

June 24, 2020

To: GoTriangle Board of Trustees
From: Finance Staff
Subject: **FY21 Budget Overview**

Attached for your review and discussion is the proposed FY21 Budget reflecting changes made from the May 27, 2020 budget review. These changes will be discussed during the June Board meeting.

The COVID-19 virus impact on our budget continues to present challenges. We are currently awaiting information on potential changes in funding related to TDM (Transportation Demand Management) budgeted for \$816K and SMAP (State Maintenance Assistance Program) budgeted for \$2M. The current proposed budget assumes funding for both programs.

During the May budget review, staff included adjustments for all tax revenues due to the impact of COVID-19. These remain unchanged at this time.

At the direction of our GoTriangle Board, staff worked with representatives from the three counties to discuss an ERP reallocation. As a result, GoTriangle agreed to take on an additional \$150K in ERP expenditures, decreasing Durham's expenditures by the same amount.

After discussions with Orange County and the realization that cash balances could not cover all items in the requested FY21 Workplan, all new capital projects were moved into an unbudgeted reserve. As we get more information on revenues, we will assess the potential for funding of these new projects. The same approach has been taken in the Durham and Wake Transit Workplans.

We continue to track the COVID-19 impact on GoTriangle's revenues and expenses. The CARES Act Funding totaling \$7.8M (DCHC MPO \$4.7M, CAMPO \$3.1M) will be used to help offset this impact.



The revised draft FY21 budget shows a \$5.4M surplus, including carryover, an addition to our current reserves. Based on the revisions made since the Budget Workshop, the cost/hour for Operations has decreased from \$137/hour to \$132/hour.

We will, of course, continue to review opportunities for expense reductions, as well adjust revenue forecasts.

We are requesting Board action to approve two (2) items.

1. FY21 material changes to the Durham County Transit Plan (detail and background attached)

During the development of the FY21 Work Plan, several new items were proposed by transit providers in Durham County that will substantially increase the budget for both on-going and newly recommended projects beyond what was anticipated when the Transit Plan was adopted in 2017. Funding is available for these projects because of the discontinuation of Durham-Orange Light Rail Transit (D-O LRT) in March 2019. Per the interlocal agreement (ILA) that governs the Transit Plan, expenditure increases of more than \$500,000 on bus services are considered “material changes” and must be approved by all three governing boards of the ILA.

The Durham County Board of Commissioners and the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO) Board approved these changes at their May 11 and May 13, 2020, meetings, respectively. Further details are provided in the material changes memo attached.

2. FY21 Budgets, Ordinances and Workplans

FY21 Proposed GoTriangle Budget and Ordinances (including Durham, Orange and Wake)

FY21 Proposed Durham Transit Workplan

FY21 Proposed Orange Transit Workplan

FY21 Proposed Wake Transit Workplan

Attachments:

FY21 Proposed Budget Impact Overview

FY21 Proposed Budget Ordinances

FY21 Durham County material change memo

FY21 Proposed Wake Transit Workplan

FY21 Proposed Durham Transit Workplan

FY21 Proposed Orange Transit Workplan

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FY21 Budget GoTriangle Change Impact

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve/Cash Impact</u>	<u>Fund Affected</u>	<u>Comments</u>
<i>Budget Changes (5-27-2020)</i>	\$ 57,759,347	\$ 52,568,383	\$5,190,964		
Merit Freeze for Executive Staff		33,302	(33,302)	General Fund	Board Clerk, General Counsel, CFO, CCO, VP - Strategic Relationships, CEO, COO, CDO, CTO - (\$33,302 removed from consideration)
Grant Revenue	20,800		20,800	General Fund	Recalculation of grant revenue
Fares/Consignment	(348)		(348)	Bus Fund	Slight miscalculation of Fares
Additional department reductions		(207,199)	207,199	General Fund	Omitted in previous changes
Prior year CIP Projects	87,000	87,000	-	Capital Fund	Carryover for Roof Renovation and Asphalt Resurfacing
ERP	(63,600)	(222,000)	158,400	Capital Fund/General Fund	ERP expense included in both capital and operating budget
ERP Adjustment		151,075	(151,075)	Capital Fund/General Fund	ERP reallocation between GoTriangle, Durham and Orange
<i>Revised Proposed Budget</i>	\$ 57,803,199	\$ 52,410,561	\$ 5,392,638		
<i>Change</i>	\$ 43,852	\$ (157,822)	\$ 201,674		
FY20 Budget (Amended)	\$ 41,000,717	\$ 49,676,430	\$ (8,675,713)		

FY21 Budget Change Impact (Durham Transit Plan)

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve/Cash Impact</u>	<u>Fund Affected</u>	<u>Comments</u>
<i>Budget Changes (5-27-2020)</i>	\$ 31,982,500	\$ 29,615,100	\$ 2,367,400		
Carry Forward Capital	11,194,407	11,194,407	-	Durham Funds	Encumbered amounts from FY20
ERP Carryover Budget Adjustment		(151,075)	151,075	Durham Funds	ERP reallocation between GoTriangle, Durham and Orange*
<i>Revised Proposed Budget</i>	\$ 43,176,907	\$ 40,658,432	\$ 2,518,475		
<i>Change</i>	\$ 11,194,407	\$ 11,043,332	\$ 151,075		
FY20 Budget (Amended)	\$ 38,788,381	\$ 21,068,265	\$ 17,720,116		

*Due to timing of the ERP agreed adjustments after the last SWG for the current fiscal year, Durham Transit workplan will be updated in FY21-Q1 as an amendment to match the adopted budget

FY21 Budget Change Impact (Orange Transit Plan)

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve/Cash Impact</u>	<u>Fund Affected</u>	<u>Comments</u>
<i>Budget Changes (5-27-2020)</i>	\$ 9,554,330	\$ 8,820,530	\$ 733,800		
Carry Forward Capital	6,655,910	6,655,910	-	Orange Funds	Encumbered amounts from FY20
Less budget workshop Carry Forward estimate	(799,030)	(799,030)	-	Orange Funds	Reduce double count above line
GoTriangle - Vehicle Acquisition		(903,000)	903,000	Orange Funds	Deferred Programming - GoTriangle Vehicle Acquisition- FY21 Allocated Reserve
GoTriangle - Origin - Destination Survey		(250,000)	250,000	Orange Funds	Deferred Programming - GoTriangle Origin-Destination Survey- FY21 Allocated Reserve
GoTriangle - Short Range Transit Plan		(31,250)	31,250	Orange Funds	Deferred Programming - GoTriangle Short Range Transit Plan FY21 Allocated Reserve
Town of Hillsborough Train Station and Bus stop improvement		(434,900)	434,900	Orange Funds	Deferred Programming - Town of Hillsborough-Carryover Allocated to Reserve
Chapel Hill Transit North South -BRT FY21 Programming		(2,062,500)	2,062,500	Orange Funds	Deferred Programming - CHT NS-BRT to FY21 Allocated Reserve
<i>Revised Proposed Budget</i>	\$ 15,411,210	\$ 10,995,760	\$ 4,415,450		
<i>Change</i>	\$ 5,856,880	\$ 2,175,230	\$ 3,681,650		
FY20 Budget (Amended)	\$ 15,244,639	\$ 13,976,018	\$ 1,268,621		

FY21 Budget Change Impact (Wake Transit Plan) - Operating Fund

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve/Cash Impact</u>	<u>Fund Affected</u>	<u>Comments</u>
<i>Budget Changes (5-27-2020)</i>	\$ 110,980,050	\$ 91,124,605	\$19,855,445		
Vehicle Rental Taxes Decrease	(995,200)		(995,200)	Wake Funds	
1/2 Cent Sales Tax	848,569		848,569	Wake Funds	
City of Raleigh Route Savings		(146,631)	146,631	Wake Funds	Route 21 - Savings from original project submission.
<i>Revised Proposed Budget</i>	\$ 110,833,419	\$ 90,977,974	\$ 19,855,445		
<i>Change</i>	\$ (146,631)	\$ (146,631)	\$ -		
FY20 Budget (Amended)	\$ 154,223,495	\$ 162,519,854	\$ (8,296,359)		

FY21 Budget Change Impact (Wake Transit Plan) - Capital Fund

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve/Cash Impact</u>	<u>Fund Affected</u>	<u>Comments</u>
<i>Budget Changes (5-27-2020)</i>	\$ 110,833,419	\$ 90,977,974	\$19,855,445		
Carry Forward Operating	618,712	618,712	-	Wake Funds	Encumbured amounts from FY20
Carry Forward Capital	116,642,983	116,642,983	-	Wake Funds	Encumbured amounts from Prior Years
<i>Revised Proposed Budget</i>	\$ 228,095,113	\$ 208,239,668	\$ 19,855,445		
<i>Change due to Carryforward</i>	\$ 117,261,694	\$ 117,261,694	\$ -		
FY20 Budget (Amended)	\$ 154,223,495	\$ 162,519,854	\$ (8,296,359)		

Vehicle Rental Tax
FY21 - Proposed Budget

					% Decrease		
Vehicle Rental	FY21 Proposed Budget	FY21 Draft Budget	FY20 Adopted Budget	FY19 Actual	FY21 Proposed Budget vs FY21 Draft Budget	FY21 Draft Budget vs FY20 Budget	FY21 Proposed Budget vs FY19 Actual
Wake	\$3,524,800	\$4,520,000	\$4,406,000	\$4,258,283	-22.0%	-20.0%	-17.2%
Durham	\$1,114,500	\$1,429,100	\$1,393,148	\$1,346,369	-22.0%	-20.0%	-17.2%
Orange	\$544,300	\$697,900	\$680,347	\$657,529	-22.0%	-20.0%	-17.2%
Total Transit Plans	\$5,183,600	\$6,647,000	\$6,479,495	\$6,262,181	-22.0%	-20.0%	-17.2%
					% Decrease		
GoTriangle	FY21 Proposed Budget	FY21 Draft Budget	FY20 Adopted Budget	FY19 Actual	FY21 Proposed Budget vs FY21 Draft Budget	FY21 Draft Budget vs FY20 Budget	FY21 Proposed Budget vs FY19 Actual
Vehicle Rental Tax	\$5,183,600	\$6,647,000	\$6,479,495	\$6,262,180	-22%	-20%	-17%
Total Vehicle Rental Tax	\$10,367,200	\$13,294,000	\$12,958,990	\$12,524,361	-22%	-20%	-17%

**GOTRIANGLE
FISCAL YEAR 2021
BUDGET ORDINANCE**

BE IT ORDAINED by the Board of Trustees of GoTriangle:

Section 1. It is estimated that the following revenues will be available in the **General Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Undesignated Fund Balance Appropriated	\$2,255,120
Operating Transf From Major Transit Investment Fund	3,124,526
Vehicle Registration Tax	6,562,935
Investment Earnings	400,554
Federal Grant Revenues	300,000
Rental Income	494,427
COVID-19	7,872,802
Reimbursements from other local authorities- Go Durham	1,110,393
Indirect Cost Credits	1,540,837
Total	\$23,661,594

Section 2. The following amounts are hereby appropriated in the **General Fund** for the management of the Authority and its activities for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Board	\$136,505
Executive Office	343,462
Chief Operations Office	383,711
Communications & Public Affairs	1,000,963
Administration	506,050
Human Resources	767,480
Finance	1,715,852
EEO/DBE	133,056
Legal	615,378
Real Estate	408,236
Capital Development	234,651
Unemployment Claims	77,602
GoDurham	1,110,393
Plaza	442,700
Operating Transfer To Bus Fund	11,374,382
Operating Transfer To Rideshare Fund	855,929
Operating Transfer To Bus Cap Fund	2,199,186
Operating Transfer To Advanced Tech Fund	1,356,057
Total	\$23,661,594

Section 3. It is estimated that the following revenues will be available in the **Ridesharing Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Federal Grant Revenue	\$80,000
Regional TDM grant	815,810
State Grant Revenue	20,000
Reimbursements from other local authorities	858,524
Transfer from General Fund	855,929
Total	\$2,630,263

**GOTRIANGLE
FISCAL YEAR 2021
BUDGET ORDINANCE**

Section 4. The following amounts are hereby appropriated in the **Ridesharing Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Regional Services	\$342,153
Regional Services - Planning	\$406,319
Sustainable Travel Services	867,994
Regional Call Center	1,013,797
Total	<hr/> \$2,630,263

Section 5. It is estimated that the following revenues will be available in the **Regional Bus Service Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

NCDOT Grant Revenue	\$2,000,000
Federal Grant Revenue	1,600,000
Consignment	865,000
Bus fares	580,000
Transit Service Revenue	5,661,896
Bus accident reimbursement	40,000
Paratransit Service Revenue	654,993
Operating Transfer from General Fund	11,374,382
Total	<hr/> \$22,776,271

Section 6. The following amounts are hereby appropriated in the **Regional Bus Service Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Bus supervision	\$2,154,094
Bus operations	11,307,067
Bus maintenance	5,712,938
Vanpool	511,797
Paratransit services	3,090,375
Total	<hr/> \$22,776,271

Section 7. Copies of this Budget Ordinance shall be furnished to Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
MAJOR CAPITAL PROJECT ORDINANCE - Amendment**

BE IT ORDAINED by the Board of Trustees of GoTriangle:

Section 1. It is estimated that the following revenues will be available in the **Major Capital Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Rental Income	\$ 160,000
Operating Transfer From Major Transit Investment Fund	1,050,740
Total	<u>\$1,210,740</u>

Section 2. The following amounts are hereby appropriated in the **Major Capital Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Other Capital Expenses	\$ 1,210,740
Total	<u>\$ 1,210,740</u>

Section 3. Copies of this Budget Ordinance shall be furnished to the Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
REGIONAL BUS CAPITAL PROJECT ORDINANCE**

BE IT ORDAINED by the Board of Trustees of the GoTriangle:

Section 1. It is estimated that the following revenues will be available in the **Regional Bus Capital Project Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Federal Transit Administration	2,879,289
Reimbursements from Others	9,632,897
Operating transfer from General Fund	2,199,186
Total	<hr/> \$14,711,372

Section 2. The following amounts are hereby appropriated in the **Regional Bus Capital Project Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Capital Outlay	\$14,711,372
Total	<hr/> \$14,711,372

Section 3. Copies of this Budget Ordinance shall be furnished to the Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
ADVANCED TECHNOLOGY PROJECT FUND ORDINANCE**

BE IT ORDAINED by the Board of Trustees of GoTriangle :

Section 1. It is estimated that the following revenues will be available in the **Advanced Technology Project Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

NC Department of Transportation	\$49,818
Reimbursements from Others	1,648,925
Operating transfer from General Fund	<u>1,356,057</u>
Total	\$3,054,800

Section 2. The following amounts are hereby appropriated in the **Advanced Technology Project Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Capital outlay	<u>\$3,054,800</u>
Total	\$3,054,800

Section 3. Copies of this Budget Ordinance shall be furnished to the Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
MAJOR TRANSIT INVESTMENT FUND
BUDGET ORDINANCE AMENDMENT**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the Major Transit Investment Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Vehicle Rental Tax	\$ 5,183,600
Investment Earnings	671,419
Total	<u>\$5,855,019</u>

Section 2. The following amounts are hereby appropriated in the **Major Transit Investment Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Operating Transfer To General Fund	\$3,124,526
Operating Transfer To MTIF Capital Proj. Fund	1,050,740
Fund Balance Appropriated	1,679,753
Total	<u>\$5,855,019</u>

Section 3. Copies of this Budget Ordinance shall be furnished to the Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT - DURHAM OPERATING FUND
BUDGET ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Triangle Tax District - Durham Operating Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Article 43 ½ Cent Sales Tax	\$ 28,539,000
Vehicle Rental Tax	1,114,500
\$7 Vehicle Registration Tax	1,630,000
\$3 Vehicle Registration Tax Transfer from Durham/Orange Special Tax District	699,000
Total	\$ 31,982,500

Section 2. The following amounts are hereby appropriated in the **Triangle Tax District - Durham Operating Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Tax District Administration	\$ 405,700
Transit Plan Administration	
DCHC MPO	\$ 56,750
GoTriangle	1,616,000
Durham County	200,900
Bus Operations	
Durham County Access	\$ 190,500
GoDurham	5,715,100
GoTriangle	1,598,400
Transfer to Triangle Tax District - Durham Capital Fund	\$ 21,568,250
Allocation to Durham Operating Fund Balance	630,900
Total	\$ 31,982,500

Section 3. The FY21 Durham Transit Work Plan reflects an amendment of new projects or areas of investment to address uncertainty on revenue due to anticipated economic impact of the Coronavirus Disease 2019 (COVID-19) health crises.

DCHC MPO, GoTriangle and Durham County will monitor the actual data for sales tax collections for the period between March and July 2020 and will continue analyze the opportunity to minimize the draw down of unallocated reserves in FY 2021. The current project budgets identified are those that are deemed time-sensitive ongoing efforts or involve time-sensitive external grant sources as part of their overall funding mechanism. The FY21 Durham Transit Work Plan also identifies a list of projects that were assigned to an unbudgeted reserve cache that will be reevaluated for potential investment in the second quarter of FY 2021 (October – December 2020) when revenue data for the period of March – July of 2020 will have been collected.

Section 4. Copies of this Budget Ordinance shall be furnished to Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25TH DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT - DURHAM CAPITAL FUND
BUDGET ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Triangle Tax District Durham Capital Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Transfer from Triangle Tax District - Durham Operating Fund	21,568,250
Total	\$ 21,568,250

Section 2. The following amounts are hereby appropriated in the **Triangle Tax District - Durham Capital Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Transit Infrastructure	
GoTriangle	\$ 5,900,000
City of Durham / GoDurham	8,863,750
Vehicle Purchase	
GoTriangle	\$ 1,445,000
City of Durham / GoDurham	2,148,000
Capital - Planning	
GoTriangle	\$ 1,475,000
Allocation to Durham Capital Fund Balance	1,736,500
Total	\$ 21,568,250

Section 3. The FY21 Durham Transit Work Plan reflects an amendment of new projects or areas of investment to address uncertainty on revenue due to anticipated economic impact of the Coronavirus Disease 2019 (COVID-19) health crises.

DCHC MPO, GoTriangle and Durham County will monitor the actual data for sales tax collections for the period between March and July 2020 and will continue analyze the opportunity to minimize the draw down of unallocated reserves in FY 2021. The current project budgets identified are those that are deemed time-sensitive ongoing efforts or involve time-sensitive external grant sources as part of their overall funding mechanism. The FY21 Durham Transit Work Plan also identifies a list of projects that were assigned to an unbudgeted reserve cache, that will be reevaluated for potential investment in the second quarter of FY 2021 (October – December 2020) when revenue data for the period of March – July of 2020 will have been collected.

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Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
DURHAM/ORANGE SPECIAL TAX DISTRICT FUND ORDINANCE
[DURHAM COUNTY]**

BE IT ORDAINED by the GoTriangle Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Durham/Orange Special Tax District Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

\$3 Vehicle Registration Tax	\$699,000
Total	\$699,000

Section 2. The following amounts are hereby appropriated in the **Durham/Orange Special Tax District Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Transfer to Triangle Tax District - Durham Operating Fund	\$699,000
Total	\$699,000

Section 3. Copies of this Budget Ordinance shall be furnished to Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

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Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT - ORANGE OPERATING FUND
BUDGET ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Triangle Triangle Tax District Orange Operating Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Article 43 ½ Cent Sales Tax	\$ 7,104,000
Vehicle Rental Tax	544,300
\$7 Vehicle Registration Tax	775,000
\$3 Vehicle Registration Tax Transfer from Durham/Orange Special Tax District	332,000
Total	\$ 8,755,300

Section 2. The following amounts are hereby appropriated in the **Triangle Tax District Orange Operating Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Tax District Administration	\$ 245,700
Transit Administration	
DCHC MPO	\$ 56,750
GoTriangle	502,300
Bus Operations	
Chapel Hill Transit	\$ 2,198,700
Orange County Public Transit	743,800
GoTriangle	990,000
Transfer to Triangle Tax District - Orange Capital Fund	3,284,250
Allocation to Orange Operating Fund Balance	733,800
Total	\$ 8,755,300

Section 3. The FY21 Orange Transit Work Plan reflects an amendment of new projects or areas of investment to address uncertainty on revenue due to anticipated economic impact of the Coronavirus Disease 2019 (COVID-19) health crises.

DCHC MPO, GoTriangle and Orange County will monitor the actual data for sales tax collections for the period between March and July 2020 and will continue analyze the opportunity to minimize the draw down of unallocated reserves in FY 2021. The current project budgets identified are those that are deemed time-sensitive ongoing efforts or involve time-sensitive external grant sources as part of their overall funding mechanism. The FY21 Orange Transit Work Plan also identifies a list of projects that were assigned to an unbudgeted reserve cache that will be reevaluated for potential investment in the second quarter of FY 2021 (October – December 2020) when revenue data for the period of March – July of 2020 will have been collected.

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ATTEST:

Michael Parker, Board of Trustees Chair

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT - ORANGE CAPITAL FUND
BUDGET ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Triangle Tax District - Orange Capital Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Transfer from Triangle Tax District - Orange Operating Fund	\$ 3,284,250
Total	\$ 3,284,250

Section 2. The following amounts are hereby appropriated in the **Triangle Tax District - Orange Capital Fund** for the fiscal year beginning July 1, 2020, and ending June 30, 2021:

Capital - Planning GoTriangle	37,500
Allocation to Orange Capital Fund Balance	3,246,750
Total	\$ 3,284,250

Section 3. The FY21 Orange Transit Work Plan reflects an amendment of new projects or areas of investment to address uncertainty on revenue due to anticipated economic impact of the Coronavirus Disease 2019 (COVID-19) health crises.

DCHC MPO, GoTriangle and Orange County will monitor the actual data for sales tax collections for the period between March and July 2020 and will continue analyze the opportunity to minimize the draw down of unallocated reserves in FY 2021. The current project budgets identified are those that are deemed time-sensitive ongoing efforts or involve time-sensitive external grant sources as part of their overall funding mechanism. The FY21 Orange Transit Work Plan also identifies a list of projects that were assigned to an unbudgeted reserve cache that will be reevaluated for potential investment in the second quarter of FY 2021 (October – December 2020) when revenue data for the period of March – July of 2020 will have been collected.

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Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
DURHAM/ORANGE SPECIAL TAX DISTRICT FUND ORDINANCE
[ORANGE COUNTY]**

BE IT ORDAINED by the GoTriangle Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Durham/Orange Special Tax District Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

\$3 Vehicle Registration Tax	\$332,000
Total	\$332,000

Section 2. The following amounts are hereby appropriated in the **Durham/Orange Special Tax District Fund** for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Transfer to Triangle Tax District - Orange Operating Fund	\$332,000
Total	\$332,000

Section 3. Copies of this Budget Ordinance shall be furnished to Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT -- WAKE OPERATING FUND ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Triangle Tax District Wake** Operating Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Article 43 ½ Cent Local Option Sales Tax	\$29,786,770
Vehicle Rental Tax	3,524,800
\$7 Vehicle Registration Tax	7,088,000
\$3 Vehicle Registration Tax (Transfer from Wake Special Tax District)	3,037,000
Farebox	161,480
Other/Miscellaneous	246,000
Total	\$43,844,050

Section 2. The following amounts hereby are appropriated in the **Triangle Tax District Wake** Operating Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Tax District Administration (GoTriangle)	\$489,110
Transit Plan Administration	
GoTriangle	1,848,137
Capital Area Metropolitan Planning Organization (CAMPO)	409,999
City of Raleigh	1,102,625
Town of Cary	556,714
Community Funding Areas	
Town of Wake Forest	337,888
Town of Apex	115,000
Reserve	282,626
Bus Operations	
GoTriangle	3,225,480
City of Raleigh	11,970,871
Town of Cary	1,983,341
Wake County	374,495
Town of Wendell	4,413
Town of Zebulon	5,940
Reserve	117,000
Allocation to Wake Operating Fund Balance	-
Transfer to Triangle Tax District -- Wake Capital	21,020,410
Total	\$43,844,050

Section 3. The GoTriangle President/CEO, or his or her designee, is hereby authorized to transfer funds within appropriations under the following conditions:

- A) No transfer may be made that changes the adopted allocations to fund balance.
- B) All budget transfers will be reported to the Transit Planning Advisory Committee.
- C) All increases to an appropriation, and all transfers between appropriations, must be reviewed by the Transit Planning Advisory Committee and approved by the CAMPO and GoTriangle governing boards.

Section 4. Triangle Tax District Wake Operating funds encumbered as of June 30, 2019 by GoTriangle as the

Section 5. Copies of the Budget Ordinance shall be furnished to the Clerk, to the Board of Trustees, to the Finance Officer, and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds. Copies shall also be furnished to representatives of the Agencies under Section 2. The Budget

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
TRIANGLE TAX DISTRICT -- WAKE CAPITAL FUND ORDINANCE**

BE IT ORDAINED by the Research Triangle Regional Public Transportation Authority Board of Trustees that pursuant to section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted:

Section 1. It is estimated that the following revenues will be available in the **Triangle Tax District** Wake Capital Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Allocation from Wake Capital Fund Balance	\$28,073,369
Transfer from Wake Operating	21,020,410
Total	\$49,093,779

Section 2. The following amounts hereby are appropriated in the **Triangle Tax District - Wake** Capital Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Capital Planning	
GoTriangle	\$458,333
City of Raleigh	75,000
Wake County	30,000
Community Funding Area	
Town of Apex	207,000
Town of Morrisville	248,000
Bus Rapid Transit	
City of Raleigh	28,220,000
Allocation to Wake Capital Fund Balance	19,855,446
Total	\$49,093,779

Section 3. The GoTriangle President/CEO or his or her designee, is hereby authorized to transfer funds within appropriations under the following conditions:

- A) No transfer may be made that changes the adopted allocations to fund balance.
- B) All budget transfers will be reported to the Transit Planning Advisory Committee.
- C) All increases to an appropriation, and all transfers between appropriations, must be reviewed by the Transit Planning Advisory Committee and approved by the CAMPO and GoTriangle governing boards.

Section 4. Triangle Tax District - Wake Capital Funds are appropriated pursuant to section 13.2 of Chapter 159 of the General Statutes of North Carolina; therefore, appropriations do not lapse at the end of the fiscal year and are available for duration of the project unless subsequently recommended for reallocation by the Transit Planning Advisory Committee and approved by the CAMPO and GoTriangle governing boards, or as specified in Section 5.

Section 5. GoTriangle Finance Department has authority to close projects and/or programs and reduce appropriations upon notification of project completion by the project sponsor. When actual revenues are available in projects to be closed or which are substantially complete, GoTriangle Finance may transfer savings to Triangle Tax District Wake Capital fund balance. These funds will be then available for future appropriations which require recommendation by the Transit Planning Advisory Committee and approval by the CAMPO and GoTriangle governing boards. This section applies to current and prior year appropriations. A list of project closeouts shall be provided quarterly to the Transit Planning Advisory Committee.

Section 6. If received, Small Starts Funding from the FTA in support of the New Bern Avenue project will be awarded directly to the City of Raleigh. Expenditures funded by these federal funds will be budgeted by the City of Raleigh in their respective Transit Grant Fund. Dollars budgeted above are the local funds budgeted by the tax district and allocated to the City of Raleigh in support of this project.

Section 7. Copies of the Budget Ordinance shall be furnished to the Clerk, to the Board of Trustees, to the Finance Officer, and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds. Copies shall also be furnished to representatives of the Agencies under Section 2. The Budget Ordinance shall be entered into the Board minutes.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

**GOTRIANGLE
FISCAL YEAR 2021
WAKE SPECIAL TAX DISTRICT FUND ORDINANCE**

BE IT ORDAINED by the GoTriangle Board of Trustees:

Section 1. It is estimated that the following revenues will be available in the **Wake Special Tax** District Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

\$3 Vehicle Registration Tax	\$3,037,000
Total	<u>\$3,037,000</u>

Section 2. The following amounts hereby are appropriated in the **Wake Special Tax District** Fund for the fiscal year beginning July 1, 2020 and ending June 30, 2021:

Transfer to Triangle Tax District – Wake Operating Fund	\$3,037,000
Total	<u>\$3,037,000</u>

Section 3. Copies of this Budget Ordinance shall be furnished to the Clerk of the Board of Trustees and to the Budget Officer of this Authority to be kept on file for their direction in the disbursement of funds.

ADOPTED THIS 25th DAY OF JUNE 2020.

Michael Parker, Board of Trustees Chair

ATTEST:

Michelle C. Dawson, Clerk to the Board

June 24, 2020

To: GoTriangle Board of Trustees
From: Aaron Cain, Planning Manager, Durham-Chapel Hill-Carrboro MPO
Re: Material Changes to the Durham County Transit Plan

Summary. During the development of the FY21 Work Plan, several items were proposed by transit providers in Durham County that will substantially increase the budgets of those projects, or that are new projects, than was envisaged when the Transit Plan was adopted in 2017. Funding is available for these projects because of the discontinuation of Durham-Orange Light Rail Transit (D-O LRT) in March 2019. Per the interlocal agreement (ILA) that governs the Transit Plan, expenditure increases of more than \$500,000 on bus services are considered “material changes” and must be approved by all three governing boards of the ILA.

The projects that are deemed to be material changes are:

- Fayetteville Street Transit Emphasis Corridor – scope and budget enlarged
- Bus Stop Access Improvements – new project
- Bus Speed and Reliability – new project
- Electric Vehicle Acquisition – new project
- GoDurham CAD/AVL – new project

The Durham County Board of Commissioners and the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO) Board approved these changes at their May 11 and May 13, 2020, meetings, respectively.

Background. In 2013, the Durham County Board of Commissioners, the DCHC MPO, and GoTriangle adopted an ILA to govern procedures for amending the Bus and Rail Investment Plan, which was originally adopted in 2011. In 2017, a new Durham County Transit Plan was adopted, and the ILA procedures extended to the new Transit Plan. The ILA stipulates that a change of more than \$500,000 to bus services is considered a material change, and therefore must be approved by all three parties to the ILA.

Several items are considered material changes because of the amount of funding increase that is requested in the FY21 Work Plan. All of these funding requests have been deemed to be within budget in FY21. The FY21 Work Plan was approved by the Durham Staff Working Group (SWG) on June 9, 2020. A short description of each project is given below, and the project sheet for each project is attached.

Fayetteville Street Transit Emphasis Corridor – a Transit Emphasis Corridor (TEC) is a set of infrastructure improvements to provide additional amenities to transit riders, upgrade pedestrian and/or bicycle facilities to improve access to transit, and roadway construction to improve the reliability of transit vehicles. The 2017 Plan only budgeted \$2.6M for TECs. However, in order to fully realize the benefits that TECs can provide to transit users and providers, as well as address increasing costs of pedestrian infrastructure, the amount requested by the City of Durham is significant. The City of Durham proposed to expand the scope of the Fayetteville Street

TEC to encompass the length of the street from Lakewood Avenue to Riddle Road. The budget will increase to a total of \$10.78M, \$2M of which will be budgeted in FY21.

Bus Stop Access Improvements – this project is complementary to the bus stop improvements being managed by GoTriangle. This project will enhance the pedestrian infrastructure around the improved stops to increase access, such as filling in sidewalk gaps, crosswalks, signals, and signage. \$125,000 was approved in FY20 for design, \$1,125,000 is requested in FY21 for construction.

Bus Speed and Reliability – this project will identify locations where buses experience delays, slow travel speeds, safety concerns, conflicts with other vehicles or infrastructure, and construct treatments to improve bus speed and reliability. In FY20, \$500,000 was provided to conduct reviews and design improvements. In FY21, \$1.5M is requested to implement the improvements, such as signage, pavement markings, flexible delineator posts, or equipment needed for vehicles, traffic signals, or other infrastructure to enable improved bus performance. Efforts will be coordinated with other projects such as transit emphasis corridor planning, roadway resurfacing, transit center improvements, access to transit for pedestrians and other users, and other vehicle and roadway projects related to bus service in Durham and for related project management and administration expenses.

Electric Vehicle Acquisition - in anticipation of the update to the Durham County Transit Plan, additional expansion vehicles will be needed to provide new peak service. Purchase of electric buses is the preferred option because the City of Durham adopted a resolution endorsing the development of a fundable action plan toward a road map to carbon neutrality in City operations by 2040. The proposed vehicles will be deployed to new service to address crowded trips on the GoDurham system that reduce comfort, speed, and reliability of the system. Ordering in FY21 will ensure vehicles are delivered and additional charging infrastructure is in place upon implementation of expanded service. The 2017 Plan only proposed the purchase of one vehicle for GoDurham since buses were to be redeployed and complementary to light rail service. However, with the discontinuation of D-O LRT in the immediate future local bus service will be the primary form of transit. This is a multi-year project requesting \$6,444,000 over two years, split evenly between FY21 and FY22.

GoDurham CAD/AVL – this project will cover the one-time cost associated with the purchase and installation of Computer-Aided Dispatch/Automated Vehicle Location (CAD/AVL) technology for GoDurham buses. The project request aligns with the recommendations of the Regional Technology Plan, which was developed by the regional partners to ensure that they would optimize future technology investments. GoDurham has requested \$1.5M for this project.

Issues. These projects would add approximately \$21.3M in spending over the next several years on bus services and capital from the Durham Transit Tax Fund. This amount could affect the availability of funding for other major capital investments in the next 2-4 years. No particular project, if any, has been identified. Any major capital projects will come from the development of a new Transit Plan.

Development of the new Transit Plan has begun. Initial community engagement for the new Transit Plan has shown a desire for improved bus service in Durham; further engagement is required to receive more specific input.

Alternatives. The GoTriangle Board of Trustees could choose not to approve the material change for any or all of the projects discussed in this memo. Per the ILA, all three bodies must approve any material change for it to go into effect.

Contact. Aaron Cain, Planning Manager, DCHC MPO, aaron.cain@durhamnc.gov



NC Capital Area Metropolitan Planning Organization

Staff Report

One City Plaza
421 Fayetteville Street
Suite 203
Raleigh, NC 27601

Agenda Date: 6/17/2020

Agenda Item: 5.3

To: Executive B

FY 2021 Recommended Wake Transit Work Plan

Bret Martin, MPO Staff

At its April 22, 2020, regular meeting, the Wake County Transit Planning Advisory Committee (TPAC) recommended a fiscal year (FY) 2021 Wake Transit Work Plan to CAMPO and the GoTriangle Board of Trustees for their consideration of approval in June. In preparation for a June consideration of approval, CAMPO staff provided as information an overview of the FY 2021 Recommended Wake Transit Work Plan to the Executive Board at its May 20th regular meeting. The Executive Board also held a public hearing on the FY 21 Work Plan at its May meeting. No public comments were received at the public hearing. A copy of the TPAC-recommended FY 2021 Wake Transit Work Plan is included as **Attachment A**. The FY 2021 Recommended Wake Transit Work Plan was released for a 30-day public comment period on May 15th that will run through June 14th.

Annual Wake Transit Work Plans contain a number of elements that work to authorize and institutionalize Wake County Transit Plan implementation investment decisions, including:

- 1) Annual operating and capital budgets and corresponding ordinances;
- 2) Annual updates to a 10-year multi-year operating program for future operating expenditures;
- 3) Annual updates to a 10-year capital improvement plan (CIP) for future capital expenditures;
- 4) Annual updates to the transit plan's supporting financial plan and model assumptions; and
- 5) Capital and operating funding agreements that support and are supported by the annual budgets.

For the TPAC-recommended FY 2021 Wake Transit Work Plan, all of the aforementioned elements are included in **Attachment A** with the exception of the annual capital and operating funding agreements. The TPAC-recommended project agreement structure, including groupings of projects for each agreement and required reporting deliverables for each project type, is provided as **Attachment B**.

In transitioning from the FY 2021 Draft Wake Transit Work Plan released by the TPAC for public comment in January to the most recent TPAC-recommended version, an unfortunate but important reality to note is the FY 2021 Recommended Wake Transit Work Plan's response to uncertainty regarding public transportation sales tax collections during and recovering from the Coronavirus Disease 2019 (COVID-19) pandemic. With social distancing and 'stay-at-home' measures to control the spread of COVID-19, economic activity in the county has slowed immediately and in dramatic fashion. Out of an abundance of caution, the FY 2021 Recommended Wake Transit Work Plan only reflects immediate investment in a small portion of the new projects or areas of investment reflected in the FY 2021 Draft Wake Transit Work Plan. The remaining projects are assigned to an 'unbudgeted reserve' queue that will be revisited in the fall of 2020 when sales tax data for the period most immediately impacted by the COVID-19 pandemic will have been acquired to more cautiously inform investment decisions for the remainder of FY 2021 and future years.

Subsequent to the Executive Board's May meeting, at which CAMPO staff presented the TPAC-recommended FY 2021 Wake Transit Work Plan as information, GoTriangle finance staff recommended a reduction of \$995,200 to the amount of vehicle rental tax revenue originally assumed for FY 21 as part of the TPAC recommendation. This would change the assumed rental vehicle tax revenue amount to \$3,524,800. This

recommendation comes with a commensurate increase (\$995,200) to the FY 21 sales tax revenue assumption, which would bring the total assumed amount from sales tax to \$29,786,770.

Further, a number of comments have been received in response to the May 15th - June 14th public comment period. Because the public comment period will not end until June 14th, a final summary of comments received will be provided to the Executive Board following the distribution of this staff report and associated attachments early in the week of June 15th.

Requested Action: Consider: 1) Approval of the FY 2021 Recommended Wake Transit Work Plan and its corresponding project agreement structure, with the revenue assumption modifications recommended by GoTriangle staff; and 2) Authorize the Executive Director to execute all FY 2021 Work Plan project-level agreements to which CAMPO is a party.