



AGENDA

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

SDAE 710.1
(PC 50771)

January 18, 2011

9:00 a.m.

Executive Committee Room
James R. Mills Building
1255 Imperial Avenue, 10th Floor

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

OF COUNSEL
Karen Landers

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.

	RECOMMENDED ACTION
1. <u>Approval of the Minutes of October 19, 2010</u> Action would approve the SD&AE Railway Company minutes of October 19, 2010.	Approve
2. <u>Statement of Railway Finances (Linda Musengo)</u> Action would receive a report for the quarter ended December 31, 2010.	Receive
3. <u>Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Matt Domen)</u> Action would receive a report for information.	Receive
4. <u>Report on Pacific Southwest Railway Museum (Diana Hyatt)</u> Action would receive a report for information.	Receive
5. <u>Report on the Desert Line (Armando Freire)</u> Action would receive a report for information.	Receive
6. <u>Real Property Matters (Tim Allison)</u>	
a. <u>Summary of SD&AE Documents Issued Since October 19, 2010</u> Action would receive a report for information.	Receive
b. <u>Easement with SDG&E for At-Grade and Underground Utility Crossings</u> Action would approve issuing easements for San Diego Gas and Electric (SDG&E) for at-grade and underground utility crossings over SDG&E tracks located south of L Street in Chula Vista on the Coronado Branch Line.	Approve

6. Real Property Matters – CONTINUED
 - c. Easements for At-Grade Crossings West of Jacumba

Action would approve issuing easements to the United States Department of Homeland Security (DHS) for at-grade crossings over SD&AE tracks located west of Jacumba in San Diego County.
7. Old Business
8. New Business
9. Public Comments
10. Next Meeting Date

The next regularly scheduled meeting of the SD&AE Board of Directors will take place on April 19, 2011, at 9:00 a.m. in the Executive Committee Conference Room.
11. Adjournment

DRAFT

MINUTES

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

October 19, 2010

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 19, 2010, at 9:00 a.m.

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

Metropolitan Transit System:	Tiffany Lorenzen, Linda Musengo, Tim Allison
San Diego & Imperial Valley Railroad:	Matt Domen
Pacific Southwest Railway Museum:	Diana Hyatt
Carrizo Gorge Railway, Inc.:	Armando Freire, Chas McHaffie, Scott Tallman, Gary Sweetwood, Christina Finrow, Randall Paulson
Burlington Northern Santa Fe:	John Hoegemeier
International Border Rail Institute:	Richard Borstadt
California Public Utilities Commission:	Jay Ellis

1. Approval of Minutes

Mr. Terry moved to approve the Minutes of the July 20, 2010, SD&AE Railway Board of Directors meeting. Mr. Jones seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Linda Musengo reviewed the financial statement for the third quarter of 2010 (attached to the agenda item). Ms. Musengo noted a correction to the date on the table on page 2-2 (of the agenda item) as shown below.

Reserve balance 2010 - provisional	\$ 863,561
Allocated interest earnings - estimated	417
Operating profit (loss)	5,751
Improvement expense 2011	-
Reserve balance 2010 - estimated	\$ 869,729

2011

Action Taken

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

3. Report on SD&IV Operations

Matt Domen reviewed the report of activities for the third quarter of 2010 (attached to the agenda item).

Action Taken

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

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt reviewed the third quarter of 2010 report (attached to the agenda item).

Action Taken

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

5. Report on the Desert Line

Armando Freire reviewed the third quarter of 2010 report (attached to the agenda item).

Action Taken

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

6. Real Property Mattersa. Summary of SD&AE Documents Issued Since July 20, 2010

Since the July 20, 2010, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-10-450: Right of Entry Permit to PAR Electric for aerial electric rehabilitation at Sampson Street in the City of San Diego.
- S200-10-458: Right of Entry Permit to Burtech Pipeline for sewer construction at 21st Street in the City of San Diego.
- S200-11-460: Right of Entry Permit to Walter H. Barber and Sons, Inc. for track reconstruction in Campo.

Action Taken

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

b. License Agreement with Tessera Solar

Tim Allison referred to the diagram on page 6b-1 (attached to the agenda item) of the existing access road west of Plaster City and south of S80 (Evan Hewes Highway). He explained that the railroad has an existing dirt crossing; however, it is not authorized as a road (there are no licenses and no crossing numbers associated). Tessera Solar would like to use the crossing for temporary construction access and as secondary emergency access in the future. Mr. Allison added that granting the license would benefit the railroad as it would make the licensee responsible and liable for the road.

Mr. Terry moved to approve issuing a license to Tessera Solar to use an existing at-grade crossing as a temporary construction access road and ultimately as a secondary emergency access road. The crossing crosses over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at approximately milepost 128.0 on the Desert Line. Mr. Jones seconded the motion, and it was unanimously approved.

7. Approval of the 2011 SD&AE Board of Directors Meeting Schedule

Mr. Terry moved to approve the 2011 SD&AE Board of Directors meeting schedule as follows:

- Tuesday, January 18, 2011 9:00 a.m. (Fourth Quarter 2010 Reports)
- Tuesday, April 19, 2011 9:00 a.m. (First Quarter 2011 Reports)
- Tuesday, July 19, 2011 9:00 a.m. (Second Quarter 2011 Reports)
- Tuesday, October 18, 2011 9:00 a.m. (Third Quarter 2011 Reports)

Mr. Jones seconded the motion, and it was unanimously approved.

8. Old Business

There was no old business.

9. New Business

There was no new business.

10. Public Comments

Scott Tallman – Mr. Tallman introduced himself as Carrizo Gorge Railway's newly elected president. He stated that Carrizo is currently going through a change in its corporate structure. Mr. Tallman introduced new Carrizo Gorge members: Corporate Counsel Randall Paulson, shareholder representative Gary Sweetwood, and Christina Finrow, Director. He concluded by offering to answer any questions.

In response to Mr. Tallman's statement, Ms. Lorenzen informed the Board that she has advised Mitch Beauchamp and his group that until there is an official court order, a change in Carrizo's management will not be recognized. She added that until such time, Mr. McHaffie and Mr. Freire will continue to report to the SD&AE Railway Company Board and to MTS.

Mr. Tallman added that Mr. McHaffie has resigned from the corporation.

11. Next Meeting

The next meeting of the SD&AE Railway Company Board of Directors is on January 18, 2011, at 9:00 a.m.

12. Adjournment

The meeting was adjourned at 9:16 a.m.

President

Of Counsel

JGardetto/
MINUTES-SDAE.10-19-10.doc

Agenda

Item No. 2

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

SDAE 710.1 (PC 50771)

January 18, 2011

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a report for the quarter ended December 31, 2010.

Budget Impact

None.

DISCUSSION:

Attached are results for the second quarters (Q2) of FY 2011 and 2010. The current quarter results show a small increase in expenses over Q1 and year-to-date net income of \$8,803. The current year-to-date is not comparable with FY 2010 through Q2 due to annual lease payments received in Q2 FY 10 that were adjusted in Q3 to amortize the annual payments ratably over the applicable period for each lease. The final reserve balance for FY 10, after audit adjustments and allocation of interest, is presented.

Attachment: SD&AE Financial Report Q2 2011

SD&AE Operating Statement FY 2011 and FY 2010

	FY 2011			FY 2010		
	Q1	Q2	YTD	Q1	Q2	YTD
Revenue						
Right of entry permits	\$ 12,250	\$ 5,450	\$ 17,700	\$ 21,619	\$ 17,400	\$ 39,019
Lease income	22,072	28,845	50,917	25,871	43,341	69,212
SD&IV 1% freight fee	-	-	-	-	-	-
Total revenue	34,322	34,295	68,617	47,490	60,741	108,231
Expense						
Personnel costs	19,916	22,595	42,510	22,734	26,334	49,068
Outside services	-	260	260	12,031	5,989	18,021
Energy costs	-	-	-	-	-	-
Risk management	8,352	8,194	16,547	8,486	8,486	16,972
Misc operating expenses	303	194	497	20,474	(18,913)	1,561
Depreciation	-	-	-	-	-	-
Total expense	28,571	31,243	59,814	63,725	21,897	85,622
Net income/(loss)	\$ 5,751	\$ 3,052	\$ 8,803	\$ (16,235)	\$ 38,845	\$ 22,610

Reserve balance 2010 - final	\$ 890,172
Allocated interest earnings - estimated	1,604
Operating profit (loss) final	8,803
Improvement expense 2011	-
Reserve balance 2011- estimated	\$ 900,579

Agenda

Item No. 3

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

SDAE 710.1 (PC 50771)

January 18, 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 4rd Quarter of 2010



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

December, 31 2010

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 4th Quarter of 2010 are listed as follows:

1. Labor
At the end of December 31, 2010 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
In the 4th Quarter of 2010 versus 2009, volumes were relatively flat. Bridge traffic to Mexico was flat to 2009, also. LPG's into Mexico were slightly stronger than last year while plastics were marginally down.
3. Reportable Injuries/Environmental
Days through year to date, Dec. 31, 2010, there were no FRA Reportable injuries or environmental incidents on the SDIV Railroad.
Days FRA Reportable Injury Free: 4112

4. Summary of Freight

	2010	2009	2008
Total rail carloads that moved by SDIY Rail Service in the quarter.	1371	1,377	1,487
Total railroad carloads Terminating/Originating Mexico in the quarter.	1116	1,108	1,272
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	255	269	215
Total customers directly served by SDIY in the quarter	11	12	12
Regional Truck trips that SDIY Railroad Service replaced in the quarter	4524	4,544	4,907

Respectfully,

Don Seil-
General Manager

Agenda

Item No. 4

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

SDAE 710.1 (PC 50771)

January 18, 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: Fourth Quarter Report for 2010

Pacific Southwest Railway Museum

January 7, 2010

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

Re: Fourth Quarter 2010

Dear SD&AE Board:

During the fourth quarter of 2010, the Pacific Southwest Railway Museum carried 4,384 passengers with no FRA reportable accidents or injuries. Total income from SD&AE property for fourth quarter 2010 was \$68,945; a check for \$1,378.91 will be forwarded under separate cover. By comparison, PSRM carried 3,268 passengers during the fourth quarter of 2009 and 4,554 passengers during fourth quarter 2008 all with no FRA reportable accidents or injuries. The fourth quarter of every year is host to two of our three largest special events: Pumpkin Trains and North Pole Express. We operated two more North Pole Express trains this quarter over fourth quarter 2009 for a total of 12. Overall, we have experienced an increase in ridership and revenue during the 2010 calendar year and plan on offering a few new special event based trains this year.

During the fourth quarter, PSRM contracted with Walter H. Barber & Sons to perform an evaluation of the condition of the right of way between MP 59.9 (Division) and 66.6 (Campo). The results of this inspection were forwarded to SD&AE and CZRY by the railroad contracting company. CZRY was concerned with the possibility of wide gauge, particularly in the sweeping curves; all curves were found to be within FRA limits but PSRM chose to purchase and install gauge rods to mitigate further spread until the ties are replaced. Some tie replacement has already occurred and PSRM has purchased more ties and is actively planning a tie replacement schedule to commence sometime between January and April of this year. PSRM will be keeping CZRY and SDIV informed of the work as it progresses.

Work on the Campo Depot waiting room was completed to the point where it could be utilized by our North Pole passengers as a waiting room. Finishing details, such as installation of the ceramic floor tile and trim molding are in progress. Arrangements have been made with a cabinet maker to duplicate a ticket counter and some artifact furnishings have been acquired to recreate the Agent's Office.

A California Non-Profit, Public Benefit Corporation, IRS Tax # 95-2374478

Owners and operators of the Campo Railroad Museum,
San Diego & Arizona Railway and the La Mesa Depot Museum

Pacific Southwest Railway Museum

In December, 2010 PSRM was informed that it will again receive grant money from the County Supervisor's office. These funds will be used to complete the walkways around the Campo Depot area in addition to similar projects on museum property. Before we can begin construction and completion of the walkways, it will be necessary to grade the area around the Depot. The November and December rainstorms have aggravated an existing situation whereby the ground level has changed in recent years on the tracks adjacent to the Depot and around the Depot itself which caused water and silt to fill up the lower portion of the Depot. Fortunately, our conscientious volunteers cleaned up the mud and dried out the interior before any damage could occur.

This April, PSRM will celebrate its 50th anniversary as a San Diego organization dedicated to the preservation of railroad history and the SD&AE railroad. I would like to invite everyone to join us in our celebration by attending a special event at the railroad museum on Saturday, April 2nd. PSRM will be collaborating with the San Diego Vintner's Association and the Chefs de Cuisine for an afternoon of wine tasting, food pairing and musical entertainment in our Display Building in Campo.

I am pleased to inform this board that I will continue to represent the Pacific Southwest Railway Museum as its president for a second two year term beginning January 1, 2011. The election concluded with a ballot count on December 1, 2010 and will be accepted by the PSRM board at its meeting later this month. As always, I would be pleased to provide a personal tour of our facilities in Campo to the members of this board, at your convenience.

Very Truly Yours,

Diana Hyatt
President

A California Non-Profit, Public Benefit Corporation, IRS Tax # 95-2374478

Owners and operators of the Campo Railroad Museum,
San Diego & Arizona Railway and the La Mesa Depot Museum

Agenda

Item No. 5

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

SDAE 710.1 (PC 50771)

January 18, 2011

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.

JAN18-11.5.DESERTLINE.doc

Attachment: Fourth Quarter Report



Periodic Report

To The San Diego & Arizona Eastern Railway Company

Fourth Quarter 2010

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.

Accomplishments during Fourth Quarter 2010

CONTENTS

FOURTH QUARTER 2010 ACTIVITY

Appendix A- MOW Summary

Appendix B- Desert Line Track Rehabilitation
Offset Financial Summary

Appendix C- Desert Line Freight Revenues
Financial Summary

Fourth Quarter 2010

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 Fourth Quarter activity for 2010.

I. Labor

As of December 31, 2010, Carrizo Gorge Railway has 5 employees to cover the railroad administration and operation in the U.S.

- 2 Administration
- 1 DSL
- 1 Train Master
- 1 Locomotive engineer

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.

IV. Reportable Injuries / Environmental Incidents

There were no reportable injuries in the fourth quarter of 2010.

There were no reportable accidents in the fourth quarter of 2010.

There were no environmental incidents in the fourth quarter of 2010.

V. Freight Activity

No freight activity in the 4th quarter of 2010 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 2010 Carloads Moved	0
Revenue Empties	0
Revenue Storage	52

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
2	Track Supervisor
8	Track laborer

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

OFFSET FINANCIAL SUMMARY

DESERT LINE SAND OPERATION

There was no production or commercial sale of sand from M.O.W. activity on the Desert Line during Fourth Quarter of 2010.

Appendix C
FINANCIAL SUMMARY

DESERT LINE

REVENUE FREIGHT HAULED

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

Track Use Fees:

Interchange freight to/from UPRR over the Desert Line

SD&AE / MTS 1% payment	71.76
SD&IV / Rail America payment 6.9 (52 Railcars Storage)	495.14

Revenue Sand from Dixie to Campo

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

Agenda

Item No. 6a

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

SDAE 710.1 (PC 50771)

January 18, 2011

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE OCTOBER 19, 2010

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the October 19, 2010, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-10-432: Easement to the City of San Diego for a sewer pipeline at 54th Street in the City of San Diego.
- S200-10-461: Right of Entry Permit to American Asphalt South, Inc. for a construction lay-down yard at the Baltimore Wye in the City of La Mesa.
- S200-11-462: Right of Entry Permit to Diamond Environmental Services to construct a temporary fence at the Baltimore Wye in the City of La Mesa.
- S200-11-464: Right of Entry Permit to Nasland Engineering for field surveying north of Coronado Avenue in the City of San Diego.
- S200-11-465: Easement to San Diego Gas and Electric for overhead electrical lines west of Plaster City in Imperial County.
- S200-11-466: Easement to San Diego Gas and Electric for overhead electrical lines west of Ocotillo in Imperial County.
- S200-11-467: Easement to San Diego Gas and Electric for overhead electrical lines east of Jacumba in San Diego County.
- S200-11-468: Right of Entry Permit to Ninyo and Moore, Inc. for geotechnical studies along the Orange line in the cities of San Diego, Lemon Grove, and La Mesa.
- S200-11-471: Right of Entry Permit to Hugo Alonso Inc. for building construction in San Ysidro.

Agenda

Item No. 6b

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

SDAE 710.1

January 18, 2011

SUBJECT:

EASEMENT WITH SDG&E FOR AT-GRADE AND UNDERGROUND UTILITY
CROSSINGS

RECOMMENDATION:

That the SD&AE Board of Directors approve issuing easements to San Diego Gas and Electric (SDG&E) for at-grade and underground utility crossings over SD&AE tracks located south of L Street in Chula Vista on the Coronado Branch Line.

Budget Impact

Fees would be credited to the SD&AE reserve. SDG&E would also reimburse MTS for processing fees incurred in preparing and processing the easements.

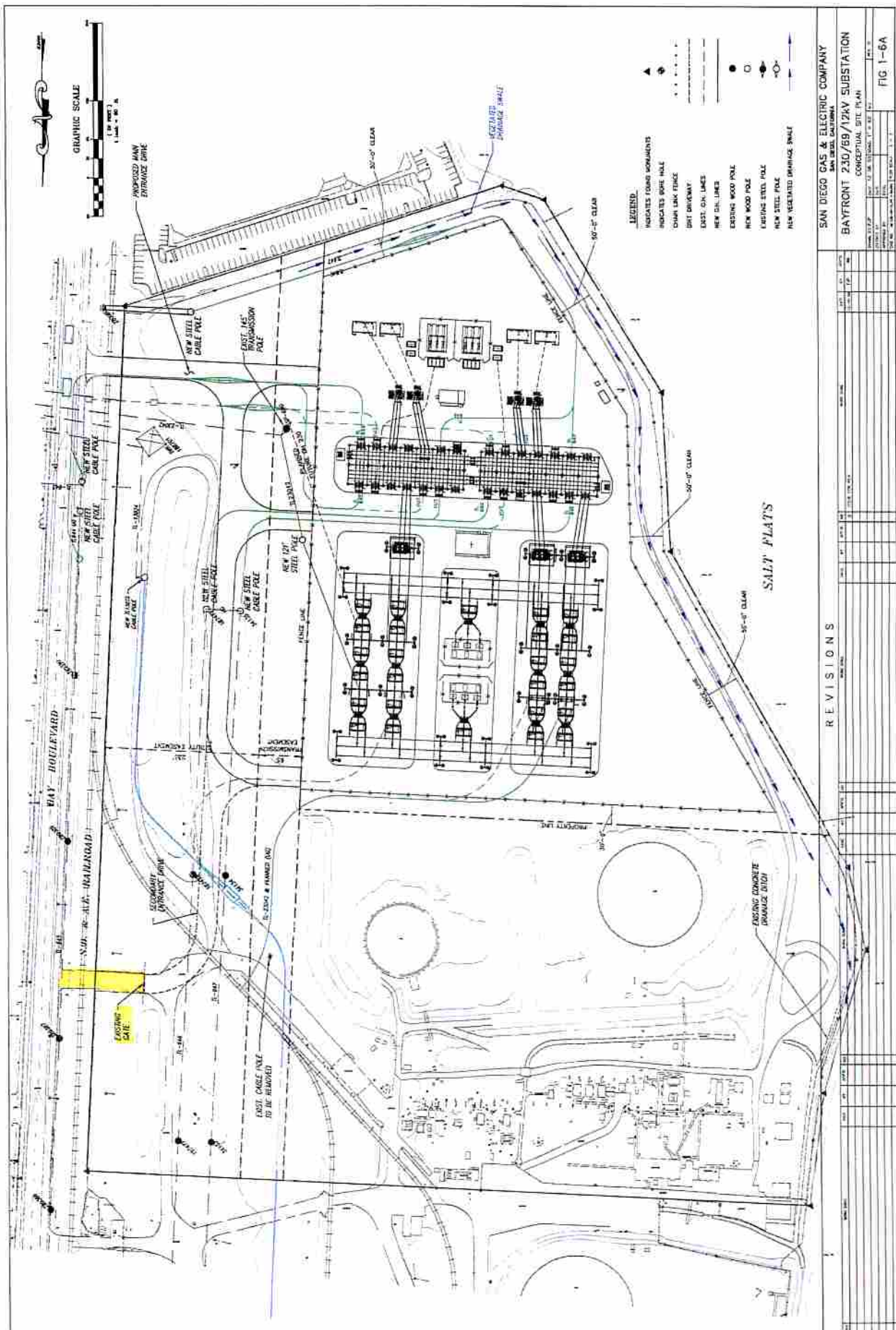
DISCUSSION:

SDG&E requests the issuance of an easement to use an existing at-grade crossing over SD&AE tracks located along Bay Boulevard south of L Street on the Coronado Branch in the City of Chula Vista. This crossing will serve mainly as an emergency exit for the proposed South Bay Substation. SDG&E also requests an easement for a proposed new at-grade crossing over SD&AE tracks along Bay Boulevard just south of the existing crossing. This new at-grade crossing will serve as the main entrance to the South Bay Substation. Additionally, SDG&E proposes several underground utility crossings to feed the power plant (an exhibit of the proposed project is attached).

On October 21, 2009, the SD&AE Board approved these crossings as licenses. However, SDG&E needs perpetual rights for these crossings to meet the regulations of the California Public Utilities Commission.

JAN18-11.6b.SDG&E AT-GRADE &
UNDERGD UTILITY XING.TALLISON.doc

Attachment: Project Map



Agenda

Item No. 6C

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

SDAE 710.1

January 18, 2011

SUBJECT:

EASEMENTS FOR AT-GRADE CROSSINGS WEST OF JACUMBA

RECOMMENDATION:

That the SD&AE Board of Directors approve issuing easements to the United States Department of Homeland Security (DHS) for at-grade crossings over SD&AE tracks located west of Jacumba in San Diego County.

Budget Impact

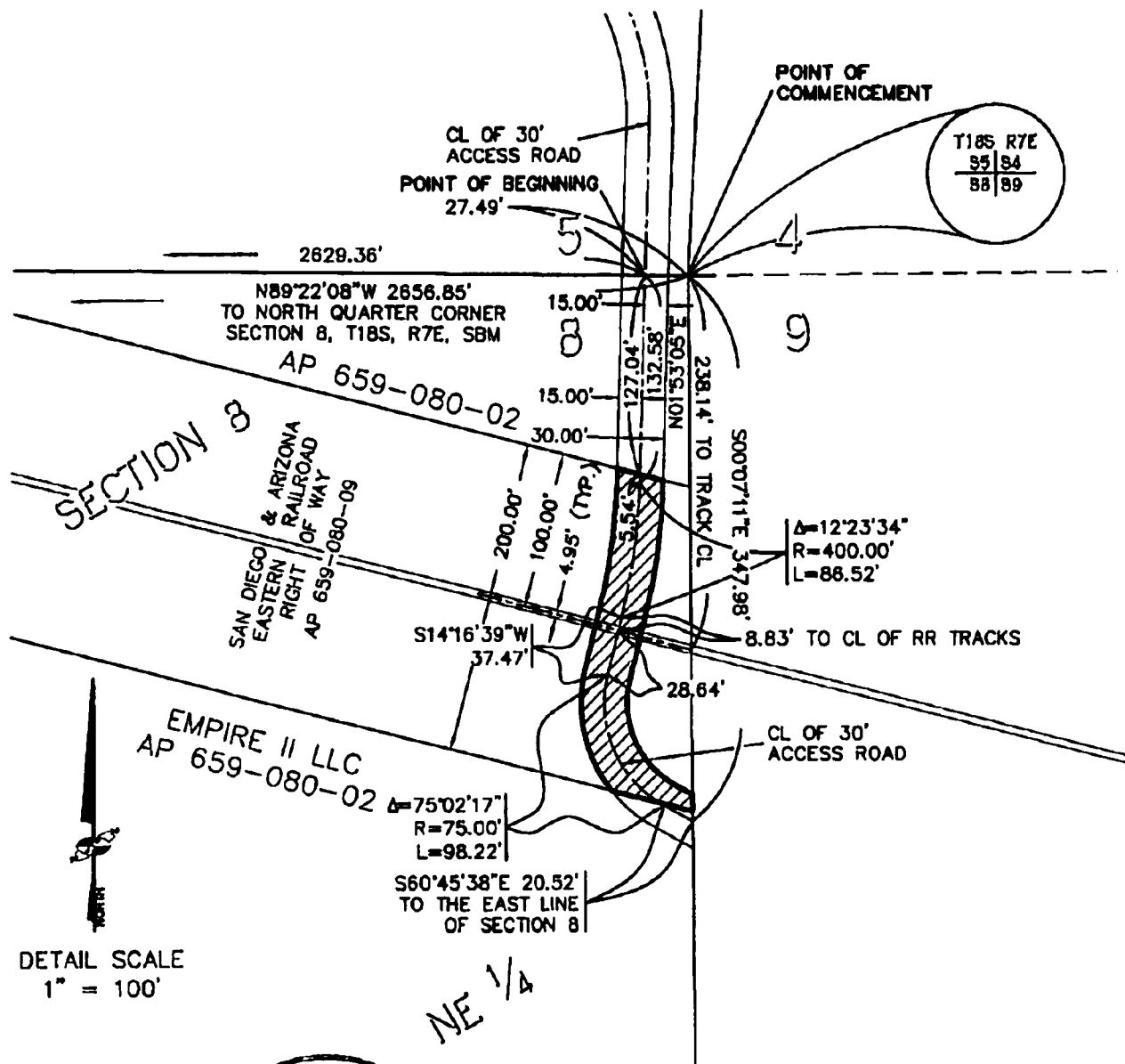
Fees would be credited to the SD&AE reserve. SDG&E would also reimburse MTS for processing fees incurred in preparing and processing the easements.

DISCUSSION:

DHS requests the issuance of easements for two at-grade crossings in an area west of Jacumba on the Desert Line. The purpose for the easements is to gain access to the fence constructed along the border between the United States and Mexico. Attachments A and B show the locations of the proposed easements. These locations are existing crossings, which would be used for construction access, maintenance access, and enforcement access.

JAN18-11.6c.EASEMTS X-INGS JACUMBA.TALLISON.doc

Attachments: A. Location 1
B. Location 2



INDICATES THE PROPERTY
DESCRIBED HEREIN.

EXHIBIT "B"
SKETCH TO ACCOMPANY DESCRIPTION



JOHNSON-FRANK & ASSOC., INC.
LAND SURVEYING - MAPPING
15150 E. HUNTER AVENUE
ANAHEIM, CALIFORNIA 92807-2049
(714) 777-8877 FAX (714) 777-1641

DATE August 2008 SHEET 1 OF 1

