

SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES SEPTEMBER 20,
2018 3:00PM EASTERN CONFERENCE CALL

FACILITATOR	<i>Tim Ziethen, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
ATTENDEES	<i>Tim Ziethen, Brent Thompson, Eric Curtit, Arun Rao, Shayne Gill, Steve Hewitt,</i>
ABSENTEES	<i>Michael Lestingi, Mike Murray, Jeff Gordon, Beth Nachreiner, Ray Hessinger, Tim Hoeffner, Brian Beeler II, Amanda Martin, Strat Cavros, Larry Salci, Jason Biggs,</i>

DECISIONS MADE

1. Welcome and Open Meeting – Tim Ziethen, Amtrak:

Subcommittee Chair, Tim Ziethen, 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 could not confirm the presence of a quorum as FRA was unavailable for today's call.

3. Approval of Minutes from the 8-22-18 call – Tim Ziethen, Amtrak:

This item was tabled until the next call due to the lack of a quorum, But Chairman Ziethen did ask members on the call if they had any comments, corrections exceptions to the DRAFT minutes as presented. With none forthcoming, the DRAFT will remain as is and be taken up for consideration of approval on the call on October 17, 2018 assuming a quorum is present at that time.

4. Treasurer's Status Updates - Tim Ziethen:

a. Status – Execution of Amended Grant Agreement

Tim Ziethen reported that he has received the fully executed modification to the grant agreement including a 12-month extension of the performance period. The extension is in performance period and does not increase funding (no-cost extension). The grant is for \$1, 250,000 with \$231,189 spent to date. Tim added that "we can apply the unspent funds through the extension period". The extension will run through 9-30-2020.

b. Next Steps?

Tim will provide Steve Hewitt with the executed modification to the grant agreement for distribution to members of the Executive Board and posting as appropriate. Steve will also include it with the Comprehensive Activities report.

c. Discussions with AASHTO re: potentially changing to a monthly invoice process

Today, Tim and Linda (Amtrak) spoke with Strat Cavros, AASHTO, regarding changing the billing process to monthly rather than quarterly. Both parties have agreed to use the current process through this quarter (ending 9-30-18) and to begin in October using a monthly invoicing and reconciliation process. This will be a trial to see how it works and if it is good for both it will remain monthly, but if it does not work out, it will go back to the original process.

Going to a monthly process would seem to be more efficient and useful especially from a review and audit perspective. Under the current process, more than 50 pages of documentation are submitted, and if there are any questions they could be related to something that occurred 4 or 5 months back.

With the monthly process, AASHTO will receive payment sooner and from the review and audit process for Amtrak it will be much more useful.

Amtrak will check with FRA to see if their process will stay as it is (quarterly) or also move to monthly.

5.

Developing a strategy for “making the case” for future federal funding for the NGEC – beyond 9-30-20 – Eric Curtit:

Eric Curtit commented that he was pleased that the modification has been executed and that the NGEC performance period is extended through 9-30-2020. Looking beyond that time frame for securing future federal funds, Eric believes that the most useful tool remains the two-pager. He suggests that states bring the two-pager with them whenever meeting with members on the Hill or at home to educate what the NGEC is and what it has accomplished this far, as well as its value going forward. He also noted that he and Steve Hewitt have talked about taking another look at the two-pager to see if it should be tweaked to better make the case.

Tom Ziethen interjected that “we will need to monitor spending because the last quarter (July-September 2020) could be tight if we ramp up our spending”.

6.

Annual By-Law Review – Status/Timeline – Steve Hewitt:

Steve Hewitt reported that he has just begun the review of the By-Laws and will send any recommendations he has to Ray Hessinger in advance of the next call with the intent being to submit recommendations to the FASC by the call on October 17th. Steve noted that in his initial review he has not had anything jump out at him that would suggest any changes but will take a closer look before submitting his thoughts/comments to Ray.

7.

Other Issues/Questions – All:

Adjourn:

With no further business forthcoming, Chairman Ziethen adjourned today’s meeting at 3:15pm.

The next call is scheduled for October 17, 2018

The call-in number is:

888 585-9008 passcode 559-120-127#

Decisions - Action Items

Legislative Outreach – developing a strategy and implementation plan to obtain future federal funds for the NGEC: Currently the strategy is to get broad circulation to decision makers of the NGEC two-page fact sheet. This document helps to educate the decision makers (federal and state) on what the NGEC is, what results it has produced; and what its goal are.

To date 165 hard copies and over 300 electronic versions have been distributed. More are available by request through Steve Hewitt. With the current spend rate well below the plan, a no-cost extension of the current grant may need to be considered, but, eventually, additional funding will be necessary to continue the ongoing efforts of the NGEC and its mission to standardize equipment specs and improve cost efficiencies and create jobs by reinigorating the passenger rail equipment manufacturing and supply industry in the U.S.

On 9-19-18, Eric Curtit commented that he was pleased that the grant agreement modification has been executed and that the NGEC performance period is extended through 9-30-2020. Looking beyond that time frame for securing future

federal funds, Eric believes that the most useful tool remains the two-pager. He suggests that states bring the two-pager with them whenever meeting with members on the Hill or at home to educate what the NGEC is and what it has accomplished this far, as well as its value going forward. He also noted that he and Steve Hewitt have talked about taking another look at the two-pager to see if it should be tweaked to better make the case.

Tom Ziethen interjected that "we will need to monitor spending because the last quarter (July-September 2020) could be tight if we ramp up our spending".

Ongoing

Status: Approval/execution of the revised NGEC Grant SOW as of 8-22-18:

On 9-19-18, Tim Ziethen reported that he has received the fully executed modification to the grant agreement including a 12-month extension of the performance period. The extension is in performance period and does not increase funding (no-cost extension). The grant is for \$1, 250,000 with \$231,189 spent to date. Tim added that "we can apply the unspent funds through the extension period". The extension will run through 9-30-2020.

Tim will provide Steve Hewitt with the executed modification to the grant agreement for distribution to members of the Executive Board and posting as appropriate. Steve will also include it with the Comprehensive Activities report.

Annual NGEC By-Laws Review – Steve Hewitt:

On 9-19-18, Steve Hewitt reported that he has just begun the review of the By-Laws and will send any recommendations he has to Ray Hessinger in advance of the next call with the intent being to submit recommendations to the FASC by the call on October 17th. Steve noted that in his initial review he has not had anything jump out at him that would suggest any changes but will take a closer look before submitting his thoughts/comments to Ray.

Ongoing

888 585-9008 passcode 559-120-127#
Next Call 10-17-18

ATTACHMENTS



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

SECTION 305 NGEC Finance and Administrative Subcommittee (FASC)

Conference call
9-19-18
3:00PM Eastern

888 585-9008 passcode 559-120-127#

AGENDA

1. Welcome/Open

Tim Ziethen

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|---|--------------|
| 2. Roll Call | Steve Hewitt |
| 3. Approval of the Minutes from 7-25-18 | Tim Ziethen |
| 4. Status Updates: | Tim Ziethen |
| a. Status – Execution of Amended Grant Agreement | |
| b. Next Steps? | |
| c. Discussions with AASHTO re: potentially changing to a monthly invoice process | |
| 5. Developing a strategy for “making the case” for future federal funding for the NGEC beyond 9-30-20 | Eric Curtit |
| 6. Annual By-Law Review – Status/Timeline | Steve Hewitt |
| 7. Other Issues/questions | All |

Next Call October 17, 2018

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