



March 13, 2015

Mr. Wendell Davis, County Manager  
 Durham County  
 200 East Main Street, 2<sup>nd</sup> Floor  
 Durham, North Carolina 27701

Mr. Tom Bonfield, City Manager  
 City of Durham  
 101 City Hall Plaza  
 Durham, North Carolina 27701

Dear Wendell and Tom:

The purpose of this letter is to communicate the amount of money that will be available in the coming fiscal year for implementation of new bus services, bus purchases, and bus capital projects consistent with the Durham County Bus and Rail Investment Plan. As you are aware, for the upcoming fiscal year, we will receive revenue from the half-cent sales tax, the \$7 increase in registration taxes levied by the County, and the additional \$3 increase in the vehicle registration fee levied by Triangle Transit.

Based on the timing of these local funding sources and the revised revenue assumptions, we provide the following availability of funding for FY 16 – Bus Operations, Bus Purchases, and Bus Capital Projects. Please note that the portion available for increased cost of existing services is estimated at one-half the projected level for FY15 receipts of the \$7 vehicle registration fee. The interlocal implementation agreement limits the use of these funds to one-half the actual receipts of the prior year. Actual receipts are currently tracking favorable to budget. Since we do not yet have a full accounting of prior year receipts, we believe using the plan’s budgeted figure for the upcoming year is the closest we can come to the intent of the implementation agreement.

**Bus Operations**

Transit Provider	New Local Funds Available for FY16	Projected Unspent Carryover Funds	Total Local Funds Available for FY16	Portion Available for Increased Cost of Existing Services
DATA/GoDurham	\$ 2,396,000	\$ 385,482	\$ 2,781,482	\$ 790,486
Durham County	\$ 176,000	\$ 86,800	\$ 262,800	--
Triangle Transit/GoTriangle	\$ 1,273,000	\$ 212,600	\$ 1,485,600	--

**Bus Purchases**

Transit Provider	New Local Funds Available for FY16	Projected Unspent Carryover Funds	Total Local Funds Available for FY16	Assumed Federal and State Grant Amounts*
DATA/GoDurham	\$ --	\$ 2,979,900	\$ 2,979,900 (65% of total)	\$ 1,604,600 (35% of total)
Triangle Transit/GoTriangle	\$ 1,387,150	\$ 149,000	\$ 1,536,150 (65% of total)	\$ 827,160 (35% of total)

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**Bus Capital Projects**

<b>Transit Provider</b>	<b>New Local Funds Available for FY16</b>	<b>Projected Unspent Carryover Funds</b>	<b>Total Local Funds Available for FY16</b>	<b>Assumed Federal and State Grant Amounts*</b>
<b>DATA/GoDurham</b>	\$ 1,175,000	\$ 1,000,000	\$ 2,175,000 (54% of total)	\$ 1,937,000 (46% of total)
<b>Triangle Transit/ GoTriangle</b>	\$ 975,000	\$ 250,000	\$ 1,422,000 (54% of total)	\$ 1,269,720 (46% of total)
<b>Shared</b>	\$ 1,100,000	\$ 337,550	\$ 1,437,550 (54% of total)	\$ 1,224,570 (46% of total)

\*Assumptions of federal and state grant funds are based on Staff Working Group consensus, and each jurisdiction is responsible for applying for those funds directly. If grant funds do not become available, each jurisdiction is responsible for managing the expenses of their program of projects to the local funds available.

We have attached a five-year revenue forecast based on the draft revisions to financial assumptions that the Staff Working Group has developed. Any request for funds to proceed with bus purchases or bus capital project spending that exceeds the total local funds available will be considered only if based on a specific detailed request to advance local revenues from future years. (Such a request has already been received from the City of Durham for the purchase of buses.) The Staff Working Group will then need to consider the implications on other projects in the Plan and must agree to the request before Triangle Transit can advance the funds.

We will provide you with a detailed program for planned spending of Triangle Transit's revenues on new Triangle Transit services and capital projects by March 31. I ask that you supply us with your programming of the bus operating and capital funds identified above by that same date, March 31. We ask that you use the attached template for providing the information about your plans. Should you choose to use some portion of these new funds to cover the "increased cost of existing service," we will need an explanation of those increased costs.

Our staff will then take no more than two weeks to review your plans to confirm their consistency with State law, the Durham County Bus and Rail Investment Plan and the Interlocal Implementation Agreement, before notifying you to proceed.

My staff and I and our Board have been pleased to work with you to give the citizens of Durham County the improved transit services they have voted to support. Please let me know if you have any questions or need more information. We look forward to receiving your program of spending for the upcoming fiscal year.

Sincerely,  
  
David D. King  
Attachments (2)

CC: Mr. William V. Bell  
Mr. Mark Ahrendsen

**Updated 5-Year Revenue Forecast for Bus Services and Capital Projects in Durham County Transit Plan**

**Bus Operations - Updated 5-Year Forecast**  
(Dollars shown in \$1000's)

Durham		FY15	FY16	FY17	FY18	FY19	FY20	Total
<b>ITA DBRIP New Hours (FY14 \$108/hr)</b>		7,474	13,707	13,548	13,930	13,932	13,932	13,932
Total Cost		\$ 832	\$ 1,574	\$ 1,653	\$ 1,700	\$ 1,753	\$ 1,807	\$ 9,437
Federal Share		\$ -	\$ 11	\$ 42	\$ 75	\$ 75	\$ 77	\$ 280
State Share	7.5%	\$ 6	\$ 43	\$ 81	\$ 85	\$ 87	\$ 90	\$ 391
Local Share		\$ 692	\$ 1,273	\$ 1,283	\$ 1,290	\$ 1,333	\$ 1,374	\$ 7,364
Farebox	15.0%	\$ 134	\$ 246	\$ 248	\$ 250	\$ 258	\$ 266	\$ 1,402
<b>DATA DBRIP New Hrs (FY14 \$89/hr)</b>		23,476	32,321	31,754	32,684	32,693	32,693	32,693
Total Cost		\$ 2,154	\$ 3,058	\$ 3,193	\$ 3,287	\$ 3,389	\$ 3,495	\$ 19,027
Federal Share		\$ -	\$ 36	\$ 151	\$ 200	\$ 199	\$ 205	\$ 791
State Share	7.5%	\$ 34	\$ 162	\$ 229	\$ 239	\$ 247	\$ 254	\$ 1,165
Local Share		\$ 1,776	\$ 2,396	\$ 2,357	\$ 2,386	\$ 2,466	\$ 2,543	\$ 14,376
Farebox	15.0%	\$ 344	\$ 464	\$ 456	\$ 462	\$ 477	\$ 492	\$ 2,695
<b>Durham County PT Service (FY14 \$20/trip)</b>		4,272	8,289	8,040	8,289	8,289	8,289	8,289
Total Cost		\$ 88	\$ 176	\$ 182	\$ 187	\$ 193	\$ 199	\$ 1,059
Federal Share		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Share	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Share		\$ 88	\$ 176	\$ 182	\$ 187	\$ 193	\$ 199	\$ 1,059
Farebox	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total New Hours - Durham County</b>		35,222	54,317	53,342	54,903	54,913	54,913	54,913
Total Cost		\$ 3,074	\$ 4,807	\$ 5,028	\$ 5,174	\$ 5,335	\$ 5,501	\$ 29,524
Federal Share		\$ -	\$ 47	\$ 192	\$ 275	\$ 274	\$ 283	\$ 1,071
State Share		\$ 40	\$ 204	\$ 310	\$ 324	\$ 334	\$ 344	\$ 1,556
Local Share		\$ 2,557	\$ 3,846	\$ 3,821	\$ 3,863	\$ 3,992	\$ 4,116	\$ 22,799
Farebox		\$ 478	\$ 710	\$ 704	\$ 712	\$ 735	\$ 758	\$ 4,097

**Bus Capital - Vehicle Acquisitions - 5-Year Forecast (thousands of dollars)**

Durham		FY15	FY16	FY17	FY18	FY19	FY20	Total
<b>ITA Bus Acquisitions DCBRIP</b>		\$ -	\$ 2,363.31	\$ -	\$ 1,004.84	\$ -	\$ -	\$ 3,368.15
Federal Share	30.0%	\$ -	\$ 708.99	\$ -	\$ 301.45	\$ -	\$ -	\$ 1,010.45
State Share	5.0%	\$ -	\$ 118.17	\$ -	\$ 50.24	\$ -	\$ -	\$ 168.41
Local Share	65.0%	\$ -	\$ 1,536.15	\$ -	\$ 653.15	\$ -	\$ -	\$ 2,189.30
<b>DATA DBRIP Bus Acquisitions</b>		\$ 4,584.50	\$ -	\$ -	\$ 1,004.84	\$ -	\$ -	\$ 5,589.34
Federal Share	30.0%	\$ 1,375.35	\$ -	\$ -	\$ 301.45	\$ -	\$ -	\$ 1,676.80
State Share	5.0%	\$ 229.23	\$ -	\$ -	\$ 50.24	\$ -	\$ -	\$ 279.47
Local Share	65.0%	\$ 2,979.93	\$ -	\$ -	\$ 653.15	\$ -	\$ -	\$ 3,633.07
<b>Totals - Durham County</b>		\$ 4,584.50	\$ 2,363.31	\$ -	\$ 2,009.69	\$ -	\$ -	\$ 8,957.50
Total Federal Share	30.0%	\$ 1,375.35	\$ 708.99	\$ -	\$ 602.91	\$ -	\$ -	\$ 2,687.25
Total State Share	5.0%	\$ 229.23	\$ 118.17	\$ -	\$ 100.48	\$ -	\$ -	\$ 447.87
Total Local Share	65.0%	\$ 2,979.93	\$ 1,536.15	\$ -	\$ 1,306.30	\$ -	\$ -	\$ 5,822.37

**Bus Capital - Facilities - 5-Year Forecast (thousands of dollars)**

Durham		FY15	FY16	FY17	FY18	FY19	FY20	Total
<b>Total Cost</b>		\$ 2,760.27	\$ 6,020.32	\$ 3,055.55	\$ 1,632.28	\$ 256.00	\$ 262.00	\$ 14,083.43
Federal Share Bus Facility	38.0%	\$ 1,048.90	\$ 2,287.72	\$ 1,161.11	\$ 620.27	\$ -	\$ -	\$ 5,118.00
State Share Bus Facility	8.0%	\$ 220.82	\$ 481.63	\$ 244.44	\$ 130.58	\$ 20.48	\$ 20.96	\$ 1,118.91
Local Share Bus Facility	54.0%	\$ 1,490.55	\$ 3,250.97	\$ 1,650.00	\$ 881.43	\$ 235.52	\$ 241.04	\$ 7,846.51

## Durham County ACCESS

**Durham/Orange County Bus and Rail Investment Plan Proposed Expenditures for FY16**

FY16 Available Bus Operating Revenue from TTA (Funded with new transit tax revenues (1/2 cent sales tax, vehicle registration tax and vehicle rental tax collected in Durham County)	\$262,800
Maximum Amount Eligible for Increased Cost of Existing Service (ICES)	\$0
FY13 Cost Per Trip	\$20.00
Budgeted FY15 Cost Per Trip	
Annualized Service Trips Provided in November 2012	5,070
Increased Cost of Existing Service (ICES)	\$ (101,400)

Proposed FY16 Expenditures on Service Expansion (Funded with new transit tax revenues (1/2 cent sales tax, vehicle registration tax and vehicle rental tax collected in Durham County)	
Proposed FY16 Expenditures on Increased Cost of Existing Service (ICES)	\$0.00
Proposed FY16 Expenditure on Existing Service above ICES	
<b>Total Proposed FY16 Expenditures</b>	<b>\$ -</b>

Estimated Farebox Recovery Ratio	
Estimated Farebox Revenue	\$ -
Estimate of Other Revenues (eg., SMAP, Sec. 5307, CMAQ)	0
<b>Total Projected Revenues</b>	<b>\$ 262,800</b>

Descriptions of Service Expansion	Time Period	Start Date	FY16 Trips	FY16 Projected Expenses	Annualized Trips	Annualized Expenses	In County Plan?	Notes
<b>Total</b>			-	\$ -	0	\$0		