

PACTS Funding Framework Task Force

Thursday, October 13, 2022

12:00-1:30 pm

Meeting Agenda **Revision #1**

In-Person:

*Greater Portland Council of Governments
970 Baxter Boulevard, Room 201
Portland, Maine*

Remote:

Webinar link: us02web.zoom.us/j/81263300345

Phone: (301) 715-8592

Webinar ID: 812 6330 0345

*Participating by phone? Use *9 to raise your hand and *6 to unmute.*

As of April 26, 2022 GPCOG and PACTS are holding committee meetings in hybrid format, both in person at requirements of GPCOG Executive Committee policy, [LD 1772](#), [PL 2022 Ch. 666](#), and [1 MRSA Chapter 13, Subchapter 1](#).

This meeting is being recorded and will be made available at gpcog.org/AgendaCenter.

1. Public Comment 5 minutes

Members of the public are welcome to provide up to three minutes of public comment.

2. Introduction 5 minutes

Brief introduction by the group facilitator.

3. Review of Regional Transportation Advisory Committee Meeting 10 minutes

Review of the PACTS Regional Transportation Advisory Committee th discussion of the

4. Discussion—Remaining Issues 60 minutes

Discussion on the remaining issues:

The Policy Board formed the Funding Framework Task Force to vet issues identified by four of the region’s transit agencies (see letter in [Attachment 9-A](#)). The issues include requested revisions to the PACTS Transportation Funding Framework and to the PACTS bylaws.

At the September 26 meeting of the Funding Framework Task Force, the group agreed to “decouple” the issues (framework and bylaws) and advance the Funding Framework revisions to RTAC and the Policy Board in the month of October while expeditiously continuing the Task Force discussions on potential bylaws revisions. This plan will allow the revised framework, if adopted, to be used for this year’s call for projects.

Staff invited additional input on the remaining issues and received the response shown in Attachments A [\(from William Gayle\)](#) and B [\(from Greg Jordan\)](#).

If staff has clear recommendations from the Task Force on the remaining issues by October 20, staff will relay those recommendations to the Policy Board on October 27.

5. Recap and Next Steps

10 minutes

Review and summary of the decisions made on the discussion topics. Discussion of next steps.

Attachment A: Response to Request for Additional Input on Remaining Issues

From: William Gayle <william@nnepra.com>

Sent: Friday, September 30, 2022 3:08 PM

To: carole martin <carolemartin365@hotmail.com>

Cc: Patricia Quinn <patricia@nnepra.com>; Aubrey Miller <amiller@gpcog.org>; Andrew Clark <aclark@gpcog.org>; Belinda Ray <bray@gpcog.org>; Christopher Chop <cchop@gpcog.org>

Subject: Follow-up Items

Good Afternoon Carole,

Below please find an attempt to structure the remaining issues that NNEPRA sees that were included in the letter in May but have not been addressed yet. Please let us know if you or PACTS staff would like to discuss or have any additional questions.

Thanks,
Will

Opportunities for Improvement	Description	Rational
Voting	Increase threshold to 2/3 vote rather than simple majority to pass funding related actions at RTAC and Policy Board	<i>Currently, funding decisions impacting transit services can be approved without any transit agency support. The structure in place can allow a decision to defund an agency simply on a majority vote of Policy Board members present at that meeting.</i>

	<p>Have majority of transit providers approve recommendation on funding</p>	<p><i>Currently, funding decisions impacting transit services can be approved without any transit agency support. For example, while the Policy Board voted in August of 2021 to use the Funding Framework to distribute the ARPA funds, despite the objections from all but one transit agency, both the RTAC and Policy Board voted on a distribution that did not follow the Funding Framework’s policy on use of Emergency Funds (pg. 20). This highlighted that the structure in place can allow a decision to defund or significantly cut an agency’s identified need simply on a majority vote of RTAC/Policy Board members without any support from transit operators.</i></p>
	<p>Weigh transit operator voting at Policy Board</p>	<p><i>Current PACTS Policy Board bylaws note that all non-municipal Board Members will have 1.0 vote where the municipal voting is proportionate to population. This structure give communities that do not have transit or those with a high population a disproportionate say in how transit is funded and operated in other communities compared to the transit agencies whose mission is set by their own governing Boards.</i></p>
<p>RTAC Membership</p>	<p>Include all transit providers as voting members</p>	<p><i>Only four transit agencies sit as voting members on RTAC. Each agency is a representative of the mode they operate however there is no guidance on how to handle disagreements between operators of a mode. For example, during the vote on ARPA allocation, all bus operators expressed concern at the RTAC level, except for METRO who happened to be the voting member.</i></p>
<p>Executive Committee Membership</p>	<p>Include all transit providers as voting members</p>	<p><i>There are currently only three transit representatives (one for each mode - Bus, Demand Response, Fixed Guideway). As the Committee can approve/deny vital funding requests, it is imperative that all transit agencies have the ability to vote on matters of funding and policy important to their service. The current arrangement of one agency representing the mode can create conflict as no there is no guidance from PACTS on how to handle disagreement among the agencies of a mode.</i></p>

Policy Board Membership	All transit agencies have a Board Member represented as a voting member on Policy Board.	<i>While some transit agencies have several of their Board members sitting or Chairing committees, other transit agencies do not. For those votes on transit funding decisions, those agencies with multiple board members on the governing boards have a greater say on the outcome than those without multiple board members. This imbalance is further exacerbated by the weighting of votes.</i>
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Attachment B

Responses and Counter Proposals (in blue) on PACTS Voting Procedures

Opportunities for Improvement	Description	Rationale
Voting	Increase threshold to 2/3 vote rather than simple majority to pass funding related actions at RTAC and Policy Board	Currently, funding decisions impacting transit services can be approved without any transit agency support. The structure in place can allow a decision to defund an agency simply on a majority vote of Policy Board members present at that meeting.
<p>Not Supportive of Recommendation</p> <ol style="list-style-type: none"> 1) The outcome indicated above (i.e., “defunding a transit agency”) is not possible due to the current system of checks/balances in which the region’s Designated Recipients (DRs) and the MPO have to form funding decisions cooperatively. Policy Board actions cannot compel DRs to execute funding split letters. 2) Majority votes are best to ensure equitable representation, efficient policy formation, flexible adaptation to change, and long-run responsiveness to minority concerns. A supermajority requirement sets too high a bar, creates policy gridlock, and tends to lock-in status quo conditions. By virtue of being inherently unstable, majority rule ensures greater responsiveness to minority concerns. 		
Voting	Have majority of transit providers approve recommendation on funding	Currently, funding decisions impacting transit services can be approved without any transit agency support. For example, while the Policy Board voted in August of 2021 to use the Funding Framework to distribute the ARPA funds, despite the objections from all but one transit agency, both the RTAC and Policy Board voted on a distribution that did not follow the Funding Framework’s policy on use of Emergency Funds (pg. 20). This highlighted that the structure in place can allow a decision to defund or significantly cut an agency’s identified need simply on a majority vote of RTAC/Policy Board members without any support from transit operators.
<p>Not Supportive of Recommendation</p> <ol style="list-style-type: none"> 1) Major transit funding decisions should advance regional public transit priorities based on technical guidance and recommendations from transit agencies; as such, it is appropriate that Policy Board set policy goals for transit funding – regional transit investment priorities may not always align with individual agency objectives. Moreover, current system of checks/balances is appropriate. <p>The above statements require the following clarifications:</p> <ol style="list-style-type: none"> 1) The August 2021 PACTS Policy Board vote to use the funding framework to distribute ARPA funds was unanimous with affirmative support by all present transit agency representatives. No objections were raised at this time pertaining to the Funding Framework’s language on use of emergency funds. 2) As part of the March 2022 RTAC and Policy Board meetings, PACTS staff presented 4 scenarios ranging from full compliance with Policy Board’s August 2021 direction to diverting 100% of the ARPA funding back to operating support for the service period April-December 2023, which at this time, was 12-18 months in the future. 3) Policy Board chose a compromise approach for the ARPA funding, which diverted some operating support (12%) to those agencies less able to make near-term system improvements (Rail-Ferry), and directed 88% to system improvements in order to support long-term ridership recovery. The overall allocation of CARES-ARPA funding to base “emergency” operating support exceeded 80%. 		

Voting	Weigh transit operator voting at Policy Board	Current PACTS Policy Board bylaws note that all non-municipal Board Members will have 1.0 vote where the municipal voting is proportionate to population. This structure gives communities that do not have transit or those with a high population a disproportionate say in how transit is funded and operated in other communities compared to the transit agencies whose mission is set by their own governing Boards.
<p>Support recommendation and suggest following procedure:</p> <ol style="list-style-type: none"> 1) Determine an appropriate “transit” voting block weight, and apportion transit agency voting weights in proportion to the 5-year average of transit ridership (sourced from FTA’s National Transit Database). 2) Applicable only to transit funding related actions. <p>The above statements require the following clarifications:</p> <ol style="list-style-type: none"> 1) Communities without transit are a minority on the Policy Board representing 10-11% of the entire board – their impact on transit decisions not material. 2) Municipalities with higher populations rightly have higher voting weight given they represent most the residents and transit users across the region. 3) While individual transit agency missions and budgets are decided by their respective governing boards, the PACTS governing board, in cooperation with Designated Recipient transit agencies have jurisdiction over allocations of federal transit funding. With all appropriate technical guidance and recommendations from transit agencies, the region’s federal transit funding should be allocated in the service of regional public transit priorities. 		
RTAC Membership	Include all transit providers as voting members	Only four transit agencies sit as voting members on RTAC. Each agency is a representative of the mode they operate however there is no guidance on how to handle disagreements between operators of a mode. For example, during the vote on ARPA allocation, all bus operators expressed concern at the RTAC level, except for METRO who happened to be the voting member.
<p>Support recommendation to include all 7 transit agencies on RTAC.</p> <p>The above statement requires clarification:</p> <ol style="list-style-type: none"> 1) Last sentence is confusing making it sound as if Metro was the sole RTAC transit representative with a vote. At the time of the March 2022 RTAC meeting, 4 transit agencies were represented on the body. Metro voted in favor of the compromise scenario while the other 3 transit agency representatives voted against it. 		
Executive Committee Membership	Include all transit providers as voting members	There are currently only three transit representatives (one for each mode - Bus, Demand Response, Fixed Guideway). As the Committee can approve/deny vital funding requests, it is imperative that all transit agencies have the ability to vote on matters of funding and policy important to their service. The current arrangement of one agency representing the mode can create conflict as no there is no guidance from PACTS on how to handle disagreement among the agencies of a mode.
<p>Support concept of expanding transit representation on Executive Committee, but must be balanced with other PACTS governance concerns as well as the concerns of other stakeholders.</p>		

Policy Board Membership	All transit agencies have a Board Member represented as a voting member on Policy Board.	While some transit agencies have several of their Board members sitting or Chairing committees, other transit agencies do not. For those votes on transit funding decisions, those agencies with multiple board members on the governing boards have a greater say on the outcome than those without multiple board members. This imbalance is further exacerbated by the weighting of votes.
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Not supportive of recommendation, but support weighted voting for transit agencies as described above.

Clarifying Responses:

- 1) Individual representatives on the Policy Board come and go.
- 2) The important consideration is the extent to which a transit system's scale (i.e., service areas and passenger boardings) align with municipal populations. Transit agencies and their partner municipalities are the channels through which the voices of riders and residents are heard. Voting weight should be in approximate alignment with service area populations (i.e., municipalities served) and passengers served (i.e., ridership).
- 3) The combined voting weight of a transit agency and its service area partners should not significantly deviate from the transit agency's ridership base.
- 4) No single transit agency, along with its municipal partners, should make up more than 50% of the vote.