

Meeting of the Southern Rail Commission

December 8, 2017 9:00am-12:00pm
Baton Rouge Area Foundation
100 North Street, Suite 900, Baton Rouge, LA

MINUTES

Commissioners attending: Greg White, John Spain, Larry Watts, Toby Bennington, Steve Carter, Jerry Geyman, Tommy Clark, Kay Kell, Knox Ross, Jerome Wall, Shawn Wilson, Roy Woodruff

Others attending: John Robert Smith, Scott Goldstein, Rachel DiResto, Maggie Woodruff, Betsy Nelson (NARP), Phil Jones, Dan Dealy (by phone), Matt Hollman – Jackson MS (by phone), Janice Hamilton (by phone)

Call to Order: *Chairman John Spain called the meeting to order at 9:11*

- I. Steve Carter made a motion to approve the minutes from the meeting of September 8, 2017, seconded by Jerry Geyman. Motion passed.
- II. Legislative Affairs Update – by *John Robert Smith*
 - a. Introduction of new T4 America Policy Director – Scott Goldstein
 - b. Scott spent 10 years on hill, worked for DC Metro working to advance their goals
 - c. Scott is working with Commerce and Appropriations committees on behalf of SRC
 - d. Jerry/ made motion for Executive Session, seconded by Toby. The committee received an update from T4 during executive session.
- III. Financial and Administrative Report-by *Greg White*
 - a. SRC has a cash balance of \$125K at the conclusion of fiscal year
 - b. Received \$130K for dues last year. Received check from Alabama in Nov, but it was booked for prior year
 - c. Also received dues check for current year from Alabama for FY 18 – and in the future, this will be booked in the year we receive it and become an expected line item in the budget.
 - d. Greg expressed thanks to everyone who helped with securing these dues.
 - e. Louisiana’s dues are expected to be received shortly also.
 - f. Motion by Toby to approve the financials, seconded by Roy. Motion passes.
- IV. Communications and Media Update-*Rachel DiResto*
 - a. Rachel reported that since Jan 1, 2017 – SRC directly generated 70 articles in 47 media outlets including local and national publications.
 - b. We have 660 Facebook page followers, with numbers still increasing and good organic reach.
 - c. From looking at our higher reaching posts in the last few months, the fiscally related articles or the articles that explain why rail is crucial for economic growth tend to get the highest reach and the most “likes”.
 - d. T4, CPEX and Dan Dealy have all submitted contracts for renewal with SRC.

- e. T4's contract was approved by Executive Committee already since the work of T4 is critical to our mission.
- f. Dan's contract proposes ongoing support on an hourly basis with a cap on monthly amount not to exceed without approval. Dan will continue supporting social media, working with T4 America as part of station grants, and local meeting support as needed.
- g. CPEX's contract proposes ongoing communications, outreach and meeting support.
- h. Toby makes motion to approve all three contracts, Jerry seconds. Motion passes.

OLD BUSINESS:

- a. Report on Executive Committee activities – *by Spain, White, Ross*
 - i. Efforts have had good momentum in last months, but there is some concern also that despite great meeting with senior leadership of Amtrak and Moorman's commitment to rapidly restarting service, progress has slowed over the summer due to the transition in Amtrak leadership.
 - ii. In process of renewing relationships with Amtrak – that is our primary work now.
 - iii. SRC was called to Washington on Monday to meet with senior staff at Amtrak about long-distance trains. Although not a meeting with Chairman Anderson yet, this meeting will provide opportunity for SRC to talk about our goals, role of SRC, and to lay out plans and needs.
 - iv. SRC is committed to the goal for new 7-day service along the Gulf Coast to start as soon as possible and we need Amtrak's support for this.
 - v. There is also changeover in leadership at FRA, and SRC will need to monitor long term policy changes of new administration.

- b. Update on Gulf Coast Working Group, financial needs and next steps – *by Spain, White, Ross and John Robert Smith*
 - i. To make progress on project implementation, T4 has presented a draft proposal to Exec to outline capital costs divided across three states.
 - ii. John Robert Smith said SRC needs to be ready to apply for CRISI grant which requires a match.
 - iii. CRISI funding - \$10 m intended by lawmakers to go to restoration of service, \$17 m for rural service.
 - iv. T4 reviewed all GCWG potential projects and submitted list to Amtrak.
 - v. \$50,185 m in projects between NOLA and Mobile have been identified– list does not include grade crossings, since states have funds for these, and did not include station area improvements since SRC grants are addressing these needs.
 - 1. LA - \$6.52 m Gentilly yards, tracks
 - 2. MS - \$39.43m track siding switches, Pascagoula yard
 - 3. AL - \$5.9 m
 - 4. Amount includes contingency costs
 - vi. SRC has options to consider in applying for the federal grants available.
 - Option One: Apply for \$51.85m CRISIS grant – need match \$6m each AL, LA, \$24 from MS (80/20 funding)
 - vii. Shawn asked about state matching funds and grade closures – are non-federal funds required since crossing funds come from other federal funds? Yes--you can use

- state/federal funds such as crossing closure funding, can use BP Spill funds and \$30 m Fast Act funds.
- viii. Matching federal with federal funds is usually not allowed, and JRS will follow up with Beth Osborne to confirm this.
 - ix. Non-governmental entities can contribute funding as a match too.
 - x. Alabama's state portion of revenue includes estimate of costs to Atmore, but these are minimal costs for now to get train running
 - Option 2 - Apply for CRISI and use \$3 million to buy points on a RIFIA loan
 - a. \$8 m from MS, \$4m each from AL and LA
 - b. Can pay back over 30 years
 - xi. TALGO – 2 brand new sets of trains in WI
 - 1. Each set has 14 cars, plus 3 spares – total 31 cars
 - 2. Talgo want to make a deal with SRC – updated price \$20 - 25 m
 - 3. Amtrak has confirmed that they would accept this equipment
 - 4. Should states acquire trains, maintenance facility could be a huge economic development win with the creation of 50 or 60 new jobs.
 - 5. Rider experience at launch will be very positive.
 - 6. Why are trains still available? These are handicapped ready, but typical lifts for platforms do not integrate well with existing platforms in other places
 - 7. SRC could address this issue since we are redesigning stations currently and could design for proper heights.
 - Option 3 – Apply for CRISI, RIFIA, Add talgo train set to RIFIA loan
 - a. \$31 m, \$13m for AL & LA
 - b. CRISI plus RIFIA plus Talgo- \$8 MS, \$5 m each for AL and LA
 - c. Fra won't approve purchase of equipment without service location identified
 - xii. Who owns equip? – States or SRC. This is still to be determined although SRC will need two sets for the Gulf Coast daily train – Mobile to NOLA- since trains cross each other daily.
 - xiii. Can be financed over 30 years - \$5m per state roughly with low interest loan
 - xiv. There are 14 cars in each set with 2 control cars which is far more capacity than you might need on Gulf Coast. Can put extra trains on BR/NO – would need a control car.
 - xv. T4 requests permission to be authorized to prepare application for SRC for a CRISI – would need to work with each state on how to generate match.
 - xvi. This is only start of conversation but states would need to indicate commitment for matching funds soon.
 - xvii. How fast do you need answer from states? Soon although, RIFIA loan has a longer process for applying, and would be months before finalized.
 - xviii. Would SRC have to create capacity to operate a train? We have previously done that.
 - xix. T4 can start conversations with states, and then SRC can authorize the application.
 - xx. NOFA may be out in two weeks and we have two months to submit.
 - xxi. SRC asked T4 to explore the use of CRISI, RIFIA, REG and private funding as options of providing matching revenue and SRC will vote in future if SRC submits an application – although there will be a cost for this homework.
 - xxii. Exec will continue conversations with Talgo about trainsets.

- c. Update on Station Planning Grants
 - i. These grant projects are progressing at various rates.
 - ii. LA has no construction projects – only planning. All grants have been awarded and all scopes of work are signed and completed with work to kick off in early 2018.
 - iii. Mobile has identified need for stub-track so the scope of work is under revision to include this. Existing tracks are there, need water/power.
 - iv. Toby – Anniston is making progress
 - v. Other six grants – all SOW are waiting for Birmingham DOT to finish CE worksheet.
 - vi. Tuscaloosa – need 60 days of flagman, additional cost.
 - vii. Gulfport – min ROW, waiting on info.
 - viii. Pascagoula – flagman 20-30 days, adds costs.
 - ix. Biloxi – flagman 20-30 days, adds costs.
 - x. Bay St. Louis – still waiting on days needed for flagman.
 - xi. If other project scopes come in under budget, funds can be reallocated to help with these additional costs.

NEW BUSINESS:

- I. Changes to the By-Laws - *by John Spain*
 - a. Two proposed amendments to the bylaws– all members of SRC were notified in advance.
 - b. Amendment One: The number of commissioners in each state needs clarification. Each state can appoint 5 citizens, a Governor’s designee and a DOT representative – total number is 7 commissioners per state.
 - i. Toby made a motion to amend bylaws to reflect number of commissioners per state, Roy seconded. Motion passes.
 - c. Amendment Two - Currently the bylaws require Executive Committee to include DOTD Secretary representatives, although this has not been our historic way of operating. If enacted, this would require three new members of Exec – we are not compliant with this language currently and adding new members can increase costs.
 - i. Amended language brings us into compliance and reflects more clearly how we are working.
 - ii. Motion by Toby to adopt new language, Jerry seconds. Motion passes.
 - iii. AL – commissioners need to engage new ADECA director.
- II. Report from NARP-*by Betsy Nelson*
 - a. Regional newsletter is sent quarterly to members – if you want to include any SRC updates send them to Betsy.
 - b. Two students participated in the Summer by Rail program – Kay was very helpful, and the Gulf Coast segment received the most publicity out of their trip.
 - c. Discussion about opportunity to expand SBR program – i.e. invite families to spend holidays by rail football by rail, give tickets. This would require additional funding/sponsors.
- III. State Reports:
 - a. Louisiana – Tommy Clark reported that DOTD met with KCS on Oct 30th.
 - i. Talked about BR/NO – KCS want a separate rail network within ROW, opposed to sharing tracks, discussed capacity and safety improvements with FAST Act funds.
 - ii. A private company from Dallas wants to do PPP to build a separated track.

- iii. FRA previously indicated would accept the three previous feasibility studies conducted since 2007 to pursue an EA instead of full EIS.
 - iv. EA would need to include host RR at table, but would have to be modified if a new track is included– may need an EIS, no determination from FRA yet on this.
 - v. KCS is agreeable to work with us to identify corridor safety enhancements with \$30m – use DOTDs expertise to identify locations.
 - vi. Take away from meeting: KCS wants to find something we can agree on to move forward.
 - vii. Major issues have emerged in BR with proposed rail crossing closures (this was a separate grant)– 10 crossings, 5 to close, have received community pushback so DOTD extended public comment period. DOTD in future needs to have data and communication before closures is announced.
 - viii. DOTD has made progress on closing study on NOLA gateway. NOLA Beltway is now owned by the Port of New Orleans and can be reprogrammed to optimize service at NOLA gateway.
 - ix. DOTD intends to bring Class One RRs together for a Freight Rail Mobility Summit in Feb 2018 together with ED orgs and MPOS – this meeting could be model for other states.
- b. Mississippi
- i. Knox reported that the CSX lobbyist met with Kay and Knox and discussed issues of mutual concern, but no follow up yet.
 - ii. Biggest issue is the Meridian Speedway which is owned by Norfolk Southern –the MS River Bridge has operational issues, and a pier is moving.
 - iii. Dick Hall has been helpful in monitoring the CSX situation.
 - iv. SRC discussed finding more leverage for freight to share tracks with passenger to make it more lucrative for them.
- c. Alabama
- i. Delegation recently met in Montgomery to review ways to generate support for infrastructure.
 - ii. Across the state there is new leadership and new mayors that must be engaged.
 - iii. Need to keep Birmingham on board – they will soon open new multi-modal station.
 - iv. Toby mentioned that former SRC commissioner Bob Lake passed away.
 - v. Port issues – misunderstandings have been resolved.

SUMMARY AND SCHEDULE OF UPCOMING MEETINGS:

- Friday March 2, 2018 Alabama – Host in Birmingham at RPC, near train station
- June 8, 2018 Mississippi
- September 7, 2018 Louisiana
- December 7, 2018 Alabama

ADJOURNMENT –at 11:50pm