

SECTION 305 FINANCE SUB COMM

MINUTES

JULY 13, 2011

3:00 PM EST

CONFERENCE CALL

FACILITATOR	<i>DJ Stadtler, Treasurer S305 NGENC Committee Executive Board, and Chair of the S305 Finance Subcommittee</i>
ATTENDEES	<i>DJ Stadtler, Brent Thompson, Ken Uznanski, Rob Edgcumbe, Steve Hewitt, Nancy Greene, Leo Penne, Shayne Gill, M. Lee,</i>
ABSENTEES	<i>Paul Nissenbaum, Whitney Phend, Juli Salvi, Scott Witt, Jim Donlin, Amy Arnis, Chad Edison</i>

DECISIONS MADE

DJ Stadtler called the meeting of the Finance subcommittee to order and the roll call was taken.

On a motion by Rob Edgcumbe, and a second by Brent Thompson, the minutes of the June 29, 2011 conference call were approved without objection.

Agenda items:

1. Status of Letter to Appropriators re: NGENC funding FY2012 – DJ Stadtler
2. Discussion: Structure and Finance Working Group Report– Rob Edgcumbe
3. Other discussions

Item 1 - Status of Letter to Appropriators re: NGENC funding FY2012 – DJ Stadtler:

DJ reported that, due to the House Transportation Appropriations subcommittee mark up being postponed until September, there is a little more time to finalize the letter, and get it up to the Hill. DJ noted that he has received budgetary and narrative input from the subcommittees, the Administrative Task Force and AASHTO. He is in the process of incorporating the input into a draft letter which he will circulate to the Finance subcommittee members later today. Once comments have been received, he will send it out to the Executive Board members for their input with the intent to have it considered for approval by the Board on August 2, 2011. (The next scheduled Board call)

Item 2 – Report from the Structure and Finance Working Group – Rob Edgcumbe:

Rob reminded subcommittee members that the draft report of the SFWG has been distributed. Thus far, he has received only one or two comments. He requests that all members of the subcommittee review the report and provide any comments as soon as possible, so that the report can be sent out, with any recommended changes, to the Executive Board for its review.

Steve Hewitt will re-send the report to all subcommittee members with a reminder that comments should be sent to Rob Edgcumbe as soon as possible.

Rob also mentioned that, as a result of comments made by the FRA at the June 23, 2011 Executive Board meeting, it seems that they may be looking for somewhat of a different direction than what is contained in the report. On June 23rd, the FRA had expressed surprise when Rob had given a brief overview of the upcoming SFWG preliminary report, especially in regard to an ownership entity. He also noted that FRA had representation on the SFWG and “nothing had been said.”

Rob also noted that on today’s Procurement Task Force (PTF) call, the FRA again brought up the issue of an entity. It is important that we get input and comments from the FRA on the draft report prior to it going to the Board for consideration. The goal of the SFWG is to finish its work by mid September.

DJ Stadtler asked, “do we have a sense of how the PTF is going to go, and what they may need from the Finance subcommittee?”

Rob mentioned that the subcommittee had a fair amount of overlap representation on the PTF call as he, Shayne Gill, and Nancy Greene were all participants.

Nancy Greene commented that the PTF is looking at moving ahead with procurement without having ownership resolved. Nancy also noted that the vehicles that are being purchased are to replace Amtrak vehicles – not

having the ownership resolved is a concern. She also noted, however, that FRA said that states will not be required to have ownership.

Shayne Gill stated that the issue seems to be that the FRA wants to try to get the federal dollars obligated as quickly as possible, and then deal with issues such as ownership, maintenance, etc in the Terms and Conditions.

DJ commented that his "guess is that the FRA wants the grant signed as soon as possible and have it in place with flexibility to add the other items later". The grant can be written with certain items to be determined – this would get the grant obligated and prevent anything from happening to the money.

Shayne agreed that "getting it obligated is the key."

DJ noted that "in a perfect world it would not be in this order, but we are not in a perfect world." Since the PTF is meeting in person in Chicago next week – we may get a clearer message coming out of that meeting.

DJ asked if there was an agenda for next week's PTF meeting, and who sent it out. Shayne said there was an agenda, and that he had sent it out to the PTF members. DJ asked Shayne to send it to him as well. Shayne agreed to get it to DJ right away.

Shayne also noted that there are two ongoing activities – the PTF and grant obligations. The PTF is a 305 activity with minutes being taken in a manner similar to what is done with other subgroups and/or task forces. Steve Hewitt recommended that the minutes be posted on the website – most likely in the Executive Board section of the site, "since this is an Executive Board task force". Steve reiterated that the effort of the NGEC right along has been to keep very open records and, the work of this task force should be as transparent as any of the other Committee activities.

DJ agreed that open and transparent is important – and Steve should check with Bill Bronte about how he wants the records kept and where. Steve, as with other subgroups or subsets, is not taking the minutes, but will be sure that there is a plan to post and distribute the information.

Item 3 – All:

Ken Uznanski reported that the current grant agreement modification and scope is with FRA. They have modified the language slightly and Ken believes that "approval is imminent."

Ken also reported that he was working on the grant agreement quarterly report which is due by the end of the month.

Ken also pointed out that, if the PTF is a subset of the Executive Board, expenditures must be accounted for and the Board will need to allocate the funds.

DJ stated that it is "my assumption that it is a subgroup of the Executive Board" and, that being the case, there needs to be an approval chain to account for expenditures such as travel costs, etc.

Steve Hewitt confirmed that the PTF was, indeed, established by the Executive Board as a subset of the Board.

It was agreed that there needs to be a formal action by the Board with cost estimates and a statement of work to ensure appropriate codes for expenditures.

DJ will contact Bill Bronte for clarification.

Action Items Update (New and Current)

Carryover Action Item: 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 list of the 20 states that have responded and send it to Steve Hewitt for distribution.

Carryover Action Item: Nancy Greene to provide DJ Stadtler with proposed voting procedures for the Finance subcommittee to consider. (It will be based on the procedures adopted by the Technical subcommittee)

Carryover Action Item: Bill Bronte to provide Procurement Task Force schedule to DJ Stadtler

Action Item: DJ Stadtler to provide subcommittee members with the draft Appropriations request letter by COB today (July 13, 2011)

Action Item: Shayne Gill to provide DJ with the July 19, Procurement Task Force meeting agenda.

Action Item: DJ to contact Bill Bronte for clarification on the budgetary aspects of the PTF.

Action Item: Steve Hewitt to send out a reminder to all subcommittee members to review the SFWG report (he will also re-send the report) and provide any comments asap to Rob Edgcumbe.

Action Item: Steve Hewitt to get clarification from Bill Bronte in regards to record keeping for the PTF.

Agenda
July 13, 2011

1. Status of Letter to Appropriators re: NGEC funding FY2012 – DJ Stadtler
2. Discussion: Structure and Finance Working Group Report– Rob Edgcumbe
3. Other discussions - All

**Next Finance subcommittee conference call: July 27, 2011 at 3:00pm Eastern
866 209 1307 access code: 8597804#**