From: Steven Mott, Senior Wake Transit Planner, CAMPO

To: Wake County Transit Planning Advisory Committee

Date: 10/16/2025

Re: 2025 Annual Project Progress and Expenditure Review

Background

Through framework established and endorsed though TPAC in 2019, Capital Area Metropolitan Planning Organization (CAMPO) staff is to lead annual structured reviews of Wake Transit Work Plan project reporting deliverables for implementation elements allocated funding in previously approved/adopted Work Plans. As successor to the Planning & Prioritization and Budget & Finance Subcommittees, these reviews are to be coordinated through the Program Development Subcommittee. CAMPO staff is charged with discussing changes to existing or future programmed projects based on project progress and performance. Any insight gained from these reviews may be used to inform the considerations of project funding requests submitted for the next fiscal year Wake Transit Work Plan.

During August and September 2025, CAMPO staff facilitated project activity and expenditure monitoring review interviews along with a member of the Tax District Administration (TDA) with representatives from the GoCary, GoRaleigh, GoTriangle, TDA, and Wake County to discuss project progress and associated expenditures for implementation elements that were allocated funding within Wake Transit Work Plans spanning to the third quarter of fiscal year 2024. Previously, the reviews were only conducted for GoCary, GoRaleigh, and GoTriangle because they are each recipient of funding for multiple Wake Transit-funded implementation elements as part of a larger program of projects they individually manage. However, CAMPO, TDA, and Wake County were added to the scope of this review for 2025.

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 next steps resulting from those discussions for those implementation elements.

Review Of Project Activity 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 and review of budget variances, suggested they could be exhibiting conditions of expenditure or progress inactivity, underperformance, or budget constraints. These projects became the focus of the project progress and expenditure review calls held with project sponsors.

Overall Trends and Insights:

- Delays and constraints for capital projects tied to permitting, design, and real estate acquisition.
- Rising costs and budget adjustments are affecting long-term project planning, especially for larger facilities.
- Pandemic impacts have faded with previously notable operator shortages becoming more uncommon and vehicle acquisitions broadly on track.
- Operating projects are broadly on budget with staffing, administration, and support projects being consistent.
- Service expansions create pressure points that require balancing between operator capacity, ridership demand, and budget allocation and scheduling.

Capital Projects

GoCary

GoCary's capital infrastructure projects remain largely in early planning stages with active construction and project delivery years in the horizon. The Multimodal Transit Facility (TC002-F) is now entering the master planning process. Updated cost estimates for this project are expected to exceed the earlier $60m estimate, demonstrating a larger trend of significant escalation of costs for large-scale transit facilities and infrastructure across Wake Transit. The Regional Bus Operations and Maintenance Facility (TC002-E) has not yet gone to bid, though bid documents are expected to be finalized later this year. The Park West Village Transfer Point Improvements project (TC002-AW) is still being coordinated with the Town of Morrisville and has not progressed to the design phase.

GoRaleigh

GoRaleigh is balancing great progress on the New Bern BRT Corridor (TC005-A1) after delays with other persistent delays for its transit facility projects. Lessons learned from the New Bern BRT project are being directly applied to the approaches on the other planned BRT corridors. These lessons include engaging contractors and consultants earlier in the process and packaging projects at scaled phasing of project sections to attract stronger bids, creating a more competitive and efficient procurement process.

Other facility project deliveries are slowed by property and design challenges. The Midtown Transit Center (TC002-AC) continues to be held up by lack of available, cost-efficient property. The Crabtree Valley Mall Transit Center (TC002-AL) has seen delays from the change in ownership of the Mall, requiring new outreach and negotiations with management. Similar challenges are present in the Triangle Town Center projects (TC002-AM and TC002-AX), where staffing shortages initially delayed project progress and negotiations with area property owners being complicated by restrictive covenants and inflated property costs.

Other projects are seeing steady progress. Systemwide Transfer Point Improvements (TC002-BG) is nearing awarding a contract pending City Council approval. The Maintenance Facility Improvements (TC002-BI) project is approaching final design and expected to bid in early FY26. Bus acquisition projects (TC001-E, -F, -J, -L, and -M) remain aligned with federal grant cycles and are expected to proceed by FY27.

GoTriangle

GoTriangle's capital project portfolio conveys both success and challenges with the RUS Bus (TC002-A) project standing out as a best-practice model. The project was completed ahead of schedule and on budget, which has been attributed to a well-developed budget with appropriate contingency for risk, continuous cost estimating, disciplined designed review, and collaboration with partners throughout the process. Other projects continue to face delays for a variety of reasons. The District Drive Park-and Ride (TC002-AI) has been slowed by permitting and design, with construction anticipated in late spring or summer. The Downtown Apex Transfer Point (TC002-AK) has been delayed by the need for additional NEPA clearance, property negotiations, and cost escalations which have necessitated the removal of project elements. The Triangle Mobility Hub project (TC002-N) is beginning to advance with a developer selected and NEPA documentation underway.

Wake County

Wake County's efforts are focused on vehicle acquisition with their projects executed in July 2025 (TC001-R, -T) expecting delivery in Spring 2026.

Operating Projects

CAMPO

The Wake Transit Staff project (TO002-BE) reached full staffing towards the conclusion of FY24, explaining lower expenditures in earlier periods. Administrative expenses (TO002-AY) remain a constand need for legal services and contract management and will continue to be utilized as more initiatives and projects are sought for the administration of the Wake Transit Plan and Program.

GoCary

GoCary had strong utilization across its various operating projects with expenditures generally in line with expectations. Their outreach and marketing project (TO002-M) continues to be fully utilized in support of ridership outreach and service awareness. Overall, GoCary shows reliable spending patterns and continued budget discipline.

GoRaleigh

GoRaleigh has the most varied and extensive project portfolio in the Wake Transit Program. The staffing picture for GoRaleigh shows improved hiring retention over previous years, with the many staffing projects coming in at or near budget. GoRaleigh, similar only to GoCary, does not have a consolidated staffing project. Due to this, details on staffing are more transparent from a larger budgetary scenario. This offered a greater insight to the staffing budget detail, with budget transfers necessary for staffing projects that otherwise wouldn't be needed or observable compared to other providers who do not have consolidated staffing lines. Overall, operations and expenditures demonstrated broad alignment with expectations. Noted variances in their expenditure report and interview, similar to all other providers, were caused by the PP&E review occurring with a cut off of Q3 of FY25 instead of a full fiscal year.

GoTriangle

GoTriangle maintained consistent progress, with project expenditures generally matching expectations and providing support for ongoing service delivery and system-wide development.

Tax District Administration

The TDA's expenditures were consistent, with its financial consulting services (TO001-C) being fully utilized and the staffing project (TO001-F) remaining stable and predictable.

Wake County

Wake County's operating projects were executed as planned and expenditures remained aligned with expected levels.

Review Takeaways and Recommendations

As-is, the PP&E Review provides for the framework for continued detailed analysis heading into Work Plan development to apply insights on a project-by-project basis. The PP&E Review methodology and schedule present several flaws, which necessitate the development of guidelines that would provide for a more insightful review with greater impact. The schedule of the expenditure review should be aligned with the end of the fiscal year to provide for a complete financial picture without the need of caveats to correct assumptions based on projecting 3 quarters out for a whole year. Lags are present in request for reimbursement and expenditures, so there is not a clear-cut picture of projects at the 3rd quarter milestone. A review of developing standard budget contingencies and expectations based on project type and unique provider needs should also be explored so that budget variances could provide for a more insightful metric and more actionable recommendations can be derived from the review takeaways.