TEXAS DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION ADVISORY COMMITTEE MEETING

Room 323
Building 6
3712 Jackson Avenue
Austin, Texas

Wednesday,
January 23, 2013

COMMITTEE MEMBERS PRESENT IN AUSTIN:

Michelle Bloomer, Chair
J.R. Salazar, Vice Chair
Glenn Gadbois
Brad Underwood

COMMITTEE MEMBER PRESENT VIA TELEPHONE:

Rob Stephens

COMMITTEE MEMBERS NOT PRESENT:

Dr. Al Abeson
Christina Melton Crain

STAFF:

Eric Gleason, PTN Director
Bobby Killebrew, PTN Deputy Director
Kelly Kirkland, PTN

ON THE RECORD REPORTING
(512) 450-0342
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PROCEEDINGS

MS. BLOOMER: It's one o'clock and I call the meeting to order.

Moving on to item 2, in accordance with the Administrative Code, election of officers, and I'm going to turn this over to Bobby Killebrew.

MR. KILLEBREW: Thank you, Michelle.

For the record, I'm Bobby Killebrew, deputy director of TxDOT's Public Transportation Division.

And in regards to item number 2, in the Administrative Code there's a set of rules that governs this committee and how it's supposed to conduct business and so forth, and one of those is election of officers, and in the Administrative Code, regarding election of officers for this committee is every two years the committee should go through a process to elect a chair and vice chair. And for the purposes of this committee, the chair and vice chair can serve an unlimited number of terms, so both the current chair and vice chair can stand for reelection.

And as Michelle has asked me to take this item on the agenda, I'll pause for a minute because we have another member joining the group.

MR. GADBOIS: You don't have to pause.

MR. KILLEBREW: We're on item number 2 which is
election of officers. I'll conduct item number 2 then. So the floor is open for nominations for the position of chair of the Public Transportation Advisory Committee. Are there any nominations?

MR. GADBOIS: This is Glenn. Before we do, can I ask a question. It says one or two years. Did we appoint for one or two years?

MR. KILLEBREW: The term is to serve a minimum of one year, but it's every two years that we go through the process of the elections of chair and vice chair.

MR. GADBOIS: So we elected our chair and vice chair two years ago.

MR. KILLEBREW: At least two years ago. It's actually a little bit longer.

MR. GADBOIS: Okay. Just checking.

MR. KILLEBREW: See if we could have an easy ride on an extra year.

MR. KILLEBREW: We've stretched it a little bit long.

MR. UNDERWOOD: Bobby, I believe that Michelle has done a great job and I would nominate her to continue serving in that role.

MR. SALAZAR: And this is J.R. I'd second that.

MR. KILLEBREW: I have Michelle as nominated
for the position of chair. Any further nominations?

MR. GADBOIS: Just a question to the rest of you. Does anybody else want to be chair?

(General talking and laughter.)

MR. STEPHENS: Is Michelle okay with being chair?

MR. GADBOIS: You're not supposed to ask that question.

MS. BLOOMER: Thanks, Rob. Yes. This is Michelle. I'm willing to continue to serve as chair if that is the desire of the committee.


MR. KILLEBREW: Hearing no other nominations then I'll close the floor for nominations and take the vote of the committee and I'll take a roll call vote for Michelle as chair of the Public Transportation Advisory Committee.

Michelle?

MS. BLOOMER: Yes.

MR. KILLEBREW: J.R.?

MR. SALAZAR: Yes.

MR. KILLEBREW: Brad?

MR. UNDERWOOD: Aye.

MR. KILLEBREW: Glenn?

MR. GADBOIS: Aye.
MR. KILLEBREW: And Rob?

MR. STEPHENS: Aye.

MR. KILLEBREW: Congratulations, Michelle, you continue as PTAC's chair

MS. BLOOMER: Thank you all very much. So does that mean I get to take the second part?

MR. KILLEBREW: I can do the second part as well, if you like.

MS. BLOOMER: All right. Keep going, you're on a roll.

MR. KILLEBREW: To continue on, we also need to look at the position of vice chair, and so the floor is now open for nominations for the position of vice chair of the Public Transportation Advisory Committee.

MR. GADBOIS: And that was J.R. Correct? I nominate J.R. if he's so willing.

MR. UNDERWOOD: I don't think Michelle could do it without J.R., so I'll second that motion.

MR. KILLEBREW: I have a nomination of J.R. Is there any further nominations?

(No response.)

MR. UNDERWOOD: Move nominations cease.

MR. KILLEBREW: And J.R., I assume that you are accepting that nomination as well?

MR. SALAZAR: Sure. I'll let Michelle do all
the work.

(General talking and laughter.)

MR. KILLEBREW: Then I'll close the nomination process and we'll go to the vote for J.R. as vice chair of the Public Transportation Advisory Committee. How do you vote, Michelle?

MS. BLOOMER: Yes.

MR. KILLEBREW: And J.R.?

MR. SALAZAR: Yes.

MR. KILLEBREW: Brad?

MR. UNDERWOOD: Aye.

MR. KILLEBREW: Glenn?

MR. GADBOIS: Aye.

MR. KILLEBREW: And Rob?

MR. STEPHENS: Yes.

MR. KILLEBREW: Okay. Congratulations, J.R., as vice chair of the Public Transportation Advisory Committee.

And with that, Michelle, I'll hand it back over to you.

MS. BLOOMER: All right. Thank you, Bobby.

So moving on to item 3 on the agenda, approval of the minutes from the November 8, 2012 meeting. Are there any comments or questions regarding the meeting minutes?
(No response.)

MS. BLOOMER: If not, I will hear a motion.

MR. UNDERWOOD: So moved.

MS. BLOOMER: I have a motion. A second?

MR. SALAZAR: This is J.R. I'll second that.

MS. BLOOMER: We have a motion and a second.

I'll call the vote. Glenn, we're going to start with you.

MR. GADBOIS: Aye.

MS. BLOOMER: Brad?

MR. UNDERWOOD: Aye.

MS. BLOOMER: J.R.?

MR. SALAZAR: Aye.

MS. BLOOMER: Michelle, aye.

And Rob?

MR. STEPHENS: Aye.

MS. BLOOMER: All right. Minutes pass.

Moving on to item 4 on the agenda, the division director's report. Eric.

MR. GLEASON: This is Eric Gleason, director of the Public Transportation Division.

I'm not going to go through this report in detail, I think you all have had a chance to look at it, but I would like to highlight one item on there about midway down: Upcoming commission meeting topics at the February meeting.
Our Finance Division thinks that the current language in the TDC rules is not clear enough with respect to the 15 million development credits that at the start of each fiscal year Public Transportation has 15 million, and their read on it was that we got 15 million each year whether we spent them or not, and the intent was that it just replenished to 15- depending on how much was spent in the previous year. So not a substantive change to the rules but they are moving ahead with those proposed changes at the February meeting. We've not seen them yet either. So this is something that they felt they needed to do to clarify at some point a confusion on their part.

   MS. BLOOMER: Did we offer that if they were willing to maintain the 15 million a year, we were more than open to accepting?

   MR. GLEASON: Well, I wasn't the only one who remembered that, James Bass remembered, everyone remembered the way it should be, it's just that these are folks in Finance who weren't part of the process but they are responsible for tracking and documenting use of TDCs. The good news is it's being institutionalized.

   MS. BLOOMER: Okay.

   MR. GADBOIS: Discussion? Can we ask questions?

   MS. BLOOMER: Yes.
MR. GLEASON: Yes, you may.

MR. GADBOIS: So hopefully just quickly, Eric, 15 million set aside for transit, is that a ceiling, 15 million? We could spend more than 15 million but we have at least 15 million set aside for transit.

MR. GLEASON: It's a floor each year, it's a floor that's established each fiscal year, 15 million development credits. It is for the purposes of the programs that the department administers. Within areas that also generate the TDCs, such as DFW and Houston, if there are rural programs within that area, then they go there first. But it gets replenished each year to 15 million.

MR. GADBOIS: And then how have we been -- we the transit world in general -- how have we been in terms of use of the 15 million?

MR. GLEASON: It's about three times the annual average for the last five years. Now, having said that, some of the major metropolitan systems who are not generating toll revenues, like San Antonio, if they wanted to use TDCs for fleet procurement, so this is a floor, so we have an opportunity, assuming we anticipate the need, in any given year of requesting or getting approval for more.

MR. GADBOIS: And again, so my last and final
question along these lines, do we do anything to make sure that transit agencies understand how helpful these development credits could be to build or beef up our requests for TDCs?

MR. GLEASON: Do we do anything? The recent history is that we've used them for capital investments.

MR. GADBOIS: No. I'm looking at do we do anything to build market share. Do we build demand for TDCs, do we do anything to build demand?

MR. GLEASON: No, I wouldn't say we go out and beat the bushes to create demand for them. Everyone is aware of them.

MR. GADBOIS: Whether they understand what they are or how they can use them or not.

MR. GLEASON: Well, to the extent that they understand that they can be a replacement for local match, yes.

MR. UNDERWOOD: And you talked about them at the last two, if not three, semiannual meetings. Is that correct? You've talked about the uses and what we've done with them.

MR. GLEASON: When the rules were being revised, we probably talked about them at two successive semiannual meetings.

MR. UNDERWOOD: So that kind of raised
awareness of them again, I believe.

MR. GADBOIS: And I'm just wondering whether we really don't have as much need for them as I think we should because they're limited in their benefit but they're incredibly handy if you can figure out a way to use them. I'm wondering whether people just aren't figuring out a way to use them, or whether we really don't have that much demand.

MS. BLOOMER: Well, Glenn, I think part of issue or discussion that came up when we were going through the rulemaking process was that as far as the transit industry is concerned, most folks are very aware of TDCs and how to use them, versus maybe a little less on the highway side, because we have been using them consistently on an annual basis, anywhere from an average of 3- to 4-, all the way up to 8 million in a given year, and that's why we settled on the 15-. But I do think part of that might be what they've been eligible for in the past, capital only, whereas, going forward the discussion is now that we have 15 million are there more strategic ways we can utilize that to leverage available federal funds and other funds to provide more service. And so I think that's where the conversation may need to go forward.

My other question is if every year we have a 15
million sort of starting spot and then we spend down, we spend 10-, then we get 10-, not 15-, so we're back up at 15-, is do we want to actively pursue spending that 15- on a consistent basis.

MR. GADBOIS: And Michelle, I remember that discussion in terms of rulemaking. Kind of my ad hoc remembrance of when these items come before commission is that there are relatively few people that are consistently asking for and using TDCs, and everybody isn't for some reason, just don't know what that is.

MR. GLEASON: Well, there's a couple of things, Glenn. The last four or five years the department has been reasonably successful in competing for federal discretionary funds, and in that case it's most every rural transit district also working with TDCs to help draw down those funds.

In the 5310 program it's used fairly extensively for vehicle procurement purposes. We haven't done this for a while, but back in 2007 and '08 we used the portion of the rural program that the commission could make a discretionary decision on, we used that to also finance the match for fleet. So we've used it very diligently and very strategically over the years, and most everyone, if not everyone, has used them at some point.

What you see in the commission environment
mostly outside of the one or two times a year we might go for 5310 or the coordinated call, you see where we've gotten an isolated request from someone and we have to go to the commission to get it awarded.

MR. GADBOIS: Okay.

MS. BLOOMER: This is Michelle. Just maybe a question back up to November. So in November we took requests for TDCs for three agencies, and like you mentioned, this was separate from the 5310 federal process and the 5311.

MR. GLEASON: Yes. They had some federal discretionary funding that they did not have local match for and so they requested TDCs. And the way it works, technically, is they have to request it of the commission and have commission approval before their grant will be approved by FTA for use. They can't come in after the fact and change that program.

MS. BLOOMER: Once your FTA grant is in, it's in, you can't go back and add TDCs.

MR. GLEASON: Correct.

MS. BLOOMER: So there's really two ways TDCs can be awarded, sort of through the official programming of a program's annual funding, and then sort of on an ad hoc basis you receive requests as well. That's sort of been at a much smaller level of how to do that with the 15
15 million. Will it be the same?

MR. GLEASON: Well, the 15 million could finance $75 million worth of federal money for capital. That is an enormous amount of capital. It probably is pretty close to what we need each year between the rural and the small urban programs to do fleet replacement and maintain facilities, so that number is a good number if the federal funds were available for it.

And I don't know what's out there now under MAP-21 that on a discretionary basis would be available that we can compete for, using TDCs as match, because there's not a lot of discretionary money associated with that.

MS. BLOOMER: So does that assume that we're still restricting the use of TDCs to capital only now that we have less federal money to draw down?

MR. GLEASON: Well, I think we would want to have a conversation about their use for operating and if we wanted to try and draw some boundaries around the kinds of situations where it would be useful. For example, do we want to get into ongoing operating commitments with development credits. You know, the 15 million won't go very far once we start to do that. There may be situations, though, where for a one-time situation, kind of a one and done thing where for this year someone had
some unanticipated event and they need to plug a hole.
And so that can be an operating application as well.

But I think before we get into this in any sort
of strategic and deliberative way, we need to kind of talk
through what kind of boundaries we might want to set
around that stuff.

MS. BLOOMER: And would that be something we
would do through the PTAC work plan activities? I think
to get to Glenn's point of can we be a little bit more
strategic, can we better leverage the TDCs.

MR. UNDERWOOD: I don't disagree, I just think
that we've got some big things on the horizon right now,
and to me, now that we've got the rules kind of shaped in
the TAC the way we want them, I think I like giving more
discretion to PTN to identify those types of situations
and issues. I would like to see us use more TDCs,
obviously, I'm in agreement with that, but I don't know
that we need to put together a whole program, a flow chart
of if this happens you can do this and not do that, and I
like more of the ability. Because I think as few times as
we meet a year, to really set up a program that speaks to
how they're conducting their day-to-day business isn't
productive for us or them, much more the way that we know
best how to run our business and they kind of know best
how to run theirs, and I think we've got it shaped the way
the rules need to be formed, and I'm okay with that can be a discussion later on. I think we have just bigger things to do at this point. That's my two cents on it.

MS. BLOOMER: Any other comments or questions?

MR. SALAZAR: This is J.R. I agree with Brad, I think we have plenty going on and I don't think we need to go down that road where we're so specific with what we can and what we can't do with TDCs, and to me that's -- I don't want to say a non-issue to me, but I think we've got other things to do.

MR. GADBOIS: Well, and to be clear, and kind of to agree with you, what I was asking that for more is as you go through explaining the changes in MAP-21, as you look at how strategically all the money flows and talk to the transit providers about it, making sure that you have somebody available that could help them figure out how strategically to piece all that together I would think would be incredibly helpful to look at creative options for using money where money really is needed and works and using TDCs where they're really needed and can best be used to see if we can't pump up demand.

MR. UNDERWOOD: I just call Bobby when I have those questions.

MR. GADBOIS: There you go.

(General laughter.)
MR. SALAZAR: Well, and Glenn, to be honest, I think that's something that's kind of done on a local level too with the PTCs where they kind of advise us or give us direction on what we can do and what we can't do.

MR. UNDERWOOD: They're intimately involved in our day-to-day business.

MR. GADBOIS: And I appreciate that, and I also, though, remember and hear always, and have to kind of remind myself, you guys are the cream of the crop, if you will. Not everybody is as sophisticated at piecing things together as you guys are, and so I'm just looking to make sure everybody is kind of being helped.

MR. SALAZAR: I agree with that, I understand that.

MS. BLOOMER: Sorry. I think we cut you off. The rest of the director's report.

MR. GLEASON: I was just going to mention the February item on rules and just assume folks could read it out as well as I could read it out, so I thought the February item was important.

MS. BLOOMER: Okay. I saw the 2012-2013 Transit Leadership Seminar. Is there another one planned, or is the idea to take like a year or two off?

MR. GLEASON: Well, it depends. I had actually thought we wouldn't have this third one, but the demand
for it was high enough where we had no trouble filling it.
I think it could be a good time to pause for a year.
We'll have trained 75 individuals. And I had wanted to do
something else with the funds, something we've called a
Leadership Challenge Forum, where we pick two or three
topics of significance to the industry and stakeholders
and bring these folks in for two days of facilitated work
around options and next step directions we need to get
moving on. And I don't think we can do both in one year,
just from a financial standpoint.

So we've got enough momentum with enough of
these folks having been through the training where it
would be a good opportunity for them to come back and
apply a lot of what they learned, looking in the state
context. Examples would be what are we going to do about
state of good repair, education and awareness for transit
across the state would be a good one, workforce
development is another great topic. There's just three
right there that you could easily structure a really
productive two-day session around that would be really,
really helpful.

MR. GADBOIS: And along those lines, January
16, that item, how was the discussion around MAP-21?

MR. GLEASON: There were two days. We had
discussion on Wednesday, which was the semiannual meeting
itself, and everyone took part in that. And then on
Thursday morning we had workshops that folks could stay an
extra day for and delve more specifically into each of the
areas, and in your packet you've go the feedback from
those workshops.

MR. GADBOIS: Feedback?
MR. GLEASON: Well, not feedback, but the
comments that we received.

MR. GADBOIS: Okay. That wasn't emailed, was
it?
MS. BLOOMER: I think Bobby emailed it Friday,
late Thursday.

MR. GLEASON: We can get on you one, Glenn
MR. GADBOIS: No, I have it.
MS. BLOOMER: And I think that's on the agenda
for discussion two items down.

MR. GADBOIS: Okay.
MS. BLOOMER: Are there any more questions on
the director's report?
(No response.)
MS. BLOOMER: If not, we'll move on to item 5:
Discussion and comment on the Texas Health and Human
Services Commission's Medical Transportation Program. And
I believe this is Eric.

MR. GLEASON: Yes, I'll take this one.
At your last meeting the committee decided that they wanted to write a letter. At that time, Health and Human Services was conducting a number of statewide forums on the various options of service delivery for the Medical Transportation Program and they were seeking feedback. They had ten or twelve of these sessions. And the committee at the time decided that they wanted to weigh in, in some fashion, and express to HHSC their thoughts on the service delivery model discussion. Now, since then we've not seen a letter or written a letter, I'm not sure what happened to that.

What has happened in this same time frame, though, is that Phil Wilson first met with the industry to hear about their concerns over the Medicaid Medical Transportation Program, and then subsequently met with Dr. Kyle Janek, the executive commissioner for HHSC, to help promote the idea of letting a small consortium of transit districts be a pilot for how MTP could be delivered through transit providers that you could generate an evaluation of, and at the same time do an evaluation of the current fully capitated risk brokerage programs that are happening in Houston and Dallas-Fort Worth areas. And so you could evaluate those two efforts on some common performance measures and presumably develop some data on which to make a decision down the road on what kind of
service delivery model might be best for the state.

And so Phil met with Dr. Janek the week before last, and then next week on Tuesday, John McBeth, Carol Warlick and Dave Marsh are meeting with Chris Traylor, who is the deputy executive commissioner over at HHSC, to further talk about what they think the pilot is and how it can benefit HHSC. So we've made some real progress, I think, in promoting one of the options that was a part of the forum discussions, and hopefully result in an opportunity for transit in sort of a level playing field environment to demonstrate that it can -- transit folks are saying, and we would agree that there are better solutions for managing cost growth over the long run, and that they can deliver a consistently higher quality of service than you get from the brokerage model. And so that's what we're going to be trying to see.

MR. SALAZAR: This is J.R. I think Michelle, that TTA is trying to adopt some sort of formal policy on it as well, what TTA is looking forward to, and I think, obviously, we support the white paper that's being discussed in the Austin area and that model there. The issue that I brought up at the TTA board meeting is the same issue that I have here. The good thing about that is that you have a TSAP with me and then you have a subcontractor with Brad, but our contracts expire in
August of this year, and when we start looking at this pilot project that is going on, what does that mean come August 31 when those contracts expire.

And so we advocate, or at least I should say I do, for just extension of those contracts for current TSAP models rather than some of the discussion was at the TTA meeting the other day that maybe we should have two projects going on throughout the state, one in Austin that they all are working on and one in the West Texas area. And I'm really concerned about that because I am in that area and we're talking about 70-something counties, and I wouldn't have a clue on how we're going to get all that started. So I support the one pilot project that's going on in the Austin area.

MR. GLEASON: So I think a question for the committee is do you still want to write a letter or not. I think we need to bring closure to that conversation.

MS. BLOOMER: Well, has everybody had a chance to read the letter? I think the letter fairly well lays out a lot of the points we had made at the last meeting, so I think at this point whatever the desire of the committee is. I think this letter states what we were trying to communicate in the letter that we, as PTAC, would have sent. I think it's good that this letter came from Phil Wilson. Maybe at this point we sort of sit back
and cautiously watch what is going on and how it's moving and see how things go the next couple of months. I think there's been quite a bit of work and traction since the HHSC meetings throughout the region.

MR. GADBOIS: Since Team 1A and 1B brought this issue up, Phil's letter -- I mean, I was pleased to see Phil's letter, number one. I'm pleased to hear about the conversation on this issue because it's a complicated one, and really the only thing we were recommending is getting to a place to where there's more discussion, coordination and collaboration between the department and HHS in terms of determining what pilots might look like, how any transition might happen, et cetera. And so we've gotten what we were asking for is my opinion.

MR. GLEASON: TxDOT has also offered to HHSC that we would fund and manage the evaluation effort. So if HHSC is interested in pursuing this pilot, then we would, with TTI, facilitate a conversation around an evaluation effort, and presumably it's both pilot and the brokerage.

MR. GADBOIS: And is a topic of conversation transition? Because you've got the issue of pilots, can we try other models here. But then you've got the issue J.R. brings up of we've got some contracts ending and transition on those.
MR. GLEASON: I think, Glenn, that we're not there yet for that conversation. We don't even know if the pilot is a go. So I think one of the next issues on the list is so then what about the rest of the state while this pilot is going on.

Now, if I remember right, the 2006 contracts had two three-year extensions in them, if I'm remembering that right, so you're at that limit now.

MR. SALAZAR: We're at that limit now, but I think they left themselves a little bit of wiggle room with those five -- help me out, Brad -- the roundtables that went around the state had and you had five options to choose from. I think one of them was to go ahead and leave the contracts in place and extend those contracts, but how technical, I'm not really sure.

MR. UNDERWOOD: I believe they referred to them as enhanced TSAPs. There would be new contracts with additional monitoring provisions. When the last one was issued in 2009, it was my understanding that HHSC was very clear that there would not be any further contract extensions from the existing contract. But there again, I think we're playing with a whole new set of rules right now, so I don't really know where that's going to end up, J.R. I think what you're saying as far as extending the existing contracts for the existing TSAPs I think is
pretty well received by TTA. That seemed to be the consensus at our meeting, but there again, I'm not certain what HHSC's direction would be on this.

But I agree with Eric. Let's do the pilot first, then we'll pick up that issue. I think too many things on the table at one time might be confusing and look like --

MR. SALAZAR: Or to the point, let's commit to the pilot, the one pilot, let's focus on it, not two or three throughout the state or that kind of thing.

MR. GLEASON: Well, that's the purpose of next Tuesday's meeting. So I'm hopeful that we'll get to a point where we'll hear from HHSC whether it's a go or not.

MR. SALAZAR: And just one more thing, with HHSC right now, I can tell you that speaking from the TSAP perspective, they're asking for a whole lot of information from us right now and you wouldn't believe how much time we're spending getting documentation for everything for them, but it has been a big process.

MR. GLEASON: They are incredibly sensitive right now to fraud, and they seem to have reached a conclusion that they're paying for more trips than they should, significantly more trips than they should. In my mind, when we managed the program, the greatest potential for that existed in the larger metropolitan areas where
you have well developed fixed route systems and ADA systems, and you just knew that many of the trips that were being carried by the MTP could have taken place on those systems. The MTP program was offering a higher quality trip and a more convenient trip for people to take, and so it was being used.

You don't have that kind of footprint of fixed route and ADA services outside of those areas in the state, in the small urban and particularly rural areas they're nonexistent. And so as long as it's not a fraud issue, if it's just someone -- it's kind of a fraud but it's not like someone is trying to game the system, but they're just taking advantage of a better trip, they're calling and getting a ride.

MR. STEPHENS: Eric, I didn't mean to interrupt you, but isn't MTP in charge, they administer that program and they determine eligibility, so I don't know how it could be fraud if they're the ones that decide who's eligible and who isn't.

MR. GLEASON: Right. But they don't have the ability, or it's very difficult on a consistent basis for them to determine that this particular trip really could take place on Houston Metro.

MR. STEPHENS: I see. But that's still an internal issue. They decide who's eligible and who isn't.
I can't see how it could be fraud if they're establishing eligibility and they approve the trip to a TSAP. I don't see that connection.

MR. UNDERWOOD: Rob, I think a lot of it, too, especially in the Dallas-Fort Worth area with what's going on right now, there's an issue of flooding their system and ticket books being purchased and where those all go and that kind of thing. And so I think that's going to be an interesting situation to watch in the coming months as well, and it's going to address directly what Eric is talking about.

MR. STEPHENS: I don't know all the efforts that have been taken to try to remedy some of those issues, but it's been a while since I've worked an MTP program, but we used to sell fixed route tickets to the MTP program managers, and I don't know how they would disburse them but we would send them straight to the MTP offices. I don't know, it seemed like everything was in their control, so I don't know, maybe that's why they've been going down this path for something different, they've had trouble managing that program.

MS. BLOOMER: And I think just one last question. My understanding of the full risk brokerage is under that system it's in the broker's best interest to find the most cost efficient trip for that individual, so
if we can purchase them a $1.25 pass to ride a fixed route service, then we should be doing that, versus providing a more expensive point-to-point service. If you have a certain amount of money and you have to provide all the trips that are needed, it's in your best interest to make sure that you're providing the most efficient trip, not necessarily the quickest or the fastest.

MR. UNDERWOOD: And actually, Michelle, under that system it's not even based on the amount of trips to perform, it's based on the amount of eligible clients at the time, not even the amount of trips that need to be done.

MR. GLEASON: And technically, you could argue that if they managed to find that, that's not an MTP trip anymore and they'd get nothing for it because it's a program of last resort.

MR. STEPHENS: I know there's a lot of variables in determining eligibility and the most efficient way to get at it. When I heard the fraud I just kind of thought: Gosh, how could we connect that with what's happening.

MR. GLEASON: Well, I think, Rob, there are two elements to the paying for more trips than they should, and the first one is that some trips could be taken on public transportation systems. The second part of it is
that it's just deliberate fraud, trips that are never being made. So I don't know in their mind the extent to which they have both those ideas in mind or whether they believe that trips are being documented that have never happened.

MR. STEPHENS: Oh, I see. There's probably a lot of opportunity for improvement in that program. When I used to run an MTP program, it was complex. I had an operations manager at the time that was extremely hands-on and knew a lot of things about a lot of stuff, and he'd come tell me all the time, he'd say: I think, Rob, I think these people, they're not really taking a trip to the doctor's office, they're doing something else. I mean, we'd take them wherever we'd get a fax over to where we'd need to take them, but I'd always tell them: That's none of our business where he goes, we took him to the address we were to take him to; what they do with that trip or where they go, that's between them and somebody else.

But there's a lot of improvement that needs to happen in that program, definitely. I agree with that.

MR. GADBOIS: So I have one last question, or to go back to my question to make sure I understand the answer. So in the letter to Dr. Janek, last line of the second paragraph: "In your deliberations on this issue, I
urge you to strongly consider the potential benefit of an ongoing partnership with the transit industry to meet the challenges of program growth and diversity in Texas." We have sufficiently covered the immediate idea of a pilot, but that statement suggests a much broader opportunity to collaborate and coordinate. I understand your answer was first step first, and I don't mean to be getting in your business of strategy, what I want to make sure, though, that I understand is are we seeing, or do we just not know yet, is there an interest, willingness, opportunity to have that broader discussion about partnership beyond a pilot? Do we even know that yet?

MR. GLEASON: I think we don't know that yet. The notion of a partnership, a statewide partnership with transit providers on an ongoing basis for the delivery of the program because there's a larger benefit to the state to leverage the existing investment in the systems that are already there, quality of life issue, all those things, in my mind, the pilot will need to kind of prove itself on some efficiency and effectiveness measures, and that if successful in that, then I think the notion of a long-term partnership would make some sense. Right now there's no set of data that you can look at and say we all agree on the data because we are part of creating the work that went to produce it.
And Phil's position very clearly right here is prove it up. I mean, his position and the department's position is that we think there's enough potential benefit where the opportunity for a pilot to see if these kind of things really can come true is worth a shot. And that's his whole line here.

MR. GADBOIS: Get it. Okay.

MS. BLOOMER: Okay. So I think for now the committee is fine with leaving it at the letter from Phil Wilson and we'll wait and see, but I think what we're seeing so far is very positive. So we'll just wait to see that hopefully we get the green light on the pilot and that we're able to show the results to continue the partnership.

MR. GADBOIS: Positive from TxDOT's side; haven't heard anything from HHS yet.

MS. BLOOMER: Well, the fact that Phil Wilson was able to meet with Dr. Janek I think is very positive, and I know some other folks have some meetings to discuss this, so I think we're moving in the right direction.

We'll move on to item 6, which is a discussion and comment on potential rulemaking related to MAP-21, and I believe that's Bobby.

MR. KILLEBREW: Thank you. Once again, Bobby Killebrew, deputy director of Public Transportation.
Division here at TxDOT.

In your package, members -- and Glenn, I don't know how we didn't get this email to you, but hopefully maybe it's stuck in limbo someplace, but you have a copy in front of you today.

MR. GADBOIS: I got this part.

MR. KILLEBREW: Rob, do you have in front of you the feedback we received from the semiannual meeting? It was something that was emailed out on Friday, along with the director's report.

MR. STEPHENS: Yes, I do. Thank you, Bobby.

MR. KILLEBREW: Okay. As Eric was mentioning, last week was a busy week for us. We had lots to do in getting prepared for our division meeting, then we had a semiannual meeting with the operators, then we had a workshop meeting, three days of fun and joy, and it really was a good time. I think the operators appreciated us taking time out of the normal agenda to talk about MAP-21 again, we can't talk about this enough. And we all understand that the more we talk about it, the more we learn, and FTA continues to give us additional guidance, sometimes they change previous guidance, so stay tuned for whatever is stayed today because it might change tomorrow. It's kind of like a moving target.

But we are going forward. We can't wait for
the world to catch up with us because then we'll be way behind schedule, so we reached out. We did conduct a webinar earlier in January that talked about the transit programs, at least, a very general discussion about MAP-21 to kind of acclimate people out in the industry to the most important parts that we could think about to put in front of someone's face. And that also got people up to speed so that on January 16 when we came together as a group, then they already had some comments in their head.

And as Eric said, during that meeting on the 16th, we took 90 minutes -- which is a long time for a group -- to talk about some specific programs, and these are the same ones that we had mentioned PTAC at your November 8 meeting, and that was the 5310 program, the 5311 program, the new 5339 program which is kind of like the old capital replacement program or state of good repair, whatever you want to call it, and then we lumped two programs together, one was transit asset management and the other was safety plans. So we wanted to focus on those because those are the things that we see as most critically facing us that we probably need to invest some time and energy in, you as a committee, the industry as a group, and the TxDOT staff. And so on the 16th we talked about those programs and we gathered comments from the general group at large.
The next day we broke into little workshops and we had those same little workshops, and we had two sessions that morning so that people could jump workshops so if they attended for the first half of the morning the 5310, they could attend 5311, for example, in the second half. So they were able to move around within the workshops.

I know Michelle and J.R. and Brad and some of your staff participated either in the first day or both days, so thank you very much for taking time out of your schedules, and your staff as well.

So what you see in your packet -- and Rob, that's the thing that was emailed on Friday -- is a summary from those workshops. We had lots of TxDOT staff using their abilities as facilitators and scribes to take down exactly what was said. We did not draw conclusions from those workshops. We wanted to report back to this group exactly what was said as if you were there in person, and some of you were, so we didn't try to draw any summaries or conclusions or take down what was, I guess, the feelings in the room or what was going on in the room, if people had facial expressions or stormed out or were waving their hands. We tried to be neutral about this as best we could.

MR. GADBOIS: You didn't do body language
analysis?

MR. KILLEBREW: We didn't do body language analysis. That's a good way to put it. That was a struggle for some, Glenn.

MR. GLEASON: They were all busy.

(General talking and laughter.)

MR. KILLEBREW: So we didn't do that. And what we told the group is this is just the first of many opportunities, as we see it. Eric kind of laid out we're going to take time while making these rules to make any changes we need to do to make sure those changes are appropriate and correct. We have other avenues that we can use to solicit additional feedback, and I would advocate to the group that we probably do need to do other workshops throughout the state. This was collected from the group that was there that moment. Not everybody gets to make it to these meetings, not everybody could stay over the extra day on the 17th, so this was the group that was there.

In the past we've also used TxDOT's internet to get feedback on various rulemakings, and so we have those abilities to do that as well. So I would bring that up to the committee's attention that that's something that we can pursue going out into the areas of the state and also using internet, webinars, other type media to get
conversations started on this.

So as we're looking at this, and again, we focused on just these programs, we're interested in the committee's overall feedback and what you think the direction should be in regards to a rulemaking process if we need to do one. As Eric said, we have rules in place today that we can make work.

So with that, I will probably open it up to the committee to discuss and any questions or comments of me.

MR. UNDERWOOD: Can I make a comment about Thursday, the 17th? This is the first time that I've been involved in a workshop breakout session the day following the semiannual. I'm not sure who came up with it or whose idea, but it was terrific. I thought that was one of the most beneficial things that we have done in a while of just being able to get ten or fifteen of us in a room and go: what about, could we not, what if we did this, what if we did that. I mean, it was a really, really good discussion, I thought. And from just looking at some of the things in the meetings I attended, this was exactly what was being said, if I remember correctly, last week, and this was it. I know it took a lot of work but I thought each session that I attended, the staff was very professional, they weren't leading us into any ideas, it was just tell us what you want, period. And I thought
it was handled very, very well, and I appreciate it as a provider. I thought it was great, I liked it. I think we should do it more often about other things that we are facing in the industry, just being able to let people talk.

MR. SALAZAR: And this is J.R. I agree with what Brad said, and I can tell you that I sat in on the 5310 meeting, and when we started it did get off to a little bit of a slow start because we really didn't know what we were going to do or say, and then once somebody threw out an idea, it just started rolling, and then next thing you know, we're an hour, an hour and a half into it. And so I agree with Brad's comments that it was very beneficial.

The only concern that I had with that is sometimes the people with the most opinions or whatever speak more than maybe some of the -- I shouldn't say -- quieter people, but that strong kind of presence and what overtakes some meetings sometimes and we need to be aware of that as well. But overall, I thought that the meeting went very well.

So when you ask about questions, Bobby, are you talking about a specific -- are we going to focus on one, or any question on anything, 5310, 5311?

MR. KILLEBREW: This is Bobby. I think maybe
it's twofold. First of all, thank you for the comments and the compliments. The staff worked very hard and they had a real short turnaround to get this cranked out for today's meeting. So some of the staff are sitting on the sidelines over here, so I know they appreciate the compliments as well. So two things: one, were we heading in the right direction trying to solicit the feedback from the industry, are we hitting the right things. I know our meetings don't typically focus on all the transit providers, some of the non-traditional transit providers don't typically come to our semiannual meeting. We didn't necessarily have the centers for independent living there which also probably are stakeholders in this process as well, so we think we probably have some outreach that we need to do still even further beyond this. So part of the process question is: where do we need to go now, where do we need to focus our outreach efforts, what would you see as probably the next steps in this whole process.

More specifically, as we're looking at the individual programs, but also interested in then looking at one program at a time, hopefully, your thoughts as a committee on maybe some of these programs. I know you were there the first day at the semiannual meeting with the 5311 program, for example, and there was one comment
that seemed to be echoing throughout the audience and I think it's on your paper: leave it alone. So we would be interested in your feedback in those general summary type level things about some of these programs and specifics. 

MS. BLOOMER: And I think, Bobby, what I'm hearing, sort of the three things, maybe the biggest one is the issue of do we agree or not that we need to go through a rulemaking process is what I heard, and then sort of feedback on the outreach process. And I agree with Brad and J.R., I think to date the outreach has been fantastic. And then if we do go through a rulemaking process, how do we continue to communicate at the same level we've been communicating so folks are involved all the way throughout the process, when we get to the end they can't realistically say: I didn't know we were doing rulemaking, what did you do? They still will but we can go back and go --

And then at the semiannual we did talk about you had mentioned sort of online and maybe FTA just did a dialogue if there's something where maybe those folks who weren't at the semiannual or weren't able to stay for the workshops or sort of the quieter folks in the room or the centers of independent living could be invited to participate in an ongoing discussion so we can make sure that we've given everybody every opportunity. Whether they
choose or not to participate, we've given everybody
multiple means to participate, I think that would be good
to helping us reach consensus.

And then maybe the third step would be to get
into the programs but at a very high level, not we want to
tweak this detail, but at a high level what are some of
the big picture things about the 5310, 5311, 5339, safety,
security and asset management.

MR. GLEASON: This is Eric. In a very simple
way of thinking about it, the 5311 program, the biggest
difference is it's bigger. There's more money in it than
there was before. The allocation formula itself is set up
to handle that because it works based on percentages, so
literally, the allocation formula can stay as it is and
the amount distributed by formula will grow. Ninety
percent of the new money will go out by formula, either
based on population and land area or revenue miles, and
the other 10 percent will grow too but it's only 10
percent of the new money. So the commission's
discretionary pot really doesn't all that much bigger. So
some people were saying yes, it's more but the allocation
way we have now is fine, so don't mess with it.

Now, we've also accumulated over the years a
couple of other areas of interest in the formula that we
might want to look at. The performance portion of it, we
have felt for a while that rather than it being just an annual comparison, that we need to develop some sort of a three-year rolling average for it to kind of smooth out some of the peaks and drops that can happen from one year to the next, because you can generate some pretty good swings.

You had an example one year where there was some construction going on and you ran a shuttle for it and you just busted the barn down in terms of some of your performance indicators shot right up. It was just an opportunity that was there for a year or two, they took advantage of it, and now it's gone.

MR. SALAZAR: That's right.

MR. GLEASON: You could lose a Medicaid contract one year and your performance indicators go into the trash barrel, and then you get it back next year or maybe you've had it the last two years. So some sort of averaging over, say, a three-year time frame would tend to sort of mitigate some of those extremes, and one of the main things we know we need to send is a stable, certain signal to the folks so they can do multi-year planning. So that was one.

The other area that we have struggled with is when counties decide that they want to leave one system that they're with and join another, or when two systems
become consolidated, those actions tend to end up having negative consequences on performance, and they're totally unintended.

In the case of the system consolidation, we had Spartan out in West Texas, South Plains, and they absorbed Cap Rock. When they did that, and it was a good thing they did that, Cap Rock's performance was less than theirs, and just by going with one less system -- any time you're a member of a performance program, everybody gets something from the performance program, so if there's 39 of you, you all get something, and if now it's 38, that chunk that that one got doesn't necessarily stay with the larger system.

So it's an unintended thing, but it tends to work against system consolidation and it tends to penalize counties and others who are trying to do what's right for their citizens and are looking somewhere else for their service, it tends to penalize them for those actions. I'm not sure what the solution is, we don't need that today, but that's one area that we should think about whether it's appropriate for the Administrative Code to address.

MR. GADBOIS: So from what I'm hearing, I would be cautious to recommend rulemaking at this point because there are some big questions that I hear out there, some of which you implicate. In just briefly looking through
these, there are a number of these comments about
priorities, we should have state priorities, what about
making this a priority. I would suggest -- well,
actually, let me start with I want to third everybody
else's absolute pleasure with you setting up a workshop
and doing that discussion and having it early. Good for
you. Thank you for doing it.

I would suggest that you consider following
that up with some high level planning conversations about
priorities: how can we as a state start developing
priorities that would make sense for transit, how does
that reflect itself in performance measures. Stabilizing
funding may well be a huge priority for everybody, but
let's get them telling us that, not just pronouncing it.

MR. GLEASON: Absolutely. No, no. What we're
trying to do is kind of place some boundaries, if you
will, around each of the areas and talk about what we do
want to accomplish generally.

MR. GADBOIS: And my only point is in listening
to that, that's fruitful ground for conversation and
building consensus with the larger transit providers.

MR. GLEASON: Yes, absolutely.

MR. GADBOIS: Not just the people who were
there, but everybody. You could frame that discussion
point, do it online, give people a chance 24-7 to fill it
out and get even more response back.

MR. GLEASON: Right. So that's the 5311 program, it's mostly about getting bigger, from a MAP-21 standpoint, it's mostly about getting bigger. We've got some issues we'd have with or without MAP-21 that we might want to look at, and we can look at those issues and decide to leave the formula well enough alone.

5310, that's probably the big one here, because it's different in a lot of ways. You know, TxDOT previously under SAFETEA-LU and all preceding authorizations that I'm familiar with, TxDOT received the entire 5310 program amount for the state and we proceeded to administer a statewide program in all areas to spend that money. So under MAP-21 we no longer get all the money, we get the portion of the funding which is for the rural and the small urban systems. Large urbanized areas have a choice to make. They get the money directly, they have to determine who the designated recipient for that program is going to be in the large urbanized areas, and so they're going through that now.

The issue that it represents for us is we have a history of program decisions looking at the entire area with one pot of money. Now we have possibly in many areas of the state we have a large urbanized area with some money, we have TxDOT, we have a historic program that
didn't necessarily always carve up the money that way when it made program decisions on where the projects would be, and at a minimum, we've got to figure out how to transition to this new time frame. We could find some significant disconnects between level of investment and now how much money one of the two parties might be getting.

The second thing is the 5310 can now be used for operating, and in their wisdom, though, they placed some ceilings on percentages which, if I know FTA, they'll manage at our level, TxDOT's level for the rural and the small urban areas, so that when they say that you can use -- is it 45 percent?

MR. KILLEBREW: It's 45 percent, and those are two different pots in FTA's eyes, and they're not necessarily interchangeable, small urban and rural, so good luck on that. But it is at a statewide level for what TxDOT manages, at the large urban it's by large urbanized areas is that 45 percent available for operating, 55 percent for traditional capital expenses.

MR. GLEASON: And they consolidated the New Freedom program into it, and so there's sort of an expanded scope for it as well. And so that's the one that, you know, I think is the most complicated and has the greatest potential for impact on how we do things.
MR. UNDERWOOD: And to me, we're staring down that gun because in the spring, late spring, early summer, we would start traditionally doing our district 5310 meetings for next year's funding. Well, we're coming upon that, and looking the way that some of the districts lay out, we may show up and there may be four providers for $24,000, where we traditionally had a hundred something thousand dollars, so that's a big difference.

MR. GLEASON: We could still do that, we could do that for the amount we have. So the rules still work. It's awkward and in some places it may not make any sense because you get all these people showing up, as you say, for $25,000.

MR. UNDERWOOD: Right.

MR. GLEASON: But technically, we could do it. The large urbanized areas have to go through and name a designated recipient, and we are one of the potential options for them to choose. So you know, Dallas-Fort Worth could choose to have TxDOT continue to be the designated recipient for that program. Now, I picked Dallas-Fort Worth because there wasn't a snowball's chance in you-know-what that they would do that.

MR. UNDERWOOD: I was looking at Michelle.

(General laughter.)

MR. GLEASON: But for example, CAMPO in Austin
has concluded that they would like us to administer the federal fiscal year 2013 large urbanized program dollars that we've already got the apportionment for, we've got about half of this year, and then presumably the second half, when it comes, would be with whomever they select as the designated recipient for the program on an ongoing basis. Now, you know, we strongly encourage large urbanized areas if their vision is to take it on eventually, we think it makes the most sense for them to just do it now. But some of them are making different decisions for whatever reasons, so it's likely that we're going to end up with at least one and possibly as many as three that I'm aware of right now who are thinking that they might have us, in an interim capacity at least, continue to be the designated recipient

MR. UNDERWOOD: I guess where I get concerned is you can say this has changed, the bridge is out, it's not what you think it's going to be, but until June comes and you show up at that meeting and then you get the phone call the next day going how am I supposed to run my program on $24,000, what are you going to do? I think that's when it will really kind of hit home when they sit in those district meetings, like we've done for years, and go: Well, I didn't know they were talking about us, we're only going to get $24,000 for our entire district. And
then you have to sit around and go: Who needs it the most because none of us can do anything capital-wise with $24,000.

And so if anything, I'd like to see us kind of keep some momentum in what we've done. We've kind of got it on people's minds with the webinar, we've had the semiannual, we've had the workshop. I think we need to be, especially for 5310, expedient in what we're doing so that it does give us some amount of time to say we're not doing district meetings in June but this is the change, this is the process, this is what's going to happen. Because if not, I think a lot of people will forget about it and go: Oh, yes, I know they had something online about it but I didn't read it, I'm just going to my 5310 meeting and going to get my money that I usually get. No, you're not. I think it's going to be a big wake-up call.

MR. GLEASON: Right. And one of our interests is continuity as well, and we want to try and do whatever we can to ensure that as large urbanized areas select other designated recipients that there's a transition, if need be, from the service that had been there for years and years and years, and when they come up with a different set of decisions and outcomes, we want to make sure that there's a transition and that nobody gets left out unexpectedly or unintendedly from a service
MR. UNDERWOOD: I completely agree.

MR. GADBOIS: Are there coordination efforts that are happening regionally, an opportunity to push forward those discussions about transition to see if they can't have them, settle them out you all involved in that conversation and get that settled earlier rather than later?

MR. GLEASON: That can be, but the regional basis for the coordination plan is not the TxDOT district boundary, and so that's a complication.

MR. GADBOIS: Well, it's a little bit of a complication, but it's a complication they've already kind of worked through on other things.

MR. GLEASON: At a very general level, yes. The 5310 program was the only program that we actually through a formula allocated and through a process did at the TxDOT district level.

MR. GADBOIS: District by district.

MR. UNDERWOOD: And districts don't line up with planning regions.

MR. GADBOIS: Right.

MR. SALAZAR: It was bad on the rural side, Glenn, where the rural programs, as Brad mentioned -- just to give you an example, the Brownwood District received
like $120,000 last year, this upcoming year that figure is
going to be $50,000 between two or three providers there,
and that won't buy a bus for any of us, and so we're left
to decide what are we going to do with that money now.

And to my issue, Michelle, I do agree with
outreach, I do agree with letting everybody know, I'm
concerned about those traditional non-providers that are
now going to come into the game and say: You know what, I
can get 50 percent of operating under the 5310 program,
now I want in on the game. And I just worry about that
process there.

MR. GADBOIS: And there's less game.

MS. BLOOMER: Right. So I think the issue of
the operating assistance being available, it's nice in
that it offers flexibility, but there's also the other
side of the coin that it's also going to be even more
interesting to more individuals because now operating is
available.

But one of the questions I think that
consistently came up for items for discussion is do we
continue to program the money at the district level, do we
look at it statewide, and I think that's one of the things
that we need to tackle. Maybe it isn't the district
level, maybe it's the regional planning level, and then
what does that look like, and then if you address the
large urbanized areas, then how does that play into it too.

Is there a time frame for the large urbanized areas to designate their designated recipient.

MR. KILLEBREW: This is Bobby. The only time frame that has been set, the line drawn in the sand, so to speak, is that all these type of changes go into effect with theFY 2013 funds, so anything FY 2013 and forward, if anyone is looking to apply for those monies, the process has to be through. So in those large urbanized areas that have to name a designated recipient, that has to be accomplished in order to make your application in team. So it's kind of if you want your money, you've got to get it done.

At TxDOT, since we have to organize this effort and communicate this to FTA, we've not drawn a line in the sand. We recognize that local processes are different across the state and we respect those local processes, so we've not actually drawn a line in the sand, although pretty soon we're probably going to have to be pretty firm on you need to get this to us by this date if you expect us to take any action with FTA anytime soon.

MS. BLOOMER: Okay. So the items going to the commission in January to take action on the program projects for the 5310 program, is that everybody
statewide, including the large urban, or are those guys

MR. KILLEBREW: The 5310 program in January is
taken out?

the first half of the 2013 funding, and that's just the

rural and the small urban piece because that's all that's

administered by TxDOT at this point.

And also on the 5310, and I always forget, it

was a long time ago on November 8 when we talked about all

these programs in any level of detail, but the 5310

program is the only program that's still requiring that

coordinated planning effort with the public transit,

health and human service coordinated plan. It's still

required in 5310, it's not required in the other programs.

That did come up, I know, in the discussions in the

workshop that Chris was hosting that maybe regional

planning boundaries would be appropriate because that's

where the coordinated plan is.

MS. BLOOMER: And I think from just reading

through the comments, one says, like number 5 says

incorporate low income because that's in the formula, and

then number 6 says don't incorporate it.

MR. UNDERWOOD: Are you looking at 5311 or

5310?

MS. BLOOMER: I wasn't citing a specific page,

just in general. Okay, yes, page 4 under 5311, number 3
is low income should be a formula factor because that's not included in the formula that FTA uses, the comment right below it is low income should not be a formula factor. And so the good news is that we got comments, the confusing is we have both sides of the coin. So I guess my big question is: Okay, we have comments, I think that's great, it's going to get us started, but where do we go from here and what do we want to do? Do we want to open the rules; do we just want to open certain items for discussion first, like tackle 5310 first, leave 5311 alone; what do we want to do?

MR. GADBOIS: Before I get to a what, I actually think that these comments beg more questions than they answer, and what I'd like to see is a way to see if there's more consensus. So you point to somebody saying count low income, don't count low income, well, is there a way to decide priorities or at least have a good discussion about what priorities might be such that we have better information to use.

Now, in addition to that, and I'm not sure we've got clarity, but the same for performance measures. MAP-21 is emphasizing performance measures, but what I don't know is whether FTA is coming out with any guidance on what performance measures they're going to want to see and whether those line up or don't line up with our
performance measures. I would think we need to have some way of getting to settling those and/or building some agreement with the providers and the industry before we actively engage in rulemaking.

MR. UNDERWOOD: This is a shot in the dark, so it's just a brainstorm. When I look at the 5310, there was two separate meetings that went on, there was a first set of group and there was a second set of group, and even in our second set of group there were times when someone would say, like what you said, include the low income, and there would be two or three people look at each other and go -- you know, that's just the nature of any group dynamics.

And so could it be possible to take something like 5310 and we have these 19 different things, could we have something online that would say you would go to this one that says funds should go to the largest number of persons with disabilities, can we say something like I agree with that or disagree with that or N/A or neutral? Sort of like a SurveyMonkey, I guess, but you know what I'm saying, it's like either I agree with that statement, I disagree with that statement, or neutral.

To me, that would be a quick way that we could get some instant feedback of 75 percent of the people that took this said they agree it should go with that. Is that
kind of what you're feeling?

MR. GADBOIS: Yes. So let's take this very specifically, 5310, we come up with the questions we want to ask about priorities, some of which may be talked about here, some of which you may need to come up with to make sure we're getting a good list of important priorities. This is your job, you know them better than I do. But that could then be done in a SurveyMonkey, go to SurveyMonkey and vote yes/no/don't give a flip. And then you have some serious of response on how those things rank out and where there's support. That's an easy way to find where there's agreement.

MR. UNDERWOOD: Do you remember when we did that with the compliance issues? Did we use SurveyMonkey for that where you went online and it said I think TxDOT has so much compliance in this area, and we hit either yes, no or neutral? And that way we were able to look at that in that group and go: 75 percent of people across the state said that or this.

MS. BLOOMER: And I think that's generally good, let's establish the priorities of the program and let's all agree on what those priorities are. Because you can say the sky is up, the sky is down. I think people are looking at it from their individual perspective, if we include low income individuals, what does this do to my
funding, versus okay, what should the program be and then let's get down to the details later of if we can all agree that the program should do these three things, then we can put the details to those three things to make it happen. And we can say, Well, we made this change because it addressed this priority we all agreed to.

Because any time somebody's funding increases, somebody's is going to decrease, and those folks below the line are not going to be happy with whatever we do, but if we can all agree that our three priorities in administering this program are X, Y and Z, then at least we've established that base and we have consensus there.

MR. UNDERWOOD: Well, the reason why I like the online option, similar to what we did with the compliance, is it lets everybody in the quiet of their own office to go through and decide how they really feel. I guess I'm afraid if you go back out across the state, had six or seven different meetings, you'll have a list that looks sort of like this, and some of the meetings are going to say yes, include low income, no, don't include low income, and I don't know that we're going to be any better. I think, if anything, it gives everyone the opportunity, because we have the main list of everybody that gets money. Right?

MR. KILLEBREW: What I might offer, although
I'm a big fan of SurveyMonkey, the problem is we only send it out to our distribution list, and so we miss some of the stakeholder groups that might be out there. What we have done in a previous rulemaking process -- and I know at least one other person in this room is as old as I am and has been through this -- we identified -- and it was a fairly extensive rulemaking process, it was to the 5311, the first time we did performance, a couple of PTACs ago, actually -- we identified, PTAC as a group and the department, like five major changes that we were going to do in 5311, some of these were statutory type direction that we had received. And based on those five major items, we held specific workshops out in the hinterlands of Texas so we could get people to participate, and they were well attended workshops.

The other thing we did was the online and it was through the internet, so it wasn't a SurveyMonkey that was sent to a specific group, it was available to anybody who wanted to sign on to TxDOT's internet and through a portal they could actually comment basically on those five items. And then we published those comments on the internet which allowed people to comment on comments because everybody got to see the other person's comments.

And we did that for a two- or three-week period, and that was the feedback we brought back to PTAC
to see did those five items flesh out well, did they not flesh out well, what was the feedback. But it was kind of focused on five items versus throwing up a long list or throwing it out just to a specific group, we tried to target everybody. And we did target different times of the day because we had county judges also participating, and some board members as well, to reach out to those folks we don't normally get to talk to.

I would advocate that might be something we could do. Again, I'm a big fan of SurveyMonkey, but our problem with that, if we distribute it on an email distribution list, I don't know if our email distribution list is that widespread other than the traditional providers that we always give money to.

MR. UNDERWOOD: But anybody that gets money from TxDOT, whether it be a traditional or non-traditional provider, has an email address. Right? I mean, we all have to communicate via email.

MS. BLOOMER: But we're trying to get it out not just to the folks that receive money, we want it to go even further, to the folks that are involved in our regional coordination activities, our stakeholders, our users, partner agencies.

MR. GADBOIS: Well, but so you have lists of those folks and those folks have their own lists, and if
you position it as a bounce this to your folks message, then everybody should be treeing or rooting, whichever it is, that out to a much wider list than you have. Put a prize, you know, you get an iPad for the person that brings the most people in to respond for this survey, give everybody an ID code. You don't have to, but it's easy to get the survey bounced around, and what the survey electronically can do is get you thousands of responses tabulated easily rather than the maybe hundreds that you'd get in meetings.

MS. BLOOMER: And I think you can sort of do the thought of the workshops throughout the state and in the hinterlands you can sort of do that online with the dialogue idea without actually physically having to go there, and anybody that knows about it, so it would be how you get the word out, can participate in the dialogue.

But is the purpose of this to come up with the core concepts to administer each program, is that what we're thinking, versus the detail of what changes we might make?

MR. KILLEBREW: And that was our thought this whole time, we're going to have to whittle down this list to those core areas or those core thoughts that we're thinking about on these programs, and not necessarily pull out the Administrative Code and say line by line, word by
word this is what we need to change. Some people can do
that, some people can't do that, some people just say,
Well, I just know this needs to change because of this.
So they can talk in a global perspective but they wouldn't
be able to iterate exactly in the code what to change, nor
would we expect them to.

The good thing about SurveyMonkey it does
tabulate, the one downside is you can't solicit just like
a text box and say give me your thoughts because that
makes the tabulation kind of a moot issue.

MR. GADBOIS: And I'm not arguing for
SurveyMonkey or any particular technology, but it seems to
me that there are three, four, five issues, transition in
how that happens, priorities, performance measures,
whatever they are for 5310, and what you want to be able
to do is give your comments or concerns or a way you'd
like to see this settled out, and then a way to vote on
those. And you can even do it the way South by Southwest
does their panels: now send around all your friends
telling them to vote for your idea. Right? And it works
amazingly well, because J.R. thinks he's brilliant and
he's going to make sure all of his friends vote for his
suggestion. Right?

So that then gets the bounce, but you just need
those three steps: here are the big issue categories,
give us your ideas, now here's a way to vote on them.
Whatever technology you want to use, I'm agnostic.

MR. UNDERWOOD: My only issue is I want us to keep momentum going and I'm afraid that if we were to say let's make a seven or eight stop around the state and do public meetings, we're looking at least a couple of months, then to bring those back, then let's kind of decipher what we said around the state, and I think we'd be sitting here in June going we really don't have any further than what we are except now we have more comments here.

I like a tool like SurveyMonkey because I can look at statistics: 70 percent of people like this, 10 percent of people like this. When I'm given a list like this and go hey, Brad, what do you want to do, I'm a lot more apt to go I'm going to where the weight of it. I don't think we're going to please everybody. Everyone is getting less money, if you're a rural or small urban provider, you're getting less money, and I'm more for leveraging existing resources, not bringing in more resources to do different services.

And so for me, when I look at this list, it's pretty exhaustive, but you're right, not everyone was there, and I think there may be other comments we may be missing, but it seems like out of all of these things that
we have identified, to me, it could be that people should at least be able to go nothing on here is what I think. That's kind of far-fetched for me, I guess, unless it's like let's just do away with the whole program. I mean, you know, it's pretty much what I see. I just want to make sure that we're keeping -- I think our job here is to keep momentum and make the best decisions for the entire state, and I don't think we're doing that job if by June a provider that's been used to getting 5310 shows up and goes when do I get my 2013 5310? Oh, guess what, you don't. We can't plan a program that way.

MR. GADBOIS: It's not just keep momentum going, there's some urgency of need.

MR. UNDERWOOD: At least in 5310 because it is so different, and I don't know that people see that yet. I think people at the meeting didn't even see that so now they go you realize that you're not going to get $90,000 like you got last year, there's not that much money in it.

MS. BLOOMER: I don't think people realize that and I don't think folks in the large urbanized areas realize that they won't be getting their fiscal year 2013 money anytime soon until the designated recipient issue is resolved because we're how many months into the 2013 fiscal year.

And so I think part of the issue goes if we
could lay out -- and Eric listed off some of them, that sort of continuity of service, do we agree that continuity of service is a priority, and people can say I agree or I don't agree, and then we can move forward with the details of changes to the administrative rules based on those core principles, not how this change impacts this provider versus that provider. If we all agree that continuity of service, that we all agree performance measurements are important and should be factored in, and then leave it at that, and then we can get into the detail of, well, is it 49 percent or 52 percent.

And do we all agree that a provider shouldn't be penalized if they're moving in a direction that everyone agrees is beneficial. You know, if it transitions from one provider to another, you shouldn't be penalized if that's the right thing to do, because we don't want to incentivize providers not to do the right thing because it's going to lower their performance and decrease their funding. If we should consolidate, we should consolidate, we shouldn't not consolidate because we'll get less money.

MR. UNDERWOOD: Let me ask this. This is kind of an ignorant question on my part. We adopt a rulemaking in the TAC, does that affect the large urbans? Because they're direct recipients from FTA now. Correct?
MR. KILLEBREW: You're talking about the 5310 program. The 5310 program for the large urbans would not be in our Administrative Code. If they ask us to act as a designated recipient on their behalf, that would not be a provision we'd put in our Administrative Code. Quite frankly, on the ones that are considering to ask us, we'll be over and done with by the time we even get to a rulemaking process.

MR. UNDERWOOD: My point to that, Michelle, you were talking about the continuity of service, was we agree, yes, we should have continuity of service and so we'll say: Hey, guess what, large urban, we agree with continuity of service. I can think of at least a couple that will go: Thanks, appreciate the advice, but we've got our own way of doing it. You know what I'm saying?

MR. KILLEBREW: If I may, we did have a webinar specifically for the large urbans for the 5310 designated recipient status. Most of them participated or had their staff participate so they're aware of this. FTA was on that webinar as well, they also participated with us. They're also aware of our program of projects that we've already selected for this year, we made that available to them, they can use that program of projects for continuity of service, and they do not have to have a project management plan in place, they can take ours and still
award those projects.

We are meeting with every large MPO individually to talk about this to see if there's something unique about their situation that we've not been able to assist them with that we can make sure they do carry out what's necessary, just like we're meeting with every small 5307 systems to do the direct recipient status individually now, including all the prior meetings we've already had with them. So we're doing every effort we possibly can to make sure that someone doesn't drop the ball, so we are doing that as diligently as possible.

So I think continuity of service, at least from the selection of project perspective, they can continue with the projects they've already selected by TxDOT, even in those large urbanized areas. Now, there may be some MPOs that actually, you know, may say thank you, but no thanks. That is their discretion because it's one of our government managed programs.

MS. BLOOMER: But I think the issue of continuity of service is coming from the state-administered programs. It obviously applies in the large urban, but TxDOT doesn't administer those, so we would be speaking of continuity of service within the small urban and rural, given we now have this much money and how do we maintain continuity of service.
MR. GADBOIS: I would actually hope to frame our questions that we would ask more broadly than that because I actually think information is power. Even if we're not looking at rulemaking or we're using the information to decide whether there's a need for rulemaking, the MPOs and the large metro areas may look at that information and say, well, yes, we need to consider that because we've gotten so much response suggesting that's a really important issue. Right? So it doesn't have to just be about rulemaking.

MS. BLOOMER: And I think that goes to -- sorry -- go ahead, Rob.

MR. STEPHENS: I didn't say anything, I'm listening.

MS. BLOOMER: Okay. I think it goes back to a continuing conversation we've been having at the PTAC level of sort of a statewide strategic plan of do we think public transportation in the State of Texas should look like, and what are sort of those guiding principles that we don't really have. And so maybe that can be part of that discussion of setting that larger framework to then get down to more detail.

So Bobby, what do you want from us at the end of this meeting to move forward?

MR. GADBOIS: Can I make one suggestion to you?
And I think this group will be okay with it. If you want to do some kind of polling, surveying, understanding better these five issues, and you want our help in reviewing, I would think we would be happy in looking at that by email and shooting you directly back a response, or whoever is in charge of it so that we don't disrupt our Open Meetings Act. But I would think we're all very happy to review it; we obviously have some thoughts about it.

MS. BLOOMER: But I think our biggest concern, at least I agree with Brad, is sort of the momentum and maintaining the momentum, maintaining the level of communication and coordination. I think it's been excellent.

MR. UNDERWOOD: Well, and just from a personal standpoint, how many of us adopted budgets for 2013 back in August or July, and under funding sources that you list as revenue you put 5310, traditionally what you could expect. How many agencies have got that in their budget not knowing that you probably aren't going to get that this year, and are you aware of that? I mean, as you're moving down that track, to me, I think we've got an obligation to do something expedient to at least correct the 5310 program.

MR. KILLEBREW: Michelle, to your question of what might be expected of today's meeting, what I was
hoping for today is as we look at the list and the comments we received so far, obviously we've got to pare down the list, and I think you're right on track, the committee is right on track, we need to name three to five, perhaps, items per program, if appropriate, that we need to toss back out to the industry at large to get an additional round of feedback, and I do agree the momentum needs to continue because we don't want to lose that.

What we would like to have help with is to identify those three to five items, you know, again probably looking at these most critical programs we've kind of put front and center of the committee, knowing that, yes, there are definition changes that were brought about in MAP-21, we can handle definition changes, we've got some other little cleanup things that we can handle, but these are really the most critical ones that we probably need to have some assistance with.

How the committee wants to give us that feedback, yes, I prefer to have it as a committee giving us the feedback as opposed to throwing something back at you, but however I can get that feedback would be great.

MR. UNDERWOOD: Well, Michelle, it's 2:35, can we maybe take a ten-minute intermission or comfort break and have a better chance to digest some of these? And come back and pick this up and maybe give some feedback.
Would that be possible?

MS. BLOOMER: A ten-minute break would put us back here at 2:45.

MR. UNDERWOOD: Would that be okay?

MS. BLOOMER: Can we take a five-minute comfort break?

MR. STEPHENS: I vote yes, five minutes.

MS. BLOOMER: We have a motion and informal second. We'll take a five-minute comfort break which puts us back at 2:40.

(Whereupon, a brief recess was taken.)

MS. BLOOMER: This is Michelle. We're going to go ahead and reconvene the meeting. Are you with us? We still have a quorum, so we'll go ahead.

MR. GADBOIS: So in going through this list on 5310, I see four issues at least: transition and how transition happens, which I put under that coordination, cooperation between rural and metro, how that might happen; priorities, are there statewide priorities, and if so, what, are there metro priorities, are there regional priorities; partnerships seems to be a big issue with some people and how those work out; and then just generally funding issues. Those are kind of the issue groupings that are pretty straightforward here.

MR. STEPHENS: We're back on?
MS. BLOOMER: We're back on. We just made a
decision, you missed it.

(General laughter.)

MS. BLOOMER: What we're doing is we're going
to take each program and run through them and have each
member give their top one area of concern related to that.
Bobby is going to take all of those, sort of consolidate
them for each program, listing the top four to five areas
we think we need to address, and then shoot those back out
individually to each PTAC member, and then we can go from
there to put more detail to those core or key areas. So
right now we're walking through the 5310 program, and if
there's any burning issue related to that that you would
like to see addressed as part of this process, think about
that, and we're moving on to Brad.

MR. STEPHENS: Okay.

MS. BLOOMER: Brad.

MR. UNDERWOOD: Under the 5310 program, and I
need to pick one off this page. Is that correct?

MS. BLOOMER: No, it doesn't have to be off
this page.

MR. UNDERWOOD: Okay, Glenn talked, what's his?

MS. BLOOMER: Transition, coordination,
priorities, partnerships and funding issues.

MR. UNDERWOOD: I think it's funding issues for
me. Are we voting or just add to that?

MS. BLOOMER: No. We're just adding.

MR. UNDERWOOD: Just adding. Okay.

MR. GADBOIS: So if you've got something besides those.

MR. UNDERWOOD: Mine is funding issues, which allocation probably falls underneath that as far as how we're determining the funds are being allocated, the process in which they're being allocated, and then to me, we should evaluate whether this should be a statewide piece or keep this at the local level. And that may all fall under funding, I guess it could, but that's my biggest issue.

MS. BLOOMER: Okay. J.R.

MR. SALAZAR: I agree with Brad, I think it's the funding issue, and the thing that I -- I know I'm going to take some flack over this -- the process of eligibility when it comes to seniors, and obviously those people with disabilities qualify under ADA and a fixed route system, and I understand that, but just because you're a senior doesn't necessarily qualify you for service in a lot of the service area, and so I think that that needs to be looked at.

And to just give you an example, the system that I run, everybody qualifies, it doesn't matter if
you're 85 or makes no difference, but that is a big
difference in the State of Texas, and so just because
you're in an urbanized area doesn't mean that you're going
to get service.

MR. GADBOIS: So eligibility, you're adding an
item.

MR. SALAZAR: Right.

MS. BLOOMER: Rob?

MR. STEPHENS: I agree with all of my
colleagues. I don't know if planning, enhanced planning
features, something a little more substantial. I mean,
there are some significant changes in these programs,
there's additional monies here. I don't know if we're
already down to the recipient level. This influx of
funding that's coming in, I think there should be an
enhanced element for planning, how are you going to spend
those funds, either how are you going to deal with not
having them, or how are you going to deal with having a
lot more of them. That's my take.

Process and priorities are the other two areas,
you know, institutionalizing a process that makes sense.
Some of the process works for some folks, some groups love
it and some don't. I mean, I can give you lots of
examples of how that's all taken place, where it works for
some people and where it doesn't work for others, so I
think maybe some attention to process, how we administer these programs, and then establishing priorities, how do we do that, how do we filter through and get down to the core of what we need to be doing and how are we going to do it.

MS. BLOOMER: Okay.

MR. UNDERWOOD: Michelle, if I could add one more. It may be listed under funding, it may not, but one that's a very big one for me is leveraging our existing resources. I think that's got to be huge. Now that there's a funding shortage, or less than what we've been accustomed to, we've got to make that a priority. So that may fall under eligibility or duplication of service, but it's all about, to me, leveraging existing resources.

MS. BLOOMER: Okay. You've had your three to five.

MR. UNDERWOOD: I'm sorry.

MS. BLOOMER: You took one of mine. I only have two: leveraging existing resources --

MR. GADBOIS: Sorry, we're out of time on this item.

MR. UNDERWOOD: CEOs use different math than most people, you said three; I heard seven.

(General laughter.)

MS. BLOOMER: -- leveraging existing resources,
and then I think it's also very important to support the leveraging existing resources is that there has to be some link back to the regional coordination plan. So those are my two big ones. And I completely agree with Brad on the funding issue and some of the other, but I think big two: leveraging existing resources, and then how it links back to coordination.

Okay, 5311.

MR. GADBOIS: You can go first this time.

MS. BLOOMER: Yes, we'll let J.R. go first.

MR. SALAZAR: I think if I had to choose one, right off the top I'd choose the intercity bus, setting aside some funds for rural transit districts being the fact that the intercity bus people are cutting routes throughout the state and they're focusing in on the Dallas-Fort Worth-Austin area, and so that's one that I think needs to be looked at.

MR. GADBOIS: Is that allocation issues, or what's a way to broadly label that category?

MR. SALAZAR: I think that we talked about allocation process.

MR. KILLEBREW: You're talking about the comment that was raised at the semiannual -- no, it was the workshop, I believe.

MR. SALAZAR: It was at the workshop.
MR. KILLEBREW: And I caught the tail-end of that. The 15 percent set-aside for intercity bus is a federal statutory requirement, so that has to be done, but how those funds are assigned to projects, I believe the comment was that doesn't necessarily mean the funds have to go to an intercity bus provider, it has to go to intercity bus projects. And with some of the rural transit providers providing inter-lining and feeder service, the project funds should be just as eligible for those type of projects as to go to a provider like Greyhound.

MR. GADBOIS: And thank you for the explanation. To stay within the five minutes, I was just looking for a label. What do we call that category?

MR. KILLEBREW: Allocation.

MS. BLOOMER: Next.

MR. UNDERWOOD: Yes. Mine would have to be the formula, I guess you'd call it under formula. The majority of people that I was in meetings with and other brothers and sisters around the state I've spoken to really don't want it changed, and so it's my opinion that we need to leave it alone for 5311.

MR. SALAZAR: I second that.

MS. BLOOMER: J.R.

MR. GADBOIS: So allocation issues; formula
changes, do we need them or not and what do they look like. The two others I have: regional coordination and performance measures.

MS. BLOOMER: Okay. Rob?

MR. STEPHENS: I would have to kind of align with my colleagues. J.R., with intercity bus, I think we need to take a look at that. I'd like to see it opened up, as well, to other, maybe even an urban provider could be an eligible recipient of these funds if they've got an eligible rural project, because in some areas like West Texas, there may not be a rural provider that wants to do that. So I mean, I think leave it alone for the most part and focus on maybe the intercity bus factor, the allocation.

MS. BLOOMER: Okay. And then Michelle, I have the two issues Eric mentioned, the sort of multi-year planning which I think goes back to performance measures, as well as sort of the unintended consequence issue. We should be encouraging folks to do the right thing and not necessarily taking into account how that impacts their performance, but I think there's a lot that we can do around performance measures.

If there are no other comments, moving on to Section 5326, transit asset management, and Section 5329, safety. Does anybody have any burning? These are the two
new sections that have compliance requirements attached to them but not necessarily any additional funding.

MR. KILLEBREW: That's correct, these programs do not come with funding, and FTA has not issued any guidance on these two programs other than what's in the federal legislation.

MR. GADBOIS: 5326, 5329 is what we're talking about.

MS. BLOOMER: Yes. And I think what we heard a lot, we don't have a whole lot of guidance on these, but FTA has instructed the state sort of to not wait to move out, and a lot of the discussion at the semiannual meeting on these topics specifically, as well as other things, is let's sort of use what's already out there, do we have best practices, let's make them available to the industry. So I think that would be the focus there is coming up with best practices, templates, et cetera, so not every rural or small urban transit district has to recreate the wheel.

MR. SALAZAR: I agree with that, and I think there was a conversation about the metropolitan people kind of helping us out on that, because I think a lot of them have some of this stuff that can apply to some of the smaller systems, so I agree.

MR. UNDERWOOD: Can we say make Bobby do a
webinar?

MR. KILLEBREW: Sure, you can say that.

(General laughter.)

MR. UNDERWOOD: I just think we ought to learn from one another on this and do what we've got to do.

MR. SALAZAR: And especially since they haven't provided guidance for this.

MR. UNDERWOOD: I think one thing, in seriousness, about the transit asset management that really needs to be understood, and I think you've said it at semiannuals and I think we've talked about it on webinars under MAP-21, but there again, I think it's until they see it are they going to believe it. There is no more 5309, there is no more state of good repair. You have got to be responsible for replacing your fleet and running your business. I still think people don't get that.

MR. STEPHENS: That's a scary thought right there.

MR. UNDERWOOD: They think ARRA is coming back around, magic money out of the sky.

MR. SALAZAR: Well, and then to tap into what Brad is saying, how many people do you really think are doing that, Bobby? I mean, most of us are just using that for operating.
MR. UNDERWOOD: You're talking about revenue mile?

MR. SALAZAR: No. I'm talking about -- yes.

MR. UNDERWOOD: I think it just needs to be understood, and I think that might be a valuable point about transit asset management plan is recognizing you have a plan now, if you're not following it, you're not following your plan. I think that might be the most valuable tool in that to make people understand: you're getting revenue mile, about three times the amount you've received, or twice the amount you've normally received in the past, you need to be responsible and do something with it.

MR. STEPHENS: Yes. That should probably be programmed for vehicle replacement or future vehicle replacement.

MR. UNDERWOOD: But I don't advocate enforcing that, but I think it should be acknowledged that hey, there's no more money coming.

MR. GADBOIS: Okay. So I see or hear four kind of issue categories: best practices, what are people doing; criteria, there seems to expression of need for clear criteria; performance measures; and plan development, how do you develop the plans for both asset management and safety.
MS. BLOOMER: And then how do you link that plan to your day-to-day operations. There's no use in having a transit asset management plan if it's just file, save as, and gets shelved. It should go into your funding decisions, your budgets and how do you use that.

MR. STEPHENS: As a 5307 operator, we already have to have a safety and security plan and we would have to certify annually that we're spending 1 percent of our apportionment to safety and security, to explain that in the grant administering process. So I mean, we can use some guidance and practices that are already out there for that one. We could do the same thing in the transit asset management plan, we could have providers certify they're doing something or allocating some portion of their funding, whatever, you determine a percentage or you determine some other way to figure that out, but have them certify they're using that to take care of asset management needs. That's just my opinion.

MS. BLOOMER: Okay. Moving on to Section 5339, bus and bus facilities, this is the $1.2 million the state will get to address vehicle needs. Correct?

MR. KILLEBREW: There's two pots in this program as well: there's the rural pot which is the $1.25 million, and then there's the small urban pot which the small urban pot is going to be estimated to be about $3.6
million or so, almost $3.7 million. There's actually three pots, the large urbans get theirs directly, but for the State of Texas administered program, the small urban pot is about $3.7 million and $1.25 million for the rural program.

MS. BLOOMER: Does anybody have burning suggestions on how to address, or maybe back to Brad's comment on the asset management is now you're getting a lot more vehicle revenue miles, but again, we have the question of how do we distribute -- I think the big question is how do we distribute the funding, knowing it's not enough to formula allocate it to everybody because you'll get a third of a bus every year.

MR. UNDERWOOD: We could use that money to hire lobbyists to see if we could get more money. Is that not a good idea? It's just a joke.

(General laughter.)

MR. SALAZAR: Is there any way that the FTA is going reconsider? I think the answer to the question is no, but sometimes we look and we see that we did things wrong, and I mean, this to me just doesn't make any sense whatsoever. Is there any chance that FTA will look at that?

MR. KILLEBREW: I don't think this is in FTA's hands, I think this is a federal statutory fix that's
going to require an act of congress and the president to
get this done.

MS. BLOOMER: So I think there's work the
industry has to do outside of PTAC to address this issue.
Our concern is this is what we have, knowing the needs,
how do we best --

MR. GADBOIS: So is the issue distribution
priorities, how do you prioritize distribution?

MS. BLOOMER: I mean, one of the comments on
here was at the end TxDOT asked about facilities and the
response was there wasn't enough money to go around to
build facilities. It's for vehicles and for facilities.
Do we want to try to take the money and spread it across
because I think it's part of an allocation?

MR. STEPHENS: On the rural side what can you
do with $1.2- statewide?

MR. UNDERWOOD: Isn't it about $30,000, Kelly,
$32,000?

MR. KIRKLAND: If it's equally divided.

MR. UNDERWOOD: If it's equally divided, the
way that it would set up would be $32,000 apiece.

MS. BLOOMER: So I mean, I think that gets back
to not to solve the problem today but back to our biggest
issue is going to be how do we allocate those funds and
what are our options. There's a couple of options on here
that folks laid out, but really sort of coming up with
maybe one to two options of how we can possibly do it.

MR. STEPHENS: It's either going to be formula,
discretionary or competitive. Right?

MS. BLOOMER: I think those are the three
options.

MR. STEPHENS: Those are three options, so what
does everybody like? I mean, does a formula sound like
it's going to work?

MS. BLOOMER: I mean, I think that's something
we should probably go and throw out to the industry.

MR. GADBOIS: We're just advising on the way we
ought to ask questions of the industry, not voting on what
we want to see happen.

MS. BLOOMER: So probably the biggest is
allocation, and then I guess it goes under allocation,
split, is it 100 percent vehicles, or given you're getting
a bunch more revenue vehicle miles, take care of your
vehicles, combine that money, does it all go in there, or
do we want to set aside more commission discretionary
money and address the vehicle issue, or do it with your
5311 money, your 5310 money. So I think the biggie is
going to be allocation.

MR. KILLEBREW: I might also add that it's not
necessarily for new purchases, it can also be used for
rehab and rehabilitation.

MS. BLOOMER: Does that take care of all of them, Bobby?

MR. GADBOIS: Sufficient guidance?

MR. KILLEBREW: Thank you for the feedback.

You'll be getting an email from me, hopefully soon. Some of you may get more emails than others.

MR. GADBOIS: Let's not lose momentum here.

MS. BLOOMER: I think the other issue too, to get back to the momentum issue, is putting together a timeline of how we're going to keep this moving, both with the conversation with the industry and the stakeholders, and then just so we know where we're going so another two months or three months don't lapse and we're back here again as PTAC with the same issue of where do we go now.

MR. UNDERWOOD: So you want to talk about a time frame?

MS. BLOOMER: Yes. I'd like to see a time frame.

MR. UNDERWOOD: Bobby, what's realistic?

MR. GADBOIS: Can we give him a little time, and he could always put this in an email?

MS. BLOOMER: I'm thinking as part of the here's the three or four to six, here is a recommended timeline or how we see this progressing to meet our
concerns of maintaining the momentum.

MR. KILLEBREW: And this is Bobby. What I understand is you want to continue the dialogue and that's going to probably happen in different phases. One of the phases is the SurveyMonkey tool or an internet type conversations we will have with transit providers and so forth. I think some of those things are doable within the next month to continue that. Obviously, to get this group back together for another group discussion, we'll need to talk about that as well, because I think that may be the next piece that you want to see is the feedback from that first phase, and then what other phases we need to enter into. So I think we can keep the momentum going. I would say if I can promise a month and a half maybe to hopefully get us back together as a group. I'm getting some nods.

MR. UNDERWOOD: That's good.

MR. KILLEBREW: I'm sure Rob is giving me a nod even though I can't see him. I'll get Rebecca to work on that then. And if the members don't mind if I communicate with them individually as well, and I know one member is at least local, maybe I can really pick on him.

MR. GADBOIS: I'm happy to. You can even use my electronic survey account.

MS. BLOOMER: Okay. Any other discussion on MAP-21?
(No response.)

MS. BLOOMER: On to agenda item 7, any particular or specific conversation regarding the PTAC work plan and update of current activities? I think we've covered it all in the above items.

MR. GADBOIS: Did I miss it in the email, was there a work plan in the email?

MS. BLOOMER: No. It's our strategies, you're on a work group, you're working on 1 and 2, and work group 2 is working on 2 and 3.

MR. GADBOIS: Okay. The way you said that, I just thought I missed it.

MS. BLOOMER: You didn't read our 100-page work plan, Glenn?

The one question I did want to bring up, part of the review and discussion -- and I have heard from a number of PTAC members, and I think part of this is maintaining the momentum and continuing to move activities forward and have outputs and products is very important, and I think we all feel that.

One question I had is our meetings have in the past been sort of scheduled ad hoc, as needed, we can go one month, we can go three months. Is there any desire of the committee to maybe set up a more consistent schedule? A lot of folks, because the meetings are scheduled ad
hoc, have already made commitments and can't attend because we're three weeks out in trying to schedule a meeting. Do we want to look at trying to set a schedule of we'll have at least one meeting every quarter, it will be a certain day, third day of the month or third Wednesday, or something to that effect, or do we want to continue as we've been going sort of meeting to meeting?

MR. UNDERWOOD: I think that's difficult to do with MAP-21 right now until we get some things moving in our direction. If we say we're going to meet again in the second quarter, I think we've missed the ship at that point.

MS. BLOOMER: Right. Well, we have the flexibility to meet more within that, but my goal would be to have in-person meetings no less than four times a year, and then we can have conference calls in between and/or in-person meetings in addition to that, but at a minimum we know these would be set meetings. But we know in about a month and a half we're looking at another meeting.

MR. GADBOIS: So I'm good with setting a standing meeting date, the third Wednesday, whatever it is, as long as we all agree that either than can be changed or we understand that we may set another meeting based on the urgency of workload. But getting something on the calendar on a regular basis will be helpful to some
MS. BLOOMER: Okay. So Bobby, can we maybe look into and line up the next meeting about a month and a half would be the next cycle and then where would we go from there, so we can start to plan our schedules out.

My concern is we all have other jobs or lives and trying to make sure we can be here for these important conversations, as long as we know when they are, we can plan for them, and if something comes up, we have that option to make that choice if we attend or not based on what that other commitment is, versus now sometimes you already have another commitment and this meeting has been scheduled and you don't have that flexibility.

So if we can start looking at, what would a month and a half be, middle of March, let's say mid to late March, and then where would we go from there in order to keep this dialogue going, with the understanding that if we need to either have an in-person or conference call meeting in the interim, we have that flexibility to do that as well.

And just because we have a meeting doesn't mean if we have nothing to discuss that we all have to drive here to have the meeting, but that we would at least have it on our calendar as a standing date.

MR. KILLEBREW: If I may ask, does anybody have
standing meetings that would be in conflict now that you can let me know about before I ask Rebecca to do a poll?

MR. UNDERWOOD: My board meetings are the second Wednesday.

MR. GADBOIS: Fourth Friday of every month.

MS. BLOOMER: I think it would probably be easier to have us shoot Rebecca that information.

MR. GADBOIS: Well, actually Thursday afternoons or Friday mornings, but otherwise I'm good, so stay on Wednesday and we're good.

MR. KILLEBREW: Except for Brad's Wednesday.

MR. UNDERWOOD: Second Wednesday.

MR. KILLEBREW: I wrote down third Wednesday, and I'm avoiding our commission meeting as well.

MS. BLOOMER: Do we have any public comment today?

(No response.)

MS. BLOOMER: None, and we already discussed the next meeting date. We'll look about a month and a half out, so if we can try to keep our calendars as open as possible mid to late March, that would be good.

Are there any other items for discussion?

MR. GADBOIS: Move to adjourn.

MR. UNDERWOOD: Second.

MS. BLOOMER: All those in favor?
(A chorus of ayes.)

MS. BLOOMER: Anybody opposed?

(No response.)

MS. BLOOMER: Meeting adjourned.

(Whereupon, at 3:09 p.m., the meeting was concluded.)
MEETING OF: Public Transportation Advisory Committee
LOCATION: Austin, Texas
DATE: January 23, 2013

I do hereby certify that the foregoing pages, numbers 1 through 92, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Transportation.

01/23/2013
(Transcriber) (Date)

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