

SECTION 305 NGENC Executive Board

MINUTES

APRIL 12, 2011

11:30AM EST

CONFERENCE CALL

FACILITATOR	<i>Bill Bronte, Chair, S305 NGENC Executive Board</i>
ATTENDEES	Board Members: <i>Bill Bronte, Mario Bergeron, Rod Massman, DJ Stadtler, John Tunna, for Mark Yachmetz, Alan Ware, Phil Meraz for Tammy Nicholson, Ron Adams, Bill Bronte – proxy for Caitlin Hughes Rayman, Ray Hessinger, Pat Simmons, Scott Witt, Support Staff/Observers/ Guests: Shayne Gill, Steve Hewitt, David Ewing, Rob Edgcumbe , Kevin Kesler, Whitney Phend, Jeff Gordon, Jack Madden, Charlie Poltenson</i>
ABSENTEES	Board Members: <i>Tammy Nicholson – represented by Phil Meraz, Mark Yachmetz represented by John Tunna, Caitlin Hughes Rayman – represented by Bill Bronte, Joe Kyle , Kevin Lawson Support Staff/Observers: Paul Nissenbaum, Marvin Winston, Stephen Gardner, Drew Galloway, John Bennett, Robin McCarthy, Rich Slattery, Nancy Greene, Leo Penne, Ken Uznanski, Richard Slattery, Dale Engelhardt</i>

DECISIONS MADE

Welcome – Bill Bronte, Chair, S305 NGENC Executive Board

Bill Bronte welcomed all attendees to the call and before moving on to the agenda, asked Shayne Gill, AASHTO, to provide a brief summary of H.R. 1473. Shayne described the bill as finishing the fiscal year 2011 appropriations process and implementing the agreement that had been struck late last week between the White House, Speaker John Boehner and Senate Majority Leader Reid. Shayne reported that the bill, as drafted:

- Eliminates all new funding for HSIPR for 2011—the FY2010 appropriation was \$2.5 billion, the White House requested \$1.0 billion and the final bill gives it zero dollars for FY 2011.
- Rescinds \$400 million of the funding appropriated for the program in FY 2010 – this will eliminate USDOT’s ability to give that portion of the FY 2010 funding out to applicants applying for funds turned back to USDOT by Florida.
- Cuts Amtrak capital and debt service grants by approximately \$78 million
- Additionally, in section 1119 of the bill, there is a 2% automatic across the board rescission to all sums appropriated by dollar amount in HR 1473 or appropriated by reference at the FY 2010 level in section 1101 of the bill. (the numbers noted above do not reflect the 2% rescission)
- Calls for reductions to FRA Research and Development, and FRA Safety and Operations, and zeroes out of FRA Safety and Technology.

After a general discussion about the cuts and their impacts, Bill Bronte called the NGENC Executive Board conference call meeting to order and asked for Steve Hewitt to call the roll.

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

Steve Hewitt took the roll of Board members (as well as support staff) on the call, and it was determined that a quorum of voting members was present.

Approval of the Minutes of the March 16, 2011 Executive Board Meeting – Bill Bronte:

On a motion by Ron Adams, Wisconsin, and a second by Scott Witt, Washington State, the minutes of the March 29, 2011 Executive Board conference call were approved without exception.

Scope of Work and Budget –Funding & Structure Options Working Group – DJ Stadtler/Rob Edgcumbe:

Rob Edgcumbe provided a brief summary/overview of the proposed Scope of Work for Structuring and Funding Options Working Group which had been distributed to all Board members prior to the call.

Rob described the scope as looking at funding options and evaluating strengths and weaknesses; and looking at management of the business itself. The working group would put out a report on each of these areas with recommendations.

The program of work had flexibility in it, but was targeting completion in time for Board consideration of the working group's recommendations on September 16, 2011 at the Board's anticipated face to face meeting in Charlotte, NC.

DJ reported that the Finance subcommittee had voted on the proposal and approved it. The Finance subcommittee was now sending it to the Board with a recommendation for Board approval.

DJ commented that the Board could either vote for approval now, or, if Board members preferred, the vote could occur in a few days via electronic vote. He said it was reasonable to give it a day or two for comments by Board members if that was the desire, but, that there is a need to move forward – time is of the essence.

DJ also noted that he was recommending that the proposal have deliverables and dates all the way through its schedule/timeline.

Discussion:

Kevin Kesler asked if the matrix that had been prepared by Larry Salci "still lives" and will it be integrated in this process. DJ responded, "yes it does still live, and yes it will be integrated into this process".

John Tunna stressed that FRA wanted to be sure that **all** options be analyzed, considered, and evaluated equally. He also proposed that there be a representative from FRA named to the working group. All agreed that FRA should have a member on the working group and believed that it is important that FRA play an active role in this effort group.

In response to a question of anticipated costs, DJ stated that they were awaiting a number from AASHTO for possible additional costs, but that the total for the effort would be less than \$100,000.

Decision:

It was agreed that the Board would take action on the proposal today. Before a motion was made, John Tunna inquired as to who was on the working group? DJ responded that members included: AASHTO representatives; Amtrak staff; FRA (John Tunna requested that Kevin Kesler represent FRA "for now"); an outside consultant – (most likely Rob Edgcumbe); and additional volunteers were being requested from the states. David Ewing suggested that there would be about six states involved.

Ron Adams, Wisconsin, made a motion, seconded by Pat Simmons, North Carolina, to accept the proposal as recommended by the Finance subcommittee and to proceed (go forward).

After a poll of the voting members who were present or represented by proxy, (all voting in favor) it was determined by Chairman Bronte that consensus had been achieved and the motion carried.

Update on Trainset Specification Development-Mario Bergeron:

Mario Bergeron reported that the Technical subcommittee was progressing well with the development of the tier 1 single level trainset specifications. The Technical subcommittee continues to meet bi-weekly and is in line to hold a face to face subcommittee meeting for final review of the specification on June 22, 2011 in Chicago. He suggested that, in looking at the timeline and process for adoption of the spec – it would be "July-ish" before the Board would need to meet to consider the specification for adoption. (this would allow time for a Review panel report and recommendation to the Board following Technical subcommittee approval of the specification)

Update on Standardization Implementation Work Plan – Mario Bergeron/Rob Edgcumbe:

Rob Edgcumbe reported that the effort to develop a work plan for standardization implementation was progressing well. Michael Burshtin, Amtrak has been named as coordinator. The work plan is moving forward and will be implemented as "a pilot process in the first instance".

Update on the Document Control Management Pilot – Kevin Kesler:

Kevin Kesler reported that the pilot program is moving along well with good support from Stan Hunter, CALTRANS, Jeff Gordon, VOLPE, NYSDOT and others. The plan is to have recommended revisions developed and a process recommendation for moving forward ready for Board review and consideration prior to the end of May, 2011. He also described the process for approval going forward. The proposed process and revisions will first be considered for approval by the Technical subcommittee and then will be moved to the Board for its consideration.

Update on Rolling Stock 101 Webinar Series – Rob Edgcumbe:

Rob provided an overview of the draft syllabus that had been distributed prior to today's call. The proposed syllabus covers six primary areas: Rail Planning; Track Access Agreements; Equipment Provision; Maintenance and Operation Agreements; Revenue Modeling; and Funding Sources. The section to be focused on first is the 3rd section – Equipment. The working group is now putting together course material on this section.

Discussion: John Tunna stated that "FRA has an issue with this proposal". The FRA "has statutory authority in this area and cannot support the rail planning part it". The FRA believes this is outside of the 305 mandate.

Bill Bronte reminded the members that the Board had approved the development of a Rolling Stock 101 webinar series at the Annual Meeting in February. He emphasized that the webinar series was meant to be educational not a planning exercise. It was not intended to infringe upon the FRA authority with regards to planning. The educational series was to "enable states to plan by understanding the issues to be considered."

John Tunna responded that the FRA believes "that is our responsibility not 305".

Bill Bronte stated that "I totally disagree with that. This is not a planning function." States need to understand the issues they face as they develop their rail plans. Bill suggested that the discussion be taken off line with a small group to better discuss the intent and the issues related to the proposed webinar series.

It was agreed that Rob Edgcumbe would set up a call on this issue. Call participants will be: Bill Bronte, John Tunna, Shayne Gill, Stan Hunter, Mark Yachmetz and Rob Edgcumbe.

Pat Simmons commented that "we need to find a way to get this done". It doesn't really matter who owns it, but that it happens.

John Tunna emphasized that he wanted it in the minutes that the "FRA does not want the 305 Committee to carry out its mandate in this way." John reiterated, "the FRA is asking that the 305 Committee not carry forth its mandate in this way."

Kevin Kesler commented to Rob Edgcumbe, it seems that "you feel it is a training activity not a planning activity."

Rob's response was – "right."

Ray Hessinger commented that "the key issue is a nexus between training and ownership of equipment- what are the things that states have to do to own equipment". He advised that "we not go off the reservation" –be sure you "keep the nexus".

Kevin Kesler stated that part of the issue was that the syllabus document did not have a title and it took "some people back" when they saw it with no title and the first words were rail planning. He suggested that "a cover page be drafted stating what it is and what its scope and purpose is".

Rod Massman noted that, not only was the webinar series approved by the Board, but it had a budget item connected to it as well. "A commitment has already been made."

The discussion closed with the agreement that a smaller group (as noted previously) will hold a conference call to discuss the issue and concerns further.

Update on Grant Agreement Modification – Bill Bronte/DJ Stadtler:

Bill Bronte asked DJ Stadtler to provide a brief update on the status of the Grant Agreement modification. DJ reported that Amtrak had been progressing the modification and had been waiting to see if there would be additional funding in 2011. It appears that there will not be any more funding in 2011 so they will proceed with the modification as agreed to. DJ said that Amtrak was close to sending the modification over to FRA and anticipates turning it around quickly.

Equipment Procurement Process discussion – Bill Bronte:

Bill stated that he had asked for this item to be on the agenda because it is important to begin to look at the equipment procurement process going forward. We need to look at the development of it. Possibly we should establish a subgroup or task force to develop a model procurement document. Who does the procurement? It's important to get this on the table – to begin thinking about things like terms and conditions, commercial issues – who takes the lead? Etc.

David Ewing asked how this issue relates to the structure and funding options effort. Bill responded that it is integrated, but the "key issue is with the timing – with no infrastructure established in that structure to do a

procurement”.

David noted that “much of what you are crafting fits very well into the matrix developed by Larry Salci.”

Kevin Kesler commented that this is a critical issue and one which touches on areas within all parts of the 305 Committee (the Technical subcommittee, Finance subcommittee, and the Administrative Task Force). He also noted that California is most likely the closest state to be going through a procurement. Bill Bronte, while agreeing, emphasized that “we need to know that what we do is something that 305 can use.”

It was agreed that Bill Bronte will draft a general outline to be distributed prior to the next Executive Board call to get the discussion going and “plant the seed.” Kevin Kesler said he would reach out to Bill on this issue and discuss it further.

Setting a date for the Next In-Person Board meeting – Bill Bronte:

After a fairly long discussion, it was agreed that the Board would hold a webinar meeting on August 2, 2011 at 11:30 am Eastern to consider adoption of the trainset specification. Other pending issues for Board consideration can be handled in the regular bi-weekly conference calls, and/or in the face to face Board meeting being planned to follow AASHTO SCORT in Charlotte, NC on September 16, 2011.

It was also agreed that on the next Board call (April 26, 2011) determining the composition of the trainset specification Review Panel would be an agenda item.

Adjourn:

On a motion by DJ Stadler and a second by Pat Simmons, this conference call meeting of the NGEC Executive Board was adjourned at about 12:40 pm Eastern time.

Action Items

Bill Bronte to prepare a general outline on the topic of developing a procurement process to be distributed prior to the next Executive Board conference call – April 26, 2011

The Board will determine the composition of the Review Panel for the trainset specification on the next call.

Rob Edcumbe will arrange a conference call to discuss further the issue of the webinar series. (Call invitees are listed in the minutes)

States who are interested in being a member of the working group for developing structure and funding options should notify Rob Edcumbe of their interest. (CC to Steve Hewitt)

DJ Stadler will follow up on finalizing the Grant Agreement modification and sending it to FRA.

Next conference call: April 26, 2011 11:30am-12:30pm Eastern

ATTACHMENTS



**S305 NGEC Executive Board
Conference Call
April 12, 2011
11:30 am – 12:30pm Eastern
866 299 7945 passcode 1601544#
Agenda**

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|---|--------------------------|
| 1. Welcome | Bill Bronte |
| 2. Roll Call | Steve Hewitt |
| 3. Approve March 29, 2011 – Minutes | Bill Bronte |
| 4. Scope of Work and Budget – Funding & Structure Options | DJ Stadtler/Rob Edgcumbe |
| 5. Update Trainsets Specification Development | Mario Bergeron |
| 6. Update on Standardization Implementation work plan | Rob Edgcumbe |
| 7. Update on Document Control Management Pilot | Kevin Kesler |
| 8. Update on Rolling Stock 101 Webinar series | Rob Edgcumbe/Rod Massman |
| 9. Update on Grant Agreement modification - status? | Bill Bronte/DJ Stadtler |
| 10. Equipment Procurement Process - discussion | Bill Bronte |
| 11. Setting Date for Next In-Person Board Meeting | Bill Bronte |
| 12. Other Items | All |
| 13. Adjourn – 12:30 | |