



SAN DIEGO & ARIZONA  
EASTERN RAILWAY  
COMPANY  
A NEVADA NONPROFIT CORPORATION

# Webinar Instructions

1

Click link the to  
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<https://www.zoomgov.com/j/1619694181>

Meeting ID

2

## Public Comments and Comment Translation Services:

### Written Public Comments

Written public comments will be recorded in the public record and will be provided to SD&AE Board Members in advance of the meeting. Please e-mail your public comments to the Clerk: [joann.delgado@sdmts.com](mailto:joann.delgado@sdmts.com), by 4:00 p.m. at least one day prior to the meeting.

### Live Verbal Public Comments

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1. Submit your name and agenda item through the 'Q&A' feature (preferred method – can be done at any time prior to public comment on that agenda item).
2. Use the 'Raise Hand' icon feature – please raise hand once the agenda item you wish to comment on has started.

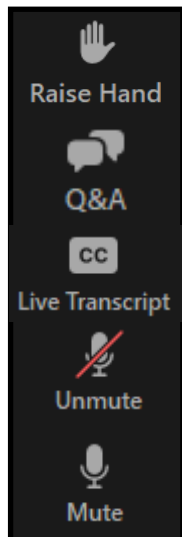
### Public Comment Translation Services

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The Clerk will call your name or by the last three digits of your phone number and unmute you in the order in which the requests are received.

3

## Webinar Features:



- ▶ Use the **raise hand** feature every time you wish to make a public comment. Dial \*9 if participating via phone. You will be taken in the order in which you raise your hand. Please do so only after that agenda item has started.
- ▶ Use the **Q&A** button to ask staff to make a live public comment – staff will reply through the feature
- ▶ Participants can enable closed captioning by clicking the **CC** icon. You may also view the full transcript and change the font size by clicking 'subtitle settings.' These features are not available via phone.
- ▶ This symbol shows you are muted, click this icon to **unmute** your microphone or \*6 if you are calling in.
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4

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2. US: 1 (669) 254-5252



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# Instrucciones para la Reunión Virtual de Juntas Directivas y Comités

1

Enlace de la junta:

<https://www.zoomgov.com/j/1619694181>  
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2

## Comentario Público y Servicios de Traducción:

### Comentario Público Escrito

Todos los comentarios públicos recibidos serán incorporados en el registro público y se proporcionarán a los miembros de la junta de MTS antes de la reunión. Envíe sus comentarios públicos por correo electrónico a la Secretaria de la Junta, [joann.delgado@sdmts.com](mailto:joann.delgado@sdmts.com), a las 4:00 p.m., el día antes de la junta.

### 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.
2. Use la función "Raise Hand" cuando el número de artículo haya comenzado.

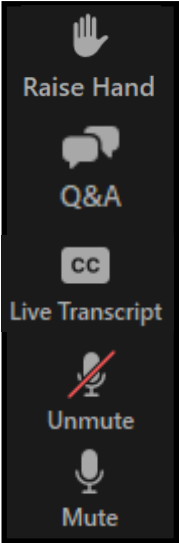
### Servicios de Traducción para Comentario Público

Servicios de traducción para comentario público están disponibles mediante solicitud a la Secretaria de la Junta, 48 horas antes de la junta.

La Secretaria llamará su nombre o los últimos tres números de su número de teléfono y activará su micrófono. Los comentarios serán organizados en el orden de que sean recibidos.

3

## Funciones de la Reunion Virtual:



- Use la función 'raise hand' cada vez que quiera hacer un comentario público. Marque \*9 si está participando por teléfono. Los comentarios serán organizados en el orden en que sean recibidos. Solamente use esta función cuando el número de artículo haya comenzado.
- Use la función **Q&A** para hacer un comentario público - el organizador respondera mediante esta función.
- Los participantes pueden activar subtítulos en inglés usando la función **CC**. Puede acceder la transcripción completa y cambiar el tamaño de letra en la sección 'subtitle settings'. Estas funciones no están disponible por teléfono.
- Este símbolo muestra que su micrófono está silenciado. Marque \*6 si esta llamando a la junta.
- Este símbolo muestra que su micrófono no está silenciado. Presione este botón para silenciar su micrófono

4

## Maneras de Participar:



### Computadora:

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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

# AGENDA

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

October 13, 2026  
**9:00 a.m.**

**In-Person Participation:** James R. Mills Building, 1255 Imperial Avenue  
10<sup>th</sup> Floor Executive Committee Room, San Diego, CA 92101  
**Teleconference Participation:** 1 (669) 254-5252; Webinar ID: 161 969 4181  
[HTTPS://WWW.ZOOMGOV.COM/J/1619694181](https://www.zoomgov.com/j/1619694181)

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## ACTION RECOMMENDED

1. [Approval of the Minutes of October 14, 2025](#) Approve  
Action would approve the SD&AE Railway Company Minutes of October 14, 2025.
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. [Real Property Matters \(Sean Myott\)](#) Informational  
Summary of SD&AE Documents Issued Since October 14, 2025.
6. [Board Member Communications](#)
7. [Public Comments](#)
8. [Next Meeting Date](#): Tuesday, October 12, 2027, at 9:00 a.m.
9. [Adjournment](#)

# DRAFT

## MINUTES

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

October 14, 2025

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 14, 2025, at 9:00 a.m. via Zoom and in person.

The following persons, constituting the Board of Directors, were present: Brian Riley, Matt Domen, and David Franklin, Jr. 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 8, 2024, SD&AE Railway Board of Directors meeting. Mr. Franklin seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Ms. Dunn reviewed the Statement of Railway Finances for the fiscal year ending June 30, 2025 (attached to the agenda item). Ms. Dunn noted that for fiscal year 2025, revenue was favorable to budget by \$45,000 and favorable from fiscal year 2024 by \$48,000. Operating expenses were up by \$15,000 from fiscal year 2024 primarily due to a cleanup of hazardous materials, but were overall still \$90,000 favorable. Ms. Dunn added that the net income for the fiscal year was \$204,000.

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 for October 2024 through September 2025. (attached to the agenda item).

Karen Landers, General Counsel, shared that there are upcoming stormwater projects that will be needed in the SD&IV yard and MTS's Environmental Health Specialist will be taking the lead on planning for these projects.

A public comment was made by Jim Linquist who inquired about the destination of aviation fuel.

Action Taken

Informational item only. No action taken.

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

Mr. Hager reviewed the Pacific Southwest Railway Museum (PSRM) report for the 4<sup>th</sup> quarter of 2024 and the 1<sup>st</sup> and 2<sup>nd</sup> quarter of 2025 (attached to the agenda item).

Karen Landers provided an update on Caltrans feasibility study on the future of the Desert Line. Caltrans and HNTB completed a draft market feasibility and planning cost assessment for the Desert Line in June. Ms. Landers noted the study was intentionally limited in scope due to funding constraints and did not include detailed field surveys or engineering analyses. As a result, Caltrans staff lacked confidence in the cost estimates, believing they were unrealistically low. The study estimated full reconstruction costs between \$570 million and \$1.2 billion for the 70-mile line, which includes numerous tunnels and bridges. Alternative, lower-cost options ranged from \$300 million to \$500 million, but those figures were also viewed as overly optimistic given the line's deteriorating condition. Ms. Landers stated the market feasibility found potential freight demand but projected that the minimum viable volume might not materialize until 2050 or later, and only if multiple contingencies were met — such as cooperation between Union Pacific, Baja Rail, and other stakeholders. Caltrans decided not to finalize or publish the report, viewing it as a draft reference that could be revisited in the future if the project gains regional importance. Ms. Landers concluded with the reminder that the study on the Desert Line hasn't been formally presented to MTS's Board of Directors and any future decisions or actions related to the line would require the Board to consider the current status and findings of those studies before proceeding.

#### Action Taken

Informational item only. No action taken.

5. 6. Real Property Matters (Sean Myott)

Mr. Myott reviewed the report summarizing the SD&AE agreements have been processed since October 8, 2024.

Ms. Landers shared an update on transit-oriented development (TOD) project near the Palm Avenue Station. Ms. Landers stated small strips of right-of-way once owned by SANDAG were transferred to MTS to streamline the ground lease process, coordination with the project's developer and neighboring developments for shared utility line easements are on-going and Infrastructure work began this summer. Ms. Landers added SD&AE's full rail right-of-way has been preserved, for areas that might be needed for future rail expansion.

A public comment was made by Jim Linquist inquiring about who currently owns the property adjacent to the Palm Avenue Station as in years' past there was a house located on the property.

#### Action Taken

Informational item only. No action taken.

7. Board Member Communications

There were no Board member communications.

8. Public Comments

A public comment was made by Jim Lundquist. Mr. Lundquist inquired about the timeline for the Desert Line Feasibility Report to be completed as well as what the desired outcome would be for SD&AE. Mr. Lundquist also commented that he was pleased to see the long awaited upgrades to the leased PSRM's Campo property of a gate, fencing and a driveway. Mr. Lundquist requested a meeting to discuss an opportunity of rail bikes that was presented to the PSRM.

A public comment was attempted by caller Micael Bayer by phone. Mr. Bayer experienced technical difficulties and was unable to connect. Mr. Bayer provided a written public comment via email. The written comment is provided in the October 14, 2025 Final Meeting Packet.

9. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, October 13, 2026.

10. Adjournment

The meeting was adjourned at 9:24 a.m.

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Chairperson

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General Counsel

## Agenda Item No. 2

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

October 13, 2026

### SUBJECT:

STATEMENT OF RAILWAY FINANCES

### RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the year ending June 30, 2026.

#### Budget Impact

None.

### DISCUSSION:

Attached are SD&AE's financial results for the fiscal year ending June 30, 2026.

As of June 30, 2026, revenue is favorable to budget by \$17,000 and has increased by \$59,000 from the fiscal year ending June 30, 2025. The increase was primarily related to right of entry permit revenue doubling in FY2026.

Expenses are \$102,000 favorable to budget primarily due to positive variances in both Outside Services and Risk Management Costs. Compared to the fiscal year ending June 30, 2025, expenses have increased \$281,000 primarily due to \$272,000 in outside services related to the closure of three (3) underground storage tanks at the San Ysidro Freight Yard.

The Net Loss as of June 30, 2026, was (\$17,000).

Attachments: SD&AE Operating Statement for year ending June 30, 2026

**SD&AE Operating Statement FY2026**

|                                        | FY 2026            |                     |                   | FY 2025           |                     |
|----------------------------------------|--------------------|---------------------|-------------------|-------------------|---------------------|
|                                        | Actuals            | Budget              | Variance          | Actuals           | Variance            |
| <b>Revenues</b>                        |                    |                     |                   |                   |                     |
| Right of Entry Permits                 | \$ 100,758         | \$ 100,000          | \$ 758            | \$ 50,889         | \$ 49,869           |
| Lease Income                           | 192,896            | 179,000             | 13,896            | 174,007.00        | 18,889              |
| Operator Income - SD&IV 1% Freight Fee | 50,419             | 48,000              | 2,419             | 60,154            | (9,735)             |
|                                        | <u>\$ 344,073</u>  | <u>\$ 327,000</u>   | <u>\$ 17,073</u>  | <u>\$ 285,050</u> | <u>\$ 59,023</u>    |
| <b>Expenses</b>                        |                    |                     |                   |                   |                     |
| Personnel Costs                        | \$ 2,270           | 2,400               | \$ 131            | \$ 2,285          | \$ 16               |
| Outside Services                       | 284,629            | 317,000             | 32,371            | 8,540             | (276,089)           |
| Risk Management                        | 50,890             | 101,467             | 50,577            | 46,772            | (4,118)             |
| Misc. Operating Expenses               | 23,603             | 25,000              | 1,397             | 23,101            | (502)               |
|                                        | <u>\$ 361,391</u>  | <u>\$ 445,867</u>   | <u>\$ 84,476</u>  | <u>\$ 80,698</u>  | <u>\$ (280,693)</u> |
| <b>Net Income/(Loss)</b>               | <u>\$ (17,318)</u> | <u>\$ (118,867)</u> | <u>\$ 101,549</u> | <u>\$ 204,352</u> | <u>\$ (221,670)</u> |

|                                            |                     |
|--------------------------------------------|---------------------|
| <b>Reserve Balance as of June 30, 2025</b> | <b>\$ 1,518,548</b> |
| GASB 87 Lease True Up to Cash Basis        | \$ 2,841            |
| Allocated Interest Earnings                | 63,585              |
| Operating Profit/(Loss) - YTD              | (17,319)            |
| S85 Retaining Wall project                 | (500,000)           |
| Less Desert Line Lease Revenue             |                     |
| <b>Reserve Balance as of June 30, 2026</b> | <b>\$ 1,067,655</b> |

## Agenda Item No. 3

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

October 13, 2026

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 Report for October 2024 – September 2025



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

October 13, 2026

## 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

Total rail volume in 2025 decreased 23% compared with 2024, from 4,348 to 3,346 carloads. The decrease was primarily driven by cross-border traffic terminating or originating in Mexico, which declined approximately 34% year over year. Domestic traffic remained stable, increasing approximately 5% compared with 2024. Despite the decline from 2024, total 2025 volume remained approximately 4% above 2023 levels.

## 3. Reportable Injuries/Environmental

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

Days FRA Reportable Injury Free: **10785**

## 4. Summary of Freight

|                                                                                                                        | 2025   | 2024   | 2023  |
|------------------------------------------------------------------------------------------------------------------------|--------|--------|-------|
| Total rail carloads that moved by SDIY Rail Service in the year.                                                       | 3,346  | 4,348  | 3,224 |
| Total railroad carloads Terminating/Oriinating Mexico in the year.                                                     | 2,093  | 3,150  | 2,032 |
| Total railroad carloads Terminating/Oriinating El Cajon, San Diego, National City, San Ysidro, California in the year. | 1,253  | 1,198  | 1,192 |
| Total customers directly served by SDIY in the year.                                                                   | 12     | 9      | 13    |
| Regional Truck trips that SDIY Railroad Service replaced in the year.                                                  | 10,038 | 13,044 | 9,672 |

Respectfully,

Matthew J Domen

General Manager

## Agenda Item No. 4

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

October 13, 2026

**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 Report



# **Pacific Southwest Railway Museum**

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

April 9, 2026

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

Re: Third Quarter, 2025

Dear SD&AE Board:

During the third quarter of 2025 the Pacific Southwest Railway Museum operated 36 Golden State trains carrying a total of 841 passengers. The museum was open twenty-eight days during the third quarter. There were no FRA reportable accidents or injuries during the third quarter, 2025. Earned revenue from SD&AE property was \$19,312.58; our 2% operating fee of \$386.25 is included in the enclosed check for Q3 2025 through Q1 2026.

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

841 passengers during the third quarter 2025  
622 passengers during the third quarter 2024  
1,190 passengers during the third quarter 2023  
1,135 passengers during the third quarter 2022  
1,558 passengers during the third quarter 2021  
250 passengers during the third quarter 2020  
1,073 passengers during the third quarter 2019  
1,021 passengers during the third quarter 2018  
822 passengers during the third quarter 2017  
773 passengers during the third quarter 2016

During the third quarter, public train operations were conducted on Saturdays only due to ongoing volunteer crew shortages. There were no special events during the third 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. In July, PSRM's contracted engineering

company, RailPros, performed the annual inspections of three bridges on the Desert Line between Campo and the International Border in accordance with 49 CFR Part 237. All three bridges remain serviceable and are being maintained to support train operations by PSRM.

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](mailto: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 the last name "Hager" clearly distinguishable.

Stephen Hager  
President



# **Pacific Southwest Railway Museum**

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

April 6, 2026

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

Re: Fourth Quarter, 2025

Dear SD&AE Board:

During the fourth quarter of 2025 the Pacific Southwest Railway Museum operated 24 Pumpkin Express trains, 4 Sip & Scare Sunset Special trains, 2 Backcountry Wine Trains, and 24 North Pole Limited trains carrying a total of 7,865 passengers. The museum was open twenty-one days during the fourth quarter. There were no FRA reportable accidents or injuries during the fourth quarter, 2025. Earned revenue from SD&AE property was \$383,408.25; our 2% operating fee of \$7,668.17 is included in the enclosed check for Q3 2025 through Q1 2026.

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

7,865 passengers during the fourth quarter 2025  
7,495 passengers during the fourth quarter 2024  
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

The fourth quarter of the year is PSRM's busiest time of year. We operated our popular Halloween-themed Pumpkin Express trains and Sip & Scare Sunset Special trains in October, our new Backcountry Wine Trains in November, 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.

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](mailto:hager@psrm.org) for arrangements.

Sincerely,

A handwritten signature in black ink that reads "Stephen Hager". The signature is written in a cursive, flowing style.

Stephen Hager  
President



# **Pacific Southwest Railway Museum**

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

April 9, 2026

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

Re: First Quarter, 2026

Dear SD&AE Board:

During the first quarter of 2026 the Pacific Southwest Railway Museum operated 66 Golden State trains, 4 School trains, 2 Backcountry Wine Trains, and 6 Bunny Trains carrying a total of 2,210 passengers. The museum was open twenty-six days during the first quarter. There were no FRA reportable accidents or injuries during the first quarter, 2026. Earned revenue from SD&AE property was \$78,437.56; our 2% operating fee of \$1,568.75 is included in the enclosed check for Q3 2025 through Q1 2026.

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

2,210 passengers during the first quarter 2026  
1,743 passengers during the first quarter 2025  
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

Thanks to new volunteer train crew members being trained and promoted, PSRM was able to resume public train operations on both Saturdays and Sundays throughout the 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.

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](mailto:hager@psrm.org) for arrangements.

Sincerely,

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Stephen Hager  
President



# **Pacific Southwest Railway Museum**

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

October 5, 2026

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

Re: Second Quarter, 2026

Dear SD&AE Board:

During the second quarter of 2026 the Pacific Southwest Railway Museum operated 65 Golden State Trains, 2 School Trains, 6 Bunny Trains, 2 Backcountry Wine Trains, and 2 Charter Trains carrying a total of 2,292 passengers. The museum was open twenty-six days during the second quarter. There was one FRA reportable injury during the second quarter, 2026. Earned revenue from SD&AE property was \$75,470.11; our check for \$1,509.40 is enclosed.

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

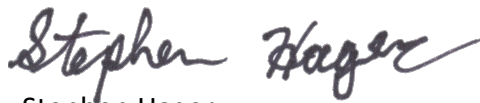
2,292 passengers during the second quarter 2026  
3,335 passengers during the second quarter 2025  
1,689 passengers during the second quarter 2024  
3,458 passengers during the second quarter 2023  
2,589 passengers during the second quarter 2022  
2,255 passengers during the second quarter 2021  
0 passengers during the second quarter 2020  
2,607 passengers during the second quarter 2019  
1,866 passengers during the second quarter 2018  
2,295 passengers during the second quarter 2017

We operated our Easter-themed Bunny Train special event during the first weekend of April. We also operated our Backcountry Wine Trains in April. We co-hosted the fifth annual "Campo Days" event in May which drew large crowds to the area.

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.

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](mailto:hager@psrm.org) for arrangements.

Sincerely,

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

Stephen Hager  
President



# **Pacific Southwest Railway Museum**

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

October 5, 2026

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

Re: Third Quarter, 2026

Dear SD&AE Board:

During the third quarter of 2026 the Pacific Southwest Railway Museum operated 74 Golden State Trains and 2 Charter Trains carrying a total of 782 passengers. The museum was open twenty-six days during the third quarter. There were no FRA reportable accidents or injuries during the third quarter, 2026. Earned revenue from SD&AE property was \$24,737.84; our check for \$494.76 is enclosed.

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

782 passengers during the third quarter 2026  
841 passengers during the third quarter 2025  
622 passengers during the third quarter 2024  
1,190 passengers during the third quarter 2023  
1,135 passengers during the third quarter 2022  
1,558 passengers during the third quarter 2021  
250 passengers during the third quarter 2020  
1,073 passengers during the third quarter 2019  
1,021 passengers during the third quarter 2018  
822 passengers during the third quarter 2017

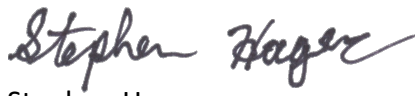
There were no special events during the third quarter.

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. PSRM would like to thank the Metropolitan Transit System for donating numerous pieces of retired signal equipment from

the Orange Line; this equipment will help us maintain the signalized crossings in Campo for many years to come. PSRM's contracted engineering firm, RailPros, is scheduled to perform the annual bridge inspections at mileposts 60.08, 60.93, and 65.27 during the fourth 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](mailto:hager@psrm.org) for arrangements.

Sincerely,

A handwritten signature in dark ink that reads "Stephen Hager". The signature is written in a cursive, flowing style.

Stephen Hager  
President

## Agenda Item No. 5

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

October 13, 2026

### SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE OCTOBER 14, 2025

### RECOMMENDATION:

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

#### Budget Impact

None.

### DISCUSSION:

A report will be presented during the meeting.

| MTS Document Number | Organization                         | Subject                                                                |
|---------------------|--------------------------------------|------------------------------------------------------------------------|
| S200-25-891         | SAN DIEGO WATERFRONT                 | ROW PERMIT VEGETATION REMOVAL MARINA WAY NATIONAL CITY                 |
| S200-26-923         | CITY OF CHULA VISTA                  | ROW PERMIT COMMUNITY CLEAN UP                                          |
| S200-26-920.1       | NATIONAL COMMUNITY RENAISSANCE OF CA | ROW PERMIT NAT CORE PALM CITY CONDUIT INSTALL                          |
| S200-26-928         | NOVA SERVICES, INC                   | ROW PERMIT GEOTECH INVESTIGATIONS SPRING ST STATION                    |
| S200-24-838         | AFFIRMED HOUSING GROUP               | DISPOSITION AND DEVELOPMENT AGREEMENT SPRING ST STATION                |
| S200-26-930         | CAPUZZI CONSULTING GROUP             | ROW PERMIT GEOTECH BAYSHORE BIKEWAY                                    |
| S200-26-925         | SDGE                                 | ROW PERMIT POLE REPLACEMENT FLETCHER PKWY                              |
| S200-26-926         | MAN GENERAL ENGINEERING, INC.        | ROW PERMIT CONDUIT INSTALL 11150 BAY BLVD - TRAFFIC CONTROL ONLY       |
| S200-26-932         | HMS CONSTRUCTION, INC                | ROW PERMIT DAIRY MART RD SIGNALING                                     |
| S200-23-825.3       | WEST COAST GENERAL GROUP             | ROW PERMIT BORDER TO BAYSHORE BIKEWAY PROJECT TIME EXT                 |
| S200-23-825.4       | WEST COAST GENERAL GROUP, INC.       | ROW PERMIT BORDER TO BAYSHORE BIKEWAY PROJECT                          |
| S200-26-931         | S.C. VALLEY ENGINEERING, INC.        | ROW PERMIT COMMERCIAL STREET POTHOLING CITY OF SAN DIEGO SEWER & WATER |