308386

BEFORE THE SURFACE TRANSPORTATION BOARD DOCKET NO. FD 36496

ENTERED
Office of Proceedings
June 14, 2024
Part of
Public Record

APPLICATION OF THE NATIONAL RAILROAD PASSENGER CORP. UNDER 49 U.S.C. § 24308(e) – CSX TRANSPORTATION, INC. AND NORFOLK SOUTHERN CORPORATION

JOINT STATUS REPORT

The National Railroad Passenger Corp. ("Amtrak"), CSX Transportation, Inc. ("CSX"), Norfolk Southern Railway Company ("NS"), and the Alabama State Port Authority and its rail common carrier operating division, Terminal Railway Alabama State Docks (the "Port") (collectively, the "Parties"), provide this joint status report to the Surface Transportation Board (the "Board") in accordance with the Board's order of May 23, 2024. This status report provides an update to the information the Parties previously provided on May 1, 2024 regarding: (1) the Consolidated Rail Infrastructure and Safety Improvements ("CRISI") Grant Agreement; (2) environmental review for the Mobile Station Track Project; (3) environmental review for the CRISI Grant Agreement Projects; and (4) negotiations with the City of Mobile.

(1) Status of the CRISI Grant Agreement – As the Parties previously reported to the Board, the CRISI Grant Agreement includes both "General Terms and Conditions" and "Project Specific Terms and Conditions." As to the General Terms and Conditions, Amtrak and the Federal Railroad Administration ("FRA") concluded their discussions in mid-May and all issues have been resolved. The General Terms and Conditions are now finalized. As to the Project Specific Terms and Conditions, as the Parties previously reported, in March 2024, Amtrak learned that some of the included crossings in the Mississippi Grade Crossings Project have already received upgrades

and no longer need to be addressed with funding from the CRISI Grant. Amtrak has been working with the Mississippi Department of Transportation to identify suitable alternative crossings and to update the Project Specific Terms and Conditions content accordingly. Amtrak expects to finalize the Project Specific Terms and Conditions in July 2024.

(2) <u>Environmental Review for the Mobile Station Track Project</u> – The Board previously inquired as to the status of National Environmental Policy Act ("NEPA") review, Section 106 review, and Coastal Zone Management Act ("CZMA") review for the Mobile Station Track Project.

As to NEPA and Section 106 review, Amtrak submitted the Final Categorical Exclusion ("CE") Worksheet to the FRA for review on or about May 22, 2024, in accordance with the schedule previously reported to the Board. At the time of submission of the Final CE Worksheet, all clearances had been received. However, Amtrak subsequently learned that a number of utilities owned and utilized by the City of Mobile need to be relocated as part of the Mobile Station Track Project. City officials delivered proposed plans for such relocation to CSX, and CSX is reviewing the plans and will incorporate such relocation into the Mobile Station Track Project construction work. The original NEPA and Section 106 evaluations did not account for the location of the new utility alignment, nor for the depth of excavation required to relocate the utilities because potential impacts associated with utility relocation were not known at the time. It is anticipated that the utility relocation will require additional Section 106 consultation with the Alabama State Historical Preservation Office ("AL SHPO") and other consultation parties. The CE Worksheet cannot be approved by FRA until the Section 106 consultation process is resolved. This additional environmental review will affect the timing of construction and the timing for the restoration of passenger service. However, the utility relocation will not affect the previously reported CZMA

determination that the project will have no reasonably foreseeable effects on Alabama coastal uses or resources.

- (3) Environmental Review for the CRISI Grant Agreement Projects As the Parties previously reported to the Board, environmental review for the CRISI Grant Agreement Projects is not an explicit prerequisite for the commencement of passenger operations, however, each party to the settlement agreement has the right to withhold their consent to the CRISI Grant Agreement until environmental review for the CRISI Grant Agreement Projects is complete. Since the last status report, Amtrak has continued to develop a draft request for proposal and scope of work for environmental review for the CRISI Grant Agreement Projects. Amtrak met with the FRA on June 4, 2024, to discuss the priority of the CRISI Grant Agreement Projects and the appropriate NEPA class of action for the projects. Amtrak and CSX also have continued their weekly project team meetings to advance preliminary design work and environmental review for the CRISI Grant Agreement Projects to be constructed on CSX.¹
- (4) <u>Negotiations with Mobile</u> Amtrak and the City of Mobile are making good progress in resolving all issues with respect to both the Lease Agreement for the Mobile Station Project and the requirement for operating support for the restoration of Amtrak service. Amtrak has been meeting with the Mayor's staff on a bi-weekly basis and is in regular contact by email.

Since the last status report, Amtrak appeared before the Mobile Board of Adjustment on May 6, 2024, and received unanimous support for Amtrak's zoning exception application for the Mobile Station Project. Representatives from CSX and the Port spoke in support of Amtrak's application. The public appeal period ended on May 22, 2024, with no appeals filed. Now that

¹ NS has not been involved in those meetings because it has completed its preliminary design and environmental work and is prepared to move to the next steps.

this zoning exception application has been approved, Amtrak and CSX will be submitting all necessary building permits for the project.

On May 28, 2024, Amtrak, the Southern Rail Commission ("SRC"), and the Mayor provided a public briefing to the Mobile City Council on the restoration of Amtrak service. All Members of the City Council attended the meeting and engaged in a discussion that was largely focused on the \$3.048 million in operating support that is being sought from the City as part of the Restoration and Enhancement Grant Match Funding Requirement. Some Members of the City Council expressed concern about the City of Mobile supplying local operating support for Amtrak service when such support is traditionally a State responsibility. Members of the City Council requested that the Mayor reach out to the State to revisit the option of the State contributing toward the operating support required for restoration of Amtrak service. After performing such outreach, on June 11, 2024, the Mayor announced that the State of Alabama and the Port both have agreed to contribute toward the \$3.048 million in operating support that is required for the Restoration and Enhancement Grant Match.

Amtrak and the Mayor's staff are working to complete negotiations expeditiously and to finalize the agreement language to be brought before the City Council for a vote. The City Council currently plans to consider the Lease Agreement and the operating support funding agreement simultaneously. A City Council vote is expected in a matter of weeks.

WHEREFORE, the Parties respectfully suggest that if the Parties have not notified the Board that their settlement has been fully implemented and requested dismissal of this proceeding by August 1, 2024, and if the Board has not otherwise ordered additional actions, the Parties will file an additional joint status report on that date that includes an update on the information described above.

June 14, 2024

/s/ Jessica Ring Amunson

Jessica Ring Amunson Alex S. Trepp JENNER & BLOCK LLP 1099 New York Ave., NW Suite 900 Washington, DC 20001 (202) 639-6000 jamunson@jenner.com atrepp@jenner.com

Counsel for National Railroad Passenger Corporation

/s/ Robert A. Wimbish

Robert A. Wimbish
James D. Helenhouse
Thomas J. Litwiler
Stephen J. Foland
FLETCHER & SIPPEL LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500
rwimbish@fletcher-sippel.com
tlitwiler@fletcher-sippel.com
sfoland@fletcher-sippel.com

Counsel for Alabama State Port Authority and Terminal Railway Alabama State Docks

Respectfully submitted:

/s/ Raymond A. Atkins

Raymond A. Atkins Matthew J. Warren SIDLEY AUSTIN LLP 1501 K Street, NW Washington, DC 20005 (202) 736-8000 ratkins@sidley.com mjwarren@sidley.com

Counsel for CSX Transportation, Inc.

/s/ William A. Mullins

William A. Mullins Crystal M. Zorbaugh MULLINS LAW GROUP PLLC 2401 Pennsylvania Avenue Suite 300 Washington, DC 20037 (202) 663-7850 wmullins@mullinslawgroup.net czorbaugh@mullinslawgroup.net

Counsel for Norfolk Southern Railway Company

CERTIFICATE OF SERVICE

I, Jessica Ring Amunson, certify that	have this day served	d copies of this	documen	t upon
all parties of record in this proceeding by	use of the service l	ist, consistent	with 49	C.F.R.
§ 1104.12.				
/s/ Jessica Ring Amunson Jessica Ring Amunson			June 14,	2024