

**PUBLIC BELT RAILROAD COMMISSION
CITY OF NEW ORLEANS
PUBLIC BELT RAILROAD BUILDING
4822 TCHOUPITOULAS STREET
NEW ORLEANS, LOUISIANA
NOVEMBER 17, 2016**

The Meeting of the Public Belt Railroad Commission was held this date at 4:00 p.m.

ROLL CALL:

PRESENT: Mayors Representative Ryan Berni, Commissioners Casbon, Chase, Francis, Frierson, James and Sloss (7)

ABSENT: Commissioners Arata, Baptiste and Schulingkamp (3)

Jeff Davis, Chief Executive Officer; Doug Campbell, Executive Vice President & COO; Erica Beck, Senior Vice President & General Counsel; Dennis Lafont, Vice President of Finance; Carl Kocur, Vice President of Engineering; Mike McMillan, Vice President of Mechanical; Scott Richoux, Director of Special Projects; Shawn Blanchard, Vice President of Transportation; Claudia Simmons, Manager of Finance; Kevin Walters, Manager of Mechanical; Billy App, Kristi App, J.W. Allen & Co.; Stephen Champagne, Gulf Gateway Terminal; Brett Bourgeois, Port of New Orleans; Jack Jensen, TCI; David Kearney, Kearney Companies and other members of the public as well as many NOPB employees were also present.

Commissioner Sloss called the meeting to order.

Commissioner Sloss reported that the Minutes of the Special Commission Meeting held October 27, 2016, have been transcribed and submitted to the Commission and requested approval of the minutes.

On motion by Commissioner Chase, seconded by Commissioner Frierson, the Commission unanimously approved the minutes of the Special Commission Meeting held October 27, 2016.

On motion by Commissioner James, seconded by the Mayor's Representative Berni the Commission unanimously moved to enter into executive session for the discussion of personnel matters regarding Jeff Davis.

On motion by Commissioner Chase, seconded by Commissioner James, the Commission unanimously moved to return to regular session.

Commissioner Sloss stated that Jeff Davis, CEO, has resigned his position with the NOPB.

On motion by President Pro Tem Sloss, seconded by Commissioner Casbon the Commission unanimously appointed Douglas Campbell as Interim CEO effective 1/1/17 and authorized Douglas Campbell to execute contracts, open bank accounts and sign disbursements effective 11/18/16.

Mr. Lafont reported the financial results for October 2016, which included Operations, Budget Variances and Summary of Net Assets. Mr. Lafont talked about car shop revenue, storage cars and local and run through switching.

Report of the CEO – Finance and Business Development reported October car volumes as well as September revenues for 2016. Mr. Davis reported that interline traffic was down and intermediate traffic was up for the month. There was discussion of the pipeline report and the U.S. Rail Industry Summary for rail carloads and commodities. Transportation department reported railroad dwell, train schedule performance and customer service failures 2015 - 2016. The Engineering department continues working on FEMA projects and reported the status of cross tie replacement and bridge tie production. The Mechanical department reported on the status of the car shop repairs and the locomotive availability. Mr. Davis presented the Human Resources Workforce Status Report, the Safety & Training status report on completed training, report of FRA inspections and audits, and list of contracts executed.

Unfinished Business – Mr. Berni gave an update to the KPMG Phase II analysis. Mr. Berni gave an overview which included establish NOPB objectives, determine criteria, define NOPB strategic options and review stakeholder and market feedback, and what would be the next steps. After the workshop it was determined that a sale of the NOPB was not in the best interest of the City's taxpayers, businesses and key stakeholders such as the Port of New Orleans. It has been determined that it is in the best interest to further consider the current structure and/or a Public Private Partnership structure.

New Business – The Real Estate Committee proposed the release of the rail servitude on switch-track #131 in favor of Manasseh, LLC.

On favorable recommendation by the Real Estate Committee, the Commission unanimously approved the release of the rail servitude on switch-track #131 in favor of Manasseh, LLC.

Public Comment – The Louisiana Railroads Association sent a letter to the Board of Commissioner stating that the Class 1's believe that the status quo of the NOPB is the best for the economy of the City of New Orleans, the Port of NOLA and the shippers.

Brett Bourgeois with the Port of New Orleans stated that the members of the User's Group are all in favor of maintaining the status quo for the NOPB and that moving forward with any RFP could jeopardize business opportunities with the Port of New Orleans. Kristy App with J.W. Allen Co., David Kearney with the Kearney Companies, and Jack Jensen with TCI all agreed that this process with the uncertainty could result in loss of cargo coming to the Port of New Orleans.

The Commission thanked the people for their public comment and assured them that they are hearing their concerns.

The next meeting of the Public Belt Railroad Commission is Thursday, December 15, 2016 at 4:00 p.m.

Commissioner Sloss asked for a motion for adjournment.

On Motion by the Mayors Representative Berni, seconded by Commissioner Chase, and without any objection, the meeting was adjourned.