PUBLIC TRANSPORTATION
STRATEGIC PLAN FOR TEXAS

Discussion Draft

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Prepared for the
Texas Department of Transportation

Discussion Draft Prepared by the Public Transportation Division of the Texas Department of Transportation
# TABLE OF CONTENTS

## SECTION 1 – INTRODUCTION ................................................................. 1-1

- Purpose of the Public Transportation Strategic Plan ................................................................. 1-1
- The Strategic Planning Process .............................................................................................. 1-3
- The Strategic Plan Report ..................................................................................................... 1-4

## SECTION 2 – KEY THEMES AND MAJOR OPPORTUNITIES .................. 2-1

- Key Themes ............................................................................................................................ 2-1
- Balancing Conflicting Responsibilities ................................................................................... 2-6
- Risk Assessment .................................................................................................................... 2-7

## SECTION 3 – THE PUBLIC TRANSPORTATION STRATEGIC PLAN ..... 3-1

- The Preamble ......................................................................................................................... 3-1
- The Strategic Vision .......................................................................................................... 3-2
- The TxDOT Mission in Public Transportation ...................................................................... 3-3
- Strategic Goals, Objectives, Measures, and Strategies .......................................................... 3-5

## SECTION 4 – BACKGROUND AND CONTEXT FOR THE PTN STRATEGIC PLAN .... 4-1

- Public Transportation in Texas .......................................................................................... 4-1
- Client Transportation in Texas – Service Coordination ...................................................... 4-9
- The Institutional and Intergovernmental Landscape .............................................................. 4-13
- TxDOT/HHSC Interdepartmental Management and Communications .............................. 4-21
- Travel Markets .................................................................................................................... 4-25
- The Legislative and Funding Landscape .............................................................................. 4-30
- The Public Transportation Division Structure and Functions ............................................. 4-38
- Technology ............................................................................................................................ 4-44
TABLE OF CONTENTS (continued)

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECTION 5 – OVERVIEW OF STRENGTHS, WEAKNESSES, THREATS, AND OPPORTUNITIES</td>
</tr>
<tr>
<td>Strength and Weaknesses of the Public Transportation Program Delivery</td>
</tr>
<tr>
<td>Threats to and Opportunities for Successful Program Consolidation and Service Coordination</td>
</tr>
<tr>
<td>GLOSSARY</td>
</tr>
<tr>
<td>APPENDIX A – LIST OF INTERVIEWEES</td>
</tr>
<tr>
<td>APPENDIX B – OBJECTIVES, MEASURES, AND TARGETS FROM ‘CREATING TOMORROW’S TRANSPORTATION SYSTEM,’ TxDOT STRATEGIC PLAN 2003-2007</td>
</tr>
<tr>
<td>APPENDIX C – SELECTED CHARACTERISTICS OF PUBLIC TRANSPORTATION IN TEXAS</td>
</tr>
<tr>
<td>APPENDIX D – FUNDING ALLOCATION</td>
</tr>
<tr>
<td>APPENDIX E – FEDERAL AND STATE PROGRAM STRUCTURE</td>
</tr>
<tr>
<td>APPENDIX F – SUMMARY OF DESCRIPTIONS OF MAJOR FEDERAL TRANSIT FUNDING PROGRAMS</td>
</tr>
<tr>
<td>APPENDIX G – SUMMARY OF PUBLIC COMMENTS REGARDING TxDOT’s PUBLIC TRANSPORTATION STRATEGIC PLAN (to be added)</td>
</tr>
</tbody>
</table>
SECTION 1
INTRODUCTION

PURPOSE OF THE PUBLIC TRANSPORTATION STRATEGIC PLAN

The Public Transportation Division (PTN) of the Texas Department of Transportation (TxDOT) was created in 1988 in recognition of the increasing importance of public transportation within the state’s overall transportation network. Prior to 2003, the core functions of TxDOT regarding public transportation involved management and oversight of several federal transit grant programs, state matching funds, and associated programmatic regulatory requirements that support the provision of transit services outside the state’s seven major metropolitan regions.

In 2003, enactment of House Bills 3588, 2292, and 3184 in the 78th Texas Legislature Regular Session substantially altered the role and responsibility of TxDOT regarding public transportation. In addition to management and oversight of traditional state and federal transit programs in the small urban and rural areas of the state, TxDOT was given the added responsibility for direct funding, management, and oversight of client transportation services delivered under selected health and human service programs, under the Texas Health and Human Services Commission (HHSC), as well as transportation services provided as part of the Texas Workforce Commission (TWC) programs. These new statewide responsibilities were further complicated by the simultaneous reorganization of state human service agencies under an entirely new departmental structure overseen by the HHSC.

House Bill 3588 adds a new Chapter 461 to the Transportation Code

“Each health and human agency of this state shall contract with the department [TxDOT] for the department to assume all responsibilities of the health and human services agency relating to the provision of transportation services for clients of eligible programs.” (Article 13, Section 13.02(c))

The intent of Chapter 461 is:
1. To eliminate waste in the provision of public transportation services;
2. To generate efficiencies that will permit increased levels of service;
3. To further the state’s efforts to reduce air pollution.”(Article 13, Chapter 461, Section 461.001)
The public transportation role of TxDOT has, in effect, been expanded from one of traditional program management and oversight to include responsibility for booking trips, providing transportation, and handling customer inquiries, statewide, on a daily basis for individuals with widely varying needs in very different community and residential settings.

While TxDOT has been given responsibility for funding and provision of transportation to health and human service agency clients, the health and human service agencies themselves retain control over program policies and procedures, limiting the span of control belonging to TxDOT.

Combining the responsibility for management of traditional public transit programs and human service transportation in a single arm of TxDOT is a unique step. It is also important to note that no other state has combined the responsibility for human service transportation and public transportation under the direction of a state department of transportation (DOT). The effort presents complex challenges as well as enormous opportunities.

To support the delivery of human service transportation, TxDOT has provided over $111 million for the biennium from Fund 006, non-dedicated revenues from vehicle registration fees and motor fuels taxes. Fund 006 money replaces state general fund revenues previously used to support human service transportation.

To guide the consolidation of transportation program management and the coordination of service delivery in the years ahead, TxDOT initiated development of a Public Transportation Strategic Plan and a companion Public Transportation Operational Plan in the Fall of 2004.

Together, the Public Transportation Strategic Plan and Operational Plan will enable TxDOT to identify and overcome the challenges that arise, and to capitalize on the substantial opportunities to coordinate and integrate transportation resources, assets, and service delivery to the fullest extent possible in order to serve a burgeoning statewide travel market and critical human service needs in the most cost-effective way possible.

THE STRATEGIC PLANNING PROCESS

The Strategic Plan development process has proceeded through four main stages:

1. Vision and Public Transportation Mission. An updated mission statement for TxDOT regarding public transportation has been created that reflects the expanded role and responsibilities as well as the strategic direction of TxDOT itself;

Public Transportation Strategic Plan 1-2 Discussion Draft
2. **An Internal Assessment.** Implications for TxDOT’s strategic direction regarding public transportation were drawn from a review of current and evolving TxDOT policies, practices, and procedures with an initial focus on issues related to service planning, service coordination, and technology applications. In addition, extensive interviews were conducted with TxDOT staff and field personnel, including selected District Public Transportation Coordinators (PTCs) and regional MTP Call Center supervisors. The list of those interviewed is in Appendix A;

3. **An External Assessment.** Implications for TxDOT’s strategic direction regarding public transportation were also drawn from external factors and conditions, including the features of the legislative environment, financial and funding conditions, current and future market characteristics and the perspectives of key stakeholders in the transit and human services arenas; and

4. **Goals, Objectives, Measures of Performance, and Strategies.** A comprehensive framework of goals, objectives, performance measures, and strategies was developed to provide: an integrated, long-term direction for TxDOT across both transit and human service transportation programs; a clear sense of accountability among TxDOT managers and staff; and, a base from which to craft effective business and operational plans in the short-term.

The Strategic Plan development process was undertaken on an extremely short four-month timetable as part of the effort to provide substantive status reports to the Texas Transportation Commission (TTC) and the Texas State Legislature on the activities associated with the shift of human service transportation responsibilities to TxDOT. Prior to beginning the strategic planning effort, however, critical and difficult steps in this transition process were planned and successfully carried out, including:

- Execution of formal Interagency Cooperative Contracts between TxDOT and both the Texas Health and Human Services Commission and the Texas Workforce Commission;
- Physical relocation of all MTP headquarters staff and six of nine MTP Call Center staffs into or in proximity to TxDOT District facilities; and
- Formation of an Interagency Working Group (IWG) to address at the staff level the myriad issues that can be expected to arise as these new arrangements proceed.

**THE STRATEGIC PLAN REPORT**

The chapters that follow contain the Strategic Plan itself, along with background material, analyses, and observations that support the Plan.

- **Chapter 1** contains the introduction to the plan and the planning process.
- **Chapter 2** contains an overview of key themes and major opportunities that have
arisen during development of the Plan. These have been drawn from document reviews and extensive interviews with a wide range of stakeholders both inside and outside TxDOT. A risk analysis is also included, indicating in qualitative terms, the possible consequences of failing to address these themes.

- **Chapter 3** contains the Strategic Plan itself, including: TxDOT vision and mission statements regarding public transportation; goals, objectives, and measures of performance; and recommended strategies to pursue strategic goals.

- **Chapter 4** contains a summary of findings from internal and external scans and assessments that represent the context and background within which TxDOT must carry out its traditional and new responsibilities. Included are observations about and implications drawn from:
  -- Profiles of current public transit and human service transportation and respective programs, policies, procedures, and requirements in Texas;
  -- The institutional and intergovernmental landscape for transit and human service transportation management and its implications;
  -- Travel markets and human service client markets; and
  -- The legislative and financial landscape for transit and human service transportation design and delivery.

- **Chapter 5** contains a synthesis of findings drawn from the internal and external assessments in the form of an analysis of strengths, weaknesses, threats, and opportunities (“SWOT”) confronting TxDOT.

Various *Appendices* present additional details and insights drawn from the Strategic Plan development effort that are important in establishing a shared understanding of the dynamics of transit service design and delivery for a growing, multi-faceted client base and market.
SECTION 2

KEY THEMES AND MAJOR OPPORTUNITIES

The transfer of all MTP responsibilities to TxDOT and the physical relocation of MTP staff signal the beginning of an as yet unscheduled shift of responsibilities for managing the provision of all major health and human service transportation to TxDOT. This could involve a dozen other human service programs operating statewide. The physical integration of the MTP staff into TxDOT in 2004 was completed with minimal disruption in the provision of transportation to clients. This is a particularly noteworthy milestone since it is through the MTP that Texas Medicaid recipients, the largest single client base for health and human services in Texas, can be provided with transportation to health care services.

KEY THEMES

House Bill 3588 sets the stage for a new era in the design, delivery and support of public transportation by broadening the definition of what constitutes a public transportation provider and public transportation services to include all that are provided by or receive financial assistance from a government entity. The definition, in effect, joins both traditional mass transit services and transportation services provided through various health and human service programs under a single policy umbrella.

“Public transportation provider” means any entity that provides public transportation services if it is a government entity or if it receives financial assistance from a government entity, whether state, local, or federal… (Section 461.002 (1))

“Public transportation services” means any conveyance of passengers and their hand-carried baggage by a government entity or by a private entity if the private entity receives financial assistance for that conveyance from any government entity…. (Section 461.002 (2))
The assessment has revealed a number of major themes that require attention if the challenges of agency consolidation and service coordination inherent in this new definition are to be met, and if sustained progress is to be made toward the legislative goals noted earlier. The most important of these challenges lie in key areas, including: planning processes and functions; management orientation; program management philosophy; program management geography; grant program mechanics; human resources; communications; data and information management and reporting; and cost savings and cost-efficiency. Each is discussed briefly below.

1. **Planning Processes and Functions.** Effective and efficient service design and delivery requires well-structured and well-executed technical planning. This is particularly true when the objectives are to increase coordination of services and achieve greater cost-efficiency. Although TxDOT’s Public Transportation Division includes a Planning and Support Section, little or no technical planning, technical planning guidance, or technical oversight of public transportation operations is being carried out by TxDOT. The capacity to engage in technical planning for other transportation modes has been ceded to other parts of TxDOT, specifically the Transportation Planning and Program Division (TPP). This has occurred despite significant existing, as well as, new planning requirements in the Texas statute and Texas Administrative Code (TAC). Although these requirements are somewhat inconsistent in their application across TxDOT managed public transportation programs, by law and/or regulation TxDOT is responsible for development of:

   - Three year Transportation Development Plans (TDPs) by recipients of Federal Section 5310 funds for vehicle purchases for elderly and disabled services (TAC Rule 31.31 (i));
   - A Statewide Comprehensive Master Plan for Public Transportation (TAC Section 455.001 (4) and TAC Rule 31.2);
   - New Regional Plans by local agencies to eliminate service gaps and overlaps (TAC Section 461.004 (1-5)); and
   - A planning process by Metropolitan Planning Organizations (MPOs) that incorporates human service transportation (TAC Rule 31.49).

   While service planning is expected to remain a responsibility of local agencies, providers, and project sponsors, a renewed emphasis and capacity for technical service planning of public transportation within TxDOT is critical to guide and support effective local activities. Neither coordination nor greater cost-efficiency can be accomplished without credible planning processes that are carried out consistently and deliver credible information, justification, and evaluation of alternative courses of action.

2. **Management Orientation.** The core function of state transit programs and the orientation of program managers are focused on the mechanics and the outputs of the grant-making process and the tracking of regulatory compliance by grant recipients. An added focus on and knowledge of the outcomes of those investments, including a better understanding of transit system performance and the quality of the customers’ travel experiences, may enhance the effectiveness of the programs and program management.
3. **Program Management Philosophy.** The long-standing norm in program management is to treat all members of a class – grantees, agencies, clients – in precisely the same way with respect to the application of policies and procedures, regardless of the varied circumstances that may be encountered. Sometimes this philosophy results in inappropriate or overly broad application of constraints, requirements, and/or penalties that stifle innovation or that fail to solve underlying problems. Today, in both the public and the private sectors, management is increasingly guided by flexibility in addressing client and customer needs or problems and by active pursuit of innovation and adaptability to changing conditions and circumstances. By viewing both grantee agencies and riders as customers, **TxDOT** program management philosophy, efforts, and resources can more effectively target the two ends of the performance spectrum. Where problems exist, greater attention and effort might be focused on resolving the specific issues that are most serious. Where there are unique opportunities for successful innovation and greater benefit, attention and resources might be focused on taking advantage of them on a localized scale. Greater flexibility and responsiveness may involve consideration of changes in statutes, the TAC, or administrative practices.

4. **Program Management Geography.** Both the public transportation programs and the MTP have a similar management geography – *centralized* program oversight and direction with *decentralized* program delivery. **TxDOT**, however, is not an active participant in the design and delivery of traditional public transportation services in Texas’ major metropolitan regions. As a result, there is only a limited understanding in **TxDOT** of transit planning and operations where transit services are largest and most significant. There are no **TxDOT** program management protocols for public transportation in place in metro areas, and **TxDOT** maintains few institutional relationships on which to build.

In addition, on the fringes of Texas’ major metropolitan areas, there is mounting complexity in how smaller providers serve subareas or communities, what funding programs and sources they draw on, and what degree of integration should be sought financially and operationally with major regional transit providers.

Absent the consolidation of human service transportation responsibility in **TxDOT**, this situation would likely go unchanged. A substantial portion of the MTP client base, however, resides in Texas’ major metropolitan regions. The result is that **TxDOT** will, by default, become an active agent in metropolitan transit and transportation service design and delivery, contrary to long-standing tradition. New knowledge must be gained and sustained and new working relationships developed by **TxDOT** in Texas’ metropolitan areas to support successful service coordination.

5. **Grant Program Mechanics.** Providing and overseeing the use of federal and state funds lies at the heart of **TxDOT**’s responsibility. There is broad general interest in and effort underway by **TxDOT** and grantees to simplify and streamline program mechanics and make them more responsive and effective. Action has proven
intermittent, however, and not always successful. The complexity of managing program mechanics will rise dramatically as TxDOT responsibility expands to management and oversight of separate program requirements, processes, and procedures from individual health and human service programs. In this setting, a special, multi-year focus may be needed on program mechanics.

6. Human Resources. Effective design and delivery of transportation services requires knowledge and skills that go beyond those necessary for pro-forma oversight of grant-making transactions and regulatory compliance. It is essential that a deeper knowledge of customers and markets, service delivery approaches, and their operating environments be fostered. Knowledge of the forces that influence each will also be essential, as well as deeper knowledge of new and evolving programs, policies, and procedures. This will provide a base from which to understand and meet customer needs more effectively and use resources more efficiently. Means should be explored to broaden and sustain knowledge among program managers and staff at all levels, from TxDOT headquarters, to TxDOT PTCs, to MTP managers and field staff, to grantee planners, to service providers, and to contractors.

7. Communications. Program management is complicated by several factors related to the flow of information and communications, including:
   a. Separate but parallel vertical layers of responsibility within TxDOT and within the HHSC and TWC, from headquarters, to field staff, to operators, to customers;
   b. Inconsistent geographic administrative districts among state agencies and local and regional planning agencies and service providers;
   c. Agency protocols that may limit the internal dialogue among TxDOT units and communication across agency or program lines;
   d. Internal TxDOT protocols and habits that have restricted exchanges among varied stakeholders, including PTCs, operators, contractors, and interest groups;
   e. An apparent insularity, “secrecy” or ineffective outreach by TxDOT in developing policies and procedures for grant management, reporting, and oversight, as well as a lack of transparency for grantees into department processes and procedures;
   f. Lack of funding needed for TxDOT staff and stakeholders to engage regularly with one another face-to-face; and
   g. Two sets of field staff (MTPs and PTCs) that each monitor many of the same transit systems causing contradictory policies.

More effective communications along all these interfaces will be key to achieving significant and sustained progress on agency consolidation and service coordination.

8. Data and Information Management and Reporting. Accurate and timely data and its timely conversion to information that is useful in policy and decision-making is essential. Accurate and timely information is needed for effective consolidation and coordination in the design, delivery, investment in, and oversight of public transportation and health and human service transportation. Databases and reporting for both finance and operations must be made less complex. System duplication and
redundancy must be reduced. Data must be made more reliable. Consistent and readily understandable accounting and reporting schemes must be designed to support audiences responsible for policy-making, investment decisions, and more consistent and effective monitoring of service delivery.

9. **Cost Savings and Cost-Efficiency.** The means for achieving cost savings and greater cost-efficiency must be broadly framed and widely understood in order to design, test, evaluate, and implement more effective policies, programs, strategies, and procedures. Such a framework should include, but not be limited to strategies that:
   a. Reduce the level of effort required to accomplish various tasks and functions without fundamentally restructuring them, i.e., by achieving savings in staff hours and/or expenditures;
   b. Eliminate duplication of tasks and functions, i.e., by achieving savings in the number of personnel and related expenditures in common functions such as program monitoring, training, procurement, etc.;
   c. Restructure or reassign tasks and functions, including through outsourcing where it could be effective and more efficient;
   d. Combine resources to eliminate duplicative expenditures and achieve economies of scale;
   e. Integrate the use of assets, e.g. vehicles and facilities, to reduce the size of the asset base and related costs; and
   f. Move customers onto less costly forms of transportation whenever possible to reduce per trip travel costs and/or per client travel costs.

Examples drawn from this framework are described in the accompanying Public Transportation Operations Plan along with an assessment of the costs and benefits of various actions.

10. **Focus on Mobility.** A final overriding theme that emerged during the Operational Review is a sense that TxDOT needs to focus less attention on internal processes and more on increasing mobility for Texans. Based on the project team’s market analysis and fieldwork during the Operations Review, many transit needs in the state are not being met. Further, it is likely that these needs will be increasing in future years as transit dependent populations and human service agency clients increase. For example, TWC and local workforce boards face significant challenges in planning for increasing workforce and employment transportation needs. Currently, there are no provisions in place to meet these expanded needs. Without an active role for TxDOT in this effort, there is no education/support function within TxDOT for public transit (partly a planning process problem).

These basic themes have arisen from the combined insights of program managers and stakeholders involved in both the Texas public transportation programs and the Texas health and human services programs. They are explored in more detail in Chapter 5, “Overview of Strengths, Weaknesses, Threats, and Opportunities” and in the risk assessment provided at the end of this section. Progress in meeting the goals of the agency consolidation and service coordination initiative will be dependent on making improvements in each of these areas.
BALANCING CONFLICTING RESPONSIBILITIES

To be successful in meeting its new responsibilities, TxDOT senior management and staff will have to strike a new balance between several key, competing requirements, responsibilities and perspectives that are implied in these themes noted above. Table 2-1 highlights the most important of these. They provide an additional point of reference for development and implementation of the Strategic Plan detailed in Chapter 3.

Table 2-1

<table>
<thead>
<tr>
<th>On the one hand…</th>
<th>On the other hand…</th>
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<tr>
<td><strong>Outputs versus Outcomes</strong></td>
<td>Resources are provided in order to achieve broad goals and outcomes, often over extended periods and affected by factors over which TxDOT and its grantees have little control. Progress against these outcomes must also be monitored and the associated local dynamics in service design and delivery understood.</td>
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<tr>
<td>The TxDOT provides resources used by others, including financial resources, information, and expertise. TxDOT staff must track and account for recurring financial commitments and procedural compliance as a core fiduciary responsibility.</td>
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<td><strong>Schedules and Timetables</strong></td>
<td>TxDOT actions must be responsive to the unique and variable timetables for decision-making by TxDOT grantees, clients, partners, and stakeholders.</td>
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<td>Actions by TxDOT must respond to federal and state calendars, budget, and program management and administrative cycles.</td>
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<td><strong>Dual Knowledge Requirements</strong></td>
<td>TxDOT staff must also maintain general knowledge of state-of-the-art approaches to various aspects of transit operations, planning, and the role of transit in pursuing broader societal goals.</td>
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<tr>
<td>TxDOT staff must maintain a complete working knowledge of law, regulation, and administrative requirements associated with the use of both federal and state programs and resources.</td>
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<tr>
<td><strong>Communications</strong></td>
<td>External. Regular and effective communications must also be maintained with TxDOT clients to convey expectations and requirements, and to exchange knowledge and information.</td>
</tr>
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<td>Internal. Regular and effective communications must be maintained within TxDOT and between TxDOT and other departmental units and with both sets of field staff to assure that roles and responsibilities are clear, activities are coordinated, and issues are resolved expeditiously, clearly, and consistently.</td>
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RISK ASSESSMENT

The addition of operating responsibility for statewide medical transportation to TxDOT’s traditional responsibility for state and federal transit grant management and oversight for small urban and rural areas raises a number of new, significant, and somewhat unfamiliar risks. The most important of these are discussed and evaluated below. They have emerged from internal and external scans and the SWOT analysis summarized in Chapter 5 and are reflected in the major issues and opportunities noted above.

Risk assessment can be done through many processes and procedures, all of which deal with risk in two fundamental dimensions: 1) the likelihood of an undesirable event or circumstance occurring or continuing (or the difficulty in changing the circumstance); and, 2) the consequences if the event or circumstances occur or persist. The most basic approach for risk analysis in a strategic, policy-oriented setting is a “what-if” qualitative review. The discussion below itemizes and describes the circumstances and conditions that may pose the greatest risk to goal achievement, the degree of difficulty in addressing those circumstances, and the consequences if they are not addressed or mitigated.

A Customer-Based Perspective

The overarching risk that TxDOT faces is the failure to meet the transportation needs and expectations of the residents and clients groups for whom services are both necessary and are currently being provided. An associated risk is that the level of coordination that can be achieved and the potential gains in cost-efficiency that can be realized will not be adequate to expand the available services.

This risk is, in fact, a reality today as current levels of transit service and available funding for both traditional public transportation and human service transportation remain relatively stable, while population and travel demand continue to grow and Texas demographics shift toward a more transportation-disadvantaged future population. As a result, there is a growing gap between the supply and the demand for service that can be projected into the future, as has been noted in the TxDOT Long Range Transportation Plan 2030.

The risk of this gap continuing to grow is high:

• Neither state nor local public policies are able to alter the broad changes taking place in population and settlement patterns;

• Because the state’s role in traditional public transportation is limited to support of small urban and rural systems, it cannot target resources to the state’s metropolitan systems where the demands for both public transportation and human service transportation are largest;
• Funding limitations continue to restrict the level of support for human service transportation; and
• Modest projected increases in federal funding for public transportation over the next six years will offer some opportunity for transit service enhancements, targeted mostly on select major metropolitan regions and projects.

The consequences of failing to close the gap between demand and the availability of services will be felt in several obvious dimensions that have broad societal implications:

• In the most populous regions of the state, congestion will continue to grow despite mounting support by local residents for transit service expansion;
• Productivity and competitiveness gains in regional economies may be dampened;
• Travel options will be limited, along with access to economic, educational, and social opportunity, reducing quality of life for many Texans;
• Air quality may deteriorate, threatening human health and raising the cost to be paid for health care;
• Increasing numbers of Texans reliant on a variety of health and human service programs may not have reliable access to care and essential services;
• In small urban and rural areas, access to economic, educational, and social opportunities, already limited in many locales, will be further diminished for productive households and individuals, and particularly for transportation-disadvantaged citizens; and
• The ability to attract sound and competitive business and industry will be diminished.

There are a host of other conditions and circumstances that determine whether these overarching risks can be avoided and what the consequences may be if each is not addressed. These are highlighted in Table 2-2. The risk assessment helps to establish priorities within the Strategic Plan based on the severity of consequences and the prospects of resolving undesirable conditions.

The challenge for TxDOT, and stakeholders in transit and human service transportation is evident in the fact that three-quarters of the circumstances noted in Table 2-2 present potentially high risks for achieving better service coordination and greater cost-efficiencies. The clear implication is that a multi-pronged strategic agenda should be considered.

It will be critical to the success of that agenda to establish sound, task-oriented work plans and clear responsibilities for carrying them out. A further implication is that specific overall responsibility for execution of the Strategic Plan itself should be assigned to a senior
member of the TxDOT staff to provide high-level encouragement and support, and to assure steady progress, full coordination, and effective follow-up.

Although the scope of the strategic planning effort must be broad, only a handful of areas appear to pose extreme difficulties. These have to do mostly with initiatives that may require action in a political arena and/or actions that seek to change established program characteristics and procedures that may be based on law or regulation.
Table 2-2: RISK ASSESSMENT FOR TxDOT PROGRAM MANAGEMENT AND OVERSIGHT

<table>
<thead>
<tr>
<th>Circumstance or Condition</th>
<th>Difficulty in Resolving</th>
<th>Severity of Consequences</th>
<th>Comments on Risk</th>
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<tbody>
<tr>
<td><strong>TxDOT Orientation and Direction</strong></td>
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<tr>
<td>Focus on program output vs. outcomes</td>
<td>Modest</td>
<td>Modest</td>
<td>Successful program output remains important; if balancing concern for customer-oriented outcomes is problematic, customer concerns will continue to be a focus for service providers</td>
</tr>
<tr>
<td>Managing to the rule vs. flexibility</td>
<td>High</td>
<td>High</td>
<td>Statutory and regulatory requirements must be met; but, flexibility to be responsive and innovate is critical and may require TTC or Legislative action</td>
</tr>
<tr>
<td><strong>Management Structure and Functions</strong></td>
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<td></td>
</tr>
<tr>
<td>Lack of planning</td>
<td>Modest</td>
<td>High</td>
<td>Existing and new planning requirements are not being fulfilled; rationale investments, cost-efficiency, and coordination cannot be achieved absent rigorous, consistent planning</td>
</tr>
<tr>
<td>Misaligned administrative and service boundaries/geo (TxDOT, HHSC, TWC operators)</td>
<td>Low</td>
<td>Low</td>
<td>While program, departmental, and service area boundaries do not coincide, administrative mechanisms can be used to focus responsibility, authority, and accountability</td>
</tr>
<tr>
<td>Small Urban and Rural Area focus</td>
<td>High</td>
<td>High</td>
<td><strong>TxDOT</strong> has no authority/role in major metropolitan regions; but, transit and human service clients and providers are concentrated there. <strong>TxDOT</strong> must become an agent in metropolitan regions to pursue coordination, cost-efficiency</td>
</tr>
<tr>
<td>Extensive paperwork</td>
<td>Modest</td>
<td>Modest</td>
<td>Administrative burdens are out of proportion to funding levels, system size; accommodation diminishes operations oversight</td>
</tr>
<tr>
<td>Slow, inconsistent policy response</td>
<td>Low</td>
<td>High</td>
<td>Service availability, quality, customer response, and effective budget management are at risk when guidance is poor/in flux</td>
</tr>
<tr>
<td>Transit vs. human service program requirements, characteristics</td>
<td>High</td>
<td>High</td>
<td><strong>TxDOT</strong> has no authority to amend HHSC or TWC program requirements; some HHSC/TWC program requirements may limit coordination</td>
</tr>
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### Table 2-2 (continued)

<table>
<thead>
<tr>
<th>Circumstance or Condition</th>
<th>Difficulty in Resolving</th>
<th>Severity of Consequences</th>
<th>Comments on Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illogical assignment of staff across TxDOT (IT, Planning)</td>
<td>Modest</td>
<td>Modest</td>
<td>Lack of logic undermines focus, confidence; statewide personnel rules play a role</td>
</tr>
<tr>
<td>Duplicate/parallel functions</td>
<td>Modest</td>
<td>High</td>
<td>Significant opportunity for savings in program management effort and better performance lost without consolidation of functions in PTN (monitoring, training, procurement, etc.)</td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low operational knowledge in TxDOT (HQ staff and PTCs)</td>
<td>Modest</td>
<td>High</td>
<td>Without better knowledge of grantee operations, policy-making, and procedure development, TxDOT will frustrate coordination and increase cost-efficiency</td>
</tr>
<tr>
<td>Uneven procedural knowledge in PTCs</td>
<td>Modest</td>
<td>High</td>
<td>Uneven knowledge of program procedures will frustrate coordination, increased cost-efficiency</td>
</tr>
<tr>
<td>Uneven operational and management skills in operators, providers</td>
<td>Modest</td>
<td>High</td>
<td>Increased cost-efficiency will be impossible if operator/provider management skills are poor</td>
</tr>
<tr>
<td>Limited access to outside information</td>
<td>Low</td>
<td>High</td>
<td>Without broad knowledge of best practices, coordination and cost-efficiencies will be slow to develop, cost will be incurred in reinventing models and procedures</td>
</tr>
<tr>
<td>Limited technical planning skills</td>
<td>Modest</td>
<td>High</td>
<td>Absent strong technical planning skills (on staff or under contract) coordination and cost-efficiency initiatives may be suspect</td>
</tr>
<tr>
<td><strong>Communications</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor TxDOT – HHSC/TWC communication (HQ, Intergovernmental Working Group, field)</td>
<td>Modest</td>
<td>High</td>
<td>It is critical to coordination and cost-efficiency goals to understand HHSC/TWC programs, requirements policy latitude</td>
</tr>
<tr>
<td>Limited working relationships within TxDOT</td>
<td>Low</td>
<td>Modest</td>
<td>Without strong relationships/communications across TxDOT divisions, TxDOT responsibilities cannot be carried out efficiently</td>
</tr>
</tbody>
</table>
Table 2-2 (continued)

<table>
<thead>
<tr>
<th>Circumstance or Condition</th>
<th>Difficulty In Resolving</th>
<th>Severity of Consequences</th>
<th>Comments on Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited internal TxDOT dialogue</td>
<td>Low</td>
<td>High</td>
<td>Without knowledge sharing and collaborative policy development, program management will be ineffective and responses in the field unproductive.</td>
</tr>
<tr>
<td>Limited consultation on procedures</td>
<td>Modest</td>
<td>High</td>
<td>Effectiveness of and response to procedures will be reduced if involvement and outreach is restricted/limited.</td>
</tr>
<tr>
<td>Lack of travel budget</td>
<td>Modest</td>
<td>High</td>
<td>Knowledge, skills, relationships, and monitoring necessary to advance coordination and cost-efficiency are reduced without resources to engage stakeholders face-to-face.</td>
</tr>
<tr>
<td>Unreliable operating and financial data</td>
<td>Modest</td>
<td>High</td>
<td>Progress depends on monitoring; poor data quality clouds understanding of what is happening, confuses program priorities, reduces credibility, irritates policy-makers, risks resource cutbacks.</td>
</tr>
<tr>
<td>Unreliable asset data</td>
<td>Low</td>
<td>Low</td>
<td>Without required documentation of asset holdings, reinvestment cannot be delayed and/or service quality reduced for customers.</td>
</tr>
<tr>
<td>Poor reporting templates, timetables</td>
<td>Low</td>
<td>High</td>
<td>Policy-makers are unsupportive if frustrated in the delivery of information relevant to their role.</td>
</tr>
<tr>
<td>Separate HHCS databases, reporting systems</td>
<td>High</td>
<td>High</td>
<td>Achievement and evaluation of cost-efficiency gains is not possible when accounting systems and procedures cannot be integrated.</td>
</tr>
<tr>
<td>Cost Savings and Cost-Efficiency</td>
<td></td>
<td></td>
<td>Without a framework, examination of options and evaluation, the impacts of different policies and approaches cannot be comprehensive or credible.</td>
</tr>
</tbody>
</table>

Public Transportation Strategic Plan 2-12 Discussion Draft
SECTION 3

THE PUBLIC TRANSPORTATION STRATEGIC PLAN

“Public Transportation must be a key component in addressing the mobility challenges of our state. Transit is also an integral part of our strategy to improve air quality throughout Texas.”

Ric Williamson, Chair, Texas Transportation Commission

THE PREAMBLE

Mobility and access to opportunity are fundamental needs in a free and productive society. In recent years, the role and importance of public transportation in its various forms has grown substantially. Public transportation has become an increasingly critical alternative to our historic dependence on private vehicles. Well-designed and well-managed public transportation has many benefits for users and non-users as well as for our communities in general, including:

- Expanding our travel choices and access to opportunity;
- Supporting economic growth, productivity, and competitiveness;
- Assuring access to essential personal and human services;
- Providing environmentally responsible and safe mobility;
- Improving a community’s ability to respond to emergencies and security threats; and
- Making the entire transportation network function more efficiently.

Public transportation can only reach its full potential, however, if assets and resources are used to provide a truly seamless system that can serve diverse needs ranging from those of daily commuters who may choose to leave their private cars behind, to the intermittent but vital needs of

Texans without travel options or who are dependent on Texas’ health and human service programs.

This Public Transportation Strategic Plan is consistent with the TxDOT Strategic Plan and establishes an agenda that can bring Texas to a position of national leadership in the design and delivery of a fully integrated network of public and human service transportation, a network whose benefits are widely understood and that meets our expectations for reliable, safe, and cost-efficient mobility, statewide.

THE STRATEGIC VISION

The purpose of a vision for any organization is to establish a broad sense of what stakeholders are striving for in carrying out their roles and duties, and what constitutes success and fulfillment in the process. The public transportation vision for TxDOT speaks to two fundamental aspects: 1) how TxDOT itself operates, performs, and is viewed in carrying out its role, i.e., the “internal” vision; and 2) what impact TxDOT has on its ultimate customers, the communities, and individuals that use transit in its various forms, is meant to serve, i.e., the “external” vision.

The “Internal” Vision

TxDOT serves as a highly regarded, knowledgeable, accessible, and engaged provider of timely support for public transportation that is both consistent in its dealings and responsive to local communities, policy-makers, transportation providers, consumers, and co-workers.

The “External” Vision

Travel options and access to opportunity are expanded and improved for all Texans, are provided cost-effectively, are used more extensively, and support broader state and local goals for economic growth and enhanced quality of life.

COMMENTARY ON THE PTN VISION

For funding and grant-making agencies, the nature of a strategic vision is sometimes a confusing issue. It brings into play both a sense of what the “internal,” business-oriented vision should encompass, as well as a vision of what should be accomplished “externally,” on the ground and with customers, as a result of program actions and investments.

Because PTN is now both a funding agency and an operating agency, it is appropriate to consider a vision that includes both an internal and an external perspective. It is the combination of the two that should capture the highest shared aspirations of TxDOT and PTN management and staff.
The purpose of a mission statement is to provide a clear framework for what must be accomplished for an organization to successfully perform its role and fulfill expectations. Elements of the mission should be directly translatable into goals, objectives, and measures of performance, and should link to specific strategies for assuring progress.

The mission of the TxDOT in public transportation is to support, facilitate, promote, and monitor the planning, delivery, and coordination of safe, reliable, effective, and cost-efficient public transportation services.
COMMENTARY ON THE PTN MISSION

<table>
<thead>
<tr>
<th>The Actions</th>
<th>The Activities</th>
<th>The Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support</td>
<td>Planning</td>
<td>Safe</td>
</tr>
<tr>
<td>Facilitate</td>
<td>Resource</td>
<td>Reliable</td>
</tr>
<tr>
<td>Promote</td>
<td>Delivery</td>
<td>Effective</td>
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<tr>
<td>Monitor</td>
<td>Coordination</td>
<td>Cost-efficient</td>
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</tbody>
</table>

**The Actions**

- Support refers to the role of providing essential resources – funds, technical assistance, information;
- Facilitate refers to convening, communicating, and enabling positive action to occur;
- Promote refers to maintaining a proactive, positive posture on the value of public transportation; and
- Monitor refers to information assuring service quality and program compliance.

**The Key Activities**

- Planning refers to knowledge about and involvement by stakeholders, including TxDOT, in planning processes that serve client and consumer needs and support collaborative partnerships;
- Delivery refers to TxDOT knowledge about and oversight and monitoring of actual operations; and
- Coordination refers to the pursuit of collaboration and integration of resources and assets in service delivery.

**The Outcomes**

- Safe refers to an overarching concern for safety in the provision of transportation;
- Reliable refers to meeting customer expectations, generally, and specifically to the time-sensitive, individual client-based needs of transportation for health and human service clients;
- Effective refers to meeting customer needs and expectations; and
- Cost-efficient refers to the goal of maximizing the use of all available resources in service delivery.
Five goals have been proposed for the Public Transportation Strategic Plan. They provide a comprehensive framework for addressing the various themes and opportunities noted earlier. Each goal is stated below along with:

- Specific objectives;
- Potential measures of performance; and
- Strategies considered most critical in pursuing the goals and objectives.

Each set of goals, objectives, measures, and strategies is followed by a brief commentary on the rationale and focus for TxDOT action. Table 3-1 provides a ‘cross-walk’ illustrating how the specific strategies being recommended link to and address the earlier themes and opportunities.

The commentaries also contain observations about activities that TxDOT already has underway that will support progress toward various strategic goals and objectives. Finally, elements of the Strategic Plan have been developed to be consistent with the TxDOT Strategic Plan whose goals and objectives are presented in Appendix B.

Implementation of the Strategic Plan

Acceptance and publication of the Public Transportation Strategic Plan does not guarantee it will be implemented successfully. Progress in meeting the Plan’s goals and objectives requires:

- Clear assignment of specific staff responsibility for carrying out the recommended strategies;
- Development of an actual work plan for each strategy, including tasks, timetables, and assignments and identification of key participants;
- Commitment of the resources necessary for carrying out the tasks, including both funding and staff time; and
- Independent milestone-based monitoring and reporting on implementation progress to both TxDOT policy and departmental leadership as well as staff at all levels.

The strategies proposed in the Public Transportation Strategic Plan provide a base for moving directly through each of these implementation steps.
<table>
<thead>
<tr>
<th>GOALS and STRATEGIES</th>
<th>THEMES</th>
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<tbody>
<tr>
<td></td>
<td>Management Orientation</td>
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<tr>
<td>1. Resource Delivery</td>
<td></td>
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<tr>
<td>A. Master Calendar - Grant Actions</td>
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<tr>
<td>B. Grant Management Manual</td>
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<td>C. Grantee Survey</td>
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<td>D. Accurate Program Reporting</td>
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<tr>
<td>E. Routine Policy/Procedure Updates</td>
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<tr>
<td>F. Quarterly Program Management Report</td>
<td></td>
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<td>G. Designated Lead District</td>
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<tr>
<td>2. Communications, Collaboration</td>
<td></td>
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<tr>
<td>A. Stakeholder Survey</td>
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<td>B. Communications Plan</td>
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<td>C. TTA Relationship</td>
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<tr>
<td>D. Training Agenda</td>
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<tr>
<td>E. Best Practices</td>
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<tr>
<td>F. Strengthen Public Transportation Advisory Committee</td>
<td></td>
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<tr>
<td>3. Coordination, Cost-Efficiency</td>
<td></td>
</tr>
<tr>
<td>A. Planning Processes and Capacity</td>
<td></td>
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<tr>
<td>B. Coordination Roles, Functions</td>
<td></td>
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<tr>
<td>C. Coordination Strategies – Small and Large</td>
<td></td>
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<tr>
<td>D. Monitor Federal Coordination Effort</td>
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<tr>
<td>D. Best practices</td>
<td></td>
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<tr>
<td>E. Cost-efficiency Framework</td>
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<td>F. Code Review</td>
<td></td>
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<tr>
<td>G. Transit Service Ops Manual</td>
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<tr>
<td>GOALS and STRATEGIES</td>
<td>THEMES</td>
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<tr>
<td>4. Expanded Service</td>
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<td>Availability and Use</td>
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<tr>
<td>A. Customer/Market Surveys</td>
<td>o</td>
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<tr>
<td>B. LR Planning Framework</td>
<td>o</td>
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<tr>
<td>C. Reach New Constituencies</td>
<td>o</td>
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<tr>
<td>D. Action Agenda</td>
<td>o</td>
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<tr>
<td>E. Transit Value/Benefits Res.</td>
<td>o</td>
</tr>
<tr>
<td>F. Promote Value/Benefits</td>
<td>o</td>
</tr>
<tr>
<td>G. Rebuild Planning Function</td>
<td>o</td>
</tr>
<tr>
<td>H. Partner/Collaborate with Stakeholders</td>
<td>o</td>
</tr>
<tr>
<td>5. Work Environment</td>
<td></td>
</tr>
<tr>
<td>A. Review Structure, Roles, Skills</td>
<td>o</td>
</tr>
<tr>
<td>B. Survey Staff Satisfaction, Performance</td>
<td>o</td>
</tr>
<tr>
<td>C. Training to Enhance Staff Skills</td>
<td>o</td>
</tr>
<tr>
<td>D. Promote Transit Benefits Internally</td>
<td>o</td>
</tr>
<tr>
<td>E. Assign Strategic Plan Respon.</td>
<td>o</td>
</tr>
<tr>
<td>F. Monitor, Report Strategic Plan</td>
<td>o</td>
</tr>
<tr>
<td>G. Staff Recognition Program</td>
<td>o</td>
</tr>
<tr>
<td>H. Senior TxDOT, TTC Involvement</td>
<td>o</td>
</tr>
</tbody>
</table>

**Legend:**
- **0** Moderate Linkage
- **●** Significant Linkage
- **●** Essential Linkage

*Public Transportation Strategic Plan* 3-7 Discussion Draft
GOAL 1:
Provide timely delivery of resources to clients and stakeholders, including funding, purchased transportation, technical assistance, and information.

Objectives:

1.1 Provide timely grant review and timely obligation of funds.
1.2 Support grantee efforts toward full compliance with program policy and requirements.
1.3 Simplify, streamline and standardize program procedures, processes, and guidance.
1.4 Maintain reliable and up-to-date databases for program oversight.
1.5 Assure timely and accurate program monitoring and reporting that meets the needs of varying audiences (legislators, policy-makers, program managers, clients, and interest groups).
1.6 Maintain a comprehensive base of knowledge among TxDOT staff about program policies and procedures.
1.7 Assure a continuous flow of reliable information to stakeholders on policy, program, and technical issues in service planning and delivery.

Measures:

- Timeliness in grant-making and obligation of funds.
- Timeliness in grant management, compliance, and oversight activities.
- Timeliness, accuracy, and consistency in program monitoring and reporting.
- Currency and clarity of program guidance.
- Level of grantee understanding of program requirements, procedures, and guidance.
- Number, type, and severity of compliance deficiencies.
- Currency and clarity of technical issues/information agenda.

Strategies:

1A. Construct and maintain a master calendar of milestones in grant preparation and processing for all stakeholders.
1B. Outsource completion of the Grants Management Manual on an expedited basis and MTP Call Center procedures.
1C. Survey grantees, field staff, (and other stakeholders, as appropriate) on: a) awareness of key program requirements and milestones; b) related technical assistance and information needs.
1D. Reestablish accurate and timely program reporting tailored to the needs of various audiences (program managers, TxDOT senior management, TTC, HHSC, TWC, Texas State Legislature, Public Transportation Advisory Committee (PTAC), operators, other stakeholders, interests, etc.).
1E. Enhance and use routine processes for updating staff and grantees on changes in policy and procedures, related rationales, and examination of potential issues or problems.
1F. Frame, prepare, and present a quarterly Program Management Overview Report to highlight status on key aspects of program management, program outcomes, and current issues.
1G. Formalize the “designated/lead District” approach for oversight of grantees operating in multiple TxDOT Districts and continue efforts with MTP field staff.

**COMMENTARY**

**Overview**

This goal and related objectives speak to the fundamental role of TxDOT in providing a variety of resources to Texas transit operators and human service transportation providers. Critical among these is the flow of grant and related funding from federal and state sources. If basic fiduciary responsibility, including regulatory compliance, is not assured through grant program mechanics, the availability and quality of transportation services will be at risk and, ultimately, customer mobility, access, health, and well-being.

**Strategic Priorities: Data Systems and Communications**

There are two strategic priorities among those mentioned.

- Improving the collection, validation, and reporting of financial and operating data, particularly through:
  - annual publication of the Transit Statistics Report;
  - regular reporting to TxDOT senior management, the TTC, the PTAC; and
  - development of a system of reporting on TxDOT funding to human service programs.

- Ensuring an open and comprehensive flow of information to staff and grantees in order to maintain a consistent, comprehensive base of knowledge and understanding of current and changing program policies, requirements, and procedures.

In the long-term, data systems as well as information-sharing on programmatic policies and procedures may be merged into a unified system/process. In the short-term, however, it is suggested that: 1) these strategies be pursued in parallel due to the requirements for independent tracking and reporting of TxDOT funding for human service transportation (contained in the Interagency Cooperation Contracts) and the significant differences in procedures among health and human service programs; and, 2) enhancements be pursued based on a clearer understanding of the specific needs of policy-makers, program managers, and service providers.

**Activities Underway**

TxDOT has a number of activities and initiatives underway to support this goal and related objectives:

1. Development of a simplified Master Grant Agreement.
4. Use of a ‘Primary Reporting District’ designation to resolve duplicative program management and oversight responsibilities and reduce duplicative reporting.
5. Redesign of financial and operational data reporting forms and schedules.
6. Proposals for interactive database development.
8. Proposals for an upgraded Public Transportation Management System (PTMS).
**GOAL 2:**

Build and maintain effective communications with and collaborative relationships among stakeholders.

**Objectives:**

2.1 Maintain full and open communication and collaboration in program operations through all appropriate means (i.e. via print, telecom, and in-person alternatives):

- Within and among program staff;
- TxDOT public transportation and medical transportation field staff;
- Appropriate TxDOT and HHSC/TWC staff;
- Grantees and service providers; and
- Other stakeholders (Texas Transit Association (TTA), human service organizations, Council of Governments (COGs)/MPOs, national professional organizations, policymakers, sponsoring agencies, Texas Workforce Boards, employers/businesses, Chambers of Commerce, customers, interest groups, etc.).

2.2 Design and support activities to address stakeholder knowledge gaps (in both program policy and procedures and in transit operations).

2.3 Obtain sustained leadership, guidance and involvement in public transportation programs from senior departmental managers and policy-makers.

**Measures:**

- Number and type of stakeholders actively engaged in program management, service design and delivery processes.
- Level of stakeholder collaborative involvement (policy, procedure, technical/operational).
- Level of stakeholder knowledge.
- Effectiveness of activities to broaden knowledge and involvement of stakeholders.
- Level of stakeholder satisfaction with communications and collaboration.

**Strategies:**

2A. Survey stakeholders on program directions and issues, information needs, expectations, and satisfaction, etc.

2B. Develop and implement a comprehensive communications and collaboration plan (assign staff responsibility; identify stakeholder interests/roles, information needs and knowledge gaps, convening opportunities and other solutions, measures of satisfaction; calendar, etc.).

2C. Build and sustain a closer working relationship with the TTA.

2D. Design, support, and participate fully in a broad-based training and information-sharing agenda to address stakeholder knowledge gaps in:

- Program policy and procedures; and
- Transit management and operations.

2E. Document, share, and recognize on a regular basis “best practices,” their impacts and consequences vis-a-vis TxDOT goals.

2F. Develop an agenda and approach for strengthening the role and effectiveness of the PTAC.
COMMENTARY

Overview
This goal and related objectives speak to the fundamental importance of open and broad-based communication and collaboration not only within the TxDOT program management team, but among the full range of stakeholders that share responsibility for achieving the desired outcomes of transit and human service transportation delivery. There are numerous traditional stakeholders whose interests and needs must be better understood and served; there are important stakeholders and constituencies who are as yet unrecognized and uninvolved; and, there are numerous opportunities for stakeholders to engage one another. The focus is two-pronged: bridging knowledge gaps in program policies and procedures; and bridging knowledge gaps in transit management and operations. Resources must be committed to develop and pursue a comprehensive communications agenda around information sharing and training.

Strategic Priorities: A Comprehensive Communications Plan
The majority of the strategic agenda in communications and collaboration can be addressed through an effort to develop and implement a more comprehensive and aggressive communications plan, supported by both staff time commitments and funding.

Activities Underway
1. Routine promotion, management, and oversight of training opportunities among grantees and operators.
3. Geography-based (N-S) assignment of program management responsibilities.
4. Continuation of “Coordination Summits”.
5. Quarterly video conferences with District PTCs.
7. Dialogue begun on implementation of new planning requirement (Texas Code 461.004 (1-5)).
8. Improving dialogue/relations with TTA.
9. PTN Director e-newsletter to operators and PTCs.
GOAL 3:
Encourage and foster service coordination, effectiveness and cost-efficiency in local service design and delivery.

Objectives:
3.1 Enhance knowledge of state-of-the-art service planning, operations, and coordination strategies among service providers, TxDOT staff, and policy-makers.
3.2 Reestablish technical planning capacity, capability, and processes within TxDOT programs to guide and evaluate technical planning and management among grantees.
3.3 Develop, fund, and assist in regional service planning that can:
   - Inventory existing services, determine needs, and develop appropriate services to meet those needs;
   - Encourage and support coordination activities that will enhance service and reduce costs;
   - Remove barriers that discourage or restrict local service coordination or that limit steps to increase effectiveness and cost-efficiency; and
   - Support innovations that encourage local service coordination and increase effectiveness and cost-efficiency;
3.4 Monitor and report on progress in enhancing service coordination, effectiveness, and cost-efficiency.
3.5 Establish clear responsibility for and capacity to carry out the new TxDOT responsibilities, including service coordination, increased effectiveness and cost-efficiency, and current as well as new regional planning requirements.

Measures:
- Regional plan completion.
- Number of multi-county or multi-stakeholder initiatives in coordination.
- Number of cross-program initiatives in coordination.
- Changes in system/service performance.
- Customer response, satisfaction.
- Provider response, satisfaction.
- Sponsoring agency response, satisfaction.

Strategies
3A. Strengthen and hasten the collaborative process between TxDOT, grantees, and the planning agency community and human service provider industry to:
   - Define and begin application of the new regional planning requirement (e.g. goals, objectives, stakeholder responsibilities, processes, procedures, products, service standards, timelines, monitoring, and compliance process);
   - Renew efforts to create a comprehensive statewide public transportation plan;
   - Revisit existing TAC TDP requirements for Section 5310 recipients and its application in other programs.
3B. Clarify and formalize responsibilities for review and oversight of coordination initiatives:
- PTAC;
- TxDOT/HHSC/TWC/IWG as human service program management arm;
- PTN Planning and Support Division staff as lead with PTC/MTP field staff involvement; and
- Transit operators, COG/MPOs, and counties as service planners and operators.

3C. Develop coordination strategies through the planning process that are responsive to circumstances in: 1) small urban and rural settings; and 2) major metropolitan regions.

3D. Update and share experiences and outcomes in service coordination from subareas of Texas and other states (e.g. motives, incentives, mandates, policies, procedures, outcomes, issues, and resolutions).

3E. Monitor and evaluate recommendations and approaches from the Federal Interagency Transportation Coordinating Council on Access and Mobility (CCAM) that may be employed in Texas, particularly information technologies, barrier removal model regulatory language, cost allocation models, etc.

3F. Develop a framework for and conduct analyses on specific avenues to improve service effectiveness and cost-efficiency, including:
- Reducing levels of effort in current functions;
  - e.g. reduce quarterly requirement for Section 5310 site visits
- Eliminating duplication of service/functions;
  - e.g. combine call centers, monitoring, training, procurement, etc. functions
- Restructuring or reassigning tasks and functions, including outsourcing;
  - e.g.(outsource call centers, guidance document development, Intelligent Transportation Systems (ITS) enhancement, etc.
- Integrating the use of separate program assets and resources;
  - e.g. shared use of vehicles across programs; pooled funding, etc.
- Moving customers onto less costly forms of transportation;
  - e.g. increase human service client’s use of fixed-route public transportation through pass programs, incentives, etc.

3G. Review the Texas Code and TAC in a collaborative effort with grantees to identify potential changes that can streamline program management, increase efficiency in program delivery, enhance service effectiveness and efficiency on the street, remove barriers to coordination, and support innovation in coordination and service delivery.


3I. Develop a framework to guide decisions about fully integrating state human service transportation programs into TxDOT based on the difficulty of making the move and the potential benefits that may result. Evaluate the potential benefits and degree of difficulty in integrating human service transportation management directly into TxDOT.
- A move is easier if…
  - The provision of transportation services are discrete actions/decisions (not integrated as a part of case management or residential programs)
  - Services are repetitive and/or pre-scheduled
  - Transportation is purchased separately
  - Transportation costs are already tracked by line item
  - Contractors are already public transit operators
Benefits may be greater when
-- Unit costs are high
-- Services overlap or duplicate paratransit services
-- The potential to use existing fixed-route transit is high

3J. Create and evaluate a menu of optional approaches to advance local coordination regardless of how separately program accounting must be done at the state level

- Encouraging HHSC/TWC programs to use existing fixed-route services to the extent feasible and appropriate;
- Encouraging HHSC/TWC programs that contract for service do so with the public transit operator or regional transit providers unless they can substantiate that service can be provided in a more cost-effective manner;
- Creating regional bodies to oversee policy decisions and funding allocation for public and client transportation services;
- Creating regional trip brokers to assign client trips to the most cost-effective providers/mode.

**COMMENTARY**

**Overview**

This goal and related objectives speak to the need to develop a shared sense of purpose and direction and clear responsibilities for making progress in two main areas: 1) streamlining and enhancing delivery of traditional transit programs and services; and 2) effective pursuit of increased transit and human service coordination. The objectives and strategies speak to the need for:

- A strong collaborative planning process that allows local service design and decision-making;
- Clear definitions of roles among stakeholder groups;
- Focused efforts to define and implement specific current and new planning and related responsibilities;
- More extensive information-sharing and collaboration among stakeholders;
- A concerted effort to build capacity and provide resources to manage new initiatives; and,
- Sensitivity to the varied circumstances in small urban, rural, and metropolitan areas.

Complicating the process, however, are competing requirements and expectations. For instance, TxDOT funding for transportation for each human service transportation program must be accounted for separately while it is expected that coordinated services will be operated seamlessly through shared resources and assets at the local level. Policy-makers must take a lead role in resolving conflicts between program management requirements and service delivery goals.

As discussed under Strategy 3J, TxDOT may want to phase the transfer and integration of HHSC/TWC transportation programs into TxDOT. Some programs will be easier to move and integrate. Integration of some may offer greater potential for improving services or cost-efficiency than others. Figure 3-1 presents a preliminary cut at categorizing the programs based on the limited review of the program characteristics. This is the first step in prioritizing which programs might be moved first (TxDOT could start with programs that are easy to move with high potential benefits).
### Strategic Priorities

The **roles and responsibilities** of key stakeholders – PTAC, IWG, PTN grantee, and client stakeholder groups must be defined more clearly and supported by actual task-oriented work programs. And, the **capacity** to carry out those responsibilities and work programs must be assured, particularly within **TxDOT**, and particularly with regard to **TxDOT** planning responsibility.

In addition, program managers and stakeholders must develop a shared understanding of the opportunities for achieving greater cost-efficiencies.

### Activities Underway

1. The IWG has been formed and met twice.
2. The PTAC is active and has a responsibility for overseeing the coordination initiative.
3. HHSC began a “rate-setting group” to examine regularizing human transportation costing.
4. New staff has been hired in PTN’s Planning and Support Section.
5. PTN has initiated a dialogue with its client grantees, MPOs and COGs over approaches to be taken in fulfilling the new regional planning responsibility.

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**Public Transportation Strategic Plan** 3-15 **Discussion Draft**
GOAL 4:
Encourage and foster expanded transit service availability and increased use.

Objectives:
4.1 Maintain up-to-date information on customer response to transit and human service transportation services (i.e. market research).
4.2 Develop and maintain a statewide transit plan, including rationales for expansion and improvements of transit and human service transportation.
4.3 Estimate the outcomes of transit service expansion and improvement vis-a-vis departmental, state, and local goals.
4.4 Promote broader knowledge and understanding of transit’s value and benefits among policy-makers, program staff, and new constituencies.
4.5 Identify and leverage new sources of funding and support for transit and human service transportation.
4.6 Promote support for expanded and improved services from a broader range of stakeholders and constituencies.

Measures:
- Levels of service (hours, miles).
- Extent of service (geographic coverage; hours/days of coverage).
- Ridership and changes (monthly, quarterly, annually stratified by agency size/service type).
- Changes in trips per capita.
- Changes in effectiveness of service delivery.
- Changes in cost-efficiency of service delivery (cost/vehicle-mile, cost/vehicle hour, cost/passenger, etc.).
- Customer awareness and satisfaction.
- Sponsoring agency awareness and satisfaction.

Strategies:
4A. Establish a customer-oriented, needs-based (vs. asset-based) planning framework and process to support long-range service expansion and improvement plans (local and statewide, transit and human service transportation).
4B. Conduct periodic market research surveys to gauge customer response to and satisfaction with services being provided.
4C. Outreach to new constituencies for transit and human service transportation expansion.
4D. Develop an agenda of actions and activities in collaboration with stakeholders to encourage and facilitate transit service expansion, improvement, and coordination (administrative, regulatory, and legislative actions).
4E. Support a research agenda to examine and disseminate information on transit’s value and benefits.
4F. Support marketing and communications efforts to disseminate information on transit’s value and benefits.

4G. Reinvigorate the TxDOT planning function and rebuild planning capacity to meet new statutory responsibilities; (define who is responsible for regional plans and content of plans – needs, service supply, resource requirements, institutional capacity and plan).

4H. Partner with other stakeholders, e.g. Americans Public Transit Association, Community Transportation Association of America, Federal Transit Administration, TTA, local business groups, and other interest groups.

COMMENTARY

Overview

This goal and related objectives speak to the need for a more regionally-based and well-documented process for expanding and improving services and the need for a stronger and broader constituency to support transit enhancements.

As public transportation grows in importance on a statewide as well as local level, the effort to document the needs and benefits of transit investment increases. This need can be addressed by TxDOT as part of its statutory requirement to prepare and regularly update a statewide transit plan. Broadly defined, a statewide plan should be focused on market-based needs and should incorporate estimates of the benefit and value of expanding transit services and the trade-offs involved in doing so. It also should reflect views and perspectives provided through the wide-ranging involvement of stakeholders and the public in the plan development process.

Strategic Priorities

Re-energizing a multi-faceted statewide long-range transit planning process within TxDOT represents a major focus for strategic planning. In addition to providing a basis on which to compose more effective local plans, it will provide an opportunity to engage those groups and interests that may represent a critical new constituency, both for public transportation and TxDOT as a whole.

Activities Underway

2. Active PTN participation in setting TxDOT’s research agenda.
GOAL 5:
Establish and maintain a positive and supportive work environment.

Objectives:
5.1 Provide clear statements of roles, responsibilities, expectations, reporting relationships, and performance measures among TxDOT units.
5.2 Enhance professional capacity and work force skills.
5.3 Maintain avenues for clear, open communications and engagement among TxDOT staff and stakeholders.
5.4 Maintain highest levels of job satisfaction.

Measures:
- Level of staff satisfaction.
- Level of staff performance.
- Accuracy and clarity in staff roles and responsibilities.
- Correspondence between position descriptions, job qualifications, and work assignments.
- Match of skill sets to work assignments as well as roles of TxDOT business units.
- Availability of professional development opportunities.

Strategies:
- 5A. Review and assess TxDOT structure, core roles and responsibilities, job descriptions, work loads and professional capacity.
- 5B. Conduct a comprehensive review of staff satisfaction and perspectives.
- 5C. Conduct an independent performance audit to establish a benchmark against which to carry out future performance assessments, both organizational and personnel.
- 5D. Define and support a targeted training program to enhance staff capacity and skills.
- 5E. Reinforce within TxDOT (managers, policy-makers, district engineers), and throughout PTN (staff and PTCs) a shared sense of the importance of the transit program and outcomes.
- 5F. Assign specific responsibility for Strategic Plan implementation oversight.
- 5G. Monitor and report on the status of Strategic Plan implementation.
- 5H. Design and carryout a public transportation staff recognition program within TxDOT.
- 5I. Act to insure sustained involvement of senior TxDOT departmental leadership and policy-leadership in Strategic Plan implementation.
COMMENTARY

Overview
This goal and related objectives speak to the critical need for a shared sense of purpose, clarity in roles and responsibilities, and logical relationships in how responsibilities and functions are organized within the TxDOT.

The TxDOT organizational structure provides some anomalies that have arisen through historic accident and through adherence to state personnel policies. The addition of substantial new responsibilities suggests that it is timely to undertake a comprehensive reassessment of organizational structure and staffing. There is also an urgent need to enhance and expand TxDOT knowledge and capacity to meet these new responsibilities.

Strategic Priorities

Two actions should be considered to establish a baseline for future assessments of TxDOT and personnel performance:

• A comprehensive assessment of organizational structure, roles and responsibilities, job descriptions, and current and future staffing levels; and
• A performance audit of all units and personnel.

In addition, it will be important to formally establish responsibility for managing and monitoring progress in implementation of the Public Transportation Strategic Plan. Logically, this would be a responsibility of the Planning and Support Section of PTN.

Activities Underway

1. Preparation of this Strategic Plan and responsibility for monitoring progress.
3. Preparation of TxDOT’s 2030 Long Range Transportation Plan.

Public Transportation Strategic Plan 3-19 Discussion Draft
SECTION 4

BACKGROUND AND CONTEXT FOR THE
PUBLIC TRANSPORTATION STRATEGIC PLAN

The sections that follow summarize forces and factors that establish the context for the Public Transportation Strategic Plan and its execution. They provide insight on:

- Public transportation services and human service transportation in Texas;
- Institutional and intergovernmental arrangements affecting service design and delivery including coordination of transportation services;
- Travel markets, current and future;
- The legislative and financial landscape at both the federal and state levels; and
- Current organization structure, functions, and processes within TxDOT.

Each section contains a discussion of implications that highlight the most important issues for Public Transportation Strategic Plan development and execution.

PUBLIC TRANSPORTATION IN TEXAS

Public transportation across Texas is made up of a variety of services designed and delivered to suit the particular circumstances and travel needs of local areas and residents. A high level of local autonomy in service design and delivery has been a hallmark of public transportation in Texas.

- In 2002, the state’s public transportation systems provided for a total of approximately 280 million unlinked passenger trips;
  -- Over 90 percent of total trips were made on the (then) seven Metropolitan Transit Authority systems
  -- Nine percent were made on small urban and rural systems
One percent was made on systems designed specifically to serve elderly and disabled persons.¹

- Bus services are the predominant transit mode in Texas, carrying 95 percent of transit trips on a combination of fixed routes operating along major streets, and demand-responsive services that provide more flexible transportation on request;

- Light rail transit systems operate in Dallas (44 miles) and Houston (7.5 miles). The Trinity Railway Express provides commuter rail service between Dallas and Ft. Worth (35 miles) and Galveston operates a trolley service (2.6 miles). Plans are underway for new commuter rail services in Austin and light rail system expansions in Dallas and Houston; and


Texas transit systems can be divided into four categories based on service area population characteristics and organizational structure: Metropolitan Transit Authorities (MTAs); Urban Transit Districts (UTDs), Rural Transit Districts (RTDs), and providers of services to elderly and disabled Texans.

**Metropolitan Transit Authorities**

MTAs serve the largest metropolitan areas of the state. An MTA is defined by State law as a transportation authority that serves an urbanized area that meets certain population and organizational criteria and has a dedicated transit sales tax.

- Eight transportation agencies are defined as MTAs, including those in Houston, Dallas, Denton (designated in 2003), Fort Worth, San Antonio, Austin, Corpus Christi, and El Paso, which is a municipal transit authority. Each MTA includes a principal city plus surrounding jurisdictions that have chosen to participate as members of the authority.

- The seven MTAs operating in 2002 provided approximately 253 million unlinked passenger trips, or over 90 percent of the total transit trips in the state.²

Historically, TxDOT has not had a role in the planning, financing, and operations of MTA transit services. They are supported by federal funds and locally dedicated funding sources. State involvement through TxDOT has been limited to oversight of MTA compliance with selected state and federal requirements and collaboration on regional planning activities.

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¹ TxDOT Transit Statistics; December 2002.
² Texas Long Range Transportation Plan, 2030.
carried out largely through TxDOT’s Transportation Planning and Programming (TPP) Division. Table 4-1 presents basic ridership and service levels for MTA’s in 2002.

Table 4-1

<table>
<thead>
<tr>
<th>METROPOLITAN TRANSIT AUTHORITY SYSTEM CHARACTERISTICS (2002)</th>
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</thead>
<tbody>
<tr>
<td>Transit System Name</td>
</tr>
<tr>
<td>Austin Capital Metro</td>
</tr>
<tr>
<td>Corpus Christi - The B</td>
</tr>
<tr>
<td>Dallas - DART</td>
</tr>
<tr>
<td>Denton (designated 2003)</td>
</tr>
<tr>
<td>El Paso - SunMetro</td>
</tr>
<tr>
<td>Fort Worth - The T</td>
</tr>
<tr>
<td>Houston Metro</td>
</tr>
<tr>
<td>San Antonio VIA</td>
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<tr>
<td>Total</td>
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</table>


Small Urbanized Area Systems

UTDs by definition serve areas with populations between 50,000 and 200,000. They also serve urbanized areas with populations greater than 200,000 who do not meet the other requirements to be served by a designated MTA.3

- There are 30 transit systems in small urbanized areas with populations of more than 50,000 that do not meet the definition of an MTA. In 2000, small urbanized systems carried approximately 15 million unlinked passenger trips. Appendix C summarizes the characteristics of these systems.4

- Funding for UTDs is provided from federal sources apportioned to the Governor annually, from biennial state appropriations and from local general funds. State and federal funds are allocated by TxDOT based on a formula established in the TAC (Rule 31.11). The allocation formula was revised for 2004 in response to state legislation requiring inclusion of both need and performance factors.5

3 TxDOT Long Range Transportation Plan 2030.
4 Ibid.
5 House Bill 3184.

Public Transportation Strategic Plan 4-10 Discussion Draft
Appendix D summarizes the allocation factors that are presently used in distributing state and federal funds to small urbanized areas and non-urbanized (rural) transit systems in Texas.

**Non-Urbanized Area (Rural) Systems**

RTDs serve places with populations of less than 50,000. The non-urbanized area may range in size from one individual town to multiple counties.

- There are 39 non-urbanized area transit systems in Texas serving all but 11 of 254 counties in the state. Appendix C also includes characteristics of these systems.

- Many of these systems offer subscription service for their regular riders, which increases the efficiency of their demand-responsive operations. Several systems offer flexed-route or deviated-route service, which is a variation of fixed-route service that is more appropriate for lower volume service.

**Elderly and Disabled Services**

There are 219 elderly and disabled transit providers that serve groups with specialized local transportation needs. These systems serve 207 of Texas’ 254 counties. Local, state, and federal funds are used to purchase specially-equipped vehicles for these providers.

Federal funds are apportioned to the state by formula and awarded annually by TxDOT on a competitive basis by TxDOT, which has responsibility for program management and oversight, including compliance with federal rules and regulations.

Figures 4-1 through 4-3 provide maps of the areas served by MTAs and small urban systems, RTDs, and elderly and disabled service providers, respectively.

The vast majority of jurisdictions across the state – counties and cities - have some form of traditional public transportation organized within their boundaries. Coverage and service availability, however, may not extend evenly throughout an entire jurisdiction, nor is it clear that there is a broad awareness of service availability among residents.

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6 TxDOT – PTN Website.

7 Ibid.
Transit development and operation within Texas’ major metropolitan regions have been highly visible and sometimes contentious undertakings in recent years. Nonetheless, service expansion and improvement continues. The mix of transit modes available, the levels of service provided, and the level of use on MTA systems, now parallels that of other major metropolitan regions in the south and west, measured in trips per capita and miles of service per capita.

**Implications**

Transit service planning and delivery and the scope of transit services available across Texas are affected to a great degree by the flow of funds and related program requirements and stipulations, particularly from the federal level. The legislative and funding landscape for transit is discussed in detail in a section that follows. Among the most important aspects in funding and financing public transportation are the following:

- Federal funding for transit, statewide, has risen steadily in recent years;
- Use and allocation of federal funds has been restricted and constrained in important ways, however:
  - Federal funding for operations available through Section 5307 and 5311 formula allocation is restricted to systems in urbanized areas of 200,000 population or less and rural communities under 50,000 population; the federal government funds only capital investment in larger urbanized areas over 200,000 population;
  - Federal discretionary funding for capital investment – major new fixed guideway systems, rail transit modernization and major bus projects – is no longer provided “at the discretion of” the Federal Transit Administration (FTA), but is completely “earmarked” on a project-by-project basis by Congress in the annual federal appropriations process;
  - Allowable federal matching ratios of 80 percent federal and 20 percent non-federal for capital projects, particularly “new starts,” has evolved into a guideline rather than an assured federal contribution; new start projects compete for funding, in part, based on how much larger a non-federal match is offered by project sponsors;
  - FTA grant recipients operate under a host of restrictions, many of which are designed to protect transportation providers in the private sector from being disadvantaged by the flow of federal funds to public providers. As a result, transit agencies ability to meet community needs in the charter market and for school transportation are subject to varied statutory and regulatory restrictions, the effect of which is often to increase the cost of service to the public agencies or restrict their access to operating review from serving new markets or being more entrepreneurial;
  - Federal grantees are also subject to significant safety-related regulatory requirements that often do not apply to service providers not funded through FTA programs, including training requirements and drug and alcohol testing protocols.

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**Public Transportation Strategic Plan**

**Discussion Draft**

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The flow of state funds to transit is also subject to significant restrictions and requirements:
-- The level of state funds for transit in Texas is small, although it has grown from $12 million to nearly $29 million in the last four years;
-- On a per capita basis, however, Texas has one of the lowest rates of transit investment of any state;
-- Texas, like many states has a partial constitutional prohibition on the use of gas tax revenues for other than highway purposes, including transit;
-- The state’s interest and involvement in transit from a programmatic standpoint is focused exclusively outside the state’s major metropolitan regions where the public transportation market and impact is most significant.

CLIENT TRANSPORTATION IN TEXAS – SERVICE COORDINATION

Transportation is provided to eligible clients of a variety of state health and human service programs. In recent years, the availability of transportation to and from medical and other social services for qualifying clients has become a central concern among policy-makers, health officials, and service providers.

Human service client transportation addressed in H.B.2992 and H.B.3588 involves a broad array of programs. TxDOT has assumed responsibility for providing the state funding for client transportation services under these programs, but with the exception of the MTP program, has not assumed responsibility for the day-to-day operation of the program. While TxDOT has assumed responsibility for program operation of the MTP and MTP staff is co-located in headquarters and in some Districts, there has been little functional integration with the pre-existing TxDOT units and functions. Table 4-2 lists those programs for which transportation costs are now (or could be) the responsibility of TxDOT.

Client transportation funds in the state flow predominantly in the form of categorical grants from the federal programs to the state and local governments or other non-profit organizations that are directed at narrow objectives or specifically defined needs. Each program has its own set of policies and administrative requirements restricting use of the funds (to meet specific federal or state policy objectives or perceived problems) and defining how the program must be administered.

By the time the funds are used by local or regionally-based human services agencies, the programs often restrict (generally as a result of federal program requirements):

- Who can receive services (e.g., only the elderly, only the low income, or only low income elderly);
- What trip purposes can be provided (e.g., only day care, nutrition, rehabilitation, medical services); and
- Where services can be provided (e.g., only in a specific jurisdiction, or only to a specific destination).
Table 4-2: HEALTH AND HUMAN SERVICE PROGRAMS WITH TRANSPORTATION FUNDED BY TxDOT

I. Texas Department of Transportation

*Medical Transportation*
- Special Needs Children
- Medicaid Transportation

II. Health and Human Service Commission

*Department of Aging and Disability Services*
- Aging Services – Demand-Responsive
- Nursing Facilities and Hospice Payments
- Community-Based Alternatives and Residential Care
- Day Activity/Adult Day Care
- Community Intermediate Care Facilities
- Mental Retardation (MR) Medicaid Waiver Program
- MR State Schools

*Department of Assistive and Rehabilitative Services*
- Vocational Rehabilitation

*Department of State Health Services*
- Kidney Program-Chronic Diseases
- Mental Health (MH) State Hospitals

III. Texas Workforce Commission

- Texas Workforce Boards

Across the programs for which TxDOT now has funding and/or operational responsibility, there are significant differences in administrative and management procedures and requirements. Some of these programs are supported in a manner similar to public transit agencies, through grants provided to sponsoring organizations. Others operate on a contractual or purchase of service basis. Table 4-3 highlights other significant differences that will effect future decisions on whether, how, and when to integrate or combine transportation program management within TxDOT.

Of the programs listed in Table 4-2, the MTP is by far the largest, with over 130,000 clients requesting and having transportation arranged for them through nine Transportation Service Centers located around the state. The scope and nature of the transportation services being provided varies enormously from trips made routinely to traditional doctors, clinics, and other services in a client’s local neighborhood, to plane tickets and lodging and related expenses for travel to medical facilities across the country.
Table 4-3: SELECTED CONSIDERATIONS IN INTEGRATING HEALTH AND HUMAN SERVICE TRANSPORTATION INTO TxDOT

<table>
<thead>
<tr>
<th>FUNDING ISSUES</th>
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<tbody>
<tr>
<td>• Many of the human service agencies to be transitioned have been relying on TxDOT (S.5310) for capital. Local S. 5310 committees are required to consider coordination opportunities. This may make transition easier.</td>
</tr>
<tr>
<td>• Many of the public transit operators already have contracts with local human service agencies (Aging, Adult Day Care) or the state human service programs (MTP).</td>
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<table>
<thead>
<tr>
<th>SERVICE PROVISION</th>
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<tbody>
<tr>
<td>• Some programs are entitlement programs (services have to be provided) while others are discretionary. This means an operator providing both will tend to provide the mandated service first.</td>
</tr>
<tr>
<td>• Different programs have different geography – regional boundaries are different for HHSC, TWC, and TxDOT.</td>
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<tr>
<td>• Some programs (e.g., kidney) reimburse clients for driving their own cars. While this is easy to administer (and therefore to move to TxDOT), there may be less opportunity to coordinate on the local level.</td>
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<tr>
<td>• Some programs (especially the residential programs) provide transportation to clients in a manner similar to the way a family car would be used. It is hard to coordinate with these services, since trip needs are continual – also transportation has to be available 24/7.</td>
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<tr>
<th>COST ACCOUNTING/MONITORING</th>
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<tr>
<td>• Many agencies pay for transportation on a per diem basis – transportation is included in the contractor or grantee per person per day reimbursement rate (which includes all services). Extracting these costs and reporting/accounting for these dollars will require revisions to the programs. New rates (excluding transportation) would have to be established if TxDOT wanted to have another operator provide transportation.</td>
</tr>
<tr>
<td>• Each program uses a different automated computer system to track services and expenditures – these do not talk to each other and are not yet compatible.</td>
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</table>
REPORTING/RECORDKEEPING

- The federal aging program requires unit cost reporting – may have to maintain a reporting system to identify unit cost of each service
- H.B.2292 requires that any funds used by TxDOT to implement transportation services shall be accounted for and budgeted separately from other funds appropriated to TxDOT for another public transportation program or budget strategy.
- Legislation is clear that TxDOT should be monitoring the use of funds. TWC is doing this for their programs and will explore how the HHSC programs are being monitored.

- There are 44 local operators within the MTP (with 53 active contracts in SFY 2005) that provide the actual transportation based on advanced requests through the Transportation Service Centers. In 2002, the contracts were procured centrally by the MTP staff, a function that now resides in TxDOT, in Austin.

- Of the 44 operators, 26 or more than half are traditional public transportation operators who typically provide the required services themselves (general RTDs with a few UTDs).

- Policy control over the programs for which TxDOT is funding transportation is retained by HHSC and the TWC.

The services addressed in H.B.2292 and H.B.3588 have been coordinated on the state level only on a limited basis to date – although often the public transit operators in the state are also the provider of client transportation programs, under contract, effectively coordinating funds and services on the local level. Even though significant funds are being spent and trips are being provided by these agencies, little coordinated current information is available on these services.

To assess the progress that Texas has made toward coordinating transportation services to date, the project team used the federal CCAM Framework for Action - State Self Assessment Tool. Clearly, the legislature has created a major catalyst for state level coordination with the enactment of H.B.2292 and H.B.3588. TxDOT, HHSC, and TWC have been given a clear mandate by the legislature and expected outcomes for the state coordination effort are articulated (cost saving, improved cost efficiencies). However, the resources and institutional arrangements needed to support coordination policy and program development have not been forthcoming.

Formal Interagency Cooperative Contracts were executed between TxDOT and both the Texas HHSC and the TWC. IWG was created to address at the staff level the myriad issues that can be expected to arise as the new arrangements proceed. The IWG was created with a fairly narrow mandate to oversee implementation of the H.B.2292, but no on-going coordinating council or taskforce was created to address issues beyond the IWG project. The state agencies have struggled with leadership and the direction of the IWG. Without a broad-based coordinating council, the state has made limited progress on collecting data, sharing information,
and coordinating among the various state agencies. With the exception of the TxDOT Summit on Coordination, state agencies are not partnering effectively with other stakeholders.

In short, there is positive momentum toward coordination, but the resources and infrastructure to continue that momentum need to be established. These opportunities are addressed further in the Task 3 Report: Operations Review and Task 4: Operations Plan.

Implications

Establishing TxDOT responsibility for funding and overseeing transportation for the programs in question will be complicated by a new set of grantees with missions well beyond the transportation mobility function.

There are myriad policies and procedures to evaluate and reconcile where possible. As an example, contracting for service is fundamentally different from grant making, which has been the traditional TxDOT role. Contracting involves procurement, a different kind of monitoring and oversight, a different type of payment process – and may involve a different set of skills than grants management.

The transfer of the MTP program over to TxDOT is especially instructive when assessing the potential to move other programs. The MTP is a major shift in roles for TxDOT. This is the only program where TxDOT directly procures services for providing transportation – assuming responsibility for call taking and trip scheduling and as well as entering into direct contracts for trips with local operators (as opposed to grants). This places TxDOT in a position of responsibility for a situation that began with the 2002 MTP contracting process while MTP was still located in the TDH.

The desire for integrated, seamless transportation to be made available on the local level must be balanced, and possibility traded-off against potentially irreconcilable programmatic requirements, or those requirements altered or removed. Seamless travel locally will also have to be reconciled with the current requirement of TxDOT to independently monitor transportation expenditures for each program independently, a task that the health and human service programs have not deemed necessary themselves in past management practice.

THE INSTITUTIONAL AND INTERGOVERNMENTAL LANDSCAPE

The design and delivery of public transportation services and health and human service transportation in Texas is accomplished under a unique and varied set of institutional and intergovernmental arrangements. These pose a significant challenge to both agency consolidation and service coordination in the field.

Federal and State Program Structure

The structure, funding flows, and general management requirements for public transportation programs and health and human service programs vary considerably. These
differences (and similarities) influence, to some degree, the extent to which full agency consolidation and full service coordination can occur. The most significant aspects of program structure are highlighted below and are described in more detail in Appendix E and F.

**Public Transportation**

FTA provides both capital and operating funding for public transportation through a combination of discretionary and formula-based grant programs to public agencies (state and local) and private, non-profit service providers, and through them, contract providers. Annual appropriation levels for federal transit programs are set by Congress and are made available either through: 1) formula apportionments to states or to local transit agencies recognized as official “designated recipients;” or, 2) earmarked by Congress for specific projects in specific locales.

Eligible projects are justified through a regional and/or state planning process and each year’s program of projects is adopted at the regional and/or state level according to federal planning and programming regulations. FTA and state grant contracts are executed for each recipient’s annual program and oversight of each program is managed by the states and/or regional FTA offices. Figure 4-4 summarizes the federal transit program structure. Other key characteristics of the major Federal transit programs are presented in Appendix F.
Agency Client Programs and Transportation

Both federal and state governments authorize and appropriate funds for a large number of health and human service programs to meet the particular needs of specific types of eligible or qualifying individuals or organizations. The Federal General Accounting Office has recently identified 62 federal health and human service programs that provide some type of transportation assistance to eligible clients.
Both federal and state statutes and regulations govern eligibility, eligible services, cost-sharing arrangements, and other aspects of individual programs. As noted earlier, statutory requirements, regulations, and program management procedures for each program vary, often significantly, including procedures for the provision of associated transportation services.

State Policy Structure and Management

Public Transportation

State policy governing support and oversight of public transportation design and delivery resides with the TTC and is carried out on a day-to-day basis by TxDOT. Within this policy structure, the state PTAC, appointed by the Texas Transportation Commission, examines issues and acts in an advisory capacity to the TTC.

At the local and regional level, policy boards made up of combinations of elected and appointed local officials, guide service design and delivery by local and regional public transportation agencies that may be single or multi-jurisdictional in size. Regional COGs and federally designated MPOs oversee broad-based regional planning and transportation planning, respectively. MPOs have formal responsibility for regional transportation planning and programming activities under the U.S. DOT Joint Planning Regulations. In addition, in many cases, MPOs have broadened their roles into areas and functions other than transportation and, in some cases, have begun to take on limited operating authority for various elements of the transportation network, e.g. regional signal coordination, regional information technology planning and deployment, regional freeway incident response, etc. Several MPOs that are also regional COGs have incorporated the activities of their local Area Agency on Aging into their program and administrative structure.

Agency Client Programs and Transportation

Two of the primary agencies Texas that fund client transportation in Texas are the Texas HHSC and the TWC. In 2003, the major health and human service programs serving Texans were reorganized under four departments overseen by the HHSC. The new structure is shown in Figure 4-5. The HHSC district boundaries are presented in Figure 4-6. The TWC provides services through a system of 28 local workforce boards. A listing and map delineating the service areas for these boards are included in Figure 4-7.
Centralized Program Management - Decentralized Program Service Delivery

In the case of both public transportation and most of the health and human services programs under discussion, the state plays a large role in overall program guidance and oversight, while service delivery and program management details are largely handled in a decentralized way.

In the case of public transportation program management:

- **TxDOT** is responsible for guidance, procedures, and program compliance consistent with FTA guidance. Within TxDOT, departmental contract, audit, and IT staff support PTN as needed. PTN has a Full-Time Equivalent (FTE) staff allotment of 180, including:
  -- 6 senior managers in headquarters
  -- 28 program management personnel in headquarters
  -- 146 in the nine regional MTP Service Centers including 12 managers.

- In addition, 25 PTCs in the TxDOT District offices monitor and oversee grantee transit agencies and service providers outside the seven large MTA. The PTCs, however, are not officially part of the PTN staff, but report through and are supervised by TxDOT District Office management under the authority of the District Engineers. In addition, depending on the number and size of the transit operators in their Districts, many PTCs are not fully dedicated to transit program responsibilities. Several dedicate only small amounts of their time to their PTC role;

- The majority of the reporting done by transit systems and agencies - financial and operational - is decentralized and flows through the PTCs at the District level;

Figure 4-8 illustrates the TxDOT District office boundaries.

In the case of the MTP:

- Policy guidance on Medicaid services and program management, including transportation-related policy, emanates from the state Medicaid program managers within HHSC consistent with federal law and regulation, with allowable adjustments at the state level.

- In Texas, the brokering of transportation services for eligible and/or qualified Medicaid recipients is decentralized and provided, statewide, through the more than 140 staff located in the nine regional Service Centers now merged into PTN. Service Center supervisors and staff, unlike TxDOT District PTCs, are officially PTN staff and report to the Medical Transportation Program Director in PTN headquarters, who has overall management responsibility for each of the Transportation Service centers.
• Although MTP services are brokered and arranged through the regional Service Centers, the process for soliciting, selecting, and entering into agreements with providers to serve MTP clients is managed centrally by the MTP headquarters staff. Currently, the MTP has 44 transportation providers under 53 contracts, statewide; 26 are public transit agencies.

Figure 4-9 shows the Regional MTP Offices.

In the case of public transportation, service planning is done at the local level with little TxDOT involvement, guidance, or oversight; the same is true for the MTP:

• COGs manage varied transportation planning activities focused on highways; MPOs are responsible for preparation of federally-required long-range regional transportation plans and updates on a prescribed cycle, including attention to a prescribed ‘factors’; Figure 4-10 shows the COG boundary areas.

• TxDOT is required to prepare a multimodal Long-Range Transportation Plan, also in response to federal requirements, with attention to a similar list of ‘factors’;

• TxDOT has statutory responsibility for preparing a statewide transit plan, but no plan has been prepared in recent years. Recent efforts focused on a compilation of plans from the MTAs and other transit agencies;

• H.B.3588 contains a new transit planning requirement focused on filling service gaps and eliminating overlaps in service. TxDOT has recently begun a dialogue with transit stakeholders on how to best carryout this responsibility. To date, no guidance has been developed to carry out this requirement and no formal responsibility has been established among affected agencies for carrying out the planning requirement; and

• TxDOT planning, including a limited amount of attention paid to public transportation, is managed by the Transportation Planning and Programming Division with little involvement from PTN staff.

TXDOT/HHSC INTERDEPARTMENTAL MANAGEMENT AND COMMUNICATIONS

The recent transfer of staff and responsibilities for funding, management, and oversight of health and human service transportation funding and oversight responsibility to TxDOT prompted the formation of an HHSC Client Transportation Oversight Workgroup or IWG. The Workgroup is an agent within the larger Health and Human Services Transformation project. Its charter is to:
“…implement changes in the delivery of health and human services client transportation services as mandated by House Bill (H.B.) 2292, 78th legislature, Regular Session. The changes establish contractual agreements between the HHSC, TxDOT, and health and human service agencies to provide client transportation services to Medicaid eligible recipients in the state. HHSC will contract with TxDOT for the provision of transportation services; TxDOT and HHSC will work together in the management of the daily operations and provision of program oversight respectively.”

The IWG has met twice since it was formed in March 2004. Regardless of the reasons behind the Workgroup’s limited activity, communications between PTN staff and leadership, and the staff and leadership of virtually all of the health and human service staff and leadership has been limited to date.

**Internal PTN Management and Communications**

The institutional arrangements that have evolved in the transfer of the MTP staff and functions to TxDOT highlighted the importance of communications on a number of levels within TxDOT itself. There are several interfaces across which communications are or have been considered less than effective. There is also a broad desire for increased and improved communication at several levels, including:

- Among staff and across the three PTN Sections and management in headquarters. Each Section has regular staff meetings, but there is less in the way of regular or substantive exchange across PTN business units;

- Between PTN headquarters staff and District PTCs, where quarterly video-conferencing is underway, but face-to-face opportunities are few and coincidental;

- Between MTP staff at headquarters and the Transportation Service Center supervisors and staff;

- Between PTN headquarters staff, PTCs, grantees, contractors, and operators in the field. While PTCs are required to engage face-to-face with grantees and contractors, the level of exchange with the transit industry generally has become severely restricted.

**Implications**

There are significant structural, cultural, and procedural differences in program management between TxDOT, and the health and human service agencies and programs for which TxDOT is now responsible. Many of these differences stem from long-standing provisions of current programs that would necessitate formal statutory or regulatory change to remedy.

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8 HHSC, Interagency Work Group Charter.
There is little apparent leadership or direction at the moment being exercised by participants in the IWG and there is no evidence of a task-oriented work plan to advance the cause of consolidation, coordination, or greater cost-efficiency in service design and delivery.

TRAVEL MARKETS

Travel demand is a direct function of changing demographics and economic growth across the state. Both the economy and the population are projected to grow significantly in future years, placing increasing pressure on the state’s transportation infrastructure, including public transportation services as well as access to health and human services.

Population Growth

Significant, steady population growth is projected for the state.$^9$

- Statewide population will grow from 20.8 million in 2000 to 24.2 million in 2010 and to over 31 million by 2030. *(TTP 2030)*

- Suburban areas in Texas are growing at an unprecedented rate, with some of the fastest growing counties in the nation surrounding larger cities in Texas;

- Future population growth will be driven by birth rates and by immigration. The largest increases will occur in the Hispanic population which will increase by 33 percent from 2000 to 2010. *(TTP 2030 and data from Texas A&M University)*

- Nearly 85 percent of Texans live in urbanized areas over 200,000.

- 73 percent reside in the seven major metropolitan areas.

- Growth in the rural areas will continue, but at slower rates.

Growth in the Transportation-Disadvantaged Population

Traditional public transit systems draw their ridership from individuals who are categorized as being “transportation-disadvantaged” based on age, income, or disability.

Population Below Poverty Level

In many communities, public transportation may be the primary mode of transportation for persons who are unable to afford an automobile, many of whom have incomes below the poverty level. Approximately 14.9 percent of Texans lived in poverty in 2000. Much of this poverty is concentrated in the most populous and more urbanized areas in Texas. As a percentage of county

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9 Texas Long-Range Transportation Plan 2030.
population, however, the percentage of persons in poverty is dramatically higher along the Texas-Mexico border area.\footnote{Ibid.}

**Persons with Disabilities**

Public transportation, including paratransit and demand-responsive elderly and disabled transportation, is important for people who cannot operate a vehicle or may not be able to access fixed-route bus or rail transit services due to physical or cognitive limitations. It is estimated that about six percent of the total population in Texas has some form of mobility limiting disability. Approximately 64 percent of persons with disabilities reside in the largest urban areas.\footnote{Ibid.}

**Persons Aged 65 Years and Older**

Many elderly citizens are not able to operate an automobile or choose not to drive. In 2000, nearly ten percent of the state’s total population was aged 65 years or older. More than 57 percent of this segment of the population lives in the six largest urban areas.\footnote{Texas Long Range Transportation Plan 2030.}

**Persons Under 17 Years of Age**

Many children and teenagers do not have private vehicles or drivers at their disposal for all their trip-making. For them, public transportation is useful and often a necessary option. In 2000, nearly 30 percent of Texans were under the age of 17; over 70 percent of those resided in metropolitan areas over 200,000 population. In Texas, if a student lives less than two miles from their school, they do not have school bus service available to them, further expanding the market for public transportation.\footnote{Ibid.}

**Looking Ahead**

The *Texas Transportation Plan 2030* forecasts that transit demand will more than double over the next 25 years as shown in Table 4-4. Although the 2030 Plan did not make forecasts for intermediate years, the long-range forecasts suggest that by 2010 transit passenger trips will increase 35 percent in major metropolitan and rural areas, and more than 50 percent in small urbanized areas.

While there is presumably capacity in most existing systems to absorb increases in ridership, it is also likely that development, population growth, and related travel patterns will continue to extend well beyond the service areas of existing systems, further diminishing what is presumed to be modest service utilization at best. Accurate analysis of service utilization patterns and trends is not currently possible, however, because data available through PTN reporting from client systems is outdated and, in many cases, not accurate or consistent.
Table 4-4: CURRENT PUBLIC TRANSPORTATION DEMAND AND FORECASTS (in Millions)

<table>
<thead>
<tr>
<th>Passenger Trips (Millions)</th>
<th>2000</th>
<th>Forecast 2030</th>
<th>Forecast Percent Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTAs (largest urban areas)</td>
<td>263.784</td>
<td>563.804</td>
<td>114%</td>
</tr>
<tr>
<td>Urbanized (other urban areas)</td>
<td>15.812</td>
<td>41.806</td>
<td>164%</td>
</tr>
<tr>
<td>Non-Urbanized</td>
<td>4.448</td>
<td>9.414</td>
<td>112%</td>
</tr>
<tr>
<td>All Transit Systems</td>
<td>284.044</td>
<td>615.024</td>
<td>117%</td>
</tr>
</tbody>
</table>

Source: Texas Transportation Plan 2030 draft report. Forecasts are from Cambridge Systematics, Inc. Projections for elderly and disabled transportation providers are not available; ridership for these systems in 2000 was 3.816 million. If the growth rate (117% as estimated as a total for all Texas transit systems) continues through 2030, the expected total ridership will be 8.242 million.

There is little evidence of systematic analysis of customer satisfaction other than ad hoc observations that can be made from customer complaint systems. Larger systems in the major metropolitan regions are likely to have more systematic programs in place to gauge customer satisfaction but TxDOT is outside the loop in terms of reporting because there is no programmatic relationship or channel of communication between the MTAs and TxDOT. It is also clear that because of funding limitations, transit investment by the state is driven almost exclusively by asset condition and related needs rather than by rigorous assessment of changes in the “market” or shifting user and non-user perceptions.

With respect to future opportunities in the transit market place, it is likely that they will continue to be driven largely by the pace and geography of expanding development rather than from initiatives taken in the service planning arena. However, the legislative mandate in H.B. 3588 to undertake regional transit planning processes to eliminate service gaps and overlaps provides a very real opportunity on two fronts.

- More effective service designs, including integration and coordination of services, assets and resources may emerge if greater attention can be paid to the quality of the customers’ travel experience as opposed to the condition of the base – vehicles and equipment as a basis for funding and investment decisions; and

- If greater coordination and integration of service design and delivery can be achieved there may be resources saved and available to enhance both the quality of the services and their scope and reach on the margin.
Health and Human Service Estimates

The Office of Community Transportation Services of the Texas HHSC estimated the number of Texans at risk of being “transportation disadvantaged” in its 2002 Biennial Report and Transportation Coordination Plan for Fiscal Years 2003 through 2008.

The report indicated that the number would grow from approximately 6.5 million persons in 2002 to nearly 7.2 million in 2008, or over a ten percent increase in a six year period. The breakdown is illustrated in Figure 4-11.14

<table>
<thead>
<tr>
<th>Total</th>
<th>Fiscal Year 2002</th>
<th>Fiscal Year 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disabled</td>
<td>65 years</td>
<td>Disabled</td>
</tr>
<tr>
<td>1.3 mil</td>
<td>2.1 mil</td>
<td>1.5 mil</td>
</tr>
<tr>
<td>Low income</td>
<td>65 years</td>
<td>Low income</td>
</tr>
<tr>
<td>2.4 mil</td>
<td>3.0 mil</td>
<td>3.3 mil</td>
</tr>
<tr>
<td>6.5 million</td>
<td>7.2 million</td>
<td></td>
</tr>
</tbody>
</table>


Figure 4-11
COMPARISON OF THE NUMBER OF TEXANS AT RISK OF BEING TRANSPORTATION DISADVANTAGED IN FISCAL YEARS 2002 AND 2008

The largest share of clients for human services transportation are likely to come out of the estimated Medicaid caseload. In 2004, the Medicaid caseload is estimated to be about 2.65 million. Of these, nearly two-thirds are estimated to be minor children (below the age of 19). Medicaid enrollment has grown substantially since 2000. Total enrollment has increased by almost 900,000 from 2000 to 2004, almost a 50 percent increase.

The Medicaid caseload is concentrated to a significant degree in four of the 11 HHSC regions of the state. These account for two-thirds of the Medicaid caseload, statewide.

- The Gulf Coast, including the Houston-Galveston metropolitan area, with over 545,000 cases;
- The Metroplex, including the Dallas-Ft. Worth metropolitan area, with over 506,000 cases;
- The Rio Grande Valley, from Laredo to Brownsville, with over 429,000 cases;
- Upper South Texas, around San Antonio, with over 310,000 cases.

In response, the MTP handles approximately 2.5 million calls annually.

Finally, it should be noted that the “caseload” in human services, including related transportation requirements, can be flat or declining even though the transportation disadvantaged population may be increasing. The “caseload” is a function of available funding as well as demographics, so that if funding stays constant or declines, the “caseload” does the same as fewer clients can be accommodated.

Finally, there is typically heightened concern over the quality of the customer’s experience in using human service transportation because of the varied condition, abilities, and vulnerabilities of human service agency clients. The MTP Service Centers take and respond to customer complaints about service quality and experiences and are under an obligation to periodically survey customers on the quality of their travel experiences. It seems that systematic customer satisfaction assessment is often relegated to secondary importance, however, as call takers labor to establish client eligibility and arrange the actual transportation services requested.

Anecdotal information suggests that clients, in many cases, communicate a great appreciation that transportation services are available at all to support their urgent health needs, and, on the other hand, too often experience significant problems, including inappropriate pick-up times, delays in scheduled service, as well as over-long travel times inappropriate to their condition.

**Implications**

Demographics clearly suggest that in the years ahead, substantial additional pressure will be placed on both the state’s public transportation systems as well as the network of providers serving the specialized needs of the state’s growing number of health and human service clients. Estimates indicate that the number of Texans using traditional transit services will grow faster
than the population, increasing nearly 40 percent by 2010 and more than doubling by 2030. The number of Texans at risk of being transportation disadvantaged will grow over ten percent in only six years to over seven million by only 2008.

The health and human service client base is concentrated in Texas’ major metropolitan areas. The newly acquired responsibility of TxDOT to manage human service transportation, therefore, will necessitate a new and extensive level of involvement in the state’s major metropolitan centers where none has existed in the past.

TxDOT staff will require a greatly enhanced level of knowledge of local circumstances, local transportation service planning and service delivery, provider characteristics, and client needs to carry out their new responsibilities.

THE LEGISLATIVE AND FUNDING LANDSCAPE

The legislative and fiscal environment for the provision of public transportation and human service transportation is framed by statutory requirements and regulations at both the federal and state levels. The federal transit programs, as well as the federal highway programs, are authorized under Title III of the Federal Transportation Equity Act for the 21st Century, or “TEA-21” (23 U.S.C). Appendix F contains summary descriptions of the major federal transit grant programs.

The TEA-21 authorization expired on September 30, 2003. Since that time Congress and the Administration have enacted stopgap funding measures (“continuing resolutions”) to continue the flow of federal funds for the transit and highway programs (and other purposes) while negotiations have continued on the provisions and funding levels for a six-year reauthorization of TEA-21. As of the date of this report, no agreement has been reached nor has action been taken on the reauthorization of TEA-21. The reauthorization process, therefore, began anew when the new Congress took office in January 2005.

Federal requirements notwithstanding, improved coordination and increased cost-efficiency in transit and human service transportation may require revisions to either or both state statutes and the Texas Administrative Code for both public transportation and health and human services.

Progress, therefore, not only depends on the administrative initiatives of TxDOT, the Texas State Legislature, the TTC, the Texas HHSC, and the IWC will likely be called on to consider changes to state statutes and/or TAC to support continued progress.

Highlighted below are key aspects of the funding and financial history and profile for transit and human service transportation programs in Texas and an overview of the current state and federal legislative landscape and its potential impact on the future design and delivery of public and human service transportation.
The Financial and Funding Profile for Public Transportation and Human Service Transportation

Public Transportation

Virtually all public transportation in the United States is supported, in part, by federal funds provided in combination with varying proportions of state and local funding to match federal investment. In Texas, however, the role of federal, state, and local partners in the funding and provision of transit services is unique:

- **The state has little or no role in the flow of funds to the state’s largest transit systems.** In the state’s seven major metropolitan areas with populations over 200,000, substantial amounts of federal transit funding are made available directly to transit operating agencies through a combination of formula and discretionary grants from the FTA. The matching for federal funds in these major urban centers is provided exclusively from local sources, in the form of either dedicated sales taxes or general revenues without significant state financial participation or oversight.

- **In contrast, TxDOT has the direct responsibility for allocation of Federal and state funds, grant approvals, and monitoring of both state and federal funding provided to small urban and rural areas across Texas.** For small urbanized areas with populations from 50,000 to 200,000, and for the state’s non-urbanized rural areas, the state receives funding from FTA formula-based allocations. For these areas, the state provides a portion of the required non-federal match in combination with local governments.

The philosophy behind this arrangement lies, in large part, in the view that major metropolitan regions with large, diverse, and growing economies can support whatever combination of public transportation systems and services local residents and jurisdictions might agree are needed, without state support. On the other hand, smaller urban and rural areas with smaller, less robust economies require some state assistance to support transit services as a basic mobility option.

Historic Transit Funding Profile

- Overall levels of federal funding for transit in Texas have remained relatively flat from 2000 to 2004 at around $290 million annually;

- Federal formula funding to Texas’ MTAs, small urbanized area transit systems and non-urbanized (rural) systems has risen 33 percent to over $217 million, in parallel with rising overall federal appropriations levels and population increases registered in the 2000 Census;

- Funding from discretionary and formula grants earmarked by Congress from Section 5309 for specific “new start,” fixed-guideway modernization and bus capital projects in Texas has been variable in recent years, ranging from over $300 million as recently as 1998 to $67.1 million in 2004, according to FTA FY 2004 apportionments;
- During this same period, state transit funding for small urban and rural areas has more than doubled from $12 million to $28.7 million in 2004.

- Despite the increase in state transit funding, Texas has one of the lowest per capita levels of state transit investment in the country, as shown in Table 4-5.

Table 4-5: PER CAPITA LEVELS OF TRANSIT INVESTMENT IN SELECTED STATES, 2003

<table>
<thead>
<tr>
<th>State</th>
<th>State Transit Funding FY 2003</th>
<th>Per Capita Transit Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>$823.8 mil</td>
<td>$66.62</td>
</tr>
<tr>
<td>Illinois</td>
<td>$754.0 mil</td>
<td>$59.59</td>
</tr>
<tr>
<td>California</td>
<td>$1,294.1 mil</td>
<td>$36.47</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$91.7 mil</td>
<td>$10.91</td>
</tr>
<tr>
<td>Florida</td>
<td>$93.5 mil</td>
<td>$5.49</td>
</tr>
<tr>
<td>Texas</td>
<td>$25.7 mil</td>
<td>$1.16</td>
</tr>
</tbody>
</table>


Table 4-6 highlights Fiscal Year 2004 funding allocations to Texas from federal transit capital and operating programs and from state assistance provided to small urban and rural areas. As Table 4-6 illustrates, TxDOT has responsibility for only $57.6 million of the over $290 million in federal transit funds flowing to Texas, or less than 20 percent. Including state transit funds, PTN involvement extends to only 27 percent of non-local funding, all outside of the state’s major metropolitan areas.

FTA also allocates transportation planning funds to the state and to MPOs. Similarly, TxDOT has virtually no effective involvement or participation in the transit planning activities that are undertaken using these funds. Urban transportation planning is managed by MPOs and COGs and overseen through a separate TxDOT unit, the Division of TPP.

In addition to the transit funds from mainstream FTA programs, the Federal Department of Homeland Security (DHS) provided $115 million in special grants to transit agencies in the largest metropolitan regions in Fiscal Year 2003 and 2004. Houston received $1.1 million and the Trinity Railway Express received $800,000 for security-related capital improvements. In addition, FTA provided $195,000 in grants to five Texas MTAs in 2002 to fund safety drills (Austin, Dallas, El Paso, Houston, and San Antonio).

15 HHS, the Caseload Forecasting Report for the Health & Human Service Agencies (3rd Quarter, SFY 2002).
Table 4-6: SUMMARY OF MAJOR FEDERAL AND STATE TRANSIT FUNDING, 2004*

<table>
<thead>
<tr>
<th></th>
<th>Urbanized Formula Funds (S.5307)</th>
<th>Discretionary Funds (S. 5309) (New starts, rail mod, bus)</th>
<th>Non-Urbanized Formula Funds (S. 5311)</th>
<th>Elderly and Disabled Vehicles (S. 5310)</th>
<th>Job Access/Reverse Commute (Discretionary)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Metro Areas (over 200,000 op.)</td>
<td>$165.3 mil (Capital only)</td>
<td>$58.2 mil (Capital only; all categories)</td>
<td>$NA</td>
<td>$2.2 mil (5 projects)</td>
<td>$225.7 mil</td>
<td></td>
</tr>
<tr>
<td>Small Urbanized Areas (50-200,000 pop.)</td>
<td>$30.2 mil (Capital only)</td>
<td>$7.6 mil (Capital only; bus)</td>
<td>$NA</td>
<td>$0.6 mil (2 grants)</td>
<td>$38.4 mil</td>
<td></td>
</tr>
<tr>
<td>Rural Areas</td>
<td>$NA</td>
<td>$1.3 mil (Capital only; bus)</td>
<td>$16.3 mil (Capital and operating funds)</td>
<td>$2.7 mil (2 grants)</td>
<td>$20.3 mil</td>
<td></td>
</tr>
<tr>
<td>Statewide</td>
<td>$NA</td>
<td>$NA</td>
<td>$NA</td>
<td>$5.6 mil</td>
<td>$5.6 mil</td>
<td></td>
</tr>
<tr>
<td>Federal Subtotal</td>
<td>$195.5 mil (Capital only)</td>
<td>$67.1 mil (Capital only)</td>
<td>$16.3 mil (Capital and operating funds)</td>
<td>$5.5 mil</td>
<td>$290.0 mil</td>
<td></td>
</tr>
<tr>
<td>State Funding Subtotal</td>
<td>$10.0 mil (For Small Urbanized Areas)</td>
<td>$NA</td>
<td>$18.7 mil (Capital only)</td>
<td>$NA</td>
<td>$NA</td>
<td>$28.7 mil</td>
</tr>
<tr>
<td>Total Funding</td>
<td>$205.5 mil (Capital only)</td>
<td>$67.1 mil (Capital only)</td>
<td>$35.0 mil (Capital and operating funds)</td>
<td>$5.6 mil</td>
<td>$5.5 mil</td>
<td>$318.7 mil</td>
</tr>
</tbody>
</table>

*Includes only major federal capital and operating program funds allocated through FTA. Other Federal funds include FTA planning funds for MPO and state use, training funds and security funds allocated through the DHS.


State and Federal funding for which TxDOT has a primary program management responsibility.

Public Transportation Strategic Plan 4-33 Discussion Draft
Homeland security has become a priority issue for the nation and for Texas. The Governor’s Task Force on Homeland Security has issued a comprehensive set of recommendations, one category of which focuses on the protection of critical infrastructure. The Task Force recommended that the Governor:

“…expand the role of the National Guard at Texas airports, and deploy the National Guard at selected private and government critical infrastructures during the period of high alert.”

“...request all cities that qualify as Standard Metropolitan Statistical Areas seek the Texas Department of Transportation’s assistance in developing plans for designating hazardous materials routes;” and

“Direct the appropriate state regulatory agencies to develop security standards for industries, identify critical infrastructure assets, and require such industries to develop and maintain Security Impact Reports that would be subject to random audit by the appropriate state agencies. These reports should also include response plans and provisions to periodically test the response plans in cooperation with local law enforcement and first responders to assure clear command and control assignments in responding to an incident.”

Absent passage of a six-year reauthorization bill in 2004, Congress and the Administration acted in late November 2004 to pass a full year (FY 2005) Omnibus Appropriations Act to fund all unfunded government programs and services through the balance of the fiscal year, including the Federal Aid Highway and Transit Programs. The Omnibus Act provides for an overall increase in federal transit funding of 5.2 percent for FY 2005. Table 4-7 summarizes the varied increases in individual federal transit programs for the 2005 Fiscal Year.

<table>
<thead>
<tr>
<th>Program</th>
<th>FY 2004 Appropriation (mil)</th>
<th>FY 2005 Appropriation (mil)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urbanized/Non-Urbanized Formula (S. 5307, 5311)</td>
<td>$ 3,816.35</td>
<td>$ 3,998.71</td>
<td>+ 5.2 %</td>
</tr>
<tr>
<td>Discretionary Capital (S. 5309)</td>
<td>3,138.87</td>
<td>3,311.11</td>
<td>+ 5.5 %</td>
</tr>
<tr>
<td>Job Access and Reverse Commute</td>
<td>104.38</td>
<td>123.96</td>
<td>+ 18.8%</td>
</tr>
</tbody>
</table>


The prospects for modest or even more substantial increases in federal transit funding for Texas in the short-term is, therefore, good given the increases observed in FY 2005 overall program levels. In addition, the largest increases in funding within the Section 5309 capital discretionary program were made in the New Starts and Bus categories, up 9.2 percent and 7.4 percent, respectively, where significant funds have flowed to Texas transit systems in the recent past and where new efforts are being made by MTAs to expand or initiate new services.

Federal transit funding levels over the next six years have not yet been finalized. Reauthorization of TEA-21 is proceeding, however, in the current session of Congress. Highlights of the reauthorization process as of late March 2005 include:

- Passage of a reauthorization bill in the U.S. House of Representatives (H.R. 3, Transportation Equity Act: A Legacy for Users, or TEA-LU) on March 10, and U.S. Senate Committee approval of a companion bill on March 17 with final Senate action in mid-April.

- Overall federal transit funding levels that rise from $7.6 billion in 2005 to between $8.2 and $8.5 billion in 2006, $8.7 to 9.0 billion in 2007, $9.5 to 9.6 billion in 2008 and $10.3 billion in 2009, with efforts to expand funding farther in final Senate action.

- Substantial increases are proposed for key FTA programs between 2005 and 2009 under the two bills:
  - A 25 to 30 percent increase in S. 5307 Urbanized Area Formula funds;
  - More than doubling of S. 5311 Non-Urbanized Area Formula funds and S. 5310 funds for S. 5310 Elderly and Persons with Disabilities program funding.

Completion of reauthorization at the federal level in the first half of 2005, therefore, offers the prospect of significant increases in federal funding for current TxDOT PTN client transit agencies, as well as the prospect on added pressure for increased state matching funds.

**Human Service Transportation**

Texas spends over $21 billion a year on more than 200 health and human service programs. Of that amount, approximately 30 percent comes from state sources and the rest from federal funds. Over 60 percent of total health and human expenditures are made through the HHSC and over 85 percent of HHSC expenditures, $ 10.9 billion, are for the Medicaid client services. The $112 million committed from TxDOT Fund 006 for the current biennium to support human service transportation is slightly more than one-half of one percent of total statewide health and human services expenditures.

Table 4-8 highlights the transportation funding amounts to be provided by TxDOT for individual programs. These figures represent the TxDOT dollars only and do not include federal, other state, or local dollars. Nearly 80 percent of the funds are committed to four programs, with Medicaid transportation accounting for 57 percent of the total provided.

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Table 4-8: TXDOT FUNDING FOR HEALTH AND HUMAN SERVICE TRANSPORTATION, 2004-2005

<table>
<thead>
<tr>
<th>Department and Program</th>
<th>TxDOT Human Service Transportation Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I Texas Department of Transportation</strong></td>
<td></td>
</tr>
<tr>
<td>Medical Transportation</td>
<td>$64,125,001</td>
</tr>
<tr>
<td>Special Needs Children (CSHCN $1,097,343)</td>
<td></td>
</tr>
<tr>
<td>Medicaid Transportation ($63,027,658)</td>
<td></td>
</tr>
<tr>
<td><strong>II Health and Human Service Commission</strong></td>
<td></td>
</tr>
<tr>
<td>Department of Aging and Disability Services</td>
<td></td>
</tr>
<tr>
<td>Aging Services – Demand-Responsive</td>
<td>535,862</td>
</tr>
<tr>
<td>Nursing Facilities and Hospice Payments</td>
<td>2,660,216</td>
</tr>
<tr>
<td>Community-Based Alternatives and Residential Care</td>
<td>1,489,947</td>
</tr>
<tr>
<td>Day Activity/Adult Day Care</td>
<td>8,294,109</td>
</tr>
<tr>
<td>Community Intermediate Care Facilities</td>
<td>7,779,400</td>
</tr>
<tr>
<td>MR Medicaid Waiver Program</td>
<td>5,975,200</td>
</tr>
<tr>
<td>MR State Schools</td>
<td>1,697,594</td>
</tr>
<tr>
<td>Department of Assistive and Rehabilitative Services</td>
<td></td>
</tr>
<tr>
<td>Vocational Rehabilitation</td>
<td>973,304</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td></td>
</tr>
<tr>
<td>Kidney Program- Chronic Diseases</td>
<td>8,490,673</td>
</tr>
<tr>
<td>MH State Hospitals</td>
<td>2,250,298</td>
</tr>
<tr>
<td><strong>III Texas Workforce Commission</strong></td>
<td></td>
</tr>
<tr>
<td>Texas Workforce Boards</td>
<td>7,531,148</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>111,802,752</td>
</tr>
</tbody>
</table>

Source: Compiled from data provided by HHSC staff.

Transportation services and costs across the programs listed in Table 4-8 are provided and accounted for in a variety of ways:

- Medicaid trips are booked upon request and eligibility validation by the staff of the MTP through nine statewide Transportation Service centers working as part of TxDOT. Contractors providing the service are solicited through a Request for Proposal (RFP) process.

- Other programs support client travel through a reimbursement process as eligibility and conditions for the travel are established.

- In still other programs, funds are provided to the client in advance of the trip, based on a process that establishes eligibility and travel conditions.
Accounting for transportation-related costs across these programs is not always handled the same way or through the same systems. As a result, health and human service transportation costs are not calculated the same way, resultant per trip costs are widely variable and in some cases, not specifically known.

The Future Federal Legislative and Financial Landscape

There are three ongoing major streams of activity at the federal level that will have a potential direct impact on the Texas effort at transit and human service coordination and increased cost-efficiency. They include: renewal of TEA-21 reauthorization efforts; continued investment in homeland security initiatives, including infrastructure protection; and continuation of the Administration’s United We Ride initiative. In addition, the new intelligence bill recently enacted by Congress and signed into law by the President in response to the 9/11 Commission contains provisions for rigorous planning initiatives in the interest of protecting the nation’s infrastructure, including transportation. The scope and funding implications for Texas and for public transportation remain unclear, however.

• **TEA-21 Reauthorization.** When the new Congress convened in January 2005, the legislative process to reauthorize TEA-21 continued. Assuming enactment of a new multi-year authorization, it is likely that annual federal transit funding levels will continue to increase modestly.

• **Homeland Security Initiatives.** Opportunities for significant additional federal funding support beyond the mainstream FTA programs also may result from the reintroduction of security-related legislation that was not acted on in the last Congress. Bills introduced in both the Senate and the House provided additional funds ranging from $2.5 billion to $3.5 billion for security-related transit capital and operations expenditures. If added safety and security funding is provided, it is likely, however, to be directed to the nation’s largest, most heavily used and most vulnerable systems, as was the case in the past.

• **United We Ride Program.** Work is continuing across the federal government on a long-standing nationwide initiative on transit and human service coordination. While an interdepartmental effort has been underway for years, Executive Order 13330, “Human Service Transportation Coordination,” issued by the President on February 24, 2004, has spurred new activity that should be of direct interest in Texas.18

Under the title of “United We Ride,” a number of activities are underway:

- An interagency Transportation Coordinating Council on Access and Mobility has been set up;

- Workgroups are preparing recommendations in a number of key areas:
  -- Identify and recommend steps to reduce statutory and regulatory barriers to service coordination;

-- Development of new standardized, integrated systems including computerized reservation, scheduling, and dispatching;
-- Consolidated payment, billing, and reporting system;
-- Model statutory and regulatory language to facilitate coordinated human service transportation planning; and
-- Standardized cost allocation models.

The Coordinating Council was to deliver a report to the President in January 2005. While the report has not yet been issued, there is a likelihood that it may contain an agenda for moving forward with one or more of these critical initiatives as well as proposals for pilot or demonstration projects (Texas has received a small amount grant as part of this effort for the coming year). Aggressive attention to the upcoming recommendations may provide a vehicle for advancing activities already underway in Texas.

The State Legislative Scene

Inquiries at the time of this report indicate no significant initiatives planned at the state level in the short-term that would impact directly on the coordination and consolidation effort in a major way on either the transit or human service side. The possible exception is the prospect of expanding the authority of Regional Mobility Agencies (RMAs) to serve as operators of public transportation services, in which case a new set of institutional dynamics and interrelationships would have to be established and would have a direct bearing on TxDOT, its programs, procedures, and its partners, and stakeholders.

Implications

Continued uncertainty over future transit funding levels for transit will remain until reauthorization legislation is enacted, presumably sometime in 2005. Follow up to enactment of the new intelligence bill as well as parallel homeland security legislation may provide an avenue for increasing investment in transportation, particularly in the MTA regions and particularly for information and communications technologies. The findings and recommendations of the President’s Federal CCAM may provide an impetus to, a blueprint for and resources to support a major break-through in coordination of transit and human services transportation. The results of the effort should be watched carefully.

THE PUBLIC TRANSPORTATION DIVISION STRUCTURE AND FUNCTIONS

The PTN Division currently has an FTE allocation of 180 and is organized in three Sections as illustrated in Figure 4-12.
PTN Mission and Core Functions

The PTN section of the TxDOT website and the Public Transportation Grants Management Manual provide various statements that address TxDOT’s mission, goals, objectives, and activities in public transportation. The TAC also contains objective statements for individual grant programs.

The Grants Management Manual contains the following:¹⁹

¹⁹ PTN Grants Management Manual, sections published at various times, internal TxDOT Intranet.
Public Transportation Mission (Prior to this Strategic Plan)
“The mission of TxDOT’s public transportation program is to foster and assist in the provision of local and intercity bus public transportation services...by providing information on public transit at the state and national levels, carrying out planning activities in support of public transit and providing financial and technical assistance to individual transit agencies.”

Public Transportation Goal
“Use information, data, technology, skills, resources (financial and other) to identify public transportation issues, plan initiatives, support service operations, generate coordinated action, and evaluate and communicate results.”

Public Transportation Objective
To operate the program in a manner that maximizes the efficiency and effectiveness of safe, affordable public transportation services in Texas.

TxDOT’s responsibilities in public transportation are listed in varying levels of detail on the PTN website, in the TAC, and in the Grants Management Manual. Interviews conducted with the full complement of PTN staff members, Section-by-Section, however, revealed the primary functions and responsibilities summarized in Table 4-9.

Table 4-9: PTN CORE RESPONSIBILITIES

<table>
<thead>
<tr>
<th>Unit/Section</th>
<th>Core Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division Management</td>
<td>Overall Division Management and Administration</td>
</tr>
<tr>
<td></td>
<td>Policy Support and Sign-Off</td>
</tr>
<tr>
<td></td>
<td>Budget Development, Sign-Off, and Oversight</td>
</tr>
<tr>
<td></td>
<td>Human Resource Management</td>
</tr>
<tr>
<td></td>
<td>Communications (Internal And External)</td>
</tr>
<tr>
<td>Program Management Section</td>
<td>Grant management and oversight for:</td>
</tr>
<tr>
<td></td>
<td>(30) S. 5307 Small Urbanized Area Operators</td>
</tr>
<tr>
<td></td>
<td>(39) S. 5311 Rural Area Operator Grantees</td>
</tr>
<tr>
<td></td>
<td>(219) S. 5310 Elderly and Disabled Provider Recipients</td>
</tr>
<tr>
<td></td>
<td>Regulatory Compliance and Oversight for Each Program</td>
</tr>
<tr>
<td></td>
<td>Individual Program Financial Tracking and Reporting</td>
</tr>
<tr>
<td></td>
<td>Intercity Bus Program Grant-Making and Oversight</td>
</tr>
<tr>
<td></td>
<td>Bus and Rail Safety and Security</td>
</tr>
<tr>
<td></td>
<td>Drug and Alcohol Compliance</td>
</tr>
<tr>
<td></td>
<td>Training Program Management and Oversight (including Rural Technical Assistance Program)</td>
</tr>
<tr>
<td></td>
<td>Program Audit Oversight</td>
</tr>
<tr>
<td></td>
<td>Interface With TxDOT Districts and PTCs</td>
</tr>
</tbody>
</table>
### Table 4-9 (continued)

<table>
<thead>
<tr>
<th>Unit/Section</th>
<th>Core Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and Support</td>
<td>Transit Database Management (Financial And Operations)</td>
</tr>
<tr>
<td>Section</td>
<td>Formula Funding Allocation Process</td>
</tr>
<tr>
<td></td>
<td>Job Access Reverse Commute Grant Management, and Oversight</td>
</tr>
<tr>
<td></td>
<td>Fleet Planning, Management, and Support</td>
</tr>
<tr>
<td></td>
<td>Procurement</td>
</tr>
<tr>
<td></td>
<td>Public Transportation Management System</td>
</tr>
<tr>
<td></td>
<td>Vehicle/Property Disposition</td>
</tr>
<tr>
<td></td>
<td>PTN Program and Procedures Manual</td>
</tr>
<tr>
<td></td>
<td>PTN Public Information and Outreach</td>
</tr>
<tr>
<td></td>
<td>TxDOT Transportation Planning and Programming Liaison</td>
</tr>
<tr>
<td></td>
<td>TxDOT Legislative Affairs Office Liaison</td>
</tr>
<tr>
<td></td>
<td>Intergovernmental Relations</td>
</tr>
<tr>
<td></td>
<td>PTN Information Systems Support (Hardware, Software, GIS)</td>
</tr>
<tr>
<td></td>
<td>State Transit Master Planning</td>
</tr>
<tr>
<td></td>
<td>TxDOT Research Liaison</td>
</tr>
<tr>
<td></td>
<td>Public Transportation Advisory Committee Support and Logistics</td>
</tr>
<tr>
<td>Medical Transportation</td>
<td>Medicaid Program Transportation</td>
</tr>
<tr>
<td>Program Section</td>
<td>Texas Health Steps Program Transportation</td>
</tr>
<tr>
<td></td>
<td>Provider RFP Process Management (Centralized)</td>
</tr>
<tr>
<td></td>
<td>Contract Monitoring (Centralized)</td>
</tr>
<tr>
<td></td>
<td>Invoice and Payment Processing (Centralized)</td>
</tr>
<tr>
<td></td>
<td>Intake and Trip Brokering (Largely Decentralized)</td>
</tr>
<tr>
<td></td>
<td>Texas System Management and Technical Support</td>
</tr>
<tr>
<td></td>
<td>Transportation Service Center Management and Oversight</td>
</tr>
<tr>
<td></td>
<td>Claims Management and Oversight (centralized)</td>
</tr>
<tr>
<td></td>
<td>Complaint Management and Oversight (largely decentralized)</td>
</tr>
<tr>
<td></td>
<td>Individual Driver Registration Management and Oversight</td>
</tr>
</tbody>
</table>

**Deleted:**
- Business
PTN has responsibility for management and oversight of two streams of substantially different programs and resources within TxDOT, organized and delivered in fundamentally different ways under different policies and procedures. The similarities, highlighted in Table 4-10, provide opportunities for streamlining program management, improving service delivery, and increasing cost-efficiency for user groups that often share similar characteristics and transportation needs. Similarities offer opportunities for streamlining program management processes while some critical differences need to be respected.

Table 4-10

SIMILARITIES IN PUBLIC AND HUMAN SERVICE TRANSPORTATION

<table>
<thead>
<tr>
<th>Client base</th>
<th>Significant overlap. A large portion of public transit patrons are individuals who are categorized as being transportation disadvantaged in the same way as health and human service patrons are – by age, by income, or by disability.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service models</td>
<td>Similar demand-response service models. A significant share of public transit, especially in small urban and rural areas (and by necessity in the Americans with Disabilities Act (ADA) services provided in all urbanized areas) is demand-response by nature.</td>
</tr>
<tr>
<td>Vehicles</td>
<td>Similar vehicles. Both public transportation and health and human service providers use small, specially-equipped vehicles or vans to provide a large portion of demand-response services.</td>
</tr>
<tr>
<td>Providers</td>
<td>Often the same. Many of the service providers for human service transportation are also the Section 5311 transit operators. This coordination occurs at the local level.</td>
</tr>
<tr>
<td>Program Management</td>
<td>Regionally-based program management. Public transit programs and health and human service transportation program delivery is decentralized throughout the state and are managed through 25 TxDOT District offices and the nine MTP Transportation Service centers.</td>
</tr>
</tbody>
</table>
The differences, highlighted in Table 4-11, on the other hand, may impose limits on coordination, some of which can not be reconciled through state program management actions alone.

**Table 4-11**

**DIFFERENCES IN PUBLIC AND HUMAN SERVICES TRANSPORTATION**

<table>
<thead>
<tr>
<th>Service Orientation</th>
<th><strong>System vs. client orientation.</strong> Public transportation services are based on area-wide system plans, goals, and budget adherence, i.e. clients accommodate to given schedules/routes. Health and human service transportation is provided to accommodate individual client schedules, destinations, and timetables.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public transit must run “open-door,”</strong> i.e., be available to all residents. Health and human service transportation requires individual client/case priority.</td>
<td></td>
</tr>
<tr>
<td><strong>Trip Purpose.</strong> Public transportation is intended to serve any and all trip purposes vs. human service transportation that is provided only for specific types of trips specified by the sponsoring agency.</td>
<td></td>
</tr>
<tr>
<td><strong>Coverage</strong></td>
<td><strong>Service area basis vs. unconstrained coverage.</strong> Public transit is provided within a designated service area, often based on local jurisdiction willingness to fund. Health and human service transportation can extend over any geography based on client need and service availability.</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td><strong>Funding Mode.</strong> Public transportation funding is made available through grant processes; medical transportation funding is made available to providers through contracting processes.</td>
</tr>
<tr>
<td><strong>Accounting</strong></td>
<td><strong>Full reporting/accounting of passenger and service-based costs vs. often unaccounted for costs for transportation.</strong> Each agency independently requests different data.</td>
</tr>
<tr>
<td><strong>Program Management Geography</strong></td>
<td><strong>Geographic boundaries are different.</strong> The 25 TxDOT District boundaries do not correspond with those of the MTP regions, which do not correspond with regional planning agency (COG and MPO) boundaries. Neither TxDOT Districts not MTP regions correspond to public transportation service areas.</td>
</tr>
<tr>
<td><strong>Service Delivery Geography</strong></td>
<td><strong>TxDOT</strong> has little or no involvement with public transportation in the seven major metropolitan regions of the state. The MTP provides services throughout the state, with the medical client base concentrated in the state’s major metropolitan areas.</td>
</tr>
</tbody>
</table>
Impliedations

Current statements of TXDOT’s mission, goals, and objectives in public transportation generally capture the current responsibilities and direction of the Division. Because they are lumped into a single goal statement and a single objective statement, however, there is no clear distinction between what are very separate streams of activity. Discrete goals and objectives should be stated separately to allow:

1. A clearer delineation of staff responsibilities;
2. Development of distinct work programs, plans, and timetables for pursuing each; and
3. A clear framework for monitoring and reporting progress.

Perhaps more importantly, much of what is contained in descriptions of activity that TDOT is responsible for is not being done, or not being done in a way that satisfies current descriptions, particularly with respect to language in the TAC. Proactive references to TXDOT’s public transportation planning responsibilities and activities provide perhaps the most obvious example. Current goal and objective material also contains references to communications among public transportation stakeholders that suggest a far more open process than currently is the case today.

Finally, the location of staff responsibilities within the current TXDOT organization raises some questions.

- Are staffing levels appropriate to the scope of the responsibilities or are they excessive, particularly in light of involvement of 25 Public Transportation Coordinators in the Districts?
- Why should functions that are clearly administrative be housed in one of the Sections, e.g., the automation function as part of the Planning and Support Section of PTN?

In short, the content of current TXDOT goal and objective statements regarding public transportation is reasonable; the structure and performance against them is not. This implies a need to restructure them into a more discrete and distinct set of responsibilities that can be used to establish a clearer, shared sense of purpose and direction as well as refocus staff and managerial energy and attention.

TECHNOLOGY

The use of technology can and does help TXDOT and transit systems reduce costs, improve productivity and improve reporting. TXDOT has done a good job in moving forward and embracing new technologies, including the on-going development and improvement of the Transportation Electronic Journal for Authorized Services (TEJAS) software for MTP. This
internal assessment looked at TxDOT’s current use of technologies and then assesses future needs, including hardware, software and training.

**Current Use of Technology**

TxDOT has done a good job in embracing technology internally. The **Public Transportation Division** has done well in implementing technologies, such as inter/intranet and video conferencing, as a support to the grants management function. In addition, TxDOT is working with a rural operator in support of their national demonstration using a swipe card reader and Mobile Data Terminals.

In addition, the TEJAS software is a custom build product that meets the unique needs of MTP. There is a staff of seven persons in TxDOT dedicated to maintaining the software and adding components at the request of MTP. However, the TEJAS software technology ends just short of the MTP Transportation Service Centers. That is, there are no significant technology linkages between TEJAS and the operators. Trip requests and invoicing is via paper and faxes, leaving the operators with a manual system.

**Anticipated Needs**

The TEJAS technology is viable and the fact that it is custom built for Texas speaks to maintaining it rather than developing new software or using other less sophisticated software as used by the private sector. There are a number of areas where improvements could be made. An emphasis should be placed on compatibility with operator software, including:

- Easing the paperwork and processing burdens of invoicing placed on the operators by making the process electronic through compatible software.
- Sending trips electronically to the operator’s software
- Linking the TEJAS software to the Medicaid Management Information System
- Working with the Lone Star Card demonstration project.

In addition, there are a number of advantages to TxDOT and the operators in working together to procure technology for operators. There is a strong argument for implementing a state procurement strategy that offers each operator a product appropriate to their needs, meeting all of the reporting requirements of TxDOT (including Medicaid) and ensuring compatibility with the TEJAS technology. It is essential that the transit systems be involved in the procurement through representatives in order to ensure “buy-in” of the transit systems.

**Implications**

While TxDOT is managing its own technology well, little has been done to assist the operators in establishing guidelines/standards for operators or procuring software. Currently there are a variety of software products in use in rural and small urban areas (at least five different products in use). This trend will continue unless TxDOT organizes a coordinated procurement process for technological solutions.
SECTION 5

OVERVIEW OF STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS (SWOT)

The Public Transportation Strategic Plan has been framed in response to an assessment of the SWOT evident in current and past management of public and human service transportation in Texas. The SWOT analysis involved two streams of activity:

- Review of an extensive body of material documenting how resources are provided, how guidance is delivered, and how the activities of TxDOT's public transportation grantees and contractors are monitored and overseen; and

- Intensive and wide-ranging interviews with stakeholders within TxDOT and outside the department, including policy-makers, program managers and staff, service providers and grantees, and local sponsoring agencies.

Interview findings were recorded without attribution and have been synthesized. They have given rise to the themes mentioned in the introduction to the Strategic plan in Section 2 as well as to the more formal goals, objectives, and strategies that have been proposed.

Observations from the SWOT analysis are summarized below by pairing strengths with weaknesses, and threats with opportunities to illustrate the variability and/or the unanimity with which views were held among interviewees.

In sum, what the SWOT analysis has revealed is that there are serious short-comings along several dimensions in the management and delivery of the state’s transit programs, including potentially fatal flaws that, if not addressed and remedied on a priority basis, will compromise any efforts to achieve significant cost-efficiencies, service improvements, or expansion as intended by the Legislature and the TTC. These are noted in the risk assessment in Section 2 of the Strategic Plan.

It should noted, however, that TxDOT senior management and staff are largely aware of these short-comings, eager to remedy them, and have underway a number of initiatives that can, in part, mitigate the most severe problems, as noted in the commentary on each of the strategic goals.
STRENGTHS AND WEAKNESSES OF THE PUBLIC TRANSPORTATION PROGRAM DELIVERY

Mission and Direction

There is a clear sense widely-held among interviewees inside and outside, that TxDOT has operated somewhat aimlessly without a clear sense of direction, mission, and with little guidance as to what constitutes success in managing the transit program. In contrast, some TxDOT staff feel progress is beginning to be made in moving toward a more user-oriented sense of purpose, although this movement is not evident yet in the field. Selected observations are provided below.

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sense of direction is emerging</td>
<td>Lack of clarity in goals/mission; unfocused</td>
</tr>
<tr>
<td>Growing orientation to transit users</td>
<td>Narrow focus on grant mechanics</td>
</tr>
<tr>
<td>Clear view of TxDOT role</td>
<td>Punitive orientation</td>
</tr>
<tr>
<td></td>
<td>Lack of an advocacy posture</td>
</tr>
<tr>
<td></td>
<td>Weak user orientation/detached from outcomes</td>
</tr>
<tr>
<td></td>
<td>Unclear performance goals, measures</td>
</tr>
<tr>
<td></td>
<td>No clear definition of success</td>
</tr>
<tr>
<td></td>
<td>No “big picture” view within TxDOT</td>
</tr>
<tr>
<td></td>
<td>Limited TxDOT senior policy leadership and</td>
</tr>
<tr>
<td></td>
<td>involvement in guiding implementation of</td>
</tr>
<tr>
<td></td>
<td>coordination activities</td>
</tr>
</tbody>
</table>

Public Transportation Strategic Plan 5-2 Discussion Draft
**Management Structure and Functions**

There are broadly acknowledged structural difficulties within the TxDOT that involve reporting relationships and geographic scope of responsibility: District PTCs are supervised as District staff not PTN staff; sub-state administrative boundaries (Districts, regions, and service areas) are inconsistent; TxDOT has no role in metro areas, but MTP services are focused on them.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong tradition of local planning and decision-making</td>
<td>Lack of policy control in MTP/PTN/TxDOT on human service transportation</td>
</tr>
<tr>
<td>District-based program management structure</td>
<td>Limited accountability of PTCs to PTN</td>
</tr>
<tr>
<td>Increased support for PTN from other TxDOT units, e.g. contracts, IT, etc.</td>
<td>Inconsistent administrative boundaries among TxDOT Districts, HHSC/MTP regions, COG, and MPO regions and transit service areas</td>
</tr>
<tr>
<td>No TxDOT prior role in major metro regions</td>
<td>New TxDOT role, MTP mgmt, includes metros</td>
</tr>
<tr>
<td>PTAC is narrowly charged and without clear direction</td>
<td>No system/service planning function has survived (state or regional); new statutory planning requirement is in place</td>
</tr>
<tr>
<td>No administrative support in PTN sections</td>
<td>Inaccurate job titles, descriptions</td>
</tr>
<tr>
<td>Confused PTN organizational structure</td>
<td>Inconsequential public information function</td>
</tr>
</tbody>
</table>
Management Style

Stylistically, TxDOT presents a posture to most interviewees of secrecy and caution as well as pro forma reliance on punitive interpretations of program requirements that are poorly communicated and require an excessive paperwork burden. Strict communications protocols have reduced or complicated communications between PTN managers and grantee clients.

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition of varied goals, needs, approaches locally and region-to-region</td>
<td>“Desk top” policy/procedure formulation</td>
</tr>
<tr>
<td>Desire within TxDOT to encourage innovation</td>
<td>Little collaboration in program guidance</td>
</tr>
<tr>
<td>Lack of innovation</td>
<td>Inconsistent program direction</td>
</tr>
<tr>
<td>“Desk top” policy/procedure formulation</td>
<td>Resistance to change</td>
</tr>
<tr>
<td>Recognition of varied goals, needs, approaches locally and region-to-region</td>
<td>Captive of past practice, protocols; inflexible</td>
</tr>
<tr>
<td>Lack of innovation</td>
<td>Paperwork overkill</td>
</tr>
<tr>
<td>Recognition of varied goals, needs, approaches locally and region-to-region</td>
<td>Reactive, crisis-based</td>
</tr>
<tr>
<td>“Desk top” policy/procedure formulation</td>
<td>Micro-management</td>
</tr>
<tr>
<td>Recognition of varied goals, needs, approaches locally and region-to-region</td>
<td>Inconsistent PTN/MTP orientation</td>
</tr>
<tr>
<td>Lack of innovation</td>
<td>PTN oriented toward systems and assets</td>
</tr>
<tr>
<td>Recognition of varied goals, needs, approaches locally and region-to-region</td>
<td>MTP oriented toward cases/clients</td>
</tr>
<tr>
<td>Lack of innovation</td>
<td>Program manager roles are reduced, constrained</td>
</tr>
</tbody>
</table>

Management Capacity

Acknowledgement that PTN staff is eager to perform effectively and to adapt is overwhelmed by the sense that PTN staff, including PTCs, have limited knowledge of the business they support and too little opportunity to capitalize on and leverage the knowledge of operators and providers in program management. The capacity to conduct technical planning exercises as required by law has been disappeared.

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Good people; untapped potential</td>
<td>Uneven knowledge/gaps in TxDOT</td>
</tr>
<tr>
<td>Many talented people willing to adapt</td>
<td>- of human service transportation among PTN</td>
</tr>
<tr>
<td>Staff willingness to make consolidation work</td>
<td>- of transit operations among all PTN, MTP</td>
</tr>
<tr>
<td>PTCs doing well</td>
<td>- of requirements, procedures, rationales</td>
</tr>
<tr>
<td>Most PTCs understand grantee circumstances</td>
<td>No technical planning capacity survives</td>
</tr>
<tr>
<td>Highly dedicated Transportation Service Center staff</td>
<td>PTC qualifications, skills highly variable</td>
</tr>
<tr>
<td>High level of initiative in TxDOT staff</td>
<td>History of weak PTN leadership vis-a-vis grantees, TxDOT</td>
</tr>
<tr>
<td></td>
<td>Limited, narrow training opportunities</td>
</tr>
</tbody>
</table>
Communications

There is frustration with communications to, through, and from PTN in most quarters. Opportunities for stakeholders – program managers, PTCs, operators, etc., to engage one another have disappeared with the reduction in travel budget funds. The result is less effective program oversight and monitoring, an inability to fully engage stakeholders in consultation about program management initiatives and a reduced ability to share critical operating knowledge among stakeholders.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive PTN/District relations are evolving</td>
<td>No ‘transparency’ in PTN for grantees</td>
</tr>
<tr>
<td>PTC relations with operators are largely effective</td>
<td>Communications oriented from top, down; chain of command reduces staff access</td>
</tr>
<tr>
<td>Positive PTN/District partnership are emerging</td>
<td>Limited engagement between PTN, MTP staffs</td>
</tr>
<tr>
<td>Guidance to PTCs is improving</td>
<td>Limited communications between PTN/PTCs</td>
</tr>
<tr>
<td>PTN/operator relations are improving</td>
<td>PTN/PTC/operator communication opportunities reduced, abandoned</td>
</tr>
<tr>
<td></td>
<td>Delays in communicating program changes</td>
</tr>
<tr>
<td></td>
<td>Little involvement outside PTN in formulating program changes</td>
</tr>
<tr>
<td></td>
<td>Operators often bypass PTCs on inquiries</td>
</tr>
<tr>
<td></td>
<td>Little PTN engagement with operators</td>
</tr>
<tr>
<td></td>
<td>Inconsequential public information function</td>
</tr>
<tr>
<td></td>
<td>Responsiveness to inquiries is slow</td>
</tr>
<tr>
<td></td>
<td>Poor follow-up on activities initiated</td>
</tr>
<tr>
<td></td>
<td>Ineffective reporting regimes, e.g. with TTC</td>
</tr>
<tr>
<td></td>
<td>Program monitoring weakened by lack of travel funds</td>
</tr>
</tbody>
</table>
Data and Information

Inaccuracies and unreliability of data and information have become a significant frustration among almost all stakeholders. System, process, and human factors are contributing to the problem and represent a major road block in more effective program management. The problem is not unique to TxDOT. Health and human service programs abandoned a recent effort to construct a unified system of accounts for human service transportation management.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master grant agreement in development</td>
<td>Inaccuracies and lack of reliability in TxDOT’s public transportation financial and operating database</td>
</tr>
<tr>
<td>Redesigned data forms in development</td>
<td>Confusion in budget reporting and constant adjustments</td>
</tr>
<tr>
<td>Information technology is state-of-the-art</td>
<td>Multiple computer systems among human service programs</td>
</tr>
<tr>
<td>Moving toward interactive database</td>
<td>PTN and TxDOT financial systems differ</td>
</tr>
<tr>
<td>applications</td>
<td></td>
</tr>
<tr>
<td>Monthly summary of grant activity in place</td>
<td>Lack of clarity on reporting protocols</td>
</tr>
<tr>
<td></td>
<td>Uneven quality control in Districts and regions</td>
</tr>
</tbody>
</table>

Cost-Efficiency and Effectiveness

There is broad acknowledgement that many programs serving many clients through separate funding flows and requirements are inefficient. There is a lack of a framework for defining opportunities to improve cost-efficiency; the opportunities also are likely to require more than administrative initiatives, i.e., regulatory and statutory change may be needed.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likely costs of service overlaps acknowledged</td>
<td>Duplication of functions, assets exists</td>
</tr>
<tr>
<td>Many local examples of coordination for greater cost-efficiency, expanded service</td>
<td>Interest in revenue generation by operators</td>
</tr>
<tr>
<td>Strong desire to enhance service effectiveness, efficiency</td>
<td>Lack of targets/thresholds/ standards for what constitutes cost-efficiency</td>
</tr>
<tr>
<td></td>
<td>Likely limitations on options for cost-efficiencies under current program regulations</td>
</tr>
</tbody>
</table>
THREATS TO AND OPPORTUNITIES FOR SUCCESSFUL PROGRAM CONSOLIDATION AND SERVICE COORDINATION

In a general sense, the weaknesses noted above each constitute a threat to achieving the goals and objectives of consolidation and coordination, and the goals and objectives contained in this Plan. Opportunities to do so arise both from outside the community of stakeholders as well as from initiatives, planned or underway, by stakeholders.

Mission and Direction

The need to assume a substantial new and unfamiliar role poses a potential threat to the long-standing TxDOT culture, knowledge base, and processes. Success in consolidation and service coordination may also be threatened by uncertainties over the regulatory and legal latitude allowed HHSC departments to institute or facilitate service coordination initiatives; TxDOT has no authority to amend HHSC program procedures. This may lead to uncertainty in the mission and direction of TxDOT, confusion over what is expected, and what constitutes success as well as fear of failure.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfamiliar and complicated new role and program requirements</td>
<td>High level of interest and commitment from policy-makers</td>
</tr>
<tr>
<td>Resistance to change</td>
<td>Stronger TxDOT support of transit</td>
</tr>
<tr>
<td>Difficulty in assessing the barriers to change</td>
<td>Leveraging existing examples from Texas, other states to clarify implementation steps</td>
</tr>
<tr>
<td>Unwillingness to initiate actions necessary to remove or reduce barriers</td>
<td>Clarity drawn from a new Strategic Plan</td>
</tr>
<tr>
<td>Liability and negative impacts on customers’ travel experiences from not carrying out requirements in statute or the TAC</td>
<td></td>
</tr>
</tbody>
</table>

Public Transportation Strategic Plan 5-7 Discussion Draft
Management Structure and Functions

Threats arising out of TxDOT’s management structure are implied in the discussion above. Inability by TxDOT to more directly manage PTCs or the political unlikelihood of changing regional departmental administrative boundaries may constrain or complicate efforts at service coordination and limit cost-efficiencies. The lack of authority in TxDOT to administratively alter human service program processes and procedures.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited TxDOT/PTN ability to manage PTCs</td>
<td>IWG as a sounding board for trial procedural changes</td>
</tr>
<tr>
<td>Unlikelihood of shifting departmental and regional boundaries to coincide</td>
<td>TxDOT/PTN models of a single District as a lead in program management for all programs</td>
</tr>
<tr>
<td>Lack of TxDOT/PTN authority to alter human service program requirements to pursue goals</td>
<td></td>
</tr>
<tr>
<td>Fundamental differences in PTN, MTP program management philosophies</td>
<td></td>
</tr>
<tr>
<td>Lack of direction in MTP re: compliance with Frew consent decree</td>
<td></td>
</tr>
</tbody>
</table>

Management Style

Several aspects of management style associated with PTN generally could serve to threaten achievement of goals by limiting the scope or pace of change, or the willingness or ability to be responsive to even more complex and varied local circumstances.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pattern of limited outside collaboration</td>
<td>Strengthen TxDOT senior management guidance and support for change</td>
</tr>
<tr>
<td>Lack of a tradition of flexibility, innovation</td>
<td>Draw on existing examples of coordination to negate threats from prior management styles</td>
</tr>
<tr>
<td>Emphasis on consistency, micromanagement</td>
<td>Draw on existing examples of coordination to negate threats from prior management styles</td>
</tr>
<tr>
<td>Isolation of PTN within TxDOT reduces top-down leadership leverage to change innovation</td>
<td></td>
</tr>
</tbody>
</table>
Management Capacity

The major threat in terms of management capacity comes from the limited knowledge of TxDOT staff or PTCs about actual transit and/or human service transportation operations. Opportunities to mitigate this threat lie largely in frequent, open communications and training activities.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of knowledge of service planning and operations</td>
<td>More extensive opportunities for communication, collaboration, sharing among stakeholders</td>
</tr>
<tr>
<td>Limited relationships, communications with grantees and providers</td>
<td>More frequent, formalized training</td>
</tr>
<tr>
<td>Independent data and information systems</td>
<td>Updates and integration of databases and systems</td>
</tr>
</tbody>
</table>

Communications

An inability to enhance the frequency and quality of communications among all stakeholders is perhaps the greatest sustained threat to goal achievement. Opportunities that existed in the past have been discarded and resources to sustain comprehensive relationships and exchanges have been withdrawn.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued limited opportunities for exchange among stakeholders</td>
<td>Develop a communications plan around the goals of consolidation/coordination</td>
</tr>
<tr>
<td>Lack of budget resources to sustain effective communications</td>
<td>Restore and program adequate funds to support a communications plan</td>
</tr>
<tr>
<td>Lack of an information resource to illustrate new, effective approaches</td>
<td>Develop information resources to serve as models of alternative approaches</td>
</tr>
<tr>
<td></td>
<td>Increase use of technology for real time/timely communications</td>
</tr>
<tr>
<td></td>
<td>Build communication objectives into PTN process streamlining initiative</td>
</tr>
</tbody>
</table>
Data and Information

Unreliable and/or untimely data is both a weakness and a threat. Policy and funding allocation decisions as well as efforts to innovate are hampered by inadequate data and information. TxDOT has made sustained progress in data technology as has MTP with continued efforts underway.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued inability to gather, verify and reconcile financial and operating data on a timely basis</td>
<td>Ongoing TxDOT initiative on a unified reporting system</td>
</tr>
<tr>
<td>Continued inability to frame, present data and information effectively for use in policy settings</td>
<td>Ongoing departmental move to interactive reporting system with grantees</td>
</tr>
<tr>
<td>Shortcomings in quality control in data gathering and entry</td>
<td>Focus on ITS by the federal government</td>
</tr>
</tbody>
</table>

Cost-Efficiency and Effectiveness

The threats to cost-efficiency and effectiveness come from the full range of weaknesses presented earlier. A comprehensive, sustained effort to shift the TxDOT mission and focus, open up communications and knowledge-sharing and maintain a reliable flow of data and information.

<table>
<thead>
<tr>
<th>Threats</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustained focus on past practice, protocols</td>
<td>Sustain leadership and involvement by senior policy leadership</td>
</tr>
<tr>
<td>Limited communication, collaboration with stakeholders</td>
<td>Attention to a few initial demonstrations and expansion of current best practices</td>
</tr>
<tr>
<td>Limitations on ability to alter program requirements to support, encourage coordination, cost-efficiencies</td>
<td>Developing a comprehensive framework of how and where cost-efficiencies can be achieved and the steps needed to do so</td>
</tr>
<tr>
<td>Lack of knowledge of operations</td>
<td></td>
</tr>
<tr>
<td>Inability to integrate information systems across programs</td>
<td></td>
</tr>
</tbody>
</table>
### GLOSSARY

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>Area Agency on Aging</td>
</tr>
<tr>
<td>ADA</td>
<td>Americans with Disabilities Act (Federal)</td>
</tr>
<tr>
<td>APTA</td>
<td>American Public Transportation Association</td>
</tr>
<tr>
<td>ASKIT</td>
<td>Automated System for Kidney Information Tracking</td>
</tr>
<tr>
<td>CBA</td>
<td>Community-based Alternatives</td>
</tr>
<tr>
<td>CCAM</td>
<td>Transportation Coordinating Council on Access and Mobility (Federal)</td>
</tr>
<tr>
<td>CFR</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>COG</td>
<td>Council of Governments</td>
</tr>
<tr>
<td>CSHCN</td>
<td>Medicaid Children with Special Care Needs</td>
</tr>
<tr>
<td>CTAA</td>
<td>Community Transportation Association of America</td>
</tr>
<tr>
<td>DADS</td>
<td>Texas Department of Aging and Disability Services</td>
</tr>
<tr>
<td>DAHS</td>
<td>Day Activities and Health Services</td>
</tr>
<tr>
<td>DARS</td>
<td>Texas Department of Assistance and Rehabilitative Services</td>
</tr>
<tr>
<td>DFPS</td>
<td>Texas Department of Family and Protective Services</td>
</tr>
<tr>
<td>DHS</td>
<td>Department of Homeland Security (Federal)</td>
</tr>
<tr>
<td>DHHS</td>
<td>Department of Health and Human Services (Federal)</td>
</tr>
<tr>
<td>DSHS/DHS</td>
<td>Texas Department of State Health Services</td>
</tr>
<tr>
<td>FSE&amp;T</td>
<td>Food Stamp Employment and Training Program (Federal)</td>
</tr>
<tr>
<td>FTA</td>
<td>Federal Transit Administration</td>
</tr>
<tr>
<td>GIS</td>
<td>Geographic Information System</td>
</tr>
<tr>
<td>HB</td>
<td>House Bill</td>
</tr>
<tr>
<td>HCS</td>
<td>Home and Community-based Service Program (State)</td>
</tr>
<tr>
<td>HHSC</td>
<td>Texas Health and Human Services Commission</td>
</tr>
<tr>
<td>ICF</td>
<td>Community Intermediate Care Facilities</td>
</tr>
<tr>
<td>IT</td>
<td>Information technology</td>
</tr>
<tr>
<td>IVCA</td>
<td>Individual Volunteer Contract Agreement</td>
</tr>
<tr>
<td>IWG</td>
<td>Client Transportation Oversight Workgroup (“Intergovernmental Working Group”)</td>
</tr>
<tr>
<td>JARC</td>
<td>Job Access and Reverse Commute Program (Federal)</td>
</tr>
<tr>
<td>KHC</td>
<td>Kidney Health Care Program (State)</td>
</tr>
<tr>
<td>LRTP</td>
<td>Long-Range Transportation Plan</td>
</tr>
</tbody>
</table>
MH    Mental Health
MOE   Maintenance of Effort
MPO   Metropolitan Planning Organization
MR    Mental Retardation
MTA   Metropolitan Transit Authority
MTP   Medical Transportation Program

PTC   Public Transportation Coordinators
PTN   Public Transportation Division of TxDOT
PTAC  Public Transportation Advisory Committee
PTMS  Public Transportation Management System

RFP   Request for Proposals
RMA   Regional Mobility Agency
RTD   Rural Transit District

S. 5303 Section 5303, Metropolitan Planning Assistance Program (Federal)
S. 5307 Section 5307, Urbanized Area Formula Program (Federal)
S. 5309 Section 5309, Major Capital Investment Program (Federal; discretionary)
S. 5310 Section 5310, Elderly and Persons with Disabilities Program (Federal)
S. 5311 Section 5311, Non-Urbanized Area Formula Program (Federal)
S. 5311(b)(2) Section 5311(b)(2), Rural Transit Assistance Program (RTAP) (Federal)
SFY   State Fiscal Year

TAC   Texas Administrative Code
TANF  Temporary Assistance for Needy Families Program (Federal)
TDH   Texas Department of Health
TDP   Transportation Development Plan
TEJAS Transportation Electronic Journal for Authorized Services
TICP  Transportation for Indigent Cancer Patients
TPP   Transportation Planning and Programming Division of TxDOT
TTA   Texas Transit Association
TTC   Texas Transportation Commission
TWC   Texas Workforce Commission
TxDOT  Texas Department of Transportation
Title XIX Medicaid Program (Federal)
Title XX Social Service Block Grant Program (Federal)

U.S. DOT United States Department of Transportation
UTD   Urban Transit District

VR    Vocational Rehabilitation Program (State)
Figure 4-1:
MTAs AND SMALL URBAN SYSTEMS

FY 2001
Geographic Coverage
of Public Transportation

Cities served by metropolitan transit authorities
Cities served by small urban transit systems
Counties served by rural or specialized (elderly & disabled) transit systems
Counties not served
Figure 4-2: RURAL SYSTEM COVERAGE

Rural Public Transportation Systems

Key:
1. Alamo Area Council of Governments
2. Ark Tex Council of Governments
3. Aspermont Small Business Development Center, Inc.
4. Bee Community Action Agency
5. Brazos Transit District
6. Capital Area Rural Transportation System (CARTS)
7. Caprock Community Action Association, Inc.
8. Central Texas Rural Transit District
9. Cleburne City of
10. Collin County Committee on Aging
11. Colorado Valley Transit, Inc.
12. Community Action Council of South Texas
13. Community Council of Southwest Texas, Inc.
14. Community Services, Inc. (Corsicana)
15. Concho Valley Council of Governments
16. County of El Paso
17. Del Rio, City of
18. East Texas Council of Governments
19. Golden Crescent Regional Planning Commission
20. Gulf Coast Center
21. Heart of Texas Council of Governments
22. Hill Country Transit District
23. Hunt County Committee on Aging
24. Kaufman County Senior Citizens Services, Inc.
25. Klaberg County Human Services
26. Lower Rio Grande Valley Development Council
27. Panhandle Community Services, Inc.
28. Parker County Transportation Service, Inc.
29. People for Progress
30. Public Transit Services
31. Rolling Plains Management Corporation
32. Rural Economic Assistance League, Inc. (REAL)
33. San Patricio County Community Action Agency
34. Services Program for Aging Needs in Denton County (SPAN)
35. South East Texas Regional Planning Commission
36. South Padre Island, Town of
37. South Plains Community Action Association, Inc.
38. Texoma Area Paratransit System, Inc. (TAPS)
39. The Transit System, Inc.
40. Webb County Community Action Agency
41. West Texas Opportunity, Inc.

FY 2001
Texas Department of Transportation
Figure 4-3:
ELDERLY AND DISABLED SERVICE COVERAGE

Coverage of Elderly and Disabled Transportation Systems

- Counties served by Elderly and Disabled Transportation
- Counties Not Served

Texas Department of Transportation
October 2001
Figure 4-5: HEALTH AND HUMAN SERVICES MANAGEMENT STRUCTURE

The Consolidated Texas Health and Human Services System
as directed by HB 2292, 78th Legislature

Health and Human Services Commission
Executive Commissioner
- HHS Centralized Administrative Services
- Medicaid
- HHS Rate Setting
- HHS Program Policy
- Vendor Drug Program
- CHIP
- TANF
- Eligibility Determination
- Nutritional Services
- Family Violence Services
- HHS Ombudsman
- Interagency Initiatives

Office of Inspector General
HHSC
DHS

Department of Aging and Disability Services
Commissioner
- Mental Retardation Services
- State Schools
- Community Care Services
- Nursing Home Services
- Aging Services

DHS
MHMR
TDoA

Department of State Health Services
Commissioner
- Health Services
- Mental Health Services
- State Hospitals
- Community Services
- Alcohol & Drug Abuse Services

MHMR
TCADA
TDH
THCIC

Department of Family and Protective Services
Commissioner
- Child Protective Services
- Adult Protective Services
- Child Care Regulatory Services

PRS

Department of Assistive and Rehabilitative Services
Commissioner
- Rehabilitation Services
- Blind and Visually Impaired Services
- Deaf and Hard of Hearing Services
- Early Childhood Intervention Services

EIT
TCB
TCBH
TRC

Agencies formerly providing programs

7/30/03
Figure 4-6:
HEALTH AND HUMAN SERVICE COMMISSION REGIONS

Region Descriptions

Region 1: High Plains
Region 2: Northwest Texas
Region 3: Metroplex
Region 4: Upper East Texas
Region 5: Southeast Texas
Region 6: Gulf Coast
Region 7: Central Texas
Region 8: Upper South Texas
Region 9: West Texas
Region 10: Upper Rio Grande
Region 11: Lower South Texas
Figure 4-7:
TEXAS WORKFORCE BOARDS

1 Panhandle
2 South Plains
3 North Texas
4 North Central
5 Tarrant County
6 Dallas
7 North East
8 East Texas
9 West Central
10 Upper Rio Grande
11 Permian Basin
12 Concho Valley
13 Heart of Texas
14 Capital Area
15 Rural Capital
16 Brazos Valley
17 Deep East Texas
18 South East Texas
19 Golden Crescent
20 Alamo
21 South Texas
22 Coastal Bend
23 Lower Rio Grande Valley
24 Cameron County
25 Texoma
26 Central Texas
27 Middle Rio Grande
28 Gulf Coast
Figure 4-8:
TX DOT DISTRICTS
Figure 4-9:
MTP CALL CENTER BOUNDARIES

CALL CENTER LOCATIONS

1  Lubbock
2  Abilene
3  Arlington
4  Tyler
5 & 6  Houston
7  Waco
8  San Antonio
9 & 10  El Paso
11  McAllen
Figure 4-10: COG AREAS

AACOG  Alamo Area COG
ARK-TEC  Ark-Tex COG
BVCOG  Brazos Valley COG
CAPCOG  Capital Area COG
CTCOG  Central Texas COG
CBCOG  Coastal Bend COG
CVCOG  Concho Valley COG
DETCOG  Deep East Texas COG
ETCOG  East Texas COG
GCRPC  Golden Crescent RPC
HOTCOG  Heart of Texas COG
H-GAC  Houston-Galveston Area Council
LRGVDC  Lower Rio Grande Development Council
MRGDC  Middle Rio Grande Development Council
NORTEX  North Texas RPC
NCTCOG  North Central Texas COG
PRPC  Panhandle RPC
PRRPC  Permian Basin RPC
RGCPG  Rio Grande COG
SETRPC  Southeast Texas RPC
SPAG  South Plains Association of Governments
STDC  South Texas Development Council
TEXOMA  Texoma COG
WCTCOG  West Central Texas COG