TRANSCRIPTION OF

TEXAS DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION ADVISORY COMMITTEE

PUBLIC MEETING

THURSDAY, MARCH 30, 2017

1:00 P.M.

200 EAST RIVERSIDE DRIVE, ROOM 1A.2

AUSTIN, TX 78704

TRANSCRIBED BY: JOY QUIROZ-HERNANDEZ, CSR

TRANSCRIPTION DATE: APRIL 12, 2017

A P P E A R A N C E S

COMMITTEE MEMBERS PRESENT AND PARTICIPATING:
Rob Stephens, Chair
John McBeth, Vice Chair
J.R. Salazar
Jim Cline
Joseph Kopser

COMMITTEE MEMBERS PARTICIPATING TELEPHONICALLY:
Michelle Bloomer

TxDOT PRESENT AND PARTICIPATING:
Eric Gleason, PTN Director
Kelly Kirkland, PTN Business Operations Manager
Josh Ribakove, Communications Manager PTN

SPEAKERS IN COMMENT PERIOD:
Naomi Chaves, South Plains Association of Governments
Rina Bale, Permian Basin M.P.O. (Metropolitan Planning Organization)
Kyle Ingham, Amarillo Regional Planning Commission
Aida Martinez, South Plains Regional Coordination Advisors Committee

M E E T I N G   A G E N D A

P R O C E E D I N G S

ROB STEPHENS: All right, everyone. Thanks for coming out to Austin today. My name's Rob Stephens. I'll chair this meeting today. Let's get started. It's a little after 1. Call the meeting to order. Let's begin with Mr. Josh Ribakove with our Safety Briefing.

JOSH RIBAKOVE: Hi, folks. Welcome to TxDOT's Riverside Campus here in south Austin. What can I tell you. Let's see. If we should need to evacuate the building for any reason, you'll go out this door, straight back the door you came in, out to the main parking lot. Turn right, you'll see an apartment complex back there. Just go off back to the apartment complex. That's where we'll all get together.

Should there be inclement weather, and clearly, we're not expecting any today, but if there is, the place for us to shelter within the building is right next door, behind that wall, in the main auditorium. You would just go out either of these two doors and in the very next one, and that's another windowless room and that's the place to -- to shelter.

Restrooms, closest ones are, again, out either of these doors, back to the lobby where you came in, and there are men's and women's rooms there in the lobby. There's a good cafeteria in this building.

You'll find it going out this door and all the way to the end of the hallway, and you'll see signs for it over to the left.

Austin is a no handheld cell phones while driving city, and they do enforce on that. It's good to keep it in mind. There's also some construction going on on our highways, which you may or may not have noticed as you came in. And along with that in -- construction goes additional enforcement. Be -- be aware of the speed limits. I think that's --

ROB STEPHENS: Thank you, Josh. Thank you, very much, for that. Next thing on the agenda is we'll --

JOSH RIBAKOVE: Rob, I want to say one more thing.

ROB STEPHENS: Yes, sir.

JOSH RIBAKOVE: I'm sorry.

ROB STEPHENS: Go ahead, Josh.

JOSH RIBAKOVE: I'm sorry. By the door we have some sign-in sheets. We also have comment cards. If you'd like to speak in this meeting, just fill out one of those comment sheets, pass it over to me, and I'll make sure that the Committee Chair gets it. That's all. Sorry.

ROB STEPHENS: Yes, sir. Appreciate you,

Josh. Thank you, sir. Okay. You guys know how to be safe and you know how to make comments, so we'll get started. Number -- the third thing on the agenda is introduction of members.

I'd like to begin -- on the other side of the table we have two fairly new members. Jim's been here. Joseph, this is your first time with us. Appreciate you. Jim Cline and Joseph Kopser join us, appointed by the Speaker, and they represent the user and the general public portions of our committee.

And I'd like to give -- please welcome them and please give them a chance to introduce themselves. Go around the table. We'll start with Jim.

JIM CLINE: Thank you. Yeah, Jim Cline. I'm with Denton County Transportation Authority. Lot of -- I had 20 years with municipal government. I'm a Professional Engineer, and 28 years in the National Guard. I'm retired from the National Guard, not from the other gig.

JOSEPH KOPSER: There might be a theme here. My name is Joseph Kopser. I spent 20 years in the United States Army, starting 23 years ago back here in Texas at Fort Bliss. All throughout that career, a whole mix of exposure to transportation of all kinds.

And then at the end of my 20-year Army

career created a company called Ride Scout, which was designed to make mobility and transportation smoother for everybody involved. It took me all over the U.S. but it kept me here in Austin, Texas.

And now I just do some private consulting, but I'm a huge fan of all issues of mobility, and thrilled to be and honored to be here on the -- is it officially considered a commission? Or a board? Or a panel?

ROB STEPHENS: Yeah, we're an advisory committee.

JOSEPH KOPSER: An advisory committee. Thrilled to be a part of it.

ROB STEPHENS: Thank you, Joseph. J.R.?

J.R. SALAZAR: Yes. My name is J.R. Salazar. I'm the General Manager of Central Texas Rural Transit District. It is a middle to large size 5311 agency located in the Abilene/San Angelo area.

JOHN McBETH: I'm John McBeth. I am the President and CEO of Brazos Transit District, and also the President of the Association of Community Transportation, and the Vice Chairman of PTAC.

ROB STEPHENS: Thank you, John. And, lastly, my name's Rob Stephens. I currently serve as your Chair, and I currently GM small, urban in west

Texas, in Midland/Odessa, and I've been in the business for about 25 years now.  And someone join us?

JOSH RIBAKOVE:  No, but Michelle should.

ROB STEPHENS:  Michelle.  Okay.  So that -- that's me, I'm Rob.  And, Michelle, are you on line?

MICHELLE BLOOMER:  I am.  My name's Michelle Bloomer.  I'm a general public representative and I was appointed by the Governor.  Spent 12 years at the North Central Texas Council of Governments with transit funding, planning, regional coordination activities.  In the last four-and-a-half years, I've been on the operational side, and I'm currently the AVP of Bus Operations at DPTA.

ROB STEPHENS:  Thank you, Michelle.  Thank you.  Okay, guys.

MICHELLE BLOOMER:  Thank you.

ROB STEPHENS:  Yeah, introductions.  Through with introductions.  I guess we got staff.  You want to introduce yourself, guys?

ERIC GLEASON:  Sure.  Eric Gleason.  I'm the Director for the Public Transportation Division, and that division staffs this committee, and look forward to the meeting.

ROB STEPHENS:  Thank you, sir.

KELLY KIRKLAND:  Kelly Kirkland with TxDOT's

Public Transportation Division. I'm a Business Operations Manager and handle data collecting, data reporting, legislative, and a whole -- whole slew of ideas and things going on.

ROB STEPHENS: Thank you. Thank you, very much. And you've met the wonderful Mr. Josh Ribakove. You want to --

JOSH RIBAKOVE: Sure.

ROB STEPHENS: Go ahead and introduce yourself.

JOSH RIBAKOVE: I'm Josh Ribakove. I work for Eric in the Public Transportation Division, and I'm the Communications Manager in that division. Pretty much get in touch with me and I'll see if I can't find the person you really want to talk to.

ROB STEPHENS: Thank you, Josh. Appreciate you. Let's move to item number 4, Approval of minutes. Have you guys had a chance to review those? If you have, I'll entertain a motion.

J.R. SALAZAR: I'll move to approve.

ROB STEPHENS: All right. We got a motion.

JIM CLINE: Second.

ROB STEPHENS: Second. Any discussion? All in favor.

("Aye" spoken in unison)

ROB STEPHENS: All opposed, same sign. Hearing none, motion passes. Got the minutes out of the way. That's very good. We'll move to number 5. Michelle, do you have something?

JOSH RIBAKOVE: No, I think that was just somebody else --

ROB STEPHENS: Oh.

JOSH RIBAKOVE: -- listening in and --

ROB STEPHENS: Okay.

JOSEPH KOPSER: It's Morse code.

ROB STEPHENS: Morse code. Number 5, we'll move on to that one. It's the Director's report. I'll hand this over to Mr. Eric Gleason, Director of the Public Transportation.

ERIC GLEASON: Thanks, Rob. Once again, Eric Gleason, Director of Public Transportation Division for TxDOT. I have a number of items I want to brief the committee on in my report. Some of it we'll get to in more detail later on in our conversations today.

The first I'd like to touch on is just a quick legislative update. I would invite members of the committee to join me in this conversation if they have things to add to that.

Very quickly, just focused on issues that are near and dear to the work this committee did last year in helping the department prepare its appropriations request.

The appropriations request, as you know, in the baseline proposal, the baseline request does include an additional 3-and-a-half million dollars for areas of the state getting state funding that are over 200,000 but not yet having formed themselves under the transit authorities.

That additional funding, at this committee's recommendation, was included from the department's anticipated nondedicated highway fund revenues. It also includes an exceptional item request, which is not funded from the department's revenue stream but would require general revenue.

As -- as an exceptional item, I think it's still -- it's -- I'm not sure how to describe its status. It is not part of our appropriations request. It is, I think, in what they call Chapter 11 now, which means it is an exceptional item and it is recognized as that, and would need to be -- take action on some member of the legislature to bring it into the appropriation's budget.

And, finally, House Bill 1140, forwarded by Representative Watson, Doc Watson, which actually amends state statute to recognize the -- those urban --

urbanized areas over 200,000 that have not formed transit authority as a -- as a separate and distinct group qualified for funding.  So it would support the additional dollars that are in the department's baseline.

Those are the legislative issues I was gonna touch on.  I don't know if anyone else has anything they'd like to add quickly to that.

JOHN McBETH:  I would add that House Bill 1140 was voted out this morning, early, which is exactly one week from when we testified for 1140.  It was voted out.  The vote was 10-4, one abstention, which is not unusual.  We testified on it first thing last Thursday morning, 8:00.  First time I've been listed at 8:00 that I actually got to speak at 11 -- at 8:00.

Eric and Deputy Executive Director Mark Williams were there, answered all of the questions that the members of the committee had, which they -- they -- they had quite a few.  But they were pretty much harmless questions and Eric and Mark answered them perfectly and assured them the money's there.

So this bill will now -- we're unsure where it's gonna go.  It would normally go to local consent but I think the -- the -- Representative Doc -- Doc Watson, who's carrying it, wants it over in calendar, so

I think it's probably gonna go to calendars. We'll see. The senate companion to this bill is being carried by -- by Senator Hinojosa, and the number is -- what's the number on the Senate Bill?

FEMALE SPEAKER: 1334.

JOHN McBETH: 1334. Senator Hinojosa is carrying that at the west with Rob, who we -- who we sent over there with the transit director from Senator Hinojosa's area. And he was on the -- I guess you would say too pleased to sign off on this bill; was very, very happy.

So we -- we look for the bill to move pretty quickly now, once we get some of the other stuff out of the way. It's -- it's gonna be a good bill, everybody understood it. There's no -- so far we've encountered no opposition to this bill whatsoever.

ERIC GLEASON: Thank you. Couple other items to mention. 5310 program, again, we'll talk about that later today in item 6, but I do want to let the committee know that our current call for projects applications were due in on the 15th of March. We got 51 applications, total requests of about 11.3 million dollars in federal funding for those 51 applications.

And we have -- assuming we get full apportionments this year at some point, and they --

roughly what they were last year, we should have about 7 million dollars for the areas of the state under 200,000 in population to make decisions on those 51 proposals totaling 1.3 million dollars.

So it's a typical situation for us to find ourselves in. We're not, at this point, terribly concerned about the gap between the (indiscernible). Just to let you know, those are all in and we are in the process of beginning to evaluate them.

The other -- we had another Call for Projects on the regional coordination planning. Again, we have another agenda item for that, but I would let the committee members know that we received 12 applications. Applications were due this week, on Monday, the 27th. Received 12 applications.

We're asking for just over 1.1 million dollars in funding, and we anticipate having 5 to 700,000 dollars available for those 12. And I think we are, in both cases, 5310 and -- and planning, I believe we're targeting a June commission meeting for those awards. Again, 53 -- 5310, it's difficult to say, depending on federal appropriations, how we'll approach that in June.

Two other things I will also mention, that we have a third Call for Projects out there. The

Transportation Alternatives Set-Aside program is actually a -- a federal highway program for bicycle and pedestrian infrastructure construction, that began. The department administers in areas of the state under 200,000.

I mentioned this at our January semiannual meeting, for those of you who attended that transit provider should attend that. It is -- it's an opportunity to -- to partner with -- with a local city or community where you may have a transit facility or you have well used service.

You can partner with them to -- I would look at it as an opportunity to expand access to your system through the construction of additional sidewalks and ramps, those kinds of things, to enable pedestrian/bicycle access to your system.

Now, the program is not designed to supplant what would normally be funded through an FTA funding stream, it's designed to add on to that. So we're not gonna construct a transit center for you with this. We're not gonna construct a bus stop, and pad, and ramp in the vicinity of that. But if you want to extend access to those investments, this program could be used for that, and so I'll draw your attention to that.

These project proposals are due on May 22nd.

And we have roughly -- we're actually giving out anticipated funding amounts through fiscal year '20, so we're gonna be distributing about 52 million dollars worth of funding.

And, finally, I'll mention our TIGER project. Those of you who are familiar with it, the department was successful securing USDOT TIGER funding for a Rural Transit Asset Replacement Project back in 2015.

The total TIGER project is a combination of TIGER funding, STP flex funding, which the commission elected to flex from the highway program over to transit to support fleet replacement needs, and an additional element of state funding which the commission elected to add to the project.

And it's significant. It's a 36 million dollar project with all three funding streams, with 16 million of it -- just over 16 million of it being associated with decisions that the commission made to bring money that could be used for other purposes to -- to transit. So over 40 percent of that total project is -- is -- is money like that. So it represents a pretty good commitment on the part of the department to Rural Transit Asset Replacement.

That is going to help us finish four

facilities that were already under construction but needed additional funding, and replace 325 vehicles in the rural fleet that were in excess of 130 percent of the useful life two years ago. So pretty excited about all that.

We are beginning to spend the money down. We -- we finally executed the grant. We were the first in the country to execute their 2015 TIGER program funding, across all modes. First to execute. Executed in late August of last year. We are -- have expanded just under 2 million dollars of the total 36 million, so we are on our way to spending that down.

We've got fleet that have arrived. J.R.'s got fleet he's bought with that money. He's finishing construction of his facility. We've got major construction effort out here, CARTS in Austin, just east of the airport. And we are learning every day that fleet are rolling in that people have bought. So we're beginning to see the benefits of that. Excited about that.

That, Mr. Chair, completes my report.

JOHN McBETH: If I could, I'd like to make one comment. Going back to the hearing that we had last Thursday -- and Eric jogged my memory. At the end of that hearing, when we were through with our bill, which was pretty quick. We got it all done in about, what, ten minutes? Pretty fast.

On the committee is Larry Phillips, who's past chairman of transportation and is a current chairman of another committee. As a matter of fact, there's five chairs on that transportation committee.

But it was real significant, Representative Phillips asked for -- to make some privileged comments, and was highly complimentary toward Eric and TxDOT for work they have done this year, solving a pretty darning problem up there in northeast Texas.

It's -- for a person who's done this for 40 years now, it's very rare that a chairman is that complimentary to anybody. Particularly, it's rare that they're complimentary to TxDOT because everybody over there doesn't like TxDOT. But he was speaking from his hear. He was very sincere.

I know how much work was done to solve that problem, and it's just a -- it's just a big compliment when the -- when the committee, and particularly Representative Phillips, makes comments that are that positive; and basically said it would've been a catastrophe if you people would not have stepped in and ponied up and done your job.

So kind of jogged my memory about some of that other stuff y'all have done. And that's -- that's real -- that was real significant. I wondered about it for the last four days. I think it's amazing.

ERIC GLEASON: Thank you, I appreciate that.

JOHN McBETH: It speaks well of what this department does representing public transportation.

ERIC GLEASON: I appreciate that. I will pass it on to my staff as well. Thank you.

ROB STEPHENS: Well deserved.

JIM CLINE: Can I ask you a couple questions?

ERIC GLEASON: Sure.

JIM CLINE: This --

ERIC GLEASON: You bet.

JIM CLINE: This group of cities that's -- does not have a transportation authority and is over 200,000 --

ERIC GLEASON: Yes.

JIM CLINE: -- what's the -- it's got to be a -- and just help me put a face on that.

ERIC GLEASON: Okay. So we've got six areas, based on U.S. Census, urbanized area designations that qualify. There's Brownsville, there's McAllen, there's Killeen, (Indiscernible), Lubbock, and Laredo. Now, Laredo is a little unique because -- because you --

well the first five I mentioned all have urban -- urban transit districts formed when they were under 200,000.

And so -- and -- and so they simply -- when you surpass the 200,000 threshold per state statute, you may choose to reform yourself as a transit authority, and that gives you the ability to go out and ask for sales tax to support your system, as long as you as a community have not exceeded or are at your cap already. So it is not in addition to your constitutional cap. It has to be within the constitutional cap.

And, in many cases, folks just already there, or significant communities within their service area are already there and --

JOSEPH KOPSER: Already there at their cap?

ERIC GLEASON: At the cap. And so, you know, the -- the minute they form themselves as a transit authority, they remove themselves from state funding. So it's kind of a Catch 22 for many systems. So we have systems who have just gone over and they just have to reform themselves.

Now, our funding formula, which you'll hear next time, caps the credit they get for population at 199,999. So we don't give them any more credit from a dollar standpoint if they haven't gone over, but they still play in the performance pot. And because of their size and density of development, they do very, very well in the performance pot.

These -- and in addition to those six, for state funding purposes -- and this goes back to the original conversations in 2006 -- '5 and '6 -- the Midland/Odessa area, even though treated by the Census as two distinct urbanized areas, and people don't think they'll ever grow to come together, for state funding purposes, the decision at the time was to put them together as one. They're operated by a single system. And -- and so they are a seventh member in that group, from state urban funding purposes that --

JIM CLINE: Caps are at 200?

ERIC GLEASON: -- are above 200,000. Collectively, those systems -- so there are 30 urban transit districts that are funded by state funding. Collectively, those seven take up a third of the funding. So there's 10 million a year, they take up 3.3 million a year. So it's a pretty big chunk of change. And so the 3-and-a-half million in the LAR pulls them out. There's enough money in there that would put as much as they get now.

But by pulling them out with a new set -- set of money, the remaining group, 23 or 24, still have all that 10 million to divide amongst themselves. And

so the real -- the real (indiscernible) here is the
small urbanized areas see a pretty significant increase
in (indiscernible). So it's a big deal. This little
bit of money, just structurally, really has a big impact
(indiscernible).

JOSEPH KOPSER: Those other 23 are less than
200,000 people?

ERIC GLEASON: They're between 50 and
200,000, which is the FTA -- that's the federal
definition of small urban funding is 50 to 200,000.

JOHN McBETH: The seven that are -- the
seven that are in here, into this -- in this category,
all seven of those are at their sales tax cap. They --
for them to be able to pass -- they -- they couldn't
pass a sales tax 'cause they would have to, first of
all --

JIM CLINE: Un --

JOHN McBETH: -- vote --

JIM CLINE: Undo.

JOHN McBETH: -- to undo --

JIM CLINE: Yeah.

JOHN McBETH: -- where that sales tax is
going, and you can imagine how difficult that's gonna
be.

ERIC GLEASON: And, actually, Midland/Odessa

doesn't even have the option --
JOHN McBETH: Yeah. No, they don't.
ERIC GLEASON: -- because they're considered two separate --
JOHN McBETH: Two separate things.
ERIC GLEASON: -- urbanized areas. And I would expect that perhaps that could be a conversation. Nothing in the administrative --
JOHN McBETH: Yeah.
ERIC GLEASON: -- code right now that exactly says that we have to do that. That was the understanding coming out of the policy discussions, you know, 10, 11 years ago now. So, anyways, there you go. You asked the question.
ROB STEPHENS: Very good.
ERIC GLEASON: Got about 30 minutes into next meeting's presentation. That's good. We'll do it all again.
ROB STEPHENS: Eric, what was that third Call for Projects on the part where (indiscernible).
ERIC GLEASON: That is the -- it's the -- formally known as the Surface Transportation Block Grant Program, Transportation Alternatives Set-Aside. That's the federal name for it. It is a program that the commission, through its rulemaking, elected to use the

funding for to construct bicycling/pedestrian infrastructure in the state.

And this is our second Call for Projects under that program. Now, we -- again, it's rare to say that under 200,000. On the federal side they go from 5,000 to 200,000 as one group. Not 50 but 5,000, 200,000, and then below 5,000.

But, from my mind, it's an opportunity to partner with cities and others that you serve to expand the access to your system. Again, not including the footprint that federal public transit funds would normally fund, but in addition to that. So to connect transit center with a sidewalk, to a public destination to -- you know, to whatever you might need to do. It's a really good opportunity for that.

JIM CLINE: You know, Eric, there's another piece of that that's in -- that we're -- our agency's well over 200,000, but what we've seen by building trails, we bring an added value to our community, 'cause most of the people that pay for transit never use it.

MALE SPEAKER: Right.

JIM CLINE: And so you can partner with the cities to do some things that have a transit benefit, community benefit, and then you can be a real hero. So --

ERIC GLEASON: Right.

JIM CLINE: -- that's a -- that's a cool -- you know, in terms of our role in the communities, it's a big deal.

ERIC GLEASON: And -- and -- and to add, at my very strong recommendation at the operator's meeting was that y'all not propose a project yourselves because you're gonna have to learn an entirely different set of --

ROB STEPHENS: Right.

ERIC GLEASON: -- rules on the highway side about how to manage projects. But to go with a local partner who's familiar with that as opposed to introducing that to your shop as well, I would not.

ROB STEPHENS: Agreed. Thank you, sir.

ERIC GLEASON: Yeah.

ROB STEPHENS: Okay. Any -- any questions for Mr. Eric Gleason on his Director's report? Any comments, questions?

JIM CLINE: I had one question, Eric. I don't know -- you mentioned the fleet replacement. Have you heard --

ERIC GLEASON: Yes, sir.

JIM CLINE: -- or do you know if there's any systems that are having troubles procuring their buses?

ERIC GLEASON: No, everyone -- actually, virtually -- well, the vast majority of people are going right to the Comptroller's site and buying it, which is great. And Paul was letting me know the other day, they actually have a good medium duty option on there as well.

And one of the things we're seeing is people opting to go more medium duty, I think with the notion that the vehicle will last longer and, you know, that the -- the additional expense is more than worth it, given the additional life expected.

When we did the project proposal back in the spring of 2015, we identified 325. And just a straight out replacement was 325, broken down to vans and, you know, sort of five-year life cycle, seven-year life cycles on vehicles. That's shifted, as you might imagine, over those two years.

And so we're now buying 290 replacement vehicles. So we're gonna retire 325 but we're gonna buy 290 new ones. And average cost per unit's a little higher than it was two years ago, makes sense. And also, people are opting for fewer vans and more the longer life deals.

So we're kind of seeing both those working to reduce the number of vehicles being purchased for every bit as much money, but I think in general with a longer life cycle associated with that aspect.

JIM CLINE: Okay.

ROB STEPHENS: Good.

ERIC GLEASON: How'd I do? I'm testing that out to try on the FTA. How'd that sound? It sound like that might work?

JOHN McBETH: It sounded better than when you explained it to me. Getting pretty good. You just need one more person to ask you that question.

ROB STEPHENS: Fine tune. Fine tune.

ERIC GLEASON: All right.

ROB STEPHENS: All right. We'll -- we'll move on, if you guys are ready to do that. Move on to item number 6, which is the Review and Discussion of areas of Texas Administrative Code under consideration for 2017 rulemaking efforts. Detailed discussion on Federal Transit Administration Section 5310 and 5339 programs. Mr. Gleason.

ERIC GLEASON: Yes. Okay. So at our last meeting we described to the committee that we were going to embark on some rulemaking over the next eight to ten months, largely triggered by either necessary changes in federal regulations or the opportunity in our appropriations request with the additional funding would require that we go in and make some modifications to our formula rules.

So what I want to do today, we'll start this conversation today, and I'll talk a little bit about context and some schedule, and then we'll talk about what we need from the committee. The handout which you receive in your packet will give you an overview.

So we identified for you -- starting on page two here, we identified for you back in January four programs that we felt we needed to come to this committee with for a discussion on -- on rules. And for the newer members, the commission relies on this advisory committee very heavily to reach a consensus and to advise the staff accordingly on rule changes.

And there is history, I think, and I -- hopefully people like Michelle, and J.R., and Rob will validate this. We have a history, I think, as a department in responding to this committee's advice and recommendations in the development of those rules. So we have four areas of rules. You see them here on -- on page two.

We're gonna talk about the first two bulleted items today. The last two, which are the ones that really, I think, challenge us as a group are formula related, and those will come later on. And we'll talk about schedule here. The next slide talks about schedule. So let's -- let's talk this through from a number of different levels.

Before we get into this specifically, the department, as a rule, does not -- does not do rulemaking during the legislative session. It's just generally not a good idea to open up your administrative rules during the session, have a potentially heated conversation, difficult conversation with issues about that while -- while folks are in session. So, as a matter of practice, we don't do that.

So what we'll be doing to respect that practice as a committee is we will be talking with you conceptually, if you will, without putting formal rule change language in front of you until after the session has ended.

So the way we get there is -- you'll see that -- here we are today. We're gonna review with you 5310 and 5339 rules on concept level. And what we mean by that and what we need from the committee during that discussion, we're gonna identify issue areas that we think need changes.

We're gonna walk you through a discussion of those areas, and hopefully prompt a conversation among committee members about things you are interested in, insights you might have for us to accommodate in our proposed rule changes.

We do not need the committee to take formal action on this discussion. If the committee desires to take action, you certainly can. What -- what we need, what we would like to be able to do, though, is to leave this meeting with enough of a conversation where we feel as though we can reflect the intent of the committee when we draft proposed rules.

So that approach is truthful this meeting and it will be truthful our next meeting in late May, early June. Yes, sir.

MALE SPEAKER: (Indiscernible) that folks are having a hard time hearing a little bit on the phone. We're wondering if it's possible that I could ask you and Joseph to switch spots to get you closer to it, because we're a limited amount of length of cable. Sorry about that.

JOSEPH KOPSER: No.

MALE SPEAKER: You'll be good for --

JOSEPH KOPSER: It's a good call.

MALE SPEAKER: -- (indiscernible) and for Michelle.

ERIC GLEASON: I'll take my sunglasses.

JOSEPH KOPSER: Your future is so bright, Eric, that's what I heard the commissioners say.

FEMALE SPEAKER: (Indiscernible) the air conditioner.

ERIC GLEASON: Okay. Can you hear me now? All right. So -- go ahead, please. That's yours, yeah. I won't -- I won't repeat myself. We'll just carry on. Okay. So I want to point out to the committee, the July semiannual operator's meeting, which is a little earlier this year than it typically is, July 12th. That is a -- we're gonna take advantage of that opportunity on the agenda there and spend a lot of time at that operator's meeting talking about these rule changes.

Again, we won't be showing them language change but we'll be walking them through at the same level or greater level of detail, the same information we're going over with you in the next two meetings, to give that group an opportunity to give us some feedback. And then we'll get back with you two weeks after that with proposed rules.

So that will be the first time this committee will see proposed rules. And we are focused on going to the commission in August. And the way the commission does rules is they first adopt a proposed set of rules. That triggers a formal public comment period on those proposed rules. And then they come together again at a subsequent meeting to adopt final rules.

So -- and, again, this committee will -- we will give the committee an opportunity, before we recommend proposed rules, to review what we're doing. We will make changes that we can based on conversation here, and then we will also provide the committee with an opportunity and the benefit of public comment to review a final set of rules.

And the committee is, in both cases, welcome to form a recommendation of its own, to present to the commission as a part of that process. So any questions on that?

So, you know, we're not done with this until -- in October -- or no, we're not done with it until the December commission meeting, so it -- it can stretch on us. And -- but the idea would be have these new rules in place, one, as soon as we can, and two, before FY '18 federal funding became available. Any questions on schedule? Okay. And we can always come back --

JOSEPH KOPSER: Is it going to be as exciting as it sounds?

ERIC GLEASON: Yes.

JOSEPH KOPSER: All right.

ERIC GLEASON: Now, you remember, Joseph, I warned you about this. All right. Now, so our first program we're going to look at is the 5310 program, and that is a formula grant program that the department administers in areas of the state under 200,000. It is the federal program with grants for enhanced mobility of seniors and individuals with disabilities.

Now, we as a committee -- this committee, the last time you looked at rules was several years ago in conjunction with federal authorization known as MAP-21. That was for federal fiscal years '13 and '14. And this program had some pretty significant changes under MAP-21 that were carried through and into the current authorization FAST Act.

At the time that MAP-21 came out, and lacking federal guidance, because it was a couple years before we actually got federal guidance on the programs, we took some actions as a committee, anticipating certain elements of the new program that while largely on point, it is clear to us at this juncture we can update our rules to better reflect our understanding of the intent of the federal changes.

So -- and those areas to update have to do with project types. One of the significant things that happened with a change at the federal level was -- and I think it was triggered by a decision to allow a portion of this program to be used for operating; historically operating side.

So at the federal level they distinguish funding uses. You can use it on capital infrastructure asset type things or day-to-day operations.

JOSEPH KOPSER: Yeah.

ERIC GLEASON: And this program historically had been limited to capital. And it was -- in MAP-21 they allowed for the first time the use of the operating. And I think in conjunction with that there was a desire to preserve not only a -- a minimum level of capital investment, a traditional level of capital investment but to also make sure that traditional program applicants and recipients were preserved as well, and that, you know, the -- the abilities operating somehow introduce a shift in some of the traditional nonprofit agencies getting a share of these funds for the target population.

So with that in mind, there was some -- we need to do some things on the types of projects. We need to clarify elements of our administrative code with respect to who's eligible to apply for traditional projects. And then we here in Texas have introduced some changes to our project selection process that need to be reflected in the code as well.

There's no linear way to go through this that the -- there's a relationship between who's eligible to apply and a traditional versus nontraditional project. And so it gets a little mixed up, I think, as we go through, and I'll be glad to answer questions as we go along.

A little background on the program itself. We get funds for areas under 200,000. We get a certain amount of money for those areas between 50,000 and 200,000, and areas under 50,000. Together it's about 7 million dollars a year.

We have a formula that allocates it by TxDOT district. We have 25 districts. And so it's a combination of every district getting a certain amount and the same amount, and then above and beyond that amount, it's based on their share of the target population. And then within each district we have a competitive process to award projects.

This gives you a sense of where those funds went last year, how they were used last year. And to kind of introduce you to these categories, start on the right-hand side, fleet. Fleet is fleet. That's pretty straight forward.

Purchase of service, this is actually, you know, when -- when we give money to an agency and they go contract with someone else or enter into an inner agency contract with someone else for the provision of service, that's called a purchase of service. And in that context is considered to be a capital investment, which means that 80 percent of the expense of it can be charged up against the grant*40:49.

Operating investments are 50/50. So a large share of this 40 percent of it, purchase of service, that has actually been kind of -- that has been an area of growth for the program in the last several years. We've seen more of that.

Operating, we can go as high as almost 45 percent for operating, but we only use 8 percent. So the problem with the operating is -- 50 max just means you need more local money to actually use the federal dollars, and it's just not there. We have a small amount of money going into IT investments, software, dispatching programs, things like that.

And then mobility management can be a very broad category. We tend to limit this to projects that enable individuals to make a connection to a transit service. So hook people up with transit options in their community, try to limit this to projects that have a direct impact on system utilization.

And then preventative maintenance limited to fleet purchase with this program that preventative maintenance is also an eligible capital expense. That's the breakdown from last year's, just to give you a sense of what the program does.

Page seven, these are some typical people we give -- typical agencies we give money to. In 2016, 17 transit districts got it, 17 health and human service agencies. Some of them may have turned around and then used a purchase of service agreement with a transit district with their funds. Private nonprofits, eight, and a private taxi, one. All right. Any questions on that so far?

So I mentioned traditional projects. So the FAST Act, which is the current authorization, requires that at least 55 percent of the funding of this program be allocated to what it calls traditional projects. And there's a list here of five areas that traditional projects fall under. They're all capital. You recognize some of these from the pie chart you just saw.

And then, if you -- if you take the next page, it says and of the total group of eligible sub-recipients for this program, there's a subset that are only to apply for this money.

So if you take page 8 and lay it up next to page 9, this is where the federal program, the federal folks tried to marry and preserve traditional participation in this program with traditional project investment while they allowed operating money to come into the program for the first time.

And if you look at page 9 and you look at the eligible sub-recipients per traditional Section 5310 projects, private nonprofit organization or state or local government authority that is approved or certified to do one of the following things. That's straight out of the federal circular. We haven't paraphrased it. It's what it says.

Now, I will say there's some ambiguity in understanding exactly what this means at the federal level. You go ask the feds for clarification, you won't get it. It's ambiguous. And that's not uncommon. They leave it up to us to come up with a proposal that they will choose to concur with or not.

So, examples. So what's -- what's an example of a private nonprofit that we have grant relationships with. Centers for independent living. The big one. We do a lot of work in this program, the centers for independent living from voucher programs to travel training, what have you.

Senior nutrition centers, adult day health centers. Those are all three examples of agencies with whom we have existing agreements for use of this program funding.

This next group, a state or local government. Here are some examples, on page 11, of what that means. And you'll see that the fifth category, Public Transit Providers.

And we -- you know, if you were to marry up the circular language and look at the bulleted point about coordinating services for seniors and individuals with disabilities, we believe that Chapter 461 that speaks to the need for coordination between Health and Human Services and transit providers is the -- the -- the -- the authorizing legislation that allows us to include public transit providers on this list of eligible recipients for traditional projects.

This sounds hopelessly complicated. What it boils down to for a rule change for us is our current administrative code, while we believe it is sufficiently written to enable us to carry out this program, we think it can be better, and one area of it is that our current administrative code identifies transit providers as the primary recipient for this program funds.

And we are going to be looking at rules that remove the primary position of transit, and just sort of bring everybody down into that parallel level of opportunity between transit and nonprofit, and others who are eligible to apply for this traditional project funding. Very -- very straightforward change, but for those of you who have been involved in this conversation for several years, it's pretty significant.

The final area, again, if you go to page 12, Nontraditional Project Programs. So a lot of noise made about these -- this program funding being available for operating. So less than 45 percent can be spent on nontraditional projects. This is also the portion of the program that we take our -- we take our administrative program expense out of.

So the entire 45 percent is not available for operating. That is the part of the program we take our administrative program expenses out of. And I think -- Kari, what are we at with that? Do you know where we're at, in terms of percent?

KARI BANTA: We take the full 10 percent.

ERIC GLEASON: We take 10 percent. We're allowed to take 10, we take 10, okay. Not so much true on the rule side. With 5311 we take 3 or 4 percent more, and I think we can take 10 or 15 percent. But in this instance, this program does take a lot of care and feeding, so we take the entire 10 percent.

So that leaves, what, 35 percent of the overall program amount available for nontraditional projects. And you can see here, you know, the kind of things that can happen with that.

So the administrative code also lists all the different kinds of capital projects that we will find. And I will tell you while this list looks comprehensive, the federal language is even more broadly written to anticipate anything that might qualify as a capital investment.

This -- this is actually a limiting list over what's allowed in the federal program language. So we're not recommending any change to this part of the program. It's pos -- other states limit and focus the investment that this program does. Some states just do fleet, and the federal program is even more broadly construed.

So, you know, it's an opportunity. We're not recommending or think anything needs to change about it, but if we would -- we included it just so you could see the range of specific capital investment that the department entertains for funding as a part of this program.

So, so far the only change we're tracking in this of substance is the change to the current wording that identifies trans providers as the primary recipient of this program funding.

Slide 14, the update focus project selection process.  Two things we are doing differently than we have before, we -- historically we formed stakeholder groups at the district level and used those groups to help us interpret public comment, and involvement, and score projects.

What -- and that -- that approach kind of ran its course several years ago when it just became almost impossible to find in some areas of the state people to participate as stakeholders.  What we do now is we have merged public workshops with stakeholders -- stakeholder engagement.  We do it all at once.

We're working with the department's public involvement program to get out and hold these workshops. We've held 17 workshops in conjunction with this last effort.  I think we had well over 200 people attend those 17 which is, for us, a big bump in participation.

JOSEPH KOPSER:  Is that total?

ERIC GLEASON:  Yes, sir.  I know it doesn't sound like a lot with a state the size of Texas, but it's big for this program.  So -- and it's -- given our target audience, it represents its own challenges in terms of our ability to -- to communicate with them. Project scoring, we used to ask stakeholders to do that.

We don't do that anymore.  The scoring's actually being done here with the help or our field staff, and -- and we will make those decisions on scoring and funding here as opposed to using stakeholders to help us with that.

And that was -- that was becoming problematic anyways because the stakeholders would in fact be a part of the proposal and they would have to recuse themselves, or they wouldn't. So we think all of these improvements are good. So you will see some changes in the program language there.

I'm gonna stop there. Kari Banta -- Kari, you want to waive your hand? Kari is here. She is the 5310 program manager. She is a subject matter expert. I would ask her to join us at the table, if the committee has specific questions of her at this point or any thoughts in anything I've said.

Mr. Chair, it's open for discussion --

ROB STEPHENS: Okay.

ERIC GLEASON: -- at this point.

ROB STEPHENS: Come on up here, Kari. First of all, Michelle, you still with us?

MICHELLE BLOOMER: I'm still here.

ROB STEPHENS: Okay. Want -- wanted to give you an opportunity, you know, to -- if -- if you'd like, to -- if you've got comments or questions for Ms. Kari or Eric. If you have any, please -- please offer them. Okay. Anyone else here?

MICHELLE BLOOMER: Sorry, Rob, were you wanting me to go first --

ROB STEPHENS: Yeah.

MICHELLE BLOOMER: -- or you just opening it up to everybody?

ROB STEPHENS: Well, I'm opening it to up everybody, but I wanted to be kind to you, because I didn't want to wait till the end and forget about you. So if -- and that's what usually happens to me, Michelle, so I'm sorry. But if you're ready, yeah, I'd like to take your comments first, if you got any. I'll circle back around if you're not ready.

MICHELLE BLOOMER: I know I'm easily forgettable. Sometimes --

ROB STEPHENS: No --

MICHELLE BLOOMER: -- so quiet.

ROB STEPHENS: No, you're not. I just get going and forget. But if you're not ready, I'll circle back around and catch you at the end. I just wanted to offer you the opportunity --

MICHELLE BLOOMER: Well, I'm ready. I have one comment and one question. I'm just gonna make the comment and move on. On the cover page, the photo on the far right. That's all I'm gonna say. And then I had a question --

ERIC GLEASON: You're not supposed to know that much about the picture, Michelle. You are not supposed to know --

MICHELLE BLOOMER: Unfortunately, I do.

ERIC GLEASON: Well, you'll keep that to yourself.

MICHELLE BLOOMER: My question, the transition -- the main transition for the 5310 program is to remove the wording that transit providers are the primary recipients of the funds, correct?

ERIC GLEASON: That's correct.

MICHELLE BLOOMER: Okay. So my thought -- question was, why does PTN think that is a positive move? Why is that being proposed, I guess.

ERIC GLEASON: It's being proposed because we believe it is language then that would be more consistent with the intent of the program at the federal level.

Everything that we've been led to believe, based on conversations we've had beginning back in FY '14 and '15, and through now, all the guidance we've been given, all the recognition we've been given for our program and the things we have done leads us to believing, with a high level of certainty, that sort of leveling that playing field is -- is completely consistent, even in the context of some ambiguity.

It's completely consistent with the intent actually and improvement closer to the intent of the federal program at this time.

MICHELLE BLOOMER: So that -- that language that has a transit provider, the primary recipient of the funds, that's not language that came specifically out of the federal guidance?

ERIC GLEASON: That is correct.

MICHELLE BLOOMER: Okay. So that was just TxDOT's interpretation at the time.

ERIC GLEASON: Well, it was -- yes. It was this advisory committee's interpretation at the time as well.

MICHELLE BLOOMER: Okay. That's all. Thank you.

ERIC GLEASON: Uh-huh.

ROB STEPHENS: How about you guys?

JIM CLINE: I have one question. Kari, we mentioned that the traditional provider used to be transit district, and we're making changes intact to clear that up, if you will. But I guess my question is -- and I know that some of my neighboring providers have opted to not join the 5310 game, if you will.

When we talk about the 17 transit districts, I wonder where that compares to three or four years ago where there used to be a lot more transit districts that applied for 5310 funds. So I don't know if you know that. And if you don't know it, if you could get it to me, I sure would like to know that.

KARI BANTA: Certainly. This is Kari Banta. There are, I believe, three or four who no longer participate in 5310 by choice. Among the reasons that have been cited are the limitations in funding available in the program compared to the amount of effort it takes to prepare an application, and that's something that's across the board for everyone.

JIM CLINE: Okay.

ERIC GLEASON: And, Jim, just to be clear, the group -- so we have 17 transit agencies and we have 17 health and human service providers. And given our emphasis in the current program of a partnership between trans providers and health and human service agencies, in fact, transit agencies are eventually receiving funds through a purchase of service agreement.

I think possibly one of the major distinctions will be the -- you know, the amount of funding spent on fleet, for example, which may have been higher historically, particularly since we've seen the growth in the purchase of service area. But we can come back in a couple years and look at -- at the breakdown.

ROB STEPHENS: Go ahead, Joseph.

JOSEPH KOPSER: Quick question. So as I understand 5310 and how it's designed for the purpose of administering these funds for large cities that are not a part of this, they cross this, U.S. as well as some here in Texas, beginning to partner with new nontraditional technology based transportation providers who are extending their service, especially in, you're talking, low dense areas and routes of not large number of population of people;

Are those funds inside this eligible for these, either transit agencies or the -- the HHS agencies and the nonprofits, are they able to use these funds in partnership with these new business models that are out there?

ERIC GLEASON: Yes. There are examples of that. And so it depends of the specific application and structure of the agreement. Just to clarify, we get -- we get funds for areas under 200,000. The large metros, the over 200 get their funds directly.

JOSEPH KOPSER: Right.

ERIC GLEASON: So they get these funds, too, for the same purposes, they just get to administer to them in a way they choose.

JOSEPH KOPSER: Right.

ERIC GLEASON: But you've touched -- I mean, there is -- you know, we have these segregations and thresholds, and -- and travel does not respect those.

JOSEPH KOPSER: Correct.

ERIC GLEASON: And so we have that kind of need to blend, and cross, and integrate. And -- but, yes, those kinds of applications are possible to -- to do.

JOSEPH KOPSER: Okay.

ROB STEPHENS: Yeah. Go ahead, Jim.

JIM CLINE: Just -- just a thought, a transition, if it moves more from the public transit provider who's a little bit more familiar -- probably a lot more familiar with how to do the federal funding and manage those things, and do all that type of effort to transition to a charitable cause, which is not a bad thing.

But if there -- there could be a period of time when you could actually have a dip in service because of inability to manage some of those processes or make decisions on fleet versus operating balance. It -- it seems like maybe it ought to have something where it's encouraged to work with a transit provider or some -- something --

ERIC GLEASON: We actually do encourage that --

JIM CLINE: Okay.

ERIC GLEASON: -- in our -- in our call. We do encourage those kinds of partnerships, in part exactly for that reason. And I will say, you know, this program traditionally has been the source of numerous, sort of, other kinds of agencies receiving our funding and struggling with what you just described.

And over the years we have significantly reduced the numbers of different kinds of people and agencies we give funding to. But -- but that is something that does happen. That is why we do encourage the partnerships and why you see so many partnerships there with the health and human service agencies that go in to purchase the service for exactly that reason.

We're also not supposed to be giving money to funds to agencies that limit the use of their services to their clientele. I mean, this is -- you know, we're not -- you know, it's supposed to be available for this general target population, not just the population that comes to the senior center. That's who we get the money for.

And it's easier to manage that, honestly. It's easier to manage that through a partnership with the health and human service agency and the pro -- the transit provider (indiscernible).

J.R. SALAZAR: To your point, Jim, you're -- you're correct. That happens with what we're doing now. In our area we get a lot of phone calls, e-mails about how do you do this, what -- TxDOT this, how do you do that.

And so we have been helping those in our area to accomplish that but it is not as easy as what people think it is because what -- what happens is they see that there's money available, and yes we'll apply for the money and we'll get the money but then we don't know how to abide by all the TxDOT contractual. So it is an issue.

JIM CLINE: And just -- for the -- in the over 200,000 world we're facing the same drill. I mean, in terms of first dibs, you know, the non transit providers.

ROB STEPHENS: Yes.

JIM CLINE: So that's just...

KARI BANTA: May I make a comment related to this? This is Kari Banta. Jim, one of the things we consider before doing a 5310 award is the financial and managerial capacity of the agency. So this is much less targeted at smaller agencies who -- who would have difficultly managing a federal award.

JOHN McBETH: This is John. We... We basically are the railroad baron in our area. And anyone that wants one of these vehicles comes through us, and this is in 17 counties. And they -- they understand. They're -- they're -- there's -- they're -- they're very intensely vetted.

If we're ever willing to place a bid, we've got to know what you're doing, who you're gonna carry, are you open to carrying other people when you're not carrying -- you're not gonna get a vehicle and then use it in the morning, and use it an hour in the afternoon, and park it all the rest of the day, 'cause we're not gonna let you have a vehicle.

And then we have the rules that we explain to them that you're gonna be required to put a minimum of 12,000 miles a year on this vehicle. Minimum. That's the minimum. If we see that you're not gonna do that, we're gonna come talk to you about it one time. The second time, we're just gonna snatch the vehicle up and give it to somebody who does, because there's a lot of competition, in our particular area, for these vehicles when they come available.

But the managerial, as you pointed out, the managerial ability of a large transit district to basically incorporate what J.R. was talking about, incorporate all the paperwork and everything you've got to do to get these vehicles, track the vehicles, make sure they're maintained.

A little, bitty nonprofit corporation -- we've got a couple of really well developed ones in our area -- but even they find this very difficult, so we do it for them. And they basically -- they -- we do everything. We -- we -- we -- we by the vehicle, inspect the vehicle, tell them -- they tell us what we're gonna inspect it. We buy it. We place it with them. We monitor it. We check it out to make sure it's maintained.

I would like to see something in the -- in here that while we take primary out that we put something in there, because it is the -- it is your policy to encourage going through the larger agency. I'd like to see something put in there that says TxDOT encourages these -- these nontraditional and traditional to go through their rural transit district.

ERIC GLEASON: Okay.

JOHN McBETH: Like J.R. said, in our area, no one -- when they come to talk to us and we -- we --

we open up the application, we print it out on the
computer.  We say, okay, here you go.  Do you do this.
Do you do that.  Can you -- can you sign all of these.
It just -- it drives -- it drives -- what?  We just --
we just want to money.
               And it's like J.R. said, everybody looks at
it and says, oh, wow, we can buy a bus.
               J.R. SALAZAR:  12,000 miles a year isn't --
               JOHN McBETH:  It's not enough.
               J.R. SALAZAR:  It's not enough, is it.
               JOHN McBETH:  When we started out, 8,000
miles a year.  Every year we've increased it.  It's
probably now up to 15,000 miles a year.
               ROB STEPHENS:  Thank you, guys.
               MICHELLE BLOOMER:  This is Michelle.  Can I
ask a question?
               ROB STEPHENS:  Yes.  Please go ahead,
Michelle.
               MICHELLE BLOOMER:  I just have a follow up
question for John.  I know he mentioned how it works in
his area previously.  So how does that -- how (telephone
cutting out) agency serving as sort of the overarching
entity it can't -- general public EMD service.  I mean,
if you're giving a vehicle to agency "X," what type of
service are they providing?  Are they providing service

for their customers only, or is it general public transportation?

JOHN McBETH: Good example would be the local community mental health and mental retardation centers where we have vehicles placed in three different areas in our region. They are using the vehicles because they operate 24-hour a day group living centers. They're using their vehicles to transport their people. But during the day they are also using those vehicles to transport clients to and from sheltered workshops.

And then, if they have spare time and they make us aware of it, we actually will give them some of our ADA transit and pay them to carry those people. It's a fee for service thing. They could actually get money back. And we pay for that either out of our 5307 or 5311 program.

And this is a program that -- we've been doing this -- actually, before I even came to Brazos Transit in 1982, I worked at the community MHMR center, and we began doing this with Brazos Transit at that time when they bought us the vehicles under the old 16-B2 program, and then funded our operating deficit with their Section 18 program. So the reason ours is so well developed is we've been doing it since basically 1979.

And we --

MICHELLE BLOOMER: I guess my concern in -- in areas that don't have a system similar to that, I know in the north central Texas area, my -- my concern with removing the primary is we're opening it up, and I don't want to see us go back to where we were 10, 12 years ago where we were funding private nonprofits with four vehicles that would sit there, just used Monday through Friday in the a.m. and the p.m., when those assets could be better utilized on the public transportation side, and more through a contract of service for the public transportation provider to provide those trips, in lieu of giving a vehicle to this agency and a vehicle to that agency.

ROB STEPHENS: Thank you. Thank you all for those comments. Eric or Kari, you got any...

ERIC GLEASON: Well, let me -- Michelle, that's actually very, very helpful. We will look for opportunities in the rules, either in the goals or sort of overall areas of emphasis, to incorporate the emphasis on a partnership with your local transit provider for the provision of the service because you are correct, we do not have a desire to inadvertently find ourselves going back to a timeframe when we do have the problem that you described.

So I think we will make note and look for opportunities to be clear about that.

KARI BANTA: I have one thing to add --

MICHELLE BLOOMER: Thank you, Eric.

ERIC GLEASON: Yeah.

KARI BANTA: Oh, sorry. One thing to add, just as a final comment, regarding the TAC changes that duplication of service is not allowed under 5310. So whatever service would be funded for -- through a nonprofit, for example, could not duplicate the service already being offered in the area by the transit district.

ERIC GLEASON: Correct. And I think we're interested in that and we're interested in making sure that the service that is offered is not exclusive to that agency's clientele. And -- because you're correct, this program is kind of above and beyond what the general purpose transit service already is in the community for this target population, and so extends the reach, if you will, of the general service provision for this target population.

And so we have to make sure, though, that we maximize the access to these program funds in the service delivery by not inadvertently limiting it to clientele associated agency we gave it to.

JOHN McBETH: Yeah, this is John and I -- I

-- I -- I would say we can't overemphasize enough when you're -- when you're -- when we're doing these rules that this service cannot -- people that get these vehicles, they can -- they cannot just be for their exclusive use.

ERIC GLEASON: Yeah.

JOHN McBETH: Because that's -- that's an issue that we deal with. 70 percent of the people that come to us, they just want it for what they're gonna use it for.

ERIC GLEASON: Right.

JOHN McBETH: And we tell them, sorry, you can't do that. They're always -- they always say, well, where -- where's it written, and we just tell them, John's rule.

ERIC GLEASON: Oh, okay.

JOHN McBETH: Okay. Yeah, I'm not gonna mess with him. But, no, you can't -- you can't over -- that cannot be emphasized enough because it is an -- it is an issue.

ROB STEPHENS: Very good.

ERIC GLEASON: Okay. Ready to move on to the next set?

ROB STEPHENS: Yes, sir, please.

ERIC GLEASON: All right. Let's change

programs. All right. So this is gonna be page 15. And Section 5339, Bus and Bus Facilities Program. Now, for -- this is a relatively new program that started under MAP-21. And it was -- it's a bus and bus facility capital program. Again, we administer it in areas of the state under 200,000 in two groups. And you'll see here rural areas and small urban areas.

This is a -- it is a well intentioned program and a hugely underfunded program at the federal level. It is particularly underfunded for the rural areas. This is a -- this amount of 1.75 million for Texas, which is the largest rural program in the country, is the same amount of money that Rhode Island gets for the smallest. It is a flat amount for every state, doesn't matter on the size.

So we get about 20 cents per capita; Rhode Island gets about $12 per capita, go figure. It is -- the explanation we get for it federally is it's part of the deal. They did increase us by a half million dollars between MAP-21 and FAST Act. It used to be 1.25 million, and now it's 1.75, but the inequity still stands.

There's not a lot of money. Small urban areas, it is based on their proportional share of population relative to the others in the country. So there is some recognition of size difference. But it comes -- both chunks of money come to the State. The State has a formula then for allocating those funds to sub recipients.

And while there's nothing about the 5399 program at the federal level that requires us to change anything about our rules, the formula that we have to allocate this program is possibly not the most transparent, easily understood, well intended program in terms of its outcomes. I don't mean well intended.

It doesn't necessarily encourage the kind of outcomes that you might want to for use of these funds, and so we are raising this to the committee's attention to get some feedback on whether or not you think it's going to be worth our effort to try and change the formula that we distribute these funds with.

Now, the next page then, here it is. This is the formula. And, you know, to paraphrase, we basically have to make -- based on the information we have, we make a determination of the relative condition of individual agency fleets to others. And based on that determination of relative condition, we assign a proportional share of the funding available to that agency.

We call it the relative decrepitude

calculation because it's -- it's -- it's... We've been doing it for years, and years, and years, and I think generally it's well accepted in the industry. People understand that's what we do.

The problem with it, if you turn the page, is that it's not the most transparent formula in the world. It requires -- I'll introduce Paul Moon here. Over here, raise his hand. Paul is our program manager -- Fleet and Procurement Program Manager. And Paul has been doing this calculation for years, and it's combination of art and science. It is done in an unbiased way based very much on the information we have.

But the whole notion of evaluating the relative condition of someone's fleet versus another is a little -- little murky. So from a transparency standpoint, it's a little complicated to understand how it works.

We get into problems when you have agencies who provide service in both in urban area and a small urban area. We have to make decisions about what share of their fleet gets allocated to the urban side and what share gets allocated to the rural side; so that introduces a level of complexity.

And then it tends to not necessarily encourage disposition of fleet no longer needed for service, because you get money if your fleet's in bad shape. I mean, that's how this works. You get more money the worse off your fleet is.

Now, the good side of that is it gets money to people who need it. I mean, you know, got bad fleet, need money, good. But it tends to encourage you, perhaps, to hang on to old fleet as a part of your inventory longer than you need to, if you understand how this works.

So that's kind of the -- that's the current formula. It occurs to us, wouldn't it be great if -- let's just take reported revenue miles. Report it every year, let's do it out that way, proportional based on revenue hours, service hours, even population, whatever.

So we looked at a couple different ways of doing that. We looked at three different ways. If you turn the page, we looked at vehicle revenue miles. We looked at the number of vehicles in an agency transit fleet and the population (indiscernible) just to see what we have.

And here's what we found. And if you -- if you want to just set the next page side by side here. This is the -- this is actually the results of the revenue mile application. These blue bars represent the difference between what you got in 2016 from this program and what you would've gotten from the program if you had used revenue vehicle miles.

And all the different ways we tried to calculate this, the amount of variation over the current level of funding is extreme, so there's quite a change. It's a big, big change. So we have handled big changes like this before by introducing also a cap that limits how much you can use each year, if you are one of these that are below the line.

If you're -- if -- if by going from relative condition to vehicle revenue miles reported, if your -- if your share of this funding drops significantly in some people's view, then we will limit any one year how much you use. But you will gently come down and, you know, and deliberately come down over time to a level you should be at.

So I guess what we'd like to hear from the committee would be do the issues associated with the current calculation, which is a transparency, difficulty separating joint fleets, and perhaps promoting people hanging on to fleet longer than we want them to, do those three issues warrant -- are those enough to warrant introducing a change that could result in these -- this kind of variation from one year to the next of what people got, particularly in the first year.

And if the answer to that question is yes, then I would recommend to this committee that they consider a cap. And while I don't need -- we wouldn't want to hear from the committee what that cap was exactly, like, 10 percent or 25 percent, what would be helpful is a sense of how long would the committee be comfortable in suggesting it take for someone to hit the bottom.

So if an agency, under our new formula, if -- if agency "A" would get 50 percent less than they got last year, do we want them to take all of that in the first year and just adjust to reality a different formula, or would we want to step them down over three years to that point. We have those options.

So I'm gonna -- I'm gonna open it up. There's kind of two levels of conversation. Issues with the current formula, whether or not they're enough to warrant a look at a different approach, the answer to that question is yes, how to deal with a variation from last year to this that that change would represent.

JOSEPH KOPSER: So first question, if I may.

ROB STEPHENS: Yeah, go ahead, please.

JOSEPH KOPSER: This is Joseph Kopser. So without naming the names or identifying --

ERIC GLEASON: Right.

JOSEPH KOPSER: -- who your data points are, the -- what -- what yells out from this graph is the fact that there is another influence, or many other influences that would explain why there would be such a variance in what they receive. Can you give any kind of background or anecdotal example of how to visualize what these differences might be?

ERIC GLEASON: Well, this -- what this one tells you -- what this one captures or attempts to show is that last year I got $50,000 from this formula. Based on the condition of my fleet, there's 37 --

JOSEPH KOPSER: Condition or age? All I hear --

ERIC GLEASON: Condition.

JOSEPH KOPSER: -- is age.

ERIC GLEASON: Condition.

JOSEPH KOPSER: And the definition on the other page, I just want to clarify, make sure I understand, based on remaining useful life, that implies age.

ERIC GLEASON: And mileage. Useful life is both age --

JOSEPH KOPSER: Okay.

ERIC GLEASON: -- and mileage.

JOSEPH KOPSER: Okay.

ERIC GLEASON: And, actually, we use mileage as a much clearer indicator of usefulness than age. It's the reason that John mentioned. We get vehicles, they don't accumulate 12,000 a year. Five years, I got 60,000 miles. These individuals put some 200,000 miles.

JOSEPH KOPSER: Yeah.

ERIC GLEASON: So mileage is probably the best of any single (indiscernible) to use. And we track that. We -- we go out and inventory, you know, 2,700 members of the state fleet, that have federal or state funding, every year. We see them physically every two years. We update our information on them every year from a mileage and condition standpoint.

So we take that and we do this relative condition calculation. I got $50,000 from that in 2016. What this tells me, if I'm this -- if I'm agency "X" and I'm scheduled under revenue miles, I got a 600 percent increase. What that means is my fleet is in pretty good shape, so I don't get a lot of money on performing them based on fleet, but alone, a lot of revenue miles.

And so I get a lot of new money for that. Not really any extra (indiscernible), it's just that, you know, depending on what you use to carve the money up, it can introduce significant swings.

And generally in our formulas, we think it's always better to be using numbers and data that are as clear of uncertainty or bias as possible because that makes it transparent. It makes it predictable from one year to the next. And -- and it just is a super calculation to understand.

So that's the -- that's the issue here. I -- I -- you know, this kind of variation is -- does not leave me feeling comfortable. It's -- it's hard to slap a formula in place that says agency "A," guess what, you used to get 50, you get 10. That's a hard message to do, so it can just make for difficult waters.

ROB STEPHENS: Okay. Anyone -- yeah, go ahead, Jim.

JIM CLINE: Just -- I mean, this is a philosophical point. This is Jim. Is -- is there a way that the funding could be essentially -- I don't want to say a reward, but encourage proper fleet behavior, proper fleet replacement.

So if it's part of a doing what right looks like, that should be something that's encouraged by it, not -- and everybody got caught in this 5339 deal because all of a sudden, money drops or it's done with formulating. You never get enough money to buy a whole vehicle, not enough to do what you're gonna do.

So that's the only way you're replacing

vehicles, I don't know if it really matters where you are on that chart, you're not gonna make it.

JIM CLINE: No.

ERIC GLEASON: Well, that's the other side of this conversation is, you know, we're --

JIM CLINE: It's --

ERIC GLEASON: -- (indiscernible) --

JIM CLINE: Some of these checks aren't big enough to go to te bank by themselves.

ERIC GLEASON: Yeah.

JOSEPH KOPSER: And so, you know, that piece comes into play, so how can it -- how can it be -- how can it supplement proper fleet behavior. And I suspect that maybe -- and there's also a transition because is there -- is this a one or a zero. It's either some major condition, maybe by mileage, or only revenue miles. Or is it some -- in using some data -- using the data point so you're not having -- is John back?

JOSEPH KOPSER: Paul.

JOHN McBETH: Paul.

JIM CLINE: Paul. So Paul's program is not all of a sudden doubling effort to get the same -- you know, same amount of product at the end of the day when you may not get a better answer. But that just struck me.

Two things struck me when I read this in advance, is that -- and the other was is there -- how do you transition from it because a -- and the idea of a cap works, too. Is it something where you use the old formula for 100 percent, 50, 75. You know, some step down and ramp up the other one.

I don't know. There's a bunch of different ways to do it. But at the core, I -- I really was -- was -- because we're -- again, on a -- on a personal note, trying to go back to find how do you do business. What does right look like in terms of fleet management from a rural transit provider, or any transit provider.

And then how do you say, and we're gonna encourage that behavior through our funding path. So if you do a bad job, we're not gonna give you any help, or only a little bit. If you're doing the right thing, link that proper behavior and investment -- it's gonna take outside investment other than 5339 to -- you know, if you decide to spend all your money on operating, none of it on capital, from other categories, and then you say, oh, I'm so sorry, I've run all my vehicles to the ground. I need a lot of --

ERIC GLEASON: Right.

JIM CLINE: -- buses 'cause they're all broken, that's -- that's not the kind of behavior we would want to reward, I wouldn't think.

ERIC GLEASON: That is correct. And I don't -- I'm gonna -- I would enjoy a conversation with the committee about their ideas about how to do that.

One of the -- you know, reward for performance, from our standpoint, if the resulting method is something other than a subjective assessment of performance, you don't want to introduce to your program anything that looks like a subjective assessment of performance on our part, and so you have to find numbers in a readily available, easily recorded, minimum bias risk numbers to do that with.

And so I'm interested now. I agree philosophic on that completely. The question is what is that.

JIM CLINE: Well, the Transit Asset Management Program that is being implemented may be a part of that, 'cause it takes into account age and mileage. Those are -- those are binary numbers. I mean, those are just -- I mean, it is what it is. There's not -- there's no grade on how old -- how old a bus is and how many miles it's got on it. Maybe it's miles -- you know, how many average mileage on your fleet, maybe that's a metric.

That's the kind of performance that I'm

thinking about that might be applicable news -- again, it -- there's -- there's so many unique things with rural providers and the challenges they face.

And, you know, again, representing the general public, how are we gonna keep from ultimately leaving the general public in the lurch if those bad decisions are made, and how can we keep our --

JOSEPH KOPSER: That's exactly the nature of my question and why I asked the same question. What incentives are we rewarding or inspiring.

ROB STEPHENS: Are you -- are you guys, Jim and Joseph, are you guys -- are you comfortable with -- with moving forward in asking Eric to -- to explore changes 'cause there's issues with the current formula; you guys okay --

JOSEPH KOPSER: Yeah.

ROB STEPHENS: -- with it? Okay.

JIM CLINE: I'm sorry.

J.R. SALAZAR: No, just my two cents. I know that the vehicle revenue miles is something we've used for many years to provide funding in excess in federal funding. So I think we have an easier time -- or maybe I shouldn't speak for we.

I'll say I have an easier time accepting the vehicle revenue miles as a good barometer of service, or level of service, because we've done it for years. Not saying it's perfect, but we have done that for many years. And so I'm okay with that and I'm in favor of capping that.

We've done that as well, 'cause I don't think it's fair to someone go up 600 percent or drop down, whatever percentage that may be, too. So those are my quick little statements on -- on that.

JOHN McBETH: Yeah, this is John. Revenue miles basically is rewarding performance. You're -- you're not getting paid for the age of the vehicle, you're getting paid for putting miles on the vehicle, which means you're carrying people. Hopefully nobody's out there just driving the buses --

JOSEPH KOPSER: Well, that --

JOHN McBETH: -- around, empty.

JOSEPH KOPSER: -- was my question is, a revenue mile means a butt in a seat.

JOHN McBETH: Yeah, yeah. Revenue --

ERIC GLEASON: Yes.

JOHN McBETH: -- mile's --

JOSEPH KOPSER: Okay.

JOHN McBETH: -- always got --

ERIC GLEASON: Well --

JOHN McBETH: -- a person in a seat.

ERIC GLEASON: -- let's be clear. When -- so fixed route bus service, which is, you know, you guys run a lot of that. That's easy. A revenue mile is when it's in service and it's carrying people, open to service. Demand response system's a little bit different because they spend a lot of time traveling to get their passenger initially.

The way we calculate it is when that vehicle leaves the garage in the morning, the mileage it accumulates during the day is where the mileage.

JOHN McBETH: Yeah.

ERIC GLEASON: So, you know, it's -- it's a -- is it revenue miles, is it revenue miles per vehicle, is it some kind of -- there's just no other way to account for it where the -- with the demand response system because, you know, it's problematic.

JOSEPH KOPSER: Unless -- and maybe this is not in the conduct of what we're talking about here. Unless you divide by the number of seats in that vehicle. So it's one thing to send a 4-passenger, 12-passenger out for a long ride to get somebody to bring him or her in.

But if you're sending a much larger vehicle, that, to me, just as a member of the general public not see that as a good use of funds, and that is not a behavior we would want to reward, to send a 40-passenger or a 25-passenger out to pick up one or two people.

ERIC GLEASON: Sure. So we're into effective utilization of fleet...

JOSEPH KOPSER: Right.

ERIC GLEASON: ...as opposed to just quantity utilization of fleet.

ROB STEPHENS: Go ahead, Jim, please.

JIM CLINE: Rob, in answer to your question, I -- I don't -- I'm not gonna presume, as a member of this group, to say, Eric, this is the way it ought to be. I would think that asking the question of the staff to say, is -- is there a better way that does reward the right behavior, is what I would like to see, our recommendation; is that a fair way to frame that?

ROB STEPHENS: Yeah.

JIM CLINE: I want to make --

ROB STEPHENS: The first question was is -- is -- is -- is are -- are we ready to move to look -- are we not comfortable with letting Eric explore different possibilities was the first question, correct?

ERIC GLEASON: That's correct.

ROB STEPHENS: Yeah. So -- so if we're okay with that, then -- then we can move on to the --

ERIC GLEASON: So if that new methodology introduces extreme variation, and the next question is does the -- is the committee interested in just moving to that new methodology and letting people adjust at one time to that new level; or do we step people down, and if so, how long. I don't even know the percent. You know, on the formula side, we say you get no -- no less than 10 percent less than you got the year before, if you step down at 10 percent of the time. You know, I -- I -- you know, is it three years --

ROB STEPHENS: I'm in favor --

ERIC GLEASON: -- five years.

ROB STEPHENS: -- of the step down. I'm in favor of that. But I -- I would let -- I would defer to you and your staff to give us recommendations about what those ranges might be. What -- but I --

ERIC GLEASON: Okay. I was hoping to extract some sense of three years, five years, two years. I mean, how long does it take to adjust your budget to -- I mean --

JOHN McBETH: On the capital? Probably three years on capital. The -- the rural program, 5311 formula, I think we stretched that over six years, and it worked. It was --

ERIC GLEASON: Well, that's just --

JOHN McBETH: It hurt but --

ERIC GLEASON: -- how it turned out to be.

JOHN McBETH: -- it worked.

ERIC GLEASON: That's what -- we didn't have six years in mine. We just --

JOHN McBETH: Yeah.

ERIC GLEASON: -- said no more than 10 percent.

JOHN McBETH: Exactly.

ERIC GLEASON: It resulted in taking six years --

JOHN McBETH: Yeah. Exactly.

ERIC GLEASON: -- for some folks to get there.

JOHN McBETH: And I think you could do the same thing here. You could say no more than 10 percent, and see how long that takes.

ROB STEPHENS: Go ahead, Jim.

JIM CLINE: Just wanted -- I -- it'd be interesting to me to say -- I would ask the question, if there is -- if there is such a dramatic shift, is that an appropriate way to do it. That's another...

ERIC GLEASON: Okay. You would call in to question the --

JIM CLINE: I just -- it would be -- I would just say, is that -- is that appropriate if it's that dramatic, that's all. That's -- that's a question that would hit me. As I looked -- again, looking in advance, saying, wow, it goes from basically a flat line, right, where there's no -- everybody's on the same line to where it's a huge variation in saying is that dramatic. Are people making that -- that bad a decision so now when they're getting -- you know, that's -- that's my --

ERIC GLEASON: So hearing what you're saying, Jim, so of the three that we looked at, based on your comment, we ought not to be looking at population -- and Joseph, yours. Population land area doesn't introduce any sense of reward --

JIM CLINE: How well --

ERIC GLEASON: -- (indiscernible) --

JIM CLINE: -- you do your job running your agency.

ERIC GLEASON: So that's not the kind of -- we're not willing to make that kind of change for that. But that revenue miles or some way of getting that effectiveness in a simple measure is what you want.

ROB STEPHENS: Maybe passengers per mile?

ERIC GLEASON: And, you know, readily available, whatever.

JIM CLINE: Readily available data.

ERIC GLEASON: So we can -- move to that.

And then if in our minds the level of variation that that -- that that new data represents is extreme or whatever, we will give some thought to a step down. And I think what we'll probably try and do is come back to you at the next meeting with the results of that and get another check-in point to say, are we on target (indiscernible), but the committee's interest in seeing that.

ROB STEPHENS: Sure.

ERIC GLEASON: New approach, minimize variation with a step down, come back and show us what you think.

J.R. SALAZAR: I think we just need to keep in mind, too, that we're talking about 1.75 million.

ERIC GLEASON: Oh, I know. And that's the other thing; at the end of the day, it's not a lot of money.

JOHN McBETH: Yeah, and -- and at the end of the day --

J.R. SALAZAR: For rurals.

JOHN McBETH: By --

J.R. SALAZAR: Sorry.

JOHN McBETH: By May -- this is John. By May this program may not exist.

ERIC GLEASON: Well, sure. There's that,

too.

JOHN McBETH: TIGER's gonna go and there's proposal to cut bus -- buses slowly by 60 percent. So we might be talking about not much --

ERIC GLEASON: Okay.

JOHN McBETH: -- at all.

JOSEPH KOPSER: You talking about the federal budget?

JOHN McBETH: The federal budget, yeah. It -- it's -- right now the transportation budget is pretty inconsequential in the scheme of things up there. But (indiscernible) who secretary said, yeah, we'll give you more information in May. They're not even in the skinny budget right now, so this -- this program --

ERIC GLEASON: Okay.

JOHN McBETH: -- could go on.

ERIC GLEASON: Good to know.

ROB STEPHENS: Quick question, Eric.

ERIC GLEASON: Yes, sir.

ROB STEPHENS: I guess it just reminded me, were there -- were there situations in previous years where -- I've got the amount was that small. Were there situations where agencies didn't get enough to purchase a vehicle? A replacement vehicle?

ERIC GLEASON: Yes. And, keep in mind, this formula is based on vehicle condition, but the funds can be used for any capital program purpose.

ROB STEPHENS: Okay.

ERIC GLEASON: And so even if you don't get enough for a vehicle, you could, you know, replace the concrete pad, or buy a lift, or whatever you wanted to do for your shop, too.

ROB STEPHENS: Okay.

ERIC GLEASON: And that was a point of confusion when we made the shift initially was because the calculation was by fleet, people made the assumption they could only use it. No, in fact you can use it for anything.

JIM CLINE: That goes back to the, are you making good decisions.

ERIC GLEASON: Yes. Yeah. Okay.

ROB STEPHENS: Very good.

ERIC GLEASON: Excellent. That's what we needed. Now, give you a sense of what's next. Final page on this handout. So we're gonna convene again late May, early June. And the idea with that date is going to be, do we have enough confidence in the legislature and in appropriations process, wherever they might be at that point, to -- to feel that we know that that additional funding is going to be made available.

And so I don't have any reason to believe at this point that it won't be there at the end of the session, no reason at all. Just don't want to second guess the appropriations process. So stay tuned for that, but we will be trying to set -- and maybe we'll just set a couple dates up and -- with you that you're both -- both dates available, and I will pick one, depending when and where they are.

We will -- at that agenda -- on that agenda we will follow up from today's discussion, then we're gonna -- bring your caffeine. We're gonna take you through a summary of the current formula, and why it is the way it is. And this is -- this is the most important work this committee does, hand down, when we get into talking about formula, formula funding affecting state and rural program amounts.

That's really critical stuff, so we're gonna make sure that we have a pretty good foundation and understanding of all members of the current formula and why it is the way it is. And we'll identify what we think our areas that we may want to look at for change, and it will be areas that will be -- allow us to incorporate the additional funding for sure.

There are also areas, we think, where it's weak or perhaps doesn't encourage what we want that we will highlight for the committee as well to get some feedback. And then we'll work you through sort of different ways of looking at those areas of change and the things you might consider; again, not to get an action on the part of the committee but to promote the same kind of conversation like we had today, so we can leave with an understanding of how to write up some proposed rules.

That, Mr. Chair, concludes everything I have to say on this item.

ROB STEPHENS: Okay. Awesome. Anyone else have any closing remarks on item number 6? Okay. It's an action item, but we don't necessarily have to take action. We can just move on to item number 7, I think, if you guys think we covered everything clearly and Eric will bring back to us stuff next time. You guys comfortable with that?

MALE SPEAKER: Yeah.

ROB STEPHENS: Okay.

ERIC GLEASON: All right.

ROB STEPHENS: Item number 7.

ERIC GLEASON: Number 7. Okay.

ROB STEPHENS: Number 7 is Update and Discussion on Regionally Coordinated Public Transportation Efforts. We do have some speakers lined up for this one --

ERIC GLEASON: Okay.

ROB STEPHENS: -- but we'll begin our conversation.

ERIC GLEASON: Okay.

ROB STEPHENS: And then after that we'll have a discussion on the comments.

ERIC GLEASON: Again, Mr. Chair, on this item we are not looking for action on the part of the committee. We want to bring this item to the committee's attention because it was the basis of a fairly prolonged conversation, 12 to 18 months ago at this committee, about the -- the Coordination Planning Program and next steps for that.

A brief bit of background; this program started back in 2005 following state statute that requires the department to facilitate a process to encourage coordination between transit providers -- transit -- public transportation providers and health and human service agency transportation for efficiency and coordination purposes.

We also have in federal 5310 program, we do have a requirement for having a coordination plan. So the way we've approached this for the better part of almost 12 years now is the department has facilitated planning efforts in each of the state's 24 regional planning areas. We have funded and facilitated planning efforts to create a coordination plan to update that plan every five years, and in between plan updates to fund an ongoing effort to sustain that planning process.

We had a conversation at this committee about a year ago, I guess, where the committee felt strongly that we had supported the planning effort enough that we could limit our planning support to those needed updates, but that in between the updates, the committee wanted to see an emphasis of funding, what we call implementation projects.

Projects or -- to identify gaps or projects that were identified in the plan itself for implementation to experiment, to pilot, and to learn, and to see what kinds of outcomes we could actually document as coming from this planning effort. So we have made that transition.

And I referenced earlier in my report, we have projects now, from the very first call for projects under this new approach where we are no longer proposing to fund agencies in their ongoing planning efforts. We are funding their update efforts but not the ongoing plan efforts, and we now have first set of projects in.

Now, having said that, wanted to let the committee know we are hearing from some of our lead agencies. So in each of these 24 regions we have lead agencies. We are hearing from some of them that no longer having funding available to support ongoing planning is a problem for them from a staffing and resource level.

And we have three agencies who have stepped back from that lead agency role, and we've heard from a number that they are considering that. And so while we're not looking for action today, we may be coming to you in the future with some recommendations if we determine that trend to be a significant issue for this -- this effort.

So what you have in your packet -- and I think there's updated information. Again, you may have some of that, not in the notebook itself but in --

JOSH RIBAKOVE: In -- in the packet. All the -- the packets that have been updated, and you should have one that has today's date on it.

ERIC GLEASON: There's an updated one for this item of words and -- that describe this issue. It also provides you with an update on this recent effort, update on the update. So -- so each of the -- so if you look at the map, each of the 24 regions of the state here -- well, 22 of the 24 have undertake -- are undertaking or have undertook plan update efforts.

The blue represent those areas who have completed that. We expect the rest of the crowd, yellow, to finish up by the end of the April. And we have two areas that they're on different schedule updates, and I can't tell you what those schedules are.

Steve Wright is with us here today. Steve, why don't you join us at the table. Steve is our program manager for this effort and could answer any more specific questions you might have. I just wanted to get this out here.

Mr. Chair, I know we have folks who traveled a long --

ROB STEPHENS: Yes.

ERIC GLEASON: -- way. We have good representation from west Texas, the panhandle, and -- and South Plains area, and others to comment on this. And -- and I think I probably said enough.

ROB STEPHENS: Okay. I'll open up to the committee. I don't know -- Michelle, are you on the line?

MICHELLE BLOOMER: I'm still here.

ROB STEPHENS: Okay. If you -- if you've got any kind of comments or questions, or anything you want to say about this, this particular item, please do.

MICHELLE BLOOMER: I -- I do, but I think I want to wait and hear what the folks --

ROB STEPHENS: Okay.

MICHELLE BLOOMER: -- the public has during the comments.

ROB STEPHENS: Okay. We can do that, sure. J.R., you feel the same --

J.R. SALAZAR: Sure.

ROB STEPHENS: -- about that? Okay. John stepped down just a minute. So you guys -- you guys, Joseph, Jim, you got anything --

JIM CLINE: Good.

ROB STEPHENS: -- you want to start with?

JIM CLINE: No.

ROB STEPHENS: We'll open, go ahead and do the public comment section. Naomi Chaves with South Plains Association of Governments. Please come up and address the committee.

ERIC GLEASON: Gonna let you go ahead and use my seat.

NAOMI CHAVES: Perfect.

ERIC GLEASON: Right by the microphone so you can speak.

NAOMI CHAVES: Alrighty. Well, good afternoon, everyone. My name's Naomi Chaves. I'm with

South Plains Association of Governments, and we are the lead agency for the South Plains Regional Coordination Transportation Advisory Committee in west Texas. And before I begin, I'd like to thank everyone for taking the time to listen to our comments regarding the new funding strategies for 5304 funding.

So, as all of you know, the state of Texas has a great sense of regionalism due to its varying types of geographies, demographics, social and economic characteristics. And because of this, it's a state that rarely gets away with blanket policies or strategies, because what is effective in one area might not be true or as effective in another area.

So because of the rural nature and low population density in west Texas compared to the rest of the state, it's significantly impacts the strategies through which we can improve and/or continue to coordinate effective transportation planning for our region.

With that being said, we like to take a very collaborative approach to transportation planning because we have a comprehensive understanding of the role that transportation plays in the quality of life of people, the economy, and the safety and security of our region.

And without basic lead agency funding, we are definitely posed with some challenges that will hinder the effect -- the effectiveness of our transportation planning efforts. And the absence of these resources will make it difficult for the multi provider coordination that has been successfully taking place at SPAG over the last five years.

With that said, I would like to thank the committee for allowing us the opportunity to be a part of this conversation.

ROB STEPHENS: Okay. Thank you, Naomi. What I'd like to do is hold, I guess that -- we'll let all the speakers come up and -- and the committee will respond as a whole. Thank you, Naomi. Next, Rina Bale, with Permian Basin M.P.O., please come up.

RINA BALE: Hello. And, yes, thank you. My name, again, is Rina Bale. I'm the Mobility Manager at the Permian Basin M.P.O., which is also west Texas Midland/Odessa area. We are the lead agency for the 17 county region of planning Region 9.

And regionally coordinated transportation planning has gained more significance over the past couple of years since TxDOT implemented it back in 2005. Active stakeholders in my area has increased by 280 percent from FY '15 to FY '16. We have a 35 percent increase in new members, also from FY 2015.

Some of our members travel anywhere from 50 to 180 miles -- that's one way -- to attend our planning meetings, which those things emphasize the importance that they believe that regional planning is. Public transportation awareness was identified as the number one issue in our updated regional plan.

Without continuing these planning meetings and stakeholder involvement on the in between years, it's going to be hard to fulfill that need, because outreach and education, that's -- that's where it starts. It starts in those meetings. It's starts with partnerships. It starts with talking to the different agencies and letting them take the information back to their stakeholders to get things done in the region.

The sharing of information has also been used to implement infrastructure projects, including facilities, fleet, and communication controls. The regional planning program also assists in the 5310 process by encouraging partnerships, ensuring projects have local support, and confirming that there are no duplication of services.

Looking at the select populations that are the focus of regional planning, which include the elderly, disabled, low income veterans and children, significant strides have been made to attempt to meet their transportation needs.

Throughout planning region 9, senior citizens now have transportation to senior centers which provide activities and nutritious meals. Individuals with disabilities can now receive trib training to learn to ride the public transit system, so they have transportation freedom without having to depend on others.

Unmet transportation needs and gaps in services for veterans, low income individuals and children are being heard, documented, and measures are being taken to satisfy those needs. None of these things would be possible without the coordinating efforts derived from the regional planning process, regardless of geographic location.

By providing lead agencies with enough funding to maintain the minimal efforts, you are doing so much more than just funding some meetings. You are helping to provide the necessary resources to help a blind man get to a medical appointment, or a disabled mother get to work, or a veteran to get to a VA hospital. You are improving people's quality of life.

Please reconsider this request for sustainability funds so partnerships will continue to be developed, agencies can continue working together to improve their client transportation, and we can continue to get people where they need to go effectively, efficiently, and seamlessly.  Thank you.

JIM CLINE:  Thank you.

ROB STEPHENS:  Thank you, very much.  Okay. We have another speaker, Kyle, with Panhandle Regional Planning Commission.

KYLE INGHAM:  Thank you, sir.

ROB STEPHENS:  Yes, sir.

KYLE INGHAM:  I'm Kyle Ingham.  I'm the local Government Services Director up at the Panhandle Regional Planning Commission in Amarillo, Texas.  So we're blue up there.  We have ours turned in.

I do -- I do want to touch base -- and I think the two previous speakers did a very good job of outlining the importance of the regional planning process.  And I think whether you're an MPO providing services or Council of Governments providing the services, we developed some expertise over the past 12 years.

Starting in about 2007, I became involved in the program.  And at the time, our rural provider, our urban provider, and our -- our private providers wouldn't even come to the table and talk to each other.

And so we're fiercely independent out in the Texas panhandle, and it takes something to make people to come together to work together.

And so we went from an almost adversarial relationship ten years ago to now those people wanting to come together and have meetings on an every other month basis just to touch base with each other. They're using it as a forum to discuss what the -- what the next actions are gonna be, and even where they can get some synergy, help each other out and fill in some gaps.

The private providers are filling gaps that the public providers are missing, and everybody's gladly doing this now. They've touched on the importance of all that, but really one of the things I want to get into is the functional -- functionality of continuous funding.

We run into a problem as a Council of Governments specifically, and while we are political subdivision, we are not a taxing entity in the state of Texas. Every bit of service that we provide is done so on a contract basis. So if we do regional water planning, the Texas Water Development Board is paying for our staff time to do that.

If we're doing public transportation planning, that's under a contract with TxDOT to pay for the staff to do that. If you move over and you're providing services to a locality or you're providing services of workforce or aging, whatever it is that we do -- and all the Council of Governments are very different -- it's under a contract.

And so if I'm being asked to host meetings, if I'm being asked to coordinate, if I'm being asked to help implement a plan on behalf of an agency with no funding tied to that, I'm actually stealing from another state agency. I'm stealing tax dollars from another program that we have a contract to provide those services.

That's -- that's a problem in pulling something from somewhere else. So -- so services for free, while it looks really nice on paper, it doesn't work very well in a business model.

And then finally, the -- the reason that I know you guys moved away from the ongoing funding really makes sense. The implementation of this plan is highly important. 2007 plan, 2011 plan in our region, we got the vast majority of those strategies implemented.

We had partner agencies that were utilizing 5310, 5311, the different programs, even some local funds to begin doing this. The private entities designed some programs around the funding that was available to them through Medicare and Medicaid also.

I don't think that continuing to pay for the planning effort is mutually independent of the implementation of the strategies, 'cause I don't want to plan to plan any more than anybody else.

So putting together a plan, putting it on the ground, implementing it maybe with other resources as opposed to the planning resources, or even partially with the planning resources, establishing some base level, and then the ongoing competition.

I think the competition's good. It rewards those entities that have done a good job, those regions that have done a good job, like you were talking about, coming together, putting together the right plans, doing things the right way, getting strategies implemented.

Yeah, if they can be more competitive and it implement more projects, that's a good thing. But some level of base funding in order to keep those experts in place, as she said, is really a necessity going forward. Thank you, guys, for the time.

ROB STEPHENS: Thank you, Kyle.

KYLE INGHAM: And for the public record, this is a letter from our advisory group.

ROB STEPHENS: Thank you. We have one more speaker. Aida Martinez, with the South Plains Regional

Coordination Transit Advisory Committee.

AIDA MARTINEZ: Thank you. That's little bit of a tongue twister, the name of our little regional advisory committee. My name is Aida Martinez. I am the 211 Texas Director for the South Plains Association of Governments. A while ago you mentioned 2005, and that's how long I've been involved in the transportation discussion on the South Plains region, back when Citibus was our lead agency.

And a couple of years ago, as Naomi mentioned, we -- South Plains Association of Governments took over as lead planning agency and have still remained a member of the committee, because transportation is a huge issue up in west Texas, like Kyle and Naomi have mentioned. And we have high committee -- committed committee members on our stakeholder group.

So I'm here to represent and speak as a stakeholder for the committee. And on our behalf of the committee, I'd like to say that we strongly support the idea of 5304 funding being used to sustain our lead agency's efforts in overseeing the progress of the five-year transportation plan.

SPAG has been the lead agency in the Lubbock region since 2012. And while there was transition in stakeholders as well as lead agency staff, the last two years have seen a tremendous amount of regional coordination that is impacting our region in big ways.

SPAG has done an excellent job of providing monthly multi provider coordination meetings, writing the first regional transportation plan with SPAG as a lead agency, identifying the unmet needs and gaps concerning transportation in the South Plains region, and helping us develop and apply for innovative demonstration project funding to further our goals and fill the gaps in our area.

All of these efforts have been very difficult, if not impossible, to achieve without basic lead agency funding. We do appreciate TxDOT's objectives to use limited dollars as strategically as possible. However, we do feel that basically an agency funding has resulted in efficient and effective transportation planning of our region.

I do want to stress, however, as a stakeholder in the local planning process what a difference a stable lead agency means to our region. The needs of the South Plains citizens -- the needs of the South Plains citizens my organization serves are not the same as those needs of those in Houston or Dallas.

Continued lead agency funding is critical to the continued success of regional coordinated planning. And once again, I'd like to thank you for your time today.

MALE SPEAKER: Thank you.

MALE SPEAKER: Thank you.

ROB STEPHENS: Thank you, very much. Okay. We don't have any more speakers, so what I'd like to do now is open up, I guess, for committee discussion. And I'll come back to you, Michelle. So you've heard from speakers. Are you still there with us?

MICHELLE BLOOMER: I'm still here.

ROB STEPHENS: Okay, okay. If you're ready to make comments now, if you've got some, if you're ready, please go ahead.

MICHELLE BLOOMER: I'll (indiscernible) the other members at this time.

ROB STEPHENS: Okay. Awesome. Joseph, Jim, you guys got anything over there?

JIM CLINE: I just -- I want to kind of make sure I understand the issue really well, being new at this. These funds, in particular the requests that we've been getting, are -- we have been previously funding fairly stable dollars -- stable of the dollars that essentially is doing sustainment.

ROB STEPHENS: Yes.

JIM CLINE: A sustained level of playing, some of which is implementation, some of which is other things, but a fairly stable level that's been happening. And then we're proposing changing that, or that's been proposed.

JOHN McBETH: Been changed.

JIM CLINE: Been changed to do something different without the postponement limitation rather than on -- I think effectively it's probably the -- the MPO level staff; am I correct? Is that probably how it's generally --

MALE SPEAKER: It's mixed.

ERIC GLEASON: Council of Governments, MPO, transit district, the -- the lead agencies -- it's a diverse group of agencies who have elected to lead this effort in each of the 24 regions.

JIM CLINE: Okay.

ERIC GLEASON: It has historically been for planning purposes. Creating a plan initially and updating it every five years, and then sustaining some ongoing level of planning work, working with stakeholders, you know -- you know...

And the -- the discussion a year ago was that aside from the updates, that the in between years let's shift our focus from sustaining ongoing meetings with stakeholders to talk about the issues. Let's take those resources and let's put them more specifically on projects to implement projects in the plan, because the discussion at the time, we weren't seeing necessarily measurable outcomes, results from the planning effort.

We saw a lot of planning going on. We know we had new ideas coming to the table. We know we had new groups working together who have not worked together before. We -- the -- but the committee was interested in, and we agreed, was let's see if we can't focus ourselves on getting pilot projects out there, service projects out there, measurable projects with measurable results to move the meeting, you know. And that's what we're trying to do here.

And what has then -- what is no longer funded then is this sort of sustainment level of planning activity in between updates. You know, you can imagine, you know, an update is a big -- a big blip in effort. And then it cooks along for three or four years at a lower sustainment level, and then it ramps up again for your updating, and then back to the -- to the lower sustainment level. And it's that lower sustainment level that has been replaced by the notion of funding implementations and not planning.

JOSEPH KOPSER: Is the number equal between all 24 districts?

ERIC GLEASON: No. No. The process we -- we go through a competitive call. We ask agencies to put together proposals to spend money in different ways, and then we evaluate the proposals and make decisions on differing amounts based on that. So it's not like we say everybody gets $50,000 a year, everybody gets 100,000 or whatever.

You know, we typically -- the program we fund this from, we get -- is a federal program that requires a 20 percent state or local match for it, the state actually provides the money as match. And I think when you add match to federal money, I think the annual total was, what, 1.6?

STEVE WRIGHT: 1.7.

ERIC GLEASON: 1.7.

STEVE WRIGHT: Total.

ERIC GLEASON: Total for Texas. And it's for all purposes. We -- we have a demand for this program. This is the same program that we could use funds to move facilities and things through a project development process, from concept to feasibility, to environmental, things of that. So we have a lot of demand for these funds.

And I think you were hearing from the

committee that enough had been spent on planning, and given the demand for these funds, we wanted to move into a more strategically based focus to get results. Sorry, that was a long explanation, but that's...

JOSEPH KOPSER: But that's essentially, on average, $66,000 per district.

ERIC GLEASON: At how much?

JOSEPH KOPSER: 1.7 you said.

ERIC GLEASON: Okay, okay. Sure. If it all went to this purpose, yes.

JOSEPH KOPSER: Okay.

ERIC GLEASON: But, as I said, we have other competing demands for it, so we don't spend all of it on this.

JIM CLINE: Yeah, I was gonna ask how much dough we're talking about, from the level of money (indiscernible).

ERIC GLEASON: So one point -- I think a year ago we calculated since inception that we had -- I think we were at about 11 million dollars. 10, 11 million dollars over -- it's about ten a year, on average, to support this program, statewide.

JOHN McBETH: This is John. There -- and there are -- there are people that -- that have needs to use this money. Brazos is an example. Year-and-a-half ago, at the request of the city councils in Bryan and College Station, they asked us to study our 5307 Fixed Route Urban Program because the cities have grown so rapidly and so quick.

And I don't -- I don't have a planner on my staff, nor will I ever have a planner on my staff, because you can go out on the free market and buy them. So we basically floated an RFP and the proposal came back. And the study that we needed to do to meet the requirements of the two cities and the county was about $375,000.

This money could've paid for that study, but because the funds were not available, we didn't ask for it. We just went ahead and used our own 5307 money, planning money and did it that way. But there -- there are lots and lots of systems in -- in the state.

The end result of our study is we're going to be adding five fixed bus route and three demand response ADA bus routes that are going to serve, based upon the projections, an additional probably 400,000 trips a year. That's for a $300,000 study.

So there are a lot of other uses for -- for these funds that -- that will -- that you can show you're carrying more people faster. Gonna be able to cut our head waits down from an hour to 30 minutes. So we're gonna have a lot more frequent riders.

ROB STEPHENS: J.R.?

J.R. SALAZAR: No, the only comment really I have is, you know, I think we need to be aware that there are different circumstances in different parts of the state. And so I think, people that spoke, that maybe things up north Texas aren't the same as central Texas or maybe in some of the more populated areas.

But, you know, I don't want to say maybe we made a mistake or anything like that, but maybe we were a little ahead of ourselves for -- to not consider sustainability for the project.

ERIC GLEASON: Okay.

ROB STEPHENS: Yeah. Michelle?

MICHELLE BLOOMER: I -- I just have a couple of thoughts. I think Eric did a really good job of summarizing why the committee did what they did. I understand and I appreciate the position that the agencies that spoke are in.

I go back to the concern that -- since we started regional coordination we've spent 11 million dollars on planning, and we still aren't able to quantify the net number of trips that we've provided because of that 11 million.

So I'm not sure if there's a hybrid or if there's something we can look at, but I don't think we can continue to fund planning because what we've been doing is funding staff positions. And in the off years, the level of effort required is significantly less than in the year that the plan is being updated.

So back to the gentleman from the panhandle, I think in those off years we're sort of subsidizing staff activities because we have a much lower level of effort needed during those off years.

My other question, so to Eric, you said three agencies have stepped back from being the lead agency role?

ERIC GLEASON: Yes.

MICHELLE BLOOMER: I don't want to know who these are, but what types of agen -- were they a Council of Governments, an MPO, were they health and human service agency?

ERIC GLEASON: We had a -- we have transit providers and a county that have stepped back.

MICHELLE BLOOMER: Okay. I mean, one of the other things, in order to receive 5310 funds, region must have a coordination plan. So agencies that -- or regions that step back from the regional coord -- coordination effort remove themselves from eligibility for 5310 funds.

ERIC GLEASON: Well, let me clarify. They did have an updated plan. And we are still in the business of funding that. I think the risk is that, you know, having to gear up and restart, you know, every five years as opposed to having some level of efforts sustained throughout.

I think that's -- that's what we've come down to. I think -- you know, my thought was that we -- I wanted to make my -- make our way through the projects that we received so that we would have a sense of the kind of projects we were looking at as a result of this shift. And, you know, I wanted to have that information and I wanted to possibly hear from more. I know a number of other lead agencies are considering this situation.

So my -- my guess is as plan updates get completed, we may begin to hear from more. And then I thought maybe at -- possibly not your next meeting but the one after that, we might be in a position to come to you with some options that would respond to what we're hearing; how's that sound?

MICHELLE BLOOMER: I think -- I think that sounds like a good idea. Like I said, I'm -- I'm trying to find the right word. I definitely don't want us to take a step back.

ERIC GLEASON: Correct.
MICHELLE BLOOMER: We spent --
ERIC GLEASON: I understand.
MICHELLE BLOOMER: -- the last -- is it 15 years, 12 years, on regional coordination efforts, and I'd hate for the lack of sustainability to put us back from where we currently are.
ERIC GLEASON: Correct.
MICHELLE BLOOMER: If we can figure out how to continue the sustainability, but still add some sort of measurable outcome or way to quantify what benefit is being received from spending these planning dollars, then I think I would feel much more comfortable moving forward with a change.
ERIC GLEASON: Okay. That's helpful.
JOSEPH KOPSER: If I could just add, if it has been this many years with this many districts, there have got to be examples of best practices, and I would love to see some discussion of best practices, because if there's no real accountability, I don't know how we are able to measure any return on investment on the money we've seen.
ERIC GLEASON: I think we have -- Joseph, I think one of the answers, or the observations I would have for you, that is we have many examples of best

practice planning and not as many examples of best practice project with results.

JOSEPH KOPSER: Execution.

ERIC GLEASON: Execution. And it's understood. I mean, we're not being critical of the planning effort, but there just has to be a balance --

JOSEPH KOPSER: I think it's both.

ERIC GLEASON: -- in a limited --

JOSEPH KOPSER: You're right.

ERIC GLEASON: -- funding environment that we can have some outcomes and that we're trying to find that sweet spot, if you will, of, you know, where we land.

JOSEPH KOPSER: Talking and doing.

ERIC GLEASON: Yeah.

ROB STEPHENS: I'd like to close with some comments of my own, Eric. I -- I can't disagree with anyone here that made comments about regional coordination, and the speakers that presented. I just -- I think this whole thing being driven by 461 in 2005 began with a whole (indiscernible) in that study that came up.

Supposed to coordinate review programing practices and help us to maximize the state's investment in public transportation and coordinating with health and human services. We've struggled with success at -- at coordinating with the biggest health and human service provider in the state, the Medicaid project (indiscernible). So, to me, that's a huge disappointment.

And I know you're aware of -- you know, all those efforts have happened. I mean, I've been a part of some small successes; a couple two, three different regions with transit providers. Some really good stuff happened out there.

But, to me, that's the hugest disappoint from this -- from this effort is that we cannot bring that -- that agency back to the table to work with the state's investment in public transit as to how do you move that forward.

I don't know where we go with that, but that's -- that's my comment on that. But otherwise, I support your efforts in moving in a different direction, Mr. Gleason.

ERIC GLEASON: Well, it's -- we're responding to this committee's --

ROB STEPHENS: Right.

ERIC GLEASON: -- desires to see us move in a different direction that --

ROB STEPHENS: I do --

ERIC GLEASON: -- I think --
ROB STEPHENS: -- appreciate --
ERIC GLEASON: -- makes sense.
ROB STEPHENS: -- everyone here that's trying to move it into some direction where we get some kind of results. Anyone else have anything?
J.R. SALAZAR: No, I just have one last comment, kind of follow up on what Rob said. That's - that's one of the things that we struggled in our area as well as we were one of the lead agencies, and we took a step back and we're deciding not to be a lead agency.
And, Michelle, just so you know, just because we're not gonna be a lead agency does not mean that we're not gonna participate in the regional process. We certainly will be at the table and will do our part, and obviously we know the 5310 is -- is joined at the hip, if you will.
But, yes, it is frustrating when you try to involve some of the other partners that are supposed to be there, and for whatever reason, it just doesn't come out to fruition. So it can be frustrating.
ROB STEPHENS: Anyone else? Yes, Jim.
JIM CLINE: And, Rob, I don't know the answer. I'm not gonna propose that I know how to manage this. I'm just -- I struggle with the idea -- spent

some time talking to our friends at Span. They're a rural provider in the Denton County area. They do that part.

And knowing how tight the numbers are just to keep the doors open in those, because of where -- the funding sources, and they're begging and borrowing for -- for what they need or just what -- to try to get buy versus the sales tax for your, you know, urban transit districts.

And then seeing how that part of this regional coordination, that -- got to think about it a little bit more. I'm struggling a little bit on how you get -- it's like the 5339. It's not enough money to buy a bus.

ROB STEPHENS: Right.

JIM CLINE: This isn't enough to bring a person. It's not -- you know, are we not -- are we doing funding in a way that doesn't have an increment -- a usable increment. You know, is it just pieces and parts and it's kind of being pulled together, so...

And I'm sure some of the more -- more questions than answers. So that's -- seeing what other people are going through, and it's just a... I can see the struggle.

ROB STEPHENS: Okay, guys. If we don't have anything else, it's an action item, just as the rest of them, but we can move to item number 8 if you guys are ready to do that, okay.

JIM CLINE: That was 7?

ROB STEPHENS: We just took care of 7, yeah.

JIM CLINE: Can I just ask, Eric, you said you were gonna look at some options.

ERIC GLEASON: Yes, sir.

JIM CLINE: Not decide on an option, but I think if we talked out of here, I would -- just my -- I would hope we would at least review options on is there a hybrid, is there a way we do things. That's what I heard. I just --

ROB STEPHENS: Yes.

JIM CLINE: I think in terms of any -- it's not to say we're gonna do "X" but to say that, you know, you're gonna look at some options and bring them back, I think that would be valuable, if there was a question. Is that appropriate to say?

ROB STEPHENS: Yeah, I believe so.

ERIC GLEASON: Let me -- let me just be real clear. We're gonna wait to see what the results of the current call, what kinds of projects we get out of it. We're gonna see what other kinds of feedback we're getting from current lead agencies in this time frame about continuing their efforts.

And based on those two things, we may come to you with options, or we may simply report that what we thought was an issue was not that big of an issue, and move on. But we'll come back to you one way or the other. But if we believe that there's enough information in front of us that suggests it warrants a discussion, we'll come knocking, that respond to a lot of what we covered today.

JIM CLINE: So you're gonna come back with the results (indiscernible) last year --

ERIC GLEASON: Come back, and then --

JIM CLINE: Come back with the results, and if there's something doesn't look right, then we'll --

ERIC GLEASON: We'll have options.

JIM CLINE: That's -- I was just...

ROB STEPHENS: And that'll be at the next meeting, or --

ERIC GLEASON: No, I think we're talking -- next meeting we got to save --

ROB STEPHENS: Too much stuff, yeah.

ERIC GLEASON: -- formula and stuff like that. We'll go in the --

ROB STEPHENS: Subsequent meeting.

ERIC GLEASON: -- July -- yeah, subsequent meeting.

ROB STEPHENS: Okay. All right, guys. If you are ready to move to item number 8, now, this is just a staple item on our agenda. Discussion and development of PTAC work plan. See what you've got. You should have your packet. These are guiding principles for -- it was updated February 2012.

I think we've had an ongoing discussion here for the last couple of years. So just make yourself aware of the -- of the guiding principles. Number one, support public transportation, and, of course, number two is promote coordinated transportation.

Underneath those there's some goals and some objectives in them. We can talk about them, review them, but it is a -- just a normal staple to have that open as an item on the agenda for discussion. You guys have any comments, suggestions, or discussion items you want to talk about? None? Okay. Well, good.

Then nothing hearing on -- on that item number 8, and we've taken care of number 9, is there any -- any other public comment cards, Josh, or anything?

JOSH RIBAKOVE: That is all of the public comments that -- that we --

ROB STEPHENS: All right.

JOSH RIBAKOVE: -- got.

ROB STEPHENS: Sir, thank you --

JAMES CLINE: Can I ask a --

ROB STEPHENS: -- so much. Yes, sir.

JAMES CLINE: Common commuting question. We found that we had a bunch of people that were talking -- in this case, we went a whole lot of discussion and then we got to something totally different for people -- you know, outside folks.

And our -- our board meetings, a lot of times what -- and other board meetings have been involved in the city counsels and things. We know there's -- it -- it might consider rearranging -- within the open meetings rules we can rearrange the order of items --

ERIC GLEASON: Absolutely.

JAMES CLINE: -- right?

ROB STEPHENS: Okay.

JAMES CLINE: What would you suggest when you think about that?

JOHN McBETH: This -- this is John. At our board meetings we have public comments after our safety briefing, at the very top of the agenda, and then we have public comments at the very end of our meeting so the public has two opportunities to make comments.

JAMES CLINE: And typically -- and just my suggestion would be the general -- I want to make a statement about what we're doing. I think that's probably appropriate at the end. Or it could be -- that's -- that the will of the group.

MALE SPEAKER: Yeah.

JAMES CLINE: But if we had an item number 8 -- or in this case, 7, should we think about maybe moving --

ERIC GLEASON: Sure.

JAMES CLINE: -- 7 up if we know we have -- well, we used to do it, too, we would -- we had a bunch of --

MALE SPEAKER: Sure.

JAMES CLINE: -- lawyers that would -- when your burn rate gets real high, (indiscernible) altogether.

MALE SPEAKER: Yeah.

JAMES CLINE: But if you have -- everybody's time is valuable. I mean, that's just -- we're here for the duration.

ROB STEPHENS: Right. Yeah. Thank you, James. You're right. We'll -- I'll pay closer attention to that next time.

ERIC GLEASON: You -- you have that (indiscernible).

JIM CLINE: Just -- just a thought, and I think that's just a courtesy.

ROB STEPHENS: I agree, Jim. We'll pay attention. I'll pay attention. Okay, guys. So if there's nothing else, no public comments or anything, we got number 10, Propose and discuss new -- new meeting time, confirm date of meeting time, or any agenda items that we want to see on the next -- next meeting.

JIM CLINE: You say you're gonna put a couple of dates together?

ERIC GLEASON: I volunteered to have us put a couple of dates together, anticipating when we might have a good enough idea on the legislature. If they go long and things seem in question, we might want to have a plan "B" date that's (indiscernible). Otherwise, we're looking at the end --

JIM CLINE: (Indiscernible) is the 29th, right?

ERIC GLEASON: It is.

JOSH RIBAKOVE: This is -- this is Josh. Let me just -- just let you know that Monday, May -- Monday, May 29th is Memorial Day. Our typical May meeting is on the last Tuesday in May, which would be May 30th. But maybe we want to do a different date because maybe that holiday will interfere with everyone's schedules.

JOHN McBETH: Might want to wait till June.

JOSH RIBAKOVE: Well --

JOHN McBETH: This is John.

JOSH RIBAKOVE: -- might want to wait till June 6th or 13th. May 23rd is also a possibility. It really depends on what the committee wants to do.

JIM CLINE: Can I suggest 6th?

ERIC GLEASON: Let's go with the 6th.

JIM CLINE: I think the story's gonna be told on the budget.

ERIC GLEASON: If they finish it, yes.

JIM CLINE: Yeah. If they have to go to special session, that's a -- I mean, all bets are off.

ERIC GLEASON: Thanks for coming, guys.

ROB STEPHENS: Thank you.

ERIC GLEASON: Safe trip back.

ROB STEPHENS: June --

MICHELLE BLOOMER: This is Michelle. Eric.

ERIC GLEASON: Yes, ma'am.

MICHELLE BLOOMER: Quick question. We usually have a PTAC meeting in coordination with the TxDOT semiannual, and that's earlier. You mentioned it had been moved up. So how would moving the May meeting impact the July meeting?

ERIC GLEASON: Okay. The -- this time in July we are not going to have the PTAC meeting immediately following the semiannual. The semiannual is scheduled for the 12th of July.

We are scheduling the PTAC meeting toward the end of the month, about two weeks later. That will give us an opportunity to reflect on the discussion of the rules at the semiannual meeting, and incorporate any changes into language we put in front of the committee at their July meeting. So we have about a two-week separation this year in July.

So I would see -- I don't have an issue with a June 6th meeting where we knock ourselves out on the formula. And that gives us, as a staff, enough time to turn around and consider changes, get ready for a presentation of options and thoughts at the semiannual, and have rules written and ready by -- for the committee to look at, end of July.

I think it works. I wouldn't want to let that June meeting slide any closer because then I think you tend to compress our schedule too much in being able to respond and deflect with changes, anything we might be hearing.

ROB STEPHENS: Would it be the last Thursday in July, the 27th, or a Tuesday?

ERIC GLEASON: I think we're talking last Thursday in July. I don't -- is it on there?

JOSH RIBAKOVE: I think generally we're talking about a Tuesday.

ERIC GLEASON: Okay.

JOSH RIBAKOVE: 'Cause -- 'cause -- yeah. 'Cause the --

ERIC GLEASON: Help me out, Josh.

JOSH RIBAKOVE: -- commission will be -- will be the -- the last --

ROB STEPHENS: When's the commission --

JOSH RIBAKOVE: -- Thursday most likely.

ERIC GLEASON: Commission is the last Thursday in July. And right now we are looking at July 25th, which is a Tuesday, right here on the schedule.

ROB STEPHENS: Okay.

ERIC GLEASON: And that is where we are hoping to come to you with draft rule text. Again, and that will put us on target for a proposed rule introduction at the commission at their August meeting. I know it's -- it's cumbersome, but...

JIM CLINE: So 6th is the date --

ERIC GLEASON: We got --

JIM CLINE: -- looks like?

ERIC GLEASON: Let's go for the 6th of June.

(Indiscernible) to also to be plan "B." Yeah, that's fine. We will -- I'm speaking out of turn, and I apologize, but we will try and prepare some issue papers ahead of that June 6th meeting and capture the range of conversation of the formula. (Indiscernible), keep it short.

ROB STEPHENS: Awesome. Thank you. Okay. So if we've got that settled, move to item number 11. I'll entertain a motion to adjourn.

JOHN McBETH: So moved.

J.R. SALAZAR: Second.

ROB STEPHENS: All right, a second. All in favor say, "Aye."

("Aye" spoken in unison)

MICHELLE BLOOMER: Aye.

ROB STEPHENS: All right. We're adjourned.

(Proceedings Concluded)

REPORTER'S CERTIFICATE )

COUNTY OF TRAVIS )

STATE OF TEXAS )

I, Joy Quiroz-Hernandez, Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the foregoing is a correct transcription from the audio recording of the proceedings in the above-entitled matter.

Please take note that I was not personally present for said recording and, therefore, due to the quality of the recording provided, inaudibles may have created inaccuracies in the transcription of said recording.

I further certify that I am not related nor employed by any of the parties in which this proceeding was taken, nor do I have a financial interest in the actions taken.

Subscribed and sworn to on this [illegible] day of April, 2017.

Joy Quiroz-Hernandez, Texas CSR 8391
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