

Pledge of Allegiance

The pledge of allegiance was led by Director Talamantes.

1. Public Comments

There were no public comments.

Special Calendar

There were no Special Calendar Matters.

Consent Calendar (Items 2 through 7 and Item 10)

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

2. Approval of Minutes

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

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

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

4. Status Report of State Legislation Enacted in 2019

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

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

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

7. Agreement for Pacific Surfliner Videographer and Photographer Services

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

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

10. Agreement for Pacific Surfliner Creative Services

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

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

Regular Calendar

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

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

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

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

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

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

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

A discussion ensued as follows:

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

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

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

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

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

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

A discussion ensued regarding:

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

9. (Continued)

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

A motion was made by Vice Chairman Reed, seconded by Director Talamantes, and following a roll call vote, declared passed 10-0, to direct staff to incorporate the key assumptions into the development of the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency business plan for fiscal year 2020-21 and 2021-22.

11. 2020 Transit and Intercity Rail Capital Program Grant Application

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

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

11. (Continued)

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

A discussion ensued regarding:

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

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

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

Discussion Items

12. On-Board WiFi Update

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

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

12. (Continued)

A discussion ensued as follows:

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

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

13. Overview of Field Marketing Initiatives Video

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

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

13. (Continued)

A discussion ensued as follows:

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

14. Managing Director's Report

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

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

15. Board Members' Report

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

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

16. Closed Session

A Closed Session was held as follows:

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

Director Strong was not present for the Closed Session item.

There was no report out on the Closed Session item.

17. Adjournment

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

Monday, February 18, 2020

11:15 a.m. – 12:45 p.m.

Orange County Transportation Authority Headquarters

Board Room – Conference Room 07

550 South Main Street

Orange, California

ATTEST:

Al Murray
LOSSAN Chairman

Laurena Weinert
LOSSAN Clerk of the Board