

SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES SEPTEMBER 14,
2016 3:00PM EASTERN CONFERENCE CALL

FACILITATOR	<i>Darrell Smith, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
ATTENDEES	<i>Darrell Smith, Brent Thompson, Ray Hessinger, Eric Curtit, Arun Rao, Arun Rao also as proxy for Tim Hoeffner, Brian Beeler II, Amanda Martin, Jeff Gordon, Beth Nachreiner, Steve Hewitt Guest: Danielle Hawkins</i>
ABSENTEES	<i>John Pagano, Beth Nachreiner, Lynn Everett, Jason Biggs, Larry Salci, Vincent Brotski, Nico Lindenau,</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.

Review of Action Items

There was no action item review today, as this meeting is primarily focused on issues/actions related to the close out of the current NGEC grant and the development of the new SOW for a new 3-year grant beginning 10-1-16 through 9-30-19.

3. Approval of Minutes from the 8-31-16 FASC conference call– Darrell Smith:

On a motion by Brent Thompson, WSDOT, and a second by Eric Curtit, MODOT, the minutes from the 8-31-16 FASC conference call meeting were approved without exception.

4. Review/discuss/consider DRAFT Statement of Work - Darrell Smith:

Darrell Smith opened the discussion by noting that in preparing the DRAFT Scope of Work (SOW) and Budget, started, as directed by FRA, with a "clean slate". He added that he "walked stuff back with AASHTO and with Amtrak Mechanical" in developing the three-year budget.

Before walking through the DRAFT SOW, Darrell provided subcommittee members with a "sanity check on where things are" with regard to the close out of the old grant. The process is still underway, with not all expenses processed as of yet. There is "no final tie off yet" and that number will not be available as soon as FRA wants the scope to be in hand.

Darrell assed that AASHTO – especially Strat Cavros and the sub-contractors got in all of their close out invoices on time and they have all been processed by Amtrak and submitted for payment.

Amtrak grants and accounting are going through all of the items submitted in a rapid fashion in order to meet the 9-22-16 wrap up date to get the final submittal in to FRA by 9-23-16 as requested.

Overall, the process is moving along very well with all parties putting in maximum effort to get this accomplished.

In beginning the overview of the DRAFT Scope, Darrell noted that he had received comments on the initial draft from Jeff Gordon, FRA, and it was that version which he would be reviewing on today's call. All members were provided with this revised document in advance of the call today.

Darrell noted that, per guidance from FRA, he used the same format for this scope as was used previously.

Eric Curtit, MODOT asked what the annual burn rate budgeted in the scope was. Darrell said the total amount budgeted for three years is \$1, 250,000, based on an average burn rate of about \$417,000 annually.

Darrell then walked through the document section by section and responded to comments and /or questions provided by Jeff Gordon throughout.

Darrell also responded to a clarifying question asked by Washington State DOT with regard to the Executive Board budget showing zero dollars. The reason for no budget for the Bard is that although there are activities such as travel attributed to Board members, those expenses are a part of the AASHTO budget. This is a practice used in prior scopes for the NGECC – in which the activities are mentioned in the Board section but all costs are covered within the AASHTO section.

The Technical subcommittee section of the document has a few readability and clean-up edits suggested by Jeff Gordon. He has not received any other feedback from the Amtrak team.

Darrell pointed out that the budgeted amount in the Technical subcommittee is \$72,000 which is attributed to costs for Amtrak staff – namely Tammy Krause in her role as Revision Control Coordinator (RCC). This amount averages more than was expended this past year, but much less than expended in the early years when specifications were being developed. The costs now are related to the fact that all of the specs are to be reviewed and updated.

Within the Finance and Administrative subcommittee (FASC) section of the SOW, Jeff's edits were primarily clean-ups and readability improvements again.

Beth Nachreiner asked about the sentence within the FASC scope that pertains to the subcommittee conducting "periodic reviews of PRIIA requirements and keep the Executive Board apprised of the subcommittees and task forces adherence to PRIIA guidelines." Beth asked if FAST Act should not be added as well as PRIIA. After some discussion with regard to PRIIA having been reauthorized by the FAST Act (with minor changes to two areas – labor as a member and the removal of the Committee's ability to incorporate) it was agreed to add "...periodic reviews of PRIIA/FAST" to the sentence.

In reviewing the budget portion of the FASC, Darrell pointed out that a change in management benefit rates (currently lower) but is expected to increase so Darrell averaged the costs out over the 3-years.

The 514 subcommittee scope remained close to what it has been with some minor edits and a zero budget. The zero budget, similar to the Executive Board where actual costs are covered within the AASHTO budget.

The AASHTO section was reviewed without comment.

With no additional comments or questions forthcoming upon completion of the walk through, Darrell Smith entertained a motion to accept as amended the DRAFT scope of work and budget for submittal to the Executive Board for its consideration.

The motion to accept as amended was offered by Brent Thompson, WSDOT, and seconded by Arun Rao, Wisconsin DOT.

Darrell asked Steve Hewitt to poll the of voting members of the subcommittee as to the motion:

Darrell Smith, Amtrak – in favor
Brent Thompson, Washington State DOT – in favor
Ray Hessinger, NYSDOT – in favor
Eric Curtit, Missouri DOT – in favor
Arun Rao, Wisconsin DOT – in favor
Arun Rao as proxy for Tim Hoeffner, Michigan State DOT – in favor
Brian Beeler II, for Maine DOT – in favor
Amanda Martin, Iowa DOT – in favor
Jeff Gordon, FRA – in favor

With a quorum having been confirmed and all votes cast in favor, Chairman Smith determined that consensus had been achieved and the motion is approved.

Darrell will finalize the DRAFT with the agreed to edits and send it to Steve Hewitt for distribution to the NGECC

Executive Board for its consideration on its call next week – 9-20-16.

**5.
Other Issues/questions – All:**

It was agreed that the September 21st conference call of the FASC will go on as scheduled so that Darrell will be able to provide an update on the close out process and its status.

**Next Finance and Administrative subcommittee conference call September 21, 2016
866 209 1307 access code: 9786620#**

Decisions and Action Items

Website review: Agreed upon updates will be incorporated into the website by Bryan Hong, AASHTO. The goal is to have consistency in format throughout the site. Members are welcome to provide additional suggestions to improve the site. Many of the recommended changes have been made to the site and it will continue to evolve over time.
(Ongoing)

Legislative Outreach Task Force – developing a strategy and implementation plan to obtain future federal funds for the NGEC: Each state member and Amtrak is to work with its Government Affairs office and ask that the two pager (currently being finalized) be included in its package during Hill visits to keep the NGEC on Congress’ radar even though we are not yet ready to ask for more money.

A “regular update/report card/dash board” will be developed through the NGEC Legislative Task Force with the intent that it be provided to Congress through the states and Amtrak Government Affairs Offices as a means of continuing the outreach and education on the activities of the NGEC.

The first such update will be the “two-page” educational document being finalized for Executive Board approval.

(Ongoing)

Preparing the New Grant SOW and budget for the period beginning 10-1-16 through 9-30-19: The FASC accepted as amended on today’s call (9-14-16) the DRAFT Scope and Budget for submittal to the Executive Board for its consideration on its next call - 9-20-16. This action adheres to the schedule as defined on the last call.

ATTACHMENTS



The NGEC will provide national leadership in standardization, acquisition, financing and management of passenger rail equipment.

SECTION 305 Finance and Administrative Subcommittee (FASC)

**Conference call
September 14, 2016**

3:00PM Eastern
866 209 1307 pass code 9786620#

MEETING AGENDA

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| 1. Welcome/Open | Darrell Smith |
| 2. Roll Call | Steve Hewitt |
| 3. Approval of the Minutes from 8-31-16 | Darrell Smith |
| 4. Review/discuss/consider DRAFT Statement of Work | Darrell Smith |
| 5. Other Issues/questions | All |

Next Call September 21, 2016 (tentative)
Call in # 866 209 1307 passcode 9786620#