




LOSSAN
RAIL CORRIDOR AGENCY
BUSINESS PLAN

FY 2017-18 to FY 2018-19

PREPARED FOR CALIFORNIA STATE TRANSPORTATION AGENCY

UPDATED APRIL 2017



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EXECUTIVE SUMMARY

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is a joint powers authority (JPA) formed in 1989 that works to increase ridership, revenue, capacity, reliability, coordination, and safety on the rail corridor between San Diego, Los Angeles, and San Luis Obispo. On September 29, 2012, Governor Jerry Brown signed SB 1225 (Chapter 802, Statutes of 2012), which authorizes the LOSSAN Agency to oversee the state-supported Pacific Surfliner intercity passenger rail service operating on the LOSSAN rail corridor, subject to approval of an interagency transfer agreement (ITA) with the State of California, which became effective on July 1, 2015.

The Pacific Surfliner travels along a 351-mile coastal rail corridor through six counties: San Diego, Orange, Los Angeles, Ventura, Santa Barbara, and San Luis Obispo, and is currently the second busiest intercity passenger rail corridor in the United States, and the busiest state-supported Amtrak route. The LOSSAN Agency is governed by a Board of Directors (Board) composed of 11 voting members representing rail owners, operators, and planning agencies along the LOSSAN rail corridor, as well as four non-voting, ex-officio members, as detailed below.

Member Agencies

- San Diego Metropolitan Transit System
- San Diego Association of Governments
- North County Transit District (NCTD)
- Orange County Transportation Authority (OCTA)
- Riverside County Transportation Commission
- Los Angeles County Metropolitan Transportation Authority
- Ventura County Transportation Commission
- Santa Barbara County Association of Governments
- San Luis Obispo Council of Governments

Ex-Officio Members

- Amtrak
- California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT)
- California High-Speed Rail Authority
- Southern California Association of Governments

As required by SB 1225, and per the terms of the ITA, the LOSSAN Agency must submit an annual business plan by April 1 of each year to the Secretary of the California State Transportation Agency (CalSTA). The primary purpose of the business plan is to identify the major goals and objectives for the LOSSAN Agency's management of the Pacific Surfliner intercity passenger rail service, as well as the budget necessary to administer, market, and operate the Pacific Surfliner service during the upcoming two-year period. The business plan summarizes operations, service levels, budget, and capital improvements that have contributed to the success of the Pacific Surfliner service and identifies improvements to sustain and grow its success moving forward.

Historical Performance of Pacific Surfliner Service

Since 1971, service on the Pacific Surfliner between Los Angeles and San Diego has increased from the original six daily trips to the current level of 24 daily trips, including the 12th daily roundtrip between Los Angeles and San Diego implemented in November 2016, the first service increase in more than a decade. The Pacific Surfliner is the busiest state-supported route in the entire Amtrak national system carrying 2.9 million passengers in federal fiscal year (FFY) 2015-16.

The state subsidy for Pacific Surfliner service has increased in recent years in part due to the increased costs absorbed by the state under the provisions of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) Section 209. When PRIIA Section 209 was adopted by the federal government in 2008, it eliminated Amtrak's 30 percent financial contribution toward Pacific Surfliner operating costs and established additional capital equipment charges for the use of Amtrak-owned equipment that the state had not previously funded. The annual state subsidy increased from \$29.423 million in fiscal year (FY) 2012-13 to \$36.819 million in FY 2013-14, which was the first full year under PRIIA Section 209. In subsequent years, the state operating subsidy was budgeted at \$44.287 million for FY 2014-15, and was projected to be \$46.581 million for FY 2015-16. Operating costs for the Pacific Surfliner service are funded through the Public Transportation Account, which is funded primarily through the state sales tax on diesel fuel.

However, farebox recovery has shown significant improvement over the past two fiscal years, resulting in the actual state subsidy being significantly less than projections. Over the past decade, the Pacific Surfliner has consistently maintained a farebox recovery ratio of more than 50 percent, reaching 78.8 percent in FY 2015-16. Los Angeles, San Diego, Irvine, Oceanside and Solana Beach are the busiest stations of the Pacific Surfliner route, accounting for more than half of total Pacific Surfliner ridership.



Operating Plan and Strategies

Amtrak operates 12 daily Pacific Surfliner roundtrips between San Diego and Los Angeles. Of those, five daily roundtrips (the 700-series trains) extend north of Los Angeles to Santa Barbara and Goleta, with two roundtrips extending further north to serve San Luis Obispo. Amtrak Thruway bus connections supplement the train service on the LOSSAN rail corridor. In FY 2015-16, approximately 4.3 percent of Pacific Surfliner riders made a portion of their journey on one of three Amtrak Thruway bus routes managed by the LOSSAN Agency.



The Pacific Surfliner serves 31 stations, 17 of which are between San Luis Obispo and Los Angeles, with the remaining 14 located south of Los Angeles in Orange and San Diego counties. Six daily Pacific Surfliner trains currently stop at four COASTER stations under the Rail 2 Rail Program with NCTD.

In FY 2016-17, the LOSSAN Agency worked with Amtrak and Caltrans DRMT to reinstate a 12th Pacific Surfliner round trip between Los Angeles and San Diego seven days a week, marking the first Pacific Surfliner service increase in more than a decade. The LOSSAN Agency also worked with Caltrans DRMT, Amtrak, Metrolink, NCTD, and BNSF Railway to implement Phase 1 of the “robust timetable” work conducted by SMA Consulting in June 2016. These coordinated schedule changes were intended to improve the overall reliability of all passenger rail services operating on the LOSSAN rail corridor.

In FY 2017-18 and 2018-19, the LOSSAN Agency will continue to work cooperatively with Caltrans DRMT to ensure sufficient state funding is provided to operate the Pacific Surfliner and Amtrak Thruway bus services, while exploring opportunities to enhance ridership, revenue, and OTP. The LOSSAN Agency is continuing to evaluate alternatives for retiming existing Pacific Surfliner trains north of Los Angeles to provide a weekday, peak-hour Pacific Surfliner service between Ventura and Santa Barbara counties. While there is no base service level increase anticipated in FY 2017-18, LOSSAN Agency staff will work with Amtrak and Caltrans DRMT to identify opportunities to implement an additional roundtrip from San Diego to Santa Barbara in FY 2018-19. In addition, the LOSSAN Agency will continue to pursue service expansions to accommodate seasonal and event-related travel demand.

During the next two FYs, the LOSSAN Agency plans to implement a number of strategies to further improve Pacific Surfliner service. Areas for improvement include: train monitoring, train and connecting bus schedule adjustments, improved connectivity with local transit services, equipment and crew utilization, response to service disruptions, and service planning.

Performance Standards and Metrics

As required by SB 1225, CalSTA has established a set of uniform performance standards (UPS) for the three state-supported intercity passenger rail corridors, including the Pacific Surfliner service, to control cost and improve efficiency. The proposed performance measures fall into three major categories (usage, cost efficiency, and service quality) and include: passenger miles, ridership, farebox recovery, cost per passenger mile, endpoint on-time performance, all-stations on-time performance (OTP), and operator responsible delays per 10,000 train miles.

In FY 2015-16, the Pacific Surfliner service saw positive growth in these metrics, with a 3.4 percent increase in ridership, a 4.6 percent increase in revenue, a 2.1 percent increase in passenger miles, and an 11.8 percent increase in farebox recovery, which averaged 78.8 percent. Endpoint on-time performance continued to lag behind the goal of 90 percent, averaging 78 percent in FY 2015-16.

Capital Improvements

Though much progress has been made over the years, many segments of the LOSSAN rail corridor are still limited by the lack of passing or second main tracks. There is currently more than \$5 billion in capital needs that have been identified on various portions of the LOSSAN rail corridor, including additional track capacity, station improvements, and signal and communications improvements.

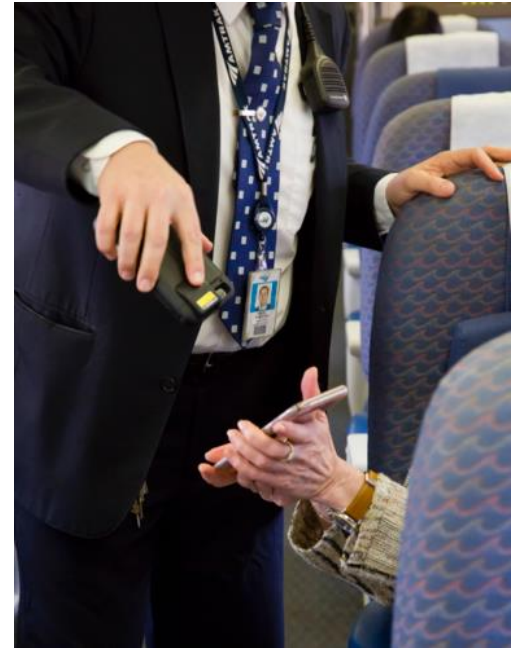
The LOSSAN Agency continues to coordinate with the member agencies and station owners in an effort to pursue funding opportunities that bring benefits to the larger corridor. As part of that effort, the LOSSAN Agency has worked to develop and maintain a list of capital projects, identifying those in both the planning and implementation phase, with special attention being given to identifying projects that have unfunded elements. An effort is being made to update this list annually through the LOSSAN Staff Working Group. While each member agency or host railroad is responsible for the implementation of its respective capital improvement programs, the LOSSAN Agency uses the list in both funding and legislative pursuits, with a focus on leveraging any existing funds to advance capital projects that benefit the entire LOSSAN rail corridor. This unified voice advocating for capital funding and key projects makes the LOSSAN Agency’s requests more compelling and competitive.



In addition to the major capital improvements planned for the LOSSAN rail corridor, the state annually allocates approximately \$500,000 to cover minor projects, such as station improvements, signage, and minor safety enhancements; and the California Office of Emergency Services makes approximately \$1.9 million per year available for safety and security projects. The LOSSAN Agency will work with member agencies to prepare a prioritized list of candidate projects for the state-funded minor projects program, and also seek joint capital funding opportunities through the Transit and Intercity Rail Capital Program and other grant programs.

Fare Policy

Pacific Surfliner trains currently offer travel in unreserved coach class and reserved business class. Fares are largely static year-round with the exception of slight increases on select holidays during peak travel periods. Amtrak also offers discounted multi-ride tickets, discounts for group travel, as well as a Rail 2 Rail Program that allows Metrolink and COASTER commuter rail pass holders to ride Pacific Surfliner trains at no additional cost, subject to certain restrictions. The last fare increase on the Pacific Surfliner service took place in June 2013.



Although no base fare increases are planned in FY 2017-18, a complete fare review and restructuring effort is currently underway. The restructuring effort is being undertaken to ensure ticket prices accurately reflect the market, and to assess areas of the existing fare structure with inconsistent discount methodologies.

The LOSSAN Agency will work with Amtrak and the state to develop a fare policy that ensures the Pacific Surfliner service is an attractive transportation option that is competitive with the automobile and other competing modes of transportation, while meeting the UPS set by the state, including ridership, revenue, and farebox recovery goals.

The LOSSAN Agency will also explore a variety of other opportunities to increase fare revenue without raising fares, while maintaining and expanding ridership, including promotion of transit transfers, partnerships with major destinations/attractions, enhanced loyalty programs, and development of special event trains.

Network Integration and High-Speed Rail

The Pacific Surfliner will play a key role in the larger statewide effort of integrating the three state-supported intercity passenger rail services with the future high-speed rail (HSR) system. State-supported intercity passenger rail and the HSR system will also be connected with transit and commuter rail systems throughout the state as the Pacific Surfliner service currently integrates with these systems.

The LOSSAN Agency is working in close coordination with CalSTA, Caltrans DRMT, transit and rail operators along the LOSSAN rail corridor, and other stakeholders on efforts to improve rail and transit service. This includes growing ridership by creating an integrated statewide passenger rail and transit network with coordinated schedules and common fare collection systems. The LOSSAN Agency has also been actively participating in the California State Rail Plan Stakeholder Advisory Committee, which provides input into the 2018 California State Rail Plan. The LOSSAN Agency will continue to participate in the development of the State Rail Plan and will submit a formal comment letter once the draft document is released for public review in April 2017.

The passenger rail services along the LOSSAN rail corridor act as a backbone for transportation throughout the California coastal region. As such, the LOSSAN rail corridor will provide critical connections and feeder/distributor service to support and compliment the HSR system. Integration between the LOSSAN rail corridor and HSR system will provide mutual benefits to each service and must be planned carefully to build upon the existing success of the Pacific Surfliner service.

Passenger Amenities

The Pacific Surfliner offers its passengers amenities to improve the overall travel experience. The LOSSAN Agency will carry out a number of strategies for enhancing passenger amenities. Key priorities for FY 2017-18 and FY 2018-19 include enhancements to both on-board and station amenities, including business class service, food and beverage offerings, joint promotions, e-newsletter, on-board information system, seating availability notifications, service disruption response, special event service, train status information, transit connectivity, Wi-Fi improvements and landing page, checked baggage and station improvements.



Equipment

The Pacific Surfliner fleet consists of nine train sets to operate 24 daily trains. Of the 49 bi-level cars that are dedicated to the Pacific Surfliner service, ten are owned by Caltrans DRMT, and the remaining 39 are owned by Amtrak. Caltrans DRMT has 15 new locomotives on order for the Pacific Surfliner service, expected to arrive beginning in 2019-20. The LOSSAN Agency is continuing discussions with Amtrak and Caltrans DRMT regarding options to lease additional equipment on a short-term basis prior to the arrival of new state-owned railcars in order to accommodate peak travel demand, which sometimes exceeds available seating capacity.

Amtrak staff is responsible for all maintenance activities related to the Pacific Surfliner service as part of the annual operating contract with the LOSSAN Agency. The LOSSAN Agency is responsible for administration and maintenance supervision of the Pacific Surfliner fleet, particularly the ten state-owned railcars.



Marketing

The proposed Pacific Surfliner marketing program for FY 2017-18 focuses on optimizing existing marketing efforts while building a strategic framework to support future Pacific Surfliner marketing initiatives to grow awareness, ridership and revenue. Building a strong foundation will promote strategic marketing programs that utilize cost-effective, data-driven tactics, while also promoting long-term efficiencies as the Pacific Surfliner marketing program matures.

The LOSSAN Agency’s initial efforts to create awareness and generate interest in the Pacific Surfliner service included a broad range of activities, from communicating critical rider information and establishing new social media channels to launching new service promotions and working to increase revenue related to key business objectives. The marketing plan for FY 2017-18 focuses on initiatives designed to build on these early accomplishments while laying the groundwork for future success and continuing to demonstrate return on marketing investments.

Marketing tactics will include traditional and digital advertising, as well as video, social media, email blasts, and a state-of-the-art, customer-oriented Web site. All marketing activities and expenditures will be measured to determine efficiency and effectiveness.

Annual Funding and Separation of Funding

The primary purpose of the business plan is to fulfill the requirement by SB 1225 to develop a two-year business plan on an annual basis to guide the allocation of funds necessary for the LOSSAN Agency to administer, operate, maintain equipment, and market the Pacific Surfliner service.

The total net State operating subsidy for FY 2017-18 is projected to be \$38,393,315, which includes the net operating subsidy as well as administrative and marketing funding. The current assumptions for the FFY 2017-18 operating budget include a modest increase in both ridership and revenue of 3 percent over the FFY 2016-17 budget. This yields a projected fare revenue of \$80,084,560. Total operating costs for the Pacific Surfliner service are projected to be \$112,973,201, an increase of \$2,215,161, or 2 percent over the FFY 2016-17 budget. Caltrans DRMT has executed an agreement with Amtrak to directly fund equipment capital charges for the Amtrak-owned railcars and locomotives used on the three state-supported rail corridors, effective October 2015. As a result, equipment capital charges are not included in the operating agreement between Amtrak and the LOSSAN Agency. After subtracting projected fare revenue of \$80,084,560, from total operating costs of \$112,973,201, the total FFY 2017-18 state operating subsidy payment is projected to be \$32,888,641. The FY 2017-18 budget also includes \$500,000 for minor projects, including station improvements, signage, and minor safety and security enhancements.

In addition to the operating payment to Amtrak, the state will also fund the administration and marketing of the Pacific Surfliner service. The FY 2017-18 administrative budget is proposed at \$3,004,674. This amount assumes staffing levels remain consistent with the FY 2016-17 budget. This amount also assumes administrative employee performance-based salary increases consistent with the managing agency's projected assumptions, as well as no changes from FY 2016-17 in insurance, legal, travel and professional services. The FY 2017-18 marketing budget is proposed to remain consistent with the FY 2016-17 amount of \$2,000,000. To ensure state funding for the Pacific Surfliner service is kept separate from funding for OCTA projects and programs, a separation of funding has been established within the LOSSAN managing agency.

Government Relations and Advocacy

One of the benefits gained through local governance of the Pacific Surfliner service by the LOSSAN Agency is added flexibility in advocating for policies at the state and federal level to improve rail operations, increase funding for operations and capital needs, and allow better coordination and interoperability with connecting transit and rail services.

The annual legislative program adopted by the LOSSAN Board provides overall guidance to LOSSAN Agency advocacy activities, and staff will continue to provide regular legislative updates and bill analyses to the LOSSAN Board consistent with that program. The 2017 LOSSAN Legislative Program provides detail on legislative priorities, including:

- Identify and secure long-term and sustainable funding sources to support passenger rail operations and capital projects in the LOSSAN rail corridor, including securing federal funds made available by the reauthorization of a federal rail title and ensuring the eligibility for the LOSSAN Agency to compete for funding under the state's cap-and-trade program
- Support efforts to further enhance connectivity of regional rail and local transit services within the LOSSAN rail corridor
- Continue to study and advance infrastructure and service improvement projects/programs

In addition, the LOSSAN Agency will work closely with LOSSAN member agencies to pursue opportunities to retain state and federal advocacy services. This will allow the LOSSAN Agency to more effectively represent the interests of its member agencies in Sacramento and Washington, D.C., communicate policy goals and input to legislative and administrative offices, and receive regular updates on issues of importance to the LOSSAN Agency.

At the local level, LOSSAN Agency staff will continue to work with LOSSAN member agencies, local communities, and stakeholder organizations to build awareness of passenger rail services along the LOSSAN rail corridor, developing strategic partnerships to better evolve the services to meet local demands. Increased awareness of these services by local officials can then be leveraged to back consensus based operational improvements and policy activities.

Safety and Security

Protecting the safety and security of passenger rail service is key to attracting and retaining riders, and ensuring efficient operation of passenger trains on the LOSSAN rail corridor. The goal of the LOSSAN Agency safety program is to instill a comprehensive safety culture that will govern all of the activities associated with the operations and maintenance of the service, while efficiently meeting operational performance goals. The Federal Railroad Administration (FRA) and the California Public Utilities Commission (CPUC) are responsible for overseeing general railroad safety along the LOSSAN rail corridor.

The LOSSAN Agency primarily serves in an oversight and coordination role with regard to safety and security aboard trains, relying on the extensive on-board safety and security programs and policies put in place by Amtrak. Pacific Surfliner passengers benefit from the Amtrak security program, specifically the services of the Amtrak Police Department. There are nine officers and one captain currently assigned to the Pacific Surfliner. As part of the FY 2017-18 budget, two additional Amtrak Patrol Officers are proposed to be added.



The LOSSAN Agency will continue to attend regularly scheduled safety meetings hosted by Amtrak for front-line employees to reiterate that safety is the first priority in delivering Pacific Surfliner service. Amtrak is responsible for all required reporting of safety data to federal, state, and local agencies, including FRA and CPUC. All cab cars and locomotives are equipped with a “forward facing” camera system to aid in accident investigation and soon may be equipped with “inward facing” cameras. As required by the FRA, installation of Positive Train Control (PTC) is progressing, with all Pacific Surfliner locomotives and cab cars expected to be fully compliant with PTC by the revised December 31, 2018 federal deadline.

The LOSSAN Agency will work with right-of-way owners and rail operators to enhance safety and response to incidents along the right-of-way. Public information efforts will include both traditional and social media to build awareness of rail safety.

Emerging Corridors

In addition to administering the existing Pacific Surfliner rail service, the LOSSAN Agency will continue to work with member agencies to study and pursue expansion opportunities on emerging corridors that provide connectivity within southern California and beyond. Specifically, the LOSSAN Agency expects to focus on connectivity to the California HSR system, as well as the eastern communities throughout Riverside County and the Coachella Valley, and coastal communities up to San Luis Obispo and north to the San Francisco Bay Area. These connections will provide seamless travel opportunities by rail or bus throughout the region and state. Enhanced and emerging corridor rail service and system improvements will contribute to the success of the LOSSAN rail corridor, support future statewide HSR service and regional commuter rail operations, and provide connectivity with local transit systems.



Chapter 1: Introduction

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency’s (Agency) annual business plan for fiscal year (FY) 2017-18 and FY 2018-19 identifies the Agency’s major goals and objectives for management of the Pacific Surfliner intercity passenger rail service, as well as the budget necessary to administer, market, and operate the Pacific Surfliner service during that two-year period.

Senate Bill (SB) 1225 (Chapter 802, Statutes of 2012), approved in September 2012, authorized the LOSSAN Agency to assume responsibility for managing the state-supported Pacific Surfliner service, subject to negotiation of an interagency transfer agreement (ITA) with the State of California, which was approved in June 2015 and took effect on July 1, 2015. Since that time, the LOSSAN Agency has implemented a number of initiatives aimed at improving the passenger experience on the Pacific Surfliner while also increasing ridership and revenue. The LOSSAN Agency looks forward to continuing to work with the state, Amtrak, and LOSSAN member agencies to ensure the Pacific Surfliner remains a safe, reliable, and cost-effective transportation alternative that is well-integrated with connecting transit services and the state’s other two intercity passenger rail corridors.

Overview of the LOSSAN Rail Corridor

The Pacific Surfliner service operates over the 351-mile LOSSAN rail corridor through six counties in Southern California (San Diego, Orange, Los Angeles, Ventura, Santa Barbara, and San Luis Obispo). It is the busiest state-supported Amtrak operated intercity passenger rail service in the nation. The LOSSAN rail corridor is made up of seven different right-of-way (ROW) owners, including both public agencies and freight railroads (See Table 1.1 and Figure 1.1), and is used by five different passenger rail and freight operators (Amtrak, COASTER, Metrolink, BNSF Railway (BNSF), and Union Pacific Railroad (UPRR)).

Table 1.1: LOSSAN Rail Corridor ROW Owners

Owner	Route Miles
San Diego Metropolitan Transit System (SDMTS)	22
North County Transit District (NCTD)	38
Orange County Transportation Authority (OCTA)	42
BNSF	21
Los Angeles County Metropolitan Transportation Authority (Metro)	36
Ventura County Transportation Commission (VCTC)	16
UPRR	176
Total	351

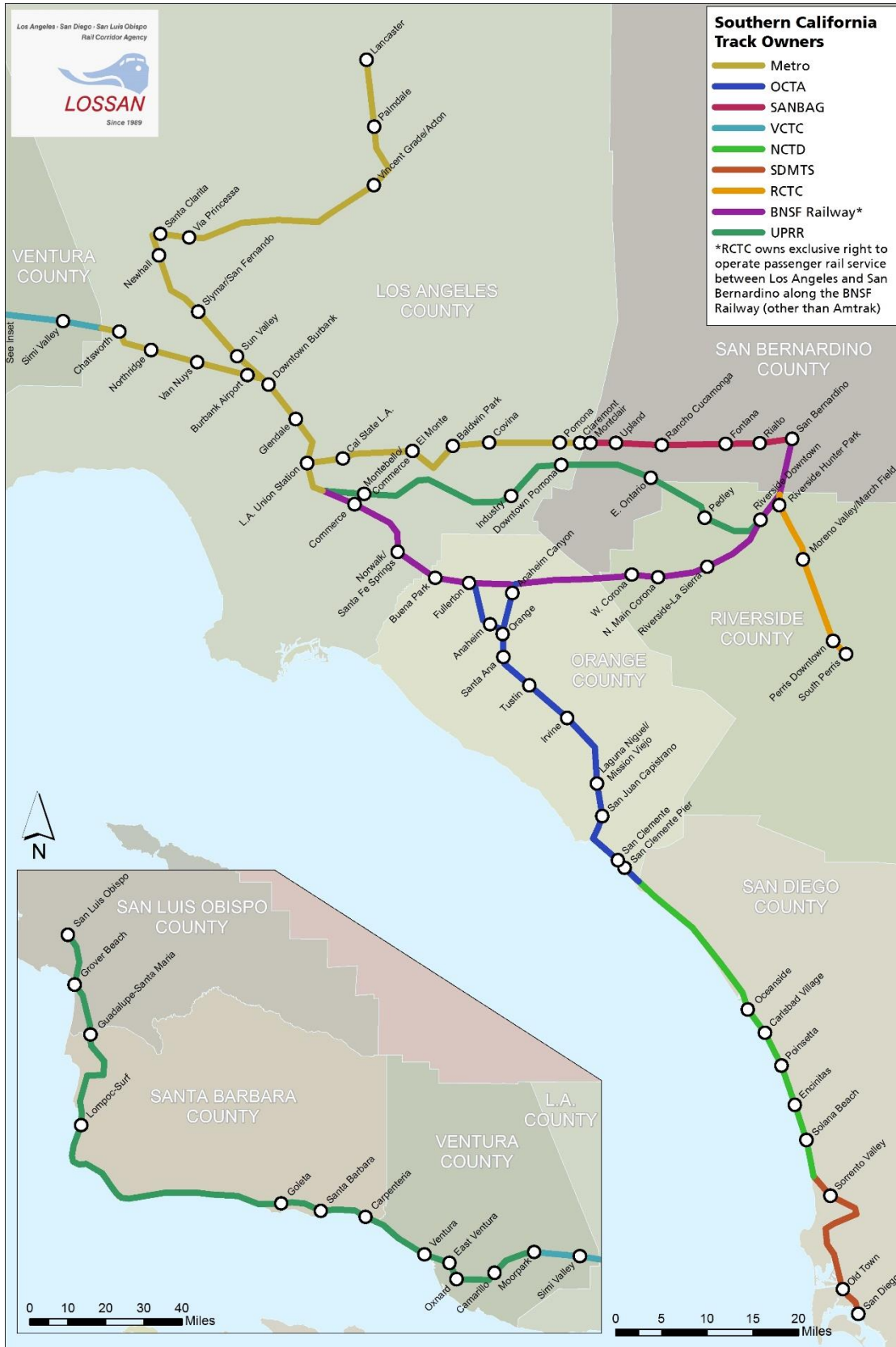
Overview of the LOSSAN Agency

The LOSSAN Agency is a joint powers authority (JPA) originally formed in 1989 for the primary purpose of improving passenger rail service along the LOSSAN rail corridor. It strives to increase ridership, revenue, capacity, reliability, coordination, and safety on the rail line between San Diego, Los Angeles, and San Luis Obispo. The LOSSAN Agency is governed by an

11-member Board of Directors (Board) composed of officials representing rail owners, operators, and planning agencies along the LOSSAN rail corridor. The LOSSAN Board includes representatives from nine member agencies (Metro, NCTD, OCTA, Riverside County Transportation Commission (RCTC), San Diego Association of Governments (SANDAG), SDMTS, San Luis Obispo Council of Governments (SLOCOG), Santa Barbara County Association of Governments (SBCAG), and VCTC). Amtrak, the California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT), the California High-Speed Rail Authority (CHSRA), and the Southern California Association of Governments (SCAG) are non-voting, ex-officio members of the LOSSAN Board.

OCTA was selected as the managing agency of the LOSSAN Agency in August 2013, following a competitive request for proposals. As the managing agency, OCTA provides all management and administrative support for the LOSSAN Agency, and was responsible for negotiating the ITA between the LOSSAN Agency and the state.

Figure 1.1: LOSSAN Rail Corridor ROW Owners



Consistent with the requirements of the ITA, the LOSSAN Agency must submit an annual business plan by April 1 of each year to the Secretary of the California State Transportation Agency (CalSTA). The LOSSAN Agency business plan must be reviewed and approved by the Secretary, and is used to develop an annual appropriation request to the state legislature. As required by SB 1225, the LOSSAN Agency business plan is consistent with the 2013 State Rail Plan developed by Caltrans DRMT and the CHSRA 2016 Business Plan adopted by the CHSRA Board in April 2016.

The ITA, consistent with the provisions of SB 1215, requires the LOSSAN Agency to maintain the existing Pacific Surfliner service and facilities, and to implement service expansions as warranted by ridership demand and available revenue. The ITA further provides that the state will continue to provide the funding necessary for service operations, administration, and marketing of the Pacific Surfliner trains to maintain at least existing service levels through the “initial-term”, July 1, 2015 – June 30, 2018. Caltrans DRMT also remains responsible for the development of the California State Rail Plan, and the coordination and integration between the three state-supported intercity passenger rail services, as outlined in the ITA.

Agency Roles and Responsibilities

The following list provides a summary of the agencies involved in providing passenger rail service along the LOSSAN rail corridor, and those that the LOSSAN Agency will continue to coordinate with in managing the Pacific Surfliner service.

LOSSAN Agency: JPA legislatively permitted to assume administrative and oversight responsibility of the state-supported Pacific Surfliner intercity passenger rail service on the LOSSAN rail corridor effective July 1, 2015.

LOSSAN Member Agencies: The nine voting LOSSAN member agencies that previously provided financial support to the LOSSAN Agency prior to and through the Start-Up Term. The member agencies are key partners that provide important technical and policy input at both the Technical Advisory Committee (TAC) and Board level.

CalSTA: State office responsible for the funding and oversight of California’s three intercity rail corridors, as well as CHSRA.

Caltrans DRMT: This department within Caltrans that is responsible for development of the State Rail Plan, oversight of state-owned rail equipment, and overall funding and coordination of the three state-supported intercity rail corridors.

Amtrak: The contracted operator of the state-supported Pacific Surfliner service and owner of the majority of the rail cars, and all locomotives, utilized in providing Pacific Surfliner service.

Capitol Corridor JPA (CCJPA): Responsible for the operations and oversight of the Capitol Corridor passenger rail service between San Jose, Oakland, Sacramento, and Auburn. It was the first non-state agency to assume responsibility and oversight for state-supported passenger rail service in California in 1998.

San Joaquin JPA (SJJPA): Administers the state-supported San Joaquins intercity passenger rail service between Bakersfield, Stockton, Oakland, and Sacramento. The San Joaquin Regional Rail Commission has been selected as the managing agency for this rail corridor to act on behalf of the SJJPA, similar to OCTA's role on behalf of the LOSSAN Agency.

OCTA: Selected by the LOSSAN Board as the LOSSAN managing agency during the Start-Up Term, and for an initial three-year term beginning after execution of the ITA.

In addition to the agencies listed above, there are a number of stakeholders who will be engaged with the LOSSAN Agency on an ongoing basis. These stakeholders include rail operators such as Southern California Regional Rail Authority, NCTD, and the freight railroads, as well as ROW owners along the rail corridor and the CHSRA. A list of those additional stakeholders is provided below:

Rail Operators

Southern California Regional Rail Authority (Metrolink)
NCTD
BNSF Railway
UPRR
Amtrak

ROW Owners

BNSF Railway
UPRR
NCTD
Metro
OCTA
VCTC
SDMTS

Regional Planning Agencies

SANDAG
SBCAG
SLOCOG
SCAG

Others Key Stakeholders/Partners

CHSRA
Coast Rail Coordinating Council
Coachella Valley Technical Advisory Committee
Federal Railroad Administration
Members of the California State Legislature
Members of the United States Congress
Pacific Surfliner station cities and local elected officials
Rail Passenger Association of California and other transit/rail advocacy groups
Current and prospective rail passengers

Chapter 2: Historical Performance of the Pacific Surfliner Service

Overview

California is home to three of the most successful state-supported intercity passenger rail services operated by Amtrak. Combined, the Pacific Surfliner, Capitol Corridor, and the San Joaquin intercity passenger rail services carry more than 5.6 million passengers each year (See Figure 2.1). These three routes represent three of the five busiest state-supported rail services in the entire Amtrak national system: Pacific Surfliner at No. 1 with 2.92 million passengers per year, the Capitol Corridor at No. 2 with 1.56 million passengers per year, and the San Joaquin Corridor at No. 5 with 1.12 million passengers per year.¹ California’s investment in intercity passenger rail service operations and capital projects over the past four decades has led the state to boast the highest Amtrak ridership of any state in the country, with nearly one in five Amtrak passengers traveling in California.

History of Pacific Surfliner Service

In May 1971, Amtrak assumed operation of three daily roundtrips between Los Angeles and San Diego that had previously been operated by the Atchison, Topeka & Santa Fe railroad.

From 1971 through 2015, service between Los Angeles and San Diego increased from the original six daily trips to 23 daily Pacific Surfliner trips. In 2016, the LOSSAN Agency reinstated the 12th round trip between Los Angeles and San Diego, increasing the daily trips to 24, as detailed in Figure 2.2 and Table 2.1. Of the 24 daily Pacific Surfliner trains Amtrak currently operates between Los Angeles and San Diego, ten trains extend to Santa Barbara / Goleta and four continue to San Luis Obispo. The corridor is complimented by state-funded Amtrak Thruway buses, which provide scheduled connections to the Central Coast, Bay Area, Coachella Valley, and to the

Figure 2.1: California Intercity Passenger Rail Routes

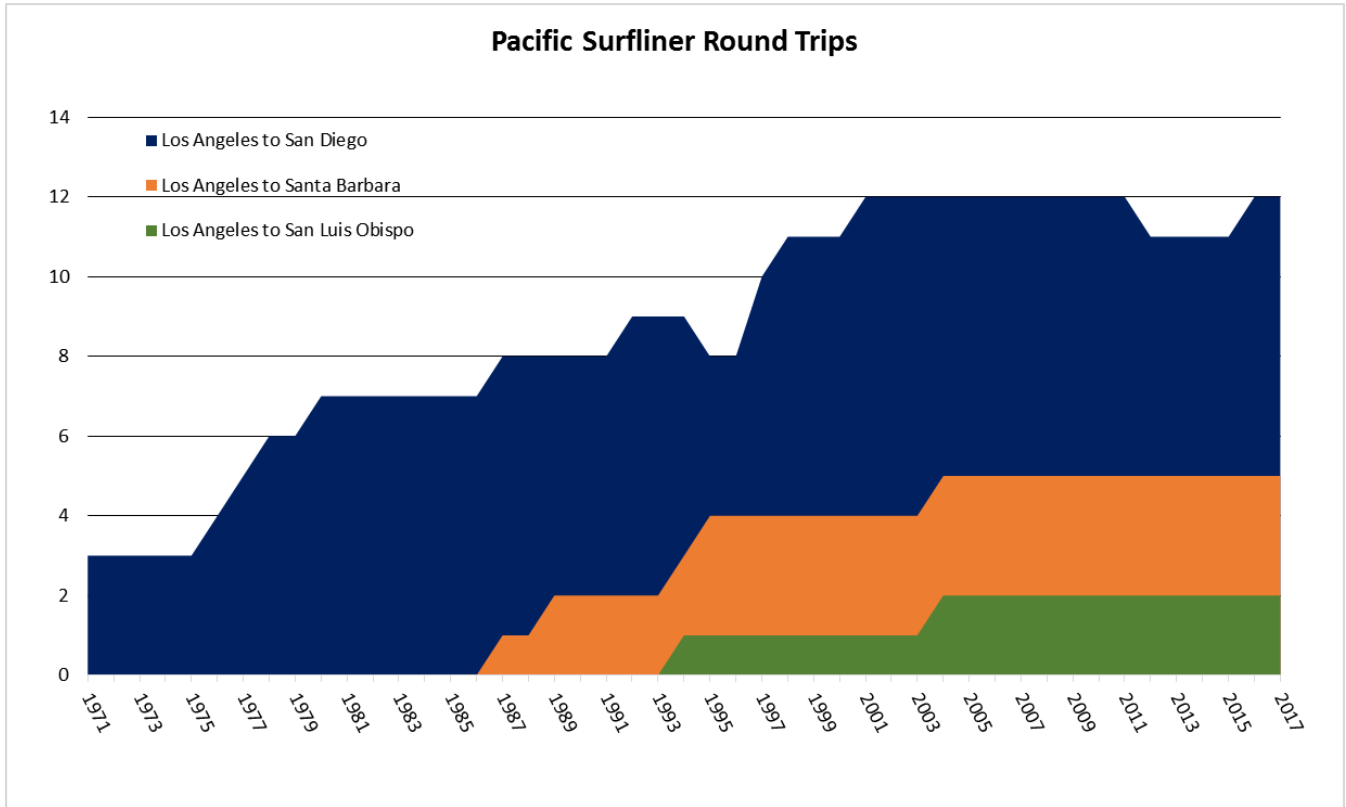


Source: Caltrans, 2015

¹ Amtrak Monthly Performance Report, September 2016

San Joaquin intercity rail corridor via Bakersfield. Two Amtrak long-distance trains (the Coast Starlight and Southwest Chief) also traverse portions of the LOSSAN rail corridor.

Figure 2.2: Pacific Surfliner Service Growth



Source: LOSSAN Agency, 2017

Pacific Surfliner Funding

The annual operating subsidy for Pacific Surfliner service was on an upward trend in part due to the increased costs absorbed by the state under the provisions of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) Section 209. When PRIIA Section 209 was adopted by the federal government in 2008, it eliminated Amtrak’s 30 percent financial contribution toward Pacific Surfliner operating costs and established additional capital equipment charges for the use of Amtrak-owned equipment that the state had not previously funded.

As a result, the state operating subsidy increased from \$29.423 million in FY 2012-13 to \$36.819 million in FY 2013-14, which was the first full year under PRIIA Section 209. In subsequent years, the state operating subsidy was budgeted at \$44.287 million for FY 2014-15, and was projected to be \$46.581 million for FY 2015-16.

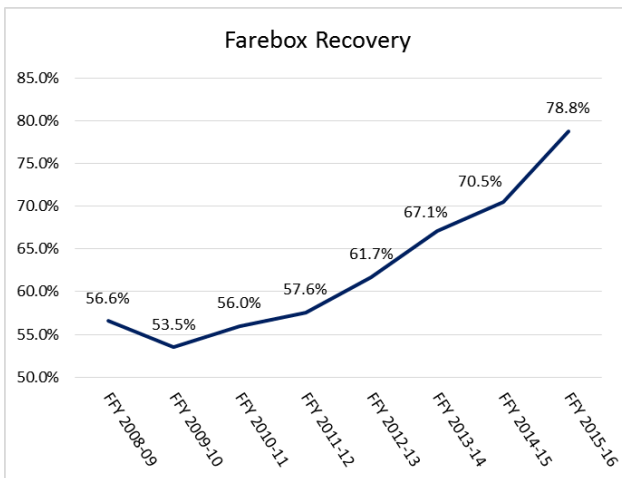
However, farebox recovery (Figure 2.3) has shown significant improvement over the last two fiscal years. The increased farebox recovery rate resulted in the actual state subsidy being significantly less than projections. A reconciliation of FY 2014-15 shows the state subsidy being \$28.583 million, while preliminary data for FY 2015-16 shows the actual state operating subsidy at \$21.431 million.

Historical Ridership and Revenue Performance²

Table 2.1 shows annual ridership and financial performance data from FY 1976-77 through FY 2015-16. Ridership and farebox recovery climbed steadily through the early 1990s with FY 1987-88 through FY 1992-93 experiencing particularly strong ridership growth and financial performance. The farebox recovery ratio was near or over 100 percent for these six consecutive years, and ridership peaked at 1.8 million in FY 1992-93.

A number of events occurred in the past that impacted fare box recovery on the Pacific Surfliner route. The addition of commuter rail service in Southern California along with the increased costs associated with additional state-supported service resulted in a reduction of overall farebox return.

Figure 2.3: Farebox Recovery Trend FFY 2008-09 through FFY 2015-16



Source: Amtrak, 2016

Since the early 2000s, ridership on the Pacific Surfliner service has increased significantly, offsetting the initial impacts of the introduction of commuter rail services. Ridership reached 2 million in FY 2002-03, and farebox recovery has exceeded 50 percent since FY 2000-01. Additionally, the introduction of the Rail 2 Rail program with Metrolink in September 2002, and in April 2008 with COASTER, was associated with another increase in ridership. Ridership peaked at nearly 3 million in Federal FY (FFY) 2015-16, with farebox recovery nearing 79 percent. This continues the overall trend of increase as shown in Figure 2.3

The Pacific Surfliner ridership declined each year between FY 2007-08 and FY 2009-10 as a result of the significant economic recession affecting the nation. By FY 2014-15, Pacific Surfliner ridership had recovered to FY 2007-08 ridership levels, even though fewer train trips were operated than the prior years during which ridership peaked. FY 2016-17 saw the reintroduction of the 12th roundtrip (RT) between Los Angeles and San Diego, and with it the highest annual ridership in the history of the service.

² California State Rail Plan, 2013

Table 2.1: Pacific Surfliner Historic Operating Performance

Fiscal Year	Daily Trips (Weekday/Weekend)	Ridership	Revenue	Expenses	Farebox Recovery	Service Notes
1976-77	8	607,976	\$ 598,140	\$ 1,662,714	36.0%	Fourth Los Angeles - San Diego RT added
1977-78	10	753,246	\$ 1,446,036	\$ 3,768,065	38.4%	Fifth Los Angeles - San Diego RT added
1978-79	12	967,316	\$ 2,203,403	\$ 4,333,602	50.8%	Sixth Los Angeles - San Diego RT added
1979-80	12	1,218,196	\$ 3,341,561	\$ 5,536,840	60.4%	
1980-81	14	1,238,135	\$ 4,032,480	\$ 6,572,539	61.4%	Seventh Los Angeles - San Diego RT added
1981-82	14	1,167,718	\$ 4,097,254	\$ 6,607,395	62.0%	
1982-83	14	1,131,146	\$ 4,094,750	\$ 6,928,334	59.1%	
1983-84	14	1,221,256	\$ 4,842,400	\$ 6,337,083	76.4%	
1984-85	14	1,240,003	\$ 5,410,502	\$ 6,411,308	84.4%	
1985-86	14	1,394,320	\$ 5,658,915	\$ 6,424,634	88.1%	
1986-87	14	1,461,003	\$ 6,072,523	\$ 6,510,113	93.3%	
1987-88	16	1,661,512	\$ 8,223,462	\$ 7,859,783	104.6%	Eighth Los Angeles - San Diego RT added
1988-89	16	1,717,539	\$ 11,458,084	\$ 10,563,459	108.5%	First extension to Santa Barbara added
1989-90	16	1,746,673	\$ 12,189,942	\$ 11,808,251	103.2%	
1990-91	16	1,791,781	\$ 13,306,307	\$ 13,364,150	99.6%	Second extension to Santa Barbara added
1991-92	18	1,673,107	\$ 13,152,063	\$ 13,245,924	99.3%	Ninth Los Angeles - San Diego RT added
1992-93	18	1,810,572	\$ 13,692,612	\$ 13,254,709	103.3%	
1993-94	18	1,699,882	\$ 12,725,094	\$ 14,017,591	90.8%	Third extension to Santa Barbara
1994-95	16	1,464,577	\$ 11,805,859	\$ 16,061,849	73.5%	Ninth Los Angeles - San Diego RT discontinued
1995-96	16	1,480,674	\$ 13,553,553	\$ 23,983,026	56.5%	First Los Angeles - San Luis Obispo RT; fourth extension to Santa Barbara added
1996-97	16	1,617,641	\$ 14,804,355	\$ 39,563,546	37.4%	
1997-98	20	1,624,693	\$ 15,194,498	\$ 44,769,723	33.9%	Ninth Los Angeles - San Diego RT restored; tenth RT Los Angeles - San Diego RT added
1998-99	22	1,563,275	\$ 16,401,625	\$ 40,391,845	40.6%	11th Los Angeles - San Diego RT added
1999-00	22/24	1,567,318	\$ 17,883,725	\$ 37,497,489	47.7%	12th Los Angeles - San Diego RT added (Friday through Sunday)
2000-01	22/24	1,661,704	\$ 20,430,153	\$ 38,215,732	53.5%	
2001-02	22/24	1,742,768	\$ 20,922,453	\$ 39,374,190	53.1%	
2002-03	22/24	2,030,491	\$ 22,247,564	\$ 42,331,531	52.6%	
2003-04	22/24	2,307,010	\$ 24,559,183	\$ 45,300,782	54.2%	
2004-05	23/25	2,454,396	\$ 26,660,048	\$ 48,105,899	55.4%	Second Los Angeles - San Luis Obispo RT added; fifth extension to Santa Barbara added
2005-06	23/25	2,655,490	\$ 31,604,715	\$ 55,570,797	56.9%	
2006-07	23/25	2,685,194	\$ 34,753,372	\$ 58,389,864	59.5%	
2007-08	23/25	2,835,132	\$ 37,266,009	\$ 60,444,082	61.7%	
2008-09	23/25	2,696,951	\$ 34,857,678	\$ 61,635,574	56.6%	
2009-10	23/25	2,614,777	\$ 35,822,186	\$ 67,012,735	53.5%	
2010-11	23/25	2,746,320	\$ 38,739,760	\$ 69,156,690	56.0%	
2011-12	23/25	2,664,935	\$ 42,884,431	\$ 74,494,543	57.6%	
2012-13	23	2,689,465	\$ 64,446,130	\$ 104,521,098	61.7%	12th Los Angeles - San Diego RT discontinued (Friday through Sunday)
2013-14	23	2,673,170	\$ 69,013,726	\$ 102,843,812	67.1%	
2014-15	23	2,827,134	\$ 75,246,335	\$ 106,744,935	70.5%	
2015-16*	25	2,924,117	\$ 79,465,847	\$ 100,897,661	78.8%	12th Los Angeles - San Diego RT reinstated

*FFY 2015-16 based on preliminary unaudited data
 Note: Expense column reflects state share of expenses only.

Pacific Surfliner Service Characteristics

Table 2.2: Pacific Surfliner Ridership by Station for FFY 2015-16

Station Ridership Report			
	Station	Passenger Ons/Offs	Growth vs. FFY 2014/15
1	Los Angeles	1,359,731	4.3%
2	San Diego	775,538	0.4%
3	Irvine	450,732	6.9%
4	Oceanside	416,021	8.0%
5	Solana Beach	396,157	-3.0%
6	Fullerton	360,304	4.6%
7	Santa Barbara	297,309	1.6%
8	Anaheim	282,700	4.4%
9	San Diego (Old Town)	267,481	12.3%
10	San Juan Capistrano	229,408	1.2%
11	Santa Ana	191,716	5.2%
12	Oxnard	82,868	-3.9%
13	Goleta	76,286	1.0%
14	Van Nuys	73,756	0.0%
15	Chatsworth	71,133	-1.4%
16	San Luis Obispo	69,799	-2.3%
17	Ventura	65,328	5.7%
18	Burbank	63,970	1.2%
19	Glendale	52,395	2.7%
20	Camarillo	52,310	0.9%
21	Simi Valley	47,179	3.3%
22	Carpinteria	30,762	4.4%
23	Moorpark	21,726	5.0%
24	San Diego (Sorrento Valley)	20,720	25.4%
25	Grover Beach	18,987	-2.3%
26	San Clemente	15,396	13.5%
27	Carlsbad (Village)	14,843	10.3%
28	Encinitas	12,975	8.6%
29	Guadalupe	12,227	-3.9%
30	Carlsbad (Poinsettia)	10,556	12.7%
31	Lompoc/Surf	7,921	-2.9%
Total Passenger Ons/Offs		5,848,234	3.4%
Total Ridership		2,924,117	

The Pacific Surfliner provides direct rail service to 31 stations. Six daily Pacific Surfliner trains currently make stops at COASTER stations in north San Diego County under the Rail 2 Rail program (Sorrento Valley, Encinitas, Carlsbad Poinsettia, and Carlsbad Village). Los Angeles, San Diego, Irvine, Oceanside, and Solana Beach are the top five busiest Pacific Surfliner.

The figures in Table 2.2 represent total boardings and alightings at each station for FFY 2015-16 (October 2015 to September 2016).

Since each trip contains two endpoints, total ridership is equal to half of total boardings and alightings. These figures also include Rail 2 Rail passengers traveling on the Pacific Surfliner using Metrolink or COASTER fare media.

The top ten station pairs with the highest ridership and ticket revenue on the Pacific Surfliner route in FFY 2015-16 are listed in Table 2.3.

Source: Amtrak, 2016

Note: Includes Rail 2 Rail ticketed passengers on Pacific Surfliner

Table 2.3: Top Ten Pacific Surfliner Station Pairs FFY 2015-16

Station Pair by Ridership	Ridership	Rank	Station Pair by Revenue	Revenue
Los Angeles - San Diego	280,196	1	Los Angeles - San Diego	\$10,704,927
Los Angeles - Solana Beach	133,494	2	Los Angeles - Solana Beach	\$4,266,179
Los Angeles - Oceanside	116,645	3	Los Angeles - Old Town San Diego	\$3,809,038
Los Angeles - Old Town San Diego	99,160	4	Los Angeles - Oceanside	\$3,125,514
Irvine - San Diego	79,664	5	Los Angeles - Santa Barbara	\$2,041,940
Irvine - Los Angeles	78,205	6	Irvine - San Diego	\$1,882,462
Los Angeles - Santa Barbara	72,307	7	Anaheim - San Diego	\$1,714,989
Irvine - Solana Beach	70,658	8	Fullerton - San Diego	\$1,466,703
Anaheim - San Diego	60,084	9	Irvine - Los Angeles	\$1,332,988
Fullerton - San Diego	51,004	10	Irvine - Solana Beach	\$1,168,637

Source: Amtrak, 2016

On-Time Performance (OTP)

OTP is an important measure of service quality and passenger satisfaction. For the Pacific Surfliner service, endpoint OTP is defined as arrival at the endpoint station within 10 minutes of scheduled arrival for trips up to 250 miles, and within 15 minutes of scheduled arrival for trips between 251 and 300 miles. Corridorwide OTP is calculated by taking the total number of trains arriving on time at the end point of the run divided by the total number of trains operated on the route. The uniform intercity passenger rail performance standards released by CalSTA set a 90 percent endpoint OTP goal. Train delays are recorded by the conductor in minutes on a delay report form and categorized by specific cause.

Historical Pacific Surfliner endpoint OTP from FFY 2003-04 to FFY 2015-16 is summarized in Table 2.4.

Table 2.4: Historical Pacific Surfliner Endpoint On-Time Performance

Year (FFY)	On-Time Performance
2003-04	87.1%
2004-05	72.9%
2005-06	76.1%
2006-07	74.8%
2007-08	76.1%
2008-09	83.1%
2009-10	76.3%
2010-11	77.5%
2011-12	75.4%
2012-13	82.4%
2013-14	77.6%
2014-15	77.9%
2015-16	78.0%

Source: Amtrak, 2016

Chapter 3: Operating Plan and Strategies

Existing Rail Service

Amtrak operates 12 daily Pacific Surfliner roundtrips between San Diego and Los Angeles. Of those, five daily roundtrips (the 700-series trains) extend north of Los Angeles to serve Santa Barbara and Goleta, with two of those roundtrips extending further north to serve San Luis Obispo. Dedicated Amtrak Thruway bus connections supplement the train service on the LOSSAN rail corridor by providing transportation to and from San Luis Obispo and points north for rail passengers making connections to Pacific Surfliner trains in Santa Barbara.

The Pacific Surfliner services 31 stations, 17 of which are between San Luis Obispo and Los Angeles, with the remaining 14 located south of Los Angeles in Orange and San Diego counties (see Table 3.1 and Figure 3.1). The Camarillo, Moorpark, San Clemente Pier, and San Diego Old Town stations have limited service (not all trains stop at these stations). In addition, six daily Pacific Surfliner trains currently stop at four COASTER stations (Sorrento Valley, Encinitas, Carlsbad Poinsettia, Carlsbad Village) under the Rail 2 Rail program with NCTD.

Table 3.1: Pacific Surfliner Stations

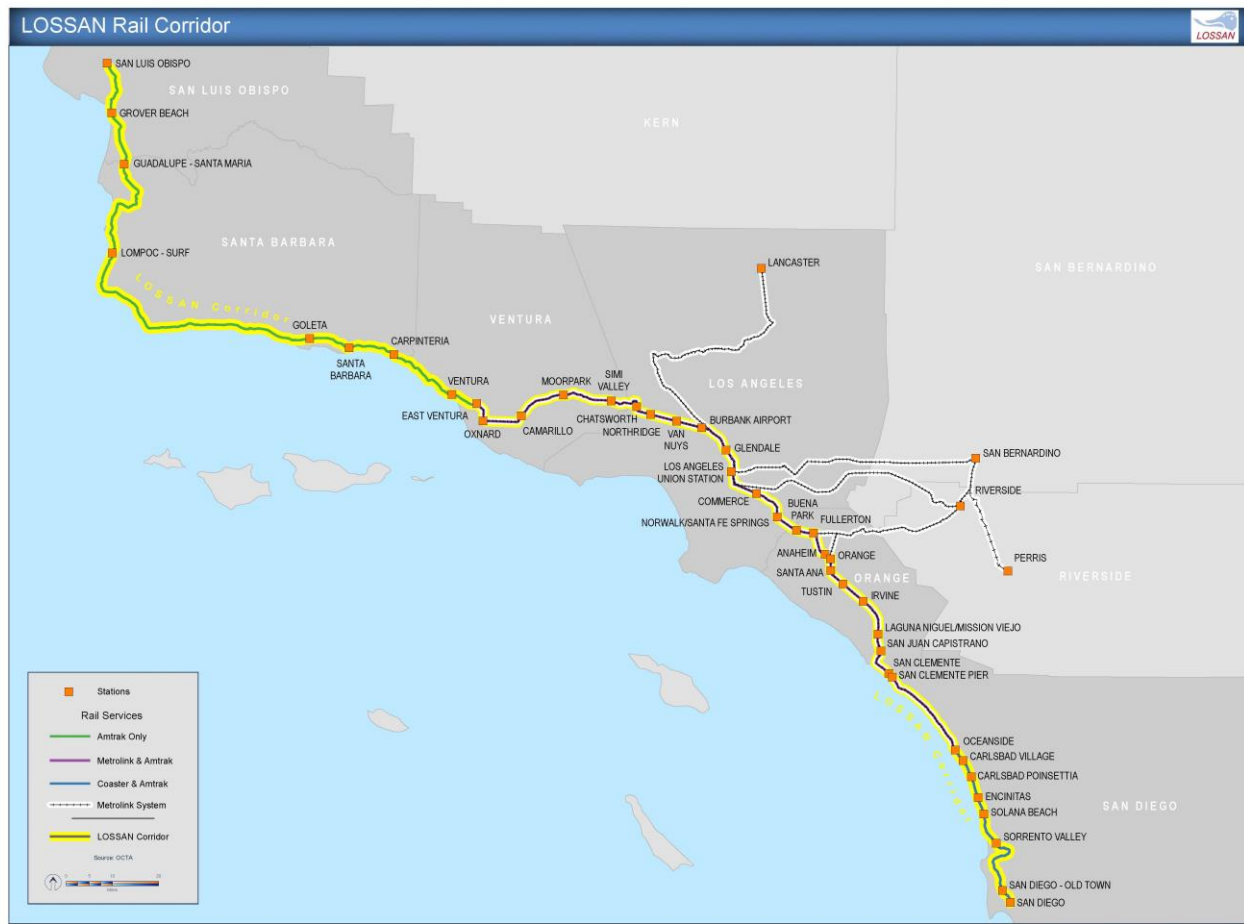
Station	County	Station Owner	Staffed/Unstaffed
San Diego – Santa Fe Depot	San Diego	ProLogis	Staffed
San Diego – Old Town*	San Diego	California State Parks/SDMTS	Unstaffed
Sorrento Valley**	San Diego	NCTD	Unstaffed
Solana Beach	San Diego	NCTD	Staffed
Encinitas**	San Diego	NCTD	Unstaffed
Carlsbad (Poinsettia)**	San Diego	NCTD	Unstaffed
Carlsbad (Village)**	San Diego	NCTD	Unstaffed
Oceanside	San Diego	NCTD	Staffed
San Clemente Pier*	Orange	City of San Clemente	Unstaffed
San Juan Capistrano	Orange	City of San Juan Capistrano	Staffed
Irvine	Orange	City of Irvine	Staffed
Santa Ana	Orange	City of Santa Ana	Staffed
Anaheim	Orange	City of Anaheim	Staffed
Fullerton	Orange	City of Fullerton	Staffed
Los Angeles Union Station	Los Angeles	Metro	Staffed
Glendale	Los Angeles	City of Glendale	Unstaffed
Burbank-Bob Hope Airport	Los Angeles	Multiple	Unstaffed
Van Nuys	Los Angeles	Caltrans (platform); City of Los Angeles (parking lot)	Staffed
Chatsworth	Los Angeles	City of Los Angeles	Unstaffed
Simi Valley	Ventura	City of Simi Valley	Unstaffed
Moorpark*	Ventura	City of Moorpark	Unstaffed
Camarillo*	Ventura	City of Camarillo	Unstaffed
Oxnard	Ventura	City of Oxnard	Staffed
Ventura	Ventura	Union Pacific (platform); City of Ventura (parking)	Unstaffed

Station	County	Station Owner	Staffed/Unstaffed
Carpinteria	Santa Barbara	Union Pacific (platform); City of Carpinteria (parking)	Unstaffed
Santa Barbara	Santa Barbara	Union Pacific (platform); City of Santa Barbara (parking and station)	Staffed
Goleta	Santa Barbara	Amtrak (platform and station); City of Goleta (parking)	Unstaffed
Lompoc-Surf	Santa Barbara	Union Pacific	Unstaffed
Guadalupe – Santa Maria	Santa Barbara	Union Pacific	Unstaffed
Grover Beach	San Luis Obispo	Union Pacific (platform), City of Grover Beach (parking)	Unstaffed
San Luis Obispo	San Luis Obispo	Union Pacific (platform), City of San Luis Obispo (parking)	Staffed

*Limited service – Not all trains stop

**COASTER/Rail 2 Rail stop only

Figure 3.1: LOSSAN Rail Corridor and Pacific Surfliner Stations



Amtrak Thruway Bus Service

Pacific Surfliner rail service is supplemented by Amtrak's network of Thruway buses that connect passengers throughout the LOSSAN rail corridor and beyond (Figure 3.2). In FY 2015-16, approximately 4.3 percent of Pacific Surfliner riders made a portion of their journey on one of three Amtrak Thruway bus routes managed by the LOSSAN Agency. Amtrak contracts with private bus operators to provide this service, including both operating staff and the vehicles. The bus routes function as part of the Pacific Surfliner service, with coordinated connections, guaranteed seating, integrated fares and ticketing procedures, and inclusion in Amtrak's central information and reservation system in the same manner as trains.

The Amtrak Thruway bus routes included in the Pacific Surfliner budget and operating statistics for FY 2015-16 are summarized below:

- **Route 4:** Los Angeles to Santa Barbara/Goleta. Two daily one-way trips, with approximately 8,900 annual riders.
- **Route 17:** Santa Barbara to San Luis Obispo to Oakland (where it connects with Capitol Corridor). Eleven daily one-way trips, approximately 89,500 annual riders.
- **Route 39:** Fullerton to Palm Springs and Coachella Valley. Four daily one-way trips, approximately 27,400 annual riders.

In addition to the three routes discussed above, several Pacific Surfliner stations are served by additional Amtrak Thruway bus routes that are managed by the CCJPA and SJJPA:

- **Route 1:** San Diego/Torrance/San Pedro/Long Beach/Los Angeles to Bakersfield, connects to San Joaquins trains and is funded as part of San Joaquins route. Eighteen daily one-way bus trips out of 24 directly connect with Pacific Surfliner trains at Los Angeles.
- **Route 10:** Santa Barbara/Carpinteria/Ventura/Oxnard/Bakersfield, connects to San Joaquins trains in Bakersfield and is funded as part of San Joaquins route. Six one-way trips per day.
- **Route 18:** Santa Maria/Grover Beach/San Luis Obispo/Paso Robles/Hanford, connects to San Joaquins trains in Hanford and is funded as part of San Joaquins route. Four one-way trips per day.
- **Route 21:** Santa Barbara/Grover Beach/San Luis Obispo/Paso Robles/Salinas/San Jose, connects to Capitol Corridor trains in San Jose and is funded as part of the Capitol Corridor route. Two one-way trips per day.

Figure 3.2: LOSSAN Managed Amtrak Thruway Routes



FY 2016-17 Accomplishments

In FY 2016-17, the LOSSAN Agency worked with Amtrak and Caltrans DRMT to reinstate a 12th Pacific Surfliner RT between Los Angeles and San Diego seven days a week, marking the first Pacific Surfliner service increase in more than a decade. The new service, which began operating in November 2016, offers an earlier morning northbound train (Train 761/1761) from San Diego to Los Angeles that allows passengers to arrive in Los Angeles at 7:03 a.m. on weekdays and 7:30 a.m. on weekends, and provides continuing service north to Santa Barbara and San Luis Obispo. Previously, the first northbound Amtrak train (Train 763) from San Diego arrived in Los Angeles at 8:50 a.m. In the southbound direction, the new trip (Train 592) fills a gap between the existing 7:30 p.m. and 10:10 p.m. departures, with a new departure at 8:25 p.m.

The LOSSAN Agency continued coordination efforts with all freight and passenger rail operators along the LOSSAN rail corridor through joint scheduling meetings and absolute work window planning meetings in an effort to improve connectivity and customer service, and minimize passenger inconvenience. The LOSSAN Agency also launched the Pacific Surfliner Transit Transfer Program, which provides free connections between the Pacific Surfliner and 12 local transit services from San Luis Obispo to San Diego.

In partnership with Caltrans DRMT, Amtrak, Metrolink, NCTD and BNSF, the LOSSAN Agency implemented Phase 1 of the “robust timetable” work conducted by SMA Consulting in June 2016. These coordinated schedule changes were intended to improve the overall reliability of all passenger rail services operating on the LOSSAN rail corridor by providing timetables that distribute “schedule pad” throughout the route and ensure that trains are able to reliably make meets on single track territory. Although Pacific Surfliner on-time performance (OTP) continues to be an area for continuous improvement, an upward trend has been seen in OTP since the implementation of the robust timetable. Analysis is ongoing to identify any adjustments that can be made to the robust timetable to further improve OTP and the overall performance of the LOSSAN rail corridor.

FY 2017-18 and FY 2018-19 Operating Plan

In FY 2017-18 and 2018-19, the LOSSAN Agency will continue to work cooperatively with Caltrans DRMT to ensure sufficient state funding is provided to operate the existing Pacific Surfliner and Amtrak Thruway bus services, while also exploring opportunities to enhance ridership, revenue, and OTP.

The LOSSAN Agency is also continuing to work with Caltrans DRMT, Amtrak, and LOSSAN member agencies to evaluate alternatives for retiming existing Pacific Surfliner trains north of Los Angeles to provide a weekday peak-hour Pacific Surfliner service between Ventura and Santa Barbara counties.

The LOSSAN Agency will continue to work with Amtrak to evaluate and pursue cost-effective opportunities to improve OTP on the Pacific Surfliner service. This includes working collaboratively with Amtrak to better identify the root causes of delays as well as with the host railroads to establish more realistic operating parameters and consistent dispatching procedures.

The LOSSAN Agency was successful in securing Transit and Intercity Rail Capital Program (TIRCP) funding to complete a “robust timetable” scheduling exercise on the northern end of the LOSSAN rail corridor between Los Angeles and San Luis Obispo similar to what was implemented south of Los Angeles, as well as a network integration and strategic investment study to complete a comprehensive corridorwide study of integrating all rail services between San Diego and San Luis Obispo. Both projects will move forward in FY 2017-18.

In FFY 2015-16, a number of Pacific Surfliner trains repeatedly experienced capacity issues due to high ridership demand during peak periods, particularly on weekends, during holidays, and during the summer. The LOSSAN Agency will continue to work with Amtrak and Caltrans DRMT to identify additional railcars to supplement the existing Pacific Surfliner fleet in order to meet demand during peak travel periods. The LOSSAN Agency will also continue to work with Caltrans DRMT to identify future equipment needs, funding sources, and delivery schedules for service improvements to accommodate ridership demand.

While there is no base service level increase anticipated in FY 2017-18, LOSSAN Agency staff will begin working with Amtrak and Caltrans DRMT to identify opportunities to implement an additional roundtrip from San Diego to Santa Barbara in FY 2018-19 (Table 3.2). In addition, the LOSSAN Agency will continue to pursue service expansions to accommodate seasonal travel demand related to holidays and special events, including the Del Mar Races, Oxnard Strawberry Festival, San Diego Comic-Con International, and San Diego Padres games. The LOSSAN Agency plans to build on the success of that special event service and look for opportunities to promote the Pacific Surfliner as the travel mode of choice to major events, while also ensuring that sufficient capacity is made available on the Pacific Surfliner to carry passengers who want to use the service.

Table 3.2: Projected Pacific Surfliner Service Levels

Route Segments	FY 2016-17	FY 2017-18	FY 2018-19
San Diego – Los Angeles	24 trains	24 trains	26 trains
Los Angeles – Santa Barbara/Goleta	10 trains	10 trains	12 trains
Los Angeles – Santa Barbara – San Luis Obispo	4 trains	4 trains	4 trains

To enhance the existing Pacific Surfliner service, the LOSSAN Agency remains committed to working with Caltrans DRMT, SJJPA, Metrolink, NCTD, Amtrak, and regional and local transit providers to improve transit and rail connections to the Pacific Surfliner. To help achieve this, the LOSSAN Agency will utilize its member agencies to assist in coordinating improved communications and connectivity, particularly with local transit operators. The LOSSAN Agency implemented a new Pacific Surfliner Transit Transfer Program in summer 2016 that provides seamless connectivity for Pacific Surfliner passengers to more than 12 local transit operators serving Pacific Surfliner stations.

Moving forward, the LOSSAN Agency will also explore opportunities to have timed connections with local transit operators at key locations in order to help provide more reliable first- and last-mile connections for Pacific Surfliner passengers. The LOSSAN Agency will also work with local transit agencies to explore opportunities to provide better transit connections from

Pacific Surfliner stations to local airports, including John Wayne Airport in Orange County, Los Angeles International Airport, and San Diego International Airport. The Pacific Surfliner already directly serves the Burbank-Bob Hope Airport.

No changes are currently planned to Amtrak Thruway bus service during this period. However, LOSSAN Agency staff will carefully review schedules as well as ridership and revenue data for the three routes under its control and propose changes to help make the service more effective, as appropriate.

Ventura to Santa Barbara Peak-Period Service

Improving rail service between Ventura and Santa Barbara counties during peak hours has been identified as a priority in several LOSSAN Agency planning documents, including the Strategic Implementation Plan and prior business plans. The Coast Corridor is the mainline railroad linking Ventura and Santa Barbara counties and largely parallels U.S. 101, which is heavily congested during peak travel times. The southern components of the Coast Corridor are comprised of the UPRR Santa Barbara Subdivision and Metrolink's Ventura Subdivision, which is mostly single tracked, with only one short siding between Ventura and Santa Barbara. In fact, track capacity has been reduced over time with the loss of one of two rail sidings between Ventura and Santa Barbara due to storm damage in 1978 and 1991.

The Coast Corridor between Ventura and Santa Barbara counties has been the focus of a number of planning studies over the past two decades. These studies have analyzed various services and infrastructure improvements that focused on improving passenger rail service reliability and frequency. The largest planning study was the 101 in Motion plan, conducted by SBCAG, which recommended a "lane and a train" strategy to address the significant traffic congestion between Ventura and Santa Barbara counties. SBCAG programmed \$140 million in local transportation tax funding as well as \$160 million in local gas tax revenue toward the construction of a ten-mile high-occupancy vehicle lane on US 101, and has \$25 million in dedicated local sales tax revenue toward rail improvements and operations in the corridor, including establishing peak-hour rail service in the corridor.

Based on the results of previous studies, it has been determined that in order to increase the level of passenger rail service in the corridor, a combination of track and signal improvements, capacity enhancements, and equipment purchases would be necessary. These improvements and acquisitions will require both time and financial resources, some of which have been identified and are currently advancing. There is Interregional Transportation Improvement Program funding programmed for extending the Seacliff siding, and environmental and engineering work was initiated in 2015 following the award of an American Recovery and Reinvestment Act grant to SBCAG in 2010. Caltrans DRMT is the lead for this project and has been working with the UPRR to advance the environmental and preliminary design.

Over the last two years, the LOSSAN Agency has worked with CalSTA to evaluate alternatives for providing peak-period service from Los Angeles County to Ventura and Santa Barbara counties. With most of the region single track, expanding service would be challenging without capacity-enhancing improvements. The results of these evaluation efforts indicate that, due to the constraints of the single track railroad and existing train schedules,

a combination of capacity improvements and rescheduling efforts will be necessary to provide this service. Additionally, in order to serve the region and anticipated future demand, additional train slots will be required. Additional modeling efforts are underway to evaluate alternatives for retiming existing Pacific Surfliner trains while holding harmless to the greatest extent possible other service providers in the corridor. As part of this effort, a complete schedule review and corridor optimization will also be undertaken to review the reliability and efficiency within the corridor and to determine if it is feasible to provide the requested peak-period service through Pacific Surfliner schedule revisions that would better serve existing demand, enhance ridership and revenue, and maintain or enhance farebox recovery.

Emerging Corridors

While not immediately planned to begin operation, a number of future service expansion projects are in the planning stages, and are discussed in greater detail in the Emerging Corridors chapter of the business plan. The LOSSAN Agency will continue to work with Caltrans DRMT and Amtrak to advance these services, including: Coast Daylight rail service which would extend the Pacific Surfliner from San Luis Obispo to San Jose or San Francisco; and the proposed Coachella Valley service which would connect to the LOSSAN rail corridor at Los Angeles and provide intercity passenger rail service between Los Angeles and the Coachella Valley, including Palm Springs and Indio.

Service Optimization

Though it already has the distinction of being the second-busiest intercity passenger rail corridor in the United States, the Pacific Surfliner service has great potential for increased ridership, revenue, better service coordination, and improved performance. During the coming year, the LOSSAN Agency will continue to implement service optimization strategies aimed at building on past success to further improve the Pacific Surfliner service. Status updates on the progress of these activities are provided below.

Train Monitoring:

1. Conduct regular multi-agency working group meetings that include the host railroads and Amtrak to discuss OTP. The meetings include discussion on most frequent types of delays, reasons for the delays, and identify potential solutions so future delays can be prevented. (*Status: In progress via Corridor Improvement Team meetings*)
2. Work with the host railroads, Amtrak, railroad right-of-way owners and LOSSAN member agencies to identify capital and/or system improvements to improve OTP. This includes annual hy-rail trips over the corridor with the host railroads and Amtrak staff. (*Status: On-going via regular calls/meetings with host railroads and network integration team and Corridor Improvement Team*)
3. Work with Amtrak to develop a root cause analysis for major delays, including procedures to reduce maintenance-related delays; analyze daily delay reports to look for recurring trends; enforce penalties against Amtrak for operator-responsible delays per

the operating agreement. *(Status: In progress and discussed at monthly operations meetings with Amtrak and Corridor Improvement Team meetings)*

4. Carefully monitor performance of Pacific Surfliner service against approved uniform performance standards adopted by CalSTA and report to the LOSSAN Board quarterly, including proposed actions to meet 90 percent endpoint OTP standard. *(Status: In progress via quarterly corridor trends report)*
5. Work with host railroads and operators to refine timetables to ensure OTP is continuously improved by scheduling achievable travel times and well-coordinated meets that reduce the likelihood of cascading delays. *(Status: In progress via joint scheduling and Corridor Improvement Team meetings)*

Train and Connecting Bus Schedule Adjustments:

1. Work with Amtrak to evaluate existing train and connecting bus schedules to determine if there are potential changes that could improve ridership, revenue, and cost effectiveness. Schedule adjustments have the potential to improve the Pacific Surfliner performance without requiring additional financial resources. *(Status: In progress via monthly operations meeting and statewide working group)*
2. Closely review ridership and revenue on Amtrak Thruway bus routes to ensure the routes are being operated as efficiently as possible, including connections to San Joaquin and Capitol Corridor. *(Status: To begin in 2017)*
3. Continue to work with Amtrak to hold regular timetable and work window coordination meetings that include host railroads and rail operators along the LOSSAN rail corridor. *(Status: In progress via monthly work window coordination meetings and joint scheduling meetings before each coordinated LOSSAN rail corridor schedule change)*
4. Work with host railroads to reevaluate train schedules and dispatching procedures after completion of capital projects to ensure effective use of capacity and operational improvements. *(Status: In progress via Southern California Leadership Group)*

Equipment and Crew Utilization:

1. Work with Amtrak to conduct a thorough analysis of crew and equipment utilization to identify efficiencies that could allow additional trips to be added in a cost-effective or potentially cost-neutral manner. *(Status: Thorough review concluded in October 2016 as part of the implementation of the 12th roundtrip and currently on-going semi-annually)*

Service Disruptions:

1. Work proactively to further strengthen partnerships and cooperation with Metrolink and NCTD, as well as host railroads, to ensure the best passenger experience possible in the event of a service disruption. *(Status: Ongoing)*

2. Prepare template for after-action reports, and customer communication in the event of major delays or service disruptions. (*Status: Completed via Amtrak*)
3. Work with Amtrak to explore the feasibility of negotiating bus bridge agreements with local transit agencies to assist during service disruptions. (*Status: Agreement negotiations underway; first agreement in place April 2017*)
4. Work with rail operators and local law enforcement agencies to ensure tracks are reopened as quickly as possible after trespasser incidents. (*Status: In progress via discussions with Amtrak and host railroads*)
5. Work with Amtrak and member agencies on proactive outreach prior to planned absolute work windows, including an extensive public information campaign and a note apologizing for the inconvenience with a discount offer for a future trip. (*Status: Ongoing*)
6. Partner with Operation Lifesaver, member agencies, and local first responders to increase awareness of rail safety and emergency preparedness. (*Status: Ongoing*)

Service Planning:

1. Work with Amtrak, host railroads, and commuter rail operators in the LOSSAN rail corridor on coordinated service planning efforts, utilizing consultant resources as necessary, for both the short and long-term. (*Status: In progress via Southern California Leadership Group; additional work planned in FY 2017-18 via update to LOSSAN Strategic Implementation Plan and TIRCP-funded planning and network integration efforts*)
2. Explore potential markets for new and expanded intercity rail service in Southern California based on ridership and travel demand data, including Santa Barbara to Ventura peak-period service, and Coast Daylight service to San Francisco. (*Status: Ongoing through State planning efforts, emerging corridor planning efforts, and future updates to LOSSAN planning documents*)
3. Work with Caltrans DRMT on review and possible implementation of recommendations from Southern California Coordinated Rail Planning Study being completed by SMA Consulting. (*Status: Schedule changes implemented in June 2016*)
4. Work with Amtrak to improve on-board food and beverage service and selection, including focus on sourcing products from local and regional vendors. (*Status: Ongoing; menu change implemented in summer 2016; craft beer rotation in place; next menu change scheduled for summer 2017*)

Chapter 4: Performance Standards and Metrics

Background

The LOSSAN Agency strives for continuous improvement of the Pacific Surfliner passenger rail service. In order to evaluate the performance of the service, the LOSSAN Agency, in coordination with Caltrans DRMT and CalSTA, has developed performance standards for the Pacific Surfliner service. These standards measure the ongoing success of the service in three specific areas: **usage** (ridership and passenger miles), **efficiency** (farebox recovery and cost per passenger mile), and **service quality** (endpoint/all station on-time performance and operator caused delays). These standards also provide the basis for service changes, and help guide the planning efforts for the LOSSAN Agency.

Pursuant to SB 1225, the Secretary of CalSTA was required to establish a set of uniform performance standards (UPS) for the state’s three intercity passenger rail corridors to control cost and improve efficiency by June 20, 2014. The performance standards are summarized in Table 4.1.


Table 4.1: Uniform Performance Standards

Performance Standard	Category	Measurement
Passenger miles	Usage	Ongoing growth in passenger miles* traveled on state-funded bus and rail services in proportion to population growth in counties served
Ridership	Usage	Growth in ridership in proportion to corridor population growth, on both bus and rail
Farebox recovery	Cost efficiency	55 percent, inclusive of Amtrak Thruway bus routes
Cost per passenger mile	Cost efficiency	Continuous improvement
Endpoint on-time performance	Service quality	90 percent of endpoint station arrivals within 15 minutes of schedule for trips over 251 miles and within 10 minutes for trips up to 250 miles, calculated quarterly
All-stations on-time performance	Service quality	90 percent of arrival at all station stops within 15 minutes of schedule, calculated quarterly
Operator responsible delays per 10,000 train miles	Service quality	Fewer than 325 minutes of delay per 10,000 train miles

* One passenger traveling one mile = one passenger mile

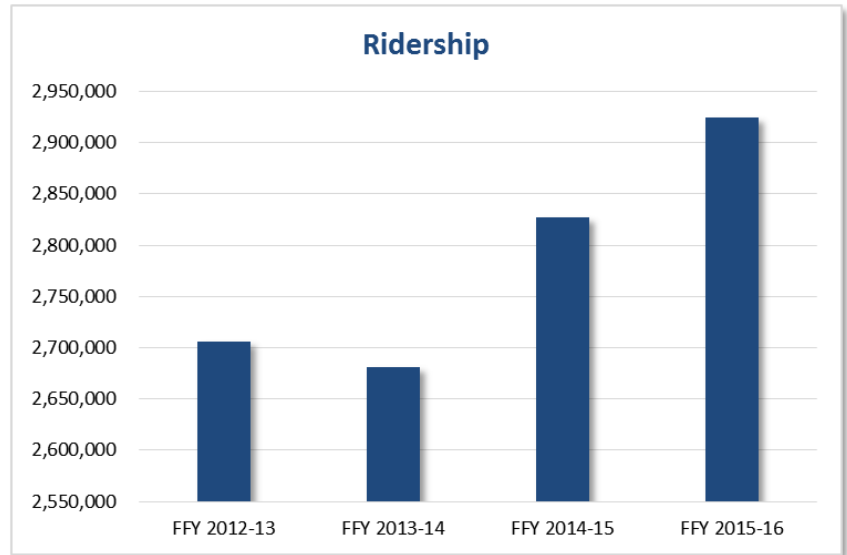
This chapter presents the performance of the Pacific Surfliner against the established performance standards for FFY 2015-16. Along with each standard will be a colored directional indicator, demonstrating both whether the standard is being met (red: standard not met; green: standard met or exceeded) and the direction of the current performance trend. Financial data presented for FFY 2015-16 is preliminary and unaudited.

Usage

Performance Standard	Metric	Status
Ridership	Continuous growth relative to baseline	

Total ridership on the Pacific Surfliner for FFY 2015-16 was 2,924,117¹, a **3.4 percent increase** over the prior year. The Pacific Surfliner was the second-busiest Amtrak rail corridor in the nation (surpassed only by the Northeast Corridor between Boston, New York, and Washington, D.C.), and the busiest state-supported service in the entire Amtrak national system.


Figure 4.1: Pacific Surfliner Corridor Ridership



The LOSSAN Agency continues to work to increase ridership on the Pacific Surfliner. These efforts include the extension of the Rail 2 Rail program, which will continue to allow passengers from COASTER and Metrolink commuter rail services to travel on Pacific Surfliner trains, within the limits of their valid rail ticket. An extensive winter marketing campaign was undertaken, and seasonal ridership for winter 2015-16 saw an **8.3 percent increase** over the same period the prior year.

The ridership increases seen during FY 2015-16 were in spite of historically low gas prices, which averaged under \$3 per gallon. Ridership also grew in spite of eight weekend work windows that were necessary to accommodate construction of capital improvements in San Diego County. The weekend track closures required the cancellation of multiple Pacific Surfliner trains each weekend, with the remaining trains terminating at Irvine or Oceanside, with bus bridge service provided south to San Diego.

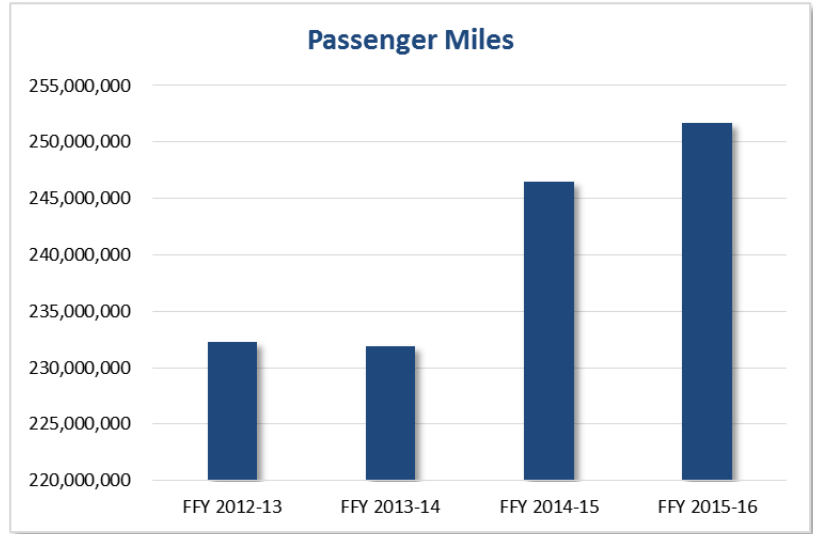
¹ Source: Amtrak, 2016

<i>Performance Standard</i>	<i>Metric</i>	<i>Status</i>
Passenger Miles	Continuous growth relative to baseline	

The total Pacific Surfliner passenger miles of 251,650,373 for FFY 2015-16 was an **increase of 2.1 percent** over the prior year.

Figure 4.2: Pacific Surfliner Corridor Passenger Miles

Factoring in the average pounds of carbon dioxide emissions per passenger mile in a private automobile versus riding on passenger rail², the 251 million passenger miles for the Pacific Surfliner resulted in a **reduction of over 90,000 tons of greenhouse gases.**



Passenger miles and positive impacts to the environment will only continue as the LOSSAN Agency plans and implements future service expansion. In FFY 2016-17 the

LOSSAN Agency added a 12th roundtrip to operate seven days a week between Los Angeles and San Diego, and also provides a connection to an existing northbound train serving Los Angeles to San Luis Obispo. In addition, the LOSSAN Agency has been working to determine the feasibility of providing weekday peak-hour Pacific Surfliner service between Ventura and Santa Barbara counties by rescheduling existing trains north of Los Angeles thereby requiring no additional equipment or train slots.

Service expansion opportunities include not only regularly scheduled trains, but also special event trains. The LOSSAN Agency and Amtrak have partnered to provide additional capacity to trains serving major events, including the Del Mar Races, Oxnard Strawberry Festival, San Diego Comic-Con, and San Diego Chargers games. The LOSSAN Agency plans to build on the success of that special event service and look for opportunities to promote the Pacific Surfliner as the travel mode of choice to major events.

² Source: *Public Transportation’s Role in Responding to Climate Change*, Federal Transit Administration, 2010. <https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/PublicTransportationsRoleInRespondingToClimateChange2010.pdf>

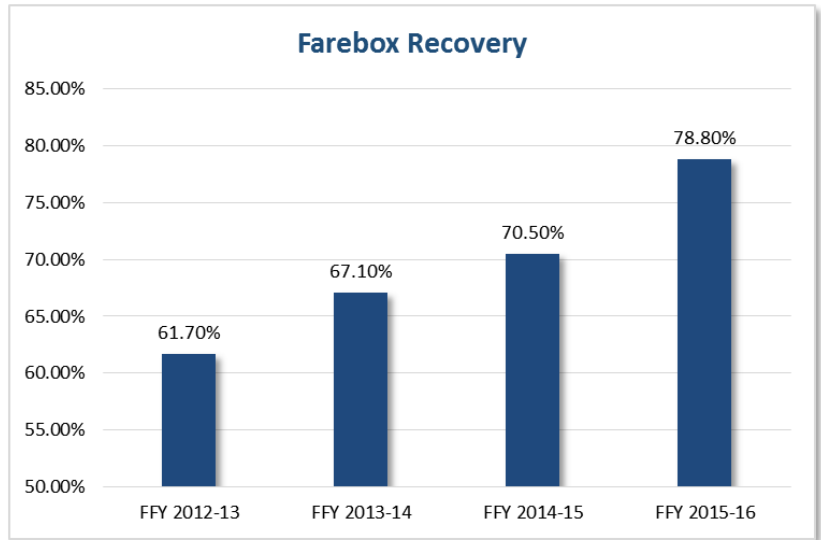
Efficiency


<i>Performance Standard</i>	<i>Metric</i>	<i>Status</i>
Farebox Recovery	Minimum 55 percent	

The FFY 2015-16 farebox recovery rate of **78.8 percent** far exceeds the mandated 55 percent and is growth of nearly **11.8 percent** over the prior year.

The transition of the Pacific Surfliner service to a fully state-funded service, as required by PRIIA Section 209, as well as the additional capital equipment charges to use Amtrak-owned equipment, have impacted capital and operating costs on all state supported corridors. Despite the impacts of the additional costs associated with PRIIA Section 209, combined with state funding for the service transitioning from a fixed cost to an actual cost based contract, the trend of improvement in farebox recovery continues.

Figure 4.3: Pacific Surfliner Farebox Recovery

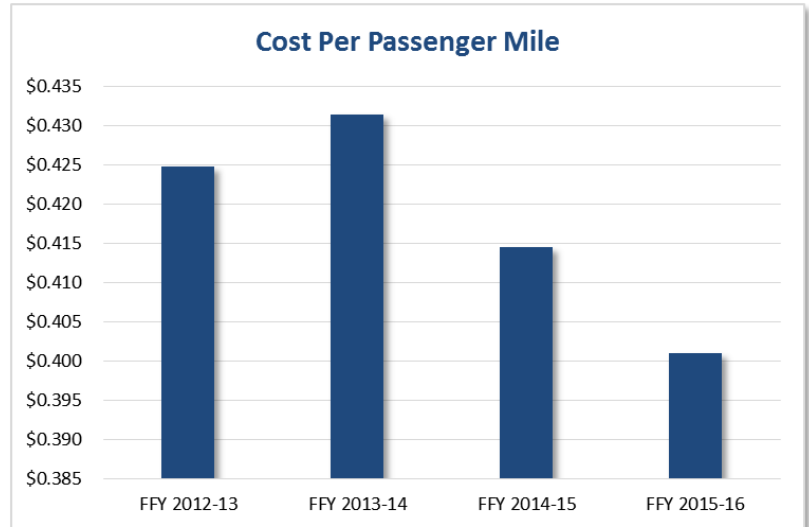


<i>Performance Standard</i>	<i>Metric</i>	<i>Status</i>
Cost/Passenger Mile	Continuous improvement	



Cost per passenger mile for FFY 2015-16 was **\$0.401**. This was an **improvement of 3.1 percent** over the prior year.

This improvement is significant given the impact that PRIIA Section 209 reporting has had on total operating costs. Once the full impact of these reporting adjustments is realized, a more comprehensive baseline will be established against which future trends can be compared.

Figure 4.4: Pacific Surfliner Cost per Passenger Mile



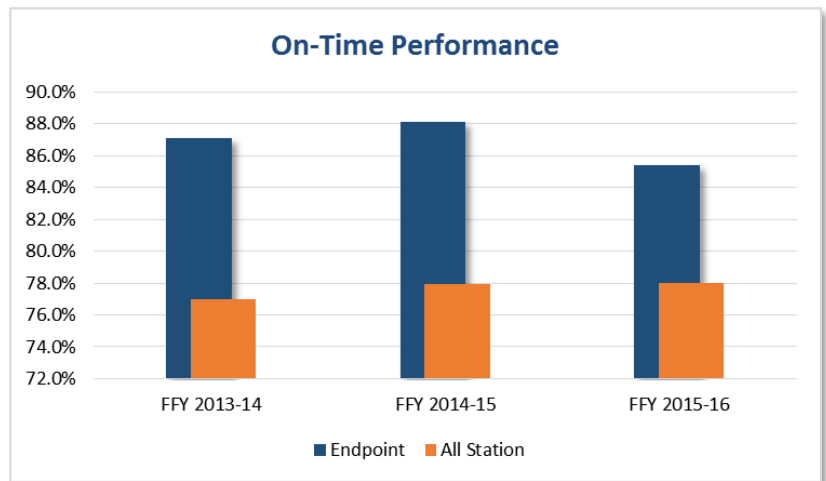
Service Quality

Performance Standard	Metric	Status
Endpoint On-Time Performance	90 percent of endpoint arrivals within 10 minutes (up to 250 miles) or 15 minutes (over 251 miles) of schedule	
All-Station On-Time Performance	90 percent of arrival at all station stops within 15 minutes of schedule	


The FFY 2015-16 endpoint OTP was **78.0 percent**, a **0.1 percent improvement** over the prior year, whereas the all-station OTP was **85.4 percent**, a slight decrease over FFY 2014-15.

OTP continues to be an area that does not meet the performance standard, although improvement is being made in the endpoint category. The LOSSAN Agency has been working with Amtrak to collate and classify the root causes for delay via daily OTP reports. A significant portion of the identified issues were a direct result of host railroad delays. The LOSSAN Agency continues to work to identify the root causes of delay and work with Amtrak and the host railroads to establish a set of dispatch policies and schedule adjustments that will provide more realistic operating parameters.

Figure 4.5: Pacific Surfliner On-Time Performance



In June 2016, the LOSSAN Agency worked with rail owners and operators, and Caltrans DRMT to implement Phase 1 of the “robust timetable” work conducted by SMA Consulting. The timetable changes were intended to improve the overall reliability of all passenger rail services operating on the LOSSAN rail corridor by providing timetables that distribute “schedule pad” throughout the route and ensure that trains are able to reliably make meets on single track territory. The changes have resulted in a positive trend in OTP since the implementation of the robust timetable. However, analysis is ongoing to determine if additional schedule changes are necessary to further enhance Pacific Surfliner OTP and overall performance of the LOSSAN rail corridor.

Performance Standard	Metric	Status
Operator Delays/10,000 Train Miles	Fewer than 325 minutes of delay per 10,000 train miles	

For FFY 2015-16, the Pacific Surfliner averaged 529 minutes of operator delays per 10,000 train miles. This data was unavailable for FFY 2014-15, so a trend cannot be currently established. However, the LOSSAN Agency continues to work with Amtrak to ensure that this performance standard continues to improve.

Additional Performance Indicators

There are additional performance indicators that, while not required to be reported to the state, are helpful in calculating the value and efficiency of the service. These indicators are included below.

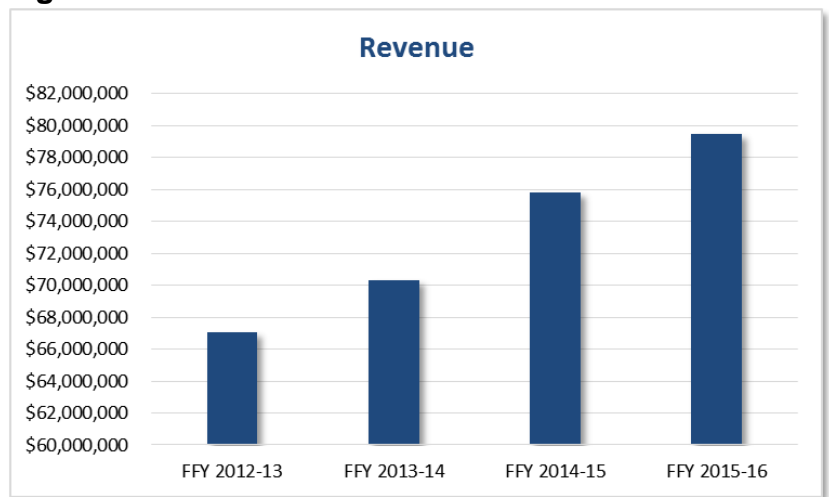
Revenue

A strong indicator of the health of the service is total revenue, which exceeded **\$79 million** for FFY 2015-16, a **4.6 percent increase** over the prior year.

The LOSSAN Agency continues to seek ways to maximize revenue from the existing service. LOSSAN Agency staff worked with Amtrak to evaluate existing food and beverage service based on sales and revenue data, and implement a menu refresh to update the food and beverage selections being offered aboard Pacific Surfliner Café cars.

As part of this effort, the LOSSAN Agency sought opportunities to offer more regionally sourced products, particularly fresh food and locally brewed beer, with the goal of improving the customer experience while maximizing revenue.

Figure 4.6: Pacific Surfliner Revenue



Customer Service

For the Pacific Surfliner, Amtrak reports monthly customer service scores in which a 'very satisfied' percentage is calculated out of 100 passengers surveyed.

The Pacific Surfliner scored an average **87 percent** for FFY 2015-16. This exceeded the Amtrak nationwide average of 85 percent for the same period.

FY 2017-18 and FY 2018-19 Action Plan

The LOSSAN Agency will continue to monitor system performance on a monthly basis and report via the quarterly LOSSAN rail corridor trends report. As OTP continues to be an area of concern, LOSSAN Agency staff has been working with Amtrak to collate and classify the root causes for delay via daily OTP reports. The LOSSAN Agency is working to establish a set of dispatch

policies and schedule adjustments that will provide more realistic operating parameters through the Corridor Improvement Team, which includes all rail operators and host railroads,.

Modification of Performance Standards

The UPS establishment document identifies a number of factors that may lead to the need to modify the adopted UPS. Currently, no basis for modifications of the standards exist. As more historical data is gathered, the UPS may be revisited to establish standards that better capture the performance of the service

Chapter 5: Capital Improvements

Since 1990, the state has invested more than \$1.9 billion in capital improvements on the state's three intercity rail corridors. During that time, LOSSAN member agencies have been successful in securing nearly \$200 million in grants for preliminary engineering, environmental documentation, final design, and construction of capital projects along the LOSSAN rail corridor. These improvements have allowed for significant increases in safety, operational efficiency, and capacity; however, approximately two-thirds of the corridor remains single track, which will continue to hinder the expansion of service and overall efficiency. An extensive capital improvement program of more than \$5 billion in additional capacity, station improvements, signal and communications improvements, and other capital projects remains unfunded.

There are seven different ROW owners along the corridor and each has made investments within their territory; however, the capital needs of the corridor well outweigh the available funding resources. Many segments of the LOSSAN rail corridor are limited by the lack of passing or second main tracks. In San Diego County, approximately a third of the corridor is comprised of a single main line track and 80 percent of the LOSSAN rail corridor north of Los Angeles is currently single track.

The capital needs have been compiled in several sources, including the LOSSAN Strategic Implementation Plan, California State Rail Plan, CHSRA Southern California early investment/connectivity program, as well as each member agencies' individual planning documents. A significant hurdle the intercity passenger rail services in California must overcome is the lack of a long-term sustainable capital funding source. There is no dedicated source at the federal or state levels, leaving these services subject to the annual budget process or one-time ballot measures (e.g., Propositions 1A and 1B) at the state level, and highly competitive grant programs at both the federal and state levels.

Project Coordination

The LOSSAN Agency continues to coordinate with the member agencies and station owners in an effort to pursue funding opportunities that bring benefits to the larger corridor. As part of that effort, the LOSSAN Agency has worked to develop and maintain a list of capital projects, identifying those in both the planning and implementation phase with special attention being given to identifying projects that have unfunded elements. An effort is being made to update this list annually through the LOSSAN Staff Working Group. While each member agency or host railroad is responsible for the implementation of their respective capital improvements programs, the LOSSAN Agency uses the list in both funding and legislative pursuits, with a focus on leveraging any existing funds to advance capital projects that benefit the entire LOSSAN rail corridor. This unified voice advocating for capital funding and key projects makes the LOSSAN Agency's requests more compelling and competitive.

It is also important to note that the Class 1 railroads own approximately 55 percent of the ROW over which the Pacific Surfliner operates. The Union Pacific owns 176 miles, and BNSF owns 21 miles. This ownership makes them vested and necessary partners in many of the projects

benefitting the corridor. The relationship with these railroads is key to the continued successful operation of the service, and the LOSSAN Agency continues to coordinate capital improvement efforts with these partners.

While the LOSSAN rail corridor will continue to benefit from the projects currently funded and underway, the capital needs continue to exceed available financial resources. A graphic indicating approximate locations of some of the needed capital improvements is shown in Figure 5.1.

Funding Programs

As part of the ongoing capital improvement program, the LOSSAN Agency continues to both pursue and administer various funding programs available for the improvement of the facilities throughout the LOSSAN rail corridor. Below are the programs currently being utilized as part of this effort.

CalSTA TIRCP: The TIRCP was created to provide grants for capital improvements that modernize California's intercity, commuter, and urban rail systems. The goal of these improvements is the reduction of greenhouse gas (GHG) emissions and vehicle miles travelled. In April 2016, the LOSSAN Agency submitted a \$150 million TIRCP grant application titled: "All Aboard: Transforming Southern California Rail Travel" in partnership with SANDAG, NCTD and OCTA. In total, CalSTA received 41 applications from agencies throughout the state requesting a total of more than \$3 billion in funding.

On August 16, 2016, CalSTA announced the award of \$82 million in 2016 TIRCP grant funds to the LOSSAN Agency, representing the single largest award to any agency. The grant award includes \$66 million to advance work on a number of high-priority capital improvements on the LOSSAN rail corridor, including the addition of more than five miles of new double track, replacement of five railway bridges, station and safety enhancements, and signal and switch upgrades. The award also includes \$15 million for a five-year capitalized lease of new Talgo passenger rail train sets to meet growing travel demand, and \$1 million for planning studies to optimize operations and improve coordination between all trains currently operating in the LOSSAN rail corridor while helping to plan for future service expansion. These projects will reduce GHG emissions by improving rail and transit services, across the state.

California Office of Emergency Services (CalOES) – California Transit Security Grant Program (CTSGP): The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B (Prop 1B) in November 2006, authorized the issuance of \$19.9 billion in general obligation bonds for specified purposes, including grants for transit system safety, security, and disaster response projects. An element of Prop 1B is the CTSGP – Intercity Passenger Rail/Commuter Rail Systems administered by CalOES.

The CTSGP provides funding for capital projects that enhance protection against safety and security threats on select intercity passenger and commuter rail systems in California. Projects eligible for CTSGP funding are those designed to enhance the safety and security of stations,

tunnels, or other facilities and equipment; the installation of explosive, chemical, biological, and radiological device mitigation/remediation equipment; and the installation of physical security enhancements.

Caltrans DRMT has been a recipient of CTSGP funds in prior years and has implemented projects along the LOSSAN rail corridor. Past projects have included the installation of video security equipment at various stations, improvement and replacement of platform lighting, and the installation of new crossing barriers and swing gates.

The LOSSAN Agency is an eligible recipient of these grant funds, and has so far been allocated approximately \$3.8 million in CTSGP funds, which includes the utilization of FY 2013-14 and FY 2014-15 funds that were at risk of lapsing. These grants funds were allocated to projects for a corridor-wide video surveillance system replacement/upgrades, the construction of a centralized monitoring center for these video feeds, and physical security improvements including the construction of a new law enforcement office at the San Diego Santa Fe Depot.

The LOSSAN Agency continues to work with member agencies to identify additional projects to utilize the approximately \$3.4 million in remaining CTSGP funds in an effort to maximize the available funding and identify the safety and security needs throughout the corridor.

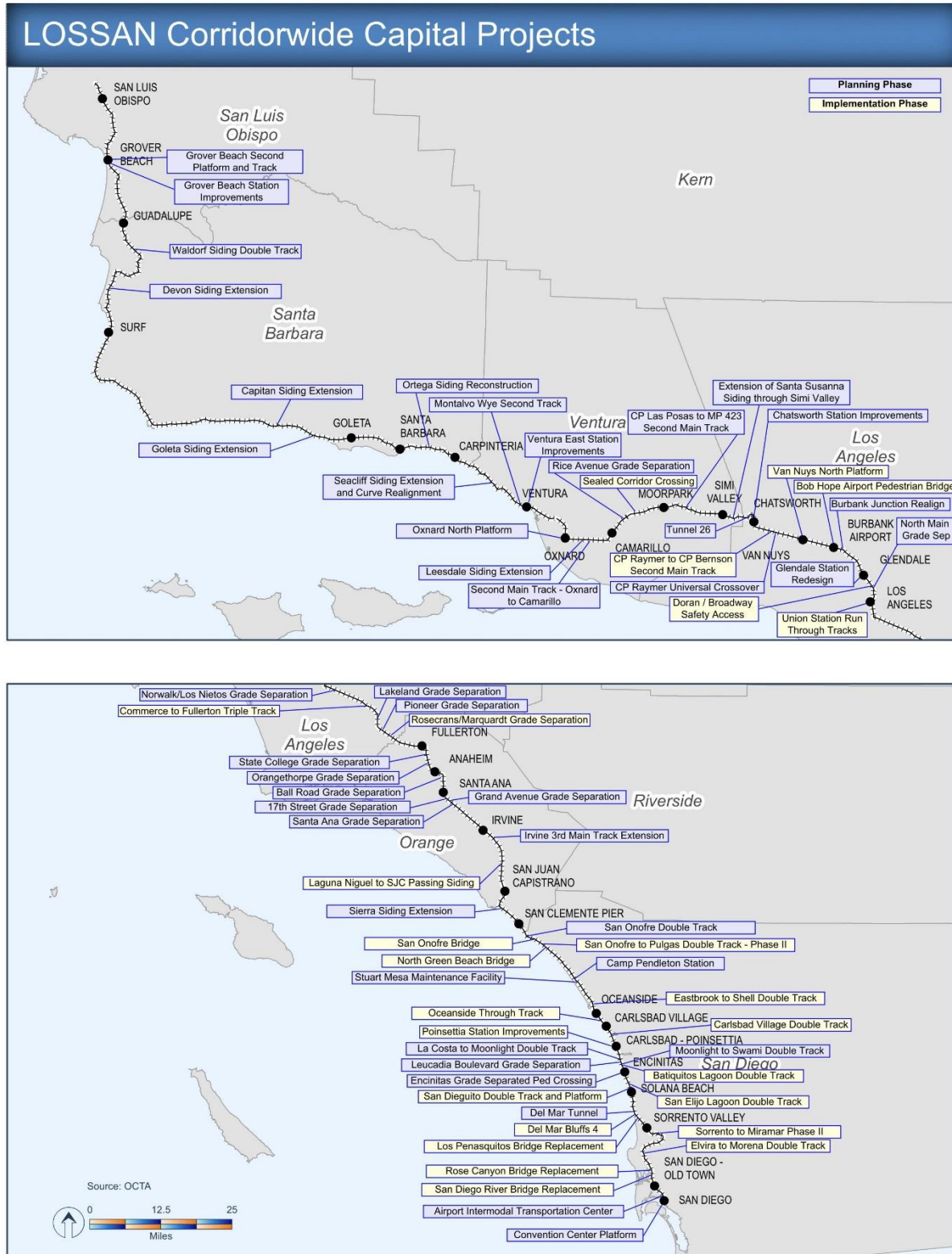
Minor Projects: In addition to the major capital improvements funded by various sources as discussed above, the state annually sets aside an allocation of approximately \$500,000 to cover minor projects related to the Pacific Surfliner service. Projects funded under this program include station improvements, signage, and minor safety and security enhancements.

The LOSSAN Agency has worked with member agencies and station owners to prepare a prioritized list of candidate projects for this state-funded program. As part of that effort, the LOSSAN Agency has worked to maximize the funding available for customer service-focused improvements that enhance the passenger experience by utilizing other sources of funds to fill the immediate safety and security needs.

Proposed minor project lists for FY 2016-17 and FY 2017-18 have been developed and are being refined by the LOSSAN Agency in coordination with Caltrans DRMT, Amtrak, and LOSSAN member agencies. The priority list of projects will be brought forward to the LOSSAN Board when finalized.

Other Capital Funding: In addition to the funding sources discussed above, LOSSAN member agencies are utilizing a variety of other federal, state and local funding sources to advance capital improvements along the LOSSAN rail corridor, including the American Recovery and Reinvestment Act of 2009, the Transportation Investment Generating Economic Recovery program, PRIIA grants, and local transportation sales-tax measures.

Figure 5.1 LOSSAN Corridorwide Capital Projects



2/18/2016
CP – Control Point
SJC – San Juan Capistrano

Chapter 6: Fare Policy

Current Fare Policy

Pacific Surfliner trains currently offer travel in unreserved coach class and reserved business class. If traveling in unreserved coach, passengers do not need to make an advanced reservation for a specific train, except during Thanksgiving weekend and select special events, when all seats on Pacific Surfliner trains are reserved. Pacific Surfliner fares are largely static year-round and do not vary by day of week, with nominal increases on select holiday and traditionally busy travel periods. Business class requires an advanced train-specific reservation and a 50 percent upcharge, with a minimum \$10 upgrade fee. In addition to a guaranteed seat, business class also provides additional leg room, a beverage, snack, newspaper, and service from a dedicated train attendant on most trains.

Ticket types available on the Pacific Surfliner include: one-way, roundtrip, 10-trip tickets, and monthly passes for unreserved coach. Roundtrip tickets are priced at twice the one-way fare. The 10-trip ticket is valid for ten one-way trips between a specific station pair within a 45-day period from date of first use, and can be used by more than one passenger. Ten-trip tickets are deeply discounted below one-way and roundtrip tickets, with some station pairs up to 56 percent off the equivalent single ride fare. Monthly tickets are valid for unlimited travel for an entire calendar month for the passenger named on the ticket.

The LOSSAN Agency has not implemented any fare changes since signing the ITA in June 2015. Table 6.1 summarizes past fare increases on the Pacific Surfliner.

Table 6.1: Historic Pacific Surfliner Fare Adjustments

Date	Increase
June 2003	3 percent
June 2004	3 percent
June 2005	5 percent
December 2005	5 percent
June 2006	5 percent
October 2006	5 percent
February 2009	N/A -- fare restructuring
February 2010	2 percent
June 2010	3 percent
June 2011	2 percent
September 2011	Seasonal fare change eliminated
August 2012	2 percent
June 2013	2 percent
July 2017	N/A – fare structuring (planned)

Although no base fare increases are currently planned, a complete fare review and restructuring effort is underway. The restructuring effort is being undertaken to ensure ticket prices accurately reflect the market, and to assess areas of the existing fare structure with inconsistent discount

methodologies. The specific details of the recommendations being considered for future modifications is discussed in detail below.

Discount Programs

In addition to discounted multi-ride tickets, Amtrak currently offers discounted Pacific Surfliner tickets to senior citizens age 62 and older (15 percent), disabled riders (15 percent), children age 12 and under (50 percent), active military personnel and military veterans (10 percent), and members of the National Association of Railroad Passengers and Automobile Association of America (10 percent). Beginning in March 2016, Amtrak introduced a national student discount program that offers a 15 percent discount for students aged 13 to 25 years old.

Amtrak occasionally partners with local destinations and/or convention and visitors bureaus to offer special discounts for travel to a specific location. For example, the Santa Barbara and San Luis Obispo Car Free programs offer a 20 percent discount off Pacific Surfliner tickets for travel to stations in those counties. Amtrak also offers a California rail pass, which offers travel on any seven days in a 21-day period on all three state-supported intercity routes in California, as well as the Coast Starlight and most Amtrak Thruway buses. When requested by the LOSSAN Agency, Amtrak can also offer special discounts to one-time events by directing passengers to a unique landing page on the Amtrak.com website to purchase the discounted fare.

Amtrak offers a number of programs to incentivize group travel on the Pacific Surfliner. Groups of 15 or more can receive a 10 percent discount on regular fares on select trains based on projected seat inventory and season of travel. The Kids 'n' Trains program was established to provide reduced group fares for students and other youth groups traveling on the Pacific Surfliner and San Joaquin routes. The original goal of the program was to increase ridership during off-peak periods. Today, the program offers an educational opportunity for participants to discover, explore, and learn about popular destinations in California, including museums, zoos, and sites such as the San Juan Capistrano Mission or Olvera Street. The popularity of the Kids 'n' Trains program has increased steadily over the years. The program is available only Monday through Thursday on select trains, and provides a flat-rate fare of \$11 for a same-day roundtrip north of Los Angeles, and \$13 for a same-day roundtrip south of Los Angeles.

Rail 2 Rail Program

There are currently two distinct Rail 2 Rail programs in place that allow Metrolink and COASTER pass holders to ride Pacific Surfliner trains at no additional cost using their valid commuter rail tickets and/or monthly passes.

Metrolink: The Rail 2 Rail program allows Metrolink monthly pass holders who travel on Metrolink's Orange and Ventura County lines to travel on Pacific Surfliner trains within the limits of the station pairs of their pass at no additional charge, including on Saturday and Sunday. The Rail 2 Rail program does not apply to Metrolink one-way, roundtrip, and seven-day passes, except on two shared-service Pacific Surfliner trains (Amtrak 768 and Amtrak 761) on the Ventura County Line. Pacific Surfliner monthly pass holders may also ride any Metrolink train within the station pairs on their Amtrak monthly pass. Amtrak conductors scan the Metrolink passes and Metrolink is billed for each Rail 2 Rail boarding. A revised reimbursement rate of

\$4.50 per boarding was instituted for FY 2015-16 with the execution of a revised Rail 2 Rail agreement. This current agreement expires June 30, 2017.

The LOSSAN Agency Board has directed staff to negotiate a new agreement that will continue the Rail 2 Rail program at a reimbursement rate of \$7 per boarding. This revised reimbursement rate for the Rail 2 Rail program would be approximately equal to the average fare per boarding currently collected by Metrolink, which is a methodology on par with the existing agreements with NCTD for COASTER Rail 2 Rail reimbursement, and would provide a more equitable cost recovery and revenue sharing between the services.

COASTER: NCTD currently has a modified Rail 2 Rail program agreement whereby COASTER passengers may travel on eight select Pacific Surfliner trains using any COASTER fare media (monthly pass, RegionPlus day pass, one-way, or roundtrip tickets). Six Pacific Surfliner trains that are part of the Rail 2 Rail program also make stops at all eight COASTER stations between Oceanside and Downtown San Diego. The NCTD reimburses Amtrak \$4.51 per Rail 2 Rail rider, which is the approximate average fare collected per passenger boarding on the COASTER service. Pacific Surfliner monthly pass holders and one-way and roundtrip ticket holders may also ride any COASTER train within the station pairs on their Amtrak ticket at no additional charge.

Fare Policy Restructuring/Modification

In summer 2016, the LOSSAN Agency undertook an extensive fare structure analysis in coordination with Amtrak. The analysis highlighted areas of the existing fare policy that required adjustment, primarily due to the inconsistent pricing methodology and application of discounts. In January 2017, the LOSSAN Board approved the following basic assumptions on which the revised fare structure is being built:

- Fares are developed on a consistent distance-based formula, with the cost per mile of travel decreasing as the distance increases.
- Discounts for 10-trip tickets will be consistent across all station pairs. This would bring the Pacific Surfliner in line with Amtrak's national discount on 10-trip ticket purchases. Modifications are being proposed to limit the use of the 10-trip ticket to a single passenger, with the period of use continuing to be 45 days.
- Monthly pass fares will be calculated based on the current fare structure with minor modifications. The current fare structure uses a zone-based factor to determine monthly pass fares. Currently, monthly passes on the north end of the LOSSAN rail corridor (station pairs between San Luis Obispo and Oxnard) are calculated based on the single ride base fare multiplied by a factor of 11. Monthly passes for station pairs on the south end of the LOSSAN rail corridor (station pairs between Camarillo and San Diego) are calculated based on a factor of 18. The exception to this is where station pairs overlap with Metrolink service, where the factor escalates to 18.5. The proposed fare structure would eliminate the escalation for service overlapping with Metrolink. The reduced zone for the north end of the corridor will be extended further south to include the Camarillo station in an attempt to further incentivize travel on underutilized trains. The zone for the south end (station pairs between Moorpark and San Diego) will remain at a factor of 18, which is in line with Amtrak's national practice.

- The upgrade fee for reserved business class will continue to be calculated at the base fare plus 50 percent, consistent with current practice. However, the minimum upgrade fee of \$10 may be eliminated or adjusted downward.
- Increase large group discount (groups of 15 or more) to 20 percent.
- Institute a small group discount (groups of 5 or more) of 15 percent.
- Continue to pursue destination-based discounts of up to 20 percent, developed in partnership with various stakeholders along the LOSSAN rail corridor, to encourage ridership between underutilized station pairs, and on underutilized trains.

With current fuel prices contributing to the relatively low cost of vehicle travel, an across-the-board fare increase may not be prudent at this time. The proposed adjustments to the fare policy are a normalization effort, not a fare increase. While some fares will increase, others will decrease, resulting in an aggregate increase of less than 2 percent to the average base fare. The LOSSAN Agency will work with Amtrak and the state to determine the impacts of the proposed modifications to the existing fare policy.

Public Outreach Campaign

Any modification to the fare structure has significant impact on both the Pacific Surfliner service and its passengers. With this in mind, the LOSSAN Board has directed staff to begin a robust public outreach effort associated with the fare modifications, in an effort to inform and engage the ridership base. This public outreach effort will include:

- Public meetings in each of the geographical regions (one in the north, one in central/south central, and one in the south). These meetings will be conducted in an effort to educate riders on the adjustments being made, the impacts of these adjustments, and to solicit input on the proposed changes.
- Distribution of information cards on Pacific Surfliner trains, beginning approximately one month before the public meetings are to be held. Information cards will summarize the proposed modifications and inform passengers that they may provide comments on the changes at one of the scheduled public meetings, or by submitting written comments via email, mail, or fax.
- Distribution of online surveys via various social media channels. The online surveys will be focused on determining what drives passengers to make the choices they make when it comes to travel, what priorities they have when it comes to amenities, and how changes to the fare structure may impact their travel patterns.

The input gathered as part of the public outreach process will be summarized and presented to the LOSSAN Board along with the LOSSAN Agency's plan for addressing the major concerns when finalizing the fare modifications.

Additional Fare Enhancement Opportunities

In FY 2017-18, the LOSSAN Agency will continue to work with Amtrak to explore opportunities to increase fare revenue while maintaining and expanding ridership, including:

- Increasing public awareness of the Pacific Surfliner Transit Transfer Program, which allows Pacific Surfliner passengers to make seamless connections to local transit services.
- Increasing public awareness of existing discount programs, especially student, group, and school discounts.
- Continue the expansion of partnerships with the, San Diego Padres, Del Mar Racetrack, Anaheim Ducks, and other event organizers to promote taking the Pacific Surfliner to sporting events, concerts, and other special events at venues served by the Pacific Surfliner.
- Development of special event trains focusing on a themed experience, centered around events like the annual San Diego Comic-Con, or in collaboration with partners such as Stone Brewing.
- Enhance customer loyalty and referral programs, including Amtrak Guest Rewards program, to retain existing and attract new riders.

Chapter 7: Network Integration and High-Speed Rail

The LOSSAN Agency is working in close coordination with CalSTA, Caltrans DRMT, transit and rail operators along the LOSSAN rail corridor, and other stakeholders on efforts to improve rail and transit service. This includes growing ridership by creating an integrated statewide passenger rail and transit network with coordinated schedules and common fare collection systems. Creation of more closely integrated passenger rail and transit systems will provide additional travel options throughout the state, allowing passengers to seamlessly transfer from service to service to reach their desired destinations.

Specifically, the LOSSAN Agency has worked with rail operators and stakeholders in the Los Angeles to San Diego segment of the LOSSAN rail corridor to establish a leadership working group that guides coordinated planning and service integration efforts. This group includes executive level participation from the LOSSAN Agency, NCTD, Metrolink, BNSF, CHSRA, Caltrans DRMT, and CalSTA, and has met five times during the last 18 months. The leadership group is working to execute a memorandum of understanding that outlines the desire to work together to improve rail service and also short- and long-term goals, which include service optimization and modeling efforts, joint funding pursuits, ticketing, dispatch policies, and coordinated planning.

The LOSSAN Agency has fostered strong partnerships currently between the Pacific Surfliner and the two commuter railroad operators in the rail corridor: Metrolink and NCTD. Integration efforts include coordinated schedule and timetable changes, work window coordination meetings and the Rail 2 Rail program. Additionally, the LOSSAN Agency has implemented the Pacific Surfliner Transit Transfer Program, providing seamless transfers to 12 local public transit services along the LOSSAN rail corridor and creating more convenient first- and last-mile connections.

The Amtrak-operated Thruway bus service also provides key connections and is coordinated with the San Joaquins and Capitol Corridor intercity rail services, providing connectivity to the statewide rail system. In the FY 2017-18 the LOSSAN Agency will work in coordination with SJJPA and Amtrak to review the operations of the Thruway bus service and look for opportunities to improve connectivity and efficiency, as well as opportunities to serve currently unserved key areas along the routes. Pacific Surfliner trains also provide timed connections in Los Angeles to three Amtrak long-distance trains serving destinations including Chicago, New Orleans, Portland, and Seattle.

The LOSSAN Agency has also been actively participating in the California State Rail Plan Stakeholder Advisory Committee, which brings together railroad owners and operators, planning agencies, and advocacy groups throughout the state to provide input into the 2018 California State Rail Plan. The draft State Rail Plan includes a long-term vision for improving the integration of California's transit and rail services, including opportunities to better serve high-potential travel markets within the state. The LOSSAN Agency will continue to participate in the development of the State Rail Plan and will submit a formal comment letter once the draft document is released for public review in April 2017.

High-Speed Rail Connection

The planned High-Speed Rail (HSR) system is an integral component of the statewide passenger rail system, and integration with the HSR system will be key to the statewide network integration effort. The passenger rail services along the LOSSAN rail corridor serve as a backbone for transportation throughout the central and Southern California coastal regions. As such, the LOSSAN rail corridor will provide critical connections to support and compliment the HSR system. Integration between the LOSSAN rail corridor and HSR system will provide mutual benefits to each service and must be planned carefully to build upon the existing success of the Pacific Surfliner service.

The CHSRA adopted its most recent Business Plan in April 2016, which included the decision to build the initial operating segment between the Central Valley to Silicon Valley. This change in implementation will provide additional time for technical issues to be further analyzed and resolved prior to building the connection from the Central Valley to Burbank, Los Angeles, and Anaheim. Recognizing the interregional importance of the Burbank to Anaheim segment of the HSR system, and the need to make strategic investments that will help link the rail systems together over time, the 2016 CHSRA Business Plan also includes plans for early investments in this section of the rail corridor. In FY 2017-18, the CHSRA and the LOSSAN Agency will continue efforts to coordinate planning efforts and evaluation of capital investments in the LOSSAN rail corridor.

The 2016 CHSRA Business Plan anticipates that the full Phase 1 HSR system between San Francisco, Los Angeles, and Anaheim will be operational by 2029. Phase 2 of the project will ultimately extend HSR from Los Angeles to San Diego via an inland route, providing improved travel times, and changing the role of the Pacific Surfliner into more of a feeder route to HSR, particularly for coastal communities in Orange and San Diego counties.

The LOSSAN Agency is represented well with CHSRA, as four of the member agencies are active participants of the Southern California Regional Rail Partners working group, including the LOSSAN managing agency. The CHSRA Southern California Regional Director is also an ex-officio member of the LOSSAN Board.

The LOSSAN Agency is also participating in planning meetings related to the Link Union Station (Link US) project. The project, being managed by Metro, will transform Los Angeles Union Station (LAUS) from a “stub-end,” or dead-end station, to a “run-through” station by extending tracks south over the US 101 freeway, resulting in reduced passenger wait times, particularly for Pacific Surfliner passengers traveling through Los Angeles. Link US will also reconfigure station entry tracks and station boarding platforms to improve efficiency, and create a new passenger concourse with improved retail, food and passenger waiting areas. The Link US team is working with CHSRA to explore options to incorporate future HSR service at LAUS. An updated Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Link US Project is expected to be released in Summer 2017. A Final EIS/EIR will be prepared, with an expected Record of Decision (ROD)/EIR Certification by Winter 2017.

Chapter 8: Passenger Amenities

In order to make the Pacific Surfliner an attractive travel alternative, the LOSSAN Agency has worked with Amtrak to implement initiatives designed to enhance amenities and improve the overall passenger experience. This chapter focuses specifically on enhancements to passenger services and amenities that have been prioritized for FY 2017-18 and FY 2018-19.

Key Priorities for FY 2017-18 and FY 2018-19

On-Board Amenities

Bicycle Storage: Each Pacific Surfliner train has storage space for seven bicycles in the cab car. A bicycle reservation system was implemented in June 2013 that allows passengers to reserve a spot for their bicycle free of charge when they book their train ticket. The Pacific Surfliner currently receives the most bicycle reservations of any Amtrak route in the nation, carrying more than half of the bicycles in the entire Amtrak system. The LOSSAN Agency will continue to work with Amtrak on opportunities to expand bicycle storage, as well as options to allow Amtrak multi-ride ticket holders to make bicycle reservations. In addition, the LOSSAN Agency will develop a “how to” video that can be shared on social media describing the process of booking and bringing your bike on the Pacific Surfliner.

Business Class: Business class is an increasingly popular service on the Pacific Surfliner. With a business class ticket, passengers receive a reserved seat with additional leg room; self-serve coffee, tea and pastries in the morning; and at-seat snack and beverage service in the afternoon, as well as a dedicated business class attendant on most trains. Passengers also receive access to the Amtrak Metropolitan Lounge in Los Angeles, priority boarding at the Santa Fe Depot in San Diego, and bonus Amtrak Guest Rewards points. The LOSSAN Agency worked with Amtrak in late 2016 to initiate a pilot program to expand business class capacity in direct response to passenger demand. This was achieved by utilizing the Superliner long-distance car as a second business class car for the months of November and December. Based on the success of the pilot, a modified expanded business class pilot was continued utilizing half of the Superliner car, creating increased capacity of approximately 30 seats and allowing for the full use of the Superliner for business class service when passenger demand warrants. In early 2017, the LOSSAN Agency worked with Amtrak to upgrade the existing business class snack pack to a branded box with upgraded snack offerings. Moving forward, the LOSSAN Agency will work with Amtrak to further enhance the amenities offered in business class in a cost effective manner, potentially including upgraded seat coverings, expanded at-seat food and beverage service, and additional frequent rider incentives.

Food and Beverage: In FY 2016-17, the LOSSAN Agency worked with Amtrak to evaluate existing food and beverage offerings based on sales and revenue data, and implemented a menu “refresh” to introduce new locally sourced fresh food items and local craft beers. At the same time, the LOSSAN Agency produced new menus with a fresh design, including updated images and product descriptions that highlighted the organic, sustainably-sourced food items available on board. A quarterly craft beer rotation introduced new beer options from popular breweries along the Pacific Surfliner route, including Stone, Ballast Point, Karl Strauss, Firestone Walker, and Island Brewing. The menu changes led to a net increase in food and

beverage revenue and in Customer Service Index scores related to food and beverage service. The LOSSAN Agency will continue to work with Amtrak to introduce new locally sourced products on board, including an upgraded selection of local wines. LOSSAN Agency staff will also plan special events to offer tastings of new products onboard trains in partnership with food and beverage suppliers.

Joint Promotions: The LOSSAN Agency initiated coordinated marketing efforts with local convention and visitors bureaus, connecting transit agencies, and key attractions along the Pacific Surfliner route, and also worked with Amtrak marketing staff on a number of successful joint promotions. These efforts will continue in the coming year, and will be further expanded to partner with local colleges and universities, major event venues and sports teams, and other key attractions to provide special offers and incentives to Pacific Surfliner passengers.

Newsletter and Blog: The LOSSAN Agency developed an e-newsletter that is distributed to approximately 12,000 active email subscribers and includes service-related information, information on upcoming events and promotions, and destination deals and partnerships. The e-newsletter currently has an above-average 25 percent open rate. A blog was also established to provide more in-depth content and enhance public engagement. In the coming year, the LOSSAN Agency plans to work to further grow its email database and to expand e-newsletter and blog content to include “behind the scenes” stories featuring Amtrak employees, and additional “local getaway” articles and destination guides, including tips from local experts.

On-Board Information System: LOSSAN Agency staff will continue to work closely with Amtrak and Caltrans DRMT on the implementation of the On-Board Information System (OBIS) project. The state-funded OBIS project will provide automated audio and visual messages onboard Pacific Surfliner trains, including information on next stop, delays, food service, connecting transit, and safety/security-related messages. The first prototype cars are scheduled to be equipped with OBIS in August 2017 and will be tested in northern California. The LOSSAN Agency will work with Amtrak and Caltrans DRMT on implementation of the OBIS system, including options to use OBIS to advertise special promotions and onboard amenities, including the Café car.

On-Board Transit Pass Sales: As of July 2016, discounted, prepaid one-day passes for the Metro and SDMTS transit systems are being sold in the Pacific Surfliner Café car to allow convenient connectivity with larger transit systems where an embedded transit transfer is not feasible. The LOSSAN Agency will continue to work with Amtrak and its transit agency partners to boost marketing efforts highlighting the variety of great destinations that are easily accessible using a combination of Pacific Surfliner and connecting transit services. The LOSSAN Agency will also continue discussions with Metro and SDMTS to determine what opportunities exist to further streamline the transit transfer process, including opportunities to integrate the purchase of a connecting transit trip into the Amtrak reservations system.

Rail 2 Rail Program: The LOSSAN Agency will continue to work with Amtrak, Metrolink, and NCTD to offer a Rail 2 Rail program benefit to customers that provides an equitable reimbursement rate to the Pacific Surfliner for carrying Metrolink and COASTER pass holders on state-funded intercity trains.

Seating Availability: The LOSSAN Agency has initiated conversations with Amtrak regarding opportunities to provide information to passengers during the booking process indicating how full a particular train is expected to be based on historical ridership data and current reservations. This would allow passengers to choose to shift to a different unreserved train that was expected to be less crowded in order to avoid trains expected to be at peak capacity. In addition, Amtrak is working to offer an airline-style seating map that would allow business class passengers to book a specific seat on the train in advance, including four-seaters for groups of three or more.

Service Disruptions: The LOSSAN Agency will continue to work proactively with Amtrak to improve communication with passengers in the event of a planned or unplanned track closure or service disruption. Service disruption updates are currently being posted on the @pacsurfliners Twitter channel, which has resulted in positive customer feedback. The LOSSAN Agency will continue to explore options to send follow-up letters to passengers after major delays explaining the cause of the delay and acknowledging the inconvenience they experienced.

Special Event Service: The LOSSAN Agency will work with Amtrak to expand Pacific Surfliner service to special events that draw large crowds including the Del Mar Racetrack, San Diego Comic-Con, and major holidays while also ensuring that appropriate resources (rolling stock, staffing, etc.) are made available to accommodate anticipated demand.

Train Status Information: Amtrak currently provides train status information through a number of channels, including announcements at staffed stations, Passenger Information Display System signs on station platforms, and online through the “train status” feature on its web site and mobile app. The LOSSAN Agency has worked with Amtrak to introduce service alerts on the @pacsurfliners Twitter channel, which supplies more detailed information in the event of service disruptions. The LOSSAN Agency will continue to look for opportunities to further enhance train status updates, including a Web-based train tracker that shows the real-time position of Pacific Surfliner trains on a route map.

Transit Connectivity: The Pacific Surfliner Transit Transfer Program was implemented in summer 2016 thanks to a successful TIRCP grant. The Transit Transfer Program offers seamless connectivity to more than 12 local public transit services along the LOSSAN rail corridor. The LOSSAN Agency will work with local transit providers continue marketing efforts for the program, and also look for opportunities to improve timed transfers to Pacific Surfliner trains, including connectivity to airports along the route.

Wi-Fi: All Pacific Surfliner trains currently offer Wi-Fi service, which has proven to be a popular passenger amenity. However, due to limited bandwidth, the service has some limitations. The LOSSAN Agency will work with Amtrak and Caltrans DRMT to build on the success of the existing Wi-Fi service by improving the speed and reliability of the service, as has recently been done on the Amtrak Acela service.

Wi-Fi Landing Page: The LOSSAN Agency has worked with Amtrak to update the existing landing page that passengers see when logging onto Amtrak Connect Wi-Fi onboard Pacific Surfliner trains. The new landing page includes real-time route and station information,

information about onboard amenities, links to Pacific Surfliner social media pages, and access to destination deals and news. It is expected to be launched in mid-2017.

Station Amenities

Checked Baggage: The LOSSAN Agency will work with Amtrak to monitor the use of checked baggage and express service, as well as the impacts on operating costs and station dwell times of continuing to offer these services.

Station Improvements: Using previous studies and input from member agencies and station owners, the LOSSAN Agency will update a list of prioritized capital projects at stations that could be candidates for minor capital program funds, as well as state and federal safety/security funds. A corridorwide call for projects with a small local match requirement could provide an incentive for station owners, including cities and local transportation agencies, to prioritize funding for station and platform improvements, including enhanced signage.

Chapter 9: Equipment

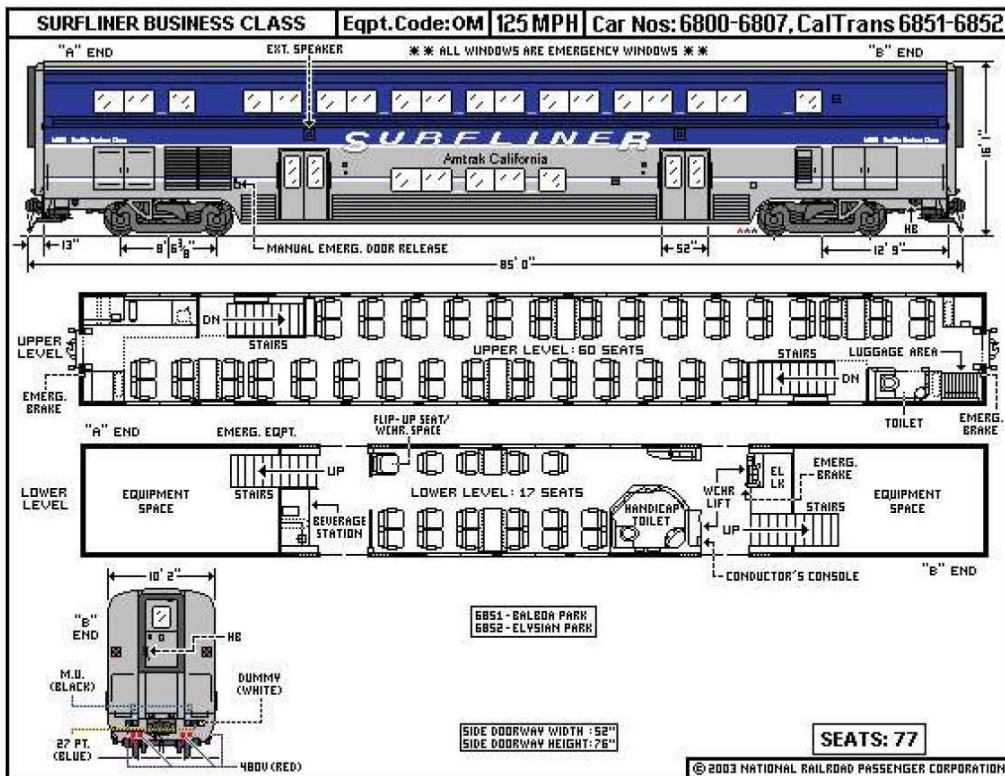
Amtrak currently operates 24 daily Pacific Surfliner trips using nine train sets. A typical train set consists of one locomotive and six passenger cars, including one business class car, one Superliner car, one Café car, two coach cars, and one cab/baggage car, which collectively provide approximately 480 passenger seats per train. Additional passenger cars are added to accommodate anticipated demand associated with holidays and special events.

A description and schematic layout of the types of cars currently used to provide Pacific Surfliner service are provided in Table 9.1 and associated Exhibits.

Table 9.1: Pacific Surfliner Fleet Description

Type	Car Description	Seating Capacity
Business Class	Reserved seating on upper and lower levels with dedicated attendant; complimentary at-seat snack and beverage service	72
Café	Regular coach seating on upper level; booth seating and café area with food and beverage service on lower level	72
Coach	Unreserved seating on upper level with limited seating for seniors/disabled on lower level	90
Superliner Coach	Upper level includes curtain to allow half of car to be used for business class seating and half for unreserved coach. Some cars have additional seating on the lower level	62-74
Cab/Baggage	Unreserved seating on upper level and cab area for engineer to operate train; limited senior/disabled seating, bike rack accommodating seven bikes and secured area for storage of checked baggage on lower level	82

Exhibit 9.1: Pacific Surfliner Business Class Car



Note: Business class cars have been reconfigured to add a lower level luggage rack and improved lower-level seating, resulting in a net reduction of five seats, for a total of 72.

Exhibit 9.2: Pacific Surfliner Café Car

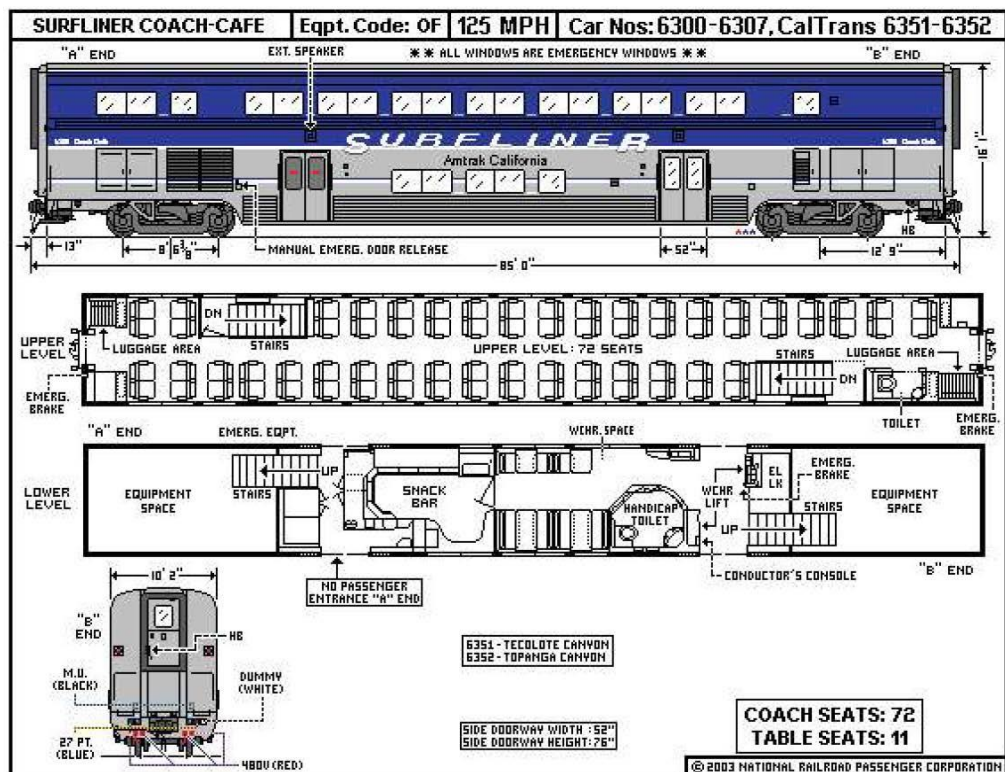


Exhibit 9.3: Pacific Surfliner Coach Car

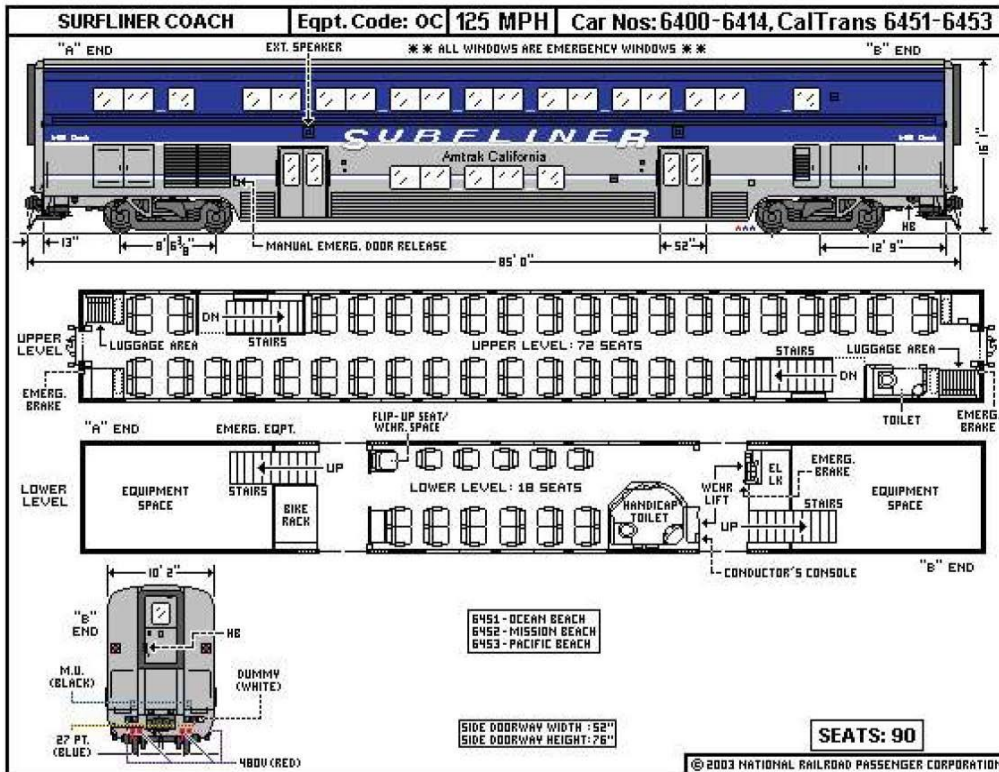


Exhibit 9.4: Pacific Surfliner Cab/Baggage Car

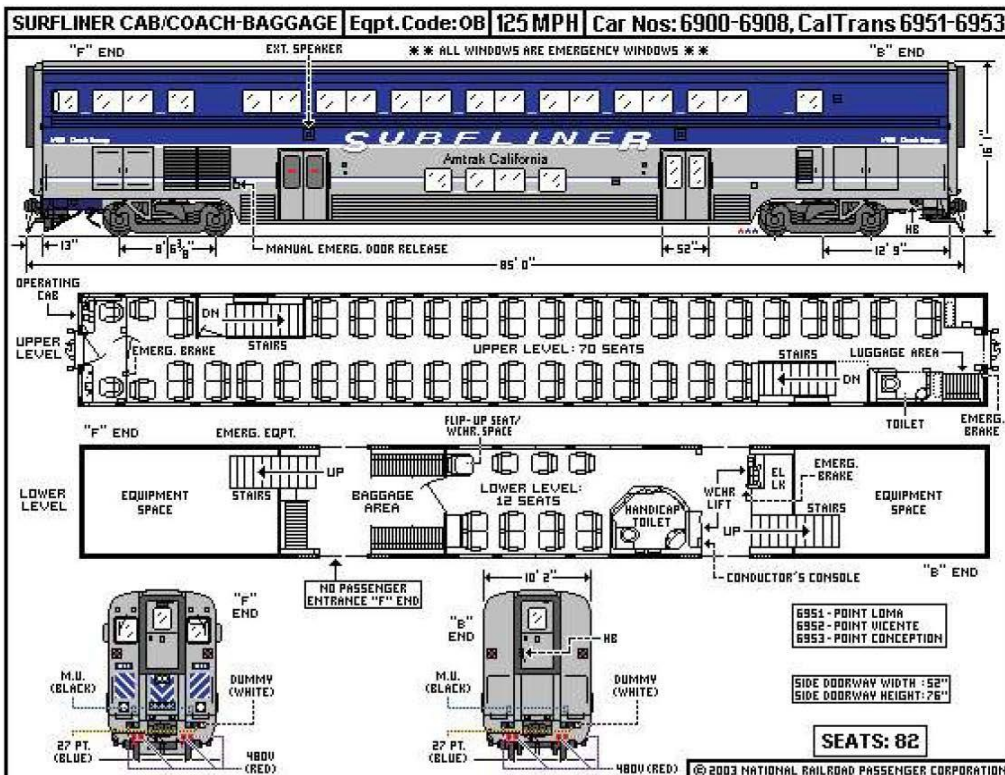
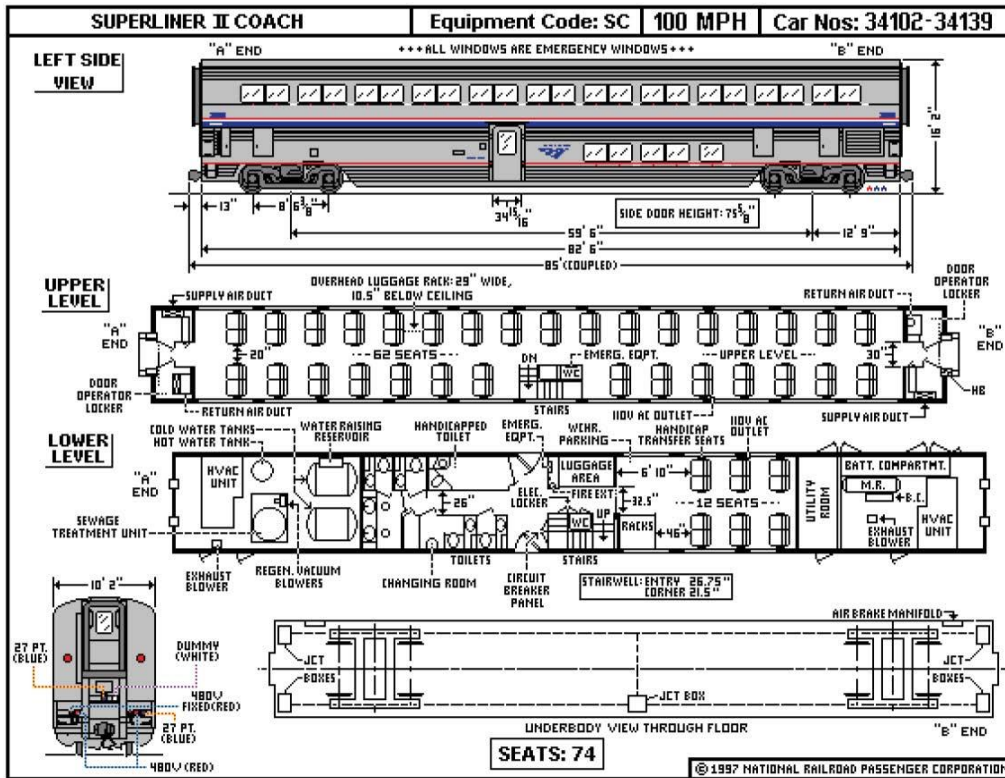


Exhibit 9.5: Pacific Surfliner Superliner Car



The locomotives and passenger cars used to provide the Pacific Surfliner service are primarily owned by Amtrak and leased by Caltrans DRMT for use on the service. The lease fees and capital equipment charges associated with the Amtrak-owned equipment are included in a separate agreement between Caltrans DRMT and Amtrak.

Included in the Pacific Surfliner fleet are 49 bi-level passenger cars, ten of which are owned by Caltrans DRMT and the remaining 39 by Amtrak. In addition to the 49 Pacific Surfliner-branded bi-level cars, Caltrans DRMT leases approximately nine Amtrak-owned bi-level Superliner coach and coach-baggage cars. These cars are typically used on Amtrak’s long-distance trains, but have been modified to run in “push-pull” operation and have also been equipped to support the Wi-Fi service offered on Pacific Surfliner trains. As of late 2016, all Superliner cars used on the Pacific Surfliner have been reconfigured with a curtain in the middle of the car, to allow half of the car to be used for additional business class seating.

Caltrans DRMT also leases a trainset composed of Amtrak-owned single-level Amfleet and Horizon cars, as well as a Non-Powered Control Unit, a non-powered locomotive that carries baggage and acts as a cab car. This trainset does not have automatic doors, which requires conductors to manually open and close doors at each stop, and requires passengers to climb several steps to board the train, which can increase station dwell times. Of the nine trainsets used to operate Pacific Surfliner service, eight currently consist of bi-level Surfliner and Superliner cars, and one consists of single-level Amfleet and Horizon cars.

Pacific Surfliner trains typically operate with a single 3,000 horsepower (HP) Amtrak-owned F59-PHI locomotive, though Amtrak sometimes substitutes a 4,250 HP P-42 locomotive, which is usually used on its long-distance trains. The 15 F59-PHI locomotives based in Los Angeles and assigned to the Pacific Surfliner service were originally delivered in 1998, and all have in excess of 1.6 million miles. Approximately 80 percent of the F59-PHI locomotive fleet has received a major mid-life overhaul, which included upgrading the engine to Tier 0+ emissions standards. Amtrak routinely positions a spare “protect” locomotive in San Diego and Los Angeles that is available to assist in the event a train encounters a mechanical issue.

A summary of the equipment and ownership currently used to provide daily Pacific Surfliner service is provided in Table 9.2.

Table 9.2: State-Owned Pacific Surfliner Equipment

	Current	
	<i>Owned</i>	<i>Leased from Amtrak</i>
Cab Car	3	8
Coach	3	15
Business Class	2	8
Café Car	2	8
Superliner Coach and Coach/Baggage	0	9
Amfleet/Horizon	0	9
F59 Locomotives	0	15
TOTAL	10	72

Source: Caltrans and Amtrak, 2017

New Equipment Purchases

Caltrans, along with the Illinois Department of Transportation (IDOT), received federal funds through the High-Speed Intercity and Passenger Rail competitive grant program to procure new rolling stock for California’s three state-supported intercity rail services. In December 2011, the California Transportation Commission (CTC) approved the allocation of \$42 million of Proposition 1B funds as a local match to \$168 million in federal funds for both railcars and locomotives. In November 2012, Caltrans awarded a \$352 million contract to Sumitomo Corporation of America to build new railcars that meet the federally required standards required of the Next Generation Equipment Committee (NGEC). The contract was executed with Caltrans as the lead agency in a joint agreement with the IDOT, which is representing a Midwest Coalition for the states of Illinois, Michigan, and Missouri, for a total base order of 130 railcars (42 Caltrans / 88 IDOT), with an ability to purchase additional option railcars, during the period of production.

Design and testing issues have led to delays in the production of the new railcars. To date, no new rail cars have been produced, and the contract is now several years behind schedule. Caltrans is working with IDOT, Sumitomo and the Federal Railroad Administration (FRA) to

develop a recovery plan and amended schedule for the production and delivery of new railcars, which are likely several years away.

In March 2014, Caltrans, in coordination with the IDOT, awarded a contract to Siemens to manufacture a total of 35 diesel-electric locomotives in Sacramento, with six locomotives purchased for use in California on the Capitol and San Joaquins corridors. The first two locomotives were delivered for testing at the FRA testing facility in late 2016. The remainder of the 4,400 HP, Tier 4 diesel-electric locomotives will be purchased by other states, including Illinois, Iowa, Michigan, Missouri, and Washington. The contract with Siemens includes options for an additional 225 locomotives.

In December 2014, the CTC approved the allocation of \$108 million in unallocated Proposition 1B intercity rail funds for procurement of new intercity locomotives and railcars, and to implement an on-board information system on the state's intercity rail services, including the Pacific Surfliner. A portion of the \$108 million will be used to purchase additional Tier 4 locomotives to replace the 15 F59-PHI locomotives owned by Amtrak that support the Pacific Surfliner service. Replacing the Amtrak-owned locomotives, which are nearly 20 years old, with new, state-owned Tier 4 locomotives would have a number of benefits, including reduced capital equipment charges for use of Amtrak-owned equipment, improved reliability, reduced mechanical-related delays, and environmental benefits through reduced emissions from cleaner-burning Tier 4 engines. The new locomotives are currently expected to be delivered and put into service on the Pacific Surfliner beginning in 2019-2020.

The LOSSAN Agency continues to pursue options for securing additional equipment for the Pacific Surfliner prior to the delivery of state sponsored equipment. Peak travel demand on the Pacific Surfliner, particularly during the summer season and holidays, often exceeds available seating capacity. The LOSSAN Agency efforts to secure additional equipment include pursuing additional leased equipment from Amtrak as well as lease or purchase options from private companies. To this end, the LOSSAN Agency is negotiating with Talgo for the use of two trainsets to be funded in part by the 2015 TIRCP award, which provides \$15 million for this purpose.

Equipment Maintenance

The primary maintenance facility for all Pacific Surfliner rolling stock is Amtrak's Redondo Locomotive Maintenance Facility located adjacent to the LOSSAN rail corridor in downtown Los Angeles. This facility includes locomotive and vehicle repair shops that performs safety inspections, servicing, and maintenance of all Amtrak locomotives and rolling stock. Amtrak utilizes a smaller servicing facility in Goleta for fueling, cleaning, and overnight train inspections. In San Diego and San Luis Obispo, overnight layover facilities for the Pacific Surfliner have been established to allow for fueling, overnight inspections, and cleaning. In San Diego, these are performed at the Santa Fe Depot. While in San Luis Obispo, the Pacific Surfliner trainset is stored on a designated layover track adjacent to the UPRR locomotive yard across from the San Luis Obispo station. The Los Angeles and Goleta maintenance facilities are owned by Amtrak, while the San Diego and San Luis Obispo facilities are provided through long-term lease agreements.

Amtrak staff is responsible for all maintenance activities related to the Pacific Surfliner service as part of the annual operating agreement with the LOSSAN Agency. The LOSSAN Agency is responsible for administration and maintenance supervision of the Pacific Surfliner fleet,

particularly the ten state-owned railcars. This relationship is further defined in the Equipment Lease Agreement between Caltrans DRMT and the LOSSAN Agency, which is included as an appendix to the ITA. The LOSSAN Agency is also responsible for ensuring the Pacific Surfliner fleet is operated and maintained to the high standards of reliability, cleanliness, and safety set by Amtrak and the state on a day-to-day basis. LOSSAN Agency staff will continue to work closely with Caltrans DRMT and Amtrak to refine the maintenance and operations programs to improve the reliability, safety, and the cost-effectiveness of the fleet.

Caltrans DRMT is responsible for overseeing wreck repair and also participating in the oversight of modifications to state-owned equipment. Additionally, Caltrans DRMT is responsible for statewide fleet planning and deployment of equipment between the three state-supported intercity rail corridors (Pacific Surfliner, Capitol Corridor, San Joaquins) in consultation with each agency.

Amtrak Thruway Bus Service

Amtrak contracts with private bus companies to provide Amtrak Thruway bus service connecting to the Pacific Surfliner route, and the private bus operators provide the vehicles used in the service, which must comply with Amtrak requirements, including Wi-Fi accessibility, electronic destination signs, a restroom, and power outlets.

Chapter 10: Marketing

Introduction

The proposed marketing program for FY 2017-18 focuses on optimizing existing marketing efforts while building a strategic framework to support future Pacific Surfliner marketing initiatives to grow awareness, ridership and revenue. Building a strong foundation now will promote strategic marketing programs that utilize cost-effective, data-driven tactics, while also promoting long-term efficiencies as the Pacific Surfliner marketing program matures.

The transfer of management responsibility for the Pacific Surfliner service from Caltrans DRMT to the LOSSAN Agency in July 2015 was relatively seamless from a consumer point of view, thanks in part to the new channels and programs that were quickly built and launched to establish a marketing presence and provide timely customer communications. However, there is still much work to be done to build a robust marketing infrastructure and establish cost-effective, sustainable programs that will allow the LOSSAN Agency to effectively manage future growth. Investing in marketing infrastructure now will allow future marketing efforts to effectively adapt to the changing world, keep pace with evolving technology and customer expectations, and respond appropriately to challenges and opportunities.

The LOSSAN Agency's initial efforts to create awareness and generate interest in the Pacific Surfliner service included a broad range of activities, from communicating critical rider information and establishing new social media channels to launching new service promotions and working to increase revenue related to key business objectives. The marketing plan for FY 2017-18 focuses on initiatives designed to build on these early accomplishments while laying the groundwork for future success and continuing to demonstrate return on marketing investments.

FY 2016-17 Marketing Efforts

The LOSSAN Agency launched the Pacific Surfliner marketing program in late 2015. Since that time, the LOSSAN Agency has worked to increase awareness of the Pacific Surfliner service and promote ridership along the corridor by developing and implementing an array of marketing programs designed to strengthen the Pacific Surfliner brand, build a strong online presence, improve customer experience, add value for passengers, and leverage strategic partnerships.

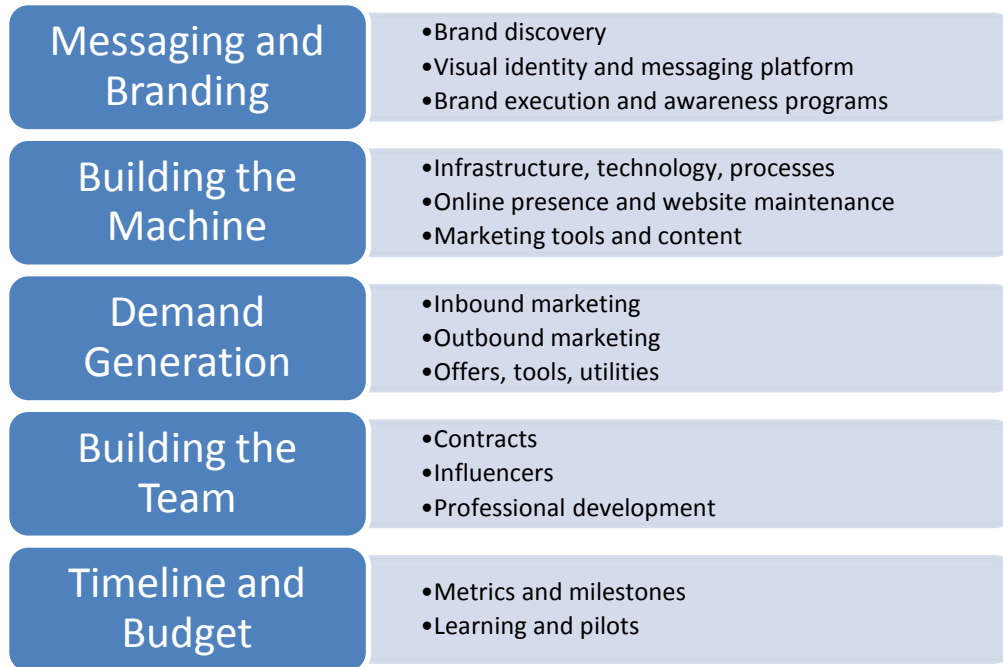
Marketing strategies were designed to utilize cost-conscious tactics that provide positive return on marketing investment. As a result of these efforts, the Pacific Surfliner service experienced ridership and revenue growth of 3.6 percent and 3.4 percent, respectively, compared to the prior year. This ridership and revenue increase was in spite of multiple weekend work windows that impacted Pacific Surfliner service, and even as parallel commuter rail services in the LOSSAN rail corridor experienced significant ridership decreases in part due to low gas prices.

Marketing initiatives implemented to promote the Pacific Surfliner service in FY 2016-17 included:

- Enhanced customer communication to increase customer satisfaction, including detailed service alerts
- Videos to further engage and grow audiences
- Promotion of expanded business class service
- Support for introduction of new, local food and beverage offerings
- Special event promotion
- Promotion of Transit Transfer Program
- Launch of Pacific Surfliner blog and growth of social media channels including Facebook, Twitter, and Instagram
- Establishment of strategic partnerships with local visitors bureaus and attractions along the Pacific Surfliner route, including sports teams and major events

The marketing initiatives planned in FY 2017-18 will continue to enhance the efforts to date in order to further increase awareness and ridership. The focus of the FY 2017-18 marketing plan is to support key priorities outlined in the business plan, as well as build foundational components and infrastructure as illustrated below in Figure 10.1:

Figure 10.1 Marketing Plan Overview



Messaging and Branding

In 2015, the LOSSAN Agency worked with Amtrak’s marketing department to develop a new co-branded Pacific Surfliner logo that leverages the power of the overarching Amtrak national brand mark while incorporating the unique and compelling attributes of the Pacific Surfliner service. As an extension of the Amtrak brand, the co-branded logo allows the Pacific Surfliner service to benefit from Amtrak’s significant marketing and advertising investments on a national

level, delivering efficiencies and maximizing the results of marketing and communications efforts. The Amtrak Pacific Surfliner logo visually reinforces the Amtrak brand values and reputation, while also presenting a distinct service within the Amtrak network that includes scenery, rolling stock and onboard amenities that cannot be found on any other Amtrak route. A top priority for FY 2017-18 is to further develop the Pacific Surfliner brand and build a strong foundation for messaging and visual communications that will be leveraged across all touch points to tell a compelling and consistent brand story.

Brand discovery

A brand is the intersection of what an organization says about itself, how it acts, and what people think of it. The research and discovery process is a critical step to determining the shared values and rules that will govern and shape all aspects of marketing and communications. The brand development process will include a review of the current brand as it is presented today, as well as customer analysis and qualitative market research.

Visual identity and messaging platform

Brand discovery will help define all aspects of the brand, ultimately informing guidelines for voice and visuals that help create clear and consistent communications across various channels and diverse audiences. Building this framework is critical to creating compelling campaigns and stories that resonate with audiences and drive intended actions. Developing and documenting the Pacific Surfliner visual identity and editorial style will help ensure consistent application of identity elements across visual and verbal media, enabling the LOSSAN Agency to tell a clear and powerful story about the Pacific Surfliner experience.

Brand execution and awareness programs

A roll-out strategy and brand awareness campaign will be designed to boost engagement with the Pacific Surfliner brand. Additionally, all marketing campaigns and communications efforts will support and be consistent with the brand campaign.

Updated branding will be applied to the following immediate initiatives:

- Design and launch of new Pacific Surfliner website with updated look and feel including branded messaging and content
- Development of collateral and digital assets that create a memorable brand experience and advance business objectives
- Implementation of short- and long-term integrated advertising campaigns to increase market share and strengthen customer relationships

The LOSSAN Agency plans to contract with a full-service marketing firm to develop the Pacific Surfliner brand and provide creative services as needed. The firm will work closely with LOSSAN Agency's marketing team to conduct a brand discovery and develop a visual identity and editorial style that will serve as the foundation for all internal and external communications.

Building a Marketing Machine

As the Pacific Surfliner marketing programs and channels continue to grow, it is critical to develop systems that help centralize and manage marketing and communication activities while improving workflow and efficiencies. Laying a solid foundation includes evaluating and selecting the right technologies, building organizational processes, and creating tools and content to support successful project management and marketing productivity.

Infrastructure, technology, processes

Implementing processes and leveraging technology will allow the LOSSAN Agency's lean marketing team to save time, budget, and resources. For instance, as the marketing program grows and the volume and diversity of projects increase, effective project management and team collaboration tools will become increasingly important.

The LOSSAN Agency will identify tools, acquire technology and build processes to assist in the following areas:

- Digital asset management
- Marketing project management and team collaboration
- Social listening, online monitoring and response
- Social media dashboard and community management

As organizational challenges and opportunities evolve, marketing staff will proactively determine processes that may come under stress as programs and customer response grow. Additionally, staff will continue to invest in tools and implement workflows that relieve strain and promote successful marketing products.

Online presence and website maintenance

PacificSurfliner.com was launched in December 2015 to provide both current and prospective riders with a more relevant online experience, and to better engage and convert audiences along the corridor. The site acts as a hub for advertising campaigns and elevates the unique characteristics of the Pacific Surfliner service while aligning with the national Amtrak brand. The site currently serves as an interim solution while the LOSSAN Agency works with its vendor to create a robust website with additional functionality during FY 2017-18.

The new website will be designed to enhance the Pacific Surfliner's digital presence and meet the following objectives:

- Develop new technology tools to help website visitors find information and encourage repeat visits
- Optimize the user experience within a responsive framework across desktop, tablet, and mobile devices
- Generate awareness and support traffic back to the Amtrak website to purchase tickets
- Educate and inform website visitors who were unfamiliar with Pacific Surfliner and its route/amenities

- Enable internal marketing team to have better control over web content and marketing initiatives

In addition to developing a full-scale website, marketing staff will be investing in technology to support a robust digital marketing program. Without dedicated staff for website maintenance and development, it is critical to identify web marketing and customer relationship management platforms that enable the Pacific Surfliner to have a strong online presence, get discovered online, attract visitors online, and drive action, while continuing to engage and delight riders throughout the marketing process. The LOSSAN Agency has contracted with a web development firm to conduct a technology audit of existing systems and outline sustainable technology solutions that meet the LOSSAN Agency’s functional and technical requirements related to:

- Content management and website publishing
- Client relationships management (CRM) including email marketing and lead nurturing
- Website hosting and server environments
- Email marketing, contact and relationship management

Marketing tools and content

Building a marketing machine requires a deep understanding the Pacific Surfliner audience and their consideration process and motivations. Conducting market research and mapping out buyer personas will be critical to identifying any potential concerns or questions prospective passengers may have. Developing tools and content to answer these questions will also be key not only to boosting awareness, but to motivating action. Designing key tools and reusable content around a clear purpose will help boost marketing productivity. Such efforts will include:

- Talking points/videos for overall route, onboard amenities, key audience segments
- Destination guides, travel tips, and seasonal promotions
- Business to business and Business to consumer outreach materials
- Visual assets such as videos and photography
- Utilities such as interactive trip planning tools or train timetables

Demand Generation:

Marketing activities to generate interest and engagement with the Pacific Surfliner will include both inbound marketing (creating relevant content, optimizing for search engine visibility, promoting through social media channels, etc.) and outbound marketing (direct mail and email, paid advertising, etc.).

Inbound marketing

The LOSSAN Agency will contract with a full-service marketing firm to develop strategy, tools and content that will help target customers and demonstrate an understanding of their problems and motivations. This will include providing tips, best practices and unique content that is not available anywhere else that will be of interest to Pacific Surfliner customers. In addition to

optimizing the Pacific Surfliner blog and website, marketing staff will develop video, newsletter and social media content to boost search engine visibility, branding, and referring traffic.

The LOSSAN Agency will continue to expand on its destination-based marketing efforts through content that captures the engaging experiences, unique rider perspectives, and memorable events surrounding the Pacific Surfliner service. Staff will also develop an editorial calendar to help tell the unique stories of Pacific Surfliner riders and leverage user-generated content to increase brand advocacy and sales. Publishing content that aligns with target customers' interests will enable the LOSSAN Agency to attract more inbound traffic and ultimately more engagement and sales.

Outbound marketing

Marketing staff will continue to develop a multi-channel marketing approach focused on targeted customer communications, and implementing data-driven ridership campaigns that target specific audience segments, and optimize direct response rate. Campaigns will be developed to communicate directly to customers through a variety of media including direct mail, email, digital advertising, database marketing, fliers, and targeted broadcast, print and digital advertisements, as well as outdoor advertising.

Direct marketing campaigns will include the following components to drive traffic, boost brand awareness, and increase ridership/sales:

- Campaign goals development and effectiveness tracking
- Identification of target audiences and providing insight to customer behavior
- Development of key campaign messaging and potential offers for campaign success
- Strategy for reaching and engaging target audiences
- Media mix and ad buys

Offers, tools, utilities

At the center of the LOSSAN Agency's marketing efforts will be developing offers that address audience concerns and motivations at every step of the consideration process – from sweepstakes and trial promotions to educational tools and interactive content that promote loyalty and engagement. Efforts will identify target markets and develop strategic campaigns to drive tangible outcomes (email acquisition, engagement with content, trial usage, promotional redemption). The LOSSAN Agency will also pilot new channels and refine current efforts to more effectively reach existing audiences and new markets while building long-term customer relationships.

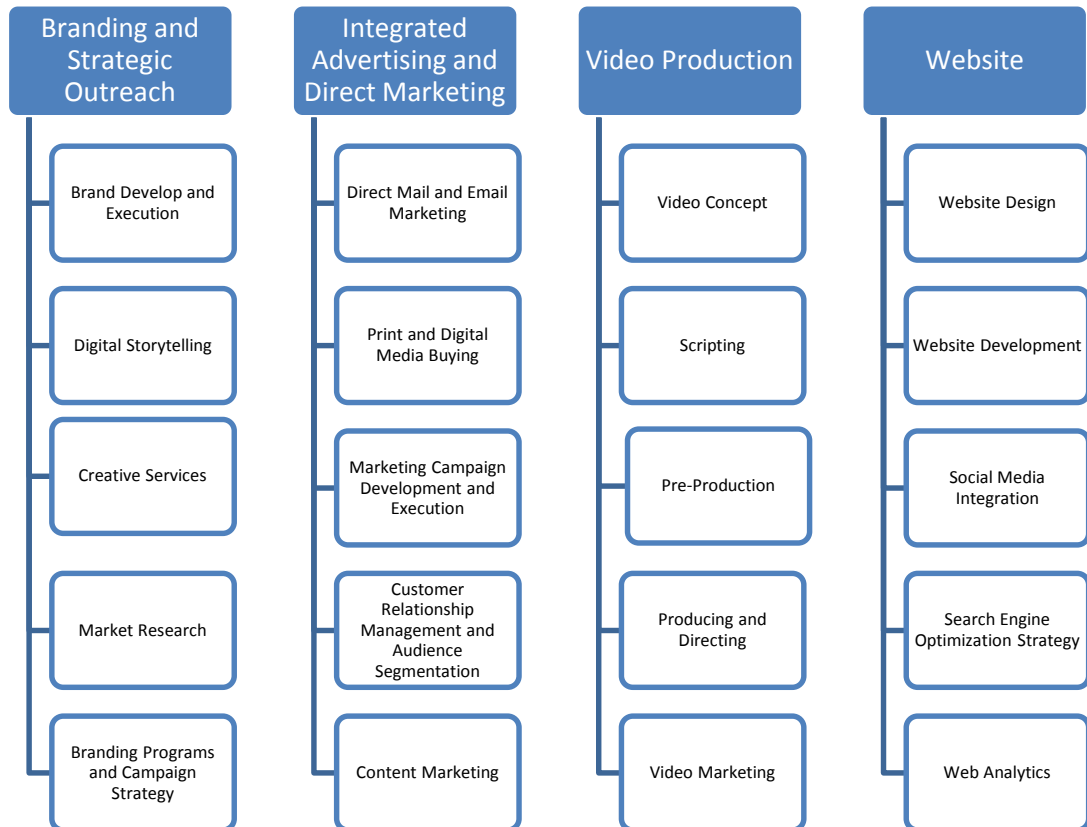
Building the Team

As the marketing program grows in scope, reach and sophistication, building both specialized functions and broad capabilities to effectively manage day-to-day operations and strategic vision will be essential.

Contracts

The LOSSAN Agency continues to utilize external support to assist in strategic, creative, and technical aspects of marketing the Pacific Surfliner service. Contracts will be procured for specializations and areas of expertise, as shown in Figure 10.2:

Figure 10.2: Marketing Contract Organization



Influencers

Building and cultivating strategic partnerships has enabled the LOSSAN Agency to increase market share and brand awareness in key markets in a cost-effective and efficient manner. In addition to enhancing visibility and credibility for the Pacific Surfliner, these partnerships provide cross-promotional opportunities that result in decreased advertising costs and added value for customers.

The LOSSAN Agency will continue to focus on the following areas for strategic alliances:

- Continue to build strong relationships with Amtrak marketing staff and work to coordinate marketing and advertising efforts in order to minimize costs and maximize value
- Expand destination-based marketing through cooperative opportunities with local visitors bureaus and businesses/attractions along the route to build programs where Pacific Surfliner riders receive discounts for services and products with their valid ticket
- Co-marketing efforts with visitors bureaus, sports teams, and local attractions in the form of cross-promotion and joint advertising

Building a network of influencers along the corridor not only adds value for Pacific Surfliner customers, but also extends the potential reach of marketing efforts to audiences in destinations along the route.

Professional Development

Growing the marketing program will create opportunities for internal staff to develop capabilities and take initiative beyond their core job functions. Developing new skills will improve the ability to successfully scale marketing activities, while enabling projects and processes to remain manageable with the level of resources required. Professional development for internal marketing staff will be provided as opportunities are identified to grow capabilities and deliver added value to the team.

Timeline and Budgets

During FY 2015-16, a total of \$381,318 was spent on marketing activities for the Pacific Surfliner. Advertising budgets were carefully researched and implemented to have the most cost-effective impact on awareness, revenue, and ridership. During this time, an emphasis was placed on digital advertising, which is more cost-effective due to the ability to better target individuals and provide powerful data. Halfway through the fiscal year, the LOSSAN Agency completed the competitive procurement of three important marketing contracts (totaling \$850,000). The timing of expending the marketing budget was impacted by the approval of these contracts. Marketing expenditures have also been impacted by delays in the hiring of a full-time marketing manager, which occurred in December 2016. However, with new contracts and a full-time marketing manager now in place, marketing efforts have increased as LOSSAN staff continues to develop and implement campaigns that maximize the marketing budget.

Metrics and milestones

As the LOSSAN Agency further develops its marketing program, it is prudent to invest in expanded marketing activities once marketing staff has sufficient insight into which efforts are paying off and are able to take action on efforts that need to be refined. In addition to campaign monitoring and reporting, LOSSAN Agency staff will continue to develop analytics reporting to demonstrate return on investment, provide audience insight and help inform future efforts.

LOSSAN Agency staff will continue to report and monitor macro and channel-specific measures including:

- Total media budget
- Media budget and impressions by channel
- Revenue and ridership
- Agency management fees
- Website maintenance costs
- Organic traffic
- Social media traffic

Learning and Pilots

Making up-front investments in infrastructure and adopting an agile approach to the Pacific Surfliner marketing program enables the LOSSAN Agency to launch targeted campaigns that test audience segments, messages, channels, and creative approaches, and will help save budget to experiment, optimize and scale successful efforts that yield results. With continual monitoring and improvement, approaching marketing efforts as an agile and data-driven process will allow the LOSSAN Agency to better understand its investments and apply any lessons learned to effectively support key business objectives.

Direct marketing campaigns and pilot programs will be focused on:

- Targeting specific markets and increasing ridership and revenue
- Raising awareness of key destinations along the route
- Promoting transit connections and onboard amenities
- Enhancing customer communications, service advisories and train status information
- Capturing the unique stories of Pacific Surfliner riders and leveraging user-generated content to increase brand advocacy and engagement
- Exploring fare and ticketing promotions and special event partnerships
- Increasing utilization of Amtrak marketing programs including Guest Rewards and everyday discounts

Chapter 11: Annual Funding and Separation of Funding

The annual funding process for the three state-supported intercity passenger rail corridors begins with Caltrans DRMT making an initial request for funding to be included in the state’s FY budget. Once the budget is approved and funds have been included for the service, CalSTA has responsibility for allocating the funds to each of the three intercity rail corridors through the approval of the annual business plans. Simultaneously with the budget process, the LOSSAN Agency will begin negotiating with Amtrak for the annual operating and maintenance contract, which is currently on a FFY basis (October – September). The Amtrak contract should be executed by September of each year to ensure continued and seamless operations at the beginning of each FFY. Annually, the LOSSAN Agency will provide a budget for the continued administration, marketing, and operations of the Pacific Surfliner to the LOSSAN Board for review and approval. This budget will also be included in the annual business plan for review and approval by the Secretary of CalSTA by April 1 of each year, as required. The LOSSAN Agency will submit a draft of the annual business plan by April 1, 2017, and will submit any updated operating forecasts by June 15, 2017, based on final operating revenue and expense estimates provided by Amtrak.

State funding for operations of all three intercity rail corridors is provided through the Public Transportation Account, which is funded primarily through the state sales tax on diesel fuel.

FFY 2017-18 and FFY 2018-19 Amtrak Operating Budget and Grant Programs

The total net State subsidy for FY 2017-18 is projected to be \$38,393,315, which includes the net operating subsidy as well as administrative and marketing funding. The current assumptions for the FFY 2017-18 operating budget include a modest increase in both ridership and revenue of 3 percent over the FFY 2016-17 budget. This yields a projected fare revenue of \$80,084,560. Total operating costs for the Pacific Surfliner service are projected to be \$112,973,201, an increase of \$2,215,161, or 2 percent over the FFY 2016-17 budget. Caltrans DRMT has executed an agreement with Amtrak to directly fund equipment capital charges for the Amtrak-owned railcars and locomotives used on the three state-supported rail corridors, effective October 2015. As a result, equipment capital charges are not included in the operating agreement between Amtrak and the LOSSAN Agency. After subtracting projected fare revenue of \$80,084,560, from total operating costs of \$112,973,201, the total FFY 2017-18 state operating subsidy payment is projected to be \$32,888,641. The FY 2017-18 budget also includes \$500,000 for minor projects, including station improvements, signage, and minor safety and security enhancements. The minor projects budget is consistent with the FY 2016-17 allocation. The FY 2018-19 operating costs and revenue include the same 3 percent ridership and revenue increase assumption and 2 percent operating cost increase assumption, as well as \$500,000 for minor projects. The LOSSAN Agency’s proposed budget for the state operating subsidy for FY 2017-18 and FY 2018-19 are detailed in Table 11.1.

In addition to the state-funded operating subsidy, grant revenues are included in the proposed budget to fund various operational programs and capital projects in FY 2017-18. In FY 2015-16, CalSTA awarded the LOSSAN Agency \$1,675,000 million in TIRCP grant funds to support the Pacific Surfliner Transit Transfer Program, which allows Pacific Surfliner passengers to travel more seamlessly to connecting public transit services along the entire Pacific

Surfliner route. The LOSSAN Agency began the Pacific Surfliner Transit Transfer Program in the fourth quarter of FY 2015-16, and is planning on using remaining surplus funds from FY 2016-17 to continue to fund the program in FY 2017-18.

In addition to TIRCP, the LOSSAN Agency is an eligible recipient of CTSGP – Intercity Passenger Rail/Commuter Rail Systems funds administered by CalOES. The CTSGP will make available approximately \$1.5 million to the LOSSAN Agency for FY 2017-18. The CTSGP provides funding for capital projects that provide increased protection against a security or safety threat.

The LOSSAN Agency has also been awarded \$1 million in 2016 TIRCP grant funds, which will be utilized for planning studies to optimize operations and improve coordination between all trains currently operating in the LOSSAN rail corridor while helping to plan for future service expansion.

The LOSSAN Agency’s proposed budget for the Amtrak operating budget and grant programs for FY 2017-18 and FY 2018-19 are detailed in Table 11.1.

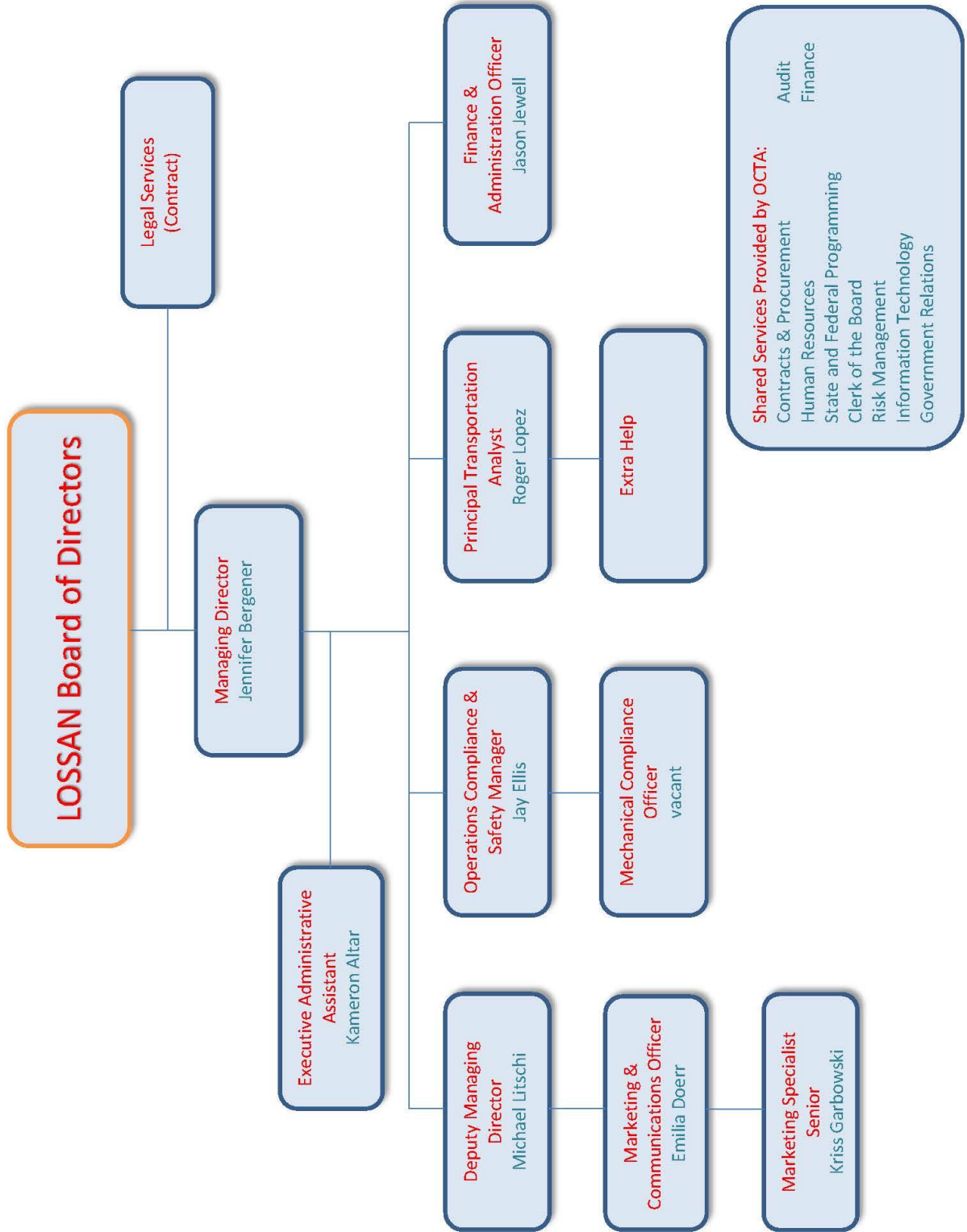
FY 2017-18 and FY 2018-19 Administrative and Marketing Budget

In addition to the contract costs with Amtrak for the operations and maintenance of equipment for the Pacific Surfliner service, there is an administrative component that is filled by OCTA as the LOSSAN managing agency. The LOSSAN Agency utilizes a small number of key staff positions supported by OCTA staff on an as-needed basis. This way, the LOSSAN Agency and the state receive maximum benefit for the lowest possible cost, and are required to only fund the services and support actually used and needed for the administration of the Pacific Surfliner service. OCTA continues to provide a host of services through the support function including:

- General Administrative Services
- Financial Management and Budget
- Contracting and Procurement
- Audit
- Treasurer-Controller
- Operations
- Marketing
- Stakeholder Outreach
- Planning
- Risk Management
- Human Resources
- Legal

The dedicated staff positions necessary to support the LOSSAN Agency are included in the organizational chart in Figure 11.1.

Figure 11.1: LOSSAN Rail Corridor Agency Organization Chart



The LOSSAN Agency’s proposed budget for the administrative and marketing functions for FY 2017-18 and FY 2018-19 is detailed in Table 11.1. Staffing levels remain consistent with the FY 2016-17 budget, which includes nine full-time positions, plus one part-time extra help position. This amount assumes administrative employee performance-based salary increases consistent with OCTA’s proposed FY 2017-18 budget and personnel and salary resolution. The FY 2017-18 proposed budget for insurance has decreased from the FY 2016-17 budget due to actual experience. The FY 2017-18 proposed budgeted amounts for legal, travel and professional services remain consistent with FY 2016-17 budgeted amounts. The FY 2017-18 marketing budget proposal remains consistent with the FY 2016-17 budget at \$2,000,000.

The FY 2018-19 administrative budget is proposed at \$3,197,267. This amount assumes administrative employee performance-based salary increases consistent with the managing agency’s projected assumptions, as well as no changes from FY 2017-18 in insurance, legal, travel, and professional services. The FY 2018-19 marketing budget is proposed to remain consistent with the FY 2017-18 proposed amount of \$2,000,000.

Table 11.1: LOSSAN Agency Net Operating, Grant, Administrative & Marketing Budgets: FY 2016-17 Approved, FY 2017-18 and FY 2018-19 Proposed

	FY 2016-17 Approved Budget	FY 2017-18 Proposed Budget	FY 2018-19 Proposed Budget
Operating			
Operating Costs	\$ 110,758,040	\$ 112,973,201	\$ 115,232,665
Fare Revenue	\$ (77,752,000)	\$ (80,084,560)	\$ (82,487,097)
Sub Total - Net State Subsidy	\$ 33,006,040	\$ 32,888,641	\$ 32,745,568
Minor Projects	\$ 500,000	\$ 500,000	\$ 500,000
Net State Operating Subsidy	\$ 33,506,040	\$ 33,388,641	\$ 33,245,568
Grant Programs			
TIRCP Grant Revenue	\$ (1,535,000)	\$ (2,400,000)	\$ -
Transit Transfer Program Expenses	\$ 1,535,000	\$ 2,400,000	\$ -
CTSGP Grant Revenue	\$ (1,800,000)	\$ (1,500,000)	\$ -
CTSGP Project Expenses	\$ 1,800,000	\$ 1,500,000	\$ -
Net Grant Programs Cost	\$ -	\$ -	\$ -
Administrative and Marketing			
Administration	\$ 2,994,912	\$ 3,004,674	\$ 3,197,267
Marketing	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Net Administrative and Marketing	\$ 4,994,912	\$ 5,004,674	\$ 5,197,267
Net Operating, Grant, Administrative & Marketing Budgets	\$ 38,500,952	\$ 38,393,315	\$ 38,442,835

Separation of Funding

To ensure state funding for the Pacific Surfliner service is kept separate from funding for OCTA projects and programs, a separation of funding has been established within the LOSSAN managing agency. The funding received from the state is managed through the treasurer and controller of OCTA, as the managing agency. The JPA specifically calls for the treasurer to be the depository of funds and to have custody of all funds of the LOSSAN Agency. The LOSSAN Agency follows OCTA-established policies and procedures that fully comply with the generally accepted accounting principles. The LOSSAN Agency utilizes OCTA’s existing

accounting system, which is built on a robust platform, and has already established a completely segregated accounting system for LOSSAN Agency-related business. This system and established policies/procedures, overseen by the treasurer and controller, as well as the LOSSAN Finance and Administration Officer, will ensure the preservation of the state's investment and a completely accurate accounting for administration of the Pacific Surfliner service, as well as provide for an accurate and timely reconciliation and return of any surplus funds.

Chapter 12: Government Relations and Legislative Advocacy

One of the benefits gained through local governance of the Pacific Surfliner service by the LOSSAN Agency is added flexibility in advocating for policies at the state and federal level to improve rail operations, increase funding for operations and capital needs, and allow better coordination and interoperability with connecting transit and rail services. In addition, the LOSSAN Agency has the ability to conduct targeted outreach to local governments and community organizations to help expand awareness of the services provided on the LOSSAN rail corridor and more directly respond to local needs.

Key to successful advocacy is the ability to partner with stakeholders to jointly advocate for mutually beneficial policies. The LOSSAN Agency has worked closely with the California Intercity Passenger Rail Leadership Coalition, consisting of the LOSSAN Agency, the CCJPA, SJPA, the Coast Rail Coordinating Council, and RCTC, to jointly advocate for common policy positions.

The LOSSAN Agency will participate in advocacy trips to Washington, D.C. and Sacramento, to attend any select committees formed to discuss passenger rail issues, and also participate in the States and Amtrak Intercity Passenger Rail groups. The LOSSAN Agency and Board members will participate in meetings with key legislators representing the LOSSAN rail corridor delegation and Administration officials, allowing for the specific objectives of the LOSSAN Agency to be discussed in detail. These meetings are vital to generating a greater understanding of policy impacts on intercity rail and the need for greater recognition of the importance of the LOSSAN rail corridor in the overall Amtrak system.

In addition, the LOSSAN Agency will pursue opportunities to retain state and federal advocacy services. This will allow the LOSSAN Agency to more effectively represent the interests of its member agencies in Sacramento and Washington, D.C., communicate policy goals and input to legislative and administrative offices, and receive regular updates on issues of importance to the LOSSAN Agency. Discussions regarding potential LOSSAN-sponsored state and federal advocacy services will include outreach to the LOSSAN member agencies, as well as the LOSSAN Board.

The annual legislative program adopted by the LOSSAN Board provides overall guidance to LOSSAN Agency advocacy activities, and staff will continue to provide regular legislative updates and bill analyses to the LOSSAN Board consistent with that program. In reviewing these items, the LOSSAN Board then provides direction on how the LOSSAN Agency is to participate in policy discussions with other stakeholders, and potentially offer testimony as relevant policy discussions take place at the Legislature.

On both the state and federal level, staff will continue to educate officials in Washington D.C. and Sacramento regarding the LOSSAN rail corridor and the Pacific Surfliner service. From both a national and state perspective, the LOSSAN rail corridor is underinvested but could greatly enhance mobility in Southern California with additional funding for capital and operational improvements, including potential cost sharing with Amtrak in areas also served by Amtrak long-distance trains. Efforts will be made to pursue resources for these improvements with funding authorized in the federal transportation reauthorization bill Fixing America's Surface

Transportation (FAST) Act, which includes a federal passenger rail title that provides additional funding for passenger rail programs, funding, and financing opportunities that may be made available through a federal infrastructure package, and resources that may be made available through new state transportation funding package being developed in Sacramento.

Staff plans to continue providing quarterly legislative updates to the LOSSAN Board on policy issues of importance, including those related to the state budget, the FAST Act and other federal funding or financing opportunities, and intercity rail policy matters. It is anticipated that the LOSSAN Agency will be focused on numerous policy issues at the state, federal, and local levels, including:

- Supporting efforts to pursue a stable, recurring source of intercity rail operations and capital funding for LOSSAN Agency-priority projects.
- Supporting efforts to apply for the use of cap-and-trade funding for LOSSAN Agency-priority projects, advocating for intercity rail as an eligible recipient, flexibility in revenue use and a streamlined allocation process.
- Supporting efforts to streamline and enhance transit services that provide for first- and last-mile connections to intercity and high-speed rail passenger rail services and stations.
- Continuing to advocate and educate officials in Sacramento and Washington D.C. regarding the LOSSAN rail corridor and Pacific Surfliner service.

The 2017 LOSSAN Legislative Program, adopted in November 2016, provides further detail on the LOSSAN Agency's legislative priorities, and includes three top priorities for 2017:

- Identify and secure long-term and sustainable funding sources to support passenger rail operations and capital projects in the LOSSAN rail corridor, including securing federal funds made available by the reauthorization of a federal rail title and ensuring the eligibility for the LOSSAN Agency to compete for funding under the state's cap-and-trade program.
- Support efforts to further enhance connectivity of regional rail and local transit services within the LOSSAN rail corridor.
- Continue to study and advance infrastructure and service improvement projects/programs.

At the local level, staff will continue to work with LOSSAN member agencies, local communities, and stakeholders to build awareness of passenger rail services along the LOSSAN rail corridor, developing strategic partnerships to better evolve the services to meet local needs. Regular communication and outreach on service improvements and priority projects will foster a better understanding of issues faced along the LOSSAN rail corridor. Increased awareness of these services by local officials can then be leveraged to back consensus-based operational improvements and policy activities.

In addition to the specific priorities identified by the LOSSAN Board, the LOSSAN Agency will continue to monitor policies impacting Amtrak service, including the development of the

California HSR project, and commuter rail services in the LOSSAN rail corridor. The need for cohesive policies to allow for integration of rail services within the state, and improved access from other transportation modes, has never been more evident as the state works to achieving goals related to improved mobility, environmental sustainability, and safety.

Chapter 13: Safety and Security

Protecting the safety and security of passenger rail service on the LOSSAN rail corridor is key to attracting and retaining riders, while also ensuring efficient operations of the Pacific Surfliner service. This chapter addresses safety and security onboard Pacific Surfliner trains, at stations, and along railroad ROW between San Diego, Los Angeles, and San Luis Obispo.

The Pacific Surfliner intercity rail service is operated by Amtrak, and is subject to federal safety standards and regulations in accordance with U.S. Code of Federal Regulations (Title 49, Subtitle B, Chapter II). Responsible regulatory agencies overseeing general railroad safety along the LOSSAN rail corridor include the FRA and the California Public Utilities Commission (CPUC). The FRA Office of Railroad Safety promotes and regulates safety throughout the nation’s railroad industry by issuing, implementing, and enforcing railroad safety regulations. The CPUC is the state agency charged with ensuring the safety of freight, intercity, and commuter railroads, as well as highway-railroad crossings in the state. The CPUC performs these railroad safety responsibilities through the Railroad Operations and Safety Branch of the Safety & Enforcement Division. The Transportation Security Administration also plays a role in the security of passenger rail service through the TSA-sponsored Visible Intermodal Prevention and Response program.

Operational, track, and other safety inspections are completed through a coordinated review among rail operators and owners, including Amtrak, Metrolink, NCTD, UPRR, BNSF, CPUC, and FRA for federal and state compliance. The LOSSAN Agency coordinates with these agencies to ensure that all reporting requirements are fulfilled at the federal and state levels. Amtrak is responsible for all required reporting of Pacific Surfliner safety data to federal, state, and local agencies, including the FRA and CPUC.

A key objective of the LOSSAN Agency safety program is to instill a comprehensive safety culture that governs all of the activities associated with the operations and maintenance of the Pacific Surfliner service, while efficiently meeting operational performance goals. The LOSSAN Agency will continue to work with Amtrak and host railroads to ensure a detailed system safety and security program is in place to protect the welfare of Pacific Surfliner passengers and crew, as well as the general public.

As part of this effort, the LOSSAN Agency will continue to:

- Assess ongoing rail safety and security awareness efforts to identify areas for improvement
- Work with host railroads to identify “hot spots” for trespassing and vehicle strikes
- Develop outreach programs that meet the needs of the public, as well as stakeholders
- Work with Amtrak and stakeholders to ensure a continued safety culture for all who work and travel on Pacific Surfliner trains and utilize Pacific Surfliner stations
- Work with local jurisdictions and host railroads to ensure that rail capital projects include a goal of improved safety and security wherever possible
- Work with host railroads and rail operators to coordinate training with local first responders to help expedite emergency response and accident investigation in the event of an incident

- Support Operation Lifesaver, a national rail safety program with the goal of improving public awareness of safety around railroad tracks
- Seek out and leverage state and federal grant funds for safety and security improvements

Positive Train Control

Positive Train Control (PTC) is a predictive collision avoidance technology designed to stop a train in motion when its continued movement may result in an accident. The safety enhancing goals of PTC include preventing train-to-train collisions, speeding and over-speed derailments, incursions into track work zones, and movement of a train through a switch left in the wrong position. The primary benefits of PTC include saving the lives of train crews, passengers, and railroad workers, improving passenger and freight train operational efficiency, and providing real-time train location information. The PTC system will also be essential if the LOSSAN rail corridor is to see any future increases in maximum authorized track speed as the state continues to implement high-speed rail service.

Wayside PTC equipment is being installed by host railroads along the LOSSAN rail corridor, with varying levels of completion. Trains equipped with PTC are in revenue demonstration with NCTD and in revenue service for Metrolink. The BNSF and UPRR are also in the process of implementing PTC.

Amtrak and Caltrans DRMT are in the process of retrofitting Pacific Surfliner locomotives and cab cars to be fully compliant with PTC. The PTC back office server is operational in Chicago, with plans for an additional server in Los Angeles in process. The 2-way radio system installed for onboard data transmission was manufactured with a circuit flaw. This has necessitated replacement, which is ongoing. Lab to lab testing is in process, with interoperability testing to follow. It is anticipated that PTC will be fully operational on all Pacific Surfliner trains prior to the revised federal deadline of December 31, 2018. The LOSSAN Agency will continue to coordinate with Amtrak and Caltrans DRMT to ensure this deadline is met.

Safety and Security Onboard Trains

The LOSSAN Agency primarily serves in an oversight and coordination role with regard to safety and security onboard trains, relying on the extensive onboard safety and security programs and policies already put in place by Amtrak. LOSSAN Agency staff will continue to attend regularly-scheduled safety meetings hosted by Amtrak for front-line employees, to reiterate that safety is the first priority in delivering Pacific Surfliner service.

All Pacific Surfliner cab cars and locomotives are currently equipped with a “forward facing” camera system to help aid in accident investigation. This provides crews and first responders with a valuable tool to assist with post-incident investigation, and can help to clear an incident scene more quickly so that trains can proceed. In addition, Amtrak is considering installing inward-facing cameras on locomotives and cab cars nationwide, similar to those currently used by Metrolink.

Amtrak Police Department

Pacific Surfliner passengers benefit from the existing Amtrak security program, specifically the services of the Amtrak Police Department. There are nine officers and one captain currently assigned to the Pacific Surfliner. Of the nine officers, seven function in the patrol capacity, and two serve with K-9 units. Additionally, there are five members of the Amtrak Special Operations Unit (SOU) that can be called upon when needed.

The seven Patrol Officers fulfill traditional policing functions. Their job is to act as a deterrent to crime in stations, on trains, in and around Amtrak facilities, and out on the railroad ROW. They enforce the law, perform checked baggage screening and onboard security checks, conduct follow-up investigations on any crimes involving Amtrak facilities or its passengers, and provide support during special events.

The two K-9 units provide a psychological and physical deterrent to potential threats from explosives. The teams undergo intensive training that includes vapor wake training. Vapor wake training allows the K-9 units to be alert to the scents of explosives left in the wake of passing individuals, not just those found in stationary baggage.

The members of the SOU support patrol operations by providing rapid response and enhanced capabilities to assist in keeping Amtrak passengers and employees safe. Although not exclusively assigned to the Pacific Surfliner, the SOU is prepared at any time to deploy personnel and equipment for tactical response, conduct low-visibility counter-surveillance, investigations, and provide enhanced support for special events. The SOU also conducts training on railroad-specific tactical response and procedures for fellow Amtrak Police Department members and external law enforcement partner agencies.

The importance of a strong police presence in ensuring the safety and security of passengers and facilities along the LOSSAN rail corridor cannot be overemphasized. As part of the proposed FY 2017-18 budget, the LOSSAN Agency is proposing two additional Amtrak Patrol Officers to the current detail. Additional law enforcement services are provided by local agencies and county sheriff's departments along portions of the LOSSAN rail corridor in coordination with Amtrak.

Safety on the Tracks

Safety incidents along the railroad ROW can include injuries and fatalities associated with incidents at grade crossings and trespassing on railroad property. Projects that improve safety include track and signal upgrades, gate and warning systems, and grade separations that eliminate at-grade crossings. In addition, safety can be improved through use of public awareness campaigns designed to educate the public about the risks of trespassing on railroad property and the importance of using caution around railroad tracks and trains.

Safety at Stations

The LOSSAN Agency primarily serves in an oversight, coordination, and funding role with regard to the safety and security of the various station facilities that exist along the LOSSAN rail corridor. The LOSSAN Agency is a recipient of CalOES RTSGP funds and takes the lead in coordinating eligible capital improvements that increase safety and security at passenger and maintenance facilities.

In calendar year 2016 the LOSSAN Agency, in partnership with Amtrak, implemented a number of safety and security improvements utilizing CalOES funding. These on-going projects include:

- The purchase of equipment for the upgrade/installation of new video surveillance systems at 12 Pacific Surfliner stations on the LOSSAN rail corridor
- The construction of a small law enforcement substation at the Santa Fe Depot in San Diego
- The purchase of equipment for a centralized video monitoring station at Amtrak's Los Angeles maintenance facility
- The repair and upgrade of platform lighting at the Santa Barbara station

Additional projects are planned for implementation during FY 2017-18 and 2018-19. Possible projects being developed include upgrades to passenger information displays, additional safety signage at station platforms, and enhancements to station public address systems.

Most of the stations along the LOSSAN rail corridor are outfitted with security cameras that feed directly to a local sheriff's office or operations center that can dispatch emergency services. Some city-owned stations also offer security guards and long-term parking security. These capabilities are significantly enhanced as a result of the ongoing CalOES improvements detailed previously.

LOSSAN Rail Corridor Safety Coordination and Emergency Response

The LOSSAN Agency coordinates safety and security activities with various stakeholders, and ROW owners along the corridor including: the state, LOSSAN member agencies, Amtrak, UPRR, BNSF, Metrolink, NCTD, Operation Lifesaver, Department of Homeland Security, and first responders along the LOSSAN rail corridor.

The LOSSAN Agency is pursuing new agreements with local transit providers for emergency bus bridge service as well as the creation of standard operating procedures to address service disruptions. Currently, Metrolink and NCTD coordinate with local transit agencies to provide bus bridges when emergency incidents occur. In addition, Amtrak, Metrolink, and NCTD often transport each other's passengers in the event of an incident on the tracks.

Public Awareness and Outreach

Public information efforts will use both traditional and social media to continue to build awareness about vehicular, bicycle, and pedestrian safety around the tracks. The LOSSAN Agency also intends to work with Amtrak to enhance current communications strategies to consistently alert passengers of service issues.

Operation Lifesaver is a national rail safety coalition to prevent collisions, injuries, and fatalities on and around railroad tracks and highway-rail grade crossings. It is comprised of a voluntary effort by railroads, safety experts, law enforcement, public agencies, and the general public. Several LOSSAN member agencies and partners currently participate in Operation Lifesaver activities by implementing safety awareness campaigns and providing rail safety education. The LOSSAN Agency will work to expand its participation in the program, in order to increase the reach of Operation Lifesaver's rail safety message.

The LOSSAN Agency will utilize a network of rail safety educators through Operation Lifesaver, and take advantage of existing security training resources, as well as future safety and security grant programs. Components of safety awareness and education efforts include but not limited to:

- Coordination of rail safety outreach to specific communities/populations based on safety data
- Coordination of emergency preparedness training for corridor first responders in cooperation with Amtrak and host railroads
- Participation in rail security awareness training for train crews, maintenance staff, bus operators, and station agents provided by Amtrak
- Assist with coordination and monitoring of disaster simulations and table top exercises to ensure state and federal requirements are met

Chapter 14: Emerging Corridors

In addition to managing the Pacific Surfliner rail service, the LOSSAN Agency works with member agencies to study corridor enhancements and expansion opportunities that provide connectivity within Southern California and beyond. Specifically, the LOSSAN Agency plans to focus on connectivity to the California HSR system, as well as in the eastern communities throughout Riverside County and Coachella Valley, and coastal communities up to San Luis Obispo and further north to the Bay Area. These connections will provide seamless travel opportunities by rail throughout the region and state. System improvements on existing and emerging rail corridors will contribute to the success of the LOSSAN rail corridor, support future statewide HSR service and regional commuter rail operations, and provide connectivity with local transit systems.

Figure 14.1: Emerging Corridors



Source: LOSSAN Agency, 2016

The Coast Corridor (“Coast Daylight” Service)

The 474-mile Coast Corridor, which runs from San Francisco to Los Angeles, shown in Figure 14.1, currently serves a full complement of urban commuters, as well as regional, intercity, and interstate travelers. Constructed by the Southern Pacific Railroad between the late 19th and early 20th centuries, the Coast Corridor was originally built as a passenger line to transport passengers along the nearly 500 miles between San Francisco and Los Angeles.

Current passenger rail services on the Coast Corridor are operated by Caltrain, Amtrak, and Metrolink. Freight rail services are operated by UPRR, which carries two to four trains per day north of Oxnard and eight to 16 trains per day in the San Fernando Valley. The Coast Rail Line is considered a “secondary” or “relief” line to the much busier Central Valley Line to the east, which connects Northern and Southern California via the Central Valley.

The “Coast Daylight” service is a proposed extension of the current intercity and long-distance service on the LOSSAN rail corridor north of San Luis Obispo to San Jose and San Francisco. This proposed service would fill a gap in passenger rail services between northern and southern California. There is no existing passenger rail service that directly connects the City of San Francisco and the densely populated San Francisco peninsula cities with southern California.

The Amtrak Coast Starlight is a daily long-distance train operating through the Coast Corridor that serves the needs of long-distance travelers between Seattle, the San Francisco Bay Area, and Los Angeles. Ultimately, the Coast Daylight service would originate and terminate in San Francisco and would be scheduled to complement the Coast Starlight schedule with a reliable intercity service to meet the needs of communities between the San Francisco Bay Area and Los Angeles.

The Coast Rail Coordinating Council (CRCC), which is a coalition of coastal agencies supporting the service, in coordination with the Transportation Agency for Monterey County are working with the LOSSAN Agency, Amtrak, and the State to evaluate the options for the proposed Coast Daylight service, including feasibility, funding, ridership, cost projections, and host railroad negotiations.

Several actions are needed to advance Coast Daylight project, in priority order:

1. Secure track access from host railroads
2. Secure state operating support
3. Secure equipment
4. Secure legislative authority to administer the service

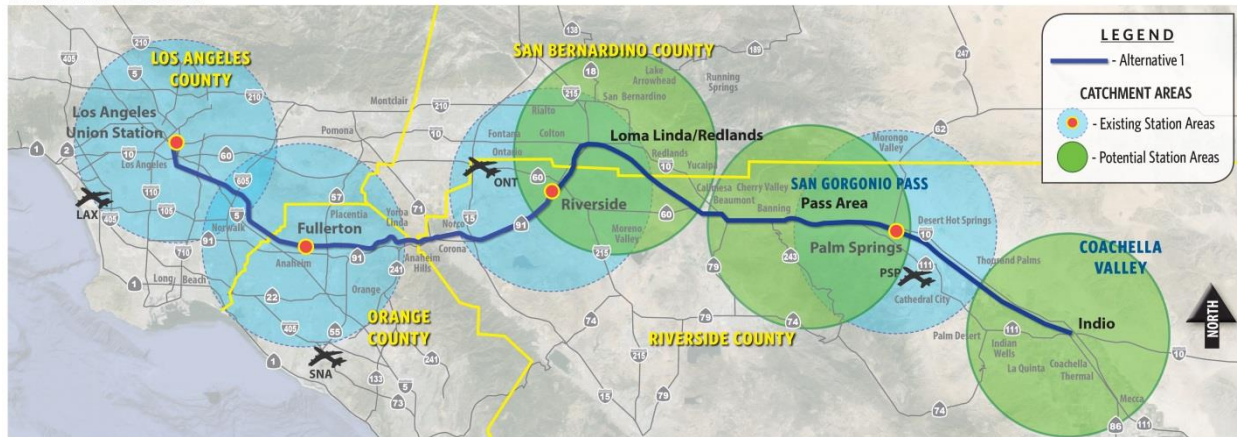
With respect to Coast Daylight services, the LOSSAN Agency business plan includes adequate staff resources to monitor continued planning efforts, which are currently primarily supported by CRCC staff.

Coachella Valley – San Gorgonio Pass Rail Service¹

The Coachella Valley – San Gorgonio Pass Rail Corridor refers to the approximately 140-mile long corridor between Los Angeles and the City of Indio as illustrated in Figure 14.2. RCTC is currently in the process of developing a Service Development Plan (SDP) and preparing an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for intercity rail service in this corridor. This service would be similar to the Pacific Surfliner service, as it would provide intercity rail service that would operate through a wide variety of settings from the heavily-urbanized areas of Los Angeles and Orange Counties to the less-populated, but rapidly growing areas of eastern Riverside County. This service also has the potential to be the first step toward a Los Angeles to Phoenix, Arizona passenger rail service.

Figure 14.2: Coachella Valley – San Gorgonio Pass Rail Service Preferred Route

Route Alternative 1



Source: *Final Alternatives Analysis, Coachella Valley – San Gorgonio Pass Rail Corridor Service Study, July 25, 2016*

The SDP being developed in the current phase of the Study will describe and quantify the fundamental characteristics of the intercity passenger train service that is proposed for the Coachella Valley – San Gorgonio Pass Rail Corridor. Based on the initial service development planning undertaken during the Alternatives Analysis phase of the Study, the SDP will highlight the planning, design, construction, equipment, and implementation for the service; analyze the public, transportation and environmental benefits; document the required funding and sources in a capital and financial plan; provide a realistic implementation schedule and phasing plan; and identify the needed policy actions to implement service over the preferred route. The EIS/EIR will provide the required environmental documentation to support selection and implementation of the preferred build alternative. The preferred route alternative identified in the Alternatives Analysis follows the BNSF-owned alignment through the cities of Los Angeles, Fullerton, and Riverside, passes through the Colton Crossing, from where it follows the UPRR Yuma subdivision east to Indio. The eastern portion of the corridor is one of the fastest-growing areas of Southern California due to increasing residential development, and has experienced a doubling of population between 1990 and 2010. In addition, the Coachella Valley has a large

¹ Coachella Valley – San Gorgonio Pass Rail Service section provided by RCTC.

number of tourist destinations that attract regional trips from Los Angeles and Orange counties, as well as national and international visitors.

The only passenger rail service currently operating in the corridor between Los Angeles and the Coachella Valley is Amtrak’s Sunset Limited, a long-distance train that operates three times per week with a stop in Palm Springs during overnight hours. There is significant travel demand based on current travel patterns along the associated freeways suggest that there is significant demand for travel options. The ridership potential is also demonstrated regionally by the rapid growth in Metrolink ridership, and locally by the increase in Amtrak Thruway Bus Route 39 ridership between Fullerton, Palm Springs, and Indio.

Between 2010 and 2040, the Los Angeles-Coachella Valley Corridor is projected to experience an approximately 34 percent increase in population to a total of 23.2 million residents, along with a 30 percent increase in employment with a resulting total of 8.2 million jobs. While a majority of the corridor’s population and employment growth will occur in the Los Angeles and Orange County portions of the corridor, the Riverside County portion is forecasted to experience significant increases in population and employment, 52 percent and 49 percent, respectively. A majority of the future travel demand is still anticipated to be met by automobile travel, but an increasing portion of the projected trip growth could be accommodated by expanded intercity rail service. As a response to limited highway capacity in this congested corridor, travelers will seek more reliable and attractive modes of transportation.

The Coachella Corridor’s existing travel market is substantial, with 1.5 billion total annual two-way person trips (all modes) in 2000, and projections for more than 300 million additional trips by 2030, and another 100 million trips by 2040 (1.82 billion total). The 2030 two-way person trip projections for the four-key Coachella Valley travel pairs are as follows:

- Los Angeles County (south) to Coachella Valley – 29.0 million
- Orange County to Coachella Valley – 14.7 million
- San Bernardino County to Coachella Valley – 35.4 million
- Riverside County (western portion) to Coachella Valley – 50.7 million

The current SDP effort has multiple phases. The first phase is complete and included development of a work plan, outreach efforts, alternatives analysis, market analysis, and ridership projections. The second phase has been initiated with the help of an FRA grant and will have a program-level environmental analysis and a finalized SDP which should take an additional three years to complete. Once these planning efforts are completed, the corridor would be eligible to receive federal funds and state for construction. The LOSSAN Agency will continue to participate in these planning efforts and ensure they provide connectivity with Pacific Surfliner service.

Summary

Moving forward, the LOSSAN Agency will continue to work with member agencies to participate in planning efforts for passenger rail service in these emerging corridors, with a focus on creating seamless connections between the Pacific Surfliner and future passenger rail services between Ventura and Santa Barbara, and on the Coast Daylight and Coachella Valley corridors.

Glossary of Terms

Agency	Rail Corridor Agency
Board	Board of Directors
BNSF	BNSF Railway
CalOES	California Governor's Office of Emergency Services
CalSTA	California State Transportation Agency
Caltrans	California Department of Transportation
CCJPA	Capitol Corridor Joint Powers Authority
CHSRA	California High Speed Rail Authority
CPUC	California Public Utilities Commission
CRCC	Coast Rail Coordinating Council
CRM	Customer Relationship Management
CSI	Customer Service Index
CTC	California Transportation Commission
CTSGP	California Transit Security Grant Program
DRMT	Division of Rail and Mass Transportation
EIS/EIR	Environmental Impact Statement/Environmental Impact Report
FAST Act	Fixing America's Surface Transportation Act
FFY	Federal Fiscal Year
FRA	Federal Railroad Administration
FY	Fiscal Year
GHG	Greenhouse Gas
HP	Horsepower
HSR	High-speed rail
IDOT	Illinois Department of Transportation
ITA	Interagency Transfer Agreement
JPA	Joint Powers Authority
LOSSAN	Los Angeles – San Diego – San Luis Obispo
Metro	Los Angeles County Metropolitan Transportation Authority
NCTD	North County Transit District
OBIS	On Board Information System
OCTA	Orange County Transportation Authority
OTP	On-time performance
PRIIA	Passenger Rail Investment and Improvement Act of 2008
PTC	Positive Train Control
Prop 1B	Proposition 1B
RCTC	Riverside County Transportation Commission
ROW	Right-of-way
RT	Round Trip
SANBAG	San Bernardino Association of Governments
SANDAG	San Diego Association of Governments
SB	Senate Bill
SBCAG	Santa Barbara County Association of Governments
SCRRA	Southern California Regional Rail Authority
SDMTS	San Diego Metropolitan Transit System
SDP	Service Development Plan



SJJPA	San Joaquin Joint Powers Authority
SLOCOG	San Luis Obispo Council of Governments
SOU	Special Operations Unit
TAC	Technical Advisory Committee
TIRCP	Transit and Intercity Rail Capital Program
UPRR	Union Pacific Railroad
UPS	Uniform Performance Standards
VCTC	Ventura County Transportation Commission



LOSSAN

RAIL CORRIDOR AGENCY
BUSINESS PLAN

FY 2017-18 to FY 2018-19

