

TRANSCRIPT OF
TEXAS DEPARTMENT OF TRANSPORTATION
PUBLIC TRANSPORTATION ADVISORY COMMITTEE
PUBLIC MEETING
THURSDAY, JANUARY 29, 2021
1:05 P.M.
VIRTUAL MEETING VIA WEBEX EVENTS

TRANSCRIBED BY: Angelica Mathews

TRANSCRIPTION DATE: January 29, 2021

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APPEARANCES

COMMITTEE MEMBERS PARTICIPATING VIRTUALLY:

- John McBeth, Chair
- Jim Cline, Vice Chair
- Marc Whyte
- Dietrich von Biedenfeld
- J. R. Salazar
- Ken Fickes

TxDOT PARTICIPATING VIRTUALLY:

- Eric Gleason, PTN Director
- Josh Ribakove, PTN Communications Manager
- Theo Kosub, PTN Strategic Programs Manager

MEETING AGENDA

- 1
- 2 ITEM
- 3 1 Call to Order
- 4 2 Guidance on virtual meeting participation
- 5 3 Approval of minutes from January 7, 2021
- 6 meeting (Action)
- 7 4 TxDOT Public Transportation Division
- 8 Director's report to the Public
- 9 Transportation Advisory Committee regarding
- 10 public transportation matters.
- 11 5 Presentation and discussion on Intercity Bus
- 12 Program status.
- 13 6 Discussion on priorities for federal
- 14 authorization/reauthorization efforts
- 15 regarding transit funding. (Action)
- 16 7 Discussion on upcoming committee topics for
- 17 FY 2021. (Action)
- 18 8 Public Comment - Public comment will only be
- 19 accepted during the meeting. Link and
- 20 details are below. The meeting transcript
- 21 will be posted on the internet following the
- 22 meeting.
- 23 9 Propose and discuss agenda items for next
- 24 meeting; confirm dates of next meeting.
- 25 (Action)

1 10 Adjourn (Action)

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1 PROCEEDINGS

2 JOHN MCBETH: Okay. We have a quorum. It's
3 the -- it's 1:06 p.m., Friday, January the 29th, 2021.
4 The Public Transportation Advisory Committee will come
5 to order and if you would Josh, provide us with
6 guidance on the virtual meeting.

7 JOSH RIBAKOVE: Pardon me, hang on. There we
8 go. Hi, everybody. This is The Public Transportation
9 Advisory Committee meeting, January 29th. Your line
10 has been muted when you joined the meeting. If you
11 would like to make a comment, and it is a public
12 meeting, and you are certainly entitled to make a
13 comment, use the chat feature or the Q&A that are with
14 this meeting. I will be monitoring both and will read
15 out your comment. If comes during an Agenda Item and
16 is pertinent to that Item, I'll read it at that time.
17 If it's not related to one of the Agenda Item's, I will
18 share it with the Committee after the meeting.

19 It's important that you've entered your name
20 when joining the meeting. If you didn't do it, please
21 exit the meeting and rejoin. That'll be real helpful
22 to us. Please don't place this meeting on hold, we
23 will all hear your hold tone.

24 When (indiscernible) housekeeping in the
25 virtual (indiscernible) -- when it is time for a

1 standard motion, call on a Committee member to make
2 that motion. Standard motions include the approval of
3 minutes and adjournment. Other action items, when
4 there's to be a motion the Chair will ask if members
5 can make a motion at that time. Thanks, everyone.

6 JOHN MCBETH: Okay. And Josh, would you
7 please call the roll?

8 JOSH RIBAKOVE: Yeah. Well, John McBeth, I
9 just heard that you are here.

10 JOHN MCBETH: I'm here.

11 JOSH RIBAKOVE: Ken Fickes?

12 KEN FICKES: (Inaudible).

13 JOSH RIBAKOVE: Jim Cline?

14 JIM CLINE: Here.

15 JOSH RIBAKOVE: Marc Whyte?

16 MARC WHYTE: Here.

17 JOSH RIBAKOVE: J.R. Salazar?

18 J.R. SALAZAR: Here.

19 JOSH RIBAKOVE: Dietrich Von Biedenfeld has
20 not joined us yet, but we do have quorum.

21 UNKNOWN MALE: (Indiscernible).

22 JOHN MCBETH: Okay.

23 JOSH RIBAKOVE: That's all.

24 JOHN MCBETH: Okay, we have a quorum. Let's
25 go to Agenda Item Number 3, approval of the minutes

1 from January 7, 2021. It's an Action Item. And if I
2 could, I'd like a motion to approve by Ken and a second
3 by Marc.

4 KEN FICKES: This is Ken. Can you hear me?

5 JOHN MCBETH: Yep.

6 KEN FICKES: Okay, I so move.

7 MARC WHYTE: Second.

8 JOHN MCBETH: We have a motion; we have a
9 second. Is there any discussion? Hearing none, we'll
10 go to the vote. All in favor signify by saying ay.

11 (All stated ay.)

12 JOHN MCBETH: All opposed by saying no.
13 Being all ay's and no no's, the minutes are approved.
14 Josh, I will sign those and send them to you Monday
15 morning.

16 With that, we'll go to Item Number 4, the
17 TxDOT Public Transportation Division Director's report
18 to the Public Transportation Advisory Committee
19 regarding public transportation matters. Eric, it's
20 your Item.

21 ERIC GLEASON: Well good afternoon, everyone.
22 I certainly appreciate your time today. So, my report
23 is largely going to focus on looking forward throughout
24 the rest of this year and what an important activity
25 the Committee is going to be engaged in. Before I do

1 that though, I do also want to note that -- because
2 this maybe something that is on many of your minds, I
3 do want to note that our discussion in Agenda Item 6
4 will also include some information on Federal Covid
5 Relief efforts. So, in case you're wondering or
6 looking for an update on recent Covid Relief
7 Legislation and issues around that, I will cover that
8 as part of our discussion of Federal Authorization.

9 So, setting the table, I think for a very
10 significant effort by the Committee over the next 12 to
11 8(sic) months, we are going to, I think without
12 question, were gonna be diving into the Texas
13 Administrative Code language that addresses any number
14 of programs administered by the Department. There are
15 three things that are driving that need to get into the
16 Administrative Code in a significant fashion. The
17 first you're very much aware of and that is we do
18 anticipate, assuming they follow their traditional
19 schedule, which I guess this year could be a
20 complicating factor, but typically we would expect the
21 Census to release its urbanized area boundary
22 designations in Spring of next year. And that puts us
23 on a course to obviously look at those conclusions and
24 then to match those conclusions then up with whatever
25 results from this current Legislative session around

1 additional appropriations to allow us to address the
2 anticipated Census impacts. Now you may recall that
3 was a pretty significant topic of discussion for the
4 Committee last year. And you know, we're end to the
5 session now that includes fiscal year '23 which is the
6 first year that we expect federal programs and then
7 consequently State programs to follow the -- the -- the
8 2020 Census designations. So, at a minimum, I think we
9 have to take -- we will end of up having to go in and
10 take a look at the Administrative Code and make some
11 decisions around changes there both to reflect the
12 (indiscernible) funding as well as to address changes
13 in boundaries.

14 We've seen particularly in the 5311 Program
15 the second issue -- we've seen pretty significant
16 growth over time for that Program. Particularly since
17 some of the original requirements that are
18 (indiscernible) such as the 20.1 million identified to
19 be distributed on needs and performance, for example.
20 Since we've revisited that number, which is hardwired
21 in, in the context of the overall program size to see
22 if we should be either taking a different approach or
23 looking at changing that number. And as the Program
24 has grown over time, part of the Program that has grown
25 with that is the (indiscernible) location, which I

1 think at the time we actually implemented the 20.1
2 million as part of the formula allocation to
3 (indiscernible) element of the overall total was
4 relatively small and it has grown to be as large as \$15
5 million on an annual basis. So, probably time to go
6 look at those kinds of things.

7 And then finally, as you know, the Federal
8 Authorization (indiscernible) ended in FY'20. It was
9 extended to apply in FY'21 but at some point the
10 Congress is going to have to come to grips with a new
11 Authorization Bill. And typically, when that happens
12 we will see changes in federal program descriptions and
13 requirements that necessitate an action on our part to
14 go into our Administrative Code and update that Code
15 accordingly.

16 So, all three of those things are out there.
17 There are a lot of unknowns at this point, particularly
18 with respect to timing and when we might know something
19 about each of them. But it's times to get the
20 conversation underway even if we can't determine exact
21 changes necessary until later. The rule making process
22 at the Department is, you know, typically a six-to-
23 nine-month, 10-month process. So, we need to get going
24 sooner rather later on that.

25 You know, and just as a general note for some

1 of you, others of you are aware of this, Department
2 does not as a matter of practice undertake formal rule
3 making activities during a legislative session. So, we
4 won't in the next several meetings of your
5 (indiscernible) be actually undertaking what would
6 qualify as formal rule making but we can begin talking
7 about issues and things.

8 And so, looking ahead to the next two
9 meetings of the Committee, one in April and one in
10 July, we would anticipate at your April meeting
11 describing what we think a reasonable time table for
12 moving ahead on this effort looks like and trying to
13 incorporate as much as we know about those three issues
14 driving it as we can. And at the same to provide the
15 Committee with an update and an overview of in
16 particular the State funding and Federal
17 (indiscernible) area of allocation formula that are in
18 the tact today. So, we begin sort of a education
19 series, if you will, for the Committee describing what
20 the current allocation and formula is. And that is a
21 pretty significant exercise on our part to go through
22 and I see it the April meeting as being a good time to
23 do that.

24 And then in July, the Session will have ended
25 and so we'll be able to provide a recap of all things

1 State and Federal at that point in time. And identify
2 key issue areas and then a firmer timetable for the
3 rule making effort. So, I see July as a -- the first
4 time where we might be talking about issues,
5 substantive issues that -- that we will need to come to
6 grips with. And then from there on out we
7 (indiscernible) out a timetable to walk through the
8 particles of a rule making process.

9 Now I will say that in the time between now
10 and July that I will need to be having internal
11 conversations with Commissioners and Administration to
12 -- to tease out and understand issues they may be
13 interested in seeing us look at as a part of this
14 effort. The Commission takes a more active role than
15 perhaps historically. They take a more active role and
16 a higher degree of interest, this particular Commission
17 does, in rule making. And so, we have an internal
18 process that accommodates that and gives them
19 opportunities to -- to weigh in with their thoughts
20 following briefings from us on the -- on the
21 (indiscernible) themselves. So, it's always a good
22 thing to understand where they want to go before we
23 dive in and work with the Committee on -- on issues of
24 -- of significance. So, I will try and get us to a
25 point internally in the Department where there's a

1 comfort level with the Committee starting in July. The
2 Committee talking through issues and then moving
3 forward from there.

4 So, that completes my report. Mr. Chair, I'd
5 be happy at this point to answer any questions folks
6 might have on what I just said.

7 JOHN MCBETH: Does anyone have any questions
8 relative to what Eric just said on Agenda Item Number
9 4? Hearing none, we'll move forward to Agenda Item
10 Number 5, the presentation and discussion on Intercity
11 Bus Program status (ICB). And Eric is going to
12 introduce the speaker on this particular topic.

13 ERIC GLEASON: Okay. So, Agenda Item 5, you
14 all will recall that about 18 months ago you concluded
15 an effort to develop a Strategic Direction Report for
16 the Intercity Bus Program. And that Report in addition
17 to sort of identifying some high-level objectives for
18 the Program, I think most importantly identified the
19 desire to introduce to the Program a more strategic
20 element to it. One that would have us as a part of our
21 working knowledge base and conversations with you, have
22 us more aware and more easily able to articulate more
23 specific objectives for the Program. The Program
24 (indiscernible) largely sort of a, you know, we see
25 what comes in the door from a (indiscernible)

1 standpoint and we make our decisions based on what we
2 get. We don't glide the effort as much as we could be
3 or as much as other States do in fact today.

4 So that Effort, one of the key
5 recommendations coming from that Effort was for us to
6 pursue a consultant study to help inform us on how we
7 can be more strategic with this Program. You may
8 recall it's a fairly significant chunk of money for us.
9 It's over \$7 million a year at this point. The way the
10 Rural Program works that is a required set-aside by the
11 Federal Government that we are required to set aside
12 that amount of money and for these purposes. And so, I
13 think it's important that we make sure that we are
14 leveraging those funds in the most effective and
15 efficient way we can to compliment the other Rural
16 Program investment we have with the State. So, Theo
17 Kosub is our Staff person who is responsible for
18 Strategic Program Development and Theo is the Project
19 Manager for this effort and so I'm gonna turn it over
20 to Theo. I will let the Committee know that in his
21 history he does have -- he did work for the Monterrey
22 Salicitas Transit provider in California. That's been
23 about 10 years so it's kind of fading in the rear-view
24 mirror, but he does have some -- some practical
25 application of -- of public transportation issues in

1 his background. So, Theo I'll let you take it from
2 here. Introduce the Consultant and work through with
3 the Committee where we are right now. Theo are you on
4 the line?

5 JOSH RIBAKOVE: Theo is on the line and he is
6 not muted on this end. You hear us Theo?

7 ERIC GLEASON: (Indiscernible) try and move
8 to the presentation, Josh.

9 THEO KOSUB: Can you hear me now?

10 ERIC GLEASON: Yes.

11 JOSH RIBAKOVE: Yes.

12 ERIC GLEASON: We can.

13 THEO KOSUB: Okay. No idea what was
14 happening but thank you for the introduction, Eric.
15 Good afternoon, Committee members. Before I get into
16 my presentation, I would like to take this opportunity
17 to introduce Fred Fravel who is with the KFH Group and
18 he's going to introduce himself. So, Josh, could you
19 please unmute Fred.

20 FRED FRAVEL: I think I'm unmuted. If you
21 can hear me.

22 THEO KOSUB: We can hear you. Thanks.

23 FRED FRAVEL: Okay. My name is Fred Fravel
24 and I'm the Project Principal on this Study with Texas.
25 But I've been working on intercity bus issues and

1 policy going all the way back to my graduate school
2 days which are a long time ago. And that really kind
3 of come out of the -- when the industry was deregulated
4 in the 80's and all the changes in the industry and
5 trying to work to create Federal policies and State
6 implementation that would keep rural America linked
7 with the National Intercity Bus Network and have a way
8 that people could get around the country from rural
9 areas to the big cities.

10 So, over those years our firm, one of our
11 specialties has been work with the States and sometimes
12 with Regions on intercity bus studies. Looking at the
13 services that are out there. How to compliment what
14 the private market is providing since we really don't
15 have a whole lot of subsidy money and developing
16 policies to -- to implement and manage those programs.
17 So that's, like I said, that's been a specialty of
18 ours. We've probably done that in, I think the last
19 time I counted was like 35 different States or Regions.
20 Sometimes they want to just look at a router, a region.
21 And we are glad to be working with TxDOT on this
22 Project. It's -- it's got a lot of interesting and
23 unique aspects so we're in the thick of it now. Theo,
24 do you want to let everybody know where we are?

25 THEO KOSUB: In terms of your physical

1 location?

2 FRED FRAVEL: No, that's okay. You don't --

3 THEO KOSUB: You can --

4 FRED FRAVEL: -- have to get into that. But
5 where we are in the Study. What's the -- what's on the
6 menu and where we're going? You've gotta --

7 THEO KOSUB: Oh yeah, sure. I'll get into
8 that. Thanks for introducing yourself, Fred. So next
9 slide, please Josh.

10 So, Eric did a great job of setting the
11 scene. If you'll recall we finalized our Revised
12 Strategic Direction Report back in October of 2019
13 after which TxDOT went to their procurement and KFH was
14 selected. So, we recently kicked off the Study in late
15 November 2020. So, we've had about two months of Study
16 going and we're discovering interesting things. But
17 with that history in mind, I wanted to show you high-
18 level tasks that are contained in the Work Plan. And
19 as you can see, right here we're nearing completion of
20 these first two. Next slide, please.

21 So, these initial items -- these areas of
22 progress to date are really the road map to the future
23 for this Study. They set the scene for what comes
24 next. The Work Plan informed those high-level tasks,
25 and our Work Plan meets PTN needs. And each of these

1 areas of progress you see right here, I will discuss in
2 the next few slides. Next slide, please.

3 So, you see the overarching goal here and
4 we've worked through the goals and objectives of this
5 Study so that they align with those that have -- that
6 are articulated in the PTAC ICB Revised Strategic
7 Direction Report. And these goals and objectives will
8 also help to inform PTN's evaluation of the current
9 program. They really set the stage for a Revised ICB
10 Program. In terms of project timing, you know, we have
11 a Work Plan and a schedule that accommodates any
12 necessary changes to our Texas Administrative Code. It
13 also accommodates potential updates to our E-grant
14 System and related forms in advance of the next bi-
15 annual Coordinative Call for Projects. We get money
16 annually, but we make decisions about who gets that
17 every two years. Our current Program Model is
18 applicant driven. The philosophy is let the industry
19 make proposals about what they -- where they see the
20 need but there are different programmatic approaches to
21 ICB Surface. Next slide please, Josh.

22 So, you'll recall this -- you may or not
23 recall this State Programmatic Matrix from our previous
24 discussions, but this is an overview of different
25 delivery models from various states. In KFH's --

1 taking a look at other States in coordinating with them
2 for programmatic information and alternative delivery
3 models, one other thing they're also doing is looking
4 at this matrix and making sure, you know, it's up to
5 date. Do we have these program models correct? Do we
6 need to add some information on alternative delivery
7 models? In addition to a review of other State models,
8 the consultant is also taking a look at federal ICB
9 guidance and State law pertaining to ICB with an eye to
10 our Texas Administrative Code. Is there -- are there
11 changes we could make that might allow for increased
12 Program flexibility through potential changes? Next
13 slide please, Josh.

14 So, let's see something interesting. Ta-da.
15 This is the whole -- what you're seeing here is one of
16 the first draft items we received from the Study. And
17 this map looks great. It -- it shows you a moment in
18 time of pre-Covid ICB service levels. Please keep in
19 mind that some of those services are temporarily
20 running less capacity. Some have been suspended, but
21 you see the whole enchilada here. This is start, you
22 know, the starting point of mapping the total universe.
23 But we have an eye to the fact that, you know, we
24 really want to focus on the rural area. So, when
25 you're looking at this map consider that some of these

1 routes do have multiple trips whereas one -- there may
2 be some areas where there's one trip, you know, or two.
3 It goes north and comes south. The real story is level
4 of service, you know. We're looking for the basic
5 coverage and connections but if it only runs once a
6 day, you know, this map can be a little deceptive. The
7 vast majority is probably corridor express services.
8 But we will refine this with an eye to rural areas and
9 be able to show you that at a later date. Next slide,
10 please.

11 So, another area that we're currently working
12 on and this one takes a little bit more advance
13 coordination, is the stakeholder outreach portion of
14 this ICB Study. Where is the need? So, we're working
15 to develop survey instruments and also these
16 stakeholder meetings of course will be virtual. KFH is
17 going to host these meetings but we are spending a good
18 deal of time in developing a broad brush of contact
19 lists for these stakeholder meetings. Now
20 traditionally we have our own contact lists for
21 example, rural providers, you know, 5310's. 5307's,
22 but for this effort specifically we're taking a deeper
23 dive and looking into stakeholders such as independent
24 centers for living. Reaching out to the municipal
25 planning organizations, including community action

1 organizations. And even veterans' organizations. So,
2 we're really trying to paint a broad brush and involve,
3 you know, as many groups as possible. We're currently
4 homing in on a regional approach to stakeholder
5 meetings. With a State this large I think it's a good
6 idea to break up into regions, but when we're doing
7 that, we're also tailoring these survey mediums and
8 instruments for specific targeted groups. You know,
9 for instance, an MPO might receive a different survey
10 than say a community action agency. You know, they
11 have different needs and different plans. So, with
12 that in mind, we're looking to begin the stakeholder
13 outreach in late February, and it is likely to run
14 through March. Next slide please.

15 Looking ahead, we will probably be able to
16 come back to y'all in April as this ICB Study
17 progresses and we will be able to share an update then.
18 This is sort of a high-level intro, an update for
19 y'all. But that concludes my update. Are there any
20 questions from the Committee?

21 ERIC GLEASON: This is Eric, I think looking
22 at that schedule, the next -- as Theo mentioned the
23 next, I think significant chunk of effort will actually
24 be around stakeholders engagement and generally
25 identified to be happening in the February/March

1 timeframe so I talked with Theo yesterday about trying
2 to make sure that when we come back to the Committee in
3 April that we have a summary of that effort for you.
4 What we're gonna try and do over the next several
5 meetings of the Committee is -- today was pretty light.
6 Not really anything of any substance other than to try
7 and reengage you in the effort. But I think at each
8 subsequent meeting until the Study is complete, we will
9 provide, and you'll probably end up hearing more from
10 Fred and his team than us (indiscernible) future
11 meetings, we will provide the Committee with
12 substantive materials that will hopefully allow for
13 some discussion and feedback -- some additional
14 feedback and information for the effort. So, we will
15 try and engage you in a substantive way over the next
16 several meetings. This is gonna happen rather quickly
17 and I would imagine, in particular between the April
18 and July meeting they'll be a lot of substantive
19 progress made.

20 We are, as Theo mentioned, our next
21 Coordinative Call for Projects that we traditionally
22 include Intercity bus funding in does go out during the
23 Fall and the next one is the Fall of '21. So, we're
24 gonna try and learn as much about the kinds of things
25 that would be helpful for us in introducing a strategic

1 direction to the program. We're gonna try and learn as
2 much about those things as quickly as we can with KFH's
3 help. So that we can translate that into some more
4 specific direction as a part of this next Coordinative
5 Call. Even if the Study may yet have more tasks to be
6 done, we're gonna try and manage it in such a way that
7 we get that information in a timely fashion so that we
8 can make those kind of changes to the Call. And I
9 think Mr. Chair that is all that we wanted to
10 accomplish with this topic at this meeting.

11 JOHN MCBETH: Okay. Let's move on to Agenda
12 Item Number 6, discussion on priorities for federal
13 authorization/reauthorization efforts regarding transit
14 funding. This is gonna be done by Eric.

15 ERIC GLEASON: Okay, let's talk Federal
16 funding in general. I think it all leads to what we
17 need to have as our priorities for authorization.
18 Simply because the authorization effort as you know
19 will guide the next five to six years' worth of
20 funding. So, Theo, not Theo, but Josh, can we get to
21 the -- the next presentation, please?

22 Alright. So, we're just (indiscernible) jump
23 through different elements of Federal funding. As a
24 background, we just did get as a State, as we get every
25 year at some point, we did get year -- just get the

1 total Federal fiscal year '21 FTA apportionments for
2 all the programs that we as a Department administer.
3 Now, we've picked off four of the most significant of
4 those. The 5304 Program is our Statewide planning and
5 research funding. We use that to fund feasibility
6 studies. Every once in a while, we'll fund a limited
7 term pilot project with that. We use that to provide
8 some of the technical assistance that we typically
9 provide to others. And that -- this Program also is
10 the majority source of funding for the ongoing
11 coordinated regional public transportation planning
12 effort.

13 5307 is the urbanized area formula funding.
14 The amount that you see here is the amount that the
15 State received for those urbanized areas between 50,000
16 and 200,000. And actually, at the Federal level, each
17 urbanized area in Texas within that category receives a
18 specific apportionment amount that totals to the number
19 you see here. And they go ahead as urbanized areas,
20 and they apply directly into the Federal Grant System
21 for those funds. The Department does make decisions
22 for them or even go through the action of awarding them
23 those funds.

24 5310 is the Seniors -- this is the Enhanced
25 Mobility for Seniors and Persons with Disabilities. We

1 as a State administer this Program for areas of the
2 State under 200,000. There's a small urban portion of
3 this 7.9 million and a rural area portion of the 7.9
4 million. Just as an f.y.i, next Monday I believe, a
5 Call for Project will be released to identify funding
6 needs for this Program for fiscal years '21 -- no,
7 fiscal years '22 and '23.

8 So, then finally, the big enchilada if you
9 will, to carry on with that theme, the 5311 Program,
10 the Rural Area Program, just over almost, almost \$49
11 million now. And you can also see we're giving you a
12 2020 versus 21 comparison to look at percent change.
13 So those funds are out. We are, you know, we typically
14 move quickly to get those funds in the hands of transit
15 providers and other non-profits providing basic
16 mobility services throughout the State. In this case,
17 this year we are still focused on getting our CARES
18 funding out the door. And so Josh, let's go to the
19 next slide.

20 So, and so, let's talk about Federal relief
21 funding. I just mentioned CARES. CARES was
22 legislation from last Spring. And in April of 2020 the
23 Department received \$143.2 million of Rural Area
24 Program funding from CARES. And yesterday we
25 commissioned, just awarded the last amount of that

1 funding to rural transit districts. So, all of that
2 \$143.2 million has been awarded. And in some fashion
3 is under contract, some of it, not all of it yet, but
4 some of it's under contract for use by rural transit
5 districts and intercity bus providers.

6 Most recently, Congress passed the CRRSAA,
7 CRRSAA, I'm not even gonna try and figure out what that
8 means. I know there is an explanation for it. But the
9 most recent round of Federal transit relief legislation
10 for Covid was a total \$14 billion. Now, 13, about 13.3
11 billion of that 14 was for urbanized area programs to
12 be distributed down through 5307. Just under \$680
13 million was set aside for rural area programs to be
14 distributed down through 5311 and then \$50 million for
15 the 5310 Program. Now the CARES legislation from last
16 Spring did not include any additional funding for the
17 5310 Program. So, this is first time relief funding,
18 if you will, for those --- those program recipients.

19 The issue with this last piece of legislation
20 is that for urbanized area and rural area programs, the
21 legislation itself included criteria in it for
22 eligibility. And it was some very specific language
23 that at the end of the day meant that with the sole
24 exception of the City of Laredo, at the end of the day
25 no State funded urban or rural transit district

1 received any of this last additional relief funding.
2 Now larger transportation authorities such as DART,
3 Houston Metro, Cap Metro, VIA, Sun Metro El Paso, and
4 as I mentioned Laredo, all received some additional
5 funding. And in some cases, it was quite a bit of
6 additional funding. The only transportation authority
7 in Texas that did not receive additional funding was
8 the Denton County Transit Authority. And the way this
9 criterion worked is they established some thresholds
10 based on resorptive operating expense in a national
11 transit database. The legislation established a 75%
12 threshold for urbanized areas and 125% threshold for
13 rural areas and they looked back at the CARES award
14 amounts to everyone. And they compared the CARES award
15 amount to the reported 2018 Operating Expense for that
16 entity and if in the case of urbanized areas, if when
17 they made that comparison that area had received less
18 than 75% of it's reported operating expense for 2018,
19 then they were eligible to get some of this money. And
20 similarly, on the rural side, if State DOT's with their
21 CARES funding, if that amount of CARES funding that
22 they got last Spring exceeded 125% of their combined
23 reported 2018 Funding in the national transit database,
24 if it already exceeded 125% then they were not
25 eligible. And only those DOT's where the CARES Act

1 funding had to cover less than 125% of reported
2 expense.

3 Bottom line, as I said, with the exception of
4 Laredo, none of the -- the transit districts that the
5 Department routinely funds with either State and/or
6 Federal funds received any of this relief funding. And
7 to make it even more extreme, on an urban side, I think
8 only -- only 43 of the largest urbanized area transit
9 systems in the country received allocations of that
10 \$13.3 billion. And that on the State DOT side, only 22
11 States and one territory, Guam, only 22 States received
12 funding from the 679 million. So, 28 states did not.
13 And we can go into and talk about details around that,
14 but bottom line is no additional relief funding at the
15 moment for Texas, aside from the largest of the group.
16 Now, 5310, as I said that was new and our apportionment
17 amount of that 50 million is 1.36 million, roughly half
18 and half between small urban and rural.

19 And then of course, the Biden Administration
20 has proposed the American Relief plan. It has,
21 obviously a way to go as it makes its way through
22 Congress, but at the -- the introduction of the Bill
23 identified \$20 billion for public transportation. And
24 there really is not a significant amount of additional
25 detail on that at this time. So that's the relief

1 funding picture as it stands now. So, we are
2 continuing to work our way through the 143 million we
3 received last Spring. Let's go to the next slide.

4 So, all that sets the context then for what
5 we anticipate to be an upcoming conversation in
6 Congress on authorization. And we as a Department have
7 identified four priority areas that we want to work
8 with our Congressional delegation on to see progress
9 with this authorization. These aren't anything new.
10 You know, there's been a number of false starts on this
11 authorization conversation over the last couple of
12 years. And in each instance, these have been the four
13 that we have been focused on as a Department. First
14 and foremost, of those four is in any number of Federal
15 grant programs, they're generally is a -- a gap, if you
16 will, and sometimes it's significant in the Federal per
17 capita funding levels among rural area and urbanized
18 area programs. So, an example of that is the formula
19 problems themselves. Per capita basis, the 5307
20 Program, which is the Urbanized Area Program, is funded
21 at about 2 ½ times the Rural Area Program. Now some of
22 that in the context of the largest urbanized area
23 systems makes some sense given the, you know, the
24 enormous capital investment associated with them. Not
25 so much in our opinion when you begin to move down into

1 the smaller and mid-sized urbanized areas. And as most
2 of you know, in Texas here (indiscernible) there are a
3 lot of similarities in terms of cost structures and
4 needs between those two programs here. So, we think it
5 makes sense to close that gap at the Federal level.

6 Another example is in the bus and bus
7 facility program. Where the rural area amount is
8 capped and is a same amount for every State in the
9 country, no matter what the size of your rural area is.
10 Whereas the urbanized area amounts for bus and bus
11 facilities are in fact related to your population. So,
12 two examples of where we need to focus on trying to
13 make ground on a per capital expenditure level.

14 We also know from our Census conversations
15 that we need some flexibility going into the Census
16 changes that would allow us to, I think be more
17 effective in our efforts to bridge service funding for
18 those areas impacted by changes and designations to
19 allow a time frame for local consensus to be reached
20 about how to address that. And the most prominent
21 example we have of that is when the current urbanized
22 area boundary around a large metropolitan area, say
23 Dallas/Fort Worth or San Antonio. So that was
24 established in 2010, well then, the 2020 Census is
25 going to change that boundary and in a growing state

1 like Texas we can expect that boundary to expand
2 outwards. Well, when it does that it brings into then
3 the urbanized area, areas that were formerly rural and
4 served by the rural transit district. Those areas
5 inside the boundary now are -- no longer qualify for
6 rural area funding. So overnight there in this urban
7 gap area or the (indiscernible) area, as we've
8 (indiscernible) to. And it takes times to sort out
9 arrangements with the larger urbanized area to make
10 sure that coverage continues to be provided. So, we
11 find ourselves in the position we're trying to bridge
12 that timeframe with funding that allows rural area
13 service levels to be sustained. So, we need some
14 additional flexibility at the federal level to allow us
15 to be more effective in that capacity.

16 Streamlining a federal transit grant approval
17 process, we are interested in, you know, moving toward
18 a program requirement, program restriction at the
19 Federal level that continues to expand and allow for
20 local decisions on how best to spend Federal transit
21 program dollars. And, you know, it's difficult at best
22 to negotiate and navigate all the different stylos that
23 federal money currently comes down to us as. Even
24 though they are well intentioned and well documented
25 needs of target populations that need to continue to be

1 met, looking for more flexibility at the local level to
2 mix/match, blend and use transit program funding in
3 general to best address whatever the specific local
4 need might be. And then the other form of streamlining
5 is simply, you know, looking at basic criteria and
6 threshold requirements say in procurement and things
7 like that that, you know, simplify that process for
8 Federal grant program users.

9 Now, in the case of the Rural Program here we
10 have to pay in particular attention to the State side
11 of that and so even with those changes federally, we
12 may or may not be able to make companion changes here
13 in Texas, but --

14 And then finally, and very important, not
15 only for the City of Galveston but for the rest of our
16 rural and small urban agencies as well, Galveston's
17 status as a rural or an urbanized area has been influx
18 now ever since the 2010 Census when the impact of the
19 2008 Hurricane Ike on Galveston resulted in the
20 population in 2010 being counted as less than 50,000.
21 Taking Galveston from long standing urbanized area
22 status, suddenly into the rural area. And the rural
23 area program as you just heard on a capita basis is no
24 where nearly as robustly funded as the urban programs.
25 And so, in Galveston's case when you go from a, you

1 know, a per capita funding (indiscernible) it's 2 ½
2 times what it is on the rural side, that's a million-
3 dollar swing for them in Federal funding. Going from a
4 high level of funding to help them sustain a higher
5 level of service in Galveston to a significantly lower
6 amount federally. Now some of that is offset on State
7 side but not nearly to the degree that that federal
8 impact is felt.

9 So, it, you know, in 2013 then Galveston
10 officially went from urban to rural in Federal funding
11 decision. In 2018 they were successful in getting
12 language attached to appropriations language that
13 allowed them to be treated as a urbanized area for the
14 balance of authorization which ended in, you know,
15 September of 2020. So right now, effective with fiscal
16 year '21 funding, Galveston is at the Federal level
17 recognized as a rural area, again. So, we're trying to
18 stop this back and forth, flip flop nature of things
19 with a retroactive language and authorization. And
20 then to more generally address it on a national level,
21 the language (indiscernible) as a result of a natural
22 disaster that Census impacts, you know, impacts of a
23 natural disaster on a next decennial census whenever
24 that is, you know, if that area would be held harmless
25 to the negative impacts on population. And would

1 prevent the kind of situation we've had from, you know,
2 with Galveston.

3 So, I've kind of gone on a bit on this but
4 it's an important point. The good news in Galveston is
5 with James Oliver there that they determined that they
6 actually have enough funding current FY'20 funding or
7 over to sustain them, along with CARES Act funding for
8 about a year at their current service levels. At least
9 that's what it was the last time we talked with James.
10 And so, they're able to sustain their current service
11 levels while a Federal fix is put in place, hopefully.
12 But as we go through this year without a fix, they need
13 to do their planning to get ready to implement some
14 pretty dramatic changes to their service, which no one
15 wants to see.

16 So, I believe that that is the last slide.
17 And I've been going on here for a little of time and I
18 apologize for that. But open it up for discussion,
19 questions. This is not an action item. But it is an
20 important item, and we would certainly be -- at least I
21 don't -- well perhaps it is action. Josh, maybe you
22 could remind me, that I believe we did give the
23 Committee an opportunity to take action that might add
24 or modify (indiscernible) priorities.

25 JOSH RIBAKOVE: That's correct. With this --

1 is listed as an Action Item.

2 ERIC GLEASON: Okay, thank you. So, Mr.
3 Chair, if the Committee wants to formally comment on
4 what you see here for priorities or recommend to the
5 Department that we consider adding to this list, that
6 is (indiscernible).

7 JOHN MCBETH: Okay. Josh, have we had any
8 public comments on this particular Item?

9 JOSH RIBAKOVE: We have not had any public
10 comments on this particular Item. I do also want to
11 let you know that our sixth PTAC member, Dietrich von
12 Biedenfeld has joined the meeting.

13 JOHN MCBETH: Great. At this point in time,
14 Eric, I think while this is listed as an Action Item,
15 do you need us to take action on it and approve what
16 you're proposing? Or are you just going to go forward
17 with what's there (indiscernible)?

18 ERIC GLEASON: So, yes, that's it exactly.
19 We would plan to go forward with what you see here. We
20 did want to give the Committee an opportunity, if it
21 chose to, to take action but there is no need for
22 action today.

23 JOHN MCBETH: Okay.

24 JIM CLINE: Can I ask a couple of question --
25 or a question or two real quick? This is Jim.

1 JOHN MCBETH: Sure.

2 JIM CLINE: One of the things and maybe it's
3 kind of buried in here (indiscernible) be a kind of a
4 perfect storm develop in the course of the next 24
5 months with -- when we talk about changes in
6 boundaries, the historic performance characteristics
7 are gonna be degraded because of Covid impact on
8 service and ridership. And then potentially turmoil
9 even at the Federal level, right, with this -- and
10 there's always a risk of, you know,
11 authorization/reauthorization, particularly with our
12 Bill, you know, when needing to extend the bill a
13 second time or come up with new language. And I'm
14 wondering if we -- we can kind of think through how to
15 -- maybe one of the targets ought to be sustain-ness --
16 again it's been implied in the discussion to at
17 earlier. In fact, maybe you stated it, but adding
18 something in there about sustaining service as we
19 transition or kind of as it seeks a new level. I'm not
20 sure how to exactly frame that but I could just see a
21 lot of -- I could see some of the transit, particularly
22 the rural transit districts, really taking a hit or an
23 urban -- or a rural district that becomes -- it
24 transitions because of -- or, you know, because of the
25 population changes. Small and large urban. I think

1 there's some bridging, you know, that -- and I think
2 you use those words Eric, but I'm not sure how to say
3 that in a right way but there was some pretty
4 extraordinary things are happening all at the same time
5 that are coming together. So, I would think that we
6 would want to consider that as we go forward.

7 JOHN MCBETH: Okay.

8 ERIC GLEASON: Sure. Yeah. Jim, this Eric.
9 I think you're right on the mark with that. You know,
10 the overarching objective of the Federal relief
11 legislation is to maintain and sustain existing
12 services. Clearly the, you know, the overarching
13 intent of what I call bridging is to sustain service
14 levels (indiscernible) difficult decisions get made on
15 who's gonna provide service in the area.

16 And then just as a note for people, because
17 you started off with a comment which is gonna -- I'm
18 not sure when we're gonna see ourselves clear of this,
19 the data -- obviously the performance data coming from
20 last year in this is obviously skewed tremendously by
21 Covid. We do have the ability as a Department to
22 continue to use the last best year of data, that being
23 2019, without having the impact of Covid. We do have
24 the ability to continue to use that in subsequent year
25 performance measurement and calculations. Particularly

1 how it effects formula distributions. So, the
2 Department does have that (indiscernible) and we do
3 intend to exercise it and I don't know when we might
4 (indiscernible) conclude that data is back to a point
5 where we can move ahead with more current data.

6 JIM CLINE: No, it sounds good. I was just,
7 I guess is making sure we don't have any unintended
8 consequences of our actions.

9 ERIC GLEASON: Absolutely.

10 JIM CLINE: Thank you.

11 JOHN MCBETH: Any further comments on this
12 particular Agenda Item? There being none we'll move on
13 to Item Number 7, discussion on upcoming Committee
14 topics for 2021. This is gonna be a topic handled by
15 Eric, if you would.

16 ERIC GLEASON: So, I think I've already
17 identified next steps for both intercity bus study and
18 getting into the rule making process that we envision
19 needing to happen. Obviously, I would put those two
20 out there as pretty significant items for the Committee
21 over the next 12 months. We are open to hearing from
22 Committee members in this Item other areas that you
23 would like us to get on a future Agenda.

24 JOHN MCBETH: Well, this is John, and I can
25 tell you those two items you mentioned are more than

1 enough to keep our plates very full. Having been
2 through the administrative hearing side of the formula
3 in previous life's, I know that alone could be a topic
4 that would exhaust us if we met every month for the
5 next year. So, I think those two alone we should
6 probably limit ourselves to those because those are
7 both big bites out of the apple. But I'll entertain
8 anybody's having suggestions for any other topics.
9 Josh, so we have any public comments on this particular
10 Item?

11 JOSH RIBAKOVE: No public comments at all so
12 far, John.

13 JOHN MCBETH: Okay. Well hearing no other
14 suggestions, I would say we go forward on just the two
15 topics Eric has mentioned. Do we need this an action
16 item, Josh?

17 JOSH RIBAKOVE: This was an opportunity for
18 action but since you're not asking for something that
19 Eric has not already mentioned, I don't think that this
20 requires a motion.

21 JOHN MCBETH: Great. Let's move on to my
22 final question, are there any public comments Josh that
23 have come in since the last time I asked you?

24 JOSH RIBAKOVE: No, sir.

25 JOHN MCBETH: Okay. There being no public

1 comments, Item Number 9 is to propose and discuss
2 Agenda Items for the next meeting and confirm the date
3 of the next meeting. I think Eric has already told us
4 what the Agenda Item for the next meeting is going to
5 be, but we do not know the date. Josh, when would the
6 date be?

7 JOSH RIBAKOVE: The general date would be on
8 Thursday, April 29. Will that work for everyone?

9 ERIC GLEASON: Josh, if we can make that in
10 the afternoon because that will be the April Commission
11 meeting.

12 JOSH RIBAKOVE: Ahh.

13 ERIC GLEASON: I'm fine with the 29th but it
14 will have to be in the afternoon.

15 JOHN MCBETH: Well, I really don't want to
16 crowd you on that date knowing how Commission meetings
17 go. Could there be -- could we go back one week?

18 JOSH RIBAKOVE: We could go back to April 22.

19 JOHN MCBETH: April 22 would be good for me.
20 I don't have anything on that date. Is that good for
21 everybody else?

22 ERIC GLEASON: Works for me.

23 MARC WHYTE: Could we do the morning?

24 JOHN MCBETH: The morning would be fine with
25 me.

1 MARC WHYTE: Yeah, I'm good with the morning
2 on the 22nd.

3 JOHN MCBETH: 10 o'clock on the 22nd?

4 MARC WHYTE: Yes, sir.

5 JOHN MCBETH: Is that fine with everybody?
6 Okay. That's the date we'll set it for.

7 JOSH RIBAKOVE: I'll set it up.

8 JOHN MCBETH: Okay. And our final Agenda
9 Item is adjourn. I need a motion and a second to
10 adjourn.

11 JIM CLINE: So moved. This is Jim.

12 UNIDENTIFIED MALE: Second.

13 KEN FICKES: This is Ken, I second.

14 J.R. SALAZAR: Second. This is J.R.

15 JOHN MCBETH: We have a motion and a second.
16 Any discussion? All those in favor signify by saying
17 ay.

18 (All stated ay.)

19 JOHN MCBETH: All opposed by saying nay.
20 Sounds like the ay's have it. Thank y'all all for
21 attending.

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24 (END OF AUDIO FILE)

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I further certify that the transcription fee of \$_____ was paid/will be paid in full by the Texas Department of Transportation.

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1 THE STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3

4 Before me, Katheren Martinez, on this day
5 personally appeared Angelica Mathews, known to me to be
6 the person whose name is subscribed to the foregoing
7 instrument and acknowledged to me that they executed
8 the same for the purposes and consideration therein
9 expressed.

10 Given under my hand and seal of office this
11 23rd day of February, 2021.

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16

THE STATE OF TEXAS

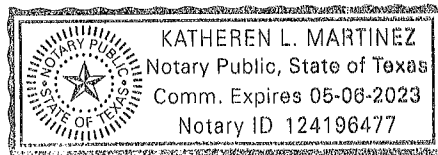
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COMMISSION EXPIRES: 5/6/23

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