

DCHC MPO Policy Board

March 8, 2023

Agenda Item Abstract

Subject: Durham & Orange Transit Plan Governance Study – Interlocal Agreement Between Orange County, Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, and Research Triangle Public Transportation Authority (GoTriangle)

Attachment(s): Consultant's Memo of Transmittal, Final Orange County Transit Governance ILA Version

Information Contact: Doug Plachinski

Purpose: To consider adoption of the Orange County Transit Program Interlocal Agreement (ILA)

Background: The ILA was brought before the Board of County Commissioners on November 1, 2022, where the Board took action to adopt the ILA as presented during that meeting. Subsequently, it was brought to the MPO Policy Board for adoption on December 14, 2022 where the Board took action to defer adoption until a later date. Since that date, there have been discussions with regional partners to refine certain sections of the ILA to meet the needs of all parties based on recent respective governing board directions. A few edits were requested by study partners involved.

1. Section 2.012.d: This edit is to adequately define the role of the Vehicle Rental Tax funding source and acknowledgment of GoTriangle's Board of Trustees having sole discretion of future allocations of that funding source to local transit plan implementation efforts.
2. Section 4.02.g: This edit officially inserts each party's respective addresses for notice purposes.
3. Section 4.03: This edit formally outlines a commitment by the parties to coordinate a review of the ILA that aligns with the frequency for the multi-year transit vision plan updates (every 4 years), but also allows for a process in the event a critical amendment is necessary outside that review cycle.
4. Section 5.03.m: This edit is to enhance language that defines a responsibility of GoTriangle to not pay debt service or use local transit funding sources to fund costs associated with capital facilities outside of Orange County unless otherwise agreed to, through appropriate agreement documentation, with the Orange County Board of Commissioners.
5. Throughout the document, the phrase 'master' was used to refer to a couple different agreement types that serve more specific purposes beyond the ILA. The desire was expressed by parties to shift from the use of this phrase.
  - a. Comprehensive Participation Agreement (now formally defined in Section 2.40), was formerly referred to as the Master Participation Agreement and serves as the mechanism to formally invite parties to participate in transit plan implementation that are not explicitly parties to the ILA
  - b. Global Operating or Capital Agreement (generally defined in Section 2.022) is an agreement that encompasses a discrete logical grouping of capital projects, transit operations or studies.

This new ILA has been adopted by the Orange County BOCC as of February 21, 2023. GoTriangle Board of Trustees has adopted this new ILA as of February 22, 2023

*The remaining background is consistent with what was submitted as background for the December 14, 2022 MPO Policy Board Meeting.*

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.

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. Initial outcomes of this workshop indicate:

1. Formalizing greater involvement from multiple jurisdictions and entities at the Staff Working Group level (the technical recommending body for plan implementation elements) and associated representative voting structures
2. Clearly defining roles & responsibilities for each signatory to the updated interlocal agreement
3. Solidifying the County's role in annual work program/budget development with the tax district administrator.
4. Defining terminology and language consistently to ensure clarity and transparency for all parties who will use this updated governance framework for plan implementation in the future
5. While referencing State Statutes, the updated ILA and supporting documentation will further define equity as it relates to utilization of tax revenues throughout the County, as well as accounting for regional transit needs.

In parallel with the Interlocal Agreement development, discussions with all three parties to the agreement discussed critical elements that would require further definition or supportive guidance through supplemental policies & procedures and not be specifically codified in the ILA. These items include updated SWG Bylaws, Financial Policies, as well as incorporating plan implementation administration/management elements throughout. 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 a final Transit Governance Interlocal Agreement that reflects the study process goals and the five critical elements identified above.

All three aforementioned parties are to adopt the ILA beginning with Orange County. The staff team is continuing its work on some of the finer details of the draft supporting policies and procedures and the County staff will return to the BOCC, at a subsequent meeting before the end of FY23 for consideration of these items.