Waco Transit System

Current State & Future Planning Needs



A proactive strategy for service, technology, funding and General Fund sustainability.

Serena M. Stevenson, General Manager
Waco Transit System
November 3, 2026

Understand Today. Plan for Tomorrow. Invest Strategically. Protect the General Fund.

Agenda

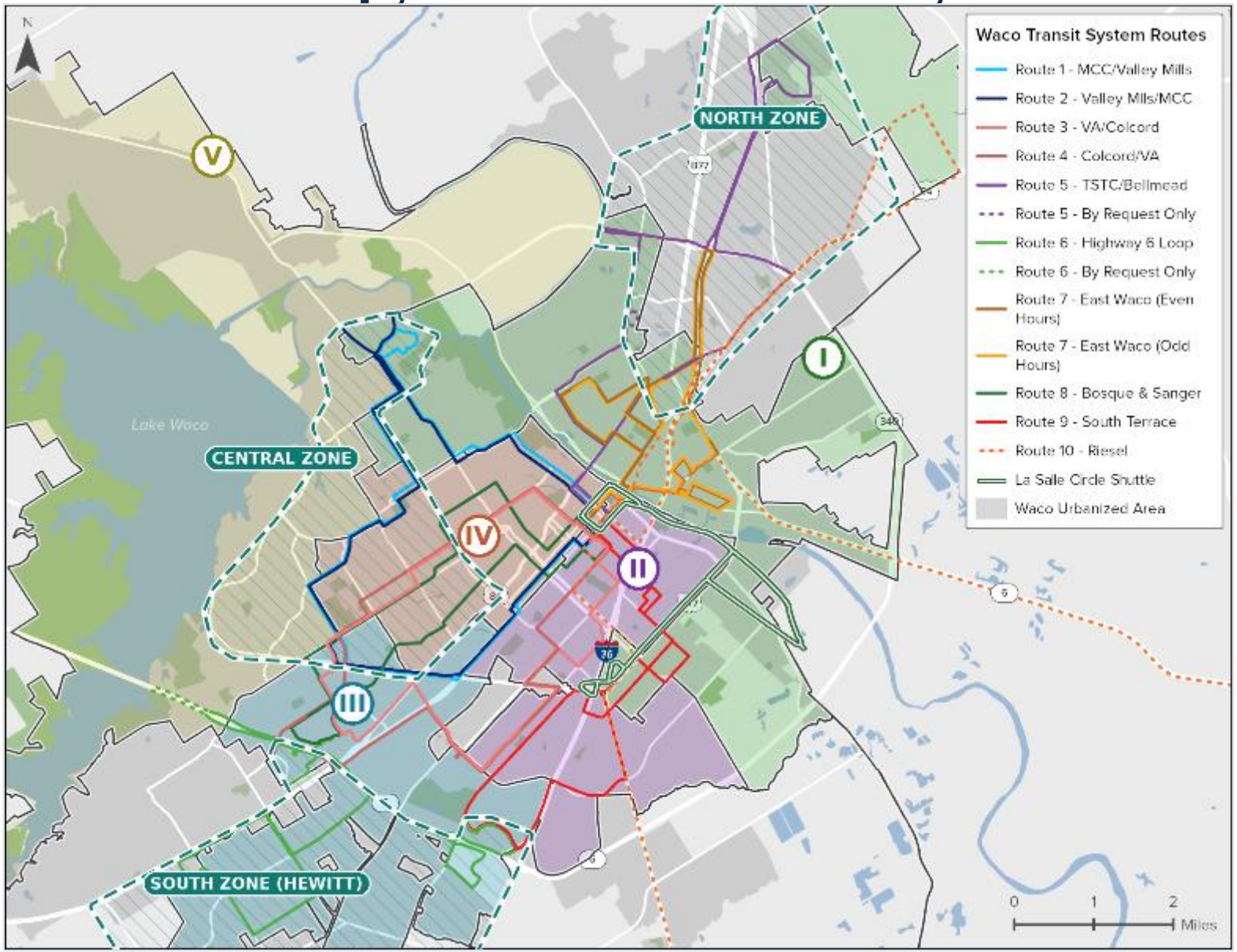
Where Waco Transit is today, and how we plan for what is changing.

1. **Current State**
   Who we serve, what service costs and how it is funded
2. **Fleet Strategy**
   Bridging the fleet gap with eight buses from Sun Tran
3. **Future Needs**
   Growth, Transportation Management Area (TMA) readiness and Next steps



Understand Today. Plan for Tomorrow. Invest Strategically. Protect the General Fund.

WTS Service Map, Micro Dash Zones, and Council Districts



MITED SHARING

CURRENT STATE

Waco Transit Current State

A multi-service system serving diverse transportation needs.

Current service portfolio

- Fixed-route transit
- ADA paratransit
- Micro Dash / on-demand service
- Evening and specialized service
- Institutional and contracted transportation
- Regional/community connections

883,838
passenger trips in FY2025

30
vehicles in peak service

Existing strengths

- Established transit infrastructure and workforce
- Federal and state funding relationships
- Existing technology and real-time customer tools
- Experience with microtransit
- Partnerships with major institutions
- Existing operational and performance data

$6.2M
federal funds earned in FY2025

197,594
residents in a 99 sq. mi. service area

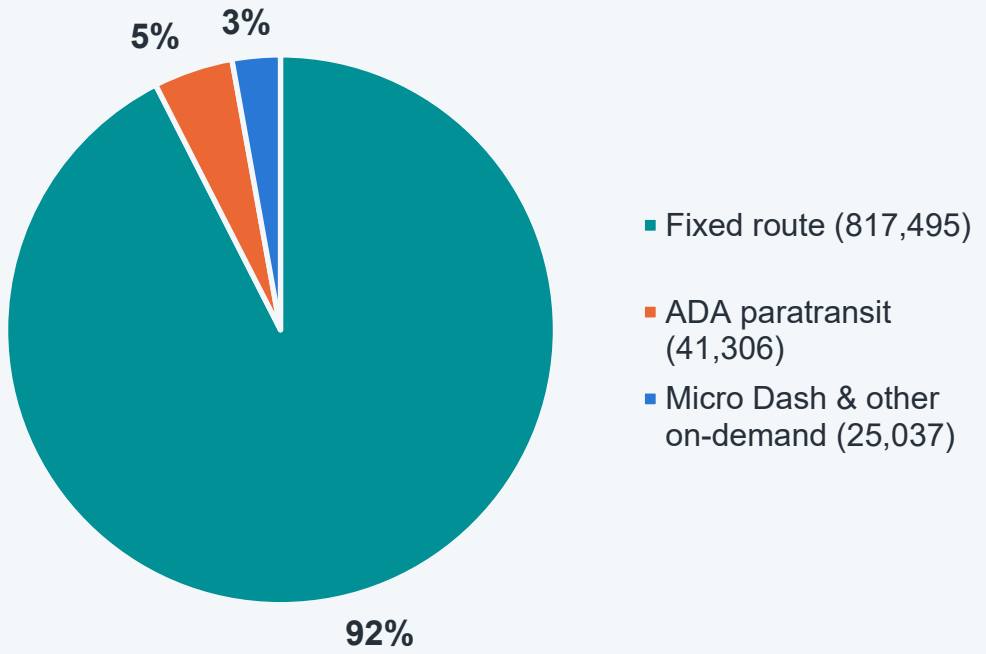
Waco does not need to start over. We need to optimize, modernize and strategically invest in the system we already have.

CURRENT STATE

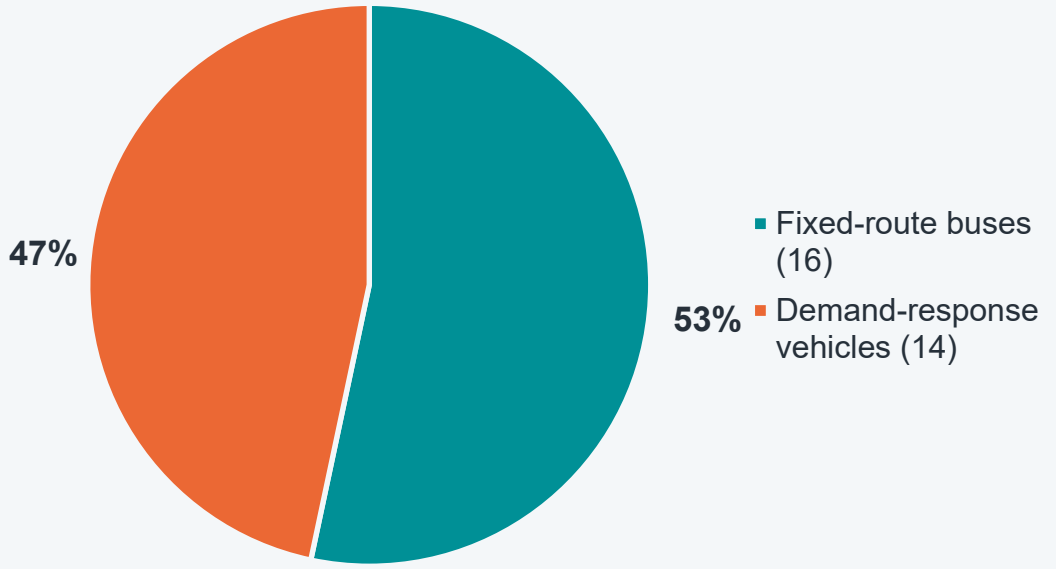
Who We Serve: FY2025 at a Glance

Fixed route carries most riders; demand response needs nearly half the peak fleet.

Annual passenger trips (883,838)



Vehicles in peak service (30)



Fixed route carries 92% of trips with 53% of peak vehicles.

CURRENT STATE

Current Financial & Operating Environment

Transit is a labor- and capital-intensive service.

Cost pressures

Labor and benefits
Fuel and energy
Fleet replacement
Maintenance
Insurance
Technology
Paratransit demand

$8.7M
FY2025 operating cost

14 of 22
active buses past FTA useful-life benchmark

Funding pressures

Federal and state funding
Passenger fares
Contract revenue
Competitive grants
Local matching requirements
Changing ridership patterns
Growth in service demand

59%
of operating cost from federal funds

8.6%
of operating cost from the City General Fund ($750,332)

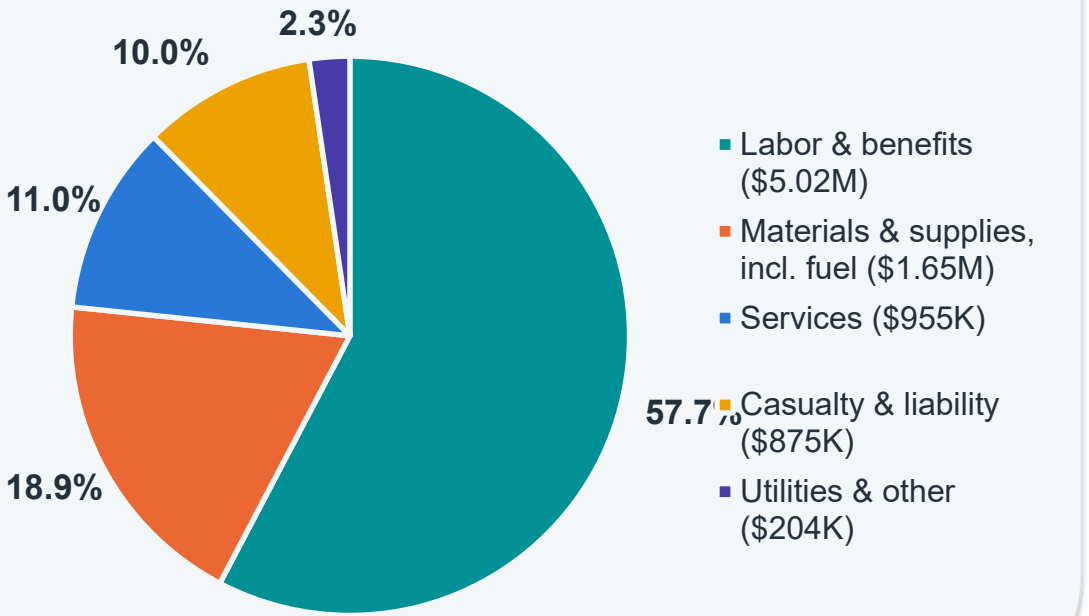
Planning question: How do we continue to provide quality mobility while managing the City's long-term financial exposure?
Our answer starts with data: building on Spare, we have added technology as funding allowed, working toward one platform for all services.

CURRENT STATE

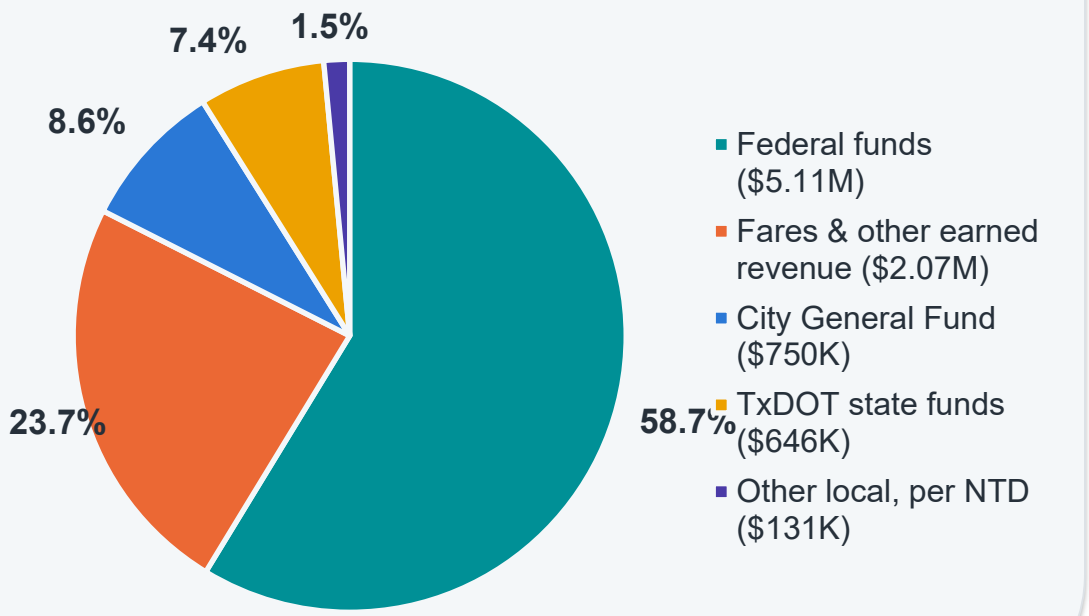
Where the Money Goes and Where It Comes From

FY2025 operating cost: $8.7 million.

Operating cost by type



Operating funding by source



The City budgets General Fund dollars for expenses, but we use federal funds first to protect the General Fund and preserve local match.

FLEET STRATEGY

Bridging the Fleet Gap: 8 Buses from Sun Tran

A low-cost transfer keeps fixed-route service reliable while we plan the phased move to alternative fuels.

The transfer

June 2024: sought more buses with minimal budget impact

Sun Tran, WTS and City leaders partnered through FTA

Federally funded Sun Tran buses, bought with local funds

Eight 40-foot Gillig diesels from Sun Tran (Tucson)

$4,000 per bus, purchase and make-ready

Completed; buses now in Waco Transit service

Keeps service reliable during the fuel transition

8
40-foot Gillig diesel buses

$32,000
total cost, excluding transport ($4,000/bus)

Buses received vs. buses replaced

	Sun Tran buses (received)	WTS buses (replaced)
FTA useful-life benchmark	14 years	14 years
Years in service	13.3 average	15 to 20
Average miles per bus	**230,931**	**493,266**
Total miles, all 8 buses	**1,847,447**	**3,946,128**

53% fewer
miles per bus than the buses replaced

8 of 8
replaced WTS buses past their benchmark

For $32,000, we replaced eight buses averaging 493,000 miles with eight averaging 231,000.

FLEET STRATEGY

The Sun Tran Buses: Before

As inspected, in Sun Tran livery, before make-ready and Waco Transit branding.











Eight 40-foot Gillig diesel buses, inspected on site by Waco Transit staff.

FLEET STRATEGY

The Sun Tran Buses: After

Repainted, rebranded and carrying Waco riders.











Now in Waco Transit service on regular routes and at community events.

FUTURE NEEDS

What Is Changing Around Waco Transit?



The future operating environment will be different from today.

Population and development growth will create new and changing mobility needs.

Labor, fleet, maintenance and technology costs will continue to pressure operating budgets.

Federal funding programs, formulas and grant opportunities will evolve.

Service performance, productivity and data quality will become increasingly important to planning and funding.

Customers increasingly expect real-time information, digital booking and seamless service.

General Fund resources remain limited and must compete with other City priorities.

The future cannot be managed using only today's operating model.

FUTURE NEEDS

Transportation Management Area Readiness: A Future Planning Need

Waco is not currently a TMA — but should plan for the possibility.

Where we are today

2020 Census urbanized area population: 192,844 (up from 172,378 in 2010)

Current MPO planning documents identify Waco as a non-TMA urban area

TMA threshold is generally 200,000+ urbanized-area population

192,844
2020 urbanized area population

~7,200
residents short of the 200,000 threshold

Why readiness matters

Potential changes to federal funding formulas

Greater emphasis on service and performance data

Local match and operating-funding implications

Greater responsibility for local funding decisions

Decision on who manages federal 5307 and 5310 funds

Texas models: MPO (DFW) or transit agency (Laredo)

$4.36M
FY2025 federal 5307/5340 apportionment

$2.6M / $3.3M
FY2025 operating assistance vs. 75% large-urban cap

TMA readiness is not about predicting when designation will occur. It is about being prepared when it does.

FUTURE NEEDS

The Future Plan

Proactive planning helps prevent future funding pressure from becoming a structural General Fund obligation.



Understand Council's priorities and desired outcomes for Waco Transit System's Future
Build from our current financial, operational, and service baseline to meet those outcomes.
Measure productivity consistently across routes and service types.
Optimize the service model around actual demand.
Leverage technology, partnerships and external funding.
Invest strategically where the return supports mobility and financial sustainability.

Next step: Establish a Waco Transit Future Planning Initiative (Transit, Finance, MPO, Technology, City leadership).

Goal: Identify and address financial pressure before it becomes a structural General Fund obligation.

SUMMARY

Summary

We have a strong system to build on. Planning now protects the General Fund.

1 CURRENT STATE

883,838 trips on an $8.7M FY2025 budget
Federal funds pay 59%; General Fund 8.6%
Demand response: 8% of trips, 47% of peak fleet

2 FLEET STRATEGY

8 Sun Tran buses for $32,000 (before transport)
Replaced 8 buses past their useful life
Bridge to a phased alternative-fuel transition

3 FUTURE NEEDS

~7,200 residents short of the TMA threshold
Funding formula will reward performance data
Match each service model to demand

4 NEXT STEP

Establish a Waco Transit Future Planning Initiative
Transit, Finance, MPO, Technology, City leadership
Establish a financial and service roadmap