PACTS TRANSIT COMMITTEE WORKSHOP AGENDA
April 9, 2020
9:30 – 11:00 a.m.

Zoom webinar: https://zoom.us/j/132316973

1. Welcome
Staff will provide a brief overview of Zoom webinar protocols and features.

2. Open Public Comment
Residents are welcome to provide up to three minutes of public comment on any issue, including items on the agenda.

3. Acceptance of March 12, 2020 Transit Committee Workshop Minutes (Attachment A)

4. Update on PACTS Executive Committee Approval of Transit Funding
At its April 7, 2020 meeting, the PACTS Executive Committee approved the allocation of $14.2M and $10.6M 2021 FTA 5307 funds and the corresponding Split Letter as recommended by the PACTS Transit Committee. The Executive Committee also authorized MaineDOT to administer 5339 funds for the PACTS region in 2020.

Proposed Action: For information only.

5. Discussion of CARES Act Funding Approaches and Processes (Attachment B) - 60 minutes

Staff Report
The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides $25 billion nationally to transit agencies to help prevent, prepare for, and respond to the COVID-19 pandemic. Funds must be used for “reimbursement for operating costs to maintain service and lost revenue due to the coronavirus public health emergency, including the
purchase of personal protective equipment, and paying the administrative leave of operations personnel due to reductions in service." The PACTS region is receiving $53,022,637 in 5307 funds and Maine is receiving $24,554,813 in 5311 and 5340 funds.

At the April 2 Transit Committee meeting, the transit agencies confirmed that they will accept the full funding amount from FTA. The Committee discussed allocating funds in phases to address immediate and long-term needs. Agencies will share preliminary thinking on COVID-19 related expenses and discuss whether and how to standardize the method by which these expenses are calculated and categorized.

The presentation from FTA’s CARES Act webinar on April 6 is included separately. A brief summary of the key points and discussion is included below as Attachment B.

Proposed Action: Discuss proposed approach of:

- Developing a shared methodology for calculating and categorizing funds and agreeing on a time frame to be covered in the first phase of CARES Act allocations
- Outlining a process for agency CARES Act requests to be incorporated in a Split Letter for the PACTS region
- PACTS developing a method of regionally allocating CARES Act funds for future time periods.

6. Other Business

7. Adjourn

Upcoming Meetings

- April 23, 3:00 p.m. – PACTS Policy Committee
- April 28, 1:00 p.m. – PACTS Transit Committee Workshop
- May 14, 9:30 a.m. – PACTS Transit Committee
PACTS TRANSIT COMMITTEE WORKSHOP
MINUTES
March 12, 2020
9:30 – 11:00 a.m. at GPCOG

In Attendance:

<table>
<thead>
<tr>
<th>Committee Members</th>
<th>Affiliation</th>
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<tbody>
<tr>
<td>Hank Berg, Vice Chair</td>
<td>Casco Bay Island Transit District</td>
<td>Y</td>
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<tr>
<td>Lori Brann</td>
<td>MaineDOT</td>
<td>Y</td>
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<tr>
<td>Chris Chop</td>
<td>Maine Medical Center</td>
<td>Y</td>
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<tr>
<td>Robert Currie</td>
<td>YCCAC</td>
<td>N (phone)</td>
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<tr>
<td>Jack De Beradinis</td>
<td>RTP</td>
<td>Y</td>
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<tr>
<td>Casey Gilbert</td>
<td>Portland Downtown</td>
<td>N</td>
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<tr>
<td>Rebecca Grover</td>
<td>Maine Turnpike Authority</td>
<td>Y</td>
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<tr>
<td>Art Handman</td>
<td>City of South Portland</td>
<td>Y</td>
</tr>
<tr>
<td>Bruce Hyman</td>
<td>Planning Committee Appointee</td>
<td>Y</td>
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<tr>
<td>Gregg Isherwood</td>
<td>Custom Coach &amp; Limousine</td>
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<tr>
<td>Greg Jordan, Chair</td>
<td>METRO</td>
<td>Y</td>
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<tr>
<td>Patricia Quinn</td>
<td>NNEPRA</td>
<td>Y</td>
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<tr>
<td>Tony Scavuzzo</td>
<td>BSOOB Transit</td>
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<td><strong>GUESTS</strong></td>
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<td>Will Gayle</td>
<td>NNEPRA</td>
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<tr>
<td><strong>For GPCOG</strong></td>
<td>Kristina Egan, Ryan Neale</td>
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1. **Welcome** – The workshop started at 9:30 a.m. The group was reminded that this is a Transit Committee workshop rather than a Committee meeting.

2. **Open Public Comment** - There were no public comments.

3. **Acceptance of February 25, 2020 Transit Committee Workshop Minutes**
   Several revisions to the minutes were noted and will be made by staff. These include:
PACTS

- P. 12, third paragraph, last sentence: clarify that the $530 million is for buses
- P. 12, note that “The group agreed that the $1 million reserved should be maintained” should be modified to show that this was later changed in the discussion
- P. 13, second paragraph, last line: revise to note that the Ferry Boat Discretionary Program asked if the project is scalable
- P. 15, last paragraph, MaineDOT is providing $80,000 for the Town of Brunswick’s transit study. The total cost is $100,000.

Bob Currie observed that the group agreed on February 25 that certain RAD projects are complete and need not be reported on going forward. He noted he agreed with the decision but asked if this decision should be made at a Transit Committee meeting to be official. Ryan said the decision on when RAD projects would be reported on was likely made at a Transit Committee meeting. If so, the decision on not reporting should be made at a Committee meeting as well. Hank Berg said this makes sense if it was voted on but may not be necessary if it was a consensus. Ryan will follow up on this.

Hank Berg later noted the minutes state on page 14, in the third full paragraph, that “Electric technology may not be ready for a few years and buses are needed now.” Hank expressed concern that this might be construed as meaning that electric technology in general is not a mature technology. Lori Brann said her comment was specific to cut-aways and the group agreed that this line should be eliminated.

With these revisions, the minutes were accepted.

4. Review of Revised Funding Requests and Regional Funding
Ryan Neale noted that initial funding requests and the regional funding situation were reviewed at the February 25 workshop. Based on those initial requests, the region would face a funding deficit of approximately $875,000 in 2022. The workshop also agreed to focus on approving two years of funding informed by the out years in light of
the pending transportation funding prioritization process. The workshop also agreed that the $1 million reserve is not essential in the out years given the pending funding framework. The goal would be to have a positive balance in 2022 and future years.

Ryan noted that revised requests have since been provided by BSOOB Transit, Casco Bay Lines, METRO, and SPBS. These revisions leave the region with a surplus of approximately $157,000 in 2022. Hank noted that CBL can try to submit for additional funds through the Ferry Boat Discretionary Program in future years to help the regional funding situation. Art Handman noted that South Portland may pursue discretionary funds for electric buses in future years which would further improve the bottom line. SPBS will not be applying for such funds this year.

Tony Scavuzzo, Hank Berg, Greg Jordan, and Art Handman provided brief summaries of agencies’ revised requests. Tony said that BSOOB’s $200,000 request for a bus wash system is being moved from 2022 to 2023. Hank noted that construction costs for the terminal renovation project increased by over $2.5 million in 2020. Casco Bay Lines’ revised request moves $3 million from 5307 funds to discretionary funding. Greg said that METRO’s revised request defers two of the five buses initially requested through the 5307 program. METRO will pursue discretionary funds for these buses. Three buses must be replaced this year as the fuel tanks are no longer certified as of later this year. Art noted that SPBS is requesting additional operating funds in 2020 with 2% annual increases going forward. Most of this additional request is related to implementation of the electronic fare collection system.

Greg thanked Tony and Hank for their efforts to resolve the deficit and reiterated that we would be looking at a two-year funding plan informed by the out years.

Ryan said that the next step is for the workshop to recommend the funding plan to the Transit Committee. The next Transit Committee workshop is scheduled for March 24
and the next Transit Committee meeting for April 9. The goal is for the Transit Committee to recommend the plan to PACTS’ governing committees.

Kristina Egan said it’s likely we may not be having in-person meetings for the near future and that GPCOG is looking into whether PACTS meetings can proceed if they are not in person. GPCOG is also looking into whether participants who call in count for quorum purposes. Hank said CBL has had a legal opinion that members cannot e-mail a vote or have others vote on their behalf because they need to hear discussion of the issue. Kristina invited others to share any findings or opinions they may have.

Greg suggested an emergency Transit Committee be held early next week to act on the funding recommendations. The concern is that agencies cannot apply for grants if the process does not move forward. Art Handman suggested that the TIP and Split Letter could be approved without action by the governing committees. Kristina reminded the group that this will be addressed in the funding prioritization framework process.

Greg asked if the approved funding plan would require a Transportation Improvement Program amendment. Lori said she thinks it would require a TIP adjustment, which requires a notification but not a public process like a TIP amendment.

Jack asked if the scheduled March 17 TIP Committee meeting figures into this process. Kristina said that group is working on the scope of the funding prioritization framework and committee will not deal with TIP amendments.

Greg said we have general agreement on the two-year funding plan and will wait to determine the process going forward. The group generally expressed support for the funding plan as discussed today. Kristina said GPCOG staff will keep everyone posted about developments going forward and will strive to ensure that necessary approvals are done so there is no disruption to the funds to be drawn down. The tentative plan is to repurpose the March 24 workshop to a full Committee meeting at the same time.
5. Other Business

Greg noted the previous Friday’s national conference call with FTA, CDC, and DOT. Acting FTA Administrator Jane Williams said that existing 5307 grants and other funds can be used for activities related to responding to COVID-19. Greg asked if other agencies were doing any contingency planning for service disruptions or closures which could present cash flow issues. Staff would still need to be paid even if other variable costs are not incurred.

Jack De Beradinis asked about any restrictions on drawing down federal funds when service is not being performed. Greg said the indication from FTA is that there would not be restrictions on funds and everyone understands that staff must be paid even if service is disrupted.

Hank Berg said the critical thing to him is that these funds can be used for preventive maintenance. Agencies can use funds for regular disinfection. Kristina said GPCOG could potentially be a resource for consolidated purchasing. Tony said BSOOB Transit’s electrostatic device is being used every day. METRO is also doing regular cleanings. METRO is putting information out to passengers and the public on social distancing, not riding when sick, and other precautions. The group agreed it is important to seek guidance from FTA on how transit agencies are to serve customers that self-declare COVID-19.

Agencies were asked to provide Ryan with information about their practices to respond to COVID-19.

Hank said CBL is applying for FTA Ferry Boat Discretionary Program funds for the diesel electric propulsion system. The application is due at the end of March Letters of support which are very important. Greg asked if similar letters could be provided for
METRO’s application. GPCOG will coordinate support letters for these grant applications.

6. Adjourn. The meeting adjourned at 10:21 a.m.
FTA CARES Act of 2020 Implementation April 6, 2020

Funding Programs

• 5337 funding
  o Administered under UZA formula program
  o There are no separate state of good repair fund through CARES Act
  o Projects eligible under state of good repair program are also eligible under the UZA formula program
  o Congress directed FTA to use 5337 formulas to apportion funds to UZA program, but funds do not need to be used for state of good repair purposes
  o This was a mechanism to determine how much funding would be provided to each urbanized area.
• CARES Act funding is in addition to normal 5307 formula allocation
• All CARES Act funding is considered to be in response to COVID-19
  o No special document is required to be submitted
  o Agencies must demonstrate compliance with federal requirements and that requested funding is according to pre-award date of Jan 20, 2020
• Capital items do not need to be COVID-19 related
  o For projects funded by CARES Act funds, any projects normally eligible under UZA and rural area formula programs are eligible
  o Agencies do not need to draw a direct link to COVID-19 response
  o Agencies can replace vehicles, purchase equipment, repair facilities, etc.
  o Expenses must be after Jan 20, 2020
• Reduced revenue has affected the ability of recipients to fund any project, and so operating projects as of Jan 20, 2020 are eligible for CARES Act funding

Accounting for Expenses

• FTA cannot pay for a theoretical amount of lost revenue that might have been projected based on fares or tax revenue
  o FTA can pay for actual operating and capital costs no matter the amount of revenue a system receives during this time as long as you subtract the fare revenue that you get from the total operating expenses.
  o If fare revenue for this quarter is down $100,000 from expectations, the lost revenue would have gone towards paying for operations and can be made up for with CARES Act funding
• Operating expenses and capital expenses that do not involve a change in location, function, or capacity of an asset do not need to be in TIP, STIP, or long range plan
  o Preventive maintenance, bus replacement do not need to be in TIP/STIP
  o Fleet or facility expansion would need to be in TIP/STIP
• FTA cannot fund a project that does not have specific eligible expenses associated with it

Federal Share

• Agencies are still able to use normal 5307 funding at previously announced 80%/20% split based on March 13th announcement
• 5311 administrative funds normally at 80%/20% split are eligible for 100% federal share
• CARES Act funds cannot be used as match for other FTA programs
• CARES Act funds can replace state and local funds that will be cut
  o A primary purpose of the CARES Act funds is the expectation that due to the struggling economy there will be difficulty funding public transportation with local resources
  o Therefore federal resources are provided at 100%

Timelines, Requirements, and Applications

• Funds are available until expended, but agencies are encouraged to use expeditiously (Congress could potentially rescind)
• DOL certification requirements remain in place; FTA is working to expedite
• A new Split Letter is required and CARES Act funding must be expressly noted in the Split Letter
• Split Letters are not required by a particular date
• Applying through TrAMS
  o There are no structural or operational changes in TrAMS
  o New coding for CARES Act funds
  o CARES Act funds must be a new application (cannot be aligned with an existing
  o Emergency relief funds also requires a distinct identifier – this can be an amendment to an existing 2020 award
• Agencies should identify specific projects in grant applications
• Buy American requirements have not been waived
• Agencies can start submitting grants today

Emergency Relief Docket

• Grant recipients can request a waiver from FTA requirements (includes rules that require competitive bidding)
• FTA wants to empower agencies to act quickly
• Agencies should discuss with FTA regional office first

Other

• FTA is looking to get a response on whether the 1% security requirement applies to CARES Act funds; answer will be posted on the FAQs website
• Mobility Management projects considered to be capital are eligible under both UZA and rural
• Fuel is an eligible operating expense
• FTAResponse@dot.gov for questions