

Durham Orange Joint Staff Working Group

Meeting Agenda

July 18, 2018

9 – 10:30 am

Orange County Planning Department
131 West Margaret Lane, Hillsborough

1. **Call to Order/Roll Call**
2. **Approval of Meeting Minutes**
 - a. April
 - b. May
 - c. June
3. **Open Issues**
 - a. **Regular Reporting**

Discuss and Calendar regular programmatic updates of projects funded by County Transit Plans, reporting by programmatic areas of Transit Service, Vehicle Purchase and Capital Improvements
 - b. **FY 2020 Work Plan Cycle**

Discuss and Calendar Project Request cycle for FY 2020 Work Plan.
Consider incorporating Transit Plan Model amounts into Initial Project Requests (Issued by GoTriangle)
 - c. **Policies and Procedures**

Break Out Session by Policy Group and Finance Group.
See attached memo for the 11 identified policies and procedures, Group members, Steps and Timeline.
4. **New Business**
5. **Adjournment**

**Durham Orange Joint Staff Working Group
April 11, 2018 Meeting Minutes**

Roll Call:

GoTriangle: John Tallmadge, Chair

DCHC MPO: Aaron Cain, Vice Chair, Meg Scully

Orange County: Travis Myren , Theo Letman

Durham County: Linda Thomas-Wallace, Evan Tennenbaum

SWG Admin: Mo Devlin, recorded minutes

Non-Voting Members listed on last page.

Item 3a. FY19 Work Plan

John Tallmadge said the most important item today was reviewing the plan

Travis commented that in reviewing the FY19 Work Plan and looking at the Request vs. Balances, and Carryforward, that the DOLRT (Durham Orange Light Rail) project line item needs to be changed. John said that Praveen has created a new form and amount for DOLRT, but acknowledged that a revised form had not been submitted for the March 16th revision deadline.

Travis asked about the capital balances and how to represent encumbered projects. Aaron Cain said that he and Mo had met at GoTriangle with their team to discuss processes that need to be developed and when. Travis said an encumbrance report needs to create 2 columns, with a separate carryforward balance, a table that sums the dollar amounts encumbered to date. John said that the GoTriangle budget has to show that. Sandra said that GoTriangle has been meeting this week (the week of April 9th) and GoTriangle will create a project authorization sheet/form, that will show an available balance. Mo asked the timeline and Sandra said that project authorization sheet/form would be ready for the GoTriangle Board in May, and it will show amounts authorized but not spent.

John said that in 2017, before the GoTriangle board approved, everyone had reviewed projects for what is important, what is preauthorized. Travis asked for clarification that preauthorized is “encumbered”, and ties to Article 43. John noted that the Project Requests have a “spent to date”, and as of 6.30.17 there was no spending.

Linda Thomas-Wallace asked are we making a distinction between available vs. spent and asked for clarification, including defining the “terms” so everyone is certain, and developing a policy that SWG can follow. Linda had questions about the Work Plan development process and access to funds in FY 2018. Sandra responded that everything spent in FY 2018 is in budget.

Craig Benedict asked several question about the Quarterly Reports, including revenues and Light Rail expenses. Praveen addressed Craig’s questions.

Linda asked about revenues in excess of plan and Sandra said Sales Tax dollar overages go to Light Rail. Travis asked what happens with a tax overage and Sandra said the financial model takes in revenue and expense and is reviewed constantly by GoTriangle staff. Praveen said

Memo to Durham Orange Joint Staff Working Group

1. Carryover policy (definition, tracking, decisions about disposition, etc.)
Documents – PP- Carryover Balance Letter, CF – Cash Flow
2. Define changes to Transit Plans, including what triggers a change, and what process must be followed to amend Plan.
Documents - Transit Plan, p.18
3. How can a sponsor request changes to projects/services to be funded (how are these made, what are thresholds for approval - SWG vs. managers vs. GoTriangle Board vs. all 3 Boards).
Documents – Wake Transit Work Plan Amendments
4. Decisions about Revenue Surplus (definition, reporting, decisions about disposition, etc.)
Documents – Transit Plan, Figure 5.4-3: Projected Transit Tax District Revenue v. Debt Service for the D-O LRT Project p.51
5. Interlocal Implementation Agreements

Document IA - Interlocal Agreement
6. Capital project encumbrances (accounting and legal documentation, tracking, reporting, etc.)
Documents - Transit Plan, p.58 6.3 Project-Specific Agreements
7. Revenue reporting template
Document - PP - D-O Interim Report FY18 3Q
8. Invoicing of Projects and Reimbursement Procedures
 - a. Farebox, FTA Revenues
Document – Transit Plan, p.22 4.1 Bus Service, p.43 Table 4.7-1. Financial Plan Key Assumptions
 - b. County Share or Splits
9. Debt Policy
Document – Wake Debt Policy
10. Revenue accounting methodology for accounting for fares in reimbursements and federal or state grants.
See 7. Invoicing of Projects and Reimbursement Procedures
11. Federal policies (particularly FTA and Transit)

**Durham Orange Joint Staff Working Group
May 16, 2018 Meeting Minutes**

May 16, 2018

May 18th by phone - 919-485-7539

May 22nd by phone - 919-485-7539

Roll Call:

GoTriangle: John Tallmadge, Chair

DCHC MPO: Aaron Cain, Vice Chair, Meg Scully (Alternate)

Orange County: Travis Myren , Theo Letman (Alternate)

Durham County: Linda Thomas-Wallace/Drew Cummings, Evan Tennenbaum (Alternate)

SWG Admin: Mo Devlin, recorded minutes

Non-Voting Members listed on last page.

Item 2 Approval of Meeting Minutes

- a. March – motion by Aaron Cain, 2nd by Theo Letman, and the motion was approved unanimously.
- b. April – tabled.

Item 3a. FY19 Draft Work Plan

The Draft Work Plan was discussed and the funding needs of the DOLRT project was identified as a problem. GoTriangle agreed to update a summary of the project, or the "DOLRT one-pager" by end of day Thurs. Aaron motioned to recommend the Work Plan be released for public comment.

3b. Financials

Jennifer Keep of GoTriangle presented quarterly reporting through March 31, 2018, and reminded the group that quarterly reimbursements for 4th Quarter are due by August 10, 2018

3c. FY 2019 Budget

John Tallmadge informed that May 23 is 1st reading of the GoTriangle budget with Draft Work Plan. Sandra Freeman and Harmon Crutchfield

3d. Policies to be Developed

John Tallmadge presented a summary memo of the polices and procedures to be worked on by SWG. The SWG divided up along 2 general areas.

Policy

Aaron

Matthew/Geoff

Nick/Kayla

Theo

Linda

Finance

Harmon

Mindy

Praveen

Rick

Meg

2. New Business

GoTriangle Budget Amendment - GoTriangle is asking to make a budget amendment in FY 2019, to bring forward carry forward balances into the budget and pay CH Transit's FY 2018 invoices.

The Orange SWG is expressing support to increase FY 2018 Budget to pay for FY 2018 Transit Services. Travis motioned to support the budget amendment, and Aaron seconded.

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May 16, 2018 Meeting Minutes**

3. Recess at 11:25

Reconvene on May 18, 2018 at 12 noon (by phone)

Voting Members – John Tallmadge, Linda Thomas-Wallace, Aaron Cain, Travis Myren

Alternates - Evan Tenenbaum, Theo Letman

Other attendees - Sandra Freeman, Katherine Eggleston, Mo Devlin

The group discussed the DOLRT project's presentation in the Work Plan, including the language and the funding table. The group asked that GoTriangle identify the source of the \$8.5 million deficit in FY 2019, identify the County amounts and make a commitment to repay. Linda asked for more information to be incorporated into the DOLRT 1-pager and after review, the County could make an informed decision about the Work Plan.

Reconvened at 5:00 pm (by phone) on May 22, 2018

Voting Members – John Tallmadge, Drew Cummings for Linda Thomas-Wallace, Aaron Cain, Travis Myren

Other attendees - Sandra Freeman

The group agreed to the new format for representing DOLRT FY 2019 expenses and carryover need. Aaron motioned that the Draft Work Plan be released for public comment, and John seconded. The Durham and Orange SWG unanimously agreed to release the Draft Work Plan for public comment.

4. Adjournment around 6pm.

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revenues are tracking to Moody's and that GoTriangle staff doesn't want to allocate overage because overages can't address year to year changes. A project authorization form is coming and will help identify funding.

Travis said each plan has a minimum cash balance and agencies can't spend more than what is authorized.

Praveen said when GoTriangle issues debt, there will be debt costs.

Craig and Linda asked questions regarding plan balances and if revenues exceed projections., Praveen said we are tracking to Plans. Travis asked if the Article 43 revenues are tracked and reported separately by Fund and County in the CAFR. Sandra said the Financial Audit will show by Fund and by County.

Rick Shreve said he was accustomed to encumbrance accounting. Typically, notes lay out that there is an obligation in place. Sandra said amounts are not encumbered in system, they are done off-line, and at some point the amounts will be spent, need to preserve.

Meg asked about the Project Requests not in Plan. Craig said we need to know how we fund these projects, and amend with Revenue. John said the reason why they are called out is for SWG to meet and decide one-time projects. Carryover \$s are a one-time use of funds. SWG can make a resolution. Aaron said we don't want to amend the Plans.

Meg asked about the GoTriangle staff in the budget. Bergen Watterson said she remembered that new staff were to be paid with carry over. Meg asked for a definition of carryover and Aaron said it is part of a larger conversation.

Linda restated her questions and concerns about the project request process.

Theo Letman asked if reports are quarterly or monthly. Sandra said GoTriangle gets information monthly and makes quarterly reports.

Craig restated his questions about revenues exceeding projections. Linda said that SWG should not agree until we know how they will be paid, and we need to think about the public perspective, including why these projects weren't encumbered in the original plan. What is the expectation for amendments over allocations. It is confusing for to the SWG and public.

John said that GoTriangle sees unspent funds and we are trying to communicate a shared burden, a project we want to pursue. Happens 1 time a year during the work plan. The guide post is the plan, these requests are small

Praveen said there is multi-year, capital vs. operation, and can't reallocate.

Linda said GoTriangle is asking for requests over authorized but SWG doesn't know what is available. John Tallmadge said the process and creation of the Work Plan is when SWG makes decision about requests and what is available. Linda asked what is available for additional

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requests. John Tallmadge asked about new projects, and about Orange Public Transportation's request. Mo Devlin said that based on the March 2018 meeting, where the item was discussed as being funded with OPT carryover, she had moved it into OPT's operating (transit service) line.

Craig Benedict said that the SWG needs to make a form for these requests, and Travis Myren asked what happened with the Admin position (.5 FTE to Tax District), at the March meeting GoTriangle said they would withdraw the request.

Saundra Freeman said GoTriangle doesn't want to throw requests out, and Travis said the position is not funded in the Transit Plans. He suggested that these projects cannot be funded unless there is carryover. Saundra said requests need to work in the model.

Travis suggested that a small group from SWG meet about these projects, he volunteered to make time, and group would review the financial tables, and review Linda's questions about carryover balances.

Saundra said that when forecasting against full year, everyone has fallen short, but at the half-year, people should know activity (what the projects will charge). Travis said by the time this goes to GoTriangle Board it needs to be ready for a rubber stamp, so it is just a technical approval.

Mo asked to understand how DOLRT would change, Saundra said a DOLRT final sheets won't be done until the budget is done, with a carryover sheet. It will need a Project Authorization form, and dollar amounts will change and timing will change.

Item 3b. Policies:

John Tallmadge said that SWG Admin and GoTriangle staff have been talking about policies. He asked for SWG input of future policies (to be created):

1. Carryover policy (definition, tracking, decisions about disposition, etc.)
2. Change to Transit Plan - what triggers a change, and a Plan amendment.
3. Requests for changes to projects/services to be funded (how are these made, what are thresholds for approval - SWG vs. managers vs. GoTriangle Board vs. all 3 Boards)
4. Decisions about Revenue Surplus (definition, reporting, decisions about disposition, etc.)
5. Capital project encumbrances (accounting and legal documentation, tracking, reporting, etc.)

Linda Thomas-Wallace asked if there is carryover does it go to a specific pot or to everyone. Pierre asked if the SWG has a multi-year approach, does it need to think about carryover. Saundra Freeman said they need to make an annual budget.

6. Federal policies (particularly FTA and Transit) – from Pierre O-O
7. Invoicing of Projects and Reimbursement Procedures. (How the Plan outlines projects "other revenues" such as farebox and grants. Saundra said that Transit Service providers need to be kept whole.

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8. Debt Policy
9. Revenue Policy or Process for accounting for fares in reimbursements. Mo Devlin asked for reporting of revenues by Source, eg. Interest income, and Grants, by Federal, State, Local. Praveen said GoTriangle needs to talk to SWG about interest income, it is not programmed by the Tax District. Sandra Freeman said SWG doesn't need a policy, just a format on GoTriangle reports it. GoTriangle can change format.

Item 3c. Invoicing Calendar

John Tallmadge reminded group of the invoicing calendar, and that GoTriangle would be producing reports on 5/11 for the 5/16 meeting.

Item 3c. SWG Admin Review of invoices

In January, John said to send invoices to Mo as SWG Admin. Mo clarified that the invoices go to GoTriangle. Meg Scully asked if SWG Admin was approving invoices, and Mo said that they was discussed at a GoTriangle meeting, but to date, SWG Admin's review of Transit Service invoices was not productive, and in the absence of a policy about invoices, guideline is the Plans, and said that her comments had not added value to the process. Sandra said that GoTriangle would be reviewing their own invoices.

Mo Devlin also brought up steps taken to understand how to make Project Agreements for Capital Projects when GoTriangle is proposing the Capital Project. She had reached out to CAMPO, who were establishing the agreements for TPAC and GoTriangle. John Tallmadge said that CAMPO lists all the agreements and Shelly in Legal Team working with them. John will have Shelly contact Mo with information.

Adjourn 1:40 pm.

Non-voting members in attendance:

1. Pierre Osei-Owusu, GoDurham,
2. Ellen Beckman, City of Durham
3. Rick Shreve, Chapel Hill Transit
4. Tom Altieri, Orange County Planning
5. Bergen Watterson, Town of Chapel Hill
6. Antony Wambui, City of Durham
7. Kevin Lewis , GoTriangle
8. Jennifer Keep, GoTriangle
9. Praveen Sridharan, GoTriangle
10. Kayla Seibel , Town of Chapel Hill
11. Craig Benedict, Orange County Planning
12. Nick Pittman; Chapel Hill Transit
13. Tina Moon, Town of Carrboro
14. Sandra Freeman; GoTriangle
15. Erik Landfried, GoTriangle

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16. Geoff Green , GoTriangle
17. Matthew Clark , GoTriangle
18. Neeton Nichols, City of Durham
19. Zach Anderson, Durham County
20. Matt Cecil, CH Transit
21. Liz Reiskoff, GoTriangle

**Durham Orange Joint Staff Working Group
June 18, 2018 Meeting Minutes**

Roll Call:

GoTriangle: Sandra Freeman for GoTriangle
DCHC MPO: Aaron Cain, Acting Chair, Meg Scully (Alternate)
Orange County: Travis Myren , Theo Letman (Alternate)
Durham County: Evan Tenenbaum (Alternate)
SWG Admin: Mo Devlin, recorded minutes
Non-Voting Members listed on last page.

3a. FY 2019 Work Plan

Aaron led a conversation that reviewed GoTriangle’s Requested changes to Draft FY19 Orange and Orange County Transit Workplans, per their letter date June 14, 2018. There was an acknowledged unreconciled difference of approximately \$1.4 million between GoTriangle’s proposed Budget Amount and the requested changes to the SWG Work Plan.

The SWG recommended the FY 2019 Work Plan for adoption with a budget not to exceed \$ 100,186,991, Evan moved and it was seconded by Travis. This was done as a joint motion of Durham and Orange Counties and passed unanimously.

3b. Policies and Procedures

The group discussed when to begin work on policy and procedures and agreed that in the July meeting, the group would devote the majority of the meeting time to this effort. The group also agreed to a date July 18th in Hillsborough and Craig Benedict would support the meeting.

3c. Staff Working Group Calendar

The group reviewed SWG monthly cycle and discussed the best meeting days and place.

The group decided that generally, future Meetings would be held on the 2nd Wednesday of month at 1pm, in Durham. For July, the meeting will be on July 18th in the morning, in Hillsborough and Craig is arranging.

Adjournment at 11:14 AM

Non-Voting Members:

Ellen Beckmann
Kayla Seibel
Jennifer Keep
Zachary Hallock
Craig Benedict
Geoff Green
Mindy Taylor
Matthew Clark
Praveen Sridharan
John Hodges-Copple (by Phone)

Memo to Durham Orange Joint Staff Working Group

3c. Policies and Procedures

Goal – Create consistency in application of Transit Plans across SWG partners.

Why – Operating issues are creating internal confusion among SWG members and support staff.

SWG Calendar	2018						2019	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Policies and Procedures								
Group Work Session - Terms & Definitions								
Definitions Review								
Definitions Adoption								
Group Work Session								
Draft Policies								
Final Draft and Policy Adoption								
FY 2020 Work Plan								
Project Requests issued by GoTriangle					11/7			
Review of Transit Plan Projects								
Project Requests Updated by Sponsors								2/13

Policy - led by Aaron Cain (DCHC MPO)

Matthew or Geoff (GoTriangle), Nick or Kayla (CH and CH Transit), Theo (Orange County), Linda (Durham County)

1. Carryover policy (definition, tracking, decisions about disposition, etc.)
2. Define changes to Transit Plans, including what triggers a change, and what process must be followed to amend Plan.
3. How can a sponsor request changes to projects/services to be funded (how are these made, what are thresholds for approval - SWG vs. managers vs. GoTriangle Board vs. all 3 Boards)
4. Decisions about Revenue Surplus (definition, reporting, decisions about disposition, etc.)
5. Interlocal Implementation Agreements

Finance - led by Mindy Taylor (City of Durham)

Harmon (City of Durham), Praveen (GoTriangle), Rick (CH Transit), Pierre (GoDurham)

6. Capital project encumbrances (accounting and legal documentation, tracking, reporting, etc.)
7. Revenue reporting template
8. Invoicing of Projects and Reimbursement Procedures.
9. Debt Policy
10. Revenue accounting methodology for accounting for fares in reimbursements and federal or state grants.
11. Federal policies (particularly FTA and Transit)

Policies and Resources – Available at [ftp://gis.dchcmo.org/Durham Orange Policy Reference Docs](ftp://gis.dchcmo.org/Durham%20Orange%20Policy%20Reference%20Docs)

Documents available

- *TP - Transit Plan*
- *BA – Budget Amendment*
- *CF - Cash Flow*
- *IA - Interlocal Agreement*
- *IA-DOLRT Interlocal Agreement for DOLRT*
- *OP - Operating Procedures*
- *PP –Carryover Balance Letter, PP - D-O Interim Report FY18 3Q PP = Past Practice*

**FTP Access Instructions with
Windows Explorer**

User Name: ftpreaduser

Password: [ftp.DCHC](#)

Example Wake Documents

- *Wake Transit Financial Policies and Guidelines*
 - *Wake Operating Fund Balance and Liquidity Policy and Guidelines*
 - *Wake Capital Fund Balance Policy and Guidelines*
 - *Wake Transit Billing, Payment and Reimbursement Policy and Guidelines*
 - *Debt Policy and Guidelines*
- *Wake Transit Work Plan Amendments*