positioned to the right of the 'From:' field.

**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 1st of each year that provides the basis for its annual budget request, outlines operations and service goals, and discusses any proposed changes to the Pacific Surfliner service. Staff has prepared a draft of the business plan for fiscal years 2020-21 and 2021-22 for the Board of Directors' review.

**Recommendation**

Direct staff to incorporate comments received from the Board of Directors into the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Business Plan for fiscal years 2020-21 and 2021-22 and return to the Board of Directors on March 16, 2020, to seek final approval.

**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, and the LOSSAN Joint Powers Agreement, the LOSSAN Agency must develop a business plan to be approved by the LOSSAN Agency Board of Directors (Board) and submitted to the Secretary of the California State Transportation Agency (CalSTA) by April 1<sup>st</sup> of each year. The business plan is a two-year planning, operations, and budget document, and the LOSSAN Agency's annual budget request must be consistent with the approved business plan.

The initial LOSSAN Agency business plan was submitted to CalSTA concurrent with the ITA in June 2015 and covered fiscal year (FY) 2015-16 and FY 2016-17. The submittal for FY 2020-21 and 2021-22 focuses primarily on how the LOSSAN Agency will continue to work toward exceeding the performance metrics established by CalSTA. It outlines operational strategies, equipment

maintenance, marketing programs, safety and security measures, as well as a discussion of upcoming planned service expansion. A draft budget will be included as part of the annual business plan but will be revised and resubmitted for final approval by June 30, following receipt of annual operating revenue and expense estimates from Amtrak for federal FY 2020-21. The operating revenue and expense estimates are typically not received from Amtrak until after the April 1 deadline for submitting the annual business plan. As part of the approval letter for the current business plan, CalSTA has allowed for this adjustment to the budget to provide sufficient time for the LOSSAN Agency to address any revisions necessary following the receipt of annual operating expense and revenue estimates from Amtrak.

### ***Discussion***

On November 18, 2019, the LOSSAN Agency Board reviewed a list of key assumptions for the LOSSAN Agency business plan for FY 2020-21 and 2021-22 and directed staff to incorporate those assumptions into the draft of the business plan. As directed a draft was prepared utilizing the Board approved assumptions.

On December 23, 2019, the draft chapters were forwarded to the Technical Advisory Committee (TAC) for review and comment. Written comments and suggested edits were received from the TAC and incorporated into the draft business plan. A redline version of the draft, indicating the edits that addressed the TAC requested adjustments, was distributed to the TAC on January 18, 2020. This gave the TAC an opportunity for a final review and to ensure that their input was accurately reflected in the revised draft. A final discussion was held at the TAC meeting on February 3, 2020. At that time staff confirmed that there were no additional suggested edits to the final draft document. That final draft is being presented for Board review.

### **Next Steps**

Staff will incorporate any additional comments received from member agencies and the Board into the final draft business plan. The complete business plan for FY 2020-21 and FY 2021-22 will then be presented to the Board for approval at the March 16, 2020 meeting. Upon Board approval, staff will submit the document to CalSTA prior to the April 1, 2020 deadline.

***Summary***

Consistent with the requirements of the interagency transfer agreement, and joint powers agreement, staff has prepared a final draft of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency business plan for Fiscal Year 2020-21 and Fiscal Year 2021-22. The final draft is presented for Board of Directors review. Pending any additional comments or input, the final business plan will be submitted to the Board of Directors for approval at the March 16, 2020 Board meeting.

***Attachment***

- A. LOSSAN Rail Corridor Agency Business Plan FY 2020-21 / FY 2021-22

**Prepared by:**

A handwritten signature in black ink, appearing to read 'Roger M. Lopez', with a long horizontal flourish extending to the right.

Roger M. Lopez  
Manager, Planning and Analysis  
(714) 560-5438





LOSSAN  
RAIL CORRIDOR AGENCY

# BUSINESS PLAN

FY 2020-21 / FY 2021-22



Prepared for  
**California State  
Transportation Agency**



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## EXECUTIVE SUMMARY

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is a joint powers authority (JPA) formed in 1989 that works to increase ridership, revenue, capacity, reliability, coordination, and safety on the rail corridor between San Diego, Los Angeles, and San Luis Obispo. On September 29, 2012, Governor Jerry Brown signed Senate Bill (SB) 1225 (Chapter 802, Statutes of 2012), which authorized the LOSSAN Agency to oversee the state-supported Pacific Surfliner intercity passenger rail service operating on the LOSSAN rail corridor, subject to approval of an interagency transfer agreement (ITA) with the State of California. The ITA became effective on July 1, 2015 and is currently executed through June 30, 2021. The Orange County Transportation Authority (OCTA) serves as the managing agency for the LOSSAN Agency and provides management and administrative support as outlined in the Administrative Support Agreement (ASA) between the LOSSAN Agency and OCTA.

The Pacific Surfliner service travels along a 351-mile coastal rail corridor through six counties in Southern California: San Diego, Orange, Los Angeles, Ventura, Santa Barbara, and San Luis Obispo. It is currently the second busiest intercity passenger rail corridor in the United States, and the busiest state-supported Amtrak route. The LOSSAN Agency is governed by a Board of Directors (Board) composed of 11 voting members representing rail owners, operators, and planning agencies along the LOSSAN rail corridor, as well as four non-voting, ex-officio members, as detailed below.

### *Member Agencies*

- San Diego Metropolitan Transit System (SDMTS)
- San Diego Association of Governments (SANDAG)
- North County Transit District (NCTD)
- OCTA
- Riverside County Transportation Commission (RCTC)
- Los Angeles County Metropolitan Transportation Authority (Metro)
- Ventura County Transportation Commission (VCTC)
- Santa Barbara County Association of Governments (SBCAG)
- San Luis Obispo Council of Governments (SLOCOG)

### *Ex-Officio Members*

- Amtrak
- California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT)
- California High-Speed Rail Authority (CHSRA)
- Southern California Association of Governments (SCAG)

As required by SB 1225, and per the terms of the ITA, the LOSSAN Agency must submit an annual business plan by April 1 of each year to the Secretary of the California State Transportation Agency (CalSTA). The primary purpose of the business plan is to identify the major goals and objectives for the LOSSAN Agency's management of the Pacific Surfliner intercity passenger rail service, as well as the budget necessary to administer, market, and operate the Pacific Surfliner service during the upcoming two-year period. The business plan summarizes operations, service

levels, budget, and capital improvements that have contributed to the success of the Pacific Surfliner service and identifies improvements to sustain and grow its success moving forward.

**Historical Performance of Pacific Surfliner Service**

Since 1971, service on the Pacific Surfliner route between Los Angeles and San Diego has increased from the original six daily trips to the current level of 27 daily trips. The Pacific Surfliner is the busiest state-supported route in the entire Amtrak national system carrying 2.78 million passengers in federal fiscal year (FFY) 2018-19.

Since the early 2000s, ridership on the Pacific Surfliner service has increased significantly, and farebox recovery has exceeded 50 percent. Ridership peaked at nearly 3 million in FY 2016-17, following the reintroduction of the 12<sup>th</sup> roundtrip between Los Angeles and San Diego. Ridership in FFY 2017-18 and FFY 2018-19 has declined due in part to operational adjustments instituted to implement the morning peak-period service into Ventura and Santa Barbara counties. The introduction of the 13<sup>th</sup> roundtrip in FFY 2019-20 has shown positive growth in overall ridership.

Operating costs for the Pacific Surfliner service are funded through the Public Transportation Account, which is primarily supported through the state sales tax on diesel fuel. The annual operating subsidy for Pacific Surfliner service has remained relatively stable since FFY 2014-15, in part due to the transfer of Amtrak equipment lease costs from the operating agreement to a separate agreement between Amtrak and Caltrans, as well as LOSSAN Agency management actions to increase operating revenues. The subsidy rose in FFY 2018-19 due in part to the addition of morning peak-period service into Ventura and Santa Barbara counties.

Los Angeles, San Diego, Irvine, Oceanside, and Solana Beach are the busiest stations of the Pacific Surfliner route, accounting for more than half of total Pacific Surfliner ridership. On-time performance (OTP) has fluctuated over the past several years and continues to be lower than the 90 percent goal. Pacific Surfliner OTP averaged 71 percent for FFY 2018-19.



**Operating Plan and Strategies**

Amtrak operates 13 daily Pacific Surfliner roundtrips between San Diego and Los Angeles. Of those, five daily roundtrips (the 700-series trains) extend north of Los Angeles to Santa Barbara and Goleta, with two roundtrips extending further north to serve San Luis Obispo. Amtrak Thruway bus connections supplement the train service on the LOSSAN rail corridor.

The Pacific Surfliner route includes 27 stations, 17 of which are between San Luis Obispo and Los Angeles, with the remaining 10 located south of Los Angeles in Orange and San Diego counties.

The ability to expand Pacific Surfliner service is constrained due to both equipment availability as well as existing access and shared-use agreements with the host railroads on which the Pacific Surfliner service operates. In FY 2018-19, the LOSSAN Agency worked with Amtrak and Caltrans DRMT to introduce the 13<sup>th</sup> Pacific Surfliner round trip between Los Angeles and San Diego. The LOSSAN Agency also plans to continue to grow the Pacific Surfliner Transit Transfer Program, which provides free connections between the Pacific Surfliner and local transit services.



In FY 2020-21 and 2021-22, the LOSSAN Agency will continue to work cooperatively with Caltrans DRMT to ensure sufficient state funding is provided to operate the Pacific Surfliner and Amtrak Thruway bus services, while exploring opportunities to enhance ridership, revenue, and OTP. During this timeframe, the LOSSAN Agency and Amtrak anticipate introducing an additional roundtrip between San Diego and Los Angeles. New service north of Los Angeles is also planned, contingent on securing the necessary agreements with UPRR. In addition, the LOSSAN Agency is completing a service optimization study to establish a two- and five-year strategy to optimize service in the LOSSAN rail corridor and will continue to pursue service expansions to accommodate seasonal and event-related travel demand.

During the next two FYs, the LOSSAN Agency will continue to identify and evaluate root causes for major delays, review crew and equipment utilization, and seek improvements to service disruption responses and recovery while also enhancing connectivity with local transit services.





### Performance Standards and Metrics

As required by SB 1225, CalSTA has established a set of uniform performance standards (UPS) for the three state-supported intercity passenger rail corridors, including the Pacific Surfliner service, to control cost and improve efficiency. The proposed performance measures fall into three major categories (usage, cost efficiency, and service quality) and include: passenger miles, ridership, farebox recovery, cost per passenger mile, endpoint OTP, all-stations OTP, and operator responsible delays per 10,000 train miles.

In FFY 2018-19, the Pacific Surfliner service saw a 5.8 percent decrease in ridership, a 1.6 percent decrease in revenue, a 2.1 percent decrease in passenger miles, and a farebox recovery of 70.2 percent. The ridership decline was anticipated and is partly a result of the operational and service adjustments that have been implemented in support of peak-period service between Los Angeles and Ventura and Santa Barbara counties, as well as closures impacting the Pacific Surfliner service due to planned track work and unplanned weather events. Endpoint on-time performance continued to lag behind the goal of 90 percent, averaging 71 percent in FFY 2018-19.

### Capital Improvements

Though much progress has been made over the years, many segments of the LOSSAN rail corridor are still limited by the lack of passing sidings or second main tracks. There is currently more than \$10 billion in unfunded capital needs that have been identified on various portions of the LOSSAN rail corridor, including additional track capacity, station improvements, and signal and communications improvements.

The LOSSAN Agency continues to coordinate with member agencies and station owners to pursue funding opportunities that bring benefits to the larger rail corridor. As part of that effort, the LOSSAN Agency has worked with key stakeholders to update its Capital Improvement Program (CIP). The CIP compiles all identified projects into a comprehensive list. While each member agency or host railroad is responsible for the implementation of its respective capital

improvement projects, the LOSSAN Agency takes a lead role in funding and legislative pursuits, with a focus on leveraging existing funds to advance capital projects that have a corridorwide benefit. In addition to the major capital improvements planned for the LOSSAN rail corridor, the state annually allocates approximately \$500,000 to cover minor projects, such as station improvements, signage, and minor safety enhancements. The LOSSAN Agency has been allocated the first two years of State Rail Assistance funding, totaling \$8.3 million, with additional funding expected in future years. Finally, the LOSSAN Agency has been awarded more than \$270 million in funding through the state’s Transit and Intercity Rail Capital Program (TIRCP) for capital and operational improvements along the LOSSAN rail corridor.

**Fare Policy**

Pacific Surfliner trains currently offer travel in unreserved coach class and reserved business class. Fares are largely static year-round with the exception of slight increases on select holidays during peak travel periods. Amtrak also offers discounted multi-ride tickets, discounts for group travel, as well as a Rail 2 Rail Program that allows Metrolink and COASTER commuter rail pass holders to ride Pacific Surfliner trains at no additional cost, subject to certain restrictions. The last fare increase on the Pacific Surfliner service took place in June 2013, and a fare restructuring was implemented in March 2018, which normalized fares to eliminate inconsistent pricing methodology and application of discounts along the Pacific Surfliner route.



In the coming year, the LOSSAN Agency will explore a variety of opportunities to increase fare revenue without raising fares, while maintaining and expanding ridership, including promotion of transit transfers, a new small group discount, partnerships with major destinations/attractions, enhanced loyalty programs, and continuation of special event service.

**Network Integration and High-Speed Rail**

An integrated passenger rail network is a key initiative included in the 2018 California State Rail Plan, with the goal to plan and implement a statewide passenger rail system that maximizes the performance potential of intercity passenger rail as a time- and cost-competitive travel option for meeting the state’s transportation needs.

The LOSSAN Agency works in close coordination with CalSTA, Caltrans DRMT, transit and rail operators along the LOSSAN rail corridor, and other stakeholders on efforts to improve rail and transit connections. This includes working to create an integrated passenger rail and transit network with coordinated schedules, which will provide additional travel options throughout the state, allowing passengers to seamlessly transfer from service to service to reach their desired destinations. The LOSSAN Agency will continue to work with its partner agencies to improve rail service through service optimization and modeling efforts, joint funding pursuits, and coordinated ticketing and dispatch policies.

The passenger rail services along the LOSSAN rail corridor act as a backbone for transportation throughout the California coastal region. As such, the LOSSAN rail corridor will provide critical connections and feeder/distributor service to support and compliment any future high-speed rail (HSR) service. Integration between the LOSSAN rail corridor and HSR system will provide mutual benefits to each service and must be planned carefully to build upon the existing success of the Pacific Surfliner service.

### Passenger Amenities

The Pacific Surfliner offers its passengers a variety of amenities and tools in an effort to improve the overall travel experience. The LOSSAN Agency plans to pursue a number of strategies for enhancing passenger amenities in the coming two years. Key priorities for FY 2020-21 and FY 2021-22 include enhancements to on-board and station amenities, including business class service, customer communications, food and beverage offerings, joint promotions, seating availability notifications, service disruption response, special event service, train status information, transit connectivity, Wi-Fi improvements, and passenger information and station improvements.



Equipment



The Pacific Surfliner fleet currently consists of 10 train sets to operate 27 daily trains. Of the 49 bi-level cars that are dedicated to the Pacific Surfliner service, 10 are owned by Caltrans DRMT and the remaining 39 are owned by Amtrak. Caltrans also leases approximately 19 Amtrak Superliner bi-level cars to supplement the Pacific Surfliner fleet. As of 2018, 10 of these Superliner cars are regularly used on the Pacific Surfliner service as a second business class car for additional business class seating. Caltrans DRMT also leases 14 Amtrak-owned single-level Amfleet and Horizon cars, as well as two converted F40 Cab Cars.



Beginning in 2018, Caltrans DRMT and the LOSSAN Agency started to phase out the older Amtrak-owned Electro-Motive F-59PHI locomotives that had provided power on the Pacific Surfliner service since 1998, and replaced them with new 4,400 horsepower (HP) state-owned Siemens Charger SC-44 locomotives. New single-level state-owned railcars are expected to be available beginning in late 2020, and the LOSSAN Agency is currently working with Caltrans DRMT and the other two state-supported corridors to finalize a deployment plan for the new cars.

Amtrak staff is responsible for all maintenance activities related to the Pacific Surfliner service as part of the annual operating contract with the LOSSAN Agency. The LOSSAN Agency is responsible for administration and maintenance supervision of the Pacific Surfliner fleet, particularly the 10 state-owned railcars, and the 14 state-owned Charger locomotives.

### Marketing

The proposed Pacific Surfliner marketing program for FY 2020-21 continues to focus on optimizing existing marketing efforts while continuing to grow awareness, ridership and revenue. The LOSSAN Agency’s efforts to create awareness and generate interest in the Pacific Surfliner service include a broad range of marketing activities from communicating critical rider information and engaging with audiences through various channels to launching new service promotions and working to increase revenue related to key business objectives.

Marketing tactics will include traditional and digital advertising, as well as video, social media, email blasts, field marketing, and a state-of-the-art, customer-oriented digital experience. Marketing strategies will include strengthening the Pacific Surfliner brand, building new marketing tools and content, enhancing passenger communications, forming strategic partnerships to enhance destination-based marketing, and implementing targeted public relations campaigns. The new PacificSurfliner.com digital platform was launched in early 2019 and allows marketing efforts the flexibility to keep pace with changing customer expectations. All marketing activities and expenditures will be measured to determine efficiency and effectiveness, including the ability to drive sales referrals from PacificSurfliner.com to Amtrak.com.



## Annual Funding and Separation of Funding

The primary purpose of the business plan is to guide the allocation of funds necessary for the LOSSAN Agency to administer, operate, maintain equipment, and market the Pacific Surfliner service.

The total net State operating subsidy for FY 2020-21 is projected to be \$49,390,230. Included in the net operating subsidy is an additional revenue and expense estimate for the implementation of a 14<sup>th</sup> round trip between San Diego and Los Angeles and 3<sup>rd</sup> round trip between Los Angeles and San Luis Obispo. Total Amtrak operating costs are estimated assuming a 7 percent budget assumption increase over the prior year forecast (which is consistent with consumer price index increases and year over year average route cost trends). Total projected fare revenue is estimated using a 3 percent budget assumption increase, consistent with LOSSAN Agency Board approved budget assumptions.

Caltrans DRMT has executed an agreement with Amtrak to directly fund equipment capital charges for the Amtrak-owned railcars and locomotives used on the state-supported services, as a result, equipment capital charges are not included in the operating agreement between Amtrak and the LOSSAN Agency. The budget also includes \$500,000 for minor capital projects, including station improvements, signage, and minor safety and security enhancements, as well as state grant revenues for capital and operational improvements.

In addition to the operating payment to Amtrak, the state will also fund the administration and marketing of the Pacific Surfliner service. The FY 2019-20 administrative budget is proposed at \$6,404,481. Included in this amount is \$5,425,981 for managing agency administrative salaries at fully burdened rates. One additional full-time project manager position and one additional transportation funding analyst position is requested bringing the total staffing level to 16 full-time positions, plus one part-time extra help position. The managing agency overhead is assumed at the current rate, as well as administrative employee performance-based salary increases consistent with OCTA's proposed FY 2020-21 budget and personnel and salary resolution.

The FY 2020-21 proposed administrative funding request for legal, travel, insurance, memberships dues and banking fees is \$178,500, while the proposed funding level for professional services is \$800,000. This amount includes \$450,000 to fund audit, insurance brokerage and on-call consulting services for planning, modeling, project and construction management. The professional services amount also includes \$350,000 to fund as needed environmental and design consulting services.

The FY 2020-21 marketing funding request is proposed at \$2,000,000 (consistent with the FY 2019-20 amount), plus the utilization of any prior year marketing surplus funds. The LOSSAN Agency will include the estimated amount of any marketing surplus funds in the updated funding request which will be submitted by June 30, 2020.

To ensure state funding for the Pacific Surfliner service is kept separate from funding for OCTA projects and programs, a separation of funding has been established within the LOSSAN managing agency.

## **Government Relations and Advocacy**

One of the benefits gained through local governance of the Pacific Surfliner service by the LOSSAN Agency is added flexibility in advocating for policies at the state and federal level to improve rail operations, increase funding for operations and capital needs, and allow better coordination and interoperability with connecting transit and rail services.

The annual legislative program adopted by the LOSSAN Board provides overall guidance to LOSSAN Agency advocacy activities, and staff will continue to provide regular legislative updates and bill analyses to the LOSSAN Board consistent with that program. The 2020 LOSSAN Legislative Program provides detail on legislative priorities, including:

- Maximize the share of long-term, sustainable funding sources to support passenger rail operations and capital projects in the LOSSAN rail corridor, including funds made available by the federal rail title and ensuring eligibility for the LOSSAN Agency to compete for state funding, such as funding through SB1 and the cap-and-trade program.
- Support efforts to further enhance connectivity of regional rail and local transit services within the LOSSAN rail corridor.
- Continue to study and advance infrastructure and service improvement projects/programs.

At the local level, LOSSAN Agency staff will continue to work with LOSSAN member agencies, local communities, and stakeholder organizations to build awareness of passenger rail services along the LOSSAN rail corridor, developing strategic partnerships to better evolve the services to meet local needs. Increased awareness of these services by local officials can then be leveraged to back consensus based operational improvements and policy activities.

## **Safety and Security**

Protecting the safety and security of passenger rail service is key to attracting and retaining riders and ensuring efficient operation of passenger trains on the LOSSAN rail corridor. The goal of the LOSSAN Agency safety program is to instill a comprehensive safety culture that will govern all of the activities associated with the operations and maintenance of the service, while efficiently meeting operational performance goals. The Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC) are responsible for overseeing general railroad safety along the LOSSAN rail corridor.

The LOSSAN Agency primarily serves in an oversight and coordination role with regard to safety and security aboard trains, relying on the extensive on-board safety and security programs and policies put in place by Amtrak. Pacific Surfliner passengers benefit from the Amtrak security program, specifically the services of the Amtrak Police Department.

The LOSSAN Agency will continue to attend regularly scheduled safety meetings hosted by Amtrak for front-line employees to reiterate that safety is the first priority in delivering Pacific Surfliner service. Amtrak is responsible for all required reporting of safety data to federal, state, and local agencies, including FRA and CPUC. All cab cars and locomotives are equipped with a “forward facing” camera system to aid in accident investigation, and new

The LOSSAN Agency will continue to work with right-of-way owners and rail operators to enhance safety and response to incidents along the right-of-way. Public information efforts will include both traditional and social media to build awareness of rail safety.

### Emerging Corridors

In addition to administering the existing Pacific Surfliner rail service, the LOSSAN Agency will continue to work with member agencies to study and pursue expansion opportunities on emerging corridors that provide connectivity within southern California and beyond. Specifically, the LOSSAN Agency expects to focus on connectivity to the eastern communities throughout Riverside County and the Coachella Valley, and coastal communities up to San Luis Obispo and north to the San Francisco Bay Area. These connections will provide seamless travel opportunities by rail throughout the region and state. System improvements on existing and emerging rail corridors will contribute to the success of the LOSSAN rail corridor, support future statewide and regional rail operations, and provide enhanced connectivity with local transit systems.



## Chapter 1: Introduction

The LOSSAN Agency’s annual business plan for FY 2020-21 and FY 2021-22 identifies the LOSSAN Agency’s major goals and objectives for management of the Pacific Surfliner intercity passenger rail service, as well as the budget necessary to administer, market, and operate the Pacific Surfliner service during that two-year period.

SB 1225 (Chapter 802, Statutes of 2012), approved in September 2012, authorized the LOSSAN Agency to assume responsibility for management and administration of the state-supported Pacific Surfliner service, subject to negotiation of an ITA with the State of California. The initial ITA took effect on July 1, 2015 for a three-year period ending on June 30, 2018. The ITA was subsequently renegotiated for an additional three-year term effective July 1, 2018 through June 30, 2021. Over the past several years, the LOSSAN Agency has implemented a number of initiatives aimed at improving the passenger experience on the Pacific Surfliner while also increasing ridership and revenue. The LOSSAN Agency looks forward to continuing to work with the state, Amtrak, and LOSSAN member agencies to ensure the Pacific Surfliner remains a safe, reliable, and cost-effective transportation alternative that is well-integrated with connecting transit services and the state’s other two intercity passenger rail corridors.

### Overview of the LOSSAN Rail Corridor

The Pacific Surfliner service travels along the 351-mile LOSSAN rail corridor through six counties in Southern California (San Diego, Orange, Los Angeles, Ventura, Santa Barbara, and San Luis Obispo). It is the busiest state-supported, Amtrak-operated intercity passenger rail service in the nation. The LOSSAN rail corridor is made up of seven different right-of-way (ROW) owners, including both public agencies and freight railroads (See Table 1.1 and Figure 1.1), and is used by five different passenger rail and freight services (Amtrak, COASTER, Southern California Regional Rail Authority (Metrolink), BNSF, and UPRR).

**Table 1.1: LOSSAN Rail Corridor ROW Owners**

Owner	Route Miles
SDMTS	22
NCTD	38
OCTA	42
BNSF	21
Metro	36
VCTC	16
UPRR	176
<b>Total</b>	<b>351</b>

### Overview of the LOSSAN Agency

The LOSSAN Agency is a JPA originally formed in 1989 for the primary purpose of improving passenger rail service along the LOSSAN rail corridor. It is tasked with increasing ridership, revenue, capacity, reliability, coordination, and safety on the rail line between San Diego, Los Angeles, and San Luis Obispo. The LOSSAN Agency is governed by an 11-member Board

comprised of officials representing rail owners, operators, and planning agencies along the LOSSAN rail corridor. The LOSSAN Board includes representatives from nine member agencies (Metro, NCTD, OCTA, RCTC, SANDAG, SDMTS, SLOCOG, SBCAG, and VCTC). Amtrak, Caltrans DRMT, CHSRA, and SCAG are non-voting, ex-officio members of the LOSSAN Board.

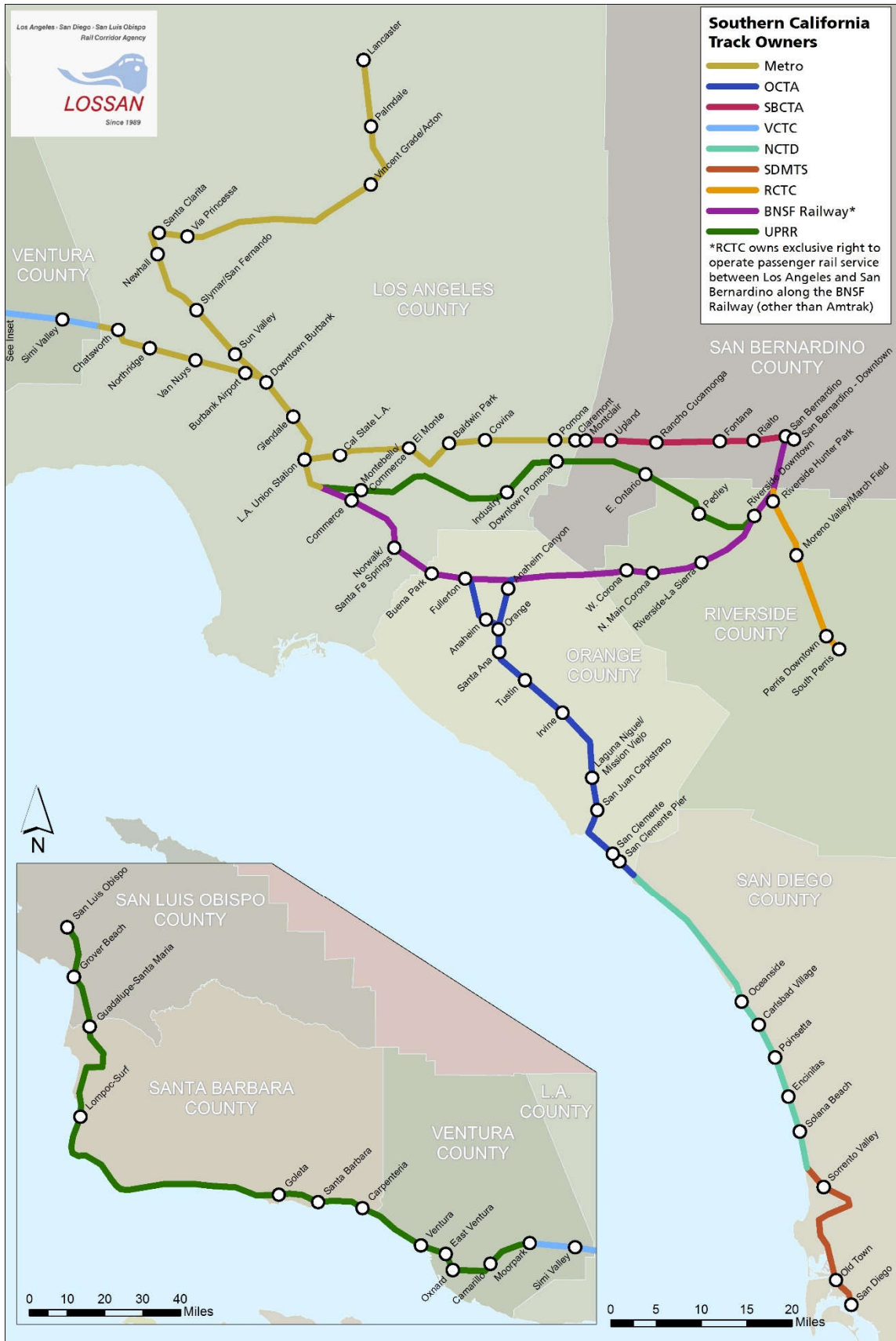
OCTA was selected as the managing agency of the LOSSAN Agency in August 2013, following a competitive request for proposals. As the managing agency, OCTA provides all management and administrative support for the LOSSAN Agency as outlined in the ASA created between the LOSSAN Agency and OCTA. The LOSSAN Agency currently consists of 14 full-time positions, with two additional positions being requested as part of the FY 2020-21 business plan and budget.

Consistent with the requirements of the ITA, the LOSSAN Agency must submit an annual business plan by April 1 of each year to the Secretary of CalSTA. The LOSSAN Agency business plan must be reviewed and approved by the Secretary and is used to develop an annual appropriation request to the state legislature. As required by SB 1225, the LOSSAN Agency business plan is consistent with the 2018 California State Rail Plan developed by Caltrans DRMT as well as the 2018 CHSRA Business Plan.

The ITA, consistent with the provisions of SB 1225, requires the LOSSAN Agency to maintain the existing Pacific Surfliner service and facilities, and to implement service expansions as warranted by ridership demand and available revenue. The ITA further requires that the state will provide the funding necessary for service operations, administration, and marketing of the Pacific Surfliner service. Caltrans DRMT remains responsible for the development of the California State Rail Plan, and the coordination and integration between the three state-supported intercity passenger rail services, as outlined in the ITA.



Figure 1.1: LOSSAN Rail Corridor ROW Owners



## Agency Roles and Responsibilities

The following list provides a summary of the agencies involved in providing passenger rail service along the LOSSAN rail corridor, and those that the LOSSAN Agency will continue to coordinate with in managing the Pacific Surfliner service.

**LOSSAN Agency:** JPA legislatively permitted to assume administrative and oversight responsibility of the state-supported Pacific Surfliner intercity passenger rail service on the LOSSAN rail corridor effective July 1, 2015.

**LOSSAN Member Agencies:** The LOSSAN Agency is comprised of nine voting member agencies. The member agencies are key partners that provide important technical and policy input at both the Technical Advisory Committee (TAC) and Board level.

**CalSTA:** State office responsible for the funding and oversight of California's three state-supported intercity rail corridors, as well as CHSRA, and oversight of state grant programs such as State Rail Assistance and the Transit and Intercity Rail Capital Program.

**Caltrans DRMT:** The department within Caltrans that is responsible for development of the State Rail Plan, development of a fleet management plan for the state-owned rail equipment, and overall funding for and coordination with the three state-supported intercity rail corridors.

**Amtrak:** The contracted operator of the state-supported Pacific Surfliner service and owner of the majority of the rail cars currently utilized in providing Pacific Surfliner service.

**Capitol Corridor JPA (CCJPA):** Responsible for the administration and oversight of the state-supported Capitol Corridor intercity passenger rail service between San Jose, Oakland, Sacramento, and Auburn. It was the first non-state agency to assume administrative responsibility and oversight for state-supported passenger rail service in California in 1998. Bay Area Rapid Transit was selected as the managing agency for this rail corridor to act on behalf of the CCJPA, similar to OCTA's role on behalf of the LOSSAN Agency.

**San Joaquin JPA (SJJPA):** Administers the state-supported San Joaquins intercity passenger rail service between Bakersfield, Stockton, Oakland, and Sacramento. The San Joaquin Regional Rail Commission was selected as the managing agency for this rail corridor to act on behalf of the SJJPA, similar to OCTA's role on behalf of the LOSSAN Agency.

**OCTA:** Selected by the LOSSAN Agency Board as the managing agency for the LOSSAN agency, responsible for providing administrative services and daily management of the Pacific Surfliner service.

In addition to the agencies listed above, there are a number of stakeholders who are engaged with the LOSSAN Agency on an ongoing basis. These stakeholders include rail operators such as SCRRA, NCTD, and the freight railroads, as well as ROW owners along the rail corridor and the CHSRA. A list of those additional stakeholders is provided below:

*Rail Operators*

SCRRA (operator of Metrolink)  
NCTD (operator of COASTER)  
BNSF  
UPRR  
Amtrak

*ROW Owners*

BNSF  
UPRR  
NCTD  
Metro  
OCTA  
VCTC  
SDMTS

*Regional Planning Agencies*

SANDAG  
SBCAG  
SLOCOG  
SCAG

*Others Key Stakeholders/Partners*

CHSRA  
Coast Rail Coordinating Council (CRCC)  
Coachella Valley Technical Advisory Committee  
FRA  
Members of the California State Legislature  
Members of the United States Congress  
Pacific Surfliner station cities and local elected officials  
Rail Passenger Association of California and other transit/rail advocacy groups  
Current and prospective rail passengers



## Chapter 2: Historical Performance of the Pacific Surfliner Service

### Overview

California is home to three of the most successful state-supported intercity passenger rail services operated by Amtrak. Combined, the Pacific Surfliner, Capitol Corridor, and San Joaquins intercity passenger rail services carry more than 5.6 million passengers each year (See Figure 2.1). These routes represent three of the five busiest state-supported rail services in the entire Amtrak national system: Pacific Surfliner at No. 1 with 2.78 million passengers per year, the Capitol Corridor at No. 2 with 1.78 million passengers per year, and the San Joaquins Corridor at No. 5 with 1.07 million passengers per year.<sup>1</sup> California’s investment in intercity passenger rail service operations and capital projects over the past four decades has led the state to boast the highest Amtrak ridership of any state in the country, with the three state-supported corridors being responsible for 17 percent of the ridership of the entire Amtrak national system.

### History of Pacific Surfliner Service

From May 1971, when Amtrak assumed operation, through 2019, service increased from the original six daily trips to 27 daily Pacific Surfliner trips. Of these 27 trains, 17 operate between San Diego and Los Angeles, five between San Diego and Santa Barbara/Goleta, four between San Diego and San Luis Obispo, and one from Los Angeles to Goleta. The growth and geographic limits of round trips over time are detailed in Figure 2.2.

The corridor is complemented by state-funded Amtrak Thruway buses, which provide scheduled connections to the Central Coast, Bay Area, Coachella Valley, and to the San Joaquins intercity rail corridor via Bakersfield. Two Amtrak long-distance trains (the Coast Starlight and Southwest Chief) also traverse portions of the LOSSAN rail corridor.

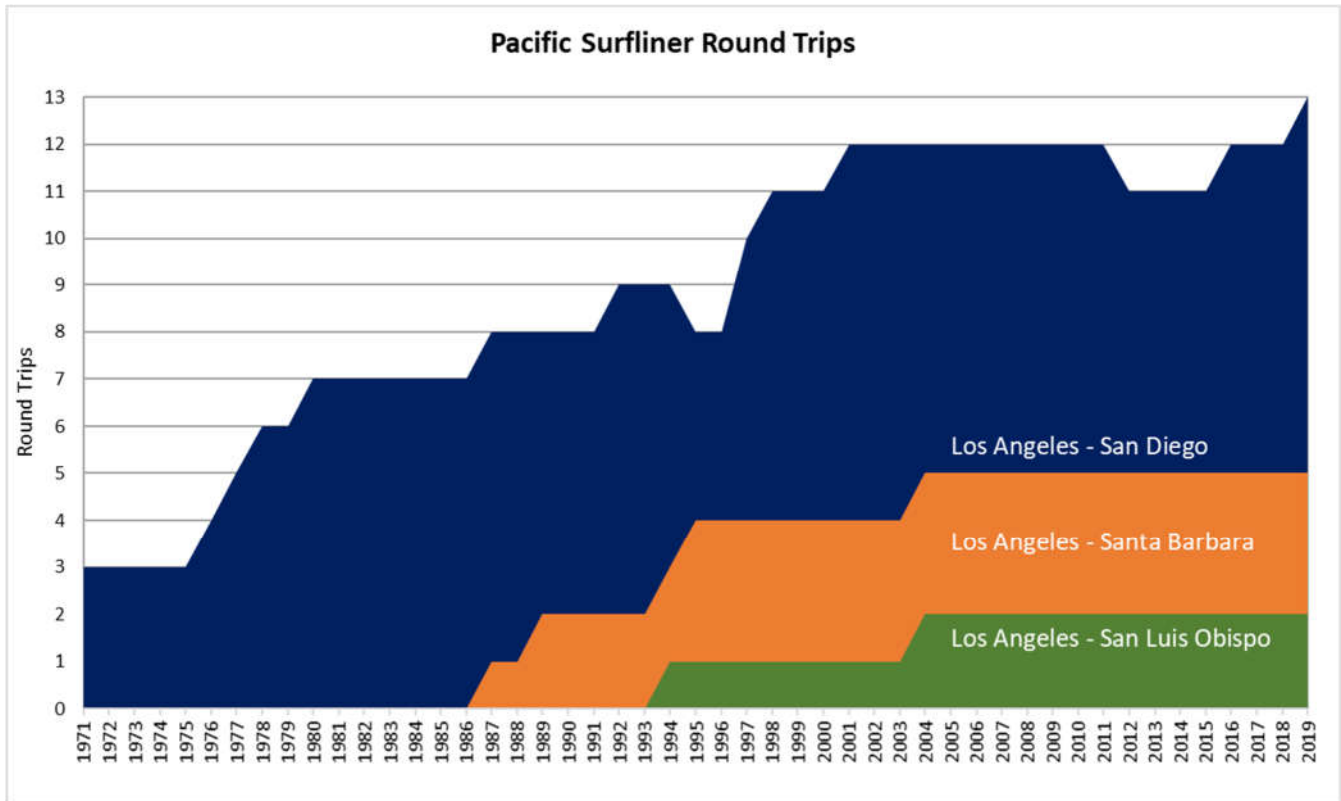
**Figure 2.1: California Intercity Passenger Rail Routes**



Source: Caltrans, 2015

<sup>1</sup> Amtrak Route Ridership and Gross Ticket Revenue, September 2019

**Figure 2.2: Pacific Surfliner Service Growth**



Source: LOSSAN Agency, 2019

For the purposes of reporting performance, FFY will be used, as this corresponds to Amtrak’s reporting period.

Pacific Surfliner Funding

**Table 2.1: Pacific Surfliner State Operating Subsidy**

FFY	Actual State Subsidy
2014-15	\$ 30,908,066
2015-16	\$ 21,431,814
2016-17	\$ 21,823,291
2017-18	\$ 26,498,546
2018-19	\$ 35,977,180

Source: Amtrak, 2019

As shown in Table 2.1, the annual operating subsidy for Pacific Surfliner service has remained relatively stable between FFY 2014-15 and FFY 2017-18, in part due to the transfer of Amtrak equipment lease costs from the operating agreement to a separate agreement between Amtrak and Caltrans, as well as LOSSAN Agency management actions to increase operating revenues. The subsidy rose in FFY 2018-19 due in part to the addition of morning peak-period service into Ventura and Santa Barbara counties. The Santa Barbara County Association of Governments provides partial reimbursement of the additional operating costs as well as a fare buydown. These additional revenues are not reflected in the state subsidy.

Historical Ridership and Revenue Performance

Table 2.2 shows annual ridership and financial performance data from FFY 1976-77 (when state-supported service began) through FFY 2018-19. Ridership and farebox recovery climbed steadily through the early 1990s with the farebox recovery ratio near or over 100 percent for six consecutive years. Ridership in the 1990s peaked at 1.8 million in FFY 1992-93.

**Table 2.2: Pacific Surfliner Historic Performance**

FFY	Ridership	Revenue	Expenses	Farebox Recovery	FFY	Ridership	Revenue	Expenses	Farebox Recovery
1976-77	607,976	\$ 598,140	\$ 1,662,714	36.0%	1998-99	1,563,275	\$ 16,401,625	\$ 40,391,845	40.6%
1977-78	753,246	\$ 1,446,036	\$ 3,768,065	38.4%	1999-00	1,567,318	\$ 17,883,725	\$ 37,497,489	47.7%
1978-79	967,316	\$ 2,203,403	\$ 4,333,602	50.8%	2000-01	1,661,704	\$ 20,430,153	\$ 38,215,732	53.5%
1979-80	1,218,196	\$ 3,341,561	\$ 5,536,840	60.4%	2001-02	1,742,768	\$ 20,922,453	\$ 39,374,190	53.1%
1980-81	1,238,135	\$ 4,032,480	\$ 6,572,539	61.4%	2002-03	2,030,491	\$ 22,247,564	\$ 42,331,531	52.6%
1981-82	1,167,718	\$ 4,097,254	\$ 6,607,395	62.0%	2003-04	2,307,010	\$ 24,559,183	\$ 45,300,782	54.2%
1982-83	1,131,146	\$ 4,094,750	\$ 6,928,334	59.1%	2004-05	2,454,396	\$ 26,660,048	\$ 48,105,899	55.4%
1983-84	1,221,256	\$ 4,842,400	\$ 6,337,083	76.4%	2005-06	2,655,490	\$ 31,604,715	\$ 55,570,797	56.9%
1984-85	1,240,003	\$ 5,410,502	\$ 6,411,308	84.4%	2006-07	2,685,194	\$ 34,753,372	\$ 58,389,864	59.5%
1985-86	1,394,320	\$ 5,658,915	\$ 6,424,634	88.1%	2007-08	2,835,132	\$ 37,266,009	\$ 60,444,082	61.7%
1986-87	1,461,003	\$ 6,072,523	\$ 6,510,113	93.3%	2008-09	2,696,951	\$ 34,857,678	\$ 61,635,574	56.6%
1987-88	1,661,512	\$ 8,223,462	\$ 7,859,783	104.6%	2009-10	2,614,777	\$ 35,822,186	\$ 67,012,735	53.5%
1988-89	1,717,539	\$ 11,458,084	\$ 10,563,459	108.5%	2010-11	2,746,320	\$ 38,739,760	\$ 69,156,690	56.0%
1989-90	1,746,673	\$ 12,189,942	\$ 11,808,251	103.2%	2011-12	2,664,935	\$ 42,884,431	\$ 74,494,543	57.6%
1990-91	1,791,781	\$ 13,306,307	\$ 13,364,150	99.6%	2012-13	2,670,613	\$ 64,446,130	\$104,521,098	61.7%
1991-92	1,673,107	\$ 13,152,063	\$ 13,245,924	99.3%	2013-14	2,681,173	\$ 69,013,726	\$102,843,812	67.1%
1992-93	1,810,572	\$ 13,692,612	\$ 13,254,709	103.3%	2014-15	2,827,134	\$ 75,836,869	\$106,744,935	71.0%
1993-94	1,699,882	\$ 12,725,094	\$ 14,017,591	90.8%	2015-16	2,924,117	\$ 79,465,847	\$100,897,661	78.8%
1994-95	1,464,577	\$ 11,805,859	\$ 16,061,849	73.5%	2016-17	2,989,871	\$ 83,016,156	\$104,839,447	79.2%
1995-96	1,480,674	\$ 13,553,553	\$ 23,983,026	56.5%	2017-18	2,946,239	\$ 86,319,147	\$112,817,693	76.5%
1996-97	1,617,641	\$ 14,804,355	\$ 39,563,546	37.4%	2018-19	2,776,654	\$ 84,953,373	\$120,930,553	70.2%
1997-98	1,624,693	\$ 15,194,498	\$ 44,769,723	33.9%					

\*FFY 2019 based on preliminary unaudited data

Source: Amtrak, 2019

Since the early 2000s, ridership on the Pacific Surfliner service has increased significantly, offsetting the initial impacts of the introduction of commuter rail services. Farebox recovery has exceeded 50 percent since FFY 2000-01 and remained above 70 percent since FFY 2014-15. Ridership reached two million in FFY 2002-03, and the introductions of the Rail 2 Rail program with Metrolink in September 2002, and with COASTER in April 2008, respectively, were associated with additional increases in ridership.

As a result of the significant economic recession affecting the nation, Pacific Surfliner ridership declined each year between FFY 2007-08 and FFY 2009-10. Amtrak service was reduced during

this time. By FFY 2014-15, Pacific Surfliner ridership recovered to pre-recession ridership levels, even though fewer train trips were operated compared to prior years.

With the reintroduction of the 12<sup>th</sup> roundtrip between Los Angeles and San Diego in FFY 2016-17, all-time ridership peaked at nearly three million, and farebox recovery exceeded 79 percent. In FFYs 2017-18 and 2018-19 ridership declined by 1.5 percent and 5.8 percent, respectively, ending with **2.78 million annual riders** in FFY 2018-19 and a farebox recovery of 70.2 percent. Chapter 4 includes additional analysis on the recent ridership decreases, which were in part due to the operational adjustments instituted to make the morning peak-period service into Ventura and Santa Barbara counties possible.

On-Time Performance (OTP)

**Table 2.3: Historical Pacific Surfliner Endpoint OTP**

FFY	Endpoint OTP
2014-15	77.9%
2015-16	78.0%
2016-17	68.7%
2017-18	77.4%
2018-19	71.0%

Source: Amtrak, 2019

OTP is an important measure of service quality and passenger satisfaction. For the Pacific Surfliner service, endpoint OTP is defined as arrival at the endpoint station within 15 minutes of scheduled arrival times. Corridor-wide OTP is calculated by taking the total number of trains arriving on time at the end point of the run divided by the total number of trains operated on the route.

The intercity passenger rail Uniform Performance Standards (UPS) approved by the Secretary of Transportation set a 90 percent endpoint OTP goal. Train delays are recorded by the conductor in minutes on a delay report form and categorized by specific cause. Additional details on OTP and efforts to achieve the 90 percent endpoint OTP goal are discussed in Chapter 4.

Historical Pacific Surfliner endpoint OTP from FFY 2014-15 to FFY 2018-19 is summarized in Table 2.3. In FFY 2018-19, **OTP averaged 71 percent.**

## Chapter 3: Operating Plan and Strategies

### Existing Train Service and Planned Expansions

Currently, Amtrak operates 13 daily Pacific Surfliner roundtrips between San Diego and Los Angeles. Of those, five daily roundtrips (the 700-series trains) extend north of Los Angeles to serve Santa Barbara and Goleta, with two of those roundtrips extending further north to serve San Luis Obispo. Dedicated Amtrak Thruway bus connections supplement the train service on the LOSSAN rail corridor by providing transportation to and from Santa Barbara and San Luis Obispo and points north along the Central Coast to Oakland to connect with the Capitol Corridor, as well as transportation between Fullerton and points east to the Coachella Valley, and between Los Angeles and Bakersfield to connect with the San Joaquins Corridor.

The ability to expand Pacific Surfliner service has historically been constrained due to both equipment availability as well as existing access and shared-use agreements with the host railroads on which the Pacific Surfliner operates. On the 351-mile LOSSAN rail corridor, the Pacific Surfliner operates over four host railroads that include UPRR, Metrolink, BNSF, and NCTD. Service expansion along the UPRR and BNSF is based on specific capital investments identified by the host railroad to allow for increased capacity. With the completion in October 2019 of the third main track along the BNSF between Los Angeles and Fullerton a 13<sup>th</sup> roundtrip between Los Angeles and San Diego was implemented for the Pacific Surfliner service, and additional service is planned for the near future.

The award of approximately \$147 million in TIRCP grant funds in 2018 for the LOSSAN Agency's "Building UP" application, has also allowed efforts to move forward to implement the necessary capacity enhancements north of Los Angeles on the UPRR as well, allowing for additional roundtrips to be extended north to Santa Barbara and San Luis Obispo.

### Stations

The Pacific Surfliner services 27 stations (Figure 3.1), 17 of which are between San Luis Obispo and Los Angeles, with the remaining 10 located south of Los Angeles in Orange and San Diego Counties (for station specific information, please refer to the "*LOSSAN Corridorwide Facilities, Equipment and Operations Inventory*"<sup>1</sup> report prepared April 2013). The Camarillo, Moorpark, and San Clemente Pier stations have limited service (not all trains stop at these stations).

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<sup>1</sup> [http://www.octa.net/pdf/publicationid\\_1748\\_15821.pdf](http://www.octa.net/pdf/publicationid_1748_15821.pdf)

**Figure 3.1: LOSSAN Rail Corridor and Pacific Surfliner Stations**



### Amtrak Thruway Bus Service and Transit Connections

Pacific Surfliner rail service is supplemented by Amtrak’s network of Thruway buses that connect passengers throughout the LOSSAN rail corridor and beyond (Figure 3.2). Amtrak contracts with private bus operators to provide this service, including both operating staff and the vehicles. The bus routes function as part of the Pacific Surfliner service, with coordinated connections, guaranteed seating, integrated fares and ticketing procedures, and inclusion in Amtrak’s central information and reservation system in the same manner as trains.

The Amtrak Thruway bus routes included in the Pacific Surfliner budget are summarized below:

- **Route 4:** Los Angeles to Santa Barbara/Goleta. One daily trip each direction.
- **Route 17:** Santa Barbara to San Luis Obispo to Oakland (where it connects with Capitol Corridor). 11 daily trips.
- **Route 39:** Fullerton to Palm Springs and Coachella Valley. Two daily trips in each direction.



Figure 3.2: LOSSAN Managed Amtrak Thruway Routes



3/24/2017

In addition, the LOSSAN Agency partners with local transit agencies to offer expanded options for transit connections throughout the LOSSAN rail corridor. The LOSSAN Agency recently coordinated with CalSTA to extend the Pacific Surfliner Transit Transfer Program by an additional year using existing TIRCP funding. The program, which was launched in July 2016, provides free connections between the Pacific Surfliner and 11 local transit services. The LOSSAN Agency also continues to sell SDMTS Compass cards on Pacific Surfliner trains, making it easier for passengers to connect to the local bus and rail systems in San Diego.

Additionally, there are Amtrak Thruway bus routes managed by the CCJPA and SJJPA that provide connectivity between the Pacific Surfliner and the Capitol Corridor and San Joaquins services.

### FY 2019-20 Operating Plan and Accomplishments

The LOSSAN Agency's operating plan for FY 2019-20 was initially based on the April 1, 2018 schedule change, in which the LOSSAN Agency implemented peak-period service from Los Angeles to Ventura and Santa Barbara counties. For the October 14, 2019 schedule change, the LOSSAN Agency coordinated with Amtrak, Metrolink, NCTD and BNSF to implement a 13<sup>th</sup> roundtrip between Los Angeles and San Diego. This new roundtrip was the first service to be added to the Pacific Surfliner in nearly three years. The 13<sup>th</sup> roundtrip fills the midday service gap from Los Angeles to San Diego, providing for a train out of Los Angeles at 1:15 PM. This new service also fills the evening service gap from San Diego to Los Angeles with a departure out of San Diego at 5:25 PM. The current Operating Plan<sup>2</sup> for FY 2019-20 is as follows:

- San Diego – Los Angeles: 26 daily trains
- Los Angeles – Goleta: 10 daily trains
- Goleta – San Luis Obispo: 4 daily trains

The LOSSAN Agency continued coordination efforts with all freight and passenger rail operators along the LOSSAN rail corridor through joint scheduling meetings and absolute work window planning meetings to improve connectivity and customer service and minimize passenger inconvenience.

### FY 2020-21 and FY 2021-22 Operating Plan

In FY 2020-21 and 2021-22, the LOSSAN Agency will continue to work cooperatively with Caltrans DRMT to ensure sufficient state funding is provided to operate the existing Pacific Surfliner and Amtrak Thruway bus services, while also exploring opportunities to enhance ridership, revenue, and OTP.

While overall corridor OTP is improving, the Pacific Surfliner service remains under its OTP goal of 90 percent. The LOSSAN Agency will continue to work with Amtrak and host railroads to evaluate and pursue additional cost-effective opportunities for improving OTP on the Pacific Surfliner service. Additional details on the efforts currently being undertaken to improve OTP are included in Chapter 4. In addition to this ongoing analysis and coordination, the

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<sup>2</sup> Some weekend train schedules differ from weekday schedules.



LOSSAN Agency was successful in securing TIRCP funds to implement capitalized access and incentive agreements with some host railroads. An agreement was executed with NCTD in July 2019 and an agreement for capital improvements, access and incentives is being negotiated with UPRR. These agreements will allow for financial incentives to the host railroads for improved OTP.

In FY 2020-21 and FY 2021-22, the LOSSAN Agency and Amtrak anticipate introducing new service on the LOSSAN rail corridor (Table 3.1). Another new roundtrip between San Diego and Los Angeles is planned, which is anticipated for the second quarter of FY 2020-21. New service north of Los Angeles is also planned, contingent on implementing specific capital improvements and securing the necessary agreements with UPRR.

**Table 3.1: Planned Pacific Surfliner Service Levels**

Route Segments	FY 2020-21	FY 2021-22
San Diego – Los Angeles	28 trains	28 trains
Los Angeles – Santa Barbara/Goleta	12 trains*	12 trains*
Los Angeles – Santa Barbara – San Luis Obispo	6 trains*	6 trains*

\* Service dependent on approval from UPRR and equipment availability

In addition, the LOSSAN Agency will continue to coordinate, improve and expand on already successful seasonal and special event services, including the Del Mar Races, Oxnard Strawberry Festival, San Diego Comic-Con International, and sporting events along the Pacific Surfliner route. The LOSSAN Agency will also continue to work with its member agencies and host railroads to help identify opportunities to extend special services to regional events.

To enhance the existing Pacific Surfliner service, the LOSSAN Agency remains committed to working with Caltrans DRMT, SJJPA, Metrolink, NCTD, Amtrak, and regional and local transit providers to improve transit and rail connections to the Pacific Surfliner. To help achieve this, the LOSSAN Agency will be looking to continue moving forward with integrated ticketing concepts in collaboration with Caltrans DRMT, NCTD, and Metrolink that will create a user friendly and standard interface for passengers to purchase tickets and transfer between services along the LOSSAN rail corridor. The LOSSAN Agency will continue to utilize its member agencies to assist in coordinating improved communications and connectivity with local transit operators, and to help establish timed connections between Pacific Surfliner trains and connecting transit services for the first and last mile connections.

The LOSSAN Agency will also work with local transit agencies to explore opportunities to enhance transit connections from Pacific Surfliner stations to local airports, including John Wayne Airport in Orange County, Los Angeles International Airport, and San Diego International Airport. The Pacific Surfliner already directly serves the Hollywood Burbank Airport. No changes are currently planned to Amtrak Thruway bus service during this period. However, with the passage of Senate Bill 742, the LOSSAN Agency staff will coordinate with CCJPA and SJJPA in reviewing schedules as well as ridership and revenue data of the thruway bus routes to identify opportunities for improving the service to be more effective, as appropriate.

### Layover and Maintenance Facility Expansions

The Pacific Surfliner service is currently supported by three layover facilities in San Diego, Goleta, and San Luis Obispo, as well as a primary maintenance and layover facility near downtown Los Angeles. Each of the outlying layover facilities are significantly constrained and currently at capacity for laying over trains. This constraint prohibits the expansion of the Pacific Surfliner service. Efforts are currently underway to evaluate alternatives for expanding capacity at these locations. In San Diego, the San Diego County Maintenance and Layover Facility Study is scheduled to be completed in March 2020. This study will identify two or three potential locations for a new maintenance and layover facility for the Pacific Surfliner near the southern terminus of the LOSSAN rail corridor. A new layover and maintenance facility in San Diego will help to support the service objectives included in this chapter.

In San Luis Obispo, an alternatives analysis is being completed that will recommend a preferred alternative for expanding the facility. The project will then move forward with preliminary engineering and environmental clearance. For Goleta, work has begun on preliminary engineering for expanding the existing facility, with final design anticipated to be complete in June of 2020. Both the San Luis Obispo and Goleta layover facility expansion projects have funding through construction.

### Service Optimization

Though it already has the distinction of being the second-busiest intercity passenger rail corridor in the United States, the Pacific Surfliner service has great potential for increased ridership, revenue, enhanced service coordination, and improved on-time performance. In March 2019, the LOSSAN Agency initiated a service optimization study for the entire corridor. The intent of this analysis is to coordinate with host railroads to establish a two-, five-, and ten-year strategy to optimize service in the corridor. This strategy includes adding up to 15 roundtrips for the Pacific Surfliner between Los Angeles and San Diego, seven roundtrips between San Diego and Goleta and three roundtrips between San Diego and San Luis Obispo, implementing some of the early infrastructure and service objectives outlined in Metrolink's Southern California Optimized Rail Expansion (SCORE) program and the LOSSAN Agency's 2018 TIRCP Build Up program. It is anticipated that results from this effort will be available sometime during the second quarter of calendar year 2020.

The service optimization study will define operating plans that align with the overall goals of the 2018 California State Rail Plan to increase frequency and reliability for services operating along the LOSSAN rail corridor. This optimization study will be further enhanced through the coordination the LOSSAN Agency will continue to perform related to identifying and evaluating root causes for major delays, crew and equipment utilization, and improvements to service disruption responses and recovery.

## Chapter 4: Performance Standards and Metrics

### Background

The LOSSAN Agency strives for continuous improvement of the Pacific Surfliner passenger rail service. Pursuant to SB 1225, the Secretary of CalSTA was required to establish a set of UPS for the state’s three intercity passenger rail corridors to control costs and improve efficiency. These standards measure the ongoing success of the service in three specific areas: **usage** (ridership and passenger miles), **efficiency** (farebox recovery and cost per passenger mile), and **service quality** (endpoint/all station on-time performance and operator caused delays). These standards also provide the basis for service changes and help guide the planning efforts for the LOSSAN Agency. The performance standards are summarized in Table 4.1.


**Table 4.1: Uniform Performance Standards**

Performance Standard	Category	Measurement
Passenger Miles	Usage	Ongoing growth in passenger miles* traveled on state-funded bus and rail services relative to baseline
Ridership	Usage	Growth in ridership relative to baseline, on both bus and rail
Farebox Recovery	Cost efficiency	55 percent, inclusive of Amtrak Thruway bus routes
Cost per Passenger Mile	Cost efficiency	Continuous improvement
Endpoint OTP	Service quality	90 percent of endpoint station arrivals within 15 minutes of schedule
All-Station OTP	Service quality	90 percent of arrival at all station stops within 15 minutes of schedule
Operator Responsible Delays per 10,000 Train Miles	Service quality	Fewer than 325 minutes of delay per 10,000 train miles

\* One passenger traveling one mile = one passenger mile

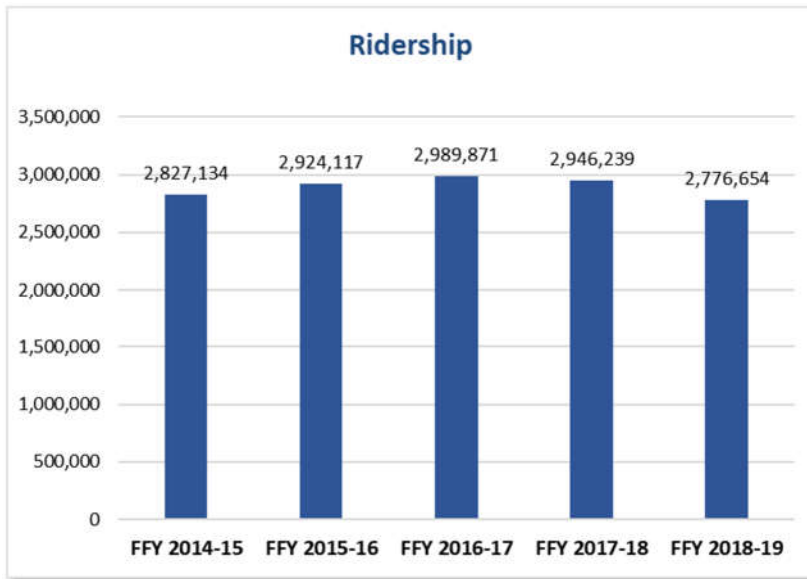
For reporting performance metrics, the FFY will be used, as this is the standard for Amtrak reporting. This chapter presents the performance of the Pacific Surfliner against the established UPS for FFY 2018-19. Along with each standard will be a colored directional indicator, demonstrating both whether the standard is being met (red: standard not met; green: standard met or exceeded) and the direction of the current performance trend. Financial data presented for FFY 2018-19 is preliminary and unaudited.

## Usage

Performance Standard	Metric	Status
Ridership	Continuous growth relative to baseline	

Total ridership on the Pacific Surfliner for FFY 2018-19 was 2,776,654<sup>1</sup>, a **5.8 percent decrease** over the prior year.

**Figure 4.1: Pacific Surfliner Corridor Ridership**



In September 2019, a detailed analysis was undertaken to determine the root cause of the decline in overall ridership. Findings indicated that similar to the previous year, the ridership decline partly resulted from the operational adjustments made in support of peak-period service between Los Angeles and Ventura and Santa Barbara counties.

The original adjustments made in April 2017 included the bifurcation of train 761 on weekdays. The additional adjustments made in October 2018 included the bifurcation of train 769, the

extension of train 567 to Goleta, as well as adjusting the southbound departures of trains 564 and 572 by approximately 25 minutes each. The cumulative impact of these adjustments was an average loss of over 18,000 riders per month and a 13 percent decrease in R2R ridership.

The implementation of the 13<sup>th</sup> roundtrip between San Diego and Los Angeles in October 2019 will no doubt cause additional impacts to ridership patterns. Along with the additional roundtrip, the LOSSAN Agency is working with Metrolink to improve the connections between northbound trains in Los Angeles, with the goal of ensuring well-timed connections for ease of transfer. Effort is also being put towards additional train slots to allow for the restoration of some of the previously bifurcated trains along with the implementation of the 14<sup>th</sup> roundtrip sometime in 2020.

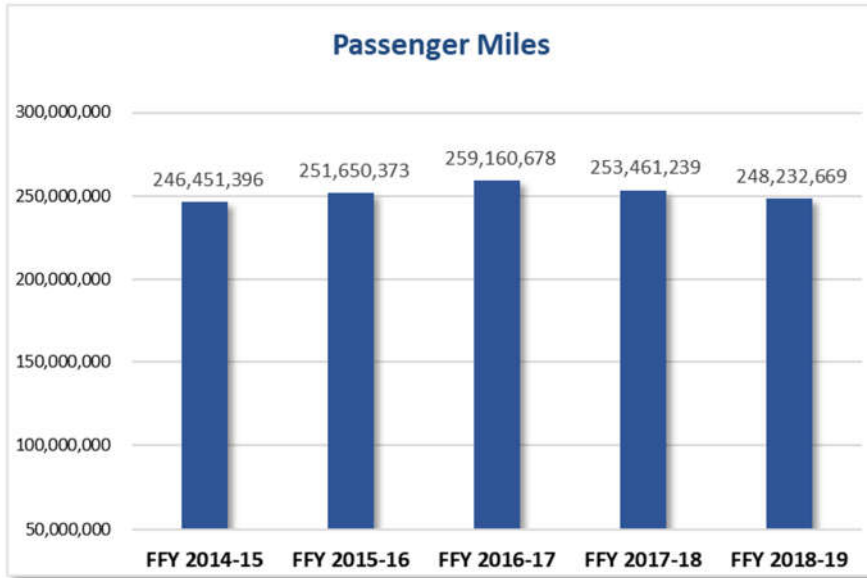
Despite this ridership decrease, the Pacific Surfliner remains the second-busiest Amtrak rail corridor in the nation (surpassed only by the Northeast Corridor between Boston, New York, and Washington, D.C.), and the busiest state-supported service in the entire Amtrak national system.

<sup>1</sup> Source: Amtrak, 2019

Performance Standard	Metric	Status
Passenger Miles	Continuous growth relative to baseline	

Pacific Surfliner **passenger miles totaled 248,232,669 for FFY 2018-19**, a **decrease of 2.1 percent** over the prior year, which is on par with the overall decrease in system ridership experienced during the same time period.

**Figure 4.2: Pacific Surfliner Corridor Passenger Miles**




Factoring in the average pounds of carbon dioxide (CO<sub>2</sub>) emissions per passenger mile in a private automobile versus riding on passenger rail<sup>2</sup>, the 248 million passenger miles for the Pacific Surfliner resulted in a **reduction of over 89,000 tons of greenhouse gases (GHG)**. The impact that this has on the environment cannot be understated. The CO<sub>2</sub> emissions saved is the equivalent of burning nearly 1,073 tanker trucks full of gasoline.

It is expected that passenger miles will recover in FFY 2020-21 as the LOSSAN Agency continues the implementation of service expansions. The 13<sup>th</sup> roundtrip has already shown positive impacts to ridership and with the planned 14<sup>th</sup> roundtrip to come in 2020, passenger miles will resume an upward trend.

Service expansion opportunities include not only regularly scheduled trains, but also special event trains. The LOSSAN Agency and Amtrak have partnered to provide additional capacity to trains serving major events, including the Del Mar Races, Oxnard Strawberry Festival, and the annual San Diego Comic-Con International. The LOSSAN Agency plans to build on the success of that special event service and look for opportunities to promote the Pacific Surfliner as the travel mode of choice to major events.

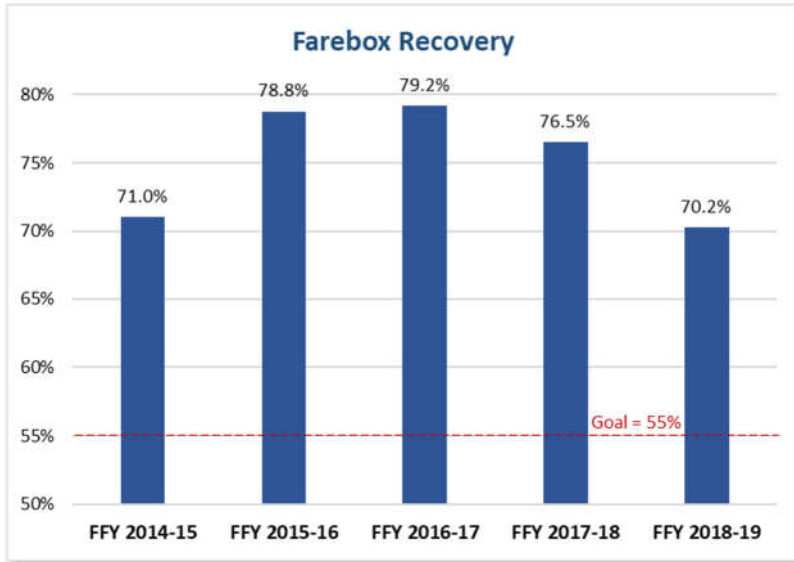
<sup>2</sup> Source: *Public Transportation’s Role in Responding to Climate Change*, Federal Transit Administration, 2010. <https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/PublicTransportationsRoleInRespondingToClimateChange2010.pdf>

## Efficiency

Performance Standard	Metric	Status
Farebox Recovery	Minimum 55 percent	


The FFY 2018-19 **farebox recovery rate of 70.2 percent** represents a decline of 8.2 percent over the prior year (76.5 percent). Despite this decline, the farebox recovery rate still far exceeds the mandated 55 percent.

**Figure 4.3: Pacific Surfliner Farebox Recovery**



Farebox recovery has also been impacted by the ridership decline as well as the increased costs associated with the implementation of peak-period service between Los Angeles and Ventura and Santa Barbara counties. In this case, the additional costs associated with implementing the new service are not being offset by an increase in ticket revenue. This resulted in a decrease to the farebox recovery for FFY 2018-19. With the additional costs associated with the implementation of the 13<sup>th</sup> round trip in October 2019, and the planned implementation of the 14<sup>th</sup> round trip

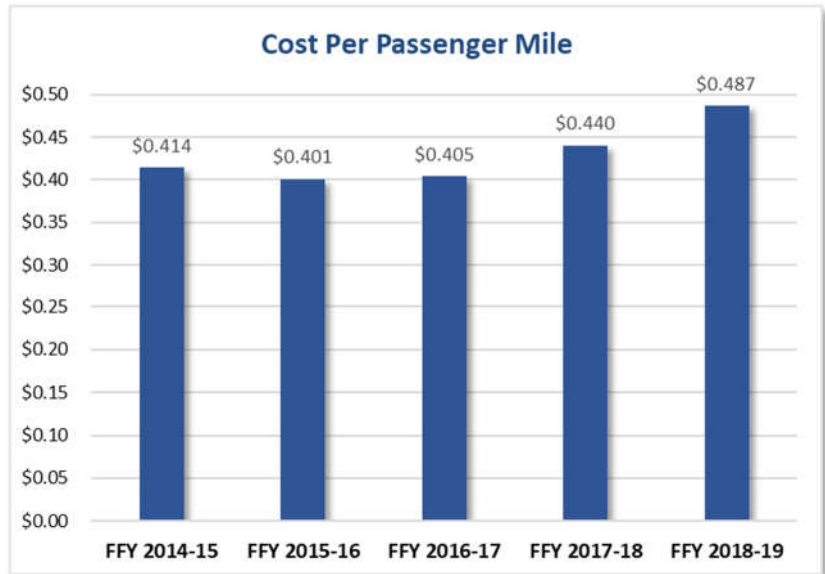
sometime during calendar year 2020, it is anticipated that the farebox recovery will remain flat through FFY 2020-21.

Performance Standard	Metric	Status
Cost/Passenger Mile	Continuous improvement	

**Cost per passenger mile** for FFY 2018-19 was **\$0.487**. This was an increase of 4.7 cents over the prior year.

This increase can be attributed in large part to the implementation of additional peak period service. The increase in cost per passenger mile is expected to continue through FFY 2020-21 with the implementation of the 13<sup>th</sup> round trip in October 2019, and the planned implementation of the 14<sup>th</sup> round trip sometime in 2020.

**Figure 4.4: Pacific Surfliner Cost per Passenger Mile**





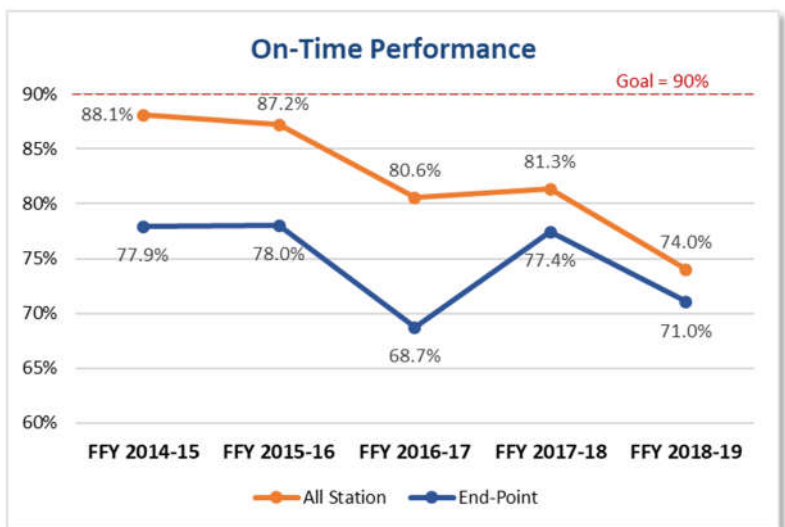
## Service Quality

Performance Standard	Metric	Status
Endpoint On-Time Performance	90 percent of endpoint arrivals within 15 minutes of schedule	
All-Station On-Time Performance	90 percent of arrival at all station stops within 15 minutes of schedule	

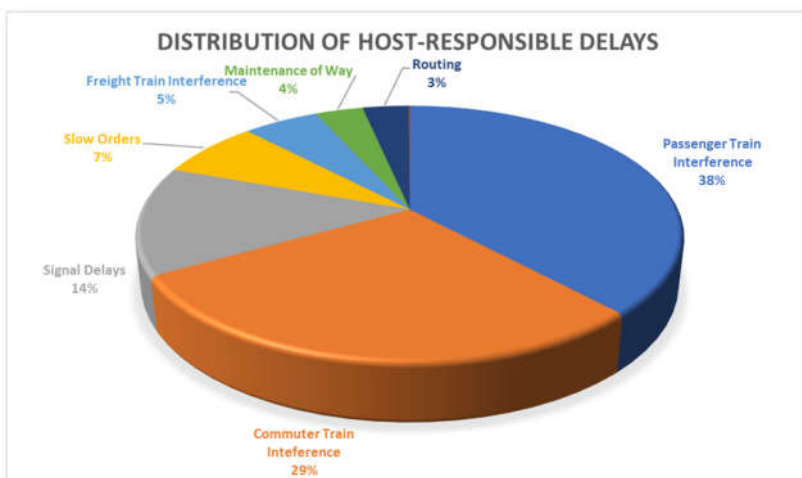
The FFY 2018-19 **endpoint OTP was 71 percent**, an 8.3 percent decrease over the prior year, whereas **all-station OTP was 74 percent**, 9.0 percent lower than FFY 2017-18.

OTP continues to be an area of focus for the LOSSAN Agency and Amtrak, and efforts have been made to collate and classify the root causes for delay via daily OTP reports. About 53 percent of all FFY 2018-19 delays fell under host railroads' responsibility. The origins of these delays vary by individual train, but can often be traced back to slow orders, signal system failure and dispatching delays. These delays can then cascade and cause trains to meet at non-planned locations, resulting in further delay. The LOSSAN Agency continues to work with rail owners and operators and Caltrans DRMT to implement schedule changes to improve overall reliability.

**Figure 4.5: Pacific Surfliner On-Time Performance**



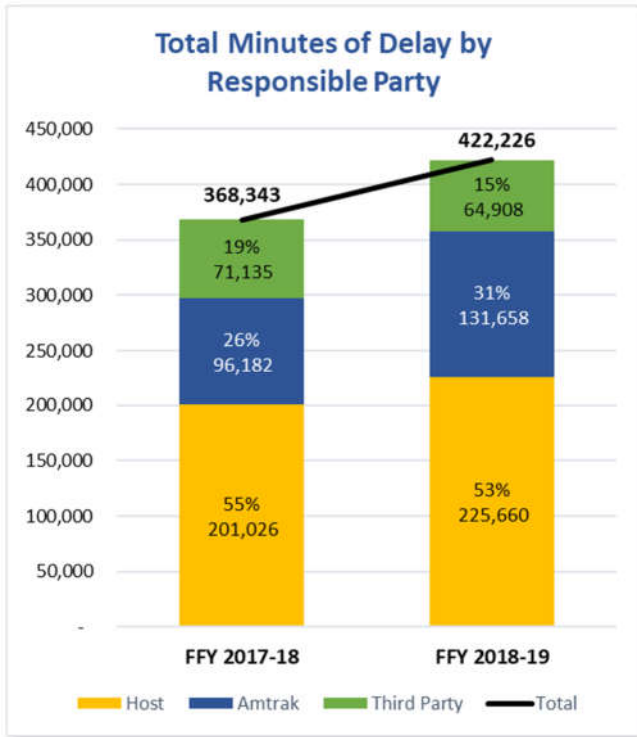
**Figure 4.6: Distribution of Host-Responsible Delays**



However, as OTP continues to be a metric that does not meet the standard, the LOSSAN Agency has put forth significant effort in determining the root cause of delays. Details on the specifics of the delays incurred during FFY 2018-19 are shown in Figures 4.6 through 4.9.



**Figure 4.7: Total Delay by Responsible Party**



As can be seen in Figure 4.7, the total minutes of delay for FFY 2018-19 increased significantly. As noted previously, Host responsible delays make the majority of the overall delays experienced on the Pacific Surfliner. Of the total Host responsible delays, 67 percent are as a result of commuter or passenger train interference. In some cases, these are tied back to cascading delays, but in others dispatching priority is involved. In response to this, the LOSSAN Agency is working with both NCTD and the UP to implement OTP incentive programs. On January 30, 2019, the LOSSAN Agency executed an agreement with NCTD for an OTP incentive program and have been working to implement it since. Funded via a 2018 TIRCP grant, this program will provide incentive performance payments for meeting Pacific Surfliner OTP goals. A similar program is being

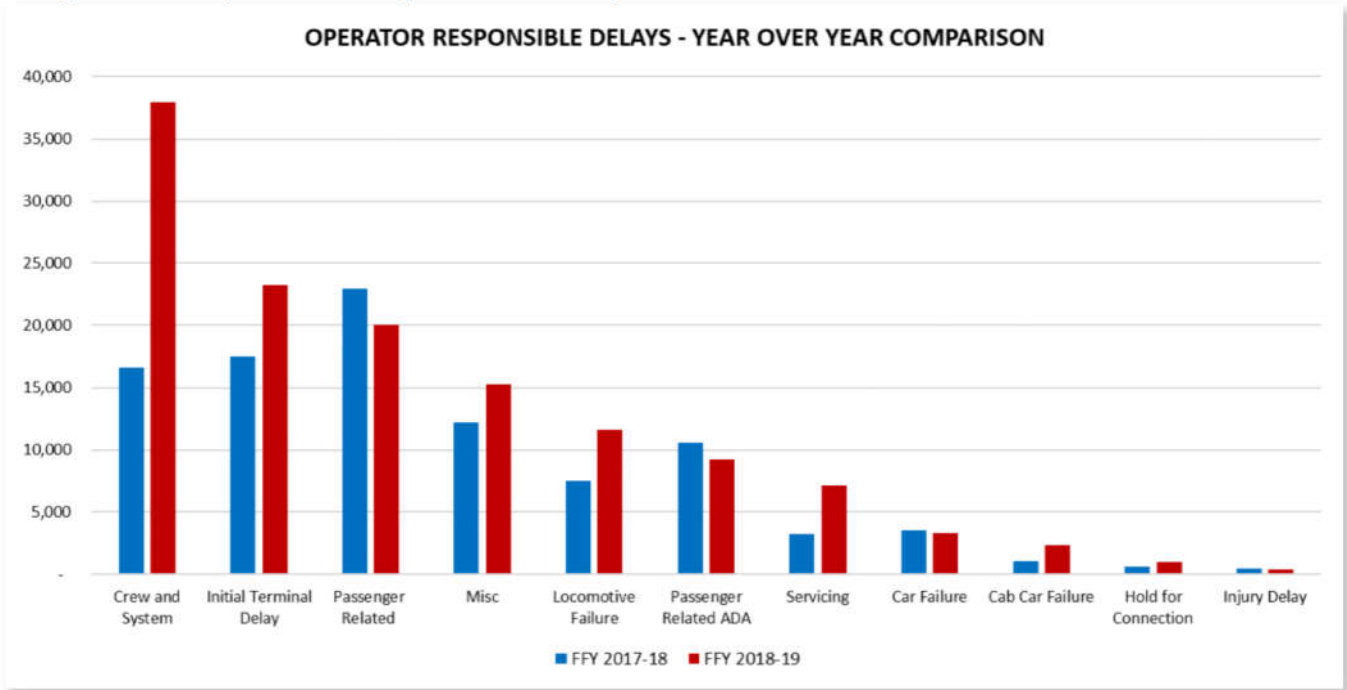
developed with the UPRR.

Operator responsible delays also increased significantly when compared to the prior year. Of the total increase in delay minutes (approximately 35,000 minutes), more than 21,000 of those are directly related to PTC system issues. An additional 5,700 minutes were related to initial terminal delays, which can likewise be partially attributed to an increase in PTC system related malfunctions. Another 4,000 minutes of the increase is attributed to locomotive mechanical failure. Details on the year over year increases for operator responsible delays can be found in Figure 4.8 below.

Efforts are underway to address the issues that currently occur with PTC. As much of the delay occurs when PTC fails to initialize, onboard crew focuses on reinitializing the system as directed by operator dispatch. However, if these efforts fail to rectify the issues, significant minutes can be lost awaiting additional direction from dispatch. The LOSSAN agency will continue to work with the operators on dispatch policies specifically related to PTC related issues, establishing a time threshold for the allowing trains to proceed at reduced speed while experiencing PTC related issues.

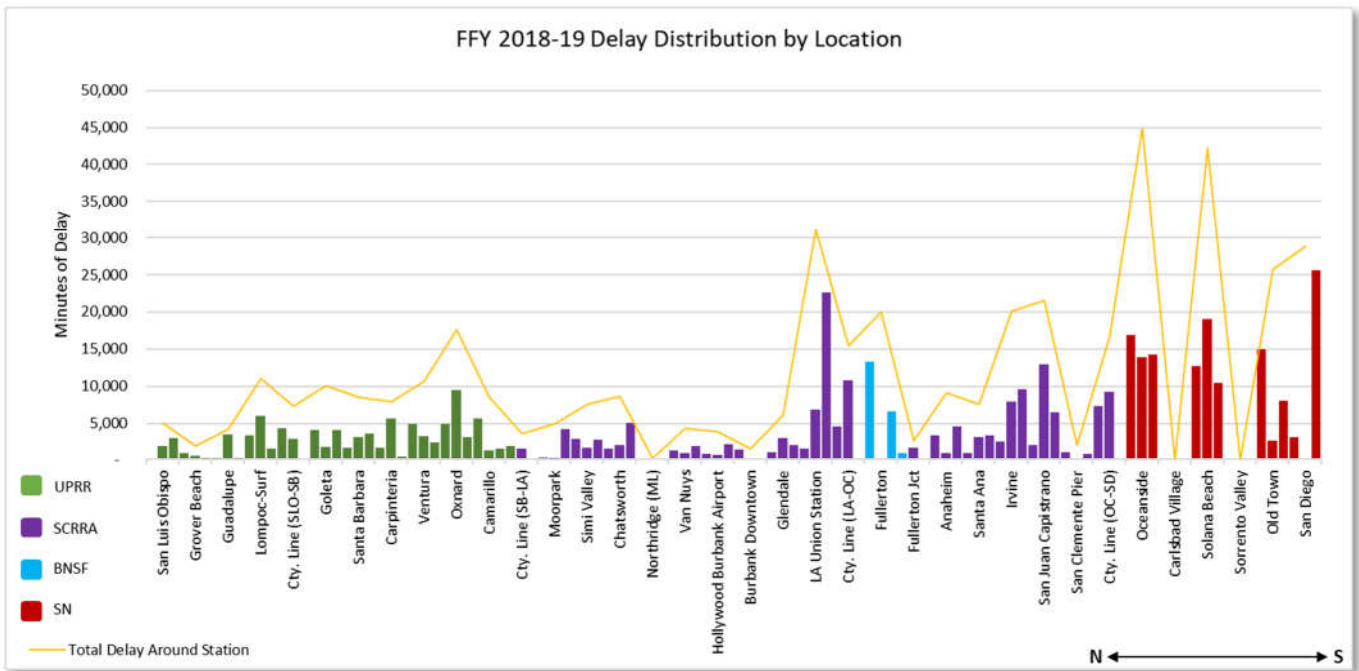
With the placement of the new Siemens Charger locomotives into service, we saw an increase in locomotive failure delays as well. Some of this resulted from an adjustment period as the engineers became accustomed to the nuances of the new technology, combined with failures as the new locomotives went through the burn-in process.


**Figure 4.8: Operator Responsible Delays**



Additionally, effort was made to locate specific “delay hot spots” along the corridor. The results of this can be seen in Figure 4.8. This has helped to isolate specific areas that are in need of infrastructure improvements, such as signal upgrades or siding improvements, or are in need of schedule adjustments due to ongoing construction activities.

**Figure 4.9: Delay Distribution by Location**



Performance Standard	Metric	Status
Operator Delays/10,000 Train Miles	Fewer than 325 minutes of delay per 10,000 train miles	

For FFY 2018-19, the Pacific Surfliner **averaged 409 minutes of operator delays per 10,000 train miles**. This continues to be an area wherein the Pacific Surfliner service does not meet the UPS, however improvement has occurred over prior years. Many of the issues associated with operator specific delays are being addressed via the recent schedule changes that are currently causing a rise in OTP. However, the LOSSAN Agency will continue to work with Amtrak and our host railroads to ensure that this performance standard continues to improve.

### Additional Performance Indicators

There are additional performance indicators that, while not required to be reported to the state, are helpful in calculating the value and efficiency of the service. These indicators are included below.

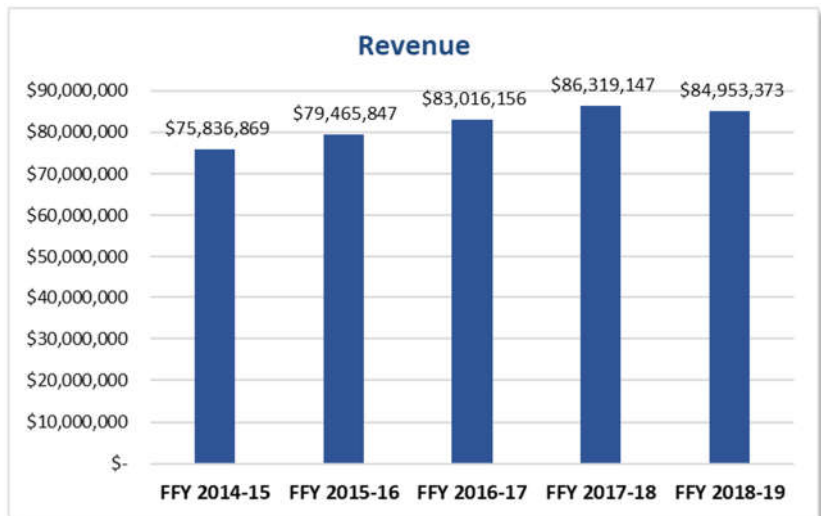
### Revenue

A strong indicator of the health of the service is total revenue. For FFY 2018-19, **total revenue decreased 1.6 percent, to approximately \$85 million**.

The slight decrease can be attributed to the 5.8 decrease in ridership. The LOSSAN Agency continues to seek ways to maximize revenue from the existing service. The agency restructured fares in March 2018, and expanded business class service in 2017. Also, LOSSAN Agency staff continually works with Amtrak to

evaluate existing food and beverage service based on sales and revenue data and implement menu refreshes to update the food and beverage selections being offered aboard Pacific Surfliner Café cars. Revenue in FFYs 2019-20 and 2020-21 is expected to continue to be strong with the implementation of the 13<sup>th</sup> round trip in October 2019 and the planned implementation of the 14<sup>th</sup> round trip in calendar year 2020.

**Figure 4.9: Pacific Surfliner Revenue**



### Customer Service

For the Pacific Surfliner, Amtrak reports monthly customer service scores in which an ‘average overall satisfied’ percentage is calculated out of 100 passengers surveyed. The Pacific Surfliner scored an average **86 percent** for FFY 2018-19. This was slightly above the Amtrak nationwide average of 85 percent for the same period.

## **FFY 2019-20 and FFY 2020-21 Action Plan**

The LOSSAN Agency will continue to monitor system performance on a monthly basis and report to the Board via the quarterly LOSSAN rail corridor trends report. With the implementation of the 13<sup>th</sup> roundtrip in October 2019, slow ridership growth is forecast. This growth will accelerate with the implementation of the 14<sup>th</sup> roundtrip during calendar year 2020. As OTP remains an area of concern, LOSSAN Agency staff is working with NCTD on the OTP incentive program. Additional work is being put into developing a similar program with the UPRR. The LOSSAN Agency will continue to develop and implement schedule adjustments as problem areas are identified. Dispatching policies that address the delays associated with PTC malfunctions will likewise be addressed with the hosts. Other identified issues will be addressed with the Corridor Improvement Team, which includes all rail operators and host railroads.

### Modification of Performance Standards

The UPS document identifies several factors that may lead to the need to modify the adopted UPS. Currently, no basis for modifications of the standards exist. As more historical data is gathered, the UPS may be revisited to establish standards that better capture the performance of the service.

## Chapter 5: Capital Improvement Program

Since 1990, the State of California has made a significant investment to fund capital improvements on the state's three intercity passenger rail corridors. During that time, LOSSAN member agencies have also been successful in securing state and federal grants for preliminary engineering, environmental documentation, final design, and construction of capital projects along the LOSSAN rail corridor, in addition to local investments by self-help counties using countywide sales-tax measures. These improvements have allowed for significant enhancements in safety, improvements in operational efficiency, and increased capacity. Despite these investments, more than half of the rail corridor remains single track, most of which is along the corridor north of Los Angeles. This remaining single track will continue to hinder the expansion of service and overall efficiency. An extensive capital improvement program of over \$5 billion in additional capacity, station improvements, signal and communications improvements, and other capital projects remains unfunded.

There are seven different ROW owners along the LOSSAN rail corridor and each has made investments within their territory; however, the capital needs of the corridor well outweigh the available funding resources. A significant hurdle for the intercity passenger rail services in California has been the lack of a long-term sustainable capital funding source. However, the approval of SB 1 by the California legislature in April 2017 has helped provide a more reliable funding source for these major (and minor) capital needs but is still insufficient by itself to fully fund the identified capital improvements along the LOSSAN rail corridor. The LOSSAN Agency will continue to coordinate with its partners and member agencies to pursue additional funding opportunities that bring benefits to the larger corridor.

Throughout 2019, the LOSSAN Agency actively worked with the State and various stakeholders, through the ongoing Corridor Optimization effort, to update the capital projects list for the LOSSAN rail corridor. This was done in an effort to compile a comprehensive list of all identified capital projects, including the status of each project as well as any programmed funding. The list serves as a resource to aid in the future service expansion plans of SCRRA, NCTD, and the planned 14th and 15th round trips for the Pacific Surfliner. The updated capital projects list can be found in table 5.1 and 5.2. The project list is split into projects that are in implementation and/or have a funding commitment, and those in the planning process and/or without funding currently committed.

While each member agency or host railroad is responsible for the implementation of their respective capital improvement programs, the LOSSAN Agency will use the updated Capital Projects list in both funding and legislative pursuits, with a focus on leveraging any existing funds to advance capital projects that benefit the entire LOSSAN rail corridor. This unified voice advocating for capital funding and key projects makes the LOSSAN Agency's requests more compelling and competitive.

### Capital Improvement Plan Funding

In addition to a list of all capital improvements planned by various stakeholders throughout the corridor, the LOSSAN Agency also maintains a Capital Improvement Program (CIP) that consists of projects that the LOSSAN Agency funds and has direct management of. On January 30, 2019,

the LOSSAN Board approved a comprehensive CIP that programmed all project funding available to the LOSSAN Agency for the next two years. The approved CIP focuses on projects that address immediate safety and/or security needs, and includes some projects that improve the passenger experience. Below are the funding programs currently being utilized as part of this effort.

**SRA Program:** SB 1 includes approximately \$440 million directed specifically to commuter and intercity rail services through the SRA program. The SRA is intended to fund both operational and capital improvements through a combination of formula and competitive distribution. The SRA was created to provide intercity rail agencies with a dependable source of supplemental revenue that is flexible and can be used to fund a variety of rail service improvements. The SRA program formula distribution process begins with state FY 2017-18, and the LOSSAN Agency has been allocated the first two years of available SRA funds (\$7.2 million) to projects identified in the LOSSAN Agency CIP. Future year allocation estimates will be updated annually and will fluctuate somewhat with the current price of diesel fuel.

**CalSTA TIRCP:** The TIRCP was created to provide grants for capital improvements that modernize California's intercity, commuter, and urban rail systems. The goal of these improvements is the reduction of GHG emissions and vehicle miles travelled. In April 2016, the LOSSAN Agency submitted a TIRCP grant application in partnership with SANDAG, NCTD and OCTA. In total, CalSTA awarded \$82 million in TIRCP grant funds to the LOSSAN Agency, representing the single largest award to any agency. On January 12, 2018, the LOSSAN Agency coordinated the submittal of three separate applications requesting over \$700 million in capital and operational improvement project funding with CalSTA awarding \$188.3 million in TIRCP funds, including \$147.9 million for projects in Ventura, Santa Barbara, and San Luis Obispo Counties, and \$40.4 million for projects in San Diego County.

**CalOES – California Transit Security Grant Program (CTSGP):** The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B (Prop 1B) in November 2006, authorized the issuance of \$19.9 billion in general obligation bonds for specified purposes, including grants for transit system safety, security, and disaster response projects. An element of Prop 1B is the CTSGP – Intercity Passenger Rail/Commuter Rail Systems administered by CalOES.

The CTSGP provides funding for capital projects that enhance protection against safety and security threats on select intercity passenger and commuter rail systems in California. The LOSSAN Agency is an eligible recipient of these grant funds, and was allocated nearly \$7.2 million in CTSGP funds, for FY 2013-14 through FY 2016-17. These grants funds were used for a corridor-wide video surveillance system replacement/upgrade, the construction of a centralized monitoring center for these video feeds, and physical security improvements including the construction of a new law enforcement office at the San Diego Santa Fe Depot. The video surveillance system projects are currently in process.

**State Minor Capital Project Funding:** In addition to the major capital improvements funded by various sources as discussed above, the state annually sets aside an allocation of approximately \$500,000 to cover minor projects related to the Pacific Surfliner service. Projects funded under



this program include station improvements, signage, and minor safety and security enhancements.

**Other Capital Funding:** In addition to the funding sources discussed above, the LOSSAN Agency and its member agencies have and will continue to utilize a variety of other federal, state and local funding sources to advance capital improvements and other programs along the LOSSAN rail corridor, including the American Recovery and Reinvestment Act of 2009, the Transportation Investment Generating Economic Recovery program, Passenger Rail Investment and Improvement Act of 2008 grants, Consolidated Rail Infrastructure and Safety Improvement grants and local transportation sales-tax measures.

The 2018 California State Rail Plan (2018 Plan), which is adopted every five years, lays out a transformative long-term vision of the state-wide railroad network. The 2018 Plan envisions capital investments along a strategic trajectory toward a layered, multi-tiered freight and passenger rail operating environment that better serves travel markets and delivers better cost efficiency metrics than the bifurcated services do today. The current planning efforts that the LOSSAN Agency is engaged in with the passenger and freight rail operators in Southern California, are already being coordinated within the larger context of the 2018 Plan. Future LOSSAN Agency Business Plans will have an obligation to be developed in accordance to the 2018 Plan objectives.

### Current and Programmed Capital Projects

The LOSSAN Agency updates the CIP each year consistent with the development of the annual business plan. The needs identified in the CIP often exceed the available funding, and projects are prioritized with safety-related projects given the highest priority. The CIP can be adjusted mid-cycle to account for project savings or projects that may need to be advanced, delayed, added, or deleted. As these needs arise, the LOSSAN Agency will work with the LOSSAN TAC to prioritize additional projects for inclusion in the approved CIP. The list of projects included in the CIP is supplemented by additional capital projects along the rail corridor that have been identified or programmed by member agencies. A summary of the LOSSAN Agency programmed projects are listed in Table 5.1, including programmed funding sources and estimated costs. A list of programmed member or partner agency-led capital projects along the LOSSAN corridor that are in progress or will begin construction prior to FY 2020-21 is provided in Table 5.2.

**Table 5.1: Capital Improvement Projects List – In Implementation/Funded**

Capital Improvement Projects List - In Implementation/Funded									
No.	Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
1	San Luis Obispo (Central Coast) Layover	Layover Facility	Expand existing layover facility to hold up to 4 trains, including capacity for minor maintenance and other end of line needs.	UPRR Santa Barbara 2:48.50 - 2:49.40	\$ 22,300,000	STIP	Allow capacity for up to 4 train sets with capacity for minor maintenance and car wash	PAED	2023
2	Goleta Layover Expansion	Layover Facility	Expand existing layover facility to hold 1-2 additional trains	UPRR Santa Barbara 2:49.50 - 2:50.00	10,121,663	Programmed, Funded by SRA, Local (\$150,000), TIRCP (\$180,000)		PS&E	2022
3	Bridge Replacements	Track	Replace aging bridges	UPRR Santa Barbara 2:91.3, 3:04.9, 3:36.5	58,000,000	Partial funding through TIRCP; additional funding needed	Remove slow orders and increase speed limits.		2024
4	Seaciff Siding	Siding	Upgrade and extend siding to allow passenger and freight meets	UPRR Santa Barbara 3:85.30 - 3:87.00	21,526,000	Prop 1B		PAED	TBD
5	Ortega Siding	Siding	Rebuild one mile long siding that has been taken out of service	UPRR Santa Barbara 3:55.6 - 3:56.36	26,000,000	Programmed, Funded by TIRCP, SRA	Increase capacity and operational efficiency for all trains operating north of Los Angeles	On Hold	TBD
6	Leesdale Siding	Siding	Upgrade and extend siding	UPRR Santa Barbara 4:05.49 - 4:21.44	26,170,000	Programmed, Funded by TIRCP/Prop 1B/SRA	Allow passenger and freight meets	On Hold	TBD
7	Install CTC Santa Barbara	Signal		UPRR Santa Barbara 3:55.7 - 2:51.5	30,000,000	TRCP	Increase operational flexibility and improve reliability	PS&E	2021
8	Upgrade non-powered switches to dispatch controller (CTC)	Signal		UPRR Santa Barbara 3:55.7 - 2:51.5	8,000,000	TRCP	Increase operational flexibility and improve reliability	PS&E	2021
9	Carpinteria Station Double Track and Second Platform	Track, Station	Extend existing double track and construct second platform	UPRR Santa Barbara	31,988,000	Programmed, Funded by TIRCP, SRA	Safety and operational improvements		TBD
10	Camarillo Station Pedestrian Grade Separated Crossing	Station, Grade Separation		UPRR Santa Barbara 4:13.1	7,800,000	Programmed, Funded by TIRCP/Prop 1B/TDA	Improve pedestrian access and operational flexibility, reduce travel time, accommodate future service growth		TBD
11	Link US Phases A	Bridges, Track, Signal, Station	Phase A of Link US includes two new run-through tracks on a new viaduct, which accommodates up to a total of nine run-through tracks in the future, over the US-101 freeway from Platform No. 4 at Los Angeles Union Station south to the mainline tracks on the west bank of the Los Angeles River near First Street, new rail bridges over Center St and Antrak. Lead in the BNSF West Bank Yard north of First St, track, signal and communication improvements in the throat area north of Los Angeles Union Station including new signal houses at CP Mission and CP Terminal, right of way acquisition, utility relocation and street improvements including active transportation improvements.	River 0.0	\$ 650,398,000	Proposition 1A, TIRCP, Metro, SCRA, and other	Reduce dwell times. Will allow trains to run through the throat area in less than 10 minutes and meet all track and signal requirements. Significant rehabilitation of track and signals will be included.	Completed FER in July 2019. Currently in 35% Preliminary Engineering Design.	2028
12	Rosecrans/Marquardt Grade Separation	Grade Separation	The project will grade separate the intersection from the existing diagonal at-grade crossing. It will also improve the efficiency of train movements along the rail corridor, permit the completion of a third mainline track.	BNSF SB Sub 1:57.8	\$ 155,300,000	Yes	Substantially enhance the safety and traffic flow on the mainline tracks and freight operations; potential to reduce greenhouse gas emissions by reducing vehicle idling through the elimination of railroad gates made possible by grade separation.	The 90% PS&E package is scheduled to be submitted by August 2019	2023
13	Third Track CP Soto to Fullerton	Track	Completion of third track construction between CP Soto and Fullerton	BNSF SB Sub 1:44.4 - 1:65.5		Yes		In construction	Nearing completion
14	Fullerton Interlocking Plan and Third Track	Track	Construction of a new Fullerton interlocking plant and third track from Alwood to Esperanza (outside of LOSSAN Corridor)	BNSF SB Sub 4:0.6 - 3:5.8	TBD	Yes			2026
15	Commerce Station Relocation	Station, Track		BNSF SB Sub TBD	TBD	Yes			2026
16	Third Track Fullerton to Alwood	Track		BNSF SB Sub 1:65.5/4:5.5 - 4:0.6	TBD	Partial		Environmental clearance status unknown	2026



**Table 5.1: Capital Improvement Projects List – In Implementation/Funded**

No.	Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
<b>Capital Improvement Projects List - In Implementation/Funded</b>									
17	Orange County Maintenance Facility - Phase 1	Facility	New maintenance facility in Irvine, required prior to increasing services on OC and E-OC Lines	Orange 183.3 - 184.2	\$ 100,000,000	Yes	Line Capacity	Undergoing 5% Design and Permitting Environmental Assessment	2023-2025 (possibly coordinate with Link US coming online. Phasing possible)
18	Irvine Station and Fourth Main Track	Track, Station	The conceptual engineering includes the analysis of three conceptual station alternatives. • Alternative 1A: Four main tracks from CP Trincham to CP Blake, two center platforms at Irvine Station with pedestrian underpass, modification of existing park and ride. • Alternative 1B: Three main tracks from CP Trincham to CP Blake, center platform between MT3 and MT1, extension of existing sideboarding platform on existing MT2 track, modification of existing pedestrian overpass for the new center platform. No modification is required for the existing park and ride. This is phased implementation of Alternative 1A. • Alternative 2: Four main tracks from CP Trincham to CP Blake, two center platforms at Irvine Station with a pedestrian underpass. All proposed improvements will be located north of the southerly right of way with no impacts to the existing park and ride facility south of the station.	Orange 184.0 - 189.9	Alt 1A: \$86,768,000 (construction); \$183,852,000 (Total) Alt 1B: \$40,811,000 (construction); \$86,488,000 (Total) Alt 2: \$96,321,000 (construction); \$205,389,000 (Total)	Yes	The goal of the Irvine Station improvements and 4th main track is to enable cross platform transfers between different rail lines and optimize train operations between MP 184.0 and MP 189.9 for the station and track configuration. The Station will provide feasibility for trains entering and leaving the station efficiently and allow direct train access to the future Orange County Maintenance Facility (OCMF).	5% Design and Permitting Environmental Assessment	8/4/2016
19	Laguna Niguel to San Juan Capistrano Passing Siding Project	Track, Signals	Extend the double track to a new CP Trabuco, MP 195.7, with the removal of CP Avery; And addition of CP Camino	Orange 193.9 - 195.7	\$ 36,360,000	Yes	The passing siding track will allow trains traveling in opposite directions to pass each other without stopping. The project will reduce delays, increase safety and provide more reliable rail service.	In construction	2/4/2021
20	San Juan Creek Bridge Replacement	Track, Structures	This project will replace the existing 100-year old railroad bridge over San Juan Creek in San Juan Capistrano. The existing bridge foundation does not meet current design standards, and the bridge user does not meet current railroad design load standards. The new bridge will be built on the western side of the existing bridge to minimize interruption to passenger and freight train services.	Orange 197.87	\$ 38,333,000	Yes	The new bridge will improve the load and storm capacity, increase safety, and reduce maintenance needs.	Design and Environmental Assessment	2024
21	Signal Respacing CP Avery to CP Songs	Signal	Alternative 1: (PREFERRED) • Remove 2 intermediate signals. • Add 6 new intermediate signals. Alternative 2: • Remove 2 intermediate signals. • Add 7 new intermediate signals. • Additional intermediate signal is located at West of San Juan Capistrano Station.	Orange 199.5 - 209.18	Alt 1: \$2,204,000 (construction); \$4,849,000 (Total) Alt 2: \$2,407,000 (construction); \$5,256,000 (Total)	Yes	Respacing the intermediate signals allows for express train operations and higher passenger operating speeds up to 90 mph. The signal improvements ultimately reduce travel time and increase on time performance.	5% Design and Permitting Environmental Assessment	3/21/2022
22	Serra Siding Extension - South	Track	PDR evaluates two conceptual design alternatives, and provides an initial preferred alternative. • Alternative 1: A new siding track is constructed on the north side of the existing track, maintaining the existing track at its current location along the whole segment. • Alternative 2: A new siding track is constructed on the north side of the existing track, maintaining existing tangent track at the current location, and includes siting the existing track south where the segment is located at a curve to avoid impacts to embankment of HWY 1 onramp. The project will extend the existing siding track from CP Serra, MP 199.5, for 1.14 miles to west of Beach Road (MP 201.6). Existing San Onofre Siding will be replaced with a new siding track at the point with universal #2/0 crossings. A new control point will be added west of Beach Road where siding track is merged to existing Main Track.	Orange 199.5 - 201.0	Alt 1: \$12,593,000 (construction); \$26,158,000 (Total) Alt 2: \$12,443,000 (construction); \$26,034,000 (Total)	Yes	The siding extension will provide additional capacity for train operations between CP Serra (MP 199.5) and Beach Road Grade Crossing (MP 201.0). This siding extension configuration will improve the safety and reliability of the commuter rail system as well as increase the capacity of the corridor, and minimize the risk of operations shut-down due to maintenance issues or emergency incidents on a single track.	5% Design and Permitting Environmental Assessment	7/19/2023
23	Songs Siding Extension	Track	The project provides 1.35 miles of new siding track and includes two new bridges. PDR evaluates two alternatives for providing a new siding track from MP 207.7 to CP Songs at MP 209.3. • Alternative 1 includes a new siding track, a new double track bridge at MP 207.8, and a new single track bridge over San Onofre Creek at MP 208.6. The existing main line track bridge over San Onofre Creek will be maintained. • Alternative 2 includes a new siding track, a new double track bridge at MP 207.8, and a new double track bridge over San Onofre Creek at MP 208.6. The existing main line track bridge over San Onofre Creek will be removed and replaced.	San Diego 207.7 - 209.25	Alt 1: \$26,488,000 (construction); \$53,322,000 (Total) Alt 2: \$35,132,000 (construction); \$73,503,000 (Total)	Yes	The siding extension will provide additional capacity for train operations between MP 207.7 and CP Songs (MP 209.18). This siding extension configuration will improve the safety and reliability of the commuter rail system as well as increase the capacity of the corridor, and minimize the risk of operations shut-down due to maintenance issues or emergency incidents on single track.	5% conceptual design complete	12/20/2024
24	San Onofre to Puigas Double Track Phase 1, Stage 2	Track	Stage 2 of this project includes the construction of a 1.6-mile segment of second main track (MP 216.5 to MP 218.1) and bridges at MP 217.3 and MP 218.0.	San Diego 212.3 - 218.1	\$ 30,000,000 (yet allocated by CTC thru construction)	Funded programmed (not yet allocated by CTC thru construction)	1.6 mi of additional double track and replacement of Bridges 217.3 and 218.0.	In design /permitting	2025
25	Eastbrook to Shell Double Track (San Luis Rey River Bridge)	Track	Second main track between CP Eastbrook (MP 225.3) and CP Shell (MP 225.9) and replacement of San Luis Rey River Bridge (MP 225.4).	San Diego 225.3 - 225.9	\$ 98,700,000	Funded thru final design	0.6 mi of additional double track and Bridge 225.4 replacement.	In design /environmental	2030
26	Carlsbad Village Double Track	Track	Construction of 1.0 mile of second main track from CP Longboard (MP 228.4) to CP Carl (MP 229.5) in Carlsbad. Includes new bridge over Buena Vista Lagoon.	San Diego 228.5 - 229.5	\$ 62,200,000	Funded thru initial design	1.0 mi of additional double track. Includes inter-track fencing and other amenities and would not require the application of hold-out rule at CBV Station	In initial design /permitting	2030

**Table 5.1: Capital Improvement Projects List – In Implementation/Funded**

No	Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
27	Poinsettia Station Improvements	Station	Includes inter-track fencing and other amenities and will allow for removal of hold-out rule	San Diego 233.3	\$ 28,700,000	Yes	Hold out eliminated. Reduce run times for train meets.	In construction	Jul-20
28	Batiquitos Lagoon Double Track	Track	Adds .8 miles of second main track from CP Ponto (MP 234.4) to MP 235.2. Also includes replacement of Batiquitos Lagoon Bridge.	San Diego 234.5 - 237.2	\$ 69,600,000	Funded thru final design	0.6 mi of additional double track and Batiquitos Lagoon Bridge replacement.	Final Design	2025
29	Chesterfield Crossing	Grade Crossing	Construction of at-grade crossing improvements including all bike and pedestrian facilities, double track, signals and safety upgrades.	San Diego 238.6	\$ 6,200,000	Yes	At grade crossing safety improvements	Complete	May-19
30	San Elijo Lagoon Double Track (CP Cardiff to CP Craven)	Track, Signal	1.5 miles of new double-track from CP Cardiff (MP 236.6) to CP Craven (MP 241.1). Also includes replacement of Bridge 240.4 and installation of new signals.	San Diego 239.0 - 241.1	\$ 75,600,000	Yes	1.5 mi of additional double track.	Complete	Jul-19
31	Sorrento to Miramar Phase 2	Track	Construction of second main track and curve realignment from temporary CP Scripps (MP 251.2) to CP Miramar (MP 263.0).	San Diego 241.0 - 263.0	\$ 136,400,000	Funded thru final design	Curve realignment/straightening on Miramar Hill.	In final design	2025
32	San Dieguito Double Track and Platform – the Del Mar Fairgrounds Special Events Platform	Track, Station	2.1 miles of second main track and San Dieguito bridge replacement for north of CP Valley (MP 242.2) to CP Del Mar (MP 243.9). Includes construction of a special event platform at the Del Mar Fairgrounds.	San Diego 242.2 - 243.3	\$ 177,700,000	Funded thru final design	2.1 mi of additional double track and construction of a new special event service platform at the Del Mar Platform.	Final Design	2025
33	Elvira to Morena Double Track	Track	Conversion of 2.6 mi of single track to double track and installation of new signals. Replacement of 1 mi of double track. Construction of new/replacement bridges at MP 260.4, 259.6, 259.1, 258.6 and 257.2.	San Diego 257.9 - 260.5	\$ 192,500,000	Yes	2.6 mi of additional double track and signal improvements.	In construction	Oct-20
34	San Diego River Bridge & Double Track	Track	Adds 0.9 mi of double track and realignment from CP Tecolote (MP 263.2) to CP Friar (MP 264.1) and replace single track San Diego River Bridge with new double track bridge.	San Diego 263.2 - 264.1	\$ 93,900,000	Yes	0.9 mi of additional double track including the replacement of single track San Diego River Bridge with double track bridge	In construction	Oct-20

**Table 5.2: Capital Improvement Projects List – Planned/Unfunded**

No	Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
1	Rice Avenue Grade Separation	Grade Separation	Rehabilitation of a series of four bridges in the vicinity of Moorpark		\$ 117,532,000	Potential funding through SB1 SCCP and/or Trade Corridor Enhancement Program	Reduce conflicts between vehicles and trains	Pending Funding	
2	Arroyo Simi Bridges Rehabilitation	Track, Bridge			\$ 13,000,000	No		Pending Funding	
3	Link Union Station Phase A: Track and Signal Modernization	Track, Signal	Modernize track and signal systems in the throat of LA Union Station necessary prior to construction of Link US project		\$ 80,000,000	Potential FY 2022-23 STP		Pending Funding	
4	Doran Street Grade Separation	Grade Separation	Design and construct Salem/Sperry overpass and Fairmont connector grade separations.	Valley MP 7.99	\$ 180,000,000	Metro local + SB1 ATP cycle 4	Safety and reliability	Final Design	
5	Link US Phase B	Bridges, Track, Signal, Station	Phase B includes the raising of all the tracks and platforms at LAUS, a new and expanded passageway with enhanced transit and retail amenities including new outdoor plazas, a new lead track in the throat area north of Los Angeles Union Station, new rail bridges over Cesar Chavez Ave and Vignes St, and a total of up to nine run-through tracks including six for regional and intercity rail service and up to four for future high speed rail service, with 2 tracks that are interoperable.	River 0.0	\$ 2,000,000,000	No	Improve connectivity, increase rail service capacity, reduce train idling times, future development, improve pedestrian access, enhance passenger experience, improve US-101 and local roadways	Completed FERR July 2019	2031
6	Southside Turn Facility	Station	New platforms to function as a supplemental terminal for LAUS during construction of Phase 2 of Link US. Near BNSF 1st street yard, south of LinkUS. North of 6th Street bridge being constructed over the River.	River 141.1 - 141.7	TBD	No	Long-term support of HSR service goals, requiring more than two tracks. To support Phase 2 of Link US - necessary for completion of Link US	Enveloped of site to be cleared with HSR environmental clearances	Prior to LinkUS Phase B
7	LA-SB Dedicated Passenger Corridor: Early Start on 4th Main Hobart through Commerce	Track, Signal, Station	Design and construct 20 miles of mainline and structures between CP Solo and the new Commerce Station, including necessary land acquisition and relocation of parking for intermodal operations for Hobart Yard; construct 8 miles of lead tracks at Hobart Yard, relocate old Commerce Station to new location, including property costs; design and construct new Commerce Station; design and construct 20 miles of staging tracks at Commerce Yard; complete design of Hobart staging area and storage tracks. All signal and crossover work is included.	BNSF SB Sub TBD	\$ 777,100,000	No	Provides early benefit with the relocation of the Commerce Station and helps lay the foundation for the completion of 4th Main, which separates freight and passenger rail and enables 5-minute passenger train headways from LA to Fullerton	MetroLink planning for funding	2023
8	LA-SB Dedicated Passenger Corridor: Hobart Yard Relocation	Track, Signal, Station	Potential phasing element of LA-SB Dedicated Passenger Corridor	BNSF SB Sub TBD	\$ 422,100,000	No	Separates freight and passenger rail and enables 5-minute passenger train headways from LA to Fullerton	MetroLink planning for funding	2023
9	LA-SB Dedicated Passenger Corridor: Fullerton Junction Reconfiguration	Track, Signal, Station	Potential phasing element of LA-SB Dedicated Passenger Corridor	BNSF SB Sub 162.5 - 165.3, 457.36.0	\$ 225,700,000	No	Separates freight and passenger rail and enables 5-minute passenger train headways from LA to Fullerton	MetroLink planning for funding	2023
10	LA-SB Dedicated Passenger Corridor: Construct 4th Main Track LA to Fullerton	Track, Signal, Station	Potential phasing element of LA-SB Dedicated Passenger Corridor	BNSF SB Sub TBD	\$ 886,800,000	No	Completion enables 5-minute passenger train headways from LA to Fullerton	MetroLink planning for funding	2028
11	LA-SB Dedicated Passenger Corridor: Construct 3rd Main Track on the BNSF SB Route	Track, Signal	Potential phasing element of LA-SB Dedicated Passenger Corridor	BNSF SB Sub TBD	\$ 604,700,000	No	Separates freight and passenger rail and enables 5-minute passenger train headways from LA to Fullerton	MetroLink planning for funding	2023
12	Pioneer Blvd Grade Separation	Grade Separation	New grade crossing that was part of the HSR plans and has been folded into the MetroLink SCORE Program	BNSF SB Sub ~154.3	\$ 129,100,000	No	Safety	MetroLink planning for funding	2028
13	Malabar Yard Connector/49th Street Closure	Track	Constructs a new section of track to connect BNSF Malabar Yard with the Los Angeles Railway Junction through E 49th Street and permanently closes the 49th Street grade railroad crossing		\$ 20,550,000	Potential funding through SB1 SCCP and/or Trade Corridor Enhancement Program			

**Table 5.2: Capital Improvement Projects List – Planned/Unfunded**

Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
14 26th Street ROW Acquisition	Track	Acquisition of the northern half of 26th Street to allow BNSF to construct new tracks at Hobart Yard, allowing BNSF to vacate the West Bank Yard. Reallocating BNSF's West Bank Yard activity is a prerequisite to enable full utilization of the first run-through tracks at Los Angeles Union Station, which are to be operational by 2026.	BNSF SB Sub -153.2	\$ 286,915,000	Potential funding through SB1 SCOP and/or Trade Corridor Enhancement Program	Safety	Metrolink planning for funding	2028
15 Norwalk Blvd/Los Nietos Road Grade Separations	Grade Separation	Two new grade crossings that were part of the HSR plans and has been folded into the Metrolink SCORE Program	BNSF SB Sub -153.2	\$ 129,100,000	No		Metrolink planning for funding	2028
16 Closure of 39th Street	Facility	Closure of 39th Street connection to Malabar Yard	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
17 Relocation of West Bank Yard	Facility	Relocation of West Bank Yard to a location adjacent to Hobart Yard	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
18 Commerce Intermodal Yard	Facility	Purchase of property to locate the rebuilt Commerce Intermodal Yard	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
19 Upgraded Signal System	Signal	Construction of a new signal system with 1.25-mile spacing	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
20 I-5 Double Track Flyover	Track	Construction of a double track flyover between the I-5 and the I-70	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
21 Fourth Track: Buena Park to Fullerton	Track	Construction of a fourth track from Buena Park to Fullerton and start of the staging yard adjacent to Hobart.	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
22 Fourth Track: I-5/I-710 to CP Soto	Track	Construction of a fourth track from the west end of the I-5/I-710 flyover to CP Soto and completion of the staging yard at Hobart including property acquisition	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
23 Completion of Fourth Track	Track	Completion of the remaining fourth track	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
24 I-5/I-710 Flyover	Track	Construct a two-track, passenger-only elevated structure to carry passenger trains over freight tracks to the south side of BNSF ROW, eliminating passenger-versus-freight conflicts	BNSF SB Sub TBD	\$ 52,000,000	Potential funding through SB1 SCOP and/or Trade Corridor Enhancement Program		Not environmentally cleared	2026
25 New Commerce Intermodal Facility	Intermodal Facility	Property acquisition to allow current Commerce Intermodal Facility to shift south and accommodate separation of freight and passenger conflicts	BNSF SB Sub TBD	\$ 96,372,000	Potential funding through SB1 SCOP and/or Trade Corridor Enhancement Program		Not environmentally cleared	2026
26 Norwalk & Fullerton Over/Under	Track	Construction of the over/under at Norwalk and Fullerton	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
27 Barstow and Colton Yards	Facility	Barstow and Colton yard construction will precede the fourth track projects between Buena Park to Fullerton and I-5/I-710 to CP Soto and will be attached to agreements regarding passenger train counts in excess of today's contractual limits	BNSF SB Sub TBD	TBD	No		Not environmentally cleared	2026
28 Signal Respacing: La Palma to College	Signal	Respacing of intermediate signals	Orange 167.3 - 169.8	\$ 4,900,000	No	The respacing of intermediate signals allows for express train operations and higher passenger operating speeds up to 90 mph, reducing travel time.	Metrolink planning for funding	2023
29 Orange/Olive Junction and Wye	Track, Signal	New crossover and faster turnouts	Orange 172.2	\$ 3,900,000	No	Line Capacity	Metrolink planning for funding	2023
30 Orange - Olive Junction Improvements and Wye	Track, Signal	The existing wye consists of a single uncontrolled track and will require modifications to provide PTC-ready track and signal systems. A new crossover will need to be constructed west of the existing wye. Existing ties will be replaced with concrete ties. New control points will be installed. Grade crossings will need to be upgraded to meet quiet zone requirements. A drainage system that includes grading and new catch basins may be necessary pending further preliminary investigation.	Orange 172.2	\$ 42,600,000	No	Improve mobility in the corridor	Metrolink planning for funding	2026
31 Signal Respacing: Maple to Sobow	Signal	Respace existing intermediate signals	Orange 172.4 - 192.2	\$ 4,900,000	No	The respacing of intermediate signals allows for express train operations and higher passenger operating speeds up to 90 mph, reducing travel time.	Metrolink planning for funding	2023
32 Third Track between Tustin area and Laguna Niguel Area	Track	13-miles of a third main within the existing double track guideway. The span of the project will be between Red Hill Avenue in the City of Tustin to La Paz Road in the City of Mission Viejo. Modifications to existing grade crossings and turnouts will be required.	Orange 177.9 - 190.3	\$ 52,700,000	No	Allows for significant track capacity and provide additional line slots for a greater range of service patterns	Metrolink planning for funding	2026
33 Orange County Maintenance Facility - Full Buildout	Facility	New maintenance facility in Irvine, required prior to increasing services on OC and E-OC Lines	Orange 21.3 acres in Orange County, Great Park adjacent to MP 185/Inve Station	\$ 65,000,000	No	Line Capacity	Not started	2026

**Table 5.2: Capital Improvement Projects List – Planned/Unfunded**

No.	Project Name	Type of Project	Project Description	Subdivision, Location (MP)	Capital Cost Estimate	Funding Commitment	Project Benefits	Current Status	Anticipated Completion
34	Serra Siding Extension - North	Track	Project was driven by OTP and incorporated into the OCTA Development of Rail Capital Improvement Program in 2018. It will extend the Serra siding on the north end.	Orange MP 197.4 - 198.1	\$ 10,760,400	No	Improve the safety and reliability of the commuter rail system as well as increase the capacity of the corridor, and minimize the risk of operations shut-down due to maintenance issues or emergency incidents on a single track.	No progress	TBD
35	San Onofre Bridges	Track	Replacement of three timber trestle railway bridges at MP 207.6, 207.8 and 209.9.	San Diego 208.2 - 209.2	\$ 35,400,000	Project on hold	Replacement of three timber bridges.	Project on hold	2025
36	Camp Pendleton Station	Station	Construction of new station platform on Camp Pendleton adjacent to the Stuart Mesa Maintenance Facility.	San Diego 222	\$ 46,400,000	No	New station to serve Camp Pendleton	Preliminary/Conceptual design	2030
37	La Costa to Swami Double Track	Track	Aids 2.9 miles of double track in the City of Encinitas from CP La Costa (MP 235.1) to CP Swami (MP 238.0). (Note that this project may be split at CP Moonlight located north of Encinitas Blvd.)	San Diego 235.1 - 238.0	\$ 87,000,000	No	Includes inter-track fencing and other amenities and work to improve the application of hold-out rule at ENC Station	Planning	2030
38	San Diego Convention Center Station	Track, Station	New station at San Diego Convention Center. TBD regular revenue service or special event only.	San Diego 268.77 - 268.78	\$ 50,500,000	No	New station at San Diego Convention Center. Associated track and signal improvements south of Broadway to allow revenue service.	No design work yet	2030
39	San Diego Layover and Maintenance Facility	Layover Facility	Construct a new layover and maintenance facility for the Pacific Surfliner in San Diego County.		TBD			Planning	
40	COASTER Extension to National City	Track	Extend COASTER and Pacific Surfliner Service to National City along BNSF tracks. Rehabilitate existing BNSF tracks to include signalization and PTC	San Diego 267.71 - 273.139	Unconstrained Capital Cost (\$2014): \$900,000,000	No	TBD	High-level concept	TBD
41	San Onofre Creek Double Track	Track	Construction of an additional passing track for 1.3 miles north of the existing Control Point (CP) Songs at Mile Post (MP) 209.2 to MP 207.9, where CP Songs will be relocated.	San Diego 207.9 - 209.2	\$ 38,300,000	No	1.3 miles of additional double track including replacement of single track bridges	Planning	2030
42	San Mateo Creek Double Track	Track	Construction of a second main track between the county line (between Orange and San Diego counties) at MP 207.4 and MP 208.2. The limits of the project include the structures across San Mateo Creek, Br 207.6 and the bridge across the wetland, Br 207.8.	San Diego 207.4 - 208.2	\$ 33,400,000	No	0.8 miles of second main track between the county line (between Orange and San Diego counties) at MP 207.4 and MP 208.2.	Planning	2030
43	Stuart Mesa Maintenance Facility Capacity Enhancement	Layover Facility	Increase capacity of Stuart Mesa Maintenance Facility located on Camp Pendleton Marine Corp Base.	San Diego 222	\$ 47,000,000	No	7000 feet of additional track with new service line for fueling, washing and handling.	Planning	2030
44	San Diego Metropolitan Transit System Yard Improvements	Layover Facility	Increase capacity of the San Diego MTS yard located adjacent to the 12th and Imperial Trolley Station		\$ 12,900,000	No	Additional layover yard track, turnouts, and signal systems	Planning	2030
45	Leucadia Blvd Grade Separation	Grade Separation	Grade separate the existing intersection of Leucadia Blvd at the railroad track	San Diego 238	\$ 113,800,000	No	Safety	Planning	2030
46	Encinitas Pedestrian Crossings	Grade Separation	New pedestrian undercrossings at Montgomery, Hillcrest, and El Portal within the City of Encinitas		\$ 18,100,000	No	Safety	Planning	2030
47	Del Mar Bluffs Stabilization - 4	SOGR	Stabilize the most urgent areas of the Del Mar Bluffs repairing drainage structures and erosion control.	San Diego 244.1 - 245.7	\$ 3,100,000	No	Safety, State of good repair	Planning	2025
48	Del Mar Bluffs 50 Year - 1	SOGR	Building on the previous 4 Del Mar Bluffs Stabilization projects, this project identifies stabilization needs to support the tracks for 50 years.	San Diego 244.1 - 245.7	\$ 19,100,000	No	Safety, State of good repair	Planning	2025
49	Del Mar Bluffs 50 Year - 2	SOGR	Building on the previous 4 Del Mar Bluffs Stabilization projects, this project identifies stabilization needs to support the tracks for 50 years.	San Diego 244.1 - 245.7	\$ 66,700,000	No	Safety, State of good repair	Planning	2030
50	Del Mar Tunnel - 1 AA	Track	Conduct planning, alternatives analysis, and public outreach for the Del Mar Tunnel	San Diego 244 - 248	\$ 100,000,000	No	5 miles of double track, grade separated, higher speed rail tunnel	Planning	2025
51	Del Mar Tunnel - 2 PE/ENV	Track	Preliminary Engineering, environmental clearance, and public outreach for the Del Mar Tunnel	San Diego 244 - 248	\$ 115,000,000	No	5 miles of double track, grade separated, higher speed rail tunnel	Planning	2030
52	Del Mar Tunnel - 3 FD/CON	Track	Design and Construction of the Del Mar Tunnel	San Diego 244 - 248	\$ 3,257,000,000	No	5 miles of double track, grade separated, higher speed rail tunnel	Planning	2050
53	Caribbean Village Trench	Grade Separation	Grade separation of the railroad tracks in Caribbean Village Area	San Diego 228.0 - 230.6	\$ 335,100,000	No	Safety	Planning	TBD
54	Poinsettia Crossovers	Track, Signal	Construct a left-hand crossover at MP 233.10, north of Poinsettia Station and a right-hand crossover at MP 233.50, south of Poinsettia Station.	San Diego 233.1 - 233.5	\$ 6,200,000	No	Operational flexibility	On hold pending construction funding	2025
55	Sorrento Valley Blvd Safety Improvements	Grade Crossing, Signals	Construct near-side signals between Sorrento Valley station and Sorrento Valley Blvd to reduce conflicts with heavy traffic congestion.	San Diego 249.1	\$ 3,800,000	No	Safety	Project on Hold Pending Funding	2025

**Table 5.3: LOSSAN Agency Capital Improvement Plan**

Station	Project Description	Project Cost	Classification
San Luis Obispo	Painting exterior of building and repair wood damage on shelter base	\$ 312,455.00	State of Good Repair
San Luis Obispo	Painting ticket counter and office area	\$ 7,643.00	State of Good Repair
San Luis Obispo	Concrete arm rest for existing bench (6)	\$ 8,174.00	Passenger Amenities
San Luis Obispo	3 new benches for platform	\$ 7,562.00	Passenger Amenities
San Luis Obispo	New flooring for ticket office	\$ 3,822.00	Facility Upgrades
Grover Beach	New platform tactile and striping and repaint handrail	\$ 289,930.00	Safety
Grover Beach	New platform and parking lot LED upgrade (46)	\$ 119,400.00	Facility Upgrades
Guadalupe	New platform tactile and striping	\$ 188,075.00	Safety
Guadalupe	Paint interior and exterior of shelter canopy	\$ 16,792.00	State of Good Repair
Guadalupe	Provide and install arm rest for existing benches (Concrete swale 8)	\$ 9,244.00	Passenger Amenities
Surf	New platform, parking lot and canopy fixture upgrade 32 fixtures total	\$ 113,146.00	Facility Upgrades
Surf	Paint, restriped platform tactile, repair expansion joint, clean and polish handrails on platform	\$ 33,817.00	Safety
Goleta	New platform tactile	\$ 132,093.00	Safety
Goleta	Crew room rehab (paint, flooring, bathroom, ceiling tile)	\$ 76,435.00	Facility Upgrades
Goleta	Restripe platform	\$ 21,413.00	Safety
Goleta	10 swale for concrete benches	\$ 8,327.00	Passenger Amenities
Goleta	Canopy repair and canopy lighting upgrade (6)	\$ 5,269.00	Facility Upgrades
Goleta	Design of new layover facility	\$ 260,000.00	SRA
Santa Barbara	Microphone in baggage room	\$ 2,293.00	Facility Upgrades
Carpinteria	New tactile and striping	\$ 100,928.00	Safety
Carpinteria	Paint and restriped platform	\$ 18,298.00	State of Good Repair
Carpinteria	6 benches	\$ 13,066.00	Passenger Amenities
Oxnard	New tactile and striping	\$ 157,525.00	Safety
Oxnard	Platform striping	\$ 31,141.00	Safety
Oxnard	5 new benches with arm rest	\$ 11,384.00	Passenger Amenities
Oxnard	Flooring for ticket area and office	\$ 3,822.00	Facility Upgrades

**Table 5.3: LOSSAN Agency Capital Improvement Plan (continued)**

Station	Project Description	Project Cost	Classification
Oxnard	New ceiling panel	\$ 3,057.00	Facility Upgrades
Oxnard	New exhaust for bathroom	\$ 1,529.00	Facility Upgrades
Simi Valley	Tactile and striping	\$ 126,928.00	Safety
Chatsworth	Tactile and striping for both platform	\$ 154,166.00	Safety
Chatsworth	Furnish and install 4 benches for platform	\$ 9,855.00	Passenger Amenities
Van Nuys	Flooring behind ticket counter and Agent's office	\$ 5,350.00	Facility Upgrades
Van Nuys	Hand dryer in three bathrooms	\$ 5,350.00	Facility Upgrades
Van Nuys	New FRP panel in the server room	\$ 1,529.00	Facility Upgrades
Van Nuys	New shelving outside inside the cage	\$ 1,529.00	Facility Upgrades
Burbank	Update signage	\$ 33,782.00	Safety
Burbank	Platform striping and verbiage	\$ 32,925.00	Safety
Fullerton	New ticket counter	\$ 328,669.00	Facility Upgrades
Fullerton	Paint inside ticket office, agent's office and baggage area	\$ 8,408.00	State of Good Repair
Fullerton	New ceiling tiles inside ticket area and baggage area	\$ 7,643.00	Facility Upgrades
Fullerton	New Flooring inside ticket office and Agent's office	\$ 6,879.00	Facility Upgrades
Fullerton	Hand dryer in bathroom	\$ 2,293.00	Facility Upgrades
Anaheim	Cross hatched in red by rollup fire door and stencil "Keep Clear" and repair both baggage rollup door for code compliance	\$ 4,586.00	Safety
San Juan Capistrano	Repaint inside waiting area and ticket office	\$ 12,994.00	State of Good Repair
San Juan Capistrano	Purchase and install 5 benches similar to Maricopa	\$ 9,855.00	Passenger Amenities
San Juan Capistrano	New Flooring inside ticket office	\$ 3,822.00	Facility Upgrades
San Juan Capistrano	Relocate one camera in front of the entrance	\$ 1,529.00	Safety
Solana Beach	Platform tactile replacement	\$ 289,172.00	Minor Cap
Old Town	Tactile and Striping	\$ 110,830.00	Safety
Old Town	Platform shelter and platform LED lighting upgrade 28	\$ 97,859.00	Facility Upgrades
San Diego	480 V panel installation-2 (800A) for platform 2 & 3, 1 (800A) for platform 1, 1(200A) for private car	\$ 812,986.00	SRA

**Table 5.3: LOSSAN Agency Capital Improvement Plan (continued)**

Station	Project Description	Project Cost	Classification
San Diego	Platform tactile replacement (6000 LF)	\$ 693,123.00	Safety
San Diego	Upgrade existing camera system to Genetec	\$ 560,520.00	Safety
San Diego	Bathroom upgrades: Mens (4 stall including 1 ADA, 2 urinal, 4 sink, 2 hand dryer, lighting) and Womens (5 stall including 1 ADA, 4 sink, 2 hand dryer, lighting)	\$ 229,304.00	Minor Cap
	<b><i>FY 2019-20 and 2020-21 CIP Total</i></b>	\$ 5,508,526.00	



## Chapter 6: Fare Policy

Pacific Surfliner trains currently offer travel in unreserved coach class and reserved business class. If traveling in unreserved coach, passengers do not need to make an advanced reservation for a specific train, except during Thanksgiving week and select special events, when all seats on Pacific Surfliner trains are reserved. Pacific Surfliner fares are largely static year-round and do not vary by day of the week, with nominal increases on select holiday and traditionally busy travel periods. Business class requires an advanced train-specific reservation and a 50 percent upcharge, with a minimum \$10 upgrade fee. In addition to a guaranteed seat, business class also provides a beverage, snack, newspaper, and service from a dedicated train attendant on most trains.

Ticket types available on the Pacific Surfliner include one-way, roundtrip, 10-trip tickets, and monthly passes for unreserved coach. Roundtrip tickets are priced at twice the one-way fare. The 10-trip ticket is valid for ten one-way trips between a specific station pair within a 60-day period from date of first use and can be used by more than one passenger. Ten-trip tickets are discounted below one-way and roundtrip tickets, with all station pairs priced at a consistent 40 percent off the equivalent single ride fares. Monthly tickets are valid for unlimited travel for an entire calendar month for the passenger named on the ticket.

The LOSSAN Agency implemented a fare restructuring in March 2018. This is the only fare change to take place since the ITA was executed in June 2015, as can be seen in Table 6.1.

**Table 6.1: Historic Pacific Surfliner Fare Adjustments**

Date	Increase
June 2003	3 percent
June 2004	3 percent
June 2005	5 percent
December 2005	5 percent
June 2006	5 percent
October 2006	5 percent
February 2009	N/A -- fare restructuring
February 2010	2 percent
June 2010	3 percent
June 2011	2 percent
September 2011	Seasonal fare change eliminated
August 2012	2 percent
June 2013	2 percent
March 2018	N/A – fare restructuring

### Everyday Discount Programs

In addition to discounted multi-ride tickets, the Pacific Surfliner offers everyday discounts on tickets to senior citizens age 62 and older (15 percent), disabled riders (15 percent), United States military veterans (15 percent), children age 12 and under (50 percent), and a national student discount program that provided a 15 percent discount for students aged 13 to 25 years old.

### Other Discount Programs

The LOSSAN Agency and Amtrak occasionally partner with local destinations and/or convention and visitors bureaus to offer special discounts for travel to a specific location. For example, the Santa Barbara and San Luis Obispo Car Free programs offer a 20 percent discount off Pacific Surfliner tickets for travel to stations in those counties. Amtrak also offers a California rail pass, which offers travel on any seven days in a 21-day period on all three state-supported intercity routes in California, as well as the Coast Starlight and most Amtrak Thruway buses.

When requested by the LOSSAN Agency, Amtrak can also offer special discounts to one-time events using a special promotional code. Groups of 15 or more on the Pacific Surfliner can receive a 20 percent discount on regular fares on select trains based on projected seat inventory and season of travel. The Kids 'n' Trains program provides reduced group fares for school and youth groups traveling on the Pacific Surfliner on select mid-week trains. In addition, SBCAG is currently subsidizing a limited-term discount on 10-trip and monthly passes between stations in Ventura County and Santa Barbara/Goleta to help encourage ridership on the peak-period service between Ventura and Santa Barbara Counties.

### Rail 2 Rail Programs

There are currently two distinct Rail 2 Rail programs in place that allow Metrolink and COASTER pass holders to ride Pacific Surfliner trains at no additional cost using their valid commuter rail tickets and/or monthly passes.

**Metrolink:** The Rail 2 Rail program allows Metrolink monthly pass holders who travel on Metrolink's Orange and Ventura County lines to travel on Pacific Surfliner trains within the limits of the station pairs of their pass at no additional charge, including on Saturday and Sunday. The Rail 2 Rail program does not apply to Metrolink one-way, roundtrip, and seven-day passes except on Pacific Surfliner trains between Los Angeles and Burbank Airport. Pacific Surfliner monthly pass holders may also ride any Metrolink train within the station pairs on their Amtrak monthly pass. Amtrak conductors scan the Metrolink passes and Metrolink is billed for each Rail 2 Rail boarding at a reimbursement rate of \$7.00 per boarding.

**COASTER:** NCTD currently has a modified Rail 2 Rail program agreement whereby COASTER passengers may travel on any Pacific Surfliner trains using a valid COASTER RegionPlus, monthly, or day pass. NCTD reimburses Amtrak \$4.42 per Rail 2 Rail rider, which is the approximate average fare collected per passenger boarding on the COASTER service.

Pacific Surfliner monthly pass holders and one-way and roundtrip ticket holders may also ride any COASTER train within the station pairs on their Amtrak ticket at no additional charge.

Over the course of the next fiscal year, the LOSSAN Agency will be working with Metrolink and NCTD to revise the Rail 2 Rail programs to achieve a more equitable distribution of both revenue and expenses. The ongoing corridor optimization effort is currently examining various options that are could be considered for these future programs.

### Additional Fare Enhancement Opportunities

In FY 2020-21, the LOSSAN Agency will continue to work with Amtrak to explore opportunities to increase fare revenue while maintaining and expanding ridership, including:

- Implement a midweek fare promotion to encourage ridership on trains and between station pairs that are currently underutilized.
- Implement seasonal marketing campaigns to increase ridership during the winter months.
- Increasing public awareness of existing everyday discount programs, especially student and group discounts, including the Kids 'n' Trains program.
- Continue the expansion of partnerships with the San Diego Padres, Del Mar Racetrack, Anaheim Ducks, and other event organizers to promote taking the Pacific Surfliner to sporting events, concerts, and other special events served by the Pacific Surfliner.
- Enhance customer loyalty and referral programs, including the Amtrak Guest Rewards program, to retain existing customers and attract new riders.

## Chapter 7: Network Integration, Coordination and High-Speed Rail

An integrated passenger rail network is a key initiative included in the 2018 California State Rail Plan, with the goal to plan and implement a statewide passenger rail system that maximizes the performance potential of intercity passenger rail as a time- and cost-competitive travel option for meeting the state's transportation needs. Several opportunities exist for better integrating the Pacific Surfliner service with the existing, planned and proposed transit and rail network along the 351-mile LOSSAN rail corridor.

### Statewide and Regional Coordination

The LOSSAN Agency works in close coordination with CalSTA, Caltrans DRMT, transit and rail operators along the LOSSAN rail corridor, and other stakeholders on efforts to improve rail and transit connections. This includes working to create an integrated passenger rail and transit network with coordinated schedules, which will provide additional travel options throughout the state, allowing passengers to seamlessly transfer from service to service to reach their desired destinations.

Specifically, the LOSSAN Agency has worked with rail operators and stakeholders along the LOSSAN rail corridor to establish a corridor improvement team to guide coordinated planning efforts to identify and address on-time performance and operating issues that impact the ability to better integrate the services. The group includes participation from the LOSSAN Agency, NCTD, Metrolink, BNSF, SJJPA, Amtrak and UPRR. Together the members are working collaboratively to improve rail service through service optimization efforts and coordinated analysis of root causes of delay.

### Transit Connections

The LOSSAN Agency has built strong working relationships with the regional transit operators along the rail corridor. In 2016, the LOSSAN Agency implemented the Pacific Surfliner Transit Transfer Program, providing seamless transfers to 11 local public transit services along the LOSSAN rail corridor and creating more convenient first- and last-mile connections.

The Amtrak-operated Thruway bus service also provides key connections and is coordinated with the San Joaquins and Capitol Corridor intercity rail services, providing connectivity to the statewide rail system. The LOSSAN Agency has worked with SJJPA, CCJPA and Amtrak to implement updated branding on all Amtrak Thruway buses that reflect the service's key role in connecting California's three intercity rail corridors. The passage of Senate Bill 742 will allow even greater flexibility in the planning and scheduling of thruway bus services by removing the requirement for thruway bus passengers to also travel by Amtrak train on a segment of their trip. The LOSSAN Agency will work with Amtrak, CCJPA, SJJPA and Caltrans DRMT to review operations of the Thruway bus service and look for opportunities to improve connectivity and efficiency. Pacific Surfliner trains also provide timed connections in Los Angeles to three Amtrak long-distance trains serving destinations including Chicago, New Orleans, Portland, and Seattle.

### Integrated Fare Structure

There are several short- and long-term efforts being evaluated or undertaken by the State and local agencies to introduce a more integrated and seamless ticketing system for passenger rail and connecting transit services. In late 2017, the LOSSAN Agency participated in a workshop hosted by CalSTA to discuss statewide fare integration and coordination of passenger rail and mass transit services. This was the first step to provide integrated, end-to-end public transportation services that are accessible, convenient, and provide a viable alternative to single occupancy vehicle travel. The LOSSAN Agency also participated in a statewide integrated travel conference held in spring of 2018 that allowed statewide transportation agencies to learn more about integrated travel concepts and help shape progress towards a pilot program within two years. Following this conference, the CCJPA was awarded TIRCP funding to develop a pilot for a Statewide Integrated Travel Program, focused on developing a statewide trip planning and fare integration strategy among multiple agencies using modern software platforms to enhance connectivity, efficiency, and ridership across California, including on the Pacific Surfliner.

In parallel with this statewide effort, the LOSSAN Agency has also been working with Metrolink, Metro, Amtrak and NCTD on shorter-term solutions to provide easier integration for passengers between services. As part of a corridorwide optimization study that is being led by the LOSSAN Agency, various cost sharing methodologies that exist nationally and internationally have been evaluated to assist with identifying solutions for sharing the revenue and costs between agencies that are associated with a more integrated ticketing strategy.

### Sub-Regional Transit and Rail Integration Studies

Beyond the corridorwide and statewide efforts and strategies noted above, several LOSSAN member agencies have begun work to study more localized passenger rail service along the LOSSAN rail corridor. These local concepts are summarized below.

- *Freight Pathing Study between Atwood-San Diego and Passenger Service extensions south of San Diego*

This study is being led jointly by the BNSF Railway and NCTD to perform a freight-specific analysis on how anticipated growth can be accommodated on the LOSSAN South corridor for freight trains between CP Atwood (in Orange County) and San Diego and how an extension of passenger services to a new Convention Center station and/or National City could aid freight capacity. NCTD has had the desire to extend Coaster services to San Diego's Convention Center since 2002 and the 2018 California State Rail Plan has provided momentum to extend passenger services south of San Diego Downtown towards the border with Mexico. This study also aligns with the LOSSAN Agency's current efforts to identify a location for a new layover and maintenance facility for the Pacific Surfliner in San Diego and some of the locations under consideration are located south of downtown. The LOSSAN Agency is coordinating with BNSF and NCTD on this study.

- *SBCAG Regional Transit and Rail Planning and Integration Study*

As part of the 2018 TIRCP grant awards, SBCAG received funding to perform a sub-regional transit and rail planning and integration study. This study is taking a focused look at identifying the regional mobility needs along the LOSSAN rail corridor between Ventura and San Luis Obispo, and identifying potential new, modified, or expanded service options, including the best methods for integrating these services into the existing transit and rail network. The LOSSAN Agency is coordinating with its member agencies in Ventura, Santa Barbara, and San Luis Obispo counties on this study.

- *Coast Rail Corridor Service Implementation Plan and Passenger Rail Improvement Study*

SLOCOG has recently initiated a study to both perform a Coast Rail Corridor Service Implementation Plan and evaluate and provide recommendations for implementing a passenger rail service between locations in San Luis Obispo County that cannot be easily served by the existing Pacific Surfliner service. The LOSSAN Agency is supportive of this effort to provide more localized passenger rail service within the LOSSAN rail corridor and will be working with SLOCOG and the other corridor stakeholders in this study and identify opportunities to expand the reach and enhance the connectivity of the Pacific Surfliner service.

- *San Diego Regional Rail Higher Speed and Enhanced Safety Alternatives Advanced Planning Study*

The San Diego Association of Governments is the lead for an advanced planning study to identify opportunities for higher speed and enhanced safety for the LOSSAN Corridor along the San Diego Subdivision, working with NCTD, MTS, LOSSAN, CalSTA, and other stakeholders. A particular focus of the study will be addressing long-term solutions for relocating the rail alignment off the sensitive coastal bluffs in the City of Del Mar. The study is expected to kick off in Spring 2020 and take 18-24 months to complete.

- *Coachella Valley – San Gorgonio Pass Rail Corridor Service Development Plan*

RCTC is the lead in completing the Coachella Valley - San Gorgonio Pass Rail Corridor Service Development Plan to establish daily intercity rail service between Los Angeles and Indio in the Coachella Valley. This effort is funded with a \$2.9M FRA grant and local funds. The team is in close coordination with FRA, Caltrans and local stakeholders to complete the project. The work also includes the development of program level environmental documents to advance efforts on the corridor. The LOSSAN Agency is supportive of this effort and has been actively participating in the project development.

### Link Union Station

The LOSSAN Agency is participating in planning and design meetings related to the Link Union Station (Link US) project. The project, being managed by Metro, will transform LAUS from a



“stub-end” station, to a “run-through” station by extending tracks south over the US 101 freeway, resulting in reduced travel times, particularly for Pacific Surfliner passengers traveling through Los Angeles. Link US will also reconfigure station entry tracks and station boarding platforms to improve efficiency, and create a new passenger concourse with improved retail, food and passenger waiting areas. Metro is also working with CHSRA to explore options to incorporate future HSR service at LAUS. The Environmental Impact Report for the Link US Project was certified and approved by the Metro Board of Directors in June 2019 with the draft Environmental Impact Statement scheduled to be released for public comment in June 2020.

SCORE Program

The SCORE program is a multi-year, \$10 billion program managed by Metrolink to upgrade the regional rail system in Ventura, Los Angeles, Orange, San Bernardino, and Riverside Counties to meet the current and future needs of the traveling public. The SCORE program is more than just adding tracks, grade separations and upgrading signal systems across the Metrolink system. The vision is to provide the infrastructure necessary to operate more trains with greater frequency and reliability, making regional rail travel easier and more convenient.



The LOSSAN Agency is an important partner in this program, working with Metrolink, BNSF, Caltrans DRMT, CHSRA, and CalSTA in the development of a phased implementation strategy for the program that begins the integration of the regional passenger rail services and allows for the eventual introduction of high-speed rail as part of the regional rail network.

HSR Connection

The HSR system was planned to be an integral component of the statewide passenger rail system, and key to the statewide network integration effort. The passenger rail services along the LOSSAN rail corridor serve as a backbone for transportation throughout the central and Southern California coastal regions. As such, the LOSSAN rail corridor will provide critical connections to support and compliment the HSR system in whatever form it eventually takes. Integration between the LOSSAN rail corridor and HSR system will provide mutual benefits to each service.

As of February 2019, the Governor for the State of California established as a priority the operation of HSR in the Central Valley of California, which is the only region in which construction has commenced. He also reaffirmed the commitment to complete the HSR environmental work statewide, to maintain the early investments planned in the Bay Area and Los Angeles and to pursue additional federal and private funding for future project expansion.

The CHSRA adopted its most recent Business Plan in June 2018. As with the previous Business Plan, CHSRA continues to recognize the interregional importance of the Burbank to Anaheim segment of the HSR system and the need to make strategic investments that will help link rail systems together over time. In FY 2020-21, the CHSRA and the LOSSAN Agency will continue efforts to coordinate efforts in the LOSSAN rail corridor.

As originally planned, Phase 2 of the CHSRA project will extend HSR from Los Angeles to San Diego via an inland route. This would change the role of the Pacific Surfliner into more of a feeder route to HSR, particularly for coastal communities in Orange and San Diego counties.

**Figure 7.1: California High-Speed Rail Statewide Systema**



Source: CHSRA, 2019



## Chapter 8: Passenger Amenities

In order to make the Pacific Surfliner an attractive travel alternative, the LOSSAN Agency has worked with Amtrak to implement initiatives designed to enhance amenities and improve the overall passenger experience. This chapter focuses specifically on enhancements to passenger services and amenities that have been prioritized by the LOSSAN Agency for the Pacific Surfliner service in FY 2020-21 and FY 2021-22.

### On-Board Amenities

**Business Class:** Business class is a popular amenity on the Pacific Surfliner. With a business class ticket, passengers receive a guaranteed seat; self-serve coffee, tea, and pastries in the morning, and at-seat snack and beverage service in the afternoon, as well as a dedicated train attendant. Passengers also receive access to the Amtrak Metropolitan Lounge in Los Angeles, priority boarding at the Santa Fe Depot in San Diego, and bonus Amtrak Guest Rewards points. The LOSSAN Agency worked with Amtrak in late 2016 to expand business class capacity in direct response to passenger demand. This was achieved by utilizing the Superliner long-distance car as a second business class car. To maintain the quality of the business class experience, the LOSSAN Agency is working with Amtrak to complete a refresh of all business class cars, including installation of upgraded seat coverings, carpets and curtains, as well as enhanced on-board service.

**Food and Beverage:** In FY 2019-20, the LOSSAN Agency continued to work with Amtrak to evaluate existing food and beverage offerings based on sales and revenue data and implemented regular menu “refreshes” to introduce new locally sourced fresh food items, California wines and local craft beers. This included switching to a new Los Angeles-based vendor to provide fresh food, including salads and sandwiches, which has led to impressive increases in Café car sales and revenue, as well as improved customer satisfaction. Introducing new locally sourced products, including additional seasonal items, will continue to be a priority for the LOSSAN Agency throughout FY 2020-21.

**Wi-Fi:** The Pacific Surfliner service currently offers free Wi-Fi to passengers, which has proven to be a popular amenity. The LOSSAN Agency is working with Amtrak and Caltrans DRMT to build on the success of the existing Wi-Fi service by improving the speed and reliability of the service. Due to limited bandwidth, age of the equipment, and other issues, the existing Wi-Fi service is often unreliable, and speeds are slower than desired. A number of options are being explored for further improving the quality and reliability of on-board Wi-Fi service, including ensuring that cars used in the Pacific Surfliner service are equipped to provide WiFi, as well as partnering with the Capitol Corridor and San Joaquins, which are currently engaged in a WiFi improvement project, or potentially with Metrolink and NCTD, which are also exploring options to offer new or improved WiFi service onboard their trains.

### Service Amenities

**Customer Communication:** The LOSSAN Agency continues to have an active presence on social media and has seen a consistent growth in followers on all Pacific Surfliner social media channels. Through these channels, LOSSAN Agency staff is able to engage with current and

prospective passengers, helping to promote future travel on the Pacific Surfliner. In the coming year, the LOSSAN Agency plans to expand its recently launched email marketing program, and work with partner agencies to expand digital content using the updated personalization features included in the new PacificSurfliner.com website. The LOSSAN Agency is also working more closely with Amtrak staff to improve the timeliness of train status information on all customer-facing channels, providing 24/7 coverage, as well as working with Amtrak to reduce response time to customer questions and refund requests.

**Joint Promotions:** In FY 2020-21, the LOSSAN Agency will continue coordinated marketing efforts with local convention and visitors' bureaus, connecting transit agencies, and key attractions along the Pacific Surfliner route. In FY 2019-20, the LOSSAN Agency worked on a number of successful joint promotions, including with the San Diego Padres, Anaheim Ducks, Los Angeles Angels of Anaheim, KDOC-TV, Operation Lifesaver, Big West Conference, Entercom Communications, and the Disneyland Resort. These efforts will continue in the coming year to provide special offers and incentives to Pacific Surfliner passengers, while also increasing brand awareness.

**Rail 2 Rail Program:** The LOSSAN Agency will continue to work with Amtrak, Metrolink, and NCTD to offer a Rail 2 Rail program benefit to customers that provides an equitable reimbursement rate to the Pacific Surfliner for carrying Metrolink and COASTER pass holders on state-funded intercity trains. In October 2018, the Rail 2 Rail program with NCTD was modified to allow NCTD multi-ride passes to be used on all Pacific Surfliner trains while also eliminating additional COASTER stops that were previously made by some Pacific Surfliner trains. Changes are currently being considered to the Metrolink Rail 2 Rail program that would introduce a "step-up pass" to Metrolink monthly pass holders that would allow use of Pacific Surfliner trains for an additional charge.

**Service Disruptions:** Improving communication with passengers during a planned or unplanned track closure or service disruption is an important service amenity that the LOSSAN Agency will continue to focus on during FY 2020-21. Service disruption updates are currently posted on the @pacsurfliners Twitter channel, which has resulted in positive customer feedback. The LOSSAN Agency is working with Amtrak to improve the quality of notifications sent via Amtrak-owned channels, including push notifications sent through the Amtrak app, as well as text and email alerts, and updates provided on electronic signs located on station platforms.

**Special Event Service:** The LOSSAN Agency will work with Amtrak to expand and/or develop Pacific Surfliner service to special events that draw large crowds including the Del Mar Race Season, San Diego Comic-Con International, the Coachella Valley Music and Arts Festival, major sporting events and festivals, and during major government holidays, while also ensuring that appropriate resources (rolling stock, staffing, etc.) are made available to accommodate anticipated demand.

**Train Status Information:** Amtrak currently provides train status information through a number of channels, including announcements at staffed stations, Passenger Information Display System signs on station platforms, and online through the "train status" feature on Amtrak.com

and the Amtrak mobile app. The LOSSAN Agency works with Amtrak to provide service alerts on the @pacsurfliners Twitter channel, which supplies more detailed information during service disruptions. The LOSSAN Agency will continue to look for opportunities to further enhance train status updates, including a more user-friendly Web-based train tracker that shows the real-time position of Pacific Surfliner trains on a route map. In addition, the LOSSAN Agency continues to work with Amtrak to improve the accuracy of the train status data currently offered through the Amtrak app and Amtrak.com.

**Transit Transfer Program:** The Pacific Surfliner Transit Transfer Program was implemented in 2016 as a result of a successful TIRCP grant. The Transit Transfer Program offers seamless connectivity to more than 11 local public transit services along the LOSSAN rail corridor. The LOSSAN Agency is working with local transit providers to continue marketing efforts for the program. Originally intended as a one-year pilot program, this program was extended for three additional years, through June 31, 2020, using existing TIRCP funds. The LOSSAN Agency intends to continue this program using annual operating funds after expiration of the TIRCP funds. The LOSSAN Agency is also making progress toward implementing a program that will allow passengers to use their Amtrak Pacific Surfliner ticket to transfer to the Metro Rail system in Los Angeles in coordination with Metro and Metrolink.

**Station Improvements:** Using previous studies and input from member agencies and station owners, the LOSSAN Agency prepared a CIP that includes a number of station related improvements that are candidates for minor capital program funds, as well as state and federal safety/security funds, SRA funds and future TIRCP funds. The CIP (as detailed in Chapter 5) prioritizes funding for station and platform improvements, including enhanced wayfinding signage at Pacific Surfliner stations, as well as safety and security upgrades.

## Chapter 9: Equipment

The cars primarily used on the Pacific Surfliner were purchased by Amtrak and have been in service since 2000. Additional cars were purchased by the State of California in 2002 to supplement the Amtrak owned fleet by adding seating capacity and additional Pacific Surfliner service. As the ridership continues to grow, additional Amtrak equipment (both single and bi-level cars) has been leased by the State of California to provide the necessary capacity to support the passenger demand on the Pacific Surfliner.

Currently, Amtrak operates 26 daily Pacific Surfliner trips using 10 train sets. A typical train set consists of one locomotive and six passenger cars, including one business class car, one Superliner car for additional business class seating, one Café car with coach seating, two coach cars, and one cab/baggage car with additional coach seating. This typical train set provides approximately 485 passenger seats. Additional passenger cars are added to accommodate anticipated increases in demand associated with holidays and special events.

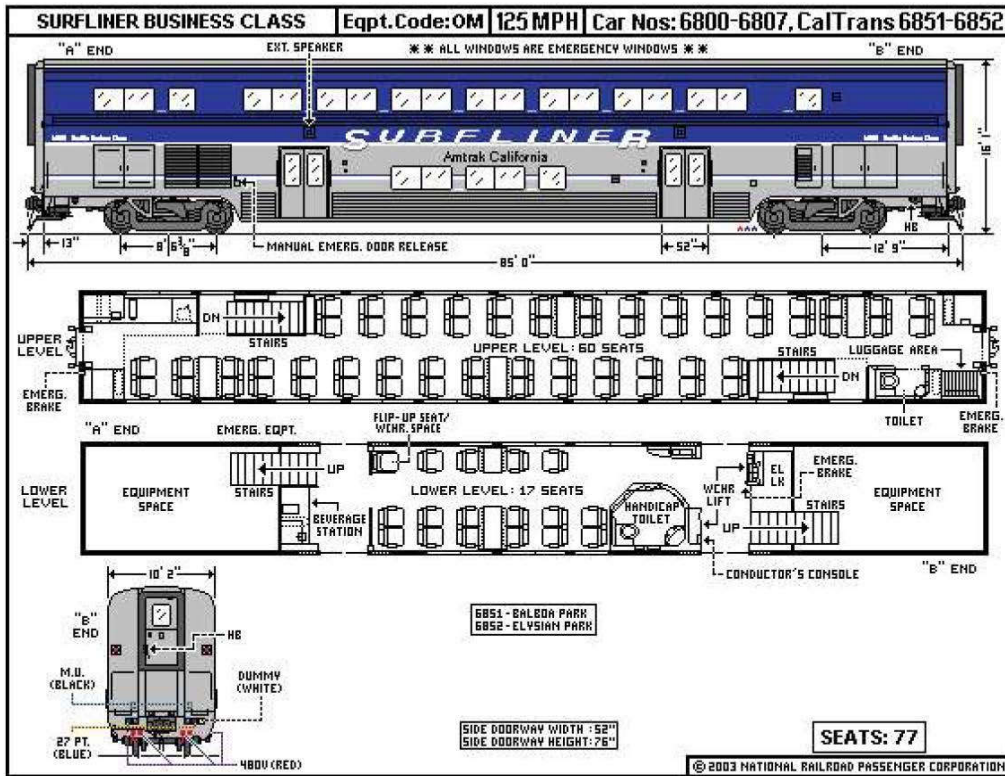
A description and schematic layout of the types of bi-level cars that are used most often in Pacific Surfliner service are provided in Table 9.1 and associated Exhibits.

**Table 9.1: Pacific Surfliner Fleet Description**

Type	Car Description	Seating Capacity
Business Class	Reserved seating on upper and lower levels with dedicated attendant; complimentary at-seat snack and beverage service	74
Superliner Business Class	Upper level used for business class seating. Some cars have additional seating on the lower level that can also be used for business class	74
Superliner Café	Regular coach seating on upper level; booth seating and Café area with food and beverage service on lower level	70
Surfliner Café	Regular coach seating on upper level; booth seating and Café area with food and beverage service on lower level	83
Coach	Unreserved seating on upper level with limited seating for seniors/disabled on lower level	90
Superliner Coach/Baggage	No lower level seating	60-
Surfliner Cab/Baggage	Unreserved seating on upper level and cab area for engineer to operate train; limited senior/disabled seating, bike rack accommodating seven bikes, and secured area for storage of checked baggage on lower level	76



**Exhibit 9.1: Pacific Surfliner Business Class Car**



Note: Business class cars have been reconfigured to add a lower level luggage rack and improved lower-level seating, resulting in a net reduction of five seats, for a total of 72.

**Exhibit 9.2: Pacific Surfliner Café Car**

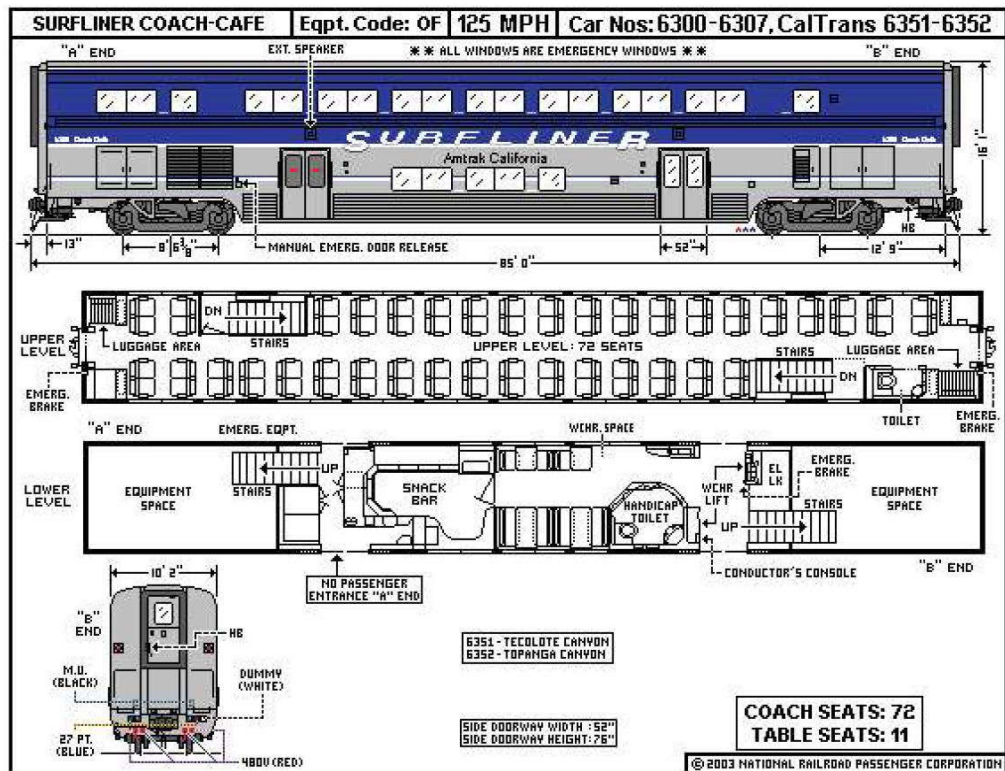


Exhibit 9.3: Pacific Surfliner Coach Car

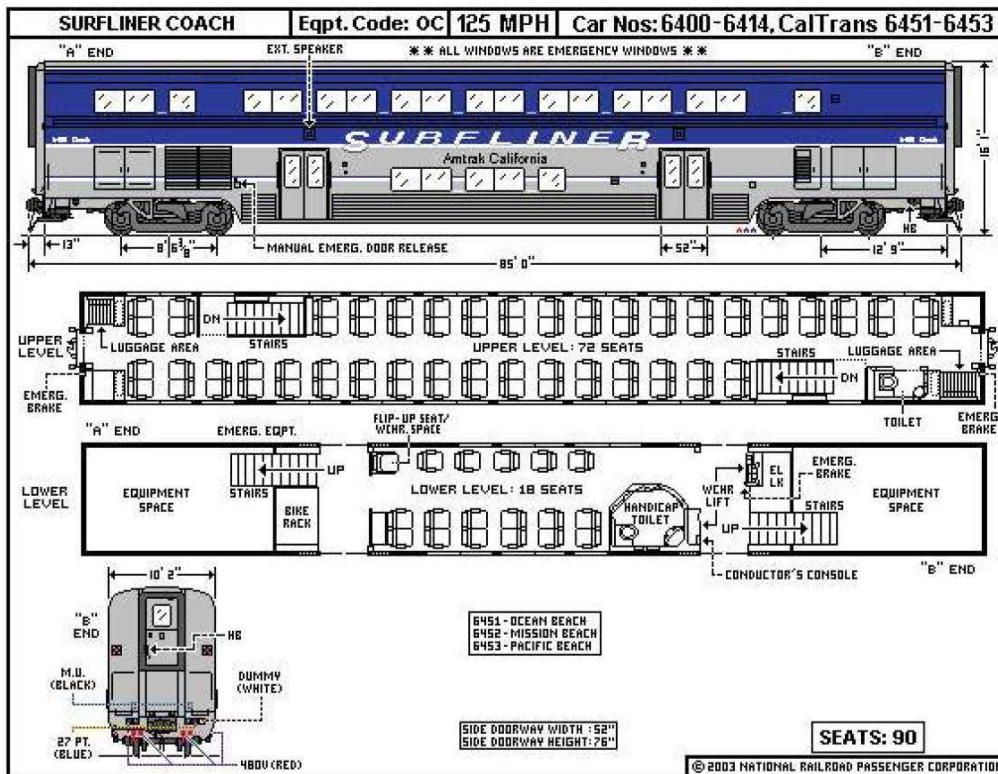
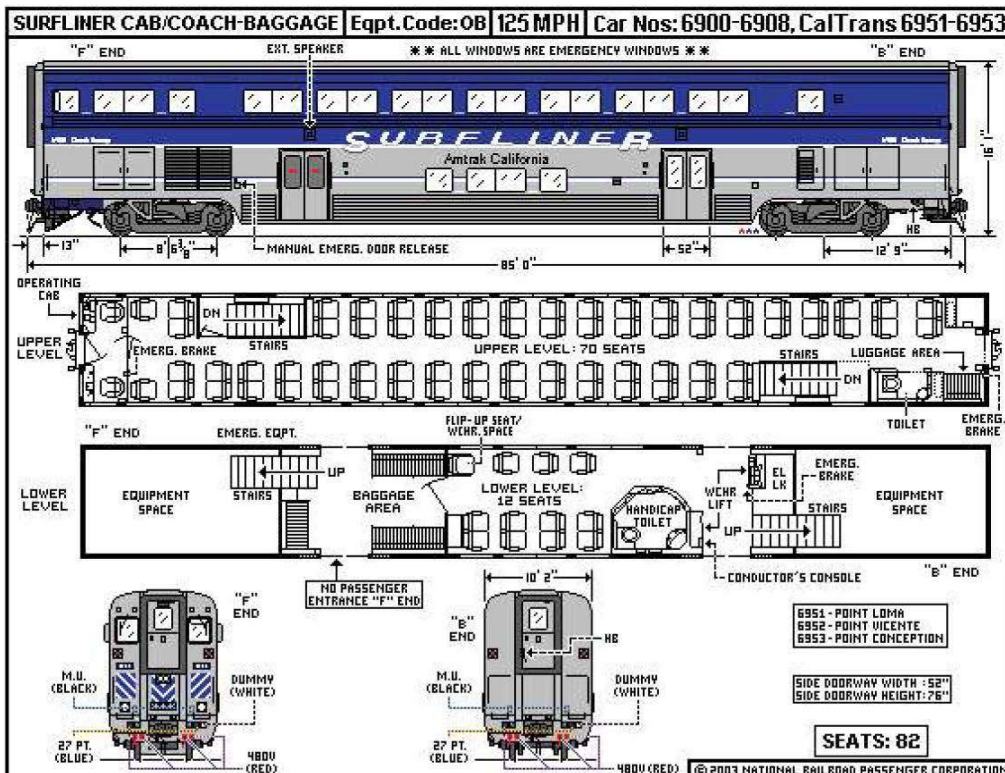
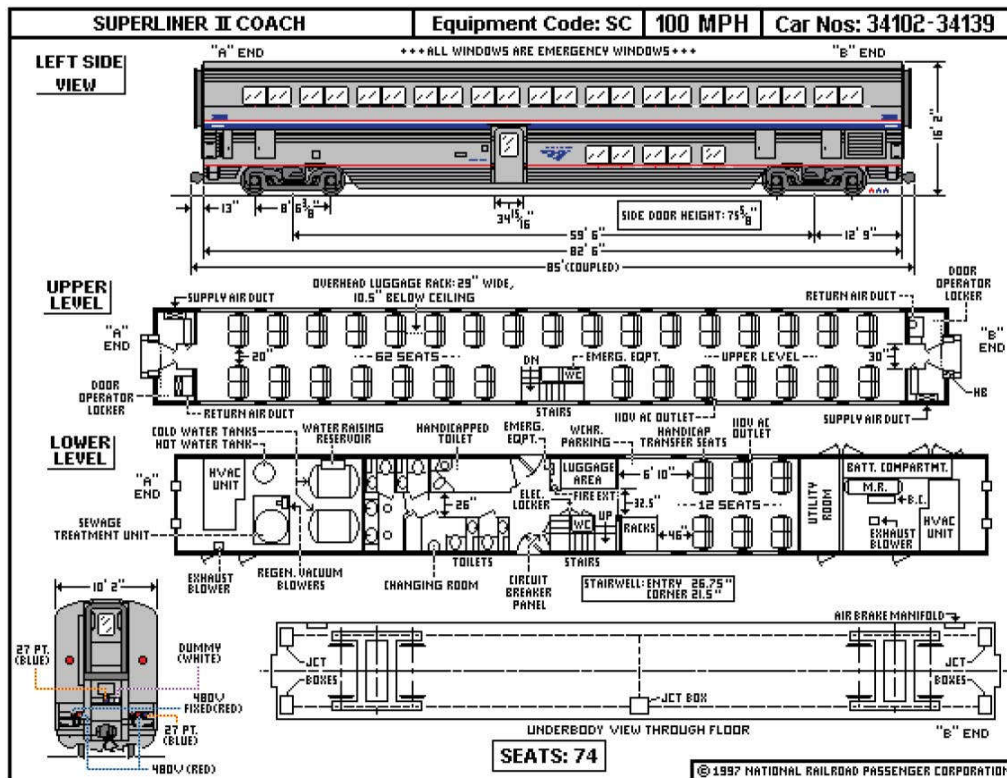


Exhibit 9.4: Pacific Surfliner Cab/Baggage Car





**Exhibit 9.5: Pacific Surfliner Superliner Coach Car**



The locomotives and passenger cars used to provide the Pacific Surfliner service have historically been primarily owned by Amtrak and leased by Caltrans DRMT for use on the service. The lease fees and capital equipment charges associated with the Amtrak-owned equipment are included in a separate agreement between Caltrans DRMT and Amtrak.

Included in the Pacific Surfliner fleet are 49 bi-level Surfliner passenger cars, 10 of which are owned by the State of California and the remaining 39 by Amtrak. In addition to the 49 Pacific Surfliner-branded bi-level cars, the State of California, through Caltrans DRMT, leases approximately eighteen Amtrak-owned bi-level Superliner coach and coach-baggage cars, and one Superliner Café car. These cars are typically used on Amtrak’s long-distance trains but have been modified to run in “push-pull” operation and have also been equipped or are being equipped to support the Wi-Fi service offered on Pacific Surfliner trains. As of 2018, 10 of these Superliner cars are regularly used on the Pacific Surfliner service as a second business class car for additional business class seating.

Caltrans DRMT also leases 14 Amtrak-owned single-level Amfleet and Horizon cars, as well as two F40 Non-Powered Control Units (or Cab Cars), which are non-powered locomotives that carry baggage and acts as a cab car. Not all of these cars are available for exclusive Pacific Surfliner use. Additionally, these cars do not have automatic doors, which requires conductors to manually open and close doors at each stop and requires passengers to climb several steps to board the train, which can increase station dwell times. Of the 10 trainsets used to operate Pacific Surfliner service, nine currently consist of a combination of bi-level Surfliner and Superliner cars, and one consists of single-level Amfleet and Horizon cars.

Beginning in 2018, Caltrans DRMT and the LOSSAN Agency started to phase out the older Amtrak-owned Electro-Motive F-59PHI locomotives that had provided power on the Pacific Surfliner service since 1998 and replace them with new 4,400 HP state-owned Siemens Charger SC-44 locomotives. In addition, the LOSSAN Agency and Caltrans DRMT maintain a lease with Amtrak for the nonexclusive use of several 4,250 HP Amtrak-owned P-42 locomotives, which serve as spares for the Pacific Surfliner service. Amtrak routinely positions a spare “protect” locomotive in San Diego and Los Angeles that is available to assist in the event a train encounters a mechanical issue. A summary of the equipment currently used to provide daily Pacific Surfliner service, and its ownership, is provided in Table 9.2.

**Table 9.2: Pacific Surfliner Equipment Breakdown for FY2020-21**

	FY2020-21	
	State-Owned	Leased from Amtrak*
Cab Car	3	8
Coach	3	15
Business Class	2	8
Café Car	2	8
Superliner Coach and Coach/Baggage	0	18
Superliner Café Car	0	1
Amfleet/Horizon	0	14
<b>Total Rolling Stock</b>	<b>10</b>	<b>72</b>
GE P-42DC	0	2
F40 Cab Car	0	2
Siemens Charger SC-44	14	0
<b>Total Locomotives</b>	<b>14</b>	<b>4</b>

*\*Not all Amtrak leased equipment available for exclusive Pacific Surfliner use*

*Source: Caltrans and Amtrak, 2019*

Purchase and Overhaul of Equipment

As stated previously, approximately 85 percent of the bi-level passenger cars used on the Pacific Surfliner is owned by Amtrak. This makes it difficult at times to implement in an expeditious manner any improvements or overhaul programs to the passenger cars desired and expected of our passengers (such as upgrades to the Wi-Fi and installation of more current and informative passenger information systems). By comparison, the fleets used on the Capital Corridor and San Joaquins are 90 percent owned by the State of California already. The LOSSAN Agency, in coordination with Caltrans DRMT, is evaluating the possibility of purchasing the remaining 39 Surfliner bi-level cars and the Superliner bi-level cars currently owned by Amtrak and operated on the Pacific Surfliner. Purchasing the equipment, will allow for the cars being used on the Pacific Surfliner to better integrate into the statewide fleet management plan and allow for the sharing of resources more easily and efficiently with the other two state-supported corridors. In



October and November 2019, the LOSSAN Agency procured a consultant to inspect the existing Pacific Surfliner fleet and prepare of a valuation report highlighting the potential sale value of the cars for further consideration.

### New Equipment

Caltrans DRMT, along with the Illinois Department of Transportation, received federal funds through the High-Speed Intercity and Passenger Rail competitive grant program to procure new rolling stock for California's three state-supported intercity rail services. In December 2011, the California Transportation Commission approved the allocation of \$42 million of Prop 1B funds as a local match to \$168 million in federal funds for both railcars and locomotives. In November 2012, Caltrans DRMT awarded a \$352 million contract to Sumitomo Corporation of America to build new railcars that meet the federal standards required of the Next Generation Equipment Committee. Design and testing issues led to delays in the production of the new railcars, and ultimately the transfer of the railcar contract from Sumitomo Corporation to Siemens. In November 2017, Caltrans DRMT awarded a contract to Siemens through Sumitomo Corporation to manufacture a total of 137 single-level passenger railcars with 49 for use in California, with delivery expected to begin in late 2020. These railcars meet Buy America provisions and are being manufactured in Sacramento and will be operated on the San Joaquins route, freeing up the existing bi-level passenger car equipment used on the San Joaquins for use to expand service on the Capitol Corridor and Pacific Surfliner routes. The LOSSAN Agency is currently working with Caltrans DRMT and the CCJPA and SJJPA to finalize a fleet deployment plan to be implemented once the new cars begin arriving.

### Equipment Maintenance

The primary maintenance facility for all Pacific Surfliner rolling stock is currently Amtrak's Redondo Locomotive Maintenance Facility located adjacent to the LOSSAN rail corridor near downtown Los Angeles. This facility includes locomotive and vehicle repair shops that perform safety inspections, servicing, and maintenance of all Amtrak locomotives and rolling stock. Amtrak utilizes a smaller servicing facility in Goleta and San Luis Obispo for fueling, cleaning, and overnight train inspections. In San Diego, these services are performed at the Santa Fe Depot. While in San Luis Obispo, the Pacific Surfliner trainset is stored on a designated layover track adjacent to a UPRR locomotive servicing track and across from the San Luis Obispo station. The Los Angeles and Goleta maintenance facilities are owned by Amtrak, while the San Diego and San Luis Obispo facilities are through long-term lease agreements with the right-of-way owners.

Expansion of the facilities in San Diego, Goleta and San Luis Obispo is currently under the planning or design phase. The expansion or relocation of these facilities is necessary to support additional service growth on the Pacific Surfliner and allow for a more flexible and robust maintenance program that does not require all trainsets to rotate into the Redondo Locomotive Maintenance Facility once every four days, which limits the flexibility of how the existing equipment can be utilized.

Amtrak staff is responsible for all maintenance activities related to the Pacific Surfliner service as part of the annual operating agreement with the LOSSAN Agency. The LOSSAN Agency is responsible for administration and maintenance supervision of the Pacific Surfliner fleet,

particularly the ten state-owned railcars and 14 Siemens Charger Locomotives. This relationship is further defined in the Equipment Lease Agreement between Caltrans DRMT and the LOSSAN Agency, which is included as an appendix to the ITA. The LOSSAN Agency is also responsible for ensuring the Pacific Surfliner fleet is operated and maintained to the high standards of reliability, cleanliness, and safety set by Amtrak and the state on a day-to-day basis. LOSSAN Agency staff will continue to work closely with Caltrans DRMT and Amtrak to refine the maintenance and operations programs to improve the reliability, safety, and the cost-effectiveness of the fleet.

Caltrans DRMT is responsible for overseeing wreck repair and also participating in the oversight of modifications to state-owned equipment. Additionally, Caltrans DRMT is responsible for statewide fleet planning and deployment of equipment between the three state-supported intercity rail corridors (Pacific Surfliner, Capitol Corridor, San Joaquins) in consultation with each agency.

#### Amtrak Thruway Bus Service

Amtrak contracts with private bus companies to provide Amtrak Thruway bus service connecting to the Pacific Surfliner route, and the private bus operators provide the vehicles used in the service, which must comply with Amtrak requirements, including Wi-Fi accessibility, electronic destination signs, a restroom, and power outlets.

## Chapter 10: Marketing

The LOSSAN Agency’s efforts to create awareness and generate interest in the Pacific Surfliner service include a broad range of marketing activities from communicating critical rider information to launching new service promotions. The focus of the FY 2020-21 and FY 2021-22 marketing plan is to support key priorities outlined in the Business Plan, as well as engage in the marketing activities below. Marketing efforts are designed to generate interest in and engagement with the Pacific Surfliner service, ultimately driving customers to PacificSurfliner.com and various Amtrak points of sale to purchase tickets and support ridership and revenue objectives.

### FY 2020-21 and FY 2021-22 Marketing Plan

#### **Brand Building and Driving Awareness**

- Advertising campaigns

Campaigns are designed to boost engagement with the Pacific Surfliner brand. General advertising along the corridor is necessary to generate a high number of impressions and create interest in the Pacific Surfliner service while highlighting key selling points, such as scenic views, stress-free travel, and comfort and convenience of onboard amenities.

- Direct marketing

Staff will plan and implement short- and long-term integrated campaigns to increase market share and drive customers to Amtrak points of sale. Regular reporting and data analysis will provide opportunities to refine campaigns to maximize return on marketing investments. This will include a robust marketing effort to support the initiation of additional roundtrips, as well as any other service improvements that are implemented.

- Field marketing

The field marketing engagement program is designed to build awareness of the Pacific Surfliner service while developing and strengthening relationships with local communities. The program will include investments in sponsorships, memberships, and advertising programs that are coordinated through strategic partnerships with convention and visitors’ bureaus, collegiate and professional sports franchises, live event promoters, and local event producers.

- Public relations

The LOSSAN Agency will develop and implement targeted public relations campaigns to generate featured stories and related publicity in order to boost awareness of the Pacific Surfliner service while enhancing the brand’s credibility. Public relations announcements also generate buzz around promotions and special offers that are geared towards increasing ridership. The LOSSAN Agency also shares rail safety messages via public relations announcements and social media to highlight the importance of safety around

train tracks and promote public education efforts in collaboration with California Operation Lifesaver (CAOL).

## New Customer Acquisition

- PacificSurfliner.com website

The PacificSurfliner.com website continues to provide an online destination for users to discover, plan, and book trips by train. The main purpose of the website is to capture traffic and drive users to Amtrak points of sale for ticketing. Many of the bookings on PacificSurfliner.com are assumed to be from new or latent riders, as frequent passengers tend to book directly through Amtrak.com or the Amtrak mobile app. This illustrates that the LOSSAN Agency’s marketing efforts are crucial to not only maintain current customers, but also to reach new and distinct markets that present opportunities to grow ridership and revenue. New passengers on the Pacific Surfliner can then be turned into return customers by Amtrak through its national sales and promotional efforts, retargeting activities using transactional data, and loyalty incentives like Amtrak Guest Rewards that drive customers back to Amtrak points of sale for future trips. The LOSSAN Agency will continue efforts to enhance the online experience by implementing website features designed to increase user engagement and booking transactions.

- Digital marketing

The LOSSAN Agency drives valuable traffic to the Pacific Surfliner website consistently throughout the year through marketing strategies focused on keeping the Pacific Surfliner top of mind, while continuing to drive sales referrals to Amtrak.com for ticketing. To encourage consumers to travel on the Pacific Surfliner, offers such as year-round savings with California Everyday Discounts are promoted through social media, paid advertising, and other channels to encourage travel to popular destinations and events along the route, resulting in even more online visibility, earned media, and referral traffic for Pacific Surfliner bookings.

- Destination marketing

The LOSSAN Agency will continue to expand its destination-based marketing efforts to promote the service among consumers in market to travel to key destinations along the LOSSAN rail corridor. Building and cultivating partnerships along the Pacific Surfliner route encourages more California residents and visitors to take the train. Participating in cross-promotional opportunities with strategic partners helps to decrease advertising costs and provides added value for Pacific Surfliner customers.

## Customer Retention

- Passenger communications

The LOSSAN Agency continues to expand and improve access to service updates through the Pacific Surfliner website and Twitter page for passengers in transit and during trip planning. Relaying timely information and engaging in active social media monitoring and response helps enhance customer satisfaction. It is also critical in the event of major disruptions to help alleviate customer frustration and manage consumer expectations.

- Email marketing

The LOSSAN Agency will launch a refreshed email marketing program to deliver timely and relevant information to individuals who have indicated an interest in the Pacific Surfliner. The program will act as an additional touchpoint for communicating service updates, offers and promotions, as well as new and upcoming events, to current and potential customers. This will further drive website traffic, social media engagement and ticket bookings.

## Measure and Optimize

- Generating sales referrals to Amtrak.com

One of the key metrics that the LOSSAN Agency uses to help measure the impact of marketing activities on ridership and revenue is Amtrak referral sales reports. These reports track the number of visits to PacificSurfliner.com that ultimately result in successful bookings on Amtrak.com. The LOSSAN Agency uses a combination of broad reach and targeted marketing efforts to ensure that high quality sales leads are directed to PacificSurfliner.com.

- Metrics and milestones

As the LOSSAN Agency further develops its marketing program, it is prudent to invest in expanded activities once staff has sufficient insight into which efforts are most productive and are able to take action on efforts that need to be refined. In addition to campaign monitoring and reporting, LOSSAN Agency staff will continue to develop analytics to demonstrate return on investment, provide audience insight and help inform future marketing activities. LOSSAN Agency staff will also continue to work with Amtrak to improve reporting in order to better reconcile marketing efforts with Amtrak sales data, and gain insight to optimize future marketing strategies.

## Chapter 11: Annual Funding and Separation of Funding

The annual funding process for the three state-supported intercity passenger rail corridors begins with the Caltrans DRMT initial request for funding in the State's FY budget. Once the State's budget is approved and funds have been included for the service, CalSTA is responsible for allocating the funds to each of the three intercity passenger rail corridors through the approval of the annual business plans. Simultaneously with this process, the LOSSAN Agency negotiates with Amtrak regarding the operating and maintenance contract, which is managed on a FFY basis (October – September). The current Amtrak agreement was executed on a biennial basis (covering FFY 2017-18 and FFY 2018-19) and is operating under a continuation clause to ensure continued and seamless operations while a new FFY2019-20 agreement is being negotiated.

Annually, the LOSSAN Agency will provide a proposed budget for the continued administration, marketing, and operations of the Pacific Surfliner to the LOSSAN Board for review and approval. Consistent with this budget, a funding request will be included in the annual business plan for submittal to the Secretary of CalSTA by April 1 of each year. The LOSSAN Agency will submit the annual business plan including a draft funding request by April 1, 2020, and will submit an updated funding request by June 30, 2020, based on final operating revenue and expense estimates provided by Amtrak.

State funding for operations of all three intercity rail corridors is provided through the Public Transportation Account, which is funded primarily through the state sales tax on diesel fuel.

### FFY 2020-21 and FFY 2021-22 Operating Funding Request

The total net State funding request for FY 2020-21 is proposed at \$57,794,711 which includes the net operating subsidy as well as administrative and marketing funding. Total projected net Amtrak operating subsidy is \$49,390,230. Included in the net operating subsidy is an additional revenue and expense estimate of \$6,378,931 for the implementation of a 14<sup>th</sup> round trip between San Diego and Los Angeles, 6<sup>th</sup> round trip between Los Angeles and Goleta, and a 3<sup>rd</sup> roundtrip between San Diego and San Luis Obispo. The operating costs and fare revenue also include the retiming of trains which provide peak-period service from Ventura to Santa Barbara. This cost is assumed to be offset by a 50 percent cost share for this service provided by SBCAG. Total Amtrak operating costs are estimated assuming a 7 percent budget assumption increase over the prior year forecast (which is consistent with consumer price index increases and year over year average route cost trends). Total projected fare revenue is estimated using a 3 percent budget assumption increase, consistent with LOSSAN Agency Board approved budget assumptions.

The total net State operating funding request includes \$180,000 for transit connectivity and integration, which includes estimates for the continuation of the Transit Transfer Program (\$60,000) and emergency bus bridge service with NCTD and OCTA (\$60,000 each).

The business plan assumes that Caltrans DRMT will continue to have a separate agreement with Amtrak to directly fund equipment capital charges for Amtrak-owned railcars and locomotives used on the three state-supported rail corridors. Therefore, equipment capital charges are not included in the operating agreement between Amtrak and the LOSSAN Agency.

Additional supplemental funding is requested for minor projects at \$500,000, consistent with prior year allocations.

FY 2020-21 and FY 2021-22 Administrative and Marketing Funding Request

In addition to the contract costs with Amtrak for the operations and maintenance of equipment for the Pacific Surfliner service, there is an administrative component that is filled by OCTA as the LOSSAN managing agency. The LOSSAN Agency utilizes a small number of key staff positions supported by OCTA staff on an as-needed basis. This way, the LOSSAN Agency and the state receive maximum benefit for the lowest possible cost and are required to only fund the services and support actually used and needed for the administration of the Pacific Surfliner service.

OCTA continues to provide a host of services through the support function including:

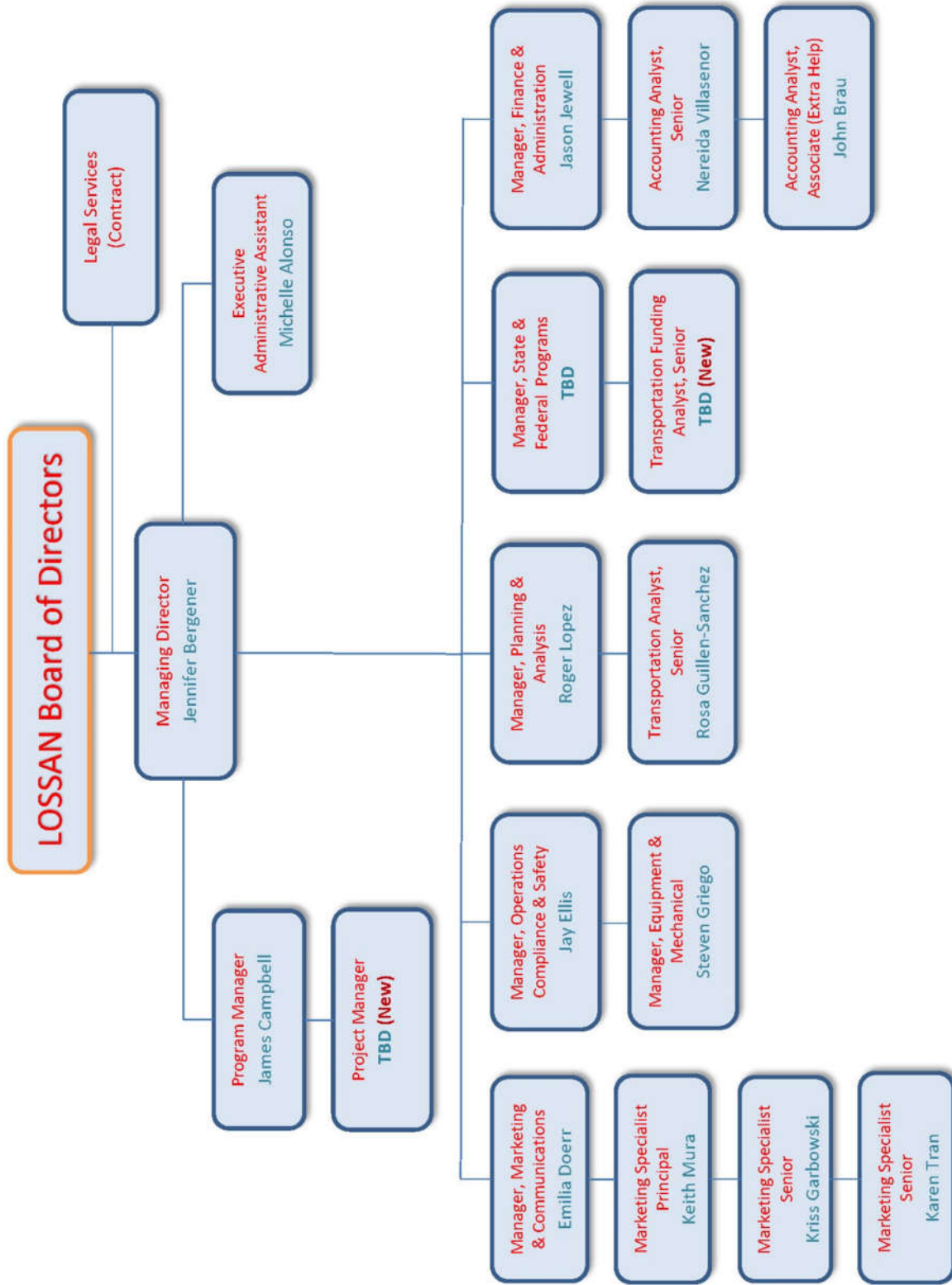
- Audit
- Contracting and Procurement
- Financial Management and Budget
- General Administrative Services
- Human Resources
- Legal
- Legislative Advocacy and Government Relations
- Marketing
- Operations
- Planning
- Risk Management
- Stakeholder Outreach
- Treasurer-Controller

The FY 2020-21 administrative funding is proposed at \$6,404,481. Included in this amount is \$5,425,981 for managing agency administrative salaries at fully burdened rates. One additional full-time project manager position and transportation funding analyst position is requested bringing the total staffing level to 16 full-time positions, plus one part-time extra help position. The annual estimated cost of adding the additional positions, including managing agency overhead, is \$644,015. This amount assumes the managing agency overhead at the current rate, as well as administrative employee performance-based salary increases consistent with OCTA’s proposed FY 2020-21 budget and personnel and salary resolution. Since assuming the full administration and management responsibility for the state-funded, Amtrak operated Pacific Surfliner intercity passenger rail service in July 2015, the duties and responsibilities of the LOSSAN Agency have significantly expanded. These additional resources will help further LOSSAN Agency efforts to improve and expand passenger rail service on the LOSSAN rail corridor, as well as ensure the continued effective and efficient management of the state supported Pacific Surfliner service.

The dedicated staff positions necessary to support the LOSSAN Agency are included in the organizational chart in Figure 11.1 on the following page.



Figure 11.1: LOSSAN Rail Corridor Agency Organization Chart



Shared services provided by OCTA include: Contracts & Procurement, Human Resources, State & Federal Programming, Clerk of the Board, Risk Management, Information Technology, Government Relations, Audit and Finance. Dotted line denotes informal reporting relationship. Some work will roll up to the Planning & Analysis Manager, while the positions will report to the Finance & Administration Manager.



The FY 2020-21 proposed administrative funding request for legal, travel, insurance, memberships dues and banking fees is \$178,500, while the proposed funding level for professional services is \$800,000. This amount includes \$450,000 to fund audit, insurance brokerage and on-call consulting services for planning, modeling, project and construction management. The professional services amount also includes \$350,000 to fund as needed environmental and design consulting services.

The FY 2020-21 marketing funding request is proposed at \$2,000,000 (consistent with the FY 2019-20 amount), plus the utilization of any prior year marketing surplus funds. The LOSSAN Agency will include the estimated amount of any marketing surplus funds in the updated funding request which will be submitted by June 30, 2020.

The LOSSAN Agency’s funding request for net Amtrak operating costs and administrative and marketing funding for FY 2020-21 and FY 2021-22 are detailed in Table 11.2.

**Table 11.2: LOSSAN Agency Net Operating, Administrative & Marketing Funding Requests: FY 2019-20 Approved, FY 2020-21 and FY 2021-22 Proposed**

	FY 2019-20 Approved Funding	FY 2020-21 Proposed Funding	FY 2021-22 Proposed Funding
<b>Amtrak Operating</b>			
Total Amtrak Operating Costs	\$ 122,907,054	\$ 131,510,548	\$ 139,401,181
Total Amtrak Operating Revenue	\$ (92,503,591)	\$ (87,501,974)	\$ (90,127,033)
Net Amtrak Operating Costs (Expenses less Revenues)	\$ 30,403,463	\$ 44,008,574	\$ 49,274,147
<b>LOSSAN Funding Requirement</b>			
Net Amtrak Operating Costs	\$ 30,403,463	\$ 44,008,574	\$ 49,274,147
Net Cost Estimate For Additional Round Trip	\$ 1,114,820	\$ 6,378,931	\$ 6,634,088
Less Cost Sharing Revenue Retimed Trains	\$ (1,177,275)	\$ (1,177,275)	\$ (1,177,275)
Transit Connectivity and Integration	\$ 160,000	\$ 180,000	\$ 180,000
LOSSAN Net Operating Funding Request	\$ 30,501,008	\$ 49,390,230	\$ 54,910,960
Administrative Funding Request	\$ 5,088,548	\$ 6,404,481	\$ 6,660,660
Marketing Funding Request	\$ 3,450,000	\$ 2,000,000	\$ 2,000,000
<b>Total LOSSAN Funding Request</b>	<b>\$ 39,039,556</b>	<b>\$ 57,794,711</b>	<b>\$ 63,571,621</b>
<b>Supplemental Allocations</b>			
Minor Projects Funding Request	\$ 500,000	\$ 500,000	\$ 500,000

Grant Programs

Separate from the FY 2020-21 State funding request, grant revenues and expenses are included in the LOSSAN Agency FY 2020-21 annual budget for various operational programs and capital projects. In FY 2015-16, CalSTA awarded the LOSSAN Agency \$1,675,000 in TIRCP grant funds to support the Pacific Surfliner Transit Transfer Program, which allows Pacific Surfliner passengers to travel more seamlessly to connecting public transit services along the entire Pacific Surfliner route. The LOSSAN Agency began the Pacific Surfliner Transit Transfer Program in the fourth quarter of FY 2015-16 and has been informed that the current funding will allow for expenditures up through June 30, 2020. The LOSSAN Agency proposes continuing the program through FY 2020-21 and FY 2021-22 with the use of state operating funds.

The LOSSAN Agency was also awarded TIRCP funding that will be utilized for capitalized track maintenance and incentives programs with NCTD and UPRR. For both FY 2020-21 and FY 2021-22 the amount budgeted for the program with NCTD is \$3.9 million and \$3.4 million. An agreement for capital improvements, access and incentives is currently being negotiated with UPRR. These agreements will allow for financial incentives to the host railroads for improved OTP.

The LOSSAN Agency was awarded SRA program funds that will be used for both operational and capital improvements along the corridor. On December 6, 2017, the LOSSAN Agency Board approved projects for the initial distribution and directed staff to coordinate with the LOSSAN Agency TAC to develop a program of projects for future funding. Future year allocation estimates will be updated annually and will fluctuate somewhat with the current price of diesel fuel. For FY 2020-21, the LOSSAN Agency is budgeting \$5.1 million for the funding and the related project expenses.

The FY 2020-21 grant programs budget includes \$1,000,000 in STIP revenues and expenses for the project approval and environmental documentation for the expansion of the San Luis Obispo Central Coast Layover Facility, as well as \$500,000 for FY 2021-22.

The FY 2020-21 grants programs budget will also include \$9,682,000 in TIRCP revenues and expenses for the Goleta Layover Facility expansion construction.

Budget amendments will be brought to the LOSSAN Agency Board relating to grant funded projects as necessary depending on the timing of projects and the identification of funding.

### Separation of Funding

To ensure state funding for the Pacific Surfliner service is kept separate from funding for OCTA projects and programs, a separation of funding has been established within the LOSSAN managing agency. The funding received from the state is managed through the treasurer and controller of OCTA, as the managing agency. The JPA specifically calls for the treasurer to be the depository of funds and to have custody of all funds of the LOSSAN Agency. The LOSSAN Agency follows OCTA-established policies and procedures that fully comply with the generally accepted accounting principles. The LOSSAN Agency utilizes OCTA's existing accounting system, which is built on a robust platform, and has established a completely segregated accounting system for LOSSAN Agency-related business. This system and established policies/procedures, overseen by the treasurer and controller, as well as the LOSSAN Manager of Finance and Administration, will ensure the preservation of the state's investment and a completely accurate accounting for administration of the Pacific Surfliner service, as well as provide for an accurate and timely reconciliation and return of any surplus funds.

## Chapter 12: Government Relations and Legislative Advocacy

One of the benefits gained through local governance of the Pacific Surfliner service by the LOSSAN Agency is added flexibility in advocating for policies at the state and federal level to improve rail operations, increase funding for operations and capital needs, and allow better coordination and interoperability with connecting transit and rail services. In addition, the LOSSAN Agency has the ability to conduct targeted outreach to local governments and community organizations to help expand awareness of the services provided on the LOSSAN rail corridor and more directly respond to local needs.

The key to successful advocacy is the ability to partner with stakeholders to jointly advocate for mutually beneficial policies. The LOSSAN Agency has worked closely with the California Intercity Passenger Rail Leadership Coalition, consisting of the LOSSAN Agency, CCJPA, SJJPA, the CRCC, and RCTC, to jointly advocate for common policy positions.

The LOSSAN Agency will, as practical, attempt to participate in advocacy trips to Sacramento and Washington, D.C., to attend any select committees formed to discuss passenger rail issues, and also participate in the States and Amtrak Intercity Passenger Rail groups. The LOSSAN Agency and Board members will participate in meetings with key legislators representing the LOSSAN rail corridor delegation and Administration officials, allowing for the specific objectives of the LOSSAN Agency to be discussed in detail. These meetings are vital to generating a greater understanding of policy impacts on intercity rail and the need for greater recognition of the importance of the LOSSAN rail corridor in the overall Amtrak system.

The annual legislative program adopted by the LOSSAN Agency Board provides overall guidance to LOSSAN Agency advocacy activities, and staff will continue to provide regular legislative updates and bill analyses to the LOSSAN Agency Board consistent with that program. In reviewing these items, the LOSSAN Agency Board then provides direction on how the LOSSAN Agency is to participate in policy discussions with other stakeholders, and potentially offer testimony as relevant policy discussions take place at the Legislature.

From both a national and state perspective, the LOSSAN rail corridor is underinvested, but could greatly enhance mobility in Southern California with additional funding for capital and operational improvements. Efforts will be made to pursue resources for these improvements as Congress begins its efforts to enact surface transportation reauthorization legislation when the Fixing America's Surface Transportation (FAST) Act expires on September 30, 2020. Specifically, the LOSSAN Agency will work on influencing the federal passenger rail title that provides additional funding and financing opportunities for passenger rail programs. In addition, the LOSSAN Agency will work to maximize funding available to benefit the LOSSAN rail corridor in any potential federal infrastructure package and through the continued implementation of California's transportation funding package, SB 1 (Chapter 5, Statutes of 2017).

Staff will continue to provide quarterly legislative updates to the LOSSAN Agency Board on policy and regulatory issues of importance, including those related to the state budget, the FAST Act, and other federal funding or financing opportunities, and intercity rail policy matters. It is anticipated that the LOSSAN Agency will be focused on numerous policy issues at the state, federal, and local levels, including:

- Supporting efforts to pursue a stable, recurring source of intercity rail operations and capital funding for LOSSAN Agency-priority projects.
- Supporting efforts to apply for the use of cap-and-trade and SB 1 funding for LOSSAN Agency-priority projects, advocating for intercity rail as an eligible recipient, flexibility in revenue use and a streamlined allocation process.
- Supporting efforts to streamline and enhance transit services that provide for first- and last-mile connections to intercity and high-speed rail passenger rail services and stations.
- Continuing to advocate and educate officials in Sacramento and Washington, D.C. regarding the LOSSAN rail corridor and Pacific Surfliner service.

The 2020 LOSSAN Legislative Program provides further detail on the LOSSAN Agency's legislative priorities, and includes three top priorities for 2020:

- Maximize the share of long-term, sustainable funding sources to support passenger rail operations and capital projects in the LOSSAN rail corridor, including funds made available by the federal rail title and ensuring eligibility for the LOSSAN Agency to compete for state funding, such as funding through SB1 and the cap-and-trade program.
- Support efforts to further enhance connectivity of regional rail and local transit services within the LOSSAN rail corridor.
- Continue to study and advance infrastructure and service improvement projects/programs.

At the local level, staff will continue to work with LOSSAN member agencies and local stakeholders to build awareness of passenger rail services along the LOSSAN rail corridor, developing strategic partnerships to better evolve the services to meet local needs. Regular communication and outreach on service improvements and priority projects will foster a better understanding of issues faced along the LOSSAN rail corridor. Increased awareness of these services by local officials can then be leveraged to support consensus-based operational improvements and policy activities.

In addition to the specific priorities identified by the LOSSAN Agency Board, the LOSSAN Agency will continue to monitor policies impacting Amtrak service, including the development of the California HSR project, and commuter rail services in the LOSSAN rail corridor. The need for cohesive policies to allow for integration of rail services within the state, and improved access from other transportation modes, has never been more evident as the state works toward achieving goals related to improved mobility, environmental sustainability, and safety.

## Chapter 13: Safety and Security

Protecting the safety and security of our passengers and the passenger rail service on the LOSSAN rail corridor is key to attracting and retaining riders, while also ensuring efficient operations of the Pacific Surfliner service. This chapter addresses safety and security onboard Pacific Surfliner trains, at stations, and along the railroad ROW between San Diego, Los Angeles, and San Luis Obispo.

The Pacific Surfliner intercity passenger rail service is operated by Amtrak and is subject to federal safety standards and regulations in accordance with U.S. Code of Federal Regulations (Title 49, Subtitle B, Chapter II). Responsible regulatory agencies overseeing general railroad safety along the LOSSAN rail corridor include the FRA and the CPUC. The FRA Office of Railroad Safety promotes and regulates safety throughout the nation’s railroad industry by issuing, implementing, and enforcing railroad safety regulations. The CPUC is the state agency charged with ensuring the safety of freight, intercity, and commuter railroads, as well as highway-railroad crossings in the state. The CPUC performs these railroad safety responsibilities through the Railroad Operations and Safety Branch of the Safety & Enforcement Division. The Transportation Security Administration (TSA) also plays a role in the security of passenger rail service through the TSA-sponsored Visible Intermodal Prevention and Response program.

Operational, track, and other safety inspections are completed through a coordinated review among rail operators and owners, including Amtrak, Metrolink, NCTD, UPRR, BNSF, CPUC, and FRA for federal and state compliance. The LOSSAN Agency coordinates with these agencies to ensure that all reporting requirements are fulfilled at the federal and state levels. Amtrak is responsible for all required reporting of Pacific Surfliner safety data to federal, state, and local agencies, including the FRA and CPUC.

A key objective of the LOSSAN Agency safety program is to instill a comprehensive safety culture that governs all of the activities associated with the operations and maintenance of the Pacific Surfliner service, while efficiently meeting operational performance goals. The LOSSAN Agency will continue to work with Amtrak and host railroads to ensure a detailed system safety and security program is in place to protect Pacific Surfliner passengers and crew, as well as the general public.

As part of this effort, the LOSSAN Agency will continue to:

- Assess ongoing rail safety and security awareness efforts to identify areas for improvement
- Work with host railroads to identify “hot spots” for trespassing and vehicle strikes
- Develop outreach programs that meet the needs of the public, as well as stakeholders
- Work with Amtrak and stakeholders to ensure a continued safety culture for all who work and travel on Pacific Surfliner trains and utilize Pacific Surfliner stations
- Prioritize rail capital project funding for projects that include a goal of improved safety and security wherever possible
- Work with host railroads and rail operators to coordinate training with local first responders to help expedite emergency response and accident investigation in the event of an incident

- Support Operation Lifesaver, a national rail safety program with the goal of improving public awareness of safety around railroad tracks
- Seek out and leverage state and federal grant funds for additional safety and security improvements

## PTC

In accordance with a federal mandate, PTC is fully operational on all Pacific Surfliner trains. PTC is a predictive collision avoidance technology designed to stop a train in motion when its continued movement may result in an accident. The safety enhancing goals of PTC include preventing train-to-train collisions, speeding and over-speed derailments, incursions into track work zones, and movement of a train through a switch left in the wrong position. The primary benefits of PTC include saving the lives of train crews, passengers, and railroad workers, improving passenger and freight train operational efficiency, and providing real-time train location information.

## Safety and Security Onboard Trains

The LOSSAN Agency primarily serves in an oversight and coordination role with regard to safety and security onboard trains, relying on the extensive onboard safety and security programs and policies already put in place by Amtrak. LOSSAN Agency staff will continue to attend regularly-scheduled safety meetings hosted by Amtrak for front-line employees, to reiterate that safety is the first priority in delivering Pacific Surfliner service.

All Pacific Surfliner cab cars and locomotives are currently equipped with a “forward facing” camera system to help aid in accident investigation. This provides crews and first responders with a valuable tool to assist with post-incident investigation and can help to clear an incident scene more quickly so that trains can proceed. In addition, Amtrak is working to install inward-facing cameras on locomotives and cab cars nationwide, similar to those currently used by Metrolink. The new Charger locomotives currently in service are equipped with inward-facing cameras. Additionally, the Charger locomotives meet or exceed the latest federal rail safety regulations, including enhanced carbody structure safety with crash energy management components like a locomotive cab safety cage and push-back couplers.

## Amtrak Police Department

Pacific Surfliner passengers benefit from the existing Amtrak security program, specifically the services of the Amtrak Police Department. There are nine officers, one detective, one sergeant, and one captain currently assigned to the Pacific Surfliner. Of the nine officers, six function in the patrol capacity, and three serve with K-9 units. Currently, some of these officer positions are vacant. Amtrak Police Department continues to work to find qualified candidates to fill these vacant positions. Additionally, there are five members of the Amtrak Special Operations Unit (SOU) that can be called upon when needed.

The Patrol Officers fulfill traditional policing functions. Their job is to act as a deterrent to crime in stations, on trains, in and around Amtrak facilities, and out on the railroad ROW. They enforce the law, perform checked baggage screening and onboard security checks, conduct follow-up



investigations on any crimes involving Amtrak facilities or its passengers, and provide support during special events.

The K-9 units provide a psychological and physical deterrent to potential threats from explosives. The teams undergo intensive training that includes vapor wake training, which allows the K-9 units to be alert to the scents of explosives left in the wake of passing individuals, not just those found in stationary baggage.

The members of the SOU support patrol operations by providing rapid response and enhanced capabilities to assist in keeping Amtrak passengers and employees safe. Although not exclusively assigned to the Pacific Surfliner, the SOU is prepared at any time to deploy personnel and equipment for tactical response, conduct low-visibility counter-surveillance, investigations, and provide enhanced support for special events. The SOU also conducts training on railroad-specific tactical response and procedures for fellow Amtrak Police Department members and external law enforcement partner agencies.

### Safety on the Tracks

Safety incidents along the railroad ROW can include injuries and fatalities associated with incidents at grade crossings and trespassing on railroad property. Projects that improve safety include track and signal upgrades, fencing along the ROW to prevent unauthorized access, gate and warning systems, and grade separations that eliminate at-grade crossings. In addition, safety can be improved through use of public awareness campaigns designed to educate the public about the risks of trespassing on railroad property and the importance of using caution around railroad tracks and trains.

### Safety at Stations

The LOSSAN Agency primarily serves in an oversight, coordination, and funding role with regard to the safety and security of the various station facilities that exist along the LOSSAN rail corridor. Amtrak currently directly contracts for security at the Santa Fe Depot, as this station houses equipment overnight. Some city-owned stations also offer security guards and long-term parking security; however, these are contracted for directly by the station owners. Most of the stations along the LOSSAN rail corridor are outfitted with security cameras that feed directly to a local sheriff's office or operations center that can dispatch emergency services. A centralized monitoring station is currently being constructed in Los Angeles. When complete, this will provide local law enforcement remote access to the security cameras at the stations they are responsible for patrolling.

Despite the majority of the onus being on local law enforcement, as a recipient of CalOES CTSGP funds, the LOSSAN Agency takes the lead in coordinating eligible capital improvements that increase safety and security at passenger and maintenance facilities. Beginning in 2017, the LOSSAN Agency began utilizing these funds to construct improvements that will upgrade existing video surveillance systems (VSS) at six Pacific Surfliner stations, add new VSS at six additional stations, and will allow all VSS along the LOSSAN rail corridor to be monitored in one central location as mentioned above. These projects are ongoing and anticipated to be complete in 2021.

### LOSSAN Rail Corridor Safety Coordination and Emergency Response

The LOSSAN Agency coordinates safety and security activities with various stakeholders, and ROW owners along the corridor including: the state, LOSSAN member agencies, Amtrak, UPRR, BNSF, Metrolink, NCTD, Operation Lifesaver, Department of Homeland Security, and first responders along the LOSSAN rail corridor.

The LOSSAN Agency is continuing to pursue new agreements with local transit providers for emergency bus bridge service, similar to the one implemented with OCTA, as well as the creation of standard operating procedures to address service disruptions. Currently, Metrolink and NCTD coordinate with local transit agencies to provide bus bridges when emergency incidents occur in their respective territories. In addition, Amtrak, Metrolink, and NCTD often transport each other's passengers in the event of service disruptions along the corridor.

### Public Awareness and Outreach

Public information efforts will continue to use both traditional methods and social media to build awareness about vehicular, bicycle, and pedestrian safety around the tracks. The LOSSAN Agency works with Operation Lifesaver to implement rail safety marketing and outreach campaigns that promote safe behavior around the tracks used by the Pacific Surfliner.

Operation Lifesaver is a national rail safety coalition committed to preventing collisions, injuries, and fatalities on and around railroad tracks and highway-rail at grade crossings through the support of public education programs. It is comprised of a voluntary effort by railroads, safety experts, law enforcement, public agencies, and the general public. Several LOSSAN member agencies and partners currently participate in Operation Lifesaver activities by implementing safety awareness campaigns and providing rail safety education. The LOSSAN Agency will work to further expand its participation in the program, in order to increase the reach of Operation Lifesaver's rail safety message.



## Chapter 14: Emerging Corridors

In addition to managing the Pacific Surfliner rail service, the LOSSAN Agency works with member agencies to study corridor enhancements and expansion opportunities that provide connectivity within Southern California and beyond. In addition to the ongoing coordination with the development of the California HSR system (see Chapter 7), the LOSSAN Agency’s focus has been on coordinating connectivity with two developing or emerging corridors; 1) the Coast Corridor, connecting the coastal communities north of San Luis Obispo and the San Francisco Bay Area with the Pacific Surfliner service area, and 2) the Coachella Valley – San Gorgonio Pass Rail Service, connecting the eastern communities throughout Riverside County and Coachella Valley. These connections will provide seamless travel opportunities by rail throughout the region and state. System improvements on existing and emerging rail corridors will contribute to the success of the LOSSAN rail corridor, support future statewide and regional rail operations, and provide enhanced connectivity with local transit systems.

**Figure 14.1: Emerging Corridors**



Source: LOSSAN Agency, 2020

### The Coast Corridor (“Coast Route” Service)

The 474-mile Coast Corridor, which runs from San Francisco to Los Angeles, shown in Figure 14.1, currently serves a full complement of urban commuters, as well as regional, intercity, and interstate travelers. Constructed by the Southern Pacific Railroad between the late 19th and early 20th centuries, the Coast Corridor was originally built as a passenger line to transport passengers along the nearly 500 miles between San Francisco and Los Angeles.

Current passenger rail services that operate on segments of the Coast Corridor include Caltrain, Amtrak, Pacific Surfliner, Amtrak Coast Starlight, and Metrolink. Freight rail services are operated by UPRR, which carries two to four trains per day north of Oxnard and eight to 16 trains per day in the San Fernando Valley. For the UPRR, the Coast Rail Line is

considered a “secondary” or “relief” line to the much busier Central Valley Line to the east, which connects Northern and Southern California via the Central Valley.

Implementing State-supported rail service between San Luis Obispo and San Jose to connect the State’s two Megaregions by 2027 is a goal in the State Rail Plan. This proposed service would fill a gap in passenger rail services between Northern and Southern California. One possibility for filling this gap in the State rail network is to extend Pacific Surfliner service north of San Luis Obispo.

The Coast Rail Coordinating Council (CRCC) consists of a technical and policy committee made up of staff and elected officials representing coastal agencies supporting the service, which includes VCTC, SBCAG, SLOCOG, Santa Cruz County Regional Transportation Commission, and the Transportation Agency for Monterey County. The CRCC was recently formalized through a joint Memorandum of Understanding between the five member agencies, with SLOCOG acting as the managing/administering agency for meeting coordination, grant submission, and other administrative responsibilities. The LOSSAN Agency is a participating agency of the CRCC and works with the CRCC member agencies and the State to help evaluate the options for developing and operating state-supported intercity rail service between San Luis Obispo and San Jose.

The Amtrak Coast Starlight is a daily long-distance train operating through the Coast Corridor that serves the needs of long-distance travelers between Seattle, the San Francisco Bay Area, Los Angeles, and points in between. New Coast Route rail service would operate between Los Angeles and San Jose and complement the Coast Starlight schedule with a reliable intercity service to meet the needs of communities between the San Francisco Bay Area and Los Angeles.

Several actions are needed to advance Coast Route rail service, in priority order:

1. Secure track access from host railroads
2. Secure state operating support
3. Secure equipment
4. Secure legislative authority to administer the service (if LOSSAN is the service provider)

With respect to Coast Route service, the LOSSAN Agency business plan includes adequate staff resources to monitor and participate in continued planning efforts led by CRCC staff.

#### Coachella Valley – San Gorgonio Pass Rail Service

The Coachella Valley – San Gorgonio Pass Rail Corridor refers to the 140-mile long corridor between Los Angeles and the City of Indio as illustrated in Figure 14.1. This service would be like the Pacific Surfliner service, providing intercity rail service that would operate through a wide variety of settings from the heavily urbanized areas of Los Angeles and Orange Counties to the less populated, but rapidly growing areas of eastern Riverside County.

The only passenger rail service currently operating in the corridor between Los Angeles and the Coachella Valley is Amtrak's Sunset Limited, a long-distance train that operates three times per week between Los Angeles and New Orleans, with a stop in Palm Springs during overnight hours. There is significant travel demand based on current travel patterns along nearby freeways. The ridership potential is also demonstrated regionally by the growth in Metrolink ridership, and locally by the increase in Amtrak Thruway Bus Route 39 ridership operating between Fullerton, Palm Springs, and Indio. The eastern portion of the corridor is one of the fastest-growing areas of Southern California due to increasing residential development and experienced a doubling of population between 1990 and 2010, a trend that is expected to continue. In addition, the Coachella Valley has many tourist destinations that attract regional trips from Los Angeles and Orange counties, as well as national and international visitors.

The LOSSAN Agency is currently supporting the planning and implementation of special event passenger rail service to two of the largest annual public events in the Southern California region – the Coachella Valley Music and Arts Festival and its companion event, the Stagecoach Country Music Festival. The three-weekend Coachella and Stagecoach Festivals host as many as 125,000 participants per weekend, causing heavy traffic congestion on the surrounding area roadways during event days.

The proposed Coachella Valley Special Events Train is intended to provide a safe, reliable, and convenient travel option for music festival attendees travelling within the congested Los Angeles-Coachella Valley corridor. Staff is coordinating with RCTC, Amtrak, UPRR, and the event organizer to make this a successful experience. A platform in Indio is needed for the safe and secure loading and unloading of train passengers near the festival grounds. In March 2019, CalSTA awarded RCTC \$5.9 million in SRA funds to support the implementation of the special event service. These funds, along with local matching funds, will be used to construct a temporary passenger platform in Indio and fund access costs along the heavily utilized UPRR Yuma Subdivision.

The Coachella Valley – San Geronio Pass Rail Corridor's existing travel market is substantial, with 1.5 billion total annual two-way person trips (all modes) in 2000, and projections for more than 300 million additional trips by 2030, and another 100 million trips by 2040 (1.82 billion total).

In 2018, a draft service development plan (SDP) for the corridor was initiated and included development of a work plan, outreach efforts, alternatives analysis, market analysis, and ridership projections. In addition, a program-level environmental analysis is currently underway for this service and corridor. The final Environmental Impact Report / Environmental Impact Statement document, along with the SDP, is anticipated to take another year to complete. Once these planning efforts are finished, the corridor will be eligible to receive state and federal funds for design and construction. The LOSSAN Agency will continue to participate in these planning efforts and ensure they provide connectivity with the Pacific Surfliner service.

## Summary

Moving forward, the LOSSAN Agency will continue to work with member agencies to participate in planning efforts for passenger rail service in these emerging corridors, with a focus on creating seamless connections between the Pacific Surfliner and future passenger rail services on the Coast Daylight and Coachella Valley corridors.

## Glossary of Terms

ADA	Americans with Disabilities Act
Agency	Rail Corridor Agency
ASA	Administrative Support Agreement
Board	Board of Directors
BNSF	BNSF Railway
CalOES	California Governor's Office of Emergency Services
CalSTA	California State Transportation Agency
Caltrans	California Department of Transportation
CCJPA	Capitol Corridor Joint Powers Authority
CHSRA	California High Speed Rail Authority
CIP	Capital Improvement Program
CP	Control Point
CPUC	California Public Utilities Commission
CRCC	Coast Rail Coordinating Council
CTSGP	California Transit Security Grant Program
DRMT	Division of Rail and Mass Transportation
FAST Act	Fixing America's Surface Transportation Act
FY	Fiscal Year
FFY	Federal Fiscal Year
FRA	Federal Railroad Administration
FY	Fiscal Year
GHG	Greenhouse Gas
HP	Horsepower
HSR	High-speed rail
ITA	Interagency Transfer Agreement
JPA	Joint Powers Authority/Agreement
LAUS	Los Angeles Union Station
Link US	Link Union Station
LOSSAN	Los Angeles – San Diego – San Luis Obispo
Metro	Los Angeles County Metropolitan Transportation Authority
Metrolink	Southern California Regional Rail Authority
MP	Mile Post
NCTD	North County Transit District
OBIS	On Board Information System
OCTA	Orange County Transportation Authority
OTP	On-time performance
Plan	California State Rail Plan
PTC	Positive Train Control
Prop 1B	Proposition 1B
RCTC	Riverside County Transportation Commission
ROW	Right-of-way
SANDAG	San Diego Association of Governments
SB	Senate Bill
SBCAG	Santa Barbara County Association of Governments
SCAG	Southern California Association of Governments

SCORE	Southern California Optimized Rail Expansion
SCRRA	Southern California Regional Rail Authority
SDMTS	San Diego Metropolitan Transit System
SDP	Service Development Plan
SJJPA	San Joaquin Joint Powers Authority
SLOCOG	San Luis Obispo Council of Governments
SOU	Special Operations Unit
SRA	State Rail Assistance
STIP	State Transportation Improvement Program
TAC	Technical Advisory Committee
TIRCP	Transit and Intercity Rail Capital Program
UPRR	Union Pacific Railroad
UPS	Uniform Performance Standards
TSA	Transportation Security Administration
VCTC	Ventura County Transportation Commission
VSS	Video Surveillance System








**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director 

**Subject:** Continuance of the Pacific Surfliner Peak-Period Service Between Los Angeles – Ventura – Santa Barbara Counties

**Overview**

In February 2018, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Board of Directors approved an agreement with the Santa Barbara County Association of Governments to facilitate the implementation of the peak-period service between Los Angeles – Ventura and Santa Barbara counties. The current agreement expires March 31, 2020, and a new agreement is necessary to continue the service. Board of Directors approval is requested to authorize the Managing Director to negotiate and execute an agreement not to exceed \$1,861,880, with the Santa Barbara Association of Governments for cost-sharing to continue the peak-period service through March 31, 2021.

**Recommendation**

Authorize the Managing Director to negotiate and execute an agreement with the Santa Barbara Association of Governments in an amount not to exceed \$1,861,880, for cost-sharing to facilitate the continuance of peak-period service between Los Angeles – Ventura and Santa Barbara counties, for a period of one year through March 31, 2021.

**Background**

Improving peak-hour passenger rail service between Los Angeles – Ventura – Santa Barbara counties was defined 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, as well as the California State Rail Plan. To realize this priority service, in February 2018, the LOSSAN Agency’s Board of Directors (Board) approved an operating schedule for the implementation of peak-period service between Los Angeles – Ventura – Santa Barbara counties (peak-period service) and authorized the Managing Director to negotiate and



execute an agreement with the Santa Barbara County Association of Governments (SBCAG) for cost-sharing of the peak-period service.

In order to implement the peak-period service, the LOSSAN Agency worked with the California State Transportation Agency (CalSTA) and Amtrak to evaluate various operating alternatives. In evaluating the 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 all these goals, it was necessary to retime (reschedule) existing Pacific Surfliner trains, including bifurcation of one 700 series train, in a manner that provides peak-period service between Los Angeles – Ventura and Santa Barbara counties.

To further facilitate the implementation of peak-period service, a cost-sharing arrangement was negotiated with Santa Barbara County Association of Governments (SBCAG) to fund 50 percent of the incremental operating cost for the service. The incremental cost was driven primarily by labor costs associated with operating the retimed train, as well as costs related to stations and commissary to provide the necessary support for the train. SBCAG further determined that it would also encourage ridership by facilitating a fare buy down, whereby SBCAG supports a nearly 50 percent buy down on multi-ride and monthly passes.

### ***Discussion***

Staff has continued to monitor the performance of the peak-period service and reports this performance regularly to the Board through the quarterly performance trends report. Additionally, staff presented an overview of the first-year performance to the Board in September 2019 and will also be presenting a second-year performance review in early spring 2020, pending final data from Amtrak. A modest decrease in overall ridership was expected from the retiming of trains to facilitate the implementation of peak-period service in April 2018. Ridership on the peak-period service has grown to an average of 120 riders per weekday. While this ridership is lower than desired, SBCAG, working in coordination with the LOSSAN Agency, has continued to market the peak-period service and has initiated new marketing and outreach efforts to further increase that ridership.

Peak-period service continues to be strongly supported within Santa Barbara County. The local sales tax measure, Measure A, includes funding to continue supporting the peak-period service. The SBCAG South Coast Subregional Planning Committee is expected to take action on February 12, 2020, to recommend that the SBCAG Board approve the use of

Measure A funds to fund SBCAG's share of the additional operating costs necessary to provide the peak-period service on the Pacific Surfliner.

The current agreement with SBCAG to fund 50 percent of the incremental operating cost and the full cost of the fare buy down will expire on March 31, 2020. In order to continue the service and cost-sharing, a new agreement is necessary. Staff has worked with SBCAG to update the incremental cost estimate based on the historical cost and revenue changes experienced system wide during the last 24 months. The estimated incremental operating cost is \$2,723,760, of which SBCAG will provide 50 percent, or \$1,361,880 for a period of one year. In addition, SBCAG will provide nearly a 50 percent fare buydown on multi-ride and monthly train passes, estimated to be \$500,000 annually.

***Summary***

The current cost-sharing agreement between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and the Santa Barbara County Association of Governments for the provision of peak-period service between Los Angeles – Ventura – Santa Barbara counties and fare buy down will expire on March 31, 2020. In order to continue this service and cost-sharing, staff is seeking Board of Directors approval to negotiate and execute a new agreement with the Santa Barbara County Association of Governments.



**February 18, 2020**

**To:** Members of the Board of Directors

**From:** Jennifer L. Bergener, Managing Director

**Subject:** Agreement with Union Pacific Railroad to Implement Two Additional Passenger Train Pairs

### **Overview**

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency has programmed \$117,277,870 in funding to advance service improvement and expansion goals through investment in the Union Pacific Railroad-owned Santa Barbara subdivision. Staff has worked with the Union Pacific Railroad to develop a recommended program of capital projects necessary to implement additional service on the Santa Barbara subdivision, along the northern end of the Los Angeles – San Diego – San Luis Obispo rail corridor. In order to advance the capital investment and commensurate expanded service, staff is seeking Board of Directors approval to negotiate and execute an agreement with the Union Pacific Railroad to finalize and deliver the program of projects.

### **Recommendations**

- A. Authorize the Managing Director to negotiate and execute an agreement between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Union Pacific Railroad for a not-to-exceed amount of \$124,600,000 to design and construct the capital improvements necessary to implement two additional roundtrips north of Los Angeles.
- B. Amend the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's fiscal year 2019-20 revenue and expense budget in the amount of \$35,000,000 to reflect the estimated amount of project activity through the remainder of fiscal year 2019-20.

### **Background**

As part of the effort to advance service expansion and enhancement goals for the Pacific Surfliner service, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is managing efforts to improve the efficiency of the infrastructure, add track capacity and improve on-time

performance (OTP) along the LOSSAN rail corridor in Ventura, Santa Barbara, and San Luis Obispo counties. The Pacific Surfliner service operates over four different host railroads (Union Pacific Railroad (UPRR), Metrolink, BNSF Railway, and North County Transit District) along the 351-mile LOSSAN Rail Corridor. These host railroads are responsible for the operations and maintenance of the right-of-way, including dispatching trains.

Currently, the Pacific Surfliner operates five roundtrips north of Los Angeles, with three terminating at Goleta and two terminating in San Luis Obispo. Consistent with the LOSSAN Agency's fiscal year (FY) 2019-20 and 2020-21 Business Plan, LOSSAN Agency staff have been working with UPRR to add two additional roundtrips north of Los Angeles, with one additional roundtrip extending to San Luis Obispo and the second roundtrip operating to Goleta.

In July 2019, UPRR presented the results of the capacity modeling they had performed to evaluate the infrastructure improvements necessary to support implementing two additional roundtrips on the northern end of the corridor as described above. Since that time, the LOSSAN Agency staff have been working with UPRR to prioritize the capital projects, with the goal of implementing the first new roundtrip by the end of 2020.

### ***Discussion***

The LOSSAN Agency's 2018 Transit and Intercity Rail Capital Program (TIRCP) grant award included \$147,930,000 in funding to address many of the capital improvements necessary to implement the additional service north of Los Angeles, including construction of additional double track and siding extensions, station improvements, signals and switch upgrades, and capitalized access incentives to the UPRR for improved Pacific Surfliner reliability and OTP.

Of the \$147.9 million of TIRCP funding awarded to the LOSSAN Agency in April 2018, approximately \$78.1 million is being directed to the implementation of capital improvements along the Santa Barbara subdivision, with the remaining 2018 TIRCP funds going towards the capitalized access and OTP incentive with UPRR, expansion of the Goleta Layover Facility and improvements to the Camarillo station. The capitalized access and OTP incentive with UPRR will be covered under a separate agreement and will be brought before the Board of Directors (Board) for consideration later this year. LOSSAN Agency staff have also been coordinating with the California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) to identify \$33.3 million in other matching funds that are being reprogrammed from unallocated Proposition 1B Intercity Rail (Prop 1B) funds and unallocated 2016 TIRCP funds which were originally awarded to the LOSSAN Agency for the purchase of Talgo equipment. Approximately \$5.9 million in proposed future

State Rail Assistance (SRA) funds is also assumed. The future SRA funds will be included in any Capital Improvement Program updates and funding requests brought to the Board. The revenue and expenses for the entire program of projects will be included in the LOSSAN Agency’s FY 2020-21 and FY 2021-22 annual business plan and FY 2020-21 Budget, which will be brought to the Board by June 15, 2020, for final approval. Funding to cover the remaining \$7.3 million is actively being sought in cooperation with Caltrans DRMT and the California State Transportation Agency. The table below summarizes the programmed sources of funding.

<b>Funding Source</b>	<b>Funding Amount</b>
2018 TIRCP	\$78,059,870
2016 TIRCP	\$6,860,000
Proposition 1B	\$26,500,000
State Rail Assistance	\$5,858,000
<b>Subtotal of Programmed Funding</b>	<b>\$117,277,870</b>
Remaining Funding Needed	\$7,332,130
<b>Total Budget for UPRR Capital Program</b>	<b>\$124,600,000</b>

The agreement with UPRR covers the capital improvement and infrastructure enhancement projects necessary to implement the two additional roundtrips north of Los Angeles and is broken into two phases. In order to be able to implement the first additional roundtrip to San Luis Obispo by the end of 2020, UPRR has indicated work on the Phase 1 projects must begin by the end of the third quarter of FY 2019-20. While LOSSAN Agency staff continue to pursue sources to cover the \$7.2 million of additional funding to fully fund all the capital improvements identified in the agreement, the available funds are enough to fully address the capital improvements necessary for Phase 1.

Phase 1 comprises the capital improvements and infrastructure enhancements necessary to support one additional roundtrip to San Luis Obispo, which includes:

- Replacement of two bridges that are a century old and removing the speed restrictions that are currently imposed on these bridges
- Upgrade of track infrastructure at key locations, some of which is over 70 years old
- Power up and upgrade seven sidings north of Goleta
- Install centralized traffic control (CTC) along 105 miles of the Santa Barbara subdivision, north of Goleta

Phase 2 comprises the capital improvements and infrastructure enhancements necessary to support a second roundtrip to Goleta, which includes:

- A second track and platform (with a grade separated pedestrian crossing) at the Carpinteria station
- Corridor hardening projects, such as slope stabilization and additional safety fencing
- Completion of track infrastructure upgrades

The agreement will also help to improve overall corridor reliability through the construction of the identified capital improvements. Due in part by the extensive single track, lack of CTC along the majority of the subdivision, and the number of hand-thrown switches that still control access to passing sidings, the reliability of the Pacific Surfliner service along the Santa Barbara Subdivision continues to fall short of the 90 percent OTP metric required by the State of California. The agreement will allow for the implementation of capital improvements and infrastructure enhancements to help improve operational reliability, while at the same time reduce overall travel time.

UPRR, working in coordination with LOSSAN Agency staff, have prepared a draft agreement that defines the process for implementing the projects and for achieving the service goals defined in the TIRCP grant award, the 2018 California State Rail Plan and the LOSSAN Agency FY 2019-20 and 2020-21 Business Plan. The term of the agreement is five years, contingent on the availability of funding, with a termination date of December 31, 2025.

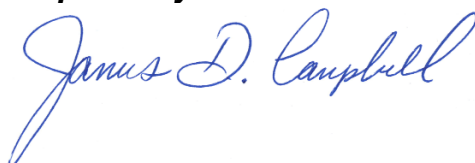
### ***Summary***

Staff has been working with the Union Pacific Railroad to draft an agreement defining a program of capital improvements that will be required to operate two additional roundtrips for the Pacific Surfliner north of Los Angeles. This service expansion is consistent with the 2018 California State Rail Plan and the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency fiscal year 2019-20 and 2020-21 Business Plan. The capital improvements included in the agreement will also help to improve the overall reliability of the rail corridor. Staff is seeking Board of Directors' approval to negotiate and execute the agreement with the Union Pacific Railroad. Staff is also seeking Board of Directors' approval to amend the fiscal year 2019-20 budget to reflect the anticipated expenditures and associated funding revenues for implementing these capital improvements.

***Attachment***

*None.*

***Prepared by:***



James D. Campbell  
Manager of Programs  
(714) 560-5390



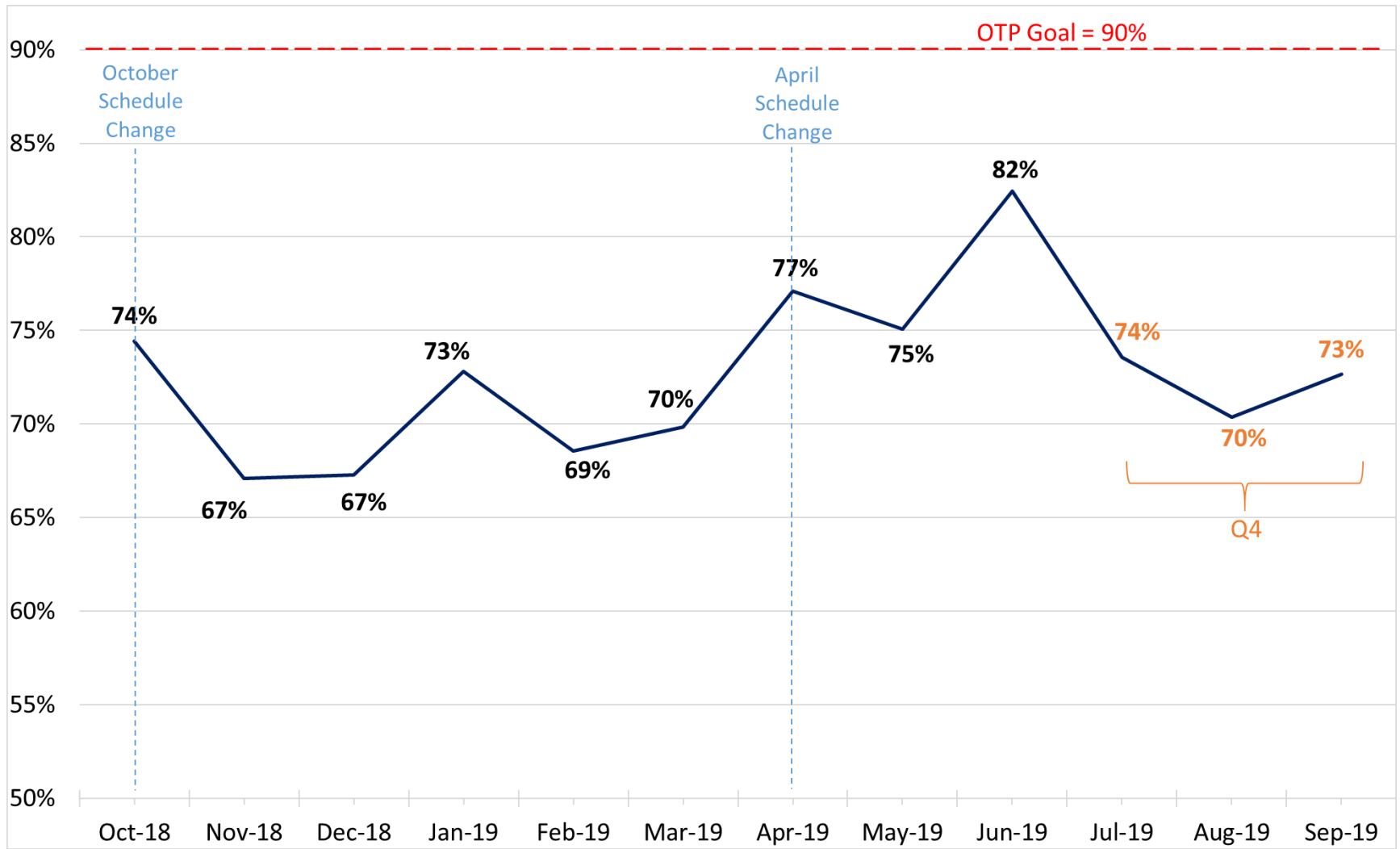
# Pacific Surfliner

## Fourth Quarter On-Time Performance Analysis for Federal Fiscal Year 2018-19

Board of Directors Meeting  
February 18, 2020



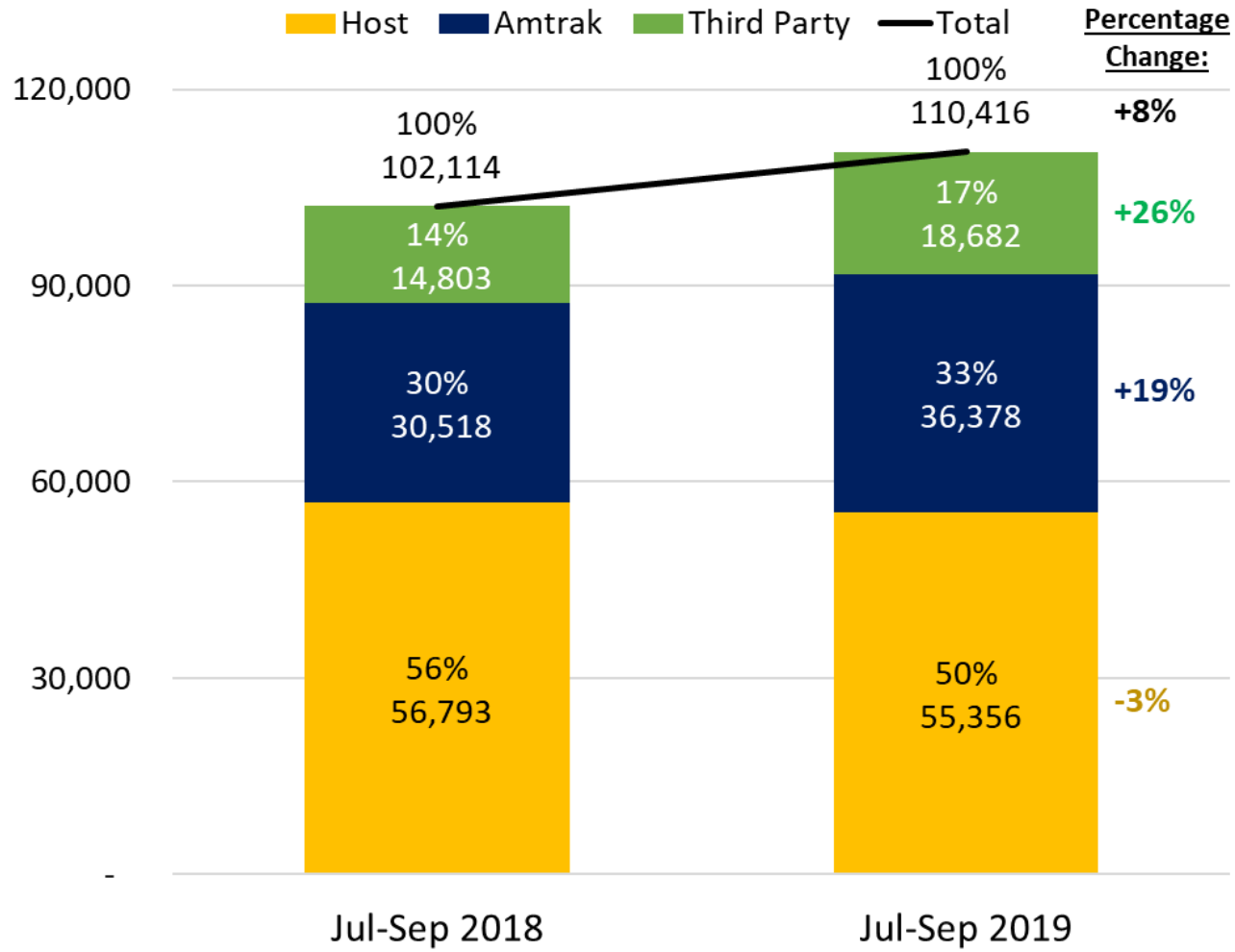
# Monthly Average Endpoint On-Time Performance (OTP) - Systemwide



# Federal Fiscal Year (FFY) 2018-19 4<sup>th</sup> Quarter (Q4) Monthly Average Endpoint OTP: Detail by Train

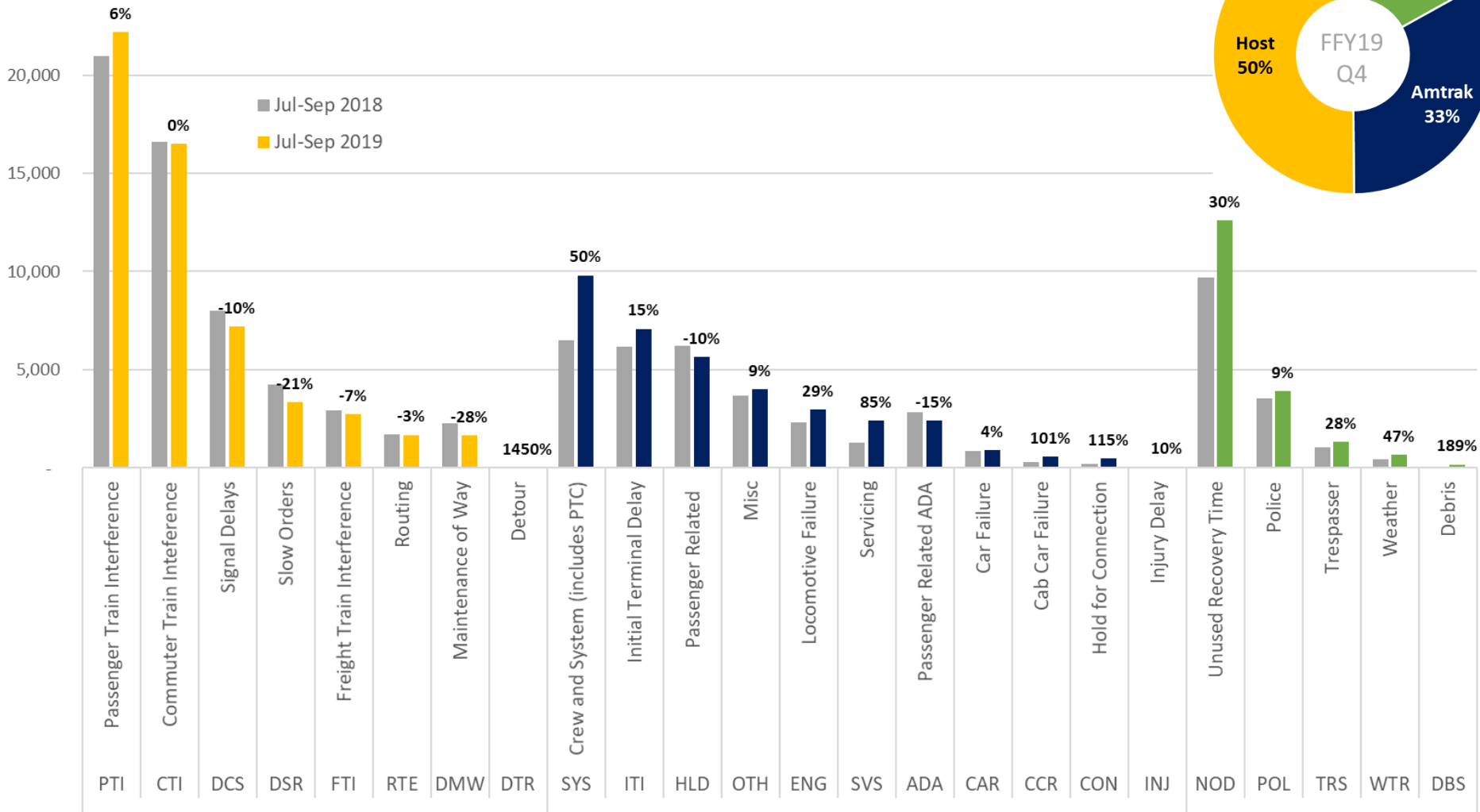
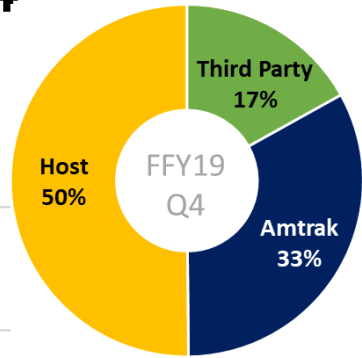
Train	Dep Stn	(Sep-19)	Jul-19	Aug-19	Sep-19	3 Mnth Avg
		Dep Time				
579	SAN	1:35 PM	96%	86%	100%	94%
561	SAN	4:00 AM	86%	96%	100%	94%
1565	SAN	6:45 AM	89%	100%	90%	93%
566	LAX	8:33 AM	91%	86%	100%	92%
562	LAX	6:05 AM	87%	94%	97%	92%
573	SAN	11:15 AM	96%	86%	90%	91%
565	SAN	6:57 AM	82%	86%	100%	89%
1564	LAX	6:52 AM	100%	78%	90%	89%
759	LAX	4:09 AM	96%	77%	95%	89%
1566	LAX	8:19 AM	89%	89%	80%	86%
768	GTL	6:35 AM	77%	90%	90%	86%
1761	SAN	4:40 AM	89%	78%	90%	86%
564	LAX	7:02 AM	86%	82%	85%	84%
1590	LAX	6:46 PM	89%	78%	70%	79%
782	GTL	12:35 PM	84%	61%	87%	77%
584	LAX	5:15 PM	73%	73%	85%	77%
590	LAX	7:21 PM	77%	85%	65%	76%
591	SAN	6:43 PM	84%	77%	63%	75%
796	SLO	4:15 PM	68%	81%	73%	74%
580	LAX	2:58 PM	65%	81%	70%	72%
1767	SAN	8:07 AM	78%	67%	70%	72%
777	SAN	12:05 PM	71%	68%	70%	70%
583	SAN	2:50 PM	81%	61%	60%	67%
792	GTL	4:25 PM	71%	61%	67%	66%
763	SAN	5:55 AM	65%	65%	70%	66%
569	SAN	9:43 AM	68%	64%	65%	66%
1579	SAN	1:30 PM	67%	67%	60%	64%
767	SAN	8:25 AM	64%	55%	75%	64%
1584	LAX	5:15 PM	89%	44%	50%	61%
595	SAN	8:57 PM	61%	55%	60%	59%
774	SLO	6:55 AM	68%	52%	57%	59%
1573	SAN	10:51 AM	33%	56%	80%	56%
1572	LAX	11:20 AM	56%	67%	20%	47%
785	SAN	3:58 PM	36%	36%	43%	38%
572	LAX	10:40 AM	32%	36%	40%	36%
1569	SAN	9:43 AM	33%	11%	10%	18%
<b>System Average</b>			<b>74%</b>	<b>70%</b>	<b>73%</b>	

# Delays by Responsible Party FFY 2017-18 Q4 v. FFY 2018-19 Q4

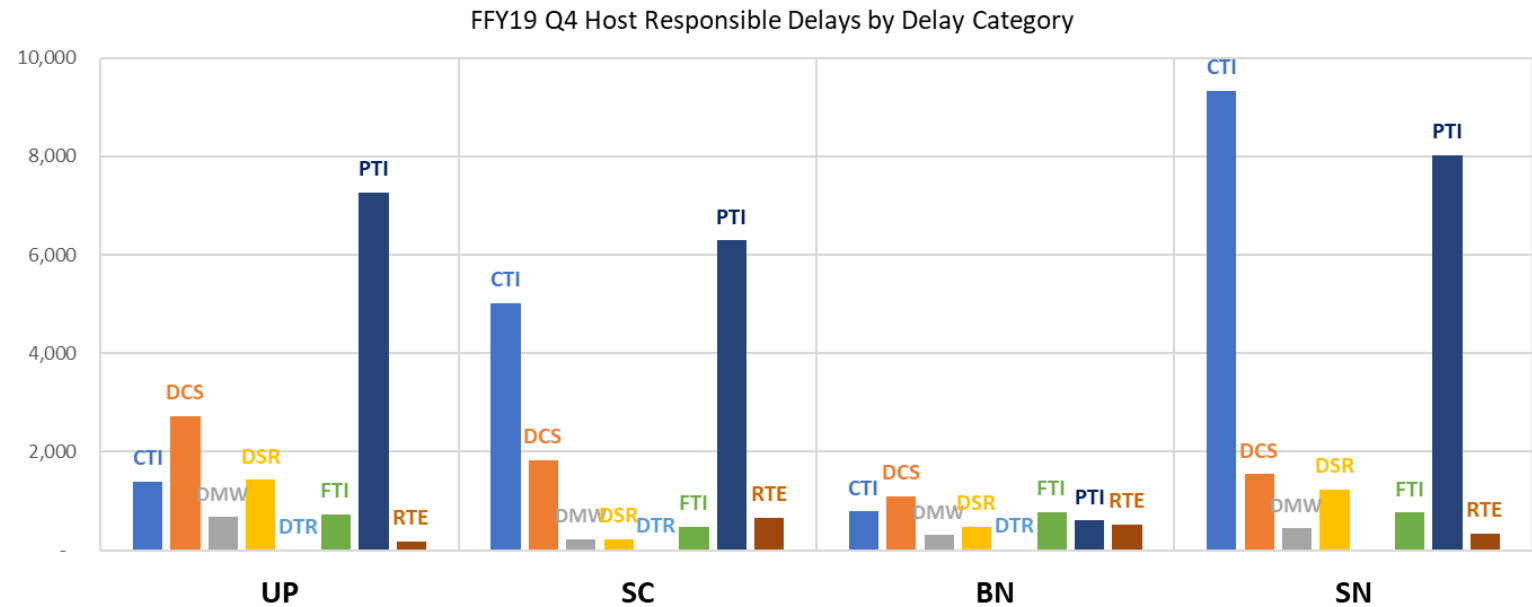
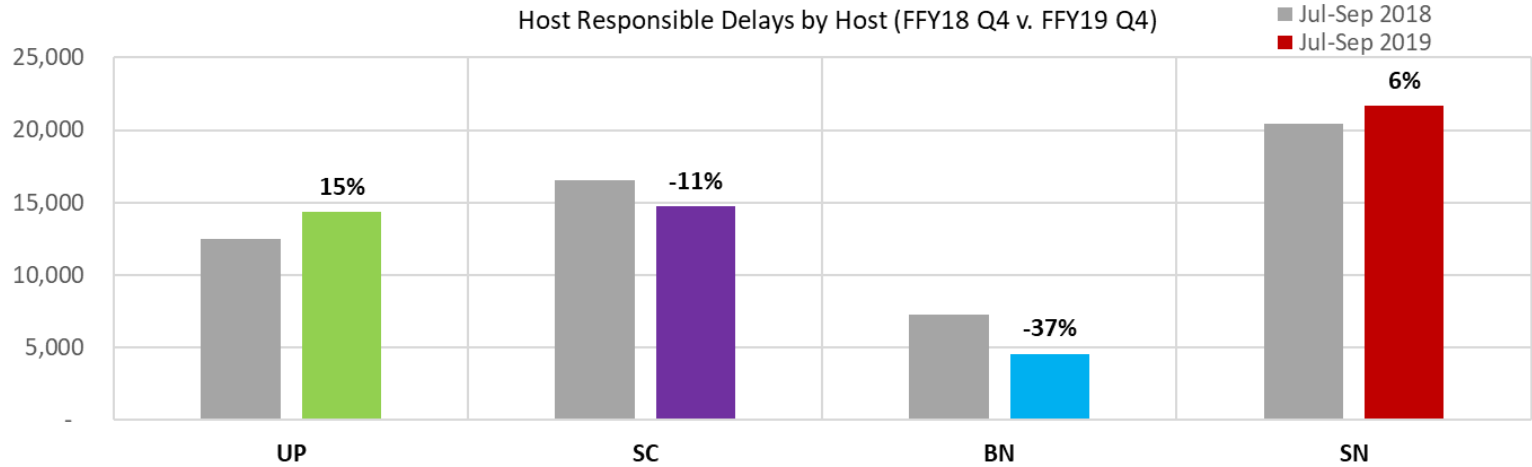


# Delays by Delay Category & Responsible Party

## FFY 2017-18 Q4 v. FFY 2018-19 Q4

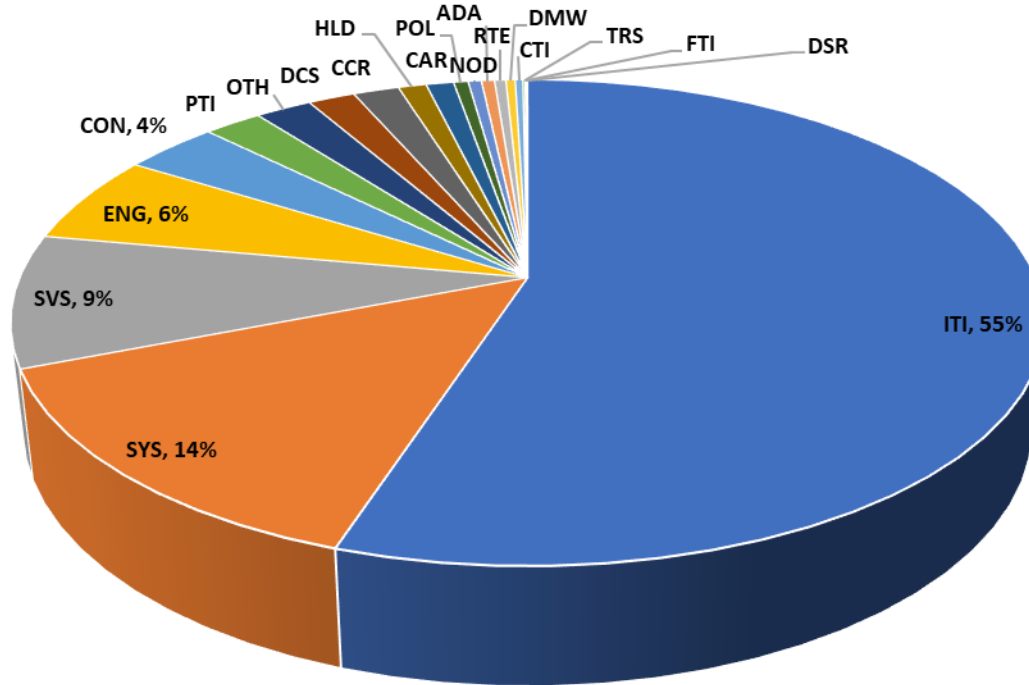


# FFY 2018-19 Q4 (Jul-Sep) Host Responsible Delays by Delay Category



# Initial Terminal Performance: FFY19 Q4

Train	Total ITI Delay (Mins)	% Share
785	3,085	25%
595	1,130	9%
583	1,084	9%
796	505	4%
1579	446	4%
768	428	4%
591	419	3%
572	376	3%
792	332	3%
562	324	3%
774	304	2%
782	284	2%
777	264	2%
584	248	2%
1590	217	2%
1569	209	2%
1572	187	2%
763	185	2%
569	151	1%
1785	150	1%
580	145	1%
565	140	1%
561	126	1%
590	121	1%
573	119	1%
579	118	1%
1767	110	1%
1566	108	1%
1763	96	1%
1564	85	1%
1761	78	1%
1777	66	1%
564	65	1%
767	59	0%
1573	55	0%
1565	55	0%
1584	49	0%
566	48	0%
1782	47	0%
1792	47	0%
1796	40	0%
759	36	0%
568	14	0%
1768	13	0%
593	3	0%
1568	2	0%
1774	2	0%
Total	12,175	100%



## Delay Code Legend

### Host

CTI	Commuter Train Inteference
DCS	Signal Delays
DMW	Maintenance of Way
DSR	Slow Orders
DTR	Detour
FTI	Freight Train Interference
PTI	Passenger Train Interference
RTE	Routing

### Amtrak

ADA	Passenger Related ADA
CAR	Car Failure
CCR	Cab Car Failure
CON	Hold for Connection
ENG	Locomotive Failure
HLD	Passenger Related
INJ	Injury Delay
ITI	Initial Terminal Delay
OTH	Misc
SVS	Servicing
SYS	Crew and System

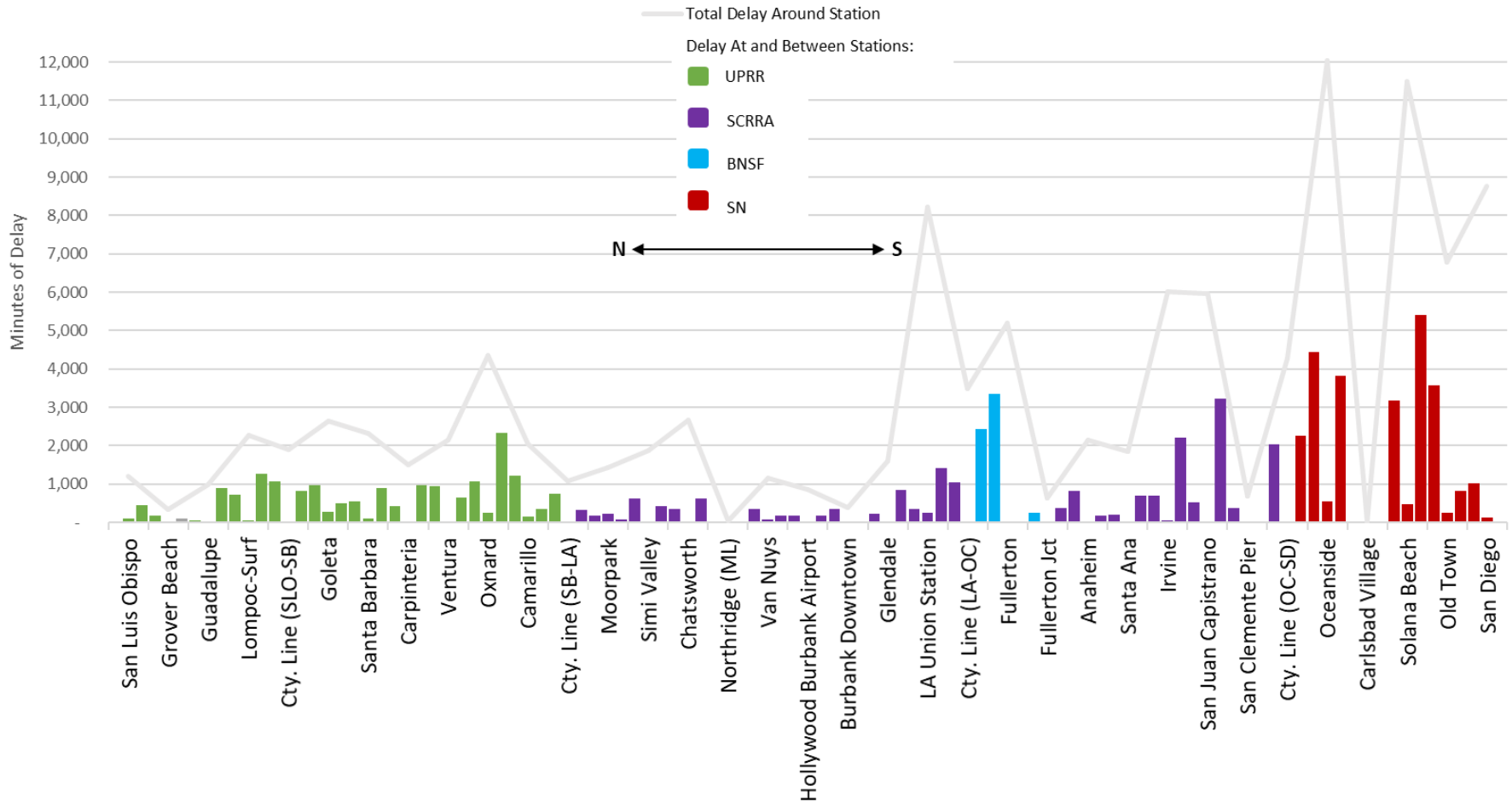
### Third Party

DBS	Debris
NOD	Unused Recovery Time
POL	Police
TRS	Trespasser
WTR	Weather

- Train 785 continues to be responsible for about 25% of total initial terminal performance (ITP) delay minutes

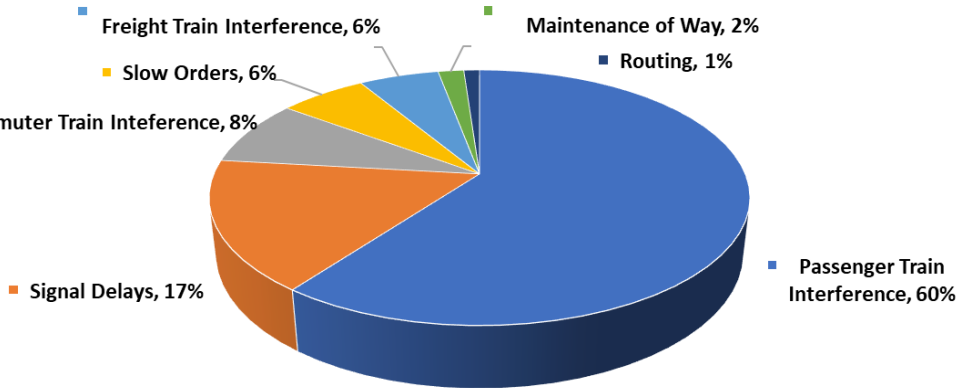
# Total Delay Distribution – By Location

Total Delay Distribution by Location (July-September 2019)



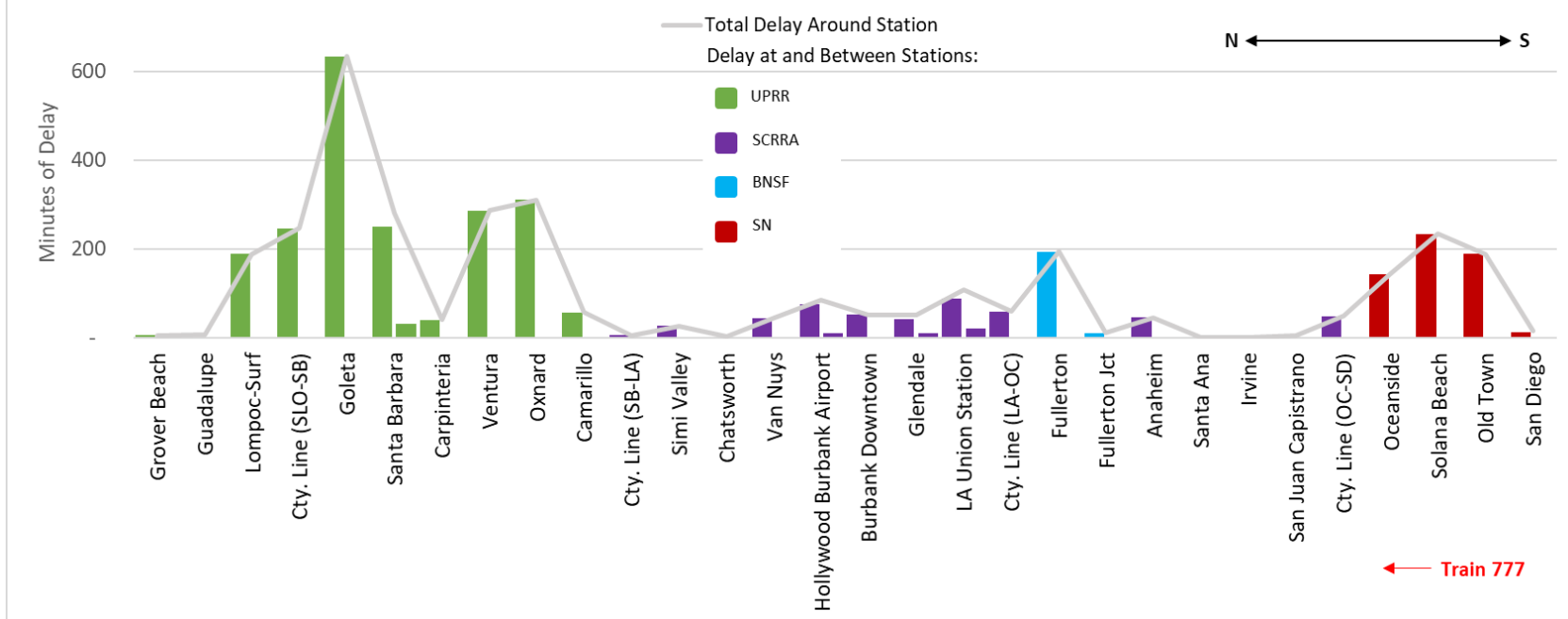
# Train 777 – Delay Analysis

Train 777 - Host Delay Distribution



- For the quarter, 69 percent of total delay minutes (2,318) are Passenger Train Interference (PTI) and Commuter Train Interference (CTI)
- Majority of delays (61 percent) occur in Union Pacific territory
- PTI delays begin to increase at Oxnard and intensify as 777 travels north

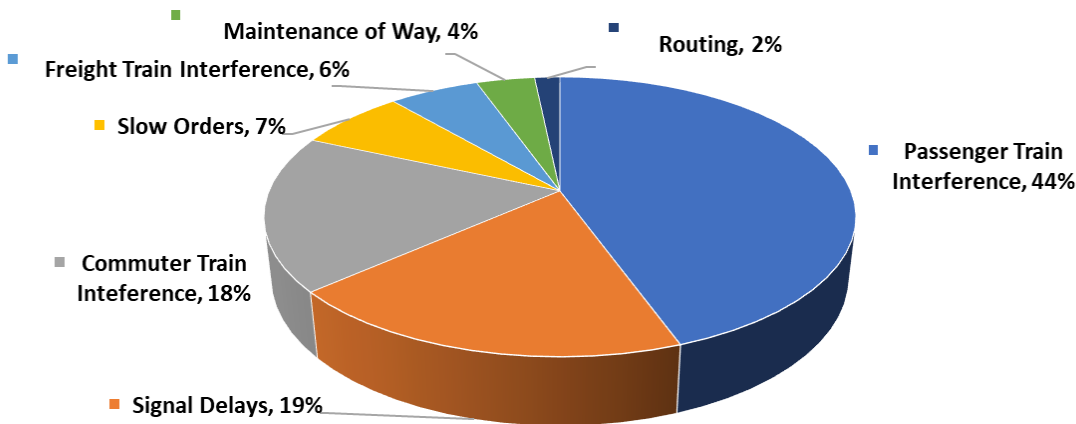
Train 777 Host Responsible Delay Distribution by Location (July-September 2019)





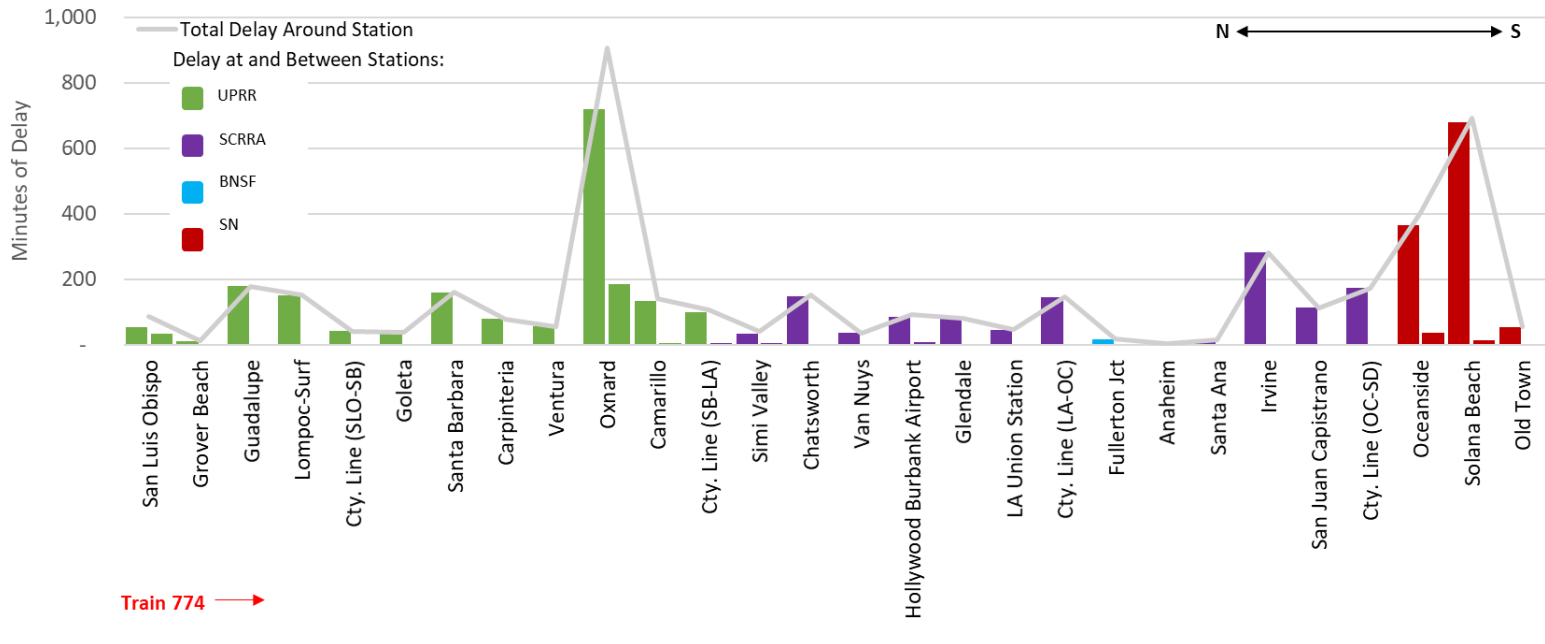
# Train 774 – Delay Analysis

Train 774 - Host Delay Distribution



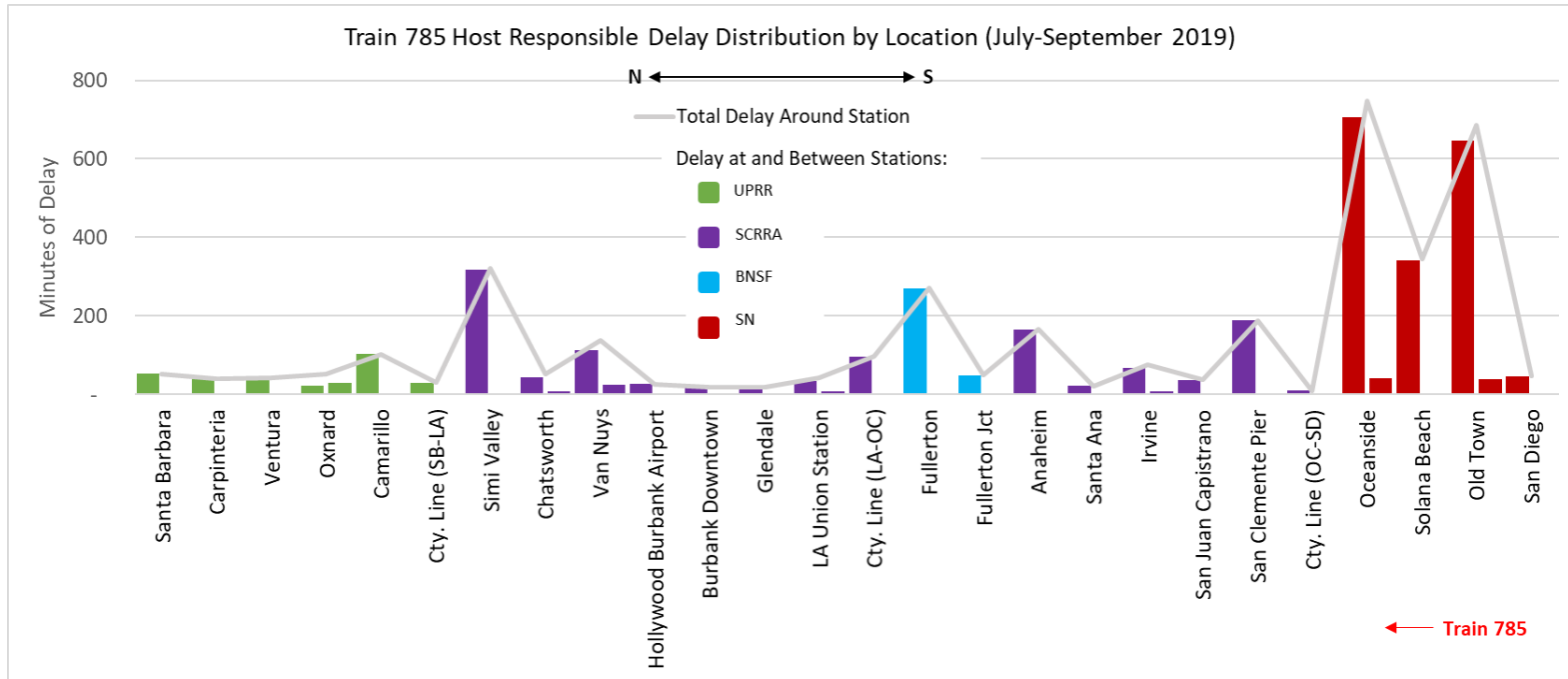
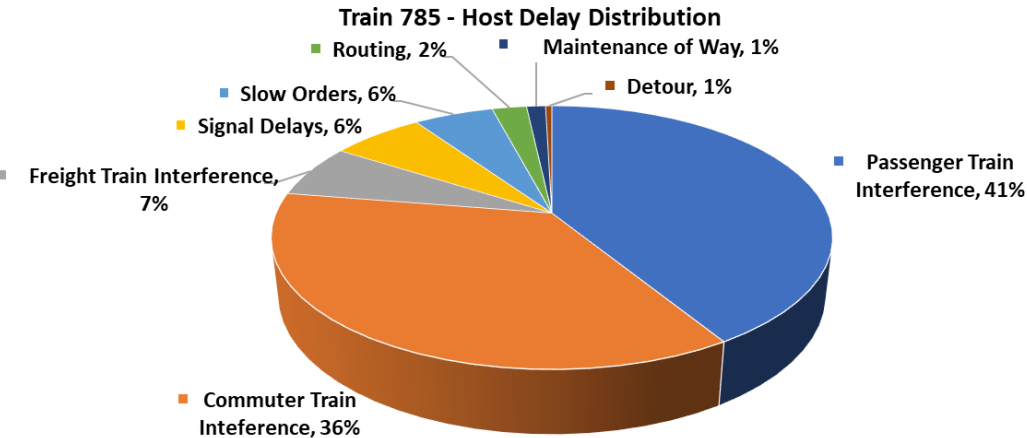
- For the quarter, 63 percent of total delay minutes (2,690) are PTI and CTI

Train 774 Host Responsible Delay Distribution by Location (July-September 2019)



# Train 785 – Delay Analysis

- For the quarter, 78 percent of total delay minutes (2,843) are PTI and CTI
- About Half (50%) of delays occurred in San Diego North County Transit District territory



# Conclusions – Q4

- The OTP trend has shown some improvement, though still short of the 90 percent metric
- Train 785 continues to have initial terminal performance issues related to late Train 774
- Train 777 experiencing significant issues with PTI north of Oxnard
- Host responsible delays for the quarter down by three percent vs. the prior year

# Questions



# Pacific Surfliner Marketing Update

Board of Directors  
February 18, 2020

# Performance Summary

In 2019, Amtrak reported a consistent increase in sales and revenue generated by PacificSurfliner.com.

- ~717,000 qualified sales leads delivered to Amtrak.com in 2019, resulting in \$4.7 million in revenue from PacificSurfliner.com sales referrals
- Positive indicator people are engaging with our marketing efforts and booking tickets through Pacific Surfliner website
- On average, one in every 10 customers completed a booking on Amtrak.com after visiting the Pacific Surfliner site.

# Year-Over-Year Performance

Amtrak reports a **13 percent** increase in referral sales revenue from PacificSurfliner.com for in 2019, compared to the same period the previous year.



Unique visits to  
PacificSurfliner.com



Referral traffic to  
Amtrak.com



Bookings on  
Amtrak.com



Revenue

<b>Mar-Dec 2019</b>	1,310,254	623,414	64,354	\$4,179,619
<b>Mar-Dec 2018</b>	875,178	530,370	20,956	\$3,707,677

*Note: Currently, sales reporting is not available for direct bookings on Amtrak.com, the Amtrak app, via phone, or in the stations.*

# Always-On Campaigns

Keeps Pacific Surfliner top of mind and continues to drive sales referrals to Amtrak.com for ticketing.

## AWARENESS



Online & Mobile Display

## CONSIDERATION



Social Media Advertising

## CONVERSION



Paid Search



# Driving Awareness



**Digital display advertising** on both mobile and desktop devices help drive awareness for the Pacific Surfliner service.

- Drives large volume of impressions and high visibility to targeted audiences
- Directs users to website for more information about the Pacific Surfliner

Hug the coast to SoCal's top destinations

[LET'S GO!](#)

AMTRAK PACIFIC SURFLINER

Seniors Save 15% ON TRAIN TRAVEL

[LEARN MORE](#)

AMTRAK PACIFIC SURFLINER

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Hug the coast to SoCal's top destinations

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AMTRAK PACIFIC SURFLINER

Seniors Save 15% ON TRAIN TRAVEL

[LEARN MORE](#)

AMTRAK PACIFIC SURFLINER

# Driving Consideration



**Social media campaigns** can target users geographically, behaviorally, and demographically. These campaigns drive engagement and nurturing consideration through targeted content and relevant information.

**Pacific Surfliner**  
Sponsored · 🌐

Embrace the journey on the Pacific Surfliner and enjoy onboard amenities including Wi-Fi, power outlets, and a Market Café loaded with fresh food, snacks, and beverages.

**Road trips are better without the road.**  
Explore SoCal on the Amtrak Pacific Surfliner.

[Book Now](#)

8.9K · 671 Comments · 1,332 Shares

**Pacific Surfliner**  
Sponsored · 🌐

Take advantage of special offers and travel for less on the Pacific Surfliner to SoCal's renowned wine countries, cultural epicenters and laid-back surf cities.

Explore Savings: [pacificsurfliner.com](https://pacificsurfliner.com)

**Plan a Trip** [Learn More](#)

**Soak Up the Sun in Santa Barbara**

2.9K · 242 Comments · 365 Shares

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**pacificsurfliner** Upgrade to Business Class for your next Pacific Surfliner trip and enjoy complimentary ... more

**pacificsurfliner**  
Sponsored

Road trips are better without the road.

**Hug the coast on the Amtrak Pacific Surfliner and enjoy 351 miles of golden beaches, natural preserves, and vibrant downtowns.**

[Book Now](#)

# Driving Conversions



**Paid search advertising** captures users who have a high awareness of the Pacific Surfliner service and a high propensity to complete a purchase.

Through audience targeting and a variety of bidding strategies, paid search is a cost-effective way to reach individuals who are in-market for travel and still considering their options.

Amtrak® Pacific Surfliner® | Hug the Coast with Us

[Ad www.pacificsurfliner.com](http://www.pacificsurfliner.com)

351 miles of cityscapes, beaches & mountains are calling. Let us take you there.

Amtrak Pacific Surfliner | Everyday Discounts

[Ad www.pacificsurfliner.com](http://www.pacificsurfliner.com)

Hug The Coast With Us. Explore Options And Prices.  
Everyday Discounts

[Plan Your Trip](#)

[Watch a Video](#)

[See What's New](#)



# Companion Travel Promotion

In February 2020, the Los Angeles – San Diego – San Luis Obispo Agency launched a ridership campaign to promote travel on the Pacific Surfliner during the spring, a traditional slower period.

**Offer details:** Buy one full-fare adult ticket and book a second fare with a 50 percent discount.

*Timeline:* Valid through June 28, 2020



# Pacific Surfliner Game of the Week

- Second year partnering with KDOC-TV to promote awareness of the Pacific Surfliner service in targeted regional markets
- Live and locally produced sports program featuring high school / college teams brought to more than 5.2 million homes in Orange County and Los Angeles.
- Unique media partnership demonstrates positive affiliation with local communities through support of Southern California student athletes and schools

The screenshot shows a social media post from 'latimes 7h'. The post text reads: 'The top teams from around the southland, and the nation, face-off this winter in what some call the West Coast premier high school basketball tournament.' Below the text is a promotional graphic for the 'PACIFIC SURFLINER GAME OF THE WEEK'. The graphic features the text 'THE CLASSIC AT DAMIEN BASKETBALL TOURNAMENT' and 'FEATURING BRONNY JAMES & SIERRA CANYON TRAILBLAZERS'. It also includes the schedule 'FRI & SAT / 730P & 9P' and the KDOC TV LOS ANGELES logo. At the bottom of the graphic, there are buttons for 'Check your local listings or SWIPE UP for the full basketball schedule.' and a 'See More' button with a 'sponsored' tag and a location pin icon.

# Pacific Surfliner Game of the Week

**Promos** PACIFIC SURFLINER GAME OF THE WEEK

**Sierra Canyon**  
*Trailblazers*  
**vs**  
**Brentwood**  
*Eagles*  
Friday / 730p

**CS Fullerton**  
*Titans*  
**vs**  
**UC Irvine**  
*Anteaters*  
Saturday / 730p

PRESENTED BY

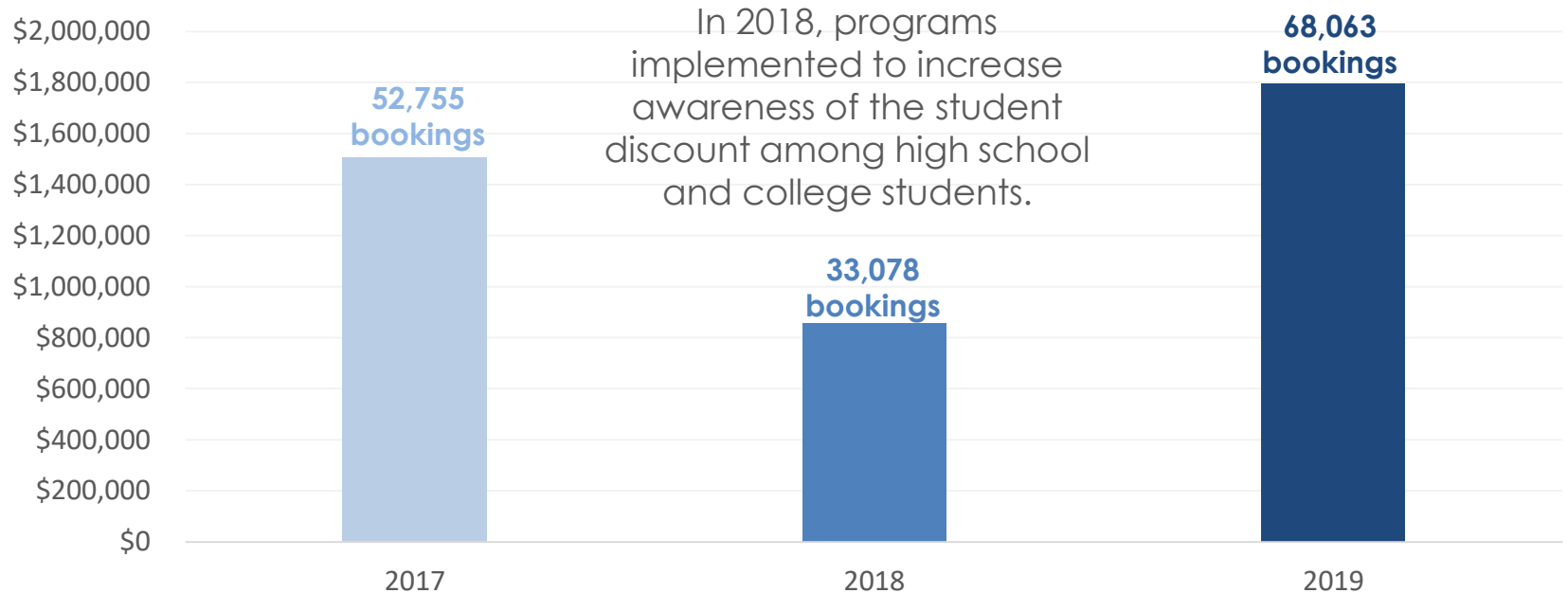
**WING-STOP**

**TOYOTA**

**KDOC**  
LOS ANGELES

[Video] Valuable opportunity for the Pacific Surfliner to build its brand awareness by leveraging the Orange County and Los Angeles reach of KDOC-TV

# College and Student Marketing



Nationally available student discount discontinued by Amtrak in Jan. 2018.

California Everyday Discount for students launched in Jan. 2018 to preserve savings for customers;

Student discount-related bookings and revenue more than doubled from the previous year and surpass 2017 totals, when the national discount was still available.

January – November

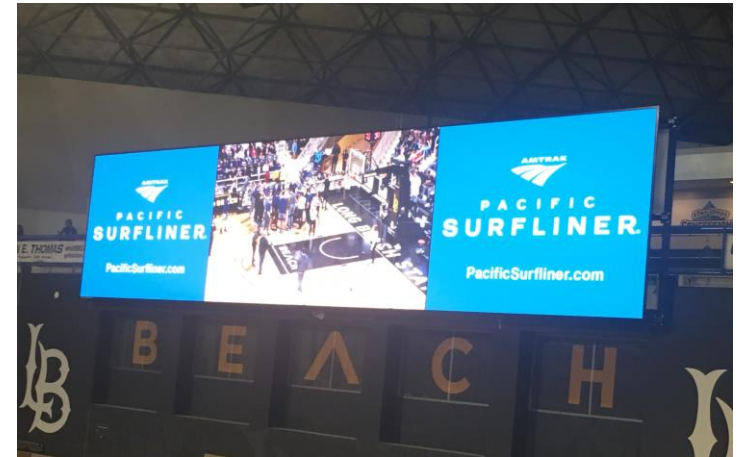


# Big West Conference

Partnership promotes:

- Visibility of California Everyday Discount for Students
- Visibility at college campus venues along the Pacific Surfliner route
- Sponsorship of the Big West Conference (BWC) Tournament in March 2020 at the Honda Center

Amtrak Pacific Surfliner will be at the forefront during March Madness whether the tournament is being watched in person or on television





# Big West Universities on Pacific Surfliner Route

The BWC provides the opportunity to engage directly with college sports fans as well as the students and families affiliated with BWC member institutions along the Pacific Surfliner route.



# Big West Conference

## Advertising banners on BWC university websites:

- Big West Conference website
- CSULB
- UCI
- Cal Poly SLO
- CSUF
- UCSB
- UCSD



# Looking Ahead

- April Schedule Change
- Disneyland Resort Partnership
- 2020 Ridership Campaign
- Social Media Train Status Alerts and Customer Care Program
- Email Marketing Program Launch