TEXAS DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION ADVISORY COMMITTEE

200 E. Riverside Drive
Room 1A.1
Austin, Texas

9:00 a.m.
Friday,
October 23, 2009

COMMITTEE MEMBERS PRESENT:

J.R. SALAZAR, Vice-Chairman
MICHELLE BLOOMER
VINCE HUERTA
CLAUDIA LANGGUTH

COMMITTEE MEMBERS PRESENT VIA TELEPHONE:

AL ABESON
CHRISTINA MELTON CRAIN
JANET EVERHEART

STAFF PRESENT:

ERIC GLEASON, Director, PTN Division
KELLY KIRKLAND, Director, Planning and Support, PTN Division
SUZANNE MANN, Office of General Counsel
GINNIE MAYLE, PTN Division
CHERYL MAZUR, PTN Division

ON THE RECORD REPORTING
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MR. SALAZAR: We'll go ahead and start. I will be presiding over the meeting due to the fact that Mr. Gilliam has -- apparently is going to retire and his term has expired on this committee. Let me go ahead and call the meeting to order. We do have a quorum of members, either here present with us in Austin and we also have three present by the -- by telephone.

I will tell you that I have been reminded that every time you speak, especially you guys on the telephone, to please state your name and tell us what you will need to say and obviously, when you cast you vote we need you to state your name and cast your vote accordingly.

We are actually going to have a change in the agenda. I'm going to move Agenda Item Number 3 up to Agenda Item Number 2, which is Recognition of service for the members whose terms have expired. And we just finished talking about -- let me find that request -- Mr. Gilliam. And apparently, Mr. Gilliam has served on the PTAC since September of 2003. He's also served as the Chair since 2004, which is a pretty long time. And at the November Commission meeting the Commission will recognize Fred for his service. And we obviously thank Fred and wish him well in everything that he does.
And we also want to recognize Donna Halstead. She's served on the PTAC committee since September, 2003. She's with the general public representative. Also, Mark Maddy served on PTAC since September, 2003. He represented the transportation users. Kari Hackett is also -- his term has come up. He served on PTAC since 2006. And he is also a general public representative. We obviously want to welcome Christina Melton Crane. She's been appointed by the Lt. Governor. And we welcome you and we look forward to meeting you in person.

And I think it would be appropriate if we'd just go around the room and on the telephone and introduce ourselves to you just briefly. I'll start and then we'll go around the room here and then we'll follow-up by those on the telephone. And if you'll introduce yourself, Ms. Crain, and tell us a little bit about yourself.

But I'll start. My name is J.R. Salazar. I'm the General Manager of Central Texas Rural Transit District. It is a rural transit system with 11 counties and about 11,000 square miles.

MS. BLOOMER: My name is Michelle Bloomer. And I'm a program manager at the North Central Texas Council of Governments, which is the FPO for the Dallas/Fort Worth/Arlington urbanized area, the Denton, Lewisville and

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the McKinney. And then we're also the lead agency for regional coordination and planning in north central Texas.

MS. LANGGUTH: Hi. Good morning. I'm Claudia Langguth. And I have my own consulting company. I do business management consulting.

VOICE: Do you want the members?

MR. SALAZAR: Yes.

And also, those members on the phone. And then we'll finish with Christina Crain and we'll let her introduce herself.

But, Dr. Abeson, if you and --

Janet, if you'll introduce yourself?

MR. ABESON: Good morning. I'm Al Abeson. I am the Employment Director of the Easter Seals Project Action and the National Center for Senior Transportation. And I live in Fort Worth.

MS. EVERHEART: Yes. I'm Janet Everheart. And I'm the Executive Director of West Texas Opportunities. We are a community action agency in west Texas and we cover 26 counties. We're also the rural transit provider for 22 counties. And we have a number of different programs, such as Head Start and the utility assistance and things like that that we operate.

MS. CRAIN: Okay. This is Christina Crain. And it's a pleasure to join you guys. And I look forward
to meeting all of you in person. I am a practicing attorney in Dallas. I have my own solo practice. I work with children, work on legislative issues and mediate. I'm currently President of the Dallas Bar Association and for seven years I chaired the Board of Criminal Justice. So I'm looking forward to getting back into government service and appreciate the opportunity.

MR. SALAZAR: Absolutely. We thank you for your time and we look forward to meeting you again. And I'm sure we will. And thank you again for --

MS. CRAIN: Thank you.

MR. SALAZAR: Okay. Moving on to Agenda Item Number 3. I would take it that everybody's had the chance to look at the minutes. And we'll give just a second if you haven't. If there are no changes I would entertain a motion?

MR. ABESON: On the minutes from March 4 there's a sentence that just didn't finish. And I don't have it in front of me. I hope I can describe this well enough. The sentence is, Offered suggestions to. And then there's a blank. And I'm sorry. I don't have that in front of me. I've not printed all this out. Can you find it, folks?

MS. EVERHEART: Yes, we see it, Mr. Abeson.

MR. ABESON: Right.
MR. SALAZAR: Let's get those corrected and then we'll just defer the minutes for now.

MS. BLOOMER: J.R., this is Michelle. Can I ask another question? On Item 4 right above it, I wasn't there for that meeting. And I apologize. But the action -- there's two action items. It says the committee voted on the amended motion with seven ayes and one abstention. The motion passed. And below it says, The committee then voted on the original motion. That seemed -- since I wasn't there I don't know if that actually happened. But it looks like you voted on an amended and then on the original motion and both of the motions passed.

MR. SALAZAR: (Perusing document.)

VOICE: I'll just have to look at the transcript and I will get back with you. That would look confusing.

MR. SALAZAR: Okay.

MS. BLOOMER: Okay.

MR. SALAZAR: I would imagine.

We'll get those two items cleared up and we'll take a look at that later.

MS. LANGGUTH: J.R., can we entertain a motion? This is Claudia Langguth. Can we entertain a motion to adopt the minutes for May 29?
MR. SALAZAR: Yes, we can.

MS. LANGGUTH: Okay.

MR. SALAZAR: Do we have a motion?

MS. LANGGUTH: Have a motion. I move that we adopt the minutes from May 29.

MR. SALAZAR: Second?

MS. EVERHEART: This is Janet. I second that motion.

MR. SALAZAR: We have a motion and a second. Any more discussion before we vote?

(No response.)

MR. SALAZAR: If not, please cast your vote.

MS. LANGGUTH: Claudia Langguth. Yes.

MS. BLOOMER: Michelle Bloomer. Abstain.

MR. SALAZAR: J.R. Salazar. Yes.


MS. EVERHEART: Janet Everheart. Approve.

MS. CRAIN: Christina Crain. Approve.

MR. SALAZAR: Motion carries.

All right. We'll move on to Agenda Item Number 4. As mentioned, Mr. Gilliam is no longer with the committee and therefore, he had been the Chair for many, many years. And it is now time to elect a new chair. And I do believe we had some people that were interested in serving as Chair. So I would entertain any motions to...
elect a new chair.

    MS. LANGGUTH: This is Claudia Langguth. I would like to recommend that Michelle Bloomer be considered as Chair. Michelle has indicated that she is interested. And she is very committed to providing better public transportation.

    MR. ABESON: Al Abeson will second that motion.

    MR. SALAZAR: Okay. We have a motion and a second. Any more discussion or nominations before we vote?

    (No response.)

    MR. SALAZAR: Hearing none, we'll cast your vote.

    MS. LANGGUTH: Claudia Langguth. Yes.

    MR. ABESON: Al Abeson. Yes.

    MS. CRAIN: Christina Crain. Yes.

    MS. EVERHEART: Janet Everheart. Yes.

    MR. SALAZAR: And this is J.R. Yes for me, as well.


    VOICE: You're not voting for yourself.

    MS. BLOOMER: It's kind of awkward.

    MR. SALAZAR: All right. Well, it looks like we have a new Chair. And congratulations and we look
forward to many, many meetings and -- it's all yours.

MS. BLOOMER: Well, thank you, J.R. and thank you, Committee. I guess to move on to Item Number 6 then, Review and comment on the final draft of proposed revisions to the Texas Administrative Code.

MR. ABESON: On Title 43, Rule Section 1.8, Internal Ethics and Compliance Programs. You folks with me?

DR. ABESON: Uh-huh.

MS. BLOOMER: Sorry. Dr. Abeson, is that you?

MR. ABESON: Yes.

MS. BLOOMER: Can you make --

MR. ABESON: I'm sorry?

MS. BLOOMER: -- state your name before you speak?

MR. ABESON: Yes. I'm sorry. Al Abeson. And are folks with me on this, where we are?

MS. BLOOMER: Yes.

MR. ABESON: Okay. If you go down to -- let's see -- there's a capital (B)(2)(d)(1)(2) that reads as follows, "Appropriate care is being taken to avoid the delegation of substantial discretionary authority to individuals whom the organization knows or should know have a propriety," -- I'm sorry -- "have a propensity to engage in illegal activities."

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I found that really puzzling. It would seem to me that if an agency knows of such a person I'd be surprised why they're even working there. Does -- what am I missing?

MR. GLEASON: If I may?

This is Eric Gleason, Division Director for Public Transportation at TxDOT. We have Suzanne Mann here from our Office of General Counsel to help the committee work through its discussions.

So Suzanne, if you want to jump in at this point?

MS. MANN: Is this on?

MR. GLEASON: Yes.

MS. MANN: Okay.

Can you hear me?

MR. ABESON: Yes.

MS. MANN: Okay. You're exactly right. They should not be working there. So the care that we're talking about taking, that an agency or an entity would take would be that they wouldn't hire those people. What TxDOT has done is we have actually expanded our criminal background checks. So that's kind of what we're expecting people to do, is do due diligence in either asking questions --

If it's a small agency you don't want to spend
the time or money to do a criminal background check. Then
you ask those kind of questions. You ask that disclosure
in either the application or in the interview process.
TxDOT has expanded that to do actual criminal background
checks on certain levels of employees. So that's what
we're talking about. The due diligence would be in
that -- in number two.

MR. ABESON: Is it in the right place then? I
mean, I -- it just seems to me that ethical issues should
apply to those people employed by the agency as opposed to
anybody else. Now, if someone were to fail that criminal
background check sort of in terms of what's described here
I would presume they would never be hired.

MS. MANN: They would not. You're right. And
let me tell you where this came from. And the language
may be a little bit awkward. And -- but what TxDOT did
was -- and I don't know how much background you have
from --

MR. ABESON: Little --

MS. MANN: -- a year ago.

MR. ABESON: Very little.

MS. MANN: Okay. Let me just tell you very
quickly what we're doing and why we're doing it. TxDOT a
couple of years ago is following other agencies and
especially other educational institutions like the
University of Texas at Austin and establishing internal
compliance programs. What those do is you make sure
you're following your own laws, federal laws, all kinds of
laws that govern what you're doing and also, ethical
considerations. Okay?

A guideline for agencies is the United States
Sentencing Guideline. The Sentencing Commission -- the
United States Sentencing Commission came up with eight
things, a check list per se, of how you can have an
internal compliance program that if you do these eight
things then you can actually cut your losses a little bit,
mitigate your losses if the feds come after you and say
you're not doing something correctly. Okay?

So we are trying -- we adopted a policy that
follows those eight procedures. That's what this does.
That wording comes directly from the United States
Sentencing Guidelines. And so that's why TxDOT has
increased our criminal background checks. That's how we
interpreted how to do that.

They give you in a thing called the United
States Sentencing Guidelines Application Notes -- you know
how the feds like to have a lot of extra verbiage -- they
have these application notes which kind of tell you how to
comply with their guidelines. In the application notes it
says, "As appropriate a large organization should
encourage small organizations, especially those that have 
or seek to have a business relationship with a large 
organization, to implement effective compliance and ethics 
program."

That is what TxDOT's doing now. We are going 
to all of the entities that do business with us, 
especially the ones who get money, grant money or loans 
from TxDOT or federal sources through us, and requiring 
them to have these same things that the feds required us 
to have. Okay? So that language -- although it's a 
little awkward perhaps, that's what that language means. 
And that's why we pretty much verbatim put it in there in 
our rules.

And what we did, is we put it in Section 1.8 so 
that we can add different -- we didn't want to go out all 
at once. We went back in July of, I believe, 2008 and 
posted a notice in the Texas Register saying, Okay, we 
might change rules in all these areas. Because we went 
through all of our rules and said, These are the people 
who take money from us, federal money flows through us. 
And so these are the people that were, according to this 
application note, we need to encourage to do business in 
an ethical manner and have a internal compliance program. 

So that's what the purpose of these rules are.

It's merely to implement what the United States
Sentencing Guideline requires.

MR. ABESON: Thank you very much for that explanation. I guess I would ask the same question of those who put together the federal guidelines. It just doesn't --

MS. MANN: Good luck with that.

MR. ABESON: It just doesn't make sense. It just doesn't make any sense. But to be in compliance with the federal government is always the best. I withdraw my concern.

MS. LANGGUTH: This is Claudia Langguth. I have a question about the periodic training.

MS. MANN: Yes.

MS. LANGGUTH: So I understand that any entity who receives grant money or who applies for funds and receives funds from TxDOT will now be required to conduct periodic ethics training?

MS. MANN: Right.

MS. LANGGUTH: And what do you -- how do you define periodic?

MS. MANN: What TxDOT's doing is annual.

MS. LANGGUTH: Annual?

MS. MANN: Uh-huh.

MS. LANGGUTH: Okay.

MS. MANN: We developed a real intensive --
well, intensive meaning 14,000 employees, getting them trained -- writing the training program and getting them trained was amazing. And we did that in a matter of two months.

MS. LANGGUTH: Great.

MS. MANN: We are not going to dictate how that's done by these entities. However, we will so help you. We will show you what we did. We'll help all these entities. If anybody contacts us we will help them with the training, we'll show what we did. And so we do it annually. We do our -- the law requires us to train our commission annually on ethics. And so our commission is trained annually and our employees are trained with a refresher annually.

VOICE: Okay.

MS. LANGGUTH: And this Claudia again. So this Administrative Code, once it is passed, I guess, will be become part of a contractual compliance?

MS. MANN: Yes. Because at that time -- I mean, they will have to comply with all of the regulations --

MS. LANGGUTH: Right. Uh-huh.

MS. MANN: -- that are in there. So, yes, it --

MS. LANGGUTH: Okay.
MS. MANN: -- will be part.

MS. LANGGUTH: Okay. Great.

MR. SALAZAR: This is J.R. I just have one comment, not necessarily a question. But I would encourage the Department to be aware, especially with the rural systems, that they may need some help. And so I'm glad to hear that the Department's willing to help the rural providers and bigger ones, as well, but specifically, the rural providers if they do need help.

MS. MANN: We will very much help. We will -- I will be glad to look over anyone's program, anyone's rules. If they want to -- you know, they're going to have to certify to TxDOT that they have a written program, that they have written guidelines for this. That's what this is requiring them to do. And so we can help them. We can look over what they've written. And I can say, Yes, this complies. However they want our help we'll be glad to help them.

MR. SALAZAR: Okay. Good.

MS. BLOOMER: And this is Michelle, just to follow up on J.R.'s comment. I think it would be extremely beneficial to the small providers, both rural and small urban providers if there was a sample --

MS. MANN: Uh-huh.

MS. BLOOMER: -- of what a written ethics
policy that would be the guidelines could be.

MS. MANN: We are already working on that, too.

MS. BLOOMER: Okay.

MS. MANN: So I anticipated that that would be something that especially the small people would need because they don't have the funds nor the -- they just don't have the resources to go hire somebody to do this and they don't have the experience. So we are actually preparing. But before final adoption of these rules we would have a checklist to show them that, If you do this -- I believe that was one of the questions that came up last -- a year ago, was a couple of people had asked for guidance.

And specifically, someone asked for a checklist. And so although those eight things are sort of a checklist, like was pointed out, it's a little vague as to what -- how you comply with that. And so we are going to develop a checklist on how to comply with that prior to final adoption.

MS. BLOOMER: Okay. And one -- just one last comment. We might -- this is Michelle again. We might want to look at maybe including, as part of the semi-annual meetings, an opportunity --

MR. SALAZAR: Absolutely.

MS. BLOOMER: -- for an ethics. Because we
just -- at the Council of Governments we all just had to
go through a mandatory two-hour ethics-training class. So
if we could just add it on to that. Because we're getting
prepared to fulfill our requirement.

MR. SALAZAR: And this is J.R. touching on what
Michelle said. And maybe we could also somewhat
incorporate that into the training that's provided by the
association and maybe we could do something there, as
well.

MS. BLOOMER: Any other discussion on the item?

(No response.)

MS. BLOOMER: Seeing no discussion, can I have
a motion?

MR. ABESON: What -- what are we -- are we
recommending it to move forward, are we adopting? What
are we doing?

MS. BLOOMER: You are --

I'm sorry. Do you want to go ahead?

VOICE: Go ahead.

MS. BLOOMER: You are providing a motion that
you will recommend that the commission propose these
rules.

MR. ABESON: And is this the last step before
it gets to the commission?

MS. BLOOMER: Yes. Then there would be a
public comment period of a couple of months.

MR. GLEASON: Now, these -- I'm sorry. This is Eric Gleason. These are currently scheduled to go to the commission at their December --

MS. BLOOMER: December.

MR. GLEASON: -- 17 meeting.

MS. BLOOMER: Yes.

MR. ABESON: I'll make a motion that the committee recommend that these proposals move forward to the commission for adoption.

MS. BLOOMER: The --

MS. LANGGUTH: This is Claudia Langguth. I second that.

MS. BLOOMER: Okay. Having a motion and a second, I guess we'll vote. Would it be easier just to go down the list?

MR. GLEASON: That's fine.

MS. BLOOMER: J.R.?

MR. SALAZAR: J.R. Yes.

MS. BLOOMER: Ms. -- is not on the line. Christina?

MS. CRAIN: Christina. Yes.

MS. BLOOMER: Janet?

MS. EVERHEART: Janet. Yes.

MS. BLOOMER: And Michelle yes.
Okay. The motion passes.

We are changing out the agenda just a little bit and moving Item 8 up.

MS. LANGGUTH: Michelle, I did not vote.

MS. BLOOMER: Oh, I'm sorry.

MS. LANGGUTH: That's all right. I vote yes.

MS. BLOOMER: Sorry. Got confused with the dual seconding.

MR. ABESON: And I presume -- this is Al. I presume you got me voting yes since I made the motion?

MS. BLOOMER: Yes, since you made the motion.

MR. ABESON: Yes. Okay.

MS. BLOOMER: Guess I might have to clarify that. Okay. Item 8 is Discussion and possible action on the Planning and Policy Technical Subcommittee's work program topics.

VOICE: Item 7.

MS. BLOOMER: Item 7?

VOICE: Yes. Going to Eric's.

MS. BLOOMER: And, Eric, did you want to --

MR. GLEASON: I'm sorry. I missed that.

MS. BLOOMER: The agenda -- the revised agenda I have has Item 8 coming next.

VOICE: Yes.

MR. GLEASON: Yes. If I can. This is Eric
Gleason. I need to step out to join another meeting in about 20, 25 minutes. And so I had asked that we -- because I know that there's an interesting issue associated with Agenda Item 8 I had asked that we move that up in the agenda so I could be here for that. Thank you.

MS. BLOOMER: Okay. So again, Item 8 is Discussion and possible action on the Planning and Policy Technical Subcommittee's work program topics. Just to give you a little bit of background because I know we have some new members, the members of the committee are J.R. Salazar, Janet Everheart, myself and Donna Halstead. As a committee -- or a subcommittee, we looked at a number of items that the subcommittee was going to focus on and ranked them into tiers.

And in Tier 1 the first item was the policy for awarding discretionary funds, as well as the cap on the Section 5311 or non-urbanized area formula funds. And then the second item under Tier 1 was the transportation development credits or what used to be called toll credits. Tier 2 is the coordinated call for projects and regional planning.

At our most recent or, I guess, two conference calls ago we decided that we were really just going to focus on the Tier 1, specifically Item 1, the policy for
awarding discretionary funds and the funding cap. To give the members a little -- just a little bit more background how the whole process works is that the Federal Transit Administration or FTA annually apportions funds to the states for non-urbanized area transit services or what generally we call Section 5311 or 5311 Fund.

In Texas those funds are administered by the Texas Department of Transportation. And what happens is after those funds are apportioned at least 15 percent of those funds are taken off the top and they go towards inner city bus projects. And up to 15 percent can be taken off the top for administration planning and technical assistance. And generally, the public transportation division has taken nowhere near the 15 percent. It's usually around 4 --

MR. GLEASON: It's actually --

MS. BLOOMER: -- 3 --

MR. GLEASON: This last year it was just under 3 percent.

MS. BLOOMER: -- 3 percent.

MR. GLEASON: So the rest goes -- gets past on to the --

MS. BLOOMER: Right.

MR. GLEASON: -- program.

MS. BLOOMER: And so the remaining funds up to
20 million are then awarded to the transit providers based on a formula. And most recently in 2009 that formula was based 65 percent on need, which is derived by population and land area, and 35 percent based on formula. And each of that third is local funds for operating expense, operating expense per mile and operating expense per passenger.

Any funds that are left once you've taken the 15 percent off the top for any inner-city bus, the TxDOT administration planning and technical assistance and the 20 million, those funds go into what's called the Commission Discretionary Fund. And those funds can be awarded -- my understanding is -- three ways. By pro rata, competitive or a combination thereof.

MR. GLEASON: Yes.

MS. BLOOMER: When those funds are awarded is determined by the commission in consultation with the division. And for what purpose they are also determined by the commission at the direction of the division. And so what the committee was looking at -- oops --

First, let me -- just a little bit more information. What those funds can be used for -- traditionally, they've been used for unforeseen cost increases, such as fuel, fleet replacement. Some of the other items in the Texas Administrative Code are to
maximize the service area coverage in Texas, adjustments for reductions in purchasing power, such as the increase in fuel we saw a couple years ago and for coordination and technical support activities.

In looking at this over the last couple of years what we've noticed is the amount of funds the State of Texas gets continues to grow. Last year it was about 33.8 million. However, the amount of funding that goes directly to the providers up front at the beginning of the fiscal year has remained at the $20 million cap since 2006. And actually, the first year we went over that cap, I believe, was in 2007. So in 2007, 2008 and 2009 the amount of 5311 funds going directly to the providers at the beginning of the year through the formula has remained at 20 million.

And so as a subcommittee we decided that that was something we wanted to look at. Because while the cost of providing service has increased the purchasing power of the 20 million has continued to decline and the demand for service has continued to increase, the amount of funding the providers get has remained at 20 million, at least up front. The remaining funds, again, like I said, go into the discretionary pot.

And so what we initially looked at was possibly removing the cap and putting in place a percent.
Something to the effect of 5 percent or 10 percent of the annual apportionment would go directly into the Commission Discretionary Fund. And the remaining would be awarded to the providers up front through the formula.

At our request PTN staff provided some information. And in looking at that information a couple of other issues came up, mainly an equity issue that when you award all the funds up front via formula that that may not be the best method. That may be a two-part process where you award a portion of the funds via the formula and the remaining, either pro rata or some other basis.

And so what we wanted to do was bring back to the committee for discussion what your thoughts were. We sort of, I think, came to a impasse, considering there's only three people on our subcommittee, as to what might be the best way to proceed. But what I think we all agreed on was that we do agree that there's some -- there should be some funds available to the commission for a discretionary purpose. I think where we're -- the issue is how -- what's the amount of those funds and do those funds continue to grow while the amount of funding that goes directly to the providers up front and by formula remains stagnant year after year.

And what I think we're looking at is something where both pots continue to rise as the annual...
apportionment does. But again, we think that Commission Discretionary should be a special, one-time expense. Like Donna said, it should be a solution, not a Band-Aid. We shouldn't create a continuing commitment or create an ongoing commitment.

And that would be a good opportunity to look at like, regional or statewide coordination activities. If the state decided that they wanted to procure vehicles jointly this might be a good source of funding to bring somebody on board that could serve in that capacity to do it or if we wanted all providers to use a certain type of software or technology that this would be a good opportunity for discretionary funds to help facilitate those purchases, not the manner where it's currently for large fleet replacements and are ongoing operating expenses. That -- those funds initially come to the state for the providers to be used to provide service. And so the majority of those funds should be provided up front through the formula and/or some other means.

So I don't know if J.R. or Janet want to add anything.

MR. SALAZAR: This is J.R. The only comment I want to make is a couple of comments. One is that 95 percent of the money is allocated to the rural transit districts, did go out to those districts in the state. So
I am aware that while it does say discretionary money that it still goes out to the rural providers in the state. And so I am aware of that.

The only other comment that I want to make is I think there needs to be some sort of transparency issue with regard to what's left over of the 20 million. How is that money distributed? And as a provider, you don't really know from one year to the next on what is going to happen with that money. But if there's some way of -- some sort of mechanism that providers know approximately what they may or may not get for the next year then obviously that's a very good planning tool when it comes to doing your budget every year.

MS. BLOOMER: Any comments from any of the members on the phone?

MR. ABESON: Just --

VOICE: I don't have --

VOICE: What's the precise question you're putting before us?

MS. BLOOMER: I think we're looking for additional guidance from other members since there's only three of us on our subcommittee. We're sort of at a standstill. Initially, we had looked at just removing the cap and putting in place a percent. And in trying to move forward in doing that we had asked PTN staff to prepare
some information, which they did. And I think what you probably need to do is share that information with the rest of the committee so you can see it.

But basically, what Kelly shared with us is if you take the 2009 apportionment and you take the 20 million and you program it out by formula that's one column. Then they showed us there was an additional 7.5 million, I believe, that the commission awarded recently that the providers are getting now under contract of 2009 funds that were from the discretionary pot.

And if you take the providers 2009 formula funds, you add the amount of funds they had from the discretionary pot you got their total for 2009. If you take that total and you were to reallocate it, based on the formula at the very beginning -- that was the other column -- and you could see how if you were to award all the funds up front based on the formula how that would affect individual providers' annual funding amount.

And I guess based on seeing that information we had some questions about equity and whether or not it was best to award all the funds up front via formula or to award some of the funds up front via the formula and a portion -- a remaining portion by some other method such as --
MR. SALAZAR: Revenue miles.

MS. BLOOMER: Revenue miles. And so I guess we're looking for some guidance. Do you know, do you agree with sort of the premise that the funds should be -- the majority of the funds should be awarded up front for the provider so they have some consistency and some predictability in their funding, they have local decision making on what those funds can be used and that as the annual -- the amount of funding that comes to TxDOT as a whole, it continues to increase, that the amount going to the providers should, as well? Not necessarily just one -- not just the discretionary pot increasing.

We're looking for any thoughts.

MR. ABESON: In the -- Al Abeson. In the process of your deliberations did you establish some principles upon which to make some of these decisions? For example, a principle that would say equity is defined by the following. Did it -- was any of that done?

MS. BLOOMER: I don't believe so, no.

MR. SALAZAR: No.

MR. ABESON: All right. Well, I guess there is an implied principle, though that as the funding amount increases more money should move to providers for X purposes. Is that fair?

MS. BLOOMER: I believe -- think that's sort of
one of our implied -- I don't know that we've formally established any -- I don't know that we established any formal. But I think that would be consistent with some of our unstated goals, is that the amount of funding coming in is meant for the providers to continue to provide service in Texas. And therefore, the majority of it should go to them as quickly as possible.

I think that's a good idea, Dr. Abeson. We'll, you know, work on maybe establishing principles. Because I think that's where we're going to get stuck is on the equity issue and what is equitable and how do we determine -- how do we know when we've reached an equitable distribution of funding.

MR. ABESON: I think that would be very helpful.

MS. CRAIN: Michelle, this is Christina Crain. One question I had is through you all's deliberation and research on this did you contact or discuss with any of the providers their thoughts maybe on what would be most beneficial to them?

MS. BLOOMER: We -- I know I've talked with a number of providers in our region. I work with the three metropolitan transit authorities who aren't necessary impacted and for small urbans and then about ten, 11 rural providers. And I can -- I consistently heard for the last
couple of years they're just like, for the cap.

MS. CRAIN: Uh-huh.

MS. BLOOMER: And any possible way to provide more funding to them up front on a consistent, predictable manner.

MS. CRAIN: Okay. So they just really were against the cap but didn't have necessarily any other guidelines or suggestions?

MS. BLOOMER: No. The suggestions of what to do about the cap range widely.

MS. CRAIN: Okay.

MR. SALAZAR: And this is J.R. And speaking from a provider perspective -- and Janet Everheart is also a provider -- we also aren't -- I don't know how to put that -- we're not that thrilled with the cap, either.

MS. CRAIN: Uh-huh.

MR. SALAZAR: I think that there's another way of distributing money and capping that 20 million. Now, how we go about doing that is the question that this committee is assigned to figure out. And I will tell you we bogged down pretty quickly on what it is that we need to get done.

MS. CRAIN: Uh-huh.

MS. BLOOMER: Eric, you have something?

MR. GLEASON: Yes. This is Eric Gleason. Let
me -- couple things from the Department's perspective. We are in agreement with the general conclusion of the subcommittee that more of the funding ought to go directly to the rural program providers.

The history behind the current cap, which is a part of our administrative code -- the code actually has, you know, $20.104 million written right into it. And at the time that represented a $7 million increase over what used to be in the code. So at the time that 20.1 million was very good news. And it represented a significant increase in federal authorization levels for the program. And at the time we did the 20.1 million the amount of funding over and above that that we were getting was in the order of 2 to $3 million. So that seemed about right, too.

Very quickly, however, as authorization levels grew with SAFETEA-LU and apportionments paralleled that the amount of funding, as has been pointed out, that was in excess of that 20.1 became quite large. And it's somewhere in the order of about $8 million a year right now, which is larger than the Department intended it to become. And at the time with the formula -- there isn't anyone on the committee right now who actually went through that previous funding formula conversation. I think most of you --
I think, Christina, you may be the exception --
the --

MS. CRAIN: Uh-huh.

MR. GLEASON: -- the only exception.

Most of you received or were part of a briefing
that Linda Cherrington provided the committee a few months
ago on the formula and why it is the way it is. If for no
other reason, just to impress upon the committee how
complex it really is. And you get into questions of
equity. This is just an incredibly important
conversation, I think, to take time and to work through it
to make sure that we get it as good as it can be.

And what I would offer the committee as we move
into this arena and there is an interest in having this
kind of a conversation is that we re-engage TTI and their
services to help the committee understand historical
decisions and where the trade offs might be as you explore
different ways of approaching changes to the formula.

You know, the next several years promise
tremendous change for us anyways. We are already doing
research to try and anticipate the impact of the 2010
census. Those impacts won't really hit our programs until
2012 at the earliest is my understanding.

But we're trying to understand what some of the
changes in census will mean for our program. The
authorization conversations taking place back in D.C. -- there is talk, anyways of a doubling of the rural program size. Now, whether that will happen I don't know. But all those things will become more clear over the next, you know, 12 to 18 months. And so -- and all of those things will have an important bearing, I think, on our rules.

What I would like to do, though, is to try and address in the near term what I think is a concern of the subcommittee, looking ahead to getting 2010 federal apportionments for the rural program assuming that those apportionments remain consistent with 2009 levels. Once again, we'll have a fairly large amount of funds associated with what we call the discretionary program.

And, you know, we at the division certainly agree and feel that our process needs to be more transparent around these funds. We agree that we need to try and be as predictable as possible so rural program managers can anticipate a certain level of funding. And so what we -- and I think you all may get a sense of how complicated rule making might be once we open the rules up. There's just a lot of issues to try and cover.

What would -- what I would suggest is that the division would put together for the rural program and for this committee a description of an approach to 2010 funding that will be very similar to the approach that we
used in 2009 and that we get that out as a way of trying
to make a little bit of progress toward this transparency
issue. Certainly not as far as we'd like to get.

I mean, in my mind we ought to be able to sit
down and say for the next three years we anticipate these
levels of apportionments based on authorization and with
those levels we would do the following. And that's the
kind of transparency we need here. And just -- and we're
not going to get there overnight. But it's certainly
something that we agree we need to get to.

But I would be more than willing to send a
description of an approach to 2010 out to the rural
community that would mirror what we did in 2009. And I
could put it out as a proposal. If you all wanted me to
solicit feedback on it. Or we could just put it out as a
description of how we intend to proceed. I would look to
the committee for your direction on that. And we could go
either way.

But that is what we'd be willing to do in the
short term to try and do a better job of being a little
more transparent and giving people a notion of what we
intend to do.

Now, the one thing I will say is that it's
unclear to us at this point how the 2010 apportionments
will actually end up happening. You know, last year we
got the federal program funding in two slugs, if you will. We got one -- actually, we got one in December of 2008 which was an initial apportionment of about 43 percent of the anticipated overall amount. But the balance of that apportionment didn't come until April of 2009. And so, you know, that complicates it. Because we have to end up giving out the money in two or three steps.

And I guess it would be my anticipation that we will not get the 2010 apportionment in one fell swoop this year, either. We may see two or more bases from the feds as they wrestle with the fact that they have no authorization program for 2010.

And so we're hoping at a minimum that they agree to sustain 2009 funding levels. But how they'll make that decision and when they'll make that decision and then when the FTA will actually come out with their apportionments we don't know. But what we can do is commit to a similar approach to the program that we used in 2009 as those funds become available.

MS. BLOOMER: Okay. Thank you, Eric.

I think maybe, J.R. and Janet, as a subcommittee what we can do is sort of list down what our guiding principles -- maybe just put them down on paper what our guiding principles are.

And then we can work with you, Eric, to come
with maybe a short-term --

MR. GLEASON: Okay.

MS. BLOOMER: -- solution for 2010. But I think the last thing we wanted to do was sort of open the whole formula discussion again, especially with the census coming up. And I know -- I didn't participate in it directly. But from the outside it was a very lengthy two-year and very complex process that if we don't have to we didn't want to open that up again. So -- and Kelly had given us a couple of options to pursue that would allow us to make some sort of change without having to go through the whole administrative code. So that's good. And then we can do that and make that impact in 2010.

Okay. Another thing, as a subcommittee we might want to think about, since Eric mentioned, is some ways we can brainstorm on how the funding works. Because like you said, it is a significant issue for a lot of the rural providers and the smaller providers that we can't seem to get a federal budget at the beginning of a fiscal year. And that when we do get it, it's usually in pieces or it's in March of the -- you know, you're six months into the fiscal year.

So at the Council of Governments we've tried ways to sort of facilitate that. And maybe we can talk about some of that and figure out if there's ways we can
let them use their state money first and them match it
later or things like that.

MR. GLEASON: All right. We'd be more than
willing to talk about that.

MS. BLOOMER: Okay. Great. Thank you.

MR. GLEASON: Thank you.

MS. BLOOMER: Any other comments or ideas on
the Planning and Policy Technical subcommittee work
program topics or the discretionary discussion?

MR. ABESON: Just one question. Al Abeson. Is
it -- are the topics identified by the two subcommittees
reflected in the draft 2011-1015 strategic plan?

MR. KIRKLAND: This is Kelly Kirkland. Eric
had to step in -- he's going to the Texas Trans
Association Board Meeting this morning. The question is
are the items in either of the scopes of work for the two
subcommittees in the strategic plan?

The strategic plan that we have on today's
agenda is the one for the entire Department. It does not
go into that level of detail. But it could potentially
have items that could overlap with the items that are
under consideration by the subcommittees and by PTAC.

MR. ABESON: Thank you.

MS. BLOOMER: Dr. Abeson, one thing we might
want to think about is as PTAC developing a strategic plan
or a comprehensive work program. I know as a subcommittee we have our work program.

And then, Claudia, your subcommittee has a work program. But I don't know that in any one place we have it all on one piece of paper that we sort of know what we're doing and how we're each trying to tackle that issue. So maybe at the next meeting we can bring that topic back for just an overall big picture again for the new members.

MR. ABESON: And I would think ultimately it should relate rather directly to whatever the Department's strategic plan is.

MS. BLOOMER: Yes. And I think it will fit nicely in. Especially like you heard Eric mention transparency, accountability. They're some of the same words we're hearing. I think it will definitely fit. But we could probably do a little bit better job tying our efforts here to the division's sort of strategic plan and then the Texas Department of Transportation strategic plan.

MR. ABESON: Good.

MS. BLOOMER: Okay.

If there are no other comments we'll move on to Item Number 9, which is Discussion and possible action on the Program Management Technical Subcommittee's work.

ON THE RECORD REPORTING
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program topics.

Claudia?

MS. LANGGUTH: Sure. Hi. This is Claudia. So I take it, Michelle, that there is no action item on your subcommittee?

MS. BLOOMER: No, there is --

MS. LANGGUTH: Okay.

MS. BLOOMER: -- no action --

MS. LANGGUTH: Right.

MS. BLOOMER: -- at this time.

MS. LANGGUTH: Okay.

So our committee has met twice, I believe, since the last meeting that we had. Our topic that we decided to concentrate on is looking at the program and the policy of Section 5310 and how that program is administered.

We had previously set objectives for our committee, which are more transparency, greater visibility, to encourage more participants, to provide continuity of services and to enhance coordination initiatives.

We also considered possible actions to recommend to this committee. But we are not at a point at this -- right now to be able to make those recommendations.

One of those potential recommendations was to
have the 5310 program become part of a coordinated call. Timing is an issue with that. Also, some of the administrative code may be an issue with that. So we're not ready to make a recommendation.

However, a part of our assignment was to look at coordination with other transportation programs. And especially in some areas where there appears to be a lack of coordination with the program that's run by the Health and Human Services Non-emergency Medical Transportation Program. So I think most of you know that that program used to be part of TxDOT but last session, I believe, it was moved back over to the Health and Human Services Commission.

I did meet with Sheryl Wollsey. Sheryl is the Director of Health and Human Services Non-emergency Medical Transportation Program. And they did talk somewhat internally about coordination. However, their goals for serving public transportation is quite a bit different. They are demand driven and they also are under a court order to be able to provide transportation within certain guidelines and limits.

For example, participants in the program have to be picked up and then returned back from their doctor's or wherever they're having transportation within an hour's time. So it does put some constraints on trying to
coordinate transportation.

I will say that there are some plans as a result of legislation by the state that are going to probably have an impact on many of the transportation providers. One of the recommendations that the agency -- well, it's actually not a recommendation. It is a mandate by a rider in the appropriations act to provide a broker system throughout the State of Texas. So that is going to occur over the next year, which could potentially impact -- it's hard to say at this point if it will be positive or negative to many of the transportation providers.

But I did want to let the committee know of that. And it will be happening over this next year. And they are required to go out for a bid for a brokerage system. It has to be a full brokerage system throughout the State of Texas. And as this progresses -- I know that Sheryl has stayed in touch with Eric and with some of the other members who participate in our committee. So that as we found out additional information we will certainly share it with the committee. But we are not prepared to take action right now.

I would like to say that one member of our committee, Kari Hackett of our subcommittee -- Kari Hackett is no longer part of our group. So we are looking
for an additional volunteer, somebody else who would like
to participate.

Any -- if no one says anything you'll probably
get named.

MS. BLOOMER: Any volunteers for the Program
Management Technical Subcommittee?

(No response.)

MS. BLOOMER: No?

MS. CRAIN: Well, this is Christina. I guess
why not jump in and get to learn something. So sure. Put
me on it.

MS. LANGGUTH: Christina, thank you so much.
We'll be delighted to have you. And so we'll let you know
when our next subcommittee meeting is.

MS. CRAIN: Great.

MS. LANGGUTH: Okay.

MR. SALAZAR: This is J.R. I just had one
question going back to the 5310 program. Historically --

And, Kelly, you may correct me if I'm wrong --
those funds were distributed by district. And now that
there has been some regionalization with the public
transportation coordinators I was just curious how that's
going to continue to work or what's taking place now.

MR. KIRKLAND: Well, it's my understanding
there has not been a change in the distribution at this
time.

MR. SALAZAR: So each district is still getting the -- okay.

MR. KIRKLAND: Each district is allocated the amount of funds and then the district conducts a selection process that works with -- there's public involvement and there's usually a committee, I think. They pull together. I think Cheryl will probably have to talk about that. Cheryl Mazur's coming up.

MR. SALAZAR: And I guess my question is in those areas the districts have been taken over -- I don't want to say taken over -- have merged into another district what happens with that? Is it still allocated by district? Or is it allocated on a bigger scale now?

MS. MAZUR: For the record, this is Cheryl Mazur, Director of Program Services section of PTN. And, yes, J.R., it is still handled in accordance with the Texas Administrative Code where the distribution -- the formula is distributed by district.

So in the example -- in an example that you mentioned we have a public transportation coordinator in the Paris district who is handling two districts. He's handling Wichita Falls district and Paris district. And what is happening is there is a allocation amount for each of those districts that is computed according to the
formula and then he actually assembles the stakeholder
groups in both of those areas and they individually have
their amount and they work through the projects that they
can do with the amount of funding that they get.

So we are continuing to follow the guidelines
set out in the Administrative Code, just handling that
process a little bit differently.

MR. SALAZAR: Okay.

MS. BLOOMER: Cheryl, this is Michelle. I just
have another question to you. About five or six years ago
the program transitioned from funding private non-profits
to not funding private non-profits and moving towards
public entities. Because vehicles would be sitting at
locations. Because they were client specific. And we had
gone to more of funding public transportation and existing
providers and then encouraging coordination and purchase
of service agreements. Have we gotten away from that?

Because in our district it seems like we're --
we've moved away from not funding private non-profit
entities and now we're going back and funding private non-
profit entities. Which as a lead agency for coordination
makes it very difficult. Because we had -- we were on the
cusp of getting those entities to come into the fold
because the vehicles that they currently had that they had
been funded with TxDOT funds were getting very old and
were ready to be retired.

And so we were encouraging them to come into our fold so we could provide the service leveraging our existing resources. But now it's been opened back up and those entities are getting -- are recommended for funding in 2010 or the 5310 program and not looking for ways to coordinate.

MS. MAZUR: And you're -- this is Cheryl again. You're asking just about the 5310 program?

MS. BLOOMER: Just the 5310.

MS. MAZUR: Okay. I'm not aware of -- I've only been here for three years. And I'm really not aware of historical change. We have not given them any direction to move in a different direction that I'm aware of. What I would say is that the way it works in accordance with the Administrative Code is the public transportation coordinator --

And in your area I'm just going to say Dallas -- there's a coordinator for Dallas and there's also one for Fort Worth. But the Dallas coordinator would assemble a group of stakeholders. They would accept projects and then that set local stakeholder group would decide which projects to put forward. And that's the way the Administrative Code lays it out. I'll have to check in to see if there's some anomaly going on up there. But
it should --

MS. BLOOMER: Okay.

MS. MAZUR: -- transpire just like it's laid out in the Administrative Code and the decision should be made by the stakeholder group. They should rank the -- they should review the projects that are submitted to them and rank them and fund the ones with the amount of money that they can, make decisions on how -- on the projects based on the funding and the quality of the project that's turned in.

MS. BLOOMER: And is it consistent to say that in those cases where you have an existing provider and that provider is willing to contract with that entity or to work with that entity to provide that service, that that would be the preferred option for providing that service in lieu of providing that private, non-profit entity their own vehicle?

MS. MAZUR: I can't really -- I don't think I can answer that question. What I would -- I'd have to defer -- the local stakeholder group makes the decision of the worthy projects and not necessarily to choose a provider above the projects. If that makes sense. I mean, the project selection should speak on its own.

MS. LANGGUTH: This is Claudia. Cheryl, wasn't that one of the issues, though, to make sure that we had
greater transparency?

MS. MAZUR: That's one of the things that the subcommittee has looked at and has had some concerns about. Because we have 25 geographically different district offices there is a ability for each of the public transportation coordinators to have maybe a little bit different take on how their stakeholders make project selections.

And so that's one of the concerns that our committee looks at and that we're trying to -- we've had discussions about folding it into the coordinated call so that all projects could come in to the state office, if you will, instead of directly to a district office. And then we would go through and have an idea of what -- you know, a lot of accountability of what projects were submitted and be able to track them and then those would be turned over to the stakeholder group and, you know, try to provide a lot more consistency in the process.

I think that we recognize that there are slight differences and maybe some more than slight across the 25 different districts. Previously in TxDOT's organization structure the public transportation coordinators in the district reported to a district engineer. And a district engineer could have given them guidelines or preferences in that area. And effective June 1 they were all
transferred to report to Eric. So we think that that's a good move. Have a lot more consistency. And we're starting to move out on some of those initiatives of trying to give them a little more direction.

The public transportation coordinators all report to me. And one of the things that I did, which was a little controversial, I think, with them, is that I actually put that task on their performance plan with very specific objectives that they needed to accomplish. So that was my first move of trying to bring -- kind of reign them all in to make sure that they're all doing their 5310 process in accordance with the Texas Administrative Code. And that just started June 1.

MS. LANGGUTH: Okay.

MS. MAZUR: So their new process for this next year -- they kind of work a year in advance -- so they're just now starting their new process for the next fiscal year.

MS. BLOOMER: So -- this is Michelle. There will be a new process for 2011? Or the new process is in 2010.

MS. MAZUR: Well, it will be a new process -- let's see. It will be a new process for the next round of funding, which will be fiscal year '10 federal funding.

MS. BLOOMER: Okay.
MR. HUERTA: If I could just add -- this is Vince Huerta. I just -- it has been a topic of discussion. I think even in our area we certainly face that. And we're really encouraged or inclined to go into suggesting some level of coordination with those private non-profits. Because it does seem a lot of times when they get funded it's specific to their organization and they don't -- they're not part of the coordination process. So it is something that we are looking at. And I think that we've discussed it a couple of times. Right?

VOICE: Right.

MR. SALAZAR: And this is J.R. And I had a question for the subcommittee or Claudia. You mentioned the possibility of doing the 5310 under a coordinated call. I was wondering if you could just elaborate a little bit on that.

MS. LANGGUTH: Sure. That was one of the suggestions that came up. One of the concerns of the subcommittee was making sure that we had transparency. And as Cheryl said, I think that having the public transportation coordinators moved under Eric and under Cheryl is going to be very helpful. Because it will allow more transparency. And putting it under the coordinated call, though, because it is a formula distribution, I understand?
Is that correct, Cheryl?

MS. MAZUR: Well, what I would say the coordinated call really is, is we take six different federal programs and we have an annual call for projects. Each one of those projects has its own individual criteria. It's not necessarily formula.

MS. LANGGUTH: So -- but I guess my -- what I'm trying to say is -- this is Claudia again -- is that it is possible to move it under the coordinated call with those guidelines set out. So that is open for a possibility, J.R.

MR. HUERTA: I think -- if I could add -- this is Vince again. I think that one of the obstacles --

MR. ABESON: Can you speak louder, please?

MR. HUERTA: I think one of the obstacles that we were looking at was the fact that certain areas are funded a certain level of monies. And what impact or what level of impact that would have to that specific district, I guess.

MS. LANGGUTH: Right.

MR. HUERTA: And I --

MS. LANGGUTH: And Cheryl did run some numbers for us. But it was very difficult for us to figure out a way to have an equitable distribution of funds without having some major changes in the formulas. So we are --
we have -- we are not ready to make a recommendation at this point.

MS. BLOOMER: And this is Michelle. Under the proposed coordinated call, adding the 5311 -- or 5310 fund -- sorry -- to the coordinated call -- would they still be formula allocated to the district? So each district would still have its own funds. The projects would go to TxDOT PTN as consulted and then they would go back to the district advisory groups for ranking and prioritization?

MS. LANGGUTH: That was our -- that was what we were considering.

MS. BLOOMER: Okay.

MS. MAZUR: Yes. And unless we change the Texas Administrative Code they would have to be -- they would continue to follow that same path. Yes.

MS. LANGGUTH: But again -- this is Claudia -- we're trying to figure out a way to make it more transparent and have more visibility and to encourage more participants in the process.

MS. BLOOMER: This is Michelle. I think that's a great idea. More transparency. One thing that might help with that is if the current guidelines could somehow be written down or the general guidelines. I know we have the United States Code and we have the Administrative
But generally, where's -- you know, FTA has for all their funding programs a one-page summary sheet, sort of where TxDOT is on the 5310 program, what projects they'd like to fund, how the advisory committee works. Because I'm not sure. Like you said, with 25 different districts each person may put a little different tweak on how that goes. And it would make it much more clear to the individuals participating in the advisory committee what their role was and what it should be, whether it is that or not. I think that would be helpful.

My only caution is I do think if we do it through the coordinated call -- and -- I would just encourage the committee to look at making sure that that decision making is not the level, remains at the district level, especially with all the regional coordination activities going on and being at the local and regional level. If we can keep that. Because what we're trying to do in our region is really coordinate those discussions and --

As an example, at our last 5310 meeting we have a -- we had a couple of private, non-profits come to the table and they wanted vehicles. Because the vehicles they had were very old. They're not able to maintain them.

And so we just started talking a little bit
more and said, Well, you know, do you really want to provide transportation. Oh, no, I don't want to do that. I just need service for my clients. Well, here's Joe over here, why don't you talk to Joe, work something out, let's see if we can, instead of buying you two vehicles, you can work something out with Joe and his team and he'll provide those trips for you. And if we can do that you don't have to get into the transportation business. We can work out a purchase of service contract or something like that. So I would hate to see those discussions happen outside of that local area.

MS. LANGGUTH: This is Claudia. Yes, I think that is the goal of the subcommittee, too. And as far as the coordinated call, because of the timing that will not happen, even if it is a recommendation, until next year.

MS. BLOOMER: Next year?

MS. LANGGUTH: Right.

MS. BLOOMER: And this is Michelle again. May I just throw one thing out? With the 5310 program -- and I don't know where this comes up, if it comes up in the discussion of transportation development credits or the 5310 program -- and I don't know if it applies to any other region.

But we have providers in our region that are eligible for 5310 funding. They will generally -- they
are also eligible for 5307, urbanized area formula funding. They will generally take advantage of the 5310 funding because it comes with the opportunity for transportation development credits, when they could have just as easily purchased that item using their 5307 funds. And what we try to encourage them to do is ask us for one vehicle or two vehicles out of a $60 million pot -- because it's a drop in the bucket -- instead of asking for two vehicles out of a $125,000 pot because really, that's about all we have in the Dallas district. But it's very hard to make that argument to them when they can get the two vehicles for free over here because they get TDCs as match. On the 5307 side they don't. So I'm just throwing that out there. I don't know if it's part of the 5310 program discussion or the toll credit policy discussion. But --

MS. MAZUR: For the record, this is Cheryl Mazur again. What I would venture to say is that we need to probably educate. Because they're also -- can -- they are also eligible for transportation development credits for the 5307 program and they may not be aware of that.

MS. BLOOMER: Okay. And I don't think we were aware of that or that they could get those funds since they were not receiving the 5307 comes through TxDOT.

MS. MAZUR: We frequently have agencies who do
not give funding for TxDOT come in and ask the Department to grant them transportation development credits. And to my knowledge, those have all been granted. They do not have to have funding stream through us. The Department has transportation development credits available for all entities, I would say, as a general practice. As long as it fits with the criteria that's established in the transportation -- Texas Administrative Code.

MS. BLOOMER: All right. Very good news.

Thank you.

MS. MAZUR: Yes.

MS. BLOOMER: This is Michelle again. Forgetting that. Let's see. Any other discussion on the Program Management Technical Subcommittee.

MR. ABESON: This is Al Abeson. Just a quick question of clarification. A coordinated call is actually -- it's proposals in response to several different funding entities as opposed to coordination of spending of those funds. Is that right?

MR. KIRKLAND: This is Kelly Kirkland. The coordinated call is all funds that come through TxDOT. But there are multiple federal programs involved in the coordinated call.

MR. ABESON: So it's basically -- it's a process issue, it's not -- can a proposal propose to draw
funds from several different authorities?

MR. KIRKLAND: We have -- I think that proposers can definitely submit a proposal where they're asking for some funds through TxDOT and they're also saying they're getting other funds from other sources, as well, besides TxDOT.

MR. ABESON: Okay.

MR. KIRKLAND: And that's acceptable.

MR. ABESON: So that would include several of the -- it could be, for example, New Freedom, as well as 5310?

MR. KIRKLAND: Well, New Freedom and 5310 for both small urban and rural programs come through TxDOT. So I think -- were you asking about different funding authorities, like somebody besides TxDOT or different funding programs --

MR. ABESON: No. I'm --

MR. KIRKLAND: -- like JARC and New Freedom.

VOICE: -- thinking primarily of the federal program.

MR. KIRKLAND: Okay.

MR. ABESON: That --

MR. KIRKLAND: The coordinated call includes several of the federal programs that come through TxDOT. And they can ask -- a proposal can ask for and has
actually been awarded funding from several sources for one overall project.

MR. ABESON: Perfect. That's exactly what I wanted to know. Thank you very much.

MR. KIRKLAND: Sure.

MS. MAZUR: Al, this is Cheryl Mazur. For a point of clarification, the coordinated call is the Department's -- we have six federal programs that we go out on the coordinated call and -- what's coordinated is the timing of requesting proposals for those six programs that are -- the federal competitive programs that go through TxDOT. You can ask for one funding stream out of those six, two out of those six or all six of those funding streams and ask for transportation development credits with those.

You could also combine funding. So if you have funding from some place other than TxDOT you could ask for TxDOT to compliment that funding stream. Maybe giving you more than what you asked for. But hope that answers --

MR. ABESON: Well, that's --

MS. MAZUR: -- your --

MR. ABESON: -- very helpful.

MS. MAZUR: Okay.

MR. ABESON: Very helpful.

MS. MAZUR: Okay. Great. Thank you.
MR. ABESON: Okay.

MS. BLOOMER: Okay. If there are no more questions or items for discussion we'll move onto --

MR. KIRKLAND: Madam Chair?

MS. BLOOMER: Oops. Sorry.

MR. KIRKLAND: I did have one thing. We were just -- Ginnie and I were just discussing that if Christina Crain joins the Program Management Technical Subcommittee that they would have five members. And if all five members participate then that would be a quorum for PTAC. Because, of course, the Legislature resized PTAC to nine members. And five would be a quorum.

So it's been suggested that we might wait until -- we're still waiting on a ninth member to be appointed. I believe that one will be appointed by the Speaker of the House. And at that time we could probably look at the subcommittee membership and see. Maybe some people might want to switch or something like that. But I don't know if we have a specific rule or a statute against that. But it's probably not advisable to have a subcommittee --

MS. CRAIN: Uh-huh.

MR. KIRKLAND: -- who would have a quorum of the full committee.

MS. CRAIN: This is Christina Crain. I totally
agree. That is perfectly fine.

   MR. ABESON: I don't know, Christina. We could
take over the whole committee.

   MS. BLOOMER: Then maybe when we get our ninth
member we can look at the subcommittee membership again.
Because the committee -- we have three members. So --

   VOICE: Right.

   MS. BLOOMER: -- it will be a little lopsided.

We could use a little help on this side.

   MR. KIRKLAND: Sure.

   MS. BLOOMER: Okay. Great. Thank you for
bringing that to our attention, Kelly.

   MR. KIRKLAND: Sure.

   MS. BLOOMER: If you want to go ahead with Item
7?

   MR. KIRKLAND: Certainly. In your packet --
and I hope you've received e-mail -- is information about
the Department's draft 2011 through 2015 strategic plan.
Don't have a whole lot to talk about here. The
information provided, I think, covers much of what is
involved there.

   Just a little bit of background. The
Department, along with all other state agencies, is
required to have a strategic plan on file with the
legislative budget board. And that strategic plan is

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updated every two years.

For this iteration, the 2011-2015 plan, the Department is going out quite a bit further in looking for a lot more internal and external input into the strategic plan. So it's more than just satisfying the requirements from statute. But it's also going really, with a lot of depth into the idea of what a strategic plan should have looking at vision, mission, values, goals and that sort of thing.

So we're going to have a webinar next week talking about this strategic plan?

MS. MAYLE: Yes, for internal.

MR. KIRKLAND: Okay. For internal?

And external. There's an external comment period. And it's --

MS. MAYLE: We're going to look at scheduling that, whether --

MR. KIRKLAND: And -- okay. And look at scheduling a webinar for the transit providers, as well. In the meantime there's a power point here to look at and some information from our strategic planning and performance measurement office, which is overseeing the strategic plan development.

MS. BLOOMER: Kelly -- this is Michelle -- are those webinars part of the public open houses that are
scheduled for early October through early November?

MR. KIRKLAND: I think we're -- no.

MS. MAYLE: No.

MS. BLOOMER: On page 4 of the first handout it says what's next in the strategic planning process. Early October to early November. Actually, it says, Optional. Now I see that. Public open houses. We invite you to attend an upcoming event in your area. And districts will provide details for their area as appropriate. Is that based on --

MR. KIRKLAND: That's --

MS. BLOOMER: -- each district --

MR. KIRKLAND: That's part --

MS. BLOOMER: -- determining?

MR. KIRKLAND: Every district engineer, 25 TxDOT district engineers and most of the division and office directors, including Eric were asked to talk with our stakeholders, including PTAC about this information. So this meeting and this discussion and the sharing of this information is part of that. The webinar we're going to have with the transit operators is going to be part of that, as well.

MS. BLOOMER: And will you share with the committee the e-mail that goes out to the providers for that webinar?
MR. KIRKLAND: Yes.

MS. BLOOMER: Okay. And then -- this is Michelle again -- these are the strategic goals for the agency as a whole.

MR. KIRKLAND: Right.

MS. BLOOMER: Does the public transportation division have something similar for sort of like vision, mission, goals, policies?

MR. KIRKLAND: The division does not have a strategic plan per se. There have been some discussions of that sort of thing. But one thing or another. And we don't have a published strategic plan for the division or for public transportation within TxDOT. However, we are actively participating in the Department's workup of the strategic plan.

In September there are a series of five meetings with some internal and external stakeholders. There was one held at each of one of the TxDOT regional offices, north, south, east and west. And then an additional meeting held here in Austin.

And then yesterday a subset of the group who participated in those initial workshops had a second-round workshop and we further refined ideas about goals, objectives, strategies and that sort of thing. And that is -- I believe the information from that is going to be
presented to the commission at their December meeting.

MS. BLOOMER: Okay. Does the committee have any questions or discussion for Kelly on this item?

(No response.)

MS. BLOOMER: Just -- Ginnie, just --

MS. MAYLE: This is Ginnie. I just wanted to mention to the committee as a whole the members that are here in Austin a copy of -- it's a four-minute DVD that's part of the strategic plan. I think J.R. and Janet and Vince, you all probably saw this at our last semi-annual meeting. But it's been revised just a little bit. And the rest of you that are on the phone, I will put a copy in the mail to you. Just FYI.

MR. KIRKLAND: And this is Kelly Kirkland again. The video that Ginnie mentioned is a four-minute video that talks in pretty general terms about how to set up thinking about strategic plan. And this is called, What If. I mean, what if different things happen. What if the price of fuel goes through the roof. What if we have many more people in the state. What if. There's a heavy emphasis of reduction of greenhouse gases and that sort of thing and what that might mean for TxDOT and the programs that we oversee.

MS. BLOOMER: Okay. Hearing no comments or questions or further discussion, we'll move on to the

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Division Director's Report.

And, Kelly?

MR. KIRKLAND: Okay. Before you and sent out by e-mail, also is the Director's Report for October 2009. I don't have a whole lot to say with -- about this right now. I think it's pretty self-explanatory. So we'll just ask if anyone has any questions about what's on the Director's Report.

MS. BLOOMER: This is Michelle. I had a question. Under the Texas Transit Leadership initiative it says they're a group of seven transit representatives. Can you share with the committee who those representatives are or --

MR. KIRKLAND: I'll have to defer that to --

MS. BLOOMER: Accountability and transparency?

MS. MAYLE: This is Ginnie. There are seven transit representatives. And one of them is here with us. J.R. is on that committee. Brad Underwood with TAPS, Dave Marsh with CARTS, John McBeth --

MR. KIRKLAND: And the other John.

MS. MAYLE: And John Hendrickson, Carole Warlick and Sarah Hidalgo Cook. So all --

MR. SALAZAR: I think you did very well.

MS. MAYLE: I just went around the table in the room. I think I -- and that's being headed up by -- TTI
is working with the group on that. And we have another meeting on November 3. And we will probably have more to report back to this group at the next PTAC meeting.

    Unless, J.R., you want to share anything?

MR. SALAZAR: I'll be very brief. I think what we're trying to do in the State of Texas is make sure that we're prepared not only today but in the future of what's going to happen when some of these senior leaders in the industry retire. And we want to make sure that we have the people in place to -- not only to replace them but to continue some of the really good work that's being done in the state. And so I think that's one of the reasons it was initially brought up.

    And also, to have some sort of training available, not only to the people that have been around the state for awhile, but some of these new and upcoming managers so they're provided the opportunity to learn in a fashion that maybe we haven't done in the past and maybe get some specific training points with the leadership in the State of Texas.

    Give you an example of what we're talking about. Communication. The way you not only communicate with your staff but the way they communicate with you. All kinds of different aspects with regards to what we're doing with leadership in the State of Texas. But that's
just a brief little kind of description of what's going on. And we'll certainly be prepared to do more later.

MR. ABESON: This is Al Abeson. Perhaps you're already aware of it. But APTA is -- got blue ribbon commission at work on the workforce issues. And I know they've broken down into subgroups, one being higher education. And I frankly don't know the others. But there might be some resources there of value.

MR. KIRKLAND: Thank you very much.

MS. BLOOMER: And, J.R. -- this is Michelle -- is the Texas Transit Leadership still -- Initiative still in the phases of development?

MR. SALAZAR: We're very much in the infancy stages of what we want to do without the state. So, yes, we're just now looking at it.

MS. BLOOMER: Any other questions on the Director's Report, either related to the leadership initiative, the coordinated call or the upcoming commission?

MR. ABESON: I was -- this is Al Abeson. I was curious to ask how is it going with the movement of all the division coordinators from reporting to the engineer to reporting to Eric. I mean, generally, how is it going?

MS. BLOOMER: Cheryl's --

MR. KIRKLAND: I think I'll ask Cheryl --

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MS. BLOOMER: Yes.

MR. KIRKLAND: -- Mazur to answer that question. Just a moment.

MS. MAZUR: For the record, this is Cheryl Mazur. It's going swimmingly. That was just what I was thinking as I walked up here. I -- I think it's going reasonably well. We have seen several of the staff really rise to the occasion, which has been very redeeming.

They seem to -- I think the morale is pretty high. I think that they are very pleased to be able to report to Eric and have more of a concentration on public transportation.

I think some of them see a wonderful opportunity for advancement to be able to do additional duties or to really focus on public transportation and be able to, I guess, have some career development, as far as seeing other opportunities in working with other transit providers instead of maybe the same old transit provider they've been working with.

In the west in particular, they are really working very hard together. There are -- there's like, several districts that even three of them are working together on. So I think that they are -- we are encouraging the formations of teams. And so they're
really working much more as a team than I would say that they individually worked before. So I think they're learning best practices.

They're sharing information with each other, particularly in the west area, which is a vast area in -- as far as TxDOT has drawn those boundary lines. They get together every two weeks. They have conference calls. They meet either -- they're going to go to webinars, I think. But they have been physically meeting together at least every quarter. They meet when we're having our semi-annual meetings. They get together and spend usually an entire day together. So they're doing really good. Some of them are not doing as well as others. But I think they're all coming together. So I think it's a good thing.

MR. ABESON: Okay.

MR. SALAZAR: And, Dr. Abeson, this is J.R. I'd just like to add on to something that Cheryl said. Being a transit provider, we were one of those systems that actually lost three of our public transportation coordinators in our area. We lost our Abilene PTC, our Brownwood PTC and our Fort Worth PTC. And we were very reluctant of the changes that were taking place, being that we have dealt with these people for so long that we've built up a lot of really good working relationships.
with them.

Having said that, we were moved into this west region that Cheryl is speaking of. And once the initial hesitancy went away we are very pleased with what's going on in the west Texas region in Vince's area.

But like Cheryl said, we're meeting. There's a lot more coordination going on. And what I mean about that is, is there anything as a region that we can do as opposed to, you know, by district, the Brownwood district, the Abilene district, you know, we were just kind of doing things the way we were used to do them. Now, I think that we're looking at a bigger picture, if you will. So we have found the whole transition to be very pleasant.

MR. ABESON: Wonderful. That's good to hear.

MS. MAZUR: Yes. And this is Cheryl again. I would say especially in the west it's extremely dynamic and very resourceful and very positive. I think J.R. now knows that he probably has three people he can reach out to --

MR. SALAZAR: Right.

MS. MAZUR: -- versus the one district person in particular that he previously dealt with.

MR. ABESON: Good.

MS. MAZUR: Thank you for asking.

MS. BLOOMER: Hold on, Cheryl. This is -- I
have -- this is Michelle. I have a question. Is there somewhere on TxDOT's web site where there's a list of the regional offices and the contact staff and the districts that fall under them and who the contact person is?

MS. MAZUR: The only place that I know of particular that is out there is in the -- it is page 3 of the coordinated call. And we have a map and we have a listing of each of the major -- main contacts in each PTC or Public Transportation coordinator that is on each district -- or each regional team. Let me say it the right way.

MS. BLOOMER: Okay.

MS. MAZUR: I can get you a copy of that.

MS. BLOOMER: That was --

MS. MAZUR: Yes, it is out on our web site.

MS. BLOOMER: I saw that and that was the first time I had seen that. And it's currently reflecting the Dallas/Fort Worth as Anne Polk.

MS. MAZUR: Yes.

MS. BLOOMER: Okay.

MS. MAZUR: She would be the lead in the north region for the Dallas --

MS. BLOOMER: Okay.

MS. MAZUR: -- area.

MS. BLOOMER: Okay.
Any other questions then on the Director's Report?

(No response.)

MS. BLOOMER: Seeing none, we'll move on to Item 11, which is public comment. And I've been informed that nobody has signed up to speak. So that being the case, we'll move on to Item Number 12, confirm date of next meeting.

J.R., you said many, many meetings to come.

MR. SALAZAR: That's right.

MS. BLOOMER: I was thinking about that this morning at about four o'clock when I was getting ready to be here on time at 9:00 a.m. I don't know if anybody else has a thought on the start time of these meetings. I sure do. But I was thinking we might want to move them a little past 9:00, maybe 10:00, 10:30, if nobody objects so those of us that fly in don't have to catch the early, early, early morning flight.

And then I was thinking we probably -- I know the holidays are coming up with Thanksgiving and then Christmas. But I didn't know if people wanted to go try ahead and have a meeting before the holidays. I'm a little concerned if we don't that puts us three months into really, everybody's term. And that only gives us nine months left to get a lot of work done that we have
ahead of us. So anybody had any ideas. I think maybe
that first or second week of December?

MR. ABESON: If I can jump in. This is Al
Abeson. I really think that the kind of work that we're
taking on is definitely difficult. We haven't all met
each other and we have a new Chair.

I would really hope that there is a way that
the Department could bring us together in Austin or
wherever, for that matter, for at least a day to really
take care of getting to know each other a bit, but more
importantly, to have the kind of intensive interaction
required to solve some of the issues that have been
brought forward. And whether that is in early December is
secondary from my perspective. But I really feel strongly
that that would be a terrific step in terms of actually
legitimizing the work of this committee.

MS. CRAIN: This is Christina. As the new
member on the block and someone that has now realized
after being on this call that there's a lot I need to
learn, I second your comments, Doctor.

And I'm fine with moving it, Michelle, to a
later time. I'd actually like to come in next time for
whenever the meeting is to get to meet folks. So whatever
you want to propose I agree. It sounds like there is a
lot of intense work that we've got before us.
MS. BLOOMER: Ginnie, were you going to say something?

MS. MAYLE: Yes.

This is Ginnie Mayle. I just wanted to let you all know that our thought was to get you back together early January for a meeting. And we know that the holidays are a difficult time to try to hold a meeting. And for the strategic plan I sent out an e-mail and I asked you -- this is your opportunity to comment as an individual.

And then we wanted a group after you've had some time to look this over we wanted you to comment as a group of PTAC. And then that needs to happen -- I think this is on the January commission agenda. So that's why we needed to get you back together at least in early January. So just something to think about.

MS. BLOOMER: And I think early January might be good just because of the holidays. And that would give us a time, Dr. Abeson, and Christina, to sort of address the -- put together something that could get everybody down here. Maybe it's a less of a formal meeting and more of a brainstorming or strategic planning meeting so we can get clear what we have in front of us the next nine months, the next year so we know what we're doing going forward. And maybe at that time we could also work on
coming up with a schedule for meetings so we're meeting on a consistent -- more consistent basis. I think that will help, as well.

MS. MAYLE: And if -- this is Ginnie again. If you guys -- individuals, if you all want to submit agenda topics to Michelle I will work with Michelle on formulating the next agenda. So anytime you want to add something to the agenda just let Michelle know that and we'll work it out.

MS. BLOOMER: And do we have an updated membership list that we could send out, as well, after this meeting with everybody's name and contact information and --

MS. MAYLE: Yes, I do. I was just holding off for that ninth --


MS. MAYLE: The nine membership.

MR. SALAZAR: And so we know about the ninth person?

MS. BLOOMER: We do not know.

MS. LANGGUTH: This is Claudia. So it's my understanding now the committee will be nine members --

MS. BLOOMER: That's --

MS. LANGGUTH: -- instead of the --

MS. BLOOMER: -- correct.
MS. LANGGUTH: -- 11 as previously?

MS. BLOOMER: That's correct.

MS. LANGGUTH: Okay. Thank you.

MS. MAYLE: And -- this is Ginnie. Did I send that legislation out to you guys to --

MS. LANGGUTH: You did.

MS. MAYLE: Okay. I thought I might have.

MS. BLOOMER: And this is Michelle. Just to follow up on Ginnie's comment. If you have any items for the future agenda meetings feel free to send those to me. Or if you just want to call and chat or send me an e-mail feel free to do that, as well. And I will send out my contact information, I guess, instead of putting it in the transcript.

MS. MAYLE: And this is Ginnie again. Christina, just so you know, what I typically do when scheduling these meetings is I send out a couple of potential dates --

MS. CRAIN: Okay.

MS. MAYLE: -- and when we have a quorum we go with the majority, you know, which date --

MS. CRAIN: Sure.

MS. MAYLE: -- works best. So I'll look at some --

MS. CRAIN: Okay.
MS. MAYLE: -- dates in early January and send them out to you guys and see what works for most of you, hopefully, all of you.

MS. CRAIN: Okay.

MS. BLOOMER: Okay. Any other thoughts or comments from the committee members, either here in Austin or on the phone?

MR. ABESON: This is Al Abeson. I'd just like to congratulate the new Chair and thank you for doing a fine job today with the meeting.

MS. CRAIN: Yes.

MS. BLOOMER: Well, thank you. I hope I'll get better as we go along.

Hearing no other comments, can I have a motion to adjourn?

MS. LANGGUTH: This is Claudia Langguth. I move that we adjourn.

MR. SALAZAR: This is J.R. I second that motion.

MS. BLOOMER: Okay. Can we just do all in favor, say aye.

(A chorus of ayes.)

MS. BLOOMER: Anybody opposed?

(No response.)

MS. BLOOMER: Seeing none, the meeting is over.

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1 Thank you all.
2 (Whereupon, this hearing was adjourned.)
MEETING OF:    Public Transportation Advisory Committee
LOCATION:    Austin, Texas
DATE:    October 23, 2009

I do hereby certify that the foregoing pages,
numbers 1 through 80, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
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Texas Department of Transportation.

10/26/2009
(Transcriber)    (Date)

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