



SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY

A NEVADA NONPROFIT
CORPORATION

1255 IMPERIAL AVE., STE. 1000
SAN DIEGO, CA
92101-7490
(619) 231-1466

BOARD OF DIRECTORS
PAUL JABLONSKI, CHAIRPERSON
MATT DOMEN
JARED GOOCH

OFFICERS
PAUL JABLONSKI, PRESIDENT
MATT DOMEN, SECRETARY
ERIN DUNN, TREASURER

LEGAL COUNSEL
KAREN LANDERS

AGENDA

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

9:00 a.m.

Executive Committee Room
James R. Mills Building
1255 Imperial Avenue, 10th Floor

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. [Approval of the Minutes of January 29, 2019](#) Approve
Action would approve the SD&AE Railway Company Minutes of January 29, 2019.
2. [Statement of Railway Finances \(Erin Dunn\)](#) Informational
3. [Report on San Diego and Imperial Valley \(SD&IV\) Railroad Operations \(Matt Domen\)](#) Informational
4. [Report on Pacific Southwest Railway Museum \(Diana Hyatt\)](#) Informational
5. [Report on the Desert Line \(Jorge Izquierdo\)](#) Informational
6. [Real Property Matters \(Tim Allison\)](#)
 - a. [Summary of SD&AE Documents Issued Since January 29, 2019](#) Informational
 - b. [License for Water Main Replacement at Euclid Avenue](#) Approve
Action would approve a license for a 16" water main replacement at Euclid Avenue in the City of San Diego.
 - c. [License for Underground Fiber-Optic Line Southwest of Smythe Avenue](#) Approve
Action would approve a license for an underground 18" casing pipe and fiber-optic conduits southwest of Smythe Avenue in the City of San Diego.
 - d. [License for Aerial Fiber-Optic Line at Lemon Avenue](#) Approve
Action would approve a license for an aerial fiber-optic cable at Lemon Avenue in the City of La Mesa.
7. Board Member Communications
8. Public Comments
10. Next Meeting Date: July 9, 2019
11. Adjournment

DRAFT MINUTES

BOARD OF DIRECTORS MEETING OF THE SAN DIEGO & ARIZONA EASTERN RAILWAY COMPANY

January 29, 2019

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on January 29, 2019, at 9:03 a.m.

The following persons, constituting the Board of Directors, were present: Paul Jablonski, Matt Domen, and Jared Gooch. Also in attendance were members from:

San Diego Metropolitan Transit System:	Tim Allison, Erin Dunn, Karen Landers, Wayne Terry
Pacific Southwest Railway Museum:	Diana Hyatt
Baja California Railroad (BJRR):	Jorge Izquierdo
Other:	R. Mitchel Beauchamp

1. Approval of Minutes

Mr. Gooch moved to approve the Minutes of the October 9, 2018, SD&AE Railway Board of Directors meeting. Mr. Domen seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Erin Dunn reviewed the Statement of Railway Finances for the fourth quarter of 2018 (attached to the agenda item). Ms. Landers reported that at the last meeting, there was discussion regarding a potential project to pave over some abandoned, deteriorating rail that is creating safety hazards at F, Cleveland, and Commercial Streets, and that project will be going forward in the MTS 2020 CIP plan. She reiterated that SD&AE reserve funds will most likely be used for this project.

Action Taken

Informational item only. No action taken.

3. Report on San Diego & Imperial Valley Railroad (SD&IV) Operations

Matt Domen reviewed the SD&IV Periodic Report for activities for the fourth quarter of 2018 (attached to the agenda item).

Action Taken

Informational item only. No action taken.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt reviewed the Pacific Southwest Railway Museum (PSRM) report for the fourth quarter of 2018 (a written report was distributed at the meeting and is attached). Ms. Hyatt will contact Rob Schupp, MTS Director of Marketing, to discuss PSRM's request for a speaker to represent MTS at the SD&A Centennial Day in Campo.

Wayne Terry asked about the status of the removal of the PCC cars. Ms. Hyatt responded that she has been in contact with Andy Goddard, and they are working on options for transport. Mr. Terry asked to be kept apprised of the progress.

Action Taken

Informational item only. No action taken.

5. Report on the Desert Line

Jorge Izquierdo reported there were no traffic or security concerns. He stated that due to the government shutdown, negotiations with CBP and the Mexican government regarding new custom facilities will need to be reestablished. Ms. Landers asked about the effects from the changeover in government. Mr. Izquierdo responded that a lot of government representatives who were working on the new customs facilities are no longer there and therefore the new representatives need to be established and contacted. He stated that they have a list of people to visit to reopen working relationships through the Mexican Consulate in San Diego and a meeting is pending. Mr. Izquierdo reported that elections in Mexico will be held in July. In regard to the status of environmental work, Ms. Landers stated that surveys will need to be completed to determine what CBP necessitates in regard to the customs facilities. There hasn't been any feedback since the government shutdown. New Mexican government officials will have to be informed about the project. Ms. Landers added that she talked with CBP in November about another site visit to Campo in January; however, due to the shutdown she will have to revisit that conversation.

Action Taken

Informational item only. No action taken.

6. Real Property Matters

a. Summary of SD&AE Documents Issued Since October 9, 2018

Since the October 9, 2018, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-19-687: Right of Entry Permit to Segni Construction for potholing In La Mesa west of Jackson Drive.
- S200-19-688: Easement to San Diego Gas & Electric for underground electric facilities at North Avenue in the City of Lemon Grove.

- S200-19-689: Right of Entry Permit to HMS Construction, Inc., for traffic control at Palomar Street in the City of Chula Vista.
- S200-19-891: Right of Entry Permit to Segni Construction, Inc. for landscaping and slope repair west of Jackson Drive in La Mesa.

Action Taken

Informational item only. No action taken.

7. Board Member Communications

There were no Board member communications.

8. Public Comments

There were no public comments.

10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, April 9, 2019.

11. Adjournment

The meeting was adjourned at 9:17 a.m.

9. Closed Session (taken out of order)

CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant To California Government Code Section 54956.8

Property: APNs 667-020-52, 54, 71, 86, and 88 in San Diego, California

Agency Negotiators: Karen Landers, MTS General Counsel; Tim Allison, MTS Manager of Real Estate Assets

Negotiating Parties: United States of America

Under Negotiation: Price and Terms of Payment

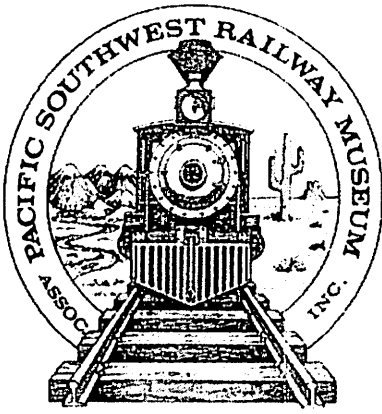
Action Taken: The Board received a report by Agency Negotiators and Legal Counsel and gave instructions.

President

General Counsel

2019-1-29 Draft Minutes

Attachment: PSRM Quarterly Report



Pacific Southwest Railway Museum

La Mesa Depot 4695 Nebo Drive La Mesa, CA 91941 619-465-7776

January 28, 2019

SD&AE Board
c/o Metropolitan Transit System
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

Re: Fourth Quarter 2018

Dear SD&AE Board:

During the fourth quarter of 2018 and utilizing all volunteer crews, the Pacific Southwest Railway Museum operated 24 Pumpkin Express trains, 64 Valley Flyer trains and 16 North Pole Limited trains, carrying a total of 7,698 passengers during 24 operating days. There were no FRA reportable accidents or injuries during the fourth quarter, 2018. Earned revenue from SD&AE property for the fourth quarter, 2018 was \$288,547.45 our check for \$5,770.95 is enclosed.

7,698 passengers during the fourth quarter of 2018
7,153 passengers during the fourth quarter of 2017
6,736 passengers during the fourth quarter of 2016
7,110 passengers during the fourth quarter of 2015
6,765 passengers during the fourth quarter of 2014
6,535 passengers during the fourth quarter of 2013
6,889 passengers during the fourth quarter of 2012

Ridership for the fourth quarter 2018 increased by 545 passengers and revenue increased by \$21,144 from the same quarter of the previous year with the same number of operating days for both years. The month of October was filled with four weekends of Pumpkin Express Trains followed by four weekends of Valley Flyer trains during November and four weekends of North Pole trains commencing on the last day of November and extending through December 22nd.

PSRM continues to maintain both signalized railroad crossings within our right of way limits; PSRM signal maintainers perform the monthly, quarterly and annual inspections.

Please mark your calendars and plan on joining us at Campo on Saturday, September 7, 2019 to celebrate the Groundbreaking of the SD&A and again on Saturday, November 16, 2019 for SD&A Centennial Day in Campo. At both events, we welcome the participation of members of the SD&A board and key personnel of MTS as speakers at the events. Other 2019 events celebrating the centennial year of the completion of the railroad include hikes to China Camp, Dos Cabezas and the Goat Canyon Trestle, slide shows at various San Diego venues, SD&A Centennial exhibits around town and at select museums in Balboa Park and SD&A silent movie night at the Spreckels Organ Pavilion. The centennial celebration calendar is updated frequently and more information can be found at <https://www.psrn.org/centennial/calendar/>

I would like to extend my thanks to this board and the MTS board for continuing to support our efforts in educating our community on the history and importance of passenger and freight rail through our preservation efforts and living history train ride.

Sincerely,

A handwritten signature in black ink, appearing to read "Diana Hyatt", with a long horizontal flourish extending to the right.

Diana Hyatt
President

Agenda Item No. 2

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the period ending February 28, 2019.

Budget Impact

None.

DISCUSSION:

SD&AE's financial results are attached for the period ending February 28, 2019.

As of February 28, 2019, fiscal year-to-date revenues are \$579,000 favorable to budget primarily due to the Desert Line Lease revenue not included in the budget.

Expenses are \$88,000 favorable to budget primarily due to a favorable variance in Outside Services.

The year-to-date Net Income as of February 28, 2019 was \$614,000.

Attachment: SD&AE Operating Statement for period ending February 28, 2019

SD&AE Operating Statement FY2019-18

	FY 2019					FY 2018	
	Q1 Actual	Q2 Actual	Jan - Feb Actual	YTD Actual (Jul - Feb)	YTD Budget (Jul - Feb)	Q1 - Q3 Actual (Jul - Feb)	Variance
Revenues							
Right of Entry Permits	\$ 750	\$2,250	\$3,000	\$ 6,000	\$20,000	\$14,700	(8,700)
Lease Income	19,144	18,949	9,785	47,878	103,336	49,799	(1,921)
Desert Line Lease Revenue	250,000	250,000	166,667	666,667	-	666,674	(7)
Operator Income - SD&IV 1%	10,000	10,000	1,822	21,822	40,000		
Freight Fee						24,800	(2,978)
Total Revenues	279,894	281,199	181,274	742,367	163,336	755,973	(13,606)
Expenses							
Personnel Costs	7,671	7,755	7,039	22,465	35,290	36,310	13,845
Outside Services	5,030	13,347	13,682	32,058	93,676	80,748	48,690
Risk Management	3,533	4,353	43,176	51,062	63,536	60,422	9,360
Misc. Operating Expenses	4,290	18,782	25	23,097	23,739	99,615	76,518
Total Expenses	20,524	44,237	63,922	128,683	216,241	277,095	148,412
Net Income/(Loss)	\$ 259,370	\$236,962	\$117,352	\$ 613,684	\$(52,905)	\$ 478,878	\$134,806

Reserve Balance July 1, 2018 **\$1,375,700**

Allocated Interest Earnings - Estimated 16,667
Contributed Operating Capital to MTS
Less Desert Line Lease Revenue (666,667)

Estimated Reserve Balance as of February 28, 2019 **\$1,339,384**

Agenda Item No. 3

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

REPORT ON SAN DIEGO AND IMPERIAL VALLEY (SD&IV) RAILROAD OPERATIONS

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 1st Quarter of 2019



SD&AE Board
C/O MTS
1255 Imperial Avenue, Suite 1000
San Diego, California 92101

April 1, 2019

Periodic Report

In accordance with Section 20 of the Agreement for Operational Freight Service and Control through Management of the San Diego and Arizona Eastern Railway Company activities of interest for the 1st Quarter of 2019 are listed as follows:

1. Labor

At the end of March 31, 2019 the San Diego & Imperial Railroad had 8 employees:

1 General Manager	1 Mechanical Manager
1 Manager - Marketing & Sales	1 Maintenance of Way Employee
1 Office Manager	3 Train Service Employees

2. Marketing

Volume in the 1st Quarter had a 27% decrease as compared to the same quarter in 2018. Bridge traffic into Mexico was down about 22% while traffic terminating or originating on the SDIY was down about 33% versus last year. The primary drivers for this is a slowdown in the ethanol volumes and a shift in the Tecate brewery ingredient sourcing.

3. Reportable Injuries/Environmental

Days through year to date, March 31, 2019, there were no FRA Reportable injuries or Environmental incidents on the SDIV Railroad. Days FRA Reportable Injury Free: **8030**

4. Summary of Freight

	2019	2018	2017
Total rail carloads that moved by SDIY Rail Service in the quarter.	603	833	1450
Total railroad carloads Terminating/Oriinating Mexico in the quarter.	333	430	1092
Total railroad carloads Terminating/Oriinating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	270	403	358
Total customers directly served by SDIY in the quarter	13	11	10
Regional Truck trips that SDIY Railroad Service replaced in the quarter	1809	2499	4350

Respectfully,
Matt Domen, General Manager

Agenda Item No. 4

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Quarterly report not submitted in time for the mail-out

Agenda Item No. 5

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

Attachment: Quarterly report not submitted in time for the mail-out

Agenda Item No. 6a

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE JANUARY 29, 2019

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Since the January 29, 2019, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-19-690: Right of Entry Permit to AT&T California for underground telephone line construction at Petree Street in the City of El Cajon.
- S200-19-693: Right of Entry Permit to Navy Region Southwest Morale, Welfare and Recreation Department for the Navy's 31st Annual Bay Bridge Run / Walk.
- S200-19-700: Right of Entry Permit to Par Electric Contractors to install an aerial transmission electric line at Palomar Street in the City of Chula Vista.

Agenda Item No. 6b

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

LICENSE FOR WATER MAIN REPLACEMENT AT EUCLID AVENUE

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve a license for a 16" water main replacement at Euclid Avenue in the City of San Diego.

Budget Impact

Fees will be credited to the San Diego and Arizona Eastern budget.

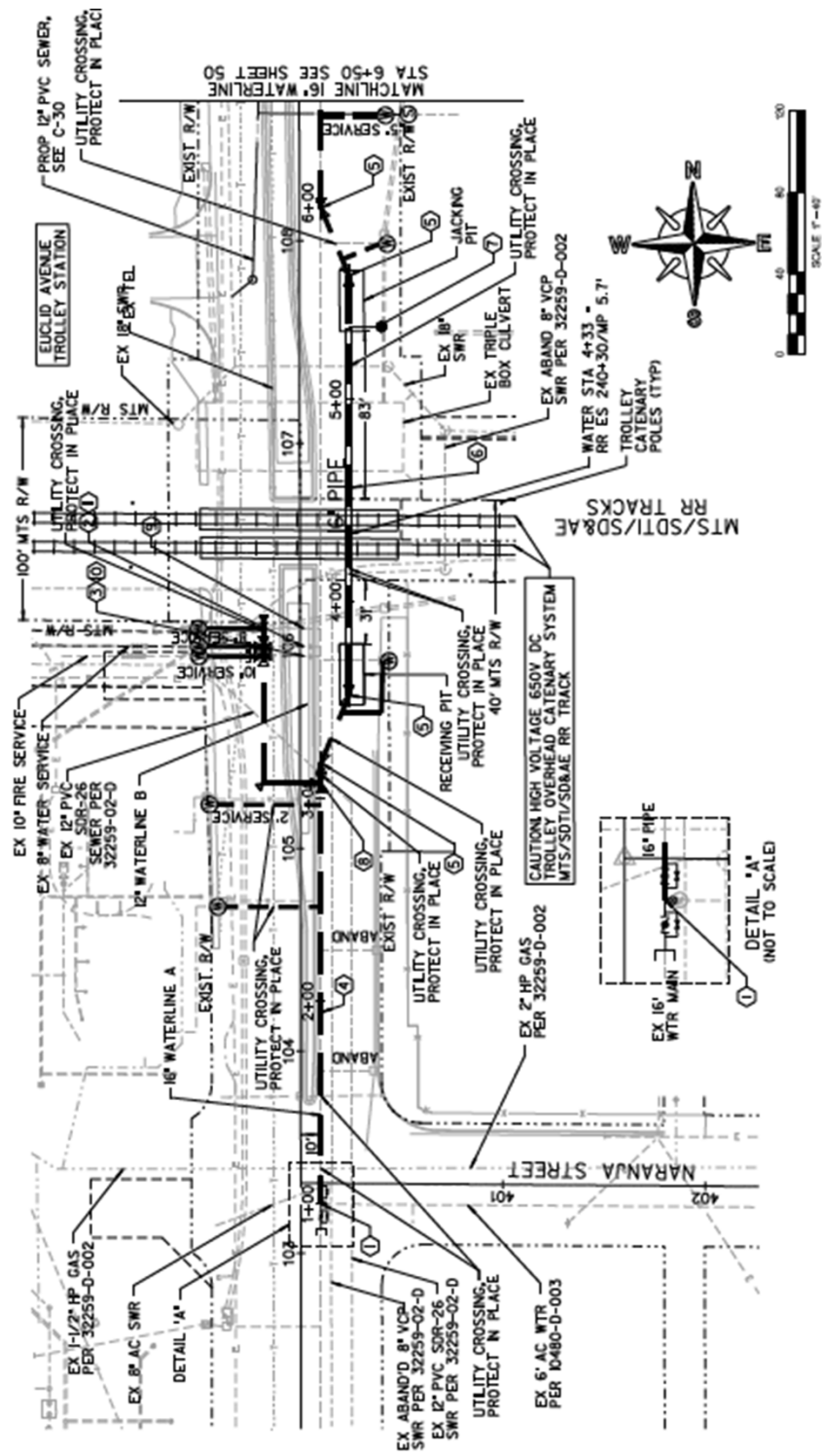
DISCUSSION:

The City of San Diego (City) proposes to replace an existing 16" water main in Euclid Avenue with a similar pipe located adjacent to existing alignment. The City's project plans follow MTS design requirements for pipe boring under existing tracks.

The existing water main is in an easement granted by SD&AE in 1962. The existing pipe will be abandoned in place. Attachment A is the project plan for the new crossing. Staff recommends approval of the new license.

Attachment: 16" Water Main Plan

Euclid Avenue 16" Water Main



Agenda Item No. 6C

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

LICENSE FOR UNDERGROUND FIBER-OPTIC LINE SOUTHWEST OF SMYTHE AVENUE

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve a license for an underground 18" casing pipe and fiber-optic conduits southwest of Smythe Avenue in the City of San Diego.

Budget Impact

Fees will be credited to the San Diego and Arizona Eastern budget.

DISCUSSION:

AT&T proposes to construct a new underground fiber crossing southwest of Smythe Avenue in the City of San Diego. The installation includes an 18" casing pipe containing seven ducts for fiber-optic cabling. The crossing adheres to all MTS design standards and will have no access handholds within the SD&AE right-of-way.

Staff recommends approval of the license per the attached project design drawings.

Attachment: Underground Fiber-Optic Plan

Plans shall be drawn to scale showing the relation of the proposed pipeline to railway tracks, angle of crossing, location of valves, railway survey station, right-of-way lines and general layout of tracks and railway facilities. Plans should also show a cross section (or sections) from field survey, showing pipe in relation to actual profile of ground and tracks. If open-cutting of tunnel is necessary, details of dewatering and method of supporting tracks or driving tunnel shall be shown.

Table 1-5-6 Plan Data

		Carrier Pipe	Casing Pipe
Consent to be handled		Telecom	Telecom Ducts
Outside Diameter		4.5" (7 ducts)	18"
Pipe Material		PVC	Steel
Specification and grade		N/A	A252 Gr.2
Wall thickness		SCH 40	.375"
Actual Working pressure		N/A	N/A
Type of Joint		ball/spigot (glued)	full circumference
Coating		N/A	N/A
Method of installation			Jack & Bore
Sett: Both ends: <input checked="" type="checkbox"/> One end: <input type="checkbox"/>		Type: brick & mortar	
Bury: Base of rail to top of casing	6 ft.	0 in.	Minimum
Bury: (Not basealt tracks)	N/A	ft.	in.
Bury: (Roadway ditches)	N/A	ft.	in.
Type, size and spacing of manholes or supports	.375" hdpe sheet spacers (5' on center)		
Distance C.L. track to face of jacking/receiving pits	56 ft.	1 in.	North and 44 ft. in. south
Bury: Base of rail to bottom jacking/receiving pits	9 ft.	5 in.	minimum
Cathodic protection? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			

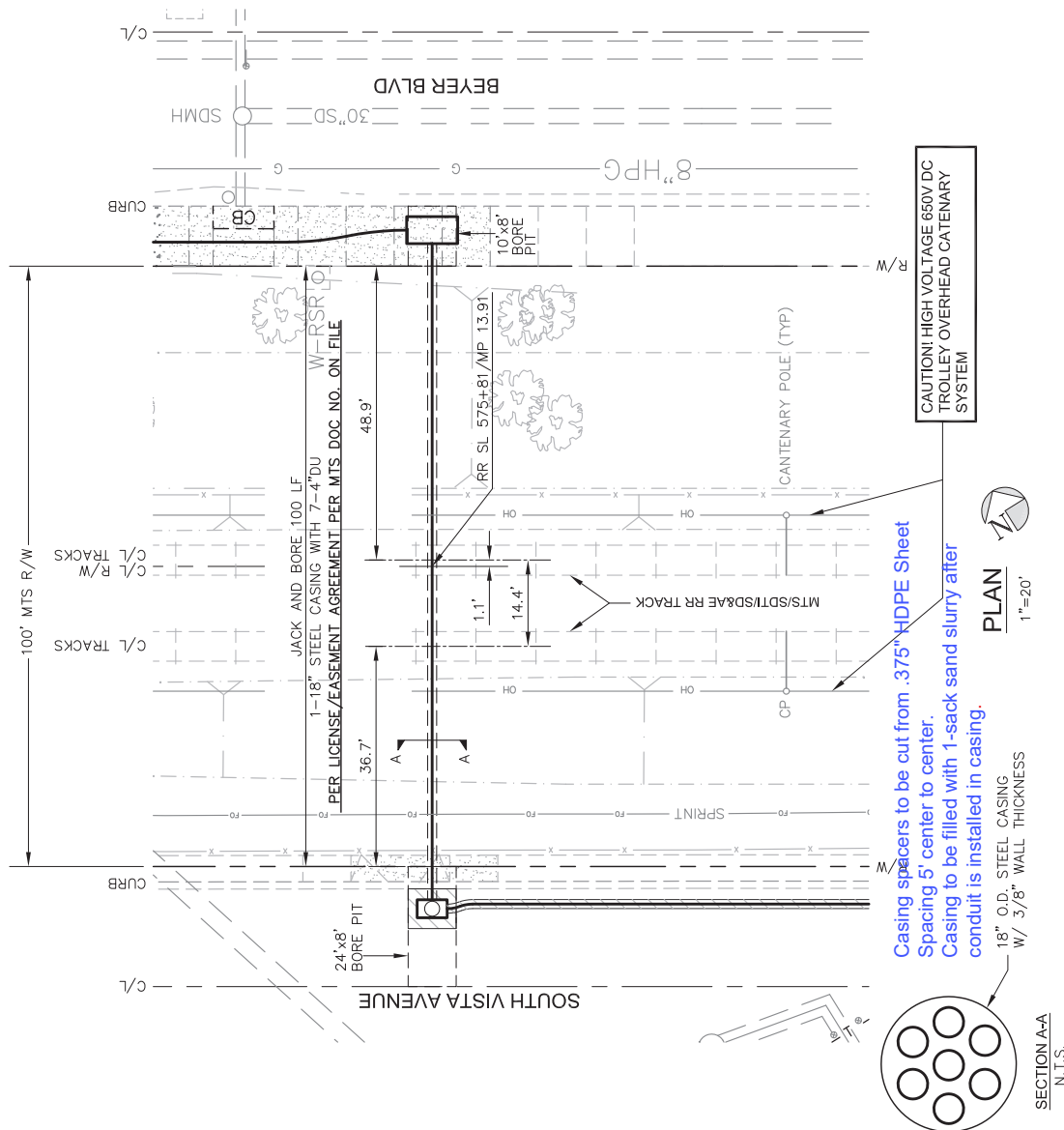
The execution of the work on railway rights-of-way, including the supporting of tracks, shall be subject to the inspection and direction of the engineer.

MTS will require this table to be completed before the plans are approved and a right of entry permit is issued.

© 2013, American Railway Engineering and Maintenance-of-Way Association
AREMA Manual for Railway Engineering
1-5-28

PERMIT #: SL 13.90-8019-ROE

DATE PLOTTED: 3-7-19



DIGALERT



SCALE: 1" = 20' ON A 11" x 17" SHEET

CALL 811
2 Working Days Before You Dig!

ABBREVIATIONS:
 BC = BEGIN CURB
 BW = BACK OPEN
 CF = CURB FFF
 CL = CENTER
 CRBL = CURB LINE
 CSW = CONCRETE
 E = ELECTRIC
 EC = END CURB

EX	=	EXISTING	OH	=	OVERHEAD
FP	=	FRONT PAVEMENT	P	=	POLE
EW	=	EDGE PAVEMENT	PED	=	PEDESTAL
FW	=	FRONT WALK	PL	=	PLACE
G	=	GAS	PM	=	PLANT MEASUREMENT
HH	=	HAND HOLE	RTS	=	RTW, FROM SERVICE
L	=	LOT LINE	RMV	=	REMOVE
WH	=	WANHOLE	RW	=	RIGHT OF WAY
AL	=	ATCHLINE	S	=	SEWER
UPM	=	NO PM			

SD = STORM DRAIN
T = TELCO
TRFT = TRENCH FEET
TV = CABLE
U = UNK. UTILITY
W = WATER

PERMITS: MTS
RECORDS:
THOMAS BROS. I
DESGR: BOB ME
ENGR: FES
COMPLETION DAT
CURRENT REVISI

DATE: 3-7-19
12-17-18
714-963-6793
858-886-1386
HACA
P: 1350-F3

JOB NUMBER:	A01F10D
TYPE OF CONSTRUCTION:	CONDUIT PLACEMENT
GEO\CO:	D352
WIRECENTER:	SAN YSIDRO
CLLI CODE:	SNYSCA12
DRAWING NUMBER:	MTS 2 OF 5
REVISION NUMBER:	A

Agenda Item No. 6d

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

April 9, 2019

SUBJECT:

LICENSE FOR AERIAL FIBER-OPTIC LINE AT LEMON AVENUE

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve a license for an aerial fiber-optic cable at Lemon Avenue in the City of La Mesa.

Budget Impact

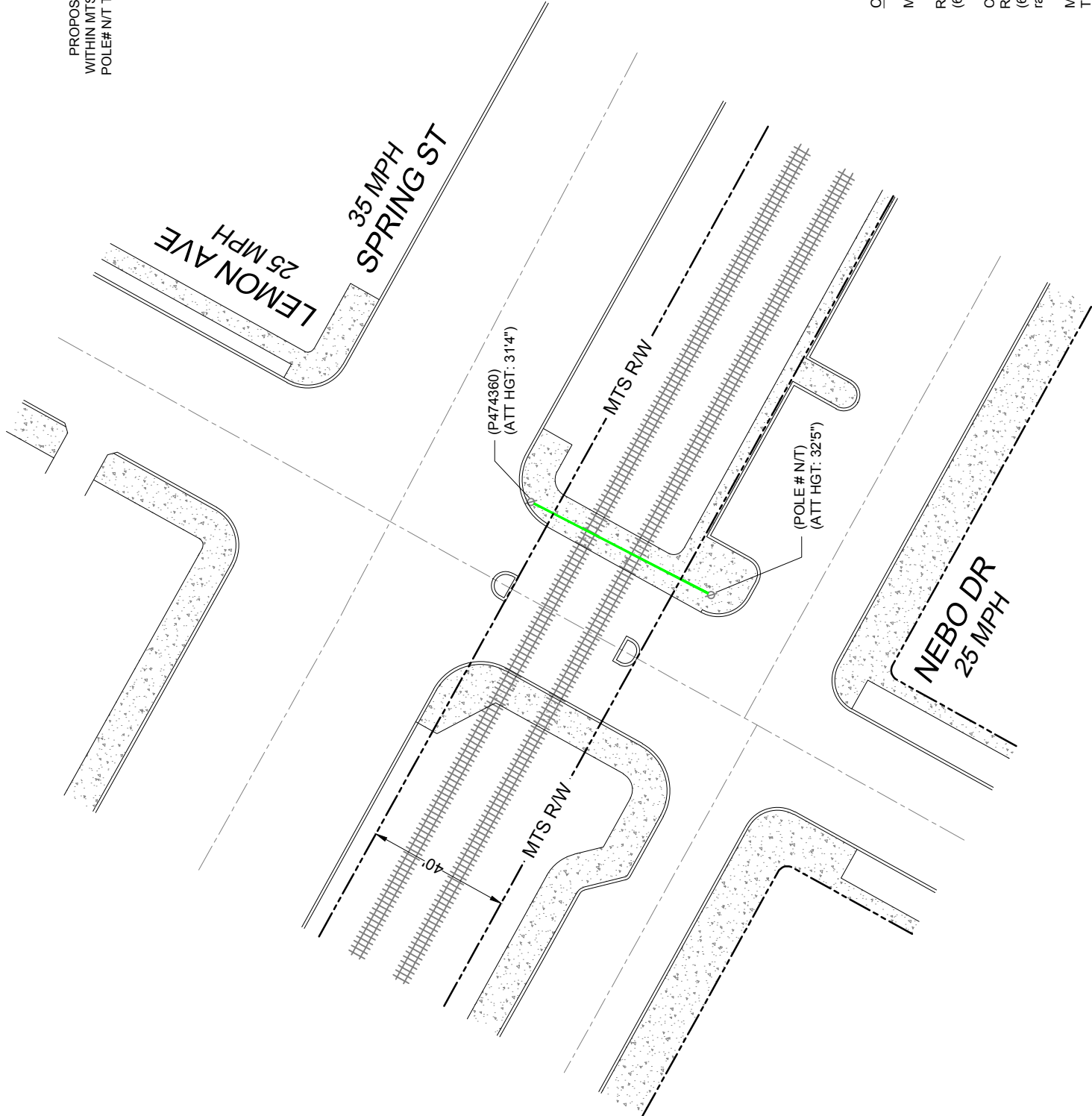
Fees will be credited to the SD&AE budget.

DISCUSSION:

Cox Communications proposes to construct a new aerial fiber crossing at Lemon Avenue in the City of La Mesa. The installation includes an additional fiber cable to an existing overhead crossing. The proposed license will replace any old license for this installation and will include existing and proposed facilities. The crossing adheres to all MTS design standards and will have no access handholds within the SD&AE right-of-way.

Staff recommends approval of the license per the attached project design drawings.

Attachment: Aerial Fiber-Optic Plan

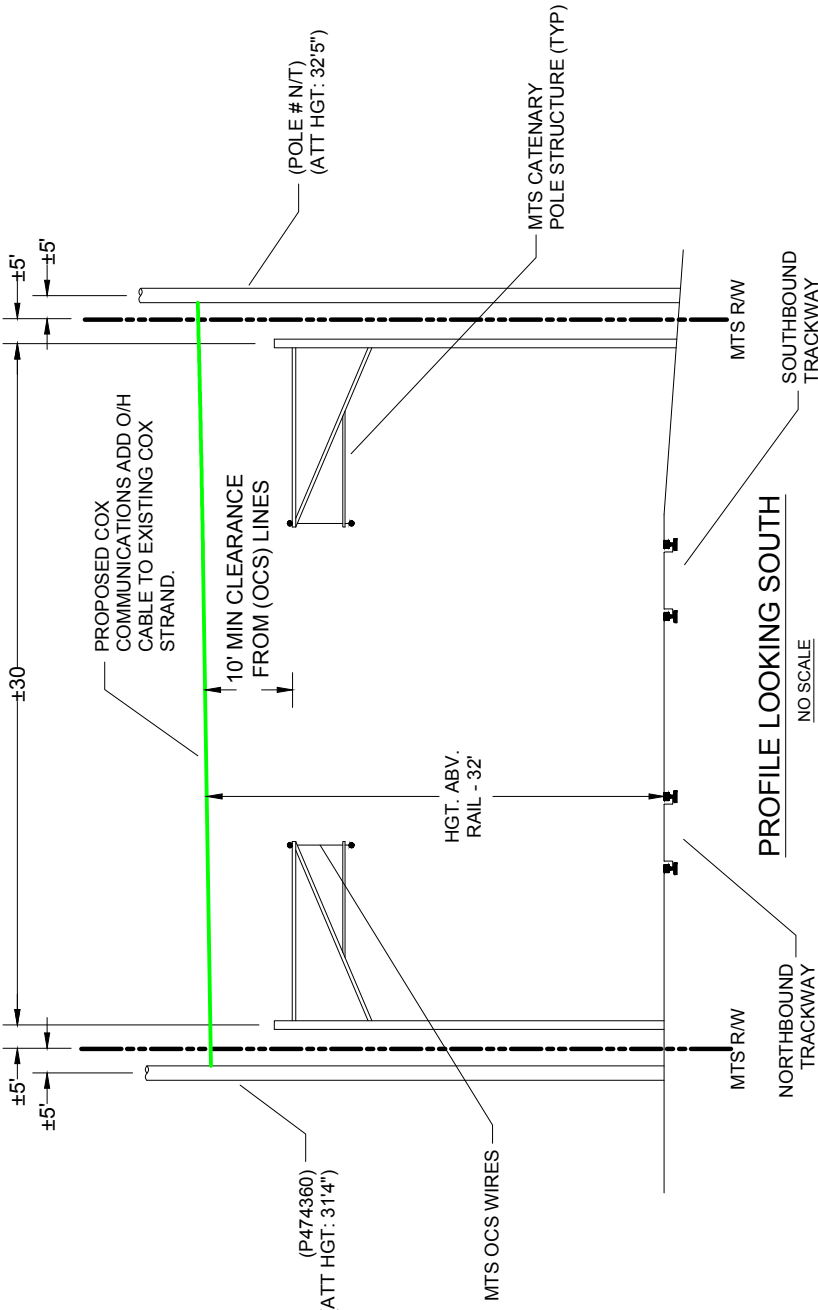
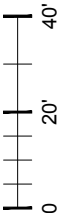


PROPOSED WORK

PROPOSED WORK IS TO INSTALL NEW OVERHEAD CABLE WITHIN MTS RIGHT-OF-WAY AND OVERLASH NEW CABLE FROM POLE# N/T TO POLE# P474360. NO EXCAVATION IS TO BE DONE.



SCALE: 1"=40'



PROFILE LOOKING SOUTH
NO SCALE

CONTACTS

MTS:

Right-of-way services
(619) 557-4501

Cox Communications:
Rahima Clevers-ROW Access
(619) 266-5494 - office
rahima.clevers@cox.com

Man General Engineering:
Tony Navarro
(619) 456-4959 - office
(619) 609-6725 - cell
generalmen1@gmail.com.com

WORK HOURS:

BETWEEN 8AM - 5PM
MONDAY - FRIDAY

COX FILE NO. 43299

PLANS FOR THE MAINTENANCE OF TELECOMMUNICATIONS FACILITIES FOR:

COX COMMUNICATIONS

LEMON AVE STREET CROSSING
LA MESA, CALIFORNIA



5159 FEDERAL BOULEVARD
SAN DIEGO, CALIFORNIA 92105
(619) 263-9251

PLANS PREPARED BY:



DATALOG ENGINEERING, INC.
7710 Balboa Avenue, Suite 223C
San Diego, CA 92111
858-569-4812



Metropolitan Transit System

W.O.
NO.

SHEET: 2 OF 2 SHEETS

DESCRIPTION	BY	APPROVED	DATE	FILMED
ORIGINAL	AZ		11-8-18	

NAD 83 COORDINATES

LAMBERT COORDINATES

CONTRACTOR	DATE STARTED
INSPECTOR	DATE COMPLETED