

# 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 22<sup>nd</sup>.

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 cursive script, appearing to read "Diana Hyatt", followed by a horizontal line.

Diana Hyatt  
President