

TEXAS DEPARTMENT OF TRANSPORTATION
PUBLIC TRANSPORTATION ADVISORY COMMITTEE MEETING

10:00 a.m.
Thursday,
June 7, 2012

3712 Jackson Avenue
Building 6
Room 325
Austin, Texas

COMMITTEE MEMBERS:

MICHELLE BLOOMER, Chair
J.R. SALAZAR, Vice Chair
AL ABESON
GLENN GADBOIS
BRAD UNDERWOOD
ROB STEPHENS

TxDOT STAFF:

ERIC GLEASON, PTN Director
BOBBY KILLEBREW, PTN
KELLY KIRKLAND, PTN
GINNIE MAYLE, PTN

<u>AGENDA OF PUBLIC TRANSPORTATION ADVISORY COMMITTEE</u>		
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3.	In accordance with 43 Texas Administrative Code (TAC) '1.83(c), review and comment on the final draft of proposed revisions to 43 TAC, regarding Transportation Development Credits	4
4.	Review and discussion of PTAC Work Plan consistent with committee duties as described in 43 Texas Administrative Code '1.84(b)(3) and update on current activities related to work plan elements	45
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P R O C E E D I N G S

1
2 MS. BLOOMER: Okay. We'll go ahead and get
3 started and officially call the meeting to order.

4 Is there anybody on the phone at the moment?

5 (No response.)

6 MS. BLOOMER: Al?

7 (No response.)

8 MS. BLOOMER: Okay.

9 Ginnie has asked -- we don't have a court
10 reporter today, so they are recording via Webex. So if
11 the members can please remember to identify yourselves
12 before speaking, that will make the court reporter's job
13 much easier when she does get to transcribing the minutes.

14 Moving on to Item 2 on the agenda, Approval of
15 the Minutes from the April 16 meeting. Do I have a motion
16 to approve?

17 MR. GADBOIS: So moved. This is Glenn.

18 MS. BLOOMER: I have a motion from Glenn. A
19 second?

20 MR. UNDERWOOD: Brad Underwood. Second.

21 MS. BLOOMER: Thank you.

22 We have a motion and a second. All those in
23 favor, Aye.

24 (A chorus of Ayes.)

25 MS. BLOOMER: All those opposed?

1 (No response.)

2 MS. BLOOMER: The minutes pass. Okay.

3 Moving on to Item 3 on the agenda regarding the
4 final draft of proposed revisions to the Transportation
5 Development Credit rules. Bobby's going to start us off
6 and then we'll turn it over to the committee.

7 MR. KILLEBREW: Absolutely. Good morning. For
8 the record, I'm Bobby Killebrew, Deputy Director of
9 TxDOT's Public Transportation Division. And a fair howdy
10 to everyone. Not included in your bundle packet, but I
11 believe underneath it, is a page that has a title -- it
12 says, Example Cycle for Rule Making in PTAC. A one
13 single page. Kind of a late-minute addition to the
14 packet. That's what I'll be going over briefly with you.

15 After I finish that part of the presentation I think I'm
16 turning you back over to Michelle and the committee for
17 further discussion.

18 Michelle asked that I kind of go through -- we
19 don't do this very often -- kind of go through the rule-
20 making process that the Department has when we're changing
21 the Administrative Code. And you'll see this one looks a
22 little bit different than some of the versions you've seen
23 in the past. Usually, in the past I have some dates stuck
24 out to the side and maybe a little bit more detailed
25 information. For most of the rules this committee sees

1 the lead division is the Public Transportation Division.
2 Because we're changing Chapter 31 of the Administrative
3 Code. And that's the chapter we're responsible for.

4 The Transportation Development Credit rules,
5 which are the rules you're looking at today are actually
6 in the Finance chapter of the Administrative Code. And as
7 such, the Finance Division will be taking the lead. So
8 they'll be making the schedule, as far as the dates and so
9 forth. I'll go through these items, kind of give you a
10 guesstimate on my part on when I think things might be
11 occurring. Realize that it is just a guesstimate since
12 the Finance Division is the lead and they will actually
13 establish the dates with our legal counsel.

14 With the rule-making process as a committee you
15 have really three opportunities to help the rule be
16 formed, help the rules be changed, help the rules be
17 deleted or whatever Departments happen to do in those
18 cases. As individual members, you can participate in the
19 public process when it gets to public comment as
20 individual members.

21 So today we're just focusing on what the
22 committee as a whole does. And the first item on the list
23 is preliminary notification. When the Department's going
24 to invoke on rulemaking they're supposed to notify the
25 relative committees. And if you'll recall, in previous

1 meetings of PTAC we talked about the Transportation
2 Accountant rules. And that was your preliminary
3 notification at that point in time. And you all provided
4 feedback to Michelle, who serves on the actual Rulemaking
5 Advisory Committee for this effort. So that was an
6 invaluable process.

7 The second item on the list is something that
8 we're doing today. And that is, as a committee you have
9 an opportunity to provide comment on the proposed rules.
10 And Michelle will probably go over those rules in detail
11 in just a minute. Now, today's process -- what you can do
12 is you can provide comment if you like, you may elect to
13 waive your comment, you also may elect to defer your
14 comment until the public comment period. So those are
15 three things that you can do today as a committee.

16 Once we go forth from today, right now
17 scheduled for the end of June at the June Commission
18 meeting the Commission is set to adopt a final draft
19 version of the rules. And if they do that the next step
20 will be for the Department to post those draft versions in
21 The Texas Register so the public can comment on it.

22 Now, if the Commission adopts at the end of
23 this month at their June meeting the earlier Texas
24 Register they can publish in will actually be middle of
25 July. So it will be like, July 13 before the public will

1 actually see a copy of those. And the Department will
2 then start a public comment period. Most often the public
3 comment period last 30 days, typically not longer than 45
4 days. But again, that's the Finance Division's lead role,
5 is to determine the amount of days that if we have a
6 public period how long that public comment period's going
7 to be.

8 There's also an optional hearing, a public
9 hearing that can take place during the public comment
10 period. I have not heard from the Finance Division if
11 they're going to hold a public hearing on these rules.
12 But if they do, it will happen within that 30 or 45-day
13 public comment period.

14 And then we get to come back together again as
15 a committee a second time. And I'm guessing that second
16 meeting of this committee will probably happen sometime in
17 August. And at the second time the committee has -- and
18 the second opportunity to comment on the rules before they
19 go to the Commission for final adoption. And right now
20 I'm guessing at the earliest final adoption would happen
21 in September. The committee -- the Commission meets on
22 September 27. So that's probably the earliest that this
23 set of rules could actually go to the Commission.

24 And once the Commission makes their final
25 adoption they'll do two different things. We will file a

1 final piece with the Secretary of State and we'll also
2 have a final publication in The Texas Register. The Texas
3 Register -- if they adopt these rules in September, the
4 final piece will come out in October 12 Texas Register
5 edition. The rules will actually go into effect around
6 October 18 as it's 20 days after we file with the
7 Secretary State that they become effective.

8 So that's kind of the timeline on this one with
9 some fairly loose dates out there, again, because the
10 Finance Division will set on those dates. As the
11 Commission starts its process of adopting the rules at the
12 end of June, at the end of this month, then these dates
13 will become a little more firm. They'll probably be a bit
14 more known and we can also share those with you as we know
15 them at that point in time.

16 But that's the rulemaking process and how PTAC
17 participated in that process. Again, as a group, two or
18 three different opportunities. As individual members of
19 the public you can comment during the public comment
20 period, as well.

21 So if there's any questions I'd be happy to
22 entertain them.

23 MS. BLOOMER: This is Michelle. Are there any
24 questions for Bobby before we turn over to the actual
25 rules?

1 MR. GADBOIS: This is Glenn. Madam Chairman,
2 are you going to give a little bit of background on the
3 committee work in developing these rules after Bobby?

4 MS. BLOOMER: Yes.

5 MR. GADBOIS: Thank you.

6 MS. BLOOMER: I just -- this is Michelle -- I
7 just had asked Bobby to sort of set up the --

8 VOICE: Groundwork?

9 MS. BLOOMER: Thank you. I can't even think at
10 the moment.

11 The context of what we would be asking for at
12 the end and what the process was. And I remember we can
13 take three actions. But like Bobby mentioned, it's
14 usually quite a significant amount of time between
15 rulemaking -- and I tend to forget what those three are.
16 So at the end we can either provide comment, waive comment
17 or defer to public comment period. I got that correct.
18 So -- okay.

19 And at our last PTAC meeting I sort of gave the
20 from the very beginning to the first meeting summary of
21 where we were. And I believe I shared the draft rules at
22 that time with you. They've changed rather significantly
23 since then, all in what I would consider very positive
24 changes. So the last time we mainly focused on the rules
25 because that was where most of the work of the TDC

1 Rulemaking Advisory Committee had occurred to that date.

2 So I don't know if you've had a chance to sort
3 of look over the goal, the program goals. But I think
4 we're in a much better place with the program goals. And
5 basically, they just state to maximize the use of
6 available federal funds so that we don't lose any federal
7 funds because there's insufficient local match to draw
8 down those federal funds. So TDC would be an opportunity
9 to draw down federal funds that we might not be able to
10 draw down due to insufficient local match.

11 One of the other ones is to -- if we do that
12 there's also the opportunity of making state and local
13 funds that we would normally use as local match to free
14 those up for more -- for strategic projects that we may
15 not be able to do otherwise. Just to remind projects, by
16 funding them 100 percent state probably. And then to fund
17 some projects that may not be eligible for federal funds.

18 And so those are sort of the goals.

19 There is a specific goal. It's page 2 of 9 in
20 the draft, Number 3. It's to support public transit. And
21 I think the committee wanted to make very clear to the
22 transit industry that they are very supportive of public
23 transit and hence, there's a specific goal in there that
24 says to support public transit. And I think this
25 addresses our concern related to the first set of goals

1 that came out of the Rulemaking Advisory Committee.

2 And then the fourth is sort of a catch-all to
3 further any other stated goals of the Commission or in the
4 case of the locally earned credits, the Metropolitan
5 Planning Organization, which would be responsible for
6 awarding the locally earned credits.

7 They added a couple of definitions. I think
8 they're pretty self-explanatory. The main change you see
9 there, which I can't recall if we had already made that
10 change back in April 17 -- when was our last PTAC
11 meeting -- April 16 -- if we'd already made that
12 changes -- the Rulemaking Committee. But they've
13 broadened the list of eligible projects to be consistent
14 with the authorization for toll credits. So previously
15 authorized toll credits can be used for anything eligible
16 under Title 23 of the United States Code or anything under
17 5307 of Title 49.

18 And the Commission's rules have sort of
19 narrowed that a little bit. That's now been broadened
20 back up to what is authorized. So I think that's -- I
21 guess you can decide how you feel. But it's -- anything
22 is now eligible under Title 23 or Chapter 53 of Title 49.
23 So I think that's good.

24 Now, if you remember, there's two sets of --
25 two pots of credits. And they're not money. So if I

1 accidentally say dollars or money, they're credits. So
2 it's not real money. They are 75 percent of the TDCs that
3 are locally earned. And then there's the 25 percent of
4 the locally earned credits plus any non-locally earned
5 credits. So tend to refer to them as the 75 percent pot
6 and the 25 percent pot.

7 Under the current rules the 75 percent will be
8 awarded by the Commission. To date that hasn't happened.

9 And then the 25 percent is -- sorry -- the 75 percent is
10 to be awarded by the Commission through a competitive
11 call -- through the competitive call.

12 VOICE: I thought 75 percent was local --

13 MS. BLOOMER: They're locally earned but
14 they're only awarded through a competitive call. But the
15 competitive call hasn't happened.

16 VOICE: Previously.

17 VOICE: Oh, previously. Okay.

18 MS. BLOOMER: Previously.

19 VOICE: Okay. Yes.

20 MS. BLOOMER: Sure. And then the remaining 25
21 percent is awarded through the -- is the -- the
22 remaining -- it's not really 25 percent. The 25 percent
23 of the locally earned credits plus the non-locally earned
24 credits are awarded by the Commission, either
25 competitively or at their discretion. And to date most of

1 that, to my knowledge, has been at their discretion. And
2 that's where the majority of the public transit toll
3 credits have come from.

4 And like we talked last time, in the past six
5 years I think public transit has earned approximately 30
6 million in toll credits, averaging around five to six a
7 year. I think our lowest year was around a little over a
8 million and the highest year was around eight million, but
9 in that range. So that's where we've been.

10 Based on the current draft rules the 75 percent
11 locally earned credits will now go -- be apportioned to
12 the Metropolitan Planning Organization in which they were
13 earned. And the MPO would be responsible for developing a
14 process to award those credits. And then the 25 percent
15 will sort of remain the same at the Commission, just
16 competitive or at their discretion.

17 A few things to mention is that public transit
18 providers can apply -- public transit providers within the
19 MPO that receive locally earned credits -- often Houston
20 and Dallas/Fort Worth --

21 VOICE: The hard one to remember.

22 MS. BLOOMER: I know. I'm trying to not put us
23 first. But the three MPOs -- three regions in which they
24 earn credits, those MPOs will be responsible for
25 developing the process. Transit providers that are within

1 those three Metropolitan Planning Organizations -- the
2 language is that they must first seek the award of credits
3 under this section for an eligible project. So if you are
4 a transit provider in one of those three MPO areas and you
5 are proposing toll credits you must go to that MPO first.

6 The one exception is that unless the credits
7 are to serve as match for a statewide program administered
8 by TxDOT. So if you are a Section 5310 or Section 5311
9 and you're requesting those funds from TxDOT then you
10 would request TDC to match those funds directly from
11 TxDOT.

12 MR. STEPHENS: So it's just 5310 and 5311?
13 This is Rob.

14 MS. BLOOMER: Or --

15 MR. STEPHENS: Is it --

16 VOICE: Any --

17 MS. BLOOMER: Any other statewide. So it would
18 also be --

19 VOICE: Anything under the coordinated call
20 or --

21 MS. BLOOMER: Right. So if you're requesting
22 the federal funds from TxDOT you would then also request
23 the TDCs as match for those federal funds from TxDOT.
24 That seemed to be a little bit more logical in how that
25 would work. I think it also streamlined the

1 administrative process related to funding those programs.

2 VOICE: Proper agents like direct recipients,
3 state of good repair, capital, if you were to get it, like
4 that.

5 MS. BLOOMER: So that sort of -- sorry, this is
6 Michelle again -- that sort of takes care of the locally
7 earned credits. On the award by the Commission again,
8 there's two ways those funds can be awarded. Competitive
9 or discretionary. But before we get to that, I think the
10 biggest change that is made to the rules here is that each
11 year the Commission will allocate to public transit either
12 15 million in credits or --

13 VOICE: A minimum.

14 MS. BLOOMER: A minimum.

15 VOICE: Uh-huh.

16 MS. BLOOMER: A minimum of 15 million credits
17 or 50 percent of the available credits. So if there are
18 30 million credits or more available public transit would
19 have 15 million credits set aside for that year. If there
20 is less than 30 it would be 50 percent. So I think that's
21 key. And again, the key is the minimum.

22 Also, there's language in there -- and it's
23 sort of a revolving. So in year one if more than 30
24 million credits are available public transit would have 15
25 million credits to put towards projects. Say we only used

1 five million. We would have a balance of ten million. So
2 the next year, in year two, it wouldn't be an additional
3 15, it would be five to bring us back up to that floor.
4 And we're calling that a floor because it's the minimum
5 amount, not the maximum amount.

6 And that's why that last sentence there was
7 added that states, "The allocation under this subsection
8 is not intended to set the maximum number of credits that
9 may be ultimately awards for public transit projects under
10 this subsection." So transit providers can also seek
11 funding through the locally earned credit, in addition to
12 the 15 million. They can also seek it through the
13 competitive process that TxDOT will issue and/or through
14 discretionary award above and beyond that 15 million.

15 But like we said, in the last six years the
16 highest number of credits utilized in a given year was
17 about eight million. But we wanted to give ourselves that
18 flexibility that in, you know, ten or 15 years if we were
19 leveraging our funds more that option would be there.

20 MR. STEPHENS: Michelle, for clarity -- this is
21 Rob -- are you saying that if in one year ten million's
22 used by public transit and there's a five million dollar
23 leftover, those are added into an additional 15 million?
24 Or is --

25 VOICE: No.

1 MR. STEPHENS: -- just ten.

2 MS. BLOOMER: No, ten. To bring it back up to
3 15.

4 VOICE: Well, at least ten million. Because
5 it's an at least 15 million.

6 MR. STEPHENS: Well --

7 VOICE: Right? So it -- there's a guaranty
8 that the balance every year -- would it be at least 15
9 million. If five is remaining then they would at least
10 add ten million.

11 MR. STEPHENS: Okay.

12 MS. BLOOMER: And that's given that the balance
13 every year is 30 million or more.

14 MR. STEPHENS: Right.

15 MS. BLOOMER: Okay?

16 I think those are some of the highlights.

17 MR. STEPHENS: Well, I had one more question.

18 MS. BLOOMER: Uh-huh?

19 MR. STEPHENS: We're using the 30 million as a
20 benchmark for an example. What has been typically the --
21 that will work for TDCs or --

22 MS. BLOOMER: Currently -- this is Michelle --
23 currently the balance is at two -- just under two billion.

24 VOICE: But they've never been used hardly.

25 MR. STEPHENS: But --

1 MS. BLOOMER: Hold on. One -- only one person
2 can speak at a time. We have to identify ourselves.

3 Eric?

4 MR. GLEASON: This is Eric Gleason, Director of
5 Public Transportation for TxDOT. Let me just clarify a
6 couple things. The 30 million that you talk about is an
7 amount that would be in the -- what we've called the
8 statewide. It's not as if the entire amount, which is now
9 like 1.7 billion -- if that were to become 30, that's --
10 if the 25 percent pot were to be 30 million -- were to be
11 less than 30 million then the allocation would follow
12 that.

13 And the other context for this is that this
14 activity -- this rulemaking activity is largely oriented
15 toward attempting to allow or to trigger the use of
16 development credits in a much greater fashion on the
17 highway side of the program. Which all of a sudden then,
18 having 1.7 billion statewide -- that's such a big number.

19 VOICE: Do you hear --

20 MR. GLEASON: And that's -- right. Yes. So
21 that's kind of the context for this entire discussion
22 that's going on.

23 MS. BLOOMER: And -- this is Michelle. And
24 that's one of the reasons we went with adding -- trying to
25 get in the 15 million floor.

1 VOICE: Floor of the 25 percent.

2 MS. BLOOMER: Correct. For the 25 percent.
3 But Eric's right. It will -- it's based off the state
4 amount. So of the 1.7 we don't know how much of that is
5 locally earned and how much is within each of those three
6 MPO areas and how much is over on the 25 percent. But we
7 know there's 1.7 million. And from our standpoint the
8 last meeting we talked about how we were concerned despite
9 some assurances that we didn't need to worry, that the
10 funding would always be at that level.

11 MR. GADBOIS: Madam Chair?

12 MS. BLOOMER: Yes, Glenn?

13 MR. GADBOIS: So my understanding when I left
14 the last meeting is we now have a committee to kind of
15 focus on this issue. And thanks to Brad I got volunteered
16 for that.

17 And I genuinely thank you.

18 So I'm assuming that committee will do more
19 work. But I've got a couple of questions from you,
20 particularly, since you were on the committee and they're
21 kind of background or what's happened thus far kinds of
22 questions. As has been alluded to, the -- this rule --
23 one of the core things of this rule change is to create
24 much more flexibility at the MPO level -- a suballocation
25 to the MPO, which wasn't there before. And in that

1 suballocation process much greater flexibility in what
2 these projects could be spent for. Is that cutting it to
3 the bone?

4 In the Drafting Committee's review of that
5 consideration was there anything beyond anecdotal
6 information provided in terms of demand, where -- what
7 kinds of projects, what level of dollar amounts might be
8 now eligible -- didn't work before -- so that we'll have
9 some -- let me -- we might have some real numbers to
10 project, model out, whatever you want to call it, the
11 impacts of this? Was there any of that presented?

12 MS. BLOOMER: No, not to my knowledge.

13 Was there at the first meeting, Brad?

14 MR, UNDERWOOD: No.

15 MS. BLOOMER: No.

16 MR. GADBOIS: Okay.

17 MS. BLOOMER: And sort of -- I think part of
18 the reason for that, Glenn, was that really for the
19 locally earned credits that decision making has been sort
20 of pushed down to the local level to determine how best
21 for the local -- at each of those three MPO areas how best
22 in each of those three separate areas they choose to
23 spend -- or not spend -- utilize the credits.

24 MR. GADBOIS: Yes. And I understand that.

25 But, you know, and so there are two policy issues there.

1 One is flexibility for the locals to make their own
2 decisions because they know best. And that's a policy
3 decision and I get that part. The other is to greatly
4 expand the types of projects that are eligible. And
5 that's a separate policy issue. And what I'm wondering is
6 if there was more than anecdotal, We can't spin this
7 because we don't have -- you know, we can't spend it on
8 these other projects; and any information on what the
9 scale of those other projects might actually be. And what
10 you're saying is no --

11 MS. BLOOMER: No.

12 MR. GADBOIS: -- there really was none. Okay.

13 And which gets me to the one point that I just want to
14 lay out for everybody to talk about and then we can work
15 on this more if everybody thinks this is also important.
16 We -- so I'm hearing we don't have much of a baseline. I
17 mean, we could probably pull out baseline, this is how it
18 was spent under the old rules. But we don't have much of
19 a projection of a baseline on how we think it will be
20 spent under the new rules.

21 But we also don't have in these rules much of
22 an evaluation or even a reporting. I mean, we have some
23 indication of reporting but no commitment to or specifics
24 on analysis or evaluation. And we probably ought to have
25 that in the rulemaking, especially since we're making such

1 a big shift in how these monies might be drawn down.

2 Does that make sense to folks?

3 MS. BLOOMER: This is Michelle. I would say
4 yes. And back to Eric's point. Going from this point
5 backwards the majority of the TDCs that have been awarded
6 are for public transit. And we do know that dollar amount
7 and we do know sort of -- Eric has done both by year and
8 by program -- it's matched -- sort of an analysis that has
9 been shared with the Rulemaking Committee.

10 There haven't been a whole lot of TDCs used for
11 roadway projects. So we don't have any historical
12 information. As well, there wasn't a lot of sort of
13 estimation of what that demand might be. But from our
14 standpoint that demand is fairly large, I believe. And
15 that's why I was mainly focused on public transit and how
16 we sort of preserve our historical use of TDCs and allow
17 for enhanced usage going forward.

18 But in the rules -- the proposed new rules --
19 there is a reporting requirement --

20 VOICE: Right.

21 MS. BLOOMER: -- that every year the MPOs will
22 have to report how they've utilized the TDCs. And that
23 TxDOT will be required to do the same thing. And that
24 will be sort of the transparency of how the TDCs are being
25 used.

1 MR. GADBOIS: In -- yes, ma'am. The reason I
2 asked the first question is because, you know, without
3 anything more than we suspect there's big demand. We
4 don't have a baseline. And I get that. The reporting
5 that's required in here is required to get integrated into
6 a TIP, in which case it all has to be pulled out. And
7 there's no requirement of analysis of that specifically or
8 a valuation of that against the new goals. Right?

9 And the only thing I'm suggesting is we may
10 want to suggest that so that we can start having a better
11 handle on whether these policies actually are achieving
12 what -- the stated goals and secondly, are the stated
13 goals too broad and therefore, you know, some of the old
14 policies that we created purposefully are being
15 significantly undermined.

16 MS. BLOOMER: And -- this is Michelle -- I
17 think the intent of the committee -- and it may not be
18 clearly stated in the rules -- was that when the MPOs
19 submit their reports -- and it's on page 5, Section F,
20 starting on line 7 -- that no later than December 1st of
21 each year. So in addition to putting in toll credits in
22 the TIP there is also a separate annual reporting
23 requirement for the MPOs, as well as TxDOT. Submit -- so
24 they must -- the MPO will submit a report to the
25 Department documenting the management of its credit

1 allocations for the previous fiscal year.

2 And the intent that was discussed at the
3 meetings was that there would be not only an amount on the
4 project type, but it would link it back to the goals it
5 was in support of so that the larger public could
6 understand how they were being used. And I think that
7 would be a mechanism to go back and then see how well the
8 credits are being utilized to meet the stated goal.

9 MR. STEPHENS: Michelle -- this is Rob -- in
10 addition to what Glenn says, which is a good idea,
11 there -- I anticipate there really isn't enough federal
12 money for the TDCs to be able to match fully and bring
13 down all the federal money eventually. So --

14 MR. GLEASON: If I can? This is Eric Gleason.
15 The conversations I've been a part of, it isn't the
16 impetus for this. First of all, it comes from a rider
17 that was included in the Department's appropriation the
18 last session directing the Department to use development
19 credits in a way to maximize -- draw down the federal
20 funds and flexibility to construct projects.

21 The notion is it doesn't necessarily draw down
22 any more federal money than we otherwise would have got at
23 the state. The idea is to use the development credits as
24 the match mechanism to draw down those federal funds,
25 therefore, allowing whatever local -- whatever state money

1 you might have had to tie up as match to those specific
2 federal programs. That money can be pooled and applied to
3 projects.

4 It's just a different way of funding or a
5 different way of -- method of drawing down federal money
6 to fund the same number of projects statewide that you
7 might have otherwise done. It's just that some of the
8 projects no longer would have federal money in them.

9 And the states that have done this -- as I
10 understand it -- Florida is an example -- that's exactly
11 what they do. They -- there's some increased flexibility
12 around project delivery when you can pool non-federal
13 monies together to do everything you want to accomplish
14 with a project. And that's really the intent. And so
15 there's one view of this, you know --

16 Glenn, your point notwithstanding, I mean, I
17 don't -- it doesn't sound as though anybody looked at,
18 Here's a hypothetical way this might play out and this is
19 what it might mean. But presumably, if the general notion
20 is to just simply use them as a draw-down mechanism for
21 federal funding then I would think their use would be
22 fairly -- it would be fairly aggressively applied. The
23 evaluation part that you're talking about, I think, would
24 then, I think, focus on how the non-federal money then
25 ended up being used and whether or not they actually

1 accomplished or moved us towards some of those goals.

2 MR. GADBOIS: Well, in -- and I actually
3 suspect the other use of these is going to be where, you
4 know, projects in other states don't spend down federal
5 money but it needs to be spent down and thus, they will go
6 to other states looking for a way to spend down that
7 money.

8 MR. GLEASON: Possibly.

9 MR. GADBOIS: And toll credits are a quick way
10 to match that when all of your money is committed in the
11 pipeline on other projects. Right? And so that will make
12 us more competitive for new federal money. I suspect.
13 Most of that will happen on the roadside because the
14 transit side's -- pretty well gets tapped out. Maybe not.
15 But that's my understanding of things.

16 And so I guess for both of those reasons I
17 would like to start looking at a way to evaluate -- not
18 just report, but some level of commitment on the
19 Department's side that they will actually do some
20 analysis, if not evaluation, to make sure that we're
21 actually accomplishing our goals.

22 MR. STEPHENS: Glenn -- this is Rob -- are you
23 suggesting that as we move forward there may be an
24 opportunity for the State of Texas to negotiate or barter
25 with other states to trade credits for more --

1 MR. GADBOIS: No, no, no. Actually, the way it
2 usually works -- and Texas has actually been pretty good
3 about this -- is -- in my limited understanding is Montana
4 gets a project. They can't spend the money in the time
5 frame they need to spend it. The feds then go out and do
6 a call to other states saying, We've got this money that
7 needs to be spent, can any of you spend it. And if the
8 match is available and the project is, you know,
9 appropriately in the pipeline to have -- make it shovel
10 ready quickly then that state can compete for those
11 dollars. Texas has actually been pretty good about
12 competing for those. My suspicion is the other use of
13 toll credits here will be to make us even more competitive
14 in that arrangement.

15 MS. BLOOMER: Okay. This is Michelle.

16 And, Glenn, sort of to your initial point. Our
17 next item on the agenda is the PTAC Work Plan. And I
18 think there's been a lot of work done here with the rules.

19 But I think even more work is yet to come, putting some
20 of the policy issues about how public transportation will
21 then utilize the credits available.

22 MR. GADBOIS: Yes.

23 MS. BLOOMER: And I think that's something --
24 I'm looking to the first working group of you, Rob and
25 Brad, to sort of take the lead in developing that.

1 MR. GADBOIS: That --

2 VOICE: I do just want to make one quick note
3 that I should have started with. Thank you for all your
4 work on this. This version of the rules -- it looks a lot
5 better than the initial version did. And particularly
6 because of the provisions on the 25 percent side to, you
7 know, preserve some serious dedication to public
8 transportation. And so I hugely appreciate your work on
9 that. And then -- well, we'll leave it at that. So --

10 MR. UNDERWOOD: Well, the only thing -- this is
11 Brad Underwood. Only thing I was going to say is, when it
12 comes to public transit I believe that these -- the new
13 rules are really good, Michelle. And I know you've worked
14 very hard and Shawna [phonetic] has actually pitched in
15 and worked very hard on this, as well. And so I
16 appreciate your commitment to this.

17 I mean, this is -- to me, it sets public
18 transportation in a good place going forward with TDCs.
19 And I believe as a committee we can start working on some
20 policy things that can expand the usage and really move us
21 forward in public transportation in the State of Texas.
22 So thank you very much for that.

23 MS. BLOOMER: Thank you, Brad and Glenn.

24 I also did want to say that we have involved
25 the Texas Transit Association in the discussions that have

1 helped us get the rules to where they are today. And like
2 Brad said, Shawna, the chair of the PTA Legislative
3 Committee has been instrumental in helping us get it to
4 where it is today.

5 I think that gets us to Bobby. We had three
6 actions we can take today. We can provide comment, waive
7 comment or defer comment. Given that the majority of the
8 committee was very cognizant of public transportation and
9 wanting to be in support of it, if the committee is
10 comfortable I would really like for the committee to weigh
11 in on a positive note on the record so when it goes to the
12 Commission we make it clear that we are in support of the
13 rules as the Commission is looking at them. And we're
14 also asking some of our public transit friends through TTA
15 to do the same at the Commission meeting later this month
16 on June 28.

17 So I will turn it over to the committee if
18 there are any more questions or if somebody would like to
19 make a motion.

20 Bobby, can you help us with sort of how we
21 would provide -- understand we can waive comments fairly
22 easy. We can make a motion to waive comment or defer
23 comment. But what -- how would we go about providing
24 comment and support of the rules as they exist?

25 MR. KILLEBREW: Absolutely. This is Bobby.

1 Someone can make the motion -- and this is pretty -- an
2 example: I Michelle so move that we adopt the rules with
3 the following comment, The Public Transportation Advisory
4 Committee recognizes the hard effort that was put forth in
5 drafting these rules, we appreciate the full support of
6 public transit in the rules, something along those lines.

7 And then the committee can vote on that and with a
8 unanimous vote then that comment goes into the public
9 record.

10 MS. BLOOMER: Okay.

11 MR. GADBOIS: Okay. I'd like to make the
12 motion but suggest that it be a letter, given that this is
13 preliminary draft. Rather than we approve these rules
14 kind of language, that we authorize the drafting of a
15 letter in support of these rules as drafted. I would also
16 like to add, you know -- well, actually -- so that's a
17 motion.

18 I would like to suggest or test the interest of
19 PTAC -- this is Glenn, by the way -- that we also ask for
20 the Commission to consider making a commitment to the
21 evaluation of the reporting that happens to make sure
22 that, you know, we're understanding how this achieves the
23 goals as stated.

24 And the second that we haven't talked about
25 this at all is -- and maybe -- well, actually, let me

1 leave this for the committee. Just so you know, one of
2 the things that we may want to consider is how toll
3 credits do or don't work for our friends that are the last
4 mile friends for transit, bicycle and walking; and do toll
5 credits have a role in bicycle and pedestrian facilities,
6 whatever --

7 VOICE: Projects.

8 MR. GADBOIS: Thank you. I'm catching
9 Michelle's disease. Because bicycle and walking was in
10 the own rules, prevalent in the old rules and not as much
11 so when we create a set aside for transit only. We may
12 want to consider suggesting some language that, you know,
13 gives them access, especially since we're not spending
14 historically our 15 million. But I don't know what the
15 impact of that's going to be. So we ought to talk about
16 that as a committee.

17 Does that make sense to you all, to come back
18 with something?

19 VOICE: Michelle, are you going to reiterate
20 that motion?

21 MR. GADBOIS: Well, so the question before my
22 motion is finalized is do we want to add to my motion a
23 request to look at a -- or make a commitment to
24 evaluation? My motion on the table is we write a letter
25 in support of the rules as drafted.

1 VOICE: I can support that motion. My fear is
2 if we attempt to add any comment about something that's
3 not in this or something additionally we want to see, the
4 Commission not look at that and go, Let's send these back
5 to that committee again to have them rework on them again.

6 And I think I'm pretty happy the way public
7 transit has been "preserved" in this instance. And I
8 don't want that being opened back up to go, Well, what
9 about this again, let's relook at that.

10 MR. GADBOIS: But I'll point out we're right
11 here.

12 VOICE: I agree.

13 MR. GADBOIS: You've got public comment.
14 You've got a redrafting. And so we're very early in the
15 process for drafting. Right?

16 VOICE: We are.

17 MR. GADBOIS: Okay.

18 VOICE: But I think there's been a ton of work
19 that's went into this committee working on these. And I
20 don't always want to say that we're David and Goliath.
21 But in this situation I think there was a possibility of
22 having mostly MPOs in the road projects. And it's like,
23 Oh, yeah, we're public transit. And I think we fared very
24 well.

25 And I guess my fear is for this to go back and

1 say, Well, let's have the committee rework another section
2 on this and go -- because there is a consensus in this --
3 in the committee with these. Correct?

4 MS. BLOOMER: Correct.

5 VOICE: And to go back and say, Well, we want
6 to add this or we want to start changing this, I don't
7 want the whole thing to change again, I guess.

8 MS. BLOOMER: Correct.

9 And I -- oh, sorry, Bobby.

10 MR. KILLEBREW: And -- pardon me. This is
11 Bobby. If I may, Michelle --

12 And, Glenn, I don't know whether this addresses
13 your last comment about bicycle and pedestrian.

14 In the definitions on page 2 -- I wanted to
15 make sure that you were able to see that. In the
16 definition for eligible project it still includes
17 highway/rail transit, bicycle or pedestrian project if
18 authorized under Title 23 or Chapter --

19 MR. GADBOIS: And we can have more conversation
20 about this. But under the old structure it's
21 specifically, you know, things can be spent on these. And
22 that's the vast majority of what it gets spent on. Right?
23 Now we've got a structure where it can be spent on
24 anything at the MPO level --

25 MR. KILLEBREW: Uh-huh.

1 MR. GADBOIS: -- including -- anything under
2 that definition. And then we have a statewide-specific
3 set aside for public transportation but really not the
4 same level of consideration for our last-mile friends, in
5 that we just may want to think about that and maybe
6 suggest some -- but we have to also look at what its
7 impacts might be. If it creates a big sucking sound, we
8 may -- you know, the public transportation world may not
9 want to do that. Right.

10 MR. STEPHENS: Can I make a suggestion? This
11 is Rob. Would it be helpful if we can include some of
12 your concern about tracking our success in a work plan
13 with our work that we do, the three of us, in the next
14 agenda item, possibly looking where we're trying to keep
15 up with how we're tracking success and our goals and
16 keeping close count to -- doing some -- tracking that
17 [inaudible]. Would that work, Glenn?

18 VOICE: Seeing that we're public transportation
19 we could set up whatever evaluation, goals, reporting on
20 our side of the 15 million.

21 VOICE: I don't know if that will work.

22 MR. GADBOIS: Yes. Of course, it's a
23 possibility. And so, yes. The -- I just want to make
24 sure that you all consider this. I --

25 Brad, I appreciate your anxiety about losing

1 the gains that we have made in this drafting. I frankly
2 have gone through enough of these drafting processes to
3 where if there's going to be a big blow-up of the deal
4 it's going to happen regardless of what we do. But my
5 suspicion is -- and from the sounds that I've -- the
6 description I've heard from Michelle, there has been
7 enough pre-conversation with the major interests, there
8 isn't going to be a big blow up around these rules. It is
9 really about tweaking at this point, is my --

10 MS. BLOOMER: This is Michelle. And, yes, we
11 have taken a significant amount of effort on the front end
12 to ensure -- not ensure -- but to hope that when we get to
13 the Commission in June and then we go back to the
14 Commission in August --

15 VOICE: September.

16 MS. BLOOMER: -- September that there wouldn't
17 be a blow up, as you said. So we've involved -- there are
18 a few members -- out of seven there are about three
19 members on the committee that represent transit interests.
20 We've taken it to TTA in the event of getting everybody
21 in the transit industry that has a stake involved in
22 advance. And I sort of concur with Brad. At this point
23 I don't have a problem with mentioning it. My concern is
24 a majority of the committee members feel that we've done a
25 significant amount of work, that they've made

1 significant -- not necessarily concessions -- but
2 acknowledged public transit and taken significant strides
3 to make the transit industry feel part of the process and
4 feel comfortable with the outcome, that to go back now and
5 sort of say, even if it's a minor tweak, Well, we'd like
6 to see this and we'd like to see this, we might lose some
7 of the ground that we've gained, as far as being
8 considered as a partner.

9 So I --

10 MR. SALAZAR: And this is J.R. for the record,
11 too. I kind of agree with some of the things that
12 Michelle is mentioning; Brad, as well. And I think that
13 there is a time and a process for evaluation and those
14 things that you mentioned. But I'm not sure it's at the
15 front end of what we're trying to do is the proper place
16 or the best place for that to happen. I understand what
17 you're -- what you mentioned and -- but again, I'm not
18 sure that at the beginning stage it's something that we
19 need to do.

20 MR. GADBOIS: Okay. Well, and so it sounds
21 like there's not an interest by the group to add that to
22 the motion. And that's fine. So my motion stands as is.
23 And we -- the subcommittee will continue to work on how
24 we might communicate to the Department an interest in
25 seeing a commitment to that. It doesn't have to be in the

1 rules for that to happen.

2 VOICE: Right.

3 MR. GADBOIS: The Department can do that
4 otherwise. And so that's, you know -- thank you for the
5 discussion.

6 MR. UNDERWOOD: Would you restate your motion?
7 I might second it if you restate it so we know where
8 we're at.

9 MR. GADBOIS: I thought you already had
10 seconded it. You said earlier, I'll second that motion.
11 The motion is to write a letter to the Commission from
12 PTAC in support of the rules as drafted.

13 MR. UNDERWOOD: I can second that --

14 MS. BLOOMER: Okay.

15 MR. UNDERWOOD: -- Madam Chair.

16 MS. BLOOMER: So we now have a motion. We're
17 all clear on what that motion is. We have a second by
18 Brad. Before we make a -- take the count, did somebody
19 join us on the phone?

20 MR. ABESON: Yes. Your colleague in northern
21 Texas who doesn't know how to tell time.

22 MR. SALAZAR: You're right on time, Al, because
23 we're fixing to get to our reports. And I was thinking --
24 I knew that Al was going to do the report and I thought,
25 Well, maybe I'm going to have to do it. But so your

1 timing was perfect.

2 MS. BLOOMER: Well, thank you --

3 MR. ABESON: My apologies. I really just got
4 mixed up on time. I was busy doing something and just
5 missed out on it. Sorry.

6 MS. BLOOMER: No problem. Thanks for joining
7 us, Al. Just to bring you up to speed, we don't have a
8 transcriber here today in the room with us. So the
9 meeting is being recorded. When you speak if you could
10 just remember to identify yourself that will help when it
11 comes to transcribing the minutes.

12 So we've had a discussion. We're on Item 3 on
13 the agenda. We've -- regarding Transportation Development
14 Credits. We've had a fairly lengthy discussion. Glenn
15 made a motion. We have second. We'll go ahead and take
16 the roll call.

17 So well, since we have somebody on the phone
18 we'll go ahead and just go around the room.

19 Rob?

20 MR. STEPHENS: Yes.

21 MS. BLOOMER: Okay.

22 Glenn?

23 MR. GADBOIS: Aye.

24 MS. BLOOMER: Brad?

25 MR. UNDERWOOD: Aye.

1 MS. BLOOMER: J.R.?

2 MR. SALAZAR: Aye.

3 MS. BLOOMER: Al?

4 MR. ABESON: I'm going to abstain since I
5 missed most of the discussion.

6 MS. BLOOMER: Okay. Thank you.

7 And Michelle, Aye.

8 Before we move on to the agenda I was remiss
9 earlier, before we started the meeting in introducing our
10 newest member and welcoming Rob Stephens from Longview to
11 the Public Transportation Advisory Committee.

12 So welcome to your first meeting.

13 MR. STEPHENS: Thank you.

14 VOICE: You haven't been on this all along? I
15 thought you'd just been here.

16 MS. BLOOMER: Okay. So we will -- yes.

17 MR. GLEASON: Do you want to identify who's
18 going to draft the letter?

19 MS. BLOOMER: Oh. I just assumed that was the
20 royal we.

21 MR. GLEASON: I was not assuming that.

22 (Laughter)

23 MS. BLOOMER: Let me ask the question. Does
24 PTN staff have a template letter or an example letter from
25 a past -- I believe we've done this in the past, where

1 we've sent a letter in support to the Commission of a
2 rule. Is that something you could take a stab at drafting
3 or would you like to ask one of the three members of the
4 working group number one to do so?

5 MR. GLEASON: Let me just -- I think we could
6 probably find an example. I also don't think it's that
7 complicated. I think the motion pretty much says it all
8 and wouldn't --

9 MS. BLOOMER: Okay.

10 MR. GLEASON: -- need to be too much more than
11 that, other than to reference the date of the committee
12 meeting and to move on. So I think it's a fairly
13 straightforward exercise for someone to draft.

14 MS. BLOOMER: Okay.

15 MR. GADBOIS: Madam Chair, may I suggest
16 that -- I'm happy to draft for you all -- or any one of
17 our committees happy to draft, recirculate it, get it to
18 Michelle within the next week. And by email. And
19 Michelle is the one that signs it. It has to go on you
20 all's letterhead, given the way we normally do letters is
21 that -- because the last letter I saw was on you all's
22 letterhead.

23 MR. GLEASON: Yes.

24 MR. GADBOIS: So I think that you have to
25 arrange it with him to get them the content you're

1 comfortable with, they print it, get a signature from your
2 somehow or another and then it goes on.

3 MS. BLOOMER: Okay.

4 MR. GADBOIS: Is that a workable process?

5 MS. BLOOMER: That sounds good. This is
6 Michelle. And I think since Glenn made the motion and
7 Glenn volunteered to draft the letter we'll ask Glenn
8 to --

9 If you can sort of draft the text of the
10 letter, share with your other two working group members.
11 The only caveat I'm going to throw in there is I am only
12 available through next Friday to do that.

13 MR. GADBOIS: Next Friday -- is it this week's
14 Friday or the week after?

15 MS. BLOOMER: Next -- not this coming Friday,
16 tomorrow, but --

17 MR. GADBOIS: Okay.

18 MS. BLOOMER: -- the following Friday.

19 MR. GADBOIS: Okay. So if we get it to you
20 within --

21 MS. BLOOMER: In Maui.

22 MR. GADBOIS: So if we get it to you within a
23 week -- didn't you just come back from vacation?

24 VOICE: That's what I thought.

25 MR. GADBOIS: I swear. I'm jealous.

1 MS. BLOOMER: Paris and Barcelona.

2 MR. GADBOIS: Yes. So -- no, I'm jealous.

3 I'll be in your suitcase. So if we get it to you within a
4 week that works for your schedule. Right?

5 MS. BLOOMER: Yes.

6 MR. GADBOIS: Okay.

7 MR. GLEASON: And one more -- does the
8 committee wish to choose someone to comment to the
9 Commission at the meeting on the -- later this month on
10 this topic?

11 VOICE: The 28th?

12 MS. BLOOMER: It is the 28th. I think if we're
13 sending a letter we should be okay. My understanding from
14 the last TDC Rulemaking Advisory Committee is that they
15 were asking members of the Advisory Committee to come as
16 part of the presentation. And then I am coordinating with
17 TTA to have friends of transit speak as part of the public
18 comment part of that item in support of it. So I think --

19 MR. GLEASON: Okay. So would you plan to be a
20 part of the advisory group that --

21 MS. BLOOMER: I will not because --

22 MR. GLEASON: -- attend the meeting?

23 MS. BLOOMER: -- I won't be --

24 VOICE: She won't be here.

25 MS. BLOOMER: I will be out of state. But I

1 believe Norma Zamora, who served on the committee and
2 served as the chair of TTA, will be there, as well as, I'm
3 assuming, some of the MPO representatives.

4 MR. STEPHENS: I'd planned on being at that
5 meeting, as well, Michelle.

6 MR. GADBOIS: Can you send us a notice to how,
7 you know -- what, if any, surprises there are --

8 VOICE: Uh-huh.

9 MR. GADBOIS: -- blow ups?

10 VOICE: Uh-huh. I can do that.

11 MS. BLOOMER: Okay.

12 VOICE: So I'll be there, as well.

13 MS. BLOOMER: And I think we're trying to
14 coordinate to have both a rural, a small urban and a metro
15 representative from the transit industry to speak in
16 support as the friends of transit --

17 MR. GLEASON: Okay.

18 MS. BLOOMER: -- as part of the public comment
19 period.

20 MR. GLEASON: So, no.

21 MS. BLOOMER: I mean, unless --

22 MR. GLEASON: Just trying to cover all the
23 bases.

24 VOICE: Were you wanting someone specifically
25 from PTAC, Eric, to --

1 MR. GLEASON: I'm just throwing it out there
2 that it -- this is the time now for the committee to
3 decide if they were to speak who it would be since
4 Michelle couldn't be there and all that. So -- but it's
5 not a big deal.

6 MS. BLOOMER: Do you -- who's the other one?
7 Oh, okay. Yes. Two of the members that were looking at
8 speaking at the June 28 meeting are also PTAC members.

9 VOICE: So I could just say that was a dual
10 role.

11 MS. BLOOMER: And there was sort of a question,
12 would it be beneficial for those individuals to submit a
13 letter in writing, as well in support or is their
14 participation at the meeting itself making the verbal
15 comments, sufficient.

16 MR. GLEASON: That -- my view of that is that
17 the presence and the verbal comment would be sufficient.

18 MS. BLOOMER: Okay. So I think we have a
19 motion and a second. We've passed it. We've had some
20 additional discussion. We're all good --

21 MR. GADBOIS: No, we --

22 MS. BLOOMER: -- on Transportation Development
23 Credits for now.

24 MR. GADBOIS: -- need to develop a letter and
25 get it sent.

1 MS. BLOOMER: Okay.

2 VOICE: Excellent.

3 MS. BLOOMER: And now the harder work begins.
4 So moving on to Item 4, Review and discussion of the PTAC
5 Work Plan. So as we discussed at our last meeting, we're
6 all ready to roll up our sleeves and get working. And in
7 order to do that, we divided into two working groups.

8 Working group number one is working on guiding
9 principle number one, which is to support public
10 transportation. And Brad, Glenn and Rob are on working
11 group number one.

12 Working group number two is focusing on guiding
13 principle number two, and that is to promote coordinated
14 transportation. And that is Al, Christina and J.R.

15 What I'd like to do is ask each of the working
16 groups to sort of give an update on where they are, if
17 they've had a chance to meet, sort of how they're going to
18 go forward so we can start ticking those off. And like we
19 said, I think for working group number one, the main task
20 now is now that we have some draft proposed related to the
21 TDCs, putting a little more meat to that. And then I
22 believe working group number two has the done the same and
23 sort of identified their top priorities to move forward.

24 Does anybody want to volunteer to go first?

25 MR. ABESON: I will -- I'm -- I will

1 represent -- are we calling us working groups or
2 subcommittees?

3 MS. BLOOMER: We are working groups.

4 MR. ABESON: Working groups. Well, I'm pleased
5 to represent working group two. And as you said, we are
6 proposing to move forward, to promote coordination. And
7 the way we plan to try and attack that need is to look
8 over the entire process by which the coordinated call
9 awards are made. Not so much the process as the substance
10 associated with the process to see if there are ways if we
11 can develop, improve, recommend the language that would be
12 in the individual authority RFPs so that they would
13 promote -- when applicants respond they would work to, in
14 fact, increase coordination.

15 A key element of what we intend to do is to
16 build on the research that was done by TTI that laid out a
17 whole number of very interesting initiatives that have
18 been taken by communities across the state, in terms of
19 moving on coordination. For example, transportation
20 across jurisdictional boundaries, transportation --
21 increasing span of service, the linking of non-traditional
22 partners, public/private partnerships and effective
23 marketing.

24 So what we're going to try to do in short is to
25 see if we can weave some of the language around some of

1 these somewhat innovative practices in a way that cut
2 across the various programs in the coordinated call so
3 that -- and you'll recognize this word -- I think all of
4 you -- perhaps, Rob, you weren't there when we used this
5 word -- to incentivize the development of additional
6 coordination across the state.

7 And we have had one telephone meeting. Our
8 next step is to get some help from the Department to get
9 us documents that we can individually review. And then we
10 plan to go forward with a target date of presenting some
11 suggestions, recommendations to the Department in time for
12 the 2013 coordinated call.

13 MS. BLOOMER: Okay.

14 MR. ABESON: Do my colleagues want to add
15 anything?

16 MR. SALAZAR: The only thing that I want to
17 add -- this is J.R. for the record -- I know on the
18 conversation we had yesterday I made mention to Al and Al
19 agreed that whatever process takes place, I want to make
20 sure that we're aware that we don't want to make it harder
21 for smaller rural transit systems to submit applications
22 when it comes to the coordinated call. And we always keep
23 in mind that maybe the resources that I have in place
24 aren't the resources that some other providers have.

25 MR. ABESON: And I think the working group is

1 in total accord with that concern.

2 MR. UNDERWOOD: This is Brad Underwood. I have
3 a quick question, Mr. Abeson. The --

4 MR. ABESON: How about calling me Al?

5 MR. UNDERWOOD: (Laughs.) The coordinated --
6 you said you're going to make some recommendations for the
7 2013 coordinated call. Is that for the call that -- the
8 RFP that's going to be issued in July of 2013, or are we
9 talking about the RFP that's going to be issued for the
10 coordinated call coming up?

11 MR. ABESON: July of 2013.

12 MR. UNDERWOOD: Okay. All right. I was
13 fixing -- because I'm like, Well, that's getting --

14 (Simultaneous discussion.)

15 MR. UNDERWOOD: Yes. I think Eric was --

16 MR. ABESON: We're going to be good, but we're
17 not that good.

18 MR. UNDERWOOD: Okay. Bobby just left the room
19 when you said that.

20 MS. BLOOMER: Okay. Do any other committee
21 members have questions for working group number two?

22 (No response.)

23 MS. BLOOMER: Okay. And then what we'll
24 probably --

25 MR. ABESON: Can I just add one comment? I

1 just want to thank Ginnie and Rebecca for getting us some
2 initial support as we are working. Thanks very much for
3 that.

4 MS. BLOOMER: Okay. And I think what we -- I'd
5 like to do is each of the next PTAC meetings -- we don't
6 have the date set for the next one, but it will probably
7 be driven by --

8 VOICE: The rules.

9 MS. BLOOMER: -- the rules again -- is for the
10 working groups just to anticipate that and we'll come back
11 with a further update and see if we can get a little bit
12 further on some of the efforts.

13 Who would like to represent working group
14 number one?

15 MR. UNDERWOOD: I can give us a brief update
16 real quick. It's been interesting because these -- the
17 rules for the TDCs have moved rather quickly and
18 expeditiously. And so there hasn't been a ton of things
19 for us to do, although I think we prepared to be
20 [inaudible]. I know you and I have visited at the
21 conference in McAllen about them a couple of times. And I
22 apologize for not bringing in Rob and Glenn into the
23 conversation. But we're almost at a deadline. If the
24 meeting's in two days what's your thought here? So we
25 really didn't have a lot of time to get together and say

1 this is what we really believe is a good thing.

2 But now that I think we've got some final rules
3 that are going to be adopted or at least, in the process,
4 I believe our group is going to be getting together and
5 talk about how that we foresee these TDCs being utilized
6 by the public transportation projects across the state,
7 and hopefully it's going to complement the work that
8 working group number one is doing -- or working group
9 number two.

10 MS. BLOOMER: You're --

11 MR. UNDERWOOD: We're one. They're two. Okay.
12 So hopefully it will complement with some of the
13 coordinated call projects and some of your recommendations
14 there.

15 Gentlemen, am I leaving out any --

16 VOICE: You said brief.

17 VOICE: You said brief and to the point.

18 MR. GADBOIS: Well -- and I don't mean this to
19 sound snotty at all. But given you didn't talk to us,
20 sure.

21 MR. UNDERWOOD: I am -- they're working group
22 number three. I'm working group --

23 (General laughter.)

24 VOICE: We're working group 1A --

25 VOICE: 1A and 1B.

1 MR. UNDERWOOD: I'm one.

2 MR. GADBOIS: Yes. And we're coordinated. No.

3 I want to add to that we just committed to do some
4 meeting around considering how we might communicate on
5 evaluation and last-mile stuff. And we will do that.

6 And then just to make sure I'm clear, since I
7 missed the meeting -- and I'm grateful I was volunteered
8 for this -- is that we're focused on more than development
9 credits. Right? I mean, we're -- our focus as a working
10 group is on looking at financing more broadly
11 transportation development credits just happened to be the
12 one hot ticket.

13 VOICE: That is correct. Yes.

14 VOICE: Okay.

15 VOICE: If the new rules are going out, we
16 might as well attach some policy to go along with them.

17 VOICE: So the other thing we ought to commit
18 to as a group is that we'll have a conference call to
19 discuss what else we do as we wrap toll credits or wrap
20 what we want to do with toll credits.

21 VOICE: I believe --

22 VOICE: Okay, sir.

23 MS. BLOOMER: Right. And this is Michelle.

24 When -- you're actually correct. Working group number
25 three principles are -- working group number one has the

1 guiding principle to support public transportation. Under
2 that there are three goals. So I would encourage the
3 working group before -- or during your call to sort of go
4 over those --

5 VOICE: Okay.

6 MS. BLOOMER: -- and sort of identify which are
7 your top three that you're going to work on, with TDCs
8 maybe being the first one.

9 VOICE: Right.

10 VOICE: Okay.

11 MS. BLOOMER: But you're definitely not just
12 limited to TDCs.

13 VOICE: Thank you.

14 MS. BLOOMER: And then the hope is that we can
15 take that, put a little bit more of a timeline associated
16 with task one TDCs between here and here, task -- et
17 cetera. And then take that back. I don't know that we'll
18 be able to take that back -- get all that back and take it
19 back in written form to the transit providers at the semi-
20 annual meeting in July. But I do intend to take back a
21 hard copy to share with them of the guiding principles so
22 they know what we are working on.

23 VOICE: Well, we may be able to put a little
24 more meat on it before then.

25 MS. BLOOMER: That would be great.

1 VOICE: Okay.

2 MS. BLOOMER: That was my hope and what I had
3 sort of committed at the January public meeting -- or
4 semi-annual meeting.

5 VOICE: Working group number one just agreed to
6 help 1A and 1B have a conference call.

7 MS. BLOOMER: And then maybe --

8 VOICE: Working group one said we would be glad
9 to do so and coordinate that effort. Working group one
10 will get you all an email next week.

11 MS. BLOOMER: That should be fun.

12 VOICE: Working group of one and one.

13 MS. BLOOMER: Can we just -- this is
14 Michelle -- can we just clarify before we go on? I know
15 working group two has worked through Ginnie to sort of set
16 up the conference call. Should working group one do the
17 same? Does that work?

18 MR. UNDERWOOD: Working group one has the
19 capability to do it at TAPS, so --

20 MS. BLOOMER: Okay.

21 MR. UNDERWOOD: -- we can do that.

22 MS. BLOOMER: Okay.

23 MR. UNDERWOOD: We have our own system to -- we
24 could --

25 VOICE: So we include -- but we can include

1 Ginnie. You probably -- working group might even choose
2 to Skype. You just never know. Group one will let you
3 know.

4 MS. BLOOMER: Okay. There's no action required
5 on Item 4 so we'll move on to Item 5, which is Review and
6 comment on the TxDOT Rural Transportation Plan.

7 And Eric?

8 MR. GLEASON: This is Eric Gleason. At your
9 last meeting in April you had a presentation on -- from
10 TTI on this transit element of the Texas Rural
11 Transportation Plan. And you also had an opportunity at
12 that meeting in April to speak with the Director of
13 Planning.

14 The Texas Rural Transportation Plan is
15 scheduled for adoption at this coming Commission meeting
16 in June. We sent all of you a link in the last couple
17 weeks on the plan as it was posted for comment during a
18 public comment period. That public comment period ended
19 this Monday, the 4th. And so where the -- so for today
20 what the committee can do if it chooses is it could choose
21 to send again, a letter or something like that to the
22 Commission for their consideration at the June meeting.

23 Peggy Thurin is here from Transportation
24 Planning to answer any questions you might have on the
25 process around the Rural Transportation Plan. This is

1 just an opportunity for the committee as a whole to
2 consider whether or not they want to further comment on
3 that Rural Plan.

4 Again, it's outside the public comment period,
5 but a letter would certainly be appropriate if you felt so
6 to send to the Commission with anything you might want to
7 add at this point.

8 MR. UNDERWOOD: This is Brad. Have we
9 commented on this before?

10 MR. GLEASON: You have had -- no. Not on the
11 full draft plan, no. You've received a presentation from
12 TTI on the public transportation element of the plan.

13 MR. UNDERWOOD: But we didn't comment on that.
14 But we --

15 MR. GLEASON: That's correct.

16 MR. UNDERWOOD: -- just received it. Okay.

17 MR. ABESON: We discussed it a bit.

18 MR. GLEASON: Yes.

19 MR. UNDERWOOD: Yes.

20 MR. ABESON: This is Al. What is the estimated
21 value of commenting at this point in time? And the reason
22 I ask that question is that after the discussion we had in
23 April and reading the plan twice I again come to the
24 conclusion that it's not a plan. And it certainly isn't a
25 plan for public transportation.

1 Frankly, I found the immense attention and
2 detail to the highway portion impressive. And then I
3 looked over to see where's public transportation and
4 again, it's barely there and certainly not there in any
5 kind of meaningful planning capacity. Which is why I
6 asked my question. Is it worth making some comment? And
7 again, I may be all by myself on my thinking on this. So
8 that may make it moot for the committee. But I -- after I
9 read that I just felt the real need to say what I've just
10 said.

11 MS. BLOOMER: Eric, would you like to --

12 MR. GLEASON: Okay.

13 Al, this is Eric.

14 MR. ABESON: Hi, Eric.

15 MR. GLEASON: I think that the -- one approach
16 that the Public Transportation Advisory Committee could
17 take at this juncture would be -- in my own view -- to
18 recognize that there's still a lot of work to be done to
19 better incorporate other modes such as public
20 transportation into the Department's planning processes.

21 What you -- Al, your comments I accept. I also
22 would observe that the plan does make progress in this
23 regard and that in many ways, although not a complete plan
24 and perhaps not in a -- not presented in a planning way,
25 that the amount of information certainly in the appendix

1 on public transportation is more than we've gathered and
2 had available previously.

3 So I think it's always valuable for the
4 committee to comment. I think it's important for the
5 committee in their role as -- in advising the Commission
6 on matters of policy importance to take every opportunity
7 it has to do that. And even in the context of what you
8 just said, Al.

9 MR. ABESON: I appreciate that.

10 MR. GLEASON: I don't have an answer to your,
11 you know --

12 MR. ABESON: Oh, no. That's helpful.

13 MR. GLEASON: -- added value.

14 MR. ABESON: I would --

15 MS. BLOOMER: And --

16 MR. ABESON: I'm interested in what my
17 colleagues on the committee feel about the plan.

18 MS. BLOOMER: And, Al, this is Michelle. I
19 think what Eric said rings true. I think it's a very good
20 first step. But in support of what you said, I think --
21 and Eric said, I still think there's a long way to go. So
22 I do think there's value in providing comment to recognize
23 the effort to go above and beyond what we currently have,
24 as far as public transportation is concerned. Compared to
25 the highway side, it's not there. But again, it's -- if

1 we compare it back to where public transit was before it's
2 better than where we were before.

3 So I think it would be a benefit to acknowledge
4 that first initial step and then focus the comment on what
5 we would like to see for the next plan. This -- my
6 understanding is the Rural Transportation Plan is
7 incorporated as part of the long-range plan which is
8 updated every four years. So the next revision of this
9 plan or process will begin in 2013. So I think our -- the
10 value in our comments may not be related to this plan but
11 how we can influence the development of the next plan
12 going forward.

13 MR. GADBOIS: My understanding -- or my
14 remembrance is -- this is Glenn -- is that this is the
15 first time we've done a Rural Transportation Plan.
16 Correct? And is that --

17 MS. BLOOMER: That's correct.

18 MR. GADBOIS: -- yes? Okay.

19 And so, Al, whereas I completely agree with
20 your analysis, I think that strategically we're going to
21 do more with honey than vinegar. And so, you know, maybe
22 we look -- as Michelle suggests, we look at next draft
23 and talk about what we'd like -- what we're happy to help
24 with, what we'd like to see, something along those lines
25 as this evolves. Does that make sense?

1 MR. ABESON: Yes. I certainly understand what
2 you're saying. And your comment about vinegar and honey
3 really rings true. Because frankly, when I read it I was
4 angry. I really was. And it seemed to me that even air
5 and marine got more attention than public transportation,
6 which really bothered me.

7 However, I'd like to hear whether -- I mean,
8 will someone surface a motion that we should draft such a
9 letter and, if so, then let's talk about how that gets
10 done if the motion is made, seconded and passed?

11 MS. BLOOMER: Well, Al, I -- this is Michelle.
12 I started to hear a motion in your comment. Would you
13 like to make a formal motion?

14 MR. ABESON: Sure. I move that a letter be
15 prepared on behalf of PTAC that acknowledges the
16 initiative to do the planning, calling for additional
17 attention and offering help in the next iteration of the
18 plan.

19 MS. BLOOMER: Okay. So we have a motion by Al.
20 Do I have a second?

21 MR. GADBOIS: I'll second that. Glenn.

22 MS. BLOOMER: Okay.

23 We have a second from Glenn. Before moving on
24 and taking an action, Eric, I think the discussion needs
25 to focus on what -- or do we have enough detail around

1 what those comments -- the key points in the letter will
2 be?

3 VOICE: And who's going to do it.

4 MS. BLOOMER: And who's going to do it? Is
5 that a --

6 MR. GLEASON: This is Eric. I would agree with
7 that. I think at this meeting that the committee should
8 reach some consensus around the major points to be made
9 and then identify an individual to draft the letter, with
10 our assistance, of course.

11 MR. ABESON: Well, certainly one of the
12 elements needs to be acknowledging the effort, that that's
13 appreciated.

14 Isn't that the honey you're talking about,
15 Glenn?

16 MR. GADBOIS: Yes. And that's an okay way to
17 phrase it. I mean, I think that we, you know, number one,
18 acknowledge that this is the first Rural Transportation
19 Plan and as such it's -- you know, it's evolutionary. Or,
20 you know, it's something that, you know, we're discovering
21 how to do, we as a state.

22 Second, a lot of work went in to gathering the
23 data and information that is included here and we
24 appreciate that level of effort on the inclusion of public
25 transportation data. Third, Al, is to get to your point.

1 You know, there are some planning elements that we should
2 identify as, you know, really wanting to see in the next
3 round and being willing to help include.

4 MS. BLOOMER: This is Michelle. I think Glenn
5 just ticked off the letter. So --

6 MR. GADBOIS: That Al's going to draft.

7 MR. ABESON: I was just going to say, Now, I
8 know who's going to write it.

9 MS. BLOOMER: Well, going back to the TDC
10 discussion, I think since we got Al to make the motion,
11 the committee will ask if Al would be willing to take a
12 stab at drafting the letter to share with the committee
13 and then, of course, having PTN's assistance, as well.

14 VOICE: Put it on letterhead.

15 MS. BLOOMER: Put it on letterhead and get --

16 MR. ABESON: I'd be glad to do that, depending
17 on the time.

18 Eric, when do you -- can this wait til like,
19 later in June -- late June?

20 MR. GLEASON: I think it would be better if it
21 did not. It could -- what we're looking at is the
22 Commission meeting on the 28th of June. And I think
23 practically speaking, we should have it in a week in
24 advance of that.

25 MR. ABESON: Okay. I'm going away tomorrow for

1 over a week. But I think I can probably still get it
2 done.

3 Glenn, can I run a draft by you first before we
4 subject anybody else to it?

5 MR. GADBOIS: Sure. And then you'll -- I'm
6 sure Eric will jump in on this. We need to be careful on
7 our -- as PTAC, you know, drafting. And so I think what
8 we do formally, Al, is you and I can, you know, work on
9 drafting it together. And then we send it to Ginnie and
10 Michelle for their -- however, they need to, you know,
11 look at it internally as the Department. And then to --
12 and then however they might find a way for PTAC to
13 comment, review, whatever, they get to do that. Is
14 that --

15 MR. ABESON: That's fine with me.

16 MR. GADBOIS: That's a process that --

17 MR. ABESON: Sure.

18 MR. GADBOIS: Because --

19 MR. ABESON: Yes.

20 MR. GADBOIS: Okay.

21 MS. BLOOMER: To keep it --

22 MR. ABESON: Okay. I'll try to get that done
23 pretty early on --

24 MR. GLEASON: The main -- this is Eric.

25 MR. ABESON: -- the week of the 19th, if I

1 can.

2 MR. GLEASON: The main thing to -- the main way
3 to avoid any sort of impropriety on the part of the
4 committee would be to -- obviously, what is going to focus
5 on those points that were just summarized. And this is
6 all about tweaking language in a letter around those three
7 or four points.

8 MR. GADBOIS: But sending -- and sending it to
9 you all helps us avoid --

10 MR. GLEASON: Yes.

11 MR. GADBOIS: -- open meetings because you all
12 get to --

13 MR. GLEASON: We'll spread that. Okay.

14 MR. GADBOIS: -- administer that.

15 MR. GLEASON: Yes.

16 MR. ABESON: Okay.

17 MS. BLOOMER: Okay?

18 MR. ABESON: I don't think the motion's been
19 seconded or passed.

20 VOICE: Glenn --

21 MS. BLOOMER: I think Glenn seconded the
22 motion. I think --

23 MR. GADBOIS: I'm happy to second your motion.

24 MS. BLOOMER: We have yet to take formal, final
25 action on it.

1 So, Rob? Aye? Nay?

2 MR. STEPHENS: Yes.

3 MS. BLOOMER: Glenn?

4 MR. GADBOIS: Yes.

5 MS. BLOOMER: Brad?

6 MR. UNDERWOOD: Aye.

7 MS. BLOOMER: J.R.?

8 MR. SALAZAR: J.R. Yes.

9 MS. BLOOMER: Al?

10 MR. ABESON: Yes.

11 MS. BLOOMER: And Michelle, yes.

12 Okay. Thank you, Al, for volunteering to do
13 that.

14 MR. ABESON: You're welcome.

15 MS. BLOOMER: Moving on to Item 6, Discussion
16 on the 2010 Census impacts regarding funding.

17 MR. GLEASON: This is going to be Kelly.

18 MS. BLOOMER: Okay.

19 Kelly, we turn it over to you.

20 MR. KIRKLAND: All right. Thank you.

21 Al, can you hear me?

22 MR. ABESON: Yes, I can, Kelly.

23 MR. KIRKLAND: Okay. Good. I'm furthest away
24 from the microphone. I wanted to test that.

25 We had on the presentation list at the last

1 PTAC meeting -- and this was to kind of update us to where
2 we are today with things. And before you, you have a
3 PowerPoint presentation unplugged.

4 Al, did you get that from Ginnie?

5 MR. ABESON: Yes, I have it.

6 MR. KIRKLAND: Very good. Thank you.

7 The beginning part of this is really just
8 recapping what you'd already heard about in terms of the
9 March 26 date. Next page is a major determinations, what
10 happened with San Marcos or Galveston, Georgetown, Kyle
11 and New Braunfels, what's happened to Conroe and The
12 Woodlands, and then the situation in Laredo, Killeen and
13 Brownsville.

14 Next, slide is a discussion about 5207 impacts.

15 If you're in a large, urbanized area over 200,000
16 population, you cannot use your federal formula funds for
17 operating. But we may have some congressional relief on
18 some kind of a sliding scale to address that. And then
19 Galveston is likely to see a large decrease in their
20 federal funds [inaudible] to the 5311 programs.

21 VOICE: I'm sorry, Kelly. Will you say that
22 again? You may have some federal relief?

23 MR. KIRKLAND: What typically happens in a
24 situation, we go from one census urbanized area to a new
25 census urbanized areas, you have areas around large metro

1 areas that are suddenly larger. And the federal
2 requirement on the large urban program is that your
3 formula federal funds, 5207, cannot be used for operating
4 expenses. And there's a realization that that can be a
5 significant impact on those areas, including those areas
6 that go from rural to a brand new urbanized area, a large
7 urbanized area like is happening with Conroe, for example.

8 And so what Congress did in, I believe it was
9 2003 and they addressed it again in 2005, when SAFETEA-LU
10 came along, is that a portion of 5207 funds awarded to the
11 urbanized area based upon those newly urbanized portions
12 of that area can be used for operating expenses.

13 And they'll say, Well, like, maybe the first
14 year the equivalent of 75 percent of your federal funds
15 can be used for operating, the second year maybe 50
16 percent and then for the third year also 50 and maybe the
17 fourth year 25 percent and then they phase that out.
18 Because we don't have a federal bill at this point we
19 can't say for certain it's going to happen. But I believe
20 it's quite likely.

21 VOICE: What -- in that size getting it --
22 just -- because I knew they helped with the transition in
23 2000 census.

24 MR. KIRKLAND: Right.

25 VOICE: I'm just wondering when you said may,

1 have we seen language that suggest they're --

2 MR. KIRKLAND: Well, we have. But we're so far
3 from having an actual bill passed to say whether it's
4 going to happen or not. And, I mean, we've had how many
5 different versions of federal transportation bills? Some
6 of them -- Oberstar had one a couple of years ago. And
7 then we've had Mica and Glosser, and it just -- and those
8 didn't go anywhere. I mean, they might have passed
9 through on the House or might have passed the Senate but
10 then they just died and didn't go to the other house.

11 VOICE: Right. Well, but the bill's in
12 conference now. Right?

13 MR. KIRKLAND: There is a version of the bill
14 in conference.

15 VOICE: And was that provision in the House
16 side or the Senate side?

17 MR. KIRKLAND: The House version had --

18 VOICE: House version? Okay. Thank you.

19 MR. KIRKLAND: All right. What I'm going to be
20 focusing on mainly today are the transit impacts on the
21 state funds, impacts because we have one new urbanized
22 area so potentially a new urban transit district. We have
23 one fewer urban transit district.

24 We have a new rural transit district,
25 Galveston, which has basically expanded. The former

1 Galveston urban transit district, of course, was just in
2 the old urbanized area. The new Galveston transit
3 district includes all of the non-urbanized part of
4 Galveston County, so quite a bit of that area was formerly
5 served by Gulf Coast Center as a rural transit district.
6 Now it's going to be its own stand-alone rural transit
7 district.

8 VOICE: So what will happen with Gulf Coast
9 Center? Are they going to be --

10 MR. KIRKLAND: Gulf Coast Center at this point,
11 in terms of being a rural transit district, is just the
12 rural area of Brazoria County.

13 VOICE: Okay.

14 MR. KIRKLAND: And that's in terms of awarding
15 the funds for, say, Fiscal Year 2013.

16 VOICE: Okay.

17 MS. BLOOMER: I'm sorry. This is Michelle.
18 Has there been any thought in leveraging the existing
19 provider instead of creating another rural transit
20 district?

21 MR. KIRKLAND: Any -- we certainly discussed
22 with our consultant who's working on behalf of Galveston
23 County, Goodman Corporation, and we laid out that. It
24 could -- of course, Galveston County rural area could be
25 part of Gulf Coast Center as a two-county rural transit

1 district, including the part that's already served by Gulf
2 Coast Center, as well as a new area. And the decision
3 we've been hearing is that they want to be their own
4 transportation district.

5 MR. GLEASON: Yes, I may. This is Eric. I
6 think the Department historically has not taken a position
7 one way or the other on these kinds of decisions. We view
8 them as local decisions. So, you know, we provide
9 information when these topics come up. Now, I think --

10 Michelle, we've either -- I've never talked
11 about it at the committee. I think you and I've talked
12 about this. I believe that NCTCOG takes a more active
13 role in these kinds of situations with respect to outcome
14 than we have as a state.

15 MS. BLOOMER: Yes. This is Michelle. In our
16 region we do -- our policy body has adopted a policy that
17 we leverage our existing resources first and foremost
18 before creating a new entity. And my concern is with
19 limited state and federal funds available for public
20 transportation creating another entity, one not only
21 for -- that disburses those funds and adds duplicative
22 service -- because now you have two entities doing
23 administrative -- serving an administrative role; but
24 in -- on the coordination side that adds a level of
25 complexity to coordination, because now you've added one

1 more provider to the mix.

2 And I'm just curious. I don't know the area
3 well enough. Is there -- are they -- there's two
4 counties, Galveston County and Brazoria County. Are they
5 in different regional planning service areas? Are they
6 within the same planning service area?

7 MR. KIRKLAND: They're within the same region.

8 MS. BLOOMER: So they're within the same
9 region. And you sort of -- it's sort of this
10 proliferation of transit providers and service to meet
11 their clients, which from a regional coordination
12 standpoint it makes it extremely difficult, especially if
13 individuals want to travel between those two counties
14 because now you have two different services serving the
15 county. But I just raised --

16 MR. GADBOIS: Can I make sure I understand?

17 MR. KIRKLAND: Uh-huh.

18 MR. GADBOIS: This -- where you say under state
19 fund -- formula funds, you know, UTDs and then you have
20 one for rurals --

21 MR. KIRKLAND: Okay?

22 MR. GADBOIS: -- you have the urban subtotal
23 negative impacts, 252,569.

24 MR. KIRKLAND: Yes.

25 MR. GADBOIS: Is that meant to be the

1 negative -- the net impact is a negative -- is that a net
2 impact?

3 MR. KIRKLAND: No. That's not a net impact.
4 That is the sum of the negative impacts among all urban
5 transit districts. That is, if you have -- look at the
6 positive impacts from the way the formula works, the net
7 impact is zero because you're dividing the pie into so many
8 slices. But it -- looking at urban transit districts you
9 have some that have positive impact, which means their
10 increase in population run through the formula gives them
11 more state funds. That's a positive impact.

12 MR. GADBOIS: Okay. But in real terms we have
13 a -- we have an amount of money --

14 MR. KIRKLAND: Uh-huh. Yes.

15 MR. GADBOIS: -- we have a pie.

16 MR. KIRKLAND: Uh-huh.

17 MR. GADBOIS: And the positive impacts increase
18 an individual property's share of that pie and a negative
19 impact decreases --

20 MR. KIRKLAND: Decreases.

21 MR. GADBOIS: -- that share of the pie.

22 MR. KIRKLAND: The difference --

23 MR. GADBOIS: Okay.

24 MR. KIRKLAND: -- in the property, yes.

25 MR. GADBOIS: Okay. So -- and the question I'm

1 looking at -- getting at is if you wanted everybody above
2 the lose-money line what would that dollar amount be for
3 urban and for rural?

4 MR. KIRKLAND: The amount -- oh, urban --

5 MR. GADBOIS: The new -- the pies would need to
6 enlarge --

7 MR. KIRKLAND: Right.

8 MR. GADBOIS: -- X amount --

9 MR. KIRKLAND: The total pie?

10 MR. GADBOIS: The total pie for urban, the
11 total pie for rural would need to increase X amount to
12 have everybody above the negative line.

13 MR. KIRKLAND: Well, to have nobody below the
14 negative line, which is another way of what you're --

15 MR. GADBOIS: Yes.

16 MR. KIRKLAND: That's actually what we're
17 trying to do. I believe the total between both programs
18 for the state funds is just over \$900,000.

19 MR. GADBOIS: Well --

20 MR. KIRKLAND: Yes and no. The way the census
21 impact fund works, we are just addressing the negatives.
22 If that money were just put into the formula and
23 allocated --

24 VOICE: Right. No. I don't think that's what
25 Glenn's --

1 MR. KIRKLAND: -- would still have negative
2 impact.

3 VOICE: I don't think Glenn's asking if it was
4 just -- if we pushed it all through the formula --

5 MR. GADBOIS: Right.

6 VOICE: -- how much more would we need for
7 everyone to have --

8 (Simultaneous discussions.)

9 MR. KIRKLAND: Right. And that's the point of
10 the specific rule change.

11 VOICE: Right.

12 MR. KIRKLAND: This specific conversation, what
13 we're talking about is how do we make sure nobody is below
14 the line. And the amount it takes to fill everybody's
15 bucket back up to at least where it was is just over
16 \$900,000 between the two programs.

17 MR. GADBOIS: Okay.

18 MR. KIRKLAND: We had estimated, based on some
19 research, that it could be as much as \$1.6 million between
20 the two programs. We thought there were going to be more
21 urbanized areas than there were.

22 MR. GADBOIS: Right.

23 MR. KIRKLAND: And we thought -- actually, we
24 thought most of the impact would be on the urban side, and
25 now it turns out, because of Galveston's switch, that most

1 of it's on the rural side. The good news is we have more
2 than enough money to address it.

3 MR. GADBOIS: Galveston switched and there's an
4 ineligible.

5 MR. KIRKLAND: Right. I mean, the combination
6 of things that didn't play out the way we thought.

7 MR. GADBOIS: Right. And so the money that
8 we've set aside for accommodating that shift or that
9 problem is more than enough to take care of making sure
10 everybody's above the line?

11 MR. KIRKLAND: Everybody's -- nobody's below
12 the line.

13 MR. GADBOIS: Nobody's below the line.

14 MR. KIRKLAND: A lot of them are right at the
15 line.

16 MR. GADBOIS: Okay.

17 MR. KIRKLAND: So you're not above or below.

18 MR. GADBOIS: Okay. Okay. That helps.

19 Thanks.

20 MR. KIRKLAND: Yes. More than enough to deal
21 with it from that standpoint, and we have some residual in
22 the -- which then falls under the discretionary option
23 within the Administrative Code.

24 MR. GADBOIS: Is that a one-time or is that --

25 MR. KIRKLAND: At this point in time --

1 MR. GADBOIS: -- something that continues
2 through, you know, each one of the annual cycles?

3 MR. KIRKLAND: Right now the Department's in
4 the process of preparing its legislative appropriations
5 request for next biennium. And it's going through the
6 internal stages. That will be presented to -- and it's a
7 item on our agenda. That will be presented to the
8 Commission in June as a presentation of the LAR. There's
9 no formal action in June by the Commission but they will
10 be expected in August to adopt that. At this point in
11 time the discussion draft within the administration
12 continues to carry this amount forward --

13 MR. GADBOIS: Okay.

14 MR. KIRKLAND: -- into the next biennium.
15 That's a long way of getting to your question. So right
16 now it looks like it would at least be available into the
17 next biennium.

18 MR. GADBOIS: From your LAR? What you can
19 control? And then we've got the -- what the Legislature
20 does with your --

21 MR. KIRKLAND: Right. So two important steps.
22 One, it needs to be blessed by the Commission and then
23 two, it's got to be obviously approved by the Legislature.

24 MR. GADBOIS: Okay. Thanks.

25 MS. BLOOMER: This is Michelle. Kelly, can we

1 go back to the slide, the transit impact state funds?

2 MR. KIRKLAND: Yes. Okay.

3 MS. BLOOMER: And I apologize if this is -- if
4 I'm missing something. But my understanding is currently
5 in Galveston County and Brazoria County there is an
6 existing provider providing service. And that is the Gulf
7 Coast Center.

8 MR. KIRKLAND: The rural transit district in
9 the area is Gulf Coast. So they provide services to the
10 non-urbanized -- under the 2000 census now they were
11 providing services to the non-urbanized areas of Galveston
12 and Brazoria County.

13 MS. BLOOMER: At that time it was all non-
14 urbanized.

15 MR. KIRKLAND: The City of Galveston and the
16 stand-alone urban transit district for just the City of
17 Galveston was doing the urban area --

18 VOICE: Was doing the urban area that was part
19 of the Galveston urbanized area.

20 MR. KIRKLAND: Yes.

21 VOICE: There's also urbanized areas of Texas
22 City and La Marque, which are part of Galveston County on
23 the mainland, and they're served by Gulf Coast Center,
24 which does urban transit in Texas City and Lake Jackson.
25 And Lake Jackson's Brazoria County.

1 MS. BLOOMER: Okay. And going forward, is one
2 of those two going to be providing the service in
3 Galveston County in the urbanized area now?

4 VOICE: As far as we know, the urbanized area
5 of Galveston County, Texas City and La Marque, is still
6 going to be provided by Gulf Coast Center. The non-
7 urbanized part of Galveston County is going to be this new
8 Galveston County transit district.

9 MR. KIRKLAND: Which includes the City of
10 Galveston. I'm sorry. That --

11 MS. BLOOMER: Okay.

12 MR. KIRKLAND: So there's more than one
13 urbanized -- the Texas City/La Marque was not something
14 that was a part of this conversation in people's thoughts.
15 That continues to be a separate urbanized area.
16 Currently the services in that area are provided by Gulf
17 Coast Center. So all that remains the same. The
18 difference is the City of Galveston and -- is now a non-
19 urbanized area. And all of those services will be
20 provided by the Galveston rural transit district, which is
21 Galveston County.

22 MS. BLOOMER: Okay. I'll have to digest all
23 that. And I just want to -- my largest concern is that I
24 don't believe transit services are best provided based on
25 a funding source or an urbanized area designation or a

1 small urban rural provider or an urbanized provider.
2 That -- to the public it's transportation services.

3 So the more providers there are trying to
4 provide a service based on either the type of funding
5 that's being provided or a census designation or a
6 political subdivision designation sort of complicates the
7 actual provision of service to the client. So --

8 VOICE: I agree.

9 MS. BLOOMER: -- we can --

10 VOICE: Then we get to come back and do
11 coordination efforts, because --

12 VOICE: Yes.

13 VOICE: -- the other providers between them --

14 MS. BLOOMER: Well. Right. And that's where
15 I'm getting. Just register that for now and move on,
16 because I do have a question about the last bullet, too.
17 And maybe this is something we can ask our working group
18 number one to look at in more detail as part of their work
19 activities.

20 I'll turn it back over to Kelly.

21 MR. KIRKLAND: Okay. So for the third bullet
22 on that sheet -- slide or that sheet we talked about
23 having a census impact rule change, which is, of course,
24 now in effect, which talks about the funding that we have
25 available, talks of our current biennium Appropriation Act

1 to address issues with state funding losses.

2 The fourth bullet here -- state funds are not
3 available for transit in urbanized areas that contain
4 transit authorities. And so that's going to impact
5 Georgetown, Kyle and New Braunfels. We're not going to be
6 able to count their population and land area in the
7 funding formula for state funds.

8 MR. SALAZAR: Yes. And just for the record --
9 this is J.R. again -- I mean, that's really hard for me to
10 swallow. Unless I'm mistaken here, when we talk about the
11 enclave, whatever we call those people, the Arlington --

12 MS. BLOOMER: Grand Prairie, Mesquite and that.

13 MR. SALAZAR: Because we do provide state funds
14 for them.

15 MR. KIRKLAND: Yes, we do. Because there is a
16 specific exemption in statute back in 1996.

17 MR. SALAZAR: Uh-huh. So what we did, just
18 because they were written in in 1996, they get money
19 because they were written in?

20 MR. KIRKLAND: Yes.

21 MR. SALAZAR: And these people here will not
22 because they weren't --

23 MR. KIRKLAND: Yes.

24 MR. SALAZAR: -- included in that --

25 MR. KIRKLAND: That's correct.

1 MR. SALAZAR: That's just hard for me to
2 swallow. I mean, it's just -- I just -- that just does
3 not make sense to me one bit. And I think we all agree on
4 that. But, I mean, what do we do?

5 MS. BLOOMER: And I -- this is Michelle --
6 J.R., I think the other issue for me, too is it gets back
7 to the UZA designation. So by the mere fact that you're a
8 transit provider within the Census Bureau urbanized area
9 and you also happen to be -- because it's a large area,
10 have a transit authority in your service area now you
11 are --

12 VOICE: Well --

13 MS. BLOOMER: Am I ineligible for --

14 VOICE: That's not automatic. Large urbanized
15 areas don't necessarily automatically have transit
16 authorities. For example, Killeen is a large urbanized
17 area now because of their census. They do not have a
18 transit authority. Conroe or The Woodlands does not have
19 a transit authority. Brownsville does not have a transit
20 authority.

21 MS. BLOOMER: Right. But --

22 VOICE: These are all large urbanized areas.

23 MS. BLOOMER: But the mere fact that you now
24 are a transit agency -- so those entities are sort of --

25 VOICE: Eligible to receive funds.

1 MS. BLOOMER: -- lucky because they're within
2 a large urbanized area that doesn't have. And then on the
3 other flip side, if you happen to be -- you're in an
4 urbanized area -- either you weren't before or you were
5 before but you were small enough that you didn't take in
6 enough land where you had larger urbanized area that did
7 include, you were able to get funds. And then one day
8 because the Census Bureau decides, Well, now the urbanized
9 area is this, and it just so happens that there's another
10 transit property in that urbanized area with you that
11 happens to have a sales tax you no longer receive state
12 funds.

13 VOICE: Uh-huh.

14 MS. BLOOMER: So I think both J.R.'s concern
15 about there are others that have an exception, so that's
16 not necessarily equitable for these four. And I think for
17 me it's more of an issue of, Is one day you are and by
18 something completely outside your control and sort of an
19 arbitrary designation, the urbanized area, and another
20 entity that sits next -- I mean, it would be like saying,
21 Well, Michelle, because you sat next to Brad today we
22 can't do X; but you've done X for the ten past years.

23 So I think that's where -- when we saw this
24 last time it was like, Wait a minute. And I think what
25 I'd like to -- maybe the working group one to look at is,

1 you know, do we have any ability to provide some
2 flexibility to those entities that are in this position in
3 the short term and in the long term when we open up the
4 rules I think this is something we'll need to address.

5 And, Eric, you had mentioned that of the three
6 million or the one point -- the census impact dollars that
7 maybe if we only need 900,000 is there some opportunity
8 that that difference could be made available to help
9 address this, or are there other --

10 MR. GLEASON: Here's the -- this is Eric. This
11 is what we know about short-term flexibility with respect
12 to this, is that on the federal side any federal funding
13 that was calculated using the 2000 census designations --
14 so in that case all federal funding -- transit funding,
15 including Fiscal Year '12 was calculated using 2000 census
16 designations. It can continue to be used in those areas
17 beyond Fiscal Year 2012 for the provision of service.

18 So for example, Georgetown and urbanized areas
19 around the metroplex that are formerly non-urban, now
20 urbanized it's possible if there are remaining balances of
21 federal Fiscal Year '12 or earlier funding in the 5311
22 program, for example, that they can be applied in those
23 areas into federal Fiscal Year 2013. Okay? Any 2013
24 federal money received could not be.

25 So we've got an opportunity, depending on

1 remaining balances, to -- I don't know what you want to
2 call it, you want to call it a shell game or whatever it
3 is -- but we can create an opportunity to bridge a certain
4 time frame to allow a longer-term solution to be put in
5 place that way. Now, with respect to the state census
6 funds we can't award them to these areas for service in
7 these areas or give them to another provider to provide
8 service in these areas. The state funds can't directly go
9 into that.

10 What we are exploring internally are what kinds
11 of options might there be around the discretionary
12 portion, in terms of -- for example -- and I want to use
13 it just as an example. The question has been asked and
14 not answered. But for example, if say, it -- there's
15 \$100,000 of rural program service in Georgetown today and
16 CARTS has federal '12 or '11 5311 funds in that amount
17 available we can bridge by spending that money -- that
18 federal money -- there. We could consider an award
19 possibly of the census state funding as backfill for that
20 amount to the regular program. I don't know if that's
21 possible.

22 MR. GADBOIS: Could --

23 MR. GLEASON: But those are the kinds of
24 questions we're asking to try and -- our objective is
25 creative time frame, a one to two-year bridge time frame

1 with some short-term solutions to allow these --
2 particularly places in this kind of a situation to sort
3 something out.

4 MR. GADBOIS: Okay. This is Glenn. Can I
5 suggest another scenario --

6 MR. GLEASON: Absolutely.

7 MR. GADBOIS: -- that you all consider? As I
8 understand it from the way it's been -- the General
9 Counsel's decision has come down, Capital Metro has been
10 considered a recipient -- correct -- just not for that
11 specific area? I mean --

12 MR. GLEASON: That area --

13 MR. GADBOIS: -- Capital Metro --

14 MR. GLEASON: That area is not --

15 MR. GADBOIS: Capital Metro --

16 MR. GLEASON: -- included in the funding
17 calculation.

18 MR. GADBOIS: Right. But Capital Metro was an
19 eligible -- could be an eligible recipient under that.
20 No?

21 VOICE: No. We cannot give money to a transit
22 authority. State funds, through the state-funding
23 formula, cannot go to a transit authority.

24 MR. GLEASON: Right.

25 VOICE: Unless it was a transit -- or it was in

1 an urbanized area that was under Chapter 453 of the Texas
2 Transportation Code when the urbanized area was below
3 200,000 in population. Therefore, Laredo, even though
4 it's not over 200,000, is still eligible for state funds.

5 MR. GADBOIS: Okay. Could that same logic,
6 though, be applied to Georgetown that wasn't in the --

7 VOICE: No.

8 MR. GLEASON: The code is specific to Laredo.

9 MR. GADBOIS: Oh. Okay.

10 VOICE: Yes. Because Capital Metro --

11 MR. GADBOIS: So they did a bracket?

12 MR. GLEASON: It's not -- it doesn't say Laredo
13 specifically. But it has enough of a definition in it
14 where --

15 MR. GADBOIS: The bracket. Yes.

16 MR. GLEASON: Yes.

17 MR. GADBOIS: So -- okay. Because what I was
18 going to suggest is Capital Metro these days does
19 contracting for services, even where they're not within
20 their one-cent service area.

21 VOICE: Right.

22 MR. GADBOIS: And so that might have been a way
23 around this. But it sounds like no. Okay.

24 MR. GLEASON: Yes. The state code is
25 incredible prescriptive and specific --

1 MR. GADBOIS: Oh, yes.

2 MR. GLEASON: -- to deal with past situations.
3 And it's not -- it doesn't give us the flexibility now.
4 But we -- what I would expect to happen is that when we go
5 to -- we'll be going to the Commission later this month
6 with the award of state funds for next year. So that will
7 be the first time the 2010 census impacts are felt.

8 And as a part of that action in June, we'll be
9 identifying for the Commission the amount of funding
10 needed and to whom it needs to go, to make sure everyone
11 doesn't go -- make sure no one goes below the line. So
12 that's what the June Commission action will award. It
13 will award state funds and then to make sure no one goes
14 below the line.

15 That will leave us with about 2.2 or 2.3
16 million for this biennium to be looked at in these bridge
17 situations and how creative can we get in getting funds
18 out to allow the service to be provided. San Marcos,
19 being the new stand-alone UVA, might have some very unique
20 one-time start-up needs that those funds could be applied
21 for.

22 And we'll be going out with some kind of a
23 call, if you will, for proposals at some point, where we
24 will say, These are the situations that we anticipate
25 funds being needed to address; send in -- based on those,

1 send in proposals to us and we'll be evaluating them and,
2 you know, make a decision.

3 Now, the other example -- we have -- Galveston,
4 for example, by moving from urban to rural on the federal
5 side really gets shorted. And, you know, they get a
6 little more on the state side in their rural status than
7 they did on the urban side. But on the federal side they
8 take a big hit. The net impact of all that is about
9 \$600,000 less of public transportation formula funding for
10 Galveston.

11 MR. GADBOIS: Well, the -- and just a note.
12 And particularly, the -- Georgetown and those other areas.

13 That -- ultimately, that's a problem created by the
14 Legislature. And if it's that important to the
15 Georgetown and the such I can -- we can -- we need to
16 assume that they're going to go to their legislators to
17 seek a remedy that would happen within a time frame such
18 that if we figured out a -- we -- you all figured out a
19 solution for the next year or so then the legislative fix
20 kicks in after that. Right?

21 MR. GLEASON: Yes. That's the context of a
22 bridging time frame --

23 MR. GADBOIS: Yes.

24 MR. GLEASON: -- to allow a solution to
25 happen.

1 MS. BLOOMER: That -- this is Michelle. Just
2 sort of to wrap all that up. I think the issue from --
3 what I think the issue is from a PTAC standpoint is sort
4 of the issue of the short-term flexibility to allow the
5 time, either at the local level to address it or for PTAC
6 to open the rules back up again.

7 But I -- again, I'd like to go back and maybe
8 the -- working group number one can look at it under your
9 objective to increase financial stability. Because I
10 think for transit providers it's a real issue of year-to-
11 year and how the census impact sort of -- we already have
12 the issue of not getting federal funds in a timely manner
13 related to the beginning of the fiscal year. And then
14 from year-to-year or ten years not knowing where you fall
15 until it comes out and having to sort of just completely
16 adjust. And then the inequity issues. If we can start
17 ticking off what some of those are so when we do get ready
18 to open the rules -- the formula back up again we can
19 remember what all those were.

20 But I would ask -- and I know you're already
21 doing it -- but encourage -- if we could -- what we can do
22 and as flexible as we can be to help those agencies
23 address that transition period and give them a little
24 breathing room to figure out how they're going to adjust
25 for that negative impact.

1 MR. GLEASON: If I might suggest? Is there --
2 I don't know the extent to which we need to continue
3 through this. We touched on the key elements of this
4 presentation. We're getting close to two hours for our
5 meeting here. I will leave it up, obviously, to the
6 committee. But I would say that we've covered the salient
7 policy points.

8 VOICE: Well, and the committee has created
9 this space for a conference call to figure out our work
10 plan advice accepted, I think, on one of those items. LAR
11 is probably another one of those items we ought to just
12 discuss. And so --

13 VOICE: Okay.

14 MS. BLOOMER: We'll go ahead and move on to the
15 next item, which is the Legislative Appropriations Request
16 discussion and comment.

17 MR. GLEASON: Yes. This is Eric. We touched
18 on this earlier. You have in your packet a copy of a
19 letter that the committee sent to the Commission during
20 its deliberations on the current biennium. We are now in
21 the same time frame and the Department is preparing the
22 request for next year. Now would be the time for the
23 committee, if it wanted to, to weigh in for a request for
24 performance that it consider an increase in public
25 transportation funding.

1 You know, the context for this last session
2 was, you know, dire economic straights. The committee
3 still wanted to make the request to keep it visible. The
4 Department accepted the recommendation to the extent that
5 we included it. We included it as a request for general
6 revenue funding as opposed to funding coming from the non-
7 dedicated side of the State Highway Fund.

8 So here we are again two years later, three
9 years later. I'm not sure. The economic picture looks a
10 little better than it did. But I think everyone's
11 expecting the next session to be similar. The committee
12 can still choose to keep these needs in front of the
13 Commission and in front of the Legislature by requesting
14 that the Commission add it to the Department's requests.
15 And that's the purpose of this item today.

16 What I would -- if the committee chooses to do
17 that what I would suggest to you as a course of action
18 would be to use this letter from the previous time as the
19 starting point. The division could help you update some
20 of the numbers in it to be current. And then based on
21 that, that a letter could be drafted and be sent to the
22 chair, as it was last time.

23 MR. GADBOIS: I'd like to just suggest
24 something here. Given that we've already got the LBB
25 instructing agencies to hold the line on cost and find

1 another 10 percent, the fourth of those in a row, that we
2 spend a little bit of time thinking about strategy and
3 maybe investigating a -- maybe we can find a more
4 productive way than asking for GR that we know we're not
5 going to get.

6 And so if we can, I'd like to put that on our
7 conference call. See if we can figure out a game plan.
8 We've got a little bit of time to be able to effectively
9 talk to Commission. You all are hearing -- the
10 Commission's hearing a briefing late July.

11 MR. GLEASON: Late June.

12 MR. GADBOIS: Late June. And we'll finalize in
13 August?

14 MR. GLEASON: Yes.

15 MR. GADBOIS: So if we shoot to have something
16 to them in late June or early July then we could be okay.

17 The question for you is if we consider something, if we
18 draft something is there a way for you all to send it out
19 and us to electronically as a group approve it?

20 MR. GLEASON: I would say -- this is Eric --
21 the only way for that to work would be for today for the
22 committee to have enough of a substantive discussion
23 around what that might be so that all we were doing
24 independent and outside of a regular meeting was with
25 tweaking.

1 VOICE: Could we have the letter on a one-item
2 phone meeting? Just do a phone call?

3 MR. GLEASON: Well, I mean, we can -- we -- the
4 alternative is to look to try and organize a meeting of
5 the committee between now and whenever to talk about that.
6 And, yes, we can do meetings by phone.

7 MR. UNDERWOOD: Okay. The reason why --
8 I kind of agree with you, Glenn, because TTA,
9 the Legislative Committee, have some ideas about some
10 other ways of funding that if we were all kind of -- TEC
11 agrees with this, TTA legislatively agrees with this, all
12 singing the same song we might have a better -- and one is
13 the fuel tax. We've kind of discussed that off and on.
14 And --

15 MR. GLEASON: And then we'll have to comply
16 with the public notice requirement.

17 VOICE: Yes.

18 MR. GADBOIS: But if we could target a meeting
19 in say, early July, where we, the committee come to you
20 with a much firmer draft the meeting is then really only
21 to consider that one item, the draft and approval of it or
22 tweaking it or whatever, that would give us enough time to
23 do that? I mean, we have enough time for public notice on
24 that and getting that all arranged? And --

25 MR. GLEASON: Ten days. Ten days is the post-

1 notice.

2 MR. GADBOIS: Okay. And then that's enough
3 time for us to actually impact Commission deliberations?
4 If we --

5 MR. GLEASON: It's prior to adoption of a final
6 LAR, yes.

7 MR. GADBOIS: Okay.

8 MS. BLOOMER: This is Michelle. So it would be
9 in anticipation of the July Commission meeting. And then
10 the last time around we also went before the Commission as
11 part of that.

12 MR. GLEASON: Well, right now there is no LAR
13 action scheduled for the July meeting. There is a
14 description provided to the Commission in June. And it's
15 an opportunity for the Commission to comment on what they
16 hear. But there's no formal action on that item in June.

17 And then in August -- at the August meeting is when they
18 will formally adopt the appropriations request.

19 MS. BLOOMER: And the last time we did it we
20 went -- would have gone in what would be equivalent to
21 June of this year?

22 MR. GLEASON: I believe so, yes.

23 MS. BLOOMER: Okay. But right now --

24 MR. GLEASON: I think --

25 MS. BLOOMER: -- we're kind of --

1 MR. GLEASON: I think you're right.

2 MS. BLOOMER: -- short on time to make a June
3 Commission meeting, would be my concern.

4 MR. GLEASON: Well, unless you wanted to do
5 something as straightforward as say, Take this shell
6 today, update the numbers and let's go. But I think if
7 the time -- if the idea is to take a little more time to
8 be a little more thoughtful, given that the prognosis for
9 the session is, you know, a week --

10 MR. GADBOIS: No offense to the drafters of
11 that, but I would feel more comfortable taking a little
12 bit of time to draft something that might have a little
13 more chance of positive impact.

14 MS. BLOOMER: This is Michelle. I -- Glenn, I
15 completely agree. I think part of my concern or
16 uncertainty is related to I think it's important to keep
17 what's in that letter in front of the Commission,
18 regardless of how much of an actual opportunity we think
19 of getting anything we're asking for. I think it's
20 important to keep going back and hammering in that in the
21 last now 12 years public transportation, other than the 3
22 million last, hasn't gotten any increase. And sort of the
23 diminishing buying power, increasing costs, increasing
24 ridership, et cetera.

25 But to your point I think it's also very

1 important to focus on maybe how do we get -- how do we
2 actually receive some sort of benefit through some other,
3 more strategic effort, initiative. I think we also
4 probably need to mention the TDCs and how we're already
5 leveraging existing resources.

6 And even though we haven't gotten any more real
7 money and actually we've lost buying power with the money
8 we have received, how we've been able to stretch that even
9 farther. Because I think what keeps coming back is, Well,
10 we all need to learn how to do more with less. Well, you
11 can only squeeze so much more out of less. And I think we
12 need to keep reinforcing that we've been doing that and
13 we've been very successful at doing that. But at some
14 point there's not going to be any more to squeeze out of
15 that less.

16 And acknowledging that and acknowledging the
17 difficulty that we're in financially, here are some other
18 options that would bring benefit to public transportation,
19 as far as purchasing power or stretching our dollars
20 further that may not be in the line of, you know, another
21 \$57 million like the fuel credit. And I don't know if TTA
22 or the toll roads contain the -- I mean, that's -- having
23 been on the opposite side and being the one that reviews
24 invoices for transit providers and reimbursing funds,
25 tolls are another huge expense that we see coming through.

1 MR. UNDERWOOD: Been talked about at the TTA
2 Legislative Committee, as well.

3 MR. GADBOIS: Can I take your attempt to
4 influence the committee as a proof that we should be
5 drafting it?

6 (Laughter)

7 MS. BLOOMER: I think -- this is Michelle. I
8 think that's fine. We don't have formal action. We can
9 go back. Discussion and comment. Can we take action?

10 VOICE: It says action.

11 MR. GLEASON: There's action. It's for action.

12 MS. BLOOMER: Oh. That's odd how that's done.
13 Okay. We can take action.

14 VOICE: We can take action.

15 MS. BLOOMER: And based on that comment, Glenn,
16 I think you volunteered committee one --

17 MR. GADBOIS: And A -- 1A --

18 MS. BLOOMER: -- sorry -- working group one to
19 work on a revised letter using the last finance letter
20 sort of a base and adding to that to share with the
21 committee. We just need to make sure. So you all need to
22 wicky-wicky.

23 MR. GADBOIS: That's what we get for falling
24 between last meeting and this one.

25 VOICE: Yes.

1 MR. GADBOIS: So the only thing I would suggest
2 as clarification for that is we're suggesting we have a
3 meeting in July to formally approve something. And, yes,
4 that may mean we don't in person go in front of the
5 Commission in June. We think our letter will be well
6 received and, you know -- and have due influence in early
7 July if you're comfortable with that additional
8 clarification on your motion. And I'm good at seconding
9 it.

10 MS. BLOOMER: Wasn't sure where I was making a
11 motion. But okay. First and a second.

12 Are we okay, Eric, on a one-item conference
13 call related to the letter?

14 MR. GLEASON: Well, we'll look for time. Sure.
15 Yes, that's fine.

16 MS. BLOOMER: Because we don't -- is there
17 anything we can do today to put more detail to it so we
18 would not be required to come back for the conference
19 call? Would that be easier? Because --

20 MR. GLEASON: I think it would be easier. But
21 I don't think it's possible. I think --

22 MS. BLOOMER: Okay.

23 MR. GLEASON: I think what I heard is that
24 there needs to be some discussion around what TTA's
25 looking at with some more creative options. What I'm

1 hearing is the committee wants to go to the Commission in
2 some format which is more than just, I need more money.

3 VOICE: Right.

4 MS. BLOOMER: Right.

5 MR. GLEASON: And I can certainly --

6 MR. GADBOIS: And by the way, ask the
7 Legislature for GR sources.

8 MR. GLEASON: Well, yes. I mean, we all know
9 where that --

10 MR. GADBOIS: Yes.

11 MR. GLEASON: All right.

12 MS. BLOOMER: Okay. Then we have a motion and
13 a second. Any other discussion on the item?

14 Al, do you have any?

15 MR. ABESON: No.

16 MS. BLOOMER: Are you -- okay.

17 So we'll go round. Rob?

18 MR. STEPHENS: Fine.

19 MS. BLOOMER: Glenn?

20 MR. GADBOIS: Aye.

21 MS. BLOOMER: J.R.?

22 MR. SALAZAR: Aye.

23 MS. BLOOMER: Al?

24 MR. ABESON: Aye.

25 MS. BLOOMER: Michelle, aye.

1 And then just before I wrap, I think the idea
2 being we'd have a letter late July to get to the
3 Commission in August. And then we'll have another meeting
4 between then --

5 VOICE: Correct.

6 MS. BLOOMER: -- for the rules. And then we
7 can talk about sending somebody to the Commission in
8 August potentially.

9 MR. UNDERWOOD: Are there any dates that we
10 would have to -- the reason I say that is because we have
11 the semi-annual on the 18th. We'll all be here.

12 And, Glenn, you live here.

13 MR. GADBOIS: Yes. Although -- I mean, we
14 may --

15 VOICE: Or we need it before then.

16 MR. GADBOIS: I'm thinking if we -- you know,
17 the longer we wait into July the harder it's going to be
18 to influence the LAR, because the LAR, you know, goes
19 through a lot of -- you know, has to go through every
20 department, has to -- you know, all that sort of stuff.
21 And so to the extent we're really trying to influence it,
22 the earlier the better. I just don't think it can happen
23 before early July.

24 VOICE: Okay.

25 MS. BLOOMER: Okay.

1 VOICE: I understand.

2 MR. GADBOIS: And so if you all don't mind
3 us -- giving an hour in early July to meet and talk about
4 it and look at it, draft it, you know, you'll get by email
5 and vote on it, then I'd rather see that happen.

6 VOICE: Cool. Okay. No problem.

7 MS. BLOOMER: Okay.

8 Eric, Division Director's Report?

9 MR. GLEASON: Okay. Once again -- I'll do it
10 quickly because I know it's late. Now, I apologize we
11 didn't get a written report together. I do recall that
12 being something the committee wants to see, as opposed to
13 me just popping up at the meeting with the topic. So we
14 will do that -- not for the phone call. I would suggest
15 there's not a Director's Report --

16 MR. GADBOIS: Thank you.

17 MR. GLEASON: -- at the phone call. But at
18 our next meeting after that. Real quickly, Commission
19 action. The last -- in May -- we had no items in April.
20 In May we did make an initial award to some projects that
21 did come in through our coordinated call. And we chose
22 those projects and the awards based on available funding.

23 So we awarded a portion of the Inner-City Bus
24 Program that was focused on operating, because those are
25 largely contracts that need to be in place by the 1st of

1 September to allow that service to be sustained.

2 And we did, because of some remaining program
3 balances, have enough to move ahead on the Job Access
4 Reverse Commute Program awards. So no action yet on New
5 Freedom, no action on Rural Discretionary and no action
6 yet on the balance of the inner-city bus funding that were
7 part of the call. We did some partial -- I don't guess --
8 we've not yet awarded anything on the Planning Program,
9 either.

10 MS. BLOOMER: And this is Michelle. When are
11 those anticipated?

12 MR. GLEASON: That's going to depend on when we
13 get full-year apportionments from the feds.

14 MS. BLOOMER: Okay.

15 MR. GLEASON: And so your guess is as good as
16 mine. Right now we don't have authorizing legislation
17 past the end of this month. I assume something will pop
18 out at the end of the month.

19 MS. BLOOMER: We can only hope.

20 VOICE: But then if it's another continuing 90-
21 day resolution --

22 MR. GLEASON: Well, that would give us the rest
23 of the year.

24 MS. BLOOMER: Go through to like July 15.

25 MR. GLEASON: That will give us the rest of

1 the year, and then we're just dependent upon the STATUTORY
2 getting their apportionments out. So I'm going to hope
3 for July. I really hope it doesn't slide to August. But
4 I think July is going to be close.

5 VOICE: So it's still going to push you with
6 your September contract dates? I mean, are you going to
7 be --

8 MR. GLEASON: Well, what we've done with the
9 May award was those -- yes. Yes, for those things, yes.
10 Our main concern for September were the operating hearings
11 themselves.

12 VOICE: Okay.

13 MR. GLEASON: Yes. Two other smaller items in
14 May. Some additional funds out to the Concho Valley
15 Transit District to make some modifications to the
16 [inaudible] out there and inner-city carriers. And then
17 reassigning active grant fund from the Community Council
18 of Southwest Texas over to the Southwest Area Regional
19 Transit District.

20 In June, later this month, we are going to
21 award the state funds, as we talked about. We will be
22 awarding metropolitan transportation planning funds. This
23 is an annual award that we do under the 5303 program. And
24 then development credits to Hill Country Transit to help
25 them use their -- to help draw down funding for fuel --

1 the 307 side. So that's it.

2 MS. BLOOMER: Okay.

3 VOICE: They took advantage of capitalizing --

4 MR. GLEASON: Well, to make a long story short,
5 they attempted to take advantage of a federal program when
6 it was announced. We neglected to include their
7 application in our application on their behalf, and so
8 this action addresses that issue.

9 VOICE: Okay. Thanks.

10 MR. GLEASON: Making good on the --

11 VOICE: Sure.

12 MR. GLEASON: All right.

13 MS. BLOOMER: Okay. Any other questions for
14 Eric?

15 (No response.)

16 MS. BLOOMER: Hearing none, we'll move on to
17 Item Number 9, which is public comment. And I don't
18 believe we have anybody signed up for public comment.
19 That's one way to --

20 MR. GADBOIS: Or they could have left the
21 building.

22 MS. BLOOMER: I don't believe we're going to
23 confirm the date of the next meeting at this point.
24 Ginnie will work for something in mid-July for one item,
25 to discuss the letter.

1 Seeing no other action --

2 MR. UNDERWOOD: Move to adjourn.

3 MS. BLOOMER: I have a motion.

4 MR. GADBOIS: Second.

5 MS. BLOOMER: Second. All those in favor, say

6 Aye.

7 (A chorus of Ayes.)

8 MS. BLOOMER: Thank you very much. Meeting is
9 adjourned.

10 (Whereupon, the meeting was adjourned at 12:10
11 p.m.)

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MEETING OF: Public Transportation Advisory Committee

LOCATION: Austin, Texas

DATE: June 7, 2012

I do hereby certify that the foregoing pages,
numbers 1 through 105, inclusive, are the true, accurate,
and complete transcript prepared from the digital
recording provided.

06/27/2012

(Transcriber) (Date)

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