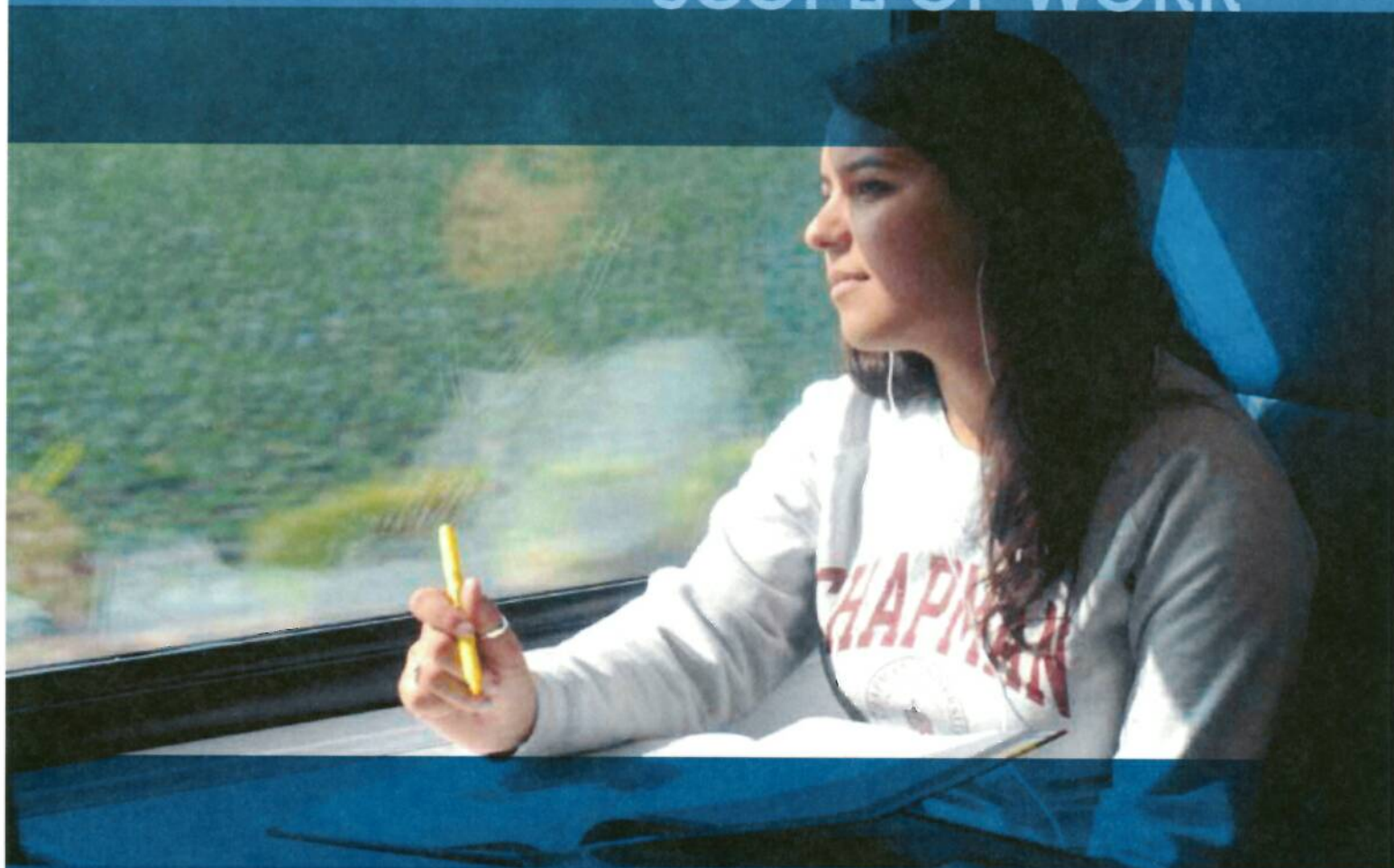




# APPROACH TO SCOPE OF WORK





## SCOPE OF WORK

The following section provides a detailed discussion of OCTA's proposed approach to completing the six specific tasks outlined in the request for proposals, as well as its previous experience and capabilities working on similar projects.

### TASK ONE: ADMINISTRATIVE SERVICES AGREEMENT

The LOSSAN Managing Agency will play a key role in the future of the corridor. Its primary role will be to hire and house the team that will be responsible for the day to day management of state-funded intercity passenger rail service in the corridor. The managing agency needs to be large enough to absorb the additional dedicated staff responsible for management of the LOSSAN Corridor and also have a sufficient depth in professional staff to support areas like finance, contracts, clerk of the board, information technology (IT), grants management, human resources, and government relations. Perhaps most importantly, the agency needs to have a proven record of working in a collaborative, not parochial, manner in order to earn the trust of each member agency from San Diego to San Luis Obispo, and ensure the focus remains on doing what is best for the corridor as a whole. OCTA meets each of these requirements.

As LOSSAN Managing Agency, OCTA's first task will be to finalize an Administrative Services Agreement with the LOSSAN Board of Directors. The Administrative Services Agreement will detail the terms under which OCTA will provide administrative staff support to the LOSSAN JPA, including:

- Duties of the managing agency and LOSSAN Board of Directors
- Staffing plan and duties for both shared and dedicated positions
- Facilities to house LOSSAN Agency staff and necessary support services
- Reporting structure and HR policies
- Compensation of managing agency and invoicing schedule and terms

- Risk management plan including insurance and indemnification requirements
- Separate and distinct financial accounting, budgeting and reporting requirements
- Annual audit
- Identification of appropriate legal counsel
- Grant application and management procedures
- Provisions for fare and service changes, including outreach requirements
- Provisions of conflict of interest code
- Custodian of JPA property/records
- Term of agreement and termination clause

OCTA recommends that the initial Administrative Services Agreement include the more limited staff and budget necessary for the start-up period when the Managing Agency will assume the administrative responsibilities currently handled by the SANDAG. Concurrently, OCTA will lead the negotiations with the State on the ITA on behalf of the LOSSAN Board of Directors. Funding for reimbursable Managing Agency expenses during the start-up period prior to approval of the ITA will be shared among the LOSSAN member agencies based on a cost share approved by the LOSSAN Board.

After the ITA is finalized, the Administrative Services Agreement will be amended to reflect the specific provisions included in the ITA related to funding and staffing for operation of state-funded intercity rail service in the LOSSAN Corridor during the initial three-year period. Funding for reimbursable Managing Agency expenses during the start-up period will be provided with state dollars through the ITA.

In negotiating the administrative services agreement, OCTA will build on its previous experience providing administrative services to the Orange County Council of Governments as its Administrative Agency beginning in 2009 under a similar structure that utilizes shared OCTA staff for finance, contracts, clerk of the board, audit, IT and other necessary support functions. OCTA's overall goal will be to negotiate an agreement that provides the best possible



administrative services to the LOSSAN Agency in the most cost-effective manner possible.

OCTA would begin work on this task immediately upon notification of its selection as Managing Agency, and would expect to present the agreement to the LOSSAN TAC on November 7, 2013, the OCTA Board on November 8, 2013, and the LOSSAN Board on November 20, 2013, for review and approval.

## **TASK TWO: STAFF TRANSITION PLAN/INTERIM WORK PLAN**

### **Staff Transition Plan**

While drafting the Administrative Services Agreement, OCTA will work closely with SANDAG staff to ensure a smooth transition of administrative duties to the new managing agency during the start-up period. Based on the timeline provided in the RFP, OCTA anticipates working jointly with SANDAG staff to prepare agendas and provide administrative support at the October 2013 and November 2013 LOSSAN TAC and Board meetings, with the intent of assuming full administrative responsibilities by December 2013.

OCTA will utilize staff in its Rail Programs group to assist with preparation of LOSSAN TAC and Board of Directors agenda items, and will coordinate with staff from Caltrans, Amtrak, and other LOSSAN member agencies to contribute items as appropriate. OCTA's Rail Programs staff currently prepares quarterly ridership, revenue, and on-time performance reports for Metrolink service in Orange County, which provides a solid background for compiling and analyzing data for the passenger rail services in the LOSSAN Corridor.

OCTA government relations staff currently presents monthly state and federal legislative updates to the OCTA Board of Directors and is experienced at tracking issues that impact passenger rail service and infrastructure in the LOSSAN Corridor. OCTA staff will present monthly state and federal legislative updates to the LOSSAN TAC and Board of Directors, including a legislative matrix of all relevant bills being tracked. They also will lead the development of an annual state and federal legislative platform, working closely with legislative staff from LOSSAN member agencies, including Amtrak and Metrolink, as well as the Capitol Corridor JPA, San Joaquin JPA, and Coast

Rail Coordinating Council. The legislative platform will be approved by the LOSSAN Board and guide advocacy efforts and recommended bill positions throughout the year.

The Clerk of the Board office will assist with compiling and distributing Board agendas, and will handle proper noticing of all meetings, preparation of minutes, filing of annual Form 700s, and process legal requests such as public records act requests. OCTA has an experienced team in the Clerk of the Board's office that provides excellent service to the OCTA Board of Directors and will do the same for the LOSSAN Board. OCTA has the capability to record and live stream LOSSAN Board Meetings conducted in its building via the Internet, and will investigate opportunities for offering video feed as well if desired by the LOSSAN Board. OCTA would assume that LOSSAN Board meetings currently held at Metro Headquarters in Los Angeles will be held at OCTA, with four meetings per year at alternative locations along the LOSSAN Corridor.

### **Interim Work Plan**

Within 30 days following the approval of the Administrative Services Agreement, OCTA will submit an Interim Work Plan to the LOSSAN Board outlining major goals and objectives during the 12 to 18 month start-up period between signing the Administrative Services Agreement and the date the ITA is signed.

The Interim Work Plan will address OCTA's vision and priorities for the LOSSAN JPA during transition from SANDAG staff to OCTA staff, and during the process of negotiating the ITA with the State. It will build on the vision outlined in the *LOSSAN Strategic Implementation Plan* and create a roadmap for moving the agency forward to assume management responsibilities for state-funded Pacific Surfliner intercity rail service.

Major tasks that will be addressed in the Interim Work Plan include:

- Draft detailed schedule and workplan for ITA negotiations
- Review and update legislative program



- Schedule advocacy trips to Sacramento and Washington, D.C.
- Review and update LOSSAN fact sheets, Web site and collateral material
- Continue to work with Amtrak, Metrolink and Coaster to improve schedule coordination and maintenance of a joint timetable
- Better articulate the mission of LOSSAN TAC to give it higher visibility and explore whether it should continue to be subject to Brown Act requirements
- Refine the budget for start-up period and provide regular updates to LOSSAN Board and TAC regarding burn rate of member agency funds budgeted to cover administrative costs during the start-up period
- Review the prioritized capital plan prepared as part of *LOSSAN Strategic Implementation Plan* and make any necessary updates; work with grants staff to implement the plan, track grant opportunities and identify potential funding strategies
- Begin electronic archiving of audio from all LOSSAN Board meetings and consider making available to the public via the Internet
- Continue to coordinate member agency comments on planning documents like the State Rail Plan, environmental documents, and Service Development Plans
- Arrange meetings with Board members and/or key staff at LOSSAN member agencies as well as Amtrak, Caltrans, Metrolink, Coaster, Capitol Corridor JPA, San Joaquin Regional Rail Commission, Coast Rail Coordinating Council, California High-Speed Rail Authority, BNSF Railway and Union Pacific Railroad, to introduce the LOSSAN management team

### TASK THREE: INTERAGENCY TRANSFER AGREEMENT

The Interagency Transfer Agreement (ITA) represents the first major milestone toward local control of the LOSSAN Corridor. Since its inception in 1991, OCTA has paved the way for a host of successful transportation services across the county, including bus transit, rail transit, freeway programs, 7,300 miles of local streets and roads, purchase and management of the 91 Express Lanes and the administration of taxi service in Orange County.

OCTA has significant experience with challenging negotiations. OCTA's past performance validates the success we have had in achieving results from these negotiations, including:

- OCTA's ongoing successful negotiations with three labor unions for bus operations and maintenance contracts
- Successfully purchasing of the 91 Express Lanes toll road from a private corporation
- Building unanimous city support for the successful passage of the Measure M and Renewed Measure M sales tax measures
- Leading the discussions among the LOSSAN Corridor agencies on SB 1225
- Reaching consensus with the Professional Engineers in California Government for design-build legislation on the upcoming Interstate 405 project
- Actively working with BNSF Railway to negotiate shared use and indemnity agreements

OCTA's approach has always been one of consensus building across multiple and sometimes competing stakeholder interests; our approach remains the same for the negotiation of the ITA.

The law firm of Woodruff, Spradlin and Smart has been OCTA's legal counsel for more than 30 years. Woodruff, Spradlin and Smart are experts in public agency law as well as several other practice areas. Kennard Smart, Managing Director of the firm, has served as General Counsel of OCTA and its predecessor agency since 1977. James Donich, deputy chief counsel for OCTA,



specializes in transportation law, construction law, and public procurements.

Smart and Donich bring with them vast transportation experience, having seen OCTA through its formation, as well as OCTA's complete history with respect to all contract negotiations and general law, including OCTA's acquisition of 48 miles of railroad right-of-way from the Santa Fe Railway. Donich is a subject matter expert in areas of transportation contracts and funding, and will serve as primary counsel for the ITA.

Also available to OCTA during the ITA negotiations are two key Strategic Advisors: Dennis Kuklis, former Senior Director of State Services for Amtrak, and Darrell Johnson, Chief Executive Officer for OCTA and previous Director of Business and Strategic Planning for Amtrak. Kuklis was the lead negotiator for Amtrak during development of the ITA for the Capitol Corridor JPA. Kuklis has agreed to exclusively support OCTA during the ITA negotiation on behalf of the LOSSAN Board, and his experience is unparalleled. Together, Kuklis and Johnson have more than 33 years of experience working in passenger rail with Amtrak.

In approaching this task, OCTA will first look to the Capitol Corridor ITA as a basis for negotiating an ITA with the State for the management of Pacific Surfliner service in order to identify lessons learned and best practices from that process. OCTA will also coordinate closely with the San Joaquin JPA as it works with the state to negotiate its own ITA in an attempt to agree on common provisions for both corridors where applicable.

While SB 1225 calls for the ITA to be executed no earlier than June 30, 2014, and no later than June 30, 2015, OCTA's goal is to negotiate the ITA as efficiently as possible, completing the successful negotiation of the ITA in advance of the June 2015 deadline. OCTA has assembled a team with unparalleled experience to ensure the successful and timely negotiation of the ITA.

OCTA will develop a detailed schedule, including progress milestones, for the ITA negotiation process to ensure that deadlines are met. This process will include monthly status updates to the LOSSAN TAC and Board.

The ITA will address topics including:

- Date and conditions for transfer of service and expected funding levels for the first three years sufficient to support planned bus and rail service levels as well as of administrative and marketing expenses transferred from Caltrans Division of Rail
- Level of service to be provided and coordination with feeder bus and connecting passenger rail services
- Terms of use or lease agreement for 10 railcars owned by Caltrans and used in Pacific Surfliner service
- Financial reporting, accounting, and auditing responsibilities/requirements
- Invoicing schedule and reimbursement provisions
- Relationship between Business Plan and annual budget request
- Performance standards for State-funded intercity rail service on the corridor
- Provisions for addressing funding shortfalls
- Insurance requirements, and liability and indemnification provisions
- Termination and arbitration provisions

As part of the ITA negotiation, OCTA would also work with Caltrans and Amtrak to develop a detailed transition plan and schedule for transferring management responsibility for the Pacific Surfliner service to the LOSSAN Agency.



## TASK FOUR: MANAGING AGENCY FACILITIES AND STAFFING

OCTA prides itself on being an efficient, cost-effective organization that is continually recognized by industry peers. OCTA is large enough to take on the additional responsibilities related to the LOSSAN Managing Agency without sacrificing the quality of its existing programs and services, but small enough to ensure a focus on delivering superior service to the LOSSAN Agency with a combination of dedicated and shared administrative staff.

If selected as the LOSSAN Managing Agency, OCTA's staffing plan will maximize the benefit to the corridor and its member agencies while delivering services in a cost-effective manner. This will be achieved by utilizing a streamlined approach with minimal dedicated staff supported by OCTA's array of support staff, ensuring that the LOSSAN Agency benefits from the full complement of OCTA services available while ensuring the cost of those services is limited to those actually utilized.

This approach minimizes the risk of the LOSSAN Agency providing financial support for underutilized shared positions, instead paying only for the use of those services by shared staff, resulting in a lower overall cost. These shared services are built into the overhead rate that is applied to actual hours worked by the dedicated LOSSAN staff.

### DEDICATED STAFF

The Managing Agency team for the start-up period assembled by OCTA was carefully chosen to provide the greatest corridor knowledge with unparalleled negotiating experience in a well-balanced team.

It begins with a qualified and experienced interim managing director, Jennifer Bergener, who has spent her entire career working in passenger rail including at Amtrak, Caltrain, and OCTA. The corridor will also be supported by interim deputy director of planning and transportation, Michael Litschi. Litschi has a broad range of transportation policy and planning experience and has been an active member of the LOSSAN TAC for the past four years.

To support Bergener and Litschi, OCTA has identified

two key positions that will be necessary during the negotiation of the ITA in addition to contracted legal services, and the full complement of OCTA support services. These positions are a Senior Transportation Analyst and Senior Administrative Assistant. Resumes for key staff are included at the end of the proposal.

These four positions will allow for a seamless transition from SANDAG to OCTA for the existing administrative duties and provide the depth necessary to successfully coordinate with OCTA's contracts and finance departments, and legal counsel, to successfully negotiate the ITA. The positions will be used at an approximately half-time during the negotiation of the ITA and will be able to transition to full time as necessary.

OCTA believes that retaining both a Managing Director and a Deputy Managing Director during the start-up period is valuable in a number of ways:

- To ensure that post-ITA there is more than one repository for the history of the ITA development process
- To ensure a broad perspective in and throughout the ITA negotiation period
- As an early effort towards succession planning and corridor development

Following the successful negotiation of the ITA, OCTA has identified four additional full-time positions that will be necessary to support daily operations of the corridor:

Operations & Mechanical Officer  
Compliance Inspector (contracted)  
Finance & Administration Officer  
Marketing Manager

These four additional positions will provide the broad range of expertise to effectively manage the corridor and bring it to an improved level of service. A detailed description of the job duties of each proposed dedicated position is provided below.

**Managing Director:** This position reports directly to the LOSSAN Board and is responsible for all administrative and operational aspects of the Managing Agency. In the initial period, the Managing Director will serve



as the lead liaison and negotiator with the State for the ITA, and will provide frequent and thorough updates to the Board of Directors to ensure that all corridor stakeholders are apprised of the progress and developments with the ITA. The Managing Director will also be responsible for the duties as specifically called out in the Request for Proposals, including but not limited to, the development of the annual budget and business plan, organizational administration, communications with the Board of Directors, routine administration, marketing and other duties as specified.

**Deputy Director, Planning and Transportation:** The Deputy Director will support the Managing Director and is also jointly responsible for the administrative and operational aspects of the Managing Agency. During the start-up period, the Deputy Director will assist in negotiation of the ITA, while also overseeing the daily administration of the LOSSAN Agency. The Deputy will be largely responsible for ensuring the regular schedule of the Board of Directors and Technical Advisory Committee are maintained and the existing relationships with all stakeholders are held in good standing. The Deputy will also be responsible for the long-term strategic planning, implementation of key initiatives, regular performance reporting and analysis, development of performance standards, service planning, oversight of project specific activities, preparation of the annual business plan, and oversight of the preparation of TAC and Board agendas.

**Operations & Mechanical Officer:** The Operating and Mechanical officer will bear responsibility for the oversight and contract compliance of daily operations and vehicle/equipment maintenance to ensure compliance with the operating/maintenance contract and all provisions there in, including onboard services. This will include ensuring compliance with the Amtrak contract provisions to maintain the 10 state-owned cars, as well as oversight of the Amtrak operating provisions and general disposition of all vehicles used for Pacific Surfliner service. An Assistant Mechanical Officer is not proposed due to the small number of state-owned cars the LOSSAN Agency would be responsible for overseeing.

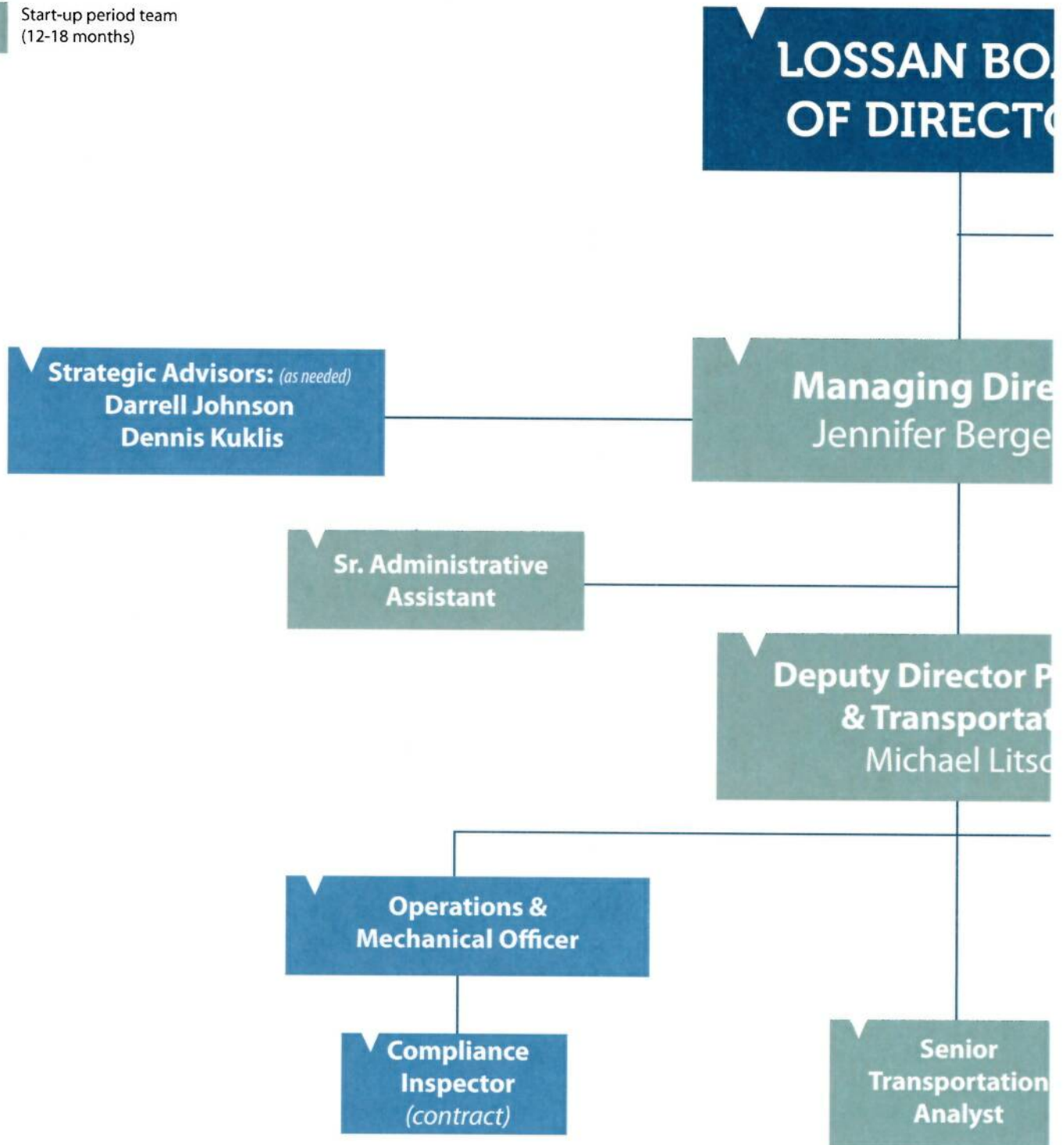
**Compliance Inspector (possibly contract):** The Compliance Inspector will directly report to the

Operations and Mechanical Officer. This position may possibly be contracted out to provide for a wider breadth of skills and knowledge base at a lower cost than a full time employee and a lower risk to the LOSSAN Agency. A final determination will be made based on qualified candidates and cost to the Agency. The Compliance Inspector will be responsible for assisting with the duties assigned to the Operating & Mechanical Officer, and will be individually responsible for auditing the operations of the service to ensure compliance with both the operating contract and maintenance contract with Amtrak.

This function may warrant a second position commensurate with the planned delivery of additional state-owned equipment in 2016. The need will be assessed at that time and reported back to the LOSSAN Board.

**Finance & Administration Officer:** The Finance and Administration Officer will be responsible for serving as the lead staff for all financial, contracting, and labor relations aspects of administering service along the LOSSAN Corridor. The specific duties of this position will include the administration of contracts, the preparation and certification of financial statements, oversight of the annual budget development, and all aspects of human resources. The Finance & Administration Officer will be individually responsible for the oversight of these aspects and will utilize the support services provided by OCTA to assist in the daily activities thereby allow the corridor to take full advantage of the support services provided by OCTA and covered in the overhead rate.

**Marketing Manager:** The Marketing Manager will be responsible for the oversight of all marketing related items including social media, advertising, website development and maintenance, promotional opportunities, and general marketing of the service. This position will work closely with shared staff in OCTA's marketing department for all support services including design, copy writing and printing, as well as media relations. A key function of this position will include coordination with the other service providers and agencies along the LOSSAN Corridor to ensure the greatest possible passenger experience and connectivity. The Marketing Manager will also oversee



## LOSSAN MEMBER AGENCIES





BOARD  
MEMBERS

Legal Services  
(contract)

Director  
General

**Shared Services Provided by OCTA:**

- Audit
- Contracts and procurements
- Clerk of the Board
- Finance
- Government relations
- Grants
- Human resources
- IT
- Marketing and media relations
- Risk management
- State and federal programming

Planning  
Director

Finance &  
Administration Officer

Marketing  
Manager





all marketing and advertising contracts entered into by the JPA.

**Senior Transportation Analyst:** The Senior Transportation Analyst will primarily support the Deputy Director of Planning and Transportation with Board and TAC agenda preparation. These duties will include reviewing and reporting on the performance standards, developing both long- and short-range plans, implementation of those plans, as well as providing assistance as needed to the other functional areas.

**Senior Administrative Assistant:** The Senior Administrative Assistant will report directly to the Managing Director, and will provide direct support for all administrative functions, including LOSSAN Board member communications, agenda review, travel assistance correspondence, budget development, and a host of other duties as needed.

OCTA has proposed an organizational structure that we believe best serves the needs of the corridor. This organizational structure proposes fewer dedicated positions than the sample included in the RFP, and supports the approach outlined above. We believe this structure allows for the vital functions and needs of the corridor to be well met while allowing for the opportunity to hire key dedicated positions as necessary upon completion of the ITA negotiation.

OCTA considered the Engineering Officer position as included in sample org chart in the RFP, but understanding the ownership of the LOSSAN Corridor and the likelihood that most future capital improvements will be led by local agencies, we believe it is prudent to leave this position vacant until such time as a need arises for a dedicated, full-time capital projects manager. At that time, we will consider the need and weigh the cost of a full-time staff position versus a contracted position to fulfill the likely temporary need. OCTA will have sufficient in-house capabilities to apply for capital grants and to manage projects through the minor capital program.

Recruitment for the additional positions required in the Initial Period would take place toward the end of the ITA negotiation period, with the goal of having the additional staff in place at least 60 days before the transfer of management responsibility is complete.

## Recent OCTA Projects in LOSSAN Corridor

- *Metrolink Service Expansion - \$95 million*
  - Turnback Facilities
  - Control Points
  - Crossovers
- *Orange County Grade Crossing Improvements - \$93 million*
- *Fund track/signal rehab and upgrades*
- *Managed LOSSAN Quick Improvements Study*
- *Contract administrator for LOSSAN Strategic Assessment*
- *Managed operations modeling contract for LOSSAN Strategic Implementation Plan*
- *Led CEO Working Group on LOSSAN governance*
- *Helped draft and advocate for SB 1225*
- *Worked with Caltrans, Metrolink, SANDAG to draft federal grant applications for LOSSAN projects*
- *Completed Project Study Reports for five grade separations along LOSSAN corridor*
- *Introduced Angels Express Metrolink trains, which provided service to 46 Angels games*
- *Completed conceptual design and environmental analysis for new track capacity*

OCTA has well-established policies and procedures in place to recruit for these positions as necessary, and also has ample staff in place to assist during the recruitment process. This will allow for continuity and ease of information transfer to the new staff positions.

## SHARED POSITIONS

In addition to the dedicated positions outlined above, OCTA proposes to use shared positions to provide services in key areas such as information technology (IT), finance, government relations, contracts, marketing/communications, human resources and clerk of the board. All shared positions necessary to support the JPA are included in OCTA's overhead rate, as detailed in the cost proposal.

The following is an overview of OCTA's proposed shared administrative positions and capabilities.



**Audit:** Internal Audit is responsible for examining and evaluating financial, administrative, and operational activities of OCTA, and supplying management with information to assist in its control of assets and operations for which it is responsible. OCTA will provide for an annual independent financial audit of the LOSSAN JPAs accounts, and the results of the audit will be made available to any of the LOSSAN Member Agencies upon request.

**Contracts Administration and Materials Management:** Contracting and purchasing all goods and services, implementing the Disadvantaged Business Enterprise program, preparation of solicitation documents, conduct pre-proposal meetings, chair evaluation committees, contract negotiation, oversee contracts through completion, various vendor outreach activities. It will provide all procurement and contracts support to the LOSSAN Agency.

**Clerk of the Board:** Recording and preserving records, preparation and distribution of agendas, upholding California open meeting laws, maintain comprehensive record of Committee and Board actions, Board member compensation, travel, and administrative support, receives and processes all legal documents, collect and process the annual Statement of Economic Interest filing. It will support the 12 annual LOSSAN Board meetings.

**Finance:** General accounting, financial reporting, accounts payable and receivable, billing, payroll, processing all bus fare collection, produce all annual reports and financial statements, develop and maintain financial plans, monitor expenditures, reporting budget variances, verifying budget authority, conduct various fiscal studies. It will process all LOSSAN Agency invoices and assist with preparation of the annual budget, business plan and financial statements.

**Government Relations:** Responsible for local government relations as a liaison between OCTA and cities to ensure community engagement; liaison with members of the California Senate and state agencies; liaison with members of Congress and federal agencies; develops and maintains a competitive and proactive grant funding program. It will provide support to the LOSSAN Agency all legislative and advocacy issues.

**Grants:** Responsible for developing and maintaining a competitive and proactive grant funding program that is responsive to the needs of OCTA. These efforts include maximizing funding opportunities from all grant resources and promoting the favorable formulation of grant-related legislation and rule making. The department is responsible for timely grant applications, performance of awarded grants, and the responsible use of grant revenues. OCTA staff successfully developed over \$248 million in grant requests from a variety of federal, state, and local sources, and more than \$127 million in grants have been awarded for fiscal year 2012-13.

**Human Resources:** HR planning, employment processes, administering compensation and employee benefits, employee training and health & wellness programs, labor and employee relations, risk management, training and development, management services.

**Information Technology:** Manages the effective and secure delivery of computing and communication solutions to all business units, reliable computing and communications environment, systems and business support, business intelligence, project management, responsive help desk, customer support, and technology training.

**External Affairs/Marketing:** Responsible for creating awareness and building usage of transportation services and programs, including digital communications (Web site, social media, e-communications), creative support services, vanpool, bicycle and rideshare programs, customer engagement and relations, and pass sales. Public communications in support of capital projects, media relations, market research, support of transparency initiatives. It will provide support to the LOSSAN Marketing Manager in media relations, collateral development and printing, ad buys, and new media.

**Risk Management:** Work with the LOSSAN Agency to transfer any risk or exposure to risk involving work performance that requires expertise outside LOSSAN Agency's internal capacity to perform such work; utilize all available low exposure remedies to resolve contractual matters, claims and litigation; actively consult and communicate with internal customers, and external stakeholders to assure a consistent focus



and delivery of sound risk management practices for programs and projects; assure legal compliance and detect, investigate and prosecute fraud.

**State/Federal Programming:** Programs state and federal funds to maximize their use to implement the highways, rail, bus, and streets and roads program of projects. Once funds are committed, the programming function works with the capital programs division to ensure that the projects are delivered consistent with commitments to the scope and schedule of the project, officially permitted uses, timely use of funds, and regulatory matters. Another primary function of the department is programming and administration of state and federal transportation funding programs through the Federal Transportation Improvement Program, submittal of grant applications, and acting as the Regional Transportation Planning Agency and liaison to the California Transportation Commission.

### OCTA STAFF RAIL EXPERIENCE

Over the years, OCTA has devoted significant funding and resources toward enhancing the 42 miles of the LOSSAN Corridor it owns between Fullerton and San Clemente, as well as share of the River Corridor in Los Angeles County on either side of Los Angeles Union Station. OCTA's Rail Programs Department has the primary responsibility for managing all projects and services on the LOSSAN Corridor and will provide many of the key staff members that will support the LOSSAN Agency.

OCTA 14-member Rail Programs Department is responsible for providing coordinated passenger rail service that supports and matches the growth and development patterns of the County and region. In addition, the department is responsible for many complementary transit projects and programs such as the development and implementation of an efficient rail transit system using OCTA owned railroad rights of way in Orange County. The primary functions of OCTA's Rail Department are outlined below:

#### *Rail capital project delivery*

Rail capital projects include those necessary to sustain existing and increased Metrolink commuter-rail and Amtrak intercity service, station improvements,

parking expansions, grade separations, and the grade crossing safety enhancement/quiet zone program. Rail projects carried out within railway right-of-way include safety improvements, new track capacity design and construction, signal system improvements, regular maintenance, rehabilitation projects, and rail facilities.

The Rail Department defines the scope, schedule and budget of each project based on program needs and then works toward the implementation of those projects. Day-to-day tasks may include capital project planning, developing scenarios for financing, coordinating with external agencies, managing cooperative agreements with other agencies, and managing project delivery consultants for successful delivery of projects. In addition, OCTA staff manages the day-to-day maintenance of the 48 miles of right-of-way it owns, including 42 miles on the LOSSAN Corridor.

#### *Local Initiatives*

The Local Initiatives section manages programs such

### OCX: OCTA RAIL-HIGHWAY GRADE CROSSING SAFETY ENHANCEMENT PROGRAM

- Largest project of its kind in U.S.
- \$93 million in capital investments, primarily along the LOSSAN corridor
- Enhanced safety at 52 grade crossings throughout Orange County
- Regional scope, local approach
- Effective coordination between BNSF, UP, Amtrak, Metrolink, eight cities
- Installation of cutting-edge grade crossing safety infrastructure
- OCTA invested local funds to benefit all railroads/agencies involved
- Built strong working relationships with Federal Railroad Administration and California Public Utilities Commission
- Allowed cities to establish "quiet zones"



as Go Local, which is aimed at improving first- and last-mile connections to Orange County's commuter and intercity rail stations. This program is intended to broaden the reach of Orange County's backbone rail system to key employment, population, and activity centers.

There are currently two projects advancing through this program: the City of Anaheim's, Anaheim Rapid Connection serving the Anaheim Regional Transportation Intermodal Center (ARTIC) through the Anaheim Resort, Platinum Triangle, and Anaheim Convention Center area, and a fixed-guideway system under development by the cities of Santa Ana and Garden Grove which will serve the Santa Ana Regional Transportation Center through downtown Santa Ana to the Civic Center and ultimately to Harbor Boulevard in the City of Garden Grove.

#### *High-speed rail corridor development*

Orange County and Anaheim are at the center of two proposed high-speed rail projects. Staff participates in all planning and development activities related to high-speed rail on the OCTA-owned railroad rights-of-way in Orange County as well as ensuring coordination with existing rail operations and the development of ARTIC. State and regional coordination is required to ensure Orange County is positioned to receive the maximum benefit from high-speed rail funding and implementation.

#### *Rail operations and service planning*

As one of the five member agencies that comprise the Southern California Regional Rail Authority, OCTA participates in the design and operation of Metrolink service in Orange County. Commuter rail operations staff serves as the liaison with Metrolink, Amtrak, and freight operators involved in route and service planning, funding, and implementation. In addition to coordination of daily Metrolink operations, the team coordinates the StationLink bus feeder service and special trains, promotional activities and outreach. The commuter rail operations staff is also responsible for the on-going coordination and service integration efforts on the LOSSAN Corridor.

#### *Transit facilities capital projects*

The Transit facilities department plans, develops and delivers rail and bus facilities such as improvements and modification to OCTA's five bus bases and parking



and facility improvements at Orange County's 11 passenger rail stations.

The Rail Programs staff is also supported by an extensive team of on-call consultant resources that can be utilized on short notice to supplement staff in areas such as project management, engineering, operational modeling and service planning.

to ensure that the projects are delivered consistent with commitments to the scope and schedule of the project, officially permitted uses, timely use of funds, and regulatory matters. Another primary function of the department is programming and administration of state and federal transportation funding programs through the Federal Transportation Improvement Program, submittal of grant applications, and acting as the Regional Transportation Planning Agency and liaison to the California Transportation Commission.

#### **AGENCY FACILITIES**

The existing OCTA offices at 600 S. Main Street in the city of Orange are centrally located along the LOSSAN Corridor, less than three miles from both the Anaheim and Santa Ana Amtrak stations, and just over a mile from the Orange Metrolink station. Both stations are served by frequent Amtrak and Metrolink rail service, as well as connecting bus routes. OCTA is



immediately freeway adjacent near the interchange of Interstate 5 and State Route 22.

OCTA's current facilities will allow for the immediate and seamless integration of the Managing Agency staff and will also provide ample room for the growth of that staff following the completion of the ITA. This location serves as the OCTA headquarters and will provide direct access to all of the aforementioned shared support services. The facility includes a formal board meeting room that will be available to serve the LOSSAN Board, and includes complete accommodations for digital presentations and streaming audio.

### RISK MANAGEMENT PLAN

Based on OCTA's understanding of the potential risks to the new LOSSAN Agency, it recommends the following insurance policies, which are included in the cost proposal found at the end of this document:

- **Public Officials Errors & Omissions** - Coverage designed to protect the Board from actual or alleged claims of errors and omissions, negligence, breach of duty, misstatements. Coverage for a \$1,000,000 limit, \$25,000 deductible estimated at an annual premium of \$30,000.
- **Employment Practices Liability** - Provides protection for an employer against claims made by employees, former employees, or potential employees. It covers discrimination (age, sex, race, disability, etc.), wrongful termination of employment,

sexual harassment, and other employment-related allegations, including third parties. Coverage for a \$1,000,000 limit, \$50,000 deductible is estimated at an annual premium of \$10,000.

- **Crime Insurance** - Protects the JPA from robbery, burglary and employee theft of money and securities. Coverage for a \$2,000,000 limit, \$10,000 deductible is estimated at an annual premium of \$2,500.
- **Commercial General Liability** - Protects the organization from claims for bodily injury and property damage arising out of premises, operations (not including railroad operations), products and completed operations; and advertising and personal injury liability. Coverage for a \$3 million limit is estimated at an annual premium of \$12,000.

Dedicated LOSSAN employees will be covered under OCTA's existing workers compensation and employer's liability coverage, and will be expected to abide by all applicable OCTA policies and procedures, which will be referenced in the Administrative Services Agreement.

Other insurance may be required depending upon the outcome of negotiations on the ITA and the annual operating contract with Amtrak. In negotiating agreements on behalf of the LOSSAN Agency, OCTA will seek to ensure that the JPA and member agencies are also protected from any potential exposure related to the performance of contractor work or product.





*Figure 1:*

<b>OCT</b>	Preliminary revenue estimates are projected based on annual business plan; budget targets are given to each division.
<b>NOV</b>	Budget requests are submitted by each department and reviewed to ensure conformance with established budget targets set by management.
<b>DEC/ JAN</b>	Projected revenues are refined and compared to estimated expenditures to ensure a balanced budget. Budget requests are further reviewed by an internal budget committee appointed by the Managing Director. A comprehensive presentation of the proposed expenditure plan is reviewed with the management team and LOSSAN TAC. In coordination with the LOSSAN Finance Officer, OCTA's Financial Planning & Analysis (FP&A) team prepares the proposed budget and accompanying documents. Conduct necessary public outreach on Business Plan and budget.
<b>JAN/FEB</b>	The proposed budget and Business Plan are distributed to LOSSAN Board Members, Executive Management, and members of the press and public. Staff conducts a Budget Workshop with the LOSSAN TAC and Board. Executive management and FP&A staff meet individually with Board Members as necessary. Finance staff attends each Board meeting to further review and explain budget details.
<b>FEB/ MAR</b>	Managing agency staff formally present the draft budget and Business Plan to the LOSSAN Board for review and approval. Approved business plan is submitted to the California Transportation Agency.
<b>MAY</b>	LOSSAN staff ensures the funding levels in the governor's May Revise budget align with the draft LOSSAN Budget.
<b>JUL/AUG</b>	LOSSAN Board adopts final budget after confirmation of annual allocation of operating funds from the State.
<b>AUG/SEP</b>	Managing agency staff finalize negotiations with Amtrak for operating agreement for subsequent federal fiscal year beginning October 1.

## **TASK FIVE: AGENCY BUDGET**

### **Business Plan Preparation**

The LOSSAN budget process begins with the preparation of a Business Plan, which must be submitted by the LOSSAN Board to the Secretary of the California Transportation Agency by April 1 each year. The Business Plan is a two-year budget and planning document that is updated annually. The

Business Plan must be approved by the California Transportation Agency each year, and the annual LOSSAN budget request must be consistent with the approved Business Plan. The initial Business Plan must be consistent with both the ITA and the most recent State Rail Plan.

The Business Plan will include the following key elements:



- Report on recent and historical performance (ridership, revenue, farebox recovery, on-time performance)
- Operating plan including proposed service enhancements
- Short- and long-term capital improvement programs
- Funding requirements for the upcoming fiscal year to maintain at least specified minimum levels of service
- Action plan with specific performance goals and objectives
- Discussion of how funding and accounting for state-funded intercity rail service will be separate from locally funded services
- Identification of any proposed changes in fares, schedules, capital improvements, or marketing and operational strategies to meet performance standards established in ITA
- Proposed changes in service amenities, or food and beverage services
- Identification of performance standards
- Verify reasonableness of ridership and revenue projections and funding request
- Route and schedule coordination with Amtrak Thruway bus services and other intercity rail corridors or passenger rail services

OCTA Finance staff members assisting with the financial components of the LOSSAN Business Plan have significant experience preparing OCTA's Comprehensive Business Plan (CBP), a business-planning tool designed to assist the OCTA in implementing its strategic goals and objectives. The CBP encapsulates OCTA's programs and outlines goals and objectives over the next 20 years, as articulated by the Board of Directors. This is accomplished within the framework of sound business through the use of financial modeling and divisional input and review, a comprehensive study of economic influences, and programmatic needs and objectives.

### Budget Preparation

Every year, OCTA develops its staffing, operating, and capital plans for the upcoming fiscal year. The product of this effort is an approved fiscal year budget. The budget outlines the expected funding sources and expenditures that represent OCTA's year-long commitment to transportation projects and services.

OCTA will use a similar process in developing the annual budget for the LOSSAN Corridor. The key milestones will align with the April 1 deadline for submitting an annual Business Plan and preliminary operating and capital budget to the LOSSAN Board for approval, as well as the timing of the annual allocation letter from the State confirming the amount of Public Transportation Account (PTA) funding available for the Pacific Surfliner corridor. The LOSSAN budget will include separate components for Managing Agency administration costs, rail operations and capital costs. Managing Agency staff will work closely with Caltrans to ensure that all projects are included in the appropriate planning document (State Transportation Improvement Program, etc).

A detailed budget development timeline is included as Figure 1.

### Budget Controls

OCTA maintains budget control through the formal adoption of an operating budget for the general, special revenue, enterprise, internal service, capital projects, debt service, and trust funds. The operating budget is prepared in conformity with generally accepted accounting principles except certain multi-year contracts for which the entire amount of the contract is budgeted and encumbered in the year of execution.

The approved budget can be amended by the Board to alter both appropriations and estimated revenues as unforeseen circumstances arise. OCTA is prohibited from employing more full-time equivalent (FTE) positions than were approved by the Board. Before they can be filled, staff positions must be approved by the Board during the annual budget process or in a separate budget amendment. The Capital budget will also be amended in the event unanticipated grant funds are received during the fiscal year.



## TASK SIX: KEY LOSSAN INITIATIVES

If selected as managing agency, OCTA will develop a strategic plan for the three-year Initial Term consisting of initiatives aimed at enhancing ridership, revenue, and on-time performance for review by the LOSSAN TAC and Board. A summary of initiatives OCTA recommends including in the plan is provided below.

### CUSTOMER EXPERIENCE

**Bicycle Storage:** Continue the work started by Amtrak and the Caltrans Division of Rail to address the increasing demand for bicycle storage on Pacific Surfliner trains. There was a vocal public backlash against the proposed \$5 bicycle reservation program, and there are continued calls for an expansion of bicycle storage beyond the seven spaces currently available on most Pacific Surfliner trainsets in the lower level of the cab car.



There is not a single easy fix for the bicycle storage issue given the limited space available for checked baggage, carry-on luggage, and passenger seating. Some passengers will pay a small fee for the guarantee of a spot for their bicycle; however, enhanced bicycle storage areas that allow for walk-on passengers should complement this service. It may be possible to convert a portion of the baggage compartment of the “coach baggage” car into additional bike storage. Modifying the lower level of Superliner cars or the baggage section of the cab car to accommodate additional bicycles may

be an option as well, but this could impact crew costs and station dwell times.

**Checked baggage:** Work with Amtrak to monitor the use of checked baggage service, as well as the impacts on operating costs and station dwell times of continuing to offer this service. Though some passengers using Pacific Surfliner trains prefer a checked baggage option, especially those connecting to Amtrak long-distance trains and Amtrak Thruway buses, most Amtrak intercity trains do not offer checked baggage service, even those that travel similar distances and connect to other Amtrak long-distance trains such as the Acela Express, Northeast Regionals, and Midwest corridor trains.

**Real-time train status information:** Amtrak currently provides train status information through a number of channels, including announcements at staffed stations, Passenger Information Display System (PIDS) signs on station platforms, and online through the “train status” feature on its Web site and mobile apps. Amtrak also provides train status updates and delay reports intermittently via the Pacific Surfliner Twitter feed. The JPA should consider promoting the mobile app as a convenient way to access train status information, but also improve the reliability of messages through the Twitter feed in the event of service disruptions.

**Rail 2 Rail:** Continue to work with Amtrak, Metrolink and Coaster to offer a Rail 2 Rail benefit to customers that provides an adequate reimbursement rate to the Pacific Surfliner JPA for carrying Metrolink and Coaster pass holders on state-funded intercity trains. The program should be focused on serving shoulder and off-peak hours when commuter service is not available and when Pacific Surfliner trains typically have more capacity.

**Station improvements:** Using previous studies and input from member agencies and station owners, compile a list of prioritized capital projects at stations that could be candidates for minor capital program funds. Consider a corridorwide call for projects with a small local match requirement that provides an incentive for station owners, including cities and local transportation agencies, to prioritize funding for station and platform improvements.



**Food and beverage:** Continue to work with Amtrak to refine the café car menu to improve Customer Service Index scores for food and beverage service while maximizing revenue. Consider offering special events to allow a select focus group of riders to sample potential menu items.

## OPERATIONS

**Equipment and crew utilization:** Work with Amtrak to conduct a thorough analysis of crew and equipment turns in an attempt to identify efficiencies that could allow additional trips to be added in the most cost effective manner possible given existing equipment shortages. Also examine productivity of Amtrak Thruway bus service and look for opportunities to increase ridership and revenue working with partners at connecting rail corridors/agencies.

**On-time performance:** Despite recent improvements, Pacific Surfliner on-time performance still regularly hovers near 85 percent. Work with Amtrak to regularly review delay reports to identify most frequent causes for delay (mechanical, passenger/freight train interference, passenger/baggage issues) and identify potential mitigations. Work with Amtrak to set an aggressive on-time performance goal, using a 92 percent goal as a starting point. Establish a multi-agency, formal working group to focus on fundamental causes of OTP issues that includes Amtrak, NCTD, Metrolink, BNSF Railway and Union Pacific.

**Farebox recovery:** Work with Amtrak revenue management and operations staff, member agencies and Caltrans to develop a plan to ensure that Pacific Surfliner farebox recovery remains above 55 percent, as stipulated in SB 1225, including marketing, finance/fare and operations components. Closely monitor operating cost per train mile to ensure service efficiency.

**Differentiation of service:** Work with Amtrak, Metrolink and Coaster to ensure the Pacific Surfliner service complements, rather than duplicates, commuter rail service on shared corridors. The LOSSAN Strategic Implementation Plan approved by the LOSSAN Board in 2012 envisions the Pacific Surfliner service as an intercity service that provides faster trip times with fewer stops and is complemented by enhanced commuter rail service

provided by Coaster and Metrolink. Station stopping patterns should be carefully reviewed against ridership demand and travel time impacts and should not cause state-funded intercity service to duplicate commuter service.

**Service disruptions:** Work proactively to strengthen partnerships and cooperation with Metrolink and Coaster to ensure the best customer service possible in the event of an unplanned track closure or service disruption. Prepare after action reports, including protocols for providing alternate transportation, compensation, and follow-up letter or memo e-mailed to passengers after major delays. Consider negotiating emergency bus bridge agreements with local transit agencies and private bus operators. Currently, Amtrak passengers typically do not have a bus bridge option, but must simply wait on the train for the tracks to clear after an incident, which can sometimes take several hours.



**Special event service:** Continue providing Pacific Surfliner service to special events that draw large crowds and are not well served by Metrolink or Coaster such as the Del Mar Races, ComicCon, Chargers football games, etc. Ensure that trains serving these events have sufficient capacity to avoid crush load situations and are staffed appropriately to ensure a positive customer experience. Ensure appropriate resources are made available to accommodate high demand on holidays, and before and after college/university breaks.





**Rail safety:** Work with Amtrak and other rail operators in the corridor, as well as Operation Lifesaver, to continue to support rail safety outreach in the corridor. OCTA currently manages a comprehensive rail safety public outreach program and is an active member of Operation Lifesaver, with multiple staff members trained as Operation Lifesaver presenters.

## CONNECTIVITY

**Transit connectivity:** Review the costs and benefits of the existing transit transfer program, which provides connectivity to local transit systems with a free transfer. The program has been suspended by Caltrans pending negotiation of new agreements with transit operators. A transit transfer program has the potential to increase ridership by offering passengers a seamless “last mile” connection from the train station to their final destination; however, transfer policies and reimbursement rates and terms would have to be carefully negotiated to ensure the program was cost effective.

**On-board transit pass sales:** Explore selling discounted prepaid one-day passes in the cafe car to allow connectivity with larger transit systems such as Metro in Los Angeles or MTS in San Diego that cannot accept paper transfers and have more expensive transfer rates. The Capitol Corridor offers a similar program that allows passengers to purchase pre-paid BART passes for a \$2 discount.

**Statewide connectivity:** In making decisions about service levels and schedules, the Managing Agency should strive to balance the need for statewide connectivity from the Pacific Surfliner corridor to Amtrak Thruway buses and the San Joaquin and Capitol corridors with ridership demand and schedule constraints in local markets (e.g., Los Angeles to San Diego). It should also ensure future connectivity with the California High-Speed Rail project.

**Schedule coordination:** Work to improve coordination with Amtrak, Metrolink, and COASTER during schedule development. Consider implementing a memorandum of understanding among the three agencies outlining an annual schedule for service changes, and ensuring that the agencies have an in-person meeting well in advance of a proposed service change date where scheduling issues can be vetted before being presented to the LOSSAN TAC and Board for consideration. Planned work windows should also be coordinated through this group to minimize service disruptions.

## MARKETING

**Market research:** Review past market studies conducted by Amtrak, Caltrans, Metrolink and Coaster to identify opportunities to increase ridership and revenue by providing schedules and frequencies that more closely align with consumer demand. Conduct regular on-board surveys and market studies to help identify target markets as well as strategies and tactics to penetrate those markets.

**Joint marketing promotions:** Work through existing LOSSAN Corridor Joint Marketing Group to better coordinate and leverage marketing resources at Amtrak and member agencies. Consider pooling resources to maximize effectiveness of limited LOSSAN marketing dollars by planning corridorwide promotions or campaigns supported at the local level



by each member agency. Build on success of programs like “Car-Free Santa Barbara” by partnering with other local businesses, and convention and visitors bureaus.

**Social media:** Work to strengthen the Pacific Surfliner’s social media presence as part of a cost-effective marketing program. Caltrans has developed a well-established Facebook page with more than 73,000 followers, and more than 14,000 Twitter followers; however, both sites were inactive for nearly five months due to state budget and contract issues. Though the sites are now active, customer comments and questions still appear to go unaddressed.

**Newsletter:** Develop a quarterly newsletter that will be made available onboard trains as well as online. It would include service-related information, passenger comments and questions, and information on upcoming events and promotions, as well as a column from the Managing Director. The newsletter could highlight a different “weekend getaway” each issue, including information on destination deals and partnerships.

**School groups:** Continue to offer special promotions to incentivize school group travel to key destinations such as Mission San Juan Capistrano and Los Angeles Union Station. Work with local colleges and universities along the corridor on grass roots marketing efforts to promote the Pacific Surfliner as the preferred travel mode for students. Consider offering a discounted student summer pass.

**Explore new corridors:** Work with the Caltrans Division of Rail and local agencies to continue service development and advocacy efforts for new corridors identified in the California State Rail Plan that connect to the Pacific Surfliner corridor, including Coast Daylight service to San Jose and San Francisco, and Coachella Valley service to Palm Springs.

## BOARD OF DIRECTORS INVOLVEMENT

**Ride with Managing Director or Board members:** Consider hosting a quarterly event on-board the train that allows passengers to provide input on Pacific Surfliner service to the Managing Director or Board Members face to face. Alternate between southern and northern section of the corridor and promote the event via LOSSAN Web site, social media and news media.



**Board member rail pass:** Offer Pacific Surfliner JPA board members a transportation pass that allows access to Pacific Surfliner trains. This encourages board members to ride the train more frequently to experience the service firsthand. Previous legal opinions allow publically elected board members to accept a transit pass in order to monitor the service they are appointed to govern.

**Board member subcommittees:** Consider establishing two Board subcommittees – a Planning and Operations committee and a Finance and Administration committee – which would meet quarterly to focus on detailed actions and develop recommendations to forward to the full LOSSAN Board. Subcommittees would provide policy-level guidance to help implement key initiatives identified in the annual Business Plan.



**LOSSAN CORRIDORWIDE STRATEGIC VISION  
AND POTENTIAL INITIATIVES DURING THE INITIAL TERM**

1. **Collectively provide the infrastructure to allow more peak period trains, faster through-express trains and additional service improvements that meet current and future conventional and high-speed intercity, commuter, and freight demands both north and south of Los Angeles Union Station.**
  - a) Station Improvements: Using previous studies and input from member agencies and station owners, compile a list of prioritized capital projects at stations that could be candidates for minor capital program funds.
2. **Integrate regional fare policy and develop common fare media that are based in part on early implementation lessons in the corridor as appropriate (electronic revenue collection).**
  - a) Rail2Rail: Continue to work with Amtrak, Metrolink, and COASTER to offer a Rail2Rail benefit to customers that provides an adequate reimbursement rate to the Pacific Surfliner Joint Powers Authority (JPA) for carrying Metrolink and COASTER pass holders on state-funded intercity trains.
  - b) Develop cross-agency mobile ticketing applications for multi-agency/multi-mode access with a single ticket either purchased online or on smart phones.
  - c) Fare Integration: Integrate fare purchasing with all Southern California transportation providers.
  - d) On-Board Transit Pass Sales: Explore selling discounted prepaid one-day passes in the café car to allow connectivity with larger transit systems.
3. **Integrate and/or coordinate operations and develop more efficient operating schedules and dispatching for corridor services.**
  - a) Bicycle Storage: Continue the work started by Amtrak and Caltrans to address the increasing demand for bicycle storage on Pacific Surfliner trains.
  - b) Checked Baggage: Work with Amtrak to monitor the use of checked baggage service, as well as the impacts on operating costs and station dwell times of continuing to offer this service.
  - c) Food and Beverage: Continue to work with Amtrak to refine the café car menu to improve Customer Service Index scores for food and beverage service while maximizing revenue.



- d) **Equipment and Crew Utilization:** Work with Amtrak to conduct a thorough analysis of crew and equipment turn in an attempt to identify efficiencies that could allow additional trips to be added in the most cost-effective manner possible given existing equipment shortages.
- e) Work with Amtrak to regularly review delay reports to identify most frequent causes for delay (mechanical, passenger/freight train interference, passenger/baggage issues) and identify potential mitigations.
- f) **Farebox Recovery:** Work with Amtrak revenue management and operations staff, member agencies, and Caltrans to develop a plan to ensure that Pacific Surfliner farebox recovery remains above 55 percent, as stipulated in Senate Bill 1225 (Padilla, 2012) including marketing, finance/fare and operations components.
- g) **Differentiation of Service:** Work with Amtrak, Metrolink, and COASTER to ensure the Pacific Surfliner service complements, rather than duplicates, commuter rail service on shared corridors.
- h) **Service Disruptions:** Work proactively to strengthen partnerships and cooperation with Metrolink and COASTER to ensure the best customer service possible in the event of an unplanned track closure or service disruption.
- i) **Planned Absolute Work Windows:** Work proactively with the corridor partners to appropriately plan for service disruptions related to track maintenance, repair, and improvement projects.
- j) Develop a new incentive agreement with the Union Pacific Railroad tying infrastructure improvements to service development. This could be considered to provide a framework for investment in Corridor enhancements.
- k) Develop methods to enhance on-time performance.
- l) **Schedule Coordination:** Work to improve coordination with Amtrak, Metrolink, and COASTER during schedule development.

**4. Implement a strategy for seamless rail travel in the corridor.**

- a) **Transit Connectivity:** Review the costs and benefits of the existing transit transfer program, which provides connectivity to local transit systems with a free transfer.
- b) Coordinate connecting services with all Southern California transportation providers to ensure seamless transfers between modes to the greatest extent possible.



- c) Develop a coordinated marketing effort among all corridor public transit agencies, as well as others in Southern California with connecting services.
5. **Collaborate to identify and establish new services for un-served and underserved markets.**
- a) Special Event Service: Continue providing Pacific Surfliner service to special events that draw large crowds and are not well served by Metrolink or COASTER and insure appropriate resources.
  - b) Market Research: Review past market studies conducted by Amtrak, Caltrans, Metrolink, and COASTER to identify opportunities to increase ridership and revenue by providing schedules and frequencies that more closely align with consumer demand.
  - c) Joint Marketing Promotions: Work through existing LOSSAN Corridor Joint Marketing Group to better coordinate and leverage marketing resources at Amtrak and member agencies, including consideration for pooling resources.
  - d) Explore New Corridors: Work with the Caltrans Division of Rail and local agencies to continue service development and advocacy efforts for new corridors identified in the California State Rail Plan that connect to the Pacific Surfliner corridor, including Coast Daylight and Coachella Valley services.
  - e) Targeted Marketing Efforts: The re-launch of Pacific Surfliner service under local management provides an exciting opportunity to reach a broader customer base than is currently targeted by Amtrak. An effective marketing plan must take into account intercity submarkets and the Corridor demographics behind those submarkets. First step will be market survey research and development of marketing campaign including social media.
  - f) To boost ridership, there are numerous opportunities to partner with local attractions, sports events, and concerts, just to name a few. These opportunities not only provide positive exposure for the Pacific Surfliner service, but also promote the use of transit to reach these destinations. The LOSSAN Corridor program could link customers to a plethora of cultural, institutional, and commercial venues and stimulate local business throughout the Corridor.
  - g) Develop marketing partnerships with Southern California destinations to add value and encourage train travel to popular venues.
  - h) Develop strong business-to-business marketing tools to increase Pacific Surfliner's market share of regular, repeat business travelers.



- i) **School Groups:** Continue to offer special promotions to incentivize school group travel to key destinations such as Mission San Juan Capistrano and Los Angeles Union Station.
- 6. Integrate and improve traveler information, standardized to the extent possible.**
- a) **Real-Time Train Status Information:** Consider a mobile app as a convenient way to access train status information. Also, improve the reliability of messages through the Twitter feed in the event of service disruptions.
  - b) **Develop a website that allows trip planning across all Southern California modes of travel.**
  - c) **Borrowing from Capitol Corridor's experience,** the LOSSAN JPA should anticipate potential cost savings through local management of functions currently performed by Amtrak, such as customer call center duties.
  - d) **Rail Safety:** Work with Amtrak and other rail operators in the corridor, as well as Operation Lifesaver, to continue to support rail safety outreach in the corridor.
  - e) **Social Media:** Work to strengthen the Pacific Surfliner's social media presence as part of a cost-effective marketing program.
  - f) **Newsletter:** Develop a quarterly newsletter that will be made available on board trains as well as online.
- 7. Coordinate with Long-Distance Passenger Rail and connecting Motorcoach Services.**
- a) **Statewide Connectivity:** In making decisions about service levels and schedules, the Managing Agency should strive to balance the need for statewide connectivity from the Pacific Surfliner corridor to Amtrak Thruway buses and the San Joaquin and Capitol corridors and future High-Speed Train service.
- 8. Increased Role of the LOSSAN Board of Directors (new)**  
*(Note – TAC recommends these initiatives also be considered for the Start Up Term)*
- a) **Ride with Managing Director or Board Members:** Consider hosting a quarterly event on board the train that allows passengers to provide input on Pacific Surfliner service to the Managing Director or Board Members face-to-face.
  - b) **Board Member Rail Pass:** Offer Pacific Surfliner JPA board members a transportation pass that allows access to Pacific Surfliner trains to encourage board members to ride more frequently.



- c) Board Member Subcommittees: Consider establishing two Board subcommittees – a Planning and Operations and Customer Service committee and a Finance and Administration committee – which would meet quarterly to focus on detailed actions and develop recommendations to forward to the full LOSSAN Board.
- d) Visioning and Strategic Plan: The “New LOSSAN” defines a new era for passenger rail in the region. It is important that the service be defined by an effective strategy that will redefine the network. Working with the LOSSAN Board, Chief Executive Officers, and the Technical Advisory Committee, and facilitated by a consultant, initiate a Visioning Workshop that will set the foundation for this exciting new passenger rail management. Out of this workshop a Branding Task Force will be formed with the Member Agencies and LOSSAN leadership.
- e) Comprehensive Legislative Advocacy: A more cohesive brand identity for the LOSSAN Corridor, will increase public awareness of intercity rail services, and thereby, empower the LOSSAN JPA to pursue effective advocacy efforts at all levels of government.