

SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES

JULY 1, 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, Eric Curtit, Tammy Nicholson, Tammy also as proxy for Arun Rao, Tim Hoeffner, Brian Beeler, Michael Lestingi, Jeff Gordon, Shayne Gill, Steve Hewitt, Nico Lindenau</i>
ABSENTEES	<i>Arun Rao, Larry Salci, Jason Biggs, Vincent Brotski, Sal DeAngelo, Bryan Hong, Strat Cavros, Beth Nachreiner</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.

Status Update: Action Items

Extending existing contracts: An update on the status of the Amtrak/AASHTO extension and AASHTO/Existing sub-contractors will be provided under **Agenda item 5**.

Developing educational documents for getting the message out: Steve Hewitt will prepare an outline for the next version of the Backgrounder – to be a look ahead – Fore-grounder.

Status: The Fore-grounder continues to be a work in progress – has not received jobs input from Siemens or Nippon Sharyo – only Caltrans thus far - will ask again.

Steve will also begin developing a potential progress report to Congress to go from the NGEC Chair.

Status: Steve is looking at revising the monthly activities report into a document that can be sent to the Hill quarterly. This may be something that the proposed legislative outreach working group would be able to take on.

It was agreed that a working group be established to consider and review potential efforts to educate the Hill. The group will be comprised of Governmental or Legislative affairs "types" from the states and from Amtrak and FRA, and it was agreed that FRA and Amtrak staff familiar with the federal budget process be asked to participate.

Members on the call agreed to submit names and contact information for potential working group participation from their agency, and FRA and Amtrak should also submit names of potential participants with knowledge of the federal budget process.

Shayne Gill, AASHTO, agreed to provide to Darrell Smith a list of state representatives from the policy/governmental affairs side that he is familiar with.

Ultimately, it was agreed that names and contact information should be provided to Darrell Smith, with a cc to Steve Hewitt, by COB on June 25, 2015; and the subcommittee would endeavor to establish a working group on the July 1,

2015 FASC call.

Status: As of July 1, 2015 – four names were provided by Shayne Gill – no others have been received.

CA – Giles Giovinazzi – Giles.Giovinazzi@dot.ca.gov
MD—Andy Dentamaro – adentamaro@mdot.state.md.us
VT – Karen Songhurst Karen.songhurst@state.vt.us
WA – Alison Camden camdena@wsdot.wa.gov

Obtaining data in regard to potential/future acquisition needs: FRA has prepared “a back of the envelope” look at “the best sense of what the needs might be”. It was emphasized that this is not a well vetted body of work.

Beth Nachreiner agreed to provide the information to Steve Hewitt for distribution to the FASC members.

Beth provided the DRAFT document, as agreed, and it was distributed to all FASC members – Agenda item #6 – discussion.

Review of and comment on the NGEN Future Concept document:

Eric Curtit will prepare a draft “white paper/memo” for FASC review in regard to taking a closer look at the concept proposal for establishing the NGEN as a subsidiary of Amtrak for matters related to Fleets. Eric will have a draft memo ready for distribution to FASC members in advance of the next call – 7-1-15.

On the next call, the FASC will begin developing a potential scope for seeking outside professional expertise to help the FASC to understand what is needed organizationally and to help with the mechanics of accepting fees, etc.

Status: Eric Curtit reported that he has begun to develop the white paper, and hopes to have something to Steve Hewitt for a first review, and then on to the full subcommittee by two weeks prior to the next call (July 29,2015) for review by next week. It is in progress.

Agenda item 7.

4.

Approval of Minutes from the June 10, 2015 FASC conference call – Darrell Smith:

On a motion by Tim Hoeffner, Michigan DOT, and a second by Eric Curtit, Missouri DOT, the minutes from the June 10, 2015 FASC call were approved without exception.

5.

Status: Amended GA with Extension through 9-30-17 – Consideration of the extension of existing contracts - Darrell Smith:

Darrell Smith reported that all existing contract extensions are either in the process of being executed or have been executed.

The Amtrak/AASHTO contract is also in process. He was not sure if the letter or purchase order has officially gone out of Amtrak to AASHTO, but, if not, it is all moving forward with no glitches.

Shayne will check to see if AASHTO has received it and let Darrell know.

6.

Review/Discussion – FRA DRAFT Data – Future acquisition Needs - Michael Lestingi:

Nico Lindenau provided an overview of the DRAFT spreadsheet on future acquisition need that had been sent to all members after the last call.

The first step was to look at the States Service Development Plans (SDP) to see what was contained in them with regard to equipment acquisition needs. Most of these plans did not contain detailed numbers.

Nico explained that the next step was to go back and look at Amtrak, but take out long distance and HSR as they are not within the NGEN scope.

They looked at existing and ongoing procurements to replace existing fleets and attached a growth rate for 5-8 years to estimate growth potential for existing services.

Nico explained that they were looking at locomotives and cars only without differentiating car types (single level, bi-level etc.) and they put a value to each.

This was, as Nico described "not scientific" but an effort to get a general understanding of the needs for state supported routes. The numbers are back of the envelope, but try to show the magnitude of needs and values over the next 10-15 years. How many procurements there will be is another story, but this helps give a picture of the magnitude of the market. Funding availability, of course, is always the unknown factor.

Darrell Smith asked if the information provided is "good enough" to set a range for a fee to look at for charging for specification use and estimate a range of revenue.

Nico responded "yes, but it would need to be spread out over a period of 10-20 years...more assumptions would be needed, but at a high level" it could be used as a basis.

Darrell asked Nico and Brent Thompson to get together and do follow up on this to try to show "here is what is on the table over the next 10 or 20 years...and estimate where we will be and then determine the next steps for going to the Executive Board."

Nico and Brent accepted the task and will provide something for discussion on the next call – 7-29-15.

7.

Status/Review: DRAFT White paper on NGEN Future Concept Document - Eric Curtit:

See action item update. Eric will provide a draft white paper by two weeks prior to the next FASC call. Steve Hewitt will provide ample time on the next agenda for discussion.

8.

Establishing a Legislative Outreach Task Force - Darrell Smith:

Darrell Smith reported that on the last call he suggested that the FASC establish a legislative outreach task force to provide the needed expertise to assist the NGEN in developing a legislative outreach strategy.

FASC members were asked to submit names as potential participants on the task force.

Shayne Gill has provided the names of four active State DOT policy/legislative affairs staff to be contacted as potential task force members.

CA – Giles Giovinazzi – Giles.Giovinazzi@dot.ca.gov
MD—Andy Dentamaro – adentamaro@mdot.state.md.us
VT – Karen Songhurst – Karen.songhurst@state.vt.us
WA – Alison Camden – camdena@wsdot.wa.gov

After some discussion, it was agreed to move forward to establish the task force and contact potential members.

Eric Curtit agreed to chair the task force. Steve Hewitt volunteered to serve in an administrative capacity as he does for other subcommittees and task forces. Eric, Darrell, and Steve will talk over the next week or so to discuss getting the task force organized, and setting forth a plan to move it forward.

Eric Curtit will provide the name and contact information for Missouri DOT's Governmental Affairs Director; and Darrell Smith will provide the contact info for Amtrak's governmental affairs representative for the task force.

FRA will not formally participate on the task force, but Michael Lestingi will provide a name and contact information for representative from FRA to act in an advisory/coordination capacity, and to assist in strategy.

9.

Other Issues/questions – All:

With no further business forthcoming, Darrell Smith adjourned today's conference call meeting at approximately 3:31PM Eastern.

Next Finance and Administrative subcommittee conference call July 29, 2015
866 209 1307 access code: 9786620#

Decisions and Action Items

Executing the Amended Grant Agreement for a no cost extension through 9-30-17: On the June 9th call of the NGEN Executive Board, Chairman Curtit reported that Grant Agreement Amendment #5 through federal fiscal year 2017 (9-30-17) was signed by FRA, and thus, formally executed on June 8, 2015.

Extending existing contracts: Most, if not all, have been completed and executed – all are in process. Amtrak/AASHTO contract is through purchasing and a letter or PO will be (or has been) sent to AASHTO. Shayne Gill will check to see if it has been received and let Darrell Smith know.

Developing educational documents for getting the message out: Steve Hewitt will prepare an outline for the next version of the Backgrounder – to be a look ahead – Fore-grounder.

The Fore-grounder continues to be a work in progress – has not received jobs input from Siemens or Nippon Sharyo – only Caltrans thus far - will ask again.

Steve will also begin developing a potential progress report to Congress to go from the NGEN Chair.

Steve is looking at revising the monthly activities report into a document that can be sent to the Hill quarterly. This may be something that the proposed legislative outreach working group would be able to take on.

Establishing a Legislative Outreach Task Force:

Darrell Smith called for the establishment of a legislative outreach task force to provide the needed expertise to assist the NGEN in developing a legislative outreach strategy.

Eric Curtit has volunteered to chair the task force. He, Darrell, and Steve Hewitt will talk over the next week or so to develop a plan for forming the task force and setting forth a plan to move it forward.

Shayne Gill has provide the names of four active State DOT policy/legislative affairs staff to be contacted as potential task force members.

Eric Curtit will provide the name and contact information for Missouri DDOT's Governmental Affairs Director; and Darrell Smith will provide the contact info for Amtrak's governmental affairs representative for the task force.

FRA will not formally participate on the task force, but Michael Lestingi will provide a name and contact information for a representative from FRA to act in an advisory/coordination capacity, and to assist in strategy.

Obtaining data in regard to potential/future acquisition needs: FRA has prepared "a back of the envelope" look at "the best sense of what the needs might be". It was emphasized that this is not a well vetted body of work.

Nico Lindenau and Brent Thompson will get together and do follow up on this to try to show what is expected to be on the table over the next 10 or 20 years...and estimate where things will be in order to then determine the next steps for going to the Executive Board.

Review of and comment on the NGEN Future Concept document:

Eric Curtit will provide a draft white paper by two weeks prior to the next FASC call.

Steve Hewitt will provide ample time on the next agenda for discussion.

ATTACHMENTS



SECTION 305 Finance and Administrative Subcommittee (FASC)

**Conference call
July 1, 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 6-10-15 | Darrell Smith |
| 5. Status: Contract Extensions Amtrak/AASHTO; AASHTO/existing subcontractors | Darrell Smith |
| 6. Review/Discussion – FRA DRAFT Data – Future acquisition Needs | Michael Lestingi |
| 7. Status/Review: DRAFT White paper on NGEC Future Concept Document | Eric Curtit |
| 8. Establishing a Legislative Outreach Task Force | Darrell Smith |
| 9. Next Steps: | Darrell Smith |
| 10. Other Issues/questions | All |

Next Call July 29, 2015

Call in # 866 209 1307 passcode 9786620#