

# SECTION 305 NGENC Executive Board

MINUTES

JUNE 23, 2011

8:00AM CENTRAL

MEETING

<b>FACILITATOR</b>	<i>Bill Bronte, Chair, S305 NGENC Executive Board</i>
<b>ATTENDEES</b>	<b>Board Members and/or their proxies:</b> <i>Bill Bronte, Mario Bergeron, Rod Massman, Ken Uznanski – proxy for DJ Stadtler, Amtrak, Ron Adams, Scott Witt, Allan Paul proxy for Pat Simmons, NCDOT, Allan Paul proxy for Kevin Lawson, Louisiana DOT, Rod Massman proxy for Joe Kyle, Oklahoma DOT, Allan Paul, proxy for Al Ware, Georgia DOT, Tammy Nicholson, Ray Hessinger, John Tunna, proxy for Mark Yachmetz, FRA, George Weber, <b>Support Staff/Observers/ Guests:</b> Stan Hunter, Lisa Bubienco, Paul Nissenbaum, Karen Hedlund, Whitney Phend, Kevin Kesler, Chad Edison, Dave Warner, Dale Engelhardt, Rob Edgcumbe, Steve Hewitt, Shayne Gill, Leo Penne, David Ewing, Tim Hoeffner, Larry Salci, Natalie Rohr, Akira "Kevin" Koyasu, Tom Hunt, Ted Schaefer, Jolene Molitoris, Barry Fromm, Jeff Gordon</i>
<b>ABSENTEES</b>	<b>Board Members:</b> <i>All members were represented</i> <b>Support Staff/Observers:</b> <i>Marvin Winston, Stephen Gardner, Drew Galloway, John Bennett, Robin McCarthy, Rich Slattery,</i>

## DECISIONS MADE

**Welcome – Bill Bronte, Chair, S305 NGENC Executive Board**

Bill Bronte welcomed all attendees, and reviewed the day's agenda.

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

Steve Hewitt took the roll of Board members as well as support staff and observers, and had guests do self introductions. After calling the roll, it was determined that all Board members were present or represented by a designated proxy. The presence of a quorum was established.

**Approval of the Minutes of the June 7, 2011 Executive Board Conference call – Bill Bronte:**

On a motion by Allan Paul, NCDOT, and a second by Mario Bergeron, Amtrak, the minutes of the June 7, 2011 Executive Board conference call were approved without objection.

**Review: Action Items: - Steve Hewitt:**

Steve Hewitt noted that all open Action Items (attached) were to be covered as agenda items and would be addressed during the course of the call.

**Status: Illinois DOT membership on the Executive Board – Bill Bronte:**

Bill Bronte reported that Illinois DOT had accepted the invitation to join the S305 NGENC as a member of the Executive Board, and had named George Weber as its representative. George was present at the meeting and introduced and welcomed as the newest state representative on the Board.

**Update: Status of current Grant Agreement modification - Ken Uznanski:**

Ken Uznanski reported that Dharm Guruswamy and Whitney Phend, FRA, have been assigned to finalize the amended formal grant agreement. Ken was not sure when this would occur (Whitney was not yet present at the meeting when this discussion took place – and the subject was not broached again during the meeting), but thought it would be by the end of the month. Ken did note that FRA has said that it can retroactively approve the amendment – which was to cover the period from April 1, 2011 through March 31, 2012.

**Review: Draft proposal and template for funding the NGENC going forward – Ken Uznanski:**

Ken Uznanski, on behalf of DJ Stadtler, presented a power point presentation on this topic prepared by DJ. The power point touched on the following key points:

**Securing additional funding for the NGENC**

**Issue:**

As the NGEC evolves, funding and support from Congress will be critical.

After being appropriated funds in FY 2010, in FY 2011 no funds were appropriated for the NGEC.

FY 2010 funding will be sufficient to continue work through the end of FY 2011. However, for the committee to continue being effective, additional funding will be necessary.

**Addressing the Issue:**

Congress will be working on FY 2012 funding bills over the summer. While it is not likely an appropriation will be in place by October 1, it is important for the NGEC to inform the committees (authorizing and appropriations) of our accomplishments and continued plans.

**Proposed Strategy for Informing Congress of the NGEC's Accomplishments**

The NGEC needs to determine what goals we have for FY 2012, and what resources are required to achieve those goals:

This will likely be difficult as we determine the structure this group will take on, but it is important to realize that no matter what this entity becomes, there are key actions that this committee must perform. These are the items that must be focused on and detailed as part of a request to Congress.

Some of these items may include:

- Staffing – to date, this committee has been staffed in many cases on a volunteer basis. That will not last forever. Regardless of what we become and how we are structured, we will need staff. What needs to be determined is what type of staff and what duties they will perform.
- Document Control / Maintenance – As specifications become more plentiful, and as modifications are made, we should likely come up with a way to make these processes more efficient. How do we do that and what resources are required?

**Proposed Next Steps for Securing Funding**

A letter has been drafted to the various committees that will be circulated to all members of the NGEC team for comment. It currently focuses on the accomplishments of the NGEC, and it is based strongly on the recent letter to trains magazine. Narrative needs to be added at the end of the letter to talk about of FY 2102 plan and resource needs.

By June 30th –

Technical Subcommittee, Financial Subcommittee, Administrative Task force develop brief description (1-2 sentences) of each individual goal / need for FY 2012, along with a high level estimate of funding required. This should be VERY high level, for inclusion in the letter to Congress.

Early July –

List of required goals / items will be vetted through appropriate committees and approved by the Executive Board. Once approved, they will be added to the letter.

Mid July (no later than July 15<sup>th</sup>) –

Letter sent to Congress. **QUESTION FOR DISCUSSION** – Who should sign the letter? Should it come from Chairman Bronte? From the entire Board?

After going through the presentation, Ken commented that DJ had had discussions with congressional staff to get a sense of what they would be looking for from the Committee to advance an appropriations request for FY 2012. He emphasized that it is important that the Committee let the appropriators know what has been accomplished, which has been substantial, and what we need in order to go forward.

DJ had noted in his discussions with Ken, prior to the meeting, that the issue of what, if any, entity the 305 Committee takes on remains uncertain; but even if the Committee remains as it is – it needs to pursue funding to continue its work. It was also noted that much of the Committee activities have relied heavily on volunteers. While these volunteer efforts have been extremely successful, there will come a point when it is likely that some staff will be required. It was also recognized that AASHTO has, since the outset, been serving as the administrative arm, secretariat, and serving as the repository and cataloguing all documents/reports/specs etc. The Board needs to determine if this is the way it will be done moving forward and/or determine how it should be done otherwise – either way there is going to be a need to fund it.

The Board agreed with DJ's proposed timeline of developing "high level" goals and funding requirements for each

of the two subcommittees, and the Administrative Task Force, by June 30, 2011. DJ has prepared a draft letter to go to Congress. The draft will be circulated to Board members for their review and comment over the next few days. Once the letter is finalized, and approved, and the goals and funding requirements are approved; DJ will take it to the "Hill" on behalf of the S305 Committee.

One question that needed to be answered was - who will sign the letter? After some discussion, it was agreed that the letter would be best served if each Executive Board member signed the letter, rather than the Chairman on behalf of the Board.

It was also agreed that additional letters should be sent separately. AASHTO intends to send a letter in support of the Committee from Gene Conti, NCDOT Secretary of Transportation and Chair of the AASHTO Standing Committee on Rail Transportation (SCORT); and Paula Hammond, Washington State Secretary of Transportation, and Chair of the AASHTO Intercity Passenger Rail Leadership Group. The States for Passenger Rail Coalition (S4PRC) also intends to submit a letter in support. (Paula Hammond Chairs the S4PRC as well)

The Executive Board will meet for its next scheduled conference call on July 5, 2011 and will, at that time, review and (assuming the presence of a quorum) consider, for approval, the goals and funding requirements and the letter to Congress. If, due to the July 4<sup>th</sup> holiday, there is not a quorum present on July 5<sup>th</sup>, the Board will approve the items by electronic voting (email) as soon as possible. The goal is to have the letter out by July 15<sup>th</sup>, 2011.

**Update: Funding and Structure Options Working Group (FSWG)– Rob Edgcumbe:**

Rob Edgcumbe reported that this working group is looking at the issue of "what do we want to be when we grow up?"

The timeframe for providing a draft recommendation to the Executive Board is the middle of September, 2011. The first draft of the Working Group's report is due by June 30, 2011. It will be reviewed by the Finance subcommittee, and then will be transmitted to the Executive Board for its review and comment.

Rob noted that the Working Group was divided into three subgroups:

1. Structure – Nancy Greene
2. Finance – Reuben Vabner
3. Management – Larry Salci

Rob summarized that, at this point, it has been hard to "justify the need for an entity". It does not seem to "add much, other than lots of costs and overhead without much benefit." He elaborated on the fact that the Working Group has looked at a lot of variations – "from simple to complex".

The group has intentionally left a long period of time in its schedule for the review phase to allow for discussion and input from the Board.

Paul Nissenbaum, FRA, asked "what is the rationale for not forming an entity?" Rob explained various models that have been looked at, and the possibilities that states, in many cases, cannot be members of a corporation, etc.

Nancy Greene, Amtrak, emphatically noted that "no conclusions have been made yet. Analysis is still ongoing – the group is looking at pros and cons." Nancy also made it clear that the "the Board will determine the conclusion."

Paul Nissenbaum recommended that they keep on the table some of those issues in looking at procurement. "An entity to facilitate acquisitions may make some sense at this point."

A comment was made that one entity could be Amtrak.

Paul Nissenbaum asked "is there a logic for having an entity, and what is the easiest way to do it?" The first step may be determining if there is a "reason to do it".

Rob Edgcumbe commented that liability issues enter into it "with an entity"

Larry Salci commented that the group has been looking at all spectrums. They have looked "at the Committee as it is, and as a full blown corporation, and all things in between. The charge is to lay out, in a matrix, detailed options for the Board's consideration."

**Acceptance: Reliability letter recommendations – Dale Engelhardt:**

Dale Engelhardt provided a background and context for the Reliability letter that had been sent to the Board (attached) on May 4, 2011. The Board had agreed on the June 7<sup>th</sup> conference call to vote on acceptance of Dale's recommendations at the June 23, 2011 in-person Board meeting.

On a motion by Rod Massman, Missouri, and a second by Ron Adams, Wisconsin, the letter and its recommendations were accepted by the Executive Board without objection.

**Update: Standardization Implementation Effort – Rob Edgcumbe:**

Rob Edgcumbe reported that due to most of those involved in this effort also being heavily involved in finalizing the trainset specification; he had nothing new to report at this time.

**Update: Document Control Management Pilot – Dave Warner:**

Dave Warner reprised his presentation on Document Control Management as presented to the Technical subcommittee on June 22, 2011:

**Overview:**

- Manage NGEC-Approved Documents
  - Specifications
  - Support Documents
  - Process Documents
  - Drawings/Engineering Documents
- Consistency w/NGEC Guiding Principles
- Ensure Appropriate Review
- Configuration Control

**Key Players:**

- Revision Control Coordinator (RCC)
- Document Control Coordinator (DCC)
  - One for each document
  - Led original document development
- Document Control Board (DCB)
  - Technical Subcommittee heads
  - Can be different for different documents
- Technical Subcommittee (TS)
- Executive Board (EB)
- Review Panel (RP)
- Administrative Support (Camren Cordell)

**Document Change Requests:**

- **Minor Change Request**
  - Generally administrative in nature that do not affect the technical content of document
    - Typographical errors
    - Updated specifications
    - Formatting
  - DCC has authority to approve
- DCC returns approved DCR to RCC

**Major Change Request**

- Everything else
  - Affects final vehicle design/performance
  - Administration of procurement processes
  - Interoperability of vehicles with other rail equipment
- Document Control Board must adjudicate
  - Handled by "head" of technical working group
  - 10 working days to review
- DCB provides decision to DCC
  - Approved
  - Approved as Amended
  - Rejected

- DCC returns DCR to RCC
- RCC files accepted changes in "suspense file"
- RCC prepares summary of changes for TS vote
- TS votes on changes
- Review Panel approves changes
- Executive Board approves changes
- RCC and Administrative Support
  - Changes placed in document
  - New revision issued
  - Web site postings made

**Urgent Change**

- Time-sensitive Major Change
- Occur at critical time during vehicle procurement
  - Material Orders
  - Engineering Drawing Changes
  - Production Impacts
- Time frame of Major Change unacceptable
- Days instead of weeks

Proposal vetted by members of Technical Subcommittee, Executive Board and Review Panel

**Proposed Urgent Change Procedure:**

- RCC received DCR
  - Forwards it to DCC
  - Informs RP and EB of Urgent Change
- DCC forwards DCR to DCB with 2 day deadline
- TS and RP concurrently review DCR with 3 day deadline
- EB votes (E-mail) with 2 deadline
- RCC informs DCR author of approval
- Updating of document follows
- **Highlights**
  - Days Instead of weeks
  - Takes advantage of communications technology
  - Maintains the process by which original documents were created
- DCB same as for each specific document
- TS and EB-same as present
- Permanent Review Panel

In summation, Mr. Warner emphasized that the intent is to "maintain the openness and procedural pureness that has been established throughout the process".

The next steps are for the Technical subcommittee to approve the proposal and then to send it on to the Executive Board for its consideration.

Mario Bergeron complimented Dave, Stan Hunter and the rest of the team for their hard work on this effort. Mr. Bergeron noted that the process aligns very well with how "we have worked along the way. The Executive Board approves a spec, and then makes sure that there is a consistent controlled way to manage the specs". Mario reiterated that the next step is subcommittee approval and subsequent Board approval on an upcoming conference call.

**Update: Trainset specification – Mario Bergeron:**

Mario Bergeron provided an update on the Trainset specification and the next steps. He reported that the specification had been approved at the subcommittee meeting on June 22, 2011. This specification, he reported, was "different from the first three specs" that the subcommittee had developed and approved, in that it was "the first one without unanimous approval".

The subcommittee did approve the Trainset spec, but had to go to a block vote, as called for in the voting procedures when the Chair determines that consensus has not been achieved.

The FRA was the dissenting vote, not because it disapproved of the Trainset spec, as a whole, but because of the rejection of their request that the language pertaining to CEM be changed.

On June 22, 2011, Kevin Kesler had, on behalf of FRA, stated, "The FRA desires that, where present in the trainset specification, the requirement for crash energy management (CEM) feature be denoted as optional". Further, Kevin proposed that the language in the specification be revised to state, "The design of the trainset must be compliant with FRA's regulations or consistent with Engineering Task Force Guidance, (ETF) and may, as an option, incorporate Crash Energy Management (CEM) features."

Mario pointed out that the current language calling for CEM is contained in the previous specifications adopted by the Executive Board, and was contained in the Board's Requirements document for the Trainset specification.

Mr. Bergeron explained that we (the subcommittee) "take our mandates from the Executive Board through a Requirements document approved by the Board." He elaborated that the "CEM modification would have moved us from the Requirements document. The Technical subcommittee could not send to the Executive Board "a specification that is not aligned with its (the Board's) Requirements document."

The Trainset specification is approved by the subcommittee, but the CEM issue is" brought to the Board for progression". All of the Specifications and Requirement documents include CEM. We can't let CEM "get in the way of procurements" – we are, therefore, "seeking the Board's input on this issue."

Kevin Kesler noted that the FRA has agreed to Mario's request, as Chair of the Technical subcommittee, to submit "a written explanation of our dissent and to do it quickly – we do not want to hold up procurements."

John Tunna, FRA, commented that "we see it as clarifying our requirements. We will approve ETF or CEM requirements and we want the specs to say that. Going above the minimum should be an option."

Kevin Kesler noted that at the subcommittee meeting some states expressed concern that states will not, if given the option, "put in CEM, due to costs."

Various other comments had been made at the subcommittee meeting, including liability concerns. The intent is that the FRA's position paper will address both technical and legal issues related to this requested change.

**Discussion: DMUs as a possible PRIIA specification – US Railcar Company and Nippon Sharyo representatives:**

Representatives of the US Railcar Company and Nippon Sharyo were provided some time on the agenda to present their views on DMUs and the potential for the Executive Board to ask the Technical subcommittee to look at developing a PRIIA DMU specification.

Representing US Railcar: Barry Fromm, Jolene Molitoris and Ted Schaefer. Representing Nippon Sharyo: Akira Koyasu and Tom Hunt.

Bill Bronte commented that the Board had previously had a discussion about DMUs as an addition to the PRIIA "catalogue" of specs and had "concurrence that it may not be a bad thing."

He also noted that DMUs are typically seen as "a more commuter type of equipment".

One of the key issues to US Railcar is that some states have expressed interest in purchasing DMUs with HSIPR funds, and cannot use those funds on equipment that does not have a PRIIA specification. Jolene Molitoris stated that 9 states have expressed interest in DMUs – and she specifically named Patricia Quinn of NEPRA as having been interested.

Nippon Sharyo stated that they see US DMU interest as primarily transit and municipality based, but if there is a state interested in DMUs for Intercity Passenger Rail then "we are very interested."

Bill Bronte suggested that "we should survey the states about their interest (none of the 9 states are currently members of the 305 Committee) as we need an indication from states that they want a DMU specification." If that is the case, then "we would go to the industry to participate in the specification process." Citing the lack of large scale industry interest in developing the trainset specification as an example, it "is a challenge moving forward."

Mario Bergeron stated that "once the Board says there is a demand, they task the Technical subcommittee to develop a spec". He responded to a question of timeline, "it takes a few months to go through the process – trainsets took longer" – six months - due to less involvement by the industry than in previous specs.

It was agreed that US Railcar would contact the states who had expressed interest in DMUs and ask that they provide an email expression of interest to Bill Bronte, with a CC to Steve Hewitt. Upon receipt of expressions of interest from states, the Board could take up the issue of developing a DMU spec at an upcoming conference call.

(The Board meets every two weeks via conference call)

It was also suggested that, if the decision is to do a DMU specification, perhaps US Railcar could provide a specification template for the 305 Committee to use as a strawman.

Barry Fromm emphasized that the NGENC "has an opportunity to provide choices – that's why we are here – this product is an option."

#### **Equipment Acquisition Discussion – Separate agenda (attached)**

At this point, Bill Bronte opened the acquisition discussion using the separate agenda (attached) as a guideline for the discussion.

Bill laid out a series of questions that need to be considered to fully understand "the roles of the players in the process."

"How do we structure a procurement?

How does it work?

What do we want it to be?

What can be done in the time constraints we have?

What kind of a procurement is this to be?

Multi State? What does this mean?

Who's the lead? Is it a state procurement or a 305 procurement?"

Paul Nissenbaum stated, "we have questions too. We want to develop a collaborative process with the states and Amtrak, and 305, and we do not want to dictate how states should do it."

He cited basic principles to be addressed:

1. Develop a manufacturing and supply chain – Buy America – job creation
2. Ensure appropriate equipment for corridor services. New equipment must meet the needs of passengers and the market. It should be cost effective for both capital and ongoing maintenance – minimizing life cycle costs. It should be eligible under 80-20 consistent with PRIIA and our 2012 appropriations request.
3. There is a need for interoperable equipment with the flexibility to deploy and redeploy within a region. The ability to redeploy equipment as needs change within given states. (market needs and political needs) The equipment needs to be useful, compatible and standardized.

Paul went on to say "How does all this manifest itself into getting these current HSIPR grants done? We (the FRA) are open, but not so much to a single state or two states, but with other states that may, in the future, exercise options. 305 is ideal for this type of approach."

Bill Bronte noted that the 305 specifications meet all of the criteria with the exception of Buy America and domestic content. These issues appear to be more of a "procurement issue than a specification issue. 305 has met 75% of your criteria in our specs. "

Paul Nissenbaum responded, "I agree that is largely true. If we have a multi procurement going out with various specs, it would meet some of the goals, but not necessarily meet things like:

- A. lowering costs
- B. inefficiencies in having states operating different types of fleets.

"Decisions still have to be made to meet all of the principles."

Bill Bronte commented that "one of the first challenges will be state procurement rules. It will require outside the box thinking." California, for example, cannot "join a corporation – we would need California legislation – which would not be done until a year from January – if then."

He went on to say, "So, how do you put together an entity that meets the challenges?" It seems that the soonest anything can happen is one year. You (FRA) are such a key player in making a procurement feasible.'

Paul Nissenbaum commented that there is a "need for speed" and "you should separate out how the procurement is handled and how ownership/deployment is handled."

Karen Hedlund, FRA, said that she was "willing to work with states legal counsel to allow for legal remedies. "There are precedents out there allowing joint procurements."

She also commented that the "multi-state aspect can be done in parallel. We can figure out ways to do it while still looking at ownership and deployment going down the road."

An entity is difficult if a corporation is formed with state membership, but it is possible to form a corporation which "is your agent."

Bill added that "California wants to look at a large procurement to lower costs". California has been proceeding over 2 years in order to be "ready for a procurement, but we want others to be with us to help in lowering the costs. We would love a joint procurement. We want to meet the NTP by next July – but recognize that is a steep hill to climb."

Rob Edgcumbe raised some structure issues – commenting that corporations having states as owners is impractical – "it would be more of a supervisory Board type of entity." He also noted that cascading equipment could have implications to ownership by the states."

Paul Nissenbaum suggested that the Committee should "bring in the principles first and then structure implications for ownership and management." He also noted that the California schedule, as proposed, is "about as long as the FRA could tolerate".

He commented also that the grant award to the mid-west states was awarded with the "idea in mind that Illinois, Michigan, Iowa, and Missouri would be using the equipment even though IDOT was the applicant."

Tim Hoeffner, Michigan DOT, said that "governance is what we're really looking at." He noted that his state had worked out a draft governance document and would try to get their draft out to everyone at some point. This document had been developed previously, but was put on the shelf as they had not gotten any money to proceed. Now, with the grant awarded it makes sense to "dust off the governance proposal." He also commented that the organizational structure, and the flexibility being proposed by FRA, is going to be complex in order to meet all of the states requirements – "we need more finance experts" involved in the process.

Larry Salci, consultant, raised some issues related to the reality of the market. He noted that "lots of work has been done, the industry wants this to be successful and their involvement has been "stunning". However, it is important to recognize that "the Intercity Passenger Rail portion of the business is very small in comparison" to commuter rail in this country. He estimated the reality of the business is; 20,000 cars vs. a potential 15-1600 ICPR cars nationwide.

The decisions the industry makes are "based on market cost to bid – about \$3 to 4 million per bid. From the perspective of Caltrans and the Midwest – 150 cars, in the scheme of things for the industry it is insignificant." He talked about the fact that foreign manufacturers have factories in the US and have made huge investments. They "applaud what is happening here, but timing is a key". "The industry has spent a lot of time and money, but they need to see results". In Mr. Salci's view, "the industry interest has begun to wane". He noted that the first 305 Technical subcommittee meeting in Chicago in 2010 was attended by 250 industry representatives vs. about 30 at the June 22, 2011 meeting.

Further, "if you see 2 or 3 bids for the bi-level cars you'll be lucky." He also noted that the industry has a "history of buying contracts, and when it doesn't work out – walking away." He emphasized that his point was to provide a "reality check". He advised that there is a need to "get over the hurdle" and that "a structure needs to be developed quickly and," within a short period of time the SFWG should get something to the Board for it to take up". He reiterated, "the industry is waiting to see action."

Stan Hunter refuted Mr. Salci's opinion that the cost per bid would be \$3-4million. "The PRIIA spec development process has been a very open one. Industry bids will be on a known quantity because of the spec development process".

Larry Salci agreed this would have some impact – "maybe, \$2-3 million per bid because of what you've done." He also noted that "systems integration is the difficult part – it will take time; modeling, negotiating with vendors" etc. while "our process will shave costs – you're still looking at a couple million bucks."

Dale Engelhardt commented that the "advantage will be more in the second and third time out – but the first time it is going to be difficult."

Mr. Salci agreed. He also made the point that another major issue is CEM – "it's a new design – it can be done – but it is a major change that will take time. It's an engineering and structural challenge."

Again, he reminded the 305 members, this is a market driven business citing: 700 Bart cars vs. 150 ICPR cars as an example to emphasize his point.



Bill Bronte advised that "tempering expectations is important."

The discussion moved to locomotives. Mr. Salci commented that the jump to 125 mph and the power requirements equate to a heavier design and a fuel guzzler. The costs would be about \$8 million each as compared to today's costs of \$4 million each. "Will anyone bid on it?" The industry says "we have 100 out there today – why invest in 125 out there?"

Kevin Kesler summarized; "for coaches 110-125 is no big deal – for locomotives it is a big deal. The take away for the Board is that it should consider changing the requirements document on the locomotive so that proposals can come in at 110 not 125."

Larry stated, "the 110 issue, from a practical standpoint is something we will have to deal with." In the near term, it may be appropriate for the Board to "relax the locomotive requirement for 110 initially, rather than 125."

It was agreed that the Locomotive Technology Task Force within the Technical subcommittee, would take up the issue of 110 -125 and report back to the Board through the Technical subcommittee.

Bill Bronte brought the discussion back to the immediate issue of moving forward on a procurement process. "How is the process structured? How do we work within it? How do we work around state procurement rules?" He asked, "Do we need a follow up meeting with Karen Hedlund and the involved states to work it out in the short term?"

Kevin Kesler suggested that "you model the Technical subcommittee process and set up a group to follow that process." It was suggested that it could be a subset of the Executive Board - separate from the Board process – a focused effort on this procurement. It was also suggested that the initial get together needs to be face to face.

Rod Massman, Missouri DOT, interjected, "keep in mind – for the Midwest application, it was a joint application by design. We are trying to implement what 305 was set up to do. It should be a collaboration between the states, Amtrak and the FRA."

George Weber noted that, "moving forward, there is an avenue to get a joint procurement done; any entity to be considered is a longer term project and may need legislation – it is a secondary issue, in terms of timing."

The first step seems to be to get the procurement obligated soon. Each state involved should move on it – and strategize to meet its own state requirements.

Bill asked Lisa Bubienko of Caltrans – "what is our ability to enter into a joint procurement with another state?"

Tim Hoeffner commented that Michigan and Caltrans "have done it before on coach overhaul."

There was a suggestion from Caltrans staff on the phone that a "participating agreement" could be set up. "A 'participating agreement' can allow for a multi-state procurement – it is doable – it could be established as a foundation. It does not require legislation."

Nancy Greene noted that in the recent procurements survey of the states, of those that responded all but 3 could enter into joint procurements. Nancy agreed to send all Board members the summary of the states survey.

After continued discussion, it was agreed that a sub group should be formed. Among the procuring states, the FRA, and Amtrak. Tim Hoeffner noted it was necessary to form a sub group and commented that "as states we do well contracting with the private sector, but we do poorly in contracting with each other."

Rob Edgcumbe commented that "one option is that Amtrak is the procuring agent."

Mario Bergeron noted that "all I've heard today, is what Amtrak already does, we are involved with all aspects of procuring including project management." We need to "keep it simple. Merge with the existing structure and the ability to be agile. Utilize the Technical subcommittee involvement /expertise." Mario also noted that "there needs to be a role for the Technical subcommittee defined by the Board."

Stan Hunter stated that "we've been working on a joint process in development that all of this would fall under." This discussion is around the procurements out there now, but it sets the tone for the future." To move forward we should think of setting the tone for the future – to be repeatable.

It was also noted that Amtrak, at some point, may join in the procurement.

Since the time reserved for the meeting room was drawing close to an end, Leo Penne, AASHTO, advised the Chair that the Board should define and clarify the "action items that have been decided here today for Mr. Hewitt

to capture in the minutes”.

The action items were then defined (listed below).

It was agreed that the proposed subgroup should be established and would be set up as a Task Force of the S305 NGE. It would be called the Procurement Task Force and would be comprised of representatives of the procuring states: California, Missouri, Iowa, Illinois, Missouri (possibly Washington State?) and the FRA and Amtrak. Bill Bronte would send some dates around for consideration by Task Force members for a face to face meeting – most likely in Chicago.

It was also agreed that the Task Force would, for the short term, at least, plan to meet by conference call on a weekly basis following the initial face to face meeting.

The Procurement Task Force would ultimately help to develop the model for other states to use in future procurements.

It was also agreed that the Procurement Task Force would provide a progress report to the Executive Board on its regularly scheduled bi-weekly calls. (The next Board call is July 5, 2011 at 11:30 Eastern) The Procurement Task Force progress report will be a standing agenda item for all Board calls.

After a review of the agreed to action items, the meeting adjourned at approximately noon central time.

### Decisions/Action Items – from 6-23-11 Executive Board Meeting

In regards to making a case for the need for additional funding to move the NGE forward, DJ Stadtler will circulate the draft letter for submission to the House and Senate Appropriations staff, to Board members for their review and comment – prior to June 30, 2011.

The subcommittees and the Administrative Task Force will prepare “high level” goals and funding requirements by June 30, 2011

The Executive Board will review and consider the letter to Congress and the goals and funding requirements as submitted by the subcommittees and Admn Task Force on the July 5, 2011 conference call. If a quorum is not present on July 5<sup>th</sup>, the Board will vote on the letter and goals and funding requirements via an electronic (email) vote.

The letter to Congress and goal and funding requirements will be taken to the “Hill” by July 15<sup>th</sup> – DJ Stadtler has the lead.

All members of the Executive Board will be asked to sign the letter to Congress.

It was agreed that the Executive Board would establish a Procurement Task Force comprised of representatives of the Mid-west states (who were part of the HSIPR equipment grant awarded in the most recent round of funding); California, Amtrak and FRA. Bill Bronte will send out a range of dates for an initial face to face meeting. Meetings thereafter will be held weekly via conference call.

California will provide a description of a “participating agreement” (white paper) to Board and Task Force members

The Procurement Task Force will develop an approach to joint procurements and FRA will wait on the development of the approach.

The Procurement Task Force will develop a structure to advance the procurement-grant agreement.

The Executive Board will keep an ongoing agenda item open on its Bi-weekly conference calls for a progress report from the Procurement Task Force

FRA will determine the timing for obligating funds.

CEM will be included as an agenda item for the next Executive Board conference call – scheduled for July 5, 2011

The Locomotive Technology Task Force will prepare a white paper on the issue of 110-125 mph. The white paper will go to the Technical subcommittee and then on to the Executive Board.

Nancy Greene will provide Board members with a compiled/summarized version of the states responses to the procurement survey.

**Next call: July 5, 2011 11:30am Eastern**

**Call in number: 866 299 7945 passcode: 1601544#**

**ATTACHMENTS**



**S305 NGEC Executive Board Meeting  
June 23, 2011**

8:00 am – 12:00pm Central  
Holiday Inn Chicago Plaza Mart, Chicago Illinois  
Call in info: 866 299 7945 passcode: 1601544#

**Agenda**

8:00 – 8:05 am	Welcome and Review of Agenda	Bill Bronte
8:05 – 8:10 am	Roll Call	Steve Hewitt
8:10 - 8:15 am	Approval: June 7, 2011 Minutes	Bill Bronte
8:15 – 8:20 am	Status: IDOT membership on the Executive Board	Bill Bronte
8:20 – 8:30 am	Update: Status of current Grant Agreement modification	Ken Uznanski (phone)
8:30 – 8:45 am	Review: Draft proposal and template for funding NGEC going forward	Ken Uznanski (phone)
8:45 – 9:00 am	Update: Funding & Structure Options Working Group	Rob Edgcumbe
9:00 – 9:05 am	Acceptance: Reliability letter recommendations	Dale Engelhardt
9:05 – 9:15 am	Update: Standardization Implementation effort	Rob Edgcumbe
9:15 – 9:30 am	Update: Document Control Management Pilot	Dave Warner
<b>9:30 – 12:00 pm</b>	<b>Discussion: Equipment Acquisition Discussion (see separate agenda for this session)</b>	<b>Bill Bronte/Stan Hunter</b>
12:00 Noon	Adjourn	



**Executive Board Action Items – Status Update - June 23, 2011**

<p>In regards to making a case for the need for additional funding to move the NGEC forward, DJ Stadler will develop a draft letter and template for submission to the House and Senate Appropriations staff and will present it to the Board for its consideration on June 23, 2011.  <b>Status: On agenda – June 23</b></p>
<p>Ken Uznanski to report on the status of the grant agreement modifications to the term and scope of work on the next Executive Board call/meeting. <b>Status -On agenda -June 23</b></p>
<p>Bill Bronte to prepare and circulate a draft letter to the editor of TRAINS magazine (Rob Edgcumbe to provide some points to be considered to Bill) Letter to be finalized and sent out by June 14, 2011 – <b>Status - letter sent?</b></p>
<p>Kevin Kesler to discuss press opportunities with FRA Public Affairs – <b>Status?</b></p>
<p>Bill Bronte to follow up with George Weber, IDOT to see where things stand with the invitation to have IDOT join the NGEC Executive Board. – <b>Bill has followed up with George - IDOT to accept – George to be the IDOT representative – anticipating official acceptance letter from IDOT Secretary Hanning</b></p>
<p>Rob Edgcumbe and/or subgroup leaders to give a status report on the FSWG progress at the June 23, 2011 meeting of the Board. <b>Status – On agenda – June 23</b></p>
<p>Rob Edgcumbe will continue to move the Railroad 101 webinar series forward and keep the Board apprised of its progress. <b>Status – update next conference call of the Board – July 5, 2011</b></p>
<p>Dale Engelhardt to review comments received (if any) on the reliability letter and revise accordingly. Rod Massman to review the NGEC warranty statement and provide input to Dale in terms of consistency. The Board to consider the recommendations on June 23, 2011. <b>Status – On agenda – June 23</b></p>
<p>Rob Edgcumbe to provide an update on the Standardization implementation efforts at the Executive Board meeting on June 23, 2011. <b>Status – On agenda – June 23</b></p>
<p>Stan Hunter to prepare a schedule and RFI and an updated matrix (with Board comments) for the June 23<sup>rd</sup> procurement discussion. <b>Status – On agenda – June 23</b></p>
<p>Steve Hewitt to request confirmation from Board members of their attendance or representation at the June 23<sup>rd</sup> meeting of the Board. <b>Status – Task completed – quorum is expected.</b></p>
<p>Steve Hewitt to work with Bill Bronte to prepare a draft agenda for the June 23 meeting. <b>Status – Task Completed</b></p>



## AGENDA

### Equipment Acquisition Discussion NGEC Executive Board Meeting

June 23, 2011 – 9:30am-12:00pm Central

1. Nature of multi-state car procurement
  - a. Is this an NGEC procurement, or a state procurement?
  - b. If an NGEC procurement:
    - i. Delegation of procurement authority from NGEC to states
      1. What form does this take?
      2. Is the agreement only between the NGEC and the contracting state, or all grant recipient states?
      3. Content of the agreement
2. Definition of roles of participants in the procurement process
  - a. Role definition creates the basis for required agreements and project functions
  - b. Major players:
    - i. NGEC Executive Board
    - ii. Amtrak
    - iii. FRA
    - iv. States
      1. States leading procurement activities
      2. Participating states
    - v. Others?
3. Discussion of development of standardized procurement documents
  - a. Proposal to use APTA's standard LRV RFP document
    - i. Promotes standardized procurement process and documents
    - ii. Developed with input from agencies, APTA, carbuilders, experts, FTA
    - iii. Intended for use on other vehicle types including intercity (with necessary revisions). Contains provision for agency-specific requirements.
    - iv. Will streamline the process of developing the RFP documents
4. Release of Request for Information (RFI)
  - a. Will help clarify and refine the RFP language prior to controlled procurement process
  - b. Opportunity for industry and others to review contract language and provisions
  - c. Will save time through making improvements to RFP that will result in a better procurement document
  - d. Required agreements between procurement participants can be completed while draft RFP language is in RFI phase.
5. Review of draft schedule



To: MEMORANDUM  
From: Dale F. Engelhardt  
Subject: Reliability Requirement for PRIIA Specified Rolling Stock

May 4, 2011

The review of the Diesel Electric specification identified a question concerning the reliability requirements defined as part of the specification. A question was asked as to where the reliability requirements originated, and it was suggested that the requirements defined in the initial release of this specification may not be reflective of current capabilities of new product designs.

Investigating the criteria used for the diesel locomotive specification revealed that these requirements were derived from a previous California specification for diesel electric locomotives. Reliability requirements for other PRIIA specifications (bi-level car, single level car) were derived from earlier specifications developed by Amtrak for similar equipment. The reliability requirements were divided into a comprehensive requirement for the entire vehicle and specific reliability requirements for individual components.

During the Technical Review meeting held on 4/21/2011 the writer committed to summarize his findings and discussions in a formal letter after soliciting opinions from the Technical Team. This letter is the summary of my opinions and those received from the Technical Subcommittee members who responded.

The specific reliability performance of any equipment is influenced by the operational requirements of the owner. Variations in how equipment is used throughout the passenger service can range from cross country service operating 7 days per week experiencing major changes in topography and weather, to a local service operating over the same 30 miles of track on a 5 day schedule. This variation in duty cycle will have a profound impact on the reliability of the equipment. Since duty cycles affect reliability, and a particular owner's service defines the duty cycle, it is recommended that reliability requirements become a part of the specification controlled by the individual owner summarized in Chapter 23 of the specification. Another way of documenting reliability requirements would be in the terms and conditions of the contract but would be difficult for the FRA during funding investigations to review. It is recommended that reliability requirements continue to be defined for the complete vehicle and specific targets be documented for individual sub-assemblies.

It was further recommended by the Technical Sub-Committee that baseline reliability numbers be provided in the various specifications to assist potential buyers who are less familiar with railroad rolling stock reliability capabilities. The team is suggesting we place these baseline recommendations into the specifications in Chapter 23 which would allow for individual buyers to adjust their reliability requirements as their capability and duty cycle dictates.

Recommendations documented in this letter may require changes to the previously released specifications if adopted. In essence this letter suggests that each potential purchaser document their reliability requirements for their equipment based on their own experience and the duty cycle where they intend to place this equipment.

Dale F. Engelhardt  
Vice Chairman Technical Sub-Committee