

Meeting of the Southern Rail Commission

Friday, June 7 at 9:00 a.m. Mobile, Alabama

COMMISSIONERS: John Spain, Kay Kell, David Clark, Dennis Stripling, Ellis Foster, Brian Fulton, Frankie Castiglia Jr., Jerome Wall, Roy Woodruff, Stephen Worley

COMMISSIONERS VIA ZOOM: Toby Bennington, Katie Hood, Chris Christianson, Steven Brom, Walt Leger, Adrian Perkins

ATTENDEES: Dean Goodell, Phil Jones, John Robert Smith, Beth Osborne, Jaibin Mathew, Rachel DiResto, Alyssa Panepinto, Todd Stennis, Arun Rao, Patrick Duffy, Sara Clark, Wendy McDonald, Tamika Monterville, Joe Donahue, Julia Fisher-Cormier, Lona Edwards Hawkins, Ben Dodson, Bill Lavers, Maggie Woodruff, A.P. Steadham, Steven McNair, Mayor Ellis, Drew Maddox

ZOOM: Amit Bose, Rep. Francis Thompson, Senator Sam Jenkins, Brandi Montgomery, Eric Wright, Doug Rogers, Shannon Coggin, Harrison Bond, Ray Morrison, Tera Johnson, Erin Nolan, Elizabeth Lawlor, Bruce Heniken, Christina Anderson, Catherine Reaves, Jake Herman, Joshua Logelin, Leo K., Maggie Oliver, Kelly Giblin, Tara Lambeth, Dov Block Marc Magliari, Mary Perez, Jane Covington Eric Wright Caroline Nettles, Sylvia Martinez, Doug Rogers, Sabrina McNeal, Brooks Davis, Jennifer Ansardi

REGULAR BUSINESS:

- I. Approval of the minutes from the meeting of Feb. 23, 2024
 - Commissioner Castiglia moved to approve the minutes, and Commissioner Woodruff seconded the motion – motion passes.
- **II.** Financial and administrative report
 - a. Dues are current and the SRC financials are in good standing.
 - b. Commissioner Kell moved to approve the financial reports, and Commissioner Castiglia seconded the motion motion passes.
- III. Communications and media update
 - a. The SRC maintains a strong presence and continues to grow followers on social media and continues to generate news headlines about various projects.
 - b. SRC recently established a new LinkedIn account.
- IV. FRA Update Amit Bose, Administrator
 - a. Amtrak still has important steps to go through with the City of Mobile with the council and approving the lease arrangement for the platform, but we are making progress, thank the SRC for the work you do and continue to do not only for the Gulf Coast, but also for Baton Rouge to New Orleans and I-20 projects.
 - b. FRA will be issuing new NOFAs for Restoration and Enhancement grants.
 - c. The CRISI grant deadline just passed, and FRA is reviewing those submittals.
 - d. Another round of Federal State Partnership grants is also coming up.
- V. Legislative affairs update
 - a. John Robert Smith introduced Jaibin Mathew, the newest member of the Transportation for America team.
 - b. The SRC Executive Committee was on Capitol Hill during the week of 4/8/2024 to engage members of Congress on SRC priorities. They advocated for Senator Welch's bill for the use of federal grants as matching funds nationwide and other priorities. In addition, they discussed broader updates on the status of Gulf Coast passenger rail projects.
 - i. Some of the offices engaged included:
 - 1. Sen. Cindy Hyde-Smith (MS)

- 2. Sen. Roger Wicker (MS)
- 3. Sen. Bill Cassidy (LA)
- 4. Sen. Katie Britt (AL)
- 5. Sen. Deb Fischer (NE)
- c. House Majority Leader Steve Scalise released a proposed voting schedule for the FY25 appropriations bills. On June 27 there will be a markup on the Labor-HHS-Education and Transportation-HUD bills in their subcommittees.
- d. On Wednesday, July 10 the Labor-HHS-Education, Agriculture-FDA, and Transportation-HUD bills will be marked up in the full committee.
- e. The current plan is to vote on all 12 bills by August 1st. This is highly unlikely as most bills last year were voted on in September or later.
- f. Last year, there was a large gap in funding for transportation and housing and development (THUD) programs. This year there was an unexpected \$1.6 billion increase in housing fees, leading to more potential funding for THUD. However, House Appropriations Chair Tom Cole is moving \$800 million of this funding to the EPA and Interior Department. House Republicans are looking to cut non-defense spending across the board and are aiming to stick to the FY25 funding limits in the debt ceiling eal negotiated in 2023. This means that programs unfunded last year will almost certainly remain unfunded this coming year.
- g. Two new nominees for the Amtrak Board of Directors were announced and transmitted on 5/2/2024. The nominees both have strong backgrounds in public service and include:
 - i. Ronald Batory (R-NM)
 - ii. Elaine Marie Clegg (D-ID)
- h. These nominations from President Biden would address the geographic residency requirements on the Board, which require representation from specific kinds of existing Amtrak routes.
- i. The Surface Transportation Board (STB) announced the membership of the new Passenger Rail Advisory Committee (PRAC) on 3/28/2024. PRAC will provide guidance and advice to the STB on passenger rail issues.
 - John Robert Smith was named one of the 21 voting members on the committee. This
 position can be leveraged to further communicate priorities for passenger rail in the
 Gulf Coast, and nationwide, to the Board.
- j. Expected upcoming grant NOFOs:
 - i. FY24 R&E
 - ii. FY24 Railroad Crossing Elimination Program
- k. The SRC continues to engage with the FRA in calls pertaining to the receipt of the Corridor ID program award and the IRC grant.
- I. Gulf Coast Rail Updates On May 28th, 2024, the Mobile City Council Committee held a meeting during which they discussed the Mobile station infrastructure required for Gulf Coast passenger rail service. Amtrak and CSX are expecting to complete necessary improvements to be made within 6 months of the execution of the land use agreement, which both parties believe will be finalized soon. The schedule of next steps is currently being awaited.
- m. T4A has developed a grant agreement for Phase 1 of the CIDP for the I-20 corridor and has submitted it to the FRA to be reviewed and finalized.
- n. Transportation for America, in conjunction with Emergent Method, Joe McHugh, former Amtrak VP of state-supported service, and Patricia Quinn, Executive Director of NNEPRA, to suggest a path forward to utilize the IRC matching funds of \$400,00 for a total of \$800,000 to create capacity for the SRC to implement service.
- SRC continues to engage FRA in bi-weekly calls pertaining to the receipt of the Corridor ID program award and the IRC grant.
- p. T4A has developed a grant agreement for PHASE 1 of the CIDP for the I-20 corridor and has submitted it to the FRA to be reviewed and finalized.

NEW BUSINESS:

- Report on Executive Committee activities
 - a. The Southern Rail Commission is closer than ever to seeing trains run.

- II. Amtrak Update Arun Rao, Director of Network Development
 - a. Amtrak is pleased to provide passenger service emphasizing its potential to boost tourism, support businesses, and attract workers and in a world where employers abilities to attract workers is a critical challenge, rail access can be lifechanging for those who cannot drive
 - b. Minnesota is Amtrak's first new state funding partner in decades.
 - c. The recent launch of new service in Minnesota has been extremely successful with the ridership exceeding projections.
 - d. As we celebrate that success, Amtrak is committed to ensuring the partners on the gulf coast are next.
 - e. A few things must happen before the Mobile to New Orleans service can start:
 - 1. Construction of mobile station platform and final station construction
 - 2. Funding agreement for operations must be finalized
 - 3. Land agreements, building permits, required environmental approvals all of which include multiple parties
 - f. Amtrak is working hard to drive these things forward as quickly as possible and meeting biweekly with the city to move forward.
 - g. Amtrak is also working with CSX to move utilities, working to move CRISI and RE grants forward, executing agreements and securing permits.
- III. Actions on FRA Grant Funds The FRA has requested the SRC to modify previous grant awards to facilitate the funding for the gulf coast projects. The SRC took action on the following requesting FRA to:
 - Unaward the FY2006 Railroad Research and Development CDS sub-award for Mobile, AL Station Preliminary Alternatives Analysis (\$80,100)
 - b. The SRC requests to voluntarily withdraw and transfer FY2018 CRISI Restoring Intercity Passenger Rail (IPR) Service Along America's Gulf Coast (\$32,995,516)
 - c. Transfer FY2017 Restoration & Enhancement (\$4,360,000) and FY2018-2020 Restoration & Enhancement (\$5,450,000) to Amtrak (National Railroad Passenger Corporation)
 - d. Commissioner Spain made the motion to approve this request, seconded by Commissioner McNair – motion passes.
- IV. Marc Magliari from Amtrak provided an update that Amtrak is working with Mobile emergency management team and CSX to train first responders in the CSX yard with rail equipment prior to service start.
 - a. Amtrak is also working with Mississippi office on a presentation about driving back and forth across the railroad track safely for students getting their CDLs.

v. State Reports

- a. Louisiana
 - The SRC welcomed Joe Donahue, new Secretary of DOTD Julia Fisher-Cormier, Multimodal Commissioner
 - ii. LA is looking at I-20 and BR/NO routes which is important for many reasons, especially connectivity during times of emergency
 - iii. There are many lessons from Hurricane Katrina when people were unable to get out of harms' way. If Louisiana had rail equipment and crews in place, we could evacuate folks who would not be able to leave otherwise.
 - iv. The money that is so often a barrier is not a barrier, and we need to be aware that the clock is ticking so we can use them before we lose them.
 - v. The SRC also welcomed Senator Sam Jenkins and Rep. Francis Thompson who joined via zoom.
 - vi. Mayor Friday Ellis from Monroe provided a brief update thanking the SRC for their support for I-20 passenger rail. Monroe is continuing to work with Shreveport and Ruston to work on making progress. Monroe has also set aside \$8 million for a passenger train station whenever we are ready to build it.

b. Alabama

i. Former SRC Commissioner Stephen McNair who now serves Director of External Affairs for Mayor Stimpson said that he city and other partners are committed to getting all the steps remaining done. He anticipates a vote by the Council on the funding agreement within the next 30 days on the 3-year funding package for the first 3 years of Gulf Coast service operations.

- ii. Commissioners were asked to approve the cost to update the economic impact study on passenger rail expansion in Alabama.
- iii. Commissioner Castiglia moved to approve the minutes, and Commissioner Woodruff seconded the motion motion passes.

c. Mississippi

- Drew Maddox from Cornerstone Government Affairs presented a brief update on securing the funding from Mississippi to match the federal funding awarded for this service.
- ii. The recent legislative session started with asking for \$14 million towards funding the match of federal funds for the rail project which was initially received well, but around mid-April, he got the inkling they didn't want to fund it.
- iii. Senator Wicker reached out to the Speaker, Lieutenant Governor, and Chairman of Appropriations to express his concern by neighboring states about the veto of federal award funding.
- iv. The result is that half of the project is funded with \$6 million cash that will be available to Amtrak in 2 weeks—will allow us to draw down funds immediately.
- v. At the end of the year, MS will cash out \$14 million in bonds to go to Amtrak and of that \$6 mill will lapse back into the state.
- VI. Harrison Bond, MBA professor from Tulane University, presented a study on a demand model for the New Orleans to Mobile route. The model provides analysis of who will be using the service once it gets running and at what frequency.
 - a. The customer profiles developed for this project are based primarily on census data and information provided by New Orleans & Company and the Tourism Boards of New Orleans, Mobile, and Coastal Mississippi.
 - b. It identifies 8 customer segments and decision points that would influence their ridership.
 - c. The final report will be distributed via email following this meeting.
- VII. Commissioner Spain distributed the report from the recent financial audit of the SRC.
 - a. Commissioner Castiglia moved to approve the minutes, and Commissioner Fulton seconded the motion motion passes.
- VIII. The Commission had a brief Executive Session.

SCHEDULE OF UPCOMING MEETINGS IN 2024:

 The Southern Rail Commission will hold its next quarterly meeting on September 13th in New Orleans, Louisiana.