

GoTriangle
Operations & Finance Committee
August 23, 2017 10:30 am-11:45 am

I. Call to Order and Adoption of Agenda

ACTION REQUESTED: Adopt agenda.

(1 minute Ed Harrison)

II. Draft Minutes - July 26, 2017

ACTION REQUESTED: Approve minutes.

(1 minute Michelle Dawson)

III. On-Demand Project - Testing a New Service Model in RTP Area

ACTION REQUESTED: Recommend Board approval of the service change recommendation to shift from four fixed-route shuttles to on-demand service.

(20 minutes John Tallmadge)

Map

IV. Renewal of Triangle Regional Model Service Bureau (TRMSB) Contract with Institute for Transportation Education and Research (ITRE)

ACTION REQUESTED: Recommend that the Board authorize the GM to sign a contract with ITRE to provide continued model development services of the Triangle Regional Model (TRM) for FY18 with a not-to-exceed (NTE) amount of \$215,000.

(15 minutes Darcy Downs)

GoTriangle Budget for TRM Project FY18

V. Draft Bylaws for GoTransit Partners

ACTION REQUESTED: Recommend approval of the bylaws for GoTransit Partners.

(15 minutes Shelley Blake)

GoTransit Partners Bylaws

VI. Adjournment

(Ed Harrison)

**GoTriangle Board of Trustees
Operations & Finance Committee Meeting Minutes
July 26, 2017**

Board Room, The Plaza, 4600 Emperor Blvd., Suite 100
Durham, NC

Committee Members Present:

William V. "Bill" Bell (arr. 10:40 am)
Ed Harrison, Committee Chair
Sig Hutchinson

Barry Jacobs (arr. 10:40 am)
Ellen Reckhow

Committee Chair Ed Harrison called the meeting to order at 10:39 am.

I. Adoption of Agenda

Action: On motion by Reckhow and second by Hutchinson the agenda was adopted. The motion was carried unanimously.

II. Approval of Minutes

Action: On motion by Reckhow and second by Hutchinson the Committee approved the minutes of the June 7, 2017, meeting. The motion was carried unanimously.

Bell and B. Jacobs arrived.

III. Enterprise Resource Planning (ERP) Phase 1 - Financial Management System Contract Award

Saundra Freeman presented a request for Phase 1 of the ERP system with Crowe Horwath LLP Microsoft Dynamics AX software financial system. She explained that phase 1 would include systems for accounting (which includes the general ledger, accounts payable, accounts receivable and reporting); human resources integration; payroll; budgeting; fixed assets (parts, inventory, reporting); procurement/purchasing; tax collection; ticket sales; contract system integration; and document control. She said the future phase 2 would bring in marketing, customer service, and operations for maintenance and facilities; and the third phase project management.

Mitchell Lodge explained that phase 1 would begin in September and take about 15 months to be fully incorporated. He added that phases 2 and 3 would run concurrently and funding would be requested for the FY19 budget.

Reckhow asked about the equity of the split being 25% Durham-Orange and 25% Wake. Freeman responded that the split was based on benefits, with the D-O LRT project being the big driver. General Manager Mann replied that based on the

amount of work over the next ten years, and the total project costs for the D-O LRT project and the Wake Transit Plan, the split is appropriate.

Action: On motion by Hutchinson and second by Reckhow the Committee voted to recommend that the Board award a contract to Crowe Horwath LLP for ERP Phase 1 - Financial Management System Contract for FY18, with a maximum dollar amount of \$880,000 and authorize the General Manager to execute the contract consistent with those terms. The motion was carried unanimously.

IV. Vanpool Service Delivery Options

John Tallmadge's presentation is attached and hereby made a part of these minutes. He explained how the vanpool program has been operated totally in-house. He stated that as gas prices have declined, interest in ridership also has declined. Tallmadge added that revenues have declined more sharply than expenses; therefore, the subsidy per vanpool has increase.

Tallmadge said in order to stabilize the amount of the subsidy, the number of customers and vanpools in service would need to be increased. This means dedicating more resources to sales and recruitment and encouraging employers to increase their subsidies for vanpools. Another solution for stabilizing the subsidy is better matching the fleet size to customer demand and adjusting vanpool prices to match a target subsidy level. Finally, Tallmadge said GoTriangle much continue to maintain a high level of customer satisfaction with its vanpool customers.

Tallmadge stated that staff also has been investigating a different delivery model for the program in order to address the increasing subsidy issue. He said the program could be fully outsourced to a third party or only for expansion of the program. He said proposals are being sought and a recommendation would come to the Committee.

B. Jacobs requested a map of current vans on the road. Tallmadge shared a list of vanpools from the GoTriangle website.

V. On-Demand Project - Testing a New Service Model in RTP Area

John Tallmadge reported that GoTriangle received a Congestion Mitigation Air Quality (CMAQ) grant from NCDOT to look at using Uber or Lyft as a substitute for Shuttle 42 in the RTP. He said there are approximately 25 trips a day on that route and costs over \$100,000 to operate. He stated that the use of Federal money requires drug and alcohol testing of drivers and that all services are ADA accessible. He added that GoTriangle has committed to enabling customers to access service without a smart phone. He said the Federal requirements exclude the sole use of Uber and Lyft for this grant project.

Tallmadge introduced Maureen “Mo” Devlin, a second year graduation student at UNC-Chapel Hill, who is managing the project. Her presentation is attached and hereby made a part of these minutes.

Devlin discussed the general problem of providing transportation for the last mile in RTP, one being the flexible schedules offered by employers, and with shuttles only providing service during peak hours, employees are not able to rely on the service outside peak hours. She added that there is a lack of awareness about how well-timed transfers are. Devlin said the dual goal of this project is increasing demand and finding a more cost effective way to provide the service.

Devlin stated that four responses were received from the Request for Information for on-demand technology and/or transportation. One of the responders, TransLoc, offered a 90-day free trial of its on-demand software. The project was re-scoped to use the TransLoc software, with transportation offered on-demand by GoTriangle.

VI. Adjournment

Action: On motion by Hutchinson the meeting was adjourned at 11:43 am.

Ed Harrison, Committee Chair

Attest:

Michelle C. Dawson, CMC
Clerk to the Board of Trustees

MEMORANDUM

TO: GoTriangle Operations & Finance Committee
FROM: Regional Services Development
DATE: August 18, 2017
SUBJECT: **On-Demand Project - Testing a New Service Model in RTP Area**

Strategic Objective or Initiative Supported

This item relates to Strategic initiative, Promote first and last-mile access (e.g., on-demand shuttle pilot project in RTP).

Action Requested

Staff requests that the Committee recommend Board approval of the service change recommendation to shift from four fixed-route shuttles to on-demand service.

Background and Purpose

The On-Demand Project is a two year research and demonstration project that will test innovative technologies to provide transportation service in and around the Research Triangle Park (RTP). The On-Demand Project's goal is to attract new transit riders to GoTriangle by enhancing transit service within the park to on demand, instead of the current fixed schedule, as well as making service available whenever GoTriangle provides service to the Regional Transportation Center (RTC), an improvement over the current peak-period only service.

After researching various service models and technologies, we have entered into a pilot agreement with TransLoc to test their OnDemand platform with our own vehicles and operators to substitute for the four current RTP Shuttles. The software will dispatch GoTriangle vehicles when requested, taking customers on a more direct route to their destination. Testing of software by GoTriangle has begun and will continue through October.

Service Proposal

Staff proposes to replace the four fixed route shuttles serving RTP and the surrounding area with service available on-demand through app, website, or phone call reservation.

The proposed service area and stop locations are identified in the attached graphic. As we learn from experience about the opportunities and limitations of this technology and service delivery model, we hope to expand the service area over the coming year.

Today, the RTP Shuttle service has four vehicles that operate on fixed routes (that is, they serve a set of specific stops in a specific order at specific times) connecting customers between the Regional Transit Center and those stops. The number of customers on each trip ranges between 0 and 9, with an average of about 3 boardings per trip. With the new service model, customers will request a ride from a set of designated stops within a designated service area using the TransLoc app, a web browser, or by phone. Immediately and automatically, a driver and vehicle will be dispatched to pick them up. Where it makes sense, rides will be grouped together on a vehicle.

Today, the RTP Shuttle service operates only during peak commuting periods, with no service offered between 9:30am and 3:30pm. With the new service model, customers may request a ride during any time between 6:30am and 6:30pm. GoTriangle will dispatch drivers and vehicles as needed.

Today, the RTP Shuttle service is scheduled to accommodate transfers with the regional routes that meet at the Regional Transit Center. With very few exceptions, all riders on the shuttles are connecting between buses. With the new service model, customers may still request a ride between the RTC and another stop in the designated service area, but they may also request point-to-point trip between stops in the service area, including to residences and restaurants. The TransLoc algorithm doesn't incorporate a desired arrival time, so the afternoon connections between shuttles and other routes at the RTC will present the most challenging test case to address. We expect to start the demonstration period with an extra vehicle available during the afternoon peak period to keep travel times to the RTC low.

Next Steps

Staff will solicit public input on the service change proposal through the middle of September. We will also be working with TransLoc's data science team to simulate the performance of the On Demand service so that we have a good sense of what our outcomes should be. We expect this work also to be complete in September. Also, staff will develop a marketing and outreach strategy for educating current customers and rolling out the new service to employees and residents in the proposed service area. The results of these three activities will be included in our final recommendation to the Board of Trustees in September.

Financial Impact

The project is funded by a Congestion Mitigation Air Quality (CMAQ) Grant administered by NCDOT for up to \$150,000 which is 80% federally funded or \$120,000, 10% state funded, or \$15,000. GoTriangle provides a 10% match of \$15,000. The expenses are associated with software licensing, project management, marketing and customer information, and the operation of additional service during mid-day hours and afternoon peak periods. We estimate these costs for the remainder of FY2018 to be \$140,000.



Attachments

- Map of Proposed Service Area and Stops

Staff Contact(s)

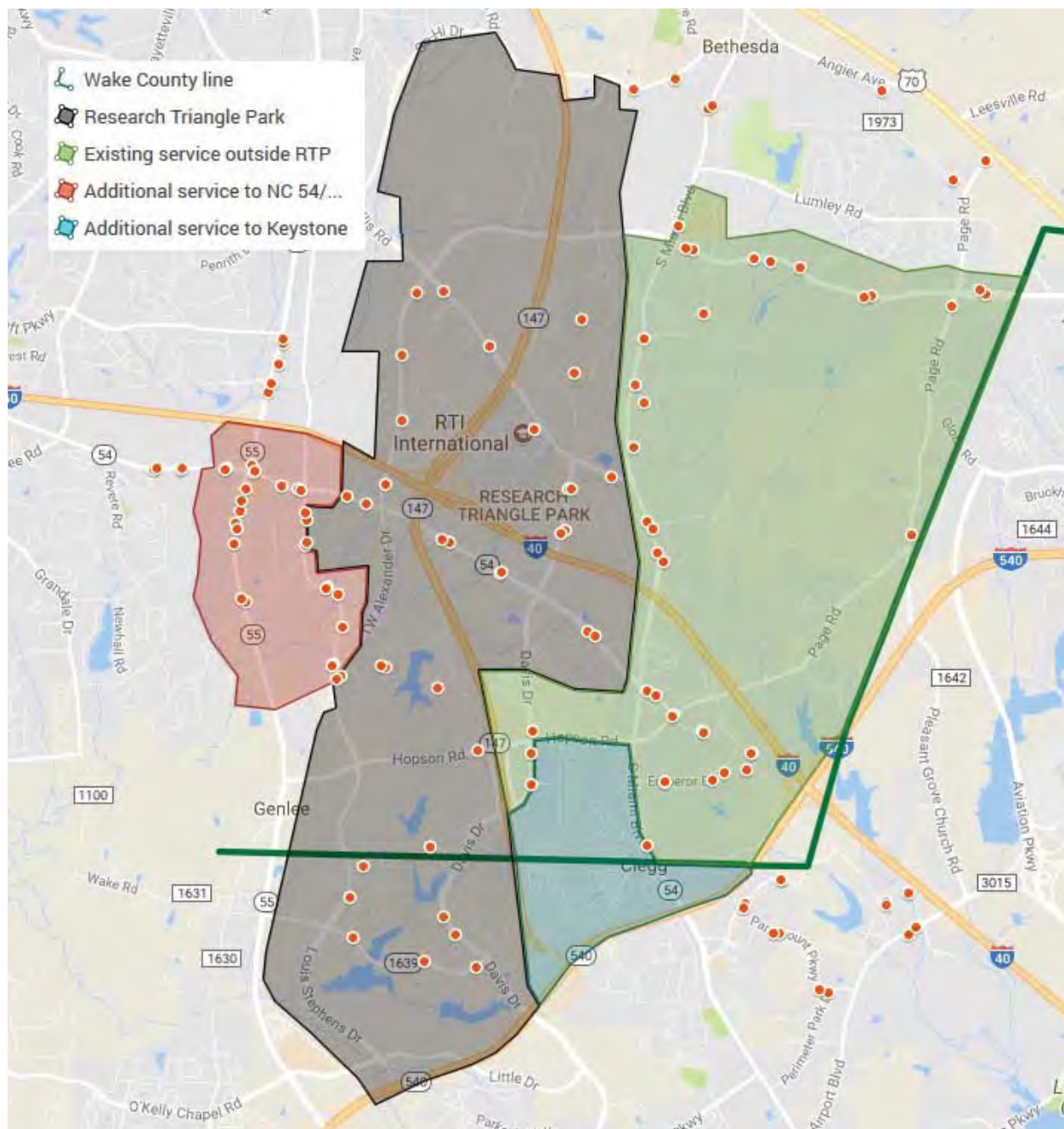
- John Tallmadge, 919-485-7430, jtallmadge@gotriangle.org
- Maureen Devlin, 919-485-7507, mdevlin@gotriangle.org



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Map of Proposed Service Area and Stops



MEMORANDUM

TO: GoTriangle Operations & Finance Committee
FROM: Capital Development
DATE: August 11, 2017
SUBJECT: **Renewal of Triangle Regional Model Service Bureau (TRMSB) Contract with Institute for Transportation Education and Research (ITRE)**

Strategic Objective or Initiative Supported

This item relates to Goal 1.1, "Increase the number of customers served with sustainable transportation services."

Action Requested

Recommend that the Board authorize the General Manager to sign a contract with ITRE to provide continued model development services of the Triangle Regional Model (TRM) for Fiscal Year 2018 with a not-to-exceed (NTE) amount of \$215,000.

Background and Purpose

The TRM Service Bureau maintains the Triangle region's travel demand forecasting model. Its work is funded through a four-way partnership involving Triangle Transit, NCDOT, DCHC-MPO, and CAMPO.

The model provides sophisticated data analysis of traffic patterns, volumes, and capacities on the Triangle road network as well as bus ridership and rail ridership forecasts for the future. The Federal New Starts process heavily utilizes regional travel demand models like the TRM to assess which rail projects to fund out of a limited pot of money at the federal level.

The model team is continually making improvements to the model to better estimate transit ridership now and in the future. Beginning this fiscal year, the TRMSB will alter the schedule on which it does Household Travel Surveying. Previously, the surveying was conducted every 10 years. However, going forward the TRMSB will conduct more frequent "rolling" surveys to obtain data in a similar manner to the American Community Survey conducted by the Federal Census Bureau. This means that the cost of surveying, instead of being a larger lump sum every 10 years will be spread out with a smaller amount included in every year's contract.

Financial Impact

The FY18 budgeted amount is \$215,000 and the funds are budgeted 50% to the General Fund (\$107,500) and 50% to the Western Tax District (\$107,500).

Attachments

- FY 18 Triangle Regional Model Service Bureau Budget

Staff Contact(s)

- Darcy B. Downs, (919) 485-7425, ddowns@gotriangle.org



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STAKEHOLDER BUDGETS ON ONE TABLE						
TRIANGLE REGIONAL MODEL SERVICE BUREAU						
BUDGET FOR FY 2018: JULY 1, 2017 TO JUNE 30, 2018						
Budget Items	Description of Level of Effort	Proposed CAMPO	Proposed DCHC	Proposed NCDOT	Proposed GoTriangle	Proposed Total
Salaries and Wages (Personnel) *						
ITRE Associate Director	5 % effort for 12 mo	\$ 1,538	\$ 1,538	\$ 1,538	\$ 1,538	\$ 6,154
Director	100 % effort for 12 mo	\$ 25,794	\$ 25,794	\$ 25,794	\$ 25,794	\$ 103,177
Senior Research Associate	100 % effort for 12 mo	\$ 22,632	\$ 22,632	\$ 22,632	\$ 22,632	\$ 90,529
Research Associate	80 % effort for 12 mo	\$ 12,360	\$ 12,360	\$ 12,360	\$ 12,360	\$ 49,440
Research Associate	100 % effort for 12 mo	\$ 6,926	\$ 6,926	\$ 6,926	\$ 34,631	\$ 55,409
Graduate Intern	50 % /sem; 100 % summer	\$ 1,722	\$ 1,722	\$ 1,722	\$ 1,722	\$ 6,889
SUBTOTAL PERSONNEL		\$ 70,973	\$ 70,973	\$ 70,973	\$ 98,678	\$ 311,597
Staff Benefits						
Staff (33%)		\$ 23,545	\$ 23,545	\$ 23,545	\$ 32,965	\$ 103,599
Graduate Intern (21%)		\$ 586	\$ 586	\$ 586	\$ 586	\$ 2,343
SUBTOTAL STAFF BENEFITS		\$ 24,131	\$ 24,131	\$ 24,131	\$ 33,550	\$ 105,943
TOTAL PERSONNEL & BENEFITS		\$ 95,104	\$ 95,104	\$ 95,104	\$ 132,228	\$ 417,540
Supplies and Materials						
(Photocopying, plotter paper, plotter ink)		\$ 100	\$ 100	\$ 100	\$ 100	\$ 400
Computer replacements (2)		\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,000
Travel						
In State		\$ 88	\$ 88	\$ 88	\$ 88	\$ 352
Out of State		\$ -	\$ -	\$ -	\$ -	\$ -
Training		\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000
Current Services						
Communications (long distance)		\$ 37	\$ 37	\$ 37	\$ 37	\$ 148
Printing and Binding		\$ -	\$ -	\$ -	\$ -	\$ -
Contracted Services						
On-call technical assistance		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000
		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
Fixed Charges						
Rental of Equipment/State Vehicles		\$ 75	\$ 75	\$ 75	\$ 75	\$ 300
Other Fixed Charges TransCAD \$1,800/ea, FORTRAN \$800, 5pm \$480		\$ 2,570	\$ 2,570	\$ 2,570	\$ 2,570	\$ 10,280
Student Aid / Tuition Remission						
In State		\$ -	\$ -	\$ -	\$ -	\$ -
Subcontract						
Household travel survey update - Resource Systems Group, Inc.		\$ 38,940	\$ 19,470	\$ 88,500	\$ 30,090	\$ 177,000
		\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER DIRECT COSTS		\$ 50,810	\$ 31,340	\$ 100,370	\$ 41,960	\$ 224,480
Facilities & Administrative Costs						
20% of MTDC **		\$ 26,395	\$ 25,289	\$ 26,395	\$ 33,819	\$ 111,898
TOTAL ESTIMATED BUDGET		\$ 172,309	\$ 151,733	\$ 221,869	\$ 208,007	\$ 753,918

Note: CAMPO portion of household survey (22% or \$38,940 out of \$177,000 total survey cost) is a separate project

* Uses a 3% growth factor/yr

** 20% based on one contract through the Master Agreement between NCSU-ITRE and NCDOT.

MEMORANDUM

TO: GoTriangle Operations & Finance Committee
FROM: Shelley Blake, General Counsel
DATE: August 16, 2017
SUBJECT: Draft ByLaws for GoTransit Partners

Strategic Objective or Initiative Supported

This item relates to the Strategic initiative, "Establish a non-profit organization to pursue grants that require a 501(c)(3) status."

Action Requested

Review and recommend approval of the bylaws for GoTransit Partners.

Background and Purpose

GoTriangle has established a nonprofit corporation, GoTransit Partners, in accordance with NCGS 159-42.1 which states that: A public authority may establish, control, and operate a nonprofit corporation that is created under Chapter 55A of the General Statutes and is a tax-exempt organization under the internal Revenue Code to further the authorized purposes of the public authority.

All nonprofit corporations must have bylaws. We have draft bylaws that we are presenting for review and to request a recommendation for approval to the full GoTriangle Board. It is important that these are put in place in order to proceed with the State and Federal filings that are necessary for the non-profit.

Financial Impact

None

Attachments

- Draft bylaws

Staff Contact(s)

- Shelley Blake, 919.485.7561, sblake@gotriangle.org

BYLAWS OF GOTRANSIT PARTNERS

Incorporated under the laws of the State of North Carolina

ARTICLE ONE

Name, Location, and Offices

- 1.1 Name. The name of the Corporation shall be GoTransit Partners.
- 1.2 Registered Office and Agent. The Corporation shall maintain a registered office in the State of North Carolina, and shall have a registered agent whose address is identical with the address of such registered office.
- 1.3 Principal Office. The principal office of the Corporation is 4600 Emperor Boulevard, Durham, North Carolina 27703.

ARTICLE TWO

Purposes, Powers, and Governing Instruments

- 2.1 Nonprofit Corporation. The Corporation shall be organized and operated as a nonprofit corporation under the North Carolina Nonprofit Corporation Act, N.C. Gen. Stat. § 55A-1-01 et seq., and N.C. Gen. Stat. § 159-42.1 (“Establishment of nonprofit corporation by public authority”).
- 2.2 Charitable Purposes. The Corporation is a “charitable or religious corporation” within the meaning of Section 55A-1-40(4) of the General Statutes of North Carolina. The purposes for which the Corporation is organized are exclusively charitable, scientific, and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. More specifically, the purpose of the Corporation is to further the authorized purposes of the Research Triangle Regional Public Transportation Authority d/b/a GoTriangle (the “Authority”), including to finance, provide, operate, and maintain a safe, clean, reliable, adequate, convenient, energy efficient, economically and environmentally sound public transportation system for the service area of the Authority.
- 2.3 Powers. The Corporation shall serve only such purposes and functions and shall engage only in such activities as are consonant with the purposes set forth in this Article Two and as are exclusively charitable, scientific, or educational and are entitled to charitable, scientific, or educational status under Section 501(c)(3) of the Internal Revenue Code. In furtherance of such purposes, the Corporation shall have full power and authority:
 - (a) To perform any and all lawful acts which may be necessary or convenient to carry out the purposes of the Corporation;
 - (b) To collaborate with other organizations, entities, or persons whose activities further accomplish, foster, or attain such purposes;
 - (c) To make distributions of money to the Authority or to convey other personal or real property to the Authority;

- (d) Subject to approval by the Authority, to make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code;
- (e) To receive and accept property, whether real, personal, or mixed, by way of acquisition, gift, bequest, or devise, from any person or entity, whether public or private, to be held, administered, and disposed of in accordance with and pursuant to the governing instruments of the Corporation, as the same may be amended from time to time;
- (f) To perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, as determined by the Board of Directors in its discretion, to carry out any of the purposes of the Corporation, as set forth in the Articles of Incorporation and these Bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the North Carolina Nonprofit Corporation Act (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).

2.4 Governing Instruments. The Corporation shall be governed by its Articles of Incorporation and these Bylaws.

ARTICLE THREE
Board of Directors

3.1 Authority and Responsibility of the Board of Directors.

- (a) Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, all of the authority of the Corporation and the government and management of the affairs of the Corporation shall be vested in the Board of Directors; and all the powers, duties, and functions of the Corporation conferred by the Articles of Incorporation, these Bylaws, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by or under the authority of the Board of Directors.
- (b) The governing body of the Corporation shall be the Board of Directors. The Board of Directors shall have supervision, control and direction of the management, affairs and property of the Corporation; shall determine its policies or changes thereto; and shall actively prosecute its purposes and objectives and supervise the disbursement of funds and other conveyances of property. The Board of Directors may, in the exercise of the powers granted, delegate certain of its authority and responsibility to an executive committee as well as other committees. Under no circumstances, however, shall any actions be taken which are inconsistent with the Articles of Incorporation and these Bylaws; and the fundamental and basic purposes of the Corporation, as expressed in the Articles of Incorporation and these Bylaws, shall not be amended or changed.

- (c) The Board of Directors shall not permit any part of the net earnings or capital of the Corporation to inure to the benefit of any member, trustee, officer, director, or other private person or individual.
- (d) The Board of Directors may, from time to time, appoint, as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the Corporation.
- (e) The Board of Directors may employ or retain such person or persons, including an executive director, officers, attorneys, trustees, agents, assistants, contractors and consultants, as in its judgment are necessary or desirable for the administration and management of the Corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.
- (f) The Board of Directors may carry out any other function, consistent with law, the Articles of Incorporation, and these Bylaws, as may be prescribed by the Authority.

3.2 Number. Initially, the Board of Directors shall have five (5) members. By an affirmative vote of the majority at a meeting, either regular or special, in which a quorum of members is present, the Board of Directors may increase the number of members up to nine (9).

3.3 Manner of Appointment. Each director of the Corporation shall be appointed by the Authority.

3.4 Term of Office. Each director shall take office at the time specified in the notice of appointment and shall continue in office for a term of three (3) years, or until his or her successor has been appointed or until the director's death, resignation, retirement, or removal. A director may not serve more than two (2) successive terms of office.

3.5 Resignation and Removal. Any director, by notice in writing to the Board of Directors and to the Authority, may resign at any time. Any director may be removed, either for or without cause, by the Authority. If a director has more than one (1) unexcused absence in a calendar year, he or she shall be automatically removed from the Corporation's Board of Directors.

3.6 Vacancies. When a vacancy on the Board of Directors exists, arising at any time and from any cause, including the authorization of an increase in the number of directors, each remaining director may nominate a candidate for the Authority's consideration. The appointment of the new director shall be made according to Article 3.3. Each director so appointed shall hold office for the duration of the unexpired term that the director is filling or until his or her successor has been appointed, or until his or her earlier death, resignation, retirement, removal or disqualification.

3.7 Committees of the Board of Directors. By resolution adopted by a majority of the directors then in office, the Board of Directors may designate from among its members one or more committees, each consisting of no fewer than two (2) directors, as provided in Article _____. Except as prohibited by law, the

Articles of Incorporation, or these Bylaws, each committee shall have the authority as set forth in the resolution establishing said committee. See also Article Eight generally (“Committees of Directors”).

3.8 Compensation. Directors shall receive no compensation, but by duly-adopted resolution of the Authority, directors may be paid for expenses associated with their attendance at Board or committee meetings or may be paid a fixed sum for attendance at such meetings. Nothing contained in the governing instruments of the Corporation shall be construed to prevent any director from serving the Corporation in another capacity other than as director and receiving reasonable compensation for services rendered to, and in furtherance of the purposes and functions of, the Corporation.

ARTICLE FOUR

Meetings of the Board of Directors

4.1 Place of Meetings. Meetings of the Board of Directors may be held at any place within the State of North Carolina as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the Corporation.

4.2 Regular Meetings; Notice. Regular meetings of the Board of Directors shall be held at least quarterly at such times, on such dates, and at such places as the Board of Directors may prescribe. Notice of the time, date, and place of each such regular meeting shall be given by the Secretary in accordance with the provisions of Article 5.1 no fewer than seven (7) days before such regular meeting.

4.3 Special Meetings; Notice. Special meetings of the Board of Directors may be called by or at the request of the Chairperson or by any two (2) of the directors in office at that time. Notice of the time, date, place, and purpose of any special meeting of the Board of Directors shall be given by the Secretary in accordance with the provisions of Article 5.1 no fewer than twenty-four (24) hours before such meeting; provided that notice shall be given at least seven (7) days prior to any special meeting the purpose of which is to consider any matter which would require the approval of a majority of the directors then in office.

4.4 Meeting Waiver. Attendance by a director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See Article Five (“Notice and Waiver”).

4.5 Quorum. At meetings of the Board of Directors, a majority of the directors then in office shall be necessary to constitute a quorum for the transaction of business.

4.6 Vote Required for Action. Except as otherwise provided in the Articles of Incorporation or these Bylaws or by law, each director then in office shall have one (1) vote, and the vote of a majority of the directors present at a meeting at which a quorum is present shall constitute the action of the Board of Directors. In several places these Bylaws require the vote of a majority of the directors then in office and such specific provisions shall be followed rather than this general authority with respect to the matters covered in such Bylaws.

4.7 Telephone and Similar Meetings. Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting by such means shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. A telephonic meeting will require the same notice as a regular meeting.

4.8 Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

4.9 Ex Officio Participants. The Authority's General Manager, General Counsel, Chief Financial Officer, and Board of Trustees (or his or her respective designee) may attend, in a nonvoting capacity, any meeting of the Board of Directors. Notice of each meeting shall be provided to the foregoing ex officio participants in accordance with Article 5.1.

ARTICLE FIVE

Notice and Waiver

5.1 Procedure. Whenever these Bylaws require notice to be given, the notice shall be given in accordance with this Article. Notice under these Bylaws shall be in writing, unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, teletype, e-mail, or other form of wire or wireless or electronic communication, or by mail or private carrier. Written notice, if in a comprehensible form, is effective at the earliest of the following:

- (a) When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence;
- (b) Five (5) days after its deposit in the United States Mail, as evidenced by the postmark, if mailed with first-class postage prepaid and correctly addressed; or
- (c) On the date shown on a written or electronic return receipt, if sent by a means generating a receipt, and the receipt is signed by or on behalf of the addressee or otherwise verified.

Oral notice is effective when actually communicated in a comprehensible manner to the person entitled to oral notice.

In calculating time periods for notice, when a period of time measured in days, weeks, months, years, or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted.

5.2 Waiver. Any notice may be waived before or after the date and time stated in the notice. Except as provided herein, the waiver must be in writing or by electronic transmission, signed by the person entitled to the notice, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. See Article 4.4 (“Meeting Waiver”).

ARTICLE SIX

Officers

6.1 Number and Qualifications. The executive officers of the Corporation shall consist of a Chairperson, a Secretary, and a Treasurer. The Board of Directors may from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the Corporation, including but not limited to a Vice Chairperson and/or an Executive Director, but the Corporation shall not be required at any time to have any officers other than a Chairperson, a Secretary, and a Treasurer. Any two (2) or more offices may be held by the same person.

6.2 Appointment and Term of Office. The executive officers of the Corporation shall be appointed annually by the Board of Directors by a majority vote of the directors then in office and shall serve until their successors have been appointed, or until their earlier death, resignation, removal, retirement, or disqualification. While holding such office, the Chairperson shall serve as a member of the Board of Directors of the Corporation.

6.3 Other Agents. The Board of Directors may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the Board of Directors, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of Directors may from time to time determine.

6.4 Removal. Any officer or agent appointed by the Board of Directors may be removed by the Board of Directors by a majority vote of the directors then in office, whenever in its judgment the best interests of the Corporation will be served thereby. However, any such removal shall be without prejudice to the contract rights, if any, of the officer or agent so removed.

6.5 Vacancies. A vacancy in any office arising at any time and from any cause may be filled for the unexpired term at any meeting of the Board of Directors by a majority vote of the directors then in office.

6.6 Chairperson. The Chairperson shall exercise general supervision of the assets, business, operations, personnel, and affairs of the Corporation, subject to the control and approval of the Board of Directors. The Chairperson shall preside over all meetings of the Board of Directors. The Chairperson shall serve as a member, with the right to vote, of any executive committee of the Board of Directors. The Chairperson shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, grant requests, and statements and reports required to be filed with state or federal officials or agencies; and the Chairperson shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with the Treasurer or the Secretary, any instrument or other writing; and he or she shall see that all orders and resolutions of the Board of Directors are carried into effect. The Chairperson shall perform such other

duties and have such other authority and powers as the Board of Directors may from time to time prescribe.

6.7 Secretary. The Secretary shall attend all meetings of the Board of Directors and record, or cause to be recorded, all votes, actions and the minutes of all proceedings in electronic format to be kept for that purpose and shall perform, or cause to be performed, like duties for the executive and other committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors. The Secretary shall keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors or the Chairperson, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the Treasurer or another director so designated by the Board of Directors. The Secretary shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the Chairperson may from time to time delegate.

6.8 Treasurer. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the Corporation and shall deposit all monies and other valuables in the name and to the credit of the Corporation into depositories designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as authorized by the Board of Directors or the Chairperson, and prepare financial statements each quarter or at such other intervals as the Board of Directors shall direct. The Treasurer shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the Chairperson may from time to time delegate.

ARTICLE SEVEN

Committees of Directors

7.1 Executive Committees. By resolution adopted by a majority of the directors in office, the Board of Directors may designate from among its members one or more executive committees, each of which shall consist of at least three (3) or more directors, including the Chairperson. Each such executive committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the affairs of the Corporation. Any action by each such committee shall be reported to the Board of Directors at its meeting next succeeding such action.

7.2 Other Committees of Directors. Other committees for specific purposes, each consisting of two (2) or more directors, one of which shall be chair, and any designated persons, may be designated by a resolution adopted by a majority of directors then in office. Such resolution shall designate the members of the committee or the method by which the members will be selected; shall establish the power, duties and responsibility of the committee; and shall establish the procedures for the committee to follow. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal. Any action by each such committee shall be reported to the Board of Directors at its meeting next succeeding such action. Any such committee may be a standing committee or an ad hoc committee, as designated by the Board of Directors.

7.3 Term of Appointment. Each member of a committee shall continue as such until his or her successor is appointed, unless the committee shall be sooner terminated, unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.4 Chair. One (1) member of each committee shall be appointed chair thereof by the Board of Directors unless the Board of Directors delegates the appointment to a vote by the committee members.

7.5 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.5 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum; and the act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.

7.6 Rules. Each committee may adopt rules for its own government, so long as such rules are not inconsistent with the Articles of Incorporation, these Bylaws, or rules adopted by the Board of Directors.

ARTICLE EIGHT

Contracts, Checks, Deposits, Funds, Budget, Financial Reporting, and Audit

8.1 Contracts. The Board of Directors may authorize any officer(s) or agent(s) of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority must be in writing and may be general or confined to specific instances.

8.2 Checks, Drafts, Notes. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer(s) or agent(s) of the Corporation so authorized by these Bylaws, or in such other manner as may from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the officers directed by the Chairperson and in the absence of such direction by the Treasurer and countersigned by the Chairperson, Vice Chairperson, or Executive Director of the Corporation.

8.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select or approve.

8.4 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, donation, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

8.5 Annual Budget and Work Plan. The Board of Directors shall develop and, following review and comment by the Authority, approve an annual budget and work plan for the Corporation. Changes that increase the budget during the fiscal year shall be approved by the Board of Directors.

8.6 Financial Reports and Records. The Corporation is required to file any and all reports to local, federal and state agencies requiring a report of the Corporation. This includes but is not limited to: corporate tax returns, sales tax receipt reports; and employee required submittals, if applicable. Annual financial reports showing assets, liabilities and pending assets shall be submitted to the Board of Directors.

8.7 Audits. The Corporation shall undergo an independent audit at such time that the total receipts exceed \$100,000 in a fiscal year. Upon request, the Authority shall have access to the financial records of the Corporation for audit or other purposes.

8.8 Fiscal Year. The fiscal year of the Corporation shall end on the last day of June or on such other date as may be fixed from time to time by the Board of Directors.

8.9 Contributions. The Corporation shall remit proof of contribution to any individual or entity that makes a tax-deductible donation to the Corporation.

ARTICLE NINE Indemnification and Insurance

9.1 Indemnification. In the event that any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the Corporation against expenses, including attorney fees (and in the case of actions other than those by or in the right of the Corporation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him or her in connection with such action, suit, or proceeding by reason of the fact that such person is or was a director or officer, including an Executive Director of the Corporation, or an agent serving without compensation or is or was serving at the request of the Corporation as a director, officer, employee, trustee, or agent of another Corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the Corporation shall determine, or cause to be determined, in the manner provided under North Carolina law whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in North Carolina law; and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by North Carolina law, including advances or reimbursements of litigation expenses to the extent permitted by North Carolina Law.

9.2 Indemnification Not Exclusive of Other Rights. The indemnification provided in Article 9.1 above shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles of Incorporation or these Bylaws, or any agreement, vote of disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer, including any Executive Director, or to serve as an agent without compensation and shall inure to the benefit of the heirs, executors, and administrators of such a person.

9.3 Insurance. To the extent permitted by North Carolina law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, trustee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, trustee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise.

ARTICLE TEN Miscellaneous

10.1 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors. The Corporation shall keep at its registered or principal office a record giving the names and addresses of the directors and any other information required under North Carolina law.

10.2 Corporate Seal. The corporate seal (of which there may be one or more exemplars) shall be in such form as the Board of Directors may from time to time determine.

10.3 Electronic Transactions. The Corporation may conduct electronic transactions in accordance with North Carolina law.

10.4 Internal Revenue Code. All references in these Bylaws to sections of the Internal Revenue Code shall be considered references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.

10.5 Construction. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these Bylaws shall be invalid or inoperative, then, so far as is reasonable and possible: The remainder of these bylaws shall be considered valid and operative; and effect shall be given to the intent manifested by the portion held invalid or inoperative.

10.6 Table of Contents; Headings. The table of contents and headings are for organization, convenience and clarity. In interpreting these Bylaws, they shall be subordinated in importance to the other written material.

10.7 Relation to Articles of Incorporation. These Bylaws are subject to, and governed by, the Articles of Incorporation.

10.8 Distribution Upon Dissolution. The Board of Directors of the Corporation, upon dissolution, shall dispose of all remaining assets to the Authority.

ARTICLE ELEVEN
Amendments

11.1 Power to Amend Bylaws. By a majority vote of the directors then in office, the Board of Directors may approve new or amended Bylaws; provided, however, that such new or amended Bylaws shall not become effective until further approved in writing by the Authority.

ARTICLE TWELVE
Tax-Exempt Status

12.1 Tax-Exempt Status. The affairs of the Corporation at all times shall be conducted in such a manner as to assure the Corporation's status as an organization qualifying for exemption from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

ARTICLE THIRTEEN
Director or Officer Conflicts of Interest

13.1 Conflict of Interest Transaction. No director or officer of the Corporation, or any family member of such director or officer, or any corporation, partnership, association, trust or other entity in which such director or officer, or family member of such director or officer, serves as a director, officer, partner or trustee, or has a financial interest, shall be permitted to enter into any contract or transaction with the Corporation unless:

- (a) Such director or officer discloses to the Board of Directors of the Corporation the material facts as to his or her or his or her family member's relationship with or interest in the entity proposing to enter into the contract or transaction with the Corporation, and the Board of Directors authorizes the contract or transaction by a majority vote of the disinterested directors (even though the disinterested directors may constitute less than a quorum); and
- (b) The contract or transaction is fair to the Corporation.

13.2 Fairness to the Corporation. Factors to be considered in determining whether the contract or transaction is "fair" to the Corporation include an examination of the following:

- (a) The price and terms of the contract or transaction (the price and terms of the contract or transaction may vary, but must be on a level which the Board of Directors would accept in an arm's-length negotiation, in light of the knowledge that the Board of Directors would reasonably have acquired in the course of such negotiation); and
- (b) Whether the Board of Directors would reasonably determine that the contract or transaction was in the best interests of the Corporation.

13.3 Remedies for Violation of Conflict of Interest Requirements. If a director or officer of the Corporation, or any family member of such director or officer, or any corporation, partnership,

association, trust or other entity in which such director, officer or family member of such director or officer serves as a director, officer, partner or trustee, or has a financial interest, enters into any contract or transaction with the Corporation without complying with the requirements described above, the Board of Directors may, at its sole discretion:

- (a) Void the contract or transaction in its entirety and recover from such director or officer any damages and expenses suffered or incurred by the Corporation as a result of the contract or transaction; or
- (b) Modify the price and terms of the contract or transaction so that the Corporation receives a price and terms comparable to what the Corporation would receive in an arm’s-length negotiation.

ARTICLE FOURTEEN
Adoption of Bylaws

These Bylaws of GoTransit Partners were adopted by the Board of Trustees of the Research Triangle Regional Public Transportation Authority d/b/a GoTriangle and the Board of Directors of the Corporation, and became effective, as of _____.

APPROVED:

Research Triangle Regional Public Transportation Authority d/b/a GoTriangle

By: _____
_____, Chairperson

GoTransit Partners

By: _____
_____, Chairperson