

SECTION 305 NGENC Executive Board

MINUTES

FEBRUARY 15,
2011

8:30AM EST

ANNUAL MEETING

FACILITATOR	<i>Bill Bronte, Chair, S305 NGENC Executive Board</i>
ATTENDEES	<p>Board Members: Bill Bronte, Mario Bergeron, Rod Massman, DJ Stadtler, Mark Yachmetz, Alan Ware, Ron Adams, Caitlin Hughes Rayman, Ray Hessinger, Scott Witt, Pat Simmons, Joe Kyle, Tammy Nicholson (Kevin Lawson via proxy to Tammy Nicholson)</p> <p>Support Staff/Observers: Leo Penne, Shayne Gill, Steve Hewitt, David Ewing, Ken Uznanski, Nancy Greene, Rob Edgcumbe, Greg Gagarin, John Tunna, Kevin Kesler, Dharm Guruswamy, Allan Paul, Andrew Wood, Stan Hunter, Michael Coltman, Stephen O'Connor, Francisco Gonzalez III, Lauren Trimble, Rachel Thompson, Andrea Ryan, Meagan...Chad Edison, Jeff Gordon</p> <p>Industry Representatives: Mike Pracht, Frances Nelson, Norman Forde, Caroline Gliwa, Gene Germaine, Rich Herrschaft, John Quinn, William Smith, Joe Moore, Ken Takeda, Maurice Andriani, Anand Prabhakaran, Chuck Wochele, Joe Quigley, Wolf Reinmann, Roger Patton, Jack Martinson, Robert Furniss, George Mekosh, Larry Salci, Jim Coston, Scott Braverman, Al Bieber, Ted Krohn, Richard Curtis, Bob Doyle, Kevin Bahnline, Richard Trail, John Hill, Kevin Dow, Rodney McGhee, David Stieren, George Barr, Thomas Volpe, Jack Straub, Virginia Verdeja, Jitendra Tomar, Don Itzkoff, Paul Racine, Fran Hooper,</p>
ABSENTEES	<p>Board Members: Kevin Lawson (proxy to Tammy Nicholson)</p> <p>Support Staff/Observers: Paul Nissenbaum, Marvin Winston, Drew Galloway, John Bennett, Robin McCarthy, Rich Slattery</p>

DISCUSSIONS AND DECISIONS MADE

Welcome/Chairman's Report – Bill Bronte, NGENC Executive Board Chair:

Chairman Bronte welcomed the Board Members, support staff, and observers attending the first Annual Meeting of the Section 305 Next Generation Equipment Pool Committee (NGEC); and thanked all for their participation in the work of the NGENC. Mr. Bronte noted that the Committee had accomplished a lot over the past year, but still has a long way to go. He touted the successful development of the first PRIIA Specification – the Bi-level car; the development of the Single level standalone car spec (to be considered for approval today); as well as the work that has been done on the Diesel-electric locomotive specification; as examples of a truly collaborative effort among Amtrak, the FRA, the states and the rail manufacturing and supply industry.

Mr. Bronte elaborated by stating, "now we need to begin to procure equipment. We need to get the procurement process started. We need to track changes to the specifications; develop configuration management plans; explore funding and financing options; standardization", and more. "There are many challenges ahead, this is only the beginning".

Mr. Bronte then introduced our host – FRA Administrator Joseph Szabo – and, on behalf of the Committee, thanked him for his tremendous support, and that of his staff, Mark Yachmetz, John Tunna, Kevin Kesler, Karen Rae, and others who have played such key roles in the success we have had thus far.

Administrator Joseph Szabo:

Administrator Szabo welcomed the Committee to the USDOT facilities, and thanked the Board and all Committee members for the hard work to date. Mr. Szabo noted that, with what is in the President's budget proposal, it is clear that the work of this Committee has just begun.

Administrator Szabo described the elements in the President's transportation budget as "a transformative vision for travel in the future. We now have a President who says that passenger rail should be an integral part of the vision." The President has stated that his goal is, within 25 years, to give 80 percent of Americans access to high-speed rail. To implement the President's vision "we are proposing \$53 billion in funding over the next 6 years including over \$8 billion in Fiscal Year 2012, which begins in October."

"This is the type of multi-year commitment that made the Interstate Highway program a reality. Through it we will become a reliable and stable market for rail infrastructure and passenger rail equipment."

He acknowledged that the industry needs to know that there is stability in order to be willing to locate here in the US. He cited the intent to replace Amtrak's aging Fleet and establish "an entity of entities that, working with FRA, the States and the private sector, procure the passenger rail equipment needed for our emerging high-speed rail corridor development."

"This is where the Section 305 Committee is so important."

He advised the Committee to "not repeat the transit experience, where there are all types and sizes" of components. FRA "will not fund assembly in the U.S. of rail equipment designed and manufactured overseas. We take our Buy American requirements seriously."

"What we seek is the development of a domestic rail car manufacturing industry that covers the entire spectrum from design, to the manufacture of components and subcomponents, to assembly, and repair."

"We see this industry as multiple companies competing to build what is essentially the same equipment."

"We want commonality of design and standardization of components and parts that will permit multiple firms to build essentially the same, interoperable equipment and its components. As an example, while I am not saying we need a standard air conditioner, I am saying we need standard air conditioner requirements and configuration that will permit manufacturers to compete for the best design available today and use their ingenuity to come up with design enhancements in the future."

The Administrator noted that, "I appreciate the work that has gone into developing the single car stand alone specification – but it does not quite get to where we want to be. The standardization effort that will refine the single car specification will be essential if this effort of the Committee will meet the requirements for Federal funding."

Mr. Szabo emphasized "we are presented a once-in-a-lifetime opportunity to literally change our world and realize the benefits that rail offers to our passenger mobility. The Secretary (USDOT Secretary LaHood) and I are counting on the Section 305 Committee to help lay the foundation for success".

Roll Call – Steve Hewitt, Manager, S305 NGEC Support Services:

After calling for self introductions by all meeting attendees, Chairman Bronte asked Steve Hewitt, the NGEC Support Services Manager, to call the roll of the Executive Board Members to ensure the presence of a quorum. The roll was called, with all members either present or accounted for via proxy (Louisiana had provided its proxy to Tammy Nicholson of Iowa). The presence of a quorum was established.

Treasurer's Report – DJ Stadler, NGEC Treasurer and Chair of the Finance Subcommittee:

Mr. Stadler reported that the estimated Committee expenses for the first 15 months beginning in January, 2010 through March 31, 2011, were approximately \$625,000.00. He cited this as a "conservative estimate" and noted that he was pleased to say that the Board had been diligent in managing its expenses. He also expressed appreciation to the industry, the states, FRA and Amtrak for all of the "in kind" support provided to the Committee.

For the upcoming 12 months – from April 1, 2011 through March 31, 2012 the proposed budget for the NGEC amounts to approximately \$1,175,000.00. This estimate includes the budgets submitted by the Technical subcommittee, the Finance subcommittee, the Administrative Task Force, and AASHTO for its support services. It also includes a contingency line of approximately \$93, 216.00 for the Executive Board to allocate as needed. (Full Treasurer's report presentation can be found on line at the AASHTO website at www.highspeed-rail.org)

Chairman Bronte stressed the point that there have been "lots of volunteers from many organizations" in this effort, but "major recognition goes to the industry for tremendous 'pro-bono' type support." Mr. Bronte further noted that without the support and expertise of those "in this field, we could not have been as successful as we have been in getting to this point".

Report from the FRA – Mark Yachmetz:

Mark Yachmetz reported that "we've been busy at FRA looking at a transformative initiative relating to the way we travel, and this Committee is important to that effort." He noted that this is just the beginning and there is a lot of work to do to rebuild a stable rail industry in this country.

He stated that the "stars are aligning" for the Committee to "nail down what we need to start implementation and begin getting equipment built". He noted that the President's budget and vision support this effort.

In response to a comment from Mr. Bronte in regards to the states willingness to assist FRA in developing a marketing strategy; Mr. Yachmetz noted that "we can't ask people to lobby, but we can ask them to review our proposals and comment on them and make your views known".

Proposed By-Law changes – Rod Massman, NGECC Secretary and Chair of the Administrative Task Force:

Mr. Massman reported that the task force had previously submitted technical amendments to the By-laws which were approved by the Executive Board at an earlier meeting; but because the By-laws currently state that By-law amendments can only be made at the Annual meeting of the NGECC; we are re-presenting those original changes for consideration today. He characterized these as "house keeping" amendments – previously approved and now re-submitted.

After a review of the proposed amendments, (posted on the AASHTO www.highspeed-rail.org web site), Caitlin Hughes Rayman, Maryland DOT, made a motion to "re-adopt the amendments as presented". The motion was seconded by Pat Simmons, North Carolina DOT, and, after a poll of the Board (all members voting in favor), Mr. Bronte determined that consensus had been achieved and the amendments were adopted.

Mr. Massman then presented a By-law amendment which would allow the Board to vote on By-law changes throughout the course of the year at other meetings of the Board, providing that Board members had received the proposed amendment 30 days prior to the meeting at which the amendments(s) were to be considered. As a point of clarification, Mr. Massman also noted that this particular amendment had met the 30 days prior notice requirement, having been distributed to all Board members by Steve Hewitt on January 10, 2011.

Ron Adams, Wisconsin DOT, made a motion to accept the amendment as presented and Ray Hessinger, New York State DOT, seconded the motion; and after a poll of the Board (all members voting in favor) Mr. Bronte determined that consensus had been achieved and the motion carried. The amendment was adopted.

Report from Amtrak – Stephen Gardner:

Stephen Gardner, Vice President of Policy and Development for Amtrak provided an overview of Amtrak. (Stephen's presentation has been posted on the AASHTO website at www.highspeed-rail.org)

Mr. Gardner noted that Congress is focusing on austerity, which presents a challenging legislative environment. He did, however, also note that the Administration's decision to focus on High Speed Rail is significant in that it continues the precedent that was established with the Recovery Act. Amtrak strongly supports it as a visionary step, and one that has the potential to change the way America travels.

Stephen also noted the importance of the 305 Committee to the future of passenger rail in America. He commented that Amtrak intends to use PRIIA specifications for additional equipment procurement and that the Committee has a lot of work ahead as well as a lot of questions to answer including; "how to manage, allocate and finance". Amtrak is, Stephen said, "proud to be a part" of the 305 Committee.

Convening the Executive Board Business meeting – Bill Bronte:

Chairman Bronte proceeded to call to order the Executive Board business meeting. He pointed out to all attendees that the business meeting of today's session is more about conducting the regular business of the Board; and it focuses more on decisions and actions than the Annual Meeting. He emphasized that there is no intent to encourage attendees to leave, in fact, "we welcome your attendance" as well as your input.

The Chairman noted that a quorum was still present, as established earlier in the day when Mr. Hewitt had polled the Board.

Approval of the Meeting Summary/Minutes of the February 10, 2011 conference call meeting of the Executive Board-Bill Bronte:

Caitlin Hughes Rayman, Maryland DOT, made a motion to accept the meeting summary/minutes of the February 10, 2011 Executive Board conference call; and Mario Bergeron, Amtrak, seconded the motion. After a poll of the Board, (all members voting in favor) Chairman Bronte determined that consensus had been achieved and the minutes were approved.

Standardization Report – Rob Edgcumbe, Consultant to Amtrak:

Rob Edgcumbe has been facilitating a working group to develop standardization recommendations to present to the Board. The group is comprised of Dale Engelhardt, Amtrak, Kevin Kesler, FRA and Stan Hunter California DOT with additional input having been provided by Jack Martinson, Bombardier, Anand Prabhakaran, Sharma Associates, and Michael Burshtin, Amtrak.

Note: The complete presentation and the Standardization Report produced by the working group is posted on the AASHTO website at www.highspeed-rail.org

The group has been meeting every two weeks to discuss the various factors impacting the issue of standardization, and has produced a report on a proposed way forward.

Mr. Edgcumbe described some of the issues to be addressed as:

Standardized equipment is identified as a goal in PRIIA

What does standardized mean?

What problems are currently experienced that need to be resolved?

What are the benefits of standardization and what downsides can it have?

How do we determine when a standard is beneficial?

How does this relate to the work that has already been undertaken?

Who will manage this going forward?

He also described how standardization is dealt with in the current specifications:

Interoperability is dealt with

Performance requirements are standardized

Some potential standard components are identified in the specs, but equivalent performing alternates are also allowed

Customer options are a separate section beyond the core spec

After describing PRIIA's requirements (see presentation) impacts of standardization, Mr. Edgcumbe identified some options for standardization as:

Standard in the creation of specs and the performance requirements specified

Creation of a standard car

Standardization of major systems (definition of standard design either existing or to be created – definition of interface requirements and performance standards for interchangeability)

Do nothing and allow industry to define its requirements

He then described the working group's chosen solution:

Two part approach to standardization

- Standardization of the structure and performance requirements of specs
- Establishment of a process for the selection of standardized systems/components
- Option is open as to whether an interface standard is utilized or a component is defined
- Existing systems or new requirements could be chosen

The first part is already in place and is reflected in the specs developed/being integrated to those in progress.

The Technical subcommittee will lead the process, but will work in partnership with the Finance subcommittee in evaluating the financial case for the life cycle cost/benefits

Mr. Edgcumbe described the need to "define a process for selection of a standard" and "what happens when standard systems are selected.

Next steps - What we need now:

- The Executive Board to accept the recommendations of the working group
- Approve the Technical subcommittee to commence the development of the processes and begin reviewing systems
- The Technical subcommittee to begin this process and work with the Finance subcommittee to implement
- Acceptance of the existing specifications will be updated as the results of this work are available.

Comments:

Mark Yachmetz, FRA, reiterated the FRA view that it is important to get away from broader standardization to encourage and permit competition and broader supplier involvement. As funding partners – standardization will be required for funding that we (FRA) may provide.

An extensive discussion ensued among the members of the Board and attendees. Some of the points raised:

- Bob Furniss, Bombardier, asked why not award contracts to 2 contractors for bi-level and 2 contractors for the single level – this will get 4 contractors to work and get the industry moving along.

- Bill Bronte commented that – “we recognize that we need to be a catalyst, but it is about the will and the availability of funding. Funding challenges going forward are critical. The NGEC, as a group, can’t lobby – the industry can. We can only inform. We need equipment to get over the hump”. He also commented that it is both a philosophical and pragmatic discussion.
- Stephen Gardner noted that it may be possible to begin the acquisition process as Mr. Furniss has described, “If we had sustained funding”. “The goal is that Amtrak will procure 305 approved specs but, financially, we are not able to do the 775 car order today. The first hurdle is the money – then we can move ahead”. Mr. Gardner also emphasized the importance of enunciating the goals and developing funding sources for the long term.
- Chuck Wochele, Alstom, encouraged fellow industry representatives to promote this to congress. “They need to hear that this means jobs. It is up to us (the industry) to tell the story. Go to your local congressional representatives. It is up to us to make it happen.”
- Bob Furniss emphasized that locomotives are also important to the supply industry. “The replacement market is needed to keep the industry going and to remain viable before we move on to the future .” (such as Very High Speed Rail)
- Stephen Gardner – “It still comes down to the money – the availability of funding. We (Amtrak) have shown that when we have it we do put our money where our mouth is. ” He also noted that Amtrak is making the case to congress for its fleet plan.
- Kevin Kesler, FRA, posed a question to the industry – “Is there anything the NGEC can do to help bring suppliers together -do the design work – so when ready we can move forward?”
- Ken Takeda, Kawasaki commented that it may make sense, with the limited funding, “to develop a prototype program – award multiple car builders to create a baseline design for future procurements.”
- Bill Bronte posed the question to Mark Yachmetz – “is a pilot type program doable” to help bring the industry in? Mr. Yachmetz’ response was that it is a model that has been used, but congress would need to say that this is the approach to take. It could well be an option for the future work plan.
- Additional comments included the perspective from an industry member that “we are not interested in modeling our products. It is not a workable solution to compete against ourselves. We need a scope and timeline – well defined – for acquisitions.”
- To Rob Edgcumbe - How do we get to the standard? How do you identify the standard and who writes the specification? It gets developed by the Technical subcommittee – once something is identified and the process is developed – there may be new designs or existing designs.
- Who comes up with the design? The Technical subcommittee.
- Larry Salci, consultant to the Review Panels made the observation that the standardization effort is good and needs to go forward. He acknowledged that “money is an issue –the question is volume – while money is the issue - we know the reality – the HTF is in trouble – we need a new source as well as the money itself – it’s a parallel path.” “We need to stay focused on it – the issue is jobs, American jobs – we need an educational effort in congress.”
- Norman Forde, STV asked “how do you see performance specifications with standardization?” – It’s an inherent conflict and difficult to see how they co-exist.

At the conclusion of the discussion and comment period, Mr. Bronte addressed the Board’s attention to the fact that “a proposal with recommendations is before us” from the standardization working group. The Board needs to take action to approve the report, and adopt the recommendations of the working group.

Scott Witt, Washington State DOT, made a motion to accept the report and the recommendations. Alan Ware, Georgia DOT, seconded the motion. After a poll of the Board (all members voting in favor), the Chair determined that consensus had been achieved and the motion had carried.

Review Panel Reports and Recommendations – Larry Salci:

Single Level Standalone Car Specification: Mr. Salci gave an overview of the findings and recommendations of the Review Panel for the Single Level Standalone Car specification (Review Panel report and the presentation

are posted on the AASHTO website – www.highspeed-rail.org)

Mr. Salci noted that it was a good specification and with the approval of the Standardization report and recommendations, which he had felt was important in considering the single level specification for approval, his and the Review Panel's recommendation to the Board is to approve the Single Level Standalone Car Specification.

A couple of errors in the text of the presentation were noted by Board members, and Mr. Salci agreed to have those corrected and resent to Steve Hewitt for distribution and posting.

A discussion ensued in regards to copyright issues. Ron Adams, Wisconsin DOT asked if we are adopting the specs with the Amtrak copyright, since the spec, as written is copyrighted by Amtrak. It was explained that this is a placeholder because the NGEC has not determined what, if any, type of entity it should become. Having no established entity has resulted in the need for the Amtrak copyright by default. The Bi-level specification also has the Amtrak copyright. The copyright issue has been a focus of discussions in the Administrative Task Force and it will continue to be an issue to be resolved, along with the discussions of establishing an entity.

After much discussion, it was agreed to accept a motion to approve the Single Level Standalone Car Specification, as presented, with a note in the minutes stating that copyright is an open question, and that, the Committee will go back and revisit the issue of copyrights in this specification, and in the bi-level specification, as well as all ancillary specifications.

Caitlin Hughes Rayman, Maryland DOT, made a motion to approve the Single level Specification as presented with the note to the minutes (described above) in regards to copyright. The motion was seconded by Ron Adams, Wisconsin DOT. After a poll of the Board (all members voting in favor) Chairman Bronte determined that consensus had been achieved and the Single Level Standalone Car Specification is adopted.

Diesel-Electric Locomotive Specification: Mr. Salci gave an overview of the Review Panel Report and its recommendations. (presentation and report is posted on the AASHTO website at www.highspeed-rail.org)

Mr. Salci noted that this was a good spec, but that there were areas that were lacking or missing which should be added.

Mr. Salci told the Board that the recommendation of the Review Panel for the Diesel-Electric Locomotive Specification is to defer the specification until corrective actions are taken (as recommended in the report). Mr. Salci noted that the Technical subcommittee has already begun the process of revising the specification in accordance with those recommendations and that a timeline and schedule for approving the revised spec has already been established by the subcommittee.

It is expected that the subcommittee will vote for approval of the revised spec on February 24, 2011, (a conference call meeting) and following the same review process (schedule and timeline can be found on line at the AASHTO website www.highspeed-rail.org) it is expected to be ready for Board consideration and a vote on approval on March 16, 2011. (The Board agreed to hold the approval meeting in Washington, DC at the Phoenix Park Hotel in conjunction with the AASHTO Standing Committee on Rail Transportation (SCORT) annual meeting)

Alan Ware, Georgia DOT, made a motion to accept the recommendations of the Review Panel to defer approval of the Diesel-Electric Locomotive Specification until corrective actions are completed, as described. Caitlin Hughes Rayman, Maryland DOT, seconded the motion. After a poll of the Board (all members voting in favor) Chairman Bronte determined that consensus had been achieved and the recommendations of the Diesel-Electric Locomotive Review Panel were accepted.

Report from the Technical Subcommittee – Mario Bergeron:

Technical subcommittee Chair Mario Bergeron reporting "on behalf of the entire Technical subcommittee" provided an overview of the work of the subcommittee to date. (complete presentation can be found at www.highspeed-rail.org) He noted that "we have delivered what we've delivered with a great deal of effort." It's been a "great adventure" but it is important to recognize that the "process is working". He commented that the subcommittee has set very "aggressive and demanding timelines". The ultimate goal is to "procure – not only print paper."

Mr. Bergeron also noted that, not only have we developed specifications, but we have also undertaken additional tasks such as:

- Commencement of the creation of a systems engineering process
- Defining what is required for standardization
- Development of position papers on key technical issues
- Projection of future development opportunities
- Further investigation of the potential demand for equipment types.

Describing the current activities, Mr. Bergeron highlighted the following:

- Finalization of the diesel-electric locomotive specification
- Development of the trainset specification
- Progression of the standardization policy
- Development of the systems engineering policy
- Provision of support to states in the development of their rail planning
- Determination of the approach to other equipment types

He then went on to describe the plans for the coming year as:

- Completion of the specification tasks identified previously
- Turning the policy documents into working processes (systems engineering and standardization)
- Preparation and support of the first acquisition programs
- Creation of a task force to research options for New York dual mode locomotive replacement
- Creation of engineering policies and support strategies for the options under consideration for a corporate entity
- Continue to find ways to ensure the collaborative approach that has been taken with all parts of the industry will continue for the future work of the NGECC

In concluding his report, Mr. Bergeron thanked the industry members for their willingness to participate in this effort and for their commitment to it. He also thanked Amtrak staff for their support throughout the process; the FRA for providing resources and leadership; and the states for contributing their people and for providing a focus on underlying needs.

Next Steps for NGECC Specification Development – Rob Edgcombe:

Mr. Edgcombe reported on the subcommittee's efforts to explore potential future specifications to be developed by the NGECC. He noted that there has been an excellent cross section of industry participation in developing the specifications that have been developed thus far. "As we look ahead", he noted, "it is important to keep this collaborative structure in place".

In developing a future work plan, Mr. Edgcombe noted the following considerations:

- What are the options?
- Specifications vs. process development
- Potential acquisitions
- Needs of the states
- Visionary approach
- Non-standard equipment types

Options:

- Development of additional specs – (dual mode locomotive, higher capacity single level vehicle, DMU, Very High Speed Rail)
- What are the needs of the operators that we are trying to meet?
- How do we develop the processes necessary for the future?

Specs vs. Process Development:

- Working groups that involve cross industry participation already exist
- Recreating the groups at a larger stage would be more difficult
- If the groups are needed, is now the time to make use of them?
- What is the willingness of the industry to continue to participate if the goals are longer term?
- Should the focus be on the existing specs and how they are supported in the longer term?
- What else is going to be necessary to support acquisitions?

Potential Acquisitions:

- Several acquisition programs could commence soon
- Who is going to be the lead on those acquisitions?
- What technical support is necessary for those acquisition programs?
- Will the NGECC be required to provide that technical support?
- How does the outcome of the acquisition process feed back to the existing specifications?

Potential Corporate Entity:

- Discussion is underway on the possible creation of a pool of equipment centrally owned
- If created, it will need strong technical capabilities
- The systems engineering process will be vital
- We need to determine how maintenance is to be performed on pooled fleets
- Long term support to the fleets will require technical capability
 - Development of the fleets in service
 - Monitoring of in service maintenance practices and performance
 - Reliability growth strategies
 - Investment in overhauls
 - Acquisition processes and project management

State Needs and Long Term Vision:

- States have been surveyed on their requirements for equipment and for support in acquiring that equipment
- Pooling of needs and potential financial support are their primary areas of interest
- Does the NGEC react to the immediate goals of the states or focus on the longer term vision?
- One longer term vision option is the corporate entity:
 - Own equipment pool
 - Provide flexibility to the states in their equipment needs
 - Economies of scale in equipment acquisition
 - Flexible approaches to funding equipment
- How does the work of the NGEC develop to meet those goals?

In general, there are a lot of questions that need to be answered as the NGEC moves forward. Determining if the NGEC will become an entity, and what type entity it should be, is critical. To accomplish this, there will need to be a collaborative effort with interaction among the Technical subcommittee, Finance subcommittee and the Administrative task force.

Much work lies ahead.

Presentation on Systems Engineering-Kevin Kesler:

Mr. Kesler has led a working group comprised of about 31 members of the industry, as well as representatives from Amtrak, FRA, and the states, to develop a concept for establishing systems engineering processes for passenger equipment acquisition and life cycle support. He provided an overview of the needs, goals and activities of the working group to date.

The Need:

- The NGEC is charged with establishing a nationwide passenger equipment pool
- Requirements and Specifications have been developed
- Further documentation will be developed to support equipment acquisition and maintenance
- Systems engineering processes are needed to assure that the documentation meets stakeholder needs and is kept current
 - Conventionally these processes are considered on an individual procurement basis
 - With PRIIA, a single specification is intended to apply to and evolve through multiple procurements
 - Integrated approach for controlling evolving requirements, specifications, and other documents, in PRIIA relevant manner becomes critical
- Benefits:
 - Common approach to equipment acquisition
 - Adoption of industry lessons-learned to avoid known pitfalls
 - Improved ability to promote standardization

Goals:

- Long Term:
 - Develop, implement and maintain a Systems Engineering process that meets the needs of the Corridor Equipment Pool and the NGEC Stakeholders
- Immediate Term:
 - Assemble a working group to define desired documents and procedures
 - Estimate the level of effort, budget and schedule needed to develop documents and procedures
 - Estimate the annual level of effort and budget to support the NGEC Systems Engineering functions

Recommend a NGECE Systems Engineering organization and responsibilities of stakeholders and participants

Secure funding and support for the Systems Engineering Process

Work Plan, Schedule and Team:

- Activities of the core group have begun – (FRA in the lead, Amtrak, NYSDOT and CALTRANS – advisors) 31 industry participants (including APTA)
- Conference calls to date : Dec. 21, 2010; January 4, 2011; January 13, 2011; February 7, 2011
- Key Accomplishments: Development of preliminary framework; identification of key concepts, processes, documents and management needs; identification of resource documents for various elements
- Simplified version of initial concept presented today

Mr. Kesler went on to describe the key processes and documents as simplified. The key processes are: Requirements Development; Specification Development; Procurement; and Operations and Maintenance. The key documents are: Requirements; Specifications; Manuals-operations, maintenance, training; documentation of lessons learned. Configuration management is to be comprised of document control, revision control, and traceability.

Documents that would be handled through Configuration Management are: approved specs; requirements documents; administrative terms and conditions; maintenance and operations manuals; training materials; as-built specifications; key design, test & acceptance documents; and RFPs.

Mr. Kesler went on to describe some of the key questions yet to be answered in regards to ownership:

- Who owns the processes? (NGECE, Amtrak, States/AASHTO, other entities...)
- Who owns the documents? (NGECE, AASHTO...)
- Who owns the Standards? (NGECE, APTA, AASHTO...)

The anticipated level of effort that will be required or is anticipated for developing the Systems Engineering process is:

- Develop preliminary framework of the process – 2-3 persons; 2-3 month; Full time
- Work through initial PRIIA procurement (CALTRANS/Amtrak bi-levels) – 2-3 persons; 18 months; 20% of time or 1 day a week
- Revise and finalize documents/processes – 2-3 persons; 2-3 months; full time
- Overall, a 2 year effort

Next Steps:

- Executive Board approval of scope and effort
- Continuation of the effort by the Technical Working Group to develop the framework, identify source documents, and adaptation, appropriate to PRIIA
- Coordination with the first procurement effort
- Preliminary study and review of incorporating the 'maintenance' element into the Systems Engineering Process.

Chairman Bronte commented that there is much work to do and major issues lie ahead. He believes that Kevin Kesler's working group begins to take us down the road to where we need to get. The working group has begun to "scratch the surface". The general consensus of the Board was to continue this effort and to keep moving forward.

Report of the Administrative Task Force – Rod Massman:

Rod Massman, Chair of the Administrative Task Force, provided an update, and described the task force as the "nuts and bolts arm of the Executive Board". The task force also serves as the policy arm and follows the by-laws to ensure compliance and recommend changes as deemed necessary. "We are", Mr. Massman summarized, "generally, the detail people."

The task force meets via conference call on a regular basis, initially every three weeks, and more recently every two weeks. The task force has held a number of joint calls with the Finance subcommittee as many of the issues being addressed cross over between the responsibilities of the two groups.

Key activities of the task force have included; developing a legal pool of attorneys from the states who deal with rail programs; working with the Finance subcommittee on the issue of creating an entity; Conducting surveys on the needs of states for the NGECE and a survey on the legal issues/implications of incorporation for states.

The task force has also undertaken the effort to develop a liability policy for the NGEC. The By-laws call for such a policy, but until there is an entity established, the task force agreed that the liability policy of the Committee should, essentially, call for the members of the Committee to bring their own indemnification with them through their own organizations or agencies.

Mr. Massman submitted the following liability policy for consideration by the Board:

The Committee will not indemnify any Officer, Executive Board member or any other person participating in the Committee for any act or failure to act in the course of any member's service on behalf of the Committee or in conjunction with duties performed in the Committee. Each Executive Board member will be responsible for his or her own actions and the consequences of those actions and shall not be responsible for the actions of any other Executive Board member and consequences of those actions.

Mr. Massman, Missouri DOT, made the motion that the Board approve the liability policy statement as presented. Caitlin Hughes Rayman, Maryland DOT, seconded the motion. After a poll of the Board (all members voting in favor) Chairman Bronte determined that consensus had been achieved and the motion carried.

Mr. Massman then addressed the issue of copy rights and, in general, ownership and change control. He stated that the task force has been looking at this issue and many of the questions remain unanswered because so much depends on what "the NGEC is to become as an entity." There are mechanical questions – do the specs need a disclaimer? Are the specs open to all? "For now", Mr. Massman stated, "there is limited protection through the copyright that accompanies each of the specification documents (Amtrak copyright), but it seems that there should be wording developed that adds a disclaimer or some sort of indemnification language."

Mr. Massman highlighted some of the copyright specification issues as:

- The documents are all posted on the AASHTO website (www.highspeed-rail.org) - if federal funds are used for any part of the cost of the website, then there is federal interest.
- What is the future plan on how the Committee intends to use the documents it develops?
- Are there any limits on the use of the specification documents?
- Are there any restrictions on making modifications to them?

With these and many other questions still to be answered, it was agreed that the Administrative Task Force will continue to look at the issue with involvement from both the Finance subcommittee and the Technical subcommittee. Chairman Bronte also asked that Nancy Greene, Amtrak, be involved in the effort. FRA will look into any potential financial aspects in regards to intellectual property from its perspective .

Mr. Massman then briefly gave an overview of the task force budget and work plan that has been submitted. The total budget proposed for the Administrative task force for the period of April 1, 2011 through March 31, 2012 is \$114,000.00. Budget categories are itemized in the Task force presentation and can be seen on line at www.highspeed-rail.org.

Report from the Finance subcommittee – overview – DJ Stadler:

Mr. Stadler reviewed the subcommittee activities to date and highlighted some of the key issues such as incorporation. It is critical to know what the needs of the states are for the NGEC before being able to determine what type of, if any, entity is needed.

He then turned to Mr. Edgcumbe to give an overview of the results of the states poll in regards to their needs/objectives for the NGEC.

Mr. Edgcumbe reported that the poll had included three questions which were presented to the 11 states on the NGEC Executive Board:

1. Do you plan to own equipment for service in your state for the full life of the equipment or do you perceive the need to have equipment for shorter periods than its full service life?
2. Do you foresee the need for additional funding beyond grant money from the federal government and state appropriations in order to fund your vehicle acquisitions?

3. Do you need to combine your planned purchases with other states/Amtrak in order to gain economies of scale?

Generally, the states responses were mixed. Flexibilities of the states to pool varied. Pooling arrangements won't be an advantage to many states, at this point.

The need for additional funding beyond grant money from the federal government and state appropriations was split among the states.

In order to use outside funding or an equipment pool an entity would need to be created.

The issue remains mixed as to whether the need for an entity, at least in the short term, is required. The question remains-Do we need to be more?

More work and continuing discussions need to take place as the Committee moves forward.

Mr. Stadler then highlighted the Work Plan and budget for the year ahead:

- Identify funding options for new equipment – and look at draft legislation
- Evaluate and present those options to the Board
- Look at structure for incorporation – the subcommittee will prepare an options paper that describes “these are the ways that we can perform an equipment pool.”
- The subcommittee will perform an audit of the NGE
- Explore procurement processes
- Partner with other meetings (if in-person subcommittee meetings are needed) to be more cost effective – otherwise, continue to meet via conference calls.

The budget was presented as:

- \$50,000.00 for professional fees
- \$50,000.00 for audit services
- Any travel costs to be funded under the AASHTO support services budget

The complete Financial subcommittee work plan and budget presentation can also be found on the AASHTO website at www.highspeed-rail.org.

Strategy discussion/budget/work plan for April, 2011 through March 31, 2012 – Bill Bronte:

Mr. Bronte opened up the discussion of the work plans and budgets as proposed by each of the subcommittees and the Administrative task force. Each Board member had received all proposals over the past several weeks and had been asked to review them for consideration. No action had yet been taken, although, there had been general agreement on the last Board conference call (February 10, 2011) to accept the proposals as presented.

Mr. Bronte asked Ken Uznanski, Amtrak Project Manager for the 305 Committee, to review what actions the Board needs to take. Mr. Uznanski described the issues and actions as:

1. The current grant agreement has an end date (June 30, 2011) which needs to be extended. The Board needs to vote to approve modifying the grant agreement to extend it through March 31, 2012.
2. The Grant agreement needs to be modified to reflect the revised budgets and work plans submitted by the subcommittees and task force.

Mr. Yachmetz, FRA, noted that it is important to state in the modification requests that the extension is a no cost extension. (The budgets submitted reflect the funding that remains available as unspent balances from the

original grant agreement)

A motion was made by Ron Adams, Wisconsin DOT, and seconded by Ray Hessinger, NYSDOT to provide permission to Ken Uznanski to work with FRA to modify the grant agreement to extend it through March 31, 2012 and to modify the scope of work and budgets as presented at no additional costs. A poll of the Board resulted in all votes in favor with the exception of Mark Yachmetz, FRA, who abstained. The abstention reflected the fact that Mr. Yachmetz did not believe it was appropriate to vote on an action to be taken to the FRA Administrator (his boss) for his consideration.

In accordance with voting procedures, the motion carried.

Next Steps – Bill Bronte:

Mr. Bronte requested that the Board begin to hold bi-weekly conference calls in order to continue moving forward. There is so much work yet to be done and so many decisions to be made that quarterly in-person meetings simply are not sufficient. This has been a productive meeting and it is important to keep the momentum going.

Board members agreed to try to set a bi-weekly schedule. The proposed time and day of the week agreed to was 11:30 am Eastern, every other Tuesday. Caitlin Hughes Rayman suggested that the meetings be held on the Tuesdays in which the States For Passenger Rail Coalition (S4PRC) which also meets every other Tuesday, is not meeting. Caitlin will check the S4PRC schedule and provide Steve Hewitt with the date for the first NGEC Board call. This will commence the bi-weekly calls and a schedule will be sent out to all Board members by Steve Hewitt, along with call-in information. The calls will be scheduled for an hour in duration. Each Board member, if unavailable, will try to have a representative on any call for which he or she is unavailable.

It was also agreed that the Board would meet in-person in Washington, DC at the Phoenix Park Hotel on March 16, 2011 beginning at approximately 8:00am Eastern until 4:00 pm Eastern. The two major items on the agenda for this meeting will be: approving the revised Diesel-electric locomotive specification and developing an outline for a long term NGEC Business Plan.

It was agreed that the specification discussion and vote would take place in the morning with the remainder of the meeting devoted primarily to the Business Plan development activity.

A poll of the availability of the Board members revealed that there was an Amtrak Board meeting that same day, and, therefore, some Amtrak NGEC members may be unavailable, (Mario Bergeron and/or DJ Stadtler) Mark Yachmetz, FRA, will also be unavailable. All members, however, agreed to be sure to provide their proxy and/or designate a representative to act on their behalf to ensure a quorum for the meeting.

Adjournment – Bill Bronte:

After asking for any additional comments from Board members and/or attendees, Mr. Bronte asked for a motion to adjourn. The motion to adjourn was made by Al Ware, Georgia DOT, and seconded by Caitlin Hughes Rayman, Maryland DOT. All Board members were in favor and the meeting was adjourned at approximately 2:30pm Eastern.

New Action Items

Distribute and post all presentations from this meeting - **Steve Hewitt**

Revise the single level standalone car specification Review Panel report to clarify that the car is compatible throughout the US and also make corrections to the single level presentation to correct errors (typos) as noted by Board members and send to Steve Hewitt for distribution and posting- **Larry Salci**

Continue to look at the issue of establishing an NGEC entity – **DJ Stadtler/Rod Massman**

Continue to explore intellectual property, copyright and change control issues – **Rod Massman (Admn Task Force)**

Look into financial impacts in regards to intellectual properties from an FRA perspective – **Mark Yachmetz**

Establish a starting date for the bi-weekly Executive Board conference calls, and distribute a call schedule and call-in information - **Caitlin Hughes Rayman/Steve Hewitt**

In preparation for the March 16, 2011 Board meeting and the development of an outline for a long range "Business Plan", prepare a list of known unknowns – **Bill Bronte**

Continue to develop the Systems Engineering process – Kevin Kesler (through the Tech subcommittee)
Develop agenda for the March 16, 2011 Executive Board meeting to be held in Washington, DC – Steve Hewitt
Work with FRA to modify the current grant agreement to provide an extension to the original agreement and to modify the budget and work plans as approved on February 15, 2011 – Ken Uznanski
Finalize March 16, 2011 meeting logistics (Phoenix Park Hotel) and disseminate information to Board members – AASHTO/Steve Hewitt
With the process and recommendations approved by the Board – continue to develop Standardization items/issues/practices through the Technical subcommittee – Rob Edgcumbe
Complete the development of the Diesel-electric locomotive specification in accordance with the recommendations approved by the Board on February 15, 2011. Finalize the revised spec for Board consideration for approval on March 16, 2011 – Mario Bergeron (Technical Subcommittee)

ATTACHMENTS



PRIAA Section 305 Next Generation Equipment Pool Committee (NGEC)

Annual Meeting
And
Executive Board Business Session

Agenda

February 15, 2011

USDOT
1200 New Jersey Avenue SE
Washington, DC 20590

8:00 - 8:30 am	Registration
8:30 – 8:40 am	Welcome and Introductions-Convene Annual Meeting - Bill Bronte , NGEC Executive Board Chair
8:40 – 8:45 am	Roll call of NGEC members present for Annual Meeting (Executive Board & non-Board member states) – Steve Hewitt, NGEC Support Services Manager
8:45 – 9:00 am	Chairman’s Report – Bill Bronte
9:00 – 9:15 am	Treasurers Report – DJ Stadtler, NGEC Treasurer and Chair, Finance Subcommittee
9:15 – 9:30 am	Report from the FRA – Mark Yachmetz
9:30 – 9:45 am	Report from Amtrak – Stephen Gardner
9:45 – 10:15am	Industry Input
10:15 – 10:30 am	Break
10:30 – 10:45 am	Proposed By-law changes – Rod Massman, NGEC Secretary, and Chair, Administrative Task Force
10:45 – 10:50 am	Vote on Proposed By-Law Changes
10:50 – 10:55 am	Convene Executive Board Business Session – Bill Bronte

10:55 – 11:00 am	Roll Call of Voting members of the Executive Board – confirm presence of a quorum– Steve Hewitt
11:00 – 11:05 am	Approval of the Meeting Summary/Minutes of the February 10, 2011 Conference Call meeting of the Executive Board – Bill Bronte
11:05 – 11:25 am	Standardization Report - Rob Edgcumbe
11:25 –12:00 pm	Review Panel Reports and Recommendations: Larry Salci, Consultant 1.) Single Level Standalone Cars Specifications 2.) Diesel-Electric Locomotive Specifications
12:00 – 12:15 pm	Discussion/vote: 1.) Single Level Standalone Car Specification 2.) Diesel-Electric Locomotive Specification
12:15 – 12:45 pm	Remarks: USDOT Deputy Secretary John Porcari (invited)
12:45 - 1:30 pm	Lunch Break
1:30 – 2:15 pm	Report from the Technical Subcommittee – Mario Bergeron, NGEC vice Chair and Chair, Technical Subcommittee 1.) Review of Achievements To Date and a Look Ahead – Mario Bergeron a. Discussion/presentation on Next Steps for NGEC Specification Development – Rob Edgcumbe b. Presentation on Systems Engineering – Kevin Kesler
2:15 – 2:30 pm	Break
2:30 – 3:15 pm	Report from the Administrative Task Force –Overview - Rod Massman 1.) Discussion of Liability/Indemnification Policy – Rod Massman 2.) Copyright Specification Issues – Rod Massman 3.) Proposed Budget –Work Plan for 4-1-2011 through 3-31-2012 – Rod Massman
3:30 – 4:15 pm	Report from the Finance Subcommittee – Overview - DJ Stadler 1.) Discussion of Issues of Incorporation a. Report on Survey/Poll results – Rob Edgcumbe 2.) Proposed Budget – Work Plan for 4-1-2011 through 3-31-2012 – DJ Stadler
4:15 – 4:45 pm	Strategy discussion/review of draft Exec Board Work Plan, Budget and Grant Agreement Modification – Bill Bronte/Ken Uznanski
4:45 – 5:00 pm	Discussion/Vote on NGEC Work Plan, Budget and Grant Agreement Modification – Bill Bronte
5:00 – 5:20 pm	Comments/Discussion – All Attendees
5:20 – 5:30 pm	Review of Next Steps and new Action Items – Bill Bronte/Steve Hewitt
5:30 pm	Adjournment

