

SACRAMENTO-PLACERVILLE TRANSPORTATION CORRIDOR JOINT POWERS AUTHORITY

Minutes of the Regular Meeting of the Board of Directors on
November 6, 2017

Call to Order: Chair Kerri Howell called the meeting called to order at 9:35 a.m. Board Secretary Kimberlee Marlan recorded the roll.

Roll Call: The following were determined to be present:
Chair Kerri Howell, Directors Don Nottoli, Linda Budge and Shiva Frentzen
Director David Sander was absent.

Public Comments on Non-Agenda Items

There were no public comments on the non-agenda items. However, CEO Rackovan commented on the formatting of the board agenda and its location in the board binders.

Approval of Minutes

Upon motion by Director Nottoli and seconded by Director Budge, the Board voted unanimously to approve the Amended Minutes for Regular Meeting of August 7, 2017.

Consent Agenda

Upon motion by Director Frentzen and seconded by Director Budge, the Board voted unanimously to approve the Quarterly Budget Update for the First Quarter of Fiscal Year 2017/18.

CEO Rackovan noted an error in the title of Quarterly Budget Update which was revised.

Unfinished Business

Item 6a: Update on the Natural Trail Project. CEO Rackovan informed the board that Staff is still trying to get necessary environmental permits to enable volunteer crews to begin working on the trail. Staff is awaiting review from the state Department of Fish and Wildlife and the Army Corp of Engineers (Corp). The draft streambed alteration agreement is pending signature.

Staff received a copy of the letter the Corp sent to the State Historic Preservation office. It shows the Corps reviewed various conditions along the trail corridor.

Director Budge commented that the City of Rancho Cordova engaged the tribal council on a matter but no tribal council members responded. Director Howell requested Director Budge provide a list of the tribal councils that have responded.

CEO Rackovan agreed to follow up with Director Budge as well.

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Item 6b: Approve License Agreement with Placerville & Sacramento Valley Railroad (P&SVRR) for Excursion Rail Services.

CEO Rackovan discussed the proposed 5-year license agreement terms and key elements of the P&SVRR proposed operating plan.

There was discussion regarding ongoing infrastructure and construction in some areas and that the excursion rail would resume once the tracks have been replaced. CEO Rackovan confirmed that there were areas with temporary rails necessary for completing utility projects and that the responsible party would need to return the rails to its original condition once the utility work has been completed.

He also highlighted that the JPA is proposing to issue a Request for Proposals (RFP) for a third-party track inspection for the entire operating section in order to verify the corridor is up to standards. A corrective action plan would be created for implementation by P&SVRR if any deficiencies are discovered.

CEO Rackovan will look into the cost for the inspection; and obtain information about the previous inspection report completed approximately 20 years ago.

CEO Rackovan explained that even if the JPA board approves the license agreement with P&SVRR that each member agency must still review and revise and/or approve.

Director Frentzen thanked staff for adding the inspection requirement to the licensing agreement but noted that the license differs from what El Dorado County (EDC) has in place. She stated that the below items should be removed and offered as an alternative rather than placed into the license agreement.

Capital Improvements:

P&SVRR intends to complete the following capital improvement projects as a part of their 5-year Operating Plan:

- Upgrade track and bridges to Class 1 standard between County Line and Latrobe
- Repair Shingle Lime Mine Gap
- Construct Latrobe Station to El Dorado County standards

Director Frentzen inquired with EDC staff on additional P&SVRR's provisions in conflict with items approved by EDC Board of Supervisors.

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Ms. Vickie Sanders, speaking on behalf of EDC explained that the provisions conflict with what is currently approved in EDC and further added that the following items were not allowed under the current license agreement.

Operating Segments:

Segment No.	From Milepost	To Milepost	Approved Operations
5	119.4 (CL)	126.4 (LW)	Revenue operations (all equipment allowed)
6	126.4 (LW)	127.2 (SS)	Revenue operations (no heavy equipment allowed)

JPA Attorney Sabrina Thomas advised that the alternatives could be placed at the end of the agreement so that should EDC agree with the alternatives, they would already be included in the agreement. However, if EDC disagrees, then the agreement would come back to the JPA board to put the approvals on the record.

Director Frentzen asked if the agreement could be flexible enough to include items not currently provided for in the agreement. She would like to take out sections that contradict what is currently approved by EDC and have the JPA board take action then bring to each jurisdiction boards to review and modify or approve.

Director Nottoli mentioned that the below two items would be removed from the agreement:

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Director Nottoli indicated he is comfortable having the items as alternatives at the end of the agreement but that EDC would still need to consent and agree to the alternative items.

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Ms. Mary Cory, Director of EDC Historical Museum, added that the El Dorado Western Railroad should remain responsible for the maintenance of licensed property.

CEO Rackovan indicated that the board would be requesting the license agreement maintain the status quo and recommended that the board limit the license agreement to the county line. This limits activities to the existing corridor, would not require additional maintenance, and allows special permits for pancake breakfasts to Latrobe.

The board inquired about any maintenance in the area. Ms. McCoy said that El Dorado Western had only performed weed abatement in the area.

Upon request from the board, Jim Harville, President of P&SVRR spoke about the licensing agreement and stated that his organization had been working on the process for about a year. Based on his conversations with CEO Rackovan, County Supervisors, and City Council members, he believed now was their opportunity to expand the current license agreement. Mr. Harville indicated that P&SVRR expended a great deal of effort to propose what they envisioned based on discussions with various stakeholders. Mr. Harville mentioned had he known he needed to obtain approval with EDC prior to coming to the JPA board, he would have done so ahead of this meeting.

Director Howell informed Mr. Harville that he needed to start with the JPA because the JPA is the landowner. She advised him to separately identify those items that P&SVRR envisions as future goals. She also mentioned that performing improvements on this side of the county line may go a long way in changing some opinions in EDC.

Mr. Harville mentioned that P&SVRR is not looking to take anything away from El Dorado Western but that P&SVRR would like to perform maintenance that they are currently unable to do. Ultimately, P&SVRR is looking to continue expansion of the program in support of the railroad.

The board reiterated that the JPA still owns the property.

Mr. Harville said it was why we brought the license forward in its current form and that he is happy to stay connected with Director Frentzen on the matter.

Public Comment was received from the following people:

Mr. Eric Olds, Chief of Operations with P&SVRR said that when they went through the proposal process, their understanding was that they were being asked to identify what they wanted to see next in the development of the rails. In August, their desire was not to exclude anyone. He mentioned that their proposal to the board is based on what they want to see in

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the next five years but also recognize that each member agency must approve the licensing agreement. Mr. Olds stated that as long as the alternative options are left in the agreement, they see it as something they can grow towards because their intention is to grow the program.

Mr. Mike Roque, Road Foreman of Engines with P&SVRR, mentioned that the Placerville branch is a regional treasure and they are pleased with the opportunity to continue providing tourism and revenue, increase accessibility, and grow their program. In order to meet these goals, it is critical to increase the length of their train ride and the passenger capacity by expanding the diesel train into EDC. If P&SVRR had a larger train and longer service they would be able to go after additional fundraising.

Director Howell asked what the increased revenue would mean being that the P&SVRR is not for profit.

Mr. Roque mentioned that as a non-profit, all of the revenue they raise is directly invested back into the corridor particularly in growing the program itself, for example in making and improving the track and facilities.

Director Howell asked if the non-profit had available funds, if they could spend money on the trail side as opposed to the rail side.

Mr. Roque explained that their vision includes rails and trails but he could not say their program would specifically support trails, however, the more they can do to make the corridor more accessible would be beneficial for all.

Mr. Bill Mueller, the CEO for Valley Vision spoke and stated that this particular corridor is of profound interest to these jurisdictions but also to others because it is regionally significant. This corridor is a treasure that should be used to its greatest potential. Valley Vision believes the corridor can have an excursion train experience as well as an upgraded multi-use trail which would benefit tourism and help health and economic development. He believes that having the underlying trail unlocked would have regionally, state-wide and potentially global significance. Mr. Mueller also mentioned that their organization was asked to suggest some alternatives for how the trail could be used so they are currently gathering means in order to provide additional data and evidence. Mr. Mueller hopes to work with staff to answer questions about alternatives, cost, environmental consequences, and more about what he envisions for the rails.

Director Frentzen asked what the difference is between the data Valley Vision proposes and what has already been presented to the board?

Mr. Mueller explained that Valley Vision has reviewed the study and spoken with the authors, and found the study to be illuminating in areas, but that it did not go the extra step to perform

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cost estimates and delve deeper into some of the environmental tradeoffs. He believes his study can provide additional data needed for making decisions on the rails and trails. A highly qualified nationally recognized engineering firm can take an independent look on behalf of local government and local business communities.

Director Howell supports Valley Vision's involvement and asked when Mr. Meuller would present the data to the board.

Mr. Meuller responded that their goal is Q1 or Q2 of 2018.

Director Frentzen mentioned that they are doing a broadband feasibility for EDC and that the SPTC corridor is on the radar for laying fiber. She requested that Valley Vision's study consider the possibility of laying fiber in EDC.

Mr. Steve Anderson spoke and supports having paved trails in the corridor. This issue with the corridor is that it is rails only and placing a paved bike trail in the corridor, to accommodate the rail being next to it, triples the cost to pave the trail.

Director Howell commented that most locations in Folsom demonstrate how easy it is to get a paved trail next to the rail.

Director Budge excused herself during item 6b, but prior to her departure she said she is comfortable with approving the license agreement as amended or carrying the item over to the next board meeting.

Director Frentzen mentioned that the board needs to consider everyone's well-being and that is why this board wants to see rails and trails in the area.

CEO Rackovan pointed out that this matter has already been decided. The tracks cannot be removed. The only issue now is whether the tracks can be used and maintained.

Mr. Harville spoke and claimed that in May 10, 2016, the EDC Board of Supervisors reversed their previous position of wanting tracks removed and stated that they wanted to see rails preserved and wanted joint use in the corridor. The study EDC did was not an all or nothing approach, the options discussed there was a small differential in cost and would have been offset by a single year of joint revenue.

Ms. Mary Cory mentioned that everyone is committed to preserving this historic corridor and El Dorado Western is committed to working with Mr. Harville to preserve the corridor.

CEO Rackovan informed the board that the license expires in February 2018.

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Upon motion by Director Frentzen and seconded by Director Nottoli, the Board voted unanimously that:

The P&SVRR license agreement is approved as amended with the changes as noted above by Director Nottoli and with the direction that staff will work closely with El Dorado County Board of Supervisors.

CEO Rackovan reiterated that each agency will need to ratify the agreement as to the terms of their own section of the agreement. The agreement is currently scheduled for discussion at the City of Folsom December meeting.

Director Frentzen stated that each member jurisdiction will review the agreement.

Some of the speakers mentioned they were surprised at what the board was proposing in the license agreement. Director Frentzen also noted that she was surprised by what was presented to the board in August.

CEO/Member Agency Staff Reports

Item 7a. Information: CEO/Member Agency Staff Reports

CEO comments: CEO Rackovan stated that they are trying to wrap up the annual JPA audit which is scheduled for December 14, 2017. CEO Rackovan submitted an official comment letter on behalf of the JPA supporting the section of the EDC trail that they are clearing environmentally.

El Dorado County comments: Ms. Sanders stated that they have heard from FEMA regarding the washout which will cost approximately \$77,000 to repair and \$40,000 in mitigation funds. The high dollar amount requires a formal bid. There is discussion between the FEMA and EDC engineers as to the location of the culverts and FEMA is funding the repairs. Ms. Sanders will update the board once she has a better assessment of what needs to be done.

Sacramento County had nothing to report at this time.

Sacramento RT comments: Mr. Darragh stated that Sacramento RT had conducted an emergency terrorist related drill based on a derailment and it went very well.

City of Folsom comments: Mr. Konopka mentioned that there is a preliminary engineering study for another section of the trail parallel to East Bidwell Street in front of Folsom Lake College. He will keep the board updated on the progress.

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Business from the floor/good of the order

Item 8: Business from the floor/good of the order. There was nothing additional to report.

The next meeting will be the Regular Board Meeting of February 5, 2017.

The meeting adjourned at 11:05 a.m.

I hereby certify that the Board of Directors approved the foregoing minutes at its Regular Board Meeting on November 6, 2017.


Kimberlee Marlan, Board Secretary