

**SACRAMENTO-PLACERVILLE TRANSPORTATION CORRIDOR
JOINT POWERS AUTHORITY**

A G E N D A

**BOARD MEETING
9:00 A.M., MONDAY, February 7, 2011
FOLSOM CITY HALL, COUNCIL CHAMBERS
50 NATOMA STREET, FOLSOM, CALIFORNIA**

ROLL CALL -----
Chair Jack Sweeney and Directors Don Nottoli (Alternate:
Roberta MacGlashan), David Sander (Alternate: Don
Nottoli), Linda Budge, and Kerri Howell

PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Motion: Regular Meeting of August 9, 2010

CONSENT

None

NEW BUSINESS

2. Information/Motion: Excursion Rail Services
 - a) Information: Presentation by the Folsom, El Dorado & Sacramento Historical Railroad Association, Inc. (FEDS)
 - b) Motion: Convene Excursion Rail Committee to explore options to pursuing Lease for Excursion Rail Services
3. Information: CEO/Member Agency Staff Reports
 - a) CEO: Speeder Event April 15, 2011
 - b) El Dorado County: Rails and Trails Activities

CITIZENS ADDRESS BOARD ON MATTERS NOT ON THE AGENDA*

NEXT MEETING

4. Regular Board Meeting: May 9, 2011

*** NOTE TO CITIZEN PARTICIPANTS**

It is the policy of the Board of Directors of the Sacramento-Placerville Transportation Corridor Joint Power Authority to encourage citizen participation in the meetings of the Board of Directors. At each open meeting members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Board of Directors. However, in order that the business scheduled for consideration at such meetings may be disposed of in an orderly matter, citizens wishing to address the Board on matters not on the agenda, whose presentations may be lengthy or in the nature of request for action of some kind on the part of the Board, are requested to first discuss such matters with the Chair or his/her designee. If after such consultation an appearance before the Board is desired, the subject matter may be calendared as an agenda item for a date and time convenient to the parties concerned.

Sacramento–Placerville Transportation Corridor Joint Powers Authority

Minutes of the Regular Meeting of the Board of Directors

August 09, 2010

9:00 a.m.

City of Folsom

Folsom City Hall, Council Chambers

50 Natoma St., Folsom, California

Chair Jack Sweeney called the meeting to order at approximately 9:07 a.m. The Pledge of Allegiance was recited. John Segerdell called the roll. The following Board Members were noted as present: Chair Jack Sweeney, Director Kerri Howell, Director David Sander and Director Linda Budge. Director Don Nottoli was absent.

APPROVAL OF MINUTES

1. Motion: Approval of the Special Board Meeting Minutes of May 20, 2010.

Upon motion and second, the Board voted unanimously to approve the minutes of the Special Board Meeting of May 20, 2010.

CONSENT

2. Motion: Adoption of FY 2010/2011 Revised Board Meeting Calendar:

Upon motion and second, the Board voted unanimously to approve the following Board meeting calendar for FY 2010/11:

DATES	TIME	LOCATION
August 9, 2010	9:00 a.m.	Folsom City Hall, Council Chambers
November 1, 2010	9:00 a.m.	Folsom City Hall, Council Chambers
February 7, 2011	9:00 a.m.	Folsom City Hall, Council Chambers
May 9, 2011	9:00 a.m.	Folsom City Hall, Council Chambers

3. Motion: Designation of Deputy CEO

Board adopted a motion appointing Mark Rackovan as the JPA's Deputy CEO granting him the authority to act on behalf of the JPA, with all the powers of the CEO, in the CEO's absence.

NEW BUSINESS

4. Information/Motion: Excursion Rail Services

- a) Presentation by the Folsom, El Dorado & Sacramento Historical Railroad Association, Inc. (FEDS) – Progress Report on Excursion Rail Operating Plan

Erik Olds with the FEDS presented the update on the progress of the excursion rail. Phillip Rose also gave a brief update.

- b) Motion: Extend Termination Date of Article 16 of the Letter of Intent for excursion rail services between the JPA and FEDS, dated October 6, 2008:

The Board extended the termination date of the Letter of Intent to May 9th 2011. This date is coincident with the May 2011 JPA Board meeting. The Board approved the extension with the stipulation that the FEDS achieve the following goals by February 7, 2011 - coincident with the February 2011 Board meeting:

1. Provide evidence that the FEDS organization has the appropriate technical resources to continue to develop the project.
2. Submit and receive approval from the appropriate Member Agencies, preliminary (approximate 35% design level) plans, specifications and cost estimates for the following elements of the project.
 - a) Station platforms at Iron Point and Latrobe.
 - b) Storage and maintenance facility.
 - c) Repair of washout located at approximately Milepost 123.6.
3. Provide an updated project capital cost estimate. This would be an update of the FEDS' current estimate to construct improvements necessary to operate excursion services in the initial 8-mile segment, including the above-noted facilities. This does not include operating costs.
4. Provide evidence that the FEDS will be able to secure the necessary financial backing for the project based on the updated capital cost estimate.
5. Provide the FEDS' short-term Business Plan, focusing on the initial segment of excursion services.

Mike Kenison expressed his opinions on the use of the rail corridor. Mr. Kenison also noted that the Friends of the EDC Trail would like to be part of the lease negotiations between the FEDS and the JPA. Chair Sweeney suggested that Mr. Kenison, or the Friends of the EDC Trail, contact the JPA in writing through the CEO to document their specific interests for use of the JPA corridor.

5. Information: Presentation by the Railroad Education and Preservation Society (REPS) – Folsom Historic Railroad and Transportation Festival.

Larry Bowler, President of the Railroad Education and Preservation Society (REPS), gave a short presentation of their up-coming event on the weekend of September 18 and 19, 2010. The REPS will be hosting the 2010 Folsom Historic Railroad and Transportation festival.

6. Information: CEO/Member Agency Staff Reports:

Mark Rackovan reported on the EIR for the Folsom Annexation.

PUBLIC COMMENT

Several people from the REPS made comment to show their support for use of the rail.

NEXT MEETING

The next scheduled meeting will be the Regular Board Meeting of November 01, 2010.

The meeting adjourned at 10:37 a.m.

STAFF REPORT

Board Meeting Date: February 7, 2011

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**INFORMATION/MOTION: Excursion
Rail Services**

**AGENDA ITEM
NO. 2**

DISCUSSION:

Background: For the past three years, the JPA has been implementing a process to develop Excursion Rail Services (ERS) on a portion of the JPA corridor. The following are the major events that have occurred:

- January 7, 2008, the Board authorized JPA Staff to issue a Request for Proposal (RFP) for excursion rail operations.
- May 12, 2008, the JPA Board approved a motion to authorize JPA Staff to commence discussions with the Folsom, El Dorado & Sacramento Historical Railroad Association (FEDS) and the City of Folsom and the Counties of Sacramento and El Dorado to determine the feasibility of the operations proposed under the FEDS' Basic Plan, and to ultimately negotiate a lease with the FEDS for a portion of the rail line, subject to approval by the affected member agencies and the JPA Board of Directors.
- October 6, 2008, the Board authorized the CEO to execute a Letter of Intent (LOI) with the FEDS for excursion rail operations. The LOI includes a provision that the JPA may terminate the LOI if the JPA determines that sufficient progress has not been made in negotiating the lease for ERS.
- August 9, 2010 JPA Board Meeting, it was JPA staff's assessment that specific goals needed to be established for the FEDS, if the LOI termination date was to be extended. The Board extended the termination date of the Letter of Intent to May 9, 2011 with the stipulation that the FEDS achieve the following goals by the February 7, 2011 Board meeting:
 1. Provide evidence that the FEDS organization has the appropriate technical resources to continue to develop the project.
 2. Submit and receive approval from the appropriate Member Agencies, preliminary (approximate 35% design level) plans, specifications and cost estimates for the following elements of the project.
 - a) Station platforms at Iron Point and Latrobe.
 - b) Storage and maintenance facility.
 - c) Repair of washout located at approximately Milepost 123.6.
 3. Provide an updated project capital cost estimate. This would be an update of the FEDS' estimate to construct improvements necessary to operate excursion services in the initial 8-mile segment, including the above-noted facilities. This does not include operating costs.

4. Provide evidence that the FEDS will be able to secure the necessary financial backing for the project based on the updated capital cost estimate.
5. Provide the FEDS' short-term Business Plan, focusing on the initial segment of excursion services.

- a) **Information:** Presentation by the Folsom, El Dorado & Sacramento Historical Railroad Association, Inc. (FEDS).

In response to the JPA Board's direction, the FEDS will be making a presentation to the Board to demonstrate their efforts to achieve the goals established by the Board on August 9th.

- b) **Motion:** Convene Excursion Rail Committee to explore alternatives to pursuing a 20-year Lease for Excursion Rail Services.

Since the August 9th Board meeting, the JPA's CEO and the JPA Staff have met with FEDS' representatives on several occasions to review their progress and to make suggestions on how they might achieve the Board's goals. The last meeting with the CEO and Staff was on Wednesday, January 19, 2011. Although some progress has been made, it is Staff's assessment that overall, the FEDS have not achieved the goals set by the Board. The following is Staff's assessment for each goal based on what was presented by the FEDS at the January 19th meeting:

1. Technical Resources.
Achieved. The FEDS provided evidence that it has arranged adequate technical resources to assist with the development of the project on a volunteer basis.
2. Design Progress.
Not Achieved. With the shortened initial segment, there has been some progress on the design of the Iron Point Station platforms, and for a storage and maintenance facility at the spur track, but the respective Staff members do not feel that the FEDS have reached a 35% design level set as a goal. The washout is no longer in the scope of the initial segment.
3. Capital Cost (initial operating segment).
Not achieved. No capital costs were presented to Staff at the meeting, but a broad outline of their estimates was included in the draft Business Plan that was subsequently submitted.
4. Financial Resources.
Not achieved. No specific evidence of financial security has been provided by the FEDS.
5. Business Plan.
Not achieved. Although it had been stressed by the CEO and the Staff that this was perhaps the most important goal to achieve, no significant progress has been observed. At the aforementioned January Staff meeting, a draft Business Plan had not been developed for Staff review.

Staff subsequently provided the FEDS with a guide document from another agency and a draft Business Plan was submitted to Staff on January 25th. Staff has reviewed the draft Plan and does not consider the content adequately developed to constitute having achieved the goal. Copies of the draft Business Plan will be provided to Board prior to the Meeting

Staff Recommendation.

As stated above, JPA Staff does not feel that the FEDS have fully achieved the Board's goals established at the August 9th Board meeting. On the other-hand, Staff does not recommend that the JPA abandon the efforts by the FEDS to achieve success with developing ERS. Rather than striving to negotiate a lease that would require a 20-year commitment by the JPA, perhaps there is a lesser or alternative path to take at this time. Staff recommends that the Board-appointed Excursion Rail Committee (Chair Sweeney and Director Howell) be convened to assess the alternatives available for the Board's consideration. Options could include extending the LOI with reduced goals for the FEDS, or terminating the LOI and consider issuing a short-term license, expanded right of entry, or other arrangement with a limited scope of activity.

BOARD ACTION:

JPA Staff recommends that the Board of Directors approve a motion to explore alternatives to a 20-year lease for pursuing development of Excursion Rail Services.

STAFF REPORT

Board Meeting Date: February 7, 2011

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**INFORMATION: CEO/Member Agency
Staff Reports**

**AGENDA ITEM
NO. 3**

DISCUSSION:

The CEO and JPA Staff members will report to the Board on recent activities, including the following:

- a) CEO: Speeder Event April 15, 2011
- b) El Dorado County: Rails and Trails Activities

BOARD ACTION:

None – this item is information only.