

S305 Structure and Finance Task Force

MINUTES

JUNE 17, 2013

2:30PM EDT

CONFERENCE CALL

FACILITATOR	<i>Eric Curtit, Missouri DOT, Chair, Structure and Finance Task Force</i>
ATTENDEES	<i>Eric Curtit, Bill Bronte, Chad Edison, Michael Burshtin, Darrell Smith, David Ewing, Jeffrey Gordon, Vincent Brotski, Steve Hewitt, Ashok Sundararajan, Nico Lindenau</i>
ABSENTEES	<i>Ron Pate, Al Ware, Tim Hoeffner, Leo Penne, Sara Sarkhill, Shayne Gill, Larry Salci, Kevin Kesler</i>

DISCUSSION/DECISIONS MADE

1.

Welcome – Eric Curtit:

Eric Curtit welcomed all to this SFTF conference call meeting and asked Steve Hewitt to call the roll.

2.

Roll Call – Steve Hewitt:

Steve Hewitt called the roll and determined that a quorum could not be established.

3.

Approval of the Minutes from April 22, 2013 and May 20, 2013 – Eric Curtit:

Due to the lack of a quorum, the minutes from the April 22, 2013 and May 20th will be held over for a vote on the next call (July 15, 2013). The minutes will remain posted, as will those from this call, in draft form until approved.

4.

Status Update: Section6/Fleet Deployment project - Eric Curtit/Chad Edison:

Eric Curtit provided a status update on the Section 6/Deployment project. The contractor submitted task 1, and followed it up with a second, more detailed version of task 1 before the first version had been reviewed. The second version was received "last Thursday" (June 13, 2013). Eric has asked the sub-group/review team to review and comment on task 1 version 2. In advance of the next SFTF call, all members will receive task 1 with the comments made by the review team.

Eric also noted that "we are on hold for task 2" until a complete review of task 1 is completed. The contractor was hoping to "get it all to us by the end of June", but that will not happen since task 1 is still under review. He sees the project being completed somewhere around the end of August, 2013.

Eric also commented that it is becoming clear that this project will not produce "a turnkey mid-west fleet deployment plan".

David Ewing asked "why?"

Eric responded, "only folks like us are thinking about these things...they are not being viewed in the light that we are shining on it like 305 and 209."

David Ewing replied, "I agree that it really is inside baseball and is tough to understand from a 305 and 209 perspective." He continued, "is there another way to explore a mid-west turnkey fleet deployment plan?"

Eric noted that the "mid-west states need to talk about it" amongst themselves.

David asked "Can 305 SFTF facilitate the conversation in any way?"

Eric answered that discussions have begun with the states involved in the procurement having met in April along with FRA. They looked at what is the final order going to be; what are Amtrak's capabilities, etc.

Chad Edison, FRA, responded, "I was there, and the focus was on this initial batch of equipment... and issues related to equipment" in regard to shared cost elements. Chad added "the work of the contractor won't fulfill what is needed to get into the depth the states need."

David Ewing noted "my general understanding was that the order would set in motion the larger picture of a regional entity...deployment and all."

Chad responded "the Executive Board sub group is working on some of that...such as the type of entity... they (the section 6 effort and the Executive Board sub group effort) come together, and will tie in with the larger group as to what 305 can facilitate."

Bill Bronte, Caltrans, commented "my concern is that there is a 305 overload...or a lack of funding, and, as a result, section 6 is losing momentum. How do we get it going again? It seems that logistical issues are being put on the back burner. How do we overcome the doldrums?"

David Ewing pointed out that budget discussions for 2014-2015 are going on now at the federal and state level. States in the mid-west and beyond are looking at two year budgets in many cases.

Chad noted that even 2016-17 are being looked at. "Some maintenance facilities need to be planned for now along with capital investments – I agree with Bill, we need new energy to address focus."

Bill Bronte reiterated "enthusiasm has gone to heck because there are no press releases coming out."

David Ewing differed with Bill on this aspect. "There is positive energy around the effort. There is good Karma in the outside world" and he commented on the widespread use of the Backgrounder, but added "we could have used a locomotive piece to follow up on the Backgrounder". David felt that the IDOT announcement of June 13 (distributed widely by Steve Hewitt) was very well received.

Bill Bronte replied "my concern is that (in reality) the long term is the next election".

David commented "the long term can be viewed as tomorrow with the release of the THUD Bill."

Bill added "it is tough to get the energy needed for the challenges."

Eric Curtit commented "Bill makes great points...I need to bring reality to my state's 2014-15-16 budget."

Eric added "with equipment underway, we need a new reality...we need to articulate what's been said to keep momentum going...our task force (referring to the Executive Board sub group looking at the NGEN future) will help keep it going."

David Ewing asked what the next steps were for the mid-west.

Eric replied that it is the procurement of the diesel-electric locomotives, and the delivery schedule of the bi-levels.

David noted "these are critical things to do, but at the other end, harvesting the metrics in (section) 6 and in 209 – the other end of the rainbow – if you are challenged to move from turnkey to a different kind of process – how do you handle it?"

At this point, Eric went back to the original agenda recognizing he had not given an update on the progress being made by the Executive Board sub group.

5. Progress Report – Executive Board Strategic Goals Task Force – Eric Curtit:

Eric gave a brief summary of the May 7-8 meetings held by the group in DC, and commented that it may well have been one of the best meetings he has participated in.

He noted that "intercity passenger rail, to date, has been set up by default." On May 7-8 "we looked at what we would do without restraints and how we would maximize...we began looking at an asset management type of entity and we are in the process of working on that now. We looked at it from a task oriented perspective and looked at functions, etc."

Bill noted "that was a good summary – we did good work. We also looked at how roles continue to evolve in Amtrak."

Steve Hewitt, who also participated in the May 7-8 meetings, clarified that he had suggested an update be a part of today's agenda because "we need to let the SFTF members know that this effort has not been dropped. We are a bit behind where we expected to be as far as presenting a concept or white paper on the ideas that came out of the DC meetings; and that can make others feel we dropped the ball, but that is not the case. In fact, although it is later than originally planned, the concept paper is currently under review by the Executive Board sub group, and will be the topic of the next call of that group next Tuesday. After that it should be forthcoming to the broader Executive Board participants for reaction."

Steve also added that he believed it was a great set of meetings (May 7-8) – extremely productive.

Bill asked Steve to be sure there is an Executive Board agenda item to provide an update on the next call (June 25, 2013).

**6.
Other:**

Eric Curtit concluded today's call noting that he, Chad Edison, Nico Lindenau and Ashok Sundararajan are working with the contractor on the section 6 effort, and again, noted "we are the only crazies working on this stuff – it is very difficult for others to understand."

Bill Bronte reiterated "we need to generate enthusiasm – we are running out of time".

Eric emphasized that the next SFTF call will be a discussion of the product and comments provided by the review team. (July 15, 2013).

Bill then asked if the task 1 document has demonstrated "one small step, or has the stride gotten bigger?"

Ashok Sundararajan replied that it "reads more like a research paper... we want to get it more close to what the RFP calls for."

Chad Edison added "we want it to be readable by the people who need to make a decision on it. Some sections read to broadly and are not guiding people or making recommendations. The nature of the changes we are asking for are to make it more useful to those reading it."

**7.
Adjourn:**

With nothing further to come before the SFTF today, the June 17, 2013 conference call meeting was adjourned at approximately 3:00pm EDT.

Decisions and Action Items

The context effort assigned to David Ewing and Steve Hewitt remains suspended in anticipation of a number of upcoming activities that will provide additional information. Eric Curtit has asked for a conference call with Steve Hewitt and David Ewing on this topic after June 2nd to discuss advancing the effort. Ongoing

The Section 6/Fleet Management Plan contractor has submitted a second version of task 1. The subgroup is in the process of reviewing it and providing comments. In advance of the next SFTF call (July 15, 2013) all members will receive the Task 1 document along with comments from the subgroup/review team.

Next call: July 15, 2013

ATTACHMENTS



**PRIIA NGEC S305 Structure and Finance Task Force (SFTF) Conf. Call Meeting
 June 17, 2013
 2:30 - 3:30 pm Eastern
 866 299 7945 passcode 1601544#
 Agenda**

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|------|-----------------------------------------------------|--------------|
| I. | Welcome | Eric Curtit |
| II. | Roll Call | Steve Hewitt |
| III. | Approval of Minutes from April 22, and May 20, 2013 | Eric Curtit |
| IV. | Progress Report: NGEC strategic planning task force | Eric Curtit |
| V. | Progress report: Section6/Fleet Deployment project | Eric Curtit |
| VI. | Other: | All |

Decisions and Action Items

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The Section 6/Fleet Management Plan contractor is expected to submit 100% of task 1 to Eric Curtit by the end of this week (week of May 20, 2013). When it is received, it will be distributed to all SFTF members for review and comment.

Agenda item V

Next Call – July 15, 2013 – 2:30pm EDT