

**PUBLIC BELT RAILROAD COMMISSION
CITY OF NEW ORLEANS
PUBLIC BELT RAILROAD BUILDING
4822 TCHOUPITOULAS STREET
NEW ORLEANS, LOUISIANA
DECEMBER 15, 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 Arata, Casbon, Chase, Frierson, James and Sloss (7)

ABSENT: Commissioners Baptiste, Francis 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; Arturo Andrade, Track Supervisor; Billy App, Kristi App, J.W. Allen & Co.; Stephen Champagne, Gulf Gateway Terminal; Brett Bourgeois, Port of New Orleans; 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 Commission Meeting held November 17, 2016, have been transcribed and submitted to the Commission and requested approval of the minutes.

On motion by Commissioner Casbon, seconded by Commissioner James, the Commission unanimously approved the minutes of the Commission Meeting held November 17, 2016.

In accordance with NOPB's employee of the month recognition plan, Mr. Blanchard, Vice President of Transportation, recognized employee Elmo Lee, Transportation Department. The Commission thanked Mr. Lee for his outstanding service and dedication to the NOPB.

Mr. Lafont reported the financial results for November 2016, which included Statement of Operations, Operating Revenue, Operating Expenses, Budget Variances and Summary of Net Assets. Mr. Lafont talked about the Huey P. Long segment 6 painting project, car shop revenue and run through switching.

Mr. Lafont presented the 2017 budget for the Commission's approval. He also stated that the report showed the 2016 operating results; forecast vs. budget, the 2017 Budget; forecast 2016 vs budget 2017, labor budget, capital expenditures budget, bridge operations budget and cash flow forecast 2016 vs 2017.

On motion by Commissioner Casbon, seconded by Commissioner Frierson, the Commission unanimously approved the 2017 Budget as presented.

Report of the CEO – The Finance and Business Development report stated that November car volumes as well as November revenues for 2016. Mr. Campbell 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 as well as new business and intermodal trains. The Transportation department reported railroad dwell, train schedule performance and customer service failures 2015 – 2016 YTD. The Engineering department continues working on FEMA projects and reported the status of cross tie replacement and bridge tie production as well as the yard office and Claiborne Ave. The Mechanical department reported on the status of the car shop repairs and the locomotive availability. Mr. Campbell 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 – Approval to give the President Pro Tem the authority to negotiate the Interim CEO's Compensation not to exceed the current CEO's compensation.

On motion by Commissioner James, seconded by the Mayor's Representative Berni, the Commission unanimously gave approval for the President Pro Tem to negotiate the Interim CEO's Compensation not to exceed the current CEO's compensation.

Mr. Berni gave an update as to the next steps in the process for either the current structure and/or Public Private Partnership (PPP) structure. Mr. Berni stated that the City would solicit formal interest in a PPP structure in two phases which is expected to take approximately seven months to complete. Commissioner Chase stated that he has concerns about the selection of finalist for the RFQ and wants to be sure that due diligence is done in the process.

New Business – Doug Campbell introduced Arturo Andrade hired as Track Supervisor. Mr. Andrade came to the NOPB with Class 1 Railroad experience.

Public Comment – Brett Bourgeois with the Port of New Orleans stated his concerns about putting an RFQ out and what it would do to new business opportunities with the Port of New Orleans.

Mr. Berni stated that he would send copies of the RFQ to the Commission.

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, February 23, 2017 at 4:00 p.m.

Commissioner Sloss asked for a motion for adjournment.

On Motion by the Commissioner James, seconded by Commissioner Casbon, and without any objection, the meeting was adjourned.