TEXAS DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION ADVISORY COMMITTEE -

TELECONFERENCE MEETING

3712 Jackson Avenue
Building 6, Room 324
Austin, Texas 78731

Tuesday, May 26, 2015

COMMITTEE MEMBERS PRESENT and PARTICIPATING:
Michelle Bloomer, Chair
J.R. Salazar, Vice Chair
Rob Stephens, Transportation Provider Representative
John McBeth, General Public Representative
Brad Underwood, Transportation Provider Representative

COMMITTEE MEMBERS PARTICIPATING VIA TELECONFERENCE:
Glenn Gadbois, Transportation User Representative

TxDOT PRESENT and PARTICIPATING:
Eric Gleason, Director, Public Transportation Division (PTN)
Ryan Granger, Federal Relations Representative
Josh Ribakove, Communications Manager, PTN
Michelle Conkle, Transportation Planning and Programming Division

TxDOT PARTICIPATING VIA TELECONFERENCE:
Jay Bond, State Legislative Affairs
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Adjourn
MR. SALAZAR: All right. Thanks, everybody on the phone for being patient with us. As Eric said, we’re waiting on a couple – Brad and Michelle are on their way in from the airport, they should be here shortly, but we’ll go ahead and get the meeting called to order. We'll do the safety briefing.

MR. RIBAKOVE: All right. Well, I can give the safety briefing. This is Josh Ribakove here for TxDOT. If we need to evacuate the building today, we'll go straight down the hall out this door to the stairwell by the elevators. We'll take it down to the ground floor, come out the front door and proceed out to the sidewalk, walk to the right to be able to get to the -- our big parking lot there. Walk into the parking lot. There is a treed area and we'll muster right there and we'll all be together.

Should we need to shelter in place in this building, that same stairwell by the elevators is the great place to be doing that.

Restrooms are right by the elevators. And there is also a break room across the hall where you can find machines with snacks and -- and drinks. And that's our safety briefing.

MR. SALAZAR: Thank you, Josh. Moving on to Agenda Item Number 3, if everybody's had a chance to read
the minutes.

MR. McBETH: So moved.

MR. STEPHENS: Second.

MR. SALAZAR: We have a motion and a second. All those in --

MR. GADBOIS: This is Glenn and I second.

MR. SALAZAR: We have a motion and a second from Rob. Glenn, you're a little bit too late on that.

MR. GADBOIS: Okay.

MR. SALAZAR: We have a motion to second. Anymore discussion before we vote?

(No audible response.)

MR. SALAZAR: Hearing none, all those in favor, raise your -- or raise your hand or say aye.

IN UNISON: Aye.

MR. SALAZAR: Any opposed, same --

MR. GADBOIS: Aye.

MR. SALAZAR: Any opposed, same sign.

(No audible response.)

MR. SALAZAR: Motion carries. I'm assuming we want to wait on Number 4. If that's all right with everybody, we're just going to skip to Agenda Item Number 5.

MR. GLEASON: All right. This is Eric Gleason, Director of Public Transportation for TxDOT. Jay Bond, are you on the phone by any chance?
MR. BOND: Yes, I am.

MR. GLEASON: All right. Great. I thought what we could do for the director's report today, three things: I thought Jay who is with our State Legislative Affairs group could provide the committee with an update on what's happening over in the legislature. I would touch briefly on our TIGER VII project application and then talk a little bit about how we're approaching some of the uncertainty around preauthorization or authorization.

So with that, Jay, why don't you real quickly go over some of the pertinent items in the legislature.

MR. BOND: I guess the -- from the Department's perspective, the -- the most important news is that the Texas Tribune is reporting that Chairman Joe Pickett of the House Transportation Committee and Senator Robert Nichols, Chairman of the Senate Transportation Committee, have reached an agreement on funding for the additional rev -- to provide additional revenue for the Department.

The -- under this approach which still, you know, has to clear some legislative hurdles, the voters would be approved -- would be asked to amend the constitution to dedicate 2.5 billion dollars of general sales tax revenue to the highway fund right away, as well as a portion of future motor vehicle sales taxes beginning in 2020.

So that's, you know, something in progress, but,
you know, to the extent that a rising tide floats all boats, more money for the Department hopefully will mean more money for public transportation. I guess it remains to be seen what restrictions, if any, will be placed on the use of these funds.

Moving along, I provided Eric with an annotated -- with some notes on the list of bills that TTA is tracking. I guess the most -- most of those bills frankly are dead. I can run through a couple of them real quick. House Bill 114 by Flynn, et al., which relates to the issuance of certain capital appreciation bonds by political subdivisions is pending on the senate, local and uncontested calendar.

HB 122 by Pickett relating to the Texas Mobility Fund has been sent to the Governor. Let's see. HB 226 by Representative Guillen which relates to certain offenses relating to carrying concealed handguns and property owned or leased by a governmental entity providing a civil penalty. That bill itself appears to be dead, but 8 -- SB -- its companion SB 273 seems to be moving.

Representative Fallon's HB 283 which relates to the requirement that certain governmental bodies make audio and video recordings of open meetings available on the internet. That bill has passed the senate. So it stands a good chance of becoming law.

Let's see here. Representative Burkett's HB 565
relating to powers of private toll project entities, that's passed the senate as amended. And as I understand it, the amendments would take or -- would take away the power of eminent domain but would let those private toll project entities or let the developers work on those projects, but they wouldn't be able to use the power of eminent domain or at least the private entity wouldn't.

Let's see. SB 685 by Representative Sheets relating to the production of public information available on the website of a political subdivision of the state. That's passed the senate as amended and I think it stands a good chance of becoming law. Let's see here. HB 3777 by Collier, et al., that bill relates to the establishment and governance of certain regional transportation authorities. I believe that primarily applies to the T to Fort Worth Transportation Authority. That's been placed on the senate local and uncontested calendar, stands a good chance of being -- of -- of becoming law.

On the budget, HB1, the conference committee report is still pending, but it'll be adopted in the next couple of days. SB 57 relating to information collected by a regional tollway authority, regional transportation authority or coordinated County transportation authority, that's passed the house as amended and stands a good chance of being law.
And it looks like everything else is -- well, let's see. The only other bill on the list that still seems to be alive is SB 1511 by Hancock relating to the establishment and governance of certain regional transportation authorities. Actually, that one was postponed. So I think the Collier bill, HB 3777, that one is still alive. And so that one I would cautiously suggest is going to become law.

That's pretty much what I had unless there's specific questions from the -- the committee members or staff.

MR. GLEASON: Jay, this is Eric. I believe Representative Guillen's bill on the -- on PTAC passed as well; is that correct?

MR. BOND: Oh, yes. I'm sorry. Yes, that bill did pass and has been sent to the Governor. Let me pull that up and make sure that -- and that bill of course was amended to -- that's been signed on -- in the house and let's see. I guess we'll sign it in the senate and then -- then they'll -- they'll send it to the Governor. That bill as you recall would provide fixed terms for the members of PTAC and an amendment in house by Representative Israel provided -- or better defined or better clarified the terms, you know, like public transportation provider or public transportation user or general public representative. So
the bill provided a little more clarity as to, you know, who fits in what category.

And then the Israel amendment also included some language requested by Representative Guillen. And that language made it clear that the current members of the committee couldn't be reappointed at the end of their terms if the appointing entity, the governor, lieutenant governor speaker sought fit to do that.

MR. GLEASON: Okay. All right.

MR. GADBOIS: So J.R., may I ask a question to Jay?

MR. GLEASON: Glenn -- Glenn, I'm going to need you to identify yourself on the phone for our recorder.

MR. GADBOIS: The -- this is Glenn. J.R.?

MR. SALAZAR: Go ahead, Glenn.

MR. GADBOIS: The -- may I ask a question --

MR. BOND: It's Jay.

MR. GADBOIS: -- to Jay? Okay. Mr. --

MR. BOND: Yes, go ahead.

MR. GADBOIS: Mr. Jay, your first bill, have they come up with estimates on the revenues that would be generated annually from both those actions should they pass, both those sources as they pass?

MR. BOND: Well, I think we would have to wait for a fiscal note and in fact TxDOT would, you know, weigh in on
the fiscal note, but we haven't -- I -- I -- frankly, I just
saw this news item which one of my supervisors alerted us
to. So I don't -- I mean, I think it's likely that they're
going to do something. As usual, the devil is in the
details. So until we see those details, we won't know what
it is. But it appears likely that it would at least in
sales tax revenue alone I think it's anticipated or the
authors anticipate that it would generate 2.5 billion
dollars additionally for the Department each year. And so
that would be approximately half of the $5,000,000,000 we
have been saying that we need.

    MR. GADBOIS: Okay. I mean, because --

    MR. BOND: So and then I anticipate there would
be additional revenue from the motor vehicle sales tax
revenue. And -- but that apparently would be phased in
starting in 2020. So that's a ways off.

    MR. GADBOIS: Okay. And -- well, and the order of
magnitude on that was a few hundred thousand as I -- is that
roughly accurate?

    MR. BOND: Oh, no. I think that that's -- well,
my recollection is a little hazy, but I was thinking it was
more money than that, but I could be mistaken. In any case,
I think it's -- you know --

    MR. GADBOIS: I mean, I'm sorry. A few hundred
million. I'm sorry, not thousand.
MR. BOND: Yes. Yes. I think that's -- that's in the ballpark there.

MR. GADBOIS: Okay. Okay.

MR. GLEASON: Anything else for Jay?

(No audible response.)

MR. GLEASON: All right. Let me continue with a couple other items in my report and then I'll turn it back to the chair. The Department's in the process of preparing an application to the TIGER discretionary program which is out for a project call at the moment. You may recall there's about $500,000,000 available nationwide for all U.S. DOT eligible projects. So it's not -- it's not just a call for transit projects. It's a -- it's a U.S. DOT call.

And of that 500,000,000, there's approximately a hundred million of which is targeted for rural area project investments. And important there as well is that the rural area projects are not required to be submitted with -- with a match.

So we have prepared a asset replacement project that is looking at a statewide approach to fleet replacement, as well as finishing up for construction projects or facility projects that are already underway with previous funding from the Department.

And the application itself is due on the 5th of June. I'll tell you real briefly that we -- we have
identified 325 vehicles that would be replaced in the application. And as I said earlier, completion of four facilities. We are looking at an application for TIGER funding of about $20,000,000.

And so key this year to this whole process is -- is a technical report. We have engaged TTI, Linda Cherrington and her staff, to help us with this. I'm looking at a final draft right now which -- which really looks very, very good. And -- and when we upload this to the -- to the TIGER grant website, we'll make sure that shortly after that we -- we put it up on our own webpage for everyone to look at.

I think it'll be interesting reading because the -- the key here is a -- is a benefit cost analysis. And what TTI really has done I think for the first time as far as I'm aware of here is they really captured a wide range of benefits associated with both fleet and facility investment and have quantitated -- you know, they -- they have managed to quantify the vast majority of those benefits. And so I think it's a very useful piece generally for all of us to be aware of.

The time frame on TIGER is such -- I've heard one report that it says expect award announcements in the fall. Beyond that, I'm not all that sure what and when we can expect a decision from US DOT on TIGER.

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Welcome, Michelle --

MS. BLOOMER: Thank you.

MR. GLEASON: -- and Brad.

MS. BLOOMER: Sorry.

MR. GLEASON: I hope you enjoyed your ride in from the airport. I didn't check on your itinerary. I --

MR. McBETH: I was going to that way you could track it, you know --

MR. GLEASON: That's all right. So the final part of my report then is real briefly on federal funding and -- and when you all might expect commission action on the balance of this fiscal year's federal funds, we are approaching this time frame and -- and Ryan will get into this in just a minute with the authorization decision in Congress to extend for another two months for a total of 10 months of -- of this federal fiscal year amount. We are waiting for and hoping we will get relatively quickly following the President's signature we'll get apportioned amounts from FTA for the next two months of the year. We got the first eight months of the year and we'll get the next two months in this action. And we will begin making a series of decisions on it from our coordinator call process associated with those partial year funding amounts.

So looking ahead at the June and July Commission meetings, what you can expect in June from a funding
standpoint in June, assuming that the state legislature finishes their business on time and that there is an appropriations bill adopted, we will award state funds for fiscal year '16, we'll award state funds at the June Commission Meeting. We are looking at being able to award inner city bus operating funding at the June meeting as well.

Sliding to July, you would have presumably the balance of the coordinated call awards going out in July assuming we get apportionments in a timely fashion. We will also have the 5310 program going in July as well. And so those are the highlights of the funding we are considering. And I'm not sure what our recommendation will be with respect to the 5339 program, but I'll -- I have a meeting on that later this week if we do move ahead with that -- that as well would be with the July meeting.

Now what we are doing internally to address then one of the major issues that July presents for us from a Commission Meeting standpoint and the timing standpoint is we are beginning to approach the -- the time frame and TEAM that we're able to submit project applications. TEAM traditionally goes down in, what, mid-September every year. And, you know, to get through the entire project submission -- grant submission and then approval process, you know, the 5311 grant does not go to DOL. The 5339 grant does go to...
the Department of Labor.

And so we're going to try and prepare those applications all the way up to the point where the last thing we need to add is the commission action. And to have been reviewing those with FTA up until that time, so that we're ready to go immediately following the July action.

Because the other challenge we have this year on the federal side is that when the system comes back up in the fall, it will no longer be TEAM. It will be TRAMS which is a brand new federal system. And so we want to make sure we hit that window in TEAM with the critical awards, the critical funding that -- that needs to happen so that we're not delayed both by the shutdown and then bringing up a brand new grant system.

So that's where we stand on that and that concludes my report.

MR. McBETH:  Question; this is John.

MR. BOND:  Eric --

MR. McBETH:  This is John.

MR. BOND:  Eric --

MR. GLEASON:  Yes, sir.

MR. BOND:  Eric, this is Jay Bond. Before you end your -- your report, if I may, I wanted to add something that I neglected to mention. This is Jay Bond, TxDOT State Legislative Affairs. I should have mentioned that the --
the two year state budget that the house and senate are poised to adopt also ends 1.3 billion dollars in so-called diversions in which funds from the motor fuel tax goes to other purposes like the Department of Public Safety. So TxDOT's funding would -- that budget would also boost TxDOT's funding by approximately 1.3 billion dollars over the biennium. I'm sorry, I didn't mention that earlier. And that would conclude anything I have to say. Thank you.

MR. GLEASON: Thanks, Jay. John.

MR. McBETH: What's the money number on the TIGER request or have you all put it together yet?

MR. GLEASON: Right now it's looking at 20,800,000 is what I'm looking at right now. Now keeping in mind that the entire rural set aside to the target nationally is a hundred million.

MR. McBETH: Uh-huh.

MR. GLEASON: 20 percent for Texas sounds good to me.

MR. STEPHENS: It sure does.

MR. McBETH: Well, we have 20 percent of the world population.

MR. GLEASON: How much?

MR. McBETH: 20 percent. I just made that up.

MR. GLEASON: Oh, okay. Yeah. Yeah, you bet. Yeah. Yeah. So it -- it's an extremely aggressive ask, but...
honestly it's not that aggressive when you look at what goes into it. These are fleet members that are at a hundred and thirty-three percent of their useful life. And facilities, we've got -- we can demonstrate a need for almost $50,000,000 worth of facility replacement. And we're asking for 16,000,000 right now to finish projects we started.

And what I'll tell the committee is if we're successful in getting the TIGER money to help us finish those four projects, then the future streams of our own funding that we do administer that were targeted for those projects will then apply to a next generation of facility projects to help bring them through the project development phase so that they too perhaps with -- if there's a TIGER opportunity in the future, they too can be highly competitive for TIGER.

So we drew the line at that because the ask was getting so big that we felt like it was big enough. And that concludes my report.

MS. BLOOMER: Thank you, Eric. Any other questions for Eric?

(No audible response.)

MS. BLOOMER: All right. And thank you all. I apologize we're late. Mother Nature had other plans or Southwest did. Understand we’ve completed Items 1, 2, 3 and 5?
MR. GLEASON: Yes, ma'am.

MS. BLOOMER: And we'll go back to 4.

MR. GLEASON: Up to you.

MS. BLOOMER: Okay. So we'll go back to 4 which is selection of a new chairperson and vice chairperson. Before we did that though, I just wanted to say I was first appointed to PTAC in September of 2007. Thank you to Bobby for digging that up. It's not as long as I thought or had felt, but it's almost eight years. And I believe of that almost eight years, all but maybe the first year, year and a half, have been as chair.

MR. GLEASON: Yes.

MS. BLOOMER: And so I feel at this time it's time to turn it over to some fresh blood. But I wanted to thank all the members and J.R. for being my vice chair and for stepping up for me when I wasn't able to attend and supporting me and to the TxDOT staff, to Josh for keeping me in line, to Bobby for doing that before Josh and making it fun along the way. Kelly and to Eric --

MR. GLEASON: As opposed to Josh. Bobby made it fun.

(Laughter.)

MS. BLOOMER: You know, the safety briefings come on. Bobby would always make me laugh. And to Eric for putting up with me. So I -- I really appreciate the
opportunity to serve as your chair and to serve on this committee and for the professional and personal growth that it's allowed me. So I would like to open it up then for -- and we start with the chair and then vice chair? Okay. So a nomination for chair.

MR. SALAZAR: This is J.R. Salazar. I would like to nominate Rob Stephens as chairperson of the PTAC Committee.

MS. BLOOMER: And this is Michelle. I second that. Any questions before calling the vote?

(No audible response.)

MS. BLOOMER: Okay. All those in favor and we'll start this way and work our way down. And Glenn, I'll get you -- I'll hit you, last, okay? John?

MR. McBETH: Yes.

MS. BLOOMER: Brad?

MR. UNDERWOOD: Aye.

MS. BLOOMER: Michelle, aye.

MR. SALAZAR: J.R., yes.

MS. BLOOMER: And Rob.

MR. STEPHENS: Yes.

MS. BLOOMER: And Glenn.

MR. GADBOIS: Aye.

MS. BLOOMER: All right. So we now have a chair. So can I turn it over to the new chair --
MR. STEPHENS: You may.

MS. BLOOMER: -- to take over and elect a vice chair?

MR. STEPHENS: You may. Okay. This is --

MR. McBETH: Well, you -- you shed that job quick.

(Laughter.)

MR. GLEASON: That would be pretty -- before we move on, I -- Michelle, I just wanted to thank you for your service. I've been here almost 10 years. I've had two chairs of this committee. The first one was Fred Gilliam. And I was stretching my memory back and I just couldn't remember another one other than you. So you have served as chair for a really long time. And I certainly have appreciated your commitment very much.

You've gone through some career transitions. Started with us when you were with the Council of Governments.

MS. BLOOMER: Council of Governments, yes.

MR. GLEASON: Catholic Charities. And now General Manager of the Collin County system. I don't know if I got that title right, but that's what it sounds like to me.

MS. BLOOMER: That was good.

MR. GLEASON: And so just thank you so much for your -- your patience and your commitment. I think you've made a huge impact on this committee, what it's done. I
know you've spoken to the Commission several times. And so I think the entire stature is -- is better off now than when you started. So thank you. Appreciate the time.

MS. BLOOMER: Thank you.

MR. STEPHENS: Thank you, Michelle. All right. I guess we'll continue. This is Rob Stephens. Continuing Item Number 4 in selection of a vice chair. Is there any nominations on the floor for vice chair?

MR. SALAZAR: This is J.R. Again, I -- kind of on a similar to Michelle's comments. I've been vice chair for quite a while, too. I visited with Michelle and I visited with Eric the other day, too. And I -- I think it's time for me to step down from that position as well. And, you know, it's a -- it's been -- it's been a long time. The years fly by, don't they?

MS. BLOOMER: Yep.

MR. SALAZAR: But I -- I do appreciate everybody and -- and all the things and all the meetings that we've had. And -- and I'll -- and I'll -- I'm still -- it's not like we're going away all -- away altogether, but I -- I am going to step down as the vice chair.

Having said that, I would like to nominate John McBeth as vice chair of the PTAC Committee.

MS. BLOOMER: And I second that motion.

MR. STEPHENS: Okay. Good. We have a -- a
nomination, John McBeth as vice chair made by J.R. Salazar, seconded by Michelle Bloomer. I guess we'll start -- Glenn on the phone. We'll start on the phone. Take a vote. Glenn?

MR. GADBOIS: Yes.

MR. STEPHENS: Yes. Okay.

MR. GADBOIS: Yes. John?

MR. McBETH: Yes.

MR. STEPHENS: Brad?

MR. UNDERWOOD: No. No, I'm just --

MR. McBETH: See, I knew it was coming.

(Laughter.)

MR. UNDERWOOD: See, I can vote for John.

MR. McBETH: I knew it was coming.

MR. UNDERWOOD: Please let mine reflect as a yes.

MR. STEPHENS: Michelle?

MS. BLOOMER: Yes.

MR. STEPHENS: And J.R.?

MR. SALAZAR: Yes.

MR. STEPHENS: And this is Rob Stephens and that's a yes. So we have a new chair and vice chair for the PTAC Committee. There you go.

I guess we've already covered Item 5, Director's report. We'll move on to Item Number 6, update on federal authorization and revised GROW AMERICA Act proposal.
MR. GLEASON: Yes, this is Eric Gleason again.

Ryan Granger from our Federal Affairs Office is here with us today. Ryan spoke to the committee I think at their -- at their last -- at their March meeting. Ryan is back to report all things ever happening back in D.C. So Ryan, an update on authorization.

MR. GRANGER: Oh, this is Ryan Granger, federal relations representative with TxDOT Federal Affairs. Thanks to the committee for having me back and the --

MR. GLEASON: Only if you brought money.

MR. GRANGER: I don't have any cash on me. But -- and neither does congress unfortunately. To -- I'll be talking about the federal authorization where things stand right now and the revised GROW AMERICA proposal that -- that just came out.

I'll talk about GROW AMERICA Act first. Well, when I came here before, it had just come out a couple days before. Since then TxDOT Federal Affairs has analyzed the bill. And -- and it was introduced by Representative DeFazio from Oregon just last week. So it is officially a piece of legislation now. It has 23 co-sponsors, most of whom were on the House Transportation & Infrastructure Committee.

I don't know what -- what odds it has of going anywhere, but -- but this is an overview of it. It
authorizes a hundred and fifteen billion for public transportation programs that's up from 72,000,000,000 in a previous version of the GROW AMERICA Act. The new version includes increases to address the bus and rail, State of Good Repair backlog and substantially invest in public transportation capacity.

Just like in the original AMERICAN -- GROW AMERICA Act, it proposes two new programs. One of which is the Rapid Growth Area Transit Program. And the other is the fixing and accelerating surface transportation grants. The -- the first -- the Rapid Growth Area Transit Program, that -- that's the discretionary grant program that for bus rapid transit projects and in -- especially in urbanized areas that had experienced significant increases, population growth between the 2000 Census and the 2010 Census. And the FAST Program is kind of a TIGER-like program that's based off of a Department of Education program actually. It's funded at 6,000,000,000 over -- actually, yeah, 6,000,000,000 over six years. And the aim of that is to incentivize the adoption of progressive forward thinking, best practices in transportation for projects of 50,000,000 and above.

FAST would fund up to 100 percent of the cost for public transportation projects as well as other modes. And also of note would be that a quarter of the FAST funds would
be distributed to MPOs that are designated high performing under FAST metropolitan mobility program.

Now as far as comparing what the GROW AMERICA Act 2.0 proposes versus what was enacted in the fiscal year of 2015, there is significant increases for the Section 5339 bus and bus facilities. That is up 353 percent from 427.8 million to 1.9 billion. That's significant.

Section 5337, State of Good Repair, that is up a hundred and sixty-four percent. And that's from 2.2 billion up to 5.7 billion.

But to give some context for that, even the six year total for the State of Good Repair is 35.2 billion -- I'm sorry, I'm throwing a lot of -- a lot of numbers. But according to APTA, the current backlog is 86 billion. So even the six year bill, you know, doesn't solve any -- all of the problems overnight unfortunately as far as capital investment needs.

MS. BLOOMER: Question.

MR. GRANGER: Another -- oh, I'm sorry.

MS. BLOOMER: I'm sorry. Is the backlog the 80 -- is that a one year or is that over that six year period?

MR. GRANGER: I think that is -- that's the current accumulated backlog that APTA has --

MS. BLOOMER: Okay.

MR. GRANGER: -- has talked about. When -- when
the president CEO testified before the Senate Banking Committee last month, he cited between 84 and 86 billion. I -- he -- he vacillated between the two numbers, but -- but so that's --

MR. GLEASON: That that's -- it's a current right now today number.

MR. GRANGER: Well, that's current as of when he testified last month --

MR. GLEASON: Yeah.

MR. GRANGER: -- but -- but yeah.

MS. BLOOMER: And it was 86,000,000,000?

MR. GRANGER: 86,000,000,000.

MS. BLOOMER: Billion.

MR. GRANGER: That is the State of Good Repair backlog in any capital improvement. So that is -- and that's increased from where we were last year about the same time.

And another -- another area of -- it's a bright spot in the GROW AMERICA Act is Section 5309, capital investment grants are up 53 percent from 2.1 billion to 3.25 billion. It's another significant increase. But -- but I think that -- you know, the -- the thing that's probably more newsworthy than the GROW AMERICA Act is the federal authorization that happened early, early Saturday morning.

So after weeks of debate over a two month
extension versus an eight month extension, the senate passed HR 2353 which was a two month extension of the highway trust fund spending authority. And it's now cleared for the President's signature. He is expected to sign it.

Although, you know, his Press Secretary Josh Earnest did urge lawmakers to use the next two months to do something a little bit more permanent than -- than one of -- than one more extension.

So this is the by count it’s the 33 -- 33rd time in more than six years that congress has passed a temporary patch to keep the transportation programs going. So with -- with congress extending the highway trust fund's authority on road and transit spending to July 31st, but not voting to add any additional funding, AASHTO believes that the trust fund is on course to see at least its highway account balance fall below safe cash management levels this summer without any further action.

And -- and so two months from now we're basically going to be back at square one except that now they actually have to find money. This current extension didn't require any, but this next one will. So many republicans including leaders of house and senate transportation committees have already conceded even before this current extension that congress will probably indeed move toward another extension to allow more time to round up the $90,000,000,000 that's
needed for a six year bill. And that Plan A still seems to
be tax reform and various repatriation proposals.

But a lot of the democratic leaders of the same
transportation committees and financing committees have come
out staunchly against any new patches. Barbara Boxer of
California, Representative DeFazio from Oregon, have both
come out as on the record as saying that no more patches,
that they're done with them and through with them as Senator
Boxer said.

Are there any questions about the current
reauthorization status?
(No audible response.)

MR. GRANGER: Well -- and I know that I wouldn't
ask to speak on this, but I would be remiss if I didn't
mention the 2016 THUD appropriations. THUD is the
Transportation, Housing and Urban Development. And that's
the -- the yearly bill that actually gives us the money.

And the transit formula grants, when -- when that
was -- when the house passed -- subcommittee passed that
April 29th, transit formula grants stayed completely flat as
they had. The previous year for -- and compared with the
GROW AMERICA Act proposal for FY 16, it's more than 38
percent less than that. As far as capital investment grants
go, there is 9.4 percent less than was enacted in FY 15 and
almost 41 percent less than the GROW AMERICA Act proposes
for FY 16. So relatively flat funding overall and, you
know, some pretty -- some fairly significant cuts to -- to
transportation -- public transportation programs.

But with that, I conclude my report unless there
are any questions from the committee members.

MR. STEPHENS: Any questions on Item Number 6,
guys?

(No audible response.)

MR. STEPHENS: Glenn, on the phone? Glenn, you're
still with us?

MR. GADBOIS: I am. I was on mute. Sorry, it
takes me a while to get off there. Yep, fine. Thanks.

MR. GLEASON: I have a question if I may. This is
Eric. Question for the committee. Is this an item that the
committee wishes to continue hearing about in future
meetings? We're on track again to meet late July which
would be --

MR. GRANGER: Good timing.

MR. GLEASON: -- another time to meet with
information.

MR. McBETH: Yeah, absolutely.

MR. SALAZAR: I think so.

MR. GLEASON: Okay.

MR. STEPHENS: I agree.

MR. GLEASON: We'll get you on the July agenda.
MR. STEPHENS: All right. Sounds good. Anyone have questions for Eric or Mr. Granger? On to Item Number 6.

(No audible response.)

MR. STEPHENS: It shows an action item. So --

MR. GLEASON: Action is here, Mr. Chair, just in case the committee wishes to take action.

MR. STEPHENS: Okay.

MR. GLEASON: It is not a necessary --

MR. STEPHENS: Necessary action item.

MR. GLEASON: Exactly.

MR. STEPHENS: Okay. So there doesn't appear to be any action taken here. We'll just accept the report unless otherwise noted from anyone on the committee.

We'll move on to Item Number 7, discussion on the scope and timing of TxDOT's look at the impact of growth, urbanization on public transportation in Texas.

MR. GLEASON: All right, Mr. Chair. This is Eric again. Item 7 is something that the committee discussed at its last meeting wanting to hear about in the context of its work program over the coming year or so. We have Linda Cherrington here with us today from TTI. And Linda and her group have a long history of working with this issue. They worked closely with us in preparation for the 2010 Census.

And I think that work serves us well to have a
discussion with the committee identifying sort of the -- the
major policy areas if you will that a Census -- that the
Census actually triggers for us in Texas in a growing state.
We -- we can review our 2010 experience. And I think it's
not too soon to begin this discussion in preparation for the
next Census.

And so I think this will be one of these
ccommunications where, you know, we'll have to probably go
into something in a fair amount of detail to understand it.
And then I think it would be appropriate for the committee
to backup out of that detail and speak about what it means
more from a broad policy standpoint. So it's probably kind
of a into detail and then backup to understand it from its
policy implications.

And with that, Linda, I know you have some slides
today. I think we want to have a fairly interactive
conversation with the committee. We'll kind of watch our
time. I know John, you need to leave at 3:00. And I know
this is actually an item that you brought up to have put on
the committee's work program. So I want to make sure you
have every chance to participate in this conversation. And
with that, Mr. Chair, I will turn it over to you and Linda.

MR. STEPHENS: Okay. Linda, when you're ready, go
ahead.

MS. CHERINGTON: Thank you. Linda Cherrington
with Texas A&M Transportation Institute. And good afternoon. Good to see you all. And what I'd like to do is step through a key -- a few key points particularly reflecting on what were the impacts of the 2010 Census and perhaps commenting a little bit on what we might anticipate going forward.

So we -- we're going to talk about the primary impacts of urbanization in the state. Next slide, please. And to -- to highlight this, we looked at the change in population from 2000 to 2010. And the urban population in the state grew much faster than the state as a total, 26 percent versus 21 percent. And that meant that the -- the state is now 75 percent of the population is in urbanized areas.

If you kind of put that in perspective, the land area that is urbanized in the state grew by 32 percent, but it's still 2.8 percent of the total land area of the state. So 90 percent of the population -- 75 percent of the population of the state is within just three percent of the land area. And that's -- the significant impact is the growth in that population and the affected land area.

Next slide, please. When we -- when we think about the impact on public transportation, there really are four major areas of impact. First of all, the rare occasion when a small urban area moves to the rural side, I'll speak
to that just -- in just a moment. When rural areas become urban and there are several perturbations on that which we'll talk about.

When a small urban area comes -- becomes a large urban and there's a change in the impact on funding and then a growing area of concern in the state and that is the urban gaps that are created when urbanization grows beyond the limits of a transit provider. And I'll show some examples of that.

I want to talk about each of those major types of changes, but I also want to talk about the kinds of impact you see. Next slide, please.

There are four major impacts that happen when an area becomes urbanized. There may be a change in funding for the transit provider, the funding source. And that applies to both federal funding which we'll spend some time about today, as well as the state funding source, rural or urban. There are also changes that eligible use of funding. We most often are concerned about use going from eligible for operating to only capital.

And then a change in the status of the recipient, I want to speak a minute about the terms that we use. The designated recipient is -- is identified in the case of the state for all Section 5311 rural and all Section 5307 small urban. The state of Texas, TxDOT, the Public Transportation
Division is the designated recipient for those funds.

In each large urbanized area, there is at least one and in two cases more than one designated recipient for that large urbanized area. Why is this particularly important? A designated recipient answers directly to FTA, is accountable to FTA for following all the rules and guidelines, but most particularly the designated recipient is also responsible for allocating funds to all other recipients under that jurisdiction. And that's the most important power of a designated recipient.

Now a designated recipient may name direct recipients that can get their money from FTA directly, but only after that designated recipient has approved the allocation of the funds. Or a designated recipient may decide that they are not going to give direct funding authority to any recipient. Instead, will only consider sub-recipients which are accountable only to that entity, the designated recipient.

So for example, the state of Texas is the designated recipient for all Section 53 rural funds. And the state of Texas has named each rural transit district a sub-recipient. The sub-recipient must apply for funds and is allocated funds and must answer for all grants to the state of Texas.

The state of Texas is also the designated
recipient for Section 5307 small urban funds. However, TxDOT, through the commission, has authorized that each urban transit district is named as the direct recipient and that direct recipient deals directly with FTA with the funds that are allocated by the -- by the TxDOT by the commission.

So that is the difference between a designated recipient which allocates funds, a sub-recipient which answers only to the designated recipient and a direct recipient who has independent funding if approved. And I'm going to speak more to that as it affects the changes in the Census.

And then the last major change is also somewhat subtle, but very significant to the impact areas and that is the change in the planning process. As any area becomes part of a large urbanized -- is -- becomes part of an urbanized area, they were responsible to the MPO. But that MPO's authority and jurisdiction grows with the large urbanized areas. And so the role of the MPO becomes more and more significant the larger the urbanized area. And again, I'll give some examples about that in a moment.

The next slide. In the discussion today, I'm going to refer to the primary fund -- formula funding programs from FTA. You are all very familiar with 5307 which is the urbanized program, 5311, the non-urbanized or rural program.
There are also some significant changes that affect 5310 for mobility of seniors and -- and individuals with disabilities. And 5339 which is the Bus and Bus Facilities Program. And so I wanted to bring up the source of these funds as I refer to them later.

The 5340 is also important because it adds funds to 5307 and 5311. But it is not in of -- of itself a separate discussion. But it is a significant in that being as growing state, we are receiving funds and that are -- that are also -- add to the 5311 and 5307.

MR. McBETH: Linda, is this where we see like STIC funding? Is that what this is? They refer to STIC high density areas and --

MS. CHERRINGTON: No, the -- the STIC program comes from small urbanized areas with significant performance above the average of all the -- the small urbanized areas in -- in the state. And they get some additional funding out of 5307.

MR. McBETH: Okay.

MS. CHERRINGTON: The growing states formula fund simply adds money to the allocation for 5307 and 5311. It's an unusual provision that was passed in the dead of night in the last federal authorization. And it was intended to give more money to growing states, but at the last moment 50 percent went to growing states and 50 percent went to high
density states.

MR. McBETH: Yeah, it was basically --

MS. CHERRINGTON: And so it -- it just --

MR. McBETH: -- divided between six --

MS. CHERRINGTON: Yeah.

MR. McBETH: -- northeastern states --

MS. CHERRINGTON: Right.

MR. McBETH: -- is what happened because of the chair.

MS. CHERRINGTON: So it's -- it's kind of a -- a stealth funding program. But you see it mentioned. And so I wanted to -- to mention it today. So -- and it simply adds to the dollar value.

And it's interesting. The legislation said oh, and we won't name exactly how much that is. We'll just put it in the 5307 and 5311 pots.

So recently FTA has been -- has provided some information about how much those dollars are and how they -- they're calculated. But it's been kind of an interesting program, so --

MR. McBETH: Yeah, there's some move on at CPAA to basically abolish this program and take the money that's in it and move it into the 5339 program and put a rural component to it so that rural America gets a certain percentage of it. I -- I don't know how successful they're
going to be. Right now we've got somewhere between 18 and 23 senators that say that it's a good idea.

MS. CHERRINGTON: So that would put more money in -- into the --

MR. McBETH: Yeah, just to get --

MS. CHERRINGTON: -- capital investment.

MR. McBETH: Yeah, it would.

MS. CHERRINGTON: Okay. So now I'd like to talk about each of those major changes that have occurred as in -- instance to Census. Next slide, please.

The -- the first we wanted to talk about was small urban to rural. Of course, this is unusual. It has not happened many times in the -- in the history of -- of the funding. It happened in 2010 when Galveston just two years after Hurricane Ike no longer met the criteria for a small urbanized area. Whether or not this might happen again we hope not, but obviously the most vulnerable areas in the state are the smallest small urban areas in which the economy could affect those states, those cities. The smallest are Victoria, Texarkana and San Marcos which just became small urban area.

I don't think this is going to happen again, but the impact was significant of course to the city of Galveston. The funding source changed. There was reduced funding, the city was no longer a direct recipient, but
became a sub-recipient under the TxDOT 5311 funding formula. And there was a requirement for a change in local government to become a rural transit district as a function of that change in status.

So it was quite significant. The -- the city of Galveston has been affected by it. Luckily they are part of a larger trans -- transportation management area. And so they are -- they have the help of their friends and neighbors to assist through some of this as well as a great deal of assistance from the TxDOT Public Transportation Division to help them get through this census change. Again, we hope that this doesn't happen to any other area.

The next slide, please. So this is an illustration of a rural area that became small urban. This is the city of San Marcos. It was the only new small urban system as a result of Census 2010. It is a separate UZA because it was separated by -- from the city -- from the Austin UZA by a gap that met the criteria to create a new UZA. It is just over 50,000.

Next slide, please. The impact to the city was again a change in funding sources so it became from a 5311 to 5307 small urban that did indicate increased funding. It was still -- it still is a part of the state apportionment for 5310 and 5339. Remember, TxDOT is the designated recipient for those funds. And TxDOT is -- has sub-
recipients for 5310 and 5339.

So San Marcos receives directly the 5307 small urban and -- and is a direct recipient. And there was a change in funding approvals. So it's now a local government. It's no longer a part of the rural transit district. It's now an urban transit district. And its role as a member of the MPO, the capital area MPO campo is -- it changed significantly. And quite frankly, the city of San Marcos was always involved with the MPO. But now as an urban transit district and the necessary to establish its funding and to get on the TIP to represent its 5307 has a much more important role. And it's an indication of the significance of a rural area that anticipates being urbanized to be very active on the MPO to establish its -- its seat at the table if you will.

That's the only rural area to small urban in 2010. And areas that we might anticipate that we were watching last time, the city of Eagle Pass, possibly Del Rio, the city of Cleburne, those are other urban clusters in rural areas that could possibly be growing to small urban areas.

Next slide. I want to talk about two examples of rural areas that go into large urban. And I've used two very different examples. The first that I want to talk about is Fort Bend County. On the -- on the phone, Fort Bend of course is in the southeast area of the Houston
urbanized area. There is a Fort Bend County Public Transportation Department, a rural transit district. And you see the significant increase in the urbanized area in Fort Bend County.

There is a part of the Houston Metro that goes into Fort Bend. And then the growth in gold and dark red is the area that's become more and more urbanized. And the significance of this is that Fort Bend County serves transit in that area. In fact, they operate a significant park and ride program going into the Houston metro area. And so the significance of funding is a bit unique because of the size of the urbanized area, the adjacency to metro and the fact that they operate public transit through fixed route on the park and ride.

Next slide, please. So here are the significant things that changed for Fort -- for that urbanized area in Fort Bend County. And I highlighted a couple that were unique.

First of all for that area that became urbanized, it was no longer generating 5311 dollars, but now was part of the area for Section 5307, large urban. That meant its funds had to come from the Houston urbanized area. And I'll speak to the designated recipient status in a moment.

The most significant change was the change in eligible uses of funds. As large urban area, funds that
might be allocated for that area could only be used for
capital. It wasn't eligible for operating.

But here comes in the special 100 bus rule that
was -- that is a part of MAP-21. In large urbanized areas
where there are small operators that -- that operate public
transportation, that population, that land area, those
revenue miles, those passengers, all contribute to the 5307
funds that are generated for the large urbanized area. They
generate funds for the large urbanized area that is sent to
the designated recipient.

If small providers operate fixed route services
and report those fixed routes as small operators to the NTD,
National Transit Database, two years later there generates
an eligibility to use funds for operating if other criteria
are met.

First of all, you had to operate fixed route. You
had to report it to NTD. And you had to operate less than
100 buses. And if you did those things, then you could be
eligible to use up to 75 percent of the funds that you
generated toward the large urbanized area for operating.

And if that confuses you, I can assure you Fort
Bend County, if -- if any of you all have ever talked to
Paulette, you know that -- Paulette Shelton, you know that
she can explain every detail of this funding. But it's been
a huge challenge because it limits the amount of funding.
It limits the amount of funding that can be used for -- for operating. And if you break the 100 bus rule, then you cannot use it for operating anymore. And -- and if you have 75 to 100 buses, you can only use 50 percent of what you generate as urban -- as operating funding.

So this circumstance is a Census impact and it particularly affects the small providers in large urbanized areas who operate a fixed route. And they have -- Fort Bend County for that area that's urbanized, go -- the 5339 and the 5310 is also part of the large urban area. So again, back to the designated recipient.

The designated recipient for Fort Bend County changed for that area that was urbanized from a TxDOT sub-recipient, rural area, to designated recipient being Houston Metro. So Houston Metro has to approve and agree to the allocation of large urbanized 5307 funds to that portion of Fort Bend County for their transit services. And it has to be approved by the MPO.

Any questions or comments? Because I know that's -- so again, if you think about that map, there's a huge part of Fort Bend County that's now urbanized and all the rules apply to large urban. Only that remaining rule applies to the rural. And yet there's one provider. It's the Fort Bend County rural transit district.

Now just to keep this interesting, let me go to
the next slide. So I have another rural area to large urban. But in this case, it's New Braunfels. And it's in the San Antonio urbanized area.

Next slide. What makes New Braunfels particularly interesting is that it expected that it was going to be a small urban area. So it was prepared to be San Marcos, to have a new urban transit district, to be a municipal transit system, and to -- it was considering perhaps creating its own MPO.

Instead by Census designated Census procedures, there is a little bitty connection from -- from New Braunfels into the San Marcos urbanized -- excuse me. From New Braunfels into the San Antonio urbanized area. It's a little bit -- it's a parking lot that connects the impervious surface to connect New Braunfels to San Antonio.

And so boom, 22 -- 2010 Census comes out and New Braunfels is not a small urbanized area. It's now part of San Antonio. And nobody planned for this. The -- the Guadalupe and Comal counties were not part of an MPO. It was expecting to be a whole different story. And so they were -- that area is no longer eligible for state rural funds. It now has to get its funds from the federal government through the Section 5307 large urban area. Those funds can only be used for capital. That area now has to go to the San Antonio urbanized area for 5310 and 5339 large.
urban funds.

The designated recipient is San Antonio VIA. San Antonio VIA had no expectation of sharing its funds. It's not comfortable naming an -- an agent -- another district -- another area as a direct recipient. And so it allocates some dollars as a sub-recipient to serve for the rural transit provider in Comal and Guadalupe County to serve the New Braunfels area.

Change in funding approvals, now it was a part of -- and I -- I purposefully struck out San Antonio Bexar County, because that's part of the story. San Antonio Bexar County, it didn't -- nobody thought about going into another county. And so the MPO wasn't even including this area in their planning.

Now there's an Alamo area MPO. It's taken several years to get through the process. And they are still working through this process. So this is another example of the changes. Your --

MR. McBETH: Is -- is the -- is the Alamo area MPO the only one or is there also still the San Antonio Bexar County MPO?

MS. CHERRINGTON: No, it's changed the Alamo area MPO and it's changed its membership --

MR. McBETH: Wow.

MS. CHERRINGTON: -- to include Guadalupe and
Comal County.

MR. McBETH: Wow. Wow.

MS. CHERRINGTON: And it's now aware that Kendall County which is where Boerne is --

MR. McBETH: Yeah, that's what I was thinking.

MS. CHERRINGTON: -- maybe urbanized next.

MR. McBETH: Yeah.

MS. CHERRINGTON: So now --

MR. McBETH: So --

MS. CHERRINGTON: -- they're moving forward. So -- but that's -- that's been a very significant change since the 2010 Census. Going to the next slide.

The -- the next area I want to talk about, small urban to large urban. The diagram is Brownsville. There were four small urban areas that went to large urban. They were Brownsville, Killeen, Conroe, The Woodlands and Laredo. They joined Lubbock and McAllen Hidalgo County. And I've used Brownsville as the example. If you go to the next slide.

So the significance of the change in funding sources is to go from small urban funds as a -- as a direct recipient under TxDOT to Section 5307, large urban. And that now means that Brownsville, for example, is a large urbanized area. It's a designated recipient for its 5307 funds. It's also the designated recipient for 5310 and
The state urban funding formula is now limited because the population has gone over 200,000. Now there's a cap on the -- the formula for need, for the state urban funding formula at 199,999. They do not have a local sales tax dedicated to transit to generate a match for those funds. So the city of -- of Brownsville deals with -- with those funding issues.

Because of Section 5307 large urban funds, it's prim -- it's dedicated for capital, there is a transition period, but it is still moving toward an additional obligation to find operating funds.

And the recipient status, it now stands on its own and is no longer a direct recipient under TxDOT. And this is the same that occurs in other small urban to large urban areas. We don't know what may happen in 2020, but some areas that we watch out for are Amarillo, Midland and Odessa separately because they're individual organized areas, College Station/Bryan. John was just telling me today that they think they have already burst the 200,000, and Waco.

There also may be others that we don't anticipate because Conroe, The Woodlands was a surprise. A portion of that was -- was the way that the -- the funding -- the calculations by the Census changed a bit.

Go to the next slide. The last thing --
MR. McBETH: And Linda, can I -- I would just like to add, this --

MS. CHERINGTON: Yeah.

MR. McBETH: -- I think this one probably is the -- out of the presentation, this particular slide small urban/large urban --

MS. CHERINGTON: If you can go back one, please.

MR. McBETH: I think this one's probably the -- the one that gets the point that I was -- I've been trying to make at the last few PTAC --

MS. CHERINGTON: Okay.

MR. McBETH: -- meetings, is that you mentioned Laredo, Temple, Killeen and Woodlands, Conroe. Then there's going to be Waco, there's going to be Bryan/College Station and probably at least one other that are going to come in as past recipients of the state 5307 dollars. And even though they're limited to that population on the performance side of the formula, they can blow everybody else out of the water. That's -- that's the reason I kept asking questions. So I think this one is really the -- the -- really the most important slide there.

MS. CHERINGTON: And --

MR. STEPHENS: Let me interject real quick just then -- and for time, we're about 2:30 --

MR. McBETH: Yeah.
MR. STEPHENS: -- 2:35. So we're going to move this and make sure we -- we're sensitive to that, because I think John, you're there at 3:00 and I think he's --

MR. McBETH: Yeah.

MR. STEPHENS: -- there at 4:00. Also if you would just as housekeeping, identify yourself when you're talking --

MR. McBETH: Right.

MR. STEPHENS: -- just for the record so that we can know who's saying what.

MS. CHERRINGTON: And I'll try to wrap up the remaining slides. The -- the reason why John made this point here is because this also has an impact on state funding.

So wrapping it up, go to the next slide, please. Urban gaps. What -- and urban gap is a transit -- when a transit -- when a transit service area boundary does not always match the UZA boundaries. And so if you look at the maps for 20 -- 2000/2010, you see that transit service boundaries are often within a UZA. And that means that there's part of that area that -- what we call an urban gap.

There's really three kinds of urban gaps. One is old metropolitan areas that did not join the transit authority. And those particularly in Houston, it's Pasadena. And in the Dallas-Forth Worth area it's the mid-
cities. There is also an urban gap when an urbanized area grows into a rural transit district. We talked about Fort Bend County earlier.

And lastly, when a small urbanized area grows beyond the city limits. But the city is providing a municipal transit system and is not considering the urbanized area that goes around it. Often as -- as a doughnut.

If you go -- go to the next slide. These are the urban gap -- urban gaps were identified in all of these metro areas and cities that are shown on the slides. So it's not unique to Austin or Houston or Dallas-Fort Worth. And I'll show you a few slides. If you can go to the -- the next one -- so this is the Dallas-Fort Worth and the Denton and the McKinney UZA. And you will see in the green areas around Dallas-Fort Worth where this urbanized gap.

Now some of that gap, it goes into -- where the urbanized area is going into the rural transit districts adjacent to that. And -- and that becomes as Brad well knows, that becomes a challenge in the D -- DFW area because those urbanized gaps are the funding is 5307 large urban and it's managed by NCTCOG, the MPO. And the same in McKinney, north -- north of -- of Dallas.

If you go to the next map. We've already looked at the Houston urbanized area, but I put this map out
because the -- the blue hash line is the Metro service area. And you'll look to the east. How much of the urbanized area has grown out beyond the urbanized area particularly to the east. And there is no transit district in that area. Harris County does provide some transit service, but there's no transit district.

You can go to the next slide. I wanted to show this because it's Austin. Part of the metro service area is -- the capital metro service area includes some of this urbanized area, but the growth in Williamson County -- and this is Georgetown, which is now well outside the urbanized area. And this is Buda, Kyle, which is now well outside -- excuse me, the capital metro service area.

And so those are urban gaps. Each -- each of the designated recipients in these areas deal with this differently. The next map -- we've already taken a look at San Antonio, but it just points out how much removed the -- the New Braunfels area is. And there's also the Schertz, Cibolo area just adjacent to Bexar County.

And then the next. This is El Paso. And they -- El Paso is a municipal transit department. It has a locally dedicated sales tax, but it's to the city of -- of El Paso which is in the blue area. All of this area growing to the east and growing to the west in New -- New Mexico is outside the El Paso transit system. And so it creates an urbanized
And lastly, just so you don't think it's still the big cities, this is Beaumont. Beaumont is the municipal transit system, again, is serving what was originally the urbanized area, city of Beaumont, Vidor and Lumberton have now grown -- become urbanized. They're outside to the -- the Beaumont municipal area. They are an urban gap. There is no rural money generated for those areas and the -- it's beyond the -- the transit system.

Next slide. So that concludes the items that I wanted to bring to your attention. Every urbanized area has a story. And I appreciate your patience in hearing some of those, some of these examples. Thank you.

MR. STEPHENS: Okay. This is listed as an action item. Before we get there, is there any discussion? John, did you have something that you want to share?

MR. McBETH: Yeah, it -- it just proves what -- why I brought the question up again with. It's a -- it's a firestorm and it's -- it's 2015 and there's going to be another census in five years. And Linda just mentioned the number of over 200,000 population cities that we're going to add to the pool.

MS. CHERRINGTON: Possibly.

MR. McBETH: Possibly to add the pool. I know that Bryan/College Station is already over 200,000. We're
going to add -- at -- at a minimum we're going to add at
least four new cities that are going to go beyond 200,000
that will -- that still get state funds that would still be
able to access those state funds.

And even though we cap the population, their
performance because of the systems that are performed there
are going to begin taking more and more of that small urban
pot. And I assume some rural areas that are -- are
currently rural are going to shift into the small urban
area, the 50 to 200,000. I think that's something we would
want to look at, too. What's the trend there? And I know
you all look at all those trends.

But it's -- it's going to be the perfect storm,
because I don't think we can count on the legislature to
increase our funding for -- for small urban or rural
transit. We -- we haven't had a lot of luck this session
and we -- we're sitting on a bundle of money right now.

So I think it's something that we -- I would like
to see us continue working on this at the PTAC and -- and
look at some of the specifics and come up with some
recommendations of -- of how we're going to deal with this
problem, because it's going to be a big problem. It's going
to -- for -- for those that are -- because I'm in the small
urban and the rural business. After the next census, I
won't be in the small urban business anymore I'm pretty sure
about that.

But I think we're -- we're going to all have to start looking at that, because otherwise we're going to see those 200,000 and above cities probably eat up I'm just guessing 50 percent of the entire allocation for the -- for the small urban. And I -- I don't know what the answer -- I don't know what the answer is. It's -- it -- it's either establish 200 to 300 or 400,000 as a new funding mechanism and get the legislature to appropriate money for it which I think that is a long shot or it's to somehow mitigate the effect of those cities coming in and taking more -- more of the money, because we just don't get enough of an increase. We haven't had an increase since 2000. Hoping to get one this time around, but it's a very small one.

So I think this points out as usual TTI does great work. It really points out what -- what we're facing.

MS. CHERRINGTON: Thank you.

MR. McBETH: It's -- it's a -- it -- these are some real scary numbers.

MR. STEPHENS: Thank you, Linda.

MR. UNDERWOOD: My -- my question is --

MR. McBETH: And I'm glad I'm not in New Braunfels.

MR. UNDERWOOD: In the urban gap areas, I think a lot of times it's -- been heard it called like conclave
cities and we've used that reference a lot. Is there anything in -- one time there was supposed to be something in GROW AMERICA that was going to correct some of the conclave cities. Is that out of the bill now, do we know or is it still being talked about or we don't know?

MS. CHERRINGTON: I -- I think you're mentioning there are four cities within the DFW area that -- that Michelle knows well that the four cities are Arlington, Grand Prairie and Mesquite and NET, the northeast transportation services, in Tarrant County.

There was legislation under SAFETEA-LU that provided special provision that they could use their 5307. And not more money, but just some of 5307 for operating.

MR. McBETH: Right.

MS. CHERRINGTON: MAP-21 did not carry that through.

MR. McBETH: Right.

MS. CHERRINGTON: And as of the most recent conversation I've had unless -- unless you all have heard something more recent, that's still not addressed and --

MR. McBETH: And it's still not going to be.

Okay.

MS. CHERRINGTON: -- to date.

MR. McBETH: Okay.

MS. CHERRINGTON: Nor is -- or the problems of the
100 bus rule. I -- I think the 100 bus rule I think somebody thought was a great idea and it was poorly constructed. And I -- I think it's -- it was unintended consequences. But that still has not been addressed in any of the appropriation bills since MAP-21.

MR. McBETH: Okay.

MR. STEPHENS: Glenn, you still with us? I'll give you a chance to take it off of mute. I just wanted to give you an opportunity to -- to chime in on this item if you're -- if you're still with us.

MR. GADBOIS: I -- I am with you. This is Glenn. And what team is in -- and thank you Linda, because this is usually helpful to wrap our minds around one piece of the overall issue. What -- what I was doing internet research on while you were doing your presentation is whether any states give county sales tax authority.

We have decided to fund our transit system in Texas with sales taxes. And part of the problem is it's left in city to city, with our county having no sales tax authority.

But there are actually some states that give their counties sales tax authority. And -- and it -- you know, it -- as John pointed out, you know, it would be a fight with a legislature to do that. But in terms of kind of big issue solutions, it would help to move the geographic boundaries
significantly larger than metropolitan areas.

So -- so just -- just a kernel in the pot, we need to do a lot more kind of looking in -- into this and talking about it. But that's what I'm thinking at the moment.

MR. STEPHENS: Thank you, Glenn. Michelle, J.R.?

(No audible response.)

MS. BLOOMER: No.

MR. STEPHENS: No? Okay. This is an action item. Do we want to accept a report or do we want to give -- I checked with Eric just a minute ago. This is something that's in our work plan. It's -- if we can -- and in visiting with Eric, we can address this maybe as we go along in the next couple of meetings. We can figure out how to do some more work and fine tune the scope of work to maybe tease out some solutions and what we do, how we handle this going forward. So it is in our work plan. We can -- we can keep it on -- on the agenda. And --

MS. BLOOMER: This is Michelle. I --

MR. GADBOIS: Yes, who --

MS. BLOOMER: I think it --

MR. GADBOIS: As to the --

MS. BLOOMER: I would agree. I think it's something we need to keep on the agenda and just keep an eye on so we don't wait until the 2020 Census and then go oh, shoot, what do we do in 2023 when the results come out.
MR. STEPHENS: Yeah. Thank you, Michelle. Glenn?

MR. GADBOIS: So -- so -- yes, this is Glenn. I would like to make it more specific than that.

We need to start doing some analysis of -- of possible -- either -- either scenarios or options to move forward in preparation for 2020 Census. And so I guess we need to figure out a way to get somebody that's thinking about -- that's smarter and thinking about it a whole lot more than we're able to coming back with some potential scenarios and/or solutions that we could start to think about and analyze.

Is there a way to do that, Eric?

MR. GLEASON: I think what we -- this is -- this is Eric. I think what we can do, Glenn and other members of the committee, I think today’s conversation, if we can tease out three or four or five general areas that the committee has a particular interest in, you know, for example, John has brought up the issue over the potential increase in the number of, you know, state funded areas, urban areas going above the 200,000 threshold further exasperating -- exacerbating the issue we have already there.

Brad has brought up the, you know, the enclave city issue. If -- if there are two or three other areas of what you heard Linda talk about that seemed particularly important to you and we could hear what those were today,
what we can do is come back not at your next meeting but at the meeting after that which I believe would probably be September.

And between now and then and we'll look at these issues and we'll sit down with Linda and her team and we could probably put together an approach over the next year or two that would have the committee engaged in conversations sort of at the right time. Either when, you know, projections for next census might become more readily available with the state -- state demographer or whatever.

Looking at, you know, areas of -- of federal concern for authorization issues, looking at -- at state concern for legislative issues, looking at what TxDOT might be able to do, maybe we could kind of put a roadmap out at the September meeting for how we might address this issue over the next 12 to 24 months.

MR. GADBOIS: When -- when -- so without even pointing to solutions, Eric, there are --

MR. GLEASON: Yes.

MR. GADBOIS: -- two scenarios I would like to explore. One is the more money scenario. You know, and -- and that could be more federal money, more state money, but just apply more money to the problem.

MR. GLEASON: Okay.

MR. GADBOIS: And -- and the other -- the other is
there -- is there some changes in the regulatory
distribution? The -- you know, the -- the grant funding
formulas or anything like that, that might be of assistance
in solving the problem.

MR. GLEASON: Okay.

MR. GADBOIS: Those are at least two scenarios.

MR. GLEASON: Okay. And when you say solving the
problem, Glenn, is it -- the problem is defined as
everything Linda's talked about?

MR. GADBOIS: Well, so -- so the problem I'm
looking at is -- is the way we're doing it is creating
significant gaps. And with -- with no end in sight to the
number of gaps that are being generated and no real solution
for how to -- how to bring those gaps into the system.

MR. GLEASON: The urban gaps that Linda --

MR. GADBOIS: And -- and --

MR. GLEASON: -- identified?

MR. GADBOIS: Yeah, the --

MR. GLEASON: Okay.

MR. GADBOIS: -- the urban gaps in particular.

MR. GLEASON: Okay.

MR. STEPHENS: Anyone else?

(No audible response.)

MR. STEPHENS: Glenn, do you want to put that in a
form of a motion so we can get -- we can just vote on it?
MR. GADBOIS: Well --

MR. STEPHENS: Do you want to handle it like that?

MR. GADBOIS: Well so -- so what I would rather do first is are there any other scenarios we would like to look at? I threw out two. But if there -- the -- you know, I'm not the only one that thinks about this stuff. If there are more, then let's include those in a list. I'm happy to make a motion with the list of items and go from there.

MR. STEPHENS: Okay.

MR. GADBOIS: Anybody else have scenarios?

MR. STEPHENS: Michelle?

MS. BLOOMER: This is Michelle. I think we have four.

MR. GADBOIS: Okay.

MS. BLOOMER: The two that you mentioned, Glenn, and then the state funded urban areas that John brought and then the enclave cities which Brad mentioned are the four --

MR. STEPHENS: The four areas.

MR. GADBOIS: Okay.

MS. BLOOMER: -- that I had.

MR. McBETH: Yeah.

MR. UNDERWOOD: And even just --

MR. GADBOIS: Okay. So -- so --

MR. UNDERWOOD: Go ahead, Glenn. This is Brad. Even just some scenarios about what happens to the riders.
One day they have a rider and the next day they don't. I mean, kind of displacement of service.

MS. BLOOMER: And this is Michelle. I guess -- and maybe there is a way around it. But I know -- Linda, correct me if I'm wrong, but the San Marcos, because there was one projection or one scenario and the -- what actually happened was something that hadn't been considered, that created a significant -- and correct me if I'm wrong, created a significant delay or gap in actually getting service.

MS. CHERRINGTON: New Braunfels.

MS. BLOOMER: New Braunfels.

MS. CHERRINGTON: New Braunfels.

MS. BLOOMER: Into that area. If there's sort of a Plan B for if things don't go -- and so how do we get those and to do -- starting to talk and started -- create that relationship so we're not waiting for the Census designation to come out and then oh, all of a sudden now I have to play nice with somebody that I wasn't all that nice to six months ago. And now they're my new best friend.

MR. STEPHENS: Yeah.

MS. BLOOMER: Because in order to get transit --

MR. McBETH: Oh, yeah.

MS. BLOOMER: -- funding, I have to be nice to them. So starting to kind of create those relationships,
getting those folks to the table be -- in advance of the
census occurring and the results coming out so they're in a
better place when the designation comes down and all of a
sudden they now have to switch from what they thought or
what they were doing to something completely different.

MR. GLEASON: Yeah, and --

MS. CHERRINGTON: And it is probably worth
mentioning that that was bridged through the help of the
public transportation division and the Census impact funding
from the legislature. So that did help, but they still ran
it right down to the wire in the case of New Braunfels.

MR. GLEASON: Well, and -- and part of the issue
is I think we did our research in 2009 which led up to some
additional money being included for the 13 and 14 biennium.
We know that even though the census took place in 2010 that
I don't -- I believe the -- the actual urbanized area
designations took place in the Spring of 2012 is when we
actually got the word on what --

MS. CHERRINGTON: 2013 --

MR. GLEASON: -- they were.

MS. CHERRINGTON: For 2013 funding.

MR. GLEASON: For 2013 funding.

MS. CHERRINGTON: Right.

MR. GLEASON: And so this whole thing stretches
out even though the census might be 2020, we know if past
patterns are correct, we won't know until the spring of 2012 what the new urbanized area designations will be.

And then whether that will then be for the next year's worth funding. So -- and -- and getting started, backing up, getting started is going to be dependent on when the state demographer might feel as though the estimates they have which is what we used the last time to help us in our -- in our research, when they feel like they'll have estimates which we can work with.

So what we will do is take this information and put it together with what we learned about these things last time around, and put together a schedule for the committee on when and -- and -- you know, when in the next 24 months for example would it be a good time to tackle and at what level of detail each of these areas. Kind of a roadmap for it.

MR. GADBOIS: Well, and -- and Eric, this is Glenn. I appreciate that reminder of the history of last time.

Part of what my more money scenario is trying to do is make sure we're not in a position where come 2022 the -- our only option is to go back to the commission and ask for more stopgap, you know, money.

MR. GLEASON: Right.

MR. GADBOIS: That we've at least thought through
the different sources we might be able to get for money and had some level of conversation with those source -- with the people who could authorize those sources.

MR. GLEASON: Right. And I think a lot of our lessons --

MR. GADBOIS: So that when we go back to the Commission next time we're saying we've done due diligence and thought about this well in advance and, you know, and tried the options available.

MR. GLEASON: Correct. And -- and I think one of the lessons we've learned is a lot of what happens is actually are items that need to be pursued at the federal level. And so Ryan is still here with us here today and so, you know, will be dialing into our federal affairs folks as welfare this time around and --

MR. GADBOIS: Sure.

MR. GLEASON: -- perhaps more so than we did before.

MR. STEPHENS: Okay, guys. Since we're --

MR. GADBOIS: Sure.

MR. STEPHENS: Glenn, so in -- in fairness to time and -- and the -- and to Eric and his staff, what -- you know, what are we going to vote on? What kind of -- what kind of motion do we need here?

MR. GADBOIS: I -- I move to prepare for the 2020
Census adjustments. For fairness to writers and to get as much preparation done including work at the federal level and work at the local level building partnerships. We engage an analysis within these four scenarios. One of which is the money that would be needed to simply apply money to this solution and help with transitions.

The second would be looking regulatorily at any adjustments we can make in program regulations to help make that a smoother transition to fill the urbanized gaps. And then I will leave to John to articulate his and -- you know, his scenario and to -- was it Rob who had the other scenario?

MR. STEPHENS: It was Brad and John.

MR. GADBOIS: Somebody has another scenario.

MR. STEPHENS: It was John and Brad.

MR. GADBOIS: Brad. Okay.

MR. STEPHENS: All right. Thank you --

MR. GADBOIS: So -- so John, if you will add your scenario --

MR. McBETH: My scenario --

MR. GADBOIS: -- to the motion.

MR. McBETH: This is John. My scenario is that we do an analysis of how many cities that currently exist that based upon the report we got from TTI today that we -- we have a pretty good understanding that they are going to move
to above 200,000 and what impact that is going to have if they do that as far as the state funds go. And then I believe Brad's and Michelle's issue were the impact that the enclave cities in the metroplex are going to have all -- all the -- all the state funding as we move forward.

MR. STEPHENS: Okay. Thank you, John. Glenn, would it be fair just to move that we give Eric some direction here to -- and next time give us a schedule for an approach and a scope of work to address some of the issues we discussed here today, would it be fair enough?

MR. GADBOIS: Indeed.

MR. STEPHENS: Okay.

MR. GADBOIS: Indeed.

MR. STEPHENS: The -- the meeting after next, I'm sorry, September. Would someone like to make a motion?

I'll make that motion if someone else won't.

MR. McBETH: I'll second it.

MR. STEPHENS: Okay. Then we got a motion.

MR. GADBOIS: I --

MR. STEPHENS: And John -- take about a second.

MR. GLEASON: Want to repeat it for the committee?

MR. STEPHENS: I'll repeat it -- do you need me to repeat it? We're -- we're giving Eric and his staff a chance to put together a scope of work in an approach to take care of some of the items that we are discussing
they're concerned of. So we trust that he's well versed in those. I have a motion that I made myself, Rob Stephens. John McBeth seconded. Anyone need discussion?

(No audible response.)

MR. STEPHENS: Want to vote? All in favor?

IN UNISON: Aye.


(No audible response.)

MR. STEPHENS: No? No opposition? Good. Then let's move onto the next item. It's 3:00 o'clock.

MR. McBETH: I have to -- I have to leave, but I would like to -- I would like to say thank you for electing me as vice chairman. I mean, this is I think my third meeting. Boy, you all -- you all move quickly. And most importantly, thank -- thanks for Linda in TTI. You all do such outstanding work.

MS. CHERINGTON: Thank you, John.

MR. McBETH: This -- this report, it really says it all.

MS. CHERINGTON: Thank you.

MR. McBETH: It's what we needed.

MR. STEPHENS: Thank you, John.

MR. McBETH: Thank you all.

MR. SALAZAR: Thank you, Linda.

MR. STEPHENS: Thank you, Linda.
MR. RIBAKOVE: I would just like to take a moment just to extend a greeting from Christina Crain who regrets that she could not participate in today's meeting. She's dealing with some family medical issues at home.

MR. STEPHENS: Thank you. Okay. All right. We'll move onto Item Number 8 on the agenda, discussion of how to track progress of TxDOT's long range transportation plan, Texas Transportation Plan 2040. Eric.

MR. GLEASON: All right. This is Eric. Again, members will recognize this is an item that you all discussed as part of your work program. And we promised you a presentation on this at this meeting. So without further ado, Michelle Conkle is with us from our Transportation and Planning and Programming Division. Michelle.

MS. CONKLE: Good afternoon. My name is Michelle Conkle -- you got it? Sorry. Do you need me to spell?

COURT REPORTER: Please.

MS. CONKLE: C-O-N-K-L-E. I think the last time I was able to present to the PTAC we brought to you the -- the draft final recommendations for the Texas Transportation Plan 2040, presented those to you. Our commission then adopted the TTP 2040 at their February commission meeting. And then shortly after that we started on phase two on the plan implementation. Next slide.

So basically the month of January and February we
put together our project management plan and implementation criteria. We are currently working through task three which is project level data analysis. Task four will be budgeting analysis and then task five will be findings and recommendations.

The products that we expect from this implementation phase are milestone based deliverables and project level priorities. In other words, what we're doing is we're working with the present unified transportation program criteria for scoring projects. We are better -- I guess we're better refining those criteria. We are pulling them together with the MAP-21 criteria and then we'll be going through the process of allowing decision makers to help us weight those criteria.

After that, we will be doing public and stakeholder involvement -- or we would be doing public and stakeholder involvement while we're in this process. And then we'll be doing some public involvement afterwards to approve the methodology and the process. Subsequently making updates and revisions to the TTP 2040. Next slide.

From this base planning, we are -- we are clearly -- we have our goals and objectives. We're in the process of looking at the performance criteria evaluation. So looking at the present criteria and matching those with Texas strategic plan, MAP-21 goals and the goals defined in
the Texas Transportation Plan 2040.

We've done our unconstraining assessment and revenue forecasting. So now we're looking at financial constrained decision making using -- using a subset of system projects in which to testify the criteria and the weighting. We're going to do some exploratory tradeoff analysis and then move to project selection criteria that can then be applied across the board to various projects on the system.

Resource allocation and all this fits, basically again we have identified agency goals and objects, made -- made them specific to MAP-21 and the Texas Transportation Plan 2040. We're -- when it says -- up here on the side, it -- it indicates that we're selecting performance measures that align directly to the goals and objectives.

Basically the performance were defined in MAP-21. We adopted a few -- a few additional measures that were presented to you here previously for the Texas Transportation Plan 2040. And now we're at a point where we are evaluating criteria towards meeting those goals.

And again, after a full alternative set is evaluated, again, these are projects currently they're defined as UTP projects that are -- have planned authority. We're also going -- we've reached out to TEMPO. So we're going to be asking them to provide some projects from their
MTP. This would include transit projects and others to --
to provide projects that we can put into decision based
matrix so that we can come up with methodology that they --
we think it would get applied to the larger universe of
projects.

We are hoping to predict the performance outcomes
of all the proposed projects and alternatives. And the goal
being that projects should improve performance in more than
one area. We're using decision science to compare those
alternatives on a level playing field. And what that means
is to -- to the extent possible we're trying to collect
similar data points on all types of projects to be able to
compare them on a more level playing friend.

Clearly, there -- there are -- there are
constraints to that based on the fact that for pavement
and bridge we have different metrics than we're going to
have for transit projects. But to the extent that they meet
the MAP-21 criteria, to the extent that they meet more than
one TxDOT goal, we think that those will apply. We can
apply those nicely across various types of projects.

And then again, we're going to conduct a scenario
analysis using a combination of the reason -- reasonably
expected budgets and performance targets that have been
identified for us at the MAP-21 level by our administration
and targets that we are working through right now at the
state level as a part of the implementation of the Texas
Transportation Plan 2040. Next slide.

This is a slide -- these are just several -- to
give you a quick overview of the implementation methodology.
We're calculating project impacts across all performance
areas. So again, as we accept these projects in, we're
looking -- we're looking at the goals that had been set for
TxDOT's strategic plan as the first cut. We're looking at
the goals for the Texas Transportation Plan 2040. And MAP-
21 is the second cut. Then we would move down into the
criteria that are currently established for projects in the
Unified Transportation Program. And from that point we'll
be looking to have the decision makers come in and
participate in an exercise that will help weight the most
important criteria. Of course, the selection of projects.

Then we're going to assign relative importance to
those performance metrics after they have looked at those
and evaluated them using analytic -- the analytic hierarchy
process. And this basically elicits priorities through
structured repeatable and collaborative pair wise comparison
process.

AHP is used to generate the weights from a series
of pairwise comparisons where we ask decision makers if
several criteria -- criteria X is more important than
criteria Y, criteria Y is more important than -- than
criteria Z and so on. We're going to compare the similar performance metrics on a level playing field, use utility curves to express preference for performance values on a zero being worst to one being best scale.

As -- as I said before, we're going to score and prioritize projects, combine the weight and scale values to score the projects. The projects are going to be ranked by the project's score to cost ratio. And then we're -- we're going to optimize project selection and evaluate tradeoffs wanting to maximize the program value by taking into account the score to cost ratios.

Again, this is another -- this is another type of -- this optimizing the project selection has to be done by a type of project because you can't -- you -- you're not going to be easily able to compare highway type projects with transit projects. But the -- and they roll back up into an overall list statewide ranked projects. And then we're going to optimi -- or optimize process -- resources allocation based on the selected projects. Next slide.

The technical methodology for waiting. Again, this just goes into a little more detail of what the analytic hierarchy process is. And it's going to help us quantify those subjective opinions for various groupings of staff of facili -- for staff facility discussions. We think this is very important.
This is actually one of the most important parts of the process in terms of being able to come up with weights that -- that fairly evaluation transit projects against highway projects, as being able to bring decision makers in the room and to get them to weight certain criteria properly so that our criteria are not all skewed towards -- we want them to be data driven, but are not skewed towards highway and bridge where we have more engineering data than we do sometimes on transit projects.

Next slide.

Technical methodology for scaling, we're going to apply utility and value scaling to project attribute or impact. We can accommodate data driven or subjective ratings. As I -- as I said, sometimes on -- on projects where you -- where you lack hard data or engineering data, they are going to be subjective. But we want to make sure that we come out with the set of criteria that fairly evaluates transit projects in relationship to the value and utility of -- of highway projects.

And we want to support the varying risk tolerances and outcome preferences. In other words, being able to show people visually what we believe those decisions are going to look like in terms of system performance, because currently when we make decisions on projects, we can assume what the utility is going to be, what the system's going to look
like. When you're using analytic software, you can actually do some -- it has some predictive capabilities that lets you know what the cost of making a certain decision over another decision is instead of just saying we're going to make this decision and not realize how that's going to affect your portfolio or possibly affect performance across the system.

Next slide.

So again, technical methodology, scoring and prioritizing. We have -- you can't see these very well, but if -- if you have the slide electronically, basically you have your weighted performance measures and criteria on the right side of the screen and then your prioritized list based on a score determined by weighted project ratings.

And essentially the tool we're using right now allows you on a sliding scale to make changes to those weighted performance measures and criteria or they can gate set again to -- to reflect what decision makers have determined by process of a pairwise comparison. And what you end up with at the end of the day is a prioritized list of projects based on the score determined by those weighted project ratings. And again, you can't see them very clearly here, but the projects here are -- actually, these are demonstration projects. These are from Caltrans and this is done for an AASHTO demonstration. But it does have the capability again to rank projects whether they be subjective
criteria or they're data driven objective criteria through that normalization process. You can bring them on to as much of a level playing field as possible and rank them against each other. Next slide.

This is the optimizing. This is where you look at your regional split, maximizing your portfolio scores subject to your financial constraints. So again, you can -- in this tool, you can move that curve up and down to achieve your maximum portfolio value. Again, you can put projects in there that you're going to fund and it will tell you what you're buying or you can let it optimize based on this is how much funding we have. These are the way the projects are ranked. And let it take those projects in order in which it can reasonably fund -- fund them over say the three to four years of -- of a TxDOT program. Next slide.

This -- some of you have seen this. This is our -- our Texas Transportation Plan 2040 tradeoff tool. Basically what we're doing now, I want to bring you back to this tool. This was our 20 year scenario planning tool that allowed us to -- allowed us to optimize performance or State of Good Repair based on the money we actually had.

There were several ways that this tool functioned. You can put the money in that you had and allow it to optimize where you should spend it across investment areas, transit and bicycle pedestrian being two of those areas.
You could tell that this is how much you're going to spend and it would give you what the state of good repair would be in 20 years. And you could also -- you -- there was also a page where you could move funding around and account for additional funding over years again that would allow you to determine State of Good Repair.

So you've actually seen this. It's just a tie back to what we're doing here was this was the macro level. Now we're going down to the micro level where we're looking at -- if this is the money we have and this is the state of repair we want, what are the projects that are going to get us that -- that State of Good Repair based on our ranking and scoring methodology. Next slide.

So our next step is coordination meetings and providing TxDOT identified project database and working with stakeholders which is exactly what we're doing right now. We have identified projects -- actual projects that are going to be included for plan authority. And the 2016 UTP on the highway side, we needed to find a project subset.

We're a little bit off of this. I didn't want to change. This is what we presented to TEMPO. And I'm very big on everybody getting a -- a -- the same message. We're a little bit off on this because now we are approaching them to get additional projects for our subset, be those transit projects, whatever is important to them, because we need a
nice robust set of data that includes more than highway and bridge were compiling a performance measure of criteria and -- and developing some draft -- well, we're developing draft criteria for -- in addition to the UTP criteria that -- that are more multimodal in nature and compliant with MAP-21 and the Texas Transportation Plan 2040 goals, to make recommendations for that implementation subset and we're developing ratings scales for the performance base analysis.

Again, that's moving forward with the highway side. We still are -- are going to collect data on the transit side to put into the final analysis. Going to analyze projects and report on findings. And we say August 1st to September 30th. That is the deadline that has been set for analyzing UTP projects to the extent that -- that there are some transit related -- or projects not necessarily fully funded with transit funds in the UTP. Those will be in there. And then we are suspecting maybe an additional three months to -- to wrap back in the transit projects into this analysis.

And then to demonstrate an Ex -- Excel supplemental dashboard to view the tradeoffs and running optimization process for various funding and weighting scenarios. Again, to be completed by December 2015 because that's the deadline the administration has given us for the UTP.
But even though they stay focused on the UTP, we want to ensure you as we always have that we're in -- in the statewide planning group we are bringing in other types of projects to make sure that our pilot set of projects again is more representative of the entire system and not just highway and bridge.

And so if you have any questions, I would be happy to take those.

MR. STEPHENS: Very good. Glenn, you're still with us? Do you have any questions for -- for our presenter?

MR. GADBOIS: I -- I do. So I'm -- but should I start or we give privilege to people that are actually in the room?

MR. STEPHENS: Okay. The -- we'll -- we'll start there. Thanks, Glenn. Anybody? Brad, Michelle, J.R.?

(No audible response.)

MR. STEPHENS: The -- the -- no one here has anything. Go ahead, Glenn.

MR. GADBOIS: Okay. So -- and -- and I'm sorry. I didn't catch your name. The -- go ahead.

MS. CONKLE: Michelle Conkle.

MR. GADBOIS: I'm sorry, say that again?

MS. CONKLE: Michelle Conkle.

MR. GADBOIS: Michelle. Okay. Michelle, so this
-- this looks like a great programming tool to help you all program dollars across the system to different kinds of investment. This came out of the planning -- the -- the long range planning process, correct?

MS. CONKLE: Correct.

MR. GADBOIS: Okay. And so my question is back to the planning side, the planning side is also kind of incumbent on the planning is looking at how we can assess your -- what we're doing given long term trends that we're seeing and how we inject innovation doing things differently into our -- our investments.

Those missed tool also provide information on -- on how to inject the -- the innovation when we need to radically change the balance of investment and/or look at different trends and/or new things coming and how we invest in those.

MS. CONKLE: That's a -- that's a pretty broad question. I will tell you that what this tool will do is it will -- if you -- if you have enough data to where you can accurately assess the benefit to a project, it will -- it will be able to show you what you're buying in terms of your investment for your dollar.

In terms of -- we have to -- we have to move back into -- we have to really go the next step and look at portfolio analysis and portfolio management I think to
address your question of when we need to look at trends and
when you're going to try to turn the ship. You need several
years of data coming out of an analytic tool like this to
see if the assumptions that you had going into it based on
the types of projects you fund actually gave you the utility
and did what you thought they were going to do in terms of
optimizing system performance.

But yes, the answer to your question is yes, not
-- not in on year, two year or possibly even three years,
but after we have gone on a path and invested in certain
types of projects and been able to come back and look at
performance over time, it would be able to do some analysis
such as you're describing.

MR. GADBOIS: Okay. And -- and you all do have
resources to do that kind of assessment, resources allocated
over time?

MS. CONKLE: I don't -- I -- I don't -- I don't
think I understand the question. Do we have resources to do
what we're doing currently?

MR. GADBOIS: No. No. No. No. So -- so you
said over time we will have the data. The second question
is and do you have the resources allocated to do the
analysis of the data?

MS. CONKLE: Oh, yes. Absolutely.

MR. GADBOIS: Perfect. Thank you.
MR. STEPHENS: Okay. Any -- anyone else got anything for Michelle?

(No audible response.)

MR. STEPHENS: Okay. This is an action item, so we can take action if we need to. If not, I'll just -- we can accept the report and move on. So if there's no -- no one else has any other questions for Michelle, I'll give it -- we can move on to Item Number 9 which is public comment. I -- I will ask if I can open up with a public comment, I've had a few questions about how public comment works. So if you could for the record just tell us how that works and explain things. Eric. Or just -- I think there's some folks asking how -- how that works. I think there's some folks that ask how -- how that works. I think they would like more flexibility, but there's probably a good reason why we do it the way we do. If you could --

MR. RIBAKOVE: Sure.

MR. STEPHENS: -- talk -- talk about that.

MR. RIBAKOVE: Now?

MR. STEPHENS: Uh-huh.

MR. RIBAKOVE: Okay. This is Josh Ribakove for the record. At each meeting we have comment sheets on the table by the door when -- when people come in. They can fill them out and they can bring them to me. And if we had -- had had more people, I had a chance to -- to talk
personally to everybody who came in about it. And then when it's time for public comment, I will turn those over to you as the chair. But if somebody has a comment that goes straight to an earlier item on the agenda, then we -- we are permitted to take a comment at that time when we're having that -- that agenda discussion.

(No audible response.)


MR. RIBAKOVE: And -- and for today, there -- are -- nobody has decided to make a public comment.

MR. STEPHENS: Awesome. Thank you, Josh. I just -- yes, Michelle.

MS. BLOOMER: This is Michelle. Just to clarify, the only way an individual can make a public comment though is they have to physically be here in Austin to --

MR. RIBAKOVE: Correct.

MS. BLOOMER: -- do it which I think for some folks may be a stumbling --

MR. STEPHENS: Yeah.

MS. BLOOMER: -- block.

MR. RIBAKOVE: The -- the call in line, the public call in line is listen only.

MR. STEPHENS: Okay.

MR. RIBAKOVE: And so if you want -- if you do want to make a public comment, you do need to -- to be here
in person for that.

MR. SALAZAR: This is J.R. Josh, we don't have a
time limit on public comment either, do we?

MR. RIBAKOVE: We do not have a specific time
limit on that. It really hasn't been an issue in -- in the
-- the amount of time that I've been here with TxDOT which
is about a year and a half so far. But if things needed to
-- to be, you know, regimented for time, I -- I would leave
that to the -- to the chair to take care of them.

MR. STEPHENS: Okay. And since there are no
public comments, then we'll move onto -- if there is any, if
there is none, Josh -- we'll move to Item Number 10 proposed
and discuss the agenda items for next meeting, confirm date
and time of next meeting.

MR. RIBAKOVE: Currently, the -- this is Josh
again. Currently the -- the next meeting is scheduled for
Tuesday, July 28th which is the last Tuesday of July.
However it's been PTAC's tradition in July to move the
meeting ahead a few days to coincide with our semiannual
operators meeting. The operators meeting is happening on
Wednesday, July 22nd. Traditionally PTAC would meet the
following day, Thursday the 23rd, in the same room where the
operators meeting is down at 200 East Riverside. Generally
those meetings have started at 8:30 a.m.

MR. STEPHENS: Okay. Everybody okay with the
meeting time? No discussion on the meeting time for next time?

(No audible response.)

MR. STEPHENS: So it looks like July 23rd for our next PTAC meeting which is the following day after the semiannual this summer. Does anyone have any discussion items that you would like for us to talk about next time?

COURT REPORTER: Do you mind mentioning the time of that meeting?

MR. STEPHENS: Time of the meeting. 8:30 --

MR. RIBAKOVE: We did --

MR. STEPHENS: 8:30 a.m.

MR. RIBAKOVE: -- 8:30 a.m. is our traditional start.

MR. STEPHENS: July 23rd, 8:30 a.m., a -- a day after the -- the semiannual TxDOT meeting.

MR. RIBAKOVE: Correct. And that's -- that's in the -- in the first floor auditorium at 200 East Riverside.

MR. STEPHENS: Thank you, Josh. Thank you, Eric. So our next meeting time is set. I have -- I have one item I would like to ask Eric to bring to next time is just an update on -- and I like to thank you very much for -- for doing this. The -- he's got a study going for tracking effects on transit in Texas, the -- the rural and small urbans and how it affects us -- so he's got that going and I
just -- I would ask that you bring a report to the full committee on next time on where we're at and what we found out.

Does anybody else have anything for agenda items for next time?

(No audible response.)

MR. STEPHENS: Any discussion on anything at all?

(No audible response.)

MR. STEPHENS: Okay, guys. Hearing no discussion or no new or old business, we are adjourned. Thank you.

MR. GLEASON: Thank you, sir.

MS. BLOOMER: Congratulations, Rob.

MR. RIBAKOVE: Do you -- do you a motion to adjourn? We've done that in the past.

MR. STEPHENS: We can. It's a -- it's a privileged motion. I asked everybody if they had anything to -- you know, if they had any --

MR. RIBAKOVE: Okay.

MR. STEPHENS: -- any items. So we're adjourned.

(Proceedings concluded at 3:28 p.m.)
CERTIFICATE

I, Kimberly C. McCright, CET, certified electronic transcriber, do hereby certify that the foregoing pages 1 through 88 constitute a full, true, and accurate transcript from electronic recording of the proceedings had in the foregoing matter.

DATED this 12th day of June, 2015.

William J. Garling, CET
Certified Electronic Transcriber
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