

**American Public Transportation Association
Business Member Board of Governors**

**October 3, 2010
Minutes**

The meeting was called to order by Chair Sharon Greene. Present at the meeting were members Michael Melaniphy, John Barberis, Tom Barron, Steve Beard, Pat Biedar, Linda Bohlinger, Jeff Boothe, Pete Cannito, Pete Cipolla, Marlene Connor, Frank DiGiacomo, Hugh Harrison, Angel Iannuzzello, Sandy Lautenberg, Frank Martin, Gordon Nevison, Jerry Premo, Janet Rogers, Paul Skoutelas, Jim Srygley, Jeff Wharton, Kim Green, Delon Hampton, Stephanie Pinson, Dave Turney, Alan Wulkan and Dan Reichard.

Business members on the APTA Board of Directors present included Bob Andress, Jean-Pierre Baracat, Bob Brownstein, Haken Eksi, Al Engel, Dave Hillock, Stan Rosenblum, John Somers and Larry Yermack.

Guests present included FTA Administrator Rogoff, FRA Deputy Administrator Karen Rae, Mike Scanlon, Helen Callier, Arcilia Acosta, Karen Becerra, Ed Mortimer, Rick Sachse, John Obert, John Andrews, Steve Chang, Brandi Childress, Lauren Isaac, Brett Wallace, Eric Rouse, Matt Shadan, Ryan Lynch, Tom Wagner, Tamar Henkin, Rob Padgett, John Bartosiewicz, Wayne Joseph, Rich Amodei, Jack Martinson, Joe Policarpio, Bill Correa, John Zehner, Al Maloof, Joe Gibson, Eve Williams, Jesse Oliver, Alice Wiggins, and Michele Swayzer.

Staff present included Bill Millar, Kathy Waters, Art Guzzetti, KellyAnne Gallagher and Fran Hooper.

A short overview on a Leadership APTA project on Alternative Project Delivery Systems was provided and members were encouraged to go to the full presentation on Tuesday afternoon.

The Anti-trust statement was read and the minutes of the June 10, 2010 meeting were approved.

FTA Administrator Peter Rogoff was introduced. In his remarks he noted that Congress is stepping back on earmarks permitting FTA to make more competitive grants and that new state of good repair grants would be announced that week. He noted the President's Labor Day speech and commitment to 6 year authorization bill, the commitment to work with Congress to find a revenue source and the \$506 billion in front-loading funding that had been called for in response to concerns about what happens when recovery funds run out. He noted that it is important in light of the fact that orders were drying up.

He also encouraged business members to pay attention to Buy America requirements going forward and that some of the actions permitted by his predecessors were not viewed as routine waivers today. He said that the Administration was concerned about domestic manufacturing and was trying to fight for all possible jobs in the U.S. He was asked about the different domestic content requirements of DOT agencies and replied that there was discussion about the different definitions but that the policy for high speed rail was clear and that DOT expected new

investment by manufacturers and that when non-availability waivers were requested they were looking at why products were not available in the U.S.

He was also asked when new starts funds would be going out and the schedule for the NPRM. He replied that it was a challenge to manage the new starts pipeline, that the pending projects are sizeable and that FTA is looking at how to manage the pipeline going forward – that they don't want to sign an FFGA with an agency which then has to wait for funds to be available. He noted that agencies are now asking for more federal dollars as state and local revenues are not coming in as projected. He said that they would have a better idea in a month. With regard to the NPRM he replied that there were over 4000 comments, including many from people who they don't usually hear from.

He was asked about expediting getting discretionary funds out and concern that unexpended funds could be taken for other purposes. He replied that all the recovery funds were out and that the talk about rescission was related to unspent recovery funds.

The chair introduced Bill Millar. In his comments he welcomed the members to the Annual Meeting, thanked the business members for their efforts to improve the quality of the program and speakers and thanked the business members that were sponsors and Showcase participants. He spoke about the September 22 event in Washington and the support that business members provided for it and encouraged business members to get their employees to sign the petition to Congress. He also talked about the legislative principles for high speed rail that were being adopted, implementing the new governance structure that guaranteed that business members did not have to run again their customers for leadership positions, and the business member survey that is going out. He encouraged business members to get political candidates out to visit their plants and offices during the campaign season and to remind candidates that the funding for transit expires on December 31.

In her report the Chair noted that the new governance process started that day, that it was a new milestone for business members and that growing pains and changes were to be expected. She noted that five business members had been elected that morning to the Executive Committee and 10 business members were elected to the board of directors where they joined 10 business members that held designated seats on the board and other business members who chaired designated committees.

Jeff Wharton gave the report of the Business Development Committee. He noted that the delivery of the high speed rail investment brochure was delayed, that Jules Walker was the new APTA international staff member and that there were opportunities for business members interested in the China and India markets this fall. He also noted that a new subcommittee called the "sputnik" subcommittee would be considering workforce development issues.

The Chair introduced the new APTA Chair Mike Scanlon. He noted that the industry needed good supporters to get funds flowing to infrastructure investments. He said that he welcomes the opportunity to serve as chair and that we will continue to tell our story of the consequences of not investing in infrastructure.

The Government Affairs Committee report was given by Cliff Henke. He reported on a Buy America bill calling for 100% U.S. content which appears to be dead this year but which might get traction in the authorization bill and a survey on the issue that is being sent out to business members. He noted other committee efforts including webinars, the business voice message and a spokesperson and the social media grass roots effort that R&R Partners was going to report on.

Brian Rasmussen of R&R Partners was introduced. In his presentation he noted that the goal of their efforts was long term extension of authorization, raising awareness on the importance of protecting jobs, and getting the message out that the U.S. is falling behind internationally. His presentation focused on the use of Facebook to build public support from a group of people concerned about public transportation and building a community concerned that transit means business and in investing in the new economy. In the subsequent discussion member it was noted that Leadership APTA members should be introduced to it, that it was an opportunity for live content such as reports from state associations, video from business members etc.

The Chair introduced FRA Deputy Administrator Karen Rae. She noted that the reason she comes to APTA is to hear from business members – that AASHTO doesn't have them and that she wants to find a way to better integrate APTA and business members into the FRA's activities.

She noted the September 7th announcement of the national rail plan, that FRA was beginning to get their high speed rail funding out the door (10% is obligated), and that \$7 billion of the \$8 billion for the program goes to seven states. She said that the program would help build domestic manufacturing capacity and that the focus was on manufacturing not just assembly plants. She also noted that sustainable revenue sources are important to continue the program and the need to grow the future leaders of the transit world.

She was asked about DBE requirements for the high speed rail program and responded that FRA does not have statutory authority for both DBE and ADA requirements, that they have been advised that they need to do a disparity study on the multistate corridors, that they were starting to work with state DOTs in conjunction with FHWA, that at a pre-bid conference in North Carolina 50% of the attendees were from small/woman/DBE businesses, and that the toughest side for this is the railroad side. Members noted that some state requirements are stricter than federal requirements and others don't have any requirements.

Other issues raised by members included the issue of stakeholder agreements and the need to identify the key things that need to be in master agreements but that they can't all be the same. She responded that they were adding performance standards to the stakeholder agreements and trying to get 4 to 5 models, and that we can learn from tougher agreements such as no paybacks.

The Programs Committee report was given by Jerry Premo and Gordon Nevison. They noted that the program session from the January BMBG meeting created the idea for the business members' session on Monday afternoon and that Malcolm Gladwell's appearance is sponsored by the business members. They asked for volunteers that would be interested in serving as the leader for the business program session at each of the conferences next year.

Michael Melaniphy gave the Procurement Committee report, noting that he and Jeanne Krieg had visited with Congressman Garamendi's staff on Buy America. He reported that the committee had a briefing from Paul Como on Houston Metro's lessons learned and that a newly revised edition of the Procurement Handbook for Transit Board Members had been presented to the Transit Board Members Committee that afternoon. He also reported on the EXPO committee meeting, noting that a block of time on the floor would be reserved for B to B networking and that they would find a way to recognize the nine companies that were 30 year participants in EXPO.

The Member Outreach/Liaison Committee Report was given by Frank DiGiacomo. He reported that the next issue of Business in Motion would be prepared for the Legislative Conference and that the committee would be assisting APTA staff on development of a new Buyer's Guide to replace the old APTA COMPS list.

Pat Biedar gave the Small Business Committee report, encouraging all the members to participate in the DBE/small business reception on Monday evening.

Jim Srygley gave the budget report and noted that an amount of \$218,500 is recommended to be carried over to the FY2011 budget to cover the cost of projects budgeted in FY2010 that did not get completed but which are underway or are anticipated to be started this fiscal year. The 2011 carryover budget was approved and is attached to these minutes.

In the Nominating Committee report Delon Hampton reported that three additional members of the BMBG were not in compliance with the attendance requirements and that the Nominating Committee had met and recommended that Janet Rogers be elected to a two year term on the BMBG ending in October 2012, and that Pete Cipolla Joe Policarpio be elected to fill the remainder of terms that end in October 2011. The report of the Nominating Committee was moved, seconded and approved.

The Chair noted that participation on the BMBG was an important commitment and that attendance and participation are critical aspects of that commitment and the obligation of each member.

Art Guzzetti reported that a survey is being sent to business members regarding the health of the industry and the impact of the delay in authorization.

Frank DiGiacomo and Kim Green gave the report of the Bylaws Committee, noting that the last time the BMBG bylaws were changed was in 2006 and that the only time they can be changed is at the January meeting. They reviewed a redline copy of the current bylaws that identified possible areas where changes were needed related to the recent APTA governance changes, housekeeping changes (such as correcting the association's name), the BMBG election schedule, and other issues including company representation by industry sector on the BMBG, individuals holding seats on both the BMBG and the APTA Board of Directors, the size of the BMBG and whether past chairs should be voting members of the BMBG. In the subsequent discussion Michael Melaniphy noted that the APTA nominating committee was impressed with the robustness and structure of the BMBG's process for recommending business members for

consideration for positions on the Executive Committee and Board of Directors. Members noted that there is considerable interest from business members in leadership positions such as seats on the BMBG and Board of Directors and that more opportunities were needed. There was consensus that these issues should be considered by the Bylaws Committee and included in their report to the BMBG on proposed bylaws changes for consideration at the January 2011 meeting. It was noted that these changes needed to be sent to the BMBG in advance of the meeting.

Staff noted that members needed to make hotel reservations for the January BMBG meeting and that the deadline for reservations in the APTA block is December 11, 2010.

Michael Melaniphy proposed a toast to Sharon Greene for her successful tenure as chair of the BMBG and the accomplishments that resulted from her leadership. She expressed her appreciation for the support of the BMBG committee chairs and members during her term as chair.

**AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
BUSINESS MEMBERS ACTIVITY FUND
FY 2011 Carryover Budget**

	FY2010 Revised Budget	FY2010 Actual	FY 2011 Approved Budget	FY 2011 Revised Budget
<u>REVENUE:</u>				
Beginning Fund Balance	236,343	236,363	107,843	358,676
Contributions FY2010	205,000	221,754	225,000	225,000
TOTAL REVENUE	441,343	458,117	332,843	583,676
<u>EXPENSE:</u>				
Advocacy:				
Advocacy Consultant	15,000	10,000	50,000	55,000
Conservative Champion	20,000			20,000
Special Authorization Activities	45,000		45,000	90,000
Transit Referendum Conference Sponsorship	5,000		5,000	10,000
Impact of Authorization Delay	55,000		30,000	85,000
New Insights on Transit Benefits	30,000	20,000		10,000
Business Case Fact Sheets	10,000			10,000
"Lumpiness" study of bus and rail markets			30,000	30,000
Webinars/support for biz member auth activy			20,000	20,000
New Brochure			5,000	5,000
Subtotal	180,000	30,000	185,000	335,000
Programs/Events:				
Legislative Breakfast	15,000	15,000	15,000	15,000
Bus Conference Reception	5,000		5,000	5,000
Rail Transit Conference Reception	5,000	5,000	5,000	5,000
Bus and Annual Conference Program*	50,000			
Bus Conference Speaker		12,556		
Annual Meeting Speaker - San Antonio				75,000
Annual Mtg Program Enhancemnt - SA*	25,000			
Annual Mtg Program Enhancemnt - NOLA			60,000	60,000
Executive of the Year Event	20,000		10,000	
Subtotal	120,000	32,556	95,000	160,000
Committee Activities/Tactical Plan:				
Speakers at BMBG Meetings	3,000		3,000	3,000
Market Trend/Investment Paper	10,000	8,854	7,500	7,500
Market Trend/HighSpeed Rail Paper			15,000	15,000
Small Business Committee Activities	5,000	6,601		
Resource Room -Bus and Rail			2,500	2,500
Networking Receptions			3,000	3,000
Board Member Brochure	3,000	1,000	10,000	13,500
Procurement Manager Paper	1,500			
Subtotal	22,500	16,455	41,000	44,500
Other:				
Misc Expenses	1,000	430	1,000	1,000
APTF Scholarship	10,000	10,000	10,000	10,000
Red Cross-Haiti Relief Contribution		10,000		
Subtotal	11,000	20,430	11,000	11,000
TOTAL EXPENSE	333,500	99,441	332,000	550,500
ENDING BALANCE	107,843	358,676	847	33,176

*There was \$25,000 in the original budget for program activities in SA and \$50,000 was added later for speakers for Cleveland and San Antonio. Buoniconti cost \$12,500 of the \$50,000 which left \$37500 for the SA speaker. The budget committee and programs committee chairs and the BMBG chair agreed to use the money allocated to the Exec of the Year event to fully fund the \$75,000 to get Gladwell.