

Meeting of the Southern Rail Commission

September 6, 2019 9:00am-12:00pm
RSA Plaza Building, 5th Floor
770 Washington Street
Montgomery, AL 36104

Conference Phone Number: 1 (225) 263-2052
Access Code: 998209016#
Chair Code: 89935

Call to Order: *Chairman John Spain*

Roll Call

Attendees: John Spain, Wiley Blankenship, Shawn Wilson, David Clark, Toby Bennington, John Clyde Riggs, Stephen McNair, Roy Woodruff, Anita Archie, Phil Jones, Knox Ross, Kay Kell

Guests: John Robert Smith, Joni Emmons, Marc Magliari, Patrick Cagle, Sean Ross, Betsy Nelson, Paul Nelson, Maggie Woodruff, Todd Stennis, Joshua Hollins (LA DOTD), Dean Goodell (LA DOTD), Baker Allen (Governor Ivey's Economic Policy Advisor), Alan Baker (State Representative), Shane Stringer (State Representative), Jennifer Green (Jacksonville State University), Toby Roth (Capitol Resources), Elizabeth Kennedy (Norfolk Southern), Will Fuller (Capitol Resources), Janice Hamilton (Alabama Public Service Commission), Greg White, Dan Dealy

Pledge of Allegiance and Prayer

Recognition of Special Guests

REGULAR BUSINESS:

- I. Commissioner Bennington motioned to approve the minutes from the meeting of June 7, 2019 with one amendment: editing "Jackson State University" to "Jacksonville State University." Commissioner Wilson seconded, and the Commission unanimously approved the minutes from the meeting of June 7, 2019.
- II. Update on JSU Study - *Toby Bennington*
 - a. This study analyses the economic impact of potential passenger rail projects within Alabama. The economic impact study for Alabama is supported by Senator Marsh in order to provide an educational tool for legislators across the state to become more knowledgeable regarding passenger rail service and its benefits.
- III. Legislative Affairs Update - *John Robert Smith*
 - a. Update on CRISI grant

- i. In June the SRC was awarded a \$33 million CRISI grant which was matched by \$33 million of non-federal funds. There were well over 100 applications; the SRC's proposal was one of few selected and one of the largest awards from FRA. T4A is administering the grant on behalf of the SRC. Projects funded by the grant will be administered by T4A with the FRA.
 - 1. Mississippi is already moving forward with CRISI-funded projects. The first project funded with CRISI funds is the North Rail Connector, in partnership with the Port of Pascagoula and the Mississippi Export Railroad. This project will improve the connectivity of the Mississippi Export to the Port of Pascagoula and increases capacity on the CSX main line. The project should go to bid in the first quarter of 2020. T4A and SRC are currently coordinating with MDOT on the required improvements to grade crossings in Mississippi as well as administration of the CRISI funds as projects are finalized.
 - ii. October 18, 2019 is the proposal submission deadline for the new CRISI award cycle. Some potential projects might include the rail station in Mobile, Louisiana's New Orleans to Baton Rouge line, or any other required infrastructure improvements in Alabama. CRISI could also fund the purchase of new equipment for the proposed service.
 - 1. Local and State DOTs are also eligible to apply for CRISI funds.
 - 2. Private funds and freight rail funds can match CRISI funds.
 - iii. At present, the Commission does not have a defined project for a proposal. Transportation for America is a resource for developing proposals if an appropriate project is identified.
- b. Other grant awards
 - i. The SRC has received a \$4.36 million federal R&E grant. This is a FY 17 R&E award which will support operation of the New Orleans to Mobile line for the first three years. Mississippi has met its match for all three years, and Louisiana has made a 1.5-year match commitment, with the other 1.5-year commitment expected.
 - ii. The City of New Orleans has received a \$3 million grant for improvements at Union Passenger Terminal.
- c. Discussion of new contract with T4A
 - i. The SRC's current contract with Transportation for America involves a suite of defined services provided for a monthly fee and a fee-for-service arrangement for services which fall outside of those defined in the retainer. T4A is proposing a realignment of services so those performed on a routine basis are included in the monthly retainer. Proposed contract terminology would also qualify payments to T4A as a match for pre-authorized funding. The Executive Committee will send around the proposed contract to the Commission for review.

- IV. Financial and Administrative Report - *Wiley Blankenship*
- a. Update on States Dues - *John Spain*
 - i. Each state's dues are due January 1st. Louisiana has proactively paid its dues for 2020.
 - b. Discussion of expense reimbursement from the Federal Railroad Administration
 - i. After Hurricane Katrina, Congress asked the FRA to complete a study to determine what's necessary for restoration. Congress funded a Coastal Working Group that produced a master plan for gulf coast restoration of service. SRC incurred \$314,000 in expenses for that work since 2015. The SRC submitted those expenses to the FRA for reimbursement. The FRA has finally completed their work and agreed on reimbursement of \$250,000 of those expenses.
 - c. Because of pending FRA reimbursements, \$100,000. was moved from the reserve account into the operating fund to meet obligations. The reserve account is now owed \$200,000. which will be paid upon receipt of the FRA funds.
- V. Communications and Media Update - *Joni Emmons and Dan Dealy*
- a. In July the SRC hosted a briefing in Mobile. It was well-attended and provided data on the Alabama impact of the Gulf Coast project. The presentation from that briefing is available online. CPEX developed a briefing book and display materials for the event.
 - b. CPEX has worked with T4A to write press releases for the recent CRISI and R&E awards and distribute those to the media.
 - c. CPEX is available to generate communications material and provide SRC branded materials.
- VI. Election of Officers
- Commissioner Woodruff proposed rotating the titles of the currently-elected officers; Commissioner Blankenship was nominated Chairman, Commissioner Spain was nominated Vice-Chairman, and Commissioner Ross was nominated Secretary/Treasurer. The Commission unanimously approved the nominations.

OLD BUSINESS:

- I. Report on Executive Committee activities - *Spain, Ross, Blankenship*
- a. Commissioner Ross represented the SRC at the Coastal Transportation Summit in Biloxi. Secretary Elaine Chao was present and made a speech in support of passenger rail efforts. Senators Wicker and Hyde Smith were also present.
 - b. Commissioner Ross visited with the Pascagoula Port Director to discuss the impact of the New Orleans to Mobile project. The Director was supportive and sees it as an opportunity to eliminate crossing complications in Mississippi.

- c. The Commission has been talking to MDOT about CRISI projects and grade crossing improvements. Commissioner Ross visited with Melinda McGrath, the MDOT director, and she is very supportive.

II. Update on station planning grants - *John Robert Smith*

- a. Louisiana's station planning is complete.
- b. Mississippi's station planning is complete.
- c. Alabama: Tuscaloosa wanted to move its station from a legacy site to a new location. Norfolk Southern and Amtrak could not agree to the new site, and now the city is attempting to work with the legacy station site. Anniston is also working on a resolution about its station siting and design. The other stations in Alabama are waiting for approval from the FRA.

III. State Reports:

Louisiana

- a. Update on New Orleans to Baton Rouge passenger rail project
 - i) This service would utilize an existing KCS line. The proposed service has broad support. KCS has not expressed interest in running an inspection train along the route.
- b. LA DOTD conducted a study on existing passenger stations in the state and developed a checklist for evaluating passenger rail stations.
- c. Commissioner Wilson reiterated that there is strong support at the state level for freight and passenger rail. He offered to arrange a meeting with the MDOT and ALDOT Directors at the December SRC meeting; it would be an opportunity for the DOT secretaries to discuss reauthorization and grant funding.
 - i) Transportation for America is working with the Commerce Committee to craft language within the RIFF program to make train stations eligible for consideration as Transportation-Oriented Development. Projects in all three states. These 30-year loans have very low interest and don't require payments for the first five years. They are also working to make RIFF loans qualify as a cash match for CRISI grant proposals.

Mississippi

- a. Todd Stennis of Amtrak met with the Mayors of Batesville, Oxford, and Tupelo about developing bus service from Memphis to Birmingham.
- b. Commissioners Spain and Knox participated in an Amtrak restart event to celebrate resuming passenger service after Gulf Coast flooding.
- c. MDOT Commissioner Dick Hall is retiring; he has been a tireless advocate for passenger rail in Mississippi.

Alabama

- a. Update on City of Mobile and Gulf Coast project
 - i) Trying to resolve issues at the Port of Mobile and trying to understand the benefits and consequences of station location.
 - ii) In July the SRC conducted a public briefing in Mobile to answer questions about the Gulf Coast project.
 - (1) Commissioner Archie noted that resolving funding questions is just as critical as resolving port conflicts. She noted that since the state of Alabama will be committed to paying for operations after three years, questions about funding must be answered. The SRC must work to convince both port officials and legislators that this is a priority. She also noted that the Port of Mobile recently made a statement expressing concern about the impact of Mobile passenger service on the Port's operations.
 - (2) Commissioner Archie also voiced concern over the proposed service schedule, noting that it will not be a feasible commuter line. Fellow Commissioners noted that the New Orleans to Mobile line has not been touted as a commuter service.
 - iii) Commissioner Blankenship asked for a deadline for Alabama's match commitment in order to participate in the Gulf Coast project.
 - (1) Amtrak has given a 24-month estimate for infrastructure improvements required for smooth passenger travel. The longer Alabama waits to begin infrastructure improvements, the riskier the gamble on quality service in Alabama.
 - (2) Todd Stennis of Amtrak noted that once the RTC (Rail traffic control model) is complete, the timeline for Alabama action will be clearer. The model is assuming a downtown station in Mobile. Once the RTC is complete, Amtrak will be ready to sign agreements with cities.
 - iv) Commissioner Riggs suggested that the SRC have a meeting with all stakeholders and decision makers at the table. The question of station location in Mobile must be resolved efficiently. Commissioner Archie emphasized that the State of Alabama still has many questions about the impact of passenger rail service between Mobile and New Orleans.
 - v) Commissioner Blankenship suggested that the SRC offer distinctions between the passenger service that was offered previously and what is being proposed with this new service.
 - vi) Amtrak will have an operating agreement with the SRC for the Gulf Coast project. An RTC is being completed now; once it's complete and the three parties (Amtrak, CSX, and Norfolk Southern) agree on what capacity improvements are necessary, an operating agreement will be initiated.
 - vii) Patrick Cagle of the Alabama Coal Association asked that industry representatives be invited to discussions about impact and feasibility assessments.
- b. The Montgomery to Mobile Passenger Rail Feasibility Study Phase II is currently underway.

NEW BUSINESS:

- a. Reports from Amtrak - Todd Stennis
 - i. Amtrak is excited to have Gulf South passenger service available again after serial flooding earlier in the year.
 - ii. Amtrak is exploring a bus connector to serve Mississippi passengers.

SCHEDULE OF UPCOMING MEETINGS:

- a. December 6, 2019 Bay St. Louis, Mississippi

Chairman Spain thanked Governor Ivey for her attention to the passenger rail-related issues and for consistently sending representatives to Commission meetings.

ADJOURNMENT