



SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY
A NEVADA NONPROFIT CORPORATION

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1

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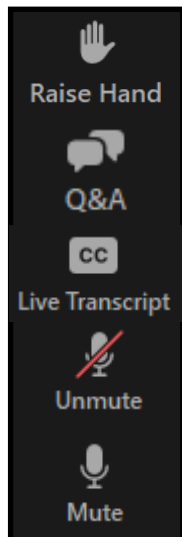
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4

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SAN DIEGO & ARIZONA
EASTERN RAILWAY
COMPANY

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1

Enlace de la junta:

<https://www.zoomgov.com/j/1612685182>

2

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Comentario Público Escrito

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Comentario Público Verbal en Vivo

Para hacer un comentario público

1. Envíe su nombre por escrito y el número del artículo de agenda usando la función 'Q&A' (método preferido—se puede hacer a cualquier momento antes de la sección para comentario público de ese artículo.
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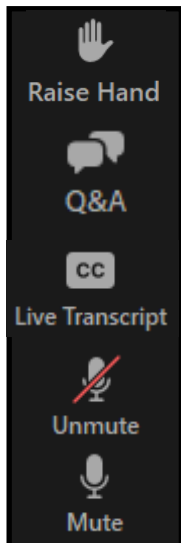
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3

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4

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Tendrá acceso al audio de la reunión, pero no podrá ver las presentaciones.



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
Brian Riley, Chairperson
Matt Domen
David Franklin, Jr.

OFFICERS
Sharon Cooney, President
Matt Domen, Secretary
Erin Dunn, Treasurer

LEGAL COUNSEL
Karen Landers

REVISED AGENDA

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

October 8, 2024
9:00 a.m.

In-Person Participation: James R. Mills Building, 1255 Imperial Avenue
10th Floor Executive Committee Room, San Diego, CA 92101
Teleconference Participation: 1 (669) 254-5252; Webinar ID: 161 268 5182
<https://www.zoomgov.com/j/1612685182>

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ACTION RECOMMENDED

1. [Approval of the Minutes of October 17, 2023](#) Approve
Action would approve the SD&AE Railway Company Minutes of October 17, 2023.
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 \(Stephen Hager\)](#) Informational
5. [Report on the Desert Line \(Karen Landers\)](#) Informational
6. [Real Property Matters \(Sean Myott\)](#) Informational
Summary of SD&AE Documents Issued Since October 17, 2023.
7. [Board Member Communications](#)
8. [Public Comments](#)
9. [Next Meeting Date:](#) Tuesday, October 14, 2025 at 9:00 a.m.
10. [Adjournment](#)

MINUTES

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

October 17, 2023

[Clerk's note: Except if noted, public, staff and board member comments are paraphrased.]

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 October 17, 2023, at 10:00 a.m. via Zoom and in person.

The following persons, constituting the Board of Directors, were present: Brian Riley and Matt Domen (David Franklin, Jr. was absent). Others in attendance were members from:

San Diego Metropolitan Transit System:	Erin Dunn, Karen Landers, Sean Myott
Pacific Southwest Railway Museum:	Stephen Hager

1. Approval of Minutes

Mr. Domen moved to approve the Minutes of the October 27, 2022, SD&AE Railway Board of Directors meeting. Mr. Riley seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Ms. Dunn reviewed the Statement of Railway Finances for the year ending June 30, 2023 (attached to the agenda item). The fiscal year financials have not yet been published to the MTS Board of Directors—they will go to the MTS Board of Directors in November 2023. The financials are not yet final; however, no changes are anticipated. Revenue and expenses are favorable to budget. The net income of \$89,000 is being added to the reserves balance, which now totals \$975,532.

Action Taken

Informational item only. No action taken.

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

Mr. Domen reviewed the SD&IV Periodic Report for activities (attached to the agenda item). The report addressed labor, marketing, reportable injuries/environmental, and a summary of freight.

Action Taken

Informational item only. No action taken.

4. Report on Pacific Southwest Railway Museum Operations (Stephen Hager)

Mr. Hager submitted the Pacific Southwest Railway Museum (PSRM) reports for the last four quarters (attached to the agenda item). Ridership has generally continued to increase since the pandemic. There have been no Federal Railroad Administration (FRA) reportable injuries or accidents. Preparations are being made for the special holiday trains.

Mr. Hager stated that PSRM has a proposed track project for the Desert Line to run from Campo west toward the turnaround point and then extend service westbound to Division. Mr. Hager provided two quotes for the project (attached).

Action Taken

Informational item only. No action taken.

5. Report on the Desert Line (Karen Landers)

Ms. Landers reported that Caltrans got a grant in January 2022 to complete a planning and feasibility study on a Desert Line project. Caltrans was working with the San Diego Association of Governments (SANDAG) to do the study—however, that was not allowed in the grant's rules so it was changed so that Caltrans is the lead agency on the project. The last update that Ms. Landers had was that Caltrans was trying to narrow the scope and then identify an appropriate consultant. Ms. Landers is not sure if the start date will be in 2024, and she will be checking back with Caltrans on the status. Ms. Landers stated that there will be nothing happening on the Desert Line until the study is completed, and there is coordination with Caltrans, SANDAG, and MTS.

Action Taken

Informational item only. No action taken.

6. Real Property Matters (Sean Myott)

Summary of SD&AE Documents Issued Since October 27, 2022

Mr. Myott stated that since the October 27, 2022, SD&AE Railway Company Board of Directors meeting, the documents described in the agenda item have been processed by staff. Mr. Myott noted that there has been significant interest from fiber-optic companies to cross MTS right-of-way—particularly in the southern region and border areas. Having fiber optics running through an active rail line has largely been discouraged by MTS—instead MTS has suggested that fiber-optics companies request access on public streets and that has been successful so far.

Ms. Landers added that MTS is working on a Transit-Oriented Development (TOD) project at Beyer Blvd. Station. The original site plan included using the existing parking lot—a portion of which was considered to be in the railroad corridor. The project was then redesigned to exclude that area. Mr. Myott added that rail access is always considered during TOD projects to ensure that there are no issues with transit access in the future.

- L1560.1-21: Right of Entry Permit Amendment (Time Extension) to Palm Engineering Construction Company, Inc. to install a new water main and perform street improvements adjacent to MTS railroad right of way and Euclid Transit Center.

- L1637.0-23: Right of Entry Permit to C Below for potholing along Commercial St. via hydro vacuum to expose & confirm utilities.
- S200-21-766.1: Right of Entry Permit Amendment (Time Extension) to HMS Construction, Inc. to install conduit at various locations (I-5 Civic Center Dr Bridge, I-5 Palm City Bridge, Beyer Blvd and 905) for the California Department of Transportation.
- S200-22-775.1: Right of Entry Permit Amendment (Time Extension) to Albus-Keefe & Associates for exploratory drilling and soil sampling at the Palm Avenue Station parking lot and right of way (2340 Palm Ave, Chula Vista, CA).
- S200-23-791.1: Right of Entry Permit Amendment (Time Extension) to Transtelco to replace existing fiber cable in an existing duct from Sigsbee Street and Harbor Boulevard to San Ysidro.
- S200-23-791: Right of Entry Permit Amendment to Transtelco Inc. to replace existing fiber cable in an existing duct from Sigsbee Street and Harbor Boulevard to San Ysidro.
- S200-23-792: Right of Entry Permit to Man General Engineering to access two above ground Cox Communications pedestals to pull fiber through existing conduit at Beyer Boulevard.
- S200-23-795: Right of Entry Permit to Griffith Company to install bridge falsework to protect the MTS tracks and appurtenances during the El Cajon Bridge demolition and reconstruction.
- S200-23-796: Right of Entry Permit to Fordyce Construction, Inc. for street and curb improvement work on the east side of Howard Ave between Iris Ave and Village Pine.
- S200-23-797: Right of Entry Permit to Coastal Communications, Inc. to install conduit and fiber optic cable via boring methods on Civic Center Drive.
- S200-23-798: Right of Entry Permit to AirX Utility to perform utility locating and mark-outs, potholing and documentation in the parking lot of the El Cajon Transit Center.
- S200-23-799: Right of Entry Permit to AirX Utility to perform utility locating and mark-outs, potholing and documentation Harbor Drive and Sampson Street.
- S200-23-800: Right of Entry Permit to Wyverd Fiber to conducting fiber investigation at the 24th Street Transit Center and Civic Center Drive.
- S200-23-801: Right of Entry Permit to Wyverd Fiber to conduct field investigation for fiber installation at the San Ysidro Station.
- S200-23-802: Right of Entry Permit to RedZone Robotics, Inc. to conduct field investigation of the trunk sewer pipeline along the trolley's Orange Line utilizing manholes for equipment access.
- S200-23-806: Right of Entry Permit to Life Sports Foundation allowing participants of the 2023 Campagnolo Gran Fondo San Diego bike event to cross over railroad tracks at 8th

Street, Palomar Street and Gunpowder Point Drive in Chula Vista, CA on Sunday, April 23, 2023.

- S200-23-808: Right of Entry Permit to SANDAG to access the Iris Ave. Transit Center on March 15, 2023 from 2:30pm - 5:00pm and El Cajon Transit Center on March 6, 2023 from 2:30pm-5:00pm for the purpose of encouraging participation in SANDAG's Youth Opportunity Pass Impact Survey.
- S200-23-808.1: Right of Entry Permit Amendment (Time Extension) to SANDAG Right of Entry Permit to SANDAG to access the Iris Ave. Transit Center for the purpose of encouraging participation in SANDAG's Youth Opportunity Pass Impact Survey. Extend to April 30, 2023.
- S200-23-809: License Agreement to MCImetro Access Transmission Services LLC Access for construction, use, operation, maintenance, repair and ownership of an underground fiber optic conduit that crosses within MTS/SDAE right of way at Civic Center Drive.
- S200-23-811: Right of Entry Permit to KTA Construction Inc. to replace sewer and water mains along 26th St and Commercial St for the City of San Diego.
- S200-23-812: Right of Entry Permit to the Navy Region Southwest Morale, Welfare and Recreation Department to Allowing event participants of the Navy's Annual Bay Bridge Run/Walk to cross over tracks on Sunday, May 21, 2023 at the Cesar Chavez Parkway railroad crossing and Harbor Drive.
- S200-23-813: Right of Entry Permit Right to GC Fence Corporation to install a fence near the Spring Street and Nebo Drive crossing as requested by the CPUC.
- S200-23-814: Right of Entry Permit to SANDAG to conduct outreach regarding the proposed Rapid 625 Bus Route Project at the Palomar Street Transit Center on April 19, 2023 from 2:30pm - 6:30pm or another date if weather does not permit up until May 31, 2023 as approved by MTS staff.
- S200-23-816: Right of Entry Permit to John Donaldson Construction, Inc. to install a pipe lining in the current sewer line near the building located at 1225 N Marshall Avenue, El Cajon.
- S200-23-817: Right of Entry Permit to Orion Construction to perform a GPR survey and investigative potholing at the 32nd Street crossing for the development of construction design plans for Naval Base San Diego NAVFAC's Water Line Repair Project.
- S200-23-818: Right of Entry Permit to Ramona Paving & Construction Corp, Inc. to replace asphalt along Imperial Avenue from 60th Street to 65th Street, San Diego.
- S200-23-819: Lease Agreement to West Coast General Group for temporary staging and storage of construction equipment, construction materials and supplies at property situated south of Palomar Street in the City of Chula Vista (APN 622-081-28-01).
- S200-23-820: Right of Entry Permit to City of La Mesa allowing participants of the City of La Mesa Flag Day Parade to cross over tracks on June 3, 2023 at La Mesa Boulevard railroad crossing.

- S200-23-824: Right of Entry Permit to Wyverd Fiber to intercept Wyverd owned fibers with MTS fiber at 24th Street Station/Mile of Cars Way.
- S200-24-828: Right of Entry Permit to RDZ Plumbing & Drains the purpose of replacing a sewer pipe located at the San Ysidro Station, for street address 727 E. San Ysidro Blvd.
- S200-24-830: Right of Entry Permit to Sweetwater Authority to the purpose of repairing a 16" underground water valve at F Street, Chula Vista.

Action Taken

Informational item only. No action taken.

7. Board Member Communications

There were no Board member communications.

8. Public Comments

- Manuel Hernandez representing Baja California Railroad (BJRR)

Mr. Hernandez reported that BJRR has been looking to work with SD&IV to export by rail from Mexico into the U.S. and build a new border infrastructure facility. BJRR has been meeting with companies (such as Hyundai) about the growing demand for exports from Tijuana to the U.S. He discussed the issues finding funding for infrastructure on the U.S. side of San Ysidro and the multiple entities that BJRR has been working with in the U.S. and Mexico to try to get the project moving forward.

Ms. Landers asked why there were no exports historically. Mr. Domen responded that the challenges have included train-car inspection locations, train storage locations, employee infrastructure, and other considerations, such as shades, coverings, docks, equipment (depending upon the commodities), etc.

Ms. Landers asked if enough space was added to accommodate a new facility when SANDAG did the San Ysidro Yard Expansion Project. Mr. Domen responded that tracks and drainage were built, but there is no extra room for a new building or another track without purchasing additional property.

Discussion ensued regarding different types of potential exports. Mr. Domen added that the only export historically was sand, and U.S. Customs required that all of the sand be unloaded into a pile through a screen and one agent stood there all day and inspected it. Ms. Landers suggested that BJRR representatives talk with SANDAG and Caltrans about expansion at the San Ysidro Yard. She stated that to expand the San Ysidro Yard, private property east of the San Ysidro Yard would have to be purchased prior to seeking funding, and the property would have to pass all federal environmental clearances. She added that MTS could not as a public agency purchase property unless there was an official project and all of the federal clearances passed. Ms. Landers' last contact with the private property owner's attorney was to let her know they were getting ready to sell their property and she is unaware of the current status of the property.

ownership. Ms. Landers will provide the name of the property owner's lawyer to BJRR if they want to inquire about the plans for the private property.

Discussion ensued regarding the potential for a new infrastructure facility at the border. Ms. Landers suggested that BJRR find a sponsor at SANDAG or Caltrans.

- Jim Lundquist representing PSRM – virtual question submitted:

Can the abandoned property at Campo, left behind by CZRY, be removed by the Railway Museum? We have a new home for the old office trailer in Tecate, and the other equipment there appears to be scrapped.

Ms. Landers responded that the answer most likely is yes—and she will have Mr. Myott follow up. A formal legal process was done a few years ago notifying people about MTS clearing the abandoned property and, if they wanted to claim any of the property, they needed to take action to remove it. Mr. Myott can double-check the records to make sure that no one ever claimed the property. Mr. Hager added that after a meeting in March, he sent a list to Mr. Myott noting the items that PSRM would like to dispose of or keep.

9. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, October 8, 2024 at 9:00 a.m.

10. Adjournment

The meeting was adjourned at 10:27 a.m.


Chairperson


General Counsel

2023-10-17 DRAFT MINUTES-SDAE.doc

Attachment: PSRM Project Quotes (2)



RailWorks Track Services LLC
12740 Lakeland Road – Unit B
Santa Fe Springs, CA 90670

James Caestecker
C/O Pacific Southwest Railway Museum
San Diego & Arizona Railway
750 Depot Street
Campo, CA 91906-3180
jcaestecker@psrm.org

October 9, 2023

Subject: RailWorks Proposal 431-23-113

Re: Track repair proposal

Mr. Caestecker,

RailWorks Track Services LLC (**RailWorks**) is pleased to provide this proposal based on our site visit and collaborative meetings. This pricing is based on providing a track crew and the identified equipment below to perform the work identified during our site visit.

Scope of Work

- Track ditching:
 - Furnish equipment and manpower to ditch 3000TF on both field sides to remove rocks and overburden causing drainage issues and causing tracks to be submerged for long periods of time causing tie deterioration.
- Crossing approach and exit repairs:
 - Furnish equipment and manpower to correct reverse elevation and alignment issues on the approach and exit of the mainline road crossing. This work includes installation of new ballast material in shallow cribs and to allow the surfacing of the approach and exit to the crossing.
- Furnish and distribute ballast:
 - Furnish equipment and manpower to furnish and distribute 500 tons of AREMA 4 ballast material in various locations where shallow cribs and missing ballast have been found.
- Tie change:
 - Furnish and install (500) IG Common ties where poor tie condition has been found in various locations. Ties to be furnished with new spikes throughout using a pattern to match neighboring ties. Ties to be tamped using customer existing ballast material using a hydraulic tamping gun.

RailWorks Pricing: \$284,347.00

RailWorks pricing based on mutually acceptable terms and conditions.

Thank you for the opportunity to offer this proposal. If you have any questions, please contact me at (562) 783-9132 or via email sent to cdeater@railworks.com.



RailWorks Track Services LLC
12740 Lakeland Road – Unit B
Santa Fe Springs, CA 90670

Thank you,

Chris Deater

Chris Deater
Estimator



RailWorks Track Services LLC
12740 Lakeland Road – Unit B
Santa Fe Springs, CA 90670

James Caestecker
C/O Pacific Southwest Railway Museum
San Diego & Arizona Railway
750 Depot Street
Campo, CA 91906-3180
jcaestecker@psrm.org

October 9, 2023

Subject: RailWorks Proposal 431-23-113

Re: Track repair proposal

Mr. Caestecker,

RailWorks Track Services LLC (**RailWorks**) is pleased to provide this proposal based on our site visit and collaborative meetings. This pricing is based on providing a track crew and the identified equipment below to perform the work identified during our site visit.

Scope of Work

- Tie change:
 - Furnish and install (1200) IG Common ties where poor tie condition has been found in various locations over the last 1.5 miles of track between the redflag and the tunnel at the end of the track. This is a 25% tie change using a pattern of every 4th tie to be changed. Ties to be furnished with new spikes throughout using a pattern to match neighboring ties. Ties to be tamped using customer existing ballast material using a hydraulic tamping gun.

RailWorks Pricing: \$341,991

RailWorks pricing based on mutually acceptable terms and conditions.

Pricing is based on a single mobilization in and out.

Pricing includes all materials and mobilizations associated with the work above.

Thank you for the opportunity to offer this proposal. If you have any questions, please contact me at (562) 783-9132 or via email sent to cdeater@railworks.com.

Thank you,

Chris Deater

Chris Deater
Estimator

Agenda Item No. 2

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

October 8, 2024

SUBJECT:

Statement of Railway Finances

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the fiscal year ending June 30, 2024.

Budget Impact

None.

DISCUSSION:

Attached are SD&AE's financial results for the fiscal year ending June 30, 2024.

As of June 30, 2024, revenue is favorable to budget by \$4,000.00 and has increased by \$40,000.00 from the Fiscal Year (FY) ending June 30, 2023 primarily due to the new billboard contracts.

Expenses are \$87,000.00 favorable to budget primarily due to positive variances in both Outside Services and Risk Management costs. Compared to the FY ending June 30, 2023, expenses have decreased \$42,000.00 primarily due a decrease in Risk Management costs related to a \$25,000.00 claim settlement with the City of National City in FY 2023.

The Net Income as of June 30, 2024, was \$171,000.00.

Attachment: SD&AE Operating Statement for year ending June 30, 2024

SD&AE Operating Statement FY2024

	FY 2024			FY 2023	
	Actuals	Budget	Variance	Actuals	Variance
Revenues					
Right of Entry Permits	\$ 38,057	\$ 30,000	\$ 8,057	\$ 56,319	\$ (18,262)
Lease Income	157,072	163,000	(5,928)	98,183.00	58,889
Operator Income - SD&IV 1% Freight Fee	42,000	40,000	2,000	42,544	(544)
Total Revenues	\$ 237,128	\$ 233,000	\$ 4,128	\$ 197,046	\$ 40,082
Expenses					
Personnel Costs	\$ 2,641	5,351	\$ 2,710	\$ 2,519	\$ (122)
Outside Services	-	35,000	35,000	13,185	13,185
Risk Management	40,373	80,000	39,627	62,675	22,302
Misc. Operating Expenses	22,966	33,000	10,034	29,654	6,688
Total Expenses	\$ 65,980	\$ 153,351	\$ 87,371	\$ 108,033	\$ 42,053
Net Income/(Loss)	\$ 171,148	\$ 79,649	\$ 91,499	\$ 89,013	\$ 82,135

Reserve Balance as of June 30, 2023	\$ 975,532
GASB 87 Lease True Up to Cash Basis	\$ 191
Allocated Interest Earnings	82,739
Operating Profit/(Loss) - YTD	171,148
Reserve Balance as of June 30, 2024	\$ 1,229,610

Agenda Item No. 3

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

October 8, 2024

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.

Attachments: Periodic Reports for the 4th Quarter of 2023 & 1st Quarter of 2024



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

October 8, 2024

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 prior year are listed as follows:

1. Labor

The San Diego & Imperial Railroad has 9 employees as listed below:

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

2. Marketing

Volume in the 3rd Quarter had an 11% increase as compared to the same quarter in 2023. Traffic terminating on SDIY increased 13%, consisting of ethanol, E85, aviation gas, renewable diesel, lumber and plastics. Ethanol and E85 growth in San Diego have weakened with lower gas prices and the growth of electric vehicles. Traffic into Mexico increased 10%, mainly driven by increased LPG finding a home in Mexico coming off a milder winter in the U.S. Midwest region. Dairy feed, brewery malt and pulp and paper shipments make up the remainder of the traffic.

3. Reportable Injuries/Environmental

Days through year to date there were **no** FRA Reportable injuries or Environmental incidents on the SDIV Railroad.

Days FRA Reportable Injury Free: **9588**

4. Summary of Freight

	2024	2023	2022
Total rail carloads that moved by SDIY Rail Service in the quarter.	922	830	857
Total railroad carloads Terminating/Originating Mexico in the quarter.	644	584	498
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	278	246	359
Total customers directly served by SDIY in the quarter	9	10	10
Regional Truck trips that SDIY Railroad Service replaced in the quarter	2766	2490	2577

Respectfully,

Matt Domen

General Manager

Agenda Item No. 4

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

October 8, 2024

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.

Attachments: Quarterly Reports



Pacific Southwest Railway Museum

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

February 2, 2024

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

Re: Fourth Quarter, 2023

Dear SD&AE Board:

During the fourth quarter of 2023 the Pacific Southwest Railway Museum operated 3 Golden State trains, 32 Pumpkin Express trains, and 16 North Pole Limited trains carrying a total of 6,069 passengers. The museum was open seventeen days during the fourth quarter. There were no FRA reportable accidents or injuries during the fourth quarter, 2023. Earned revenue from SD&AE property was \$269,379.76; our check for \$5,387.60 is enclosed.

Passenger ridership during the fourth quarter as compared to the past ten years:

6,069 passengers during the fourth quarter 2023
6,476 passengers during the fourth quarter 2022
5,792 passengers during the fourth quarter 2021
2,253 passengers during the fourth quarter 2020
7,559 passengers during the fourth quarter 2019
7,698 passengers during the fourth quarter 2018
7,153 passengers during the fourth quarter 2017
6,736 passengers during the fourth quarter 2016
7,110 passengers during the fourth quarter 2015
6,765 passengers during the fourth quarter 2014

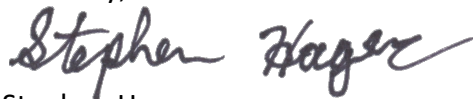
The fourth quarter of the year is PSRM's busiest time of year. We operated our popular Halloween-themed Pumpkin Express trains in October and our largest annual event, the North Pole Limited trains, in late November and December.

PSRM continues to perform track maintenance and weed abatement and maintains both signalized railroad crossings within our right-of-way limits. PSRM signal maintainers perform the monthly, quarterly and annual inspections regularly. During the fourth quarter, PSRM kicked off the largest contracted track rehabilitation project on the Desert Line in our organization's history. PSRM contracted with RailWorks to rehabilitate five miles of the Desert Line between Canyon (Milepost 61.6) and the Cow Creek Trestle (Milepost 66.76) with a total contract value of \$284,347. RailWorks' scope of services included replacing 500 ties, placing 500 tons of crushed rock ballast, surfacing and lining track, and cutting ditches along 3,000 feet of track in two cuts.

The track rehabilitation project was necessary to address defects in the track structure that had arisen due to regular wear and tear and from natural deterioration over time. The project also addressed drainage issues in several locations that further threatened the integrity of the track structure. These defects forced PSRM to truncate its train ride earlier in 2023 and had to be addressed prior to the North Pole Limited train season to avoid losing out on over 50% of our annual income. The project progressed sufficiently for PSRM to resume operations between Campo and Canyon in time for the North Pole Limited season. PSRM is of the opinion that large-scale track projects of this magnitude will be required on a recurrent basis every five to ten years in order to maintain our section of the Desert Line in a state of good repair. PSRM will continue seeking funding in the form of grants and donations in order to further rehabilitate other sections of the Desert Line within our fourteen miles of operating limits.

As always, thank you to the San Diego & Arizona Eastern board and staff, as well as the Metropolitan Transit System board and staff for entrusting the care of fourteen miles of the SD&AE Desert Line to the Pacific Southwest Railway Museum. Our offer remains open to host an MTS/SD&AE visit to our museum in Campo. Please email me at hager@psrm.org for arrangements.

Sincerely,

A handwritten signature in dark ink that reads "Stephen Hager". The signature is fluid and cursive, with the first name "Stephen" and last name "Hager" clearly legible.

Stephen Hager
President



Pacific Southwest Railway Museum

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

June 5, 2024

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

Re: First Quarter, 2024

Dear SD&AE Board:

During the first quarter of 2024 the Pacific Southwest Railway Museum operated 30 Golden State trains, 1 School train, and 18 Bunny Trains carrying a total of 2,863 passengers. The museum was open twenty-six days during the first quarter. There were no FRA reportable accidents or injuries during the first quarter, 2024. Earned revenue from SD&AE property was \$68,885.49; our check for \$1,377.71 is enclosed.

Passenger ridership during the first quarter as compared to the past ten years:

2,863 passengers during the first quarter 2024
1,535 passengers during the first quarter 2023
1,793 passengers during the first quarter 2022
1,087 passengers during the first quarter 2021
1,305 passengers during the first quarter 2020
1,665 passengers during the first quarter 2019
2,728 passengers during the first quarter 2018
1,185 passengers during the first quarter 2017
2,380 passengers during the first quarter 2016
2,334 passengers during the first quarter 2015

We operated our Easter-themed Bunny train special event during the first quarter.

PSRM continues to perform track maintenance and weed abatement and maintains both signalized railroad crossings within our right-of-way limits. PSRM signal maintainers perform the monthly, quarterly and annual inspections regularly. During the first quarter, PSRM completed the largest contracted track rehabilitation project on the Desert Line in our organization's history. PSRM contracted with RailWorks to rehabilitate five miles of the Desert Line between Canyon (Milepost 61.6) and the Cow Creek Trestle (Milepost 66.76) with a total contract value of \$284,347. RailWorks' scope of services included replacing 500 ties, placing 500 tons of crushed rock ballast, surfacing and lining track, and cutting ditches along 3,000 feet of track in two cuts. PSRM's contracted engineering firm, RailPros, is scheduled to perform the annual bridge inspections at mileposts 60.08, 60.93, and 65.27 late in the second quarter or early in the third quarter of this year.

As always, thank you to the San Diego & Arizona Eastern board and staff, as well as the Metropolitan Transit System board and staff for entrusting the care of fourteen miles of the SD&AE Desert Line to the Pacific Southwest Railway Museum. We are always happy to host an MTS/SD&AE visit to our museum in Campo. Please email me at hager@psrm.org for arrangements.

Sincerely,

A handwritten signature in dark ink that reads "Stephen Hager". The signature is fluid and cursive, with the first name "Stephen" and last name "Hager" clearly distinguishable.

Stephen Hager
President

Agenda Item No. 5

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

October 8, 2024

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.

Agenda Item No. 6

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

October 8, 2024

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE OCTOBER 17, 2023

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the October 17, 2023, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-22-771.1 and S200-22-771.2: Ortiz Corporation Right of Entry Permit Amendment (Time Extensions) to install water pipe beneath the tracks, installation of an additional pipes by cut and cover trenching, and the abandonment of existing pipe beneath tracks at the 69th St crossing.
- S200-22-771.3: Ortiz Corporation Right of Entry Permit Amendment (Time Extension & Additional Scope) to install water pipe beneath the tracks, installation of an additional pipes by cut and cover trenching, and the abandonment of existing pipe beneath tracks at the 69th Street crossing and additionally perform curb improvements.
- S200-23-791.2: Transtelco Inc. Right of Entry Permit Amendment (Time Extension) to repair potholing related to the replacement of existing fiber from Sigsbee Street and Harbor Boulevard to San Ysidro.
- S200-23-795.1: Griffith Company Right of Entry Permit Amendment (Time Extension) to install bridge falsework to protect the MTS tracks and appurtenances during the Caltrans El Cajon Bridge demolition and reconstruction.
- S200-23-803: Affirmed Housing Group, Inc. Exclusive Negotiating Agreement (ENA) for a Transit-Oriented Development at Spring Street Station.

- S200-23-825: West Coast General Group Right of Entry Permit to perform street and curb improvement work as part of the new bike pathways along Beyer Blvd. as part of SANDAG's Border to Bayshore Bikeway project.
- S200-23-825.1: West Coast General Group Right of Entry Permit Amendment (Additional Scope) to perform street and curb improvement work as part of the new bike pathways along Beyer Blvd. as part of SANDAG's Border to Bayshore Bikeway project and additionally to remove and replace MTS ROW chain-link fence, asphalt, concrete, and curb on Beyer Blvd. near Precision Park Lane.
- S200-24-829: Peregrine Energy Storage, LLC License for an underground transmission line at Sampson Street for the right to construct, install, inspect, use, operate, maintain, repair, replace, modify, and remove one 230kV generator tie transmission line.
- S200-24-830: Sweetwater Authority Right of Entry Permit to repair a 16" underground water valve at F Street.
- S200-24-834: The Fishel Company Right of Entry Permit to perform asphalt trenching to place conduit for fiber in the public right of way along Hollister Street adjacent to the Palm Street crossing.
- S200-24-836: GC Fence Corporation Right of Entry Permit to install a guardrail near the Spring Street and University Avenue crossing.
- S200-24-839: KTA Construction Inc. Right of Entry Permit to replace a sewer and water main along 19th Street and Commercial Street.
- S200-24-840: Railworks Track Services, LLC Right of Entry Permit to perform track maintenance on behalf of the PSRMA on the Desert Line between MP 66.7 and MP 61.6 in Campo, CA.
- S200-24-841: NOVA Services, Inc. Right of Entry Permit to perform geotechnical borings at Spring Street Station on behalf of Affirmed Housing L.P.
- S200-24-842: EPC Services Right of Entry Permit to construct an underground transmission line at the Sampson Street crossing.
- S200-24-842.1: EPC Services Right of Entry Permit Amendment (Time Extension) to construct an underground transmission line at the Sampson Street crossing.
- S200-24-843: Pacific Drilling Company Right of Entry Permit to perform drilling of boreholes as part of a slope and drainage improvements project located north of the San Ysidro railyard on the southwest facing embankment of the rail line located east of Beyer Boulevard.
- S200-24-844: SANDAG Right of Entry Permit to perform outreach regarding for the Transit Subsidy Survey at various transit centers.

- S200-24-846: Caltrans Right of Entry Permit to conduct in person and aerial drone site investigations of the Sweetwater Marsh and Marisma de Nacional Marsh for the Federal Fish and Wildlife Service.
- S200-24-847: San Diego & Arizona Eastern Railroad Grant Deed transferring four SD&AE parcels to MTS to facilitate a DDA with National CORE for the Plam Avenue Trolley Station Transit-Oriented Development.
- S200-24-848: Blue Pacific Engineering & Construction Inc. Right of Entry Permit to perform civil improvements that include sidewalk construction, lighting improvements, and landscaping improvements as part of the City of Lemon Grove's Connect Main Street Project.
- S200-24-849: San Diego Unified Port District Right of Entry Permit to temporarily install traffic sensors onto MTS catenary poles (approx. 4 months) at the 28th Street and Harbor Drive and Cesar Chavez and Harbor Drive crossings as part of a vehicle route enforcement pilot program for semi-trucks leaving the Tenth Avenue Marine Terminal.
- S200-24-851: Nu Line Technologies Right of Entry Permit to perform sewer-line cleaning and manhole rehabilitation activities at Campo Rd. and Forest Gate Rd.
- S200-24-852: Cox Communications Right of Entry Permit to replace underground equipment located near Beyer Blvd. and Dairy Mart Rd.
- S200-24-853: SANDAG Right of Entry Permit to perform outreach for the planned improvements to the San Ysidro Transit Center.
- S200-24-854: Commander, Navy Region Southwest, Morale, Welfare and Recreation (MWR) Right of Entry Permit for Navy's Annual Bay Bridge Run/Walk to cross over MTS Trolley tracks at Harbor Drive and Cesar Chavez Boulevard.
- S200-24-857: Life Sports Foundation Right of Entry Permit for the 2024 Campagnolo Gran Fondo San Diego bike event to cross over railroad tracks at 8th Street, Palomar Street, and Gunpowder Point Drive.
- S200-24-859: Wyverd Group Right of Entry Permit to install a new aerial fiber line from an existing utility pole near F Street west over the MTS tracks and Interstate 5 to an existing pole near Bay Blvd.
- S200-24-861: Blue Pacific Engineering & Construction Inc. Right of Entry Permit to install a curb ramp and foundation for a pedestrian crossing at the El Cajon Transit Center.
- S200-24-863: Aguirre & Associates Right of Entry Permit to obtain survey data for the existing OCS cables and SDG&E transmission wire for the 24th Street Trolley Pedestrian Bridge Feasibility Study for the City of National City at the 24th Street Trolley Station.
- S200-24-864: San Diego Bicycle Coalition Right of Entry Permit to allow participants of the Bike the Bay bike event to cross over railroad tracks at various locations on the Blue Line (south line) and Coronado Branch (located throughout the Bayshore Bikeway).