PACTS
Portland Area Comprehensive Transportation System

PACTS TRANSIT COMMITTEE
MEETING AGENDA
May 14, 2020
9:30 – 11:00 a.m.
Zoom Webinar: https://us02web.zoom.us/j/83198551442

As of March 31st, 2020 PACTS and GPCOG will be holding all committee meetings via Zoom conferencing technology. We remain committed to full public access and participation in our meetings through remote access during the COVID-19 crisis. Remote meetings will be held in accordance with the requirements of LD 2167, Public Law Chapter 618.

1. Welcome

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

3. Acceptance of April 16, 2020 Meeting and April 28, 2020 Workshop Minutes
(Attachments A and B)

4. Discussion and Approval of a Timeline for Programming Remaining CARES Act Transit Funding (Attachment C) – 15 minutes

Staff Report:
The CARES Act phase one split letter programmed approximately $14M of funding among the PACTS region transit agencies, leaving approximately $40M remaining to be programmed. Carole Martin and staff have developed a draft timeline, included as Attachment C, of key objectives and goals for the programming of these funds.


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Proposed action: approve or modify the draft timeline.

5. Discussion and Approval of CARES Act Transit Funding Assumptions and Priorities (Attachment D) - 15 Minutes

Staff Report:
At its May 5 meeting, the PACTS Executive Committee reviewed and discussed the major assumptions and priorities that had been outlined by Transit Committee members. These assumptions and priorities will inform a funding prioritization framework for programming the region’s remaining CARES Act funds. Based on these discussions, staff has compiled major assumptions and priorities included as attachment D. The vision and recommendations from Transit Tomorrow will also be incorporated into the funding prioritization framework.

Proposed action: approve or modify the draft assumptions and priorities for programming CARES Act funds.

6. Discussion and Approval of Timeframe for CARES Act Phase II Requests - 15 minutes

Staff Report:
The initial phase of PACTS CARES Act funding focused on addressing immediate needs and covered the timeframe of February 1 to June 30. Phase II will focus on addressing longer-term effects of the COVID-19 virus on transit agencies and the regional public transportation network. The Committee should define the time period for each allocation. The time period should anticipate meeting the needs of transit agencies while calibrating for changes in an uncertain environment, and related to lost fare revenue, recovery, resiliency, and economic stimulus. Options include, but are not limited to: 6 months or one year. The Committee should also define the length of time over which the full remainder of the CARES funds will be allocated. Options include, but are not limited to: two years, three years, or more.
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Proposed action: Discuss and establish time periods for each allocation and an overall timeframe for CARES Act funding allocations.

7. Discussion and Approval of Model for Transit Agency CARES Act Phase Two Requests – 15 minutes

Staff Report:
The Chair, Vice Chair and staff are in the process of drafting an Excel spreadsheet model that can serve as a tool for prioritizing funding and estimating allocations to agencies. This will be shared as soon as the draft is completed. The intent of the model is to provide a level of consistency and guidelines for transit agencies in developing their Phase II requests.

Proposed action: Review, modify as needed, and adopt the model for use as a tool in programming remaining CARES funds.

8. Other Business

9. Adjourn

Upcoming Meetings:
- May 26, 1:00 p.m. – PACTS Transit Committee Workshop
- June 2, 8:30 a.m. – PACTS Executive Committee
- June 11, 9:30 a.m. – PACTS Transit Committee
- June 23, 1:00 p.m. – PACTS Transit Committee Workshop
PACTS TRANSIT COMMITTEE MINUTES
April 16, 2020

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<th>Name</th>
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<tr>
<td>Hank Berg, Vice Chair</td>
<td>Casco Bay Island Transit District</td>
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<td>MaineDOT</td>
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<td>Chris Chop</td>
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<td>Custom Coach &amp; Limousine</td>
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<td>Greg Jordan, Chair</td>
<td>METRO</td>
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<td>Patricia Quinn</td>
<td>NNEPRA</td>
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<td>Tony Scavuzzo</td>
<td>BSOOB Transit</td>
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**Guests**

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<tr>
<td>William Gayle</td>
<td>NNEPRA (in place of Patricia)</td>
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<td>Hope Cahan</td>
<td>Vice Chair, PACTS</td>
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<td>Nate Moulton</td>
<td>MaineDOT</td>
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**For GPCOG**

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<td>Kristina Egan, Chris Hall, Rick Harbison, Phaeng Southisombath</td>
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1. **Welcome**
Greg opened the meeting.

2. **Open Public Comments**
No public comments were offered.
3. Acceptance of April 2, 2020 Meeting Minutes
Robert Currie moved acceptance of the April 2, 2020 minutes. Art seconded. All were in favor.

4. Programming CARES Act Funds
Ryan provided an update on the CARES Act funds and reported that FTA released a breakdown of the apportionment for the region 5307 and 5337. There is $30M in 5307 and $22.5M through 5337. Once funds are apportioned, FTA has indicated that 5337 can be treated like 5307 funds, meaning the funding is open to all transit providers. The total CARES funding for the region is approximately $54M.

Hank asked whether agencies should apply to only 5307. Ryan confirmed and explained that once it is apportioned to the region, all CARES transit funding should be treated as 5307. Greg added that there will be a new 5307 CARES Act code in the TRaMS system to select the appropriate source. Lori confirmed.

Ryan summarized the key takeaways from the Transit Committee Workshop indicating that the group came to a consensus on using a February 1st through June 30th timeframe for agencies to estimate their expenses and loss of revenue to submit their request for CARES Act funding. Staff received requests from all seven transit agencies. These requests have been compiled into one spreadsheet, which will be distributed to committee members for closer review.

Ryan provided an overview of the funding spreadsheet and indicated that there were some agencies that returned negative values for some line items and explained his process so that the values were correctly reflected in the totals. Ryan confirmed with the respective agencies that their values were accurately captured in the overall totals.

Hank explained he did not include any loss of revenue in his estimates based on his understanding that it was not allowable. Greg explained the funding will not be used to plug loss of fare revenue, but rather using the funds to cover 100% of the net operating costs. Thus, by definition, net operating costs are higher due to the loss of fare revenue.
Ryan stated that with all submissions from the transit agencies, the total value projected for phase one is approximately $14M. Ryan noted that PACTS proposed allocating funds to post-pandemic transit planning, developing the framework and CARES Act funding allocation, and improving virtual public participation. The total value of the PACTS allocations is $125,000 and is included in the total value of the request.

Greg indicated that the initial request of $13.7M is approximately 26% of the total allocation to the region and will leave approximately $40M to allocate moving forward and asked whether other members of the committee had any questions regarding the table or numbers presented.

Hank asked for clarification regarding the inclusion of capital expenses in the estimate. Greg confirmed that while capital expenses would be eligible, this first phase of the funding estimates are to only include operating expenses and will defer the discussions and needs to the second phase of the funding allocation discussions.

Bob asked whether there was any consideration made to extend the timeframe past June and whether any considerations had been made regarding the following phases. Greg indicated that the conversations around phase two is the immediate next task and that the purpose of the PACTS allocations specified in the spreadsheet was to specifically support the committee in those discussions. Greg stated that there needs to be a robust and strategic framework for making the decisions in addition to moving along the process quickly—there will be discussion regarding funds for the remainder of the year and moving forward.

Art commented that because not all of the bills and invoices for South Portland are currently in, the numbers he provided to PACTS were estimates. Art questioned whether it would be possible to include a contingency in the split letter for corrections or additional invoices that might come in at a maximum of a certain percentage. Greg suggested as an alternative method, that once those real expenses are outlined and if
they exceed the original estimates, it could be something to discuss in phase two. Art expressed concern over how the grant was filed and whether FTA looked over the split letter, indicating that he would not want to get rejected for a large amount of funds. Art accepted the suggestion by Greg to discuss any overages in phase two as long as there is pre-award authority to cover any overages in phase one.

Jack observed that the assumptions that the various agencies used to estimate their requests could be different. Greg agreed and indicated that METRO’s estimate was based on running Saturday level service through June 30th. He acknowledged the uncertainty of the upcoming months and indicated a need for some degree of flexibility in how funding is utilized and how the pre-existing annual federal funding allocations are included in our decision making.

Patricia Quinn agreed with the observation that the assumptions used to estimate requests will vary by agency and suggested each agency document what their assumptions were in terms of level of service so that the committee is aware and understands that service levels may change as we adapt to the pandemic. Patricia also asked whether there would need to be a breakdown for all expenses in the split letter in terms of what percentages of expenses are 5307 and what percentages are 5311. Greg supported the idea of each agency documenting their assumptions and asked Ryan to assist in ensuring the agencies provide a description of the assumptions made for their level of service in estimating their requests. Greg responded to Patricia’s question and explained that while FTA did make the allocation based on the utilization of the 5307 formulas, all the funding is part of the 5307 funds and there is no reason to segment it.

Hope Cahan expressed that she thought the numbers for the PACTS planning work were low and indicated she would like to revisit when appropriate. Kristina explained that the numbers are estimates, only through June 30th. Kristina indicated she received estimates from consultants and that the numbers will cover staff time through June 30th, however, it is possible that the numbers were underestimated. Kristina proposed that
more detailed estimates on the post pandemic recovery piece be examined in phase two because it will likely require more resources.

Jack asked a question regarding the timeline to receive the funds. He explained that the Regional Transportation Program (RTP) is applying for both 5311 and 5307 and questioned whether the 5307 in March would come in before the 5311. Lori replied that it would not be the case and explained that the 5311 grants will be approved this week and the 5307 will still need to go through the DOL process. DOL has promised to turn those around quickly, however Lori indicated she was uncertain on the timeline on those funds but guessed it would be faster than four weeks. Lori added that to get the funds distributed more quickly, MaineDOT did not require agencies to indicate specific uses for funds.

Bob questioned whether the funds would be distributed monthly or whether it would be distributed as a lump sum for phase one. Lori stated that the MaineDOT will continue to want RTP and YCCAC to invoice separately per month for charges, as it will need to be processed monthly.

Greg asked Patricia whether Northern New England Rail Passenger Authority (NNERPA) had any more information regarding the emergency funding NNERPA had access to and the process by which that would be allocated. Patricia explained that the amount Amtrak can bill NNEPRA is capped at 80% of what was billed in the previous year. For example, Amtrak expenses for February amounting to $1.9M would be capped at about $700,000 for March and April going forward—it is a reduction of what is billed and was factored into the estimates provided. Greg asked whether it would be appropriate for NNEPRA to provide documentation for their funding process; Patricia confirmed that it would be appropriate.

Kristina asked if a more formal vote could be taken to provide relief to municipalities that provide local match. Many GPCOG municipal members are furloughing employees
and experiencing dips in their revenue and stressed that transit agencies and municipalities are all in this together. She explained that municipalities do not have access to CARES Act funds and the State of Maine is under no obligation to filter any funds down to localities. Because that direction was from a Transit Committee workshop, Kristina asked to have a more formal vote from the Transit Committee that agencies intend to provide some municipal relief using CARES Act funds through local match, understanding that it is not applicable to all agencies that do not receive local match. Art explained that as a municipality, 100% of the CARES Act funding will go back to the City of South Portland.

Greg stated that it was an important point to be captured in the documentation in the approval of the funding. Greg indicated that providing relief to municipalities where transit agencies were able was substantive part of the discussions during the Transit Committee Workshop. Greg indicated that the tables were designed to provide the net cost, setting aside existing federal and local allocations so agencies could be in a position to provide that assistance. In the case of METRO, there is interest in taking steps toward that direction.

Hank indicated that Casco Bay Lines' business model does not get funding from municipalities and explained that the ferry's equivalent revenues come from charters and cruises to be used for local match. Because Casco Bay Lines is impacted most in July, August, and September that might be something be discussed in phase two.

Tony expressed support in providing some sort of relief to municipalities, explained that BSOOB transit is underfunded locally and would not be in a position to give back, but rather in a situation to not increase anything. Tony acknowledged the BSOOB Transit's situation is different than that of other transit agencies, and as long as each agency's situation is respected in the motion, BSOOB transit will do their part.
Greg added that for those who have local funding in their budgets will do what they can to give back to the localities at the direction of their respective governing bodies. Greg agreed that the next phase should include more discussion on how the CARES Act funding should be utilized to help cities and towns. Kristina added that GPCOG will send a letter to the Governor asking that some of the CARES Act funding be sent directly to municipalities. GPCOG is also working with the congressional delegation on follow-on CARES legislation that will provide financial relief to municipalities.

Greg asked committee members whether there were any questions regarding the process around phase two of the funding allocation process. Kristina explained that she was taking note of issues that came up during the discussion to be further addressed in phase two. Kristina welcomed any input regarding key issues the committee would like to discuss in phase two and indicated that GPCOG is contracting with a facilitator in the next few weeks to assist with those conversations.

Hank questioned whether there was a goal to submit for phase two funding and if the goal should be to submit by the end of May given that it might take as much as 30 days to process. Greg stated that he was uncertain of whether there was enough information on how to approach the remainder of the funding to set a goal yet. He indicated there were still many options to work through and did not think the committee should presuppose a goal at this point until the committee meets again to discuss the phase two process. Kristina stated that the phase two process will establish a timeline and process. If committee members had suggestions/ideas/comments regarding the scope of the process, they should feel free to email Kristina or Ryan. Once the split letter is approved, GPCOG will be able to contract with a facilitator to scope the process.

Kristina proposed the discussion around providing relief to municipalities be captured in a directional motion indicating that the transit committee acknowledges that there
may be opportunities to provide relief to municipalities through CARES Act funding and will be discuss it in depth in the phase two of the allocation process.

Chris asked Hank and Patricia how the fare revenues were reflected in the funding estimates, as Casco Bay Lines and Northern New England Passenger Rail Authority might have a slight advantage relative to bus agencies that have suspended service if they are still collecting revenues where others are not. Patricia indicated that NNEPRA has stopped service effective Monday and fare revenues had declined significantly before the suspension of service. NNEPRA explained that March revenues were half of what was anticipated; $20,000 in revenue was projected in April and zero in May. NNEPRA is assuming it will return to some service level in June. Hank stated that Casco Bay Lines revenue had dropped approximately 84% and any revenue projected was subtracted from the ask.

Bob indicated that he supported the effort to provide relief to municipalities, however explained that YCCAC does not receive any municipal support and that it is not within their capabilities to assist municipalities. Greg reiterated that situations would vary among agencies and that agencies that are able, will provide what relief they can in the short term, in the long term as well.

Ryan asked if the motion could include that agencies provide a description of their expected levels of service going forward. Greg confirmed and added that documentation should define the core assumptions used by the transit agencies to inform their funding request. For example, METRO’s assumptions were based on sustaining Saturday level service with fares suspended through June 30th. Greg suggested that a second part of the motion, beyond the support of cities and towns as able, that agencies will provide PACTS with documentation to describe assumptions to the financial tables.
Jack asked whether allocation to the municipalities would come from the available funds from the total pot or directly from the agencies. Greg explained CARES funding would be distributed to the transit agencies.

Bob made a motion to:

- Approve allocations as presented in the CARES Act Funding table provided by PACTS Staff
- Agencies will provide PACTS with documentation of the methodologies and core assumptions used to inform CARES Act funding requests
- Agencies will endeavor to use CARES Act funding to provide relief to cities and towns during the first phase.

Patricia seconded the motion. All were in favor.

5. Other Business

Kristina explained that one of PACTS's priorities is to attract more capital funding to the region. This year, PACTS is not prepared to submit a capital project for the current BUILD grant round. But, PACTS is considering submitting a BUILD planning grant focusing on advancing Transit Tomorrow's recommendations.

The group then discussed next steps on CARES funding. Greg questioned suggested the Transit Committee meet quickly to discuss phase two. Kristina asked Greg if METRO would be willing to be the direct recipient for the planning funds, Greg confirmed. Kristina described the next steps to be getting a contract in place with METRO and the consultant and try to have a meeting with the consultant in the next two weeks. However, it would largely depend on the time it will take to complete the contract. Art asked whether there was any local match requirement for the planning process and Kristina replied it would be covered 100% by the CARES Act funds.

Greg asked Ryan if he was able to get the split letter out and signed by the group as quickly as possible. He confirmed and indicated that transit agencies will first need to
look closely at the spreadsheet, and get more direction on FTA on what else would need to be incorporated in the split letter—Ryan indicated something could be circulated by early to mid-next week. Ryan will also share the split letter with those who are not required to sign it but are part of the committee.

Kristina said staff would aim to the start the phase 2 CARES allocation process with the consultant at the next Transit Committee Workshop.

Lori added that if Commissioner Van Note needs to sign the second split letter, please follow up with she or Nate to ensure that it gets to signed by the Commissioner.

6. Adjourn

Hank moved to adjourn; Jack seconded. All were in favor.

Upcoming Meetings:
- April 23, 3:00 p.m. – PACTS Policy Committee
- April 24, 9:30 a.m. – Transit Tomorrow Public Advisory 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
### April 28, 2020

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**Guests**

- Ben Blunt: Concord Coach
- Ken Capron: MicroRail
- William Gayle: NNEPRA
- Nate Moulton: MaineDOT

**For GPCOG**

- Kristina Egan, Carole
- Martin, Ryan Neale
1. Welcome
Greg opened the meeting.

2. Open Public Comment
There were no public comments.

3. Acceptance of March April 9, 2020 Transit Committee Workshop Minutes
There were no comments or revisions to the minutes from April 9, 2020.

4. Review and Approve Draft Split Letter for Phase One of CARES Act Funding
The transit agencies confirmed the accuracy of the funding amounts included in the draft split letter. Patricia Quinn confirmed NNEPRA will provide the region’s 1% security requirement in the phase one split letter.

5. Discussion of CARES Act Funding Approaches and Processes
Kristina Egan introduced consultant Carole Martin, who will assist PACTS in developing an approach and process to programming CARES Act funding. Prior to the meeting, Carole connected with transit agencies to get a sense of their priorities, including:

- The ability to collectively serve customers in the region
- Social distancing measures will need to be incorporated as services are resumed
- Ensure that some relief is provided to municipalities who provide local match
- Plan for the future post-pandemic including maximizing efficiency in serving transit customers

Kristina said that while there is a lot of uncertainty and many unknowns, we should do the best we can with what we know. Given the uncertainty, the allocation process needs to be executed with caution and in a very short timeframe to enable agencies to access Phase II funding in July. The goal of the discussion is to define a process, establish a timeline, and determine goals and objectives. The discussion will begin with the Transit Committee and will be taken to the PACTS governing committees. The framework and allocations will incorporate public input.

Greg Jordan opened the discussion for public comment. Ben Blunt of Concord Coach Lines noted concern over their business prospects when service is resumed. Ben asked if there is an opportunity for private operators to be eligible for 5307 formula funds to
help with operations in the early months as passengers resume travel, or if there are any creative solutions that could assist Concord Coach Lines with their recovery.

Nate Moulton said that there have been initial discussions with Concord Coach Lines regarding possible assistance using 5311 intercity bus funds. Nate said that additional information provided to MaineDOT by Concord Coach Lines will be reviewed to determine if there is an opportunity for funding. Ryan said he had been told by FTA that intercity carriers are eligible for 5311 funds if they serve a rural population. Private operators would be eligible for 5307 funds if they have a contract in place with a direct recipient of 5307 funds or the State to provide service. Greg said that this means the contract operator is operating the service necessary or as directed by a transit agency or a government entity.

Carole Martin thanked the transit agencies for sharing with her their perspectives on things in the aggregate and on specific interests. Carole outlined the primary priorities:

- Discuss guiding principles and strategic priorities.
- Discuss any additional key considerations that may be lower priorities but important to identify, such as the inclusion of capital and repair expenses.
- Discuss whether the process should be done in the aggregate or in subgroups, as well as a process for public comment.

Carole said that transit agencies have indicated that a final determination should be made by June 30. The process needs to account for consideration by the PACTS governing bodies. Greg said only a solution for the next phase needs to be outlined by June 30 and that the remainder of the funds can be addressed later.

Jack De Beradinis asked if the expectation is that the FTA will provide additional funds if the current situation persists. Kristina said we do not know for certain and recommended that we should not expect additional funds beyond the CARES Act.

The group focused on guiding principles and strategic priorities to inform the committee timeline. The Committee developed several general major assumptions and principles to guide its thinking going forward. These include:

- Be conservative; assume no additional funds will be coming for recovery
• Focus heavily on ridership recovery and expect to allocate funding over multiple years
• Recognize that ridership recovery will be incremental, and the pace will vary among modes and agencies
• Factor in and develop models that reflect individual organizational circumstances
• Track trends in ridership data and incorporate into thinking for future phases
• Make the health and safety of staff and riders a top priority, and factor related expenses into allocations
• Communicate to build rider confidence in the safety of using transit and to rebuild ridership
• Seek public input about ridership expectations and needs
• Determine the role of normal funding sources and frameworks in future phases
• Determine the potential of CARES Act funds relative to other sources for capital projects

Given the nuance and complexity of the guiding principles and major assumptions, the committee agreed that a two-month timeline, ending June 30, would be appropriate to complete the next phase of funding.

6. Other Business
There was no other business.

7. Adjourn
### Meeting Dates and Work In Between Meetings

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<th>May 14th</th>
<th>Prep Work</th>
<th>May 26th</th>
<th>Prep Work</th>
<th>June 2\textsuperscript{nd}</th>
<th>June 11th</th>
<th>Prep Work</th>
<th>June 23rd</th>
<th>July 23\textsuperscript{rd} or Special Meeting</th>
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| • Reach agreement on Phase II timeline  
• Reach agreement on assumptions and priorities  
• Reach agreement on draft framework | • Develop/refine framework, incorporating assumptions and priorities into model  
• Design community input process | • Review modeling framework with projections and refine  
• Reach agreement on Phase II recalibration points (six months/year...)  
• Reach agreement on community input process (questions/target audience/methods) | • Review framework and refine, as needed  
• Launch community input process | Executive Committee Meeting – Input | • Review framework and refine, as needed, factoring in community input considerations  
• Reach agreement on relative funding priorities for Phase II of resource allocation  
• Complete community input process | • Complete refinements to Phase II draft funding allocations | • Reach agreement on Phase II allocations | • Policy Committee or Executive Committee Meeting – approval of funding plan  
• Issue Phase II split letter |
ASSUMPTIONS

- No new federal CARES relief is forthcoming.
- Normal annual allocations of FTA 5307 and 5337 will continue. Our planning should incorporate those expected funding levels for operations, planning, and capital.
- Rebuilding transit ridership will span several years.
- The pace and volume of ridership recovery will vary among modes and agencies.
- Public input is important to incorporate as PACTS prioritizes CARES funding.

PRIORITIES

- Recover ridership.
- Preserve the transit network’s capacity to provide service.
- Investments to protect the health and safety of staff and riders are needed. This may include touchless payment.
- Communications to build rider confidence will be needed.
- Track trends and plan for the future.
- Try new things, experiment and innovate.
- Plan for transit expansion, according to Transit Tomorrow recommendations.
- Provide relief to municipalities on local matches, including finding ways for agencies to structurally lower costs.
Portland Area Comprehensive Transportation System (PACTS)
Coronavirus Aid, Relief and Economic Security Act (CARES Act)
Phase II Allocation of Transit Funding
Development of Funding Priorities

The following set of draft priorities are provided as a starting point for discussion and refinement by PACTS.

Priority 1 – Funding to Offset Reduced Passenger Revenue
Passenger revenue is defined as revenue from fares, concessions, charters or organization-based fares paid to agencies on direct behalf of riders. Even after returning to full-service levels, southern Maine transit agencies should expect and plan for ridership recovery to take several years. For CARES funding, PACTS is planning for reduced passenger revenue for the next 3.5 years, through the end of 2023.

Preserving sufficient funding to offset the long-term loss of passenger revenue is prudent to ensure preservation of transit services and avoid higher municipal contributions while allowing post-pandemic recovery strategies to gain effectiveness.

Considerations on implementation:

a. Priority 1 is “needs based” – PACTS will set no cap on the total allocation.

b. Any alternative emergency funding sources which can also offset lost passenger revenue should be optimized.

c. Agencies will continue to use the normal, annual SYCOP allocations of 5307 and 5337 formula funds for expenses up to allowable limits, excluding the expenses outlined in “pandemic recovery and resilience” and “state of good repair” priorities later in the document. Agencies will need to individually determine how to draw CARES Act funding in connection with other federal grant resources in accordance with their unique accounting systems and FTA requirements.

d. Agencies will submit estimates of anticipated lost passenger revenue in 6-month increments (Jul-Dec, Jan-Jun, etc.) thru December 2023.

e. Estimates of anticipated lost passenger revenue would be calibrated against anticipated expenses. In other words, an agency operating at a reduced level of service should require less offsetting revenue. Please note: FTA grant draws are based on covering actual expenses, not filling an anticipated revenue gap.

f. Allocations would be updated every 6 months based on actual revenue losses in the prior 6-month period.

   a. Example 1: Agency A receives $100,000 for the July-December 2020 6-month period to cover expenses that would have ordinarily been covered by budgeted passenger revenue. However, actual passenger revenue is lower than forecast and Agency A needs another $50,000 to make up the difference. This additional funding would be requested and provided in the subsequent 6-month period. Also, the subsequent funding in the following 6-month period would be increased if the ridership forecast for that period should be reduced.
Portland Area Comprehensive Transportation System (PACTS)
Coronavirus Aid, Relief and Economic Security Act (CARES Act)
Phase II Allocation of Transit Funding
Development of Funding Priorities

b. Example 2: Same example, except Agency collects higher than forecast revenue such that not all of the $100,000 is needed. In this instance, Agency A keeps the surplus funding, but the allocation in the subsequent 6-month period is reduced by the amount of the surplus. The subsequent period’s funding also would be further decreased if the ridership forecast for that period increased.

Priorities for Remaining Funding
Priority 1 funding needs will be met first, before other priorities are funded. The following additional potential priorities are presented as a starting point for discussion and alteration. They are not presented in any particular order of importance.

PACTS will:
1. Select the number, types and scopes of possible priorities.
2. Assign percentages of remaining CARES Act funding (after accounting for Priority 1) that should be allocated to each priority.

Pandemic Recovery and Resiliency (___%)
This priority area would invest in projects or improvements directly aimed at improving the health and safety of transit agencies’ operations and enhance resiliency to the current and future pandemics. Examples of projects could include: bus operator shields, expanded cleaning operations, PPE, increasing transit capacity to reduce crowding, mitigating labor shortages, marketing and education aimed at regaining public confidence. Agencies would submit individual and/or regional project requests that are aimed at achieving the goal of enhancing operational resiliency and ridership recovery.

Transit System Innovation (___%)
This priority area would invest in regionally significant projects or improvements that [re]build ridership, improve the customer experience, improve network efficiency and/or help meet climate goals. PACTS will develop regionally significant projects based on the goals of Transit Tomorrow and Moving Southern Maine Forward.

State of Good Repair Needs (___%)
This priority area would invest in the repair-rehab-replacement of major capital assets where municipal local match is either not available, can be avoided to assist municipal budgets or avoid debt.

a. Eligible projects would be the repair, rehabilitation or replacement of vehicles, equipment or facility systems/components that have either exceeded their useful life or have a condition rating of poor and are identified in transit agencies’ Transit Asset Management Plans. Agencies would submit project requests for this area and must demonstrate alignment with TAM plan.

b. Agencies must commit to pursue discretionary funding programs if time and grant cycles allow, before this funding is finally approved.
Projects with funding already identified in the “funded” portion of the SYCOP would be deprogramed and returned to the region.

Direct Municipal Budget Assistance (___%)
This priority area would allocate funding to transit agencies that directly receive local funding from municipalities. Funding could be used to provide direct credits or reductions to local contributions and/or uses that structurally lower agency costs with direct positive impact on municipal finances. This area is applicable to those agencies that receive local contributions.