



LOSSAN RAIL CORRIDOR AGENCY BOARD OF DIRECTORS MEETING

Monday, November 16, 2020
11:15 a.m. - 12:45 p.m.

Orange County Transportation Authority Headquarters
Board Room, Conference Room 07-08
550 South Main Street
Orange, CA

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 Availability of Agenda Materials

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

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.

Guidance for Public Access to the Board of Directors/Committee Meeting

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and in order to ensure the safety of the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN) Board of Directors (Board) and staff and for the purposes of limiting the risk of COVID-19, in person public participation at public meetings of LOSSAN will not be allowed during the time period covered by the above referenced Executive Orders.

Guidance for Public Access to the Board of Directors/Committee Meeting (Continued)

Instead, members of the public can listen to AUDIO live streaming of the Board and Committee meetings by clicking the below link:

<http://www.octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>

Public comments may be submitted for the upcoming Board and Committee meetings by emailing them to boardofdirectors@octa.net.

If you wish to comment on a specific agenda Item, please identify the Item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

In order to ensure that staff has the ability to provide comments to the Board Members in a timely manner, please submit your public comments **30 minutes prior to the start time of the Board and Committee meeting date.**



BOARD OF DIRECTORS AGENDA

2020 BOARD OF DIRECTORS

(revision as of 3/05/20)

County	Members	Alternates
San Luis Obispo: 1 vote	Fred Strong Council Member, City of Paso Robles Member, San Luis Obispo Council of Governments	Andy Pease Council Member, City of San Luis Obispo Member, San Luis Obispo Council of Governments
Santa Barbara: 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
Ventura: 1 vote	Bryan A. MacDonald Council Member, City of Oxnard Member, Ventura County Transportation Commission	Jim White Representative, Ventura County Transportation Commission
Los Angeles: 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
Orange: 2 votes	Al Murray (Chairman) Representative, Orange County Transportation Authority Tim Shaw Council Member, City of La Habra Member, Orange County Transportation Authority	Laurie Davies Mayor, City of Laguna Niguel Member, Orange County Transportation Authority Joseph L. Muller Council Member, City of Dana Point Member, Orange County Transportation Authority



BOARD OF DIRECTORS AGENDA

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

Call to Order

Roll Call

Pledge of Allegiance

Chairman Murray

1. Public Comments

Special Calendar

There are no Special Calendar Matters.

Consent Calendar (Items 2 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.

2. Approval of Minutes

Approval of the minutes of the LOSSAN Agency Board of Directors meeting of September 21, 2020.

3. Proposed 2021 Board of Directors and Committee Meetings Schedule

Donna DeMartino

Overview

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency staff has developed a proposed Board of Directors and Committee meetings schedule for calendar year 2021 that was reviewed by the Technical Advisory Committee, and approved by the Executive Committee, reflects prior informal direction from the Board of Directors, and is consistent with the development of key deliverables and actions for calendar year 2021.

Recommendation

Approve the 2021 Board of Directors and Committee meetings schedule for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.

- 4. Conflict of Interest Code and 2020 Annual Statement of Economic Interests Filing**
Martha M. Ochoa

Overview

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

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2020 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 1, 2021.

- 5. Status Report of State Legislation Enacted in 2020**
Alexis Leicht

Overview

At the conclusion of the 2020 legislative session, 372 bills were signed into law by the Governor and chaptered by the Secretary of State, while 56 bills were vetoed. A report containing an analysis of legislation relevant to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is provided.

Recommendation

Receive and file as an information item.

- 6. The Los Angeles - San Diego - San Luis Obispo Rail Corridor Trends for the Third Quarter of Federal Fiscal Year 2019-20**
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 third quarter of federal fiscal year 2019-20.

Recommendation

Receive and file as an information item.

7. Fiscal Year 2019-20 Fourth 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 fourth quarter of fiscal year 2019-20, covering the months of July through June 2020.

Recommendation

Receive and file as an information item.

8. Annual Business Plan and Budget Assumptions for Fiscal Years 2021-22 and 2022-23

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 1 of each year that provides the basis for its annual budget request and any proposed changes to the Pacific Surfliner service. A list of key assumptions used in developing the business plan and budget for fiscal years 2021-22 and 2022-23 is presented for the Board of Directors' review.

Recommendation

Direct staff to incorporate the key assumptions into the development of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency business plan for fiscal years 2021-22 and 2022-23.

Regular Calendar**9. Draft 2021 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program**

Dustin J. Sifford

Overview

Annually, the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency adopts a Legislative Program of strategic goals to guide its legislative activities for the upcoming session. A draft of the 2021 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program has been prepared for consideration by the Board of Directors.

9. (Continued)

Recommendation

Receive and file as an information item.

10. Fiscal Year 2020-21 Budget Amendment

Jason Jewell

Overview

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's fiscal year 2020-21 budget and the Business Plan for Fiscal Year 2020-21 and Fiscal Year 2021-22 were approved by the Board of Directors on May 18, 2020. The California State Transportation Agency approved the administrative and marketing components of the fiscal year 2020-21 budget on July 9, 2020 and the operations component on September 23, 2020. Staff is seeking Board of Directors' approval to amend the fiscal year 2020-21 budget to include the Amtrak Federal Fiscal Year 2020-21 operating forecast and funding levels approved by the California State Transportation Agency, as well as revisions to the administrative, marketing, and grant budgets.

Recommendations

- A. Amend the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency's Fiscal Year 2020-21 revenue and expense budget to reflect the revised Amtrak operating revenue and expense forecast and State-approved operating funding levels through January 2021, as well as the revised administrative, marketing, and grant budgets.
- B. Authorize the Managing Director to make amendments to the Master Fund Transfer Agreement annual supplements for operating funds, minor capital improvement projects funds, administrative, and marketing funds.

11. Approval to Release Request for Proposals for Program Management Consultant Services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency

James D. Campbell

Overview

Staff has developed a request for proposals to initiate a competitive procurement process to retain a consultant to provide program management services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.

11. (Continued)**Recommendations**

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 0-2620 for the selection of a consultant to provide program management services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.
- B. Approve the release of Request for Proposals 0-2620 for program management consultant services for the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency.

12. Fiscal Year 2020-21 Through Fiscal Year 2024-25 State Rail Assistance

Russell Henry

Overview

Senate Bill 1, the Road Repair and Accountability Act of 2017, is expected to provide over \$54 billion in funding by 2027 to maintain and improve California's transportation system. An element of Senate Bill 1, the State Rail Assistance program, provides funding for both operational and capital improvements to commuter and intercity passenger rail services. Consistent with the Los Angeles - San Diego – San Luis Obispo Rail Corridor Agency annual business plan and State Rail Assistance program guidelines, staff has developed a proposed five-year program of projects to utilize these funds.

Recommendations

- A. Approve the recommended program of projects for Fiscal Year 2020-21 through Fiscal Year 2024-25 State Rail Assistance formula funds.
- B. Approve Resolutions No. 2020-L001 and No. 2020-L002 authorizing the Managing Director to act on behalf of the Los Angeles - San Diego – San Luis Obispo Rail Corridor Agency in obtaining funding under the State Rail Assistance Program.
- C. Authorize the Managing Director to negotiate and execute necessary agreements and program supplements to facilitate the utilization of State Rail Assistance funding.

Discussion Items

- 13. Pacific Surfliner On-Time Performance Analysis Third Quarter - Federal Fiscal Year 2019-20**
Roger M. Lopez

Staff will provide a detailed analysis of Pacific Surfliner on-time performance during the third quarter of federal fiscal year 2019-20.

- 14. Los Angeles - San Diego - San Luis Obispo Optimization Study Update and Next Steps**
James D. Campbell

Staff will provide a presentation on the results and next steps for the Los Angeles – San Diego - San Luis Obispo Rail Corridor Optimization Study.

- 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:

TUESDAY, February 16, 2021

11:15 a.m. - 12:45 p.m.

Orange County Transportation Authority Headquarters

Board Room - Conference Room 07-08

550 South Main Street

Orange, California



MINUTES

Board of Directors' Meeting

Call to Order

The September 21, 2020, 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 11:16 a.m. at the Orange County Transportation Authority Headquarters, Board Room – Conference Room 07-08, 550 South Main Street, Orange, California.

Roll Call

The Clerk of the Board (COB) conducted an attendance Roll Call and announced there was quorum of the Board of Directors (Board) as follows:

Directors Present: Al Murray, Chairman
Tim Shaw, OCTA

Via teleconference:

Dana Reed, Vice Chairman
Jewel Edson, NCTD
John Fasana, Metro
Caylin Frank, SDMTS
Gregg Hart, SBCAG
Ellie Haviland, SANDAG
Bryan MacDonald, Immediate Past Chairman, VCTC
Jess Talamantes, Metro
Kyle Gradinger, Caltrans, Ex-Officio
Tamika Smith, Amtrak, Ex-Officio

Directors Absent: Fred Strong, SLOCOG

Staff Present: Jennifer L. Bergener, Immediate Past Managing Director
Donna DeMartino, Managing Director
Martha M. Ochoa, LOSSAN Clerk of the Board
Gina Ramirez, LOSSAN Deputy Clerk of the Board
James M. Donich, General Counsel (Teleconference)

Pledge of Allegiance

The Pledge of Allegiance was led by Chairman Murray.

1. Public Comments

There were no public comments.

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Items 2 through 7)

2. Approval of Minutes

A motion was made by Director Fasana, seconded by Director Talamantes, and following a roll call vote, declared passed 10-0, to approve the minutes of the LOSSAN Agency Board of Directors meeting of June 15, 2020.

3. Amendment to Agreement for Pacific Surfliner Creative Services

A motion was made by Director Fasana, seconded by Director Talamantes, and following a roll call vote, declared passed 10-0, to authorize the Managing Director to negotiate and execute Agreement No. 1 to Agreement No. L-9-0013 between the Los Angeles – San Diego - San Luis Obispo Rail Corridor Agency and Pastilla, Inc., to exercise the first option term of the agreement effective January 1, 2021 through December 31, 2022, in the amount of \$500,000, to provide creative services for the Pacific Surfliner marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$900,000.

4. Amendment to Agreement for Pacific Surfliner Videographer and Photographer Services

A motion was made by Director Fasana, 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-9-0015 between the Los Angeles – San Diego - San Luis Obispo Rail Corridor Agency and Goal Productions, Inc., to exercise the first option term of the agreement, in the amount of \$600,000, to provide videography and photography services for the Pacific Surfliner marketing program. This will increase the maximum obligation of the agreement to a total contract value of \$900,000.

5. Amendment to Cooperative Agreement No. L-9-0005 for the Rail 2 Rail Program with the Southern California Regional Rail Authority and the National Railroad Passenger Corporation

A motion was made by Director Fasana, 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. 2 to Cooperative Agreement No. L-9-0005 between the Los Angeles - San Diego – San Luis Obispo Rail Corridor Agency, Southern California Regional Rail Authority, and National Railroad Passenger Corporation to extend the contract term for a period of nine months through June 30, 2021, and increase the total contract value in the amount of \$1,854,000, for a total contract value of up to \$4,254,000.

6. Amendment to Agreement No. L-0-0006 with the Union Pacific Railroad for the Passenger Rail Service Enhancement and Infrastructure Improvements to Implement Two Additional Passenger Train Pairs

A motion was made by Director Fasana, 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-0-0006 between the Los Angeles – San Diego - San Luis Obispo Rail Corridor Agency and Union Pacific Railroad to reflect an effective date of December 1, 2019.

7. Amendment to Cooperative Agreement No. L-8-0013 for the Rail 2 Rail Program with the North County Transit District and National Railroad Passenger Corporation

A motion was made by Director Fasana, 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. 3 to Cooperative Agreement No. L-8-0013 between the Los Angeles - San Diego – San Luis Obispo Rail Corridor Agency, the North County Transit District, and the National Railroad Passenger Corporation to extend the term of the agreement for an additional nine months, through June 30, 2021.

Regular Calendar

8. Update on the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Business Plan and Operational Budget for Fiscal Years 2020-21 and 2021-22

Roger Lopez, Manager of Planning & Analysis, provided background and an overview for this item of the following:

- Update on the LOSSAN Agency business plan and operating budget, and the impacts by coronavirus (COVID-19) pandemic.
- Estimated revenue, revised operating costs, projections, and cost saving measures.

8. (Continued)

A motion was made by Chairman Murray, seconded by Director Shaw, and following a roll call vote, declared passed 10-0, to direct staff to return to the Board of Directors in November 2020 with a revised operating budget consistent with the revenue and expense estimates provided by Amtrak for federal fiscal year 2020-21.

Discussion Items

9. Update on Capital Projects along the Los Angeles - San Diego - San Luis Obispo Rail Corridor in San Diego County

Emilia Doerr, Marketing and Communications Manager, provided a PowerPoint presentation on the following:

- Performance Summary;
- Year-Over-Year Performance;
- Future Outlook;
- Marketing & Communications Response and Re-entry Phases;
- Communications Milestones;
- Align Marketing with Service Levels;
- Health and Safety Campaign;
- Bridge Campaign: Reconnecting You; and
- Looking Ahead.

A discussion ensued regarding:

- Applaud the good efforts and rewards of promoting the health and safety campaign.
- Updating in real-time the website with the current schedules and updates.

10. Update on Capital Projects Along the North End of the Los Angeles - San Diego - San Luis Obispo Rail Corridor

James D. Campbell, Manager of Programs, provided opening comments and introduced:

- Jeanet Owens, Senior Executive Officer for Project Management and Regional Rail, and Will Ridder, Executive Officer for State/Federal Policy and Programming from Los Angeles County Metropolitan Transportation Authority;
- Justin Fornelli, Chief of Program Delivery, and Colm McKenna, Senior Railroad Civil Engineer from Metrolink; and
- Adrian Guerrero, General Director for Public Affairs, and Victor Stone, Network Planning & Operations from Union Pacific.

Ms. Owens and Mr. Ridder co-presented a PowerPoint presentation on the following:

- Link Union Station (Link US) Project Video;
- Union Station – The Link to Southern California;
- Los Angeles Union Station Today;
- Regional Rail Network Integration;
- Link US Project Anticipated Benefits;
- Link US Project Overview – Regional Rail to Los Angeles Union Station;
- Link US Project Overview – One Seat Ride Benefits to LOSSAN;
- Link US Project Overview (Phases A & B);
- Link US Phase A (Funded);
- Link US Phase B (Not Funded);
- Phase B – High-Speed Rail Accommodation;
- Link US Funding Plan (Phase A);
- Link US Phase A Project – Area 3 – Run-through Track Structure South of Union Station;
- Link US Phase A Project – Area 4 – Burlington Northern Santa Fe (BNSF) Yard – Project Elements;
- Link US Project and BNSF Malabar Yard; and
- Link US Construction Manager General Contractor Procurement Timeline.

Mr. Fornelli and Mr. McKenna co-presented a PowerPoint presentation on the following:

- Southern California Optimized Rail Expansion (SCORE) Phase 1;
- SCORE Phase 1 Benefits;
- SCORE Timeline;
- Link US and Rail Yard Rehabilitation and Modernization Project;
- Burbank to Los Angeles Signal Improvements;

10. (Continued)

- Burbank Junction Speed Improvements;
- Chatsworth Station Improvements;
- Simi Valley Second Track and Platform; and
- Metrolink Community Contacts.

Mr. Guerrero and Mr. Stone co-presented a PowerPoint presentation on the following:

- LOSSAN Union Pacific 2020 agreement;
- Santa Barbara Subdivision – Projects Overview;
- Engineering Projects;
- Bridge Upgrades;
- Narlon Bridge Location;
- Honda Bridge Location;
- Rail & Ties Renewal;
- Safety Improvements;
- Capacity & Infrastructure Projects;
- Santa Barbara Subdivision north – Control Train Components key sidings;
- Capacity analysis;
- Surfliner Layover Facilities; and
- Questions.

A discussion ensued regarding:

- The Board thanked all the presenters for their efforts, participation, and commented on the collaborative cooperation amongst all of the agencies.
- Run-through capability in San Bernardino, and the Link US project.

11. Managing Director's Report

Donna DeMartino, Managing Director (MD), provided comments as follows:

- September is Rail and Safety Month -
 - LOSSAN staff members showed support by wearing red shirts for their online staff meeting.
 - Marketing and Communication staff created a photo collage and added the message “We Wear Red to Support Rail Safety Awareness”.

11. (Continued)

- CBS News 8 Coverage –
 - The news reporter incorporated information provided by the marketing team and was accompanied on board with the cameraman, and Jay Ellis, Operations Compliance and Safety Manager.
 - Ms. DeMartino, MD added meeting up with the team at the Oceanside station, where the cameraman was feeling so comfortable riding the train that he stated that he was going to go home and tell his mom she should be riding the train as well.
- Amtrack Accounting Error -
 - Ms. DeMartino, MD acknowledge LOSSAN staff Jason Jewel, Finance and Administration Manager, and Nereida Villasenor, Account Analyst Senior, for their good work in identifying an accounting error from Amtrak that resulted in a \$6.2 million credit for LOSSAN.
- COVID-19 Update –
 - Working very closely with California State Transportation, California Department of Transportation (Caltrans), and Amtrak to identify ways to contain and reduce operating costs.
 - Continue to provide service to the passengers and to the communities who rely on the service.
 - Acknowledged and thanked LOSSAN representatives from Caltrans, Kyle Gradinger, and Tamika Smith for rolling up their sleeves and working with LOSSAN staff to navigate through these unprecedented times.
 - Thanked all the speakers and the Board for their participation in today's exciting meeting.

12. Board Members' Report

- Vice Chairman Reed stated what a great meeting, great presentations, very informative, and thanked staff and participants.
- Director Fasana echoed comments by LOSSAN Directors and the presenting agencies. The information was vital in terms of understanding the opportunities to really improve service on the corridor.
- Director Hart echoed LOSSAN Board colleagues' comments, informative meeting, and appreciated all the collaborative work by the different agencies to demonstrate all the projects that are going forward in the corridor
- Director Havilland reiterated that it was a great meeting, wonderful presentations, learned a lot, and thanked everyone for all their effort.
- Director Talamantes had questions in regards to the availability of Public Service Announcements from either LOSSAN, Metrolink, or Union Pacific that can be shared with Burbank's local television station to educate the public. He also requested an update regarding the two vacancies and requested staff reach out to those two organizations regarding Board participation.



MINUTES

Board of Directors' Meeting

12. (Continued)

- Ms. DeMartino responded that staff will work on providing some of the marketing materials to Director Talamantes, and added that staff will follow-up in regards to the two vacancies.
- Director Gradinger shared that from the state's perspective, the pandemic has created revenue and ridership shortfalls, and created a situation where the state has a complicated structural budget issue. He also thanked the LOSSAN team for the outstanding work that they have been doing, and the collaborative effort with Caltrans and the other Joint Powers Authorities to figure out how to continue to fund the operations.
- Director Smith echoed Director Gradinger's comments regarding working collaboratively with Caltrans staff, and thanked Jason Jewel, Finance and Administration Manager.
- Chairman Murray read a letter into the record stating United States Rail Safety Week begins today, and September is Rail Safety Month in California, he also asked the Board for their consensus on adding their names onto the letter.

13. Closed Session

There were no Closed Session items scheduled.

14. Adjournment

The meeting was adjourned at 12:37 p.m.

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

Monday, November 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

ATTEST:

Martha M. Ochoa
LOSSAN Agency
Clerk of the Board

Al Murray
LOSSAN Agency Chairman



November 16, 2020

To: Members of the Board of Directors
From: Donna DeMartino, Managing Director 
Subject: Proposed 2021 Board of Directors and Committee Meetings Schedule

Overview

The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency staff has developed a proposed Board of Directors and Committee meetings schedule for calendar year 2021 that was reviewed by the Technical Advisory Committee, and approved by the Executive Committee, reflects prior informal direction from the Board of Directors, and is consistent with the development of key deliverables and actions for calendar year 2021.

Recommendation

Approve the 2021 Board of Directors and Committee meetings schedule for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

Background

Each year, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Board of Directors (Board) reviews and approves a proposed meeting schedule for the Board, Executive Committee, and Technical Advisory Committee (TAC) meetings for the following calendar year. A proposed meeting schedule for calendar year 2021 has been reviewed by the TAC, considered and approved by the Executive Committee and is now presented for Board of Directors consideration.

Discussion

The proposed schedule for 2021 maintains regular Board meetings that were scheduled for the 2020 calendar year and are proposed to continue to be held the third Monday for the months of February, March, May, June, September, and November unless otherwise noted.

To avoid a conflict with the federal holiday, the February Board meeting is proposed for the third Tuesday of the month. No meetings are proposed for the months of January, April, July, August, October, and December.

Executive Committee meetings are proposed to be held during the months of February, March, May, June, September, and November. Additional meetings may be added to the schedule as needed.

TAC meetings are proposed to be held the first Thursday during the months of February, March, May, June, September, and November, prior to scheduled Board meetings.

The Chairman of the Board retains the right to call a Special meeting at any time should unforeseen circumstances arise which warrant a meeting. The complete proposed 2021 LOSSAN Board and Committee meetings calendar is included as Attachment A.

Summary

Staff has developed a proposed 2021 LOSSAN Board and Committee meetings calendar for the LOSSAN Agency Board's review and approval.

Attachment

- A. LOSSAN Board of Directors Calendar – 2021 Board and Committee Meetings and Holidays – Draft 11.16.20



LOSSAN BOARD OF DIRECTORS CALENDAR

2021 Board and Committee Meetings and Holidays

ATTACHMENT A

DRAFT
11.16.20

JANUARY						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

MARCH						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL						
SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

MAY						
SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

JUNE						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY						
SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

SEPTEMBER						
SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER						
SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

LOSSAN Board of Directors regular meeting
 11:15 a.m. - 12:45 p.m.
 Meetings will take place at the OCTA headquarters unless otherwise noted

Executive Committee
 9:00 a.m. - 10:30 a.m.

Technical Advisory Committee
 12:30 p.m. - 2:30 p.m.

LOSSAN Agency Observed Holidays



November 16, 2020

To: Members of the Board of Directors

From: Donna DeMartino, Managing Director

A handwritten signature in black ink that reads "Donna DeMartino".

Subject: Conflict of Interest Code and 2020 Annual Statement of Economic Interests Filing

Overview

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

Recommendation

Direct the Clerk of the Board to distribute and monitor the 2020 annual Statement of Economic Interests - Form 700 to Members of the Board of Directors and designated positions, to be filed by April 1, 2021.

Background

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

Discussion

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

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

The LOSSAN Agency's Clerk of the Board shall retain the electronic or original Form 700s submitted by the designated positions. The California Fair Political Practices Commission's filing deadline for the 2020 annual Form 700 statement is April 1, 2021.

Summary

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

Attachments

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Conflict of Interest Code (November 16, 2020)
- B. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, List of Designated Positions, Conflict of Interest Code (November 16, 2020)
- C. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Disclosure Categories (November 16, 2020)

Prepared by:



Martha M. Ochoa
LOSSAN Clerk of the Board
(714) 560-5439

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

CONFLICT OF INTEREST CODE

(November 16, 2020)

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

CONFLICT-OF-INTEREST CODE

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

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

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

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

(November 16, 2020)

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

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

<u>Designated Positions</u>	<u>Disclosure Category</u>
CLERK OF THE BOARD	01
DEPUTY MANAGING DIRECTOR	01
MANAGING DIRECTOR	01
FINANCE & ADMINISTRATION MANAGER	01
GENERAL COUNSEL/STAFF	01
PLANNING & ANALYSIS MANAGER	01
STRATEGIC PLANNING & CUSTOMER EXPERIENCE MANAGER	01
PROGRAM MANAGER	01
<u>PROGRAMING & GRANTS MANAGER</u>	<u>01</u>
<u>PROJECT MANAGER SENIOR</u>	<u>01</u>
<u>TRANSPORTATION FUNDING ANALYST SENIOR</u>	<u>01</u>
ACCOUNTING ANALYST SENIOR	02
MARKETING & COMMUNICATIONS OFFICER	02
EQUIPMENT & MECHANICAL MANAGER	02
OPERATIONS COMPLIANCE & SAFETY MANAGER	02
TRANSPORTATION ANALYST PRINCIPAL	02
TRANSPORTATION ANALYST SENIOR	02
CONSULTANTS/NEW POSITIONS	*

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

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

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

Public Officials Who Manage Public Investments**Disclosure Category**

The following positions are not covered by the conflict-of-interest code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

MEMBERS AND ALTERNATE MEMBERS OF THE BOARD OF DIRECTORS

TREASURER

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission will make the determination whether a position is covered by Government Code Section 87200.

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

DISCLOSURE CATEGORIES

(November 16, 2020)

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

DISCLOSURE CATEGORIES

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

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



November 16, 2020

To: Members of the Board of Directors
From: Donna DeMartino, Managing Director *Donna DeMartino*
Subject: Status Report of State Legislation Enacted in 2020

Overview

At the conclusion of the 2020 legislative session, 372 bills were signed into law by the Governor and chaptered by the Secretary of State, while 56 bills were vetoed. A report containing an analysis of legislation relevant to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is provided.

Recommendation

Receive and file as an information item.

Discussion

2020 Legislative Session Adjourns

Following the State Legislature’s adjournment, Governor Newsom had until September 30, 2020, to either sign or veto all legislation submitted to his office. Of the 428 bills sent to the Governor in 2020, 56 bills were vetoed, or 13 percent of the total number of bills presented to his office. Governor Newsom acted on 614 fewer bills this year than last year. Due to the coronavirus (COVID-19) pandemic, the state legislative session was significantly truncated, and legislators were required to cut their legislative package to bills that needed to be addressed immediately or otherwise related to the COVID-19 pandemic response.

A detailed summary of legislation relevant to the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is included as Attachment A. Among the bills considered this session were the following proposals:

Significant Bills of Interest in 2020 – Bills Signed**Senate Bill (SB) 288 (Chapter 200, Statutes of 2020): California Environmental Quality Act: exemptions: transportation-related projects.****LOSSAN Agency Position: Monitor**

SB 288 establishes new California Environmental Quality Act (CEQA) exemptions for designated sustainable transportation projects, including pedestrian and bicycle facilities, improvements in customer information and wayfinding, transit prioritization projects, conversion of general-purpose lanes or highway shoulders to bus-only lanes, projects that increase new bus rapid transit, projects to construct or maintain infrastructure to charge or refuel zero-emission transit buses, and projects for the maintenance, repair, relocation, replacement, or removal of any utility infrastructure.

If an agency wishes to pursue an exemption under this law, they will also need to follow additional requirements, which include that the lead agency's project must not create new automobile capacity and must be located within an existing public right-of-way. If the project exceeds \$100 million, the agency must complete a business case and a racial equity analysis pursuant to standards developed by the Office of Planning and Research (OPR), or which can be delegated by OPR to a metropolitan planning organization (MPO). The project cannot demolish any affordable housing units, as defined, and must use a skilled and trained workforce or be subject to a project labor agreement. If an agency does not want to follow this process for a project, they can still choose to use the normal CEQA process.

SB 1291 (Chapter 113, Statutes of 2020): Federal Statewide Transportation Improvement Program: submissions.**LOSSAN Agency Position: Monitor**

SB 1291 clarifies that MPOs and regional transportation agencies do not have to submit their regional Federal Transportation Improvement Program (FTIP) to the California Department of Transportation (Caltrans) in 2020, but instead will not be required to submit until 2022. The bill also specifies that Caltrans is not required to develop and submit the statewide FTIP documents to the Federal Highway Administration (FHWA) for approval in 2020. In both instances, the language allows flexibility for regional agencies, MPOs and Caltrans to continue to develop an FTIP, if needed, prior to 2022. Under SB 1291, the FTIP development schedule returns to every two years under state law, and by federal law every four years, after the one-time waiver facilitated by the bill.

The events of this year have greatly complicated the FTIP development schedule. The implementation of the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule, a federal air quality rulemaking being finalized in two parts, created significant uncertainty at the beginning of the year.

Both Part One and Part Two of the SAFE Vehicles Rule created delays across California, with MPOs working to understand the rulemaking's consequences for the FTIP development process. Even under normal circumstances, many MPOs would have been pressed to submit a regional FTIP by the statutory deadline of October 1 due to these delays. Unfortunately, the COVID-19 pandemic has only further compounded the situation. Transportation projects could be impacted if Caltrans cannot submit the statewide FTIP to FHWA by the statutory deadline on December 1. Based on a consensus among MPOs across California, Caltrans plans to develop and submit the statewide FTIP to FHWA early next year. SB 1291 was necessary to ensure a one-time waiver for the FTIP development schedule to allow for the adequate planning of transportation projects during this unprecedented national emergency.

Significant Bills of Interest in 2020 – Bills Vetoed

SB 757 (Allen, D-Santa Monica): California Environmental Quality Act: environmental leadership projects: fixed guideway
LOSSAN Agency Position: Monitor

AB 900 (Chapter 354, Statutes of 2011) created the Jobs and Economic Improvement Through Environmental Leadership Act of 2011. Under this law, the Governor, by January 1, 2020, must certify projects for residential, retail, commercial, sports, cultural, entertainment, or recreational use as Environmental Leadership Development Projects to receive the expedited judicial review procedures under CEQA. SB 757, sponsored by the Los Angeles Metropolitan Transportation Authority (LA Metro), would have expanded this shortened CEQA litigation period to fixed guideway projects so long that the project meets certain requirements including operating at zero emissions, reducing emissions in the corridor depending on project length, and reducing vehicle miles traveled in the corridor.

Although SB 757 was approved by the Legislature with bipartisan support, it contained a provision that tied its implementation to the passage of SB 995 (Atkins, D-San Diego), a bill that would have extended the sunset provision for the AB 900 process. SB 995 failed to meet its legislative deadline, and therefore, SB 757 could not be made law. In the Governor's veto message, he stated that he is supportive of efforts to accelerate transit projects that reduce greenhouse gas emissions and reduce miles traveled, but because of SB 757 implementation being contingent on SB 995 becoming law he could not sign this bill. It is expected that a similar effort will be pursued by LA Metro next year.

SB 1351 (Beall, D-Campbell): Transportation Improvement Fee: revenue bonds.
LOSSAN Agency Position: Monitor

SB 1351 would have provided authority to bond, up to \$5 billion, against future revenues generated from the SB 1 (Chapter 5, Statutes of 2017) Transportation Improvement Fee, to expedite the delivery of highway safety projects via the State Highway Operation and Protection Program (SHOPP). The rationale for bonding against future transportation revenues is that it allows the State to take advantage of currently low interest rates to expedite the delivery of transportation improvements that will create jobs during the difficult times. SB 1351 contained specific language on how the bond proceeds can be expended. The bond proceeds would be used to expedite SHOPP projects, highway safety projects undertaken by Caltrans, programmed in the 2020 SHOPP, as approved by the California Transportation Commission on May 13, 2020. All projects utilizing this authority would have to be environmentally cleared and have completed project design.

The Governor ultimately vetoed this legislative proposal. In his veto message he stated that Caltrans does not need this tool to accelerate transportation maintenance projects because they have already increased the number of projects going to construction through project savings and other administrative actions. He goes on to say that bonding against these future revenues runs counter the principles in SB 1 and risks locking California into long-term debt obligations to finance maintenance repairs. It is important to note that the author of this legislation is termed out from the Legislature at the end of this year; therefore, it is uncertain if a variation of this legislative proposal will be introduced in the next legislative session.

Summary

A summary report on all state legislation enacted in 2020 affecting the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is provided for review by the Board of Directors.

Attachment

- A. LOSSAN Rail Corridor Agency 2020 End of Year Legislative Report

Prepared by:



Alexis Leicht
Associate Government Relations
Representative
(714) 560-5475



LOSSAN RAIL CORRIDOR AGENCY 2020 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Employment Terms and Conditions

AB 685 (Reyes, D-San Bernardino) COVID 19: Imminent Hazard to Employees: Exposure

(Chapter 84, Statutes of 2020)

AB 685 requires employers to provide written notice and instructions to employees who may have been exposed to coronavirus (COVID-19) at their worksite. This bill also gives authority to the Division of Occupational Health and Safety's (Cal/OSHA) to enforce health and safety standards in an effort to mitigate workplace exposure to and curb the spread of COVID-19. Cal/OSHA may issue a serious violation if there is a realistic possibility that death or serious physical harm could result from the actual hazard created by the violation. If an employer is unable to successfully rebut the violation, Cal/OSHA has the authority to shut down facilities affected by the violation related to COVID-19. The provisions related to this bill will sunset on January 1, 2023.

SB 1159 (Hill, D-San Mateo) Workers Compensation: Coronavirus: Critical Workers (Chapter 85, Statutes of 2020)

SB 1159 establishes a rebuttable presumption that illness or death related to COVID-19 is an occupational injury. Beyond codifying the Governor's Executive Order (N-62-20), which created this rebuttable presumption for essential workers, this bill extends these benefits for all workers provided that the injury occurs 14 days after the last day worked at the place of employment. It additionally establishes a presumption of injury if an outbreak takes place at the place of employment. An outbreak for employers with more than 100 employees is triggered when five percent or more of the employees who worked at a specific work location contracted the disease within a 14-day period. This bill will sunset on January 1, 2023.

Urgency Bill – Effective Immediately

SB 1383 (Jackson, D-Santa Barbara) Unlawful Employment Practice: Family Rights Act

(Chapter 86, Statutes of 2020)

SB 1383, until January 1, 2021, requires an employer with five or more employees to allow employees to use 12 weeks of unpaid, job-protected leave to care for a domestic partner, grandparent, grandchild, sibling, or parent-in-law who has a serious health condition.

II. Environment

AB 2731 (Gloria, D-San Diego) California Environmental Quality Act: San Diego (Chapter 291, Statutes of 2020)

AB 2731 authorizes the San Diego Association of Governments (SANDAG) to obtain site control from the United States Navy (Navy) to support the redevelopment of the 70.5-acre Naval Base Point Loma Old Town Center, including the possible development of a multimodal transportation Central Mobility Hub to serve as a connection to link regional transit to the San Diego International Airport. These redevelopment efforts are intended to streamline the construction process of the multimodal regional transportation system through expedited administrative and judicial review procedures under the California Environmental Quality Act (CEQA). Specifically, this bill provides that the environmental impact statement (EIS) prepared by the Navy pursuant to National Environmental Policy Act (NEPA) for transit-oriented development (TOD) on the Old Town Center site may be used in lieu of an environmental impact report under CEQA if the TOD projects and the EIS meet specific environmental and labor requirements. Additionally, the courts are to resolve lawsuits within 270 business days of certification of the record of proceedings, to the extent feasible. These provisions will be repealed on January 1, 2025, if SANDAG fails to certify an environmental impact report.

AB 2800 (Quirk, D-Hayward) Climate Safe Infrastructure Working Group (Chapter 118, Statutes of 2020)

Under current law, the Climate-Safe Infrastructure Working Group is composed of scientists, engineers, and architects and was created to examine how to best integrate climate information with the state's infrastructure design, planning and implementation. A five-year infrastructure plan is incorporated in the State's budget process in order to outline the State's infrastructure investments strategies. This working group released their report, *Paying it Forward: The Path Toward Climate-Safe Infrastructure in California*, in 2018. The requirements under this section for the working group were set to sunset on July 1, 2020. AB 2800 removes the sunset date for the working group to make recommendations to the Legislature and instead extends the provisions indefinitely, upon available funding. Additionally, under current law, the working group's goal is to build upon existing information produced by the state, including information from the most recent California Climate Change Assessment and the State of California Sea-Level Rise Guidance Document. This legislation adds the five-year infrastructure plan as an additional item for the working group to consider.

SB 288 (Wiener, D-San Francisco) CEQA: Exemptions: Transportation Related Projects (Chapter 200, Statutes of 2020)

SB 288 establishes new CEQA exemptions for designated sustainable transportation projects, including pedestrian and bike facilities, improvements in customer information and wayfinding, transit prioritization projects, conversion of general-purpose lanes or highway shoulders to bus-only lanes, projects that increase of new bus rapid transit, projects to construct or maintain infrastructure to charge or refuel zero-emission transit buses, and projects for the maintenance, repair, relocation, replacement, or removal of

any utility infrastructure. To pursue these new exemptions, the project must not create new automobile capacity and must be located within an existing public right-of-way. If the project exceeds \$100 million, the agency must complete a business case and a racial equity analysis pursuant to standards developed by the Office of Planning and Research (OPR), or a metropolitan planning organization (MPO) if OPR delegates the authority. The project cannot demolish any affordable housing units, as defined, and must use a skilled and trained workforce or be subject to a project labor agreement.

SB 1320 (Stern, D-Calabasas) Climate Change: State Climate Change Assessment (Chapter 136, Statutes of 2020)

Upon appropriation of funds, SB 1320 will require the OPR to develop the California Climate Change Assessment in coordination with the Natural Resources Agency, the State Energy Resources Conservation and Development Commission, the Strategic Growth Council, and in consultation with partner public agencies designated by OPR. OPR may also contract with outside entities, including public universities, research institutions, organizations that serve vulnerable communities, and other technical experts to produce the assessment. This assessment must be done every five years and will include a suite of products that address the impacts and risks of climate change. Specifically, the products could include, but are not limited to, climate projections, research reports on costs and benefits or climate adaptation responses, regionally specific reports, reports on environmental justice considerations, decision-support tools, and examples of best practices for planning for future climate conditions. OPR is to engage with regional and local governments, tribes, vulnerable communities, businesses, and members of the public, as necessary, in determining the scope of the assessment. After the assessment is completed, OPR will work with the Department of Finance to determine the liabilities of the contents and the application of the assessment will have in the state budget, and to regional and local governments, tribes, and vulnerable communities.

III. Funding

SB 1349 (Glazer, D-Orinda) Transactions and Use Taxes: County of Contra Costa (Chapter 369, Statutes of 2020)

SB 1349 permits Contra Costa County, and cities within Contra Costa County, additional flexibility to impose local transactions and use taxes. Specifically, the bill clarifies that the current half-percent tax imposed by Bay Area Rapid Transit, as well as taxes imposed under the existing statutory authority provided to the Contra Costa County Transportation Authority, do not count against the two percent regional transaction and use tax cap in Contra Costa County.

IV. Planning

AB 2345 (Gonzalez, D-San Diego) Planning Zoning: Density Bonuses: Affordable Housing (Chapter 197, Statutes of 2020)

AB 2345 expands density bonus provisions in state law in an effort to help alleviate the State's housing shortage. The changes mirror those enacted by the City of San Diego. AB 2345 clarifies that, for purposes density bonus law, a "major transit stop" is defined using the existing statutory definition of major transit stops in the applicable regional transportation plan, including the transit stop's parking lot or structure. AB 2345 provides that rental developments with 100 percent affordable housing and within one-half mile of a major transit stop must not, if requested by the developer, city, or county, exceed half of a parking space per unit. AB 2345 also requires cities and counties to grant density bonuses to developments including a certain percentage of low-income housing, based a formula that factors in the number of low-income units and the types of incentives utilized with the development. The bill also allows localities to adopt generous density bonus ordinances.

SB 146 (Beall, D-Campbell) Regional Transportation Plans: Procedural Requirements

(Chapter 117, Statutes of 2020)

SB 146 changes the public outreach requirements for regional planning agencies developing a Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) in order to facilitate effective public outreach during the unprecedented COVID-19 pandemic. SB 146 allows agencies to use telephonic and electronic communication platforms to conduct public engagement when developing an RTP/SCS. Specifically, the bill recharacterizes "workshops" as "public engagement gatherings" to allow for electronic and telephonic outreach options without violating the public participation provisions of the Brown Act or the other substantive planning requirements in current law. These outreach flexibilities sunset on January 1, 2023.

SB 1291 (Senate Transportation Committee) Federal Statewide Transportation Improvement Program

(Chapter 113, Statutes of 2020)

SB 1291 provides flexibility in the Federal Transportation Improvement Program (FTIP) submittal process so that the unprecedented events of this year, specifically a change to federal air quality conformity requirements and the COVID-19 pandemic, do not put the delivery of transportation projects at risk. Current state statute requires that regional transportation agencies, MPOs, and the California Department of Transportation (Caltrans) develop and submit an FTIP, which lists regionally-significant projects requiring federal funding or approval, to the federal government every two years. While state law requires the adoption of an FTIP every two years, federal law only requires that the FTIP be adopted every four years. SB 1291 specifies that an FTIP is not required in 2020, and will next be required in 2022 although one can be submitted earlier. After this one-time change to the FTIP schedule, the normal biennial submittal process required by state law will resume.

Urgency Bill – Effective Immediately

V. State Budget

AB 78 (Committee on Budget) Bergeson Peace Infrastructure and Economic Development (Chapter 10, Statutes of 2020)

AB 78, a budget trailer bill, establishes the Climate Catalyst Revolving Loan Fund (Climate Catalyst Fund) within the State Treasury to receive funding from private sources and non-government entities to help fund and finance eligible projects. The Climate Catalyst Fund was originally proposed in the Governor's January Budget proposal as a state funded program, but as part of the budget agreement is now dependent on private funding and future appropriations. The Strategic Growth Council and Labor and Workforce Development Agency are to identify potential eligible categories of projects, with the aim to further the state's climate goals, activities that reduce climate risk, and the implementation of low-carbon technology and infrastructure.

Urgency Bill – Effective Immediately

AB 90 (Committee on Budget) Transportation Provisions (Chapter 17, Statutes of 2020)

AB 90 serves as the primary budget trailer bill related to transportation and makes various regulatory changes to provide relief to transit agencies across the state as they cope and recover from the effects of the COVID-19 pandemic. Specifically, this transportation budget trailer bill, instituted a hold harmless provision for calculation and allocation of the State Transit Assistance (STA) Program, State of Good Repair, and Low Carbon Transit Operations Program allocations. Such formula programs are based 50 percent on the revenues for each transit agency. For the next two years, the formulas will use the revenue amounts each transit agency reported prior to the COVID-19 pandemic. It further prevented any financial penalty to be imposed on a transit operator that is unable to meet its farebox recovery requirement until January 1, 2022. For FY 2020-21 and 2021-22, this legislation exempts a transit operator from meeting STA efficiency standards, with each agency able to utilize funding for either operating or capital purposes. Separately, it also required retailers of aircraft jet fuel to report quarterly to the California Department of Tax and Fee Administration (CDTFA) on their sales of aircraft jet fuel. Such data will allow the CDTFA to better communicate the State and local taxing jurisdiction compliance with Federal Aviation Administration regulatory requirements that sales tax proceeds from aviation fuel be used for the benefit of airports. Finally, it also delayed the adoption of the California High Speed Rail Authority's Business Plan until December 15, 2020, instead of its intended adoption date of June 25, 2020.

Urgency Bill – Effective Immediately

AB 107 (Committee on Budget) State Government (Chapter 264, Statutes of 2020)

AB 107 was an end of session trailer bill which included additional provisions related to transportation. Specifically, AB 107 provides temporary flexibility in the use of SB 1 State of Good Repair program funds, allowing a transit agency to expend funds apportioned for

the 2019-20 to 2021-22 fiscal years on operating or capital costs to maintain transit service. Separately, this legislation extends the sunset date, from January 1, 2021 to January 1, 2022, for the California Secretary of Transportation's authority to assume responsibilities under NEPA for any railroad, public transportation, or multimodal project. This authority is specifically being used for the California High-Speed Rail project.

Urgency Bill – Effective Immediately

**SB 74 (Committee on Budget) Budget Act of 2020
(Chapter 6, Statutes of 2020)**

SB 74 provides \$147.8 billion in total General Fund expenditures for fiscal year (FY) 2020-21. The state budget assumes a \$54 billion deficit, stemming from an approximately 22 percent decrease in revenues projected in FY 2020-21, combined with proposed emergency spending to protect Californians from the COVID-19 pandemic. For FY 2020-21, the state budget proposes General Fund revenues of approximately \$139.8 billion, which is an almost a \$17 billion decrease from the January budget proposal, and estimates General Fund expenditures at \$143 billion, which is approximately \$10 billion less the January estimate. Additionally, the state budget will draw down \$7.8 billion from the State's Budget Stabilization Account/Rainy Day Fund to address the deficit resulting from the COVID-19 pandemic. Without an agreement from the federal government on COVID-19 relief spending, the state's budget will be forced to withdraw an additional \$9.6 billion from the state's Budget Stabilization Account/Rainy Day Fund, \$1.6 billion from a special fund for economic uncertainties, and \$900 million from the safety net reserve fund in order to balance the budget.

As it pertains to intercity and commuter rail funding, the state budget's overall funding levels for commuter and intercity rail are \$100 million lower than anticipated in January, bringing the total amount of funding from \$269.5 million down to \$164.2 million. This includes a decrease in base funding from a projected \$225.3 million in the January budget proposal, to a projected \$138 million. These funds are used for the Caltrans' expenses, intercity rail contracts, and capital purchases. In addition, the budget assumes a decrease in anticipated State Rail Assistance funding for FY 2020-21 from the \$44.8 million projected in January to \$26.3 million.

Urgency Bill – Effective Immediately

**SB 89 (Committee on Budget and Fiscal Review) Budget Act of 2019
(Chapter 2, Statutes of 2020)**

SB 89 made changes to the Budget Act of 2019 in response to the Governor's March 4, 2020, proclamation of a state of emergency due to COVID-19. In particular, this bill allowed the Governor to withdraw up to \$1 million in General Fund dollars to provide immediate assistance related to the impacts of COVID-19. Expenditures included the procurement of personal protective equipment and equipment, travel trailers and hotel beds for immediate homeless housing, leases for hospital facilities, and more.

Urgency Bill – Effective Immediately

VI. Other Legislation

AB 992 (Mullin, D-San Mateo) Open Meetings: Local Agencies: Social Media (Chapter 89, Statutes of 2020)

AB 992 clarifies that a public official of a legislative body may communicate on social media platforms to answer questions, provide information to the public or to solicit information from the public regarding a matter within the body's subject matter jurisdiction. Previously, this type of serial communication was prohibited under the Ralph M. Brown Act. This exception will sunset on January 1, 2026.

ACA 5 (Weber, D-San Diego) Government Preferences (Chapter 23, Statutes of 2020)

ACA 5 is a constitutional amendment that asks the voters of California to decide on permitting the use of race, gender, and ethnic diversity as factors, but not decisive factors, in college admissions, government hiring, and government contracting. If the initiative put on the ballot by ACA 5 is passed by voters, it would repeal Article I, Section 31 of the California Constitution, as codified by Proposition 209 (1996), and authorize the use of race, sex, color, ethnicity, and national origin in the aforementioned selection processes.



November 16, 2020

To: Members of the Board of Directors

From: Donna DeMartino, Managing Director

Subject: The Los Angeles – San Diego – San Luis Obispo Rail Corridor
Trends for the Third Quarter of Federal Fiscal Year 2019-20

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 third quarter of federal fiscal year 2019-20.

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 typically hosts more than 150 daily passenger trains and an annual ridership of more than 2.7 million on Pacific Surfliner intercity passenger rail trains and about 5.4 million on Metrolink and COASTER commuter trains.

Discussion

This report provides an update on the performance of the passenger rail services operating 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 third quarter of federal fiscal year (FFY) 2019-20, covering the months of April, May, and June 2020.

Coronavirus Pandemic

The coronavirus (COVID-19) pandemic has had significant global impacts on transit ridership and operations, including the three rail services operating on the LOSSAN rail corridor. Attributable ridership and revenue declines were observed at the end of February 2020, and drastic declines followed Governor Newsom’s safer-at-home order, effective March 15, 2020. Shortly thereafter, the Pacific Surfliner, COASTER, and Metrolink implemented temporary service reductions on their respective intercity and commuter passenger rail services. The Pacific Surfliner and COASTER began service reductions on March 23, 2020, and Metrolink reduced its service on March 26, 2020.

Usage

For the third quarter of FFY 2019-20, total LOSSAN rail corridor ridership on the three services was 152,488, a 92.7 percent decrease when compared to the same period of the previous year. However, when analyzing ridership performance on a monthly level, ridership increased in May and June following



Figure 1.1

a record decline and low ridership in April. A 24-month ridership chart for the LOSSAN rail corridor, with the specific performance of each service, can be found in Figure 1.1.

The 24 months of ridership data included in Figure 1.1 provide 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

The overall decrease in LOSSAN rail corridor ridership includes ridership on the Pacific Surfliner (San Luis Obispo to San Diego) intercity passenger rail service, which decreased during the third quarter of FFY 2019-20 by 92.2 percent when compared to the same period last year, as is demonstrated in Figure 1.2. Ridership saw a low point in April, attributable to the reduced service and travel restrictions associated with the COVID-19 pandemic. The reported Pacific Surfliner ridership 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.

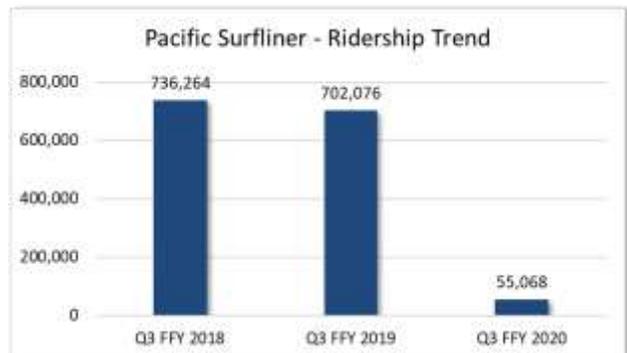


Figure 1.2

Metrolink

Overall LOSSAN rail corridor ridership was also negatively impacted by the ridership decrease on Metrolink's VCL demonstrated in Figure 1.3. The VCL, which operates between East Ventura and Los Angeles, saw a ridership decrease of 91.6 percent when compared to the third quarter of last year. The OCL, which

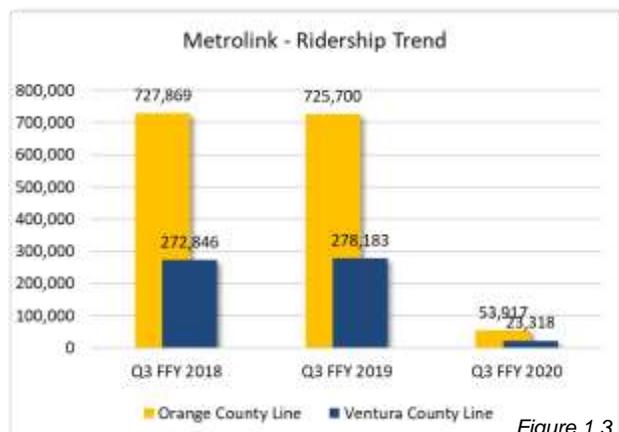


Figure 1.3

operates between Los Angeles and Oceanside, saw a similar 92.6 percent decrease in ridership over the same report period in the prior year.

Metrolink pass holders riding Pacific Surfliner trains, utilizing the R2R Program, averaged 31 per weekday for the third quarter of FFY 2019-20, which is a decrease of 97.2 percent compared to the same period last year.¹

COASTER

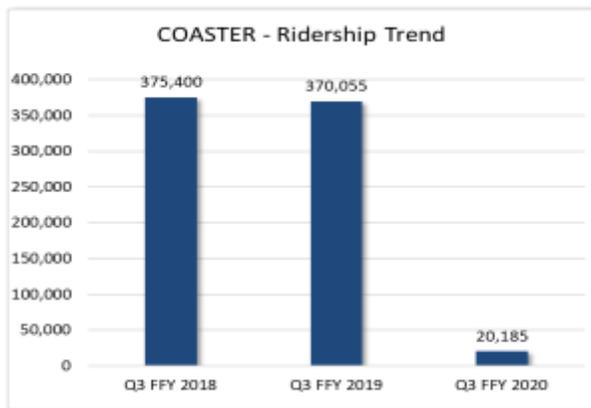


Figure 1.4

COASTER (providing commuter rail service between Oceanside and San Diego) ridership decreased by 94.5 percent during the third quarter of FFY 2019-20 when compared to the same period the prior year, as shown in Figure 1.4. During the third quarter of FFY 2019-20, there were an average of one COASTER pass holder per day on Pacific Surfliner trains, utilizing the R2R program. This was a decrease of 97.5 percent when compared to last year.

Amtrak System

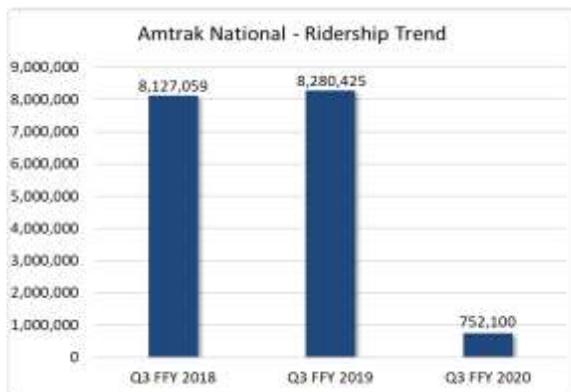


Figure 1.5

Not immune to the significant impacts of the COVID-19 pandemic, Amtrak service nationwide experienced a cumulative ridership decrease of 90.9 percent for the third quarter of FFY 2019-20 compared with the same period the prior year, as illustrated in Figure 1.5.

Amtrak's Coast Starlight (Seattle to Los Angeles) saw ridership decrease by 74.8 percent in the third 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 decreased by

¹ Metrolink R2R values are based on preliminary, unaudited data provided by Amtrak.

92.8 percent and San Joaquins ridership decreased by 85.7 percent in the third 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 generate 1,000 passenger miles. This metric depicts the growth in passenger usage and distance traveled.

The Pacific Surfliner generated over 5 million passenger miles during the third quarter of FFY 2019-20, which is a 92.0 percent decrease compared to the same period in the prior year. The decrease in passenger miles aligns with the overall decrease in ridership. Factoring in the average pounds of carbon dioxide emissions per passenger mile in a private automobile versus riding on passenger rail, those 5 million passenger miles resulted in a reduction of over 1,806 tons of greenhouse gases. The pollution avoided is equivalent to burning just over 200,000 gallons of gasoline.

Efficiency

Revenue



In correlation with the ridership decrease due to the COVID-19 pandemic, ticket revenue for the Pacific Surfliner also underperformed. For the third quarter of FFY 2019-20, overall revenue decreased by 90.7 percent when compared with the same period in the prior year, as shown in Figure 1.6.

Figure 1.6

For the Capitol Corridor, total revenue decreased by 89.9 percent, the San Joaquin rail corridor saw a decrease of 75.4 percent, and the Coast Starlight decreased by 77.4 percent in the third quarter compared to last year.

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 Division of Rail and Mass Transportation usually 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. A report has not been submitted to the CTC since December 4, 2019. As of that report, the 12 months ending June 2019 saw a 72.5 percent farebox recovery ratio.

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 third quarter of FFY 2019-20, average endpoint Pacific Surfliner OTP was 92.8 percent, which was an amazing 23.8 percent increase over the prior year. The significant service reduction that occurred in March 2020 led to reduced train volumes throughout the LOSSAN corridor. As such, an improvement in OTP was anticipated. A monthly OTP trend for the Pacific Surfliner can be seen in Figure 1.7.

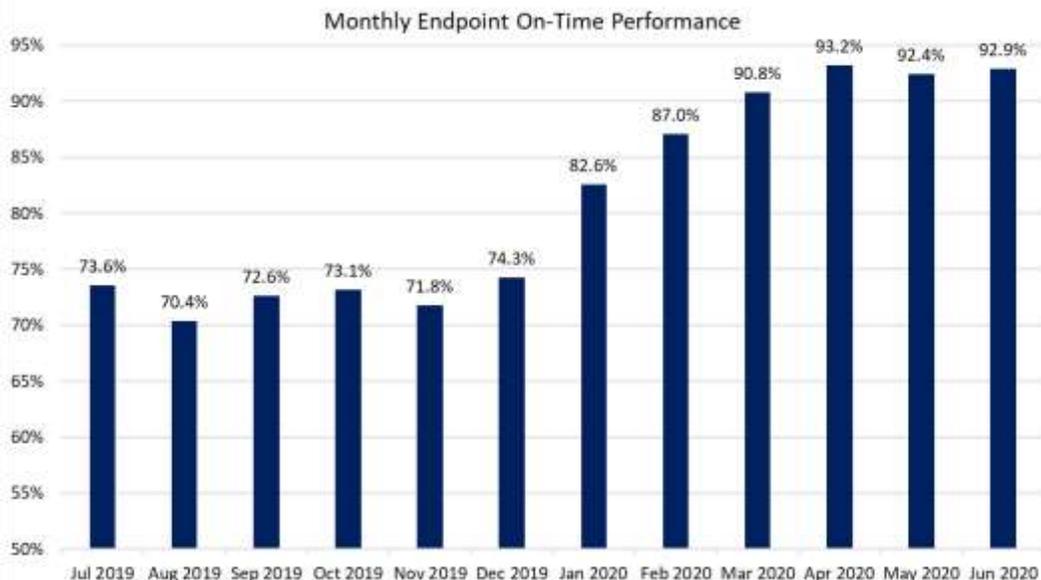


Figure 1.7

The LOSSAN Rail Corridor Agency (Agency) will continue to work collaboratively with the Corridor Improvement Team via quarterly meetings to ensure that OTP performance remains high as service is eventually restored.

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 electronic survey. Unfortunately, for the third quarter, the reduced ridership lead to an insufficient number of respondents to accurately calculate the eCSI score. As ridership increases, this metric will return.

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 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 to gauge the success of what is being offered and to highlight items that need to be adjusted.

Sales Category	FFY19 Q3	FFY20 Q3	% Change
Baked Goods	\$ 117,461	\$ 12,502	-89.4%
Beer	\$ 297,299	\$ 28,133	-90.5%
Beverages	\$ 363,260	\$ 37,316	-89.7%
Dairy Products	\$ 10,510	\$ 650	-93.8%
Fresh Prepared Foods	\$ 186,169	\$ 2,113	-98.9%
Liquor	\$ 147,662	\$ 20,468	-86.1%
Miscellaneous Merchandise	\$ 6,723	\$ 2,450	-63.6%
Packaged Snack Foods	\$ 968,727	\$ 269,945	-72.1%
Salads	\$ 24,555	\$ -	-100.0%
Wine	\$ 504,049	\$ 31,339	-93.8%
Total Revenue	\$ 2,626,415	\$ 404,915	-84.6%

Figure 1.8

For the third quarter of FFY 2019-20, food and beverage sales decreased by 84.6 percent over the same quarter in the prior year. In addition to the decrease in ridership, Café car sales were impacted by the restrictions associated with indoor dining. The sales of salads and fresh prepared foods was discontinued to prevent losses associated with spoilage as a result of reduced demand. Subsequently, hot prepared food had to be temporarily suspended to ensure the safety and health of all involved by limiting the interactions necessary between the passengers and Café car attendants.

Various safety measures, including the installation of plexiglass barriers, have allowed for the return of microwavable food items. As these items return and ridership increases, we anticipate Café car revenue to follow the same trend. 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 third quarter of FFY 2019-20, ridership on these three routes totaled 4,968 riders, which was a decrease of 79.5 percent when compared to the same period in the prior year (24,273 riders).

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 third quarter of federal fiscal year 2019-20. During the third quarter, total Los Angeles – San Diego – San Luis Obispo rail corridor ridership decreased by 92.7 percent compared to the same period last year. Ridership on the Pacific Surfliner decreased by 92.2 percent, and revenue realized a 90.7 percent decline when compared to the same period last year.

Attachment

- A. Los Angeles – San Diego – San Luis Obispo Rail Corridor Performance Summary, Third Quarter Federal Fiscal Year 2019-20

Prepared by:

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

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

**Los Angeles – San Diego – San Luis Obispo Rail Corridor Performance Summary
Third Quarter Federal Fiscal Year 2019-20**

<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	55,068	-92.2%	\$ 1,862,658	-90.7%	86.8%
Metrolink Ventura County Line	53,917	-91.6%	---	---	98.0%
Metrolink Orange County Line	23,318	-92.6%	---	---	94.4%
COASTER	20,185	-94.5%	---	---	96.0%
LOSSAN Total/Average	152,488	-92.7%	---	---	---

Amtrak Nationwide	752,100	-90.9%	\$ 59,889,374	-90.5%	84.4%
Capitol Corridor	33,000	-92.8%	\$ 898,128	-89.9%	86.6%
San Joaquin	47,179	-85.7%	\$ 2,030,464	-75.4%	81.0%
Coast Starlight	26,746	-74.8%	\$ 2,459,572	-77.4%	75.9%



November 16, 2020

To: Members of the Board of Directors
Donna DeMartino
From: Donna DeMartino, Managing Director
Subject: Fiscal Year 2019-20 Fourth 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 fourth quarter of fiscal year 2019-20, covering the months of July through June 2020.

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 draft 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 capital 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. Two budget amendments were approved by the Board on June 17, 2019, the first of which adjusted the net train operations budget to \$37,195,218 (including \$500,000 for minor capital projects and \$1,177,275 in reimbursements from other agencies), to align the budget with the Amtrak forecast. The budget amendment also 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). The second budget amendment included upgrades to superliner rail cars (\$516,935), business class car enhancements (\$1.5 million) and additional funding capacity for FFY 2018-19 Amtrak operating costs (\$3 million), bringing the total budget to \$58,034,766.

A third budget amendment was approved by the LOSSAN Board on February 18, 2020, which amended the FY 2019-20 revenue and expense budget in the amount of \$35 million, for the capital improvements necessary to implement two additional roundtrips north of Los Angeles. The amount was estimated for Union Pacific Railroad (UPRR) project activity through the remainder of FY 2019-20.

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

Discussion

The LOSSAN Agency bylaws states 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 fourth quarter (July 1, 2019 through June 30, 2020) of FY 2019-20. A summary of these activities is provided below.

Budgeted revenues through the fourth quarter of FY 2019-20 totaled \$93,034,766, which is comprised of \$47,067,000 in other state funding (grant revenue), \$35,517,943 in state advance operating funds, \$8,538,548 in state administrative and marketing funding, \$1,177,275 in reimbursements from other agencies, \$500,000 in state capital funding (minor capital projects), and \$234,000 for interest revenue.

Actual revenues through the fourth quarter totaled \$49,448,405 versus a budgeted amount of \$93,034,766. The actuals are comprised of state operating funds of \$35,077,741, other state funding (grant revenue) of \$6,810,952, state administrative and marketing funding of \$6,271,232, reimbursements from other agencies of \$1,131,381, interest revenue of \$212,999, and an accrual for Amtrak penalty and assessment revenue of (\$55,900). The majority of the revenue

variance (\$34,652,000) is within other state funding (grant revenue) and is due to lower revenue reimbursements associated with lower than anticipated expenses for capital improvements necessary to implement two additional roundtrips north of Los Angeles on UPRR-owned tracks in part due to delays associated with the coronavirus (COVID-19) pandemic. The budget versus actual variances is further detailed in Attachment A.

Budgeted expenses through the fourth quarter of FY 2019-20 total \$93,034,766, which is comprised of \$47,067,000 for grant programs, \$36,695,218 for Amtrak operations, \$8,772,548 for administrative and marketing services, and \$500,000, for minor capital projects. Actual expenses through the fourth quarter totaled \$39,976,119, versus a budgeted amount of \$93,034,766. The actuals are primarily comprised of net train operating expenses of \$27,511,483, total administrative services (including marketing) of \$6,291,903, and grant programs of \$6,172,734. The major areas experiencing budget variances are within grant programs, net train operating expenses, marketing services, administrative staffing, and minor capital projects. These variances are further detailed in Attachment A.

The Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law March 27, 2020. This provides Amtrak federal funds to help offset losses in revenue for state-supported routes that was the result of a sharp decline in ridership associated with the COVID-19 pandemic. The law further limits the amount state-supported routes must pay Amtrak for FFY 2020, to 80 percent of the FFY 2019 operating amount. Further information on the CARES Act and its impact on the LOSSAN Agency budget is 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 fourth quarter of fiscal year 2019-20, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's actual revenues and expenses are below budget. The majority of the variance is due to less than anticipated revenue reimbursements directly related to lower than expected expenses. The expense variances are primarily due to lower than expected activity within grant programs, net train operating expenses, marketing services and administrative staffing, and minor capital projects.

Attachments

- A. Quarterly Budget Status Report, Fourth Quarter of Fiscal Year 2019-20
- B. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Fourth Quarter Financial Activity Report, Fiscal Year 2019-20
- C. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Open Agreements Listing as of June 30, 2020

Prepared by:

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

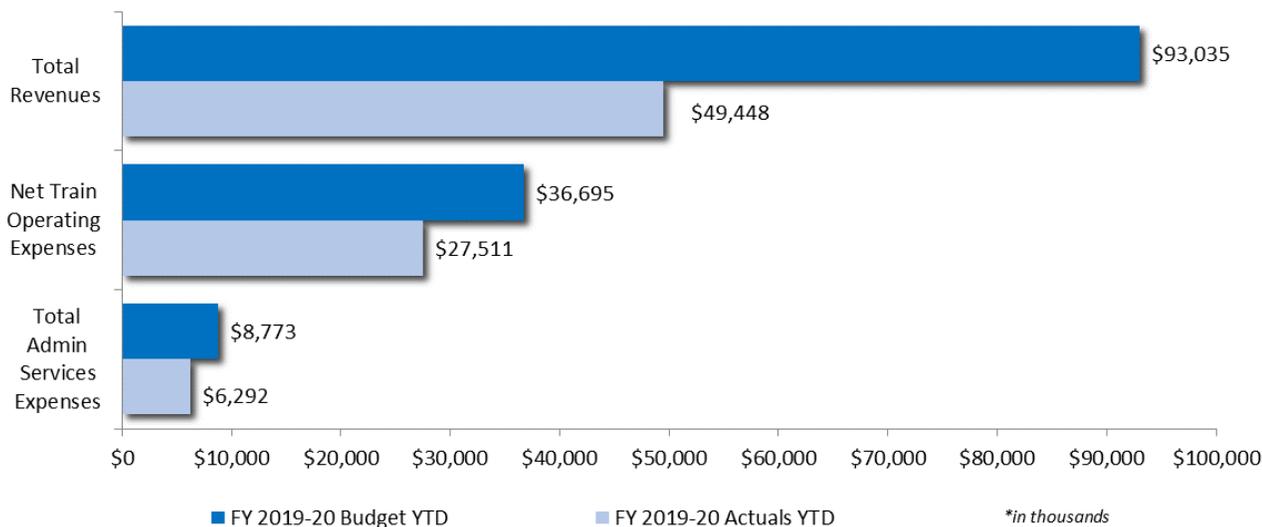
Jason Jewell
Finance and Administration Manager
(714) 560-5086



Quarterly Budget Status Report

Fourth 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 draft 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 two budget

amendments, the first of which adjusted the net train operations budget to \$37,195,218 (including \$500,000 for minor capital projects and \$1,177,275 in reimbursements from other agencies), to align the budget with the Amtrak forecast. 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 second budget amendment included upgrades to superliner rail cars (\$516,935), business class car enhancements (\$1.5 million) and additional funding capacity related to FFY 2018-19 Amtrak operating costs (\$3 million).

The budget included 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 service north of Los Angeles and extending to San Luis Obispo, an estimate for this additional service was not included in the FY 2019-20 budget. 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, which will be funded by 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 (Caltrans) 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 fourth quarter of FY 2019-20.

AMENDMENTS

The Board has taken action to amend the budget three times during the fiscal year. Two amendments were approved by the Board on June 17, 2019, the first of which adjusted the net train operations budget, increased the administration and marketing budget, and increased the grant programs budget. The second amendment included upgrades to rail car equipment and additional funding capacity related to FY 2018-19 Amtrak operating costs as described in the overview section. The third budget amendment was approved by the Board on February 18, 2020, whereby the Board amended the FY 2020 revenue and expense budget for \$35 million to design and construct the capital improvements necessary to implement two additional roundtrips north of Los Angeles. This was the amount estimated for Union Pacific Railroad (UPRR) project activity through the remainder of FY 2020.

REVENUES	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20	\$ Variance	% Variance	FY 2019-20
	Adopted Budget	Working Budget	Working Budget Year To Date	Actuals Year To Date			
State Administrative Funding	\$ 4,878,548	\$ 5,088,548	\$ 5,088,548	\$ 4,436,920	\$ (651,628)	-13%	87.2%
State Marketing Funding	\$ 2,000,000	\$ 3,450,000	\$ 3,450,000	\$ 1,834,312	\$ (1,615,688)	-47%	53.2%
State Operating Funding	\$ 36,220,600	\$ 35,517,943	\$ 35,517,943	\$ 35,077,741	\$ (440,202)	-1%	98.8%
Reimbursements from other Agencies	\$ 1,177,275	\$ 1,177,275	\$ 1,177,275	\$ 1,131,381	\$ (45,894)	-4%	96.1%
Other State Funding ¹	\$ 12,000,000	\$ 47,067,000	\$ 47,067,000	\$ 6,810,952	\$ (40,256,048)	-86%	14.5%
State Capital Funding ²	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ (500,000)	-100%	0.0%
Amtrak Penalty & Assessment Revenue	\$ -	\$ -	\$ -	\$ (55,900)	\$ (55,900)	N/A	N/A
Net State/Other Agency Funded	\$ 56,776,423	\$ 92,800,766	\$ 92,800,766	\$ 49,235,406	\$ (43,565,360)	-47%	53.1%
Interest Revenue	\$ 84,000	\$ 234,000	\$ 234,000	\$ 212,999	\$ (21,001)	-9%	91.0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	N/A
Total Revenues	\$ 56,860,423	\$ 93,034,766	\$ 93,034,766	\$ 49,448,405	\$ (43,586,361)	-47%	53.2%

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

² Includes State Minor projects funding

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

REVENUES

Budgeted revenues through the fourth quarter of FY 2019-20 are \$93,034,766, which is comprised of \$47,067,000 in other state funding, \$35,517,943 in state advance operating funds, \$8,538,548 in state administrative and marketing funding combined, \$1,177,275 in reimbursements from other agencies, \$500,000 in state capital funding (minor capital projects), and \$234,000 for interest revenue.

Actual revenues through the fourth quarter totaled \$49,448,405, versus the budgeted amount of \$93,034,766. The actuals are comprised of state operating funds of \$35,077,741, other state funding (grant revenue) of \$6,810,952, state administrative funding of \$4,436,920, state marketing funding of \$1,834,312, reimbursements from other agencies of \$1,131,381, interest revenue of \$212,999, and an accrual for Amtrak penalty and assessment revenue of (\$55,900).

The major areas experiencing budget variances are within other state funding (grant revenue), state marketing funding, state administrative funding, and state capital funding. The variance within other state funding (grant revenue) through the fourth quarter is primarily due to less than anticipated revenue reimbursements for capital improvements necessary to implement two additional roundtrips north of Los Angeles on UPRR-owned tracks. The majority of the budget variance (\$34,652,000) is due to lower overall expenses due to a longer than anticipated agreement execution process, and project delays due to the impacts of the coronavirus (COVID-19) pandemic. Project revenues and expenses will be re-budgeted in FY 2020-21. The variance in other state funding is also attributed to the deferral of revenues that are not used in the current period to offset expenses for State Rail Assistance (SRA) funds (of approximately \$3.8 million). Lastly, lower reimbursements in Transit Transfer Program funding attributed \$1,328,465 to the variance due to lower than anticipated project expenses.

The variance in state marketing funding is comprised of unearned marketing surplus funds that were not used in the current period to offset current expenses. A reduction of marketing expenses is further explained in the expense section of this report. The use of prior year marketing surplus funds was previously approved by the State, and consistent with the Business Plan assumptions. The LOSSAN agency received \$2,000,000 in FY 2019-20 marketing funds and was authorized to use \$1,450,000 in marketing surplus funds for a total

marketing budget of \$3,450,000. The cost savings measures resulted in an underrun of \$1,615,688 in marketing funds.

State administrative funding is underrunning the budget by \$651,628. This is due to State administrative funding received during the year of \$4,436,920 versus the budgeted amount of \$5,088,548. The revenue variance of approximately \$652 thousand is due to the deferral of revenues that were not used in the current period to offset current expenses. Administrative expenses were lower than budgeted primarily due to position vacancies and explained further in the expense section of this report.

The variance in revenues for state capital funding is due to no minor capital project expenses through the fourth quarter. This funding is reimbursement based. Further detail is provided in the operating expense variance analysis section.

COVID-19 Pandemic Impacts to Fourth Quarter Revenues:

Total passenger revenue for the fourth quarter fell approximately 90.7 percent compared to the same period last year. The decline in ridership due to the COVID-19 pandemic began in the middle of March, prior to the State of California's shelter in place orders. Beginning March 24, 2020, the Pacific Surfliner reduced service levels to meet the states mandate to not operate more than 60 percent of normal operating service levels. The fourth quarter saw an average decrease of ridership of 92.7 percent over the same period in the previous year. This has a significant impact on the overall net operating costs, which will be addressed in the operating expenses section of this report.

OPERATING EXPENSES

Budgeted expenses through the fourth quarter of FY 2019-20 total \$93,034,766, which is comprised of \$47,067,000 for grant programs, \$36,695,218 for net Amtrak operations, \$8,772,548 for total administrative services (including marketing services), and \$500,000 for minor capital projects. Actual expenses through the fourth quarter totaled \$39,976,119 versus a budgeted amount of \$93,034,766. The actuals are primarily comprised of net train operating expenses of \$27,511,483, total administrative services (including marketing) of \$6,291,903, and grant programs of \$6,172,734. The major areas experiencing budget variances are within grant programs, net train operating expenses, marketing services, administrative staffing, and minor capital projects.

Grant programs expenses came in lower than budgeted by \$40,894,266 through the fourth quarter. The budget variance

is primarily due to less than anticipated expenses for capital improvements necessary to implement two additional roundtrips north of Los Angeles on UPRR-owned tracks. The majority of the variance (\$34,652,000) is due to a longer than anticipated agreement execution process, and project delays due to the impacts of the COVID-19 pandemic. Project revenues and expenses will be re-budgeted in FY 2020-21. The budget variance is further compounded by having less than anticipated expenses through the fourth quarter related to corridor wide SRA funded projects (\$4.4 million). These projects have been temporarily placed on hold as a result of the COVID-19 pandemic impacts. Lastly, due to service reductions caused by the pandemic, there were lower than anticipated expenses for the NCTD increased service frequency and on-time performance agreement (\$972k).

Net train operating expenses are underrunning the budget by \$9,183,735. The majority of the budget variance is related to less than anticipated Amtrak operating expenses due to a cap on the total costs Amtrak can charge state supported routes under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the CARES Act (signed into law March 27, 2020), Amtrak can charge no more than 80 percent of FFY 2019 costs for FFY 2019-20. This amount is calculated to be \$25,929,956 for the LOSSAN Agency for FFY 2019-20. Amtrak is receiving federal CARES Act funds directly to cover the monthly difference between the cap and the actual net operating amount. Amtrak is currently estimating remaining CARES Act funds to be approximately \$80 million as of the end of FFY 2019-20. These funds will be carried forward to FFY 2020-21 and are expected to offset state-supported payments through December 2020.

The FY 2019-20 year-end close out process is currently taking place, and additional FY 2019-20 accruals for operating expenses in the amount of \$3.2 million are expected to be recorded. Total net Amtrak operating expenses for the LOSSAN Agency's FY 2019-20 (July 2019 through June 2020) is anticipated to be approximately \$26.5 million. Once the FY 2019-20 audit is complete, a final reconciliation of expenses and revenues will be completed in cooperation with the State. Any surplus or deficit of funds will be handled in accordance with the provisions specified in the interagency transfer agreement and the master fund transfer agreement.

Marketing expenses came in lower than budgeted by \$1,615,688. The variance is attributed to intentional cost savings due to the economic impacts of the COVID-19 pandemic, the LOSSAN marketing team scaled down advertising, paused promotions and partnerships, and

obtained no cost media from partners for public service announcements.

The administrative staffing line item budget variance is primarily due to salary savings through the fourth quarter related to the LOSSAN Managing Director (vacant during first and second quarters), and LOSSAN Strategic Planning & Customer Experience Manager (vacant in December 2019 through the beginning of April 2020). This position has been converted to the LOSSAN Programming and Grants Manager, which was filled in the fourth quarter.

Minor capital project expenses came in lower than budgeted by \$500,000, due to no qualifying project expenses through the fourth quarter.

COVID-19 Impacts to Fourth quarter Expenses: The LOSSAN Agency has been coordinating with stakeholders through the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) on the implementation, accountability and transparency of the CARES Act funding. The LOSSAN Agency is also coordinating with Amtrak, CalSTA, Caltrans, SAIPRC, and the two other state-supported routes in California to develop both additional funding sources and determine operating areas for cost reduction and savings as we navigate through the COVID-19 pandemic. Some of the funding sources that have been identified for future operating use include \$12 million in SRA funding the Board approved for operations, an anticipated \$3.3 million available at the end of FFY 2019-20 in the operating reserve fund, and a \$6.2 million Amtrak credit (from the LOSSAN Agency identifying an accounting error). The LOSSAN Agency is also estimating to have on hand an additional \$6.3 million in FFY 2019-20 operating surplus that can be used for ongoing operating expenses into FFY 2020-21. Areas of identified cost reduction are in station labor, crew labor, fuel, connecting motor coach services, and equipment. The majority of these cost reductions will be realized starting in FFY 2020-21, as Amtrak begins to reduce their labor force.

EXPENSES							
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20			FY 2019-20
Adminstrative Budget Line Items	Adopted Budget	Working Budget	Working Budget Year To Date	Actuals Year To Date	\$ Variance Year To Date	% Variance Year To Date	Percent of Budget Used to Date
Administration - Staffing	\$ 4,408,398	\$ 4,535,398	\$ 4,535,398	\$ 4,013,106	\$ 522,292	12%	88.5%
Legal Services	\$ 50,000	\$ 50,000	\$ 50,000	\$ 31,490	\$ 18,510	37%	63.0%
Travel	\$ 26,950	\$ 34,950	\$ 34,950	\$ 21,605	\$ 13,345	38%	61.8%
Marketing	\$ 2,000,000	\$ 3,450,000	\$ 3,450,000	\$ 1,834,312	\$ 1,615,688	47%	53.2%
Insurance	\$ 68,000	\$ 83,000	\$ 83,000	\$ 72,953	\$ 10,047	12%	87.9%
Contracted services (Audit, Planning)	\$ 400,000	\$ 610,000	\$ 610,000	\$ 288,774	\$ 321,226	53%	47.3%
Dues & Memberships	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,300	\$ (300)	-6%	106.0%
Net State Funded Services	\$ 6,958,348	\$ 8,768,348	\$ 8,768,348	\$ 6,267,540	\$ 2,500,808	29%	71.5%
Banking Services	\$ 4,200	\$ 4,200	\$ 4,200	\$ 1,695	\$ 2,505	60%	40.4%
Total Admin Services	\$ 6,962,548	\$ 8,772,548	\$ 8,772,548	\$ 6,269,235	\$ 2,503,313	29%	71.5%
Non Budgeted Expenses							
Other Business Expenses	\$ -	\$ -	\$ -	\$ 22,668	\$ (22,668)	N/A	N/A
Non Budgeted Admin Services	\$ -	\$ -	\$ -	\$ 22,668	\$ (22,668)	N/A	N/A
Total Administrative Services	\$ 6,962,548	\$ 8,772,548	\$ 8,772,548	\$ 6,291,903	\$ 2,480,645	28%	72%
	FY 2019-20	FY 2019-20	FY 2019-20	FY 2019-20			FY 2019-20
Operating/Capital Budget Line Items	Adopted Budget	Working Budget	Working Budget Year To Date	Actuals Year To Date	\$ Variance Year To Date	% Variance Year To Date	Percent of Budget Spent to Date
Net Train Operating Expenses	\$ 37,397,875	\$ 36,695,218	\$ 36,695,218	\$ 27,511,483	\$ 9,183,735	25%	75.0%
Minor Projects	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	100%	0.0%
Grant Programs ¹	\$ 12,000,000	\$ 47,067,000	\$ 47,067,000	\$ 6,172,734	\$40,894,266	87%	13.1%
Total Operating/Capital Budget	\$ 49,897,875	\$ 84,262,218	\$ 84,262,218	\$ 33,684,217	\$50,578,001	60%	40.0%
Total Budget	\$ 56,860,423	\$ 93,034,766	\$ 93,034,766	\$ 39,976,119	\$53,058,647	57%	43.0%

¹ 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
Fourth Quarter Financial Activity Report
Fiscal Year 2019-20**

Date	Payee	Debit	Credit	Balance
April				
4/1/2020	Bank Account Balance Forward			27,865,728.18
4/2/2020	Goal Productions - Videography	44,939.85		27,820,788.33
4/2/2020	HDR Engineering - Central Coast Layover Facility PR&ED (Grant Funded)	17,092.59		27,803,695.74
4/2/2020	Mering Carson - Email Marketing and Passenger Communications	3,750.00		27,799,945.74
4/2/2020	Monarch Sport LLC - Pacific Surfliner Marketing - Advertising	26,547.50		27,773,398.24
4/2/2020	North County Transit District - Transit Transfer Program	1,738.51		27,771,659.73
4/2/2020	Pastilla Inc. - Creative Design & Strategic Communication	10,610.34		27,761,049.39
4/2/2020	Senior Transportation Analyst - Travel	31.20		27,761,018.19
4/2/2020	Ventura County Transportation Commission - Transit Transfer Program	20,368.93		27,740,649.26
4/2/2020	Woodruff, Spradlin & Smart - January and February - Legal Services	6,221.60		27,734,427.66
4/2/2020	WSP USA Inc. - San Diego Layover Facility Feasibility Study	34,984.22		27,699,443.44
4/6/2020	City of Glendale - Transit Transfer Program	1,321.22		27,698,122.22
4/6/2020	Google - Advertising	19,222.45		27,678,899.77
4/6/2020	Nansen - Web Marketing Services	15,277.00		27,663,622.77
4/8/2020	Woodruff, Spradlin & Smart - November 2019 - Legal Services	4,862.44		27,658,760.33
4/9/2020	Bank of the West - Credit Card Charges Various	1,722.57		27,657,037.76
4/15/2020	ACE Agency - Professional Services	2,560.00		27,654,477.76
4/15/2020	Marketing Manager - Travel	138.93		27,654,338.83
4/13/2020	Goal Productions - Videography	17,512.50		27,636,826.33
4/10/2020	IT Works Inc. - Surfliner AmtrakConnect Site Maintenance	875.00		27,635,951.33
4/10/2020	Monarch Sport LLC - Pacific Surfliner Marketing - Advertising	51,335.00		27,584,616.33
4/13/2020	WSP USA Inc. - San Diego Layover Facility Feasibility Study	99,095.39		27,485,520.94
4/20/2020	Bank of the West - March Bank Fees	134.44		27,485,386.50
4/21/2020	Deposit - Central Coast Layover Relocation Study - Reimbursement		360,930.09	27,846,316.59
4/21/2020	Deposit - Caltrans Operating Funds		5,617,486.44	33,463,803.03
4/22/2020	Monarch Sport LLC - Pacific Surfliner Marketing - Field Marketing	3,776.25		33,460,026.78
4/22/2020	Woodruff, Spradlin & Smart - March - Legal Services	7,022.40		33,453,004.38

Date	Payee	Debit	Credit	Balance
4/29/2020	Anaheim Transportation Network - Transit Transfer Program	5,998.00		33,447,006.38
4/29/2020	North County Transit District Increased Service Frequencies & On-Time Performance	347,711.26		33,099,295.12
4/29/2020	Pastilla Inc. - Creative Design & Strategic Communication	9,026.42		33,090,268.70
4/29/2020	Sparkloft Media - Marketing Production Services	8,126.66		33,082,142.04
4/29/2020	Positive Train Control Costs to Union Pacific	8,550,676.00		24,531,466.04
4/30/2020	Bank of the West - April Interest		1,950.07	24,533,416.11
<hr/>				
May				
5/1/2020	Bank Account Balance Forward			24,533,416.11
5/4/2020	Sparkloft Media - Marketing Production Services	16,915.01		24,516,501.10
5/7/2020	North County Transit District Increased Service Frequencies & On-Time Performance	1,746,814.06		22,769,687.04
5/7/2020	ACE Agency - Professional Services	2,560.00		22,767,127.04
5/7/2020	Deutsche Bahn Engineering and Consulting - Corridor Optimization (Grant Funded)	283,423.11		22,483,703.93
5/12/2020	Bank of the West - Credit Card Charges Various	283.99		22,483,419.94
5/12/2020	Google - Advertising	7,224.28		22,476,195.66
5/13/2020	North County Transit District - Transit Transfer Program	1,346.64		22,474,849.02
5/13/2020	OCTA Administrative Services January - February	290,826.62		22,184,022.40
5/19/2020	Facebook - Advertising	68.52		22,183,953.88
5/19/2020	Goal Productions - Videography	17,735.00		22,166,218.88
5/19/2020	IT Works Inc. - Surfliner AmtrakConnect Site Maintenance	875.00		22,165,343.88
5/19/2020	Woodruff, Spradlin & Smart - April - Legal Services	831.60		22,164,512.28
5/19/2020	WSP USA Inc. - San Diego Layover Facility Feasibility Study	25,346.56		22,139,165.72
5/20/2020	Bank of the West - April Bank Fees	130.99		22,139,034.73
5/26/2020	Nansen - Web Marketing Services	87,016.50		22,052,018.23
5/31/2020	Bank of the West - May Interest		5,229.15	22,057,247.38

Date	Payee	Debit	Credit	Balance
June				
6/1/2020	Bank Account Balance Forward			22,057,247.38
6/4/2020	Deposit - SBCAG Share of Retimed Trains		886,816.86	22,944,064.24
6/4/2020	Deposit - Corridor Optimization Study - Reimbursement		32,579.10	22,976,643.34
6/9/2020	Bank of the West - Credit Card Charges Various	1,363.98		22,975,279.36
6/9/2020	Deutsche Bahn Engineering and Consulting - Corridor Optimization (Grant Funded)	11,774.24		22,963,505.12
6/9/2020	Amtrak - Invoice for Wi-Fi Upgrades on 6 superliner train cars	254,323.00		22,709,182.12
6/9/2020	OCTA Administrative Services March - April	337,198.30		22,371,983.82
6/9/2020	Pastilla Inc. - Creative Design & Strategic Communication	10,319.84		22,361,663.98
6/9/2020	San Luis Obispo Regional Transit Authority - Transit Transfer	9.96		22,361,654.02
6/16/2020	WSP USA Inc. - San Diego Layover Facility Feasibility Study	13,664.96		22,347,989.06
6/17/2020	ACE Agency - Professional Services	2,240.00		22,345,749.06
6/17/2020	Goal Productions - Videography	6,005.00		22,339,744.06
6/17/2020	Pastilla Inc. - Creative Design & Strategic Communication	627.04		22,339,117.02
6/17/2020	Woodruff, Spradlin & Smart - May - Legal Services	2,217.60		22,336,899.42
6/22/2020	Bank of the West - May Bank Fees	107.05		22,336,931.30
6/24/2020	Operations, Compliance & Safety Manager - Travel	111.78		22,336,819.52
6/24/2020	Facebook - Advertising	631.09		22,336,188.43
6/24/2020	Google - Advertising	13,029.01		22,323,159.42
6/24/2020	HDR Engineering - Central Coast Layover Facility PR&ED (Grant Funded)	17,234.08		22,305,925.34
6/24/2020	IT Works Inc. - Surfliner AmtrakConnect Site Maintenance	875.00		22,305,050.34
6/24/2020	Amtrak - Station Upgrades (Grant Funded)	7,148.28		22,297,902.06
6/30/2020	Bank of the West - June Interest		7,074.61	22,304,976.67

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency
Open Agreements Listing as of June 30, 2020**

	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	\$210,000	\$166,503	\$43,497	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	9/30/20	\$44,550	\$15,145	\$29,405	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-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	\$87,370	\$96,630	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	\$54	\$9,946	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	OCTA	Cooperative Agreement with OCTA for Pacific Surfliner Transit Transfer Agreement.	6/6/16	6/30/21	\$95,000	\$65,044	\$29,956	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	\$60,928	\$63,072	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	\$45,389	\$41,611	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	\$5,135	\$14,865	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	\$65	\$17,935	OPEN
L-6-0016	Glendale Beeline	Cooperative Agreement with Glendale Beeline for Pacific Surfliner Transit Transfer Agreement.	6/22/16	6/30/21	\$37,500	\$10,325	\$27,175	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	\$12,552	\$82,448	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 June 30, 2020**

	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	3/30/20	\$76,772,017	\$75,746,341	\$1,025,676	OPEN
L-7-0011	Marsh Risk and Insurance Services	Consultant services to provide Insurance brokerage services	7/1/17	6/30/22	\$50,000	\$30,000	\$20,000	OPEN
L-7-0013	Amtrak	Security Projects for LOSSAN Corridor with AMTRAK	3/12/18	Project Completion	\$1,887,000	\$1,643,023	\$243,977	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	\$1,048,640	\$833,329	\$215,311	OPEN
L-8-0001	Bank of the West	Commercial Banking Services	9/6/18	8/31/23	\$25,000	\$1,755	\$23,245	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	6/30/20	\$49,800	\$42,300	\$7,500	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	\$5,811,303	N/A	OPEN
L-8-0012	Monarch Sport LLC	Field Marketing and Community Outreach Services for Pacific Surfliner	2/21/19	12/31/21	\$2,800,000	\$888,380	\$1,911,620	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-8-0015	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	\$746,116	\$244,122	OPEN
L-8-0017A	Deutsche Bahn Engineering & Consulting	Corridor Optimization consultant services	1/14/19	12/31/21	\$86,027	\$0	\$86,027	OPEN
L-9-0001	Amtrak	Design services in support of the expansion of the Pacific Surfliner Layover facility in Goleta	12/11/2019	6/30/2020	\$383,000	\$565	\$382,435	OPEN
L-9-0002	North County Transit District	Cooperative Agreement for Increased Service Frequencies and On-Time Performance	2/1/2019	6/30/2021	\$6,142,301	\$4,393,525	\$1,748,776	OPEN
L-9-0003	WSP USA Inc.	Consultant services for San Diego Layover Facility	3/21/2019	6/30/2020	\$299,600	\$265,224	\$34,376	OPEN
L-9-0004	HDR Engineering Inc	Project Report and Environmental Document for the Central Coast Layover Facility	5/29/2019	11/30/2020	\$2,005,588	\$429,150	\$1,576,438	OPEN
L-9-0005	Southern California Regional Rail Authority (SCRRA), Amtrak	Rail to Rail Cooperative Agreement with LOSSAN, NCTD & Amtrak	7/1/2019	6/30/2020	\$2,400,000	No Funds Flow Through LOSSAN	N/A	OPEN
L-9-0006	Crowe LLP	Audit Services for fiscal years ending 6/30/2019 through 6/30/2021	4/2/2019	3/31/2022	\$71,400	\$23,800	\$47,600	OPEN

**Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency
Open Agreements Listing as of June 30, 2020**

	VENDOR	DESCRIPTION	EFFECTIVE	TERMINATES	CONTRACT AMOUNT	AMOUNT PAID TO DATE	CONTRACT BALANCE	CONTRACT STATUS
L-9-0008	Amtrak	Construction and/or construction management services in support of non-public works minor capital projects.	3/12/2018	Project Completion	\$499,886	\$169,920	\$329,966	OPEN
L-9-0009	WSP USA Inc.	Professional services to evaluate and prepare cost estimates for the purchase of rail car equipment	9/9/2019	12/31/2019	\$49,886	\$38,829	\$11,057	OPEN
L-9-0011	Goal Productions	LOSSAN Videography Services	10/9/2019	9/30/2020	\$50,000	\$49,381	\$619	OPEN
L-9-0012	It Works Inc.	WiFi Landing Page Services	9/24/2019	N/A	\$10,500	\$7,875	\$2,625	OPEN
A-43527	Trematico	Purchase order for 60 lockable poster cabinets	11/20/2019	N/A	\$20,054	\$0	\$20,054	CLOSED
L-9-0013	Pastilla, Inc.	Creative Services for Print and Digital Creative Development, Design/Copywriting and Production	1/6/2020	12/30/2020	\$400,000	\$71,368	\$328,632	OPEN
L-9-0014	PGI Pacific Graphics Inc	Specialty Printing Services for the Pacific Surfliner	10/1/2019	9/30/2020	\$50,000	\$19,828	\$30,172	OPEN
L-9-0015	Goal Productions	Video and Photography Services	1/1/2020	12/31/2020	\$300,000	\$54,338	\$245,662	OPEN
L-9-0016	The ACE Agency	Public Relations and Media Outreach Services	1/17/2020	7/15/2021	\$50,000	\$10,920	\$39,080	OPEN
L-0-0001	Sparkloft Media	Provide services related to social media marketing and digital communications as needed	6/24/2020	6/15/2021	\$198,000	\$0	\$198,000	OPEN
L-0-0002	City of Grover Beach	Cooperative Agreement for Funding for Grover Beach Station Expansion Project	7/1/2019	1/31/2021	\$400,000	\$0	\$400,000	OPEN
L-0-0003	Outfront Media	Outdoor Advertising for Summer Campaign	2/19/2020	N/A	\$99,100	\$0	\$99,100	OPEN
L-0-0004	Amtrak	Agreement with Amtrak for the provision of passenger rail service	10/1/2019	9/30/2020	\$33,018,019	\$0	\$33,018,019	OPEN
L-0-0005	Union Pacific Rail Road Corporation	Contribution for Positive Train Control Implementation on Santa Barbara Subdivision	3/1/2020	N/A	\$8,550,676	\$8,550,676	\$0	CLOSED
L-0-0006	Union Pacific Rail Road Corporation	Capital Improvement Program to Implement Additional Round trips on Northern Corridor	12/1/2019	N/A	\$108,100,000	\$0	\$108,100,000	OPEN
L-0-0008	SMA and Partners AG	Annual Viriato Maintenance Fee	5/1/2020	4/30/2021	\$32,850	\$0	\$32,850	OPEN
L-0-0009	Trenolab	Annual Trenoanalysis Software Licence and Maintenance	5/1/2020	4/30/2021	\$4,000	\$0	\$4,000	OPEN
L-0-0010	DB Engineering and Consulting	Viriato Software Database Maintenance, Server Administration and Support	5/1/2020	4/30/2021	\$50,000	\$0	\$50,000	OPEN



November 16, 2020

To: Members of the Board of Directors
Donna DeMartino

From: Donna DeMartino, Managing Director

Subject: Annual Business Plan and Budget Assumptions for Fiscal Years 2021-22 and 2022-23

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is required to submit an annual business plan to the California State Transportation Agency by April 1 of each year that provides the basis for its annual budget request and any proposed changes to the Pacific Surfliner service. A list of key assumptions used in developing the business plan and budget for fiscal years 2021-22 and 2022-23 is presented for the Board of Directors' review.

Recommendation

Direct staff to incorporate the key assumptions into the development of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency business plan for fiscal years 2021-22 and 2022-23.

Background

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

The ABP is required to include a report on performance of the Pacific Surfliner passenger rail service; an overall operating plan, including proposed service enhancements to increase ridership and accommodate travel demand; a

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

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

Discussion

The development of the assumptions for FY 2021-22 and 2022-23 was heavily impacted by the ongoing coronavirus (COVID-19) pandemic and the uncertainty associated with the amount of future available funding. The ABP for FY 2021-22 and FY 2022-23 will focus on the LOSSAN Agency's efforts to restore and rebuild the Pacific Surfliner service in the following general areas:

- Outlining a phased service restoration that will bring the Pacific Surfliner passenger service back to pre-COVID-19 pandemic levels
- Updating operational strategies that use the phased restoration of service as an opportunity to implement optimization methodology
- Preparing for current and future equipment needs
- Focusing on marketing initiatives to ensure returning passengers are confident in the steps the service is taking to ensure they are safe post-COVID-19

Draft budget projections will also be provided as part of the ABP as a placeholder and will be revised and resubmitted for final approval by June 30, 2021, following receipt of operating cost estimates from Amtrak. These costs estimates are typically received March 31, with the deadline for submitting the ABP being April 1.

The following key assumptions are proposed to be incorporated into the FY 2021-22 and 2022-23 ABP:

- A restoration of service to 80 percent of FY 2019-20 train miles in FY 2021-22 (10 daily round trips), and 100 percent in FY 2022-23 (13 daily round trips)

- Additional service for holidays and special events
- Ridership and revenue proportionate to the service level
- Modification of the existing Rail 2 Rail Programs with both Metrolink and COASTER
- 18 full-time staff positions consistent with the current staffing levels
- A performance-based merit increase and special award pool for administrative employees consistent with Orange County Transportation Authority budget proposal for FY 2021-22. These pools were eliminated for FY 2020-21. These percentages, if any, are unknown at this point
- Annual marketing budget consistent with the level of service and state funding availability
- An ongoing capital improvement program that identifies and uses all available funding sources. The fund sources being planned for now are:
 - Minor capital revenue from the state at \$500,000 per year
 - SRA funding of \$5.7 million per year
- Professional services budget of \$600,000, to fund planning, environmental, and design services
- Approximately \$200,000 to fund legal, travel, insurance, audit, and banking services

Next Steps

Staff will prepare the draft ABP and budget for FY 2021-22 and FY 2022-23, using these assumptions. The draft chapters will be provided to the Technical Advisory Committee (TAC) for review and comment in January 2021. A redline version, incorporating TAC feedback as appropriate, will be returned to the TAC prior to returning to the Board for initial review and approval in February 2021.

Summary

Staff has developed key assumptions for use in the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency budget and business plan for fiscal year 2021-22 and fiscal year 2022-23. Staff will finalize the draft business plan and budget and return to the Board of Directors for initial review and approval in February 2021.

Attachment

None.

Prepared by:

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

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



November 16, 2020

To: Members of the Board of Directors
Donna DeMartino
From: Donna DeMartino, Managing Director
Subject: Draft 2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program

Overview

Annually, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency adopts a Legislative Program of strategic goals to guide its legislative activities for the upcoming session. A draft of the 2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program has been prepared for consideration by the Board of Directors.

Recommendation

Receive and file as an information item.

Discussion

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency’s (Agency) Board of Directors (Board) annually adopts a Legislative Program (Program) that outlines broad policy positions to guide staff when engaging in legislative activities. Official LOSSAN Agency positions not addressed by the Program are brought to the Board for separate action during the legislative sessions of the United States Congress and the California State Legislature. The Board last updated the Program on November 18, 2019.

The 2021 Program outlines principles aligned with the LOSSAN Agency’s role while also advancing the goals outlined in the LOSSAN Agency’s annual business plan. The Program is organized into four major categories, which are discussed in greater detail below but can be outlined as follows:

1. Sustainable Funding
2. Implementation of Transportation Policies
3. Connectivity and Integration
4. Infrastructure, Service, and Safety Improvements

The 2021 Program is included as a strikethrough version in Attachment A, with a clean copy included as Attachment B. The 2021 Program retains key provisions from the 2020 Program, while also updating the language to reflect the significant shift resulting from the coronavirus (COVID-19) pandemic. Staff recommends the following changes:

- Staff recommends adding language to section I, entitled “Sustainable Funding,” to recognize the need for LOSSAN Agency staff to pursue funding and policy flexibilities to respond to the COVID-19 pandemic, and restore ridership post-pandemic. With the unprecedented COVID-19 pandemic likely altering the transportation landscape for the foreseeable future, staff also recommends that this language be added to the “Top Priorities” section, positioning the LOSSAN Agency to take the necessary steps to continue providing passenger rail service during these difficult times.
- Staff recommends reorganizing the document by creating section II, entitled “Implementation of Transportation Policies,” focused on policies that relate to the development of overarching transportation goals and objectives. Section II is made up of two subsections from section I and a new provision on equity. Changes to previously adopted language are detailed as follows:
 - Staff recommends minor changes to subsection (a) regarding the implementation of federal surface transportation programs. These changes are to focus the language on seeking long-term surface transportation reauthorization, rather than on implementation. Similarly, staff recommends deleting what was subsection (h) of section I since this new, more comprehensive section on authorization legislation removes the need for a provision specific to the federal rail title.
 - Staff is recommending a new provision, subsection (b), to ensure that LOSSAN Agency staff can engage in the increasingly important equity discussions taking place amongst policymakers, supporting efforts to facilitate such policies in LOSSAN Agency services, programs and projects.

To ensure the maximum applicability of the 2021 Program, the Board may review and amend the Program as legislation or legislative issues arise when deemed appropriate. In addition, to most effectively advocate for the Program’s goals and principles, LOSSAN Agency staff will continue to explore and identify opportunities where the legislative resources and expertise of LOSSAN Agency’s member agencies can be leveraged to advance the positions and goals outlined in the Program.

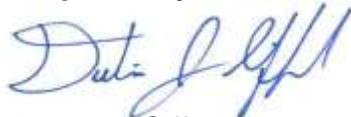
Summary

The draft 2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program is presented for consideration before being presented to the Board of Directors for review and approval.

Attachment

- A. 2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program (Strikethrough Version)
- B. 2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program (Clean Version)

Prepared by:



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



**2021~~0~~ Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency
Legislative Program**

TOP PRIORITIES FOR 2021~~0~~:

- **Maximize the share of long-term, sustainable funding sources to support passenger rail operations and capital projects in the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor, including funds made available by the federal rail title and ensuring the continued eligibility for the LOSSAN Rail Corridor Agency (Agency) to compete for state funding, such as funding provided by SB 1 (Chapter 5, Statutes of 2017) and the cap-and-trade program.**
- ***Support funding and policy flexibilities that facilitate the LOSSAN Agency’s ability to provide intercity rail service during the coronavirus (COVID-19) pandemic and encourage ridership post-pandemic.***
- **Support efforts to further enhance connectivity of regional and intercity rail and local transit services within LOSSAN rail corridor.**
- **Continue to study and advance infrastructure and service improvement projects and programs.**

I. SUSTAINABLE FUNDING

- a) Support efforts to pursue and maximize the LOSSAN Agency's share of stable, recurring sources of operating and capital funding to support intercity rail operations, equipment and safety needs, and LOSSAN Agency Priority Projects.
- b) *Support funding and policy flexibilities that facilitate the LOSSAN Agency's ability to provide intercity rail service during the COVID-19 pandemic and encourage ridership post-pandemic.*
- c) Support member agency grant funding requests consistent with the LOSSAN Agency's Legislative Program and annual Business Plan and permit the LOSSAN Chairman or the Managing Director to sign letters of support.
- d) Support the protection of existing revenues and the generation of new revenue sources; maximize flexibility in use of federal and state funds, including emerging funding programs. Advocate for intercity rail as an eligible recipient of any new revenue sources.
- e) Support efforts to lower the current two-thirds voter requirement for special purpose taxes that provide for transportation and quality of life improvements.
- f) Support efforts to apply for the use of SB 1 and cap-and-trade funding for LOSSAN Agency priority projects, advocating for intercity rail as an eligible recipient, flexibility in revenue use and a streamlined allocation process.
- g) Secure emergency preparedness funds through any grant program that funds safety and security activities in order to complete more rail system and passenger protection projects.
- ~~g) Support efforts to finalize implementation of the Fixing America's Surface Transportation Act and participate in reauthorization discussions to advocate for appropriate funding levels, transit and rail investments, and expedited federal actions. (moved to Section II)~~
- ~~h) Support the implementation of the federal rail title and seek opportunities for funding to enhance the safety and operation of passenger rail services along the LOSSAN rail corridor.~~
- h) Support the development of future federal rail capital investment programs.
- i) Support efforts to apply for federal rail capital matching program funds, including Passenger Rail Investment and Improvement Act annual appropriations, and Infrastructure For Rebuilding America grants for LOSSAN Agency priority projects.
- j) Support mechanisms and funding providing for the implementation of the LOSSAN rail corridor wide Strategic Implementation Plan, California State Rail Plan, and other rail improvement plans.
- k) Oppose efforts to minimize or reduce the funding commitments that support passenger rail services along the LOSSAN rail corridor.
- ~~m) Monitor implementation of Executive Order N-19-19, and any related legislative or regulatory efforts, to ensure LOSSAN Agency remains competitive within existing funding programs and transportation funds are used for their intended purposes. (moved to Section II)~~



**2021~~0~~ Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency
Legislative Program**

II. IMPLEMENTATION OF TRANSPORTATION POLICIES (all subsections moved from Section I)

- a) *Support surface transportation legislation that facilitates adequate funding levels, transit and rail investments, and expedited federal actions. (moved from Section I)*
- b) *Support equitable policies in the delivery of passenger rail services, projects, and programs within the LOSSAN rail corridor.*
- c) *Monitor implementation of Executive Order N-19-19, and any related legislative or regulatory efforts, to ensure LOSSAN Agency remains competitive within existing funding programs and transportation funds are used for their intended purposes. (moved from Section I)*

III. CONNECTIVITY AND INTEGRATION

- a) Continue working with California Intercity Rail Program partners on the planning, advocacy, and promotion of existing and future passenger rail service at the federal, state, and local level.
- b) Seek opportunities to support and advocate for the LOSSAN rail corridor, as well as emerging rail corridors, services, and high-speed rail.
- c) Support efforts to streamline and enhance transit services that provide for first-and-last mile connections to intercity, commuter, and high-speed rail passenger rail services and stations.
- d) Support state, federal, and local policies and programs that facilitate intermodal connectivity between passenger rail services on the LOSSAN rail corridor and other public transportation systems, including train to plane connections at local airports.
- e) Support efforts that would allow for the future extension of service to connect to areas outside of the existing LOSSAN rail corridor, including a financially sustainable access rate.

IV. INFRASTRUCTURE, SERVICE, AND SAFETY IMPROVEMENTS

- a) Support legislation that encourages smart growth and transit-oriented development, mixed-use development, and joint development opportunities, including improved connectivity to and from rail stations.
- b) Support goods movement initiatives that provide infrastructure and throughput improvements for passenger rail systems.
- c) Support legislation promoting rail safety and rail security, including efforts to fund and responsibly implement and operate Positive Train Control (PTC), and request federal assistance in considering the fiscal, technological, and logistical challenges faced by entities implementing and operating PTC safety technology.
- d) Monitor any administrative reform efforts that may impact rail safety regulatory agencies such as the California Public Utilities Commission.
- e) Monitor the development of federal notices of proposed rulemakings (NPRM) and identify any impacts such proposals may have on passenger rail services. Seek opportunities to engage with, and submit comments to, NPRM-sponsoring agencies to communicate LOSSAN Agency concerns or support related to NPRMs.



**2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency
Legislative Program**

TOP PRIORITIES FOR 2021:

- **Maximize the share of long-term, sustainable funding sources to support passenger rail operations and capital projects in the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor, including funds made available by the federal rail title and ensuring the continued eligibility for the LOSSAN Rail Corridor Agency (Agency) to compete for state funding, such as funding provided by SB 1 (Chapter 5, Statutes of 2017) and the cap-and-trade program.**
- **Support funding and policy flexibilities that facilitate the LOSSAN Agency’s ability to provide intercity rail service during the coronavirus (COVID-19) pandemic and also encourage ridership post-pandemic.**
- **Support efforts to further enhance connectivity of regional and intercity rail and local transit services within LOSSAN rail corridor.**
- **Continue to study and advance infrastructure and service improvement projects and programs.**

I. SECURE SUSTAINABLE FUNDING

- a) Support efforts to pursue and maximize the LOSSAN Agency’s share of stable, recurring sources of operating and capital funding to support intercity rail operations, equipment and safety needs, and LOSSAN Agency Priority Projects.
- b) Support funding and policy flexibilities that facilitate the LOSSAN Agency’s ability to provide intercity rail service during the COVID-19 pandemic and also encourage ridership post-pandemic.
- c) Support member agency grant funding requests consistent with the LOSSAN Agency’s Legislative Program and annual Business Plan and permit the LOSSAN Chairman or the Managing Director to sign letters of support.
- d) Support the protection of existing revenues and the generation of new revenue sources; maximize flexibility in use of federal and state funds, including emerging funding programs. Advocate for intercity rail as an eligible recipient of any new revenue sources.
- e) Support efforts to lower the current two-thirds voter requirement for special purpose taxes that provide for transportation and quality of life improvements.
- f) Support efforts to apply for the use of SB 1 and cap-and-trade funding for LOSSAN Agency priority projects, advocating for intercity rail as an eligible recipient, flexibility in revenue use and a streamlined allocation process.
- g) Secure emergency preparedness funds through any grant program that funds safety and security activities in order to complete more rail system and passenger protection projects.
- h) Support the development of future federal rail capital investment programs.
- i) Support efforts to apply for federal rail capital matching program funds, including Passenger Rail Investment and Improvement Act annual appropriations, and Infrastructure For Rebuilding America grants for LOSSAN Agency priority projects.
- j) Oppose efforts to minimize or reduce the funding commitments that support passenger rail services along the LOSSAN rail corridor.
- k) Support mechanisms and funding providing for the implementation of the LOSSAN rail corridor wide Strategic Implementation Plan, California State Rail Plan, and other rail improvement plans.



2021 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Legislative Program

II. IMPLEMENTATION OF TRANSPORTATION POLICIES

- a) Support surface transportation legislation that facilitates adequate funding levels, transit and rail investments, and expedited federal actions.
- b) Support equitable policies in the delivery of passenger rail services, projects, and programs within the LOSSAN rail corridor.
- c) Monitor implementation of Executive Order N-19-19, and any related legislative or regulatory efforts, to ensure LOSSAN Agency remains competitive within existing funding programs and transportation funds are used for their intended purposes.

III. CONNECTIVITY AND INTEGRATION

- a) Continue working with California Intercity Rail Program partners on the planning, advocacy, and promotion of existing and future passenger rail service at the federal, state, and local level.
- b) Seek opportunities to support and advocate for the LOSSAN rail corridor, as well as emerging rail corridors, services, and high-speed rail.
- c) Support efforts to streamline and enhance transit services that provide for first-and-last mile connections to intercity, commuter, and high-speed rail passenger rail services and stations.
- d) Support state, federal, and local policies and programs that facilitate intermodal connectivity between passenger rail services on the LOSSAN rail corridor and other public transportation systems, including train to plane connections at local airports.
- e) Support efforts that would allow for the future extension of service to connect to areas outside of the existing LOSSAN rail corridor, including a financially sustainable access rate.

IV. INFRASTRUCTURE, SERVICE, AND SAFETY IMPROVEMENTS

- a) Support legislation that encourages smart growth and transit-oriented development, mixed-use development, and joint development opportunities, including improved connectivity to and from rail stations.
- b) Support goods movement initiatives that provide infrastructure and throughput improvements for passenger rail systems.
- c) Support legislation promoting rail safety and rail security, including efforts to fund and responsibly implement and operate Positive Train Control (PTC), and request federal assistance in considering the fiscal, technological, and logistical challenges faced by entities implementing and operating PTC safety technology.
- d) Monitor any administrative reform efforts that may impact rail safety regulatory agencies such as the California Public Utilities Commission.
- e) Monitor the development of federal notices of proposed rulemakings (NPRM) and identify any impacts such proposals may have on passenger rail services. Seek opportunities to engage with, and submit comments to, NPRM-sponsoring agencies to communicate LOSSAN Agency concerns or support related to NPRMs.



November 16, 2020

To: Members of the Board of Directors
Donna DeMartino
From: Donna DeMartino, Managing Director
Subject: Fiscal Year 2020-21 Budget Amendment

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's fiscal year 2020-21 budget and the Business Plan for Fiscal Year 2020-21 and Fiscal Year 2021-22 were approved by the Board of Directors on May 18, 2020. The California State Transportation Agency approved the administrative and marketing components of the fiscal year 2020-21 budget on July 9, 2020 and the operations component on September 23, 2020. Staff is seeking Board of Directors' approval to amend the fiscal year 2020-21 budget to include the Amtrak Federal Fiscal Year 2020-21 operating forecast and funding levels approved by the California State Transportation Agency, as well as revisions to the administrative, marketing and grant budgets.

Recommendations

- A. Amend the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Fiscal Year 2020-21 revenue and expense budget to reflect the revised Amtrak operating revenue and expense forecast and State-approved operating funding levels through January 2021, as well as the revised administrative, marketing, and grant budgets.
- B. Authorize the Managing Director to make amendments to the Master Fund Transfer Agreement annual supplements for operating funds, minor capital improvement projects funds, administrative, and marketing funds.

Background

The development of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency's (Agency) fiscal year (FY) 2020-21 budget and the business plan for FY 2020-21 and FY 2021-22 was significantly impacted due to the coronavirus (COVID-19) pandemic. The final business plan was scheduled to be approved at the March 18, 2020 Board of Directors (Board) meeting. However, as a result of pandemic-related restrictions, the March 2020 Board meeting was canceled. In the weeks that followed, it became apparent that the annual budget request would need to be adjusted to reflect the reduction of service as well as funding constraints

imposed by the State. Staff began working with Amtrak to develop revised operating revenue and expense estimates as well as coordinated with Amtrak, the State, and the two other California state-supported routes on cost savings measures. A timeline of budget activities over the last 6 months is a below.

On May 18, 2020, the Board approved the May 1, 2020 submittal of the LOSSAN Agency FY 2020-21 budget and the FY's 2020-21 and 2021-22 Business Plan, and directed staff to return in September 2020 with an updated budget request once revised cost estimates were received by Amtrak.

On July 10, 2020, the California State Transportation Agency (CalSTA) provided early approval of the administrative, marketing, and minor capital programs elements of the FY 2020-21 budget.

On September 21, 2020, the Board directed staff to return in November 2020 with a revised operating budget consistent with the revenue and expense estimates provided by Amtrak.

On September 23, 2020, CalSTA provided approval for the estimated funding necessary to cover the first four months of federal FY (FFY) Amtrak operating net expenses (October 2020 through January 2021). This short-term funding approval was provided with the understanding that the State and the LOSSAN Agency will closely monitor expenses and revenues and coordinate on additional funding requests as the FY progresses.

Discussion

The LOSSAN Agency's FY 2020-21 adopted operating budget approved by the Board on May 18, 2020, includes \$50,567,505 for net Amtrak operating costs. This amount reflects \$131,510,548 in total Amtrak operating expenses, less \$87,501,974 in total revenue. In addition, the operating budget included an estimate of \$6,378,931, for implementation of a 14th round trip between San Diego and Los Angeles, 6th roundtrip between San Diego and Goleta, and a 3rd roundtrip between San Diego and San Luis Obispo, and \$180,000 for emergency bus bridge services and the continuation of the transit transfer program. The budget also includes a revenue contribution of \$1,177,275, from the Santa Barbara County Association of Governments for the estimated cost of re-timed trains to facilitate the morning peak-period service. Additional expenses and revenues of \$500,000, are included for minor capital projects, consistent with prior year approved amounts.

The FY 2020-21 adopted budget includes \$6,830,782 for administrative services and \$3,240,390 for marketing services (including \$1,240,390 surplus from FY 2020-21). Additionally, the adopted budget includes \$19,682,000 for various grant programs.

Proposed Budget Amendment

A budget amendment for FY 2020-21 is necessary in four primary areas: operations, administration and marketing, minor capital projects and grant programs. The budget amendment incorporates revised funding levels approved by the State as well as amendments necessary for grant funded programs.

Net Amtrak Operating Budget

The COVID-19 pandemic has significantly impacted ridership and revenue, and as a result, the State has directed all State-supported corridors to operate no more than 60 percent of the train miles previously approved in FY 2019-20 business plan, until there is more clarity regarding the availability of funding to support a higher level of service.

The proposed FY 2020-21 budget amendment for net Amtrak operating expenses is a decrease of \$33,447,505, from \$50,567,505 to \$17,120,000. The proposed amendment includes the estimated net Amtrak operating costs from July 2020 through January 2021 and is consistent with the most recent operating forecasts provided by Amtrak. The most recent Amtrak operating forecast reflects the current level of reduced service including significant reductions in crew labor, stations labor, connecting motor coach services, fuel and equipment usage. Staff will continue to work with Amtrak, CalSTA, the California Department of Transportation, Division of Rail and Mass Transportation, the State-Amtrak Intercity Passenger Rail Committee and the two other California state-supported services to identify further ways to reduce and control costs as we move forward in the FY. The proposed FY 2020-21 operating budget amendment assumes that Amtrak will continue to apply remaining CARES Act funding (currently estimated to be \$80 million and shared among all state-supported routes) to offset the monthly net operating costs through December 2020.

The State has approved operating funding in the amount of \$9,959,039, to cover net Amtrak operating expenses for the first four months of FFY 2020-21, from October 2020 through January 2021. This State funding combined with an estimated \$3.3 million in the operating reserve fund and an estimated additional \$6.2 million in operating surplus (pending full FFY 2020 reconciliation with Amtrak), is estimated to be enough to cover the net Amtrak operating expenses from July 2020 through January 2021. The LOSSAN Agency has an additional \$6.2 million Amtrak credit (from the LOSSAN Agency identifying an accounting error), that can be used for ongoing net operating expenses. The LOSSAN Agency also received Board and State approval for the use of approximately \$12 million in State Rail Assistance (SRA) funding for operations during FY 2020-21 if needed.

The LOSSAN Agency staff and CalSTA will meet regularly for budget check-in meetings throughout FY 2020-21 to review updated operations costs and planned resumption of service and assess the needs for additional operating and marketing funding. Following those meetings, CalSTA may provide additional funding to the LOSSAN Agency for FY 2020-21 based on ridership increases, identified needs, and the availability of State funds. Staff will bring to the Board FY 2020-21 budget amendments necessary to accommodate anticipated changes in revenues and expenses.

Administrative and Marketing Budget

The proposed FY 2020-21 budget amendment for administrative expenses is a decrease of \$467,765, from \$6,830,782 to \$6,363,017. The LOSSAN Agency was able to identify various cost savings and budget adjustments that lowered the administrative budget funding request to the State from the originally proposed \$6,830,782 to \$5,967,455. This reflects the elimination of performance-based increases, delay in hiring of new positions, and the identification of grant funding to reimburse for direct costs related to administrative positions. The grant funding reimbursement amount is budgeted at \$395,562. This amount plus the State approved funding of \$5,967,455, equals the proposed administrative amended budget of \$6,363,017. The proposed budget amendment for administrative expenses includes funding for 18 full-time positions, as well as \$978,500, for professional services, including audit, insurance, planning, program management and design, as well as legal, travel, banking and membership dues.

The proposed FY 2020-21 budget amendment for marketing expenses is a decrease of \$2,000,000, from \$3,240,390 to \$1,240,390. The State has approved this reduced marketing amount with the understanding that additional funds may be requested to support an increase in ridership demand and service levels, during planned quarterly budget reviews and subject to available funding. Due to the current reduction of service and funding levels, the LOSSAN Agency marketing program has operated with a “keeping the lights on” strategy by suspending advertising, pausing promotions and partnerships, and obtaining no cost media from partners for public service announcements. Grant Programs Budget

The proposed FY 2020-21 budget amendment for grant programs revenues and expenses includes an increase of \$23,797,057, from \$19,682,000 to \$43,479,057. The proposed budget amendment increase includes an increase in the Transit and Intercity Rail Capital Program (TIRCP) grant of \$7,568,000, for the transit transfer program, host railroad capital track maintenance and incentive programs, and Union Pacific Railroad capital improvement projects on the northern end of the corridor. The proposed budget amendment increase also includes \$3,000,000, for California Transit Security Grant Program for corridor-wide video surveillance system upgrades and station security improvements, a decrease of \$3,994,980 in SRA projects due to a

focusing only on projects anticipated to be worked on during FY 2020-21, an increase of \$17,126,000 in Goods Movement Emission Reduction Program (Proposition 1B) for the interim San Luis Obispo layover facility design and construction and capital projects along the Union Pacific Railroad Santa Barbara Subdivision along the northern end of the corridor, and an increase of \$98,037 of State Transportation Improvement Program (STIP) grants for the Central Coast layover facility environmental phase. As discussed in the administrative and marketing budget section, the proposed grant budget amendment includes \$395,562, for reimbursement of direct administrative staff time spent on grant related projects (\$323,988 from STIP and \$71,574 from TIRCP).

Minor Capital Projects

The minor capital projects revenue and expense budget is proposed to decrease from \$500,000 to \$0. Currently no minor capital projects are planned during FY 2020-21, however, staff will bring back to the Board any budget amendments necessary if minor capital projects are planned to be implemented during the second half of FY 2020-21.

A summary of the proposed FY 2020-21 budget amendment in the four primary areas is presented in the table below. A more detailed summary of the proposed FY 2020-21 budget amendment is presented in Attachment A. The preliminary FY 2021-22 budget originally included in the FY 2020-21 and FY 2021-22 annual business plan will be updated and brought to the Board for annual approval as part of the FY 2021-22 and FY 2022-23 annual business plan and budget.

Revenues	Fiscal Year (FY) 2020-21 Adopted Budget ¹	FY 2020-21 Proposed Amendment	FY 2020-21 Final Budget
Total Revenues Available for Amtrak Operating Expenses	\$ 50,567,505	\$ (33,447,505)	\$ 17,120,000
Total State Minor Projects Revenues	\$ 500,000	\$ (500,000)	\$ -
Total State and Grant Administration and Marketing Funding	\$ 10,071,172	\$ (2,467,765)	\$ 7,603,407
Total Grant Programs Revenues	\$ 19,682,000	\$ 23,797,057	\$ 43,479,057
Total Revenue Budget	\$ 80,820,677	\$ (12,618,213)	\$ 68,202,464
Expenses	Fiscal Year (FY) 2020-21 Adopted Budget ¹	FY 2020-21 Proposed Amendment	FY 2020-21 Final Budget
Net Amtrak Operating Expenses	\$ 50,567,505	\$ (33,447,505)	\$ 17,120,000
Total Minor Projects Expenses	\$ 500,000	\$ (500,000)	\$ -
Total State Administration and Marketing Expenses	\$ 10,071,172	\$ (2,467,765)	\$ 7,603,407
Total Grant Programs Expenses	\$ 19,682,000	\$ 23,797,057	\$ 43,479,057
Total Expense Budget	\$ 80,820,677	\$ (12,618,213)	\$ 68,202,464

Summary

The proposed Fiscal Year 2020-21 proposed budget amendment decreases the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Fiscal Year 2020-21 net operating revenue and expense budget by \$33,447,505. The proposed amendment decreases the administrative and marketing revenues and expenses overall by \$2,467,765. Finally, the proposed amendment also increases net grant program revenues and expenses by \$23,797,057. Necessary budget amendments for Fiscal Year 2020-21 will be brought to the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Board of Directors during the year.

Attachment

- A. Fiscal Year 2020-21 Proposed Budget Amendment, Revenues and Expense Detail

Prepared by:



Jason Jewell
Finance and Administration Manager
(714) 560-5688

**Fiscal Year 2020-21 Proposed Budget Amendment
Revenues and Expense Detail**

Revenues	Fiscal Year (FY) 2020-21 Adopted Budget¹	FY 2020-21 Proposed Amendment	FY 2020-21 Final Budget
State Funding for Net Amtrak Operating Expenses	\$ 49,210,230	\$ (39,251,191)	\$ 9,959,039
Use of Prior Year Operating Funds ²	\$ -	\$ 3,719,426	\$ 3,719,426
Use of Fiscal Year 2020 Operating Reserve	\$ -	\$ 3,341,535	\$ 3,341,535
Transit Connectivity and Integration	\$ 180,000	\$ (180,000)	\$ -
Net State Operating Subsidy Revenues Subtotal	\$ 49,390,230	\$ (32,370,230)	\$ 17,020,000
Reimbursement From Other Agencies	\$ 1,177,275	\$ (1,152,275)	\$ 25,000
Interest Revenue	\$ -	\$ 75,000	\$ 75,000
Total Revenues Available for Amtrak Operating Expenses	\$ 50,567,505	\$ (33,447,505)	\$ 17,120,000
State Funding for Minor Projects	\$ 500,000	\$ (500,000)	\$ -
Total State Minor Projects Revenues	\$ 500,000	\$ (500,000)	\$ -
State Administrative Funding	\$ 6,830,782	\$ (863,327)	\$ 5,967,455
Grant Programs - Reimbursement for Administrative Costs ³	\$ -	\$ 395,562	\$ 395,562
State Marketing Funding	\$ 3,240,390	\$ (2,000,000)	\$ 1,240,390
Total State and Grant Administration and Marketing Funding	\$ 10,071,172	\$ (2,467,765)	\$ 7,603,407
State Other - Transit & Intercity Rail Capital Program Grants (TIRCP) ⁴	\$ 13,582,000	\$ 7,568,000	\$ 21,150,000
State Other - California Transit Security Grant Program (CTSG) ⁵	\$ -	\$ 3,000,000	\$ 3,000,000
State Rail Assistance (SRA) ⁶	\$ 5,100,000	\$ (3,994,980)	\$ 1,105,020
State Other - Goods Movement Emission Reduction Program (Prop 1B) ⁷	\$ -	\$ 17,126,000	\$ 17,126,000
State Transportation Improvement Program Revenue (STIP) ⁸	\$ 1,000,000	\$ 98,037	\$ 1,098,037
Total Grant Programs Revenues	\$ 19,682,000	\$ 23,797,057	\$ 43,479,057
Total Revenue Budget	\$ 80,820,677	\$ (12,618,213)	\$ 68,202,464
Expenses	Fiscal Year (FY) 2020-21 Adopted Budget¹	FY 2020-21 Proposed Amendment	FY 2020-21 Final Budget
Net Amtrak Operating Expenses	\$ 50,387,505	\$ (33,387,505)	\$ 17,000,000
Transit Connectivity and Integration	\$ 180,000	\$ (60,000)	\$ 120,000
Net Amtrak Operating Expenses	\$ 50,567,505	\$ (33,447,505)	\$ 17,120,000
Minor Projects Expense	\$ 500,000	\$ (500,000)	\$ -
Total Minor Projects Expenses	\$ 500,000	\$ (500,000)	\$ -
Administrative Expenses	\$ 6,830,782	\$ (467,765)	\$ 6,363,017
Marketing Expense	\$ 3,240,390	\$ (2,000,000)	\$ 1,240,390
Total State Administration and Marketing Expenses	\$ 10,071,172	\$ (2,467,765)	\$ 7,603,407
Grant Programs - TIRCP ⁴	\$ 13,582,000	\$ 7,568,000	\$ 21,150,000
Grant Programs - CTSG ⁵	\$ -	\$ 3,000,000	\$ 3,000,000
Grant Programs - SRA Projects - Services ⁶	\$ 5,100,000	\$ (3,994,980)	\$ 1,105,020
Grant Programs - Prop 1B ⁷	\$ -	\$ 17,126,000	\$ 17,126,000
Grant Programs - STIP Projects ⁸	\$ 1,000,000	\$ 98,037	\$ 1,098,037
Total Grant Programs Expenses	\$ 19,682,000	\$ 23,797,057	\$ 43,479,057
Total Expense Budget	\$ 80,820,677	\$ (12,618,213)	\$ 68,202,464

¹Fiscal Year 2020-21 covers July 1, 2020 through June 30, 2021.

² Includes as needed emergency bus bridges not to exceed maximum of \$120,000.

³ Reimbursement for Administrative costs includes grant funding of \$57,750 for the San Diego Layover Facility (TIRCP), \$13,824 for the Goleta Layover Facility (TIRCP), and \$323,988 for the Central Coast Layover Facility (STIP).



November 16, 2020

To: Members of the Board of Directors

From: Donna DeMartino, Managing Director

Subject: Approval to Release Request for Proposals for Program Management Consultant Services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency

Overview

Staff has developed a request for proposals to initiate a competitive procurement process to retain a consultant to provide program management services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

Recommendations

- A. Approve the proposed evaluation criteria and weightings for Request for Proposals 0-2620 for the selection of a consultant to provide program management services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.
- B. Approve the release of Request for Proposals 0-2620 for program management consultant services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

Discussion

Since 2016, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) has received a total of \$216,476,374, in funding through the Transit and Intercity Rail Capital Program, State Rail Assistance funding, and programmed State Transportation Improvement Plan and Proposition 1B funds for the planning, design, and construction of various capital projects along the LOSSAN rail corridor.

Current projects include the design and construction of new or expanded layover and maintenance facilities for the Pacific Surfliner in San Luis Obispo, Goleta, and San Diego; a grade separated pedestrian crossing at the Camarillo station; a second track and platform in Carpinteria; and bridge replacements along the Santa Barbara Subdivision. Several of these projects are currently being led by the LOSSAN Agency. Future planned projects may include build-out of the new

maintenance and layover facilities, track and station improvements, facility rehabilitation projects, equipment overhauls, and other improvements that will benefit passenger rail service and system safety.

The LOSSAN Agency is seeking a qualified program management consultant (PMC) team to assist in the management and delivery of these projects through various phases, including oversight, planning, environmental clearance, engineering, right-of-way acquisition, and construction activities. The LOSSAN Agency is obligated to deliver these projects consistent with the programmed funding and within scope, schedule, and budget. The selected PMC will provide technical expertise and staff assistance to help manage the LOSSAN Agency's development of capital projects.

This procurement will leverage the use of available grant funding to support grant funded projects and is designed to meet federal funding requirements, which will allow staff to apply for federal funds, and thereby reduce future use of state-supplied administrative funding.

Procurement Approach

The LOSSAN Board of Directors (Board)-approved contracting and procurement policy requires that the Board approve the release of any request for proposals (RFP) over \$100,000, and approve the evaluation criteria and weightings. 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 weights are as follows:

- Qualifications of the Firm 35 percent
- Staffing and Project Organization 40 percent
- Work Plan 25 percent

In developing the criteria weightings, several factors were considered. Staff assigned 35 percent to qualifications of the firm who must be knowledgeable in the specific areas identified in the scope of work and capable of supporting the necessary level of effort over the term of the contract. 40 percent is assigned to the staffing and project organization criterion, as the project managers, subconsultant teams, and the key team members must demonstrate their experience and ability in working with the railroads, as well as local regulatory and environmental agencies. Additionally, staff's ability to manage and support a variety of capital programs along the LOSSAN rail corridor is critical to timely project delivery. The work plan is assigned a lower weighting overall as the work will be directed and provided by the LOSSAN Agency. As this is an architectural and engineering procurement, price is not an evaluation criterion pursuant to state and federal laws.

Approval to Release Request for Proposals for Program Management Consultant Services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency **Page 3**

The selected firm and subconsultants will be precluded, for the term of the contract, from proposing on engineering, technical services, and/or construction related work for projects which the firm and subconsultants would oversee on behalf of the LOSSAN Agency.

This RFP will be released upon Board approval of these recommendations, and the anticipated resulting agreement will be for an initial term of three years, with a two-year option term.

Fiscal Impact

Funding for this project is included in the LOSSAN Agency's fiscal year 2020-21 budget and is funded with a combination of approved administrative funds and other various state grant funds.

Summary

Board of Directors' approval is requested to release Request for Proposals 0-2620 for program management consultant services for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and for approval of evaluation criteria and weights.

Attachment

- A. Draft Request for Proposals (RFP) 0-2620, Program Management Consultant Services for the LOSSAN Agency

Prepared by:



James D. Campbell
Manager of Programs
714-560-5390

DRAFT REQUEST FOR PROPOSALS (RFP) 0-2620

PROGRAM MANAGEMENT CONSULTANT SERVICES FOR THE LOSSAN AGENCY



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

Issue Date:	November 16, 2020
Pre-Proposal Conference Date:	November 19, 2020
Question Submittal Date:	November 24, 2020
Proposal Submittal Date:	December 16, 2020
Interview Date:	January 14, 2021

TABLE OF CONTENTS

SECTION I: INSTRUCTIONS TO OFFERORS	1
SECTION II: PROPOSAL CONTENT	9
SECTION III: EVALUATION AND AWARD	17
EXHIBIT A: SCOPE OF WORK.....	20
EXHIBIT B: PROPOSED AGREEMENT	21
EXHIBIT C: SAFETY SPECIFICATIONS	22
EXHIBIT D: STATUS OF PAST AND PRESENT CONTRACTS FORM	23
EXHIBIT E: CAMPAIGN CONTRIBUTION DISCLOSURE FORM.....	25
EXHIBIT F: RESTRICTIONS ON LOBBYING.....	30
EXHIBIT G: CERTIFICATION OF CONSULTANT, COMMISSIONS & FEES.....	42
EXHIBIT H: PROPOSAL EXCEPTIONS AND/OR DEVIATIONS.....	44
EXHIBIT I: PUBLIC RECORDS ACT INDEMNIFICATION – PROPOSAL DOCUMENTS.....	46



NOTICE OF REQUEST FOR PROPOSALS

(RFP): 0-2620: “PROGRAM MANAGEMENT CONSULTANT SERVICES FOR THE LOSSAN AGENCY”

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 Program Management Consultant Services for the LOSSAN Agency.

Offerors are advised that Authority is now accepting proposals electronically in response to this procurement.

Proposals must be submitted, electronically, through the following URL link: <http://www.octa.net/Proposal Upload Link>, at or before **2:00 p.m. on December 16, 2020**. Offerors are instructed to visit the link, select “RFP 0-2620” from the drop-down menu and follow the instructions as prompted to upload proposal. Proposals must be submitted electronically at the link stated above and by the specified date and time.

Proposals and supplemental information to proposals received after the date and time specified above will be rejected and returned to Offeror unopened.

To prevent potential conflicts of interest the firm, including all subconsultants (at any tier) awarded the contract for this solicitation, will be precluded from participating (at any tier) on engineering, technical services and/or construction-related work for projects which they will be overseeing on behalf of LOSSAN Agency. The LOSSAN Agency will evaluate potential conflicts of interest on a case-by-case basis.

Firms interested in obtaining a copy of this Request for Proposals (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>. From the site menu, click on CAMM NET to register.

To receive all further information regarding this RFP 0-2620, 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:

Category:

Professional Consulting

Professional Services

Construction

Services (General)

Rail Services

Commodity:

Architectural & Engineering
Design Consulting
Consultant Services - General
Consultant Services -
Transportation Planning
Environmental Consulting
Architect Services, Professional
Engineering - Architectural
Engineering - Civil
Engineering - Environmental
Engineering - General
Engineering - Right of Way
Engineering - Structural
Engineering Drawings
Environmental - Architectural
Impact Studies, Environmental
Railroad; Rapid Transit;
Monorail - Architectural
Construction Management
Services
Administration of Contracts:
Summary of Work, Quality
Control, Project Close
Program / Project Development
and Management Services
Rail - Inspection & Testing
Services
Rail - Landscaping Services
Rail - Property Management
Services

Security, Safety & Health
Equipment

Rail - Right of Way
Maintenance
Rail Systems Operations and
Management
Surveillance Systems

Railroad; Rapid Transit; Monorail -
Architectural

Due to the COVID-19 pandemic, an on-site pre-proposal conference will not be held. **A pre-proposal conference will be held via Skype on November 19, 2020, at 9:00 a.m.** Prospective Offerors may call-in using the following credentials:

- Call-in Number: 714-560-5666
- Conference ID: 29138

A copy of the presentation slides and pre-proposal conference registration sheet(s) will be issued via addendum prior to the date of the pre-proposal conference. All prospective Offerors are encouraged to attend the pre-proposal conference.

Offerors are asked to submit written statements of technical qualifications and describe in detail their work plan for completing the work specified in the Request for Proposal. **No Cost Proposal or estimate of work hours are to be included in this phase of the RFP process.**

The Authority has established **January 14, 2021**, 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, via Skype on **November 19, 2020, at 9:00 a.m.** Prospective Offerors may call-in using the following credentials:

- Call-in Number: 714-560-5666
- Conference ID: 29138

An on-site pre-proposal conference will not be held. A copy of the presentation slides and a pre-proposal registration sheet will be issued via addendum prior to the date of the pre-proposal conference. All prospective Offerors are encouraged to call-in to 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:

Megan Bornman, Contract Administrator
Contracts Administration and Materials Management Department
600 South Main Street
P.O. Box 14184
Orange, CA 92863-1584
Phone: 714.560. 5064, Fax: 714.560.5792
Email: mbornman@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 (e-mail) 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. mbornman@octa.net

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 November 24, 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. The following method of delivering written questions is acceptable as long as the questions are received no later than the date and time specified above:

Email: mbornman@octa.net

3. Authority Responses

Responses from the Authority will be posted on CAMM NET, no later than **December 2, 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 Megan Bornman, 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>	<u>Commodity:</u>
Professional Consulting	Architectural & Engineering Design Consulting Consultant Services - General Consultant Services - Transportation Planning Environmental Consulting
Professional Services	Architect Services, Professional Engineering - Architectural Engineering - Civil Engineering - Environmental Engineering - General Engineering - Right of Way Engineering - Structural Engineering Drawings Environmental - Architectural Impact Studies, Environmental Railroad; Rapid Transit; Monorail - Architectural
Construction	Construction Management Services
Services (General)	Administration of Contracts: Summary of Work, Quality Control, Project Close Program / Project Development and Management Services
Rail Services	Rail - Inspection & Testing Services Rail - Landscaping Services Rail - Property Management Services Rail - Right of Way Maintenance Rail Systems Operations and Management Surveillance Systems
Security, Safety & Health Equipment	

Inquiries received after 5:00 p.m. on November 24, 2020 will not be responded to.

F. SUBMISSION OF PROPOSALS**1. Date and Time**

Offerors are advised that Authority is now accepting proposals electronically in response to this procurement.

Proposals must be received by Authority at or before 2:00 p.m. on December 16, 2020, in accordance with the instructions below.

Proposals must be submitted, electronically, through the following URL link: <http://www.octa.net/Proposal Upload Link>, at or before 2:00 p.m. on December 16, 2020. Offerors are instructed to visit the link, select "RFP 0-2620" from the drop-down menu and follow the instructions as prompted to upload proposal. Proposals must be submitted electronically at the link stated above and by the specified date and time.

Proposals and supplemental information to proposals received after the date and time specified above will be rejected and returned to Offeror unopened.

2. 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 time and expense contract with fully burdened labor rates and anticipated expenses for work specified in the Scope of Work, included in the RFP as Exhibit A.

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. PREVAILING WAGES

Certain labor categories under this project are subject to prevailing wages as identified in the State of California Labor Code commencing in Section 1770 et.seq., and all applicable Federal requirements respecting prevailing wages.

It is required that all mechanics and laborers employed or working at the site be paid not less than the basic hourly rates of pay and fringe benefits as shown in the current minimum wage schedules. The proposer to whom a contract for the work is awarded by the Authority shall comply with the provision of the California Labor Code, including, without limitation, the obligation to pay the general prevailing rates of wages in the locality in which the work is to be performed in accordance with, without limitation, Sections 1773.1, 1774, 1775 and 1776 of the California Labor Code governing employment of apprentices.

Copies of the prevailing rates of per diem wages are on file at the Authority's principal office at 550 S. Main Street, Orange, CA 92868 and are available to any interested party on request.

N. 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.

O. DEBARMENT & SUSPENSION:**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – PRIMARY PARTICIPANT AND LOWER-TIER PARTICIPANTS**

Unless otherwise permitted by law, any person or firm that is debarred, suspended, or voluntarily excluded, as defined in the Federal Transit Administration (FTA) Circular 2015.1, dated April 28, 1989, may not take part in any federally funded transaction, either as a participant or a principal, during the period of debarment, suspension, or voluntary exclusion. Accordingly, the Authority, acting on behalf of the district, may not enter into any transaction with such debarred, suspended, or voluntarily excluded persons or firms during such period.

A process has been established by 2 CFR Part 180, as adopted and supplemented by 2 CFR Part 1200 as a means to ensure that debarred, suspended, or voluntarily excluded persons or firms do not participate in Federally assisted projects. A person or firm that is unable to provide a positive certification as required by the solicitation must submit a complete explanation attached to the certification. FTA will consider the certification and any accompanying explanation in determining whether or not to provide assistance for the project. Failure to furnish a certification or an explanation may disqualify that person or firm from participating in the project.

P. PROHIBITION

To prevent potential conflicts of interest the firm, including all subconsultants (at any tier) awarded the contract for this solicitation, will be precluded from participating (at any tier) on engineering, technical services and/or construction-related work for projects which they will be overseeing on behalf of LOSSAN Agency. The LOSSAN Agency will evaluate potential conflicts of interest on a case-by-case basis.

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"x17" 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 Megan Bornman, 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, phone number 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, 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 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 Scope of Work 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 B), using the form entitled "Proposal Exceptions and/or Deviations" included in this RFP. This Proposal Exceptions and/or Deviations form (Exhibit F) 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 B). Offerors will not be allowed to submit the Proposal Exceptions and/or Deviations form (Exhibit F) 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 deviations that "pass" do not mean that the Authority has accepted the change but that it is a potential negotiable issue. Exceptions and 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.

e. Public Records Act Indemnification

Proposals received by Authority are subject to the California Public Records Act, Government Code section 6250 et seq. (the "Act"), except as otherwise provided in the Act. Proposers should familiarize

themselves and exceptions thereto. In no event shall the Authority or any of its agents, representatives, consultants, directors, officers, or employees be liable to a Proposer for the disclosure of any materials or information submitted in response to the RFP. Proposers must complete and sign the Exhibit H, Public Records Act Indemnification – Proposal Documents, and submit it with the proposal. Failure to complete Exhibit I may cause the proposal to be deemed non-responsive to this RFP and may no longer continue in the evaluation process.

If a California Public Records Act request is received by Authority for the release of information identified by Proposer as propriety, trade secret, or confidential, the request will be referred to Proposer for review and consideration. If Proposer requests that the information be withheld from release, Proposer shall provide such request in writing with the legal basis under the Act for each requested withholding. Failure to notify the Authority in writing of its desire to withhold the records within three business days and/or to timely provide a legal basis for the withholding of documents, regardless of any marking or designation of such documents, shall constitute a waiver of any claims Proposer may have had related to such disclosure.

Authority will review the request, determine if the disclosure of the records is required by law, and notify Proposer of such determination. If Authority determines that the disclosure of records is required by law, Authority will notify Proposer of such determination and provide Proposer the opportunity to seek a protective order or other appropriate legal relief to protect the records.

Proposer shall defend and hold harmless Authority from any legal action arising from such withholding, as further detailed in Exhibit I, Public Records Act Indemnification – Proposal Documents.

4. Cost and Price Proposal

Offerors are asked to submit only the technical qualifications as requested in the RFP. **No cost proposal or work hours are to be included in this phase of the RFP process.** Upon completion of the initial evaluations and interviews, if conducted, the highest ranked Offeror will be asked to submit a detailed cost proposal and negotiations will commence based on both the cost and technical proposals.

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.

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.

3. Safety Specifications (Exhibit C)

Offerors shall comply with Safety Specifications Level 1 as included in this RFP as Exhibit C, during the term of the awarded Agreement.

4. Certification of Restrictions on Lobbying

This form requires the Offeror to certify compliance with the lobbying requirements of 31 U.S.C. Section 1352 and the applicable regulations under 49 CFR part 19 and 20. (Required if the bid is equal or greater than \$100,000). The offeror is required to submit the Certification of Restrictions on Lobbying Form” and “Disclosure of Lobbying Activities Form”, in order for the offeror’s proposal to be responsive and to be considered for evaluation.

5. Disclosure of Lobbying Activities

This form requires the Offeror to disclose lobbying activities pursuant to the requirements of 31 U.S.C. Section 1352. If Offeror does not have any reportable activities to disclose, they shall check the box entitled “No Reportable Activities” on the attached Standard Form-LLL “Disclosure of Lobbying Activities” and complete Section 16 of the form in order for the offeror’s proposal to be responsive and to be considered for evaluation. The certifying official shall sign and date the form, print his/her name, title and telephone number.

6. Certification of Consultant, Commissions & Fees

In receiving federal funds, Offeror is required to complete the Certification of Consultant, Commissions and Fees form. This form is to be included with Offeror’s proposal.

7. 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.

8. Public Records Act Indemnification Form

Offerors shall complete and sign the form entitled “Public Records Act Indemnification” provided in this RFP and submit it as part of the original proposal. Proposers must complete and sign either Option 1 or Option 2 whichever applies.

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** **35%**

 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** **40%**

 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** **25%**

 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.

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 **January 14, 2021**, 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 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 LOSSAN Agency.

C. AWARD

The LOSSAN Agency 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. At the same time the recommended Offeror will be asked to submit a sealed price proposal. In conjunction with its action of selecting a firm, the LOSSAN's Board of Directors will authorize staff to negotiate a contract price and other terms and conditions. The Board will also grant staff the ability to terminate negotiations with the selected Offeror if no satisfactory agreement can be reached and to begin negotiations with the next highest-ranked Offeror until a satisfactory agreement has been achieved.

The LOSSAN Agency reserves the right to award its total requirements to one Offeror or to apportion those requirements among several Offerors as the LOSSAN Agency 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
Program Management Consultant Services**

I. Background

The Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is responsible for the management of the state-funded, Amtrak operated Pacific Surfliner intercity passenger rail service along the 351-mile corridor between San Diego and San Luis Obispo. The LOSSAN Agency is a joint powers authority originally formed in 1989 that works to increase ridership, revenue, capacity, reliability, coordination, and safety through the six-county coastal rail line. Since assuming full administration and management responsibility from the California Department of Transportation (Caltrans) in July 2015, the duties and responsibilities of the LOSSAN Agency have significantly expanded, especially in the areas of capital projects and grants management.

The LOSSAN Agency is seeking a qualified consultant to act as an extension of staff to help with managing the growing responsibilities of the LOSSAN Agency and a capital program that is currently just over \$300 million, which includes, but is not limited to, responsibility for coordinating with Amtrak and Caltrans on the planning, tracking and oversight of maintenance and overhaul programs of the rolling stock used on the Pacific Surfliner, applying for and managing various state and federal grants, managing contracts with third parties and host railroads, and managing or overseeing the planning, design and construction and implementation of various facility, technology, passenger communication and track infrastructure projects.

II. General Description of Services Required

CONSULTANT shall function as an extension of LOSSAN Agency's staff and assist LOSSAN Agency's staff by providing specialized services as required to effectively implement capital and service improvements for the Pacific Surfliner and along the LOSSAN rail corridor. CONSULTANT shall provide document control, project management and technical expertise on an as-needed basis, assistance in the oversight of project implementation, administration and schedule, and project controls. CONSULTANT's support shall include but not be limited to the following:

- Project Management assistance
- Project Study Reports, Environmental Review/ Compliance, and Preliminary Engineering for Projects
- Support of Signal, Trackwork, Station Improvements as needed
- Construction Management for minor capital Projects as directed by the LOSSAN Agency
- Host Railroad, Member Agency, and other consultants coordination
- Utility Coordination
- Preparation of Independent Cost Estimates/ Financial Plans
- Document Control
- Project Delivery Plans/ Schedule Monitoring

- Contract Management and Development of Cooperative Agreements and Memoranda of Understanding (MOUs) with Cities, including City coordination and review of Railroad Agreements
- Project Controls/ Invoice Review

CONSULTANT shall assist LOSSAN Agency's Project Managers and task leads and provide specialized technical expertise as needed. CONSULTANT's area of expertise shall include technical, design, and construction oversight. CONSULTANT shall have knowledge and expertise in the design of stations, track, bridge, rail and traffic signal, grade crossings, grade separation, passenger communications, grants, contract management, project controls and scheduling, operations analysis, and other related disciplines. CONSULTANT shall have a familiarity of passenger and freight rail in California and regulatory and/or funding requirements from various governing agencies including but not limited to Federal Transit Administration (FTA), Federal Railroad Administration (FRA), California Public Utilities Commission (CPUC), and other coordinating agencies. CONSULTANT shall have knowledge in the requirements governing California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA), including various resource permitting agencies to deliver projects. The LOSSAN Agency will provide overall management and may contract directly with the host railroads along the LOSSAN rail corridor for specialized railroad signal and trackwork.

III. Specific Expertise

The CONSULTANT shall provide, personnel with the following technical expertise obtained from direct experience working on projects during the planning, conceptual design, preliminary engineering and construction engineering phases for the following types of work:

- Railroad infrastructure including elements such as right-of-way, grading, track, drainage, and retaining structures
- Tunnel, railroad bridge, pedestrian-railroad grade separations, highway-railroad grade crossings
- Passenger rail stations including elements such as buildings, platforms, canopies, signage, lighting, structure, safety, and security
- Passenger Information Display Systems (PIDS) and static signage located at stations and onboard trains
- Agreements and contracts (such as construction and maintenance agreements, project cooperative agreements, and relocation agreements) with private entities, public agencies, and public utilities
- Planning, coordination, and oversight of design, procurement, implementation, and maintenance for various types of video surveillance systems
- Passenger locomotive and passenger car repair facilities (shops) and layover/storage facilities

- Wi-Fi and other onboard passenger communication and information systems, including development and maintenance of accessible information dashboards that summarize system status.
- Project management and document control systems
- Locomotive and rolling stock procurement, rebuilding, rehabilitation, and maintenance inspections
- Passenger Rail Investment and Improvement Act (PRIIA) of 2008 and Section 209 related to state-supported services

IV. Scope of Services

CONSULTANT, under this contract, shall provide project and design oversight, construction management on minor projects or oversight, and various staff assistant services in support of the planning, development and implementation of capital improvement and rehabilitation projects initiated by the LOSSAN Agency and for projects initiated by third-party agencies that have a direct impact on the safety and service of the Pacific Surfliner service and support facilities. The Consultant and its subconsultants shall have experience planning and executing infrastructure projects on active Federal Railroad Administration (FRA) regulated mixed passenger or freight rail corridors.

CONSULTANT may be requested to provide project management; project engineering; coordination (interdisciplinary, third-party, etc.); resolution of issues; scheduling; budgeting; reporting; or technical assistance for projects in any phase or all phases of a project life cycle (planning, design, procurement, construction, and closeout).

The CONSULTANT shall assign a Project Manager to manage all aspects of the project. The CONSULTANT is further required to have internal management capability to effectively manage assignments and costs, and to produce factual and detailed backup of charges invoiced.

The CONSULTANT and subconsultant project management team shall have team members in key positions with knowledge of the railroad operating environment and with knowledge of the design, management and construction constraints and challenges associated with construction or rehabilitation projects on operating railroad corridors.

The CONSULTANT shall provide assistance to the LOSSAN Agency in areas that may include, but not limited to, the following:

a. Overall Program and Project Management Assistance

Project and design management activities may be performed in conjunction with consultants working under other LOSSAN Agency contracts and agreements. The CONSULTANT may be requested to provide oversight, support, or management for, but not limited to, the typical activities listed below:

1. *Project Planning and Funding*

- Assist with the development and preparation of strategic, long- and short-term and various other plans relevant to supporting service growth and capital improvements
- Identification of project needs and specific project objectives
- Perform operations simulation and analysis as needed
- Development of project concepts
- Development of new, or support of existing, asset management plans for infrastructure and rolling stock
- Development or review of cooperative agreements with third parties
- Preparation of project specific environmental constraints reports
- Review of third-party documents that may impact the LOSSAN rail corridor
- Assist with the tracking of state and federal grant opportunities for funding projects
- Assist in preparing grant applications for funding of specific projects
- Ensure compliance with project funding requirements

2. *Project Controls and Schedule Monitoring*

- Develop and maintain project schedules and reports using state-of-the art scheduling and reporting tools and practices
- Prepare progress status and grant funding reports
- Maintenance of project documentation per the established procedures or direction of the LOSSAN Agency
- Development and tracking of project risk assessment and risk management plans
- Assist with development of grant funding plans and tracking of grant balances
- Completion of project closeout activities as required for each project

3. *Conceptual Project Development*

- Preparation of project definition studies or project study reports
- Determination, evaluation, recommendation of alternatives
- Analysis of environmental impacts
- Preparation of statutory and categorical exemptions
- Support management of projects during design phases
- Review available information and develop preliminary assessments of various property parcels specific to planned projects
- Provide right of way engineering support
- Coordination of design projects across multiple disciplines

4. *Preliminary Engineering and Environmental Assessment*

- Assist with preparing preliminary engineering scope of work and schedules
- Prepare utility and other third-party agreements
- Support right-of-way analysis and acquisition efforts

- Coordinate preparation, review, and responses to special design consideration reports
- Assist in coordination of projects with other agencies, stakeholders and the public
- Prepare preliminary engineering designs and concepts as directed
- Assist with developing independent cost estimates for final design and construction phases
- Assist in the identification of alternatives for evaluation in environmental documents
- Assist with preparing and reviewing environmental documents and exclusions

5. *Final Design*

- Assist with reviewing previously prepared reports and preliminary engineering designs prepared by third parties or under other LOSSAN Agency contracts
- Prepare and coordinate utility agreement modifications and coordinate third-party utility work in advance of LOSSAN Agency led construction projects.
- Assist with the coordination of right-of-way acquisitions and temporary construction easements
- Review and coordinate responses to reports, plans, specifications, and estimates
- Coordinate review and responses to final design reports
- Assist in preparation or review of construction and maintenance agreements
- Coordinate with host railroads on design of other projects along the LOSSAN rail corridor

6. *Rehabilitation and Maintenance Project Management*

- Assist with producing, reviewing, and providing comments and/or cost estimates on various facility improvements
- Identification, prioritization, development or management of infrastructure or equipment rehabilitation projects
- Perform review of structural safety and construction engineering inspection reports
- Assist with performing rolling stock inspections and preparing inspection reports

b. *Technical and Administrative Assistance*

Various technical and administrative activities may be performed in conjunction with consultants working under other LOSSAN Agency contracts and agreements. CONSULTANT may be requested to provide technical support or administrative assistance for, but not limited to, the typical activities listed below:

1. *Administrative Assistance*

- Coordinate with LOSSAN Agency procurement staff in the various aspects of solicitations and contract award as needed, including responses to proposers' questions, and related addenda.
- Provide final documents, technical specifications, drawings and other relevant documents to LOSSAN Agency procurement staff to issue for bid.
- Assist with preparing draft board reports

2. *Technical Support*

- Assist with development and review of rail equipment specifications
- Perform strategic security management planning and design
- Provide meeting notices and minutes
- Prepare special reports and presentations for Board and external agencies
- Assist with managing the technical contractor for the Pacific Surfliner onboard Wi-Fi communication system.
- Management, updating and programming of various databases to track projects, equipment, funding and other items as directed.
- Keep accurate records of correspondence, reports, drawings, deliverables, and other project related documents and communications between the LOSSAN Agency, host railroads, member agencies, other consultants, and other stakeholders. Maintain project file documents.
- Develop, review and/or maintain project management, construction management (for minor capital projects) and quality management plans as needed and directed.
- Assist with host railroad / third party invoice review and processing
- Assist in coordination of projects with agencies such as Federal Transit Administration (FTA), Federal Railroad Administration (FRA), Federal Highway Administration (FHWA), California Public Utilities Commission (CPUC), California Department of Transportation, LOSSAN Agency member agencies and their counties, host railroads, and other stakeholders.
- Maintain and foster relationships with host railroads, utility companies, LOSSAN Member Agencies, Caltrans Division of Rail and Mass Transportation, Capitol Corridor Joint Powers Authority, San Joaquins Joint Powers Authority, Amtrak, and other consultants.

V. STAFFING

All CONSULTANT staff shall work in an integrated team relationship with the LOSSAN Agency's Project Manager, as well as with Amtrak, host railroads, cities, member agencies, and other consultants.

The level of effort required by the CONSULTANT under this contract is anticipated to be the full time equivalent (FTE) of two and one quarter persons per year. It is anticipated that the CONSULTANT's Project Manager will be required approximately one quarter of the time to support the LOSSAN Agency's Project

Manager and manage the contract; in addition, a half time documents controls person and a half time project controls person are expected to support the LOSSAN Agency's Project Manager. Technical expertise from various engineering disciplines will be required throughout the year on an as-needed basis (equivalent to approximately 1 FTE). The level of effort will be re-evaluated periodically based on funding availability and to assure that the appropriate level of support is maintained. The LOSSAN Agency will have sole discretion in defining and making changes in positions and tasks assigned to CONSULTANT during the term of this Agreement.

Estimated Level of Effort for this Agreement:

- Project Manager (¼ FTE)
- Project Controls (½ FTE)
- Document Controls / Contract Management (½ FTE)
- Technical Support and Oversight (1 FTE)

a. Key Staff Qualifications

Project Manager: The project manager shall oversee and monitor the development of LOSSAN Agency projects. The project manager will develop and monitor project budgets and schedules, review construction cost estimates, monitor compliance with the requirements of funding agencies, and represent the LOSSAN Agency at meetings with other consultants, contractors, other agencies, and the public. The project manager should have at least ten years of related experience in managing complex rail projects, knowledge of FTA / FRA / CPUC rules, regulations, and requirements, and knowledge of the California rail system.

Project Controls Specialist: The project controls specialist shall have experience in scheduling and monitoring projects, reviewing, and tracking project budgets and costs, cost estimating, analyzing contract changes, and in preparing project status reports. The project controls specialist shall have at least six years of experience in project controls, with a degree in a related area preferred.

Document Controls / Contract Manager: The document controls / contract manager position shall have experience performing project support tasks including maintaining contract files, interpreting contract payment terms and methods, reviewing and processing other consultant and contractor invoices, and interfacing with accounting personnel and systems. The project administrator shall have at least five years of related experience.

b. Location

While remote working is allowed on a day-to-day basis, the CONSULTANT can be provided temporary office space as needed for up to 2 individuals at a time at the LOSSAN Agency's administration facilities located at 600 S. Main Street, Orange,

California 92868 when in person meetings or tasks are necessary and approved by the LOSSAN Agency Project Manager.

c. On Site Temporary Office Space by Authority

The LOSSAN Agency will provide on a temporary basis office space, furniture, basic computer hardware and software, telephones, office supplies, and printing services to individuals who are required and have been authorized to work at the LOSSAN Agency's office in Orange, California.

VI. DELIVERABLES

Anticipated Deliverables

Consultant shall submit deliverables pertinent to tasks assigned by the LOSSAN Agency's Project Manager or designated task lead. It is anticipated that the deliverables may include, but are not limited to:

- Designs / Other consultant reviews
- Strategic planning reports / documents
- Environmental assessment reports
- Complete grant applications
- Project delivery plans
- Project management plans
- Project schedules
- Cost estimates
- Risk analysis documentation
- Railroad/ utility agreements
- Technical reports and studies
- Inspection reports
- Project status reports
- Staff reports
- QA/QC monitoring reports
- Procurement and contract management documents
- Cooperative agreements/Memorandums of Understanding
- Document control logs
- Project closeouts
- Graphics and visuals
- As determined

EXHIBIT B: PROPOSED AGREEMENT

1 **PROPOSED AGREEMENT NO. L-0-0015**

2 **BETWEEN**

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

4 **AND**

5 _____
6 **THIS AGREEMENT** is made and entered into this ____ day of _____, 2021 ("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 "LOSSAN AGENCY"), and _____
10 (hereinafter referred to as "CONSULTANT").

11 **WITNESSETH:**

12 **WHEREAS**, LOSSAN AGENCY requires assistance from CONSULTANT to provide program
13 management consultant services; and

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

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

18 **WHEREAS**, CONSULTANT wishes to perform these services; and

19 **WHEREAS**, the LOSSAN AGENCY's Board of Directors authorized this Agreement
20 on _____.

21 **NOW, THEREFORE**, it is mutually understood and agreed by LOSSAN AGENCY and
22 CONSULTANT as follows:

23 **ARTICLE 1. COMPLETE AGREEMENT**

24 A. This Agreement, including all exhibits and documents incorporated herein and made
25 applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of
26 this Agreement between LOSSAN AGENCY and CONSULTANT and it supersedes all prior

1 representations, understandings and communications. The invalidity in whole or in part of any term or
2 condition of this Agreement shall not affect the validity of other terms or conditions.

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

10 **ARTICLE 2. AGENCY DESIGNEE**

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

13 **ARTICLE 3. SCOPE OF WORK**

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

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

20

<u>Names</u>	<u>Functions</u>

21

22 C. No person named in paragraph B of this Article, or his/her successor approved by LOSSAN
23 AGENCY, shall be removed or replaced by CONSULTANT, nor shall his/her agreed-upon function or
24 level of commitment hereunder be changed, without the prior written consent of LOSSAN AGENCY.
25 Should the services of any key person become no longer available to CONSULTANT, the resume and
26 qualifications of the proposed replacement shall be submitted to LOSSAN AGENCY for approval as soon

1 as possible, but in no event later than seven (7) calendar days prior to the departure of the incumbent
2 key person, unless CONSULTANT is not provided with such notice by the departing employee. LOSSAN
3 AGENCY shall respond to CONSULTANT within seven (7) calendar days following receipt of these
4 qualifications concerning acceptance of the candidate for replacement.

5 **ARTICLE 4. TERM OF AGREEMENT**

6 A. This Agreement shall commence upon execution by both parties, and shall continue in full
7 force and effect through _____, (“initial term”) unless earlier terminated or extended as
8 provided in this Agreement.

9 B. LOSSAN AGENCY, at its sole discretion, may elect to extend the term of this Agreement up
10 to an additional twenty-four (24) months, commencing on _____ and continuing through
11 _____ (“option term”), and thereupon requires CONSULTANT to continue to provide services, and
12 otherwise perform, in accordance with Exhibit A, entitled “Scope of Work”.

13 C. LOSSAN AGENCY’s election to extend the Agreement beyond the Initial Term shall not
14 diminish its right to terminate the Agreement for LOSSAN AGENCY’s convenience or CONSULTANT’s
15 default as provided elsewhere in this Agreement. The “maximum term” of this Agreement shall be the
16 period extending from the commencement through _____, which period encompasses the Initial Term
17 and Option Term.

18 **ARTICLE 5. PAYMENT**

19 A. For CONSULTANT’s full and complete performance of its obligations under this Agreement
20 and subject to the maximum cumulative payment obligation provisions set forth in Article 6, LOSSAN
21 AGENCY shall pay CONSULTANT on a Time and Expense basis in accordance with the following
22 provisions.

23 B. CONSULTANT shall invoice LOSSAN AGENCY on a monthly basis for payments
24 corresponding to the work actually completed by CONSULTANT. Work completed shall be documented
25 in a monthly progress report prepared by CONSULTANT, which shall accompany each invoice submitted
26 by CONSULTANT. LOSSAN AGENCY shall pay CONSULTANT at the hourly labor rates specified in

1 Exhibit B, entitled "Price Summary Sheet," which is attached to and by this reference, incorporated in and
2 made a part of this Agreement. These rates shall remain fixed for the term of this Agreement and are
3 acknowledged to include CONSULTANT's overhead costs, general costs, administrative costs and profit.
4 CONSULTANT shall also furnish such other information as may be requested by LOSSAN AGENCY to
5 substantiate the validity of an invoice.

6 C. As partial security against CONSULTANT's failure to satisfactorily fulfill all of its obligations
7 under this Agreement, LOSSAN AGENCY shall retain ten percent (10%) of the amount of each invoice
8 submitted for payment by CONSULTANT. All retained funds shall be released by LOSSAN AGENCY
9 and shall be paid to CONSULTANT within sixty (60) calendar days of payment of final invoice, unless
10 LOSSAN AGENCY elects to audit CONSULTANT's records in accordance with Article 16 of this
11 Agreement. If LOSSAN AGENCY elects to audit, retained funds shall be paid to CONSULTANT within
12 thirty (30) calendar days of completion of such audit in an amount reflecting any adjustment required by
13 such audit. During the term of the Agreement, at its sole discretion, LOSSAN AGENCY reserves the right
14 to release all or a portion of the retained amount based on CONSULTANT'S satisfactory completion of
15 certain milestones. CONSULTANT shall invoice LOSSAN AGENCY for the release of the retention in
16 accordance with Article 5.

17 D. Invoices shall be submitted by CONSULTANT on a monthly basis and shall be submitted in
18 duplicate to LOSSAN AGENCY's Accounts Payable office. CONSULTANT may also submit invoices
19 electronically to LOSSAN AGENCY's Accounts Payable Department at vendorinvoices@octa.net. Each
20 invoice shall be accompanied by the monthly progress report specified in paragraph B of this Article.
21 LOSSAN AGENCY shall remit payment within thirty (30) calendar days of the receipt and approval of
22 each invoice. Each invoice shall include the following information:

- 23 1. Agreement No. L-0-0015;
- 24 2. Specify the effort for which the payment is being requested;
- 25 3. The time period covered by the invoice;
- 26 4. Labor (staff name, hours charged, hourly billing rate, current charges, and

1 cumulative charges) performed during the billing period;

2 5. Total monthly invoice (including project-to-date cumulative invoice amount); and
3 retention;

4 6. Itemized expenses including support documentation incurred during the billing
5 period;

6 7. Monthly Progress Report;

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

14 9. CONSULTANT shall also furnish such other information as may be requested by
15 LOSSAN AGENCY to substantiate the validity of an invoice, including a current payroll register and or an
16 offer of employment for personnel performing work under the classifications which are subject to pay
17 ranges as listed in Exhibit B, "Schedule I- Hourly Range Schedule for Direct Labor by Classification" in
18 order to receive reimbursement for hours worked. Reimbursement for labor hours incurred by personnel
19 designated by a classification, shall be made after LOSSAN AGENCY's review of the actual personnel's
20 pay register, and verification that the actual pay falls within the specified range for that classification. If
21 an actual pay rate exceeds the maximum of the range, CONSULTANT will be reimbursed at the
22 maximum of the range. At its sole discretion, LOSSAN AGENCY may decline to make full payment until
23 such time as CONSULTANT has documented to LOSSAN AGENCY's satisfaction, that CONSULTANT
24 has fully completed all work required. LOSSAN AGENCY's payment in full for any work completed shall
25 not constitute LOSSAN AGENCY's final acceptance of CONSULTANT'S work.

26 /

1 a) CONSULTANT agrees that billing for personnel under the Exhibit B “Schedule I- Hourly
2 Range Schedule for Direct Labor by Classification” is to be used on a temporary basis,
3 limited to a maximum period of six (6) continuous months for each personnel working
4 under the “Hourly Range Schedule for Direct Labor by Classification”. Personnel
5 working or proposed to work on a continuous basis for a period of six (6) continuous
6 months or more are not considered temporary and must be added as named personnel
7 with a specific hourly billing rate as last billed under their classification.

8 b) CONSULTANT agrees that all personnel billing under all these labor schedules in
9 Exhibit B, are subject to the annual escalation rate allowable under this Agreement.
10 This is a maximum escalation rate that LOSSAN AGENCY will reimburse
11 CONSULTANT for named personnel and classifications.

12 c) CONSULTANT agrees that personnel proposed to work and bill under any of the labor
13 schedules in Exhibit B must be approved in writing by the LOSSAN AGENCY’s Project
14 Manager prior to start of work.

15 E. For classifications added to the Exhibit B, “Schedule I-Hourly Range Schedule for Direct Labor
16 by Classification” through Amendments, raw billing ranges must be based on current year’s actual
17 salaries, and the corresponding fully burdened ranges must be provided by CONSULTANT.

18 **ARTICLE 6. PROMPT PAYMENT CLAUSE**

19 A. LOSSAN AGENCY has adopted a prompt payment provision on all U.S. DOT-assisted
20 contracts to facilitate timely payment to all subconsultants in accordance with regulatory mandates.
21 Pursuant to 49 CFR Part 26.29, LOSSAN AGENCY will include the following clause in each U.S. DOT-
22 assisted contract:

23 B. “CONTRACTOR agrees to pay each subconsultant under this Contract for satisfactory
24 performance of its contract no later than seven (7) days from the receipt of each payment CONSULTANT
25 receives from LOSSAN AGENCY. CONSULTANT agrees further to return retainage payments to each
26 subconsultant within thirty (30) days after receiving payment for work satisfactorily completed and

1 accepted including incremental acceptances of portions of the Agreement work by LOSSAN AGENCY.
2 Any delay or postponement of payment from the above referenced time frame may take place only for
3 good cause and with LOSSAN AGENCY's prior written approval." CONSULTANT shall incorporate this
4 clause verbatim, set forth above, in all subcontract, broker, dealer, vendor, supplier, purchase order or
5 other source agreements issued to both DBE and non-DBE firms.

6 C. Any violation of the provisions listed above shall subject the violating CONSULTANT to the
7 penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and
8 Professions Code. This requirement shall not be construed to limit or impair any contractual,
9 administrative or judicial remedies otherwise available to CONSULTANT or subconsultant in the event of
10 a dispute involving late payment or nonpayment by CONSULTANT; deficient subconsultant performance
11 and/or noncompliance by a subconsultant.

12 D. Failure to comply with this provision without prior approval from LOSSAN AGENCY will
13 constitute noncompliance, which may result in the application of appropriate administrative sanctions,
14 including, but not limited to, a penalty of two percent (2%) of the invoice amount due per month, for every
15 month that full payment is not made.

16 **ARTICLE 7. MAXIMUM OBLIGATION**

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

22 **ARTICLE 8. NOTICES**

23 All notices hereunder and communications regarding the interpretation of the terms of this
24 Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing
25 said notices in the U.S. mail, registered or certified mail, returned receipt requested, postage prepaid and
26 addressed as follows:

1 To CONSULTANT:

To LOSSAN AGENCY:

2 Los Angeles-San Diego-San Luis Obispo Rail

3 Corridor Agency

4 550 South Main Street

5 P.O. Box 14184

6 Orange, California 92863-1584

7 ATTENTION:

ATTENTION: Megan Bornman

8 Contract Administrator

9 E-mail:

E-mail: mbornman@octa.net

10 Tel:

Tel: (714) 560-5064

11 Cc: James Campbell

12 LOSSAN Program Manager

13 E-mail: xcampbell@octa.net

14 Tel: (714) 560-5390

15 **ARTICLE 9. INDEPENDENT CONTRACTOR**

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

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

1 **ARTICLE 10. 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 LOSSAN AGENCY, its officers, directors, employees or agents;

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

13 5. Professional Liability with minimum limits of \$1,000,000.00 per claim.

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

22 C. CONSULTANT shall include on the face of the Certificate of Insurance the Agreement No.
23 L-0-0015; and, the Contract Administrator's Name, Megan Bornman.

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

26 /

1 E. CONSULTANT shall be required to immediately notify LOSSAN AGENCY of any
2 modifications or cancellation of any required insurance policies.

3 **ARTICLE 11. ORDER OF PRECEDENCE**

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

5 (1) the provisions of this Agreement, including all exhibits; (2) the provisions of
6 RFP 0-2620; (3) CONSULTANT's proposal dated _____; (4) all other documents, if any, cited
7 herein or incorporated by reference.

8 **ARTICLE 12. CHANGES**

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

17 B. CONSULTANT shall only commence work covered by an amendment after the amendment
18 is executed by LOSSAN AGENCY.

19 **ARTICLE 13. DISPUTES**

20 A. Except as otherwise provided in this Agreement, when a dispute arises between
21 CONSULTANT and LOSSAN Agency, the project managers shall meet to resolve the issue. If project
22 managers do not reach a resolution, the dispute will be decided by the Orange County Transportation
23 Authority's (AUTHORITY) Director of Contracts Administration and Materials Management (CAMM), who
24 shall reduce the decision to writing and mail or otherwise furnish a copy thereof to CONSULTANT. The
25 decision of the Director, CAMM, shall be the final and conclusive administrative decision.

26 /

1 B. Pending final decision of a dispute hereunder, CONSULTANT shall proceed diligently with
2 the performance of this Agreement and in accordance with the decision of AUTHORITY's Director,
3 CAMM. Nothing in this Agreement, however, shall be construed as making final the decision of any
4 AUTHORITY official or representative on a question of law, which questions shall be settled in
5 accordance with the laws of the State of California.

6 **ARTICLE 14. TERMINATION**

7 A. LOSSAN AGENCY may terminate this Agreement for its convenience at any time, in whole
8 or part, by giving CONSULTANT written notice thereof. Upon termination, LOSSAN AGENCY shall pay
9 CONSULTANT its allowable costs incurred to date of that portion terminated. Said termination shall be
10 construed in accordance with the provisions of CFR Title 48, Chapter 1, Part 49, of the Federal Acquisition
11 Regulation (FAR) and specific subparts and other provisions thereof applicable to termination for
12 convenience. If LOSSAN AGENCY sees fit to terminate this Agreement for convenience, said notice
13 shall be given to CONSULTANT in accordance with the provisions of the FAR referenced above and
14 Article 8, herein. Upon receipt of said notification, CONSULTANT agrees to comply with all applicable
15 provisions of the FAR pertaining to termination for convenience.

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

26 /

ARTICLE 15. INDEMNIFICATION

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

ARTICLE 16. 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 LOSSAN AGENCY. Consent by LOSSAN AGENCY shall not be deemed to relieve CONSULTANT of its obligations to comply fully with all terms and conditions of this Agreement.

B. LOSSAN AGENCY hereby consents to CONSULTANT's subcontracting portions of the Scope of Work to the parties identified below for the functions described below. CONSULTANT shall include in the subcontract agreement the stipulation that CONSULTANT, not LOSSAN 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 LOSSAN AGENCY, its officers, directors, employees or sureties for nonpayment by CONSULTANT.

<u>Subcontractor Name/Addresses</u>	<u>Subcontractor Function</u>

/

1 **ARTICLE 17. AUDIT AND INSPECTION OF RECORDS**

2 CONSULTANT shall provide LOSSAN AGENCY, the U.S. Department of Transportation (DOT),
3 the Comptroller General of the United States, or other agents of LOSSAN AGENCY, such access to
4 CONSULTANT's accounting books, records, payroll documents and facilities of the CONSULTANT which
5 are directly pertinent to this Agreement for the purposes of examining, auditing and inspecting all
6 accounting books, records, work data, documents and activities related hereto. CONSULTANT shall
7 maintain such books, records; data and documents in accordance with generally accepted accounting
8 principles and shall clearly identify and make such items readily accessible to such parties during
9 CONSULTANT's performance hereunder and for a period of four (4) years from the date of final payment
10 by LOSSAN AGENCY. LOSSAN AGENCY's right to audit books and records directly related to this
11 Agreement shall also extend to all first-tier subcontractors identified in Article 16 of this Agreement.
12 CONSULTANT shall permit any of the foregoing parties to reproduce documents by any means
13 whatsoever or to copy excerpts and transcriptions as reasonably necessary.

14 **ARTICLE 18. CONFLICT OF INTEREST**

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

23 **ARTICLE 19. CODE OF CONDUCT**

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

1 **ARTICLE 20. PROHIBITION ON PROVIDING ADVOCACY SERVICES**

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

6 **ARTICLE 21. FEDERAL, STATE AND LOCAL LAWS**

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

10 **ARTICLE 22. EQUAL EMPLOYMENT OPPORTUNITY**

11 In connection with its performance under this Agreement, CONSULTANT shall not discriminate
12 against any employee or applicant for employment because of race, religion, color, sex, age or national
13 origin. CONSULTANT shall take affirmative action to ensure that applicants are employed, and that
14 employees are treated during their employment, without regard to their race, religion, color, sex, age or
15 national origin. Such actions shall include, but not be limited to, the following: employment, upgrading,
16 demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other
17 forms of compensation; and selection for training, including apprenticeship.

18 **ARTICLE 23. CIVIL RIGHTS ASSURANCE**

19 During the performance of this Agreement, CONSULTANT, for itself, its assignees and
20 successors in interest agree as follows:

21 A. Compliance with Regulations: CONSULTANT shall comply with the Regulations relative to
22 nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT")
23 Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter
24 referred to as the Regulations), which are herein incorporated by reference and made a part of this
25 Agreement.

26 /

1 B. Nondiscrimination: CONSULTANT, with regard to the work performed by it during the
2 Agreement, shall not discriminate on the grounds of race, color, or national origin in the selection and
3 retention of subcontractors, including procurements of materials and leases of equipment. The
4 CONSULTANT shall not participate either directly or indirectly in the discrimination prohibited by Section
5 21.5 of the Regulations, including employment practices when the Agreement covers a program set forth
6 in Appendix B of the Regulations.

7 C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all
8 solicitations either by competitive bidding or negotiation made by the CONSULTANT for work to be
9 performed under a subcontract, including procurements of materials or leases of equipment, each
10 potential subcontractor or supplier shall be notified by the CONSULTANT of the CONSULTANT's
11 obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of
12 race, color, or national origin.

13 D. Information and Reports: CONSULTANT shall provide all information and reports required
14 by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records,
15 accounts, other sources of information and its facilities as may be determined by the LOSSAN AGENCY
16 to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any
17 information required of a CONSULTANT is in the exclusive possession of another who fails or refuses to
18 furnish this information the CONSULTANT shall so certify to the LOSSAN AGENCY as appropriate, and
19 shall set forth what efforts it has made to obtain the information.

20 E. Sanctions for Noncompliance: In the event of the CONSULTANT's noncompliance with
21 nondiscrimination provisions of this Agreement, the LOSSAN AGENCY shall impose Agreement
22 sanctions as it may determine to be appropriate, including, but not limited to:

- 23 1. Withholding of payments to the CONSULTANT under the Agreement until the CONSULTANT
24 complies; and/or
25 2. Cancellation, termination, or suspension of the Agreement, in whole or in part.

26 F. Title VI of the Civil Rights Act: In determining the types of property or services to acquire, no

1 person in the United States shall, on the grounds of race, color, or national origin, be excluded from
2 participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program
3 or activity receiving Federal financial assistance in violation of Title VI of the Civil Rights Act of 1964, as
4 amended, 42 U.S.C. Sections 2000d et seq. and DOT regulations, "Nondiscrimination in Federally
5 Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of
6 1964," 49 CFR Part 21. In addition, FTA Circular 4702.1, "Title VI and Title VI-Dependent Guidelines for
7 FTA Recipients," 05-13-07, provides FTA guidance and instructions for implementing DOT's Title
8 VI regulations.

9 G. The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. Sections 12101
10 et seq., prohibits discrimination against qualified individuals with disabilities in all programs, activities, and
11 services of public entities, as well as imposes specific requirements on public and private providers of
12 transportation.

13 H. Incorporation of Provisions: CONSULTANT shall include the provisions of paragraphs (A)
14 through (H) in every subcontract, including procurements of materials and leases of equipment, unless
15 exempt by the Regulations, or directives issued pursuant thereto. The CONSULTANT shall take such
16 action with respect to any subcontract or procurement as the LOSSAN AGENCY may direct as a means
17 of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event
18 a CONSULTANT becomes involved in, or is threatened with, litigation with a subcontractor or supplier as
19 a result of such direction, the CONSULTANT may request the LOSSAN AGENCY to enter into such
20 litigation to protect the interests of the LOSSAN AGENCY, and, in addition, the CONSULTANT may
21 request the United States to enter into such litigation to protect the interests of the United States.

22 **ARTICLE 24. PROHIBITED INTERESTS**

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

26 /

1 A. No member of or delegate to, the Congress of the United States shall have any interest, direct
2 or indirect, in this Agreement or to the benefits thereof.

3 **ARTICLE 25. OWNERSHIP OF REPORTS AND DOCUMENTS**

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

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

19 C. No copies, sketches, computer graphics or graphs, including graphic artwork, are to be
20 released by CONSULTANT to any other person or agency except after prior written approval by LOSSAN
21 AGENCY, except as necessary for the performance of services under this Agreement. All press releases,
22 including graphic display information to be published in newspapers, magazines, etc., are to be handled
23 only by LOSSAN AGENCY unless otherwise agreed to by CONSULTANT and LOSSAN AGENCY.

24 **ARTICLE 26. PATENT AND COPYRIGHT INFRINGEMENT**

25 A. In lieu of any other warranty by LOSSAN AGENCY or CONSULTANT against patent or
26 copyright infringement, statutory or otherwise, it is agreed that CONSULTANT shall defend at its expense

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

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

19 **ARTICLE 27. FINISHED AND PRELIMINARY DATA**

20 A. All of CONSULTANT's finished technical data, including but not limited to illustrations,
21 photographs, tapes, software, software design documents, including without limitation source code,
22 binary code, all media, technical documentation and user documentation, photoprints and other graphic
23 information required to be furnished under this Agreement, shall be LOSSAN AGENCY's property upon
24 payment and shall be furnished with unlimited rights and, as such, shall be free from proprietary restriction
25 except as elsewhere authorized in this Agreement. CONSULTANT further agrees that it shall have no
26 interest or claim to such finished, LOSSAN AGENCY-owned, technical data; furthermore, said data is

1 subject to the provisions of the Freedom of Information Act, 5 USC 552.

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

9 **ARTICLE 28. DESIGN WITHIN FUNDING LIMITATIONS**

10 A. In order to ensure the accuracy of the construction budget for the benefit of the public works
11 bidders and LOSSAN AGENCY's budget process, CONSULTANT shall accomplish the design services
12 required under this Agreement so as to permit the award of a contract, for the construction of the facilities
13 designed at a price that does not exceed the estimated construction contract price as set forth by
14 LOSSAN AGENCY. When bids or proposals for the construction contract are received that exceed the
15 estimated price, CONSULTANT shall perform such redesign and other services as are necessary to
16 permit contract award within the funding limitation. These additional services shall be performed at no
17 increase in the price for which the services were specified. However, CONSULTANT shall not be required
18 to perform such additional services at no cost to LOSSAN AGENCY if the unfavorable bids or proposals
19 are the result of conditions beyond its reasonable control.

20 B. CONSULTANT will promptly advise LOSSAN AGENCY if it finds that the project being
21 designed will exceed or is likely to exceed the funding limitations and it is unable to design a usable facility
22 within these limitations. Upon receipt of such information, LOSSAN AGENCY will review
23 CONSULTANT's revised estimate of construction cost. LOSSAN AGENCY may, if it determines that the
24 estimated construction contract price is so low that award of a construction contract not in excess of such
25 estimate is improbable, authorize a change in scope or materials as required to reduce the estimated
26 construction cost to an amount within the estimated construction contract price set forth by LOSSAN

1 AGENCY, or LOSSAN AGENCY may adjust such estimated construction contract price. When bids or
2 proposals are not solicited or are unreasonably delayed, LOSSAN AGENCY shall prepare an estimate
3 of constructing the design submitted and such estimate shall be used in lieu of bids or proposals to
4 determine compliance within the funding limitation.

5 **ARTICLE 29. REQUIREMENTS FOR REGISTRATION OF DESIGNERS**

6 All design and engineering work furnished by CONSULTANT shall be performed by or under the
7 supervision of persons licensed to practice architecture, engineering or surveying (as applicable) in the
8 State of California, by personnel who are careful, skilled, experienced and competent in their respective
9 trades or professions, who are professionally qualified to perform the work in accordance with the contract
10 documents and who shall assume professional responsibility for the accuracy and completeness of the
11 design documents and construction documents prepared or checked by them.

12 **ARTICLE 30. COVENANT AGAINST CONTINGENT FEES**

13 CONSULTANT warrants that he/she has not employed or retained any company or person, other
14 than a bona fide employee working for the consultant; to solicit or secure this Agreement; and that he/she
15 has not paid or agreed to pay any company or person other than a bona fide employee, any fee,
16 commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from
17 the award, or formation of this Agreement. For breach or violation of this warranty, the LOSSAN AGENCY
18 shall have the right to annul this Agreement without liability, or at its discretion; to deduct from the
19 Agreement price or consideration, or otherwise recover the full amount of such fee, commission,
20 percentage, brokerage fee, gift, or contingent fee.

21 **ARTICLE 31. LOBBYING**

22 CONSULTANTS who apply or bid for an award of \$100,000 or more shall file the certification
23 required by 49 CFR part 20, "New Restrictions on Lobbying". Each tier certifies to the above that it will
24 not or has not used Federal appropriated funds to pay any person or organization for influencing or
25 attempting to influence an officer or employee of any agency, a member of Congress, officer or employee
26 of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract,

1 grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any
2 registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on
3 its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31
4 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

5 **ARTICLE 32. HEALTH AND SAFETY REQUIREMENTS**

6 CONSULTANT shall comply with all the requirements set forth in Exhibit __, titled "Level 1
7 SAFETY SPECIFICATIONS." As used therein, "Contractor" shall mean "Consultant," and "Subcontractor"
8 shall mean "Sub-consultant."

9 **ARTICLE 33. CONTRACTOR PURCHASED EQUIPMENT**

10 A. If during the course of this Agreement, additional equipment is required, which will be paid for
11 by the LOSSAN AGENCY, CONSULTANT must request prior written authorization from the LOSSAN
12 AGENCY's project manager before making any purchase. As part of this purchase request,
13 CONSULTANT shall provide a justification for the necessity of the equipment or supply and submit copies
14 of three (3) competitive quotations. If competitive quotations are not obtained, CONSULTANT must
15 provide the justification for the sole source.

16 B. CONSULTANT shall maintain an inventory record for each piece of equipment purchased
17 that will be paid for by the LOSSAN AGENCY. The inventory record shall include the date acquired, total
18 cost, serial number, model identification, and any other information or description necessary to identify
19 said equipment or supply. A copy of the inventory record shall be submitted to the LOSSAN AGENCY
20 upon request.

21 C. At the expiration or termination of this Agreement, CONSULTANT may keep the equipment
22 and credit LOSSAN AGENCY in an amount equal to its fair market value. Fair market value shall be
23 determined, at CONSULTANT's expense, on the basis of an independent appraisal. CONSULTANT may
24 sell the equipment at the best price obtainable and credit LOSSAN AGENCY in an amount equal to the
25 sales price. If the equipment is to be sold, then the terms and conditions of the sale must be approved in
26 advance by LOSSAN AGENCY's project manager.

1 D. Any subconsultant agreement entered into as a result of this Agreement shall contain all
2 provisions of this clause.

3 **ARTICLE 34. PRIVACY ACT**

4 CONSULTANT shall comply with, and assures the compliance of its employees with, the
5 information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. §552a.
6 Among other things, CONSULTANT agrees to obtain the express consent of the Federal Government
7 before the CONSULTANT or its employees operate a system of records on behalf of the Federal
8 Government. CONSULTANT understands that the requirements of the Privacy Act, including the civil
9 and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to
10 comply with the terms of the Privacy Act may result in termination of the underlying Agreement.

11 **ARTICLE 35. INCORPORATION OF FTA TERMS**

12 All contractual provisions required by Department of Transportation (DOT), whether or not
13 expressly set forth in this document, as set forth in Federal Transit Administration (FTA) Circular 4220.1F,
14 as amended, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all
15 FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained
16 in this Agreement. CONSULTANT shall not perform any act, fail to perform any act, or refuse to comply
17 with any requests, which would cause LOSSAN AGENCY to be in violation of the FTA terms and
18 conditions.

19 **ARTICLE 36. FEDERAL CHANGES**

20 CONSULTANT shall at all times comply with all applicable FTA regulations, policies, procedures
21 and directives, including without limitation those listed directly or by reference in the agreement between
22 the LOSSAN AGENCY and FTA, as they may be amended or promulgated from time to time during this
23 Agreement. CONSULTANT's failure to comply shall constitute a material breach of contract.

24 **ARTICLE 37. NO FEDERAL GOVERNMENT OBLIGATION TO THIRD PARTIES**

25 LOSSAN AGENCY and CONSULTANT acknowledge and agree that, notwithstanding any
26 concurrence by the Federal Government in or approval of the solicitation or award of the underlying

1 Agreement, absent the express written consent by the Federal Government, the Federal Government is
2 not a party to this Agreement and shall not be subject to any obligations or liabilities to the LOSSAN
3 AGENCY, CONSULTANT, or any other party (whether or not a party to this Agreement) pertaining to any
4 matter resulting from the underlying Agreement. CONSULTANT agrees to include these requirements
5 in all of its subcontracts.

6 **ARTICLE 38. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND**
7 **RELATED ACTS**

8 A. CONSULTANT acknowledges that the provisions of the Program Fraud Civil Remedies Act
9 of 1986, as amended, 31 U.S.C. §§3801 et seq. and U.S. DOT regulations, "Program Fraud Civil
10 Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this project. Accordingly, by signing this
11 Agreement, CONSULTANT certifies or affirms the truthfulness and accuracy of any statement it has
12 made, it makes, it may make, or causes to be made, pertaining to the underlying Agreement of the FTA
13 assisted project for which this Agreement's work is being performed. CONSULTANT also acknowledges
14 that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or
15 certification, the Federal Government reserves the right to impose penalties of the Program Fraud Civil
16 Remedies Act of 1986 on the CONSULTANT to the extent the Federal Government deems appropriate.

17 B. CONSULTANT also acknowledges that if it makes, or causes to be made, a false, fictitious,
18 or fraudulent claim, statement, submission, or certification to the Federal Government under an
19 agreement connected with a project that is financed in whole or part with Federal assistance awarded by
20 FTA under the authority of 49 U.S.C. §5307 et seq., the Government reserves the right to impose the
21 penalties of 18 U.S.C. §1001 and 49 U.S.C. §5307(n) (1) et seq. on the CONSULTANT, to the extent the
22 Federal Government deems appropriate. CONSULTANT agrees to include this requirement in all of its
23 subcontracts.

24 **ARTICLE 39. RECYCLED PRODUCTS**

25 CONSULTANT shall comply with all the requirements of Section 6002 of the Resource
26 Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the

1 regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement
2 of the items designated in subpart B of 40 CFR Part 247. CONSULTANT agrees to include this
3 requirement in all of its subcontracts.

4 **ARTICLE 40. ENERGY CONSERVATION REQUIREMENTS**

5 CONSULTANT shall comply with mandatory standards and policies relating to energy efficiency,
6 which are contained in the state energy conservation plan issued in compliance with the Energy Policy
7 Conservation Act.

8 **ARTICLE 41. CLEAN AIR**

9 CONSULTANT shall comply with all applicable standards, orders or regulations issued pursuant
10 to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. CONSULTANT shall report each violation
11 to LOSSAN AGENCY, who will in turn, report each violation as required to assure notification to FTA and
12 the appropriate EPA Regional Office. CONSULTANT agrees to include this requirement in all of its
13 subcontracts.

14 **ARTICLE 42. CLEAN WATER REQUIREMENTS**

15 CONSULTANT shall comply with all applicable standards, orders or regulations issued pursuant
16 to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. CONSULTANT shall
17 report each violation to LOSSAN AGENCY and understands and agrees that the LOSSAN AGENCY
18 who will in turn, report each violation as required to assure notification to FTA and appropriate EPA
19 Regional Office. CONSULTANT agrees to include this requirement in all of its subcontracts.

20 **ARTICLE 43. FLY AMERICA REQUIREMENT**

21 CONSULTANT agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance
22 with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that
23 recipients and sub recipients of Federal funds and their contractors are required to use U.S. Flag air
24 carriers for the U.S. Government-financed international air travel and transportation of their personal
25 effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter
26 of necessity, as defined by the Fly America Act. CONSULTANT shall submit, if a foreign air carrier was

1 used, an appropriate certification or memorandum adequately explaining why service by a U.S. carrier
2 was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a
3 certificate of compliance with the Fly America requirements. CONSULTANT agrees to include the
4 requirements of this section in all subcontracts that may involve international air transportation.

5 **ARTICLE 44. SEISMIC SAFETY REQUIREMENTS**

6 CONSULTANT agrees that any new building or addition to an existing building will be designed
7 and constructed in accordance with the standards for Seismic Safety required in Department of
8 Transportation Seismic Safety Regulations 49 CFR Part 41 and will certify to compliance to the extent
9 required by the regulation. CONSULTANT also agrees to ensure that all work performed under this
10 contract including work performed by a subcontractor is in compliance with the standards required by the
11 Seismic Safety Regulations and the certification of compliance issued on the project.

12 **ARTICLE 45. DEBARMENT AND SUSPENSION**

13 CONSULTANT shall not do business with a subcontractor or other participant who is debarred,
14 suspended or otherwise disqualified. CONSULTANT shall comply with 2 CFR Part 180, as adopted and
15 supplemented by 2 CFR Part 1200. CONSULTANT shall include these requirements in any lower tier
16 covered transaction it enters into.

17 **ARTICLE 46. PROHIBITION**

18 To prevent potential conflicts of interest CONSULTANT, including all subconsultants (at any tier),
19 are precluded from participating (at any tier) on engineering, technical services and/or construction-
20 related work for projects which they are overseeing on behalf of LOSSAN AGENCY. The LOSSAN
21 AGENCY will evaluate potential conflicts of interest on a case-by-case basis throughout the term of this
22 Agreement.

23 **ARTICLE 47. FORCE MAJEURE**

24 Either party shall be excused from performing its obligations under this Agreement during the time
25 and to the extent that it is prevented from performing by an unforeseeable cause beyond its control,
26 including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products,

1 plants or facilities by the federal, state or local government; national fuel shortage; or a material act or
2 omission by the other party; when satisfactory evidence of such cause is presented to the other party;
3 and provided further that such nonperformance is unforeseeable, beyond the control and is not due to
4 the fault or negligence of the party not performing.

5 **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement No. L-0-0015 to be
6 executed as of the date of the last signature below.

7 **CONSULTANT**

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

10 By _____

10 By _____

11 Donna DeMartino
12 Managing Director

13 Date: _____

13 Date: _____

15 APPROVED AS TO FORM:

17 By _____

18 James M. Donich
19 General Counsel

20 Date: _____

EXHIBIT C: SAFETY SPECIFICATIONS

LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL 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.

LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

- 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.

LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

- 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.

LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

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 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.

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

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: RESTRICTIONS ON LOBBYING

CERTIFICATION
LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN
FEDERAL TRANSACTIONS

A. DEFINITIONS

1. Authority, as used in this clause, means the Orange County Transportation Authority, acting on behalf of the Orange County Transit District.
2. Covered Federal action, as used in this clause, means any of the following Federal actions:
 - a. The awarding of any Federal contract.
 - b. The making of any Federal grant.
 - c. The making of any Federal loan.
 - d. The entering into of any cooperative agreement.
 - e. The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
3. Indian tribe and tribal organization, as used in this clause, have the meaning provided in Section 450b of the Indian self-determination and Education Assistance Act (25 U.S.C. 450) and include Alaskan Natives.
4. Influencing or attempting to influence, as used in this clause, means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.
5. Local government, as used in this clause, means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.
6. Officer or employee of an agency, as used in this clause, includes the following individuals who are employed by an agency:
 - a. An individual who is appointed to a position in the Government under title 5, United States code, including a position under a temporary appointment.
 - b. A member of the uniformed services, as defined in the subsection

101(3), Title 37, United States Code.

- c. A special Government employee, as defined in Section 202, Title 18, United States Code.
 - d. An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, Title 5, United States Code, Appendix section 3.
7. Person, as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization or any other Indian organization with respect to expenditures specifically permitted by other Federal law.
 8. Reasonable compensation, as used in this clause, means with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.
 9. Reasonable payment, as used in this clause means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.
 10. Recipient, as used in this clause, includes the CONSULTANT and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.
 11. Regularly employed, as used in this clause, means, with respect to an officer or employee of a person requesting or receiving by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.
 12. State, as used in this clause, means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State regional or interstate entity having governmental duties and powers.

B. PROHIBITIONS

1. Section 1352 of Title 31, United States Code, among other things, prohibits a recipient of a Federal contract, grant, loan or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or, the modification of any Federal contract, grant, loan, or cooperative agreement.
2. The Act also requires consultant to furnish a disclosure if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan or cooperative agreement.
3. The prohibitions of the Act do not apply under the following conditions:
 - a. Agency and legislative liaison by own employees.
 - (1) The prohibition on the use of appropriated funds, in subparagraph C.1. of this clause, does not apply in the case of payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.
 - (2) For purposes of paragraph C.3.a.(1) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
 - (3) The following agency and legislative liaison activities are permitted any time where they are not related to a specific solicitation for any covered Federal action:

Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities.

Technical discussions and other activities regarding the application of adaptation of the person's products or services for an agency's use.
 - (4) The following agency and legislative liaison activities are

permitted where they are prior to formal solicitation of any covered Federal action:

Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,

Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507, and subsequent amendments.

- (5) Only those services expressly authorized by paragraph C.3.a.(1) of this clause are permitted under this clause.

b. Professional and technical services

- (1) The prohibition on the use of appropriated funds, in subparagraph C.1. of this clause, does not apply in the case of:

A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as condition for receiving that Federal action.

Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission or negotiation of any bid, proposal, or application or that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include contractors and trade associations.

- (2) For purposes of paragraph C.3.a.(1) of this clause, professional and technical services shall be limited to advise and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or

proposal is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission, or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission, or negotiation of a covered Federal action.

- (3) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.
- (4) Only those services expressly authorized by paragraph C.3.a.(1) and (2) of this clause are permitted under this clause.
- (5) The reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

c. Disclosure

- (1) The consultant who requests or receives from an agency a Federal contract shall file with that agency a disclosure form OMB standard form LLL, Disclosure of Lobbying Activities, (Attachment to the bid package) if such person has made or had agreed to made any payment using non appropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph B.1. of this clause, if paid for with appropriated funds.
- (2) The consultant shall file a disclosure form at the end of each

calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph II.A. of this clause. An event that materially affects the accuracy of the information reported includes:

A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

- (3) The consultant shall require the submittal of a certification, and if required, a disclosure form by any person who requests or receives any subcontract exceeding \$100,000 under the Federal contract.
- (4) All subcontractor disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the prime consultant. The prime consultant shall submit all disclosures to the District at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor. Each subcontractor certification shall be retained in the subcontract file of the awarding consultant.

d. Agreement

The consultant agrees not to make any payment prohibited by this clause.

e. Penalties

- (1) Any person who makes an expenditure prohibited under paragraph a) of this clause or who fails to file or amend the disclosure form to be filed or amended by paragraph d) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (2) Consultants may relay without liability on the representation made by their subcontractors in the certification and disclosure forms.

f. Cost Allowability:

Nothing in this clause is to be interpreted to make allowable or reasonable any costs, which will otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provisions.

**CERTIFICATION OF
RESTRICTIONS ON LOBBYING**

I, _____, hereby certify on behalf (name of bidder/offeror) of _____ that:
(Firm name)

1. No Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds, other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence making lobbying contracts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the attached Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
3. If bidder/offeror does not have any reportable activities to disclose, they shall check the box entitled "No Reportable Activities" on the attached Standard Form-LLL "Disclosure of Lobbying Activities" and complete Section 16 of the form. The certifying official shall sign and date the form, print his/her name, title and telephone number.
4. The undersigned shall require that the language of this certification be included in all subcontracts, and that all subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The bidder/offeror, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the bidder/offeror understands and agrees that the provisions of 31 U.S.C. 3801, et seq. apply to this certification and disclosure, if any.

Executed this _____ day of _____, 20__

By _____
(Signature of authorized official)

(Title of authorized official)

INSTRUCTIONS FOR COMPLETION OF SF-LLL DISCLOSURE OF LOBBYING ACTIVITIES

This DISCLOSURE FORMS SHALL BE COMPLETED BY the reporting entity, whether Subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the subawardee e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee" then enter the full name, address city, state, and zip code of the prime Federal recipient. Include Congressional District.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency, name if known. For example, Department of Transportation, United State Coast Guard.
7. Enter the Federal program name for description of the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g. Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/ proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state, and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a.). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box (es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box (es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Office of Management and Budget Paperwork Reduction Project (0348-0446), Washington, D.C. 20503.

Approved by
OMB
003480045

DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET

Reporting Entity: _____ Page _____ of _____

Authorized for Local Reproduction

EXHIBIT G: CERTIFICATION OF CONSULTANT, COMMISSIONS & FEES

CERTIFICATION OF CONSULTANT, COMMISSIONS & FEES

I HEREBY CERTIFY that I am the _____, and duly authorized representative of the firm of _____, whose address is _____, and that, except as hereby expressly stated, neither I nor the above firm that I represent have:

- (a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above consultant) to solicit or secure this contract; nor
- (b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the contract; nor
- (c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above consultant) any fee, contribution, donation, or consideration of any kind, for or in connection with, procuring or carrying out this contract.

I acknowledge that this Certificate is subject to applicable state and federal laws, both criminal and civil.

(Date)

(Signature)

EXHIBIT H: 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:

Rationale for Requesting Deviation or Exception:

Area Below Reserved for Authority Use Only:

_____ _____

**EXHIBIT I: PUBLIC RECORDS ACT INDEMNIFICATION – PROPOSAL
DOCUMENTS**

PUBLIC RECORDS ACT INDEMNIFICATION – PROPOSAL DOCUMENTS

Offeror is required to submit one copy of the completed and signed form as part of its proposal and it should be included only in the original proposal. Offeror shall complete either Option 1 or Option 2 which ever applies.

Option #1: Public Records Act Indemnification Agreement

By signing below, the Proposer agrees as follows regarding its Proposal:

If Authority receives a Public Records Act request (Government Code sections 6250 et seq.) which seeks any portion of Proposer’s proposal that the Proposer has marked as "confidential", "trade secret", "proprietary", "not subject to disclosure", or similar designation (the "PRA Documents"), the Authority will notify the Proposer of the request. The Proposer shall, within three business days of such notification from the Authority, inform the Authority as to whether it desires the PRA Documents to be withheld, and shall thereafter timely provide a legal basis for each such requested withholding. If the Authority determines to withhold the PRA Documents, Proposer shall indemnify and defend Authority from any and all costs or liabilities resulting from such withholding including, but not limited to, attorney fees and court costs.

Proposer shall pay all costs, immediately as they come due, pertaining to any action under the Public Records Act related to any portion of Proposer’s proposal marked or designated as described above, and withheld by Authority. If the Proposer fails to notify the Authority in writing within three business days, or to timely provide a legal basis for the withholding of documents, Proposer agrees that Authority shall release and disclose Proposer records, notwithstanding any marking or designation of the PRA Documents.

In no case shall Authority be liable for any inadvertent disclosure of any Proposer proposal documents, or any disclosure made by Authority upon a good faith belief that disclosure is required by law, or in the event Proposer has failed to notify the Authority in writing of its desire to withhold the PRA Documents within three business days and/or to timely provide a legal basis for the withholding of documents, regardless of any marking or designation of such PRA Documents, and Proposer waives any claims it may have had related to such disclosure.

Official, legal name of Proposing Firm (Type or Print)

Contact Name: _____ (Print Name)

Title: _____

Signed by: _____

Date: _____

Option #2: Non-Applicability

This Proposer has not marked any portion of its proposal as "confidential", "trade secret", "proprietary", "not subject to disclosure", or similar designation.

Official, legal name of Proposing Firm (Type or Print)

Contact Name: _____ (Print Name)

Title: _____

Signed by: _____

Date: _____



November 16, 2020

To: Members of the Board of Directors
Donna DeMartino
From: Donna DeMartino, Managing Director
Subject: Fiscal Year 2020-21 Through Fiscal Year 2024-25 State Rail Assistance

Overview

Senate Bill 1, the Road Repair and Accountability Act of 2017, is expected to provide over \$54 billion in funding by 2027 to maintain and improve California’s transportation system. An element of Senate Bill 1, the State Rail Assistance program, provides funding for both operational and capital improvements to commuter and intercity passenger rail services. Consistent with the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency annual business plan and State Rail Assistance program guidelines, staff has developed a proposed five-year program of projects to utilize these funds.

Recommendations

- A. Approve the recommended program of projects for Fiscal Year 2020-21 through Fiscal Year 2024-25 State Rail Assistance formula funds.
- B. Approve Resolutions No. 2020-L001 and No. 2020-L002 authorizing the Managing Director to act on behalf of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency in obtaining funding under the State Rail Assistance Program.
- C. Authorize the Managing Director to negotiate and execute necessary agreements and program supplements to facilitate the utilization of State Rail Assistance funding.

Background

Senate Bill 1 (SB-1), the Road Repair and Accountability Act of 2017, is intended to provide over \$54 billion by 2027 to maintain and improve California’s transportation infrastructure. This includes approximately \$454 million directed specifically to commuter and intercity passenger rail services through the State Rail Assistance (SRA) program. The SRA program is intended

to fund both operational and capital improvements through a combination of formula and competitive distribution. The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is an eligible recipient of these funds. The SRA program is administered by the California State Transportation Agency (CalSTA), which is responsible for evaluating the eligibility of projects, disbursing funds and tracking progress of delivery through extensive required reporting from recipients.

Discussion

The SRA program guidelines were most recently amended and adopted by CalSTA on December 31, 2019. There is flexibility provided within the guidelines that allows eligible agencies to utilize funds for either or both operations and capital improvements as summarized below.

- Operational Improvements: funds can be used for service development plans, strategic plans, ridership modeling, multi-agency integration efforts, schedule optimization, customer outreach and engagement, and improving customer amenities.

- Capital Improvements: funds can be used for equipment purchases and track and station improvements with the intent of increasing capacity, reducing travel delays, improving accessibility, and enhancing the customer experience.

The guidelines define the requirements for funding including eligibility and disbursement as well as use and reporting requirements. The complete guidelines are included as Attachment A.

CalSTA programs SRA similar to the State Transportation Improvement Program, utilizing a five-year horizon. The current guidelines include a statutorily required revenue forecast and allocations for each eligible agency. For the current five-year period, fiscal year (FY) 2020-21 through 2024-25, the LOSSAN Agency is expected to receive \$29.8 million, including \$5.7 million in FY 2020-21. Future year estimates will be updated annually and can fluctuate with the price and consumption levels of diesel fuel.

Staff has developed a proposed program of projects that utilizes the full five years of estimated funding. Programming the full estimate allows the LOSSAN Agency to maximize funding by demonstrating need and also generating interest on the allocated funds. The proposed program of projects is summarized in the following table:

Project Title	Description	Funding Amount
Equipment Overhaul and Procurement Matching Funds	Staff to work with Caltrans to evaluate options for procuring new rail cars and other equipment to sustain and expand Pacific Surfliner service. These SRA funds may be utilized as matching funds to leverage future federal and/or state funding opportunities.	\$ 22,970,000
Corridor Hardening and Safety Improvements	Improvements include slope / bluff stabilization, security fencing, crossings or pedestrian access, communication upgrades and improvements, and various other safety related projects along the Santa Barbara Subdivision.	\$ 5,880,000
Interregional Connectivity Improvement Project	This will be a coordinated effort to provide seamless interagency transfers between the Pacific Surfliner and other transportation services within California.	\$ 550,000
LOSSAN Strategic Plan Update	Update the long-term plan for the continued improvement of the Pacific Surfliner service. The plan will develop an updated vision for the LOSSAN Agency, using a short-term horizon, a near-term 2025 horizon, and a long-term 2035 horizon.	\$ 400,000
Total (All Projects)		\$ 29,800,000

These projects focus on both operational and capital improvements that will help to improve safety, on-time performance, and interregional connectivity. Both the interregional connectivity improvement project and the Strategic Plan update were previously programmed using SRA funding, but were placed on hold due to higher priority needs for the funding. These projects are consistent with the LOSSAN Agency goals, the Board approved the Annual Business Plan and the State Rail Plan.

Next Steps

Upon Board approval of the proposed projects, staff will work with CalSTA to submit the necessary documentation to receive the project allocations on a quarterly basis. Included in the required documents are governing body resolutions that authorize the Managing Director to submit project allocation requests on behalf of the LOSSAN Agency. Copies of these resolutions are included in Attachments B and C and are presented for Board approval.

Summary

The State Rail Assistance program, an element of Senate Bill 1, is intended to provide a reliable funding source to commuter and intercity passenger rail services for both operational and capital improvements. The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is an eligible recipient of these funds. Staff has developed a proposed program of projects that will maximize the use of these

funds and interest earnings and provide the most benefit for passenger rail services on the LOSSAN rail corridor and long-term growth of the Pacific Surfliner service.

Attachments

- A. State Rail Assistance, Final Guidelines, December 31, 2019, Applicable for 2020-21 through 2024-25 Funding
- B. Resolution of the Board of Directors of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Authorization for the Execution of the Certifications and Assurances and Authorized Agent Forms for the State Rail Assistance
- C. Resolution of the Board of Directors of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Authorization for the Execution of State Rail Assistance Projects for FY 2020-21 Through FY 2024-25

Prepared by:



Russ Henry
Grants and Funding Manager
(714) 560-5990

STATE RAIL ASSISTANCE
FINAL AMENDED GUIDELINES

DECEMBER 31, 2019

APPLICABLE FOR 2020-21 THROUGH 2024-25 FUNDING



SRA Final Amended Guidelines 2020-21 through 2024-25

Table of Contents

Executive Summary	3
Introduction	6
Senate Bill 1 and State Rail Assistance.....	6
Senate Bill 1 and other rail and transit funding programs.....	6
State Rail Plan, California Transportation Plan 2040, and Regional Transportation Plans.....	6
SRA Funding Process	7
Implementation – Approval of Projects and/or Spending Plans	9
Stakeholder Consultation to Maximize Public Benefits.....	9
Updates to the Guidelines	9
Roles and Responsibilities.....	10
Department of Tax and Fee Administration	10
Department of Finance	10
California State Transportation Agency	10
Recipient Rail Agencies	10
Eligible Recipients & Loan Authority.....	10
Lead Agency	11
Contributing Sponsor	12
Allocation Request and Award Requirements.....	13
Allocation Request Form.....	13
Authorized Agent Form.....	13
Certifications and Assurances Form.....	13
Total Project Cost and Funding Plan	14
Board Resolutions	14
Bank Account	14
Fund Roll-Over	14
Reassigning Funds to a New or Existing Eligible SRA Project.....	15
Reassigning Funds to a new eligible SRA Project:.....	15
Reassigning Funds to an existing SRA Project:	15

SRA Final Amended Guidelines 2020-21 through 2024-25

Interest Earned	16
SRA 2019-20 Calendar.....	17
SRA Allocation Request Submittal	17
Reporting Obligations	18
Project Profile	18
Semi-Annual Progress Report	18
Corrective Action Plan.....	19
Final Project Report	20
Project Audit	21
Spot Audit and On-site Monitoring.....	21
Attachment A - Read Me Text (Allocation Request Instructions)	
Attachment B - Allocation Request	
Attachment C - Authorized Agent	
Attachment D - Certifications & Assurances	
Attachment E - Funding Plan	
Attachment F - Sample Board Resolution #1	
Attachment G - Sample Board Resolution #2	

Executive Summary

This document is the final version of the State Rail Assistance Amended Guidelines, in accordance with the requirements of Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017. Section 99312.3(b)(2) of the Public Utilities Code stipulates that “On or before July 1, 2019, the Transportation Agency shall prepare a draft of the proposed guidelines and distribution formula and make them available for public comment. In preparing the proposed guidelines and distribution formula, the agency shall consult with the state’s five commuter rail service providers. The final guidelines and distribution formula shall be adopted on or before January 1, 2020. The guidelines shall include, but need not be limited to, provisions providing authority for loans of these funds by mutual agreement between commuter rail service providers and providing for baseline allocations to each provider.” The required consultation with the state’s five commuter rail service providers was completed on May 3, 2019. The draft version of the SRA Amended Guidelines was released on July 1, 2019 and reviewed at public workshops in northern and southern California in October of 2019.

This document reflects the changes to the guidelines and distribution formula necessary to implement the results of the consultation. This document also includes changes that clarify and streamline processes, and it brings up to date funding and calendar-related information.

After posting, it will be available for public comment for at least thirty days, and two workshops will occur prior to the finalization of the guidelines, no later than January 1, 2020.

SB 1 is a historic transportation measure that will provide over \$54 billion by 2027 to maintain and improve California’s transportation system. Over the first ten years, SB 1 sets-aside approximately \$7.7 billion for rail and transit investments, and within that amount, approximately \$454 million is directed specifically to commuter rail and intercity rail. The scope of these guidelines is limited to the funding directed to commuter rail and intercity rail in section 99312.3 of the Public Utility Code, as added by SB 1. Similar to the State Transit Assistance program, these funds may be used for both operations and capital improvements. For the purpose of these guidelines, these commuter rail and intercity rail funds are referred to as State Rail Assistance (SRA).

SRA benefits the public by providing the state’s commuter and intercity rail agencies with dependable supplemental revenue that is flexible to invest in the most cost-effective manner to improve rail service including, but not limited to the following:

1. Operations funding for expanded service, outreach, increased customer amenities, and discounted tickets, with a purpose of increasing ridership.
2. Capital investments, such as new and cleaner-emissions rolling stock (to increase capacity and reduce emissions), as well as track and station investments (which will reduce travel times, delays, improve accessibility and enhance the customer experience).

SRA Final Amended Guidelines 2020-21 through 2024-25

Public Utility Code section 99312.3 continuously appropriates the revenue received from a ½ percent sales tax on diesel fuel to SRA. This revenue is estimated to be approximately \$45 million in 2020-21, and increase to approximately \$50 million in 2024-25, totaling approximately \$237 million over the five-year period. These revenue numbers are provided for planning purposes only, based on estimates developed in May of 2019, and are subject to change.

Public Utility Code section 99312.3 directs 50 percent of SRA to intercity rail agencies, 50 percent to commuter rail agencies, and allows loans among agencies within each category. For commuter rail, statute directed an equal split of the funding from 2018-19 and 2019-20 to the state’s five commuter rail providers. These amended guidelines define the distribution formula for 2020-21 and thereafter, which is based on an equal distribution of the first \$17.5 million of commuter rail annual revenues among the five agencies, and the balance of revenue allocated on a statistical formula based on National Transit Database-reported statistics. For intercity rail, statute directs a minimum of 25 percent of funding to each of the state’s three intercity rail corridors with regularly scheduled service. CalSTA determines the distribution of the remaining 25 percent through a separate process that is documented prior to each call for projects.

Based on statutory requirements and the current revenue forecast, allocations are expected as follows:

Commuter Rail Agency	Estimated Distribution*				
	2020-21	2021-22	2022-23	2023-24	2024-25
Altamont Corridor Express Authority (ACE)	\$3.9M	\$3.9M	\$4.0M	\$4.0M	\$4.1M
North County Transit Development Board (Coaster)	\$3.7M	\$3.8M	\$3.8M	\$3.8M	\$3.9M
Peninsula Corridor Joint Powers Board (Caltrain)	\$5.3M	\$5.5M	\$5.6M	\$6.0M	\$6.2M
Sonoma-Marín Area Rail Transit District (SMART)	\$3.7M	\$3.7M	\$3.7M	\$3.7M	\$3.8M
Southern California Regional Rail Authority (Metrolink)	\$6.0M	\$6.2M	\$6.4M	\$7.0M	\$7.2M
Intercity Rail Agency	Estimated Distribution				
	2020-21	2021-22	2022-23	2023-24	2024-25
Capitol Corridor Joint Powers Authority	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
LOSSAN Rail Corridor Agency (Pacific Surfliner)	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
San Joaquin Joint Powers Authority	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
Flexible for intercity rail agencies, public agencies authorized to plan and/or manage intercity rail operations for aspiring corridors, and Caltrans	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M

SRA Final Amended Guidelines 2020-21 through 2024-25

** Revenue distribution estimates for commuter rail agencies are based on the most recently available National Transit Database published figures for the statistical portion of the formula (except for SMART, which is based on the first year of operations). The actual amounts will vary based on actual data reported. As services changes are implemented and ridership growth occurs, the distribution among agencies will change.*

Recipient agencies will report on the planned operations and capital improvements funded with these revenues, so that the state can include the benefit of this program in SB 1 reporting. These guidelines describe the processes for project reporting and anticipated timeline for allocation.

Introduction

Senate Bill 1 and State Rail Assistance

SB 1 is a historic transportation measure that will provide over \$54 billion by 2027 to maintain and improve California's transportation system. Over the first ten years, SB 1 sets-aside approximately \$454 million specifically to commuter rail and intercity rail. The scope of these guidelines is limited to the funding directed to commuter rail and intercity rail in section 99312.3 of the Public Utility Code, as added by SB 1. Similar to the State Transit Assistance program, these funds may be used for both operations and capital improvements. For the purpose of these guidelines, the commuter rail and intercity rail funds are referred to as State Rail Assistance (SRA).

Senate Bill 1 and other rail and transit funding programs

In addition to SRA, SB 1 funds other transit and rail programs through multimodal funding programs, and creates other opportunities to fund rail and transit improvements. Other SB 1 rail and transit funding programs include an augmentation for State Transit Assistance (about \$4.3 billion over 10 years) and an augmentation for Transit and Intercity Rail Capital Program (about \$3.0 billion over 10 years). SB 1 multimodal programs that may be used for transit and rail include: the Solutions for Congested Corridors Program (\$2.5 billion over ten years), the Local Partnership Program (\$2 billion over 10 years), and an augmentation to the State Transportation Improvement Program (\$1.1 billion over 10 years). In addition to SB 1 funding, rail also continues to benefit from California Climate Investment Program funds from Cap and Trade auctions, which fund the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program. Finally, intercity rail benefits from ongoing state funding for existing operations and rolling stock through the Caltrans Intercity Rail Program budget. Rail agencies are encouraged to consider the range of funding available from local, state, and federal sources, and accordingly decide how they can utilize the SRA program to maximize the quality of the rail service for riders.

State Rail Plan, California Transportation Plan 2040, and Regional Transportation Plans

The State Rail Plan was adopted in 2018. This plan, with the broader California Transportation Plan 2040 and Regional Transportation Plans that include SB 375 Sustainable Community Strategies, will guide rail investments in ways that integrate the services of multiple rail and transit operators to maximize public benefits. The SRA funds are primarily formulaic, but they present the opportunity for recipient agencies to use these SB 1 funds in collaboration with partners to further the benefits of coordinated service and planning. This will strengthen the future projects in competitive SB 1 funding programs.

SRA Final Amended Guidelines 2020-21 through 2024-25

SRA Funding Process

As added by SB 1, Public Utility Code section 99312.3 continuously appropriates the revenue received from a ½ percent sales and use tax on diesel fuel to SRA. This revenue is estimated to be approximately \$45 million in 2020-21, and rise to approximately \$50 million in 2024-25, totaling approximately \$230.6 million over the five-year period. These revenue numbers are provided for planning purposes only, based on estimates developed in May of 2019, and are subject to change.

Public Utility Code section 99312.3 directs 50 percent of SRA to intercity rail agencies, 50 percent of revenue to commuter agencies, and allows loans among agencies within each category. For commuter rail, these amended guidelines define the distribution formula for 2020-21 and thereafter. The first \$17.5 million of commuter rail annual revenues will be equally distributed among the five agencies, with no inflation applied to this amount. Should the revenues fall short of \$17.5 million, the available revenues will be split equally among the five agencies. All remaining revenue (calculated by fiscal year of receipt) will be allocated on a statistical formula that has one-third weighting given to each component: (1) directional route miles, (2) annual unlinked trips and (3) annual passenger miles. The data source for the calculation will be the last completed reporting year recorded in the transit agency data profiles available from the National Transit Database, specific to the commuter rail mode for each agency. The calculation will change for future distributions when new data becomes available, generally expected to be once every 12 months.

For intercity rail, statute directs a minimum of 25 percent of funding to each of the state's three intercity rail corridors with regularly scheduled service, these guidelines direct the process for allocation of the remaining 25 percent.

Based on statutory requirements and the May 2019 revenue forecast, allocations are estimated as follows. However, these numbers will fluctuate somewhat due to future changes in the price of diesel fuel and consumption.

SRA Final Amended Guidelines 2020-21 through 2024-25

Commuter Rail Agency	Estimated Distribution*				
	2020-21	2021-22	2022-23	2023-24	2024-25
Altamont Corridor Express Authority (ACE)	\$3.9M	\$3.9M	\$4.0M	\$4.0M	\$4.1M
North County Transit Development Board (Coaster)	\$3.7M	\$3.8M	\$3.8M	\$3.8M	\$3.9M
Peninsula Corridor Joint Powers Board (Caltrain)	\$5.3M	\$5.5M	\$5.6M	\$6.0M	\$6.2M
Sonoma-Marin Area Rail Transit District (SMART)	\$3.7M	\$3.7M	\$3.7M	\$3.7M	\$3.8M
Southern California Regional Rail Authority (Metrolink)	\$6.0M	\$6.2M	\$6.4M	\$7.0M	\$7.2M
Intercity Rail Agency	Estimated Distribution				
	2020-21	2021-22	2022-23	2023-24	2024-25
Capitol Corridor Joint Powers Authority	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
LOSSAN Rail Corridor Agency (Pacific Surfliner)	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
San Joaquin Joint Powers Authority	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M
Flexible for intercity rail agencies, public agencies authorized to plan and/or manage intercity rail operations for aspiring corridors, and Caltrans	\$5.7M	\$5.8M	\$5.9M	\$6.1M	\$6.3M

** Revenue distribution estimates for commuter rail agencies are based on the most recently available National Transit Database published figures for the statistical portion of the formula (except for SMART, which is based on the first year of operations). The actual amounts will vary based on actual data reported. As services changes are implemented and ridership growth occurs, the distribution among agencies will change.*

Since funding levels will fluctuate with the price of diesel fuel, and given the continuous appropriation of funds to this program, programming requests that utilize all or most of the five fiscal years of funding indicated in the table above may be permitted, with CalSTA approval, to utilize future year funding should actual revenues fall short of the estimates.

For the intercity rail funds that are flexible for award to existing corridors, aspiring corridors, and Caltrans, CalSTA will award these funds after dialogue with eligible recipients and stakeholders. Prior to award of any flexible funds, CalSTA will provide public notice, invite public comment, and invite eligible recipients to meet with CalSTA to discuss project ideas. Eligible recipients will be invited to submit a project concept letter formally requesting flexible funds and describing their proposed project. CalSTA will favor projects that promote connectivity, integration of intercity rail service, and that have the greatest potential to grow rail ridership.

SRA Final Amended Guidelines 2020-21 through 2024-25

CalSTA will consider geographic balance over multiple award cycles, but retains flexibility in any given funding round to select the best project or projects.

Implementation – Approval of Projects and/or Spending Plans

CalSTA will work with rail agencies and other stakeholders through draft guideline development, to project completion, including guideline adoption and project selection. After SRA guidelines are adopted, CalSTA will invite eligible agencies to submit an Allocation Request for purposes of validating project eligibility, documenting expected benefits of the spending, and especially, for purposes of transparency and accountability for SB 1 expenditures. The guidelines describe the process that each agency must follow to receive their allocation. The agency will receive their allocation of funds once they have submitted an Allocation Request, and CalSTA has determined the project meets all requirements of the program. Disbursements may occur as frequently as each quarter, if requested by the recipient agency.

Stakeholder Consultation to Maximize Public Benefits

Since the majority of these funds are distributed by formula, the State's role is largely confined to certifying project eligibility and ensuring reporting and accountability of program expenditures. Primary responsibility is assigned to each recipient rail agency and their respective public boards to ensure funds are spent in a cost-effective manner to *maximize* public benefit. Recipient rail agencies are strongly encouraged to engage with stakeholders in crafting SRA expenditure plans. Stakeholders should include, but should not necessarily be limited to the following groups:

- Individuals and groups representing the general public, including those representing disadvantaged and low-income communities
- Elected representatives at the local, state and federal levels, and plans and policies developed at all levels of government
- State, Regional, and Local transportation planning entities and their respective transportation plans
- The California Air Resources Board and regional air boards, who may be provide expertise and be funding partners in clean technology and investment

To ensure public transparency and opportunities for public engagement, recipient rail agencies must adopt their SRA expenditure plan at a public meeting of their boards.

Updates to the Guidelines

CalSTA reserves the right to reopen and revise these guidelines at any time, at its discretion. New revenue estimates will be provided as available during the time period covered by the guidelines through separate documentation.

Roles and Responsibilities

Department of Tax and Fee Administration

The Department of Tax and Fee Administration collects the sales tax on diesel fuel, of which ½ percent of the rate is directed to State Rail Assistance. The Department of Tax and Fee Administration already reports estimated diesel sales tax revenue quarterly, for purposes of State Transit Assistance, and reports this information to the Department of Finance.

Department of Finance

Upon receipt of quarterly diesel sales tax reports from the Department of Tax and Fee Administration, the Department of Finance will forward this information to CalSTA.

California State Transportation Agency

CalSTA is responsible for developing and updating the program guidelines, including administrative and reporting requirements and disbursement of funds. CalSTA may delegate certain duties or responsibilities of the program to the Department of Transportation (Caltrans).

Recipient Rail Agencies

Recipient rail agencies are responsible for adhering to the requirement of statute and guidelines as a condition of receiving SRA funds.

Eligible Recipients & Loan Authority

Eligible recipients are those that meet the definition in Public Utilities Code 99312.3, which are (1) public agencies, including joint powers agencies, responsible for state-supported intercity rail services, and (2) public agencies, including joint powers agencies, responsible for commuter rail services.

Commuter Rail Agency
Altamont Corridor Express Authority (ACE)
North County Transit Development Board (Coaster)
Peninsula Corridor Joint Powers Board (Caltrain)
Sonoma-Marín Area Rail Transit District (SMART)
Southern California Regional Rail Authority (Metrolink)
Intercity Rail Agency
Capitol Corridor Joint Powers Authority
LOSSAN Rail Corridor Agency (Pacific Surfliner)
San Joaquin Joint Powers Authority
Caltrans & public agencies authorized to plan and/or manage intercity rail operations for aspiring rail corridors

Statute directs that guidelines include provisions providing authority for loans among agencies within each category of Commuter Rail and Intercity Rail. Eligible Recipients are defined below as either a Lead Agency or a Contributing Sponsor to facilitate loans or transfers between agencies.

Lead Agency

The Lead Agency is an eligible recipient of SRA funds that is responsible for requesting funds and the implementation of the project or expenditure plan. The Lead Agency is also responsible for submitting a complete Allocation Request, and ensuring funds are only applied to approved expenditures, in accordance with these guidelines. Lead Agencies may receive funds from contributing sponsors that support the approved project, where the Lead Agency will also ensure that the appropriate signatures are included with final Allocation Requests from the contributing sponsor. Once an Allocation Request is approved and authorized for funding, CalSTA will send SRA funds directly to that Lead Agency. The Lead Agency is also responsible for:

1. Oversight and/or performance of all work from receipt of funding through completion of the project.
2. Establishing a bank account for SRA funds. If a separate account is not possible, the agency may show documents of a line item or subaccount dedicated to SRA funds.
3. All project documentation including but not limited to: Allocation Request, Corrective Action Plans, Reports, Project Audits, and any additional information needed in the event of an audit. Please review the Reporting section for greater detail.
4. Comply with all applicable California Environmental Quality Act (CEQA), civil rights and environmental justice obligations under state and federal law.

SRA Final Amended Guidelines 2020-21 through 2024-25

5. Maintaining copies of project records for three years after the Final Project report or Final Phase report is submitted.

Contributing Sponsor

The contributing sponsor is an Eligible Recipient that passes some or all of their SRA funds to the Lead Agency to support a project. CalSTA is not responsible for tracking funding agreements (borrowing, loaning, delegating, relinquishing funds, etc.) between Eligible Recipients, including the lead agencies and contributing sponsor. CalSTA will track allocation amounts to ensure funding is accurate per the formula distribution and track contributing sponsors signature of agreement in order to pass their fund to the Lead Agency who will carry out the project requirements.

Project Eligibility

SRA was created to provide operating and capital assistance for commuter and intercity rail agencies. Public Utilities Code 99312.3 does not provide any additional direction beyond subdivision (c) of that section that specifies: *The funds made available by this section may be used for operations and capital improvements.* These guidelines permit projects that cover a full range of transportation planning and mass transportation purposes, with the direction that rail agencies spend these funds in a cost-effective manner to provide operations and capital improvements for the benefit of the public. Transportation planning efforts includes, but is not limited to, service development plans, environmental reporting, feasibility studies, alternative analysis, strategic plans, ridership modeling, multi-agency integration efforts, schedule optimization, and long-and short-range transit planning. The Allocation Request section of these guidelines, requires reporting of expenditures for SB 1 reporting and accountability. The State role is to confirm operations and capital improvement are likely to be achieved with the proposed projects or expenditure plans submitted, and that proposed expenditures are consistent with the broad definition of mass transportation purposes.

A companion measure to SB 1 is Assembly Constitutional Amendment 5 (ACA 5) which amended Article XIXA of the California Constitution to restrict expenditure of these funds to only transportation planning and mass transportation purposes. Given that mass transportation service is the core service provided by all of the agencies eligible to receive these funds, the adoption of ACA 5 is not expected to impact the projects approved for SRA. However, agencies spending SRA funding will be expected to comply with all statutory and constitutional requirements whether specifically addressed in the SRA guidelines or not.

Allocation Request and Award Requirements

This section will highlight how an agency should request their allocation and the requirements for the awarded projects that the Lead Agency and Contributing Sponsor must comply with and or submit. All forms referenced below in this section are found in a spreadsheet found on the project website titled “Allocation Request Form.” The project website is at <https://calsta.ca.gov/state-rail-assistance-program/>.

Allocation Request Form

The Lead Agency must submit to CalSTA a description of the proposed rail expenditure or expenditures it intends to fund with the SRA allocation. A guide for this form is available as Attachment A. The SRA Allocation Request form is the basis for CalSTA’s verification that the project is consistent with SRA requirements and is provided as Attachment B. This attachment requests project information, sponsors, authorized signatures, a detailed description of major benefits, and schedule. Please note that a complete Allocation Request must be submitted in order to receive an agency’s apportionment. This will allow the state to release funds quarterly to the Lead Agency’s bank account where funds could potentially accrue interest.

Any Contributing Sponsor(s) must also sign the Allocation Request form indicating the dollar amounts to be contributed, or provide a signed letter detailing this information. If there are multiple contributing sponsors, each sponsor must sign the Allocation Request indicating their respective portion of funds being contributed or submit a signed letter with the required information as described above.

Authorized Agent Form

The executive authority of an eligible recipient of SRA funds must submit to CalSTA a signed and dated Authorized Agent form that is Board approved, identifying the agent(s) who is (are) given authority to act for the executive authority to submit the Allocation Request Form and all reporting documents. If there is a change in the Authorized Agent(s), the eligible recipient must submit a new form. This form is required even when the Authorized Agent is the executive authority. The form is provided as Attachment C.

Certifications and Assurances Form

Before submitting an Allocation Request, the eligible recipient must submit a self-certification that their agency will meet all requirements of the SRA Guidelines, including all reporting deadlines. Only Allocation Requests from agencies with a signed Certifications and Assurances document on file will be accepted. Agencies who do not have this form on file must submit a signed Certification and Assurances with their Allocation Request. This form must be Board approved and is provided as Attachment D.

SRA Final Amended Guidelines 2020-21 through 2024-25

Total Project Cost and Funding Plan

Attachment E provides an itemized list of all fund sources for full project costs. This will detail a break-out of each fiscal year of SRA contributions. The Lead Agency must provide a Total Project Cost and Funding Plan for the project that shows all fund sources (not just the SRA portion) needed to complete the project. If future year SRA funding is to be dedicated to the project, include those funds on the Total Project Cost and Funding Plan sheet and list the estimated amount in the appropriate fiscal year. The Authorized Agent must sign the statement on the Funding Plan to assume all fiscal responsibilities.

Board Resolutions

The Authorized Agent, Certifications and Assurances Board Resolution, and Project Board Resolution may be combined into one Board Resolution. A sample is provided as Attachment F and G.

The Project Resolution must include a description of the project, the amount of SRA funds requested. This resolution is crucial and demonstrates the project was publicly reviewed. It is recommended that agencies utilize the sample project board resolution for use when submitting the Allocation Request to ensure all language is captured. A Lead Agency may combine multiple SRA Projects on one resolution, but each project must be listed separately or bulleted.

Bank Account

Once an Allocation Request is approved, CalSTA will release the allocation amount to the Lead Agency. The Lead Agency must deposit funds into a dedicated bank account that will hold only SRA funds. If a separate account is not possible, the agency may show documents of a line item or subaccount dedicated to SRA funds. When the agency submits their Semi-Annual reports, they are required to submit a copy of their most recent bank statement.

Fund Roll-Over

If the agency is not prepared to initiate a project in the current fiscal year, they may roll funds over into a subsequent fiscal year, accruing a maximum of 4 years of SRA funds for a more substantial project. All funds must be applied to the project within four years. Approved projects must also be completed and funds expended within the subsequent 4 years.

If the Lead Agency intends to roll over funds or hold funds for a more substantial project, a full Allocation Request must be submitted each year. For the period covered by these guidelines (2020-21 through 2024-25), a Lead Agency may submit all years up front or submit annual requests each year. Unrequested funds will be held by the state. Future guidelines may include provision for loans or reallocation of any funds that do not have an allocation request. After the project has been fully reviewed and approved, CalSTA will release the requested funds to the

SRA Final Amended Guidelines 2020-21 through 2024-25

Lead Agency as often as quarterly as funds are received to be deposited in the dedicated SRA bank account. Funding received in the first year will remain in the account while the subsequent year(s) funds are accrued and added to the account. Upon receipt of the final year's funding, whether it's for four years or less, the agency will have six months to begin the project.

Reassigning Funds to a New or Existing Eligible SRA Project

Lead Agencies may find that they have surplus funds at the completion of an approved SRA project or they may determine the funded SRA project is no longer a high priority or feasible. As a result, the Lead Agency may apply to reassign funds to a different approved SRA project. If the project is complete and there are surplus funds, an agency should include the proposed use for the surplus funds as part of the required Final Report. If use of surplus funds has not yet been determined, CalSTA staff shall treat the project as on-going (incomplete) until the agency identifies an eligible SRA project to receive the surplus funds. If the agency elects to reprioritize eligible projects and redirect approved SRA funds to an alternate project, a Corrective Action Plan (CAP) for the original project must be submitted. The alternate project must be approved by CalSTA. If the alternate project is not a previously approved SRA project, the project lead must submit a completed Allocation Request and comply with all requirements of the application process.

Reassigning Funds to a new eligible SRA Project:

- The Allocation Request for the reassigned funds should be treated the same as an Allocation Request submitted for new funding, and all required documents must be submitted in the same manner.
- The new project must expend the funds within the time limits of the original allocation of funds.
- CalSTA will review and approve or deny the reassignment within 30 days. The new Allocation Request must have all the authorized signatures of the same agencies as the original project, indicating all contributing sponsors are aware of the new use of their contributed funds.
- The Lead Agency may not expend surplus funds from the new project before receiving written approval from CalSTA authorizing the Lead Agency to do so.

Reassigning Funds to an existing SRA Project:

- The Lead Agency must submit a CAP for the project that will no longer be using SRA funds. The justification should list the project that will receive the reassigned funds.
- An additional CAP is to be submitted for the existing approved SRA project receiving the reassigned funds. This CAP should list the original fund amounts and the revised amounts based on the transfer of funds following the steps listed above.

SRA Final Amended Guidelines 2020-21 through 2024-25

- The reassigned funds must be expended within the time limits of the original allocation of funds.
- If there are any contributing sponsors to the reassigned funds, the Lead Agency must have sign-off from the contributing sponsor for the change in use of their funds. This may be documented by adding signature lines to the CAP or including a signed letter from the contributors indicating agreement of the use of their funds.
- If CalSTA determines an agency has a pattern/history of reassigning the same funds multiple times, the agency may be placed on the list of high-risk project leads and could be subject to a spot audit (see section on spot audits).

Agencies who fail to submit revisions made to the CAP as requested by CalSTA and/or are delinquent in other required reports and submittals, may have additional allocations of SRA funds suspended until all delinquent items have been submitted and approved, as determined by CalSTA.

Interest Earned

Interest on SRA funds must be used in the same manner as the principal. Interest earned must only be used for approved SRA projects. If the project costs exceed the amount on the approved Allocation Request, any interest earned may be applied to the project. The Lead Agency must first submit a CAP and receive CalSTA approval of that CAP before any interest earned may be applied to the project. Interest remaining after a project closeout must be applied to another approved SRA project. Any unused interest not applied to a current project should be applied to the next Allocation Request submitted and used prior to or along with, the allocation of additional funds. CalSTA will inquire about the status of unused interest every six months until said interest earned is exhausted.

SRA Final Amended Guidelines 2020-21 through 2024-25

SRA 2019-20 Calendar

Allocation Request Schedule:	
CalSTA posts Final SRA Guidelines	Before Jan 1, 2020
CalSTA provides updated notification of expected funding levels	February 2020
Transit agencies submit first allocation requests to CalSTA	July 15, 2020
CalSTA approves project lists	August 31, 2020
CalSTA commences quarterly allocations	October 2020
Reporting Schedule:	Ongoing
Semi-Annual Report due to CalSTA (on data January 1 – June 30)	August 15 th
Semi-Annual Report due to CalSTA (on data July 1 - December 31)	February 15 th

SRA Allocation Request Submittal

The following required documents must be submitted electronically to CalSTA:

- Signed original Allocation Request
- Authorized Agent form
- Certifications and Assurances
- Funding Plan
Board Resolutions

Required documents should be e-mailed to SRA@CalSTA.ca.gov. All documents shall be submitted in a format compliant with the Americans with Disability Act accessibility requirements.

Reporting Obligations

SRA requires reporting so the State can itself report on the use of the funds and status of projects, and in order to reflect project progress in other funding, planning and approval processes of the state. This section will highlight all of the reporting requirements that rail agencies must complete.

Project Profile

The following project information is required from each Project Lead and is provided in the Allocation Request:

1. ID Number (file number assigned by CalSTA after all allocations are received)
2. Project Type (i.e., expand transit service, enhancement projects)
3. Project Description
4. Location (address, county, Lat/Long, etc.)
5. Total amount of SRA dollars to be allocated
6. Total Project Cost and leveraged funds
7. Project Schedule
8. Estimated Co-benefits (i.e., connectivity and integration with other rail operators, benefits to disadvantaged or low-income communities, benefits for station-area development, or other benefits Project Leads may wish to cite)

Semi-Annual Progress Report

The project's Lead Agency is required to report semi-annually to CalSTA on the activities and progress of each approved and allocated project to ensure activities are performed timely, within approved scope and cost, and are achieving the intended purpose for which they are to be utilized. The Lead Agency must notify CalSTA when allocated SRA funds have been liquidated and must provide completed and signed progress reports every six months until an approved project is completed, and the final project report has been filed.

Reports will cover information accrued from July 1st to December 31st and January 1st to June 30th. The reports will be due by February 15th and August 15th, respectively.

The report consists of two sections, the "Semi-Annual Report" and the "Semi-Annual Itemized Expenditure Table". This report must contain accurate and up-to-date information on the progress of each project. Reports will only be accepted by CalSTA staff when determined to be complete and accurate. Bank statements for June 30th or December 31st must be attached to the expenditure table.

All projects are expected to begin work within six months of becoming fully funded. Should a project experience any delays, the cause of such delay must be reported as an amendment, under "Justification for Change". This amendment section should only be used for minor changes to the project and to discuss delays in the start date. Should there be a major change, a full

SRA Final Amended Guidelines 2020-21 through 2024-25

Corrective Action Plan (CAP) is required. Any justification deemed inadequate by CalSTA will be questioned and the agency will be asked to provide further information. If projects have not begun within six months of the project becoming fully funded, the report must include a clear description of the circumstances delaying the project which leaves no question that the circumstances were unforeseen, uncommon, and beyond the control of the agency. The description must include information indicating specific steps the agency plans to take to keep the project on task. Agencies with a project that is repeatedly delayed will be encouraged to reassign the funds and complete a CAP.

If the agency is accruing SRA funds over a period of two years or more, a full Semi-Annual report will not be required until the project is fully funded and ready to go. However, a bank statement will still be required to verify the receipt of each year of SRA funds and the establishment of the dedicated bank account. A copy of the bank statement will continue to be required, due concurrently with Semi-Annual report requirements, until the project has started, at which time the Semi-Annual reports will begin. Funding received in the first year may remain in the account until the second, third and/or fourth year funds are accrued and added to the account. At that time, assuming the project is fully funded, the agency will have six months to begin the project.

All reports must reflect accurate and complete project information. Any incomplete or inaccurate reports will not be accepted and will be considered delinquent until submitted with corrections and/or additional information as requested by CalSTA. Agencies found to have submitted inaccurate information will be placed on the list of high-risk project leads and could be subject to additional spot audits.

Upon receiving a written request that includes a justification for reduced reporting, CalSTA may allow reporting on an annual basis for projects receiving SRA funding and will indicate its approval in writing. However, should supplemental reporting be needed in order to support state decision-making, Lead Agencies will be expected to be responsive in a timely fashion in providing up-to-date project reporting.

Agencies, with delinquent reports will not receive further SRA allocations until reports have been received by CalSTA.

Corrective Action Plan

To change an approved Allocation Request, including any changes to the originally approved scope, schedule, or cost, the Lead Agency must first obtain approval from CalSTA by submitting a Corrective Action Plan (CAP). This must be done before funds can be applied to any use other than the current project's approved scope of work. Funds may not be used on an alternate project until the CAP has been submitted and approved. If the funds are being applied to an alternate project, it must have an approved SRA Allocation Request on file. The CAP must indicate any potential changes in the scope, approved funding amounts, and schedule. If the scope of work

SRA Final Amended Guidelines 2020-21 through 2024-25

changes the type or level of benefits, the changes must also be reflected in the benefit description, with revised estimates of benefits listed.

If the project schedule is being revised to reflect any delays or obstacles, an adequate justification must be given in the CAP. All CAPs must have the justification for change completed. If a justification is not deemed adequate by CalSTA, the agency will be asked to provide a revised justification before the CAP is approved. The project change may not move forward until CalSTA has approved the CAP.

If it is discovered that an agency has begun spending funds on a task or project outside the approved scope of work prior to submitting a CAP or prior to CalSTA approval of the CAP, the agency will be placed on the list of high-risk Lead Agency. The State is entitled to recover any and all funds that are spent on ineligible expenses.

Upon receipt of the CAP, CalSTA has 30 days to review and approve/not approve the document. Agency may not proceed without CalSTAs' approval of the CAP.

Final Project Report

Once a project has been completed, the Lead Agency must notify CalSTA by email or letter and submit a final project report within six months of completion. Please note, once an agency has received all SRA funding for a particular project, the project must be fully expended within four years. The final project report includes:

1. Final Project Report Form: Includes the comparison of actual project performance of the final project to project performance when the allocation was requested. It will also include summarized information regarding co-benefits for the project.
2. Final Project Itemized Expenditure Table: Complete this table and attach the latest bank statement from the SRA dedicated bank account.
3. Verification: Project completion as scoped must be verified. The Lead Agency will provide evidence of project completion, including photograph(s) of the completed project. Evidence of project completion can be satisfied by submitting the required photographs and one or more of the following: A copy of the final invoicing; and a copy of the punch list from the facility's final walk through; and a copy of the Title, if the project is to procure a vehicle. This list includes a samples of what can be used to show evidence regarding completion of a project. Please contact SRA staff to discuss alternatives that may exist for your circumstances. In the case of a planning project, the completed plan shall be submitted to satisfy verification requirements.
4. Savings: If the project has been completed with a savings, the report should indicate the amount of savings and how those funds will be applied towards an approved SRA project. Any project cost savings not reassigned to current project should be applied to the next Allocation Request submitted, and used prior to, or along with, the allocation of

SRA Final Amended Guidelines 2020-21 through 2024-25

additional funds. CalSTA, will inquire about the status of any outstanding cost savings every six months until said savings are exhausted.

Please ensure that expended interest and all other information in the final report are properly reported. Incomplete or incorrect reports will not be accepted and will be considered delinquent until corrections are provided. Agencies with delinquent reports will not receive further SRA allocations until completed and/or corrected reports have been received by CalSTA.

Project Audit

Annual audit of public transportation operators required under the Transportation Development Act (TDA), per PUC 99245, must include verification of receipt and appropriate expenditure of funds. Project leads receiving SRA funds in a fiscal year for which a TDA audit is conducted must submit a copy of the audit to Caltrans by December 31st, six months after the close of the fiscal year (closes June 30th). Audits will be made available to the Legislature and the SCO. Lead agencies may request a 90-day extension from the December 31st deadline to March 31st. They must notify Caltrans in writing via e-mail or a formal letter. Project leads who fail to submit an expanded TDA audit documenting all SRA funding allocated to date will not receive future SRA allocations until the required document(s) have been submitted to Caltrans.

Spot Audit and On-site Monitoring

Spot audits and on-site monitoring can take place at any time at the discretion of CalSTA without prior warning given to the agency. Either a spot audit or monitoring may be conducted concerning specific issue or function. Any evidence or information that supports the need for compliance audit action or monitoring will be pursued by Caltrans at the direction of CalSTA. High-risk lead agencies are likely to become the subject of a spot audit or on-site monitoring. Agencies or projects will be placed on the high-risk list for the following:

1. Delinquent with reporting requirements and or not providing documentation as stipulated in the SRA guidelines
2. Agencies with frequent errors or that have not conformed to the requirements of previous awards
3. Agencies engaged in multiple reassignments of funds
4. Projects with 0% progress one year after allocation

CalSTA may select agencies and perform a review of SRA-related information from the agency. If selected, an agency will be notified and will be asked to provide additional documents, for review and examination by CalSTA or its assigned representative, pertinent to the SRA program and projects that have been funded with SRA. If inconsistencies are found, agencies will be provided an opportunity to correct those errors. If discrepancies are not corrected, the agency will not be eligible to receive future funding.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL
CORRIDOR AGENCY**

**AUTHORIZATION FOR THE EXECUTION OF THE
CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS
FOR THE STATE RAIL ASSISTANCE**

WHEREAS, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is an eligible project sponsor and may receive state funding from State Rail Assistance (SRA) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the California State Transportation Agency as the administrative agency for the SRA; and

WHEREAS, the California State Transportation Agency has developed guidelines for the purpose of administering and distributing SRA funds to eligible project sponsors, and

WHEREAS, the California State Transportation Agency requires the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency to complete and submit a Governing Body Resolution for the purposes of identifying agent(s) authorized to act on behalf of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency to execute actions necessary to obtain SRA funds from the California State Transportation Agency and ensure continued compliance with SRA assurances, and

WHEREAS, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency wishes to delegate authorization to execute these documents and any amendments thereto to Donna L. DeMartino, Managing Director.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all SRA funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that Donna L. DeMartino, Managing Director, and/or her designee, is hereby authorized to execute for and on behalf of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, a public entity established under the laws of the State of California, all required documents of the SRA program and any Amendments thereto with the California Transportation Agency.

ADOPTED, SIGNED AND APPROVED this 16th day of November 2020.

AYES:

NOES:

ABSENT:

ATTEST:

Martha Ochoa
Clerk of the Board

Al Murray, Chairman
Los Angeles – San Diego –
San Luis Obispo Rail Corridor Agency

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL
CORRIDOR AGENCY**

**AUTHORIZATION FOR THE EXECUTION OF
STATE RAIL ASSISTANCE PROJECTS FOR FISCAL YEARS 2020-21 THROUGH
FISCAL YEARS 2024-25**

WHEREAS, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is an eligible project sponsor and may receive state funding from State Rail Assistance (SRA) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the California State Transportation Agency as the administrative agency for the SRA; and

WHEREAS, the California State Transportation Agency has developed guidelines for the purpose of administering and distributing SRA funds to eligible project sponsors, and

WHEREAS, the California State Transportation Agency requires the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency to complete and submit a Governing Body Resolution for the purposes of authorizing the execution of SRA projects, and

WHEREAS, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency wishes to implement SRA projects in Fiscal Years 2020-21 through 2024-25.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency that the fund recipient agrees to comply with all conditions and requirements set forth in the applicable statutes, regulations and guidelines for all SRA funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED by the Board of Directors of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency hereby authorizes the submittal of project nominations and allocations requests to CalSTA for the utilization of SRA funds in FY 2020-21 through 2024-25.

ADOPTED, SIGNED AND APPROVED this 16th day of November 2020.

AYES:

NOES:

ABSENT:

ATTEST:

Martha Ochoa
Clerk of the Board

Al Murray, Chairman
Los Angeles – San Diego –
San Luis Obispo Rail Corridor Agency



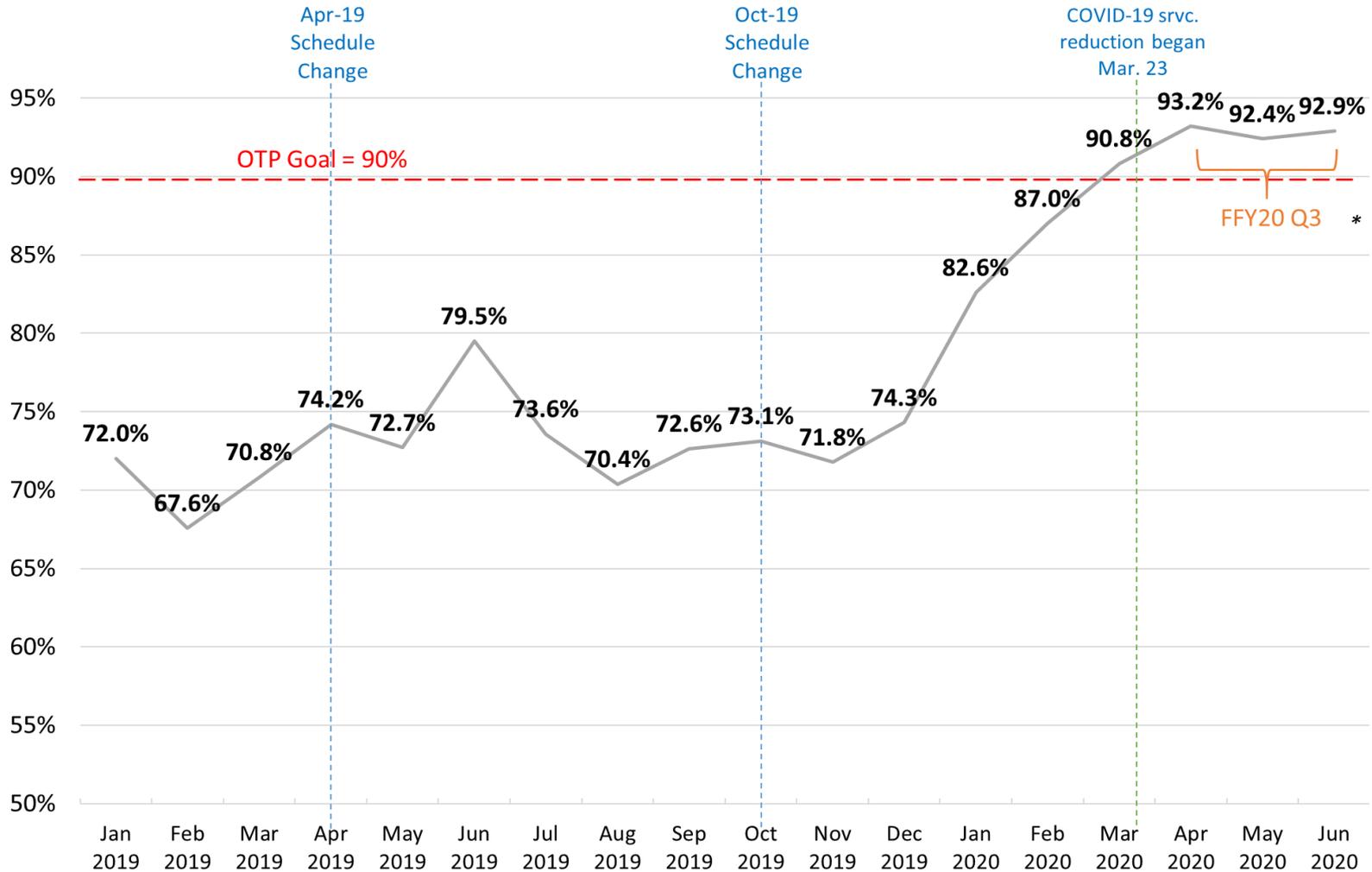
Pacific Surfliner

On-Time Performance Analysis

Third Quarter – Federal Fiscal Year 2019-20

Board of Directors Meeting
November 16, 2020

Monthly Average Endpoint On-Time Performance (OTP) - Systemwide

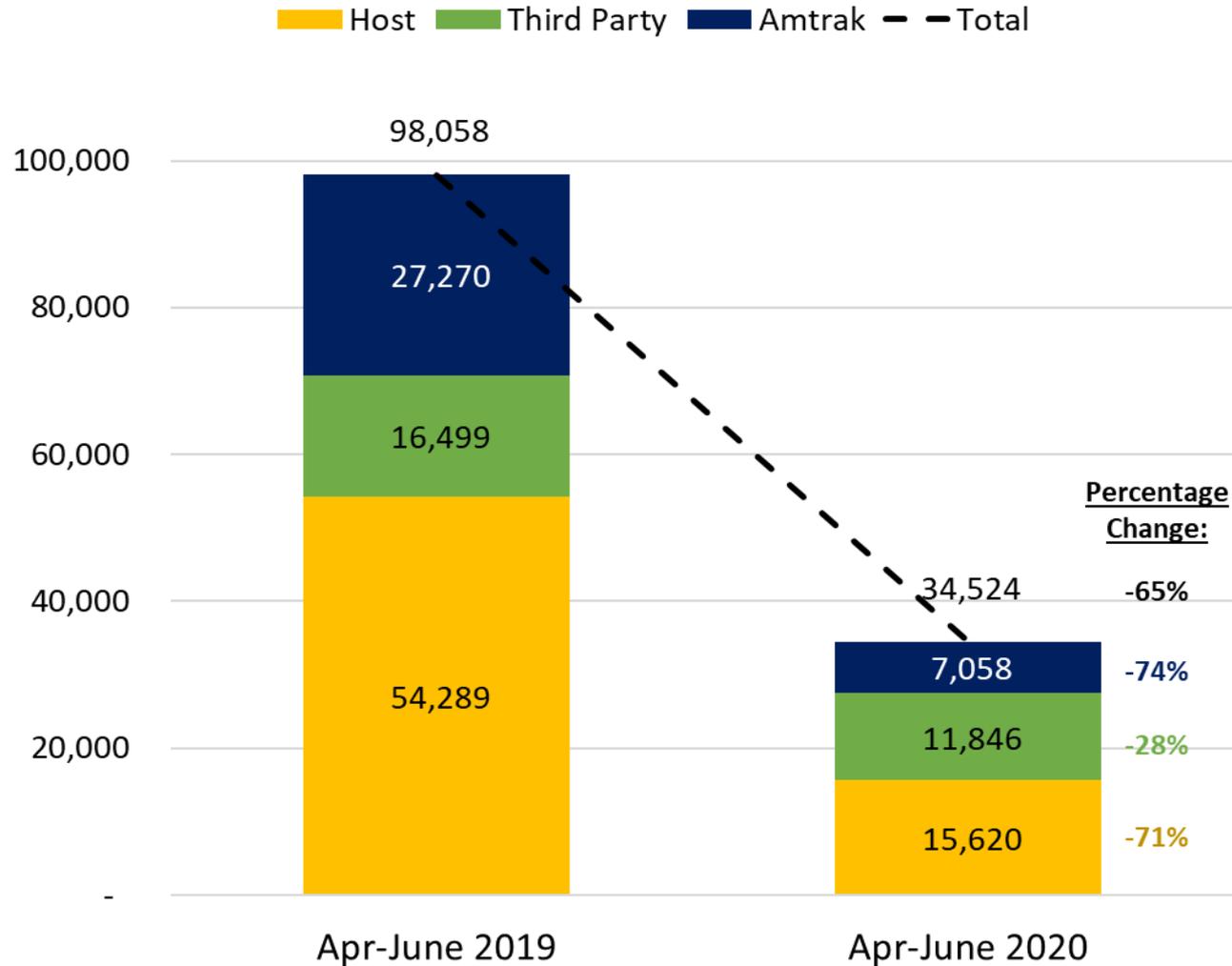


- May/June 2020 based on preliminary unaudited data
- COVID-19 service reduction – 13 roundtrips to 6 roundtrips
- Percentage (%)

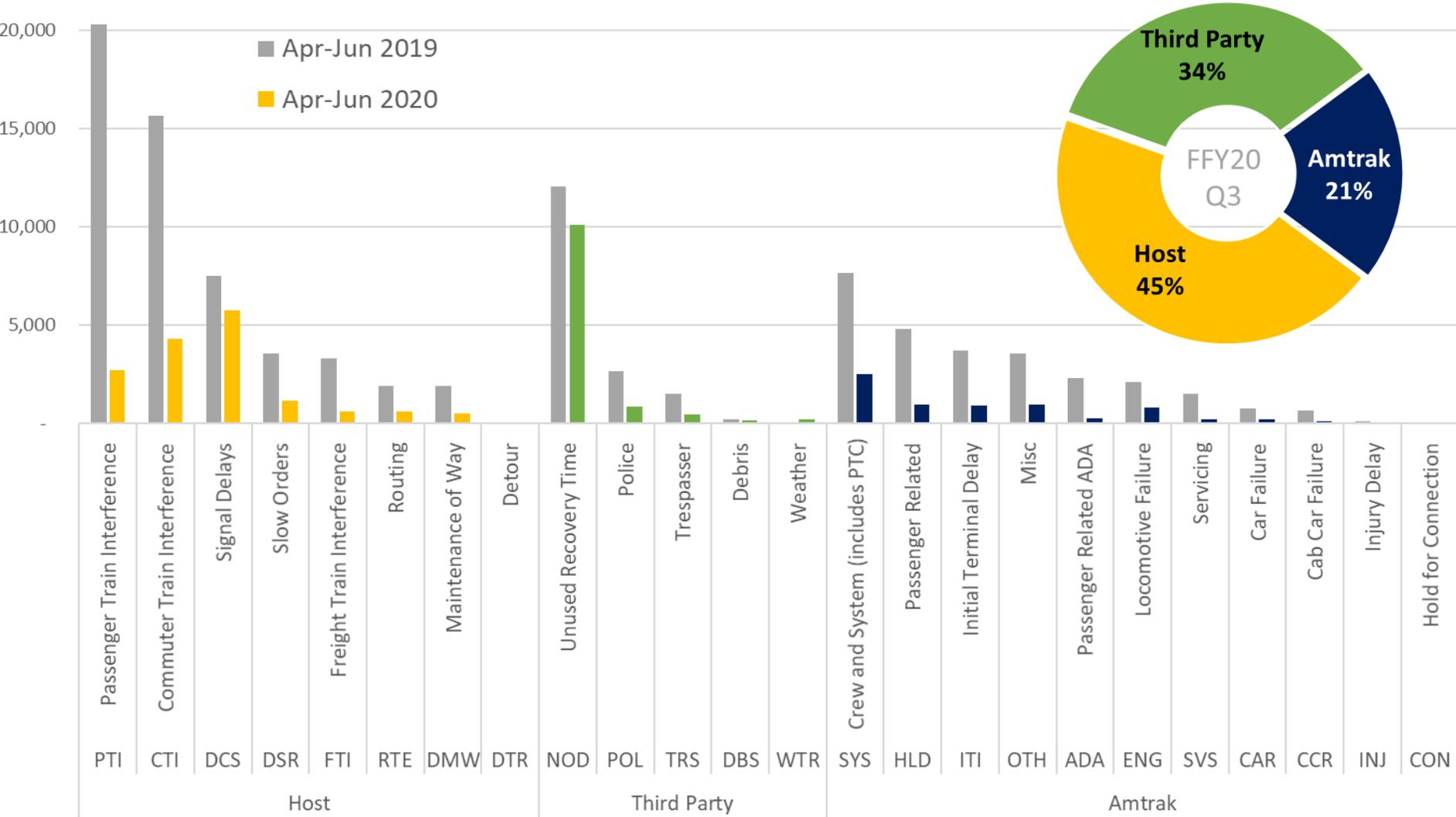
Federal Fiscal Year (FFY) 2020 Third Quarter (Q3) Average Endpoint OTP by Train

Train	Apr-20	May-20	Jun-20	3 Month Avg.
1768	100.0%		100.0%	100.0%
1777			100.0%	100.0%
1785			100.0%	100.0%
1796	100.0%		100.0%	100.0%
1763	100.0%			100.0%
767	95.5%	100.0%	100.0%	98.5%
796	100.0%	93.5%	90.0%	94.5%
579	93.3%	96.8%	93.3%	94.5%
564	81.8%	100.0%	100.0%	93.9%
580	93.3%	90.3%	96.7%	93.4%
768	90.0%	93.5%	96.7%	93.4%
593	83.3%	96.8%	100.0%	93.4%
1584	100.0%	90.9%	87.5%	92.8%
1767	100.0%	90.9%	87.5%	92.8%
763	93.3%	93.5%	86.7%	91.2%
774	96.7%	96.8%	80.0%	91.2%
777	93.3%	87.1%	90.0%	90.1%
785	93.3%	93.3%	80.0%	88.9%
584	77.3%	90.0%	90.9%	86.1%
1564	87.5%	72.7%	87.5%	82.6%
System Average	93.2%	92.4%	92.9%	93.9%

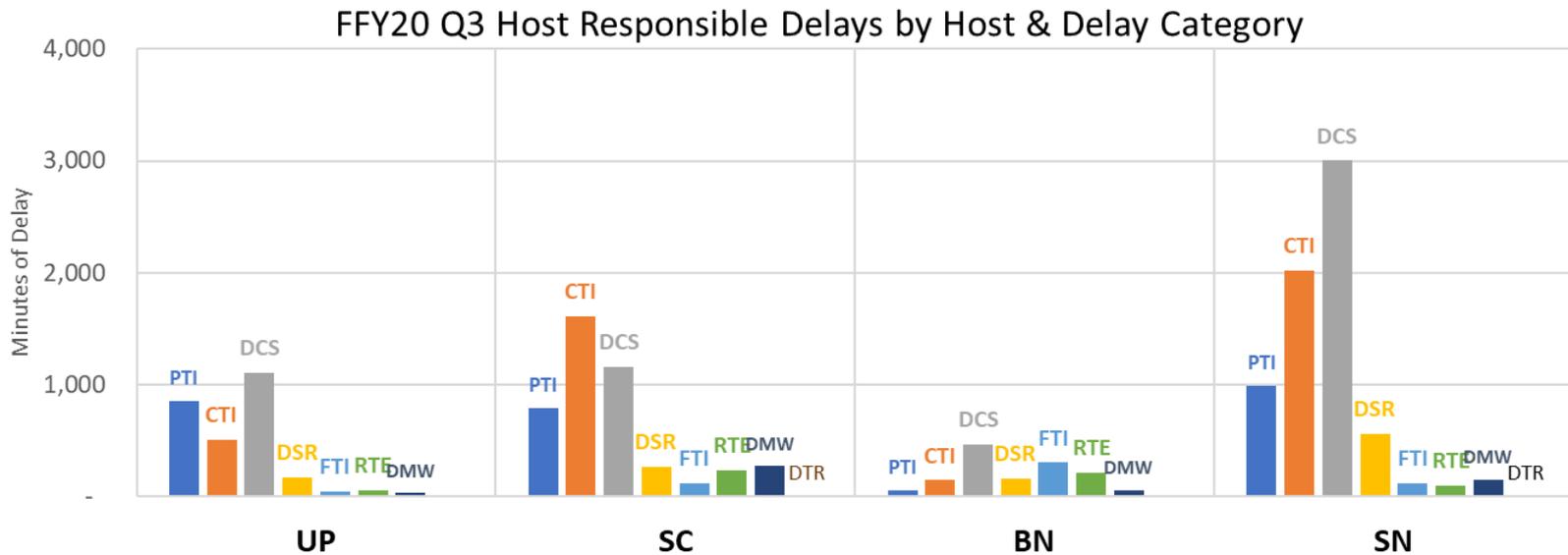
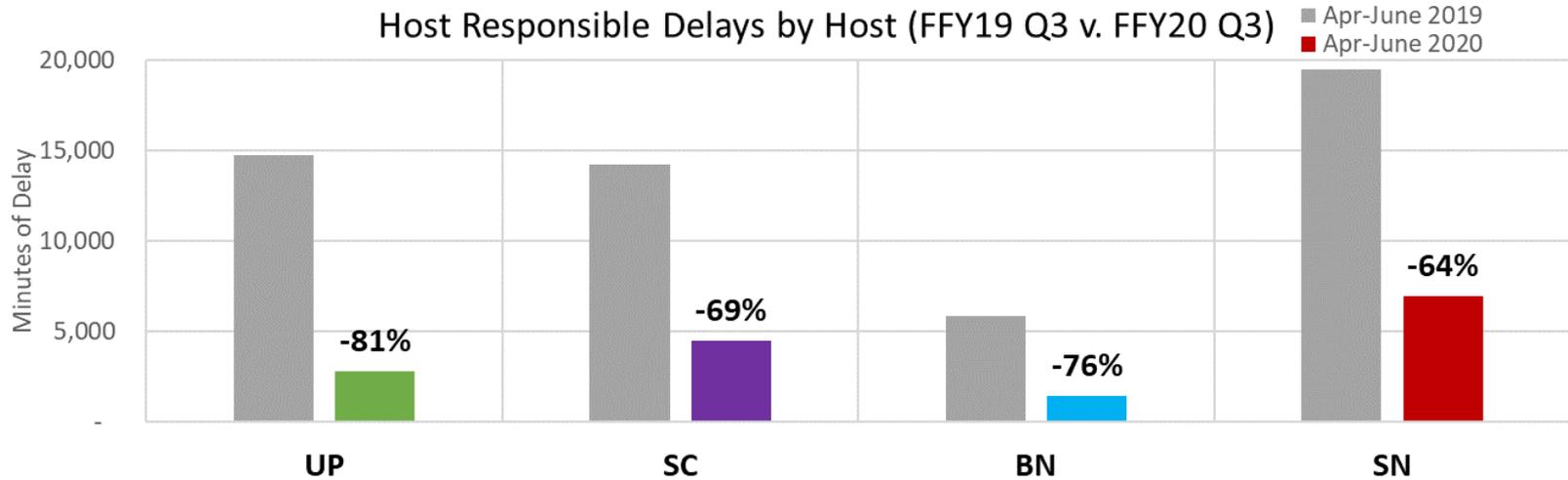
Delays by Responsible Party FFY19 Q3 v. FFY20 Q3



Delays by Category & Responsible Party FFY19 Q3 v. FFY20 Q3

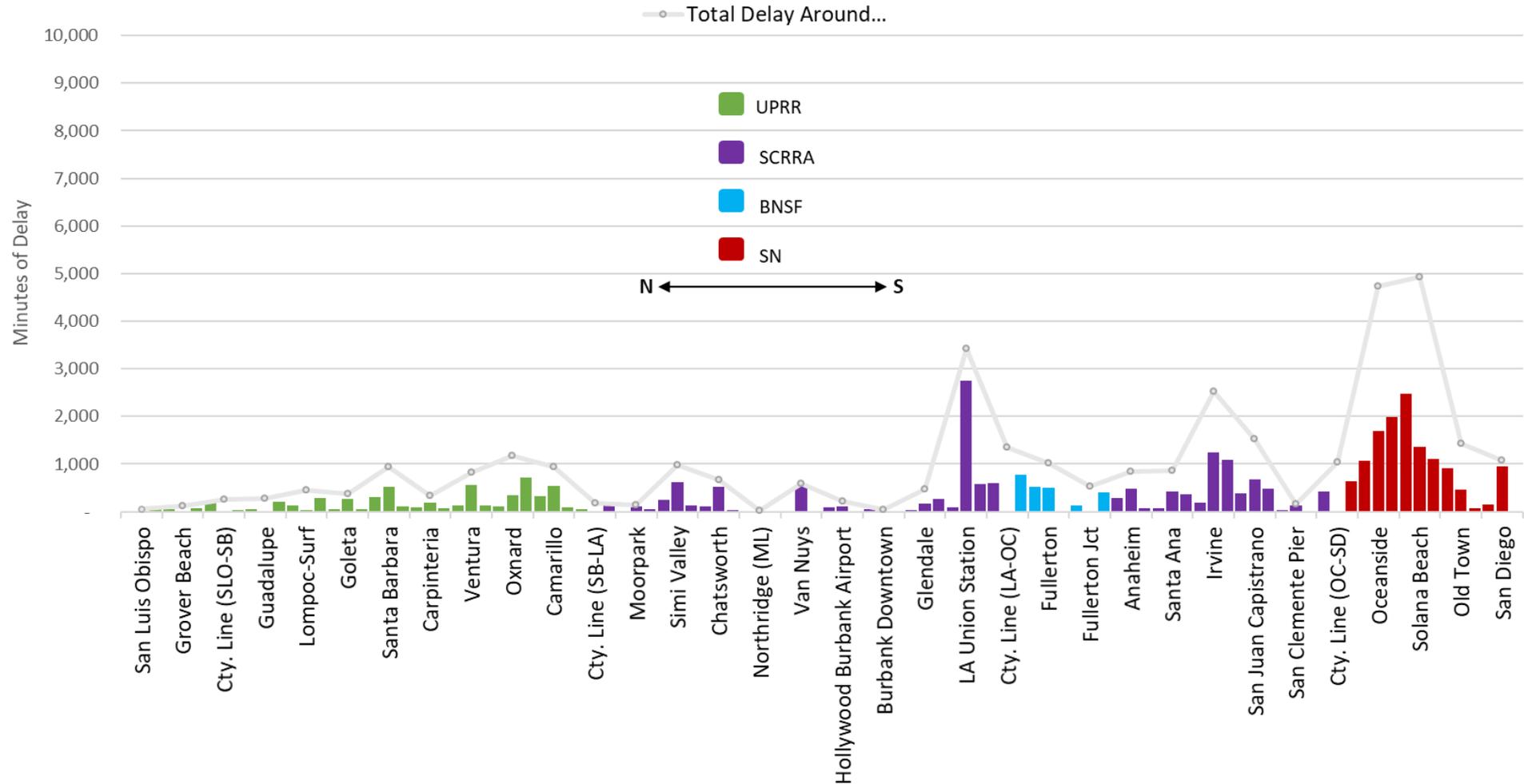


Host Responsible Delays



Total Delay Distribution – By Location

FFY20 Q3 (Apr-June 2020) Total Delay Distribution by Location



Conclusions – FFY20 Q3

- OTP improved significantly in FFY Q3 during COVID-19 reduced service schedule, with systemwide OTP performing above 90% OTP goal.
- Amtrak, host, and third-party delays decreased by 74%, 71%, and 28%, respectively, in FFY20 Q3 vs. FFY19 Q3.
- Overall, total minutes of delay decreased by 65% in FFY20 Q3 vs. FFY19 Q3.

Questions



Los Angeles – San Diego – San Luis Obispo Optimization Study Update and Next Steps

Board of Directors Meeting
November 16, 2020

Optimization Study Focus

- The Study focused on three key elements:
 - Review existing operations
 - Develop integrated operating strategies that help define optimized service concepts for existing and planned service
 - Review existing capital investment plans and priorities and to align investments to service benefits
- The planned service concepts and investments are consistent with the goals presented in the State Rail Plan.

LOSSAN Rail Corridor Optimization Study

- The operating strategies can lead the way to a customer-focused and integrated passenger rail system.



Peak-focused with gaps



Frequent all-day



Irregular, duplicated



Regular-repeating



Corridor focused



Network connected



Uncoordinated planning



Joint planning



Frequent schedule changes



Consistent schedules with rare changes



Uncertain incremental growth



Step change expansion

LOSSAN Rail Corridor Optimization Study

The optimized service concepts can deliver hourly, repeatable service that provide all-day availability and consistent “anywhere to anywhere” connectivity.

From connections by coincidence (2019)...

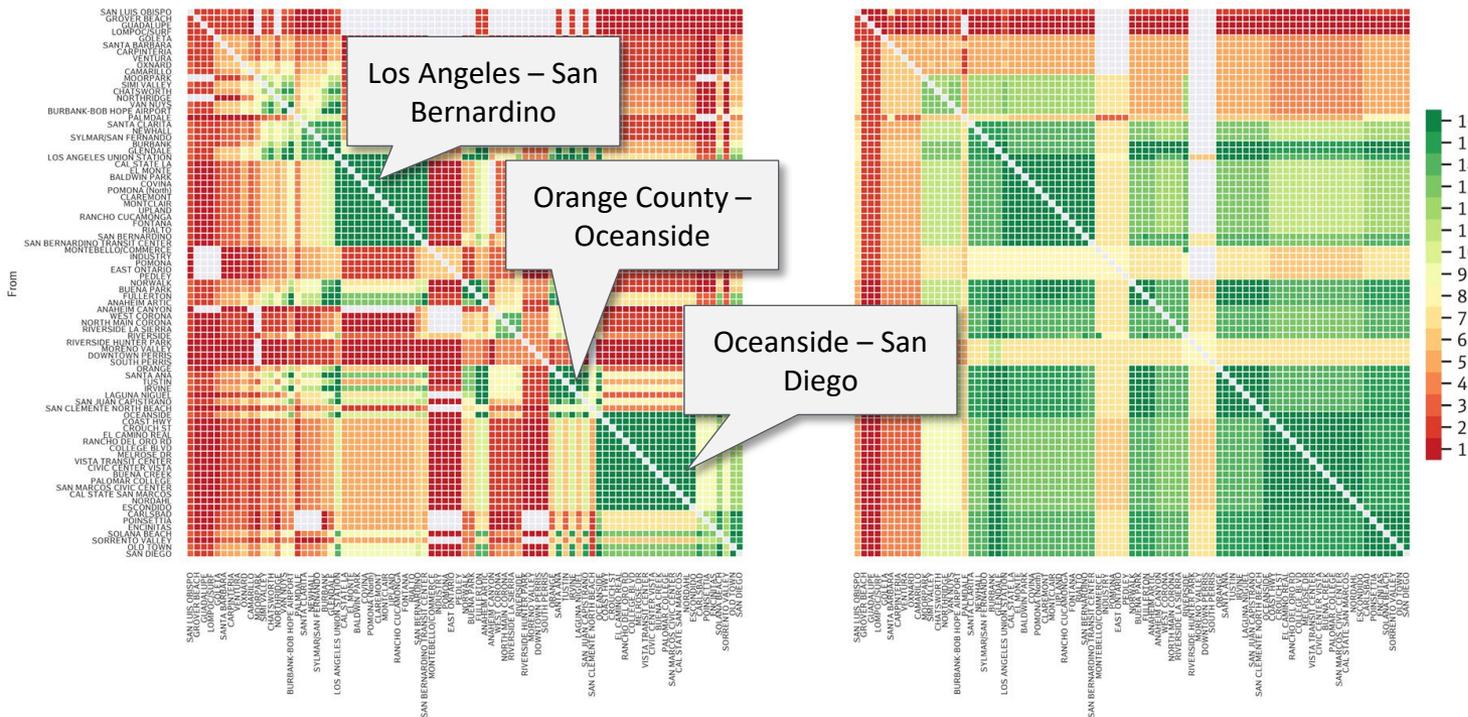
...to connections by design

Key benefits

Improved connections to main travel markets and new connections to new markets

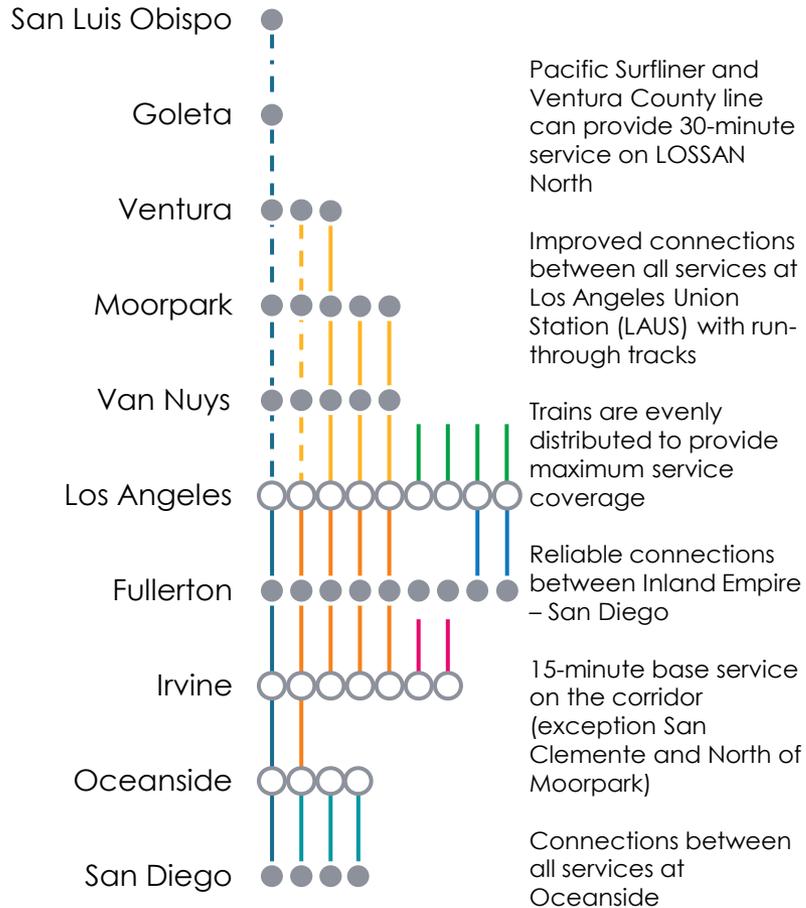
Connection quality is consistent throughout the day, week and year

Future schedules will retain and improve on the network's connectivity



LOSSAN Rail Corridor Optimization Study

Corridor services

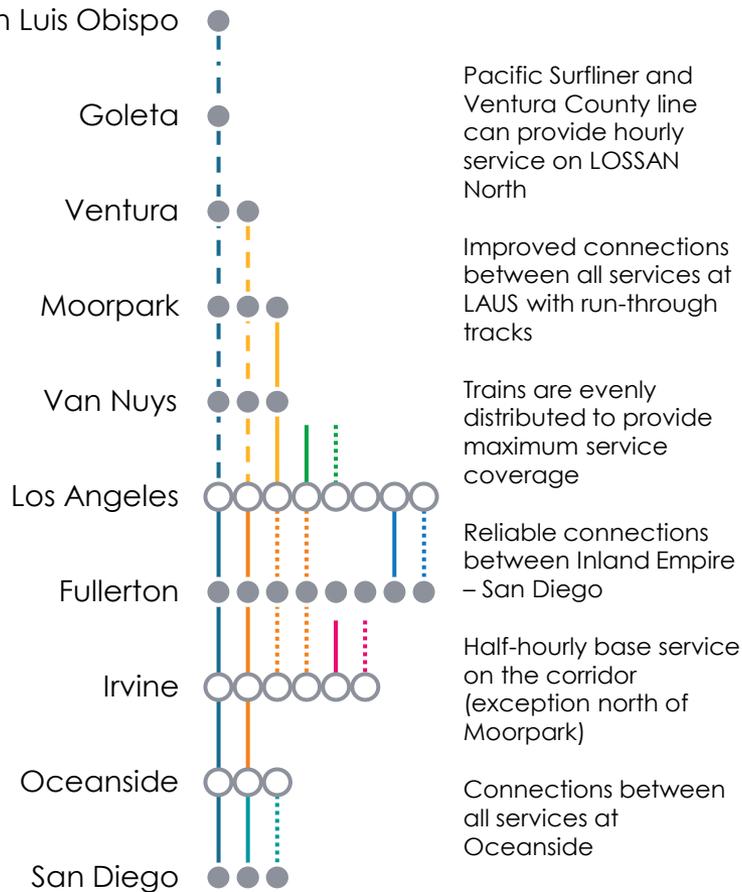


Planning horizons



LOSSAN Rail Corridor Optimization Study

Corridor services



Planning horizons

Long-term

- Build services to meet 2027 CSRP objectives
- Support the 2028 Olympics by increasing service frequencies
- Leverage early HSR investments and completion of regional infrastructure project plans

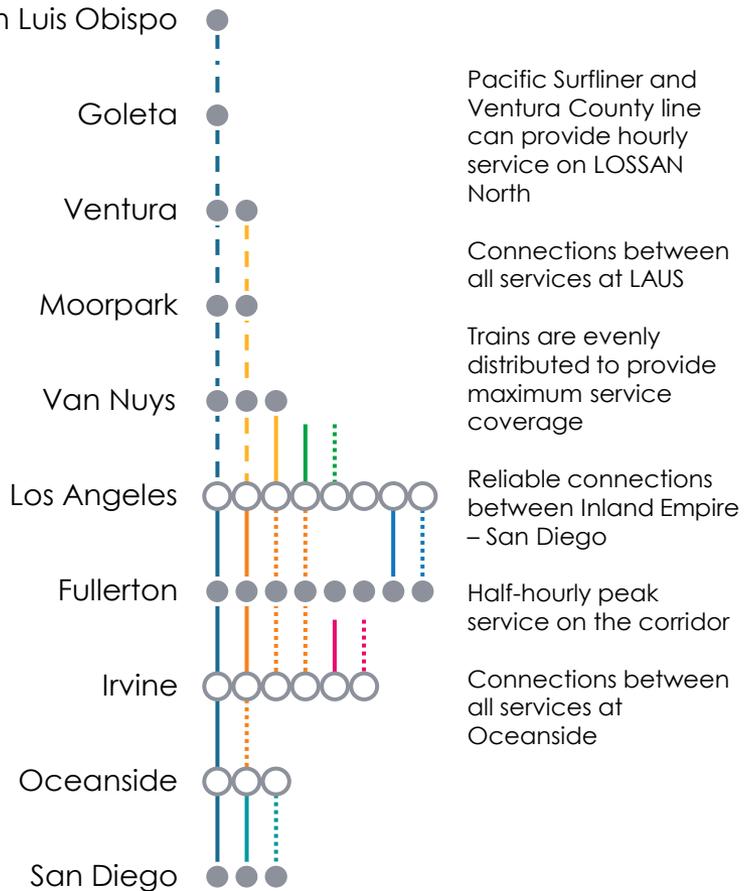
Mid-term

- Fill in service gaps
- Utilize through-tracks at LAUS
- Prioritize key projects from Metrolink SCORE and SANDAG's Infrastructure Development Plan

Near-term

LOSSAN Rail Corridor Optimization Study

Corridor services



Planning horizons

Long-term

- Build services to meet 2027 CSRP objectives
- Support the 2028 Olympics by increasing service frequencies
- Leverage early HSR investments and completion of regional infrastructure project plans

Mid-term

- Fill in service gaps
- Utilize through-tracks at LAUS
- Prioritize key projects from Metrolink SCORE and SANDAG's Infrastructure Development Plan

Near-term

- Restructure services using pulse schedules
- Deliver consistent frequencies and connections-by-design
- Provide a base to grow service from depressed COVID-19 levels with improved reliability

LOSSAN Rail Corridor Optimization Study

- To implement the near-term service concept, the corridor operators must plan and agree collectively on a day-to-day operating plan.
- Next steps:
 - Follow up with host railroads and operators to address remaining comments
 - Develop draft near-term timetable schedules from the proposed service concepts, considering recent input, to present to the operators for review and discussion
 - Continue to work with Metrolink and the North County Transit District on a replacement to the current Rail 2 Rail program that allows for a more integrated ticketing system and easier connections between the services

Questions