

**Durham Staff Working Group
December 16, 2024
MEETING NOTES**

The Durham Staff Working Group met on Monday, December 16, 2024, at 1:00pm in the Durham County Admin II Building, Room 128, as well as through the Microsoft Teams platform. The following members and guests were in attendance:

Doug Plachcinski (Chair, Voting Member)	DCHC MPO
Ellen Beckmann (Vice-Chair, Voting Member)	Durham County
Jenny Green (Voting Member)	City of Durham
Jay Heikes (Voting Member)	GoTriangle
Brandi Minor	Durham County
Brooke Roper*	Durham County
Curtis Scarpignato	Durham County
Sean Egan	City of Durham
Brian Fahey*	City of Durham
Eric Simpson	City of Durham
Paul Black*	GoTriangle
Paul Kingman	GoTriangle
Steven Schlossberg	GoTriangle
Meg Scully*	GoTriangle
Austin Stanion	GoTriangle
Darlene Weaver*	Orange County

Quorum Count: 4 of 4 Voting Members

*Attended remotely

**Alternate voting member

1. Call to Order/Roll Call

Chair Doug Plachcinski called the meeting to order at 1:00 p.m. All voting members were acknowledged to be in attendance.

2. Adjustments to the Agenda

Chair Doug Plachcinski asked if there were any adjustments to the agenda. There were none.

3. Public Comment

Chair Doug Plachcinski asked if there were any public comments. There were none.

4. Administration

a. SWG Administration

i. Approval of November 2024 Minutes

Doug Plachcinski made a motion to approve the SWG November 2024 Meeting Minutes. Eric Simpson seconded the motion. The motion passed unanimously.

ii. Review Lead Agency Proposals

Brandi Minor stated that at the last SWG meeting, it was suggested that the SWG review and revise the Lead Agency Matrix and submit proposals. Since no proposals were submitted ahead of the SWG meeting, Brandi asked if the group wanted to work through the revisions now or allow more time to submit proposals. The SWG began reviewing the matrix to discuss potential changes. The Annual Work Program was discussed to remain with Durham County, with no objections from the SWG. For the Multi-year Vision Plan, there was some discussion about the need of having two lead agencies. The possibility of delaying the next full update was also mentioned. While there are budget allocations for BRT studies, concerns were raised about whether skipping a full vision plan update would limit the ability to consider new projects and services. The SWG also discussed whether or not the Transit Plan should be updated every four years or whether updates are needed more frequently for specific elements. Overall, the SWG decided there was a need for all agencies to work collaboratively on all elements, especially in terms of public outreach and engagement, which GoTriangle is proposing to not be the lead for any longer. The SWG ultimately decided to continue this discussion in the new year, to which Brandi Minor replied she would schedule a meeting after the holidays.

b. Tax District Administration

i. FY25 Q1 Results

Steven Schlossberg provided an overview of the FY25 Q1 financial results. Steven informed the SWG that there is a major discrepancy in Durham's September revenue collection for the Article 43 ½ cents sales tax, to which he has been talking with the County about. Typically, this tax yields around \$2M to \$3M monthly, but in September, it was only \$150,000, and overall, we have only collected about 17% of the expected budget. Steven mentioned that his team is trying to determine if this is a one-time anomaly related to refunds or other issues. This issue is specific to Durham, and it appears it may be potentially linked to nonprofits and colleges getting refunds. The Article 43 sales tax increased during the height of the pandemic but is now decreasing as people are spending less on office supplies and other goods. For the Vehicle Rental and Registration Fees, there are no significant issues, and these are generally consistent year over year. YTD, on the operating projects we have spent \$3.6M and in capital, we have spent \$1.5M, with \$35.88M in carryover. Steven then reviewed the Rainbow Report, which illustrates the status of all projects. Sean Egan asked about the status of the completion of the external audit, to which Steven replied it is still ongoing, with the auditors working through their findings. Steven also stated that his team is not expecting major changes in the results from the previous month's financial report. Sean also asked about the fund balance for FY25, to which Steve replied he can provide an estimate of what the fund balance is and will share it with the SWG. Steven then mentioned that his team is keeping a close eye on the available liquidity and fund balance, and some of the figures are available on SharePoint.

ii. Updated Financial Results

Steven Schlossberg provided an overview of the updated financial modeling results. At the last meeting, the FY26 Financial Model Low Point was in FY36, and it was a negative \$20M. After some adjustments, including but not limited to the \$10M for BRT, the addition of the interest income, the new funding

request for Holloway, and the Q2 amendments, the new FY26 Financial Model Low Point is still FY36, but now we are at a negative \$3.5M. This means we still need to find about \$14M to meet the financial policy minimum of \$10M in excess liquidity.

A possible path forward, which includes but is not limited to, adjusting Route 14, the TAP and Bus Stop Maintenance projects, and closing out the Light Rail and Commuter Rail projects, would result in a new FY26 Financial Model Low Point in FY36, but is now a positive \$16M. There was some discussion on the Triangle Regional Model (TRM) funding. Meg Scully asked if there would be a path forward to keep TAP, to which Steven responded that TAP, Holloway and Horton, could be accommodated if the group decides to move forward with the projects as submitted. There was a lot of discussion amongst the SWG on the TAP program and how it is being proposed for FY26. Ellen Beckmann provided an overview of her concerns with the TAP, as well as Holloway and Horton, and indicated that policies need to be implemented regarding some of these projects. GoTriangle staff provided a response to the questions raised about TAP including how oversight of this program is managed. Jay Heikes stated that the information Ellen is interested in will be shared with the GoTriangle board soon, and he offered to share it with the SWG as well. There was some discussion about what to release to the public for public comment. Sean Egan stated he finds value in releasing the projects as submitted by sponsors, assuming the financial model is positive. Steven provided a recap of which projects still need confirmation from sponsors, and indicated once those issues were resolved, he would re-run the financial model and update the SWG.

c. Public Engagement and Communication

i. GoForward website updates

Meg Scully stated there were no updates.

ii. Transit Tracker Development

Curtis Scarpignato stated he is hoping to collect data from the partners in January.

5. Work Program

a. FY26 Work Program

i. Exhibit A Overview

Brandi Minor asked for a brief update from the project sponsors on the status of their exhibits. She indicated the exhibits were due this past Friday.

ii. Decisions and Tradeoffs Discussion

This discussion was skipped on the agenda in the interest of time.

iii. Review Schedule and any upcoming tasks for next month

Brandi Minor reviewed the Work Program Development Schedule and highlighted all upcoming deadlines forthcoming in the next couple of months.

6. Project Sponsor Updates

a. GoTriangle

Jay Heikes stated that service changes are forthcoming in February, and we can check the website for more information.

b. City of Durham

No updates were provided.

c. Durham County

No updates were provided.

d. DCHC MPO

No updates were provided.

7. Next Meeting Date – January 15, 2025

Brandi Minor announced the next Durham County SWG meeting will be on Wednesday, January 15, 2025.

8. Adjournment

With no further items to discuss, the meeting was adjourned at 3:35 p.m.