

1 TRANSPORTATION POLICY BOARD
2 SHERMAN-DENISON MPO
3 Texoma Council of Governments
4 Eisenhower Room
5 March 31, 2010 9:00 a.m.
6

7 Members Present: Mayor Bill Magers (City of Sherman), Mayor Frank Budra (City of
8 Pottsboro), Bobby Littlefield (TxDOT), Gene Short (Grayson County),
9 Robert Brady (City of Denison)
10

11 Members Absent: none
12

13 Non-Voting

14 Members Present: Mike Shahan (North Texas Regional Airport), Brad Underwood (TAPS)
15

16 Staff Present: Wally Johnson
17

18 Guests Present: Jeff Miller (City of Sherman), Kevin Farley (City of Pottsboro), Tom
19 Speakman (City of Denison), Chris Schmitt (TNP), Barbara Maley
20 (FHWA), David Dryden (Teague Nall and Perkins, Inc.), David Selman
21 (TxDOT), Don Keene (City of Sherman), Joe Shephard (City of Howe),
22 Jerdy Gary (GCRMA), Susan Thomas (TCOG), Terrell Cullbertson
23 (TCOG), Ryan Gleason (TCOG), Jerry White (Grayson County), Allison
24 Cardile (TCOG)
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26 **I. Call to Order** -
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28 Vice - Chairman Robert Brady called the meeting to order at 9:00 a.m.
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30 **II. Acknowledgment of Quorum by Chairman** -
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32 Vice - Chairman Brady declared a quorum of the TPB present.
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34 *Chairman Magers arrived at approximately 9:05 a.m. Vice – Chair Brady yielded the chair to*
35 *him.*
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37 **III. Approval of Minutes** -
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39 Mayor Frank Budra made a motion to approve the minutes. Bobby Littlefield seconded. Motion
40 passed unanimously.
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42 **IV. Draft By-Law Amendment** –
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44 Mr. Johnson began the discussion with background information on the need to create a technical
45 advisory committee.

1 The volume of activity being processed by staff and the need for the policy board to digest
2 information being presented has greatly increased in the last couple of years. This is the result of
3 SAFETEA-LU requirements as well as the Texas Department of Transportation (TxDOT) at
4 times asking for information turnaround with truncated timelines. The board felt that there was
5 a need to have a more formalized technical committee to review agenda packet information
6 before it is presented to the board. After the technical committee's review, it would make
7 recommendations to the policy board.
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9 The current by-law verbiage is somewhat generic and needs to be expanded to better reflect the
10 new complexities in the planning process. In order to better address these needs, staff developed
11 a draft amendment which clearly identifies the members as well as detailing its charge. Mr.
12 Johnson informed the board that the technical committee met on March 17th and made a
13 recommendation that the draft amendment be adopted. Since the committee was not yet
14 formally approved by the board, the recommendation was made via consensus. In addition to
15 making the draft by-law amendment recommendation, they also agreed to a calendar which
16 would have them meet on an 'as needed' basis prior to policy board meetings. Chairman Magers
17 asked who determines when the technical committee meets. Mr. Johnson stated that the agenda
18 items which would be presented to the board would go before the technical committee and they
19 along with the staff would make the determination. This would preclude unnecessary technical
20 meetings. Mayor Brady asked who the chairman of the technical committee was. Mr. Johnson
21 stated that the chairman would be the MPO director. He pointed out a section of the draft which
22 states..."The MPO Director shall serve as the facilitator and chairperson of the TAC, and will be
23 considered a voting member of the TAC. However, the Chairman's vote is only exercised to
24 break a tie."
25

26 Mr. Johnson went on to list who the members of the committee were. He stated that the list was
27 based on recommendations that the policy board made several years ago. The list would be
28 formalized with this by-law amendment. Chairman Magers asked to hear from the technical
29 committee members. He wanted to hear how they felt about the process. He asked for Mr.
30 Miller's opinion who responded by saying..." I like the way Wally explained it. Keeping it if
31 there's a real need to meet if there are real issues that need to be discussed." The Chairman
32 then said he wanted to "verbalize what I think is going to happen here and you can say yes or no.
33 You guys will assimilate information to put on the agenda for this governing body. If there is an
34 agenda item you feel requires the technical committee to meet, you're going to communicate
35 with them and say we need to meet on this item on this date. Then you are going to meet on that
36 item on that date and when the agenda item comes to us for our review, they will have already
37 met on the item. Is that the plan?" Mr. Johnson responded by saying "Yes, what we will present
38 to the technical committee is, that at these meetings, since these individuals are your appointees,
39 we ask that after those technical meetings conclude they meet with you so that you would be able
40 to at least have an opportunity to better digest the information before we present it in a formal
41 policy board agenda. "
42

43 Mr. Littlefield commented..."I personally would like to see it (technical committee members) a
44 lot larger than this. We've only got one here from the small cities. We've got several small
45 cities within this MPO that this gives them an opportunity to kind of weigh in on some things.
46 This isn't a board that's going to make decisions. This board's going to make recommendations.

1 We're going to make the decisions. I think it's good to have a good cross section of ideas
2 whenever this board meets. I've seen that you want to kind of compare what we do with the
3 Dallas/Ft. Worth MPO. They only have a finite number of seats on the policy board. But they
4 have a lot of city like communities so they put everybody on the technical committee.”
5 Commissioner Short asked how many small cities there were in the planning area. Mr. Johnson
6 listed those as: Gunter, Pottsboro, Howe, and Van Alstyne. Chairman Magers responded by
7 saying that he had no problem with what he was saying. “If there are issues where the other
8 small cities need to be involved in, it would be my recommendation that the small city
9 representative...invites them to meet, but these people (TAC) are the standing committee and
10 you can have ad hoc committee input from other folks at the meeting with this standing body
11 being the group. I am going to resist expanding an advisory board bigger than it needs to be.”
12 Mayor Budra agreed with Mr. Littlefield on the need for greater input from other small cities.
13 Chairman Magers stated that if there is a particular issue impacting a small city, that city could be
14 included in the technical discussion by sending their city manager or engineer to be part of the
15 discussion. They would provide their input which would be taken into account in the decision
16 making process. After some continued discussion, Mayor Brady made a motion to accept this
17 committee as it stands with caveat if TxDOT, City of Sherman, City of Denison, small cities rep,
18 Grayson County wants to invite other members or solicit other input and the staff to do so, that is
19 certainly acceptable (adopt the committee/policy as proposed). Mayor Budra seconded the
20 motion. Mayor Magers, Commissioner Short, Mayor Budra voted for. Bobby Littlefield voted
21 against. Motion carries.

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23 **V. Grant Options** –

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25 Mr. Johnson reminded the board that the Chairman requested that a discussion item be placed on
26 the agenda on the subject of pursuing additional transportation related grants. He said the staff
27 reviewed the options for grants and that based on federal rules, in order to qualify as a federally
28 approved task, the grant monies would need to be generated from federal dollars. No other
29 grants qualified under transportation planning tasks. He said the staff had contacted both FHWA
30 and TxDOT to get additional information. Both FHWA and TxDOT concurred that grants not
31 originating from the federal government could not be pursued with planning dollars. He cited
32 Federal OMB Circular No. A-87. Quoting “The question of reasonableness is particularly
33 important when governmental units or components are predominately federally-funded.” The
34 Chairman asked Ms. Maley (FHWA) if it's not a federal grant we cannot go after it. She replied
35 that that was correct. ‘Cannot have the staff chasing after grants that are not (federal)
36 transportation grants.’ He commented that he had previously stated that, as a result of the
37 previous transportation enhancement discussion, his question was...”Can this staff, rather than
38 just focusing on the TxDOT portion, are there other things we can do to help the other cities in
39 the MPO area by much?” Ms. Maley responded by saying that if you look at other unified
40 planning work programs you will see that they receive grants from a number of other sources
41 like TCEQ (Texas Commission on Environmental Quality), etc. Mr. Johnson interjected that the
42 larger MPO have funds which are not available to smaller MPO's. Grants such as CMAQ
43 (Congestion Mitigation and Air Quality) due to them being non-attainment air quality study
44 areas. Mayor Brady commented. “As I recall Pottsboro's money issue was a safety issue. Is
45 there grant money available for those types of issues?” Ms. Maley responded by saying that the
46 Safe Routes to School program would have some of those monies. The Chairman asked if we

1 were chasing that money. Mr. Johnson stated that the cities do go after those grants. At this
2 moment the MPO is not, but we have in the past. Mayor Brady suggested that if the cities want
3 to pursue these grant monies they should ask the MPO if they are available and then they (cities)
4 could pursue them with the MPOs assistance if they need it. Commissioner Short
5 asked..."Should it be our responsibility to make the communities know about these programs that
6 are available to them as far as transportation is concerned?" Chairman Magers responded
7 affirmatively. He said the MPO should act as a resource to the smaller cities in that respect. It
8 may just be a communication issue. What can this board to facilitate that? Mr. Johnson
9 commented that there would be increased communication with the smaller cities on the
10 availability of such grants. The Chairman asked that there be more communication with the
11 member cities by letting know what is available. It would also be a good idea for the small cities
12 to also be proactive in coming to the MPO board so it can direct the staff to coordinate the
13 efforts. Ms. Maley commented that other avenues on possible grant recourses would be the
14 TEMPO (Texas Metropolitan Planning Organizations) meeting which is a good place to share
15 information. She also stated that during periodic conference calls with her MPO group, she also
16 provides information to participants.

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18 **VI. Report from MPO Staff** –

- 19
20 a. Possible fiscal agent move. Mr. Johnson began the discussion by reminding the
21 board of the previous meeting when the reasoning for the due diligence was
22 requested. The amount of indirect cost that the MPO is charged for being housed at
23 TCOG is high when compared to other comparable MPOs throughout the state. He
24 used a spreadsheet which showed what statewide averages were. 6.7% vs. 22.6 for
25 our MPO. These figures are based on our MPO allocation of \$180,000, part of
26 which is subsidized by the Houston Galveston MPO and the North Central Texas
27 Council of Government MPO. He also pointed out the letter from the TCOG
28 executive director outlining their reasoning for the cost structure as it relates to the
29 MPO. Upon his review the Chairman asked what the MPO was getting for the
30 \$41,000 it is being charged. "We are getting a space for two employees, some
31 administrative support, computers and all that stuff right?" Commissioner Short
32 interjected by asking Mr. Johnson "No. We buy our computers right?" Mr. Johnson
33 responded affirmatively. The Chairman then asked Mr. Johnson what was included
34 in indirect. He responded by saying that it included the rent, utilities and common
35 expenses. He asked if the employee benefits were part of that \$41,000. Mr. Johnson
36 said yes. Commissioner Short asked Mr. Culbertson (TCOG – finance director) who
37 said they were not included. The employee benefits are a separate rate. Chairman
38 Magers then asked, "What are we getting for \$41,000." Mr. Culbertson responded by
39 saying that included payroll, purchasing, accounting, G&A (General and
40 Administrative expense), the operation of this building the rent as you said,
41 insurance." Chairman asked "Insurance? What type of insurance?" That includes
42 general liability, property insurance, etc. Commissioner Short then asked "Are you
43 saying that employee benefits go on top of that \$40,000?" To which Mr. Culbertson
44 responded...'yes'. The Chairman asked what does the \$3,000+ a month in rent get
45 the MPO. Mr. Johnson responded by saying that part of that administrative support is
46 Jan Knight which is charged approximately 20% of her salary to the MPO. The

1 Chairman asked if someone answers the phone for the MPO, types the letters for the
2 MPO. Mr. Johnson stated that the MPO staff handles that. The Chairman
3 commented..."so at the end of the day for the \$41,000.00, that nobody wants to talk
4 about, is really what TCOG does for us. Its providing a floating mechanism for
5 money right? Yes, but you forgot flow cash. Terrell, about how much cash do you
6 have to float on any given day? Roughly." Mr. Culbertson responded..." I couldn't
7 tell you on a daily basis their monthly expenses are roughly \$15,000.00 sometimes
8 there's a 60-day.....so \$30,000.00 probably." The Chairman continued..."On
9 \$30,000.00 to float if the bank costs us 8% that's about a couple of hundred bucks.
10 The point of all this and I don't know if we have a solution here, we're paying
11 \$41,000.00 on the annual budget of \$1.6 million, for two people. I just think that's an
12 awfully high amount to pay and if there's no other solution to it, then we're stuck and
13 I will go on the record saying were stuck. I don't like it, but is there a way to lower
14 our rate with the COG?" Dr. Thomas responded by saying..."I think the COG's
15 position is spelled out pretty clearly in the letter to Mr. Wood, is we can't charge
16 different programs different rates. There's a cost structure integrity issue attached to
17 that. If they (TAPS – cost structure) wanted to do that you'd be well within your
18 rights to do that (consider the move), but I wouldn't recommend it as the executive
19 director of the board. I would recommend against that, because of the danger in
20 charging programs different rates and what that does to the integrity of our structure."
21 Mayor Brady commented..."We got here because we were inquiring of TAPS if they
22 would be willing to house us. Right? I think the answer to that is no they're not.
23 Correct. They don't want us and so we are where we are and we're paying what we
24 pay. If we want to make a formal request that is fine otherwise..." Mr. Johnson
25 interjected by saying that "Mr. Wood has asked the Cities of Sherman and Denison to
26 do some research on whether or not that is possible and I do know that we did get a
27 note from the airport, Mike Shahan stated that they're remodeling and they'll have
28 some additional space, but that might be another avenue perhaps this is something
29 that we should table and discussed once we have additional information from those
30 resources. I don't know what we could do beyond that." The Chairman responded
31 by saying..."The issue that we have to address is you can rent space anywhere for a
32 lot less than \$41,000.00 a year for the size that we've got."

33 b. Category 3 (Urban Mobility) Trade Fair Status. Mr. Johnson brought the board up to
34 date on the 2011 to 2020 projects previously discussed with the board. With the
35 limited amount of funding in the category in the amount of \$20,000,000 over that
36 period, and other parts of the state having similar constraints, letting years for various
37 projects had to be 'negotiated' throughout state in order for the state to remain fiscally
38 constrained within its Unified Transportation Program (UTP). The only thing that
39 would change as part of the give or take during the trade fair was that U.S. 75 at Loy
40 Lake Road was moved from fiscal year 17 to fiscal year 18. Keep us within that
41 funding allocation MPO.

42 c. Funding Levels/Revenue Scenarios. Mr. Johnson provided the board with two
43 illustrations regarding the state of revenues for road projects. One was a "Gas Tax
44 Indexing to Fuel Efficiency" table. This illustration outlined the loss of state gas tax
45 revenue with the projected increased fuel efficiency of the vehicle fleet. Without
46 indexing the motor fuels tax, already anemic revenues would decline further. The

1 other illustration was a graph showing what the revenues over the next 35 years will
2 look like if no action is taken to consider additional resources including: an increase
3 in state and federal gasoline/diesel tax, indexing the motor fuels tax, increasing
4 vehicle registration fees, imposing a vehicle-miles-traveled (VMT) tax or other
5 revenue sources.
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7 **VII. Upcoming Public Involvement Meeting –**
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9 Mr. Johnson announced to the board that there would be a public involvement meeting for the
10 draft FY 2011 – 2014 Transportation Improvement Program (TIP) on April 14th at 5:00 p.m.
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12 **VIII. Public Comment Period –**
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14 No public comment.
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16 Chairman Magers adjourned the meeting at 10:08 am.