

SECTION 305 FINANCE SUB COMMITTEE

MINUTES

NOVEMBER 20,
2013

3:00PM EASTERN

CONFERENCE CALL

FACILITATOR	<i>Brent Thompson, Washington State DOT, Vice Chair of the S305 Finance Subcommittee</i>
ATTENDEES	<i>Brent Thompson, Brent also as proxy for Arun Rao, Darrell Smith as proxy for Dan Black, Jeff Gordon as proxy for Kevin Kesler, Eric Curtit, Steve Hewitt, Nico Lindenau, Sara Sarkhili, David Ewing, Vincent Brotski, Martha Gebbie</i>
ABSENTEES	<i>Arun Rau, Dan Black, Bill Bronte, Shayne Gill, Ashok Sundararajan</i>

DECISIONS MADE

1. Welcome and Open Meeting – Brent Thompson:

In the absence of subcommittee chair Dan Black, vice chair Brent Thompson, Washington State DOT, opened the conference call and asked Steve Hewitt to call the roll.

2. Roll Call – Steve Hewitt:

Steve Hewitt called the roll, and confirmed the presence of a quorum.

3. Review of Action Items – Steve Hewitt:

Steve Hewitt provided a brief status update on all Finance subcommittee action items:

Action Items Status

Darrell Smith will provide Steve Hewitt with the current SOW for the grant agreement. Steve will send it along with a reminder to subcommittee, task force, and working group chairs to submit their anticipated budget and SOW requests for the period beginning April 1, 2014 to Darrell Smith by November 7, 2013. Providing the chairs with the current SOW will help them to know what type of detail is needed.

Status: Task Complete - all chairs submitted their requests to Darrell within the requested timeframe.

The intent is for Darrell Smith to provide a draft SOW and budget to the Board for its consideration on the November 12, 2013 conference call. The Board will be asked to approve not only a budget and SOW, but also an extended to date.

Status: Darrell provided a Finance status update to the Executive Board on November 12th including the items submitted by the subcommittees, task forces and working group chairs.

Darrell will discuss these items and provide a status update under agenda item #6.

Steve Hewitt will contact Dave Warner, Amtrak, to request that he provide an estimate of the anticipated Review Panel Specification Revision activities and subsequent contracting with Larry Salci on those Review Panel efforts. He will also ask Dave to estimate the upcoming needs for the services of Camren Cordell – (professional spec writing services) for the period to be covered by the revised grant agreement SOW.

Status: Task Complete-Steve Hewitt contacted Dave Warner and he provided the estimates as requested.

Darrell Smith will continue to apprise the subcommittee members of the status of compliance with the OIG audit recommendations. As of the call on 10-23-13 – most items were about to be closed out.

Status: Agenda item #5 will address the current status.

4. Approval of minutes from 10-23-2013 – Brent Thompson:

On a motion by Eric Curtit, Missouri DOT, and a second by Darrell Smith, Amtrak, the minutes from the 10-23-13 Finance subcommittee conference call were approved without exception.

5. Status Update: Compliance with OIG Audit recommendations – Darrell Smith:

Darrell Smith, Amtrak, reported that all but one of the OIG recommendations have been closed out. The last one remaining has to do with questionable charges in the very early AASHTO NGEC invoices. The total amount in question is minimal (approximately \$11,000.). Darrell noted that he needs to get together with AASHTO to work through this last item, and, once resolved all of the OIG recommendations will have been complied with.

6. Status: Revising the budget and SOW for a grant agreement extension – Darrell Smith:

Darrell Smith provided a status update on activities related to developing a draft budget and revised SOW for a grant agreement extension.

He noted that he had received budgets and SOW from all of the chairs as requested. The SFTF, Finance subcommittee and the Capital Access Charge working group had submitted "new items" which came to a total of \$200,000 in new costs. Adding the \$200,000 into the total and factoring it as a part of the monthly continuing rate, Darrell reported "we can go for 14 months (beyond March 31, 2014)." He added "we are still in pretty good shape."

The next step is for Darrell to develop a draft SOW for a grant agreement extension and submit it to the Executive Board for its consideration on its first conference call in December (12-10-13). Once the Board has approved it, the SOW will be submitted to FRA as a part of the request for a grant agreement extension.

Jeff Gordon, FRA, referencing the fund update, asked about the \$121,000 "difference from the grant agreement". Darrell explained that there had been one initial grant agreement and two supplemental agreements, and somewhere along the line, the \$121,000 was not accounted for previously.

Jeff Gordon also asked if there was an amount added to the revised budget for Camren Cordell – professional spec writing services, and Darrell explained that there is about \$47,000 in the budget now that is unspent which can be expended beyond the expiration of the current agreement (3-31-14). He believes that the amount necessary to continue those services is adequate as there "is no specific need for now."

Jeff also asked about budgeting for expenses to be incurred for specification revision reviews, (Larry Salci contract work) and Darrell believed this was also covered. Steve Hewitt agreed to get clarification from Dave Warner to be sure what he had submitted to Darrell was interpreted correctly. Darrell noted that any change would be factored into the SOW submittal for Board consideration.

7. Other:

Darrell Smith informed the subcommittee members that Amtrak has named Gerald Sokol as its Chief Financial Officer, effective December 3, 2013. It is anticipated that Mr. Sokol will assume the NGEC role of Treasurer and Chair of the Finance subcommittee at that point.

Steve Hewitt asked if Darrell would be briefing the new CFO on the NGEC activities and the role of the Treasurer and subcommittee Chair. Darrell responded that he expected he would.

Darrell also noted that the next call, December 18th would likely be the first call for the new subcommittee chair. The call in number will remain the same.

Steve Hewitt asked Darrell to express the NGEC's gratitude to Dan Black for his efforts as chair of the Finance subcommittee and as the NGEC Treasurer.

8. Adjourn:

With no other business to come before the subcommittee today, the conference call meeting was adjourned at approximately 3:15 EST.

**Next Finance subcommittee conference call – December 18, 2013
866 209 1307 access code: 9786620#**

Decisions and Action Items

Steve Hewitt will check back with Dave Warner for clarification on revision review needs for the period beginning April 1, 2014.

Darrell Smith will continue to apprise the subcommittee members of the status of compliance with the OIG audit recommendations. As of today's call – all but one item is closed out.

ATTACHMENTS

**Next Generation
Equipment Committee**



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

SECTION 305 Finance Subcommittee Conference Call

November 20, 2013

3:00pm. EST
866 209 1307 pass code 9786620#

AGENDA

- | | |
|--|----------------|
| 1. Welcome/Open | Brent Thompson |
| 2. Roll Call | Steve Hewitt |
| 3. Review of Action Items | Steve Hewitt |
| 4. Approval of minutes from 10-23-2013 | Brent Thompson |
| 5. Status Update: Compliance with OIG Audit recommendations | Darrell Smith |
| 6. Status: Revising the budget and SOW for a grant agreement extension | Darrell Smith |
| 7. Other issues/questions? | All |

Next Finance subcommittee call: December 18, 2013 – 3:00PM EST

Call in # 866 209 1307 passcode 9786620#