

---

Wednesday, October 26, 2022

12:00 p.m.

GoTriangle Board Room

---

**Board members present** | Will Allen III, Brenda Howerton [arr. 12:19 p.m., left 1:31 p.m.], Sig Hutchinson, Vivian Jones [left 1:16 p.m.], Renée Price, Jennifer Robinson, Stelfanie Williams

**Board members attending remotely** | Elaine O'Neal

**Board members absent** | Corey Branch, Michael Fox, Valerie Jordan, Michael Parker [excused]

Chair Sig Hutchinson officially called the meeting to order at 12:10 p.m. A quorum was present.

**I. Adoption of Agenda**

**Action:** On motion by Jones and second by Price the agenda was adopted. Upon vote the motion was carried unanimously.

**II. Public Comment**

No comments.

**III. Consent Agenda**

**Action:** A motion was made by Allen and seconded by Robinson to approve the consent agenda. Upon vote the motion was carried unanimously.

The following consent agenda items were approved:

- September 28, 2022 | Regular Session Minutes.
- 2023 meeting calendar.\*
- Interlocal agreement with City of Durham and Town of Chapel Hill for procurement of buses, bus equipment and parts.
- Amended Board Communications Policy.\*
- Amendment to the Bylaws, Article IV, Committees.\*
- 2023 health, dental and vision benefits: BCBS of NC 5% increase, Delta Dental 9.5% increase and VSP Vision 2.98% increase with plan enhancement.\*

\*These documents are attached and hereby made a part of these minutes.

**IV. General Business Agenda**

**A. Items Removed from Consent Agenda**

None.

**B. Operations & Finance Committee Report**

Renée Price stated that several items from the committee were approved on the consent agenda. She said a bus service performance report was received and reported that ridership is increasing.

**C. Planning & Legislative Committee Report**

Vivian Jones stated that the committee received presentations and voted to recommend adoption of the 2022 Wake County Transit Community Engagement Policy.

**Action:** A motion was made by Jones and seconded by Allen to approve the 2002 Wake County Transit Community Engagement Policy. Upon vote the motion was carried unanimously.

**D. New Business**

None.

**V. Other Business****A. President and CEO's Report**

A list of contracts approved by the president and CEO is attached and hereby made a part of these minutes.

Lattuca reported on the following items:

- Discussions with the City of Durham regarding the bus operations contract are progressing. Staff is reviewing a letter for mutual termination of the contract as of September 30, 2023. The city plans to issue the RFP for the next operator of the GoDurham system.
- I visited Chatham County and met with the developer of the VinFast project and discussed transit needs related to over 10,000 new jobs that are projected to be added in the county. The board will receive a presentation in early 2023 from Chatham leaders.
- I have been talking with Senator Woodward about legislation to increase the vehicle registration fee in the region for GoTriangle and also to have it adjusted to inflation in the way DMV fees are adjusted. We also are discussing updates to the enabling legislation.

Howerton arrived.

- NCDOT and NC GO! are hosting the fourth annual NC Transportation Summit in January.
- Conversation has begun with the MPOs and counties about the rental vehicle tax and the current sharing arrangement and possible other ways to increase GoTriangle's financial basis. He stated that Sandra Freeman will give a presentation at the November Operations & Finance Committee meeting on GoTriangle's 10-year financial forecast.

Robinson asked why GoTriangle cannot keep the vehicle rental tax and why an alternate source of funds is needed. Lattuca responded the vehicle rental tax has been programmed by the counties. Allen stated that he is uncomfortable substituting a different revenue source. Lattuca stated that it would not be a permanent substitution but temporary until full restoration could happen in the next few years.

Howerton asked how the counties would replace those funds. Freeman stated that each county would determine that, but noted the half cent sales tax is significantly outperforming projections in all three counties. She reminded the board that without a change, next year's budget also would draw down on reserves. She said there is not sufficient revenue to cover operating expenses.

Robinson noted that the counties have options for raising additional revenue or increasing taxes for transit but GoTriangle only has the registration fee and vehicle rental tax. She said budgeting from reserves ever year is not sustainable.

Lattuca stated that the Interlocal agreement with Wake County would need to be amended. General Counsel Smith added that after GoTriangle decided to share half of the vehicle rental tax proceeds with the counties, Wake County codified this into its Interlocal agreement with GoTriangle. He stated that GoTriangle was granted sole authority by the legislature for those funds. He said Durham and Orange counties are trying to contractually obligate GoTriangle to share those funds in new 17-year agreements. He emphasized that the dollars are discretionary and GoTriangle is not required to share them. Smith added that he has told Durham and Orange counties that he would not recommend that the GoTriangle board approve the ILA unless language is included that recognizes the discretionary nature of the vehicle rental tax.

Robinson stated that every month the board delays taking action the next budget season gets closer. She recommended taking action directing staff to restore the vehicle rental tax to GoTriangle and amend the ILA with Wake County.

Hutchinson spoke as the chair of the CAMPO Executive Board and Wake County Board of Commissioners chair that current staff discussions are congenial and with the level of reserves GoTriangle has the matter is not urgent for today.

Freeman reminded the board that the forecast she is working on does not include capital projects or bus purchases; operating expenses alone will require a drawdown of reserves. The forecast also assumes that fares will be reinstated.

Allen agreed that the board should take action to set a time limit prior to budget season and that agree that new agreements with Durham and Orange will not constrain GoTriangle's discretion regarding the vehicle rental tax.

**Action:** A motion was made by Jones and seconded by Allen to eliminate the drawdown of reserves for the purpose of balancing the FY2024 budget unless there are extenuating circumstances.

Hutchinson stated he could not vote against Wake County and CAMPO as the chair of both boards. He said again that conversations are congenial and he feels this action could set up a confrontation with GoTriangle's partners. He said he did not feel it necessary to take action today.

Lattuca stated that more information would be available before the end of the year. Robinson stated that the board gave direction to staff in the spring during the budget discussion regarding the funds.

**Action:** Upon vote, the motion was carried 7 to 1 with Hutchinson voting in the negative.

## 1. Operations Update

The September monthly report is attached and hereby made a part of these minutes.

Vinson Hines highlighted several items:

- GoTriangle continues to experience missed trips and route cancellations, despite implementing service reductions, due to the operator shortage.
- Ridership continues to recover in a positive direction, with 6,044 average weekday boardings in September – the first month with an average over 6,000 since the pandemic started. Saturday ridership exceeds pre-pandemic averages by 54.1%. Sunday ridership continues its strong growth.

Jones left.

- Positions are being backfilled for operators, mechanics, service attendants and paratransit staff. Since the board approved a new compensation structure, 89 applications for operator have been received, compared to 25 in September. A training class will begin in November for 16, 12 of whom have a commercial driver's license and three are rehires. There will be three in the paratransit class and six in maintenance with five of those being rehires. Another class will start in December and efforts are underway to accelerate and streamline the training classes, with the addition of the mentoring program using more behind-the-wheel training.
- There have been 50 incidents where police were called year-to-date, compared to 35 in the same period last year and 42 for the calendar year 2021. The safety team continues to work with community and transit partners on supporting the homeless population.
- Based on an operator concern, operations and service planning are working to increase the number of comfort break locations along specific routes for operators.

## 2. Capital Projects Status Report

### ***RUS Bus***

Katharine Eggleston's update on RUS Bus is attached and hereby made a part of these minutes. She said an updated cost estimate is being reviewed. The team is working with the developer to resubmit the amended site plan through the city of Raleigh and coordinating with the developer on the timing for their financing for the private overbuild in order to make sure it lines up with the grant schedule. Hoffman is preparing to market the private overbuild and will be announcing a name soon.

Howerton left.

### ***Greater Triangle Commuter Rail***

Katharine Eggleston's update on the Greater Triangle Commuter Rail project is attached and hereby made a part of these minutes.

#### ***Current Estimates***

- Updated cost estimate is \$2.8-\$3.2 billion in year of expenditure.
- Annual operation and maintenance costs estimated at \$42 million.
- Daily ridership estimated at 12,000 by 2040.
- Service estimated to begin 2033-2035.

#### ***Phased Implementation Options***

<b>Start in the . . .</b>	<b>Capital Cost</b>	<b>2040 Daily Ridership</b>	<b>Complexity</b>	<b>Likely Timeframe</b>
West between W Durham and RTP	\$1.4 - \$1.6B 50% of total project cost	~3,000 25% of total trips	Highest risk	~12 years
Middle Raleigh to RTP or Ellis Rd	\$800M - \$1B 25-30% of total project cost	~4,000 33% of total trips	Medium risk	~10 years
East RUS to Auburn	\$600 - \$700M 20% of total project cost	~4,000 33 % of total trips	Lowest risk	~8 years

Eggleston stated that a phased implementation offers multiple potential paths forward, but federal and state funding availability and timeline are uncertain. There could be federal participation of 50% for phase 1 and subsequent extensions and standalone projects could receive 100% state and federal funding with a local contribution for operation and maintenance. The worst case scenario would be local funding only for phase 1 and extensions, with limited state and federal funding for standalone projects.

Eggleston stated that population density and ridership data are holding back New Starts ratings. She said continued growth in the regional and an increased commitment to adopting transit-supportive land use plans and ordinances could make Phase 1 and/or extensions more competitive. Additionally, an all-day service plan could improve the ridership outlook. However, the impact of new criteria for the New Starts program could be positive or negative on the project's rating, currently at medium-low.

Eggleston reminded the board of other state and federal opportunities that could offset some project costs:

- Safety projects for grade crossing eliminations at up to 80% federal funding and possible state funding that could be used as local match.

- Capacity projects for double-tracking projects, also eligible for up to 80% federal funding if they have benefits for intercity passenger rail and freight.
- Amtrak station improvements in Durham, Cary and Raleigh.

Eggleston shared a financial scenario starting with the central portion, which meets the current financial policy of a positive fund balance, minimum 3.0x gross debt ratio and minimum 1.25x debt service ratio:

- Statistics: Ellis Road in Durham to Raleigh Union Station - 20 miles, 7 stations,
- First year of operation FY2033
- Capital cost \$878M
- Funding: 82.5% Wake Transit Plan, 17.5% Durham Transit Plan [for illustrative purposes only], federal loan up to 80%
- The Wake Transit Plan has full capacity to maintain current committed projects with some additional capacity for other transit projects.
- The Durham Transit Plan could accommodate the project as well as all the other committed projects with limited additional capacity for other projects.

The western extension to west Durham would not be affordable with revenues currently available in the Durham Transit Plan. The estimated cost exceeds \$1.5B, depending on the timing and scope.

The eastern extension to Auburn Station in Garner would add ten miles and three stations at a capital cost of \$1.39B and could open for operations in FY2037, with a New Starts grant of 50% and federal loan of 30%. Without a New Starts grant the loan would increase to 80% and delay the opening until FY2040. Both scenarios are financially feasible under the current financial policy. There is capacity for additional transit projects utilizing financial strategies.

Allen asked about a definite date on a decision about moving forward. Eggleston estimated mid-2023. Allen also asked about the MOU with NCR which was extended for six months in March. General Counsel Smith stated that a one-year extension has been drafted and is being circulated for review. Eggleston stated that no comments or concerns about the process have been received from the parties to the agreement.

**B. General Counsel's Report**

Byron Smith echoed Lattuca's comments that discussions with the City of Durham regarding the bus operations contract has been very positive. He said interviews are being conducted for an associate General Counsel.

**C. Chair's Report**

Chair Hutchinson reminded the Board about the upcoming retreat on November 30 at NCBiotech. The facilitator, George Alwon, will be reaching out to all board members to discuss goals and expectations for retreat.

**D. Board Member Reports****1. CAMPO Executive Board Representative**

Will Allen III reported that CAMPO also received a presentation on the 2022 Wake Transit Community Engagement Policy and held a public hearing. CAMPO will take action in November. He noted that a project to adding a lane to both sides of a 14-mile stretch on I-40 from I-440 to NC 42. He said the cost has ballooned to \$432M for an additional lane of roadway, yet we argue over \$3B for commuter rail.

**2. Regional Transportation Alliance (RTA) Representative**

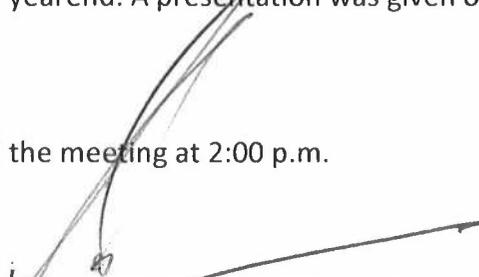
Will Allen III noted that GoTriangle had good representation at the Regional Transit Awareness Day. He noted a stark contrast of the quick train trip from Raleigh to Cary and the congested traffic the bus had to navigate from Cary to Durham. He said he also attended the I-40 regional partnership meeting talking about managed lanes.

**3. DCHC MPO Board Representative**

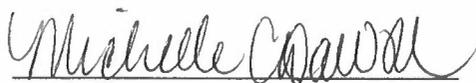
Chair Hutchinson read a report from Michael Parker. The DCHC MPO Board received the latest draft of the Orange Transit Plan. A public hearing will be held in November with approval planned by yearend. A presentation was given on the updated Durham Transit Plan as well.

**VI. Adjournment**

**Action:** Chair Hutchinson adjourned the meeting at 2:00 p.m.

  
\_\_\_\_\_  
Sig Hutchinson, Chair

Attest:



Michelle C. Dawson, CMC  
Clerk to the Board