



**BOARD OF TRUSTEES  
SPECIAL MEETING | BUDGET  
MEETING MINUTES**

4600 Emperor Boulevard  
Suite 100  
Durham, NC 27703

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Wednesday, April 19, 2023

12:00 p.m.

GoTriangle Board Room

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**Board members present** | Corey Branch [arr. 12:09], Sally Greene, Brenda Howerton, Sig Hutchinson, Vivian Jones, Michael Parker, Jennifer Robinson [arr. 12:20 p.m., left 2 p.m.]

**Board members attending remotely** | Mary-Ann Baldwin [arr. 12:20 p.m.], Elaine O'Neal [arr. 12:17 p.m., left 1:35 p.m.], Stelfanie Williams [arr. 12:36 p.m., left 2:03 p.m.]

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

Chair Sig Hutchinson officially called the meeting to order at 12:05 p.m. A quorum was present.

**I. Adoption of Agenda**

**Action:** A motion was made by Parker and seconded by Howerton to adopt the agenda. Upon vote, the motion was carried unanimously.

**II. Closed Session | Wake County Transit Governance Interlocal Agreement**

**Action:** A motion was made by Parker and seconded by Howerton to enter into closed session at 12:06 p.m. pursuant to NCGS §143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. Upon vote, the motion was carried unanimously.

Branch, Baldwin, O'Neal, Robinson, Williams arrived.

**Action:** The Board returned to open session at 1:35 p.m.

O'Neal left.

**III. FY2024 Draft Proposed Budget**

Sandra Freeman reviewed the proposed FY2024 budget workbook, which is attached and hereby made a part of these minutes.

Current GoTriangle budget assumptions for FY2024:

- Total Revenue \$57 million [no change from FY2023].
- Total Expenditures \$65 million [up from \$62 million in FY2023].
- Total deficit \$8 million [operating \$5 million, capital \$3 million].
- SMAP funding \$2.8 million [flat to FY2023].
- Vehicle Rental Tax revenues \$7 million [up from \$5.6 million in FY2023] – 50% allocated to Durham-Orange and Wake plans.
- Vehicle Registration Tax revenues of \$6.9 million [up from \$6.8 million in FY2023].

- No fares or consignments revenues budgeted.
- Plaza building expenses \$529,000; no rental income budgeted.
- Total headcount of 285, including county transit plans [down from 288 in FY2023].
- Average merit 3.5%; maximum merit 4% [up from 3% in FY2023].
- 5% increase in employee healthcare costs [no change in \$500 annual employee contribution for employee-only coverage].
- Bus revenue hours of 131,307, directly operated and including Durham, Orange and Wake [up from 123,960 hours in FY2023].
- Contracted bus service hours 9,899 [down from 11,757 hours in FY2023].
- Bus service current cost per hour \$162 [up from \$148 in FY2023].
- Capital requests \$25 million [including \$20 million for federal grants management].

#### Assumptions for the Durham Transit Plan:

- Total revenue \$44 million [up from \$39.1 million in FY2023], which includes:
  - Half [1/2] cent sales tax \$40 million.
  - Vehicle rental tax \$1.5 million.
  - \$7 county vehicle registration tax \$1.8 million.
  - \$3 regional vehicle registration tax \$0.7 million.
- Total expenditures \$27.6 million:
  - Tax district administration \$0.5 million.
  - Transit plan administration \$2.3 million.
  - Transit operations \$10.9 million.
  - Capital planning expense \$1.2 million.
  - Transit infrastructure capital expense \$12.3 million.
  - Vehicle acquisitions capital expense \$0.4 million.

#### Assumptions for the Orange Transit Plan:

- Total revenue \$11.4 million [up from \$10.6 million in FY2023], which includes:
  - Half [1/2] cent sales tax \$9.5 million.
  - Vehicle rental tax \$0.7 million.
  - \$7 county vehicle registration tax \$0.8 million.
  - \$3 regional vehicle registration tax \$0.4 million.
- Total expenditures \$11.4 million:
  - Tax district administration \$0.3 million.
  - Transit plan administration \$0.6 million.
  - Transit operations \$5.2 million.
  - Transit infrastructure capital expense \$1.1 million.
  - Vehicle acquisitions capital expense \$0.2 million.
  - Bus Rapid Transit capital expense \$4 million.

#### Assumptions for the Wake Transit Plan:

- Total revenues \$242.8 million [up from \$121.7 million in FY2023].
  - Half [1/2] cent sales tax \$120 million.

- Vehicle rental tax \$4.8 million.
- \$7 county vehicle registration tax \$6.9 million.
- \$3 regional vehicle registration tax \$2.9 million.
- Other revenue \$108.2 million.
  
- Total expenditures \$242.8 million:
  - Tax district administration \$0.6 million.
  - Transit plan administration \$6.3 million.
  - Transit operations \$29.4 million.
  - Community Funding Area operating expense \$2.7 million
  - Bus Rapid Transit capital expense \$143.2 million.
  - Bus infrastructure capital expense \$56.7 million.
  - Bus acquisitions capital expense \$3.6 million.
  - Capital planning expense \$.3 million.

Future unfunded needs and opportunities:

- Responding to market conditions and remaining competitive with operator wage increases.
- Full funding for the vehicle replacement program.
- Expanding discount/fare-free programs.
- Increasing fleet electrification.
- Expanding microtransit and on-demand program.
- Enhancing connections to the airport.
- Increasing Sunday frequency to 30 minutes.
- Increasing core route frequency to 15 minutes.
- Converting peak-only routes to all-day with weekend service.
- New routes within existing territory.
- Serving connections to Johnston and Chatham counties.

Robinson and Williams left.

Board members commented on and discussed:

- Frequency of compensation studies.
- Potential for additional joint procurement opportunities within the region.
- Potential for lease of vacant Plaza building space.
- Tax district and transit plan administration costs.

### III. Reinstatement of Fares

Katharine Eggleston reminded board members that staff is seeking direction on whether and when to return to fares. She stated that the Operations & Finance Committee had approved a recommended framework for the reinstatement of fares:

- Implement the 2019 adopted fare structure with mobile ticketing, and fare capping.
- Update GoPass program goals to include reducing barriers to access; responding to all-day travel demand, hybrid work, and varied commute patterns; and providing stable revenue for long-term GoTriangle bus service reliability, restoration and expansion.

- Seek funding from the Durham, Orange, and Wake transit work plans to implement a multi-year GoPass pilot program for low-income riders.
- Defer implementation of fare restoration to January 1, 2024, to provide adequate time to secure funding and implement the GoPass low-income pilot, ensure seamless restoration of GoPass for pre-pandemic partners, and communicate with riders.

Parker emphasized that the Operations & Finance Committee only endorsed the framework but took no position on a return to fares. He suggested that without the retention of the vehicle rental tax the only choice may be to reinstate fares; however, if the tax is retained it may be prudent to delay reinstating fares. He added that he would not like to be the only agency in the Triangle to reinstate fares. Parker said that staff should start the work on designing the low income program before the board makes a decision.


Freeman pointed out that GoPass revenues prior to 2020 were around \$1.8 million and fares, less than \$1 million. She stated that some partners have indicated an unwillingness or inability to participate in a GoPass program in a fare free environment.

#### VII. Adjournment

**Action:** Chair Hutchinson adjourned the meeting at 3:05 p.m.

  
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Sig Hutchinson, Chair

Attest:

  
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Michelle C. Dawson, CMC  
Clerk to the Board