



AGENDA

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

(PC 50771)

San Diego & Arizona Eastern
Railway Company

A Nevada Nonprofit
Corporation

1255 Imperial Avenue,
Suite 1000
San Diego, CA 92101-7490
619.231.1466

BOARD OF DIRECTORS
Don Seil, Chairman
Bob Jones
Paul Jablonski

OFFICERS
Paul Jablonski, President
Bob Jones, Secretary
Linda Musengo, Treasurer

GENERAL COUNSEL
Karen Landers

July 19, 2011

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.

1. Approval of the Minutes of April 19, 2011 Approve
Action would approve the SD&AE Railway Company minutes of April 19, 2011.
2. Statement of Railway Finances (Linda Musengo) Receive
Action would receive a financial report for the quarter and year ended June 30, 2011.
3. Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Matt Domen) Receive
Action would receive a report for information.
4. Report on Pacific Southwest Railway Museum (Diana Hyatt) Receive
Action would receive a report for information.
5. Report on the Desert Line (Chas McHaffie) Receive
Action would receive a report: (1) for information; (2) on the status of the Jacumba yard hazardous waste cleanup; and (3) on the Federal Railroad Administration (FRA) Bridge Inspection Program.
6. Real Property Matters (Tim Allison)
 - a. Summary of SD&AE Documents Issued Since April 19, 2011 Receive
Action would receive a report for information.
 - b. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code section 54956.8
Property: MP 113.5 to 119.3 in Ocotillo Wells in Imperial County, CA
Agency Negotiators: Karen Landers, MTS General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, President & CEO
Negotiating Parties: Pattern Energy Group
Under Negotiation: Price and Terms of Payment Possible Action

- | | | |
|-----|---|------------------------|
| c. | CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code section 54956.8
<u>Property:</u> MP 92.9 over Railroad Street in Jacumba, CA
<u>Agency Negotiators:</u> Karen Landers, MTS General Counsel; Tim Allison, Manager of Real Estate Assets; and Paul Jablonski, President & CEO
<u>Negotiating Parties:</u> SDG&E
<u>Under Negotiation:</u> Price and Terms of Payment | Possible Action |
| 7. | <u>Election to Fill Vacant Position of SD&AE Chair (Karen Landers)</u>
Action would discuss electing a new Chairperson for the SD&AE Railway Company Board of Directors and forward a recommendation to the MTS Board of Directors for approval. | Approve |
| 8. | Old Business | |
| 9. | New Business | |
| 10. | Public Comments | |
| 11. | Next Meeting Date: October 18, 2011 | |
| 12. | Adjournment | |

A-SDAE-JULY19-11

San Diego and Arizona Eastern Railway Company

July 19, 2011

Sign-in Sheet (VOLUNTARY)

Name	Company
1. Diana Hyatt	Pacific SW Rwy Museum
2. RICHARD BORSTADT	BORDER RAIL INSTITUTE
3. R. TERRY	SDIV
4. Marc Bader	RailAmerica
5. HYATT DOWEN	SDIV
6. SULLH	CZRY
7. Robert + Jones	RailAmerica
8. PAUL JABLONSKI	MTS
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MINUTES

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

April 19, 2011

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 April 19, 2011, at 9:00 a.m.

The following persons, constituting the Board of Directors, were present: Don Seil, Bob Jones, and Paul Jablonski. Also in attendance were:

MTS staff:	Tim Allison, Karen Landers, Wayne Terry, Tom Lynch
SD&IV staff:	Matt Domen
Pacific Southwest Railway Museum:	Diana Hyatt
Carrizo Gorge Railway, Inc. (Carrizo):	Chas McHaffie, Sheila LeMire
Burlington Northern Santa Fe (BNSF):	John Hoegemeier
International Border Rail Institute:	Richard Borstadt
Federal Railroad Administration (FRA):	Hector Valdepena
Admicarga:	Jorge O. Munroz Sustaita, Gaspar Metzler Ibanez
Pattern Energy:	Joan Inlow

1. Approval of Minutes

Mr. Seil moved to approve the Minutes of the January 18, 2011, SD&AE Railway Board of Directors meeting. Mr. Jablonski seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Tom Lynch, MTS Controller, reviewed the financial statement for the first quarter of 2011 (attached to the agenda item).

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Seil seconded the motion, and it was unanimously approved.

3. Report on SD&IV Operations

Matt Domen presented the report of activities for the first quarter of 2011 (attached to the agenda item). Mr. Jablonski asked for a follow-up on Mr. Domen's report at the previous meeting regarding delays to freight operations by contractors working on the Blue Line Rehabilitation Project. Wayne Terry responded stating that all parties involved have been working closely together (and will continue to do so) with ongoing meetings and communications to mitigate any issues and keep the operators moving freight on the line. He added that the overhead catenary system work should be completed around the second week of June, so he anticipates a reprieve before the track work and signaling begins.

Action Taken

Mr. Jones moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt presented the first quarter of 2011 report (attached to the agenda item). Mr. Jablonski asked if there have been any communications with Mexico in regard to reopening the tunnel. Chas McHaffie responded and stated that funding is currently the issue in regard to refurbishing portions of the Desert Line. Administradora de la Vía Corta Tijuana-Tecate (ADMICARGA) wants Carrizo to pay 100% of the costs.

Public Speaker: Hector Valdepena of the FRA – Mr. Valdepena asked if Museum personnel will be responsible for track inspections and recordkeeping for Desert Line operations from Campo to Division.

- Ms. Hyatt responded that Museum personnel are keeping records and will be maintaining the track until Carrizo resumes its operations. She added that the main track inspector is Wally Barber who is trained and does very in-depth monthly inspections (track inspectors who have gone through Mr. Barber's training perform weekly inspections). Ms. Hyatt agreed to provide Mr. Valdepena with copies of the track inspections.

Action Taken

Mr. Jones moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

5. Report on the Desert Line

Sheila LeMire presented the 1st quarter report (attached to the agenda item).

Public Speaker: Reena Deutsche – Ms. Deutsche stated that she has given lectures on SD&AE's history over the years, and she has gotten questions inquiring if the Desert Line will ever reopen and if there will be passenger operations.

- Mr. McHaffie responded to Ms. Deutsche's question regarding reopening the Desert Line. Mr. McHaffie stated that he placed an embargo on the line due to safety concerns of the state of the bridges and tunnels. Repairs are estimated to cost around \$8 million to \$12 million. Procuring funding has been a challenge due to the recession, but Mr. McHaffie has not stopped moving forward in seeking those funds.
- Mr. Jablonski responded in regard to future passenger operations on the Desert Line. He stated that the bridges and tunnels must be in a state of good repair before passenger operations can resume.

Action Taken

Mr. Jones moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

6. Real Property Matters**a. Summary of SD&AE Documents Issued Since January 18, 2011**

Tim Allison, MTS Manager of Real Estate Assets, presented the summary of document issued since January 18, 2011.

- S200-10-459: Right of Entry Permit to Gryphon Detective Agency to film at the San Ysidro Trolley Station.
- S200-10-470: License to Imperial Valley Solar, LLC for an at-grade crossing west of Plaster City in Imperial County.
- S200-11-474: Right of Entry Permit to Bert W. Salas, Inc. for a construction crossing of the Imperial Beach bike path at 8th Street in Imperial Beach.
- S200-11-475: Right of Entry Permit to Erickson Air Crane to cross the Desert Line for the Sunrise Power Link construction in Jacumba.
- S200-11-476: Right of Entry Permit to Pullman Engineering to construct a sewer pipeline at 54th Street in the City of San Diego.
- S200-11-477: Right of Entry Permit to Golden State Boring and Pipe Jacking to construct a sewer pipeline at 54th Street, in the City of San Diego.
- S200-11-478: Right of Entry Permit to AirX Utility Surveyors for utility investigations at Lemon Grove Avenue in the City of Lemon Grove.
- S200-11-479: Right of Entry Permit to Haley and Aldrich, Inc. to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- S200-11-480: Right of Entry Permit to Nautilus Environmental to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- S200-11-481: Right of Entry Permit to SDG&E to construct the Sunrise Power Link in San Diego and Imperial Counties.
- S200-11-482: Right of Entry Permit to Par Electric Contractors, Inc. to construct the Sunrise Power link in San Diego and Imperial Counties.
- S200-11-483: Right of Entry Permit to the U.S. Department of the Navy for the Bay Bridge Run/Walk.
- S200-11-484: Right of Entry Permit to Ortiz Corporation to abandon a sewer pipeline near Euclid Avenue in the City of San Diego.
- S200-11-486: Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys near Lemon Grove Avenue in the City of Lemon Grove.
- S200-11-488: Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys for the South Line Freight Improvement Project.

Action Taken

Mr. Seil moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

b. License Agreement with Pattern Energy Group for At-Grade and Utility Crossings

Tim Allison reviewed a request for proposed at-grade crossings, a utility crossing, and longitudinal utility occupation over SD&AE tracks located west of Ocotillo from approximately mile post (MP) 113.5 to MP 119.3 in Imperial County. Mr. Allison introduced Joan Inlow from Pattern Energy Group. Mr. Allison added that there may be a future proposal by Pattern to move some of the materials by rail from mile post 115 to Plaster City, and bringing the line up to operating standards would have to be addressed.

Mr. Jones stated that RailAmerica has moved a lot of wind turbine products in the past and would help in any way. Ms. Inlow outlined the scope of the freight.

Mr. McHaffie confirmed for Mr. Jablonski that Carrizo would still be able to interchange with Union Pacific (if this proposal is approved).

Mr. Jablonski stated that he would like to see a more detailed financial report at the next meeting in July before taking action on this item.

Discussion ensued regarding bringing the line up to operating standards for potential freight movement and crossing requirements during the life of the project.

Action Taken

No action was taken. This item will be deferred until the next meeting on July 19, 2011.

c. San Diego Unified Port District Fiber-Optic Connectivity Project Agreement Amendment

Mr. Allison reviewed a request from San Diego Unified Port District (Port) for an amendment to the Amended and Restated Use Agreement for fiber-optic installations. He described the projected extension of fiber-optics and the benefits to MTS information technology.

Action Taken

Mr. Jablonski moved to authorize the execution of an amendment to the Amended and Restated Use Agreement granting a license to the San Diego Unified Port District (Port) for fiber-optic installations. Mr. Jones seconded the motion, and it was unanimously approved.

d. SDG&E Road-Crossing Easement

This item was deferred to the July 19, 2011, SD&AE Board of Directors meeting. No action was taken.

- e. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8
Property: Assessor Parcel Nos. 667-020-52, 54, 60, & 70, San Diego, California
Agency Negotiators: Karen Landers, MTS General Counsel; Tim Allison, MTS Manager of Real Estate Assets
Negotiating Parties: U.S. General Services Administration
Under Negotiation: Price and Terms of Payment

The Board adjourned into closed session at 9:41 a.m. and resumed open session at 10:21 a.m.

Action Taken

General Counsel Karen Landers reported that the Board received a report and gave direction to staff.

7. Old Business

There was no old business.

8. New Business

Mr. Seil announced that he is resigning as SD&AE Chair, and Randy Perry is replacing him as General Manager.

9. 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 July 19, 2011, at 9:00 a.m.

11. Adjournment

The meeting was adjourned at 10:26 a.m.



President



General Counsel

/MINUTES.SDAE.4-19-11

Agenda

Item No. 2

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

SDAE 710.1 (PC 50771)

July 19, 2011

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the quarter and year ended June 30, 2011.

Budget Impact

None.

DISCUSSION:

Staff will present the unaudited results for quarter 4 of fiscal year 2010/11. The current quarter results show an increase in expenses over quarter 3 related to estimated depreciation expense for the year and a year-to-date net income of \$49,003. The final results and reserve balance for FY 11 will be available after completion of the FY 11 audit.

Attachment: SD&AE Financial Report Q4 2011

SD&AE operating statement FY2011 and FY2010

	FY2011 - unaudited										
	Q1	Q2	Q3	Q4	YTD		Q1	Q2	Q3	Q4	YTD
Revenue											
Right of entry permits	\$ 12,250	\$ 5,450	\$ 21,370	\$ 12,790	\$ 51,860	\$	21,619	\$ 17,400	\$ 8,500	\$ 10,975	\$ 58,494
Lease income	22,072	28,845	19,340	18,580	88,837		25,871	43,341	819	31,193	101,224
SD&IV 1% freight fee	-	-	38,187	-	38,187		-	-	-	35,542	35,542
Total revenue	34,322	34,295	78,897	31,370	178,885		47,490	60,741	9,319	77,710	195,260
Expense											
Personnel costs	19,916	22,595	18,746	20,092	81,349		22,734	26,334	19,540	18,682	87,291
Outside services	-	260	-	335	595		12,031	5,989	5,147	37,574	60,742
Energy costs	-	-	-	-	-		-	-	-	32	32
Risk management	8,352	8,194	7,771	5,974	30,291		8,486	8,486	8,403	8,352	33,728
Misc operating expenses	303	194	70	-	567		20,474	(18,913)	25	-	1,586
Depreciation - estimated	-	-	-	17,080	17,080		-	-	-	17,080	17,080
Total expense	28,571	31,243	26,586	43,481	129,882		63,725	21,897	33,115	81,721	200,458
Net income/(loss)	\$ 5,751	\$ 3,052	\$ 52,311	\$ (12,111)	\$ 49,003		\$ (16,235)	\$ 38,845	\$ (23,796)	\$ (4,011)	\$ (5,198)

Reserve balance 2010 - final	\$ 890,173
Allocated interest earnings - estimated	3,207
Operating profit (loss) estimated	49,003
Improvement expense 2011	-
Reserve balance 2011- estimated	\$ 942,383

Agenda

Item No. 3

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

SDAE 710.1 (PC 50771)

July 19, 2011

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.

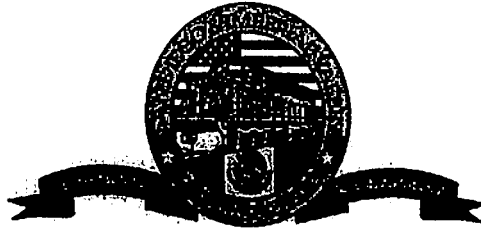
Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 2nd Quarter of 2011



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

July 6, 2011

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 2nd Quarter of 2011 are listed as follows:

1. Labor

At the end of June 30, 2011 the San Diego & Imperial Railroad had 11 employees:

- 1 General Manager
- 1 Asst. General Manager
- 1 Asst. Trainmaster
- 1 Manager - Marketing & Sales
- 1 Office Manager
- 1 Mechanical Officer
- 1 Roadmaster
- 1 Maintenance of Way Employee
- 2 Train Service Employees
- 1 Utility Employee

2. Marketing

Volume in the 2nd Quarter was significantly impacted by border crossing issues of Texas Gas & Oil LPGS. Overall, the volume dropped 24.4% over last year. Bridge traffic was down more significantly; 35.3% over last year. Traffic destined or originated on the SDIV was only down 22.3% to last year.

3. Reportable Injuries/Environmental

Days through year to date, June 30, 2011, there were no FRA Reportable injuries or environmental incidents on the SDIV Railroad.

Days FRA Reportable Injury Free: 4293

4. Summary of Freight

	2011	2010	2009
Total rail carloads that moved by SDIY Rail Service in the quarter.	1101	1458	1425
Total railroad carloads Terminating/Originating Mexico in the quarter.	783	1211	1088
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	302	247	336
Total customers directly served by SDIY in the quarter	0	0	0
Regional Truck trips that SDIY Railroad Service replaced in the quarter	3743	4957	4845

Respectfully,

Randy Perry-

General Manager

Agenda

Item No. 4

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

SDAE 710.1 (PC 50771)

July 19, 2011

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

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: Second Quarter Report for 2011



Pacific Southwest Railway Museum

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

July 11, 2011

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

Re: Second Quarter 2011

Dear SD&AE Board:

During the second quarter of 2011, the Pacific Southwest Railway Museum carried 2,434 passengers with no FRA reportable accidents or injuries. Total income from SD&AE property for second quarter 2011 was \$33,954.16; a check for \$679.08 will be forwarded under separate cover. By comparison, PSRM carried 1977 passengers during the second quarter of 2010 and total income from SD&AE property for that quarter was \$31,215.63.

Progress on the Campo Depot waiting room has continued with the completion of the woodwork detail and the installation of the ceramic floor tiles. A display box is being constructed to highlight the operating levers for the depot's semaphore and an order for wooden benches will be placed soon. The interior stairwell still needs to be constructed as well as the completion of the electrical wiring and the receipt of the newly fabricated ticket counter.

Track work has been performed at MP 64.8, the first sweeping curve west of Campo yard limits. The rails were swapped in the curve and tie replacement is about 40% complete. Work is expected to be completed within the next two weeks. Once this work is completed, track work is scheduled to begin on the House Track in front of the Campo Depot.

Sincerely,

Diana Wyatt
President

Agenda

Item No. 5

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

SDAE 710.1 (PC 50771)

July 19, 2011

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

That the SD&AE Board of Directors receive a report:

1. for information;
2. on the status of the Jacumba yard hazardous waste cleanup; and
3. on the Federal Railroad Administration (FRA) Bridge Inspection Program.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.



Periodic Report

To The San Diego & Arizona Eastern Railway Company

Second Quarter 2011

The periodic Report to the SD&AE Railway Company is produced quarterly by the Carrizo Gorge Railway, Inc for the SD&AE Board, in fulfillment of contractual requirements and to document activity in the restoration of the line to regional service along with its ongoing improvement for future generations.

CARRIZO GORGE RAILWAY, INC.

Accomplishments during Second Quarter 2011

CONTENTS

SECOND QUARTER 2011 ACTIVITY

Appendix A- MOW Summary

Appendix B- Desert Line Freight Revenues
Financial Summary

CARRIZO GORGE RAILWAY, INC.

Second Quarter 2011

Metropolitan Transit Development Board
San Diego & Arizona Eastern Railway Board
1255 Imperial Avenue 10th floor
San Diego, California 92101

Pursuant to reporting agreement, here is the summary of Second Quarter activity for 2011.

I. Labor

As of June 30, 2011, Carrizo Gorge Railway has 6 employees to cover the railroad administration and operation in the U.S.

- 3 Administration
- 1 DSL & Engineer
- 1 Train Master & Locomotive engineer
- 1 Track Inspector & Signals

CARRIZO GORGE RAILWAY, INC.

II. Marketing

Carrizo Gorge Railway is currently not seeking any new business for the desert line until repairs can be completed

Carrizo Gorge Railway continued working to improve relations with Admicarga in an effort to increase revenues as well as the improvement of service to the shipping community in the region.

III. Desert Line

Carrizo Gorge Railway is the rail freight operator on the Desert Line by contractual agreement with Rail America/ SD&IV and with the approval of SD&AE/ MTDB.

The principal activity took place in the desert line was the following:

- 1.- Was continued with the process of clean out of hazardous products in Jacumba station, we are at 95% done.
- 2.- Began at Jacumba yard a project to clean the passenger cars trash (left overs of the cars) and its completed.
- 3.- Began at Jacumba yard a project to relocate on a safe spot treated wood and its completed.
- 4.- Began a project of removal of rocks and sand away from the main track from MP 93 to MP 129 with the propose of make an inspection with the Hy Rail. 15 spots were worked in total.

CARRIZO GORGE RAILWAY, INC.

IV. Reportable Injuries / Environmental Incidents

There were no reportable injuries in the second quarter of 2011.

There were no reportable accidents in the second quarter of 2011.

There were was on environmental incidents in the second quarter of 2011.

V. Freight Activity

No freight activity in the 2nd quarter of 2011 due to the embargo , we are still continuing to store empties, with a total amount of 52 GE cars located in the East end of the line as of this date.

MOW Sand carloads moved on the Desert Line	0
Revenue Sand carloads moved on the Desert Line	0
Revenue Freight carloads moved to/from Seeley Via interchange with UPRR, on the Desert Line	0
Non-Revenue Freight carloads moved from UPRR and USG, on the Desert Line	0
Revenue Freight carloads terminating/originating in Mexico to/from San Ysidro via interchange with SD&IV Railroad	0
Total overall second quarter 2011 Carloads Moved	0
Revenue Empties	0
Revenue Storage	52

CARRIZO GORGE RAILWAY, INC.

VI. Mexican Railroad

Carrizo Gorge Railway is the rail freight operator for the State of Baja California, Mexico and continues to employ the following personnel dedicated to freight service south of the border.

Here is an update of Carrizo Gorge Railway, Inc. Mexico's Operation.

CURRENT MEXICO PERSONNEL

- 1 Director of Operations
- 1 Supervisor of Operations
- 3 Dispatchers
- 3 Train Engineers
- 6 Conductors
- 1 Mechanic
- 1 Division Engineer
- 1 Track Inspector
- 1 Track Supervisor
- 8 Track laborer
- 2 Traffic

CARRIZO GORGE RAILWAY, INC.

Page 1 of 1

Appendix A **M.O.W. SUMMARY**

DESERT LINE

TRACK

Ties Installed (6" x 8" x 8')	0	each
(7" x 9" x 9")	0	each
Stringers	0	each
90 lb/yd Rail Change Out	0	ft.
113 lb. rail Change Out	0	ft.
Repair Open Joints	0	each
Track Regaging	0	each
Separator Rails (4" x 8" x 20")	0	each
Replace Missing Track Bolts	0	each
Rail Anchors Replaces	0	each
Repair Broken angle bars (60 lb.)	0	each
(75 lb.)	0	each
(90 lb.)	0	each
Track Surfaced	0	ft
Track Spikes Used (new)	0	each
Switch Ties Installed	0	each

CARRIZO GORGE RAILWAY, INC.

Page 1 of 1

Appendix B FINANCIAL SUMMARY

DESERT LINE

REVENUE FREIGHT HAULED

Railcar loads to/from UP Interchange, Seeley /Plaster City	0
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Railcar loads revenue sand from Dixie (Plaster City) to Campo	0
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Non-revenue Freight
USG Cars

Total	0
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Track Use Fees:

Interchange freight to/from UPRR over the Desert Line

SD&AE / MTS 1% payment	70.98
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SD&IV / Rail America payment 6.9 (52 Railcars Storage)	489.76
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Revenue Sand from Dixie to Campo

SD&AE / MTS 1% payment	0.00
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SD&IV RailAmerica payment(0cars at \$0.00 each)	0.00
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Agenda

Item No. 6a

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

SDAE 710.1 (PC 50771)

July 19, 2011

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE APRIL 19, 2011

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the April 19, 2011, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-11-472: Right of Entry Permit to W. C. Communications, Inc. to install aerial fiber optics at Palm Avenue in El Cajon.
- S200-11-485: Right of Entry Permit to the City of La Mesa for the Flag Day Parade.
- S200-11-487: Right of Entry Permit to Kimley-Horn and Associates, Inc. for field investigations along the South Line.
- S200-11-489: Right of Entry Permit to Terra Pacific Consultants for soils investigation at Hill Street in El Cajon.
- S200-11-491: Right of Entry Permit to Johnson-Frank and Associates, Inc. to perform surveying at the San Ysidro Border.
- S200-11-492: Right of Entry Permit to California Conservation Corps to perform clearing and grubbing along the Coronado Branch for the Bayshore Bikeway Project in Chula Vista.

- S200-11-493: Right of Entry Permit to the Sweetwater Authority to install a water valve at J Street in Chula Vista.
- S200-11-494: Right of Entry Permit to TY Lin International, Inc. to perform field investigations for the South Line Freight Improvement Project.

Agenda

Item No. 7

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

SDAE 710.1 (PC 50771)

July 19, 2011

SUBJECT:

ELECTION TO FILL VACANT POSITION OF SD&AE CHAIR

RECOMMENDATION:

That the SD&AE Board of Directors discuss electing a new Chairperson for the SD&AE Railway Company Board of Directors and forward a recommendation to the MTS Board of Directors for approval.

Budget Impact

None.

DISCUSSION:

Don Seil has resigned as Chair of the SD&AE Board of Directors; therefore, the SD&AE Board needs to elect a new Chair to replace Mr. Seil and forward a recommendation to the MTS Board of Directors to approve the elected SD&AE Chairperson.

JULY19-11.7.ELECTCHAIRMAN.KLANDERS