

Meeting of the Southern Rail Commission
June 3, 2016
Baton Rouge Area Foundation
(100 North Street, Suite 900 Baton Rouge, LA 70802)

Attendance: Greg White, Knox Ross, John Spain, Larry Watts, Phil Jones, Toby Bennington, Kay Kell, Jack Norris, Patrick Sullivan, Roy Woodruff, Shawn Wilson, Jerome Wall, J.W. Billy McFarland

Commissioners Not in Attendance: Ashley Edwards (Knox has proxy), Claire Austin (Billy has proxy), Angelia Mance (Billy has proxy), Walt Leger, Steve Carter, Blake Wilson

Others: Todd Stennis, Myles Brumfield, Paul Waidhas, Joe Waggoner, Dan Dealy, Rachel DiResto, John Robert Smith, Mark Drennen, Ryland Percy, Dean Goodell, Chance McNeely, Amber Cefalu, Beverly Haydel, Bryan Jones, Michael Jackson

Call to Order: *Chairman Greg White*

Roll Call

Prayer by Larry Watts, followed by the Pledge of Allegiance

Special Welcome to New Louisiana Commissioners: Secretary Shawn Wilson and Jerome Wall

REGULAR BUSINESS:

- I. Approval of Minutes of the December 4, 2015 Meeting. Motion to approve by John Spain, Toby seconded. Motion passes.
- II. Financial and Administrative Report - Greg White
 - a. SRC has operating cash of \$295,000. The column Called Phase 4 funds represents funds with specific uses for future projects – the auditor recommended these be categorized as a liability or deferred revenue since they are restricted. There are higher expenses in this time period related to the cost of the Gulf Coast Service Restoration Inspection train tour. There are also some costs associated with the Federal Railroad Administration (FRA) working group monthly meetings.
 - a. Update on Dues – LA and MS have paid their dues; AL has not yet paid. Billy had conversation with Governor, but the status remains largely unchanged. The Governor may pay dues out of the discretionary fund and Billy has a follow up meeting on Wednesday to discuss and confirm. In his meeting, Billy will also encourage the Governor to appoint a liaison to replace Brenda Jones, although Toby said this role has been assigned.
 - b. Update on progress of Audit –Auditors indicated they will deliver the draft report next Friday for review.
- III. Ethics: Conflict of Interest statements
 - a. This issue was addressed a year ago, and a Conflict of Interest Policy was adopted by the Commission. It is a best practice for government and non-profits to not only have a policy in place, but to acknowledge it annually by board members signing a statement. Commissioners were

reminded to turn in signed copies to Amber during this meeting. Amber was asked to follow up with those not in attendance to get their signed statements returned.

- b. Billy commented that each commissioner is also governed by ethics laws in their own state and they need to be cognizant of those rules too.
- c. Toby commented that in his role as an employee of the City of Anniston, he submitted a grant application on behalf of his city to SRC and he will recuse himself from the discussion and vote on the grant applications.

OLD BUSINESS:

Report on Executive Committee activities: (White, Ross & Spain)

- I. Update on Gulf Coast Working Group – Knox said the FRA group has been meeting regularly and made good progress; the report from CSX on capacity improvements needed and costs will be presented on August 11 in Jacksonville. The SRC will meet with the Mayor of Jacksonville while there.
 - a. FRA and CSX have been very responsive; Amtrak is a great partner; pleased with cooperation of CSX; great process; Amtrak is reviewing stations needs; ideas of how to bring them up to ADA standards;
 - b. The FRA must report back to Congress by September what the issues are to restore service to the coast. This project involves not just restoration of service, but proposes an improved service connecting the City of New Orleans with a high level of on-time service to Orlando.
 - c. After the CSX report is delivered, Amtrak, FRA and CSX will evaluate and propose final numbers to be included in the report to Congress.
 - d. Todd reported that it is important to note the FRA's position on station platforms will save us significant capital costs. There is an ideal and a base level minimum to get service up and running.
 - e. Dan stated that Florida provided 11 letters of support from communities that are requested for inclusion in the Gulf Coast Working Group (GCWG) Report. Additional letters from other communities are needed to send to Congress. Dan can send the template resolution language if needed.
 - f. Spain noted that SRC adopted the service option that included a daily line from Mobile to NOLA. The operating shortfall is \$9m. A new terminal being built at New Orleans Louis Armstrong airport will provide the region with access to direct international flights making daily passenger rail to New Orleans even more valuable. Shawn said it is important from an economic development, tourism and workforce perspective. Todd stated there is an opportunity for shared equipment to be utilized for the BR to NOLA service, with additional trainsets and staff in New Orleans that could also serve BR.
 - g. Shawn stated the importance of considering the pending leadership transition at the federal level – there is a need to maintain momentum while trying to get some items done before this. T4 America is making overtures to both campaigns to ensure transportation is priority. Shawn was in Iowa for AASHTO and said it will be important to reach out in the broader community to organizations who share our concern. Need to form a collective voice on infrastructure with other compacts and associations.

- h. Larry said it is also important to engage business organizations since they have legislative agendas that SRC can tag onto. Spain said the Super Region Committee in BR/NO has great influence at legislature and has been a key ally in supporting the BR/NO rail project.
- i. Billy represented SRC at the Alabama League conference, which was good exposure for SRC.
- j. Dan Dealy and CPEX were asked to look for opportunities to engage the business sector, and encourage them to submit letters of support.

II. Update on meeting with Gulf Coast Governors and FRA Administrator, Sarah Feinberg – Knox reported that Feinberg has reached out to Governors from FL, GA, AL, MS, LA and TX to find dates in August for a meeting in Jackson with Amtrak representatives along with Union Pacific, CSX, & KCS.

- a. This meeting will provide a unique opportunity to talk about passenger rail. Governor Bryant has been very vocal in leading this charge. It will make the public more aware that our states are interested and it sends a powerful message. Six Governors asking the railroads to work with us as partners in a positive collaboration is unprecedented.

III. Update on Birmingham to Mobile Study – This corridor is one of the 4 priorities of the SRC. The first study is completed, and the second study, which required matching funds contributed by SRC, will get underway shortly by the Montgomery MPO.

IV. Update and approval of station grant applications – SRC received a total of 9 applications from MS and AL. Commissioners from each delegation reviewed and considered their own state's applications to make recommendations to SRC. Since the earmarked funds flow to SRC as a whole, the entire SRC will consider the state delegation recommendations and then identify appropriate funding levels for all applications, which will be submitted, along with the full applications, to FRA for review, approval, and final grant awards.

- a. MS report by Knox– Of the 5 applications, 4 were from coastal communities. All met cash match requirement. Coastal applications were focused on getting stations ready for train. Pascagoula submitted 2 funding options.
- b. MS Commissioners recommend funding the applications by the four coastal cities with Pascagoula at the lesser amount.
- c. Hattiesburg has had a tremendous amount of federal funding invested in the past. Although the proposal was good, the project would have least impact on ridership. Knox has met with each city individually, communicating to them the expectations that FRA has on projects to be funded (quick implementation, impact on ridership, meeting ADA requirements, etc). Jack Norris motioned to approve State of MS recommendations – but the motion was tabled until Alabama presented their recommendations, so that all applications can be handled in one action
- d. Phil asked if applications need to be ranked in the event the funding runs out? No- this is SRC's funding that sat idle and the FRA has confirmed that the earmark funding of approximately \$2.6 m is still available. (actual funding provided later, as \$2.475 million). SRC will recommend how the funding is to be allocated – it does not have to be divided equally among the states. Previous action

allocated \$1 million for Louisiana projects, leaving \$1.475 million to be divided among AL and MS projects and administration costs.

- e. Will the SRC have a sub-grant contract with each city that is binding? Yes, and the FRA has already approved the eligibility and the SRC determines that the application meets those requirements.
- f. AL report by Larry– AL reviewed 4 proposals. They recommended funding City of Mobile at \$125K, Anniston at \$79K, Birmingham at \$150K and Tuscaloosa at \$450K(or the balance of funds available, which is for a portion of their request.
- g. The cost of administering these grants will also need to be included as a line item in the overall amount.
- h. Shawn recommended that a committee form to meet during the break and review all applications and the actual funds available, and an estimate of administration costs, to finalize allocations. All agreed. The Chairman appointed Shawn (LA), Knox (MS), and Larry (AL) to serve on this committee.
- i. Following the break, Shawn reported that the subcommittee recommends the following allocations:

ALABAMA

- 1) Anniston — reconstruct parking area and construct ADA compliant access at the station - \$79,500
- 2) Birmingham — Project includes components to improve (likely offset local costs) current construction of multimodal station -need to start as soon as possible with a goal of finishing work no later than 12/1/17 - \$150,000
- 3) Mobile — Passenger rail station plan development, including a master plan and architectural design - \$125,000
- 4) Tuscaloosa — New passenger rail station construction - \$314,457

MISSISSIPPI

- 5) Bay St Louis — canopy improvements, trackside improvements, and ADA compliant access - \$50,000
- 6) Biloxi — passenger rail platform and pedestrian access connecting to transit station nearby -\$247,000
- 7) Gulfport — Construction of a 100-foot new platform canopy, new canopy lighting, ADA improvements, depot sidewalk improvements and landscaping -\$185,000
- 8) Pascagoula – Improvements to restore the historic train station - \$254,543

Not allocated funds at this time:

Hattiesburg — rail trail bike/pedestrian connection to station – (request: \$313,900)

TOTAL OF THESE ALLOCATIONS: \$736,543

GRANT ADMINISTRATION RESERVE FUNDS: \$100,000 total (\$59,500 – MS/AL portion plus \$40,500 – LA portion)

TOTAL EARMARK FUNDS AVAILABLE: \$2.475 million

Shawn made a motion from the committee to accept these allocations, Knox seconded by , with Toby Bennington abstaining. Motion passes. The FRA will be sending the final award letters to recipients.

NEW BUSINESS:

- I. The group recognized former Commissioner Michael Jackson of Louisiana, giving thanks for his leadership in the legislation that created the LA Super Region Rail Authority and his efforts advancing the priorities of SRC. A letter to Michael was read into the minutes and presented to him to express thanks for his years of work and support of SRC issues.
- II. Legislative Affairs Update by John Robert Smith –
 - a. T4A is contracted to provide policy work for SRC, issue a monthly report (send JRS new commissioners info). Do not lobby
 - b. The FY2017 T-HUD bill would increase funding for the TIGER discretionary grant program by \$25 million to \$525 including \$25 m for planning.
 - c. The Federal Railroad Administration (FRA) would receive \$1.7 billion, an increase of \$76 million from FY2016. The bill would fund Amtrak with \$1.42 billion in FY16, which is \$30 million more than FY15. Of this amount, \$345 million is directed to the Northeast Corridor (NEC) and \$1.075 billion is directed to the National System (all service not on the NEC).
 - d. This bill would fund the Consolidated Rail Infrastructure and Safety Improvement Grants program at \$50 million, but limit the funding's project eligibility to: \$25 million for positive train control installation; \$25 million for short-line capital improvements, highway-rail grade crossings, rail line relocation, and development and implementation of safety programs. Senator Booker's office has amended language to allow for capital that could include bridges (i.e. Bonne Carre). The FY2017 T-HUD bill would also provide \$20 million for the Federal-State Partnership for State of Good Repair Grants, which is only eligible for Northeast Corridor projects at this time. 1.42 b for Amtrak.
 - e. The house put no funding in for REG, so need to depend on Senator Cochran to restore this. The bill provides \$15 million for the Restoration and Enhancement Grant (REG) program. The Appropriations Committee amends the FAST Act in two ways. First, it enables the REG program to provide capital construction funding so long as it is to restore or initiate intercity passenger rail service. Ten million dollars is reserved in FY2017 for capital construction purposes. It then also amends the statute in the FAST Act by opening the program to all intercity passenger rail services currently in service today and increasing the maximum federal share to 80 percent (removing the decreasing 80-60-40 tiered operating support over three years).
 - f. FRA is directed to provide funding in FY2017 to complete its work for the Gulf Coast Passenger Rail Working Group, which was authorized at \$500 in the FAST Act for FY2017.
 - g. Surface Transportation Board is still determining definition of on-time performance; we asked that it be measured at each station; Senate and Fed DOTD have supported this language, but not approved yet
 - h. Senate bill included 2nd \$500k for Gulf coast working group.

- i. For FY 16, FRA has a call for safety infrastructure improvement grants due June 14th. SRC can apply for the grant, and use these funds towards improving Florida's grade crossings since it is along the gulf coast corridor system.
- j. T4 requested the SRC to issue a letter of support in rule interpretation by FAA which allows passenger facility charge on each ticket that goes to local airport. Currently these funds cannot be used on rail/transit connections to the airport unless the facilities are located 100% on airport property. Language does not allow for improvements off airport property. The request is to expand language and add flexibility to pro-rate the investment in improving a transit line based on ridership. Knox made a motion directing T4 to draft letter on behalf of SRC, Toby seconded. Motion passes.

III. I-20 Corridor Update – Knox reported that he met with the MS Governor's policy director who expressed keen interest in this route. All parties are working on the relationship with KCS and Amtrak will be meeting with KCS to push forward with inspection train trip along this corridor. The FRA has approved an extension of TX earmark funds (\$600k) to do capacity studies along this corridor and they want to model the Gulf Coast Working group process. The Vice President has expressed through his staff that he also wants to be part of this trip.

IV. Communications and Media Relations Update –

- a. Rachel introduced CPEX's new Communications Director, Lauren Knotts. The SRC now has a robust database of contact information from states along the Gulf Coast that can be segmented for various outreach purposes.
- b. Dan Dealy reported that he has been working to increase SRC's Social Media presence and there have been an average of 120 posts to FB weekly. Also Knox and Dan have been actively tweeting. These have been effective avenues to leverage the message of the SRC, to generate attention, and to speak to the public.
- c. If commissioners have communications or social media requests, send those to Rachel/Dan.

V. Other Items –

- a. Roy made a motion that beginning on January 1, 2017 the SRC should only hold meetings in cities served by passenger rail. Billy seconded. Toby stated that there are a number of cities in which we need to engage partners that do not have stations. Also this limits meeting places in MS.

Shawn made a substitute motion that the SRC will make an effort to meet cities in served by rail for 50% of meetings, although this will not be binding, Knox seconded. Motion passes.
- b. Update on inviting other states to join the SRC - other contiguous states can join and SRC did take action in December to invite FL. Each state legislature has to take action to accept invitation. Steps are underway.
 - i. John Robert Smith will be attending the Georgia Municipal Association conference on June 25-26th and would like to speak to leaders there about joining the SRC.

- ii. John Spain made a motion asking T4A to draft a formal invitation to GA to join and let JRS deliver invitation at the conference, seconded by Toby. Motion passes.

- c. LADOT Secretary Shawn Wilson gave an update on the New Orleans to Baton Rouge rail project. The State has put forth a Fast Act grant application, which would allow them to allocate \$30 million for freight corridor crossing improvements. This investment will be well received by KCS who would be the primary recipient of the benefit, through safety initiatives. The corridor also received FRA funding of \$1.4 million for crossing upgrades in a critical neighborhood in Baton Rouge. All of these improvements can be helpful towards project.

- d. Funding from City of Baton Rouge for future multi-modal passenger train facility –
 - i. The SRC set aside \$1 million of the grant funds discussed under Old Business Section IV of these minutes for Louisiana station improvements. A Notice for Funding was sent to communities along the rail corridor with a June 17th deadline for submittals. A critical focus is on the terminus in Baton Rouge, and the Mayor of Baton Rouge has agreed to put up \$250K cash match for the SRC funds and has instructed the East Baton Rouge Parish Redevelopment Authority to file the application behalf of the city.
 - ii. The LA commissioners will review the applications. Since Walt & Steve will be in session as legislators, John requested that LA submit recommendations to the SRC members for an electronic vote in the interim so there is no delay with FRA.
 - iii. Toby made a motion to accept this process and vote electronically, Knox seconded. Motion passes.

EXECUTIVE SESSION:

To discuss Amtrak board and presidency at end, no action required, for information only.

SUMMARY AND SCHEDULE OF UPCOMING MEETINGS:

September 9, 2016-Anniston, Alabama

December 9, 2016-Mississippi

March 3, 2017-Louisiana

*Subject to change if additional states are added.

ADJOURNMENT