



MINUTES

Special Board of Directors' Meeting

Call to Order

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

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

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

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

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

Pledge of Allegiance

The pledge of allegiance was led by Chairman Kranz.

1. Public Comments

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

Special Calendar

There were no Special Calendar matters.

Consent Calendar (Items 2 through 8)

2. Approval of Minutes

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

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

Chairman Kranz and Director Franklin abstained on this item.

3. Proposed 2018 Board of Directors and Committee Meeting Schedule

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

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

4. Status Report on State Legislation Enacted in 2017

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Regular Calendar

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

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

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

10. Fare Restructuring - Final Policy Approval and Implementation Plan

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

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

A discussion ensued regarding:

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

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

10. (Continued)

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

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

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

11. 2018 Transit and Intercity Rail Capital Program Grant Application

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

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

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

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

11. (Continued)

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

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

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

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

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

A discussion ensued regarding:

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

11. (Continued)

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

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

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

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

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

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

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

12. State Rail Assistance Program

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

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

12. (Continued)

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

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

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

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

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

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

A short discussion ensued regarding:

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

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

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

Discussion Items

14. Retiming Update

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

14. (Continued)

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

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

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

15. Managing Director's Update

Jennifer Bergener, Managing Director, reported:

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

16. Board Members' Report

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

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

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

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

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

Chairman Kranz wished everyone happy holidays.

17. Closed Session

There was no Closed Session scheduled.



MINUTES

Special Board of Directors' Meeting

18. Adjournment

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

Monday, January 29, 2018

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

Orange County Transportation Authority Headquarters

Board Room – Conference Room 07

550 South Main Street

Orange, California

ATTEST

Tony Kranz
LOSSAN Chairman

Olga Prado
Clerk of the Board