# PACTS TRANSIT COMMITTEE MEETING MINUTES
## May 14, 2020

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Attendance</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>
</tr>
<tr>
<td>Chris Chop</td>
<td>Maine Medical Center</td>
<td>N</td>
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<tr>
<td>Robert Currie</td>
<td>YCCAC</td>
<td>Y</td>
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<tr>
<td>Jack De Berardinis</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>
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<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>
<td>N</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>
<td>Y</td>
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## Guests
- John Duncan: City of South Portland
- William Gayle: NNEPRA
- Hope Cahan, Vice Chair, PACTS: Falmouth
- Nate Moulton: MaineDOT

## For GPCOG
- Kristina Egan, Carole Martin, Ryan Neale

### 1. Welcome
Greg opened the meeting.

### 2. Open Public Comments
There were no public comments.
3. Acceptance of April 16, 2020 Meeting and April 28, 2020 Workshop Minutes
Bob Currie moved acceptance of the meeting and workshop minutes. Hank Berg seconded. All were in favor.

4. Discussion and Approval of a Timeline for Programming Remaining CARES Act Transit Funding
The proposed timeline outlines the process for allocating remaining CARES Act funds. Transit agency projections will provide an estimate of the amounts of funding needed. Public input will help inform the priorities. The PACTS governing bodies will also have input into the CARES allocation.

Hank asked if reaching agreement on Phase II allocations would be done on a 6-month rolling cycle. Carole noted this would be discussed further in Item 6. The goal of this agenda item is to reach agreement on the timeline. Carole said this can be adjusted as necessary. Kristina noted that the intent is to finalize the Phase II allocation by the end of June. This would then be approved by either the PACTS Executive or Policy Committee. Agencies could then begin drawing down funds. Greg reiterated that this framework will have some flexibility going forward.

Bruce moved adoption of the timeline as presented in the agenda packet, and Hank seconded. All were in favor.

5. Discussion and Approval of CARES Act Transit Funding Assumptions and Priorities
The PACTS Executive Committee provided input on the Transit Committee’s initial assumptions and priorities, and this input is incorporated in the assumptions and priorities provided in the packet

Tony Scavuzzo asked if the intent to use CARES funds before 5307 funds had been used. Kristina said the first phase reimbursed all operating costs for all seven transit agencies and was almost $14M. We want to be more conservative with the CARES funds as formula funds can cover some capital and operating expenses each year. Bob
Currie said that post-pandemic planning seems to be missing. Kristina noted that funds will need to be allocated to protect the health of riders and transit employees.

Hank said his understanding is that we will plan for regular FTA formula allocations going forward. Patricia Quinn asked if we can expect 5307 and 5337 allocations to continue at the same level or if they will be reduced based on reduced miles and trips. Greg said that we may want to adjust our forecasting for the normal SYCOP process. This may depend on whether FTA bases the formula allocations on pre-pandemic numbers. Greg noted that the American Public Transit Association is supporting another $23B for public transit through a third federal stimulus bill. The House bill includes $15B, $11B for regions with populations over three million and $4B for competitive grants. Kristina noted that GPCOG is setting up meetings with Senators Collins and King to discuss federal assistance for municipalities, and these could also include advocacy for transit funding for small areas.

Carole suggested that the assumption of normal federal funds be included in the regular recalibrations of CARES funds. Carole noted the assumption that all agencies will continue to pursue discretionary funds. Revisions to the second bullet were suggested: change “expected” to “projected” and note that this will need to be monitored and adjusted for, and eliminate “normal” because that is an unknown.

In response to a question from Bruce, Kristina said that the Executive Committee was comfortable with the Transit Committee’s initial list. There was significant support for using CARES funds for innovation and technological improvements. The Executive Committee also emphasized the importance of implementing recommendations in *Moving Southern Maine Forward* and *Transit Tomorrow*. The Executive Committee supported providing relief to municipalities.

Patricia asked about the third bullet listing touchless payment and noted the third and fourth bullets should start also start with a verb. Kristina noted that touchless payment was just one strategy. Patricia said the third bullet could be reworded as “infrastructure and technology.”
Art asked if assistance to municipalities would be covered if agencies use CARES funds to reduce the ask for municipal contributions, as this may be difficult to include in an actual grant. Tony said that BSOOB's ask of municipalities will remain flat and not include a scheduled increase for the coming fiscal year. Greg said Phase I was structured to supplant local funding for that period. Phase II is currently structured to offset the loss of fare revenue and enable agencies to provide credits or otherwise reduce costs for municipalities. John asked about context for the bullet on preserving the transit network’s capacity to provide service. Greg said the intent is to ensure that we do not lose service due to the pandemic.

Carole summarized the revisions. References to “normal” and “expected” 5307 and 5337 funding levels will be eliminated, the intent of agencies to pursue discretionary funds will be added, priorities will be reworded to include action verbs for each, and the third bullet will list investments in technology and infrastructure to protect the safety of staff and riders (and remove the reference to touchless payment). It will be noted for clarity that the list is not in any particular order.

Patricia moved to approve the assumptions and priorities as revised, with Bruce seconding. Lori Brann abstained. All others were in favor.

6. Discussion and Approval of Timeframe for CARES Act Phase II Requests
Will Gayle asked if, given the rapidly changing circumstances, we might want to consider quarterly recalibration points for the first year. Greg noted that the six-month timeframe is intended to strike a balance between providing flexibility and minimizing the administrative burden. Hank agreed that less than six months would be a significant administrative burden and that there is flexibility included in a six-month timeframe. Hank and Tony both expressed that the end of 2023 might be longer than necessary. Patricia suggested building a quarterly check-in and ongoing communication into the process so we are aware of changing circumstances for agencies. Greg agreed and suggested that it could be done monthly. Patricia said this could compare actual to projected revenues and expenses. Carole summarized that there was general support for a six-month timeframe with regular check-ins.
Patricia said it is difficult to establish a timeframe because we do not have budget projections yet and do not know how long the funds will last. Greg said a 3.5 year timeframe would preserve the offset for fare revenue as long as possible and provide assurances until things stabilize. Patricia agreed and suggested agencies look at budgets and projections for 3.5 years. We would also want to revisit this if things recover quicker than expected. Hank suggested that agencies budget for two years and that could determine how much funding is left and how long it will last. Greg suggested modeling for 3.5 years and adjusting regularly. If things are better than expected after six months, some funds could be repurposed. Tony said he agreed and noted that the CARES Act is specifically focused on continuing operations. The initial focus should be on continuing operations and remaining funds could be put to other uses like purchases and innovation.

Carole noted there was general support for six-month intervals with regular check-ins and a long “on-ramp” to recovery given the high level of uncertainty. Patricia suggested that the timeframe be worded as “up to 3.5 years.” Bruce moved to adopt the proposed timeframe with six-month recalibration points, revised to “up to 3.5 years”, and including monthly check-ins. Hank seconded. All were in favor.

7. Discussion and Approval of Model for Transit Agency CARES Act Phase II Requests

The group reviewed the proposed model for medium and long-term priorities. Jack noted that approximately $1 trillion is being considered at the federal level for municipal assistance. Ryan noted that the timeframe as discussed allows for recalibration to changing circumstances such as additional funds for transit agencies or municipalities. Tony agreed with the approach overall but noted that some revenue streams are excluded in Priority One. Additional revenue sources include advertising; BSOOB’s stop revenue (agreements with hotels and restaurants that may not be open); NNEPRA’s food service and parking revenue, which NNEPRA counts as operating revenue; and Casco Bay Lines' vehicle, tour, and freight revenue, including FedEx, UPS, etc. Patricia suggested the list be revised to include all sources of operating revenue. Jack noted that the transit agencies have very different models and his understanding is that agencies would make themselves whole with the CARES funds.
The group discussed whether Priority One should be broadened or should list specific revenue streams. Tony supported Patricia's definition of “operating revenue” that includes all categories. Bruce encouraged disaggregating the various line items so different sources could be prioritized as circumstances change. Greg suggested each specific category be defined and noted that agencies would forecast all revenue streams and adjust going forward. He expressed concern that including all revenues would use much of the remaining funds but thought we could see how this approach plays. Patricia suggested that all agencies include all revenue streams that offset expenses. If this ends up being too aggressive, we can adjust as needed. Carole noted the group’s overall support for disaggregating all revenue categories.

Greg said agencies should be forecasting operating expenses which are the basis for grants. Projections of lost fare revenue should account for service reductions. Agencies should maximize any sources of federal funds for which they may be eligible, such as NNEPRA’s eligibility for Federal Railroad Administration funds.

Kristina said Concord Coach Lines has expressed interest in applying for CARES funds to offset pandemic-related losses. Concord Coach has also talked to MaineDOT. Nate Moulton said MaineDOT considers Concord part of Maine’s transit system. He noted that MaineDOT is working to preserve service for the whole state. MaineDOT intends to make the remainder of its inter-city funds, about $1.4M, available to Concord and is working out the details. Concord’s overall need is likely to be much higher. MaineDOT’s effort would be one-time, one-year assistance. MaineDOT’s commitments to providers on state and local share is expected to continue despite reduced revenues.

Will asked if other federal or private funding is available to Concord. Ben Blunt of Concord Coach Lines was invited to speak. He noted that Concord has been granted a Small Business Administration loan under the Paycheck Protection Program. This will help in the short term but will need to be paid back. Concord’s fare revenues are 20% of normal and fares account for 100% of Concord’s revenues. Without federal assistance, Concord would not be able to resume service until ridership demand returned to being cash positive, which is likely to be several months. Ben noted the national association of private bus operators is requesting federal funds. Concord is different as a scheduled service provider and may be able to access 5311 funds but
many bus companies are not in that position. There is some positive movement and some indications of additional 5311 funds for private providers, which would change Concord’s 5307 request. Concord is looking at other potential funding sources and would prefer to not have to seek 5307 funds. Concord typically runs 28 daily trips and is considering 8 daily trips and would look at a request for net of fare revenue to cover expenses.

Kristina suggested that Concord’s request be included as an agenda item for an upcoming Transit Committee meeting or workshop.

The group was asked to vote on the proposed model with the understanding that it will include specificity on operating revenues and forecasted operating expenses, optimization of other funding sources, and disaggregation of revenues by line item. Carole noted that the group focused on Priority One. Greg noted that it would be important to get the Committee’s perspective on the relative importance of the other priorities so we can think about assigning a percentage basis to these. Carole said that determining other priorities later was factored into the timeline and that this could be done after we have done some more work on Priority One. Kristina noted that the setting of priorities can be informed by public input and the perspective of the PACTS governing committees. Staff will make the noted revisions to Priority One and the Committee will address the other priorities at a later time.

Bruce moved approval of this framework with the understanding that it includes the noted revisions to Priority One. Hank seconded. Greg noted that the inclusion of all operating revenues will be evaluated as we go forward. All were in favor of the motion.

8. Other Business
The group thanked Art Handman for his work on behalf of the City of South Portland and with the Transit Committee. Art thanked the group and wished everyone well.

Kristina noted the GPCOG Annual Summit which will include Greg’s presentation on Transit Tomorrow and subregional meetings on the draft recommendations. She also invited Transit Committee members to attend the next Transit Tomorrow Project Advisory Committee meeting on May 22 which will review draft recommendations.
9. Adjourn
Hank moved to adjourn, with a second by Bruce. All were in favor.