

From: Bret Martin, Wake Transit Program Manager, Capital Area MPO

To: Wake County Transit Planning Advisory Committee (TPAC)

Date: 3/31/2021

Re: FY 2021 Wake Transit Plan Implementation Project Progress and Expenditure Reviews

BACKGROUND

At its August 21, 2019, regular meeting, the TPAC endorsed a framework for Capital Area Metropolitan Planning Organization (CAMPO) staff to lead annual structured reviews of Wake Transit Work Plan project reporting deliverables for implementation elements allocated funding in previously approved/adopted Work Plans. These reviews are to be coordinated with and through the Planning & Prioritization and Budget & Finance Subcommittees, and CAMPO staff is charged with leading discussions on any recommended scope, funding, or schedule changes to existing or future programmed projects based on project progress and performance. Any recommendations made may be used to inform project funding requests submitted for the next fiscal year Wake Transit Work Plan.

Building from this framework, at its November 13, 2019, regular meeting, the TPAC endorsed an additional framework to be layered on top of the framework endorsed in August for structured reviews of project activity and expenditures. The intent of the additional framework was to bring more attention to project inactivity or to projects moving at a much slower pace than originally anticipated when they were initially included in the Wake Transit Work Plan. This additional framework also provided more clarity on specific projects toward which to focus the review and on steps that should be taken to recover project schedules or modify project funding allocations and scopes, if necessary.

Throughout the month of March in 2021, CAMPO staff, in cooperation with GoTriangle staff, facilitated project progress and expenditure review calls with representatives of the City of Raleigh, Town of Cary, and GoTriangle to discuss project activity and associated expenditures for implementation elements that were allocated funding in prior fiscal year Wake Transit Work Plans. These project sponsors were the primary focus of the reviews because they are each recipients of funding for multiple Wake Transit-funded implementation elements as part of a larger program of projects they individually manage. The overall purpose of this memo/report is to document the overall health of Wake Transit-funded program activity and expenditures, document discussions regarding progress and expenditures for individual implementation elements with the aforementioned project sponsors, and detail any action items or next steps resulting from those discussions for those implementation elements.

PROGRAM-LEVEL IMPLEMENTATION PROGRESS AND EXPENDITURES

Exhibit A to this memo summarizes overall progress of the Wake Transit program toward implementation of projects and implementation elements authorized for funding in previously approved Wake Transit Work Plans through the lens of expenditures of authorized budgets. For projects/implementation elements in previously approved annual operating budgets, expenditure performance is broken down by the three (3) sub-units of annual operating budgets:

- 1) Tax District Administration,
- 2) Transit Plan Administration, and
- 3) Bus Operations.

Further, performance reflected in the table provided in **Exhibit A** is measured in terms of budgeted funds left unexpended at the end of each applicable fiscal year, beginning with the FY 2019 operating budget. While FY 2018 was the first full year of Wake County Transit Plan implementation, performance for FY 2018 was not included because of the overall Wake Transit implementation program's lack of experience regarding program management and budgeting.

For projects/implementation elements in previously approved annual capital budgets, expenditure performance is broken down by two (2) of the five (5) sub-units of annual capital budgets, including:

- 1) Bus Infrastructure, and
- 2) Vehicle Acquisition.

The other sub-units of annual capital budgets (i.e., Other Capital, Bus Rapid Transit, and Commuter Rail Transit) were not specifically evaluated as part of this effort because performance on the associated projects has been in alignment with expectations or because of the uniqueness of the applicable projects' funding requirements relative to the requirements of other necessary matching funding sources.

In the applicable table in **Exhibit A**, performance for capital projects is also measured in terms of budgeted funds left unexpended. However, it measures how much of the overall budget for the aforementioned sub-units is left unexpended after two (2) or more full years of performance. For example, performance for capital projects that were authorized for funding in the FY 2018 Wake Transit Work Plan is documented beginning at the end of FY 2019 (two years following funding authorization), as well as at the end of FY 2020 and through the 2nd quarter of FY 2021. Performance for capital projects that were authorized for funding in the FY 2019 Wake Transit Work Plan is documented beginning at the end of FY 2020 (two years following FY 2019 funding authorization), as well as through the 2nd quarter of FY 2021.

Overall, this snapshot of expenditure performance generally indicates that previously approved Wake Transit Work Plans have over-budgeted funds beyond that which is necessary across almost all categories of projects/implementation elements evaluated. For FY 2019, 31% of budgeted and encumbered funds were left unexpended in the overall operations budget, with the Tax District Administration and Transit Plan Administration unexpended amounts exceeding 50% and 40%, respectively. For FY 2020, 43% of budgeted and encumbered funds were left unexpended in the overall operations budget. For capital projects authorized for funding in FY 2018, 69.2% of bus infrastructure funds were left unexpended two (2) full years later at the end of FY 2019, and a little less than half of the funds were left unexpended after three (3) full years. For capital projects authorized for funding in FY 2019, 85.4% of bus infrastructure funds were left unexpended after two (2) full years.

REVIEW OF PROJECT PROGRESS AND EXPENDITURES with PROJECT SPONSORS

As a result of the aforementioned program-level performance (or underperformance), CAMPO staff's goal was to determine what specific issues exist with project progress and expenditures at the individual project- or project sponsor-level that could help explain this potential pattern of over-budgeting. CAMPO staff identified specific projects and implementation elements that, through quarterly reporting, suggested they could be exhibiting conditions of expenditure or progress inactivity or general underperformance. These projects became the focus of the project progress and expenditure review calls held with project sponsors in March. **Exhibit B** to this memo identifies the specific projects and implementation elements discussed with project sponsors, the questions asked for each project, and the disposition of the discussion.

Overall, the results of the review of these projects revealed the following summary-level findings:

- 1) For many projects, there has been a significant disconnect between the timing of Wake Transit funding allocations to projects and realistic timelines for the initiation of performance on those projects. In many cases, project allocations have been encumbered one (1) or more years before performance on those projects begins or before billable expenses are accrued.
- 2) Further, for many projects, there has been a significant disconnect between the anticipated pace at which projects will be delivered versus realistic schedule outcomes for their delivery after their initiation.
- 3) For some projects, there is a pattern of budgeting expenditures for projects on a recurring basis every year in annual operating budgets when those projects are better suited to being financially supported with a less frequent recurring pattern. Many projects for which expenditures have been included in Work Plans on an annual basis could more appropriately be supported with allocations being made to those projects every two to three years.
- 4) For some projects, there are long delays between when actual performance resulting in applicable expenses and documentation for those expenses is provided by hired contractors. This results in delays to project sponsors' posting of documented expenses against Wake Transit project budgets.
- 5) For some projects, expenses have been erroneously charged to other internal budget lines that do not tie to the respective Wake Transit funding allocated to those projects.
- 6) In at least one case, there have been delays in billing against the Wake Transit-funded allocation for the project to allow for additional internal budget controls to be established to appropriately cost-allocate to the subject project's Wake Transit funding allocation.
- 7) For many bus operations projects, project sponsors have anticipated higher costs than what realistically transpired for a variety of reasons. One major reason is the uncertainty of the pandemic's duration and its associated impacts on service reductions. Another reason is project sponsors may have anticipated cost per revenue hour rates to increase when those increases did not come to fruition.
- 8) Some projects were profoundly overbudgeted, and those budgets can be reduced.

EXHIBIT A

WAKE TRANSIT PROGRAM EXPENDITURE REPORT THROUGH Q2 of FY 2021

Operations Expenditure Category	FY 2019			FY 2020			FY 2021 (Through Q2)				
	Total Budget	Budget Left Unexpended	%Budget Left Unexpended	Total Budget	Budget Left Unexpended	%Budget Left Unexpended	Total Budget (Adjusted for Q2)	Budget Left Unexpended (Adjusted for Q2)	%Budget Left Unexpended (Adjusted for Q2)		
Tax District Administration	\$511,094	\$262,113	51.3%	Recurring	\$449,100	\$189,382	42.2%	Recurring	\$244,555	\$121,166	49.5%
				Total with Carryforward	\$624,100	\$364,382	58.4%	Total with Carryforward	\$319,555	\$196,166	61.4%
Transit Plan Administration	\$5,634,412	\$2,432,960	43.2%	Recurring	\$3,581,198	\$597,481	16.7%	Recurring	\$1,960,366	\$708,892	36.2%
				Total with Carryforward	\$4,446,698	\$1,462,981	32.9%	Total with Carryforward	\$2,194,722	\$943,248	43.0%
Bus Operations	\$11,546,974	\$2,792,206	24.2%	\$21,228,177		\$9,491,292	44.7%	\$9,374,766		\$3,540,337	37.8%
TOTAL OPERATIONS	\$17,692,480	\$5,487,279	31.0%	Recurring	\$25,258,475	\$10,278,155	40.7%	Recurring	\$11,579,687	\$4,370,396	37.7%
				Total with Carryforward	\$26,298,975	\$11,318,655	43.0%	Total with Carryforward	\$11,889,043	\$4,679,751	39.4%

Capital Expenditure Category	Base Year	Total Budget	By End of FY 2019		By End of FY 2020		Through Q2 of FY 2021	
			Budget Left Unexpended	%Budget Left Unexpended	Budget Left Unexpended	%Budget Left Unexpended	Budget Left Unexpended	%Budget Left Unexpended
Bus Infrastructure	FY 2018	\$7,878,000	\$5,450,381	69.2%	\$3,890,621	49.4%	\$3,479,325	44.2%
	FY 2019	\$8,151,624			\$6,965,478	85.4%	\$5,912,851	72.5%
Vehicle Acquisition	FY 2018	\$8,000,000	\$4,041,136	50.5%	\$1,506,017	18.8%	\$0	0%
	FY 2019	\$19,842,135			\$6,674,278	33.6%	\$6,539,961	33.0%

EXHIBIT B

Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
GoTriangle	TO001-B and -C: Tax District Audits and Financial Consulting	Actual reported expenses for these projects since their inception in FY 2018 have tracked way under the budgeted and programmed amounts for the projects. In FY 2019, 61% of the budget was left unexpended. In FY 2020, 45% of the normal recurring budget amount was left unexpended, and 74% of the budget was left unexpended when what was carried forward from FY 2018 is factored. Through Q2 of FY 2021, 78% of the normal recurring budget amount is unexpended, and 89% of the budget is unexpended when what was carried forward from prior fiscal years is factored. After 2.5 years of track record, it appears the budgeted amount for these projects can be reduced to a more realistic amount. To what reasonable level can we cut the budgeted amounts for these projects? If we cannot cut the budgeted amounts, why not?	It is known that consultants that have done work under this budget line have not submitted invoices yet. Further, scope activity for this project is expected to increase. No change to budget or scope for FY 2022. However, we can explore the possibility of converting the recurring operating budget allocation to an every two- or three-year capital allocation that comports with the nature of the project's fluctuating activity over time.
	TO002-B: Travel & Training	Actual reported expenses for this project since its inception in FY 2018 have tracked way under the budgeted and programmed amount for the project. There is no distinct reporting for the project in FY 2019, so it can be assumed that there were no expenditures. In FY 2020, 95% of the budget was left unexpended. Through Q2 of FY 2021, 100% of the budget is unexpended. After years of track record for the project, it appears the project can be eliminated, or at a minimum, reduced to a much lower amount than currently budgeted and programmed. Can this project be eliminated? If not, why? If the project needs to be retained, to what reasonable level of funding should it be reduced?	Expenses that should have been charged to this budget line have errantly been charged to an internal budget line instead. This is being corrected. Consequently, there will be activity and charges moving forward. No change to budget or scope.
	TO002-H: Utilities for Satellite Office	This project seems to have experienced wild fluctuations in spending versus budget since its inception in FY 2018. In FY 2019, the progress and expenditure reporting for the project was comingled with other projects, so there isn't a way to readily tell how much of the budget was actually used. In FY 2020, 134% of the budget was expended, which required a transfer from another budget line to cover. Through Q2 of FY 2021, 26% of the budget is expended. The Q2 FY 21 reporting for the project also indicates that the office has been closed and GoTriangle is continuing to maintain the property, but it doesn't indicate what expenses come along with that maintenance. Is GoTriangle still paying utilities for the property, and if so, is it projected to continue in perpetuity? If it is assumed to continue in perpetuity, what should the true budgeted amount for the project be? As noted, the previous track record for expenses indicates the budgeted amount is inaccurate.	Still paying for recurring utility charges, repairs, lawn maintenance, etc. No change to scope or recurring budget.
	TO002-C: Legal Counsel	Actual reported expenses for this project since its inception have tracked way under the budgeted and programmed amount for the project. In FY 2019, the progress and expenditure reporting for the project was comingled with other projects, so there isn't a way to readily tell how much of the budget was actually used. However, there was no distinct reporting for the project in FY 2019, so it can be assumed that there were no expenditures. In FY 2020, 71% of the budget was left unexpended. Through Q2 of FY 2021, 100% of the budget is unexpended. After years of track record for the project, it appears the budgeted amount for this project can be reduced to a more realistic amount. To what reasonable level can we cut the budgeted amount for this project? If we cannot cut the budgeted amount, why not?	Expenses for project have been incurred but have not been posted to this budget line and instead have been posted to another internal budget line. No change to scope or budget for FY 2022. However, we can explore the possibility of converting the recurring operating budget allocation to an every two- or three-year capital allocation that comports with the nature of the project's fluctuating activity over time.
	TO002-D: Outreach/Marketing/Communications	Actual reported expenses for this project since its inception have generally tracked well under the budgeted and programmed amount for the project. In FY 2019, 25% of the budget was left unexpended. In FY 2020, 48% of the normal recurring budget amount was left unexpended, and 57% of the budget was left unexpended when what was carried forward from FY 2019 is factored. Through Q2 of FY 2021, 83% of the normal recurring budget amount is unexpended, and 90% is unexpended when what was carried forward from FY 2020 is factored. After years of track record for the project, it appears the budgeted amount for this project can be reduced to a more realistic amount. To what reasonable level can we cut the budgeted amount for this project? If we cannot cut the budgeted amount, why not?	Internal outreach/engagement staff need to check budget and reevaluate what expenses fall under the scope of this project. The recurring budget could be refined to a more realistic steady recurring allocation after this reevaluation. No change for FY 2022. However, we can explore the possibility of converting the recurring operating budget allocation to an every two- or three-year capital allocation that comports with the nature of the project's fluctuating activity over time.

EXHIBIT B

Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
	TO002-AA: Paratransit Office Space Lease	Actual reported expenses for this project since its inception in FY 2019 have tracked way under the budgeted and programmed amount for the project. In FY 2019, 98% of the budget was left unexpended. In FY 2020, 100% of the budget was left unexpended. Through Q2 of FY 2021, 100% of the budget is unexpended. There also is no reporting for the project through Q2 of FY 2021. After a couple of years of track record for the project, it appears the project can be eliminated, or at a minimum, reduced to a much lower amount than currently budgeted and programmed. Can this project be eliminated? If not, why? If the project needs to be retained, to what reasonable level of funding should it be reduced?	Preparation of the leased space has taken longer than originally anticipated when the Work Plan funding allocation was authorized. The lease should take effect in FY 2022 for a period of 9 months. Change budget for FY 2022 to 9/12 of the original programmed amount. However, need to revert back to original budget for FY 2023.
	TO002-J: Customer Feedback Management System	Actual reported expenses for this project since its inception in FY 2018 have tracked way under the budgeted and programmed amount for the project. In FY 2019, 100% of the budget was left unexpended. In FY 2020, 100% of the budget was left unexpended. Through Q2 of FY 2021, 100% of the budget is unexpended. After years of track record for the project, it appears the project can be eliminated, or at a minimum, reduced to a much lower amount than currently budgeted and programmed. Can this project be eliminated? If not, why? If the project needs to be retained, to what reasonable level of funding should it be reduced?	Expenditures that are eligible under this budget allocation have been incurred but have not been charged to the project. Instead, they have been charged to another internal line. Moving forward, eligible expenses will be charged to this project budget. No change for FY 2022.
	TO003-A: Fuquay-Varina Express	Actual reported expenses for this project since its inception in FY 2018 have tracked under the budgeted and programmed amount for the project. In FY 2019, 16% of the budget was left unexpended, which isn't a bad place to be. In FY 2020, 39% of the budget was left unexpended, and of course we know that COVID had an impact on service in the 4th quarter of the FY. Through Q2 of FY 2021, with the service back to its regular schedule, 38% of the budget has been expended, and based on what GoRaleigh is billing GoTriangle to operate the service, it looks like the total cost to operate the service for the full year is \$218,736, which is \$67,235 below the budgeted amount for FY 2021. Even if we apply a 15% cost contingency to the actual cost, about 12% of the budget for the project can be cut. It appears the budgeted amount for this project can be reduced to a more realistic amount. To what reasonable level can we cut the budgeted amount for this project? If we cannot cut the budgeted amount, why not?	It is anticipated that the contracted operator for the service, GoRaleigh, will be increasing its hourly rate within the next year. Therefore, the additional funding in the project budget may be needed. No change for FY 2022.
	TO005-AS: NRX	It has been reported for quite some time that the NRX is not being operated, and as a result, no expenses have been reported. It is my understanding that the NRX is going through the FTA-required public engagement process for a service change because it has not or will not have been operated for 12 months or longer before service would begin again. When does GoTriangle expect to have clarity on the future of the NRX service? It will be difficult to support an allocation for design and land acquisition for a park-and-ride that ties to this service when there is no clarity on whether it will continue running. This, coupled with what were future programmed improvements to NRX being cut from the 2030 financial constraint, make the park-and-ride project very marginal in terms of priority or need for Wake Transit Plan implementation. I think we can still reserve the financial capacity for the park-and-ride, but CAMPO is very uncomfortable encumbering funding for it at the beginning of FY 2022.	The NRX route is anticipated to begin operations again in FY 2022. However, more investigation will need to be done on the appropriate approach for a park-and-ride facility. Therefore, the park-and-ride facility currently planned for FY 2022 can be put off to FY 2023 or it can be programmed but unencumbered for FY 2022.
	TO005-F: Short-Term Park-and-Ride Leases	Actual reported expenses for this project since its inception in FY 2019 have been tracking way under the budgeted and programmed amount for the project. In FY 2019, 100% of the budget was left unexpended. In FY 2020, 91% of the budget was left unexpended. Through Q2 of FY 2021, 90% of the budget is unexpended. After a couple of full years of track record for the project, it appears the budgeted amount for the project can be reduced to a much lower amount than currently budgeted and programmed. To what reasonable level can we cut the budgeted amount for this project? If we cannot cut the budgeted amount, why not?	There are a couple of leases that could be charged to this budget line that have not been. They have been charged to another internal line. Moving forward, will probably charge this Wake Transit budget line. Following up from the park-and-ride feasibility study, additional park-and-ride leases will very likely be initiated that will need to make use of this budget line. No change for FY 2022.
	TO005-N: Holly Springs Park-and-Ride Lease	Per recent reporting, it appears that this project will have no activity. Can we eliminate this project from GoTriangle's base budget for FY 2022?	Project eliminated for FY 2022 and subsequent years

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Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
	TO005-L1: Youth GoPass	Actual reported expenses for this project since its inception in FY 2019 have been tracking way under the budgeted and programmed amount for the project. In FY 2019, 37% of the budget was left unexpended. In FY 2020, 43% of the budget was left unexpended. Through Q2 of FY 2021, 99% of the budget is unexpended. After a couple of full years of track record for the project, it appears the budgeted amount for the project can be reduced to a much lower amount than currently budgeted and programmed. To what reasonable level can we cut the budgeted amount for this project? If we cannot cut the budgeted amount, why not?	On a normal recurring basis, the funds allocated to this budget line could probably be reduced to half the current budgeted amount. However, there will likely be some additional administrative expenses associated with changes to fare media in FY 2022 that will require the additional funds to be available. No change for FY 2022. However, we can explore reductions in subsequent fiscal years after these special administrative expenses associated with new fare media and systems are covered.
	TC003-A: Major Investment Study	The MIS was completed a year or so ago, and there should be no more eligible expenses to bill against this project. Further, the agreement for this project expired in December of 2020, and the project should be closed out, but tis closeout has not been indicated on the Q2 FY 2021 progress report. It looks like \$290,606 from the original budget should fall back to capital fund balance.	Project will be closed out with \$290,606 falling back to capital fund balance.
	TC003-D: ERP System	Project has been allocated \$1,374,999 over three years in \$458,333 increments since FY 2019. However, only 82% of the allocated funds have been drawn down, and the reporting suggests the project is pretty far along in its implementation (i.e., says it was implemented in 4/2019). Is it reasonable to assume that the \$1,374,999 budget for the project is much higher than where the actuals for the full project are likely to land? Is there a vendor contract tied to this project for a specific amount? If the actual projected costs for the project are much lower than budgeted, can we unencumber some of those funds to help with our overall program capital liquidity?	The most expensive and expansive phase is just getting underway and is yet to be implemented, which is the CAD/AVL phase. This is the final phase for the project. The remaining balance on the project is needed to support this more expensive and more involved phase. No change to funding or scope of project.
	TC002-K: Short-Term Park-and-Ride Improvements	Allocations of \$75K and \$333K have been encumbered to this project in FYs 2019 and 2020, respectively. However, through Q2 of FY 2021, 83% of this previously allocated funding is left unexpended. What is the plan for the remaining funding, and what is the schedule for these plans? Why should another allocation for this purpose be encumbered at the beginning of FY 2022 when 83% of the funding allocated 1.5+ years ago is still left unexpended? My suggestion for this is to still reserve the financial capacity for the programmed FY 2022 improvements but not make a commitment to encumber the funds at the beginning of FY 2022.	Given the projected outlay of expenses already planned, a total of \$52,500 is needed for FY 2022. The remaining balance can be pushed to FY 2023 or can be programmed but unencumbered in FY 2022.
	TC002-M/L/Y: Bus Stop Improvements	For this set of bus stop improvement projects, for which allocations have been provided in FYs 2019 and 2020 for a Wake Forest bus stop, bus stop improvements to existing locations, and bus stop improvements to new locations, only 11% of the total of the allocations has been expended. What is the plan for the remaining funding, and what is the schedule for these plans? Why should two new allocations totaling over \$1 million be encumbered at the beginning of FY 2022 when 89% of the funding allocated 1.5+ years ago is still left unexpended? My suggestion for this is to still reserve the financial capacity for the programmed FY 2022 improvements but not make a commitment to encumber the funds at the beginning of FY 2022, other than what may be required to leverage a LAPP award.	Given the projected outlay of expenses already planned and that need to be delivered by early 2023, coupled with two recent LAPP awards, there is enough current funding available to finish currently planned improvements. The FY 2022 funding for this project can be pushed to FY 2023 or can be programmed but unencumbered in FY 2022.
	TC002-N: Regional Transit Center Feasibility Study	It is my understanding that the feasibility study is close to completion, and it appears that 56% of the funding allocated for it has been expended. What is the plan for the remaining funding, and what is the schedule for these plans? How do these plans align with the need to acquire land and begin design on the facility in FY 2022? If and when design and land acquisition begin, what is a realistic schedule for that process to run its course?	There is still some work that needs to be completed for the study, but funding for next steps, including land acquisition and design, need to be in place to support contracting for next steps when the project will be ready for them in FY 2022. No change to FY 2022 project scope or funding.
	TC002-O: Long-Term Park-and-Ride Feasibility Study	Of the \$500K allocated to this project back in FY 2019, it appears that only 24% of the allocated funds have been expended through Q2 of FY 2021. What is the plan for the remaining funding, and what is the schedule for these plans? Is it assumed at this point that all of the remaining funding will be used? What outcomes of the study remain to inform next steps for park-and-ride improvements, particularly if funding is being requested for an I-540 and I-440 park-and-ride, as well as for improvements to existing park-and-rides? It seems that if there is a lot left to the study, the readiness for proceeding on those other projects may be marginal. However, if there isn't much left to go with the study, and there is a high degree of readiness, then perhaps some of the funding for the study can be unencumbered, fall back to capital fund balance, and help with needed capital liquidity.	The total amount needed for the contracted feasibility study is \$350,000. The remaining \$150,000 can be unencumbered and can fall back to capital fund balance.
	TC002-U: Upfit for Passenger Amenity Storage	There is no reporting for this project through Q2 of FY 2021. Can a report be provided so its progress can be assessed similar to the other projects?	Reporting will be provided moving forward. The construction aspects of the upfit have been completed.

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Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
	TC002-AB: Farebox Upgrades and Mobile Ticketing Technology	A total of \$1.4 million was allocated to this project in FY 2020, and none of the funds have been expended in 1.5 years. However, activity has been reported for the project. Does the project no longer need the allocated funds? It also appears from coordinating with other project sponsors, that the amount of funds allocated to this project are way higher than is needed. Can all or some of the funds be unencumbered, fall back to fund balance, and help with needed capital liquidity?	Will check back on this when there is more clarity on overall implementation costs.
Town of Cary	TO002-M: Marketing	In FY 2020, only 47% of the budget was used. Through Q2 of FY 2021, only 3% of the budget has been used. Is there a plan to use the funding, and if so, when? Does it make more sense for the funding to not be a recurring operating expense but rather a carefully planned capital expense in certain years that correspond to specific planned activities? Is the budget too high?	A task order was executed in October to develop a marketing and communications plan and a service changes marketing plan. The plan was launched in December. Quite a few expenses have been incurred and will be charged in the 3 rd quarter. No change to scope or funding for project or to FY 2022 amount. Will explore possibility of transitioning the recurring operating budget allocation to an every two- or three-year capital allocation that comports with the nature of the project's fluctuating activity over time.
	TO005-O: Annual Maintenance for Fare Collection Technology	No funding has been drawn down from this budget line. What is the status of this project?	Activity is underway, and there will be charges soon. No change to scope or funding for project or to FY 2022 amount.
	TC002-C: ADA/Systemwide Bus Stop Improvements	A total of \$202,525 has been expensed against a total allocation of \$894,110, with \$495K of that being allocated in FY 2018. What is the plan for the remaining funding, and does the Town really need an additional allocation of \$846,753 in FY 2022, especially with the need to implement bus stop improvements for a new route to begin in FY 2023 and with another FY 2022 allocation of \$776K for that purpose?	FY 2022 allocation for systemwide bus stop improvements can be pushed to FY 2023 or programmed but unencumbered in FY 2022.
	TC002-E: Design and Preconstruction of Bus Operations & Maintenance Facility	Only 11% of the total budget previously allocated for this project has been expensed. What is the status of the project and will the project be ready for an allocation for the construction phase in FY 2022?	The Town spent some time on securing additional cost feasibility information for this project to evaluate a number of other options before committing to the higher estimated construction cost rendered for the planned site of the facility. A total of three cost opinions were obtained. All of the opinions indicated the estimated cost for the project, whether at the originally planned site or another potential site, would be the higher amount rendered through the first opinion. Now that this step of determining final cost feasibility has occurred, activity and expenses for the project will begin to increase again, with the need for construction funding being available in FY 2022. No change to funding or scope of project.
	TC002-F: Downtown Transit Center	Is the feasibility component of the project finished? If so, when will the land acquisition and design phases for the project begin?	The feasibility study for the project is mostly complete, with the exception of NEPA. NEPA must be completed before land acquisition can transpire. It is possible that more budget may be needed for the feasibility phase to complete the NEPA process for the project. No change to project scope or funding for now.
	TC002-Q: Passenger Information Materials	No funding has been drawn down for this project since it was originally allocated in the FY 2019 Work Plan. What is the status of the project and are the funds still needed?	The passenger information materials to be produced under this project have been produced, and invoicing in Q3 of FY 2021 will reflect this. No change to scope or funding for project.
	TC002-R: Weston Route Bus Stop Improvements	The reporting for the project indicates that 54% of the funds have been drawn down and that the project is near completion. Will there be funding left over for this project that can be unencumbered and fall back to fund balance?	There are a few remaining tasks to be completed for the project, but it is very near completion. There will be funding left over for the project, but the project is expected to be closed out on its normal timeline by the end of 2021.
	TC002-Z: Fare Collection Technology Upgrade	How much for this project is complete and what is left? Will the project use the full \$500K budget?	Most of the upgrades are complete, but there is still an expense for a ticket vending machine left to bill. The Town projects that approx.. \$300K of the \$500K budget will be left over to unencumber.
	TO002-AS: Transit Office Space Lease	The reporting for the project states that the lease has been executed and the space has been occupied by staff, but no funding has been drawn down from the budget. Is the budget for this project needed?	Expenses have been incurred and will be billed in the 4 th quarter of the fiscal year. No change to project scope or funding.
	TO02-AK: Marketing, Communications, Public Relations	An allocation of \$250K for this project was made in FY 2019. However, expenditure reporting shows that only 2% of the funding has been used. What is the plan for this funding, or is the funding not needed?	Expenses for most of the allocation have been incurred and will be billed to the project budget soon. No change to project scope or funding.

EXHIBIT B

Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
City of Raleigh	TO005-AL: Caraleigh Route Improvements	Service changes to Route 21 were implemented in September, but no expenses for the project have been billed. Is the funding still needed for the project?	The funding is still needed, expenses for the project have been incurred. Invoicing for expenses will begin in Q3 of FY 2021. No change to project scope or funding at this time. It is possible that the budget for the amount added through an FY 2021 Work Plan amendment can be reduced depending on where expenses land.
	TO005-V: Bus Stop Maintenance	Activity was reported in Q1 and Q2 of FY 2021, but no expenses have been billed to the project. Is the funding for the project still needed?	The funding is still needed for the project. The City is determining the appropriate cost allocation methodology for the applicable bus stops versus other facilities, and when that is figured out, billing will occur. No change to project scope or funding.
	TO005-L3: Youth GoPass	Only 49% of the budget was used in FY 2020, and 63% was used in FY 2019. Is the full budget allocation for this project still needed, or can the budget be cut to match actuals?	No change at the moment. However, the City will take a closer look at expenses and revisit the recurring budget, if necessary.
	TC002-T: East Raleigh Community Transit Center	Expenditure reporting for the project is showing that 0% of the planning, design, and land acquisition funding for the facility has been expended. Will planning/design funds allocated in FY 2019 be used? Where is the project's progress in terms of readiness for land acquisition and design?	It is anticipated that the City will close on the property needed for the facility within 90 days, which will draw down a large chunk of the funding. Then design for the facility can begin. The City's current schedule suggests a need to be ready to procure for construction by the end of FY 2022, and the construction funds need to be available before soliciting bids. Because the project will not be ready for the construction phase toward the beginning of FY 2022, suggest keeping the allocation in a programmed but unencumbered status in the FY 2022 Work Plan, and if the project's progress transpires to a point of readiness before the fiscal year ends, an amendment can be executed to encumber the funds. This approach also comports with the possibility that a new cost estimate is generated by the findings of the design phase that may require revisiting the construction budget anyway. The City is considering this approach.
	TC002-V: GoWake Access/GoRaleigh Paratransit Operations & Maintenance Facility	Of a total of \$3.1 million that has been allocated for planning, design, and land acquisition, only \$2,500 has been expensed. Will the planning/design funds allocated in FY 2019 be used? Where is the project's progress in terms of readiness for land acquisition and design?	Construction funding for the project will only be needed in FY 2022 if the City pursues a design-build approach. It is anticipated that the property for the facility will be acquired sometime in 2021 and design will need to begin very shortly thereafter. Design funding should be made available in FY 2022. However, it is suggested that construction funding be held in a programmed but unencumbered status in the FY 2022 Work Plan, and if a design-build approach is determined for the facility, the funds can be encumbered and made available.
	TC002-X: Rolesville Park-and-Ride Improvements	Nothing has been expensed to the project. Is the funding for this project still needed?	The funding for the project is still needed, but activity is on hold until a more stable sense of ridership and associated needs can be established. No change to project scope or funding.
	TC002-AA: Fare Collection Technology Upgrades	This project looks to be completed or near completion, with about 18% of the full budget spent. What more is left to do for the project? Is the budget allocation way more than is needed?	The project is close to completion, and the budget allocation is way higher than needed. The City will circle back with an estimate on how much can be unencumbered from the project allocation.
	TC002-AC: Midtown Transit Center	A total of \$364K was allocated to this project in FY 2020, but there have been no reported expenses. Because the projects that this facility would support have been pushed out in our programming of bus services, does this project need to be moved to a later year?	The reported expenses for the project should not show that 0% has been expended. The City had conceptual site layouts produced for the facility, for which those expenses should have been billed to the project. Because the services that would use the facility were delayed, the transit center project can also be delayed, with the allocation for planning and design being pushed to FY 2023. A prospective site for the facility may not be identified until after the City completes an MIS for the northern BRT corridor.
	TC002-AD through -AH and -AF: Transfer Point Design and Land Acquisition	Nothing has been billed to these projects. Is the budget allocation for these still needed?	The budget allocation is still needed. The City will have expenses to bill for these soon. No change to project scope of funding.
TC002-AG: MLK/Rock Quarry Transfer Point	Nothing has been billed to this project. Is the funding still needed?	There should be far more expenditures posted against the project budget than is currently shown. The City will look into the discrepancy.	

EXHIBIT B

Project Sponsor	Project	CAMPO Question	Project Sponsor Response/ Disposition
	TC002-G: Poole Road Park-and-Ride Facility	Only 18% of the funding for this project that was originally allocated in FY 2018 has been drawn down. What is the status of the project?	The site has undergone challenges in the permitting process for quite some time. Plans to obtain the building permit are in review by the City, and a number of challenges related to stormwater needed to be resolved. The City expects permits to be issued soon, with construction to proceed shortly thereafter. No change to project scope or funding.