

# SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES

JULY 19, 2023

3:00PM EASTERN

WEBEX MEETING

<b>FACILITATOR</b>	<i>Tim Ziethen, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
<b>ATTENDEES</b>	<i>Tim Ziethen, John Oimoen, Ray Hessinger, Amanda Martin, Amanda Martin also as proxy for Jason Biggs, Jeff Gordon, Strat Cavros, Barley Fields, Shayne Gill, Steve Hewitt</i>
<b>ABSENTEES</b>	<i>Jason Biggs, Brian Beeler II, Troy Hughes, Larry Salci, Mike Murray</i>

## DECISIONS MADE

### 1. Welcome and Open Meeting – Tim Ziethen, Amtrak:

FASC Chair Tim Ziethen opened the meeting and asked Steve Hewitt to call the roll.

### 2. Roll Call – Steve Hewitt:

After calling the roll, Steve Hewitt confirmed the presence of a quorum.

### 3. Approval of Minutes from the 5-25-23 and 6-21-23 meetings – Tim Ziethen, Amtrak

On a motion by Ray Hessinger, NYSDOT and a second by John Oimoen, IDOT, the minutes from 5-25-23 and 6-21-23 were approved as submitted.

### 4. Treasurer’s Update- Balance and Spend Rate – Forecast – Tim Ziethen:

#### Balance/Spend Rate Through May 2023

Total Initial Grant Amount: \$1,250,000.  
 Expenses Incurred through May 2023: \$1,198,774.76  
 Balance remaining: \$51,225.24.  
 Estimated spend at current rate for balance of the Grant: \$59,938.74  
 Current Spend Rate per month (as info and used in calculating): \$14,984.68.  
 Estimated Balance at the end of the Grant Period: (8,713.50) over target.

Tim noted that there is a fair amount of variance in invoices each month and historically these are “light months” so it is possible to go over budget slightly, but it will be close. If it does go over, Amtrak has agreed to pick up the “small overage.” Tim also noted that he is not aware of anything “hanging out there.”

### 5. Update: Status -NGEC Interim Funding solution - Tim Ziethen:

Tim Ziethen reported that Amtrak has a placeholder in the AOP to fund baseline operations of the NGEC with an adjustment for “known work already approved” by the Board based on estimates provided. The Draft includes built-in contingencies.

The current version of the DRAFT budget is (Tim shared it on the screen with the FASC members on the call) the same as what was discussed at the 7-11-23 NGEC Executive Board meeting. There may be some adjustments/refinements later today as he (Tim) is meeting with Strat Cavros, AASHTO, to go over the line items pertaining to AASHTO’s professional services and other less defined line items such as website maintenance. Tim added that had put in a placeholder for \$500 per month for this website maintenance and asked Strat or Shayne if there could potentially clarify if this was a separate item. Shayne Gill clarified that the website maintenance costs are not separated out from other AASHTO activities – rather they are built in. The separate contract with the website designer did not include continued maintenance. The ongoing maintenance of the site is handled by AASHTO, but not as a separate cost.

Tim noted that he has developed the budget using the last 12-month average spend and will be confirming those numbers with Stat this afternoon.

Tim described one line item as including miscellaneous expenses and Annual meeting Travel. It also includes \$10,000 for reimbursing Amtrak for any carryover from the current grant.

Ray Hessinger mentioned that the House T&I Committee is talking about cutting Amtrak funds – “how will this impact us.”

Tim responded, “good question – we are discussing this internally – but we are hopeful it will get worked out. I have no particular insight on this one - it is a concern, but no one has come back to me to say remove the NGENC placeholder.” Tim added that he is monitoring this as closely as possible. Obviously if there is a shutdown – “all bets are off.”

He did add “while some believe that IJA money solves everything – it does not – there is no ability to re-direct to operating support.”

Tim asked if there were other questions. Steve Hewitt commented that the regular order of things would be for the FASC to consider the DRAFT Budget to move it forward to the executive Board as a recommendation. Steve noted that the Executive Board is expected to discuss the Draft Budget on its next call (7-25-23) in Executive Session. It would be appropriate to have the FASC recommend that it be moved to the Board for consideration with the understanding that FRA has asked for an Executive Session discussion.

Tim agreed, and called for a motion to recommend the DRAFT budget be moved forward to the Executive Board for its consideration with the understanding that after he has talked to AASHTO later there may be some tweaks or adjustments.

Steve Hewitt suggested that the FASC recommendation to the Board should include “a not to exceed” number and the understanding that it could be further refined (after Tim’s discussion with AASHTO later today).

John Oimoen, IDOT offered a motion to move it forward to the Executive Board with the understanding as described above. The motion was seconded by Amanda Martin, Iowa DOT.

Tim asked if there were any objections. Hearing none he determined that consensus was achieved and the motion was approved.

Tim will provide Steve Hewitt with the “refined/adjusted” Draft after his conversation with AASHTO today. Steve Hewitt will forward that draft to the FASC along with the meeting minutes and will send it to all Board members along with the 7-25-23 Executive Board agenda.

**Following the FASC call today (7-19-23) Tim Ziethen had a discussion with AASHTO, as planned. After talking to AASHTO, Tim sent the following email message to Steve Hewitt along with the attached adjusted (not to exceed) budget:**

*Wed, Jul 19 at 3:45 PM*

*Steve – here is the adjusted recommended budget/plan for the NGENC 305 Committee work for FY 2024. It reflects our discussions and shows known line-item costs (estimated) and contingency. This has been approved by the FASC (adjusted and not to exceed) for consideration by the Executive Board and is still subject to change depending on Amtrak’s final plan which has to live within congressional appropriations. This was minimally adjusted after discussion with Strat to accurately represent their authorized work and historical spending.*

The recommended budget (adjusted) will be attached to the email transmitting these minutes to FASC members and will be sent to the Executive Board along with the 7-25-23 meeting agenda on Friday 7-21-23.

**6.  
Other issues/questions – All:**

With no other business forthcoming, Tim Ziethen adjourned the call at 3:23pm Eastern.

**By Computer:** <https://stephenhewitthewittconsulting.my.webex.com/meet/shewitt109>

**by phone:** 1-415-655-0001

Access code: 126-073-1531

8-16-23

### Decisions - Action Items

#### Treasurer's Report – 7-19-23:

##### Balance/Spend Rate Through May 2023

Total Initial Grant Amount: \$1,250,000.  
Expenses Incurred through May 2023: \$1,198,774.76  
Balance remaining: \$51,225.24.  
Estimated spend at current rate for balance of the Grant: \$59,938.74  
Current Spend Rate per month (as info and used in calculating): \$14,984.68.  
Estimated Balance at the end of the Grant Period: (8,713.50) over target.

Tim noted that there is a fair amount of variance in invoices each month and historically these are "light months" so it is possible to go over budget slightly, but it will be close. If it does go over, Amtrak has agreed to pick up the "small overage." Tim also noted that he is not aware of anything "hanging out there."

#### NGEC Funding activities as approved 3-19-23:

##### Status as of 7-19-23:

- Continue to monitor the current funding and expenditures closely. **(ongoing)**
- Accept the reduced scope and budget for Casamar through 9-30-23. **(approved)**
- Continue to look at alternate funding sources. **(ongoing)**
- Make a hard decision no later than June 2023 based on what happens with the CRISI Grant application. **(the Exec Board determined that the NGEF should continue its work while an interim solution is affirmed)**
- Request other Amtrak projects sources to fill the gap if there is a shortfall – possibly \$10-\$15,000 **(this is now planned to come from the AOP in the form of a 12-month interim SOW and Budget)**
- Look for bridge funds or pre-award funding depending on the results of the CRISI Grant application. **(A proposed 12-month interim funding budget and SOW is under consideration and will be discussed in an Executive Session of the Executive Board on 7-25-23).**

Amtrak also developed a 6 month no-cost grant agreement extension (current grant) to allow for expenses related to the grant to be paid until the funds are exhausted.

#### NGEC funding issues/potential interim solutions as of 7-19-23:

Amtrak has developed an interim SOW and Budget to fund the NGEF for a 12-month period to continue the baseline work of the Committee while awaiting the results of the CRISI Grant application and/or exploring other funding solutions.

O 7-19-23, the NGEF FASC approved a motion to recommend the DRAFT budget be moved forward to the Executive Board for its consideration (with the understanding that after Tim Ziethen has talked to AASHTO later on 7-19-23 there may be some tweaks or adjustments) with the amount not to exceed \$260,620.

**Following the FASC call today (7-19-23) Tim Ziethen had a discussion with AASHTO, as planned. After talking to AASHTO, Tim sent the following email message to Steve Hewitt along with the attached adjusted (not to exceed) budget:**

*Wed, Jul 19 at 3:45 PM*

*Steve – here is the adjusted recommended budget/plan for the NGEF 305 Committee work for FY 2024. It reflects our discussions and shows known line-item costs (estimated) and contingency. This has been approved by the FASC (adjusted and not to exceed) for consideration by the Executive Board and is still subject to change depending on*

*Amtrak's final plan which has to live within congressional appropriations. This was minimally adjusted after discussion with Strat to accurately represent their authorized work and historical spending.*

The recommended budget (adjusted) will be attached to the email transmitting these minutes to FASC members and will be sent to the Executive Board along with the 7-25-23 meeting agenda on Friday 7-21-23.

**CRISI Grant Application Status:**

As of 7-19-23:

No change from previous report. Announcements on grant applications to be awarded are anticipated to occur in the August-September 2023 timeframe.

**NGEC two-pager:**

The 2023 version of the two-page educational flyer is now available electronically or in hard copy by request from Steve Hewitt. It is also posted on the NGEC website [www.ngec.org](http://www.ngec.org).

To date: 335 copies (hard and electronic) have been distributed.

**Quarterly Grant Progress Reports to FRA:**

The FFY 2023 second quarter report was submitted on time.

The next report is due to FRA by July 31,2023.

**Approval of the DRAFT Minutes from the 5-25-23 FASC meeting:**

Due to the lack of a quorum on 6-21-23, approval of the DRAFT minutes from 5-25-23 was tabled until the next meeting (7-19-23) providing that a quorum is present.

**Both sets of meeting minutes were approved on 7-19-23.**

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**Next Call 8-16-23**

**ATTACHMENTS**



***Our Vision: The NGEC provides national leadership in standardization, acquisition, and management of passenger rail equipment.***

**SECTION 305 NGEN Finance and Administrative Subcommittee (FASC)**

**Web Ex video/audio information:**

By Computer: <https://stephenhewitthewittconsulting.my.webex.com/meet/shewitt109>

by phone: 1-415-655-0001

Access code: 126-073-1531

**AGENDA  
7-19-23  
4:00PM Eastern**

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|--|--------------|
| 1. Welcome/Open  | Tim Ziethen  |
| 2. Roll Call   | Steve Hewitt |
| 3. Approval – Minutes from 5-25-23 and 6-21-23             | Tim Ziethen  |
| 4. Treasurer’s Update- Balance and Spend Rate - Forecast   | Tim          |
| 5. Update: Status: interim funding solution                | Tim          |
| a. Review of DRAFT Budget for the 12-month Interim funding |              |
| 6. Other Issues/Questions/Next Steps                       | Tim          |

**Next Call 8-16-23**