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LOSSAN AGREEMENT NO. L-8-0010

1 COOPERATIVE AGREEMENT NO. L-8-0010

2 BY AND BETWEEN

3 LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY

4 AND

5 ORANGE COUNTY TRANSPORTATION AUTHORITY

6 FOR

7 MANAGING AGENCY SERVICES FOR THE OVERSIGHT OF THE STATE-FUNDED PACIFIC
8 SURFLINER INTERCITY PASSENGER RAIL SERVICE

9
10 THIS COOPERATIVE AGREEMENT (“Agreement”), is effective this 1st day of
11 July, 2018, by and between the Los Angeles – San Diego – San Luis Obispo Rail
12 Corridor Agency (“LOSSAN Agency”), the Orange County Transportation Authority (“OCTA”), a public
13 corporation of the State of California (hereinafter referred to as “AUTHORITY”); and (LOSSAN Agency
14 and the Authority) are each sometimes referred to herein as a “PARTY” and collectively referred to as
15 “PARTIES”):

16 RECITALS

17 **WHEREAS**, the LOSSAN Agency is a joint powers authority as amended pursuant to Senate Bill
18 1225 (Chapter 802, Statutes of 2012);

19 **WHEREAS**, pursuant to the Intercity Passenger Rail Act of 2012, the LOSSAN Agency is
20 authorized to administer the state-funded intercity passenger rail service for the corridor between San
21 Diego – Los Angeles – San Luis Obispo; and

22 **WHEREAS**, the LOSSAN Agency entered into an interagency transfer agreement (“ITA”) with the
23 State of California (“State”) to formally assume those responsibilities, effective July 1, 2015; and

24 **WHEREAS**, in California, AMTRAK operates state-supported intercity passenger rail service
25 along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor; this service is known as
26 the *Pacific Surfliner* (“Service”); and

1 **WHEREAS**, the AUTHORITY is a member agency of the LOSSAN joint powers authority; and

2 **WHEREAS**, the AUTHORITY was selected following a competitive procurement to serve as the
3 managing agency on behalf of the LOSSAN Agency for the "start-up" period preceding the ITA and an
4 initial term of three years following the execution of the ITA. That term is set to expire June 30, 2018; and

5 **WEHREAS**, the LOSSAN Agency Board of Directors and member agencies desire to have the
6 AUTHORITY to continue to serve as the managing agency; and

7 **WHEREAS**, the PARTIES desire to enter a cooperative agreement to define the roles,
8 responsibilities and scope of services for the AUTHORITY to continue to serve as the managing agency;

9 **NOW, THEREFORE**, it is mutually understood and agreed by the PARTIES as follows:

10 **ARTICLE 1. COMPLETE AGREEMENT**

11 This Agreement, including any appendices and documents incorporated herein and made
12 applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of
13 the AGREEMENT between the PARTIES concerning the AUTHORITY'S role as the managing agency
14 and supersedes all prior representations, understandings and communications between the Parties as to
15 the subject matter hereof. The above-referenced Recitals are true and correct and are incorporated by
16 reference herein.

17 **ARTICLE 2. RESONSIBILITIES OF THE AUTHORITY**

18 The AUTHORITY agrees to the following key responsibilities as summarized below and more
19 broadly defined in Attachment A, (Managing Agency Services for the Oversight of the State-Supported
20 Pacific Surfliner Intercity Passenger Rail Service) to this agreement.

21 A. Staffing: Provide necessary staff to serve and support the LOSSAN Rail Corridor Agency,
22 including the Managing Director, appointed by the LOSSAN Board, and all necessary staff as identified
23 in the annual business plan and supported by the State. Should the LOSSAN Agency have a vacancy in
24 an approved position, the AUTHORITY may provide temporary staffing from within its own staffing
25 resources upon request and agreement from the LOSSAN Agency.
26

1 B. Daily Administration: Provide the daily administration of the LOSSAN Agency, included but
2 not limited to preparation of agendas and staff reports for all meetings of the LOSSAN Board, Executive
3 Committee, Technical Advisory Committee, and other meetings as needed, development of policies and
4 procedures for the LOSSAN Agency, provide adequate staffing as approved by the LOSSAN Agency
5 Board, actively participate and represent the LOSSAN Agency at the Statewide Working Group, States
6 for Passenger Rail Coalition, and State-Amtrak Intercity Passenger Rail Committee as appropriate.

7 C. Finance: Provide all financial management, general accounting, budgets, financial reporting
8 and audit functions on behalf of the LOSSAN Agency. This includes development and management of
9 the annual LOSSAN Agency budget, preparation and presentation of financial statements and reports,
10 contract administration and management, risk management development and updating of policies and
11 procedures.

12 D. Audit and Treasurer: The Executive Director of Internal Audit for OCTA shall serve as the
13 Auditor-Controller of the LOSSAN Agency, and as necessary will provide internal audit services. The
14 Treasurer of OCTA shall serve as the Treasurer of the LOSSAN Agency.

15 E. Marketing: Provide full spectrum marketing programs that are focused on enhancing the
16 visibility of and generating interest in the Pacific Surfliner service, through focused advertising campaigns
17 and direct marketing via print, digital and broadcast. Provide enhanced and direct customer
18 communications for real-time train status, critical communications and public relations.

19 F. Planning and Analysis: Provide for the development and approval of all necessary planning
20 documents including the annual business plan, strategic plans and other necessary studies to support
21 the on-going and enhancement of the Pacific Surfliner service. Pursue and manage grants as required.
22 Report regularly to the LOSSAN Board of Directors on Agency and Service performance.

23 G. Service Improvement: Develop, update and manage schedules, fare policy, ticketing, first and
24 last mile connection and connectivity in coordination Amtrak, other railroad operators and owners, and
25 the State as appropriate.

26

1 H. Legislative Advocacy: Represent the LOSSAN Agency and the interests of the Pacific
2 Surfliner service at the local, state and federal levels. This may include the procurement of legislative
3 support.

4 I. Operations Oversight: Provide administration and oversight of the daily service operations,
5 equipment maintenance, resource deployment, on-time performance, customer service satisfaction, food
6 and beverage services and stations.

7 J. Legal: Provide general and special counsel to the LOSSAN Agency

8 K. Insurance and Indemnification: Provide all insurance and risk management services.

9 L. General Support: The AUTHORITY will make available core functions, not specifically
10 mentioned above, to support the LOSSAN Agency, including but not limited to Contracts Administration
11 and Materials Management, Human Resources and Organizational Development, Information
12 Technology, Finance and Administration, Government Relations and Public Information, Audit, Treasury,
13 Planning and Programming and special services.

14 M. Invoicing: The AUTHORITY agrees to invoice the LOSSAN Agency monthly for the fully
15 burdened cost of providing staff specified and approved in each LOSSAN Agency annual business plan.

16 **ARTICLE 3. RESPONSIBILITIES OF LOSSAN AGENCY**

17 A. The LOSSAN Agency will prepare an annual business plan that includes the administrative
18 budget for the LOSSAN Agency and will seek approval from the State of said budget to reimburse the
19 AUTHORITY for the fully burdened cost of the LOSSAN Agency staff.

20 B. The LOSSAN Agency will notify the AUTHORITY within five (5) business days should the
21 State reject or otherwise make unavailable funding necessary to support the administration of the
22 LOSSAN Agency.

23 C. The LOSSAN Agency will promptly remit payment, within thirty (30) days of receiving a
24 complete and accurate invoice from the AUTHORITY.

1 D. The LOSSAN Agency will provide a copy of the approved LOSSAN Agency annual business
2 plan, including staff plan to effect the inclusion of LOSSAN Agency staff in the AUTHORITY's annual
3 budget process.

4 **ARTICLE 4. IT IS MUTUALLY UNDERSTOOD AND AGREED**

5 A. The Parties will work collaboratively to develop each agencies respective annual budgets to
6 be inclusive of necessary funding and staff positions to effect this Agreement.

7 B. The LOSSAN Managing Director and the AUTHORITY's Chief Executive Officer and/or Chief
8 Operating Officer shall meet on an annual basis to review each agency's respective performance as it
9 relates to this agreement.

10 **ARTICLE 5. ANNUAL BUDGET**

11 A. Consistent with the provisions of the interagency transfer agreement, the annual budget which
12 includes three major components, administrative, marketing and operations, budgets will be fully funded
13 by the State. Should the State not make funding available for the annual administrative budget, which is
14 the component necessary to provide reimbursement to the Authority for all staffing and administrative
15 support, the AUTHORITY will have the right to terminate this agreement with 90 days' notice.

16 B. The administrative and operating budget shall be developed on an annual basis consistent
17 with the terms of the Joint Powers Agreement, LOSSAN Agency By-Laws and the interagency transfer
18 agreement.

19 C. Consistent with the Joint Powers Agreement Concerning the Los Angeles – San Diego – San
20 Luis Obispo Rail Corridor Agency, no funding or debt obligation will be created against any member
21 agencies as a consequence of this Agreement.

22 **ARTICLE 6. INDEMNIFICATION**

23 The AUTHORITY shall indemnify, defend and hold harmless the LOSSAN Agency, its officers,
24 directors, employees and agents from and against any and all claims, bodily injuries, including death,
25 damage to or loss of use of property caused by the employment practices, negligent acts, omissions or
26 willful misconduct by the AUTHORITY, its officers, directors, employees, agents, subcontractors or

1 suppliers in connecting with or arising out of the performance of this Agreement. Should litigation arise
2 out of this Agreement for the performance thereof, the court shall award costs and expenses, including
3 attorney's fees, reasonable expenses for litigation or settlement for any loss or damages, to the prevailing
4 Party.

5 **ARTICLE 7: INSURANCE**

6 A. The AUTHORITY will provide the following insurance coverage during the term of this
7 Agreement:

- 8 1. Public Officials Errors and Omissions: Coverage for a \$1,000,000 limit.
- 9 2. Commercial General Liability: Coverage for a \$3,000,000 limit.
- 10 3. Worker's Compensation: LOSSAN Agency staff will be covered under the existing
11 AUTHORITY worker's compensation and employer's liability policy.
- 12 4. Employment Practices Liability: Coverage for a \$1,000,000 limit.
- 13 5. Crime Prevention: Coverage for a \$2,000,000 limit.

14 B. Proof of such coverage, in the form of insurance company issued policy endorsement and a
15 broker-issued insurance certificate, must be received by the LOSSAN Agency prior to commencement
16 of any work. Proof of insurance coverage for those items listed in Paragraph 7.A must be received by
17 the LOSSAN Agency within ten (10) calendar days from the effective date this Agreement and the
18 LOSSAN Agency, its officers, directors, employees and agents designated as additional insured on the
19 general and automobile liability. Such insurance shall be primary and non-contributive to any insurance
20 or self-insurance maintained by the LOSSAN Agency. Furthermore, the LOSSAN Agency reserves the
21 right to request certified copies of all related insurance policies

22 **ARTICLE 7. ADDITIONAL PROVISIONS**

23 A. Terms of Agreement: This Agreement shall commence July 1, 2018 and continue in full force
24 and effect through June 30, 2021, unless terminated earlier, and may be extended by mutual agreement
25 for two additional three-year terms through June 30, 2027.

1 B. Termination: Each PARTY reserves the right to terminate this Agreement with 90 days' written
2 notice and consistent with direction from their respective Board of Directors.

3 C. Compliance: The LOSSAN Agency and the AUTHORITY shall comply with all applicable
4 federal, state and local laws, statutes, ordinances, and regulations of any governmental authority having
5 jurisdiction over the Service.

6 D. Legal Authority: The signatories for the LOSSAN Agency and the AUTHORITY hereto warrant
7 that they are duly authorized to execute this Agreement on behalf of said PARTIES and that by so
8 executing this Agreement, the PARTIES hereto are formally bound to the provisions of this Agreement.

9 E. Amendments: This Agreement may be amended in writing at any time by the mutual consent
10 of both PARTIES. No amendment shall have any force or effect unless executed in writing by both
11 PARTIES.

12 F. Severability: If any term, provision, convenient or condition of this Agreement is held to be
13 invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the
14 remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15 G. Assignment: Neither this Agreement, nor any of the PARTIES rights, obligations, duties, nor
16 authority hereunder may be assigned in whole or in part by either PARTY without the prior written consent
17 of the other PARTY. Any such attempt of assignment shall be deemed void and of no force and effect.
18 Consent to one assignment shall not be deemed consent to any subsequent assignment, nor the waiver
19 of any right to consent to such subsequent assignment.

20 H. Correspondence and Notices: Any correspondence or notice related to this Agreement shall
21 be sent by registered or certified US Mail, return receipt to the address and addressee. The
22 representatives of the PARTIES who are primarily responsible for the administration of this Agreement
23 and to whom notices, demand and communications shall be given are as follows:

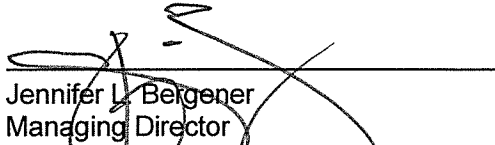
For LOSSAN Agency: Jennifer L Bergener LOSSAN Rail Corridor Agency 600 S. Main Street Orange, CA 92863	For AUTHORITY: Darrell E. Johnson Orange County Transportation Authority 600 S. Main Street Orange, CA 92863
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Counterparts of Agreement: The Agreement may be executed in one of more counter parts and may include multiple signature pages, all of which shall be deemed to be one instrument. Copies of this Agreement will be used in lieu of the original.


1 **IN WITNESS WHEREOF**, the PARTIES hereto have caused this Cooperative Agreement
2 No. L-8-0010 to be executed and attested by their duly-qualified and authorized officials as of the date
3 first above written.

4 **LOS ANGELES – SAN DIEGO – SAN LUIS OBISPO RAIL CORRIDOR AGENCY**

5
6 Dated: 6.22.18

7 By: 
8 Jennifer L. Bergener
9 Managing Director

10 APPROVED AS TO FORM:

11 By: 
12 Colin Burns,
13 Special Counsel

ATTACHMENT A

**MANAGING AGENCY SERVICES FOR THE OVERSIGHT OF THE STATE-SUPPORTED
PACIFIC SURFLINER INTERCITY PASSENGER RAIL SERVICE**

INTRODUCTION and BACKGROUND:

The Orange County Transportation Agency (OCTA) is a multimodal transportation agency that provides a host of services including fixed-route and demand-responsive bus services, toll roads administration, major highway and local road projects, rail transit (through the Southern California Regional Rail Authority (Metrolink), and soon the OC Streetcar, active transportation projects and environmental conservation. OCTA manages a \$1.3 billion budget (Fiscal Year 2017-18) with a staff of nearly 1,350 employees.

OCTA has served as the managing agency for the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) since November 2013. In this capacity, OCTA has achieved or advanced a number of key goals and initiatives. This includes successfully negotiating and executing the first interagency transfer agreement with the California Department of Transportation (Caltrans), ensuring year over year increases in Pacific Surfliner ridership, revenue and farebox recovery, negotiating favorable operating agreements with Amtrak for the provision of the Pacific Surfliner intercity passenger rail service and connecting Thruway bus service, developing and managing a balanced annual administrative and operating budget, developing and obtaining approval for four annual business plans, increasing service with the implementation of the 12th roundtrip between Los Angeles and San Diego, implementing key improvements to the passenger experience and marketing programs, developing first- and last-mile connectivity options and successfully pursuing over \$270 million in competitive grant funds, as the most notable achievements.

OCTA desires to continue to serve as the managing agency for the LOSSAN Agency and will provide the following scope of services in that capacity using a combination of dedicated LOSSAN Agency staff members, as well as shared OCTA staff.

1. Daily Administration

- a. **Staffing:** The managing agency shall provide a team of dedicated staff that is adequate for supporting the goals and objectives of the LOSSAN Agency. The staffing levels shall be consistent with available and approved funding from the State, as defined in the annual business plan for the LOSSAN Agency.

At the time of the execution of this agreement, the managing agency is providing for nine (9) full-time dedicated positions to the LOSSAN Agency. This includes the Managing Director position as defined in the Joint Powers Authority agreement.

The managing agency will be responsible for working with the LOSSAN Agency and the California State Transportation Agency (CalSTA) to add and fill positions as requested and approved in the annual business plan to support the growth of the Pacific Surfliner service.

As the managing agency, OCTA will continue to provide as-needed staff support to the LOSSAN Agency, which can include, but is not limited to, internal audit, contract

management, general finance support, government relations, grants and programming support, external affairs or marketing support, legal services and risk management, information technology, Clerk of the Board, and human resources.

- b. **Facilities:** The managing agency shall provide adequate office space and facilities for the dedicated LOSSAN Agency staff to conduct the business of the LOSSAN Agency and shall provide for ample room for the growth of the agency.
- c. **Board of Directors and Committees:** The managing agency shall provide administrative support to the LOSSAN Board of Directors (Board) and Committees. This will include managing the process for fulfilling the Statement of Economic Interests, addressing public records requests, ensuring ethics training for new Board members, and any other functions necessary to support the LOSSAN Board.
- d. **State Working Group:** LOSSAN Agency staff will participate in the Statewide Working Group as established by Caltrans, in consultation with the Secretary of CalSTA, to coordinate development and resources across the three State supported intercity rail corridors.
- e. **States for Passenger Rail Coalition and State-Amtrak Intercity Passenger Rail Committee:** LOSSAN Agency staff will coordinate with CalSTA and other California Intercity Passenger Rail Corridors in the States for Passenger Rail Coalition and State-Amtrak Intercity Passenger Rail Committee in supporting the development and growth of intercity passenger rail service nationally and in working together with Amtrak, the Federal Railroad Administration and other State Departments of Transportation in finding solutions that foster growth and long-term sustainability.

2. Finance

- a. **Financial Reporting:** To ensure state funding for the Pacific Surfliner service is kept separate from funding for OCTA projects and programs, a separation of funding has been established within the LOSSAN managing agency. The LOSSAN Agency follows OCTA-established policies and procedures that fully comply with the generally accepted accounting principles. The LOSSAN Agency utilizes OCTA's existing accounting system, which is built on a robust platform, and has established a segregated accounting system for LOSSAN Agency-related business. The managing agency shall continue to provide an accounting system and system support to allow for the separation of funding that has been established.
- b. **Audit:** The Executive Director of Internal Audit for OCTA shall serve as the Auditor-Controller of the LOSSAN Agency. The Auditor-Controller will provide internal audit services to the LOSSAN Agency, as necessary.
- c. **Treasurer:** The Treasurer of the managing agency shall serve as the Treasurer of the LOSSAN Agency.
- d. **Budget:** A budget will be prepared annually for the continued administration, marketing, and operations of the Pacific Surfliner and submitted to the LOSSAN Board for review and approval. This budget will also be included in the annual business plan for submittal to the Secretary of the CalSTA by April 1 of each year. The proposed LOSSAN Agency

budget will include separate components for managing agency administration costs, rail operations and capital costs. The managing agency will provide the systems and any administrative support necessary to assist in the development of the annual budget.

- e. **Contracts:** The managing agency's Contracts Administration and Materials Management (CAMM) department will support the LOSSAN Agency through 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, and various vendor outreach activities. The LOSSAN Agency has adopted a set of policies and procedures related to contracts and procurement that CAMM staff will adhere to in all activities.
- f. **Accounting:** The managing agency shall process all vendor payments, record cash deposits, accounts receivable and process payroll. The managing agency shall also provide support and consultation regarding accounting and financial reporting. The managing agency shall follow the governing policies of the LOSSAN Agency, its own policies and procedures, as well as generally accepted accounting principles in carrying out the duties set forth above. In the case where LOSSAN Agency policies and managing agency policies differ, LOSSAN Agency policies shall be followed.

The annual fully burdened rates charged by the managing agency shall be based on the most recently completed cost allocation plan by the managing agency. On an annual basis, the difference between the amounts charged by the managing agency (based upon the recently completed cost allocation plan), and actual fiscal year costs will be calculated by the managing agency. Any amounts owed to the managing agency by the LOSSAN Agency will be paid subject to the availability of State funds. Any amounts owed to the LOSSAN Agency by the managing agency shall be paid back to the LOSSAN Agency.

3. Marketing and Communications

In addition to enhancing visibility and generating interest in the Pacific Surfliner service, LOSSAN Agency staff will continue to communicate critical passenger information and strengthen customer relationships to help grow awareness, ridership, and revenue.

- a. **Branding and Awareness:** Ongoing brand awareness campaigns will include investments in digital, outdoor, print, and broadcast advertising, to position the Pacific Surfliner brand as top of mind and drive customers to PacificSurfliner.com and Amtrak points of sale. Staff will continue efforts to develop and enhance the brand through efforts that may include:
 - i. Audit of the current brand as it is presented today, as well as customer analysis, and qualitative market research.
 - ii. Development and documentation of the Pacific Surfliner visual identity and editorial style
- b. **Advertising Campaigns and Direct Marketing:** Plan and implement integrated advertising and outreach campaigns to increase market share and strengthen customer

relationships. These activities can include campaign development, market research, campaign monitoring, and optimization. In addition to comprehensive media planning and buying, staff will proactively cultivate strategic partnerships to increase awareness in key markets that result in decreased advertising costs and added value for Pacific Surfliner customers. Continue building strong relationships with Amtrak marketing staff to minimize costs and maximize value with cross-promotion and joint advertising opportunities.

- c. **New Pacific Surfliner Digital Platform:** Implement a new digital platform to support future marketing efforts and alignment with evolving technology and customer expectations. Work to develop a new Pacific Surfliner website that improves customer service by delivering timely, accurate, and relevant information and ensures a seamless digital experience for Pacific Surfliner audiences including integration between the PacificSurfliner.com website and other digital marketing channels such as social media, Amtrak.com, and online advertising.
- d. **Public Relations:** Implement targeted public relations campaigns to generate featured stories and related publicity to boost awareness of the Pacific Surfliner service while enhancing the brand's credibility.
- e. **Field Marketing and Community Outreach:** Continue to develop and strengthen relationships with local communities to generate awareness and support traffic back to the Amtrak website to purchase tickets. Outreach efforts can include investments in sponsorships, memberships, and advertising programs secured and coordinated through strategic partnerships with convention and visitors' bureaus, collegiate and professional sports franchises, live event promoters, and local event producers throughout the LOSSAN rail corridor.
- f. **Content Marketing:** Continue to develop an understanding of the Pacific Surfliner ridership demographics to customize marketing strategies. Create reusable content to help boost marketing productivity.
- g. **Printing and Collateral Distribution:** Management and fulfillment of various printing projects including production and distribution of train schedules, station and onboard signage, promotional brochures and rack cards, and other various communications pieces.
- h. **Reporting and Campaign Monitoring:** As the Pacific Surfliner service grows, increased investments in expanded marketing activities will be identified through reporting and performance analysis. Continue working with Amtrak to improve reporting for better reconciliation of marketing efforts with Amtrak sales data. LOSSAN Agency staff will continue to develop analytics reporting to demonstrate return on investment and provide insight to help optimize future efforts.

4. Planning and Analysis

- a. **Annual Business Plan:** The managing agency shall submit to the LOSSAN Board a Business Plan for review and approval prior to transmittal to the Secretary of CalSTA by April 1 each year that is consistent with the annual LOSSAN budget request.

The business plan is a two-year budget and planning document that drives the policy and

decision-making for the LOSSAN Agency and outlines the overall strategy for implementing the strategic goals and objectives of the LOSSAN Agency. The plan is updated annually and shall include the following key elements:

- i. Report on recent and historical performance (ridership, revenue, farebox recovery, on-time performance (OTP))
 - ii. Operating plan, including proposed service enhancements
 - iii. Performance of the service against the Uniform Performance Standards and, if needed, an action plan for achieving any standard not currently met
 - iv. Short- and long-term capital improvement programs along with identification of available funding
 - v. Identification of any proposed changes in fares, schedules, capital improvements, or marketing and operational strategies
 - vi. Proposed changes in passenger amenities
 - vii. Funding requirements for the upcoming fiscal year
 - viii. Discussion of how funding and accounting for state-funded intercity rail service will be separate from locally funded services
 - ix. Summary of Legislative Advocacy
 - x. Network integration plan and coordination efforts with high-speed rail and local operators
- b. **Short and Long-Term Planning:** Continue to work with member agencies, railroad operators, and corridor stakeholders in the planning for short- and long-term service improvements and expansion. Ensure service improvements and expansions are in alignment with the California State Rail Plan. Collaborate with Caltrans, CalSTA, and the Statewide Working Group on statewide integration efforts, such as integrated ticketing and fare structures. Update the LOSSAN Agency Strategic Plan to align with and also, to the extent feasible, inform future updates to the California State Rail Plan.
- c. **Grant Pursuit and Administration:** The application and reporting process for state and federal grants can be both time consuming and require extensive coordination, monitoring and reporting. OCTA's Programming Department will support the LOSSAN Agency in the pursuit and administration of state and federal grants as needed. These efforts will include maximizing funding opportunities from all grant resources and promoting the favorable formulation of grant-related legislation and rulemaking. The OCTA Programming Department will assist in submitting timely grant applications, overseeing the performance of awarded grants, and the completion of any necessary grant related performance reports.

5. Service Improvement

In addition to general administration of the Pacific Surfliner service, continue to seek

improvements to connectivity and integration of the service to enhance customer experiences through a variety of efforts. Examples of these efforts include:

- a. **Rail 2 Rail:** Continue to work with Amtrak, Metrolink, and the North County Transit District (NCTD) to offer a Rail 2 Rail benefit to customers that provides an adequate reimbursement rate to the LOSSAN Agency for carrying Metrolink and NCTD operated COASTER pass holders on state-funded intercity trains.
- b. **Transit Transfer:** The Pacific Surfliner Transit Transfer Program was initiated in summer 2016 following receipt of Transit and Intercity Rail Capital Program (TIRCP) grant funds. The Transit Transfer Program offers seamless connectivity to more than 12 local public transit services at 27 stations along the LOSSAN rail corridor. The LOSSAN Agency will work with local transit providers to continue marketing efforts for the program, and also look for opportunities to further improve the ease of transferring between local/regional transit services and Pacific Surfliner trains. The LOSSAN Agency intends to continue this program using annual operating funds after expiration of the TIRCP funds and will consider adding additional agencies based on projected usage and demand.
- c. **Real-Time Passenger Information:** Amtrak currently provides train status information through several channels, including announcements at staffed stations, Passenger Information Display System signs on station platforms, and online through the "train status" feature on its website and mobile app. The LOSSAN Agency has worked with Amtrak to introduce service alerts on the @pacsurfliners Twitter channel, which supplies more detailed information in the event of service disruptions. The LOSSAN Agency will continue to look for opportunities to further enhance train status updates, including a more user-friendly Web-based train tracker that shows the real-time position of Pacific Surfliner trains on a route map. In addition, the LOSSAN Agency has requested that Amtrak work to improve the accuracy of the train status information currently offered through the Amtrak app and Amtrak.com, particularly during a service disruption or significant delay.
- d. **Fare Policy and Integration:** The LOSSAN Agency will continue to work with CalSTA and Caltrans through the Statewide Working Group, as well as LOSSAN member agencies and connecting transit agencies, on regional and statewide fare integration efforts with the goal providing more seamless transfers between the Pacific Surfliner and connecting rail and transit providers.

6. Legislative Advocacy

Coordinate with LOSSAN member agencies and elected officials regarding relevant state or federal legislation. Review and analyze potential benefits or impacts to the LOSSAN Agency or its members and provide, at a minimum, quarterly legislative summaries to the LOSSAN Board. At the direction of the LOSSAN Board, advocate for or against legislation identified as presenting benefits or impacts to the operation of intercity passenger rail.

The managing agency will work with the LOSSAN Agency to educate and inform local, state and federal officials about the LOSSAN Agency and the benefits of intercity passenger service.

- a. **California Intercity Passenger Rail Group:** Continue coordination and collaboration with the Statewide Intercity Passenger Rail Group in monitoring and advocating for legislation benefiting intercity passenger rail at a statewide and national level.

7. **Operations Oversight**

- a. **Equipment:** Work with Amtrak to conduct frequent inspections to determine overall equipment conditions for Pacific Surfliner trains to ensure the highest possible standards of cleanliness, performance and compliance with established performance measures.

Coordinate with the State, Amtrak, and/or manufacturers (as appropriate) in:

- i. Pursuing additional equipment as needed to support the continued safe operation and growth of the Pacific Surfliner service
- ii. Ensuring regular equipment rehabilitation and refreshing to maintain a state of good repair
- iii. Performing regular reviews to ensure contract compliance
- iv. Participating in the testing and commissioning of new equipment.

b. **Schedules:**

- i. **Semi-Annual Changes:** Continue to coordinate with Amtrak, Metrolink, and COASTER in the regular semi-annual schedule changes, ensuring the service goals and objectives approved by the LOSSAN Board are implemented as safely and efficiently as possible. Work with the operators (passenger and freight) in reviewing OTP of the service, helping to identify potential mitigation strategies to improve performance where necessary.
- ii. **Special Events:** Continue to provide and identify new opportunities for Pacific Surfliner service to special events that draw large crowds and may not be well served by other services. Work with Amtrak to ensure that trains serving these events have sufficient capacity to accommodate passenger demand and are staffed appropriately to provide a positive customer experience.

- c. **Food and Beverage:** The LOSSAN Agency will continue to work with Amtrak to evaluate existing food and beverage offerings based on sales, revenue, and customer satisfaction index data, and implement semi-annual menu “refreshes” to introduce new locally sourced fresh food and beverage products. In addition, the LOSSAN Agency will continue to produce and distribute menus including attractive photography and product descriptions that highlight the items available on board. Prior menu changes have led to a net increase in food and beverage revenue and overall customer satisfaction. LOSSAN Agency staff will also plan special events to offer tastings of new products onboard trains in partnership with local food and beverage suppliers.

- d. **Stations:** LOSSAN Agency staff shall perform station inspections on a regular basis, and work in coordination with Amtrak engineering to develop a comprehensive and prioritized list of station needs and ensure that stations are operating in compliance with established station standards.

e. **Service Performance:**

- i. **OTP:** Work with Amtrak to regularly review the overall performance of the service

to identify causes, and potential mitigations, for delay. Work with Amtrak to set an aggressive OTP goal that is above 90 percent. Continue to work with the multi-agency working group of operators on addressing fundamental causes of OTP issues.

- ii. **Disruptions:** Work proactively to strengthen partnerships and cooperation with Metrolink and COASTER to effectively manage and minimize impacts in the event of unplanned or planned track closure or service disruption. Continue working with Amtrak to monitor and review the existing service disruption plan.

Prepare after action reports, including protocols for providing alternate transportation, compensation, and follow-up letter or memo emailed to passengers after major delays.

- iii. **Farebox Recovery:** Work with Amtrak to monitor operating costs and revenue to ensure that farebox recovery continues to exceed the state mandated 55 percent.

8. **Legal:** The managing agency shall provide legal counsel to advise and represent the LOSSAN Agency and its Board.

9. **Insurance and Indemnification:** The managing agency Risk Management Department shall assist the LOSSAN Agency in the placement of the following insurance policies based on its experience and understanding of the risks to the LOSSAN Agency:

- a. **Public Officials Errors and Omissions** – This coverage will protect the LOSSAN Board from actual or alleged claims of errors and omissions, negligence, breach of duty, and misstatements.
- b. **Commercial General Liability** – This will protect the LOSSAN Agency and managing agency 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.
- c. **Employment Practices Liability** – This will provide protection to the LOSSAN Agency and the managing agency against claims made by its employees, former employees, or potential employees. It covers discrimination (age, sex, race, disability, etc.), wrongful termination of employment, sexual harassment, and other employment-rated allegations, including third parties.
- d. **Crime Prevention** – This protects the LOSSAN Agency and managing agency from robbery, burglary and employee theft of money, and securities.

The managing agency Risk Management Department will assist the LOSSAN Agency in the placement of other insurance policies as necessary, in addition to providing general risk management support.

Dedicated LOSSAN Agency staff 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 are referenced in the Administrative Services Agreement.

