

# *Meeting of the Southern Rail Commission*

September 7, 2018 9:00am-12:00pm

Bienville House, New Orleans, LA

## MINUTES

**Call to Order:** *Chairman John Spain*

### **Roll Call and Recognition of Special Guests**

**Attending:** John Spain, Greg White, Knox Ross, Roy Woodruff, Wiley Blankenship, Jerry Wall, Tommy Clark, Claire Austin, Kay Kell

**Guests:** Dan Dealy, Haley Blakeman, Janice Hamilton, Betsy Nelson, Maggie Woodruff, Phil Jones, Scott Goldstein, Dick Hall, Matt Holleman, Andrew Lodriguss, Darrel Saizan

### **Pledge of Allegiance and Prayer**

### **REGULAR BUSINESS:**

- I. Tommy made a motion to approve the minutes from the last meeting and Roy seconded. The Commission unanimously approved the minutes from the meeting of June 8, 2018.
- II. Legislative Affairs Update - *Scott Goldstein*
  - a. Full senate has passed a transportation bill including \$1.92M for Amtrak, \$255M for CRISI and \$10 M for R&E. House bill has not passed but has \$300 M in CRISI and none for R&E. Next step is negotiations between the house and senate. Senate passed a transportation package, but will be hard to get through the House. Major complication with transportation bill is available funding because the president submitted a budget request for the border wall and a veteran's bill passed earlier limiting all of the other money available for allocations. While the numbers are robust now, we will likely not see these levels for CRISI and R&E in the final bill because of the overall reduced allocations.
    - i. Current CRISI Grant Application is due on September 17 for FY18 money (\$318 M available now). FY19 may be in jeopardy because of limited allocations. Language in bill for preference for Gulf Coast rail, but legislators were disappointed there were no applications in FY 17.
  - b. Questions and Answers
    - i. Could the surplus from FY17 flow to FY19?
      1. We won't know until September 18 which states applied, but T4A expects a lot of interest in new pots of money. There is a good chance this money will be gone before FY19. We hope that there will be a carryover from FY18, but the grant opportunity will expire in FY19. Likely not money in the future to fund these types of projects, so we need to apply now.
- III. Financial and Administrative Report- *Greg White*
  - a. Financial Report
    - i. Greg reviewed the financial packet. Cash balance is \$139,000. \$481,466 committed for future projects.

- ii. John added that SRC has spent the most money on restoring Gulf Coast service over the last two years. Congress allocated \$2M for this project, and SRC has asked to be reimbursed for expenses, but that is not likely.
  - iii. John added that \$481,466 in the budget is from Louisiana DOTD dollars and must be used for improvements in Louisiana.
  - iv. \$139,000 is a nice operating budget with all states now paying dues.
  - v. Roy made a motion to approve the financial report. Claire seconded. The Commission unanimously approved the financial report.
- b. Budget
- i. Greg drafted a \$195,000 budget for the year, including \$65,000 of dues per state for the year.
    - 1.
    - 2. Gulf Coast Restoration for \$20,000.
    - 3. Accounting fees \$15,000.
    - 4. Dues \$300.
    - 5. Professional fees of \$18,000.
    - 6. T4A \$45,000 for consulting.
    - 7. CPEX \$18,000 for consulting.
    - 8. Travel expenses \$48,000.
    - 9. Includes \$36,000 for carryover funds.
  - ii. Greg made a motion to approve the financial report. Tommy seconded.
  - iii. Greg stated that he feels extremely good about the value that SRC gets from its consultants and they work well together. John agreed. Partners have had huge success it telling SRC's story and there is consistency in communications. Without T4A, federal funds would not be there.
  - iv. The Commission unanimously approved the budget.

**IV. Communications and Media Update - *Haley Blakeman and Dan Dealy***

- a. Haley gave a communications update including press releases from each state, and design assistance including Alabama Gubernatorial Briefing Book for New Orleans to Mobile Passenger Rail, Louisiana Gubernatorial Briefing Book for Baton Rouge to New Orleans Passenger Rail, and Mississippi legislative reception communications. Haley reiterated that CPEX can assist any of the commissioners with communications when needed. T4A can pull the data, CPEX can make it look good and pull out the most important pieces, and Dan can get the word out through social media and e-blasts.
- b. Dan talked about the social media campaigns and e-blasts that have been helpful during the push for state matches for federal funding. He reminded commissioners to like Southern Rail Commission and follow on Facebook and twitter.

**OLD BUSINESS:**

- I. Report on Executive Committee activities - *Spain, White, Ross*
  - a. Focus has not been in Washington as much in the past few months, but on state support for federal CRISI matches instead.
  - b. *Amtrak and CSX Meeting* – SRC facilitated a meeting between CSX and Amtrak. CSX called Amtrak prior to the meeting to discuss. The call was very positive and both agreed to work together. Each sent staff to Jacksonville to discuss return of passenger rail along the coast.
  - c. *Station Planning Grants* – no report

## NEW BUSINESS:

- I. Officer Elections
  - a. SRC elected the executive committee last year for two-year terms. Greg made a motion to step down from the executive committee. Greg recommends keeping other two officers in place, but recommends that Wiley Blakenship takes over his position because of Wiley's connection to the Mobile mayor, business leadership, port authority and we will need that to be successful in Mobile and Alabama.
  - b. There is no need to change the other officers, and John and Knox would like to continue.
  - c. Kay Kell seconded Greg's motion. The commission unanimously passed the motion.
  - d. John thanked Greg for his service and welcomed Wiley to the executive committee.
- II. General Announcements
  - a. Dan noted that Operation Life Saver is this month. Dan posts a lot on safety and recommend the commission participates.
  - b. The Rail Trends 2018 Conference is on November 19-20 in New York. This will focus on new technologies for passenger and freight. Dan suggests someone participates on behalf of SRC.
  - c. Short Lines and Regional Rail Conference is on September 24-26 in New Orleans. Dan suggested participation from the SRC.
  - d. John said that if commissioners are interested in participating in either conference to email John and the executive committee.
- III. State Reports:
  - a. Alabama – *Wiley Blankenship*
    - i. Toby requested a proposal from Jacksonville State on an economic study for the Port of Mobile if the tracks are improved. The commission recommended that we table approval of this proposal for the next meeting. There is an ongoing feasibility study on the Birmingham to Montgomery line to be completed to November 2019. It could have valuable information for this report, even though it will set the report back a bit. Will wait for the Alabama delegation to discuss and weigh in, then bring a recommendation to December meeting for the commission.
    - ii. Wiley reported that the Port of Mobile director is not opposed to passenger rail. Media keeps running an old quote that he is against it, but the port director has confirmed that he is not opposed as long as it doesn't enter the port. He is also being proactive about alternate routes, but the media did not know his message changed. Wiley is now trying to educate people that he is not against passenger rail. Trying to get Mayor Stimpson to meet with port director and then get port director to publicly say he is not opposed.
    - iii. Mayor Stimpson has been public about his support for the Gulf Coast Rail project and Coastal Alabama Partnership, and is currently doing a public opinion pole for Mobile residents. The mayor is trying to figure out how to pay for the grant match without the governor. Don't think that governor will oppose if she doesn't have to contribute money.
    - iv. Airport is in West Mobile. Its location has hampered air service for years. The airport authority wants to move the airport back in original location. This location would result in an increased catchment of 140,000 new passengers. Airport authority chair supports rail and has land for a station. The mayor wants station at the foot of Government St. in old Amtrak location, but may be persuaded to move station to the alternate airport location. Then air, rail, and freight would be in one spot. The

airport authority is factoring this into planning for the new location. SRC could offer a letter of support, but want to get a read from the mayor first.

1. John stated that SRC understands the economic impact of ports, and the current alignment would be putting additional passenger rail through the Port of Mobile. SRC phased the Gulf Coast Rail so we had time to figure out what to do with the port. The airport option would allow the rail without going through the port.
2. John has corresponded with Governor Ivy in response to a past commissioner's public attacks. In John's opinion, Alabama will may not add new commissioners until after the election, but they are mending the relationship with the Governor.
3. Dan added that they are rebuilding relationships in Mobile and Montgomery, led by Wiley and backed by Greg by educating people about what they are trying to do, the benefits, and the process.

b. Louisiana – *John Spain*

- i. New Orleans to Baton Rouge passenger rail project is moving along. John recognized Darrel Saizan for his support. Many businesses and mayors have also written letters of support and Darrel is responsible. Darrel said he has been involved with the Gulf Coast corridor since the 1990's. Master consultant for new airport and when new terminal is opened, more flights out of New Orleans. Rail is important to this, especially because parking is limited. Super-corridor has developed between Baton Rouge to New Orleans after Katrina. Baton Rouge is very supportive of new airport terminal and of rail from New Orleans to Mobile and Baton Rouge to New Orleans. Think new Senator Jones from Alabama will be supportive as many people from Alabama and Mississippi use the New Orleans airport for international travel. The airport authority has begun to think about a rail station at Armstrong Airport with a shuttle to terminal. Next step is environmental impact statement.
- ii. Tommy Clark talked about the meeting with Governor Edwards and KCS railroad management. KCS is protective of their petrochemical corridor between Baton Rouge and New Orleans, and want separate freight and passenger rail. In discussing the improvements that need to be made to the route, Tommy noted that there are several timber trestles that need significant upgrade for passenger rail and handling freight. The Governor's office told KCS that they received an unsolicited P3 offer from an international entity to install passenger rail service from the New Orleans airport to the central business district, as well as from Baton Rouge to New Orleans, and to buy the line between Baton Rouge and Shreveport. The governor will introduce KCS and the entity. Tommy then read a statement from DOTD stating that Louisiana will not apply for the 2018 CRISI funds because they were unable to identify funds for the required local match.
  1. John noted that the governor is very supportive, but we need to be creative to identify money. He said he hoped the private investors will be able to front load the money and could enter in to a MOU with SRC or the Super Regional Rail Authority to apply for the funds as part of a private public partnership.

2. Jerry asked if it would be a P3 partnership with the entity. Tommy confirmed.
  3. Roy noted that trains can currently only go 10 miles per hour across the Bonnet Carre bridge between Baton Rouge and New Orleans. It would cost \$60M (2014) just to replace the trestle bridge.
- iii. John pointed out that there are two rail projects in Louisiana. Louisiana pledged \$10 M for the New Orleans to Mobile passenger rail and that money is still there if Alabama and Mississippi decide to participate. Those funds cannot be used for the Baton Rouge to New Orleans rail project. The Governor included this project on his campaign pledge and has continued to support the Baton Rouge to New Orleans passenger rail service. Governor is up for election next November, so he won't file for CRISI funds in this round. SRC has authorized \$50,000 for T4A to write a CRISI application in case there is private support. This application can be amended for 2019, and can be revised for other states quickly. John and Tommy believe that Governor will not apply this year but will next year.
  - iv. Gonzales just finished report on station plan and had successful press conference.
  - v. Laplace is getting close to finalizing plans for their station.
- c. Mississippi – *Knox Ross*
- i. Knox gave an update on the Gulf Coast Project. Knox recognized Dick Hall, Chair of the Mississippi Transportation Commission, and thanked him and his fellow Commissioners for providing the match for our REG Operating Grant application. While the state of Mississippi chose not to move forward with a FY 2017 CRISI application, we are continuing to work with our state and local partners to apply for a 2018 CRISI.
  - ii. Amtrak and SRC, with the support of CPEX, partnered to host a reception in Jackson for legislators while in Special Session to educate legislators on the opportunities and benefits of daily New Orleans Mobile service to the state, and to make sure this project fits in to the criteria established by the legislature for BP Restore Funding. SRC representatives also visited with legislative leadership the next day to discuss our proposal.
  - iii. Coastal legislators have taken a leadership position in advocating for a State of Mississippi 2018 CRISI application, namely Senator Brice Wiggins and Representative Charles Busby. We are also working with the Mississippi Department of Transportation, the Port of Pascagoula, and the Mississippi Export Railroad to include certain improvements to their facilities in the CRISI application. T4A has reviewed the BP Restore legislation and has formulated a letter that will suffice as a commitment by the State of Mississippi to allow Amtrak to file a 2018 CRISI application. Senator Wiggins and Representative Busby, along with Amtrak and the SRC, are working to obtain additional legislative support for the 2018 Mississippi application.
  - iv. The SRC in Mississippi and Alabama are coordinating efforts to obtain support for a 2018 CRISI application from both states.

**IV. Reports from Amtrak and Rail Passengers Association (RPA) – *Betsy Nelson and Andrew Logriguss***

- a. Betsy noted that they have been focusing on the national network and building on it. Targeted the senate with a very successful vote. Aderholt (AL) and Rep. Bishop (GA) on the conference committee for HR 6147 amendment and they are targeting them. Also targeting the mayors in Amtrak communities. *They need help from SRC to get mayors to sign their petition.* Trying to get 200 mayors in Amtrak communities to sign petition in next 2 weeks, as the legislation is likely go to vote at the first of October.
- b. Introduced Andrew (on their board of directors) and he asked for our help and support. Want the Udall-Moran language to go into the appropriations. They want to advance this language to make sure there is a precedent that the rail passenger's voice is heard in appropriations. Maintain the national Amtrak network. Part of the Crescent and Memphis line would be affected in Mississippi and New Orleans. The Downeaster is also affected.
- c. John noted that T4A will watch this and advise SRC. John will also reach out to Garrett Graves, who is on the transportation committee.
- d. Working with folks in Aniston to provide volunteers to help out and support staff at each station. If you are interested in this program at your station/community, please let them know.

**UPCOMING MEETINGS:**

- I. December 7, 2018 Mobile, Alabama

**ADJOURNMENT**