

# SECTION 305 NGEC Executive Board

MINUTES

FEBRUARY 21,  
2014

8:30AM EST

4<sup>TH</sup> ANNUAL MEETING

<b>FACILITATOR</b>	<i>Mario Bergeron, Chair, S305 NGEC Executive Board</i>
<b>ATTENDEES</b>	<b>Board Members, NGEC members, Support Staff:</b> <i>Mario Bergeron, Paul Worley, Gerald Sokol, Paul Nissenbaum, Diane McCauley, as proxy for Tammy Nicholson and for Kevin Lawson, Eric Curtit, Tim Hoeffner, Ron Pate, Ray Hessinger, Stan Hunter, John Oimoen, Arun Rao as proxy for LeAnna Wall, Michael Jenkins, Allan Paul, Brian Beeler II, Darrell Smith, Dale Engelhardt, Andrew Wood, Matt Kelly, Shayne Gill, Strat Cavros, Andy House, Steve Hewitt, Kevin Kesler, Nico Lindenau, Sara Sarkhili, Patrick Centolanzi, John Tunna, Larry Salci, Vincent Brotski, Martin Schroeder, Lou Sanders, <b>Industry Representatives:</b> <i>Glen Rees, Jorge Leanos, Dave Ward, Steve Rehak, Satoshi Suzuki, David Yamada, Ken Kuriyama, Tom Hunt, Chuck Wochele, Gil Denton, Cesar Vergara, Rodney McGhee, Chris Davis, Richard Curtis, Joe Gagliardino, Scott Braverman, Al Engel, Josh Coran, Steve Orzech Jr., Leo Penne, Randy Thomure, Bill Saddler, Carlos Callejon, Karen Torrent, Anand Prabhakaran, Daniel McNair, Sherif Bastawros, Rick Brilz, Ken Pierson, Norman Forde</i></i>
<b>ABSENTEES</b>	<b>Board Members:</b> <i>Kevin Lawson, Tammy Nicholson, Le Anna Wall – all represented by proxy</i> <b>Support Staff:</b> <i>David Ewing, Melissa Shurland, Jeff Gordon, Ashok Sundararajan</i>

## DISCUSSIONS AND DECISIONS MADE

### **Welcome and Introductions-Convene Annual Meeting – Mario Bergeron, Chair, NGEC Executive Board**

After the Hotel staff had provided a safety briefing, Chairman Bergeron called the 4th Annual Meeting of the Section 305 NGEC to order and welcomed all participants. He asked Steve Hewitt, NGEC Support Services Manager, to call the roll.

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

The roll was called, and with all members, except Oklahoma DOT, either present or accounted for via proxy, Mr. Hewitt confirmed the presence of a quorum.

Mr. Bergeron then called for self-introductions from all others present at the meeting.

### **Review of Action Items Status:**

Steve Hewitt reviewed the status of open action items as of this date:

**The locomotive procurement:** On February 4, 2014, John Oimoen, IDOT, reported that the diesel-electric locomotive procurement is progressing well. The anticipated timeline is end of February, 2014 for contract award, with a Notice to Proceed anticipated shortly thereafter. I do not have an additional update at this point – there is an update scheduled as a part of today's meeting agenda.

**Public Affairs notification:** Jeff Gordon, FRA, continues to provide the AASHTO. Amtrak and FRA public affairs officers with email notifications of NGEC activities. It is an ongoing effort.

**The NGEC Future working group efforts:** In September, 2013, the Executive Board agreed to put this effort on hold until after the 3025-209 working group had had a chance to get up and running and make progress. The Board agreed to reconstitute and reconvene the working group sometime after the first of the year (2014). In recent Board calls, as it has come up as an action item status update, the general sense was that the group would be reconvened after the Annual Meeting in anticipation of new Board members.

**Grant agreement extension request:** The revised SOW and Program Budget has been approved by the FRA. The amended grant agreement has been sent to Amtrak for review. Once approved it will be sent back to FRA for its review and ultimate approval. Once the amended agreement is approved it will be signed by FRA Administrator Szabo and Amtrak CFO Gerald Sokol. It is anticipated that there will be no problem in getting the agreement signed prior to the end of the current agreement (March 31, 2014). I do not have more to report on at this time. Perhaps we will hear from Jerry Sokol and/or Paul Nissenbaum where things stand in getting the Agreement executed.

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At this point Paul Nissenbaum reported that the amended grant agreement is currently in the "signature phase."

**Status of the Section 6/deployment project:** As of the February 4<sup>th</sup> Board call, the Task 1 report had been approved by the SFTF. The next step was for all Board members to read the report between then and now and be prepared to discuss it at today's meeting. Eric Curtit, Chair of the SFTF, will give a presentation today highlighting the Task 1 report and will provide an outline for Tasks 2 and 3. I was asked to add time to the final agenda for that presentation along with ample time for discussion.

**The 305/209 working group:** This group has been progressing well since it was established following the September 24<sup>th</sup> Executive Board meeting in Columbus, Ohio. Ron Pate, Washington State DOT, is the chair of the working group and will provide a status update during today's meeting.

**Status update on the bi-level cars procurement:** An update on the bi-level car procurement will be provided by Stan Hunter, Caltrans and by Nippon Sharyo's David Yamada as a part of today's meeting agenda.

**Recruiting additional state members for the NGECC:** This is an ongoing effort. As a part of the effort to recruit state members, the Board revised the by-laws to allow for more state representation on the Board. (Details will be covered in the ATF report) As a part of the activities of the nominating committee, states were reached out to in an effort to encourage participation and get a sense of potential interest in becoming members of the NGECC Board.

**NGECC Educational documents:** There is a single page two-sided NGECC Backgrounder in each of today's meeting packets. Following today's meeting and the election of the Executive Board, these documents will be revised and a new edition will be printed by AASHTO and made available for distribution. Copies can be requested by contacting Steve Hewitt at [shewitt109@aol.com](mailto:shewitt109@aol.com)

**Preparing for the NGECC Annual Meeting: Speakers have been confirmed.** Some minor adjustments were to be made to the agenda (such as adding 15 minutes to the SFTF time slot). The Final agenda was distributed and posted to the website in advance of today's meeting – and is included in the meeting packets.

**The nominating committee:** The nominating committee will reach out to current Board member states to see if they wish to remain on the Board; and will reach out to interested states to ascertain if they would like to be involved in the NGECC at the Board level. Today, the nominating committee will put forth a slate of state representatives for consideration as Board members and the election will take place. Following the election of Board members, the new Board will elect its officers and report back to those results here at the Annual Meeting.

At this point Mr. Bergeron asked Mr. Hewitt to review the meeting handouts to inform attendees of what items have been included.

Mr. Hewitt reported: In the meeting packets are: The meeting agenda, Member lists of the Executive Board, the Technical subcommittee, the Finance subcommittee, the Structure and Finance task force, the Administrative task force and the Industry participants. Also included in the packet is the latest version of the "Backgrounder" educational document; the PRIIA Section 305 Statute; the NGECC By-Laws updated as of January 7, 2014; and the DRAFT minutes from the February 4, 2014 Executive Board conference call.

#### **Approval of the minutes of the February 4, 2014 Executive Board Conference Call – Mario Bergeron:**

On a motion by Eric Curtit, Missouri DOT, and a second by Tim Hoeffner, Michigan DOT, the minutes from the February 4, 2014 Executive Board conference call were approved without exception and the chair determined that consensus had been achieved.

#### **Chairman's Report – Mario Bergeron:**

Chairman Bergeron began his remarks by noting that "I took over January 1st for Bill Bronte after he retired." Mr. Bergeron thanked the Board for its support as he took on the role of Chairman over these past several months; and he expressed his appreciation for the opportunity noting "it has been an honor."

Mr. Bergeron provided the following Chairman's report:

"The 305 Committee has been transforming over the past twelve months as it shifts from developing specifications to document control management and advancing two procurements. The shift in emphasis has gone from developing paper to moving towards putting steel on wheels.

In 2013, the bi-level car procurement has progressed towards Final Design approval, and the diesel-electric procurement has advance through the RFP process.

The Document Management Control process has been utilized throughout the year with revisions to many of the

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specifications working its way through the well-defined NGEC process.

Reflecting on the continued growth of the committee's activities, early in 2013 the Board held a facilitated discussion and developed and, ultimately, adopted the NGEC Vision Statement:

*"The NGEC will provide national leadership in standardization, acquisition, financing, and management of passenger rail equipment."*

The Vision statement has been added to all NGEC letterhead, documents, and is included as an email tag line on all emails sent out by Steve Hewitt, the NGEC Support Services Manager.

The Executive Board established a working group to begin looking at the NGEC moving forward – assigned it to look at what the needs are, what are the tasks an entity would need to perform, and what is the organizational structure required to fulfill those needs in support of the NGEC Vision.

This NGEC Future working group identified needs and potential organizational structures to accomplish the tasks identified. Ultimately, it developed a draft concept of a possible new organizational structure for the NGEC as a subsidiary of Amtrak. The Board reviewed and discussed the concept in September at an in-person meeting held in Columbus, Ohio; and determined that there were other options that should be considered before moving in this direction.

Subsequently, at that September meeting, the Board established the 305-209 Equipment Capital Access Plan Working Group (or as we have begun calling it – the 514 working group), and put the NGEC Future working group's efforts on hold until after 514 has advanced its efforts. It is seen that those efforts will serve as an early litmus test/example of a potential NGEC entity for the future.

As part of its desire to continuing improving/refining Document Management, the Board adopted a "Twin Loop" DCR process for handling proposed changes to accessibility related items. Part of this new process included the establishment of an Accessibility Policy Group (APG) to handle policy related accessibility issues, and to make recommendations to the Executive Board. The Accessibility Working Group (AWG), a sub group of the Technical subcommittee, continues to address accessibility issues from a technical perspective and the APG will address accessibility issues with regard to policy.

As a response to the Amtrak OIG's audit (reported on at the last Annual Meeting) the Executive Board asked the Administrative task force (ATF) to review and refine the NGEC contract procedures. This effort was completed and new procedures were adopted by the Board.

The Executive Board asked for a review of copyright laws and issues related to intellectual property. Vincent Brotski, Amtrak Legal, presented a summary of his review to the Board in September, and the Board agreed to begin copyrighting all NGEC documents and specifications since it was determined it that it was appropriate and legal for it to do so without having become a corporate entity.

As the year progressed, and it was evident that there would be no additional funding for the NGEC in FY 2014, the Board assessed its financial /budget status and developed a plan to continue to progress the work of the committee while remaining diligent as good stewards of the limited resources. The Board subsequently developed a revised Statement of Work and Budget to continue its work within the constraints of its existing funds and formally requested that Amtrak put in a formal request to FRA to amend the current SOW and budget and to extend the current grant agreement through June 30, 2015. This process, as our Treasurer's report will explain has worked its way through the process and is close to being executed.

The NGEC, through its Administrative task force conducted a number of educational (RR101) webinars throughout 2013. As you will hear in the ATF report, the series was very well received, and a plan is being developed to conduct a RR201 series this year.

While there has been less activity in regard to specification development, the Board did approve a requirements document for the development of a Digital Train line specification and has directed the technical subcommittee to develop a DTL specification based on the approved requirements document. This process is now underway and you will hear more about it in the Technical subcommittee report today.

Towards the end of the year, as we looked ahead, we understood that there needed to be a way to encourage continued and new state representation in the activities of the NGEC; and to find a way to include more states as members of the Executive Board. With this in mind we asked the ATF to conduct a review of the by-laws with a goal of expanding opportunities for more state participation at the Board level. As you will hear in the ATF report, this task was completed and by-law revisions were adopted by the Executive Board in January 2014.

Throughout 2013, the Executive Board also underwent a transformation in terms of changes in its composition.

We have seen a number of key representatives either retire or in some other way leave state service. Al Ware, Georgia DOT, our former Secretary and ATF Chair left state service early in the year; Johnson Bridgwater, Oklahoma DOT, an active member of the Board left state service this past month; and earlier in the year, Ron Adams, Wisconsin DOT retired. Gordon Hutchinson, Amtrak, who served as our Treasurer and Finance subcommittee Chair left Amtrak to become CFO of MARTA.

Luckily we had the experience and resources in place to fill the positions vacated by these Board members. Eric Curtit, Missouri DOT, stepped in to fill the shoes of Secretary and ATF chair and Dan Black, Amtrak filled in as Treasurer and Finance subcommittee chair until Amtrak filled its CFO vacancy with Jerry Sokol who has now stepped into those positions with the NGECC. Tim Hoeffner, Michigan DOT stepped in to fill the vacancy on the Board left by Al Ware's resignation; and we understand that Craig Moody will keep ODOT represented on the Board.

In the fall, Leo Penne, AASHTO, retired. It's important to emphasize that this was another great loss to the NGECC. Leo was integral part of what we do from the very beginning and was very often a voice of reason. Again we are very fortunate that Leo left us in the capable hands of Shayne Gill, but, of course we all miss Leo greatly.

For sure the biggest loss in terms of retirements was that of Bill Bronte, the NGECC Chair from day one. Bill retired from state service from California DOT at the end of December. Bill was our founding father so to speak, and without him I do not think this organization would have ever achieved what it has accomplished so far. There is no doubt that Bill's tireless efforts and strong and guiding presence kept the NGECC moving forward better than anyone else could have. He is and will be missed tremendously. There is no replacing a Bill Bronte as a leader and as the voice of experience and reason.

Why do we recognize those who left us? Because we care about people and how we work together for a common purpose and for the benefit of us all. You all make it happen!

Still, the NGECC continues to move forward and we look to 2014 to be another year filled with challenges, and a continued string of successes as we advance towards accomplishing our goals and achieving our objectives."

#### **Treasurer's Report – Gerald Sokol, NGECC Treasurer:**

Gerald Sokol, NGECC Treasurer and Finance subcommittee chair provided a detailed Treasurer's report.

Note: The full presentation can be found on the website at [www.ngecc305.org](http://www.ngecc305.org).

#### **Treasurer's Report:**

##### **Revised SOW and Budget:**

- Revised Statement of Work and Budget approved by NGECC Board on 1/7/2014.
- Extends program through 6/30/2015.
- No additional funds, re-programmed \$1.97 million of \$4 million total.
- Accepted by FRA on 1/28/2014. Amtrak/FRA Grant Amendment for extension being executed.

##### **Total Revised Grant Budget:**

By area:

Technical Subcommittee =	\$ 1,269,527
Finance Subcommittee =	150,000
Administrative Task Force =	282,276
Equipment Capital WG =	20,000
AASHTO Support Services =	2,278,197
<b>Total =</b>	<b>4,000,000</b>

##### **Actual Expenses through 12/31/13:**

By area:

Technical subcommittee =	\$ 638,982
Administrative Task Force =	146,282
AASHTO Support Services =	1,254,441
<b>Total =</b>	<b>\$2,039,705</b>

##### **NGECC Remains Under Budget:**

- Spending to date supports extension through 6/30/2015.
- Continued donation of time by FRA, States, and Amtrak keep direct expenses low.

Of the total grant amount of \$4,000,000 there is nearly half remaining. With the prudent management of the funds exhibited thus far by the Committee, Mr. Sokol reported that he is "confident we can get to June 30, 2015" with the funds remaining. He also reiterated what Paul Nissenbaum had mentioned earlier - that the amended grant agreement is currently in the "signature phase".

#### **Report From the Finance Subcommittee – Gerald Sokol, Chair, Finance Subcommittee:**

Finance subcommittee chair Gerald Sokol provided an overview of the activities of the Finance subcommittee during the past year.

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

#### **Finance Subcommittee Report:**

##### **Revised SOW and Budget:**

- Extension through 6/30/2015 has been Sub-Committee's focus.
- Sub-Committee's effort is complete as reported in the Treasurer's Report.

##### **Audit of 3/27/13:**

- Four recommendations:
  1. Seek reimbursement from AASHTO for the questioned costs and obtain documentation for the unsupported costs.
  2. Formally approve all existing agreements and establish a policy for the review and approval of all future agreements.
  3. Develop and implement a policy for paying contractors in a manner similar to Amtrak's payment policy (within 30 days).
  4. Submit reimbursement requests to FRA within 30 days after paying for support services.

##### **Audit Recommendation #1:**

- Have received much of the documentation requested from AASHTO for \$11,345 questioned.
- Resolving remaining amount, less than \$5,000.
- AASHTO and Amtrak have streamlined the invoice process and payment turnaround.

##### **Audit Recommendations #2 – 3:**

- NGEC adopted revised Procedure For Establishing Contracted Support on 8/6/2013.
- To #3, Procedure states:  
*Invoices will be reviewed, and if approved, paid within 30 days of receipt. If an invoice is not approved, the submitter will be provided an explanation and requested to submit a revised invoice within 30 days of the initial submittal.*
- Both recommendations are now closed.
- Please contact Steve Hewitt if you need a copy of this procedure.

##### **Audit Recommendations #4:**

- After review by Amtrak's Grants Department and FRA, quarterly grant invoicing will continue:
  - Majority of expenses are through single AASHTO invoices
  - FRA also requires a quarterly activities report, and quarterly invoicing maintains consistency.Recommendation is closed.

##### **Future Audits:**

- Revised Statement of Work includes two more audits:
  - One after expenses through March 31, 2014 are invoiced to FRA
  - One to close out the current grant in June 2015.

With no questions or further discussion, Mr. Sokol concluded his presentation.

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**Report: Administrative task force (ATF) – Eric Curtit:**

Eric Curtit provided the following report on the activities of the ATF during the past year.

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org). **Administrative Task Force Report:**

- Budget issues
- Protocol determinations
- Create summary information
- By-law keeper
- Policy development
- Open records

**2013 ATF summary:**

- RR101
- Streamlining NGEC contracting procedures
- Backgrounder
- By-laws changes
- New SOW and Budget
- OIG audit

**RRO1:**

- Held 5 Webinars between Oct. and June, 2013
- Up to 60 attendees representing 30 states

Topics included:

- Workforce Development and Best Practices for Establishing a State Rail Office
- State Rail Planning
- Equipment
- Revenue Modeling and Demand Forecasting
- Grants Management

**Contract procedure:**

- Streamlining
- Follow up to OIG audit
- Ensuring transparency and accountability

**Backgrounder:**

- Information sharing
- Several prints
- Multiple formats
- NGEC delivers results – 36% savings
- Members and scope of work

**By-Law revisions:**

- Review and scope
- Removed maximum member requirement
- Removed term limitation
- Quorum and Voting change for states
- Created new tie breaker
- Other by-law work
  - Annual meeting requirements

**SOW and Budget:**

- Developed new SOW and budget
- New procedure
- Partnership
- Analysis of existing resources

- Approved!

**OIG Audit:**

- Audit finalized Jan 2014
- Contracting procedure changes
- Streamline and help ensure compliance
- Invoicing

In closing his presentation, Mr. Curtit thanked the members of the ATF for their work throughout the year, and especially thanked the FRA for its help in expediting the SOW and Budget for the amended grant agreement. The fact that it is in the signature phase “means to me that it is as good as done”, Mr. Curtit concluded.

**Report From the FRA – Paul Nissenbaum:**

In opening his remarks, Mr. Nissenbaum thanked Mario Bergeron for his hard work and his willingness to ascend to the chair after Bill Bronte retired. He also expressed particular thanks to Mr. Bronte for all he did for the NGEC as its chair from the very beginning.

Mr. Nissenbaum went on to thank FRA staff for their support of the NGEC activities – notably Kevin Kesler, John Tunna and FRA consultant Nico Lindenau.

He then provided a brief overview of Federal Funding for FRA Programs for FY08-FY14:

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

<b>Rail Program</b>	<b>Federal Funding (\$M)</b>	<b>% Obligated</b>	<b>% Outlayed</b>
Amtrak Capital and Operating	\$11,252	91%	91%
HSIPR	10,040	99%	18%
RRIF	980	N/A	N/A
TIGER	423	79%	30%
Sandy Relief	296	73%	24%
Rail Line Relocation	90	80%	37%
Railroad Safety Technology	50	99%	63%
Maglev Redistribution	42	-	-
Capital Assistance to States	30	72%	70%
Disaster Assistance	20	91%	84%
<b>Total</b>	<b>\$23,223</b>		

**Available Funding Opportunities – Maglev & HSIPR:**

<b>Funding Source</b>	<b>Amount</b>	<b>Project Types</b>	<b>Match</b>
FY14 Maglev Redistribution	\$41.8m*	Planning, Capital, PTC	80-20
	*Not less than \$20m for planning	Multi-state Planning, NEC future	
FY08/09 Remaining HSIPR	6.8m	Capital (\$6.3m), Planning (\$0.5m)	100 Federal
FY10 Remaining HSIPR	6.1m	Capital (\$5.3m), Planning (\$0.8m)	50-50
<b>Potential Total</b>	<b>\$54.7m</b>		

**Available Funding Opportunities – TIGER:**

**FY14 Appropriations:**

\$600 Million  
Including \$35 million for Planning

NOFA Forthcoming

**Previous TIGER Rail Awards:**

More than \$800 million for rail projects

FRA administers \$423 million in rail projects in 23 states

As he concluded the FRA overview, Mr. Nissenbaum took a moment to comment on the NGEC. He expressed his thanks to the Committee for all the work it has done. "I hold it (the NGEC) out as a model for how effective we can be for such a small amount of money - \$4 million." He continued "It is remarkable how efficient this group has been. It is an example of good government investment. We do need to talk on the Hill about what we have accomplished because our funding will run out. We need to look ahead to find ways keep it (the NGEC) funded."

Mr. Nissenbaum went on to talk about the NGEC Vision statement (*The NGEC will provide national leadership in standardization, acquisition, financing, and management of passenger rail equipment.*). "There is a lot embedded into that statement...we have a large scope." He focused on the fact that the NGEC has made strides in advancing some of the things in the Vision statement (standardization, acquisition), but there is a lot of work yet to be done to progress towards financing and managing passenger rail equipment. "We need to focus on pivoting into the role (as defined by the Vision) and make the case for continuing the NGEC with an expanded presence."

When asked if the FRA had put in a request for additional funding for the NGEC in the President's budget, Mr. Nissenbaum noted that "we have been vocally supportive of the NGEC, but I can't talk specifically to what's in our budget request...the budget comes out in March (4<sup>th</sup>)." He went on to say, "in the last several budgets we commit to the equipment side ... to build equipment and to rebuild the industry in the U.S."

#### **Update from Amtrak Government Affairs – Matt Kelly:**

Matt Kelly, Amtrak Government Affairs, provided an overview of 2013 with a look ahead to 2014 from a legislative perspective.

In opening remarks Mr. Kelly thanked the Committee for the invitation to address the Annual Meeting, and noted that this was his third time. He noted that "the Hill perception is that 305 is the best PRIIA Section...there is a great reaction to it on the Hill."

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

#### **FY2013 Year in Review:**

- Operational success in the face of unprecedented challenges
- "Business Line" realignment & Strategic Plan refresh
- Unsustainable pattern of infrastructure disinvestment
  
- The Year of Equipment
- Continued ridership and revenue growth
- Emerging OTP issues

#### **FY2014 Appropriations:**

- The FY2014 Omnibus provides a total of \$1.39 billion for Amtrak (FY13 CR post-sequestration - \$1.344b)
  - \$340 million for operating grants (FY13 CR - \$442m)
  - \$851 million for capital investment (FY13 CR - \$631m)
  - \$199 million for debt service (FY13 CR - \$271m)
- Equipment provisions of interest
  - Fleet planning
  - Trainset financing

#### **2014 Amtrak Congressional Agenda:**

- Reverse the pattern of disinvestment, especially on the NEC
- Dedicated and reliable funding source
- Comprehensive surface transportation bill

#### **Window of Opportunity:**

- House action on a passenger rail bill possible in Spring 2014
- Highway Trust Fund highway account shortfall coming in early August
- 2015 could look a lot different...
  - 12 House members running for Senate
  - 3 House members/Senators running for Governor
  - 19 (and counting) House members retiring
  - 7 Senators retiring, including the Chairman of the Commerce Committee



– The 6<sup>th</sup> Year Itch

Mr. Kelly emphasized that it is extremely important that “we do reverse the pattern of disinvestment...we need a dedicated and reliable funding source.” It is most important that “we get passenger rail into the transportation bill to get us to the table.” He noted that because “we do not have contract authority, it lives in the transportation bill, and that is where we need to be.” As he looked at the future he noted “next year Congress could look remarkably different with retirements and elections.” He referenced the traditional “6 year itch” noting that historically the President’s party usually loses in the 6<sup>th</sup> year he is in office. It is possible; therefore, that Congress could flip.

In closing he concluded “We (Amtrak) do have momentum, but we face the paradox of how to improve versus an economic crisis.”

When asked by Tim Hoeffner, Michigan DOT, what the OTP was, specifically, if it is down 12% as noted in the presentation. “12% of what?” Matt responded that he did not know the number. Paul Nissenbaum, FRA, commented that “the Acela was around 90% in 2013, and is in the 80% range right now”.

Dale Engelhardt, Amtrak, asked how that compared with highways and aviation.

Paul noted that OTP “is in an across the board erosion”.

Mr. Kelly added that a positive sign is that even though OTP is down, ridership continues to grow.

**Report from the Technical Subcommittee –Dale Engelhardt:**

Chairman Bergeron introduced Dale Engelhardt to report on the activities of the Technical subcommittee. As he did so, he expressed special thanks to Dale and Dave Warner for having “stepped up to handle the Technical subcommittee which allowed me to spend the time I needed as chair of the NGEC.”

**Section 305 Technical Subcommittee Progress Report:**

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

Dale opened up by also expressing particular thanks to Dave Warner for putting together this presentation and for the work he does for the subcommittee.

**Presentation Summary:**

Highlights Since Last Meeting: Feb. 21, 2013

- Technical Subcommittee Overview
- Document Management
- Vehicle Specification Overview
- Accessibility Working Group

**The Technical Subcommittee:**

- Membership
  - Core Team (9 states, Amtrak and FRA)
  - Industry Members (over 210 industry members)
- Structure
  - 6 Technical Working Groups – chairs: Jack Madden NYSDOT; Tammy Krause, Amtrak; Andrew Wood, Amtrak; Brian Beeler, Volpe, Jeff Gordon, FRA; and Anand Prabhakaran, Sharma and Associates
  - Task Forces
- Meetings
  - Subcommittee
  - Technical Working Groups
  - Task Forces

**Document Management – 1:**

- Major PRIIA Technical Subcommittee long term effort
- Technical Writer support contract through AASHTO
- Change review process essentially the same for each document
- “Revision Proven Tough”

## Document Management – 2:



### Vehicle Specs: Current Versions:

- Bi-Level: C.1 – Sept. 20, 2013
- Locomotive: A – July 10, 2012
- Single Level: A – Nov. 13, 2012
- Trainset: A: – Dec. 10, 2013
- DMU: Orig – Sept. 4, 2012

### Accessibility Working Group:

- Led by FRA
  - Develop recommendations for future accommodation of passengers with wide variety of disabilities.
  - Wide variety of membership
  - Initially tasked with both policy and technical responsibilities
- Efforts past year
  - Restroom Configurations
  - What applies when 49 CFR §38 is silent?

– RVAAC

**Thank You:**

- Steve Hewitt
- Camren Cordell
- Technical Working Group Leaders & Volunteers
- Technical Support & Consultants
- Presentation Creative Team
- Technical Subcommittee Members

Dale concluded his presentation noting that there would be more work coming including the development of a 305 Dual Mode specification following the NY Metro North Dual Mode spec currently being developed. He also commented on the Digital Trainline specification effort that is progressing within the subcommittee, and noted that this spec is not looking at “safety critical items.”

Josh Coran, Talgo, suggested that the bi-level cars should be called “high level cars” as “we are confusing people” when referring to the various types of multi-level cars.

Stan Hunter commented on the fact that there are parallel efforts going on with DTL spec development – the NGECC effort to look at communication functions, and also the electro pneumatic control brakes - going through the APTA process.

**Report from the Technical Subcommittee’s Accessibility Working Group (AWG) – Kevin Kesler, FRA:**

In the absence of Melissa Shurland, FRA, Kevin Kesler provided the following update on the activities of the AWG and the RVAAC.

Note: The full presentation can be found on the website at [www.ngcc305.org](http://www.ngcc305.org).

**Update on AWG Accessibility Accommodations and Activities:**

**Overview:**

- Update on Review of Single-level Equipment Accessibility Recommendations
- Review of ADAAG
- Interaction with the Accessibility Policy Group
- Interaction with US Access Board Rail Vehicle Access Advisory Committee (RVAAC)
- RVAAC Priority List for Accessibility
- Summary

**Update on Review of Single-level Equipment Accessibility Recommendation:**

- FRA continues to work with Oregon State University (OSU) to develop 2-D and 3-D drawings of the accessibility recommendations
  - Non-disclosure agreement was signed between Amtrak and OSU to provide drawings of passenger equipment to OSU
  - Drawings will be presented to AWG for review of impact of recommendations on interior space and feasibility of recommendations for inside restroom

**Review of Americans with Disabilities Act Accessibility Guidelines (ADAAG):**

- Following the USDOT December 2012 guidance on “what standards apply for accessibility when the regulations are silent,” the AWG formed a small team that review the ADAAG for other areas of applicability at the request of the TSC
  - Team comprised of representatives from Amtrak, FRA Offices of Chief Counsel, Civil Rights, R&D (OSU) and US Access Board Staff
- Reviewed Part 38 for specifics on accessibility requirements
- Where Part 38 was silent, ADAAG was reviewed for possible recommendations
  - Feasibility of the accessibility standards taken from ADAAG were not taken into consideration
- Review document as provided to TSC as a reference document

**Interaction with the Accessibility Policy Group:**

- The Accessibility Policy Group (APG) was provided a copy of the ADAAG review document
  - Requested that the document be color coded to indicate level of feasibility for rail car

- adoption: “likely”, “unlikely” and “needs further study”
- TSC reviewed categorized document and provided input
- Final ADAAG Review document was provided to RVAAC

**Interaction with the Rail Vehicle Access Advisory Committee (RVAAC):**

- The US Access Board RVAAC was established in November 2013 with the purpose of reviewing the current regulations and providing recommendation for updating the accessibility requirements
- The FRA gave an overview of the NGEC accomplishments on enhanced accessibility requirements and recommendations at the January 2014 meeting
- The RVAAC will take the NGEC accessibility accomplishments under consideration
- RVAAC has established a priority list for accessibility features
- All interested NGEC members are encouraged to engage with the RVAAC Working Groups

**RVAAC Priority List:**

- Established by the Committee during first set of meetings
  - Applicable for all rail vehicle types: light rail, heavy rail, commuter and intercity
  - Communications: signage, variable message displays, audio, emergency
  - Boarding and Interior Circulation: lifts, ADA space, access to upper level, etc.
  - Special Areas: restrooms, sleeping compartment

<http://www.access-board.gov/guidelines-and-standards/transportation/vehicles/rail-vehicles-access-advisory-committee>

**Summary:**

- FRA will continue to work with OSU and Amtrak to develop the drawings of the accessibility recommendations so that they can be finalized by the AWG
- FRA will continue to engage with the RVAAC and provide feedback to the NGEC
- RVAAC has established list of priorities for updating accessibility requirement
- NGEC members should engage the RVAAC as the recommendations are being developed to provide expert knowledge about passenger rail operations and design

Kevin noted that the RVAAC conference call schedule is as follows: February 27<sup>th</sup> – Signage; March 5<sup>th</sup> and 20<sup>th</sup>: Interior circulation within the car. For more information go to [www.access-board.gov](http://www.access-board.gov).

Norman Forde, STV, asked –“why Oregon State University?”

Kevin responded that “it was an open procurement with a broad announcement...OSU submitted a proposal to help develop guidance for next generation equipment”.

Patrick Centolanzi, FTA, asked about studies relating to bi-level cars, noting that the focus seems to be on accessibility accommodations in single level cars. “What are the amenities in bi-level cars, in particular, restrooms?” He asked how is it identified what cars have restrooms.

Kevin Kesler responded that for intercity passenger rail (ICPR) restrooms are in every car. He also noted other areas/issues have not yet been resolved. Issues relating to how to provide food service etc. “What we have now are concepts only.” He added we will look at making “communication technology available that will help the disabled community to be connected in all ways.”

Mario Bergeron noted that there are a wide variety of mobile devices, and asked how does this relate to standardizing cars versus the variations in mobility devices types and sizes.

Kevin Kesler responded “you are right there seems to be resistance within the community in regard to standardizing mobility devices.” Kevin noted that the RVAAC is to look at all of these kinds of issues; and he, again, urged “engagement” from the technical subcommittee and industry representatives.

If interested in participating please contact Melissa Shurland, FRA, at [Melissa.shurland@dot.gov](mailto:Melissa.shurland@dot.gov) or the Access Board website.

**Report from the Structure and Finance Task Force (SFTF) – Eric Curtit, SFTF Chair:**

Eric Curtit, Missouri DOT, provided a report on the activities of the Structure and Finance task force with a focus on the Section 6 project status.

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

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**Key priorities related to the ownership, maintenance, and management of rail equipment:**

- Efficient and cost-effective utilization of equipment, both in-state and multi-state corridors
- Deployment of equipment that allows for adjustments due to demand changes including seasonal adjustments
- Standardization of intercity rail passenger equipment, its management, maintenance, and related documentation
- Minimization of commercial life-cycle costs (LCC) over the equipment's expected lifetime
- Adequate Funding for operations, maintenance, and overhauls (including facilities and tooling) over the equipment's lifecycle
- Equitable allocation of costs
- Adequate ownership models and structure

**Project Tasks:**

- Project has three tasks:
  - Task 1 – Development of standards and recommendations
  - Task 2 – Development of MW Section 6 Plan
  - Task 3 – Development of guidance/handbook
- Consultant has completed Task 1; next several slides elaborate findings
- No work has been initiated on Tasks 2 and 3

**The Task 1 report focusses on 4 main topic areas:**

- Equipment Management
- Equipment Maintenance
- Equipment Assignment and Deployment
- Equipment Financing and Cost Sharing

**Equipment Management organizes all activities over the equipment's' lifecycle:**

An entity that owns and manages equipment will have to perform or cause to perform all these functions listed below.

**Funding and Financing**

Market Research & National Fleet Planning:

Planning  
Forecasting  
Market Analysis  
Requirement Analysis  
Deployment

Vehicle Engineering:

Specifications  
Processes and Standards  
Configuration Management  
Systems and Tools  
R&D  
Maintenance Strategies and Standards  
Maintenance Procedures

Acquisition:

Procurement regulations and procedures  
Buying  
Testing  
Delivery  
Disposition

Asset Management and Maintenance:

Inventory (asset register)

Maintenance execution  
Life Cycle Cost Model  
Rehabs/overhauls/modifications  
Operations  
Disposal at end of life

**Equipment Maintenance is a cost driver in lifecycle cost and needs to be well planned and executed:**

**Maintenance Plan:**

- When will service be scheduled?
- Who will maintain the vehicles
- Which maintenance philosophy
- What maintenance facilities?

**Ideally, state of the art maintenance practices should be used for the PRIIA equipment:**

- **Scheduled Inspection & Preventive Maintenance**
  - OEM Recommendations and Best Practices plus Mid-life Overhaul
- **Life Cycle Maintenance**
  - "Predictive" program to repair or replace components based on data predicting when failure is likely to occur
- **Reliability Centered Maintenance**
  - Extension of Life Cycle Maintenance that prioritizes maintenance tasks based on their effects

Preferred maintenance philosophy to ensure low lifecycle cost and high equipment reliability

**Maintenance provider options:**

- In-house maintenance (e.g., NJ Transit, SEPTA, LIRR)
- In-house management contracting maintenance to vendors
  - Short-term maintenance contract
  - Long-term maintenance contract or concession
- Single-source to Amtrak for management and maintenance

**Deployment of Equipment can be based on public mobility/benefits or can be purely financially driven:**

**Alternative concepts to deploy equipment:**

1. Deliver service preserving minimum service levels and ensuring public mobility and benefits
2. Deploy equipment based on "purely" financial considerations (such as cost-revenue, utilization, and revenue maximization etc.)
3. In reality, actual deployment decisions will involve balancing these considerations based on a trade-off between protecting basic public mobility and financial considerations

**Equipment Financials discuss funding and financing of new equipment and how costs are shared:**

**Funding / Financing:**

1. Federal funding
2. Federal financing
  - RRIF
  - TIFIA
3. Commercial financing
4. PPP models with private equity
5. Any combination of 1 to 4

**Cost Allocation / Pricing:**

1. Time based
2. Usage based
3. Combination of 1 and 2
4. Specific to operating and capital cost

**Next Steps: Task 2 "MW Section 6 Plan" to transition ownership from NGEC to Midwest states:**

**Actions:**

1. Create multi-state project team taking over responsibility for this project – first meeting took place mid-January
2. FRA to develop a requirements document for Section 6 Plan and provide continuous support
3. MW Project team to develop scope of work and project schedule, select external support, and initiate work
4. Close continuous collaboration with NGEC and FRA
5. Section 6 plan to be developed in 2014 well ahead of equipment deliveries to allow plan implementation

**The Midwest needs to develop its multi-state Section 6 Plan applying the best practices:**

**1. Equipment Ownership**

Who will own the equipment?  
What will the ownership structure be? One entity vs. distributed structure?

**2. Equipment Management**

How will the equipment be managed? Who will make management decisions – how do states participate in decision making?  
How will pooled operations be managed?

**3. Equipment Maintenance**

How will the equipment be maintained and high maintenance standards sustainably achieved?  
Who will maintain the equipment?  
How will maintenance funded/financed, especially overhaul investments?

**4. Equipment Deployment**

How will equipment deployment decisions be made, short-term and long-term?  
Regional and national deployment

**5. Equipment Financials**

Operating funds  
Cost sharing of operations and maintenance cost

Multiple states and services  
Strong ridership growth  
Cross state border corridors

**One equipment pool – one solution**

As Eric concluded his presentation, he emphasized a point made by consultant Larry Salci in the very beginning of the process – "the key is the life of the equipment from start to finish".

The discussion following the presentation revolved around next steps.

Darrell Smith, Amtrak, asked about the apparent shift of Tasks 2 and 3 to the Mid-West states and the NGEC budget implications – "is this replacing the need for Tasks 2 and 3 in the SFTF?" Darrell also asked if the money should be "pulled back" from the SFTF budget. Eric responded – "don't do it yet".

Eric responded "we do need to finish out Task 1 and then Task 2 and 3 will move to the mid-west states in collaboration with the NGEC." Eric also noted "there will be no need to continue the SFTF to duplicate efforts."

Stan Hunter, Caltrans, commented on his state's efforts in developing an "owners manual for fleet management...all of the items addressed in Section 6 we are already developing as asset managers. We look forward to working with the SFTF or merging the requirements of Section 6 with the mid-west states efforts."

Stan noted that the 209 effort "ties in as well."

Mario Bergeron commented "taking advantage of other efforts that are out there creates a synergy."

Paul Nissenbaum noted "yes, we hoped to get synergy through the NGEC, and it makes sense now to devolve it to the grantees." He added, "the NGEC will stay involved in sharing information and best practices...we can utilize

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the structure of the NGEC to ensure updates and communication is happening. This is a good change to our original proposal." Paul also noted that FRA's Wynne Davis will be working with the mid-west states to "organize their work on Section 6."

As the discussion began to wind up – Chairman Bergeron asked if there were any more comments. With none forthcoming he asked "what is the pleasure of the Board? Should we go forward to accept Task 1?" He noted that Board members had been in possession of the report for over a month now. "Do we approve it now or carry it forward to the next meeting? I am open to questions or comments."

Ron Pate, Washington State DOT, stated "I am good with moving it forward."

Paul Nissenbaum, FRA, agreed that it was time to accept the report.

Hearing no further comments, Chairman Bergeron asked for a motion to accept Task 1 as submitted.

On a motion by Paul Nissenbaum, FRA, and a second by Ron Pate, Washington State DOT, with all voting members responding aye, the chair determined that consensus had been achieved and the motion is carried.

**Report: from the 305-209 Equipment Capital Access Plan Working Group – Ron Pate:**

Ron Pate, Washington State DOT provided a status update on the activities of the 305-209 working group.

Note: The full presentation can be found on the website at [www.ngec305.org](http://www.ngec305.org).

**Presentation Outline:**

Working group objectives and charter

Key findings to date

Outline for final plan

Next steps and milestones

**What is the purpose of the working group?**

Address "parking lot" issue from FFY14 agreements

States and Amtrak to work collaboratively

Implement 209 policy in a way that provides:

Predictability for state budgets

Appropriate handling of Amtrak's proprietary data

Transparent and reasonable allocation of costs

**Process:**

Developed charge statement and scope of work

Informational presentations by Amtrak:

Capital Equipment maintenance and overhaul programs

Units used methodology

Smaller group of "non-disclosure agreement" states review Amtrak's 5-year budget

**Working Group Charge Statement:**

Understand and agree to the capital equipment work to be performed

Identify all work elements and associated costs included within the agreed to work

Identify the state of repair of equipment before and after it is overhauled



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Identify quality control procedures, associated costs and warranty processes for rework, if needed

**Working Group Charge Statement:**

Assure budgeted work is performed and establish a reconciliation process for budgeted work not performed but funded

Understand cost allocation and develop reconciliation processes for the capital plan and capital charges for equipment shared among states or states and national/long-distance or North East Corridor fleets

Identify and track costs of each element pursuant to standard accounting principles

**Key Findings:**

Based on what we have accomplished, we understand the following:

Amtrak's maintenance philosophy for maintaining state corridor fleet. Generally speaking, it is:

Level I, II, and III for cars deployed in state corridor service

LCPM for locomotives (e.g., P-42) that are already in cycle or required overhauls for other locomotives (e.g., F59, P32 ED)

High level description and frequency of the car overhauls and list of proposed LCPM events for locomotives

**Key Findings:**

Amtrak's proposed maintenance plan - By maintenance facility location how many cars and locomotives by type to be overhauled by overhaul type for FY14 to 18

Estimate of fully loaded unit costs for labor and materials by equipment type and overhaul type; Inflation factor applied to estimate year of expenditure costs

Total capital maintenance budget, including PTC installation costs, for entire state corridor fleet for each year by equipment type for FY14 to 18

**Key Findings:**

How Units Used, the allocation statistic, used to allocate maintenance costs to routes is computed

Size of Amtrak's Active Revenue Service Fleet by equipment type and protect/shop margin to deliver current service levels

Summary capital maintenance budget by route by equipment type by overhaul type for FY14 to FY18

**Remaining Questions:**

States and Amtrak have to work through clarifications and questions. Sample questions are:

States are still reviewing the approach that Amtrak used to estimate the unit costs and the 5-year capital maintenance budget

More detailed description of the overhauls (e.g., a check list format) so states understand what are typical activities performed during each overhaul

States' plan to utilize Amtrak owned equipment once new bi-levels and next generation locomotives are introduced in revenue service

**Remaining Questions:**

State of Good Repair of Equipment

Reconciliation between Plan and Actuals

Plan update

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States are proposing to develop a Capital Investment Program (CIP) document the assumptions and good information presented by Amtrak that can be updated periodically

**Outline for Equipment Capital Plan:**

Purpose of the 5-Year Capital Investment Program (CIP) Plan

Roles and Responsibilities

CIP Plan Period

Baseline Year Service and Equipment (Baseline Scenario)

Forecast Period Service and Equipment Assumptions During CIP Plan Period (Forecast Scenario)

Proposed Equipment Maintenance Scope and Activities

Capital Costs

Finance Plan and Budgeting

Equipment Performance Assurance

Project Management

Monitoring and Oversight

Reconciliation (Plan vs. Actuals)

**Next Steps:**

<b>Deliverables and Actions</b>	<b>Timing</b>
Complete Plan Outline	March 1, 2014
Finalize remaining state needs	March 10, 2014
Prioritize plan areas and begin prioritizing	March 30, 2014
Consultant services to lead development of plan	April 15, 2014
Coordination with performance and operating groups	Ongoing
Final Plan – Timing based on priority completions	

*(the goal is to have as many high priority items as possible solved prior to FY2015 agreement time.)*

**Contact Information:**

Ron Pate  
Rail Director, Washington State Department of Transportation and  
Cascades Corridor Director  
360.705.7900 or [paterd@wsdot.wa.gov](mailto:paterd@wsdot.wa.gov)

At the conclusion of Mr. Pate's presentation, there were no questions or comments offered. Chairman Bergeron thanked Ron for his hard work and that of the "514" (305 + 209) working group, and noted "there is a lot of good information being developed here."

**Lunch Break**

**Re-convene the meeting – Mario Bergeron**

After the lunch break, Chairman Bergeron re-convened the NGEN Annual Meeting, and as he introduced the next

topic – updates on the NGEC procurement - he reminded the attendees that the diesel-electric locomotive pre-award to Siemens Industries has been protested by EMD, and that today we will not be discussing the contract award or the protest. John Oimoen, IDOT, will provide us with a brief update on the RFP process as it has moved forward.

**Status Update: NGEC Procurements:**

**Diesel Electric Locomotive Procurement – John Oimoen, IDOT:**

John Oimoen reported that “we are excited” to be moving forward with the procurement process and “we thank this group for helping to get us to where we are. ”

He provided a brief recap – the RFP was released in early August, 2013 with mandatory offers confirmed in August. Draft Technical offers were submitted in early October, 2013 – with final offers submitted on November 27, 2013. The Technical evaluation teams reviewed all proposals thoroughly and on December 18, 2013 a Notice of Intent to Award to Siemens Industry was announced.

The pre-award Buy America audit has been completed – January 17, 2014 - and was sent to FRA where it is currently under review.

IDOT is moving forward with the contract and with California for a master agreement. The goal is to get underway by early March, 2014.

John noted a sense of urgency in moving forward to ensure no funds are lost as the procurement uses ARRA dollars and the date of June 2017 (ARRA funds expiration date) looms ahead.

In closing Mr. Oimoen commented “we are excited and looking forward to getting this kicked off.”

Chairman Bergeron stated “thank you to the IDOT team – this is a very complex undertaking.”

**Bi-Level Car Procurement Update – Stan Hunter, Caltrans:**

Stan Hunter opened his presentation by echoing what Chairman Bergeron had stated earlier “the reason we are here is to turn paper into steel and to get equipment built. We wouldn’t be here if not for the efforts of this group. There has been a lot of work to get here to this point, but our hope is to have many more procurements going forward.”

**Bi-Level Car Procurement Status Report:**

Introduction



Artist's Conception of the New NGEC Bi-level Coach Car  
Courtesy of Sumitomo Corporation of America & Nippon Sharyo

**States Involved**

- California
- Illinois, representing Michigan and Missouri

**Funding:**

FRA Grants - Joint Agreement with IDOT for total contract value of \$352.3M.

- IDOT Share - \$238.5M (88 of 130 Railcars)
    - Illinois/Midwest – HSIPR: \$27.1M
  - Caltrans Share - \$113.8M (42 of 130 Railcars)
    - California – HSIPR: \$36.8M
- ARRA: \$211.4M  
ARRA: \$54.2M  
State Match (Prop 1B): \$22.8M

**Number of Cars – Base Order:**

- Illinois/Midwest – 88 Railcars (46 Coach, 21 Cab-Baggage, & 21 Café-Business Class)
- California – 42 Cars (34 Coach, 3 Cab-Baggage, & 5 Café-Lounge)

**Deployment of Cars – Illinois/Midwest:**

- 8 Existing Midwest "Hub" Routes Out of Chicago & St. Louis
- 2 New Services Planned to Run Out of Chicago

**Deployment of Cars – California:**

- Three Corridors
  - San Joaquin
  - Capitol Corridor
  - Pacific Surfliner
- New Capacity for Secular Growth: 29 cars
- Replace Borrowed Amtrak Equipment: 13 cars

**Base Schedule – Design Review:**

- Notice to Proceed (NTP) Date: Nov. 27, 2012
- Preliminary Design Review, PDR Meetings Held:  
15 days between Apr. 23 & Jul. 11, 2013
  - Car shell PDR in Japan Held: Apr. 2 through 4, 2013
  - Intermediate Design Review (IDR) Meetings Held:  
12 days between Aug. 13 & Sep. 27, 2013
    - Final Design Review (FDR) Schedule:  
17 days between Feb. 26 & Apr. 30, 2014
      - Mockup Review Schedule: Mar. 17 through 21, 2014

**Base Schedule – Pilot Cars:**

- Completion of First Car shell: Dec. 2014
- Assembly of First Pilot Car: Jul. 2015
- Pilot Car Testing: Jul. 2015 – Jan. 2016
- Pilot Train Final Acceptance: May 2016

**Base Schedule – Delivery:**

- Delivery of First Production Car:  
May 2016
  - Delivery Rate – Average per Month:  
4 to 6 cars
    - Delivery of Last Base Car: July 2018

**Proposed Options:**

- Number of Option Cars
  - Midwest - 31
  - California - 11
- Accelerated Schedule
  - Average Production Rate: 6 cars
  - Date of Final Car Delivery: Jun. 2018

**Participants' Roles:**

- Sumitomo Corporation of America (SCOA)
  - Contracts with States
  - Contracts with Nippon Sharyo
  - Performs Contract Management
- Nippon Sharyo
  - Carbuilder
  - Design
  - Production
  - Purchasing
  - Under Contract to SCOA

**Participants' Roles (Part II):**

- California Department of Transportation (Caltrans)
  - Lead Agency for Procurement
- Illinois Department of Transportation (IDOT)
  - Partner Agency – Representing Michigan & Missouri

**Participants' Roles (Part III):**

- Consultants
  - Jacobs Engineering, Interfleet Technology, Cambria Solutions, Simpson Gumpertz & Heger & Parsons Brinckerhoff
    - ❖ Technical and Project Management Support
- Federal Railroad Administration (FRA)
  - Grant Administration
  - Technical Support

**Future Acquisitions:**

- Caltrans – Additional Option Orders
  - Long-term Fleet Plans
  - May allow additional services and capacity increases as funds become available
  - Continue to support standardization and rail passenger growth into the future

**THANK YOU!**

Questions or Concerns?

Please contact Stan Hunter at:

[stan.hunter@dot.ca.gov](mailto:stan.hunter@dot.ca.gov)

(916) 654-6534

At the conclusion of Mr. Hunter's presentation, Tim Hoeffner, Michigan DOT, expressed thanks to Stan (Hunter) and John (Oimoen) and to Amtrak and FRA for their efforts on these procurements. He also expressed concern about "things that are out of our control – one piece being the production schedule, and our ability to ensure that all of the funds are used before the expiration date of the ARRA funds – in 2017."

Stan Hunter replied "I too am concerned. We've worked on a number of ways to move money around. We have not found a magic bullet yet, but believe we will. We are extremely invested in representing all of our interests to maximize the funding within the available timelines and to not leave any money on the table."

Tim Hoeffner responded "It is an issue and if we do not get it done (and it is out of our control) we fail."

Stan responded "Agreed – now is the time to find a solution and we are working towards that goal now."

Chairman Bergeron noted "this is what we are all about. When it comes to the end of the day, it is how we all come together to support each other and get these vehicles on the tracks."

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**Remarks: On behalf of FRA Administrator Joseph Szabo – Paul Nissenbaum:**

Chairman Bergeron reported, unfortunately, Administrator Szabo, who planned to attend today and offer some remarks, is now unable to make it as he has a pressing matter that he must attend to at FRA. Paul Nissenbaum, FRA, will summarize the message that Mr. Szabo was to convey today.

Paul Nissenbaum expressed Administrator Szabo's regrets that he is unable to be here and "passes along his greetings and thanks to the Committee."

Paul continued:

"Joe is proud of the work of the 305 Committee and talks about it regularly. He talks about the progress made under a lean budget. He looks forward to the work of the Committee continuing and he offers three themes that are key for him:

Buy America – rebuilding the industry in the U.S  
Standardization – which is what it's all about – both components and interface  
Accessibility – he is committed to the ADA Act and compliance with it and going beyond that – which we have been trying to do.

The theme of delivering a successful program is also key. We will not see more funding for Intercity passenger rail (ICPR) if we do not deliver on schedule and on budget. I think we will so it will be inevitable that we will get more funding. There is wide spread support, but we must continue to meet expectations.

FRA is a partner. It has fiduciary responsibilities for 305, yes, but we all rise and succeed together...we view our role as partners.

We don't want surprises...we need to know early on what the challenges are. We will be a part of it all and we will be working here with all of you together."

**Report from the nominating committee – Eric Curtit:**

Eric Curtit, Missouri DOT, provided a report from the nominating committee.

The nominating committee, as appointed by former Chairman Bill Bronte, was comprised of the following state representatives: Eric Curtit, Missouri DOT; Ron Pate, Washington State DOT; and Ray Hessinger, NYSDOT.

The chair of the nominating committee was Eric Curtit.

Eric reported that the NGEC election cycle is every two years, and this year is an election year. The role of the nominating committee is to recommend the state representatives for consideration as Executive Board members.

Eric contacted states that had expressed interest in participating in the NGEC activities and, in particular, in being appointed to the Executive Board. Eric explained that the By-Law changes that had been made by the Executive Board in January, 2014, allowed for additional states to be represented on the Board. There had previously been a provision calling for 9 or 11 state representatives on the Board. This limitation has been dropped and states that are willing to be involved were welcome to join the Board without a limit on the number of states to be represented. Another By-Law change provided a tie breaker in the rare case that consensus was not achieved on a specific vote and a block vote was called for. In the state block a tie breaker was needed to ensure there is not a deadlock within the block. With the By-Law change, the number of states determines the number of votes in each block. The other blocks are Amtrak and FRA each of which would cast a block vote determined by the number of states represented.

In essence, Eric explained "the By-Law changes gave us flexibility to be proactive in recruiting states that have shown a willingness to participate."

After contacting all states on the current Board, and other states who had expressed interest in becoming Board members, the nominating committee recommended the following states for consideration as members of the Executive Board:

Michigan DOT – Tim Hoeffner  
Missouri DOT– Eric Curtit  
New York DOT – Ray Hessinger  
California DOT – Stan Hunter

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Illinois DOT – John Oimoen  
North Carolina DOT – Paul Worley  
Wisconsin DOT – Le Anna Wall  
Iowa DOT – Tammy Nicholson  
Oklahoma DOT – Craig Moody  
Washington State DOT – Ron Pate  
Oregon DOT – Michael Jenkins  
Maine DOT – NNEPRA representative - Brian Beeler II

Eric reported that original Board member Kevin Lawson, Louisiana DOT, had opted not to remain on the Board. Kevin had served the NGEN very well over the last four years, and his efforts were greatly appreciated.

Eric also noted that NNEPRA, in accordance with the NGEN By-Laws, must present a letter from Maine DOT stating that it is being designated as Maine's representative on the NGEN.

Steve Hewitt clarified for those in attendance that the slate being offered by the nominating committee is for states only and the reason for this is that the FRA and Amtrak positions on the Board are automatic. The FRA has one slot – Paul Nissenbaum as its representative; and Amtrak has two members on the Board – its CMO – Mario Bergeron, and its CFO – Gerald Sokol. Those positions are called out in the By-Laws. It is only the state representation that is subject to change every two years (with no term limits – another By-Law change enacted in January, 2014).

At this point, Chairman Bergeron entertained a motion to accept the recommendation of the nominating committee.

Paul Nissenbaum, FRA, offered a motion to accept the nominating committee recommendation for state representation on the Board as submitted by Eric Curtit. John Oimoen, IDOT seconded the motion.

With no further discussion forthcoming, Mr. Bergeron asked Steve Hewitt to poll the voting members of the NGEN:

Mario Bergeron, Amtrak – aye  
Paul Nissenbaum, FRA – aye  
Darrell Smith – as proxy for Gerald Sokol, Amtrak – aye  
Eric Curtit, Missouri DOT – aye  
Diane McCauley, as proxy for Tammy Nicholson, Iowa DOT – aye  
Diane McCauley, as proxy for Kevin Lawson, Louisiana DOT - aye  
Tim Hoeffner, Michigan DOT – aye  
Paul Worley, NCDOT – aye  
Ron Pate, Washington State DOT – aye  
Arun Rao, Wisconsin State DOT – aye  
Stan Hunter, Caltrans – aye  
John Oimoen, IDOT – aye  
Ray Hessinger, NYSDOT – aye  
Michael Jenkins, Oregon DOT – aye  
Arun Rao, as proxy for LeAnna Wall, Wisconsin DOT – aye  
Brian Beeler, NNEPRA for Maine DOT - aye

With all votes cast in the affirmative, the Chairman determined that consensus had been achieved and the motion was approved.

At this point, a break was called for in the agenda. Steve Hewitt announced that the intent of the break was to give the new Board (all 12 states and FRA and Amtrak) an opportunity to caucus and elect its officers, as called for in the By-Laws.

#### **Election of Officers – Mario Bergeron:**

After having caucused, the new Executive Board convened for the purpose of publicly electing its officers. Mario Bergeron called for a motion to consider a slate of officers.

Paul Nissenbaum, FRA, offered a motion to elect the following slate of officers to the Executive Board, effective at the end of today's meeting:

Eric Curtit, Missouri DOT – Chairman  
Mario Bergeron, Amtrak – Vice Chairman  
Gerald Sokol, Amtrak – Treasurer

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Ray Hessinger, NYSDOT – Secretary

The motion was seconded by Paul Worley, North Carolina DOT.

With no further discussion forthcoming, Chairman Bergeron called for the ayes and nays. With all votes cast in the affirmative, the Mr. Bergeron determined that consensus had been achieved and the motion was approved.

**Remarks – Incoming Chairman – Eric Curtit:**

Mario Bergeron commented "I appreciate the complexities and I congratulate and thank Eric for his willingness to accept the chairman's position...we all support you and we thank you and offer you our support."

Eric Curtit thanked all of the Board members for "having faith in me and for MODOT's involvement in the Committee. A lot has happened to make us successful" as an organization.

He reminded those in attendance of how the NGEC was brought into being by PRIIA which called for its establishment and called for collaboration from among Amtrak, FRA and the states with support from the equipment manufacturing and supply industry.

"The ultimate goal is to improve intercity passenger rail equipment and rebuild the industry." Eric called the NGEC "the most exciting thing I've done in my career."

He then went on to point out "notable folks" who have been supportive of him and of the NGEC.

Paul Nissenbaum, FRA, for having been "so helpful to me - providing me with guidance and direction."

Mario Bergeron, Amtrak, "a class act – always willing to help."

Dale Engelhardt, Amtrak, "always a great help to me."

Darrell Smith, Amtrak, "he makes it happen with the budget and stuff – he has been a major factor."

Ron Pate, Washington State DOT, "for his work with the 305-209 group – I think he must have suicidal tendencies!"

Kevin Kesler, FRA – "has been great!"

Chad Edison, formerly with FRA, "was also a great support to me."

Steve Hewitt, NGEC Manager, "he needs to wear a helmet – he bounces around doing so many things. We'd be nowhere without Steve."

Larry Salci, consultant, "also a great voice of reason and support."

Leo Penne, retired from AASHTO, "Leo was great! He was always there to support what we do."

David Ewing, consultant/policy advisor to the NGEC, "To me David is the grandfather and thinker of the NGEC."

Bill Bronte, retired Caltrans Rail Division Director, and the NGEC Executive Board Chair, "Bill Bronte made such an enormous contribution – I feel like I have little feet going into his big shoes! Bill really was incredible, and he made this Committee what it is."

"The NGEC is about results. It is mostly voluntary and includes representatives from Amtrak, FRA, states, the rail equipment industry – it is a huge collaborative voluntary effort! We have developed great specs – five so far – and they are top notch. None of this would have been possible without the help of everyone in this room."

Eric continued by noting the specification revision/document management process and how efficient it is. He also emphasized that, because of the specifications that have been developed and the standardization efforts "costs have been lowered for ICPR – the bi-level car procurement resulted in a 36% savings from what the anticipated costs were. Our results overall have been great so far."

"Moving forward we have the resources to go for another 1 ½ to 2 years as far as funding goes. I will do all I can to manage those resources well and efficiently. We will continue to work on specification review and to help the states with the Section 6 requirements."

"We will also look at what is the NGEC to become in the future – it all folds in with the 209 effort."



"We will consolidate the SFTF functions – probably to be housed in the Finance subcommittee."

Overall Eric conveyed the message that the Committee will continue moving forward, will run efficiently, and will accomplish a tremendous amount.

In closing his remarks, Eric reiterated "this is the most rewarding thing I've done in my career."

Mr. Bergeron asked incoming Secretary, Ray Hessinger, NYSDOT, if he wanted to make some comments.

Mr. Hessinger responded "I, like Eric did, want to thank the Board for the opportunity to serve in a leadership role. This is a group effort and I look forward to working with all of the Committee members in this new role."

Mario Bergeron commented on behalf of himself and Jerry Sokol. "By title, Jerry and I are asked to support the NGEN. I will commit to spending whatever time I can to support what we do."

He added, "Jerry is very sharp and I am looking forward to working with him and with Darrell Smith. Darrell is amazing."

"Amtrak will support us well with the activities of the Committee – we are really in it and committed to it."

Kevin Kesler, FRA, commented "the Committee has done a lot of work and is turning a corner now. There is a focus on specification revisions and it is Dave Warner, Amtrak, who manages that process so well. Be ready to work at the Technical subcommittee level – it will be a busy time. As the technical revisions come in, the work will ramp up."

Stan Hunter, Caltrans, expressed his appreciation for all the wonderful comments made about Bill Bronte. He noted that he began working with Bill in 1998 and said "it has been a supreme privilege and delight to work with him on a daily basis. I will deliver the sentiments that came out at this meeting to Bill. His hard work was the foundation of this Committee – and without him this could not have happened."

"Thank you to all of you for your acknowledgement of Bill and his efforts."

**Closing Comments – Mario Bergeron:**

Mr. Bergeron asked if there were any additional comments or questions for the good of the order. Hearing none, Mr. Bergeron expressed his thanks to Steve Hewitt for his hard work in making this a successful meeting, and to Andrea Ryan, AASHTO, who is always working so hard behind the scenes to make the meeting go smoothly and to make all of the logistical arrangements.

He thanked all who had come to the meeting for their ongoing support, and especially thanked those who had given presentations today. "The presentations, I thought, went extremely well."

**Adjourn:**

With no further business to come before the Committee today, Chairman Bergeron adjourned the 4th Annual NGEN Meeting at approximately 3:00pm Eastern.

**Decisions and Action Items**

Steve Hewitt will provide all of the presentations to AASHTO for posting on the website at [www.ngec305.org](http://www.ngec305.org). and will distribute them all to the NGEN email list.

The Executive Board accepted the Task 1 report and has determined that Tasks 2 and 3 will move to the mid-west states to develop their Section 6 plans. There will be a standing agenda item on Executive Board calls to get a progress report from the mid-west states.

The functions of the SFTF will be consolidated into that of the Finance subcommittee.

The 305-209 (514) effort will continue to move forward and remain as an ongoing agenda item on Board calls.

The 2 procurements – bi-level cars and the diesel-electric locomotives will continue to be standing agenda items on the Executive Board calls.

A new Executive Board was elected by the NGEC member today. All current members were re-elected to new two year terms with the exception of Louisiana DOT which opted not to remain as an active NGEC participant. Two new state representatives were elected to the Board – Brian Beeler II of NNEPRA as representative of Maine DOT, (in anticipation of a letter forthcoming from Maine); and Michael Jenkins, Oregon DOT.

The Executive Board elected a new slate of officers. The officers are: Eric Curtit, Chair; Mario Bergeron, Vice Chair; Gerald Sokol, Treasurer; and Ray Hessinger, Secretary.

## ATTACHMENTS



The NGEC will provide national leadership in standardization, acquisition, financing and management of passenger rail equipment.

### **PRIIA Section 305 Next Generation Corridor Equipment Pool Committee (NGEC) 4th Annual Meeting**

#### **Agenda**

**February 21, 2014  
8:30am – 4:00 pm EST  
Capitol Ballroom A-B  
Hyatt Regency Hotel on Capitol Hill  
Washington, DC**

8:00 - 8:30 am	Registration
8:25 – 8:30 am	Hotel Safety Briefing – Hyatt Regency Hotel Representative
8:30 – 8:40 am	Welcome and Introductions-Convene Annual Meeting – Mario Bergeron, Chair, NGEC Executive Board
8:40 – 8:45 am	Roll call of NGEC members (Executive Board & non-Board member states) – Steve Hewitt, Manager, NGEC Support Services
8:45 – 8:50 am	Approval of the Minutes from the February 4, 2014 Executive Board conference call
8:50 – 9:00 am	NGEC Chairman’s Report – Mario Bergeron, NGEC Chair
9:00 – 9:20 am	NGEC Treasurer’s Report – Gerald Sokol, NGEC Treasurer
9:20 – 9:30 am	Report: Finance Subcommittee – Gerald Sokol, Chair, Finance Subcommittee
9:30 – 9:40 am	Report: Administrative Task Force – Eric Curtit, Chair, Administrative Task Force
9:40 – 9:50 am	Update from FRA – Paul Nissenbaum, FRA
9:50 – 10:05 am	Update from Amtrak Government Affairs – Matt Kelly, Amtrak

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10:05 – 10:15 am	Break
10:15 – 10:35 am	Report: Technical Subcommittee – Dale Engelhardt, Acting Chair, Technical Subcommittee
10:35 – 10:50 am	Report: Technical Subcommittee’s Accessibility Working Group – Kevin Kesler/Melissa Shurland
10:50 – 11:35 pm	Report: Structure & Finance Task Force – Eric Curtit, Chair, Structure & Finance Task Force <ul style="list-style-type: none"><li>- Section 6/Fleet Deployment Project: Task 1 Report</li><li>- Moving Forward – Next Steps</li></ul>
11:35 – 12:15 pm	Report: the 305-209 Working Group – Ron Pate, Chair 305-209 Working Group
12:15 – 1:15 pm	Lunch (on your own)
1:15	Re-convene the meeting – Mario Bergeron
1:15 – 1:45 pm	Status Update: NGEC Procurements <ul style="list-style-type: none"><li>a. Diesel-electric Locomotive: John Oimoen, IDOT</li><li>b. Bi-level cars – Stan Hunter, Caltrans &amp; David Yamada, Nippon Sharyo</li></ul>
1:45 – 2:00 pm	Remarks: FRA Administrator, Joseph Szabo
2:00 – 2:10 pm	Report from the Nominating Committee – Eric Curtit
2:10 – 2:15 pm	Election of State Representatives to the NGEC Executive Board – Mario Bergeron
2:15 – 2:35 pm	Break
2:35 – 2:45 pm	Election of NGEC Executive Board Officers
2:45 – 3:00 pm	Remarks – Incoming NGEC Chair - elect
3:00 – 3:45 pm	Questions/Comments – All Attendees
3:45 – 3:55 pm	Meeting Summary/Action Items Review – Steve Hewitt
3:55 – 4:00 pm	Closing Comments – Mario Bergeron
4:00 pm	Adjourn