



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

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**PLANNING AND PROGRAMMING COMMITTEE
NOVEMBER 18, 2009**

SUBJECT: LOSSAN MEMORANDUM OF UNDERSTANDING

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

Adopt the Los Angeles-San Diego -San Luis Obispo Rail Corridor Agency (LOSSAN) Corridor Memorandum of Understanding (MOU)

ISSUE

Adoption of the LOSSAN corridor MOU (Attachment A) will provide an opportunity to improve service in the LOSSAN corridor.

The LOSSAN corridor runs from San Diego to San Luis Obispo. Both passenger and freight rail operate in the corridor. Passenger service today is composed of COASTER, Metrolink and Amtrak Pacific Surfliner. Both the Amtrak Southwest Chief (Chicago to Los Angeles) and the Coast Starlight (Seattle to Los Angeles) also operate in a portion of the corridor.

LOSSAN is a joint powers authority that works to increase ridership, revenue, capacity, reliability, and safety on the coastal rail corridor. LOSSAN is governed by a Board of Directors whose voting members are: California Department of Transportation (Caltrans), Los Angeles County Metropolitan Transportation Authority (MTA), North County Transit District (NCTD), Orange County Transportation Authority (OCTA), San Diego Association of Governments (SANDAG), San Diego Metropolitan Transit System (MTS), San Luis Obispo Council of Governments (SLOCOG), Santa Barbara County Association of Governments (SBCAG) and Ventura County Transportation Commission (VCTC). The Southern California Association of Governments (SCAG) is an ex-officio member. The agency's Technical Advisory Committee (TAC) includes these member agencies and Amtrak, Burlington Northern Santa Fe Railway, Union Pacific, Southern California Regional Rail Authority and the California Public Utilities Commission as advisory members.

On September 9, 2009, the LOSSAN Board directed the member agency chief executive officers to develop an MOU that clearly articulates the corridor's shared vision of:

- Short-term roles and responsibilities
- Corridor-long responsibility and authority
- Corridor-long planning and investment (\$6 – 8 billion by 2025)
- Interactive electronic fare collection
- Recognition of the diverse nature of the corridor
- Better traveler information distribution including a consolidated timetable and corridor Web site
- Focus on local partnerships
- Identifies the Business Plan and the scope of work required to implement the shared vision
- Identifies the budget, resource requirements, respective responsibilities and schedule associated with completing the necessary studies, And
- Outlines the next steps after completion of the Business Plan analysis

POLICY IMPLICATIONS

Approving the MOU provides CEO Leahy and LACMTA LOSSAN Board members DuBois and Bacharach the opportunity to begin fulfilling the new vision for the LOSSAN corridor.

ALTERNATIVES CONSIDERED

1. Do nothing. This direction is not recommended since it would suggest a continuation of the status quo. In the status quo, the LOSSAN Board members would continue to meet quarterly and there would not be the opportunity to move towards a greater vision of customer service in the corridor.

2. Revisit SB 457. SB 457 (1996) provided the opportunity for intercity rail service between San Diego and San Luis Obispo to be administered by the Southern California Regional Rail Authority (SCRRA) through an expanded SCRRA membership. Metrolink member agencies did not support this approach expressing concern that the State might reduce or eliminate Amtrak Pacific Surfliner operating subsidy in the future, leaving the member agencies with the obligation to fund Amtrak service in the corridor. The LOSSAN member agencies may wish to explore State and/or Federal legislation in the future, should they determine that a new institutional structure would be important to the corridor.

FINANCIAL IMPACT

The FY10 budget includes \$70,000 in project #405533, Commuter Rail, task #2.03 LOSSAN non-SCRRA.

LACMTA currently pays \$12,000 annually to belong to the LOSSAN Board. This amount is reduced by \$2,000 as an offset in recognition of the estimated cost incurred by LACMTA in hosting LOSSAN Board and TAC meetings.

The LOSSAN CEOs have estimated the tasks associated with the completion of the corridor-wide business plan and the new Project Manager's duties, inclusive of salary and benefits, to be \$800,000 to \$1.2 million over the next 18 months. It is anticipated that LOSSAN member agencies will share in this cost, however, the new allocation formula is under development and staff will return to the LACMTA Board for approval once finalized.

Impact on Bus and Rail Operating and Capital Budget

The source of funds used for these activities is Prop C10%, Commuter Rail/Park and Ride funds. These funds are not eligible for bus and rail operating or capital projects (except for capital park and ride lots). No other source of funds was considered. Adoption of this MOU will increase overall MTA costs annually, but will not increase the bus and rail operating or capital budget.

BACKGROUND

The LOSSAN Joint Powers Authority (JPA) was formed in 1989 and expanded in 2002 to include SANDAG, SLOCOG, SBCAG and VCTC as voting members.

Amtrak's Pacific Surfliner intercity passenger rail service is the nation's second busiest rail corridor. Amtrak shares the corridor with SCRRA, operating Metrolink commuter service from the Oceanside to Los Angeles and the Inland Empire and from Ventura to Los Angeles and NCTD, operating COASTER commuter rail service from Oceanside to downtown San Diego.

The California High Speed Rail Authority (CHSRA) will be asked to be a party to this MOU since a significant portion of their proposed alignment in Southern California also runs on the LOSSAN corridor. Service coordination will become that much more important with the potential of high speed trains running every five to ten minutes in each direction over the same corridor served by COASTER, Metrolink and Amtrak.

Current planning and programming responsibilities in the 351-mile LOSSAN corridor are split between agencies. Investment strategies in the corridor rest with the State and the county transportation agencies. Corridor services are operated by three passenger rail and two freight rail operators and seven agencies own portions of the rail right of way

This type of perspective results in no single entity being responsible for administering the overall corridor.

Today, customers and potential customers are sometimes confused and dissuaded from using the service or transferring between services by the three different logos in the corridor, lack of coordinated connections, complicated schedules, three different fare media structures, different fare collection methods and very little joint fare media. Also, the system today does not accommodate a customer who lives near a non-Amtrak served Metrolink station in Los Angeles or Orange County and wishes to travel to and from work during normal commute hours in San Diego County.

Through this MOU, the LOSSAN Board of Directors will study current and potential travel patterns, both commute and non-commute, and begin working towards new service and service improvements in the corridor that will better meet the customer's needs and provide more opportunities for seamless travel. Future capital improvements in the corridor will be discussed in the context of a corridor-long perspective and likely target those improvements that increase ridership and/or revenue, enhance the customer experience, and open service to new markets. In the short-term, the LOSSAN Board seeks to accomplish some "early action items" which include the creation of a consolidated timetable and the establishment a LOSSAN corridor Web site. These two improvements alone should help remove some of the confusion and complexities of understanding how to ride a train in this corridor.

As the vision is fulfilled, the LOSSAN Board seeks to provide the infrastructure that will allow for 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.

NEXT STEPS


Fully execute the Memorandum of Understanding and return to the LACMTA Board for approval of the dues structure.

The LOSSAN Board of Directors will next meet on December 9, 2009 at LACMTA to continue discussion of these developments.

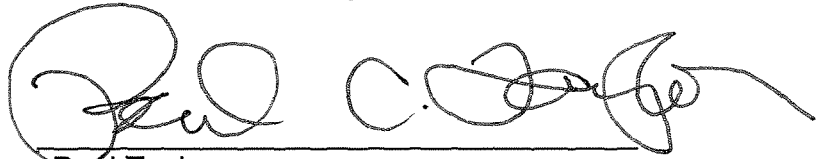
ATTACHMENT

A. LOSSAN Memorandum of Understanding


Prepared by: Alex Clifford, Executive Officer – High Speed Rail



Alex Clifford
Executive Officer, High Speed Rail



Paul Taylor
Deputy Chief Executive Officer



Arthur T. Leahy
Chief Executive Officer

ATTACHMENT A

MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
SAN DIEGO METROPOLITAN TRANSIT SYSTEM
SAN DIEGO ASSOCIATION OF GOVERNMENTS
NATIONAL RAILROAD PASSENGER CORPORATION
NORTH COUNTY TRANSIT DISTRICT
ORANGE COUNTY TRANSPORTATION AUTHORITY
SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
VENTURA COUNTY TRANSPORTATION COMMISSION
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS
SAN LUIS OBISPO COUNCIL OF GOVERNMENTS
CALIFORNIA DEPARTMENT OF TRANSPORTATION
CALIFORNIA HIGH-SPEED RAIL AUTHORITY

This Memorandum of Understanding (MOU) dated October __, 2009 between (list all parties), (referred to herein individually as a Party and collectively as the "PARTIES" sets forth principles, responsibilities, activities and work, and funding needs required to support the development and implementation of a Business Plan for the LOSSAN corridor to support improved freight, commuter, intercity, and high speed rail operations in the corridor.

Whereas the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor runs through a six-county coastal region in southern and central California from the City of San Diego, to the City of Los Angeles, and terminates in the City of San Luis Obispo;

Whereas the LOSSAN rail corridor is the second busiest intercity rail (Amtrak Pacific Surfliner service) corridor in the United States of America;

Whereas, the LOSSAN Corridor is a federally recognized high speed rail corridor eligible for federal funding (Section 3043(c)(105) of SAFETEA-LU for New Starts funds)

Whereas Metrolink and COASTER commuter rail services and Amtrak's Pacific Surfliner service carried more than 8.5 million riders in FY 09 along the LOSSAN corridor;

Whereas BNSF Railway and Union Pacific (UP) own portions of and provide freight rail transportation on the LOSSAN rail corridor that supports the movement of goods from the Ports of San Diego, Los Angeles, and Long Beach;

Whereas MTS, NCTD, OCTA, MTA, and VCTC own portions of the LOSSAN corridor railroad right of way;

Whereas, MTA, SCAG, OCTA, NCTD, MTS (formerly MTDB), SANDAG, and Caltrans in 1989 formed the LOSSAN Joint Powers Authority (JPA) to implement Study Group recommendations directed by Senate Bill 1095 (Craven) in 1987;

Whereas, the LOSSAN Joint Powers Authority in 2002 added VCTC, SBCAG, SLOCOG, and SANDAG as voting members and appointed a full complement of directors from member agencies;

Whereas, the LOSSAN JPA is advised by a Technical Advisory Committee (TAC) consisting of representatives from its member, ex officio, and advisory member agencies,

Whereas, the LOSSAN Joint Powers Authority in 2007 completed the "LOSSAN North Strategic Business Plan" and the "LOSSAN Corridor-wide Strategic Business Plan";

Whereas, Proposition 1B (2006), the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, dedicates \$400 million in state general obligation bonds to the state's intercity rail program, including projects along the LOSSAN corridor,

Whereas, Proposition 1A (2008), the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, dedicates \$9 billion to the state's High-Speed Train system, including HST improvements along the segments of the LOSSAN corridor and \$950 million to urban feeder rail services including the Pacific Surfliners, Metrolink, COASTER, and other feeder services along the corridor,

Whereas, President Obama in 2009 signed the American Recovery and Reinvestment Act, providing for \$8 billion for high-speed and intercity passenger rail improvements nationwide;

Whereas, the LOSSAN Joint Powers Authority has expended much time, effort, and public funding on studies and capital projects to support improved and expanded rail operations in the corridor;

Whereas, the LOSSAN Joint Powers Authority recognizes the urgent need to advance efforts to support improved customer information, service(s) coordination, and operations to the following action at its meeting of September 9, 2009 directing the member agency chief executive officers (CEOs) to:

- (1) Draft a memorandum of understanding (MOU) that
 - (a) clearly articulates our shared vision of
 - Short-term roles and responsibilities

- Corridor-long responsibility and authority
 - Corridor-long planning and investment (\$6-8 billion by 2025)
 - Interactive electronic fare collection system
 - Recognition of the diverse nature of the corridor (e.g., North and South of Los Angeles Union Station; discretionary intercity and commuter passengers)
 - Better traveler information distribution including a consolidated timetable and corridor website
 - Focus on local partnerships
- (b) identifies the Business Plan tasks/scope of work required to support implementation of that shared vision,
- (c) identifies the budget, resource requirements, respective responsibilities, and schedule associated with completing the necessary studies, and
- (d) outlines the next steps after completion of Business Plan analysis.
- (2) Move forward with identification of the lead agency acting for LOSSAN to hire a project manager/principal (title to be determined and hereafter referred to as PM) to work independent of any one Party and report directly to the LOSSAN Board of Directors, with input from the Technical Advisory Committee and oversight by a steering committee of member agency chief executive officers or their designee, and lead the development of a Business Plan that will provide the operating plan, ridership forecasts, capital and operating requirements and the public benefits associated with implementing a coordinated and expanded rail operations plan for the LOSSAN rail corridor and develop a draft job description for this position.
- (3) Work collaboratively to (a) build a Business Plan that accounts for the plans associated with intercity rail passenger service, local commuter rail services and freight rail services. The transportation plan will demonstrate the desire and ability to collaborate with member agencies for the success of the LOSSAN corridor and (b) to find an early victory that demonstrates that we can work collaboratively to implement initiatives (e.g., joint timetable).
- (4) Develop an initial work plan of tasks that can be completed in FY 2010 (October 2009 – June 2010)

Whereas, the agency chief executive officers have worked collaboratively to implement the actions of the LOSSAN Joint Powers Authority at its meeting of September 9, 2009;

NOW THEREFORE, the PARTIES hereby set forth their mutual understandings and actions required to support the implementation of the LOSSAN Joint Powers Authority action regarding Agenda Item #6 at its meeting of September 9, 2009;

Section 1 Vision for Corridor

The parties agree to the following actions in order to implement a corridor vision:

- 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
- 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)
- Integrate and/or coordinate operations and develop efficient operating schedules and dispatching for corridor services
- Implement a strategy for seamless rail travel in the corridor
- Collaborate to identify and establish new services for underserved markets
- Integrate and improve traveler information
- Coordinate with Long-Distance Passenger Rail and Motorcoach Services

Section 2 Short-Term Actions

The parties agree to the following short term actions:

- Development of a scope of work for a Business Plan that identifies the required work to support the implementation of the shared vision for the corridor (August 2009; CEOs/TAC to lead).
- Development of job description for the LOSSAN Corridor Program / Project Manager (October 2009; CEOs/TAC to lead)
- Identify the budget, resource requirements and schedule associated with completing the Business Plan that includes ridership and revenue forecasting, operational modeling, operating and capital costs, and an analysis of the benefits of the proposed changes (including infrastructure, rolling stock, stations, fare collection technology, & management). (February 2010; PM to lead)
- Development of a scope of work for the Program/Project Manager to focus on between October 2009 – April 2011 including completion of the Business Plan by September 2010 (October 2009; CEOs/TAC to lead and the Project Manager is to detail this work plan within 30 days of hire)

In an effort to make immediate changes that have a direct, positive experience on the traveling public, the parties agree to direct the PM to focus on the following early action items:

- Implementation of service modifications of both COASTER and Metrolink service with a goal of serving under served markets (January 2011)

- Implementation of a program similar to the Rail 2 Rail Program to include COASTER, Metrolink & Amtrak under one unified program (June 2010)
- Implementation of a limited stop express service between San Diego, Orange County and Los Angeles with continuing service to Ventura, Santa Barbara, and San Luis Obispo (January 2011)
- Development of a joint timetable (January 2010)
- Implementation of remaining tasks from the LOSSAN Corridor Quick Improvements Study, July 2008 (August 2010)
- Revise Amtrak schedule to better serve the Ventura-Santa Barbara peak period market (January 2011)
- Review these actions with the Business Plan for consistency (Ongoing)

Section 3 - Long-Term Actions

Based upon the Business Plan, the parties agree to

- decide upon the appropriate institutional and organizational structure for the future success of the LOSSAN corridor
- implement “Coast Daylight” services to close the gap in state-supported intercity rail services connecting downtown Los Angeles and downtown San Francisco along the coast route

Section 4 - Priority of Projects/Funding

The parties agree to develop a prioritized program of projects with the goals of realizing the shared vision of the corridor without regard to operational and jurisdictional boundaries.

Section 5 - Board/Stakeholder Feedback

Each member agency will be responsible for gathering comments and feedback from their respective Boards of Directors as a key input into this process.

The parties also agree to solicit input from the Federal Railroad Administration in the development of the Business Plan and to consult the *Railroad Corridor Transportation Plans Guidance Manual, FRA, July 8, 2005*.

Non-binding Memorandum of Understanding

The parties acknowledge and agree that this Memorandum of Understanding is a non-binding understanding of agreed upon vision, goals, and plans for the LOSSAN Corridor and not a contract. Any definitive agreement reached in connection with the matters described herein shall be subject to the approval of the parties' duly authorized representatives, which approval may be withheld or conditioned in their sole discretion. No joint venture, partnership or other undertaking shall be deemed to exist as a result of this Memorandum of Understanding.

