



TRIANGLE J COUNCIL OF GOVERNMENTS

World Class Region

MINUTES

Board of Delegates Meeting

Wednesday, May 27, 2020

6:00 PM

Held via simultaneous communication on WebEX

Delegates and Alternate Delegates Attending:

Wilma Laney, Town of Aberdeen
Bob Smith, Town of Angier
Brett Gantt, Town of Apex
Mark Wilson, Town of Archer Lodge
Thomas Beal, Town of Broadway
David Seiberling, Town of Cameron
Ranee Haven-O'Donnell, Town of Carrboro
Jennifer Robinson, Town of Cary
Jim Crawford, Chatham County
DeDreana Freeman, City of Durham
Larry Smith, Town of Fuquay-Varina
Kathleen Ferguson, Town of Hillsborough
Shaun McGrath, Town of Holly Springs
Jessica Day, Town of Knightdale (A)

Amy Dalrymple, Lee County
Satish Garimella, Town of Morrisville
Steve Rao, Town of Morrisville (A)
Sally Greene, Orange County
Kevin Drum, Village of Pinehurst
Donald Rains, Town of Princeton
Ronnie Currin, Town of Rolesville
Michelle Medley, Town of Rolesville (A)
Rebecca Whyhoff-Salmon, City of Sanford
Byron McAllister, Town of Selma
Bill Haiges, Town of Siler City
Chad Sary, Town of Wake Forest
David McGowan, Town of Wilson's Mills

Delegates Absent:

Jerry Medlin, Town of Benson (E)
Michael Parker, Chapel Hill
Ken Marshburn, Town of Garner
Butch Lawter, Johnston County (E)
Pamela Baldwin, Town of Pittsboro

Andy Moore, Town of Smithfield
Carol Haney, Town Southern Pines
Sig Hutchinson, Wake County
Jim Uzzle, Town of Wilson's Mills (E)
Larry Loucks, Town of Zebulon

(A) – Alternate Delegate (E) – Excused Absence

TJCOG staff attending:

Lee Worsley, Executive Director
Hallie Allen, Office Assistant
Renée Boyette, Administration & Member Services Director

Alana Keegan, Engagement Specialist
Judy Weller Finance Director

Call to Order, Welcome, Roll Call and Declaration of Quorum

First Vice-Chairman Donald Rains called the meeting to order at 6:02 PM and welcomed all attendees. Lee Worsley, TJCOG Executive Director announced the new legal requirement from the General Assembly to conduct all votes with a roll call. Renée Boyette, Administration & Member Services Director, conducted the roll call to verify the attendance of delegates and alternates, then declared a quorum was present.

Review of Agenda

First Vice-Chair Rains presented the agenda for the May 27, 2020 Board of Delegates meeting and asked if any delegates wanted to make changes to the agenda as presented. Hearing none, Mr. Worsley specified that for the purpose of reducing roll call votes, it was up to the discretion of the Chair to make additions or deletions. First Vice-Chair Rains elected to move forward with the agenda as presented, with the understanding that he would remove an item from the consent agenda for further discussion if needed.

Recognitions and Presentations

- **Request for Membership in TJCOG – Town of Pine Level**

Ms. Boyette shared that the Town of Pine Level has completed the requirements to petition for membership with TJCOG, which includes adopting a resolution in support of TJCOG's Charter and Bylaws. She said the Town of Pine Level appointed Mayor Jeff Holt and Commission Greg Baker as the Delegate and Alternate Delegate, respectively.

Mr. Rains shared that he advised Pine Level officials on areas where TJCOG might be able to provide support in some of their operations. Mr. Rains also shared that Pine Level is a town of 18,000 residents and he looks forward to their participation in TJCOG pending Board of Delegates approval.

Ms. Ferguson made a motion to approve the Town of Pine Level in their request for membership in TJCOG; Ms. Dalrymple seconded the motion. Ms. Boyette conducted the vote via roll call; the motion passed unanimously.

- **COVID-19 Impacts and Outlook for RDU Airport**

Alana Keegan, Engagement Specialist, introduced Michael Landguth, President and CEO of the Raleigh-Durham Airport Authority. Mr. Landguth stated when he was asked to give this presentation a few months ago, conversations about COVID were unimaginable. Highlights from Mr. Landguth's presentation follow:

Airline industry

COVID has caused a worldwide impact on the airline industry and it happened almost instantaneously. Delta Airlines owns about 900 airplanes worldwide. In Atlanta, GA, Delta Airlines has parked 600 of those airplanes. Worldwide, 61% or about 16,000 commercial airplanes are currently parked. COVID-19 caused a significant impact worldwide on all air transportation. Many international carriers are struggling and seeking financial support. To date, U.S. carriers have received some financial support. Delta is down to about 40 million dollars a day in losses. Airplane manufacturers and industry experts project a 3-5-year financial recovery. Increased business travelers are expected to make the most difference in financial recovery. International travel is expected to lag for the airline industry. American Airlines CEO stated that COVID-19 is the worst crisis he has ever seen in the airline industry.

Airport Industry

In late March and early April, RDU saw almost a 90% reduction in customers. Memorial Day weekend caused a very small increase in customers. RDU is recommending all customers wear a mask when they enter the facility, as social distancing will be present for a while. Since April, RDU experienced small increases in parking, flights, and food and beverage sales.

Economic Overview

Pre-pandemic, RDU generated \$12.5 billion in economic output, \$450 million in state and local taxes, and 5,000 jobs. The RDU budget process begins April 1st; at the end of February, RDU submitted a 300-million-dollar program. By April 1, 2020, 150 million dollars were cut from program spending. Staff is currently volunteering in many different areas beyond their job functions because contractors have been cut due to budget restrictions. Airports received about \$10 billion in federal relief through the CARES Act.

Forecast

Destination Analytics, a market research firm in San Francisco, CA, conducted a survey at the end of April 2020 to assess the likelihood of people taking vacations, the types of vacations people would like to take, and the desired destinations of those wanting to travel. Almost 80% of Americans stated they were unlikely to travel outside of the U.S until COVID-19 is resolved. Based on travel restrictions and the expected global recession, the impact of COVID-19 on airlines is expected to be nearly \$500 billion in lost revenues. This impact is predicted to be 6-8 times worse than 9/11.

Airport Actions

RDU is providing a lot of information on health and safety as customers are traveling. They are trying to follow CDC and health guidelines as closely as possible through communication via social media, website, and newsletter. Measures for disinfecting have increased to just about anything customers have to touch while they are traveling through the airport. CDC approved the airport disinfecting protocol. All carriers are requiring customers to wear a face mask. Overall, RDU can expect a long and slow recovery; the pandemic will most likely change how and where we fly. Airports are critical for economic recovery.

Questions and Comments

Mr. Rao – What is the expected long-term impact on economic development in North Carolina in term of investments going in and commerce going out?

Mr. Landguth answered that from a recruitment standpoint, many organizations are in the same position. The airport industry is expected to be smaller; not all functions require employees to be present so certain job structures are being reformatted. The strength of the region and talents within the region will still be strong.

Mr. Rains – Which airline has left RDU? How are rural airports affected?

Mr. Landguth answered Delta just applied to fly out of New Bern. The airline industry consolidated because there were too many brands; it went from 8 major airlines to 4 major airlines. North Carolina has 10 commercial service airports so the state could potentially see a resizing. Many regional carriers were not in a financially strong position when they went in to COVID-19.

Mr. Drum said there appears to be some optimism in the stock market for airlines and expressed gratitude for the insight from Mr. Landguth and his expertise in airline trends. He asked if there should be optimism.

Mr. Landguth answered the airline industry will recover and trends will go up. Airlines are doing a lot to recover; recovery will just happen slowly. There is optimism because the economy depends on airlines.

There will be more positive results than negative. Raleigh and Durham are in the top 10 cities expected to recover the fastest.

Ms. Medley – Is it mandatory for airlines to require passengers to wear a mask and other protective gear? Who is responsible for enforcing a policy if there is one?

Mr. Landguth – The airlines have been driving their own policies around masks. It is difficult to implement and mandate policies of this nature because once people have paid for a ticket, it is hard to force them off a plane. Airlines are trying to figure out how to handle this policy. Therefore, airports are advocating for a federal policy pertaining to this subject.

- **Presentation of Fiscal Year 2020-2021 Triangle J Council of Governments Budget**

Mr. Worsley asked the Board for authority to handle any budget changes that could arise between the May meeting and new fiscal year. When the budget was presented in April, Mr. Worsley stated the budget looked good. Since then, there are a lot of good changes, but a few changes that negatively impact the budget.

The budget resolution reflects about \$15,490 in additional revenue from a new housing project with the Community Home Trust NPO, which serves as a land trust to provide affordable housing units in Orange County. Community Home Trust is asking TJCOG to do a study on the impact Community Home Trust has had on housing in the broader community. With this new project, TJCOG will be able to bring on an AmeriCorps volunteer for a year to assist with this and other projects. The total budget is now \$16,761,590.

Several opportunities are emerging through the Families First Act. TJCOG was notified by U.S. EDA of a new \$400,000 grant over 2 years to help support COVID related activities. TJCOG is also receiving funds from the Families First Act for the Area Agency on Aging, the majority will be pass-through dollars that go to service providers. In total, roughly \$1 million for nutrition services and \$3.5 million for additional services and family caregiver support will be passed through under the Families First Act. At this point, TJCOG has chosen not to receive administrative funds to ensure more goes directly to local governments. Administrative dollars would have also required at 25% match.

While GoTriangle approved a \$170,000 contract for TJCOG to support commuter rail work, there are concerns about the Transportation Demand Management program funding from the DOT. This is the largest program in TJCOG's planning department and it funds about 3.7 FTEs. It also funds about 25 FTEs in departments across the region. TJCOG is hopeful that this uncertainty is a temporary issue. Mr. Worsley shared that Judy Weller, Finance Director, and John Hodges-Copple, Planning Director, have been working on options for opportunities to alleviate the loss in TDM funds.

Mr. Worsley asked the Board of Delegates to pass the FY 2020-2021 budget, but delay merit increases for staff until the budget is clearer. Mr. Worsley asked the Board to approve him implementing a merit increase up to 3% once clarity around budget items emerges. Mr. Worsley mentioned that staff has been informed about this recommendation to the Board of Delegates. If unable to apply merit this year, Mr. Worsley stated he would come back to the Board to discuss other options for staff appreciation. Mr. Worsley asked the Board not to award him merit if merit has not been awarded to employees by his June 2020 evaluation. He also asked the Executive Committee to make his merit available at the same time it is awarded for all TJCOG employees. Technology and office furniture purchases will be delayed until further notice.

- **Report from the Nominating Committee - FY2021 Officers**

Ms. Wyhof Salmon shared that the nominating committee met and had a great discussion. The nominating committee made the following nominations:

- Don Rains, Town of Princeton - Chair
- Kathleen Ferguson, Town of Hillsborough – 1st Vice Chair
- Mark Wilson, Town of Archer Lodge – 2nd Vice Chair
- DeDreana Freeman, City of Durham – Secretary/Treasurer.

She said she spoke with each of these nominees and all are willing to served if elected.

Consent Agenda

- Approval of Board of Delegates minutes – April 22, 2020
- Appointment of the Triangle J Regional Corporation Class of 2023
- Approval of FY 2019-20 Contract for Financial Statements and Audit Account Management Representation Letter for FY 2019-20
- FY 2019-2020 Budget Revision for Families First Funding, CARES Act Funding and others
- Adoption of FY2021 Budget Resolution
- Election of TJCOG FY2021 Officers

Chair Crawford presented the Consent Agenda for approval and noted any items could be removed for separate consideration at the request of any Board member. *Mr. Smith made a motion to approve the Consent Agenda as presented; Mr. Drum seconded the motion. Ms. Boyette conducted the vote via roll call; the motion was passed unanimously.*

Items Pulled from Consent Agenda

None.

Chairman's Report

Chair Crawford shared that he was proud to serve the public with the Board of Delegates, although it is a very trying time. Chair Crawford reminded everyone of the Executive Committee meeting on June 24, 2020.

Executive Director's Report


Mr. Worsley thanked Chair Crawford for his leadership and for everyone being flexible in adjustments to virtual meetings. Mr. Worsley credited TJCOG and the Board of Delegates for organizing and being committed to work and the residents in the region. TJCOG remains closed to the public; if the Stay-at-Home order continues to strongly encourage telework, TJCOG will remain in a telework setting. The Area Agency on Aging continues to be supportive of service providers. The Member Services team conducted 8 roundtables for local governments to discuss COVID-19 related topics.

Around the Region

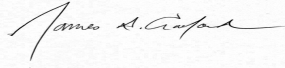
Ms. Keegan asked each delegate to discuss the changing dynamic of community engagement with social distancing and ongoing COVID-19 restrictions and related questions and concerns. Ms. Keegan also asked what Board members are hearing from residents.

Other Business

Having no further business, *Mr. McGrath* made a motion to adjourn. *Mr. McAllister* seconded the motion. *Chair Crawford* adjourned the meeting at 8:07 PM.



Hallie Allen, Recording Officer



James G. Crawford, Chair