



# SECTION 305 FINANCE SUB COMM

MINUTES                      SEPT 8, 2010                      3:00 PM EST                      CONFERENCE CALL

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

## DECISIONS MADE

On a motion made by David Ewing and seconded by Brent Thompson, the minutes of the last Finance Subcommittee conference call meeting (August 25, 2010) were approved without exception.

Chair, DJ Stadtler provided an overview of his two primary agenda items for discussion on this call:

1. Providing a debrief to subcommittee members on the Executive Board Meeting of August 31, 2010 –and review of resulting action items for the subcommittee
2. Provide brief summary/overview of the President’s announcement re: transportation (Rail) funding; and what it may mean for Amtrak’s Fleet Plan

**Discussion item 1:**

DJ summarized the results of the August 31 Board meeting – reporting on the highlights:

1. The PRIIA Bi-Level specification was approved by the Board unanimously. Press releases from FRA, AASHTO, Amtrak and the S305 NGEC were distributed immediately after the vote. The feedback was very positive from the industry, Congress, states, etc. – Many were pleased/surprised that a Committee with members with such diverse interests were able to come together so well and accomplish so much in a short time span.
2. Reprioritization of specification development of single level cars – with train sets now being developed first and standalone cars next. DJ reported that there was a lot of discussion on the merits and drawbacks to changing priorities; but in the end the Board came to consensus on reprioritizing the train sets to be the next to be developed – a poll of the Board members resulted in 11-3 in favor of train sets as the first priority.
3. Interaction with the Administrative Task Force – At the meeting, the Administrative Task Force report included an emphasis on having increased interaction with the Finance subcommittee on overlapping issues. One of the action items coming out of the Board meeting was to assign the task force and subcommittee to form a sub-set with members of both groups – to take the draft procurement approval process matrix presented at the Board meeting – and revise it; “flesh it out” and after getting approval from the task force and subcommittee; present it to the Executive Board for consideration at the next meeting of the Board. DJ asked for volunteers to serve on this joint sub-group and the following have agreed to serve: DJ Stadtler, David Ewing and Ken Uznanski . It was also suggested that AASHTO – Leo or Shayne be asked to serve as well. Steve Hewitt reported that the Administrative Task Force would be meeting on September 10<sup>th</sup> on a conference call and that he would report to the task force on the members of the subgroup to date and would discuss with Leo, the interest in having AASHTO participate. It was suggested that Caitlin Rayman Hughes (who drafted the original matrix and policy)

be asked to be a member as well as task force Chair Rod Massman.

**Discussion item 2:**

DJ reported that the President's announcement of \$50 billion stimulus program is expected to include emphasis on the replacement of Amtrak's fleet. The details are not out yet, but it is seen as a very positive sign of the Administration's support for providing funding for equipment.

DJ also reported that the Amtrak production schedule was announced and that early by 2013 they should have new cars in service. He also noted that the next contract award (Electric locomotives) should be announced within a few weeks.

DJ noted, too, that when procuring Bi-level cars (and future equipment) Amtrak will be using the PRIIA specifications. David Ewing suggested that once Amtrak is getting ready to procure Bi-level cars – interested states should be informed so that they might take advantage of economies of scale by procuring at the same time. DJ agreed and commented that this was Amtrak's plan – to be sure to notify states so that if they are interested they can "piggy back" on the Amtrak order.

In discussing old business/past action items – Bill Bronte reported that he had contacted 3P consultants (KPMG) to discuss potential options for PPP scenarios. It was also noted that Matsui has contacted the Finance Subcommittee and is interested in coming to the Executive Board at some point to give a presentation.

It was also discussed that the next meeting of the Executive Board is tentatively scheduled for early to mid February in Washington, DC. This meeting will be the Board's required Annual Meeting and will include invitations to industry representatives as well. February 8<sup>th</sup> was suggested by Finance subcommittee members, due to other FRA and rail – related activities taking place at the same time in DC.

The next regularly scheduled conference call meeting of the Finance Subcommittee will take place on September 22, 2010 – call in number: **1 866-209-1307 Access code: 8597804#**

**Action Items Update (New and Current)**

**Carry over Item:** Shayne Gill, AASHTO, will talk to Jack Basso and Joung Lee about the possibility of adding some of the issues regarding financing options (the options paper) as a topic for future discussions of AASHTO's Finance Center or the Standing Committee on Administration and Finance. Shayne will talk to Jack and Joung Lee to see if there are upcoming webinar or meeting opportunities where these issues can be on the agenda. Shayne will report back on his discussions and, after that, will put together a sub-group to explore options and develop an options paper.

**Carry over Item:** David Ewing will work with AASHTO to help identify states with equipment needs that may be willing to look into partnering and/or collaborative efforts where feasible. David will be meeting with George Weber, IDOT, and this will be part of that discussion. **Task Complete – David reported on his efforts at the Executive Board meeting August 31.**

**Carry over Item:** Bill Bronte will look into finding contacts to talk to/touch base with in regards to the P3 discussion and will consider adding Nossaman to the agenda of the Executive Board webinar meeting of July 21 – **Task Complete – Bill has talked to KPMG re: 3Ps and will continue to seek option scenarios**

**Carry over item:** Bill to ask FRA whether or not "we can use CE for secular kinds of growth?"

DJ will try to be on the Sept 10 Admn TF conference call in an effort to continue the interaction of both groups and to move forward with the joint subgroup efforts to refine, revise the procurements approval process.

Steve Hewitt will talk to AASHT about participating on the subgroup.


**ATTACHEMENTS**



**PRIIA Section 305 Finance Sub Committee Conf. Call Meeting  
September 8, 2010**

**Agenda Items**

- 1.) Approval of minutes of the August 25 conference call meeting of the Finance subcommittee
- 2.) Review of August 31 Executive Board meeting – next steps and action items
- 3.) Discussion of the President's announcement of \$50 billion in stimulus Discussion /review of the Draft Procurements Approval Process Matrix developed by the Administrative Task Force

**NEXT MEETING / CONFERENCE CALL: September 22, 2010 - 3:00-4:00 pm EST**

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