



# MINUTES

## *Board of Directors' Meeting*

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### **Call to Order**

The January 30, 2019 Board of Directors (Board) meeting of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) was called to order by Chairman MacDonald at 12:30 p.m., at the Orange County Transportation Authority (OCTA) Headquarters, Board Room – Conference Room 07, 550 South Main Street, Orange, California.

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

Directors Present:     Al Murray, Chairman  
                             Dana Reed, Vice Chairman  
                             Bryan MacDonald, Immediate Past Chairman  
                             Jewel Edson, NCTD (teleconference)  
                             John Fasana, Metro  
                             Gregg Hart, SBCAG  
                             Ellie Haviland, SANDAG  
                             David Perry, Metro  
                             Fred Strong, SLOCOG  
                             Alan D. Wapner, SCAG, Ex -Officio  
                             Michelle Boehm, CHSRA, Ex-Officio  
                             Eric Hosey, Amtrak, Ex-Officio  
                             Andy Cook, Caltrans, (for Kyle Grading, Ex-Officio)

Directors Absent:     Tim Shaw, OCTA  
                             Caylin Frank, SDMTS  
                             Kyle Grading, Caltrans, Ex-Officio

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

### Pledge of Allegiance

The pledge of allegiance was led by Vice Chairman Murray.

Following the pledge of allegiance, Chairman MacDonald led the audience in a moment of silence in memory of Director Greg Pettis.

#### 1. Public Comments

Public comments were heard from:

Eric Reese, reported that as an avid fan and rider, he is looking at ways to help increase customer satisfaction, improve operational efficiencies, increase fare box recovery, and help expand service. He urged the LOSSAN Agency Board of Directors (Board) to consider working with sports and entertainment venues across the LOSSAN corridor to consolidate ticketing for Pacific Surfliner fares and event venue ticketing under one location on the web. He added that some of the venues to consider working with would be the FivePoint Amphitheatre, Disneyland, Los Angeles Angels, 2028 Olympics, and Comic-Con.

Fred Hottinger, (via teleconference from San Diego), representing the Train Coalition, Santa Fe Depot, congratulated and welcomed the new Board Members. Mr. Hottinger commented that the City of San Diego has three train stations (including two served by Amtrak), and the LOSSAN Agency does not have Board representative from the City of San Diego.

Janet Rogers, (via teleconference from San Diego), also representing the Train Coalition, Santa Fe Depot, reported that the Train Coalition recently met with several LOSSAN Agency staff and Board Members to discuss operational changes to lower the overnight noise at the Santa Fe Depot. She expressed her appreciation for the commitment from LOSSAN Agency staff to look at the different issues raised and said the Coalition is looking forward to the analysis.

Paul Herstein, (via teleconference from San Diego), also representing the Train Coalition, Santa Fe Depot, expressed the Train Coalition's appreciation for the new Siemens engines that are now operating on the Pacific Surfliner service at the Santa Fe Depot. He stated that the Train Coalition would appreciate staff continuing to provide updates and detailed information regarding the delays in placing the additional engines into service.

### **Special Calendar**

**2. Administration of the Oath of Office to New Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors**

The oath of office was administered by James Donich, General Counsel, to the new Board Members present at the meeting and to those participating via teleconference.

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

A motion was made by Chairman MacDonald, seconded by Director Strong, and following a roll call vote, declared passed 8-0, to elect current Vice Chairman Al Murray as Chairman of the LOSSAN Rail Corridor Agency Board of Directors for 2019.

Director Fasana was not present to vote on this item.

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

Newly-elected Chairman Murray nominated Director Reed as the Vice Chairman for the LOSSAN Agency Board of Directors for 2019.

A motion was made by newly-elected Chairman Murray, seconded by Director Strong, and following a roll call vote, declared passed 8-0, to elect Director Dana Reed as Vice Chairman of the LOSSAN Rail Corridor Agency Board of Directors for 2019.

Director Fasana was not present to vote on this item.

**5. Salute to Outgoing Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Board of Directors and Retiring Amtrak Police K-9 Officer**

Jennifer L. Bergener, Managing Director, presented LOSSAN Resolutions of Appreciation to outgoing Board Member Michael T. Bennett and retiring Amtrak Police K-9 Officer Teddy.

Director Bennett thanked the Board, the LOSSAN Managing Director and staff, and stated he enjoyed serving on the Board the past two years.

Officer Wolf thanked the Board for their recognition of Police K-9 Officer Teddy.

Director Hart thanked Director Bennett for his service to the LOSSAN Agency and for his commitment to regional train service.

## **Consent Calendar (Items 6 through 12)**

### **6. Approval of Minutes**

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to approve the minutes of the LOSSAN Board of Directors meeting of November 28, 2018.

Director Fasana was not present to vote on this item.

### **7. Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Fiscal Year 2017-18 Annual Financial Audit**

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to receive and file the fiscal year 2017-18 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency audited annual financial statements and accompanying independent auditor's report.

Director Fasana was not present to vote on this item.

### **8. Agreement for Project Report and Environmental Documentation Services for the Central Coast Layover Facility Expansion Project**

This item was pulled by Director Strong, who commented that it appears that if STV Incorporated's (STV) proposed technical leads had attended the interview, STV could have been selected for the contract. He added that it is unfortunate that a company would take the time to submit a proposal and not attend the interview.

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to:

- A. Approve the selection of HDR Engineering, Inc. to provide a project report and environmental document for the Central Coast Layover Facility Expansion Project.
- B. Authorize the Managing Director to negotiate and execute Agreement No. L-8-1897 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and HDR Engineering, Inc. for project report and environmental documentation services for the Central Coast Layover Facility Expansion Project.
- C. Approve Resolution No. 2019-L005 authorizing the Managing Director to act on behalf of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency to execute any agreements, amendments, and program supplements necessary for the utilization of state transportation improvement funds.

Director Fasana was not present to vote on this item.

### 9. **Cooperative Agreement for On-Time Performance Incentive Program with North County Transit District**

This item was pulled by Director Strong, who reported that he read the entire contract and proposal, and would like to know how the contract compliance and effectiveness will be reviewed and provided to the Board.

Jennifer L. Bergener, Managing Director, responded that the LOSSAN Agency will receive monthly invoices and coordinate with North County Transit District (NCTD) and Amtrak to review the performance. In addition, the LOSSAN Agency provides a quarterly budget status report to the Board and any payments made to NCTD through the agreement will be included in that report. Lastly, LOSSAN staff will continue to bring its regular quarterly performance metrics report that includes an analysis of on-time performance and progress, with specific focus placed on this area of the corridor.

Director Hart inquired if there is an accounting for what NCTD spends the revenue on to improve on-time performance, and that it would be helpful to have a report in the future to reflect investments.

James D. Campbell, Deputy Managing Director, responded that it is not currently envisioned to have specific accounting for expenditures of the incentive payments; however, expenditures of the payments are required to be directed toward the overall maintenance of the railroad to maintain a safe operating condition.

Ms. Bergener added that conversations were held leading into the negotiation of this contract, and it is expected that the LOSSAN Agency will include, in its annual report, the performance of grant funds.

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to authorize the Managing Director to negotiate and execute Agreement No. L-9-0002 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and North County Transit District to implement an On-Time Performance Incentive Program.

Director Fasana was not present to vote on this item.

### 10. **Agreement for Viriato Software Purchase**

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to:

- A. Authorize the Managing Director to negotiate and execute Agreement No. L-8-0021 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and SMA and Partners Ltd., Switzerland, in the amount of \$195,480, for Viriato rail planning software and maintenance services.

**10. (Continued)**

- B. Authorize the Managing Director to negotiate and execute Agreement No. L-8-0022 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and TRENOLab Srl., in the amount of \$24,000, for Viriato rail planning software and maintenance services.
- C. Authorize the Managing Director to negotiate and execute Agreement No. L-8-0023 between the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency and Deutsche Bahn Engineering & Consulting USA, Inc., in the amount of \$60,000, for Viriato rail planning software and maintenance services.

Director Fasana was not present to vote on this item.

**11. Final Draft of the 2019 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program**

A public comment was heard from Eric Reese, who urged the LOSSAN Board and staff to develop a plan to advocate to the state and federal government for right-of-way grant money to be used to acquire the Union Pacific (UP)-owned Santa Barbara Subdivision and the southern portion of the UP Yuma Subdivision from the Colton Crossing to the future Indio Station. He added that having reliable and dependable rail transportation on these corridors would help provide a back-up plan in the event of a severe travel disruption on freeways in those areas, allow the LOSSAN Agency the ability to increase its number of train slots, provide freedom to use tilting trains, and allow the Agency to sell time slots back to UP and generate revenue.

A motion was made by Director Strong, seconded by Chairman Murray, and following a roll call vote, declared passed 8-0, to adopt the final draft of the 2019 Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Legislative Program.

Director Fasana was not present to vote on this item.

**12. Fiscal Year 2018-19 First Quarter Budget Status Report**

A motion was made by Chairman Murray, seconded by Director Strong, and following a roll call vote, declared passed 8-0, to receive and file as an information item.

Director Fasana was not present to vote on this item.

### Regular Calendar

#### 13. Annual Business Plan and Budget Assumptions for Fiscal Year 2019-20 and Fiscal Year 2020-21

Jason Jewell, Finance and Administration Manager, provided an overview of the LOSSAN Agency's business plan process and deadline requirements, and reported on general and high-level assumptions that will be used and incorporated into the business plan and budget as follows:

- Implementation of a new roundtrip between San Diego and San Luis Obispo;
- Modeling of various operating forecast scenarios with Amtrak;
- Additional service for holidays and special events;
- If no changes to service, 1 percent ridership growth and 2 percent revenue growth if no changes to service;
- If the 13<sup>th</sup> roundtrip is implemented, 2 percent ridership growth and 2.5 percent revenue growth;
- Continuation of the Rail 2 Rail Program with both Metrolink and COASTER, and continuation of the Pacific Surfliner Transit Transfer Program;
- Addition of one full-time Program Manager position;
- For administrative employees, 4 percent performance-based merit increase, and 3 percent special award pool;
- Annual marketing budget of \$2 million, plus use of prior year surplus;
- Minor capital revenue from the state of \$500,000 per year;
- Professional services budget of \$410,000;
- State Rail Assistance funding of \$5.1 million in fiscal year (FY) 2019-20;
- Continue progress on design and construction of the Goleta layover facility expansion, and on planning and design for the central coast layover facility;
- Moving forward with a study for the San Diego Layover Facility; and
- Next steps.

A discussion ensued regarding:

- Clarification that the assumed correct professional services budget amount is \$410,000 and not \$450,000 as noted in the staff report.
- The LOSSAN north corridor optimization work is currently budgeted in FY 2018-19, and any funds that are not utilized in FY 2018-19 will be rolled over and re-budgeted in the next FY.
- The study for the San Diego layover facility contract award is expected to be on the February Board meeting agenda for approval. The schedule for the study is 18 months and staff believes it can be completed in 12 months and will continue to provide updates to the Board.
- The LOSSAN Agency receives an annual marketing budget of \$2 million from the state, and staff will continue to look at the annual marketing plan to determine if there is a need for additional resources.



### 13. (Continued)

- The LOSSAN Agency is not permitted to lobby as defined by the interagency transfer agreement and state regulations related to funding provided to the LOSSAN Agency, and there are resources set aside in the event the LOSSAN Agency needs to retain its own advocacy firm. Historically, the LOSSAN Agency has used its managing agency, OCTA, to help set-up and facilitate meetings in Sacramento and in Washington, D.C., on an as needed basis.

A motion was made by Director Strong, seconded by Director MacDonald, and following a roll call vote, declared passed 9-0, to direct staff to incorporate the key assumptions into the development of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency business plan for fiscal year 2019-20 and 2020-21.

### 14. Capital Improvement Program - Priority Projects List

Jennifer L. Bergener, Managing Director, provided background information on the Capital Improvement Program and reported on the following:

- Attachments A and B to the Staff Report were presented to the Technical Advisory Committee (TAC) at its last meeting and some concerns were raised;
- The TAC offered comments and asked for an opportunity to have additional time to weigh-in on this list of projects and possibly provide ways that the TAC may be able to help LOSSAN fund some of these projects;
- Taking into consideration that some of the funds date back to FY 2017-18 and the LOSSAN Agency has been very vocal in Sacramento about its need for funding, LOSSAN staff feels the funding should not be left unprogrammed;
- This is a “living” list and can be modified as necessary, and an example, should the LOSSAN Agency get to a place where one of these projects comes in to be more cost-prohibitive than currently identified, that project would be brought back to the TAC and the Board as necessary;
- The list of projects is not intended to be so prescriptive as to eliminate future projects;
- Following input from the TAC, staff understands that there are additional needs/projects that will be considered for future year funding, including Del Mar Bluff Stabilization, Coachella Valley Special Services, and the Batiquitos Lagoon Infrastructure Project; and
- Recommendation that the Board move forward with the project list, and it will be included in the annual business plan and provide opportunities to modify the list and solicit input from the Board, stakeholders, and the TAC.



### 14. (Continued)

Director Fasana reported that LA Metro is appreciative for receiving funding for the Chatsworth Station tactile and striping. He added that there is a wider array of improvements that need to be made at the Station and asked staff to work together as more funding elements of these projects are put together to ensure that there are not “throw-away” costs.

Director Haviland inquired on the process and criteria if there are comments on existing or new projects from the TAC or Board to bring forward for future consideration. In addition, she noted that some of these funds are improving facilities at privately-owned stations, and asked if any of the contracts allow for reimbursements for these capital improvement projects.

Ms. Bergener responded that the Board can contact her at any time, and it is expected that each of the business plan chapters will be taken to the TAC for input. Ms. Bergener added that for projects that are a shared-used facility, the LOSSAN Agency would be looking for cost-sharing.

A motion was made by Chairman Murray, seconded by Director Strong, and following a roll call vote, declared passed 9-0, to:

- A. Review and approve the proposed Los Angeles - San Diego - San Luis Obispo rail corridor capital improvement program.
- B. Authorize the Managing Director to negotiate and execute the necessary agreements and program supplements to facilitate the utilization of State Rail Assistance and minor capital improvement project funding.
- C. Authorize the Managing Director to utilize up to \$100,000 in either minor capital project or State Rail Assistance funds for emergency capital projects.

## Discussion Items

### 15. Managing Director's Report

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

- LOSSAN Agency staff met with the Train Coalition, Santa Fe Depot, and efforts continue to mitigate impacts to the surrounding neighborhood and the San Diego Layover Facility Study was also addressed.

### 15. (Continued)

- Last week, LOSSAN Agency staff met with the Southern California Leadership Group, and significant progress has been made. It is anticipated the Memorandum of Understanding (MOU) between the various agencies will be completed within the next 30 days and the MOU will be forwarded to the Board for consideration.
- Ms. Bergener talked to Stephanie Wiggins, new Chief Executive Officer of Metrolink, and Ms. Wiggins is supportive of the continuance of the Rail 2 Rail Program.
- Staff is working on a graphic user interface which is an overlay that goes on top of each of the passenger rail operators' mobile applications. To the end user, this looks like one App and lists all options regardless of the service provider. This is fully supported by NCTD and the Southern California Regional Rail Authority and provides the first significant step towards full integration.
- The 13<sup>th</sup> roundtrip is something that LOSSAN Agency staff continues to work on.
- The Rosecrans/Marquardt Triple Track Project has been delayed, and the 13<sup>th</sup> roundtrip will likely be implemented in October 2019.
- The LOSSAN Agency currently has 12 Siemens Charger locomotives in Southern California, issues have persisted with putting the engines into service, and staff is working in close coordination with Amtrak, the California Department of Transportation, and Siemens to address the issues.

### 16. Board Members' Report

Director Wapner thanked the LOSSAN Board for their warm welcome and thanked former Board Member, Art Brown, for his service to the LOSSAN Agency representing Southern California Association of Governments.

Director Hart, Santa Barbara County Association of Governments (SBCAG), introduced himself and thanked the Board for its warm welcome. He reported that he comes to the Board with a great deal of experience as he was the Executive Deputy Director for SBCAG for 14 years and was intimately involved with rail planning issues.

Director Strong reported that he will be in Washington, D.C., in a couple of weeks, representing the State of California's Regional Governments and as a Transportation Policy Chair for all the Regional Governments of the United States.

Director Strong asked if staff would consider the public comment received for the acquisition of track both within LOSSAN's current corridor and going north, or to sometime in the future, provide a report on the feasibility and procedure to do this.

**16. (Continued)**

Director MacDonald reported that he is looking forward to the upcoming year.

Director Haviland reported that the San Diego Association of Governments just completed a mile and a half section of double-tracking in Encinitas. She also thanked Ms. Bergener, Managing Director, for her professionalism during the Train Coalition meeting.

Chairman Murray welcomed the new Board Members, thanked Immediate Past Chairman MacDonald for his leadership, and reported that he is looking forward to a very productive year.

**17. Closed Session**

There was no Closed Session scheduled.

**18. Adjournment**

The meeting of the LOSSAN Agency's Board adjourned at 1:36 p.m. The next regularly scheduled meeting of this Board will be held:

**Wednesday, February 20, 2019**

**12:30 p.m. – 2:30 p.m.**

Orange County Transportation Authority Headquarters

Board Room – Conference Room 07

550 South Main Street

Orange, California

ATTEST:

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Al Murray  
LOSSAN Chairman

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Gina Ramirez  
LOSSAN Agency  
Deputy Clerk of the Board