

SECTION 305 NGEC Executive Board

MINUTES

APRIL 15, 2014

11:30 EASTERN

CONFERENCE CALL

FACILITATOR	<i>Eric Curtit, Chair, S305 NGEC Executive Board</i>
ATTENDEES	Board Members: <i>Eric Curtit, Mario Bergeron, Ray Hessinger, Darrell Smith as proxy for Gerald Sokol, John Tunna as proxy for Paul Nissenbaum, Arun Rao as proxy for LeAnna Wall, Tammy Nicholson, Ron Pate, Tim Hoeffner, Stan Hunter, Michael Jenkins, Brian Beeler II, Support Staff:</i> <i>Shayne Gill, Steve Hewitt, David Ewing, Larry Salci, Kevin Kesler, Sara Sarkhili, Ashok Sundararajan, Vincent Brotski, Dave Warner, Patrick Centolanzi,</i>
ABSENTEES	Board Members: <i>Paul Nissenbaum, Gerald Sokol, Paul Worley, John Oimoen, Craig Moody, LeAnna Wall Support:</i> <i>Jason Biggs, Kerri Woehler, Allan Paul, Strat Cavros, Jeff Gordon, Nico Lindenau, Melissa Shurland, Dale Engelhardt, Martin Schroeder, Andy House</i>

DECISIONS MADE

1. Welcome – Eric Curtit, Chair, S305 NGEC Executive Board:

Chairman Curtit opened today's meeting and asked Steve Hewitt to call the roll.

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

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

3. Review of Action Items Status – Steve Hewitt:

Mid-west States – Section 6 progress report: At the Annual Meeting, 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. The effort is underway with the mid-west states meeting face to face on a monthly basis and beginning to assess needs for vehicle maintenance and also potential organizational options. This remains as a standing agenda item for Executive Board calls.

Agenda item #5

305-209 Working Group updates: Ron Pate will provide a list of the members of the 514 working group to Steve Hewitt to update the NGEC record.

Status: Awaiting member list

A DRAFT SOW for a consultant is under review, and the intent was to bring it to the Board for its consideration on the April 1, 2014 call, but due to Ron Pate's absence, it did not occur. It is anticipated that this will be an agenda item for the next call – April 15, 2014.

Agenda item #8 - status update

Developing a Reauthorization Strategy: It was agreed that Board members should give this topic some thought and should submit any ideas they may have to Eric Curtit and Ray Hessinger, with a cc to Steve Hewitt, by COB April 11, 2014.

Status: No ideas were received by Steve, Eric or Ray – there is an agenda item #13 for discussion of this topic.

Bi-Level Review Panel Membership: Eric Curtit will follow up with NCDOT about possibly becoming a member of the Bi-Level Review Panel.

Status: Eric reported that he has reached out to NCDOT, but has not yet connected.

NGEC Procurement updates: The 2 procurements – bi-level cars and the diesel-electric locomotives-will continue to be standing agenda items on the Executive Board calls. The bi-level is currently in the FDR process. The locomotive procurement is progressing well with a master agreement having been signed and a notice to proceed

having been given. The kick off meeting is scheduled for April 14-15, 2014 in Sacramento, Ca.

Agenda items 6 and 7

NGEC Backgrounder: **Status: Copies of the updated Backgrounder are being sent by AASHTO to all Board members (5 each) and a distribution of 50 each to Steve Hewitt and David Ewing. Kevin Kesler, FRA will be receiving 25 copies. Additional copies are available and can be ordered by contacting Steve Hewitt.**

NGEC Future discussion: Board members are asked to think about how best to proceed moving forward and to review the material provided by Steve Hewitt after the March 18th call. A discussion of potential next steps and the possible establishment of a working group will be an agenda item on the April 15, 2014 conference call.

Status: Discussion will take place under agenda item #11. Chairman Curtit asked that this item be tabled until the next call, as he wants to think through the next steps and come back with more defined next steps and the potential composition of a new working group.

Virginia DRPT request: Eric Curtit will reach out to Kevin Paige to get his assistance in gauging the needs for this type of equipment going forward, and will report back to the Board on the next call.

Status: Eric reported that he has reached out to Kevin Paige, but has not yet connected with him to have the conversation. Agenda item 12 will be tabled until the conversation has taken place.

4.

Approval of the Minutes of the April 1, 2014 conference call meeting – Eric Curtit:

On a motion by Ray Hessinger, NYSDOT, and a second by Tammy Nicholson, Iowa DOT, the Minutes from the April 1, 2014 conference call meeting were approved without objection.

5.

Progress Report: Mid-west States – Section 6 – Eric Curtit:

Eric Curtit reported that the Mid-west states continue to meet and are making progress, but he does not have a lot of specifics to provide for today's update.

Tim Hoeffner, Michigan DOT, reported that the group is in the process of developing two RFPs – one for an Equipment manager and one for Fleet maintenance. Both are in the early stages of being drafted.

6.

Status Update: Diesel-electric Locomotive – Stan Hunter, Caltrans:

In the absence of John Oimoen, IDOT, who is in Sacramento today – the second day of the "kick off" meetings – Stan Hunter provided an update.

Stan reported that day one of the "kick off" went well yesterday and was "very productive". Representatives from IDOT, Washington State DOT, Caltrans, FRA and Siemens were among those to participate in the meeting. There will be a half day meeting today which will include a tour of the Siemens plant.

Stan reported that the first week of preliminary design is scheduled to take place the week of May 12, 2014, and the second week of preliminary design is expected to take place the week of June 2, 2014.

IDR is expected to take place later on in September, 2014 with FDR occurring shortly after the first of the year (2015).

In summary, Stan noted that things are "moving well" and the "kick off" was "very well organized and productive."

7.

Status Update: Bi-Level Cars – Stan Hunter, Caltrans:

Stan Hunter reported on the status of the bi-level car procurement. They have been going through the FDR the past three weeks – this week they are at Volpe looking at "design topics pioneered by researchers at Volpe."

Next week the plan is to be in Chicago to finish the FDR for the cars. Building parts for the first car shell will begin over the next few weeks.

Overall the procurement continues to move along.

Stan did report that there is some concern in regard to the weight of the vehicle. "The structure requirements for CEM are causing some trouble in getting down to the weight in the specification." Stan continued, "while this is a persistent issue, other designs are moving well..." Stan expects to have an update in a few weeks, but notes "it is a tough nut to crack – getting the weight to the prescribed level."

A discussion ensued with Washington State and Oregon cautioning Stan to ensure that the Class 1's are kept informed if the weight issues become problematic.

Stan agreed, but noted "we are not there yet with our weight budget as we are still finishing FDR." He added, that this should be completed because there may or may not even be a problem.

On another matter related to the bi-level cars – Stan acknowledged that he would soon be sending the list of changes to be submitted to the Review Panel to compare against the requirements document as per the NGEC process. Stan is preparing a cover letter to be addressed to Eric Curtit, as Chair of the NGEC. The cover letter and change request list will be submitted electronically to Dave Warner with a cc to Eric.

Similarly, Stan is working with IDOT on DCRs for the diesel-electric locomotive that came out through the RFP process. The list will be finalized into DCRs and transmitted in the same way as those for the bi-level cars.

8. Status update: 305-209 (514) Working Group – Ron Pate, Washington State DOT:

Ron Pate reported that the 514 working group is making forward progress. They have recently received new information from Amtrak with regard to costs and the group is looking into the A133 audit process to see if it can be used to verify.

Ron also reported that the reconciliation process is being looked at with regard to the possibility that it can be done earlier. If Amtrak can do it earlier it would be helpful to the states predictability.

A 30 minute presentation will be given on Amtrak overhead on the next working group call – tomorrow – April 16th

The scope document for a consultant was drafted and sent out to Amtrak for comments. Some comments have been received, but, Ron noted, "we may need to re-think this in regard to confidentiality". Either way, the scope outline has provided some good information on what the states need.

Summarizing, Ron noted "progress is being made, although not as fast as we had hoped, and I expect this will be an ongoing process for a while." He added that it is important that "we identify the critical needs now as states look ahead...I am happy with the progress we have made, but this is a big deal and I do appreciate everyone's efforts."

9. Announcement: Finance subcommittee Plan to explore equipment financing options -Eric Curtit/David Ewing:

Eric Curtit reported that the Finance subcommittee approved a work plan for its effort to begin exploring financing options. The plan calls for a number of presentations from area experts on a variety of topics. The first presentation will be given by Larry Salci on the federal tax code. This will take place on the next Finance subcommittee call – May 7, 2014 at 3:00pm Eastern.

David Ewing has been given the go ahead to confirm other identified presenters and to set a schedule. The hope of the Finance subcommittee is that a broader audience than just its members will participate on the calls. The intent today is to notify Board members of the effort and encourage participation.

The current schedule of confirmed/proposed speakers and dates is as follows was discussed by David Ewing as follows:

Finance Committee Review of Equipment Finance and Funding Strategies

Date/Complete	Topic	Expert
Complete	RRIF	Darrell Smith, Amtrak
Complete (4/9/2014) Approved	Discuss and act on draft strategy	Finance Committee Eric Curtit and David Ewing
5/7/2014	Federal Tax Code	Larry Salci, Salci Consult
6/4/2014	Transportation Development Credits	Jennifer Moczyqemba, Hatch

		Mott McDonald
7/2/2014?	Research	Allan Rutter, TTI
8/?	Capital Formation	James Coston, Capital Corridors, Inc.
9/?	Presentation of Draft product	Eric and David
10/?	Consideration and Action on Draft product	Finance Committee

15 minute presentation, 10 minutes for questions, possible read ahead material.

The schedule is based on the dates of the regularly planned calls of the Finance subcommittee (which meets every 4 weeks). The intent is to use the Finance subcommittee calls as the venue for each presentation.

David noted that the topics are wide open, and that members should "let us know if you have other topics or if you want to hear from a particular expert."

He also noted that the hope is that these presentations will help with the NGEC future discussions as well.

10.

Update: RR202 webinar series - Eric Curtit/Ray Hessinger/Shayne Gill:

Shayne Gill reported that the first ATF approved webinar in the RR202 series will be held on May 1, 2014 at 2:00pm Eastern. A notice has gone out to the states from Shayne and to the broader NGEC email list from Steve Hewitt.

The session description is as follows:

Basics of the Program Management

Presentation on the approach used for the NCDOT's Piedmont Improvement Projects (PIP) and how both private and public resources have been integrated in support of the program. Discussion on how these resources have been employed to develop project scopes, schedule management techniques, fiscal management, and construction management as well as some lessons learned along the way.

Paul Worley – Director, Rail Division – North Carolina DOT

Brian Speight – Hatch Mott for North Carolina DOT

Shayne reported that he is looking at two more webinars – one is on Amtrak Marketing and another on Class 1 through their business lines – looking at OTP and passenger rail. There are no dates set as yet.

John Tunna, FRA, asked if the Program Management webinar was specifically on managing rolling stock.

Shayne replied that it was on the Piedmont improvement project involving all aspects of program management including project scope, schedule and equipment.

John Tunna responded that he felt it was important the title refer to aspects related to the NGEC rather than just basic training. He stressed that it be made clear that it is specific to the Committee's (NGEC) work.

Shayne explained that many of the topics he had received when he solicited input from the states were very much unrelated to equipment, and that to be sure that this particular topic was ok as an NGEC effort he went to the Administrative Task Force for approval before promoting it as an NGEC webinar. The ATF approved the topic and gave Shayne the go ahead on April 11, 2014.

Shayne stated to John Tunna that if there is a scope or name change he wanted, to please provide them to Shayne and he will make the changes and send out as an update.

John agreed to do so.

11.

Discussion: NGEC Future – Next steps - Eric Curtit:

This agenda item was tabled by Chairman Curtit – it will be on the agenda for the next call of the Executive Board – April 29, 2014.

12.

Update: Outreach to Kevin Paige – re: Virginia DRPT Request - Eric Curtit:

As noted in the action item update earlier today, Eric has reached out to Kevin Paige, but has not yet connected with him. He will keep the Board apprised.

13.

Discussion: Developing a Reauthorization strategy for the NGEC - Eric Curtit/Ray Hessinger:

With no ideas having been submitted, Chairman Curtit suggested that it may make sense to let the NGEC Future effort unfold, and begin to identify potential statutory changes that may be required based on those discussions.

For the meantime, the Educational document – the Backgrounder - will serve as a primary tool to keep Congress informed of the NGEC and its activities to date.

Ray Hessinger agreed with Eric – “you hit nail on head...we heard nothing from anyone, and we should rely on the 2 pager, unless or until the NGEC Future effort identifies statute changes that may be needed”.

Tim Hoeffner commented that he has been “wrestling with this issue” and that is why he did not submit any ideas yet. He noted that there are many organizations developing position papers on reauthorization – AASHTO, S4PRC and others – and he wondered “is redundancy better – or should the NGEC have its own specific positions.”

David Ewing was asked to comment and responded “the more organizations that speak up as to the value of 305 is helpful. The 2 pager is an important document that can provide information to congressional staffers, and if statutory changes are needed that would be a good follow up to the Backgrounder”. He added that the questions will come – what is next (for the NGEC) and how is it to be paid for?

David stressed a sense of urgency in getting the NGEC future discussions underway, and noted that reauthorization is beginning to move forward.

Eric Curtit emphasized that members should “at the minimum” use the 2 pager “to keep the message out there.” He closed the conversation stating “it was good to have this discussion”, and as Ray Hessinger had said previously, “if we didn’t, then shame on us.”

Adjourn:

With no other business forthcoming on today’s call, Chairman Curtit adjourned the meeting at approximately 12:50PM Eastern.

The next call is: April 29, 2014, 11:30am Eastern

Decisions/Action Items – 4-15-14 Executive Board Conference Call

Mid-west States – Section 6 progress report: This remains as an ongoing agenda item

305-209 Working Group updates: Ron Pate will provide a list of the members of the 514 working group to Steve Hewitt to update the NGEC record.

Ron will continue to provide updates to the Board on the progress of the “514” working group.

Bi-Level Review Panel Membership: Eric Curtit will continue to follow up with NCDOT about possibly becoming a member of the Bi-Level Review Panel.

-
- | | |
|-----------------------------------------------------------------------------------|---------------------------|
| 4. Approval of Minutes from the April 1, 2014 conference call | Eric Curtit |
| 5. Progress Report: Mid-West States – Section 6 | Eric Curtit |
| 6. Status update: Diesel Electric Locomotive procurement | John Oimoen |
| 7. Status Update: Bi-Level Car procurement | Stan Hunter |
| 8. Status Update: 305– 209 Working Group | Ron Pate |
| 9. Announcement: Finance subcommittee Plan to explore equipment financing options | Eric Curtit/David Ewing |
| 10. Update: RR202 webinar series | Eric Curtit/Ray Hessinger |
| 11. Discussion: NGEN Future – Next steps | Eric Curtit |
| 12. Update: Outreach to Kevin Paige – re: Virginia DRPT Request | Eric Curtit |
| 13. Discussion: Developing a Reauthorization strategy for the NGEN | Eric Curtit/Ray Hessinger |
| 14. Other | All |

Next Call: April 29, 2014