

SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES

JANUARY 14, 2015 3:00PM EASTERN

CONFERENCE
CALL/WEBINAR

FACILITATOR	<i>Darrell Smith, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
ATTENDEES	<i>Darrell Smith, Brent Thompson, Ray Hessinger, Brian Beeler II, Arun Rao, Arun Rao also as proxy for Tammy Nicholson, Nico Lindenau for Michael Lestingi, Shayne Gill, Steve Hewitt</i>
ABSENTEES	<i>Michael Lestingi, Tammy Nicholson, Eric Curtit, Tim Hoeffner, Martha Gebbie, Sal DeAngelo, Larry Salci, Jason Biggs, Ron Pate, Jeff Gordon</i>

DECISIONS MADE

1. Welcome and Open Meeting – Darrell Smith:

Subcommittee Chair Darrell Smith, Amtrak, opened the conference call meeting and asked Steve Hewitt to call the roll.

2. Roll Call – Steve Hewitt:

Steve Hewitt called the roll, and, confirmed the presence of a quorum.

Action Items Review

3.

Action Items Review – Steve Hewitt:

Exploring funding and financing options:

Darrell Smith will continue to reach out to WMATA about a possible presentation from a multi-state organizational perspective. Other Finance subcommittee members who may have a contact at WMATA are asked to reach out or provide that contact information to Darrell Smith. (Ongoing)

Developing a DRAFT SOW for a no-cost Grant Extension through 9-30-17:

The intended timeline for action is as follows:

Comments due to Darrell Smith by COB on January 7, 2015

Consideration of approval by the Finance and Administrative Subcommittee on January 14, 2015

If approved, transmittal to the NGEN Executive Board – January 15, 2015.

Executive Board discussion of the proposed revised SOW on January 20, 2015

Further discussion and finalization of the SOW by the Board on February 2, 2015

Formal adoption of the revised SOW by the Executive Board at the Annual Meeting – February 20, 2015

Agenda items 5 and 6

Status: No comments received as of January 12, 2015

Revision/updating NGEN By-Laws:

The timeline for finalizing the revised By-Laws is basically the same as that of the SOW:

Consideration of approval by the Finance and Administrative Subcommittee on January 14, 2015

If approved, transmittal to the NGEN Executive Board – January 15, 2015.

Executive Board discussion of the proposed By-Law revisions on January 20, 2015
Further discussion and finalization of the By-Laws by the Board on February 2, 2015
Formal adoption of the revised By-Laws by the Executive Board at the Annual Meeting – February 20, 2015

Status: Technical subcommittee Chair – Mario Bergeron provided input on Part C – his suggested revision was included in an updated (version 3) DRAFT and distributed by Steve Hewitt on January 12, 2015. On 1-13-14 a few suggested edits were received from Vincent Brotski, Amtrak Legal, and a new version (4) was distributed to all FASC members on 1-13-14.

Agenda items 7 and 8

Developing Funding Option recommendations for continuing the NGEC:

By the January 14, 2015 conference call, FASC members are asked to think about and be ready to discuss any potential models of a type of consortium similar to the NGEC that could be used as examples for going forward.

This will be a focus of the Subcommittee in the New Year and will be an agenda item for January 14th as a starting point.

Agenda item 9

Establishing a quorum:

Steve Hewitt is asked to send a reminder note to the FRA representatives on the Subcommittee that input is needed on the proposed SOW in order to move it forward in accordance with the stated timeline.

Reminder was sent and acknowledged.

Reminder: Annual Meeting to be held at the Hyatt Regency – Capitol Hill, Washington, DC on 2-20-15 – The hotel Room Block cut-off date is 1-20-15.

HOTEL INFORMATION:

A block of rooms have been set aside at the
Hyatt Regency Washington on Capitol Hill
for the
SCORT Washington meeting & NGEC Technical Annual meeting.

HYATT REGENCY WASHINGTON ON CAPITOL HILL
400 New Jersey Avenue, NW, Washington, DC 20001, USA
Tel: +1 202 737 1234

Registrants must make their own room reservations
Following is the link to the hotel reservations website: <https://resweb.passkey.com/go/AASHTOSCORTFEB2015>

Room rate: \$177.00 (single/double occupancy)

Room reservation cut-off date: **Tuesday, January 20th 2015**
Reservations received after this date will be on a space and rate available basis only.

State and local taxes: 14.5% (or prevailing at time of meeting)

Check-in Time: 3:00 PM
Check-out Time: 12 Noon

4. Approval of the Minutes from 11-19-14 and 12-17-14– Darrell Smith:

Due to the lack of a quorum, approval of the minutes from 11-19-14 was held over for consideration on this call.

On a motion by Brent Thompson, Washington State DOT, and a second by Nico Lindenau, for FRA, the minutes from both 11-19-14 and 12-17-14 were approved without exception.

5.

Discussion/Comments on DRAFT SOW for no-cost Grant Extension through 9-30-17 – Darrell Smith:

Darrell Smith and Steve Hewitt reported that they had not received any comments on the DRAFT SOW since its distribution just prior to the last call (12-17-14).

He opened the floor for discussion and comment.

Nico Lindenau, representing FRA on today's call, commented on the fact that FRA had reviewed the DRAFT document and were fine with it as presented with a suggestion that there be wording included in the SOW that identifies the NGE's efforts to define funding and financing options for the long term, and related institutional or organizational structure changes. Nico noted that the "old question of 'what do we want to be when we grow up' hasn't been fully answered yet."

Members agreed that adding a statement about the future efforts makes sense and Darrell asked that Nico provide language to him for inclusion in the SOW.

Darrell recommended that the language would be best placed within the activities of the Finance and administrative Subcommittee to remain consistent with the SOW format. Activities/work functions are assigned to subcommittees or task forces which make recommendations to the Board for its approval.

Nico agreed to provide the suggested language to Darrell Smith by COB on Friday 1-16-15.

Darrell noted that there was a minor math "adjustment" that needed to be fixed in the document and there may be a few typos as well which he will address when he inserts the FRA language into the document.

With no further discussion, Darrell asked the members of the subcommittee if they were willing to vote on approval of the SOW as written with the expectation that minor corrections will be made and the FRA language, as discussed, will be added.

6.

Consideration of Approval – SOW for no cost Grant Agreement extension through 9-30-17 – Darrell Smith:

With general agreement having been affirmed to move to consideration of the SOW, Darrell Smith entertained a motion to approve the SOW as presented with the understanding that minor corrections will be made and that the FRA language would be added.

The motion was offered by Brent Thompson, Washington State DOT, and was seconded by Arun Rao, Wisconsin DOT.

Steve Hewitt polled the voting members of the subcommittee:

Darrell Smith, Amtrak – aye
Brent Thompson, Washington State DOT – aye
Ray Hessinger, NYSDOT – aye
Arun Rao, Wisconsin DOT – aye
Arun Rao for Tammy Nicholson, Iowa DOT – aye
Brian Beeler, for Maine DOT – aye
Nico Lindenau, for FRA – aye

With a quorum having been established and all members voting in the affirmative, the chair determined that consensus had been achieved and the motion is carried.

Steve Hewitt will inform Board Chairman Eric Curtit of the results of the vote and ask that this item be a part of the Executive Board agenda on the 1-20-15 conference call. The intent is that Darrell Smith will provide an update on this

Subcommittee action and report that he is in the process of inserting the FRA language and scrubbing the document for typos or other minor corrections before sending to the Board members for their review.

The timeline for Board adoption of the revised SOW for a no-cost Grant Agreement extension through September 30, 2017 is:

1-16-15: Nico Lindenau will provide the agreed upon FRA language to Darrell Smith for inclusion in the SOW.

1-20-15 – Darrell Smith reports to the Board on the approval vote taken by the FASC on the SOW for submittal to the Board in final DRAFT form once the FRA language is added and any other minor corrections are made,

Week of 1-20-15: Final FASC approved SOW is transmitted to the Executive Board.

2-3-15: The SOW, as approved by the FASC is discussed by the Board – comments are considered – general consensus is achieved.

2-20-15: The Board formally adopts the SOW at the NGEN Annual Meeting and requests that it be transmitted to Amtrak and FRA grants offices for finalizing and ultimate execution.

7.

Discussion/comments on proposed By-Laws Revisions/updates – Ray Hessinger:

Ray Hessinger reported that all but Part C of the Bylaws had been agreed to on the last FASC call.

Part D, which has to do with the functions and procedures of the Finance and Administrative Subcommittee was reviewed by Chairman Smith prior to the last call, and no additional changes have been recommended.

The only outstanding section of the Bylaws left open for consideration is Part C – the Technical Subcommittee.

Mario Bergeron, Chair of the Technical Subcommittee was asked for his input. Mario recommended that the Bylaws be changed to reflect a vice chair (no second vice chair) – consistent with current practice – and a provision be included that states that the chair or vice chair, if both are to be absent on a call, will designate a representative to have the Amtrak proxy and to preside over the call or meeting that day.

Steve Hewitt has added the language suggested by Mario Bergeron and also included minor corrections provided by Vincent Brotski, Amtrak Legal.

Bylaws DRAFT revisions version 4 was distributed to all member with these changes on 1-13-15.

Nico Lindenau, for FRA, commented that FRA had reviewed the Bylaw revisions as proposed and were fine with them. He asked if there was a particular reason stated (in 2010) for having two vice chairs for the Subcommittees.

Steve Hewitt reported that there had been no specific discussion of it at the time and that, neither subcommittee had filled the slot previously. Steve noted that the Finance and Administrative Subcommittee has now added a second vice chair, but that is more as a result of the fact that the new subcommittee is a combination of the former Finance Subcommittee and the Administrative Task Force. The duties and responsibilities in the newly created Subcommittee are, therefore, diverse and it makes sense, organizationally, to have two vice chairs.

Steve continued by noting that the Technical Subcommittee had never filled the second vice chair spot nor felt that one was needed. Typically, in practice, over the years, if the chair and vice chair were not available – the Chair had asked the Document Control Coordinator to preside and was granted the Amtrak voting proxy for that call.

Nico said FRA would be fine with the change as suggested by Mario.

8.

Consideration of Approval – Updated By-Laws – Darrell Smith:

With no further discussion forthcoming Darrell Smith entertained a motion to approve the revised Bylaws as presented.

A motion to approve was offered by Brent Thompson, Washington State DOT and was seconded by Nico Lindenau, for FRA.

Steve Hewitt polled the voting members of the subcommittee:

Darrell Smith, Amtrak – aye
Brent Thompson, Washington State DOT – aye
Ray Hessinger, NYSDOT – aye
Arun Rao, Wisconsin DOT – aye
Arun Rao for Tammy Nicholson, Iowa DOT – aye
Brian Beeler, for Maine DOT – aye
Nico Lindenau, for FRA – aye

With a quorum having been established and all members voting in the affirmative, the chair determined that consensus had been achieved and the motion is carried.

Steve Hewitt will transmit the revised Bylaws to the executive Board following today's call.

The intent is for Ray Hessinger to walk through the changes on the 1-20-15 Board call with a discussion to follow.

The intent is to have the Bylaws finalized with any additional input from the Board in time for a further review and discussion on the 2-3-15 Board call.

Adoption of the Revised/updated Bylaws will be formalized at the NGEN Annual Meeting on February 20, 2015.

9.

Discussion – Developing Funding Option recommendations for the future of the NGEN – Darrell Smith:

Darrell opened the discussion by noting that this will now be the primary focus of the Finance and Administrative Subcommittee.

Darrell provided a brief overview of the various presentations that had been given to the former Finance Subcommittee last year and noted that there was a compilation that summarized those presentations which David Ewing prepared. Steve Hewitt will distribute the summary to all members of the FASC.

Darrell asked for thoughts and comments on how best to go forward.

Ray Hessinger suggested that, as a starting point, the core functions need to be identified along with what resources are needed to perform those core functions and determine "What does that cost and what are the options for funding it?"

It was thought that this is very similar to what was presented to the Board in October as it considered near term solutions and a revised budget and SOW for continuing the core functions of the NGEN while exploring long term solutions.

It was agreed that Steve Hewitt will distribute that document and/or presentation to the FASC members.

One concept, suggested by Nico Lindenau, concerned outside or private sector use of the PRIIA specifications. In particular All Aboard Florida, which intends to use the PRIIA specification for single level cars. This is exactly what was hoped would happen with these specifications - something that would create national standards.

Nico expanded "look at what we (NGEN) have developed...they are some very good specifications and they are continuously being updated and made better" as we go through the multi-state procurements and "the flaws are being polished – every procurement the specs will get better."

Any non-members of the NGEN can use the specs - they are public documents and can be accessed now for free. "This is a great advantage...the benefits of using a spec and not having to expend the costs to develop one is a great advantage...how can we achieve a revenue stream from this?"

The discussion continued with Nico suggesting that the NGEN find a way to reach out to All Aboard Florida to

determine if there is a willingness to share information with the NGECC as changes are made to the specification, and to possibly approach them about their willingness to pay a fee for specification use.

It was determined that the NGECC should try to find a contact at All Aboard Florida and should then determine how best to reach out to begin a dialogue.

Steve Hewitt was asked to raise this issue with the Technical subcommittee (1-15-15) to see if any of its members had a contact at All Aboard Florida and to discuss what the next steps should be for outreach. Nico Lindenau agreed to be on the call and provide a summary of this concept to the Technical subcommittee.

**10.
Next Steps**

It was agreed that Darrell Smith and Steve Hewitt will put together an outline of what has been done to date with regard to the NGECC future – funding options, functions and structure. Steve will distribute the David Ewing summary as well as the presentation given by Eric Curtit at the October Board meeting; and the original NGECC future working group's concept paper.

**11.
Other issues/questions:**

Preparing for the Annual Meeting – Steve Hewitt

Darrell Smith will draft the Treasurer's report and FASC update in PowerPoint for distribution to the FASC members by 2-2-15.

The FASC will review and discuss the presentations on its next call – 2-11-15

Next call – February 11, 2015

Adjourn –

With no further business to come before the subcommittee today, Chairman Smith adjourned the call at 3:55PM Eastern.

**Next Finance and Administrative subcommittee conference call February 11, 2015
866 209 1307 access code: 9786620#**

Decisions and Action Items

Darrell Smith will continue to reach out to WMATA about a possible presentation from a multi-state organizational perspective. Other Finance subcommittee members who may have a contact at WMATA are asked to reach out or provide that contact information to Darrell Smith. (Ongoing)

WMATA is undergoing organizational changes which will make it difficult, in the near term, to find a contact for making a presentation.

Developing a DRAFT SOW for a no-cost Grant Extension through 9-30-17:

The FASC approved the revised SOW on 1-14-15.

Nico Lindenau to provide agreed upon FRA language for inclusion in the SOW, and Darrell Smith will scrub the document and make minor corrections as needed prior to sending to Board members (week of 1-20-15).

The Executive Board discussion of the proposed revised SOW will begin on January 20, 2015.

Further discussion and finalization of the SOW by the Board on February 2, 2015

<p>Formal adoption of the revised SOW by the Executive Board at the Annual Meeting – February 20, 2015.</p>
<p>Revision/updating NGEC By-Laws:</p> <p>The FASC approved the revised Bylaws on 1-14-15.</p> <p>They were transmitted to the NGEC Executive Board – 1-14-15.</p> <p>Executive Board discussion of the proposed By-Law revisions will begin on January 20, 2015 with a “walk through” by Ray Hessinger.</p> <p>Further discussion and finalization of the By-Laws by the Board on February 2, 2015.</p> <p>Formal adoption of the revised By-Laws by the Executive Board at the Annual Meeting – February 20, 2015.</p>
<p>Developing Funding Option recommendations for continuing the NGEC:</p> <p>For the next FASC call, Darrell Smith and Steve Hewitt will put together an outline of what has been done to date with regard to the NGEC future – funding options, functions and structure. Steve will distribute the David Ewing summary as well as the presentation given by Eric Curtit at the October Board meeting; and the original NGEC future working group’s concept paper.</p> <p>Steve Hewitt was asked to raise this issue with the Technical subcommittee (1-15-15) to see if any of its members had a contact at All Aboard Florida and to discuss what the next steps should be for outreach. Nico Lindenau agreed to be on the call and provide a summary of this concept to the Technical subcommittee.</p>
<p>Treasurer’s report and FASC update presentation for the Annual Meeting:</p> <p>Darrell Smith will draft the presentation for distribution to FASC members by 2-2-15. The presentation will be discussed and commented on during the 2-11-15 conference call.</p>

ATTACHMENTS



SECTION 305 Finance and Administrative Subcommittee (FASC)

Conference call

January 14, 2015

3:00pm. Eastern

866 209 1307 pass code 9786620#

MEETING AGENDA

- | | |
|--|---------------|
| 1. Welcome/Open | Darrell Smith |
| 2. Roll Call | Steve Hewitt |
| 3. Action Item Review | Steve Hewitt |
| 4. Approval of the Minutes from 11-19-14 and 12-17-14 | Darrell Smith |
| 5. Discussion/comments on DRAFT SOW for no cost Grant Extension thru 9-30-17 | Darrell Smith |
| 6. Consideration of Approval – SOW for no cost GA extension through 9-30-17 | Darrell Smith |
| 7. Discussion/comments on proposed By-Laws Revisions/updates | Ray Hessinger |
| 8. Consideration of Approval – Updated By-Laws | Darrell Smith |
| 9. Discussion -Developing Funding Option recommendations for continuing the NGEC | Darrell Smith |
| 10. Next Steps | Darrell Smith |
| 11. Other Issues/questions | All |

Next Call February 11, 2015

Call in # 866 209 1307 passcode 9786620#