

# SECTION 305 FINANCE SUB COMM

MINUTES

JAN. 26, 2011

3:00 PM EST

CONFERENCE CALL

<b>FACILITATOR</b>	<i>DJ Stadler, Treasurer S305 NGEC Committee Executive Board, and Chair of the S305 Finance Subcommittee</i>
<b>ATTENDEES</b>	<i>DJ Stadler, Brent Thompson, Steve Hewitt, Leo Penne, Jim Donlin, Rob Edgcumbe, Shayne Gill</i>
<b>ABSENTEES</b>	<i>Paul Nissenbaum, Chad Edison, Scott Witt, Amy Arnis, David Ewing, Amy Arnis, Juli Salvi, Ken Uznanski</i>

## DECISIONS MADE

DJ Stadler called the meeting of the Finance subcommittee to order and noted that there were three items of business on today's agenda.

1. Approval of the minutes of the January 5, 2011 conference call meeting of the Finance Subcommittee.
2. Review and approval of the revised Procurement Approval Process matrix
3. Discussion of the Finance subcommittee's proposed Budget and Scope of Work for April 1, 2011 through March 31, 2012

**Item 1- Approval of Minutes:**

On a motion by Rob Edgcumbe, and a second by Leo Penne, the minutes of the January 5, 2011 conference call meeting were approved without objection.

**Item 2 – Review and Approval of the revised Procurement Approval Matrix:**

DJ noted that Steve Hewitt had sent the revised matrix to all subcommittee members on Saturday, January 22, 2011, after it had been approved by the Administrative Task Force. DJ also noted that he had discussed the matrix with Caitlin Hughes Rayman, and reviewed the minor changes made by the Task Force members, and was fine with the matrix as it is now drafted. With no other changes or comments, it was agreed that the matrix be brought forward to the Executive Board on its January 28, 2011 conference call meeting, and, assuming there is a quorum present, DJ will ask for a vote for approval during the call.

**Item 3 – Budget and Scope of Work/Work Plan for the subcommittee from April 1, 2011 through March 31, 2011:**

DJ recommended that the Finance subcommittee carry forward the budget from last year's work plan and retain the scope of work, as described in the current plan, with some minor modifications.

Steve Hewitt noted that David Ewing had sent an email to all subcommittee members recommending that a "Rolling Stock 101" series of webinars staffed by members of the Finance subcommittee, Administrative Task Force and the Technical subcommittee, as well as others, be included in the Finance subcommittee's work plan and budget. Steve pointed out that David also recommended that the Finance subcommittee include a "State and Entity" boiler plate agreement to enter into RRIF loans as a part of its work plan.

It was agreed that the "101" webinar series, which was derived from the draft "syllabus" prepared by Rob Edgcumbe, would prove to be very worthwhile, and should be included in the NGEC work plan. It was agreed that it was yet to be determined where it should reside. (Finance subcommittee, Administrative Task Force or Technical subcommittee) It was agreed that DJ would include it as a placeholder in the work plan of the subcommittee. He will raise the issue on the January 28, 2011 Executive Board conference call and get a determination as to which subcommittee or task force should own it as a work plan item. Leo Penne, AASHTO volunteered to "rough out" some cost estimates and recommendations for conducting the webinars and provide the "rough draft" to Steve Hewitt for distribution to the subcommittee members by Thursday, January 27, 2011.

It was agreed that the RRIF Loan proposal would also be included in the Finance subcommittee's work plan to be presented on Friday's (January 28, 2011) Executive Board call.

It was also agreed that the work plan should look beyond the 12 month period ending March 31, 2012 and that DJ will draft an addendum to the work plan noting that implementation of items described therein will occur in the time period beyond the March 31, 2012. (April 1, 2012 through December 31, 2012)

DJ will amend the proposed work plan and budget based on today's discussion, and send to all members of the subcommittee for review and comment.

After comments have been received, DJ will send the final draft of the proposed work plan and budget for the Finance subcommittee to Steve Hewitt for distribution to the Executive Board in advance of its call on Friday (January 28, 2011). At that time, Steve will also distribute the Procurement Approval Process matrix to the Board members.

**Other Discussions:**

Rob Edgcombe gave a brief context/overview of the briefing paper "Options for an NGECEntity" that he had initially prepared at the request of the Administrative Task Force.

The issue of potentially establishing the NGECE as an entity is an item that has been looked at by both the Administrative Task Force and the Finance subcommittee and the briefing paper overlapped areas of interest for both groups.

The paper was drafted after a working group had reviewed and assessed the Needs/Objectives of the states for the NGECE. (a poll of the states which originated in the Finance subcommittee)

It was agreed that the briefing paper captured the key elements found in the states responses to the poll, and that further discussion was warranted as to how to proceed. Among the key issues yet to be resolved is cost.

It was agreed that the subcommittee will hold its next call on Wednesday, February 9, 2011 at 3:00pm Eastern with the primary topic to be finalizing any issues that may need to be addressed in preparation for the February 15, 2011 Annual Meeting.

**Action Items Update (New and Current)**

**Carryover Item:** Shayne Gill, AASHTO, will talk to Jack Basso and Joung Lee about the possibility of adding some of the issues regarding financing options (the options paper) as a topic for future discussions of AASHTO's Finance Center or the Standing Committee on Administration and Finance. Shayne will talk to Jack and Joung Lee to see if there are upcoming webinar or meeting opportunities where these issues can be on the agenda. Shayne will report back on his discussions and, after that, will put together a sub-group to explore options and develop an options paper.

**Carryover item:** Bill to ask FRA whether or not "we can use CE for secular kinds of growth?"

**Carryover and new Action:** Leo Penne, AASHTO, has sent out a request for states to provide contact information of state attorneys who work with their state's rail program. Purpose is to establish a states legal pool as a resource to the Committee. Leo will provide a matrix of respondents for distribution and discussion to the Finance subcommittee members and the members of the Administrative Task Force

**New Action Item:** Leo Penne to prepare a "rough " estimate of costs and a plan for conducting the proposed "Rolling Stock 101" webinars. He will send the draft to Steve Hewitt for distribution to the Finance subcommittee members on January 27, 2011.

**New Action Item:** DJ Stadtler will draft a revised Budget and Scope of Work/Work Plan for subcommittee review and comment today (January 26, 2011) based on input received during this call. Once all comments are received and addressed , DJ will send the final draft to Steve Hewitt for distribution to the Executive Board Members in advance of the January 28, 2011 Board conference call.

**New Action Item:** Steve Hewitt will send the final draft Procurement Approval Process Matrix, as approved by the Finance subcommittee and the Administrative Task Force, to the Executive Board members for their consideration on the January 28, 2011 conference call.

## **ATTACHMENTS**

### **PRIIA Section 305 Finance Sub Committee Conf. Call Meeting** **January 5, 2011**

#### **Agenda Items**

1. Approval of the minutes of the January 5, 2011 conference call meeting of the Finance Subcommittee.
2. Review and approval of the revised Procurement Approval Process matrix
3. Discussion of the Finance subcommittee's proposed Budget and Scope of Work/Work Plan for the period from April 1, 2011 through March 31, 2012
4. Other discussions

**NEXT MEETING / CONFERENCE CALL: February 9, 2011 - 3:00-4:00 pm EST**

**Call in number: 1 866-209-1307 Access code: 8597804#**