

# SECTION 305 FINANCE SUB COMM

MINUTES

JAN. 5, 2011

3:00 PM EST

CONFERENCE CALL

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

## DECISIONS MADE

DJ Stadtler called the meeting of the Finance subcommittee to order at approximately 3:02pm Eastern time. DJ noted that there were two items of business on today's agenda.

1. Approval of the minutes of the November 17, 2010 conference call meeting of the Finance Subcommittee.
2. An update on the Survey/Polling Effort in regards to States Needs/Objectives for the NGENC

### **Item 1- Approval of Minutes:**

On a motion by Bill Bronte, and a second by Brent Thompson, the minutes of the November 17, 2010 conference call meeting were approved without objection.

DJ provided an update to one of the Action Items noted in the November 17<sup>th</sup> Minutes: A meeting of a subgroup of the Finance Subcommittee and Administrative Task Force took place in DC on November 23<sup>rd</sup> in regards to refining/revising the procurement approval process matrix. It was attended by Caitlin Hughes Rayman, DJ Stadtler, Leo Penne, Jack Basso and others. DJ reported that the meeting was quite productive and that there will be a revised matrix sent out prior to the February 15<sup>th</sup> NGENC Annual Meeting.

### **Item 2 – An update on the status of the survey/polling of the states in regards to their needs/objectives for the 305 NGENC:**

DJ asked David Ewing to report on the status. David reported that Rob Edgcumbe had put together three basic questions to be used as the basis for polling the states, and those questions had been distributed to the NGENC Member states by Steve Hewitt on January 3<sup>rd</sup>. One state has already responded (Wisconsin) and David is beginning to do follow-ups with the states to get them engaged.

David noted that he was also using this as an opportunity to solicit states responses to the "legal" survey on the issues related to incorporation, which was initially sent out in late September, 2010. To date 9 states have submitted completed surveys. While this number appears low, "it is actually a decent response rate – around 50%" taking in the context of the number of states that are involved with the 305 effort (of 11 states on the NGENC Board – 6 have responded).

David further noted that he believes we will end up with a good response to the poll (follow ups will be required) – and it may take a little time due to the changes in Governors and DOT CEOs in many states.

### **Other Discussions:**

There was a long discussion in regards to the need for developing a "Rolling Stock 101" for states that are not experienced in rail plan development, equipment procurement, impacts of 209, labor rules that Amtrak has and states don't, etc.

Bill Bronte asked the question: Do states understand what is entailed? David Ewing responded that many do not and that a 101 educational session would be very helpful. It could be a 305 NGENC effort and could/should be offered to states beyond the NGENC members as well.

David noted that there are a series of questions for consideration by the states including; the type of equipment, frequency required, how it fits into the State's Rail Plan, and how to pay for it.

The general sentiment of the members on the call was that the 101 would make sense and could be a part of the 305 NGENC work plan being developed for 2011. (current work plan is in place until march 31, 2011)

<p>In the end, it was agreed that it was important to do a 101 and that rail plan development is a key for documenting the rationale for decisions that the 305 Board makes going forward.</p> <p>It was agreed that Rob Edgcumbe, as the lead, would work with Ken Uznanski, Leo Penne, David Ewing, Stan Hunter (and others) to do a cost estimate for conducting a 101 class for states on Rail Planning and Implementation and to develop a generic syllabus.</p> <p>The cost estimate and generic syllabus will be drafted for discussion on the next call of the Finance Subcommittee. (January 12, 2011)</p>
<p>There was also a long discussion in regards to developing a budget and scope of work/work plan for each of the subcommittees and the Executive Board and Administrative Task Force. Each has been requested to put a plan together for approval at the Annual meeting in Washington, DC on February 15<sup>th</sup>. Rob pointed out the importance of having a clear vision of what the NGENC wants to achieve, what its role is, and what it expects to accomplish beyond the current Work Plan. This vision needs to be in place by the February 15<sup>th</sup> Annual Meeting.</p> <p>Steve Hewitt reported that a conference call of the Executive Board Officers was being scheduled for January 11<sup>th</sup> and that the primary topics for the call were the budget; work plan/scope of work. The officers call should result in some direction for the subcommittees and the task force to go forward in developing their work plans and budgets.</p> <p>Since time is of the essence, it was agreed that the Finance Subcommittee would meet on Wednesday, January 12<sup>th</sup> rather than January 19<sup>th</sup> so as to move forward in developing its scope of work and budget, following the officers discussion on the 11<sup>th</sup>.</p> <p>Leo Penne reported that he had sent out a request to states (a carryover action item) to provide him with contact information on states rail attorneys. He has received responses from more than a dozen states to date. DJ asked Leo to develop a matrix of respondents-non respondents by the next call of the subcommittee, so that follow ups could be done to get additional responses.</p>

Action Items Update (New and Current)
<p><b>Carryover Item:</b> 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.</p>
<p><b>Carryover item:</b> Bill to ask FRA whether or not "we can use CE for secular kinds of growth?"</p>
<p><b>Carryover and new Action:</b> 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. To date he has received between 12 and 15 responses. Leo will provide a matrix of respondents for distribution and discussion on the January 12<sup>th</sup> conference call.</p>
<p><b>New Action Item:</b> Rob Edgcumbe and a working group of the subcommittee will prepare a cost estimate and generic syllabus for a 101 class on rail Plan Development and Implementation – due: January 12<sup>th</sup>.</p>

## **ATTACHMENTS**

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

#### **Agenda Items**

1. Approval of the minutes of the November 17, 2010 conference call meeting of the Finance Subcommittee. Task Force.
2. An update on the Survey/Polling Effort in regards to States Needs/Objectives for the NGEC
3. Other

**NEXT MEETING / CONFERENCE CALL: January 12, 2011 - 3:00-4:00 pm EST**

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