

DURHAM • CHAPEL HILL • CARRBORO
METROPOLITAN PLANNING ORGANIZATION

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DATE: May 24, 2023
TO: DCHC MPO Technical Committee
SUBJECT: Durham & Orange Transit Plan Governance Study – Policies & Procedures Manual

Durham & Orange Transit Plan Governance Study – Policies & Procedures Manual for each County’s Transit Plan Implementation Plan efforts, are inclusive of:

1. Comprehensive Participation Agreements
2. Financial Policies & Procedures
3. Work Program Amendment Policies
4. Staff Working Bylaws (SWG) & Operating Procedures

Purpose: To consider adoption of the four elements listed above for each Durham and Orange County’s Transit Plan Implementation Efforts.

Background: The Durham and Orange Transit Governance ILA’s, which have been recently executed in Spring of 2023, which required the County and regional governing board partners to review and adopt a Policies & Procedures Manual, comprised of four components.

1. **Comprehensive Participation Agreement (CPA):** Formally invites the local municipalities in each County to be a party to transit plan implementation efforts. It also formally recognizes the ex-officio (non-voting) members of each County’s SWG as ‘Implementation Partners’ that will require future coordination through specific project agreements when appropriate. While it draws from each County’s Transit Governance ILAs to further apply towards municipalities and implementation partners (exclusive of state statute requirements that only apply to ILA Parties), it specifically defines criteria for eligibility to receive future County Transit Tax Revenue Funding.
2. **Financial Policies & Procedures:** Serves the Parties and Partners as a comprehensive manual regarding relevant financial policies and procedures for the purposes of transit plan implementation. This document includes:
 - a. Operating Fund Balance and Liquidity Policy and Guidelines
 - b. Billing, Payment and Reimbursement Policy and Guidelines
 - c. Debt Policy and Guidelines
 - d. Increased Cost of Existing Services (ICES)
 - e. Carryover Policy (originally approved in 2021, incorporated here for continuity)
 - f. Bus Operating Cost Per Hour Policy
 - g. Exhibit – GoTriangle Financial Policies & Procedures (for reference)
3. **Work Program Amendment Policies:** Serves the Parties and Partners as a comprehensive and clear set of thresholds to define a minor vs major amendment, and associated protocols as to who would need to approve such amendments during prescribed amendment cycles. It also outlines core roles and responsibilities for the SWG Administrator and GoTriangle regarding the processing, review and submission for consideration of any proposed Work Program Amendments.
4. **SWG Bylaws & Operating Procedures:** Serves the Parties and Partners as the formal set of bylaws and clear set of operating procedures for how the SWG is to function, elect officers, and foster

collaboration throughout each year to achieve annual work program development needs for transit plan implementation.

All local municipalities, both counties, GoTriangle and DCHC MPO have been engaging in a series of workshops in 2023. These workshops were facilitated to work through complex details regarding how best to streamline processes, but also equitably operationalize transit plan implementation efforts for all.

The remaining background information below is context that informs the purpose and need for the overall Durham-Orange Transit Governance Study.

In the early 2010's, Orange County approved a county-wide transit plan, which included a joint recommendation for the development of the Durham-Orange Light Rail Transit (DO LRT) project. In 2013, an interlocal agreement (ILA) was developed and approved by the County Board of Commissioners, DCHC-MPO Board and GoTriangle Board of Trustees. Upon the discontinuation of the DO LRT project, it was realized that a new governance framework was necessary to guide the implementation of future county transit plans.

Overall project goals include:

- Creation of a clear, operationally efficient governance structure that ensures that Orange County priorities are funded and implemented with the County transit taxes and fees.
- Formation of new levels of accountability, which includes development of an equitable set of processes, seeking to gain further community trust.

In the fall of 2021, the study invited many of you, as well as your colleagues serving on other transit plan governing boards (GoTriangle & DCHC-MPO) and staff, to participate in initial small group interviews. From those interviews, the team learned about overall needs and the study process continued to allow for a facilitated workshop with elected officials from each of the transit plan governing boards (GoTriangle & DCHC-MPO). These needs were defined through five overall elements to be incorporated into a new governance framework: Representative, Equitable, Collaborative, Transparent & Accessible.

From these five elements, you as elected officials helped to further weigh in on just how much change was necessary to be made on primary elements of the existing framework. The feedback provided leadership and guidance to develop draft alternatives for consideration in a new governance framework. Staff from all three parties to the existing governance framework attended a joint workshop in early March 2022. This workshop focused on critical elements that inform the foundation of a what a new ILA could offer to all parties.

Discussion focused on multiple alternatives of critical elements that comprise the following four areas: Membership, Voting Structures, Financial Planning, and Program & Plan Development. Throughout the summer and fall of 2022, several multi-agency staff meetings were held to work through some of the finer details of the ILA. The result is the final Transit Governance Interlocal Agreement for each County, recently adopted earlier this year.

Adoption Process and Next Steps:

Across each County, a framework has been drafted to guide appropriate documents to their approving bodies by the end of Fiscal Year 2023 (June 30, 2023):

- **Durham County, Orange County, DCHC MPO and GoTriangle**, per Transit Governance ILAs, will all need to review and approve the Comprehensive Participation Agreements, Financial Policies & Procedures, Work Program Amendment Policies, SWG Bylaws & Operating Procedures.
- **ALL local municipalities** will just need to review and adopt the Comprehensive Participation Agreement per the County in which they are located.