

SOUTHERN RAIL COMMISSION

Full Commission Meeting Minutes

South Beach Biloxi Hotel

Beach View Meeting Room

September 6, 2013

2:00 PM

AGENDA

2:00 PM

FULL COMMISSION MEETING

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL
WELCOMING REMARKS

REGULAR BUSINESS

OLD BUSINESS

APPROVAL OF MINUTES OF JUNE 14, 2013, FULL COMMISSION MEETING
COMMISSION ACTIVITIES REPORT
CHECK SIGNING AUTHORITY
FY 2012 FINANCIAL AUDIT
REIMBURSEMENT FORM

NEW BUSINESS

ELECTIONS
MEETING SCHEDULING AND COORDINATION
GRANTS UPDATES
SOQ UPDATE
ALABAMA STATE RAIL PLAN

FINANCE AND ADMINISTRATION REPORT

FINANCIAL AND ADMINISTRATIVE REPORT- GREG WHITE, TREASURER
APPROVAL OF ACCOUNTS PAYABLE
FUTURE MEETINGS: NEXT FULL MEETING DECEMBER 6TH

MISCELLANEOUS

4:00 PM

ADJOURN

ACTIONABLE ITEMS FROM THE MEETING

(Taken directly from the minutes)

Commission Activities Report

Chairman Leger instructed the Executive Director to create business cards and other logo options.

Check Signing Authority

There needs to be a documented process for how this is addressed and tracked.

2012 and 2013 Financial Audit

Chairman Leger stated that he will make sure that there are not issues with audit compliance.

Commissioner White moved that the Commission move to begin the 2012 and 2013 audits per his previous suggestion. Chairman Leger seconded the motion and it was approved unanimously by the Commission.

Meeting Scheduling

Chairman Leger directed the Executive Director to have a schedule for the coming year by December 6th, 2013, the date of the next Full Commission Meeting in Montgomery, Alabama.

Grant Updates

Chairman Leger directed that there be a phone call in the near future to discuss the presence of an outside consultant from an educational and consulting standpoint.

States for Passenger Rail

Chairman Leger directed the Executive Director to find the specifics of the annual dues for States for Passenger Rail in order to move forward.

Finance report

Commissioner White stated that there were difficulties finding the reports due to the transition, but that directed Ms. Natalie Cook and Ms. Faye Moring to get statements from the bank to reconstruct Commission financial activities from this period. Chairman Leger directed that this data be presented by SEARPDC at the December commission meeting in Montgomery.

Commission Dues

Commissioner White directed SEARP&DC, the accounting services firm to establish invoices for dues going forward and to generate a bill by November 30th for next year's dues, including a credit to the State of Louisiana for \$5,000 in overpayment.

Financial Reports/ Approval of Accounts Payable

Commissioner McFarland moved to approve accounts payable and to pay all outstanding bills. Commissioner White seconded the motion. The Commission voted to approve the accounts payable unanimously.

Floor Open to All

Chairman Leger moved to empower Executive Committee to engage with them to be involved in the summit. Commissioner Warr seconded the motion. The Commission approved the motion by unanimous vote.

Call to Order

The meeting was called to order by Chairman Leger at 2:04PM with nine Commissioners in attendance as follows:

Alabama	Mississippi	Louisiana
Toby Bennington	Knox Ross (Proxy for:	Walter Leger, III
J.W. McFarland, Jr.	Kay Kell)	Phil Jones
(Proxy for ADECA	Charles Ozier	John Spain
Director Jim Byard,	Brent Warr	(Proxy for
Jr.)		Michael
Greg White		Jackson and
Larry Watts (Proxy		Steve Carter)
for Aubrey Miller)		

Commissioners in Attendance: 9

Proxies in Attendance: 5

Chairman Leger led the Pledge of Allegiance, thanked everyone for their attendance and recognized telephone attendees:

Jimmy Lester, ADECA Economic and Community Development Division
Brenda Jones, ADECA Economic and Community Development Division

He also instructed that guests and Commissioners sign in on the Commission attendance list to confirm attendance.

Chairman Leger made the introduction of the Commission's newest Commissioner, Roy Woodruff, appointed by Governor Jindal, in September 2013.

Chairman Leger recognized guests in attendance and asked that they introduce themselves and their respective organizations:

Todd Stennis
Dan Dealy
Paul Waidhas
Betsy, Mayor Moran
Paul, National Association of Railroad Passengers

Chairman Leger deferred to Commissioner Ross to welcome the Commission to Biloxi, MS and Commissioner Ross deferred to Commissioner Warr, as he is the former Mayor of Biloxi, MS.

Approval of Minutes

Commissioner Ross introduced a motion to approve the last meeting's minutes as written. Commissioner Bennington seconded the motion and the Commission approved the motion unanimously. Commissioner Bennington complemented the minutes for the record.

Commission Activities Report

The Commission's Executive Director instructed the Commission to review the results of the surveys and the monthly activities reports included in the Commission Meeting Booklet. She also pointed out the completion of the updated website and the addition of social media activities since the last meeting. Commissioner Woodruff asked about the status of business cards. The Executive Director stated that, while there are business cards created, the current logo does not have the Commission's amended name. Commissioner McFarland stated that he would send the amended logo to the Executive Director.

Chairman Leger and Commissioner Spain suggested the change of logo altogether.

The Executive Director stated that many of the activities of the Strategic Planning Meeting several hours before will move the Commission forward in future activities.

Chairman Leger instructed the Executive Director to create business cards and other logo options.

Check Signing Authority

Per the agenda, Chairman Leger brought to the table the business of check signing authority and raised the question as to whether there is a more effective way to write checks on behalf of the Commission. Commissioner Leger stated that, as it stands, all checks written on behalf of the Commission for activities of the Commission required two signatures as a check and balance on the use of Commission funds.

Commissioner White stated that the requirement of two signatures on each check satisfies the checks and balances required by the Commission. He also stated that for the most part, turnaround time has not been a problem for writing checks after the transition of the accounting services providers.

Commissioner Leger stated that while he is ambivalent to the result of this debate, he would like to see the simplification and improvement in the speed of the process and this could be improvement through the requirement of only one signature. He stated that as long as the Commission is required to and continues to perform its annual audits, the checks and balances upon the use of Commission funds will be satisfied.

Commissioner Ross moved to have the cap for single-signature approval be at \$10,000.

Commissioner Woodruff stated that he would prefer a \$5,000 cap for checks written for Commission activities and bearing only one signature.

Commissioner Warr advocated the \$5,000 maximum for single-signature checks.

Commissioner Ross then rescinded his \$10,000 cap motion and Commissioner Warr moved to allow for single-signature checks to be written with a cap of \$5,000. Commissioner Bennington seconded this motion.

Chairman Leger brought this to a vote and the single-signature cap was passed with unanimous approval by the full Commission.

2012 and 2013 Financial Audit

Commissioner White provided the details for the 2012 Financial Audit. He stated that the Commission received a quote for the 2012 audit from Ferguson Sizemore for \$6,000 for the FY2012 Audit and that that quote would be comparable for the FY 2013 Audit to commence as soon as the FY2012 Audit is complete. He suggested that the Commission retain the services of the firm for both the FY2012 and FY2013 financial audits, provided the in the 60 day turnaround, there is not a discrepancy in price between the two fiscal year audit quotes.

Commissioner Spain questioned whether or not the Commission is in compliance with state regulations for filing dates as the FY2012 Audit was due to begin in September 2012 and was to be filed with the state auditor shortly after.

Commissioner McFarland stated that this was a very serious matter and that the accounting services firm needs to find and report back to the full commission at or before the December meeting the documentation to know where SARPC allocated funds budgeted for the FY 2012 audit.

Commissioner Woodruff questioned why the Commission was looking to do two audits, one for this year and one for next year. Commissioner White clarified, stating that the Commission is slightly behind on its FY2012 Audit and that these two audits are for this year and last year. Commissioner Jones stated that the address of the Commission when filed with state auditors might not have been changed from SARPC to SEARP&DC or to the Secretary Treasurer.

Chairman Leger stated that he will make sure that there are not issues with audit compliance.

Commissioner White moved that the Commission move to begin the 2012 and 2013 audits per his previous suggestion. Chairman Leger seconded the motion and it was approved unanimously by the Commission.

Reimbursement Form

Commissioner Ross moved to approve the new reimbursement form. Chairman Leger seconded the approval. Commissioner Woodruff requested that the form be circulated. The accounting services firm, SEARPC&DC representatives Ms. Natalie Cook and Ms. Faye Moring confirmed the approval of the form sent to them by the Executive Director. The Executive Director circulated the electronic form to those who wanted to see it. The Commission voted unanimously to approve the form.

Commissioner White announced the accounting services firm representatives, Ms. Natalie Cook and Ms. Faye Moring and thanked them for their hard work and attendance at the meeting.

Annual Elections

Chairman Leger stated that the past year was a transitional time and that he is excited to move forward with strategic plans and the new leadership. He stated that the first order of business was the state of Louisiana holding the position of Secretary Treasurer. Chairman Leger recognized himself for the nomination of Commissioner Spain to be Secretary Treasurer. Commissioner Bennington seconded the nomination. The Commission approved the nomination unanimously. Chairman Leger congratulated Commissioner Spain.

Chairman Leger opened the floor for nominations. Commissioner McFarland nominated Commissioner White to the position of Vice Chairman. Commissioner Bennington seconded that nomination. The Commission approved the nomination unanimously. Chairman Leger

congratulated Commissioner White and thanked him for his service as Secretary Treasurer and stated that he will make an excellent Vice Chairman.

Commissioner McFarland nominated Commissioner Ross from Mississippi for the position of Chairman. Commissioner Warr seconded that nomination. The Commission approved the nomination unanimously. Chairman Leger congratulated Commissioner Ross and thanked him for his service as Vice Chairman and stated that he will make an excellent Chairman.

Commissioners Bennington and McFarland thanked Chairman Leger for his service with the Commission.

Meeting Scheduling

Chairman Leger moved to the next order of business, the scheduling of meetings for the next year. Chairman Leger directed the Executive Director to have a schedule for the coming year by December 6th, 2013, the date of the next Full Commission Meeting in Montgomery, Alabama. Commissioners McFarland, Bennington, and White thanked the ADECA for offering the Commission space for the December Alabama Meeting.

Grant Updates

Chairman Leger requested an update on the SOQ process. The Executive Director stated that on the call on July 9th, the Committee assigned to address and create the SOQ process was not clear on how to move forward in hiring without having a strategic plan in place. Chairman Leger directed that there be a phone call in the near future to discuss the presence of an outside consultant from an educational and consulting standpoint.

Chairman Leger addressed Commissioner Woodruff to bring him up to speed about Adams and Reese, that they were up for contract and that the Commission decided not to renew a contract with the company.

Hiring Committee

From the previous meeting: those established to be on the hiring committee for the government affairs research contract are:

Executive Committee	Existing Committee	Search	Additional Commissioners
Walter Leger, III	J.W. McFarland, Jr.		Kay Kell
Knox Ross	Michael Jackson		John Spain
Greg White	Toby Bennington		
Phil Jones	Knox Ross		

States for Passenger Rail

Commissioner Woodruff stated that he would like States for Passenger Rail to be considered as a potential organization for this position. Commissioner Jones stated that some State Departments of Transportation have membership in States for Passenger Rail and that the Commission likely already has access to information they provide with membership. He offers an alternative to membership by the Commission, the participation based upon existing state dues. Commissioner

McFarland inquired with ADECA about whether or not they are Members of States for Passenger Rail. ADECA responded that they are not members of the organization.

Chairman Leger directed the Executive Director to find the specifics of the annual dues for States for Passenger Rail in order to move forward.

Alabama State Rail Plan

Chairman Leger recognized Commissioner McFarland to discuss the 2013 Alabama State Rail Plan. Commissioner McFarland stated that he had received the draft plan contracted by the Alabama Department of Transportation to J.R. Wilburn and Associates. Commissioner McFarland stated that the draft chapter of the plan detailing passenger rail was an inventory of activities and not yet a true plan.

Commissioner McFarland stated that he has provided J.R. Wilburn and Associates with the details of improvements needed for the document. Among the improvements needed was the need for more data demonstrating ongoing capital projects that will support passenger rail expansion in Alabama, including ridership trends, direct and indirect economic development impacts resulting from passenger rail service, and the inclusion of a master passenger route plan and map that identifies the routes and what parts of the state they will serve:

- New Orleans-Birmingham-Atlanta (long-distance and corridor service)
- Birmingham-Montgomery-Mobile (long-distance and corridor service)
- Birmingham-Nashville
- Birmingham-Chattanooga
- New Orleans-Mobile-Jacksonville-Orlando-Miami (long-distance and corridor service)

Commissioner McFarland stated that the document should include the desired frequencies and type(s) of service planned for each route; a study plan for each route (including the Burk Kleinpeter International plans that have been developed to date for Meridian-Birmingham-Atlanta and New Orleans-Mobile); and a capital plan that addresses the infrastructure required to accommodate projected freight and passenger growth requirements. Commissioner McFarland also stated that the document required details of the costs and benefits to the host railroad and the state and national passenger rail network; and the economic benefits to the communities served.

Commissioner McFarland then recognized Ms. Brenda Jones with ADECA to discuss her input on the Alabama State Rail Plan or any other activities. Ms. Jones asked whether or not the State Rail Plan was being administered through ALDOT and Commissioner McFarland confirmed that it was, through their multimodal division.

Finance report

The Chairman recognized Commissioner White to discuss the Finance and Administration Report. Commissioner White discussed the financial report saying that the 1st page of the report is the budget, with the remaining pages detailing all expenditures of the Commission. The report detailed activities from March 2013 through August 2013. Commissioner McFarland stated that the December through February 2013 quarterly Finance Report has not been presented to the Commission. Commissioner White stated that there were difficulties finding the reports due to the transition, but that directed Ms. Natalie Cook and Ms. Faye Moring to get statements from the bank to reconstruct Commission financial activities from this period. Chairman Leger directed

that this data be presented by SEARP&DC at the December Commission meeting in Montgomery.

Commission Dues

Chairman Leger moved to the next order of Commission business: the status of the dues. Commissioner Jones stated that he is unclear about when the dues are due and what the last dues he paid were for. Commissioner McFarland stated that the dues amount was reduced in September, 2012 to \$65,000 per state per year.

Commissioner McFarland asked ADECA representatives for an update pertaining to the status of the Alabama dues payment. Mrs. Jones provided an update, and remained hopeful that this payment will be made shortly. Commissioner McFarland recognized her and ADECA's help in the process and thanked them for their great work.

Commissioner White directed SEARP&DC, the accounting services firm to establish invoices for dues going forward and to generate a bill by November 30th for next year's dues, including a credit to the State of Louisiana for \$5,000 in overpayment.

Funding from State of Alabama- ADECA

Commissioner McFarland stated that per previous discussions with each member of the Executive Committee, and follow-up email documentation, the State of Alabama will be given clemency for two previous years of unpaid dues upon receipt of the current year's dues in the amount of \$65,000.00. Chairman Leger stated that the Commission would have to discuss that in more detail. Commissioner McFarland stated that this was an important request made by the Director of ADECA, Jim Byard, Jr. Commissioner McFarland stated that he had confirmed approval by the Executive Committee by phone and in writing that, if the State of Alabama's pays \$65,000, representing the current year's dues, the Commission will forgive any outstanding dues owed from the State of Alabama.

Commissioner White stated that the Executive Committee will not be pursuing collection of these funds and that all would continue on ways to work forward all in good faith.

Commissioner Jones stated that the Commission should accept dues this year. But, should the economic situation of the state change, this will be re-evaluated. Commissioner Spain moved to approve this. Chairman Leger seconded this motion.

Commissioner McFarland reiterated that if the Commission chooses not to forgive the State of Alabama their outstanding dues payments, as they had previously agreed to do, that it was unlikely that the current year's payment would be forthcoming.

Financial Reports/ Approval of Accounts Payable

Chairman Leger moved to the next order of business, the approval of accounts payable. Commissioner White stated that the accounting services firm will have more complete information by December meeting, including the Quarter 1 FY2013 accounts payable and a cost summary. Ms. Natalie Fay from SEARP&DC stated that the current formatting of the expenditures is flexible and can include more or less detail as needed. Chairman Leger stated that the formatting is great.

Commissioner McFarland moved to approve accounts payable and to pay all outstanding bills. Commissioner White seconded the motion. The Commission voted to approve the accounts payable unanimously.

Floor Open to All

Chairman Leger stated that he would like to open the floor to the visitors.

Chairman White recognized the Dan Dealy from the Office of the Mayor of Mobile, Alabama. Mr. Dealy stated that following Gulf Coast August Summit of last year, there will not be an event similar to it this September. However, he stated that Amtrak has been optimistic with idea of being able to support the restoration of service in the area and that prospects look good for positive train control in panhandle. He also stated that they are looking for a host location and volunteers to move forward with a summit. He proposed that the Commission take on the event planning role in the Summit.

Chairman Leger inquired about the nature and the purpose of the event and requirements of the Commission in moving forward as a co-sponsor. Mr. Dealy stated that the event had around 80 people last year and that it was a one-day event with a reception the night before.

Commissioner Ross stated that the Commission has a great deal to do between now and December 6th and that it should not take on additional activities, depending upon the scope of the project. He also stated that the August Gulf Coast Summit in 2012 had high-level speakers, including the Deputy Administrator of the Department of Transportation.

Commissioner Spain asked about the purpose of the summit. Mr. Dealy delineated 4 main goals: to reintroduce Amtrak to the public, to restore gulf service east of New Orleans, to influence DC actors and those who funds transportation, to re-energize the passenger rail movement by establishing positive economic impacts.

Mr. Paul Nelson, representing the National Association of Railroad Passengers spoke in support of this summit.

Commissioner McFarland introduced Mr. Todd Stennis from Amtrak and thanked him for his support, stating that his knowledge of passenger rail has been of great help to the Commission for many years.

Commissioner White suggested that the Commission bring in Ocean Springs as a co-host.

Commissioner Warr stated that they would support the event in Ocean Springs.

Chairman Leger moved to empower the Executive Committee to engage with them to be involved in the summit. Commissioner Warr seconded the motion. The Commission approved the motion by unanimous vote.

Adjourn

Chairman Leger thanked the Commission, guests and ADECA for their attendance. The motion was made by Commissioner Leger for the meeting to adjourn and was seconded by Commissioner Ross. The motion carried unanimously at 3:19 PM.