

MINUTES

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

January 19, 2016

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 19, 2016, at 9:00 a.m.

The following persons, constituting the Board of Directors, were present: Blake C. Jones, Matt Domen, and Wayne Terry. Also in attendance were members from:

San Diego Metropolitan Transit System:

Tim Allison, Karen Landers, Erin Dunn,
Traci Wutke

Pacific Southwest Railway Museum:

Diana Hyatt, Michael Edwards

San Diego Imperial Valley Railroad:

Jared Gooch, Clint Ashmead, Jeff Owen

Trains Magazine:

Don Jones

1. Approval of Minutes

Mr. Domen moved to approve the Minutes of the October 13, 2015, SD&AE Railway Board of Directors meeting. Mr. Terry seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Erin Dunn reviewed the financial statement for the fourth quarter of 2015 (attached to the agenda item).

Action Taken

The Board received the report.

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

Matt Domen reviewed the report of activities for the fourth quarter of 2016 (attached to the agenda item).

Action Taken

The Board received the report.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt reviewed the fourth quarter of 2016 report (attached to the agenda item).

Action Taken

The Board received the report.

5. Report on the Desert Line

Karen Landers provided a report for the Desert Line. In addition to PIR's written report, Ms. Landers informed the Board that MTS has received the amended Desert Line reconstruction report and MTS anticipates having comments submitted to PIR in the following weeks. Paul Jablonski and Ms. Landers are scheduled to visit the Mexican portion on the Desert Line and the facilities in late January with the U.S. Consul General for Tijuana.

Action Taken

The Board received the report.

6. Real Property Matters

A. Summary of SD&AE Documents Issued since October 13, 2015.

- S200-15-629: Right of Entry Permit to Aguirre and Associates, for performing various field surveys in the City of La Mesa.
- S200-16-631: Right of Entry Permit to Cal Poly State University for public surveys at the Lemon Grove Trolley Station.
- S200-16-632: Right of Entry Permit to Henkels & McCoy, Inc., for removing SDG&E transmission towers along the South Line between Sampson St. and Schley St.

Action Taken

The Board received the report.

7. Amendment to Articles of Incorporation (Karen Landers)

The Board desires to amend the Articles of Incorporation in order to conform to the requirements for an exemption from the federal taxation under Internal Revenue Code Section 501(c)(3).

Action Taken

Mr. Domen moved to approve amendment to the Articles of Incorporation. Mr. Terry seconded the motion, and it was unanimously approved.

8. Board Member Communications

None.

9. Public Comments

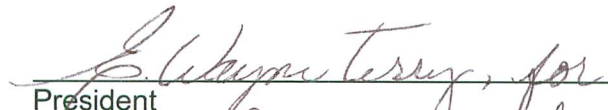
None.

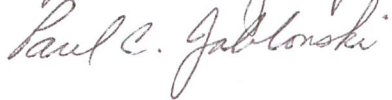
10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on July 19, 2016.

11. Adjournment

The meeting was adjourned at 9:15 AM.



President




General Counsel

Attachments: None