

Meeting of the Southern Rail Commission

December 3, 2021

MINUTES

Call to Order: *Chairman Knox Ross*

Roll Call

SRC Commissioner Attendees:

John Spain, Knox Ross, John Clyde Riggs, Stephen McNair, Toby Bennington, Stephen Brom, David Clark, Kay Kell, Roy Woodruff, Walt Leger III, Shawn Wilson, Mayor Adrian Perkins, Wiley Blankenship

Other Zoom Attendees:

Maggie Woodruff (NO Regional Planning Commission), Bryan Jones (HNTB), Dennis Barrett (T4America), Todd Stennis (Amtrak), Alyson Gaharan (Emergent Method), City of Mobile, Dan Buka, Jerry Gehman, City of Atmore, Mayor Staff, Joey Hester (North AL Council of Governments), Elizabeth Messick (AL MPO), Jonathan Byrd, Nina Cookse City of Mobile, Benito Perez ft4 America Policy Director, Sylvia Martinez (Sierra Club), Dave Strohmaier (Big Sky Authority in Montana), Tom Hunter, (AECOM), Karen Parsons (NO Regional Planning Commission), Joey Hester, Janice Hamilton, Phil Jones (LA DOTD), Dean Goodell (LA DOTD)

Pledge of Allegiance and Prayer

REGULAR BUSINESS:

- I. Approval of the minutes from the meeting on Sept 10, 2021
 - a. Stephen McNair moved to approve the minutes, and Toby Bennington seconded the motion – motion passes.
- II. Financial and Administrative Report - *Knox Ross*
 - a. The SRC ended the year with a small surplus, mostly due to less travel during COVID.
 - b. Looking forward, as part of infrastructure bill, we will qualify for federal matching funds of the dues we pay which means our budget may double in 2022 and allow us to do more work.
 - c. Some restricted funds from old Louisiana funds that can be used towards Louisiana projects.
 - d. Our accounting firm is in the process of sending invoices to all member states.
 - e. Toby Bennington moved to approve the minutes, and Roy Woodruff seconded the motion – motion passes.
- III. Communications and Media Update – *John Spain*
 - a. John Spain reported that the SRC has had 11 news media mentions since the last meeting.
 - b. Press releases and social media have featured the infrastructure bill and transactions of the STB.
 - c. Social media followers are growing:
 - i. Current page likes: 1,048
 1. In Q4, social media promotions results:
 2. 13,923 people reached
 3. 663 post engagements
 4. 364 website visits
 - ii. The top post of Q4: “We’re Awarding New Grants”
 - iii. Toby encouraged everyone to share the SRC media posts to expand the reach.
- IV. Legislative Affairs Update – *Benito Hernandez and Dennis Barrett*
 - a. Toplines:

- i. Infrastructure Investment and Jobs Act (Surface Transportation Reauthorization)
 - ii. Build Back Better Act (Budget Reconciliation)
 - iii. Senate Fiscal Year 2022 Appropriations
 - iv. Executive Committee Meetings
 - v. Station Agreements
 - vi. Surface Transportation Board: Gulf Coast Restoration
 - vii. Surface Transportation Board: Canadian National/KCS Merger
- b. Surface Transportation Reauthorization
 - i. August 10: the Senate passed the bipartisan infrastructure bill, the Infrastructure Investment and Jobs Act (IIJA)
 - ii. November 5: the House passed the IIJA
 - iii. November 15: President Biden signs the IIJA into law
 - iv. The policy used to draft the highway and rail titles of the bill came from the Surface Transportation Reauthorization Act from the Environment and Public Works Committee (EPW) and the Surface Transportation Investment Act from the Commerce Committee.
 - v. Both passed out of their respective committees with strong bipartisan support.
 - vi. IIJA included many of the priorities the Southern Rail Commission has advocated for on the Hill.
- c. SRC Legislative Wins
 - i. New federal grant program that incentivizes states to create interstate rail commissions, modeled after the SRC. This program is funded at \$3 million per year where commissions can receive a federal match of \$1 million. SRC will be “grandfathered in” to the program.
 - ii. Amtrak Board Reform to have more national representation
 - 1. Replaces the Amtrak President with the CEO
 - 2. 1 person with a disability
 - 3. 2 people within the NEC
 - 4. 4 people outside the NEC
 - a) 2 including who live on long distance routes and
 - b) 2 from a State with State-supported routes
 - 5. 2 people from any of the three services: NEC, in a State with long-distance or a State-supported route
 - iii. Amtrak mission is reformed to prioritize expanding intercity passenger rail and connecting people across the country over profits.
- d. Surface Transportation Reauthorization includes:
 - i. Includes \$66 billion for passenger and freight rail improvements.
 - ii. \$50 million per year for Restoration and Enhancement Grants - Will now be 6 year grants that could lower the yearly average compared to the current 3 year grants.
 - iii. \$2 billion per year for Consolidated Rail Infrastructure and Safety Improvements (CRISI) program – opportunity for BR to NO line.
 - iv. Establishes a Rail Crossing Elimination Program funded at \$1.1 billion per year with 80/20 Federal Cost Share.
 - v. Establishes a Federal-State Partnership Intercity Passenger Rail Grants at \$8.7 billion per year - Includes a phased funding agreement between the Federal Government and the eligible recipient.
 - vi. \$1.5 billion per year for the Local and Regional Project Assistance Program (Build/TIGER) - Removes the 3-year limit on Congestion Mitigation and Air Quality (CMAQ) Improvement Program.
 - vii. Positive Changes to the RRIF program.
 - viii. \$1.25 billion to fund TIFIA Loans.

- e. Build Back Better Act
 - i. On November 19, the Build Back Better Act, a \$1.75 trillion budget reconciliation bill was passed out of the House.
 - ii. \$9.75 billion for the Affordable Housing Access Program which allows funds to be used for transit operational expenses related to increasing frequency and fare free and reduced-fare service.
 - iii. \$10 billion for high-speed rail – not likely to be allocated in southern regions.
 - iv. The bill will likely go through additional changes before final passage in the Senate.
 - v. Timeline of passage is unclear.
- f. Fiscal Year 2022 Appropriations
 - i. On October 18, 2021, the Senate released FY22 Transportation, Housing and Urban Development (THUD) Appropriations bill.
 - ii. Provides \$90.5 billion for USDOT and their programs, an increase of \$3.8 billion above FY21.
 - iii. \$1.09 billion for RAISE (formerly BUILD/TIGER).
 - iv. \$552.8 million for CRISI grant program.
 - v. \$220 million for Federal-State Partnership for State of Good Repair Grants.
 - vi. \$2 million for Restoration and Enhancement (R&E) grant program.
 - vii. A new competitive program, the Building Resilient Infrastructure through Innovative Solutions, that would provide funds for capital investment to improve the resilience of coastal transportation infrastructure vulnerable to current and future weather events or natural disasters.
 - viii. Timing may be in Spring 2022 before funds may be available from infrastructure bill if they pass an appropriations bill. Unfortunately, continuing resolution funds at same level as 2021 and may delay timeline.
 - ix. Supplemental appropriations of \$550 billion is tied to debt ceiling issues will cause delay in funding release.
 - x. Also USDOT is planning for administering new funding with issuing an RFI. T4 will respond to ensure SRC's interests are represented.
- g. Executive Committee Meetings
 - i. Executive committee member Knox Ross and John Spain, in addition to T4A staff, held successful meetings with FRA Administrator Amit Bose, Canadian Pacific, Senator Wicker's personal and Commerce Committee staff, and House T&I subcommittee on Rails.
 - ii. FRA Administrator Amit Bose has strongly renewed his commitment to passenger rail along the Gulf Coast, and the Mobile to New Orleans route in particular. The administrator said the SRC will be designated one of the ten commissions to receive federal funding through the Interstate Rail Compacts Program.
 - iii. Canadian Pacific - Jeff Ellis (Chief Legal Counsel), James Clements (SVP Strategic Planning and Technology) and Arielle Giordano (lobbyist): CP affirmed a commitment to restoring passenger rail from Baton Rouge to New Orleans and they are in advanced conversation with Amtrak about doing so.
 - iv. Sen. Wicker and Commerce Staff: SRC shared information from meetings with Administrator Bose and Canadian Pacific and committed to follow-up with the staff with support from local elected leaders in Central Mississippi and North Louisiana that would be served by the Meridian to DFW route.
 - v. House Transportation and Infrastructure Subcommittee on Railroads: subcommittee staff were interested in learning more about how they could be helpful to SRC's priorities and re-establishing passenger rail service along the Gulf Coast.
- h. Station Grant Awards

- i. Southern Rail Commission recently announced new awards for the three Mississippi cities and Birmingham for their station grants:
 - ii. \$444,086 was awarded to Gulfport (PLEASE NOTE THIS AMOUNT HAS BEEN AMENDED)
 - iii. \$270,000 was awarded to Bay St. Louis
 - iv. \$186,838 was awarded to Pascagoula
 - v. \$250,000 was awarded to Birmingham
- i. STB Decision: Gulf Coast Restoration
 - i. The STB will hold a public hearing on February 15, 2022 (and February 16, 2022, if necessary)
 - ii. After the board's decision on August 6 where they denied the motion to dismiss and declared the case ripe for hearing, the board adjusted the hearing schedule at the request of all parties involved. The new schedule is as follows:
 - 1. November 3, 2021 - CSXT and NSR opening evidence
 - 2. December 3, 2021, 2021 - Amtrak reply evidence
 - 3. December 23, 2021 - CSXT and NSR rebuttal evidence
 - 4. December 30, 2021 - Proposal(s) on hearing format
- j. STB Decision: CN/KCS Merger - On November 23, 2021, the STB accepted the Canadian Pacific and Kansas City Southern application for a potential merger and has instituted the following procedure schedule:
 - i. Notice of intent to participate due: December 13, 2021
 - ii. Applicants file Safety Integration Plan: December 28, 2021
 - iii. Descriptions of anticipated responsive applications and, petitions for waiver or clarification: January 12, 2022
 - iv. Responsive environmental information and, environmental verified statements: February 22, 2022
 - v. Comments, protests, requests for conditions, and evidence and arguments in opposition and, all responsive applications: February 28, 2022
 - vi. Responses to comments, protests, requests for conditions, and other opposition as well as rebuttal in support of the application: April 22, 2022
 - vii. Rebuttals in support of responsive applications, requests for conditions and other opposition: May 23, 2022
 - viii. Final briefs due: July 1, 2022

OLD BUSINESS:

- I. Report on Executive Committee activities - *Spain, Ross, McNair*
 - a. Meeting with FRA Administrator – he rode on inspection train in 2018 and he is very committed to Gulf Coast restoration, BR to NO, and Meridian to Shreveport to Dallas. He understands that time is of the essence.
 - b. Our conversations and dialogue with FRA is not only about passenger rail, but also about the benefits to the local economies in our states of improving freight rail with potential merger.
- II. State Reports:
 - a. Mississippi – Knox Ross
 - i. Keeping local partners informed of the opportunities within the new infrastructure bill.
 - ii. Assisting with grade crossing project in Rankin County on I-20 corridor and CP/KCS issued strong letters of support for this project.
 - b. Alabama – Stephen McNair
 - i. Birmingham got a sizable grant for improving platform in time for the upcoming World Games.

- ii. Congresswoman Sewell filed a complaint with the FRA about crossings being blocked by freight trains in Jefferson County.
- c. Louisiana – John Spain
 - i. Positive relationship developing with Canadian Pacific and as part of their filing with STB, they state they want to partner with the state of LA.
 - ii. Passenger rail between BR to NO is more of a reality than ever.
 - iii. Key people are in leadership positions at the federal level who are acquainted with this project such as Former Mayor Mitch Landrieu who was appointed Senior Advisor and Infrastructure Coordinator by Biden.
 - iv. LA Senator Cassidy was one of the key supporters of the infrastructure bill.

NEW BUSINESS:

- I. SRC to join State-Amtrak Intercity Passenger Rail Committee (SAIPRC)
 - i. Knox reported that SRC was invited to apply for Associate Membership which will not cost SRC anything. Any expenses to attend meetings are reimbursed.
 - ii. SAIPRC is directed by Congress to facilitate collaboration among its members and to oversee implementation of a standard cost-sharing methodology for the State Supported Intercity Passenger Rail Services across the country. SAIPRC's members aim to improve the intercity passenger rail network—to support the growing demand for rail travel and to encourage economic growth.
- II. Canadian Pacific Presentation in New Orleans on December 8th - *John Spain*
 - i. James Clements, SVP of Strategic Planning and Technology Transformation for Canadian Pacific Railway (CP) will speak on Dec. 8 at 9am at offices of GNO Inc. about their plans if STB approves their proposal to acquire KCS.
 - ii. LA Governor Edwards is also invited and confirmed that he will meet with Mr. Clements that morning and speak about the passenger rail project.
 - iii. Conversations are starting about an inspection train to run sometime next year, subject to all approvals.
- III. Knox reported that as a result of the meetings with the T&I subcommittee, he has been invited to testify at a hearing next week about the opportunities presented by the new infrastructure bill. Knox will also meet with other Congressional staff members during that visit.
- IV. Report from Amtrak - Todd Stennis
 - i. Amtrak is making sizable investment in local station ADA and state of repair projects.
 - ii. Early design phase for Slidell, LA.
 - iii. Greenwood, MS should be completed in early 2022.
 - iv. Yazoo, Jackson, Hazlehurst, and Hattiesburg are all in design.
 - v. Laurel, MS is underway.
 - vi. Anniston, Birmingham, and Tuscaloosa are all in early phases of design.

SCHEDULE OF UPCOMING MEETING:

- March 4, 2022 in Louisiana
- June 3, 2022 in Mississippi
- September 2, 2022 in Alabama
- December 2, 2022 in Louisiana

ADJOURNMENT