

**MINUTES OF THE FIFTH MEETING**

**SOUTHEASTERN WISCONSIN REGIONAL TRANSIT AUTHORITY**

DATE: July 17, 2006  
TIME: 8:00 a.m.  
PLACE: Racine County  
Ives Grove Office Complex  
Auditorium  
14200 Washington Avenue  
Town of Yorkville, Wisconsin

Board Members Present

Karl Ostby, Chairman ..... Kenosha County Representative  
Len Brandrup ..... City of Kenosha Representative  
David Eberle ..... Racine County Representative  
Joseph “Jody” Karls ..... City of Racine Representative  
Sharon Robinson ..... City of Milwaukee Representative  
Julia Taylor ..... Governor’s Representative from City of Milwaukee  
George A. Torres ..... Milwaukee County Representative

Staff Members Present

Albert A. Beck ..... Principal Planner, SEWRPC  
Otto P. Dobnick ..... Principal Planner, SEWRPC  
Sonia Dubielzig ..... Planner, SEWRPC

Guests Present

Donna L. Brown ..... Systems Planning Group Manager, Southeast Region,  
Wisconsin Department of Transportation  
Michael J. Glasheen ..... Transit Planner, City of Racine  
Glenn Lampark ..... Director of Public Works, Racine County  
James H. Madlom ..... Mueller Communications, Inc.  
Robert Mariano ..... CEO and President, Roundy’s Supermarkets/  
Chairman, Transportation Committee, Greater Milwaukee Committee  
Frederick J. Patrie ..... Director of Public Works, Kenosha County  
Rosemary Potter ..... Executive Director,  
Southeastern Wisconsin Coalition for Transit Now  
Brandon Scholz ..... The Capitol Group, LLC  
Albert Stanek ..... Chief, Intercity Planning,  
Division of Transportation Investment Management,  
Wisconsin Department of Transportation  
Barbara Ulichny ..... Roundy’s Supermarkets/ KRM Working Group  
Michael E. Vebber ..... Vice President and Director of Operations,  
Milwaukee County Transit System  
Vue Yang ..... S. C. Johnson & Son, Inc.

## **ROLL CALL AND INTRODUCTIONS**

Chairman Ostby called the meeting to order at 8:05 am.

## **APPROVAL OF AGENDA**

Chairman Ostby stated that Mr. Mariano of the Greater Milwaukee Committee would be arriving late. He proposed moving Mr. Mariano's presentation (Continued discussion on the benefits of public transit) after the SEWRPC presentation (Comparison of other transit and commuter rail systems). Mr. Torres noted the agenda should read "Fifth Meeting" instead of "Fourth". The Board agreed to the revised agenda.

## **REVIEW AND APPROVAL OF MINUTES OF MAY 15 AND JUNE 19, 2006 MEETINGS**

Mr. Brandrup requested that his comments under No. 5 on page 7 of the June 19 meeting minutes include the statement he made at that time regarding a \$1.8 billion budget shortfall in State of Wisconsin transportation funds. Mr. Eberle motioned to approve the minutes, seconded by Mr. Torres. The board unanimously approved the minutes with Mr. Brandrup's revisions.

[Secretary's Note: In the minutes of the June 19, meeting, the following would be added to the end of Mr. Brandrup's comments under No. 5 on page 7:

"Mr. Brandrup noted that the loss of state motor fuel tax indexing in Wisconsin is estimated to result in a cumulative loss of \$1.8 billion in State fuel tax revenue over the next 10 years."]

## **REVIEW AND DISCUSSION OF WRITTEN COMMENTS RECEIVED TO DATE**

There were no written comments received since the last Board meeting.

## **REVIEW OF RTA WORK TO DATE AND COMPARISON OF PUBLIC TRANSIT AND COMMUTER RAIL SYSTEMS NATIONWIDE**

Chairman Ostby stated that Mr. Beck of the Commission staff would make a presentation summarizing the previous Board discussions, and comparing transit systems in southeastern Wisconsin to transit systems nationwide (see Attachment A to these minutes).

During Mr. Beck's presentation, the following questions were raised and comments made by Board members:

1. Chairman Ostby asked if SEWRPC staff had revised cost estimates for the KRM commuter rail. Mr. Dobnick reported that those revised costs would be available in September and October.
2. Chairman Ostby noted that some transit systems fund a greater share of total operating funding with Federal funds as compared to the Milwaukee County Transit System. Mr. Brandrup responded that those transit systems generally do not have dedicated local funding and are using Federal funds for operating rather than capital needs.
3. Chairman Ostby inquired whether Chicago's public transit systems are funded by property tax revenues in addition to sales tax, and requested that the next meeting include an agenda item focusing on the funding of Northeastern Illinois public transit.

4. Referring to the transit systems comparable to the Milwaukee County Transit System without a source of local dedicated funding, Ms. Taylor asked what percentage of the local funding for those systems came from local property tax revenues. She noted that Wisconsin municipalities traditionally rely heavily on property tax for revenues, but cities in other states rely on a mix of property taxes, sales taxes, and user fees. She suggested asking Todd Berry of the Wisconsin Taxpayers Alliance or Ed Huck of the Wisconsin Alliance of Cities to discuss local government funding at a future meeting. Mr. Beck stated that Commission staff would also attempt to provide at the next meeting a description of the sources of local government funding for units of government with transit systems that do not have local dedicated funds.
5. Chairman Ostby noted that the use of gasoline taxes for transit system local dedicated funding was rare. Mr. Beck added that the review of transit systems indicated that only one has a gasoline tax, and most have a sales tax. Chairman Ostby stated that the Board may need to investigate a gas tax funding option, among others.
6. Ms. Taylor said she would like to see a description of the taxes used to fund the recent remodeling of Chicago's Soldier Field. She also asked that information be provided at the next meeting on the history of sales tax revenues in southeastern Wisconsin.
7. Chairman Ostby inquired why the transit systems for the City of Racine and the City of Kenosha have lower unit operating costs per vehicle-mile of service compared to the Milwaukee County Transit System (MCTS), and whether there would be any service efficiencies if all three were combined. Mr. Beck, Mr. Glasheen, and Mr. Brandrup responded that the cost difference was due to MCTS higher wages and benefits and substantially greater paratransit ridership and attendant costs.
7. Ms. Taylor inquired if farebox recovery rates for commuter rail would increase over time. Mr. Dobnick indicated that farebox recovery does generally increase over the first several years of operation. Mr. Brandrup explained that the farebox recovery rate is to an extent a policy choice by the transit operator. Lower fares will result in greater ridership, but a lower farebox recovery rate. In the discussion that followed, two systems were mentioned:
  - Chicago's Metra, which has a state-mandated revenue recovery rate of 55% of total operating costs. Metra earns about 45% of its revenues from passenger fares, and earns most of its remaining revenue from trackage rights fees paid by Amtrak and freight.
  - Albuquerque's Rail Runner, which will charge no fare for the first several months of operation.
9. Mr. Torres recommended that the charts for commuter rail operating funding on slides 36 through 39 show the KRM commuter rail projected funding. Other Board members recommended that the charts be clear that the cost projections are from earlier studies and are dated.

[Secretary's Note: The presentation in Attachment A includes these revisions.]
10. Mr. Brandrup noted the Albuquerque project was not using any federal funds. Mr. Dobnick reported that the State of New Mexico decided to move quickly on the initial phase of the project and avoid going through the process of applying for federal funds. They have an

agreement with a freight railroad to buy 200 miles of track using State funding. They plan on pursuing Federal funding in the future on subsequent project phases.

11. Chairman Ostby asked how the KRM projected cost funding would look on the chart on slide 41, based on the last capital cost funding estimate. Mr. Dobnick indicated that previous studies had an estimated total \$152 million in capital costs, paid for by 80% Federal funding (50% with a Federal discretionary grant), with 10% State and 10% local funding.

## **CONTINUED PRESENTATION/DISCUSSION ON THE BENEFITS OF PUBLIC TRANSIT**

Chairman Ostby introduced Robert Mariano, CEO and President of Roundy's Supermarkets and Chairman of the Greater Milwaukee Committee's Transportation Subcommittee.

Mr. Mariano spoke in support of the KRM commuter rail project. He emphasized its importance to businesses in the southeastern Wisconsin region, because without the appropriate transportation infrastructure, businesses cannot prosper. Mr. Mariano encouraged the Board to make decisions quickly and decisively. He stressed the importance of hiring good consultants. He cautioned the Board against taking on too many projects initially, and called for the Board to resist the temptation to widen its scope.

## **CONSIDER RETENTION OF COMMUNICATIONS CONSULTANT**

Chairman Ostby asked Mr. Beck to present the proposal to retain a communications consultant.

[Secretary's Note: A copy of the "Proposed Retention of Communications Consultant by the Southeastern Wisconsin Regional Transit Authority" as it was distributed to the Committee is included with these minutes as Attachment B.]

During review of the proposal, the following questions were raised and comments made by Board members:

1. Chairman Ostby inquired whether SEWRPC had the capability to do this internally. Mr. Beck and Mr. Dobnick indicated they do not, with existing staffing.
2. Ms. Taylor noted that every other successful RTA has brought in outside consultants. She inquired if the RFQ/P would allow teams of consultants to apply. Mr. Beck and Mr. Dobnick indicated that it would.
3. Mr. Brandrup recommended using daily newspapers such as the *Milwaukee Journal Sentinel* and/or the *Wisconsin State Journal* to advertise the RFQ/P. Mr. Beck confirmed that the draft RFQ/P would include a list of the newspapers and firms to which the RFQ/P would be sent.
4. Ms. Robinson suggested that a member of the Board sit on the committee for the RFQ/P selection process. Mr. Brandrup noted that he is a member of the KRM Steering Committee.
5. Mr. Patrie, as chairman of the KRM Steering Committee, stepped forward. He indicated that when the KRM Steering Committee presents to the Board the list of recommended consultants, they would include a substantive explanation as to why those firms were selected. He affirmed that the KRM Steering Committee would conduct an extensive evaluation of candidate firms.

6. Mr. Torres expressed his support of using the KRM Steering Committee in the selection process. He suggested that if the Board wanted to play a more direct role in the selection of a consultant, the Board could interview the top three candidates identified by the Steering Committee.
7. Ms. Robinson expressed her concern that the consultant could be costly. Mr. Brandrup said usually during the RFQ/P selection process, a selection committee selects a firm based on their qualifications, and then establishes a scope of work and budget. Mr. Beck and Mr. Brandrup stated they expected the consultant fee would be well below estimated revenues from the \$2 vehicle rental fee.
8. Ms. Taylor and Ms. Robinson suggested that preference be given to consultant teams that are gender- and race-diverse. Mr. Beck and Mr. Patrie indicated that diversity goals would be included in the RFQ/P, consultant team evaluation and selection, and contract negotiation. Mr. Patrie said that if the Board had ideas on what the diversity goals should be, they should communicate them to the Steering Committee or Commission staff.

There being no further questions or comments, on a motion by Mr. Torres, seconded by Ms. Taylor, the process outlined in the “Proposed Retention of a Communications Consultant by Southeastern Wisconsin Regional Transit Authority” was approved unanimously by the Board.

## **ADJOURNMENT**

Ms. Robinson stated that the Board will need to be accountable for the vehicle rental fee revenues. She suggested establishing a budget. Ms. Taylor agreed that a budget would ensure that the RTA has funds for future activities. Mr. Beck stated that other than the proposed consultant, there are no other expected expenses for the completion of the RTA recommendation and report. Chairman Ostby noted that the Board will invest unused funds into the State of Wisconsin Local Government Investment Pool. The Board agreed to discuss a budget at future meetings.

Chairman Ostby indicated his concern that officials at Metra and Union Pacific were sending “mixed signals” about the KRM project. Mr. Patrie reported meeting with Union Pacific and indicated that Union Pacific officials had been very receptive. He said he had not scheduled a meeting with Metra officials yet, but hoped to do so before the next Board meeting. Ms. Ulichny, speaking on behalf of Mr. Mariano, informed the board that the KRM Leadership and Working Group is also working to communicate with officials at Union Pacific and Metra. Chairman Ostby asked that an update on the meeting with Metra officials be placed on the September meeting agenda.

Ms. Taylor suggested inviting Congressman Petri to one of the Board meetings. Chairman Ostby agreed that Congressman Petri is very supportive of the RTA and could be helpful in working with Metra officials.

Mr. Brandrup noted the KRM project has two supporters on the National Surface Transportation Policy and Revenue Study Commission. Wisconsin Transportation Secretary Busalacchi and Southeastern Wisconsin-native Paul Weyrich have been appointed to the Commission, which is to study the current condition of the surface transportation system, identify future needs, and develop financing recommendations.

Chairman Ostby reminded the Board that there will not be an August meeting, and the next time the Board meets will be on Monday, September 18.

There being no further business to come before the Board, the meeting was adjourned at 9:40 a.m. on a motion by Mr. Brandrup, seconded by Mr. Eberle, and carried unanimously.

Respectfully submitted,

Kenneth R. Yunker  
Recording Secretary

KRY/SD/sd/mlh

Doc # 119612v1: Board Minutes for 07/17/06

## Attachment A



SEWRPC


### *Review of RTA Work to Date and Comparison of Southeastern Wisconsin Public Transit to Other Transit Systems Nationwide*



SOUTHEASTERN  
WISCONSIN  
REGIONAL  
PLANNING  
COMMISSION

Regional Transit Authority  
July 17, 2006

#119304 v3



SEWRPC

## *Overview*

- Review of previous RTA discussion
  - Why public transit?
  - How is public transit funded?
  - What need is there for an RTA and new/dedicated transit funding
- Compare southeastern Wisconsin public transit to other transit systems nationwide (including funding)
  - Existing transit systems—Milwaukee County and Cities of Kenosha and Racine
  - KRM commuter rail

2



## *Why Public Transit?*

- Needed as part of a comprehensive and integrated transportation system
  - To provide a necessary and desirable alternative in heavily traveled corridors and areas.
  - To support higher density and infill development and redevelopment, which results in efficiencies for public infrastructure and services, including transportation.
  - To contribute to efficiency in the transportation system, including reduced highway traffic and congestion, air pollution and energy consumption.

3



## *Why Public Transit? (continued)*

- Needed to meet the travel needs—work, education, healthcare, shopping—of the significant portion of the population (15% of households) without an automobile.
- Needed to enhance economic development/quality of life
  - To provide job and labor force accessibility
  - To provide choice.
  - To reduce household expenditures on transportation, permitting greater savings, other expenditures, and higher standard of living.

4



## *Why KRM Commuter Rail?*

- To better connect Southeastern Wisconsin and Northeastern Illinois.
  - Improved connection should promote economic and population growth in the KRM corridor, Southeastern Wisconsin, and the Chicago-Milwaukee mega-metro area
  - Improved job and labor force accessibility
  - Promote high density development and redevelopment around stations
  - Improve accessibility to, and enhance GMIA; arts, culture, and entertainment venues; and colleges and universities
- Provide a high quality alternative to the automobile , particularly during freeway reconstruction over the next 20 years.

5



## *How is Public Transit in Southeastern Wisconsin Now Funded?*

- Milwaukee County
  - Annual Operating Funding
    - 20% Federal
    - 60% State
    - 20% Local (\$20 million)
  - Annual Capital Funding
    - 80% Federal
    - 20% Local (\$2.4 million)
- Cities of Kenosha and Racine
  - Annual Operating Funding
    - 35% Federal
    - 35% State
    - 30% Local (\$2.9 million)
  - Annual Capital Funding
    - 80% Federal
    - 20% Local (\$1.0 million)

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## *How is Public Transit in Southeastern Wisconsin Now Funded? (continued)*

- KRM Commuter Rail
  - Annual Operating Funding (projected \$15 million)
    - 35% Federal
    - 50% State
    - 15% Local (\$2 million)
  - Annual Capital Funding (estimated \$15 million)
    - 80% Federal
    - 10% State
    - 10% Local (\$3 million)\*

\*\$15 million total start-up capital cost local share spread over 5 years.

7



## *What is the Need for an RTA and New Transit Funding?*

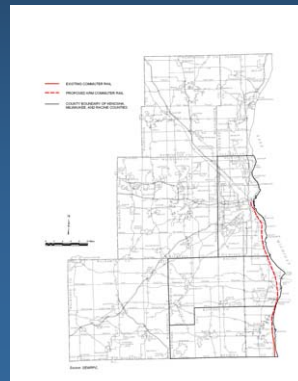
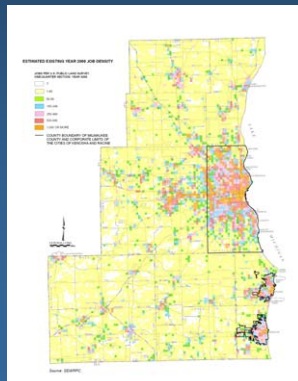
- Local government no longer has the financial capacity to maintain and expand public transit
  - State and Federal funds which have funded the bulk of transit operating costs (70 to 80%) have not increased with inflation.
  - Substantial service reductions and increases in fares have occurred over the past 5 years even though local funding has increased (25%).
  - Federal funds intended to fund capital projects are increasingly being used for annual operating funding.
  - Fuel cost increases are creating even further needs to cut costs through reducing service and increasing fares.

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## Need for RTA and New Transit Funding (continued)

- Transit service needs extend well beyond the corporate limits of existing transit operators—Milwaukee County and Cities of Kenosha and Racine—and existing operators are largely unable to meet these needs.



9



## Need for RTA and New Transit Funding (continued)

- Needed major transit improvements with significant benefits and marginal increases in local costs are not possible.
  - KRM commuter rail
- Transit service needs are not being met
  - Mobility for those without automobile
  - Perform its role as part of an integrated transportation system
  - Enhance economic development/quality of life

10



## *Transit and Transit Funding in Other Metropolitan Areas*

- Milwaukee County Transit System
- Kenosha and Racine Transit Systems
- KRM Commuter Rail



## *Public Transit Governance*

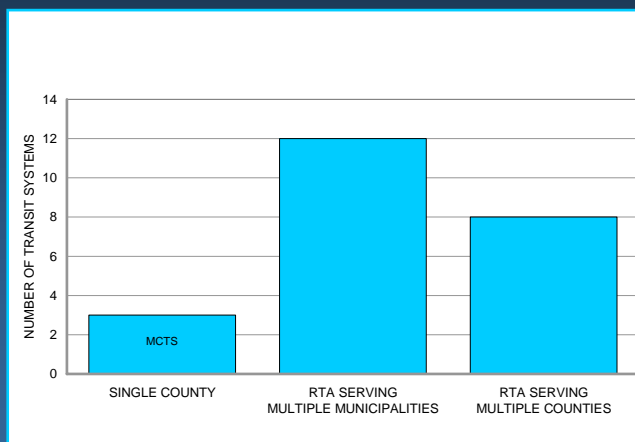


Table 1

COMPARISON OF PUBLIC TRANSIT SYSTEMS IN METROPOLITAN AREAS SIMILAR IN POPULATION TO THE MILWAUKEE AREA: 2004

Metropolitan Area	Transit Operator	Service Area	Year 2000 Population (millions)	Year 2004 Transit Service			Financial Information for All Services Provided by Transit System <sup>a</sup>						
				Types of Transit Service	Annual Revenue Vehicle Miles of Service (millions)	Annual Ridership <sup>b</sup> (millions)	Total Operating Cost (millions)	Farebox Revenue (millions)	Net Operating Cost (millions)	Federal Share (millions)	State Share (millions)	Local Share (millions)	Source of Dedicated Local Funding
St. Louis, MO	Bi-State Development Agency (Metro)	1 county plus portions of 2 other counties in 2 states	2.08	Bus and Light Rail	21.7	44.8	\$168.4	\$36.5	\$131.9	\$15.2	\$1.5	\$115.2	0.25% Sales tax
Denver, CO	Regional Transportation District	4 counties plus portions of 3 other counties	1.98	Bus Light Rail	42.9	81.3	\$288.0	\$74.1	\$213.9	\$39.4	\$0.2	\$174.3	0.6% Sales tax
Cleveland, OH	Greater Cleveland Regional Transit Authority	1 county plus portions of 4 other counties	1.79	Bus and Heavy Rail and Light Rail	23.9	57.5	\$214.3	\$39.1	\$175.2	\$16.5	\$4.2	\$154.5	1.0% Sales tax
Pittsburgh, PA	Port Authority of Allegheny County	1 county plus portions of 4 other counties	1.75	Bus Light Rail and Inclined Plane	29.5	66.1	\$289.0	\$71.8	\$217.2	\$38.3	\$151.5	\$27.4	Sales tax <sup>c</sup>
Portland, OR	Tri-County Metropolitan Transportation District of Oregon (Tri-Met)	Portions of 3 counties	1.58	Bus and Light Rail	30.0	97.4	\$282.7	\$72.1	\$210.6	\$46.8	\$2.5	\$161.3	.006218% payroll tax
Cincinnati, OH	Southwest Ohio Regional Transit Authority	1 county plus portions of 3 other counties	1.50	Bus	11.3	23.1	\$71.9	\$21.4	\$50.4	\$12.6	\$1.3	\$36.5	0.3% payroll tax
Norfolk, VA	Hampton Roads Transit	7 cities in one county	1.39	Bus and Ferryboat	10.6	19.6	\$50.2	\$15.5	\$34.7	\$15.0	\$10.1	\$9.6	--
Sacramento, CA	Sacramento Regional Transit District	4 cities in one county	1.39	Bus and Light Rail	10.5	30.5	\$119.9	\$25.5	\$94.4	\$15.1	\$2.5	\$76.8	0.5% Sales tax
Kansas City, MO	Kansas City Area Transportation Authority	7 counties in 2 states	1.36	Bus	7.9	12.9	\$51.1	7.0	\$44.1	\$9.9	--	\$34.2	0.375% Sales tax
San Antonio, TX	VIA Metropolitan Transit	1 county	1.33	Bus	17.8	42.2	\$103.2	\$18.3	\$84.9	10.2	--	74.7	0.5% Sales tax
Las Vegas, NV	Regional Transportation Commission of Southern Nevada	Portions of 1 county	1.31	Bus	14.8	50.6	\$99.5	\$42.4	\$57.1	\$2.2	--	\$54.9	0.25% Sales tax
Milwaukee, WI	Milwaukee County Transit System	1 county	1.31	Bus	17.5	53.7	\$141.3	\$45.8	\$95.5	\$16.9	\$57.9	\$20.7	--
Indianapolis, IN	Indianapolis Public Transportation Corporation	1 county	1.22	Bus	6.2	9.0	\$39.9	\$9.6	\$30.3	\$10.2	\$8.6	\$11.5	--
Providence, RI	Rhode Island Public Transit Authority	Statewide	1.18	Bus	7.5	16.4	\$74.5	15.3	\$59.2	\$13.3	\$37.4	\$8.5	6.25 cents per gallon gas tax
Columbus, OH	Central Ohio Transit Authority	1 county plus portions of 3 other counties	1.13	Bus	8.3	14.5	\$71.5	12.9	\$58.4	\$10.7	\$0.9	\$46.8	0.25% Sales tax
New Orleans, LA	New Orleans Regional Transit Authority	Portions of 1 parish	1.01	Bus and Light Rail	10.7	47.1	\$108.4	\$36.2	\$72.2	\$14.9	\$2.3	\$55.0	1.0% Sales tax <sup>d</sup>
Buffalo, NY	Niagara Frontier Transportation Authority	1 county	0.98	Bus and Light Rail	9.2	23.1	\$89.5	\$23.0	\$66.5	\$8.3	\$25.8	\$32.4	0.125% Sales tax
Memphis, TN	Memphis Area Transit Authority	Portions of 3 counties in 2 states	0.97	Bus and Light Rail	9.2	11.7	\$46.6	\$10.7	\$35.9	\$8.1	\$8.8	\$19.0	--
Austin, TX	Capital Metropolitan Transportation Authority	Portions of 3 counties	0.90	Bus	13.8	35.1	\$139.5	\$15.8	\$123.7	\$12.3	--	\$111.4	1.0% Sales tax
Salt Lake City, UT	Utah Transit Authority	Portions of 6 counties	0.89	Bus and Light Rail	19.7	26.6	\$141.5	\$23.6	\$117.9	\$30.5	--	\$87.4	Sales tax <sup>e</sup>
Jacksonville, FL	Jacksonville Transportation Authority	1 county	0.88	Bus and Automated Guideway	10.2	9.6	\$66.3	\$20.4	\$45.9	\$1.8	\$4.3	\$39.8	1.0% Sales tax
Louisville, KY	Transit Authority of River City	1 county plus portions of 4 other counties in 2 states	0.86	Bus	7.5	15.2	\$52.1	\$6.8	\$45.3	\$11.2	\$1.2	\$32.9	0.2% payroll
Charlotte, NC	Charlotte Area Transit System	1 county plus portions of 4 other counties in two states	0.76	Bus	10.1	18.4	\$68.9	\$10.2	\$58.7	--	\$12.5	\$46.2	0.5% Sales tax

<sup>a</sup>Financial data include figures for transit services not listed including paratransit services for the disabled and vanpool programs. These services make up a small part of total service and ridership for the transit system.

<sup>b</sup>Total boarding passengers including those transferring between routes.

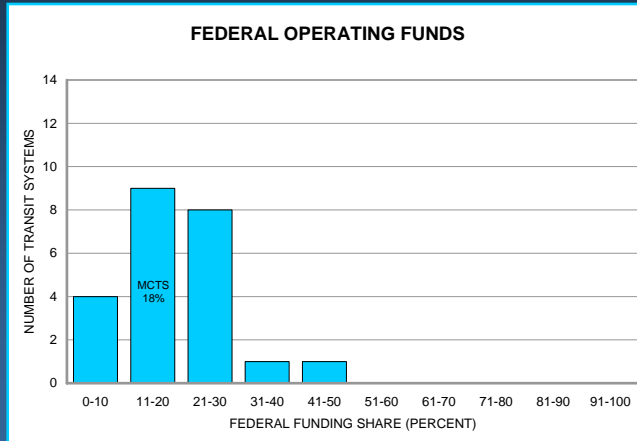
<sup>c</sup>Portion of State 1.22% Sales tax, and \$1 per tire, \$2 per vehicle rental, and 3% of vehicle lease.

<sup>d</sup>Also 0.6% hotel room tax.

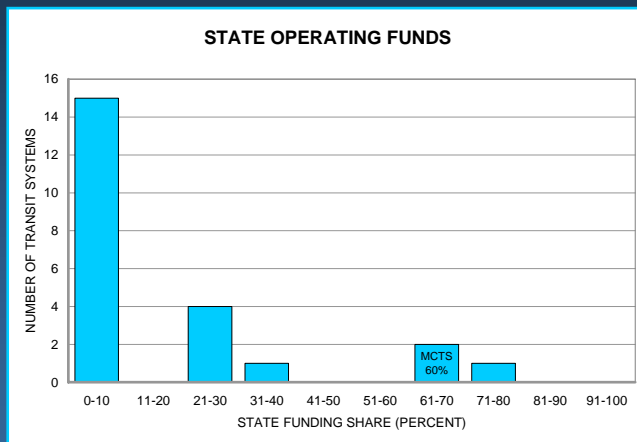
<sup>e</sup>0.4375% in Salt Lake County, 0.5% in 2 counties, and 0.25% in 3 Counties.



## Public Transit System Funding

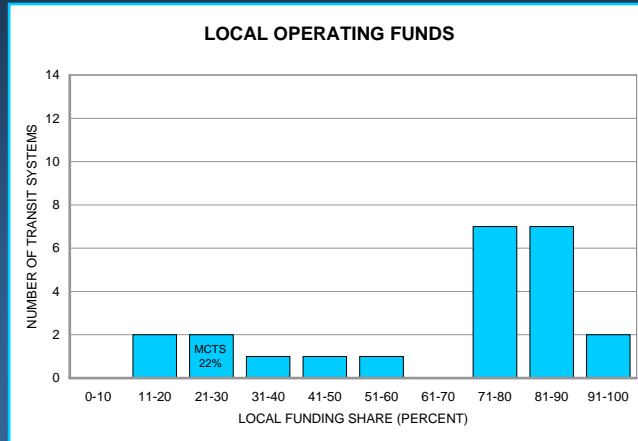


## Public Transit System Funding (continued)





## Public Transit System Funding (continued)



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## Use and Source of Local Dedicated Funding

Name	2000 Population (in millions)	Source of Local Dedicated Funding
St. Louis, MO	2.08	0.25% Sales tax
Denver, CO	1.98	0.6% Sales tax
Cleveland, OH	1.79	1.0% Sales tax
Pittsburgh, PA	1.75	Sales tax <sup>a</sup>
Portland, OR	1.58	.006218% payroll tax
Cincinnati, OH	1.50	0.3% payroll tax
Norfolk, VA	1.39	-
Sacramento, CA	1.39	0.5% Sales tax
Kansas City, MO	1.36	0.375% Sales tax
San Antonio, TX	1.33	0.5% Sales tax
Las Vegas, NV	1.31	0.25% Sales tax
Milwaukee, WI	1.31	-
Indianapolis, IN	1.22	-
Providence, RI	1.18	6.25 cents per gallon gas tax
Columbus, OH	1.13	0.25% Sales tax
New Orleans, LA	1.01	1.0% Sales tax <sup>b</sup>
Buffalo, NY	0.98	0.125% Sales tax
Memphis, TN	0.97	-
Austin, TX	0.90	1.0% Sales tax
Salt Lake City, UT	0.89	Sales tax <sup>c</sup>
Jacksonville, FL	0.88	1.0% Sales tax
Louisville, KY	0.86	0.2% payroll
Charlotte, NC	0.76	0.5% Sales tax

<sup>a</sup> Portion of State 1.22% Sales tax, and \$1 per tire, \$2 per vehicle rental, and 3% of vehicle lease.

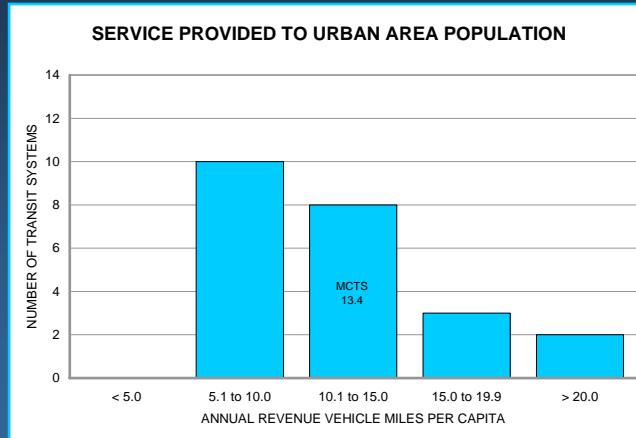
<sup>b</sup> Also 0.6% hotel room tax.

<sup>c</sup> 0.4375% in Salt Lake County, 0.5% in 2 counties, and 0.25% in 3 Counties.

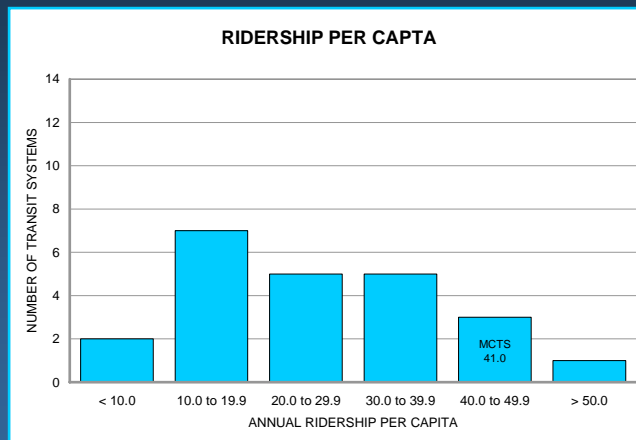
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## Public Transit System Service and Ridership

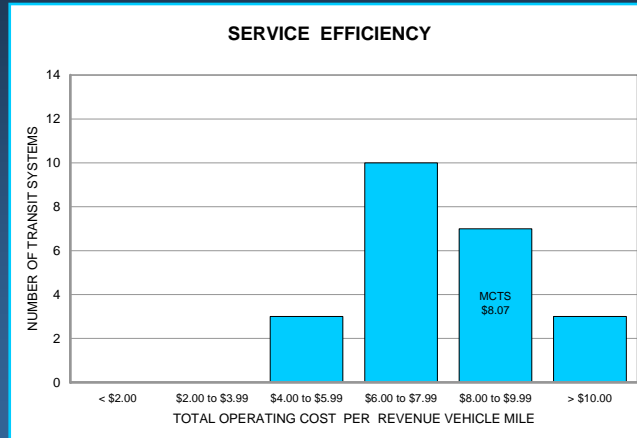


## Public Transit System Service and Ridership (continued)





## Public Transit System Service and Ridership (continued)



## Public Transit System Service and Ridership (continued)

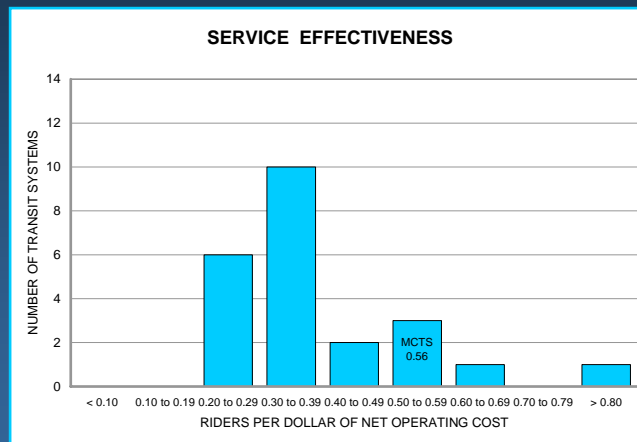


Table 2

COMPARISON OF PUBLIC TRANSIT SYSTEMS IN METROPOLITAN AREAS SIMILAR IN POPULATION TO THE KENOSHA AND RACINE AREAS: 2004

Metropolitan Area	Transit Operator	Service Area <sup>b</sup>	Year 2000 Population (thousands)	Services and Characteristics			Total for All Services Provided by Transit System <sup>a</sup>						
				Types of Transit Service	Annual Revenue Vehicle Miles of Service (millions)	Annual Ridership <sup>c</sup> (millions)	Total Operating Cost (millions)	Farebox Revenue (millions)	Net Operating Cost (millions)	Federal Share (millions)	State Share (millions)	Local Share (millions)	Source of Dedicated Local Funding
Boise, ID	Valley Regional Transit Authority	5 municipalities in 2 counties	273	Bus	1.1	1.1	\$7.4	\$0.9	\$6.5	\$3.9	--	\$2.6	--
Springfield, MO	City Utilities of Springfield Transit Services	1 city	215	Bus	1.0	1.4	\$4.8	\$0.6	\$4.2	\$2.1	\$0.2	\$1.9	--
Evansville, IL	Metropolitan Evansville Transit System	City plus surrounding municipalities	212	Bus	1.0	1.3	\$5.2	\$0.9	\$4.3	\$0.7	\$1.2	\$2.4	--
Salem, OR	Salem Area Mass Transit District	2 cities	207	Bus	2.5	5.3	\$18.0	\$2.2	\$15.8	\$3.7	\$4.2	\$7.9	0.76 mil property tax levy
Erie, PA	Erie Metropolitan Transit Authority	City plus surrounding municipalities	195	Bus	1.4	2.5	\$10.9	\$4.6	\$6.3	\$2.3	\$3.5	\$0.5	--
Kalamazoo, MI	Kalamazoo Metro Transit System	1 city	188	Bus	1.7	2.9	\$10.0	\$1.3	\$8.7	\$1.1	\$3.6	\$4.0	1 mil property tax levy
Broome County, NY	Broome County Department of Public Transportation	4 municipalities	159	Bus	1.6	2.6	\$8.8	\$2.2	\$6.6	\$2.1	\$3.4	\$1.1	--
Racine, WI	Belle Urban System (BUS)	City plus portions of surrounding municipalities	130	Bus	1.2	1.5	\$6.2	\$1.1	\$5.1	\$1.7	\$2.1	\$1.3	--
Utica, NY	Utica Transit Authority	6 municipalities	113	Bus	0.9	1.1	\$4.2	\$1.1	\$3.1	\$1.1	\$1.7	\$0.3	--
Kenosha, WI	Kenosha Area Transit System (KATS)	City plus portions of surrounding municipalities	111	Bus, Streetcar	1.1	1.7	\$5.5	\$1.0	\$4.5	\$1.6	\$1.7	\$1.2	--
Waterloo, IA	Metropolitan Transit Authority of Black Hawk County	2 cities	108	Bus	0.5	0.3	\$3.3	\$0.7	\$2.6	\$1.1	\$0.2	\$1.3	0.95 mil property tax levy
Jackson, MI	City of Jackson Transportation Authority	City for bus and County for demand responsive	88	Bus and Demand Responsive	1.2	0.6	\$5.1	\$1.2	\$3.9	\$0.8	\$2.1	\$1.0	1 mil property tax levy
Bellingham, WA	Whatcom Transportation Authority	City plus portions of surrounding county	84	Bus	1.3	3.4	\$13.3	\$1.6	\$11.7	--	\$0.4	\$11.3	0.3% Sales tax
Bay City, MI	Bay Metropolitan Transit Authority	Countywide	74	Bus	0.8	0.4	\$6.6	\$0.8	\$5.8	\$1.1	\$2.8	\$1.9	0.75 mil property tax levy
Pittsfield, MA	Berkshire Regional Transit Authority	12 municipalities in one county	53	Bus	0.8	0.5	\$3.4	\$0.6	\$2.8	\$0.3	\$1.8	\$0.7	--

<sup>a</sup>Financial data include figures for transit services not listed including paratransit services for the disabled and vanpool programs. These services make up a small part of total service and ridership for the transit system.

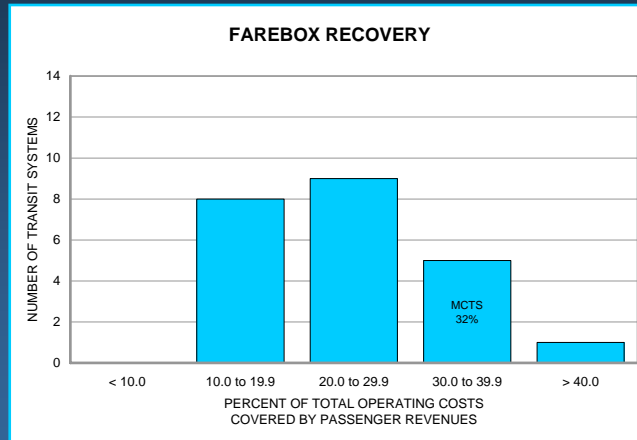
<sup>b</sup>In some cases, transit operators provide paratransit or demand-response service to municipalities outside the fixed-route service area. "Service Area" includes only the units served by fixed-route bus service.

<sup>c</sup>Total boarding passengers including those transferring between routes.

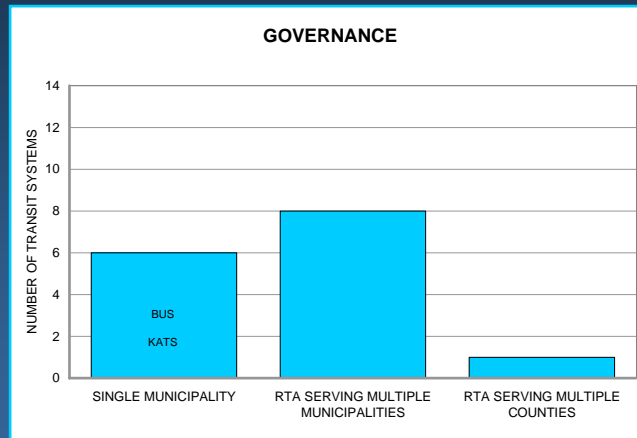
Source: Transit system agencies and governing bodies, 2004 National Transit Database, and SEWRPC.



## Public Transit System Service and Ridership (continued)

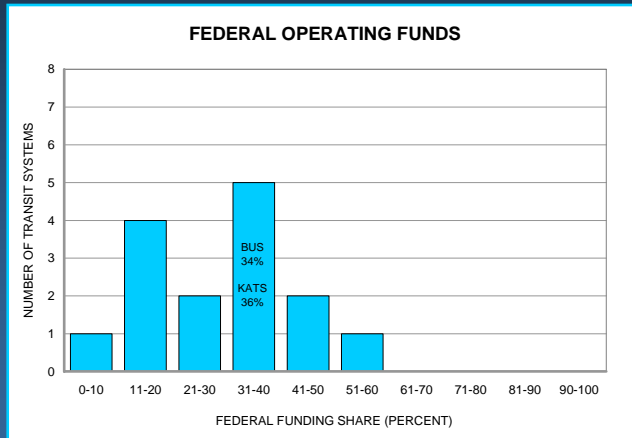


## Public Transit Governance

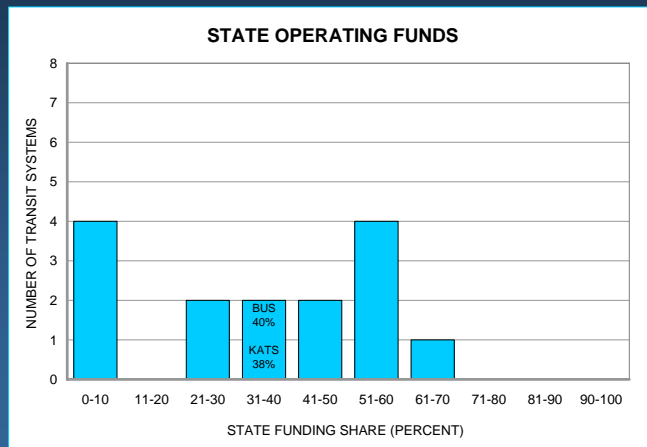




## Public Transit System Funding

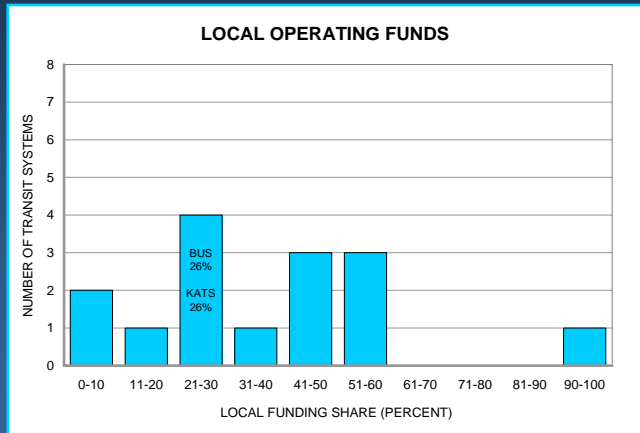


## Public Transit System Funding (continued)





## Public Transit System Funding (continued)

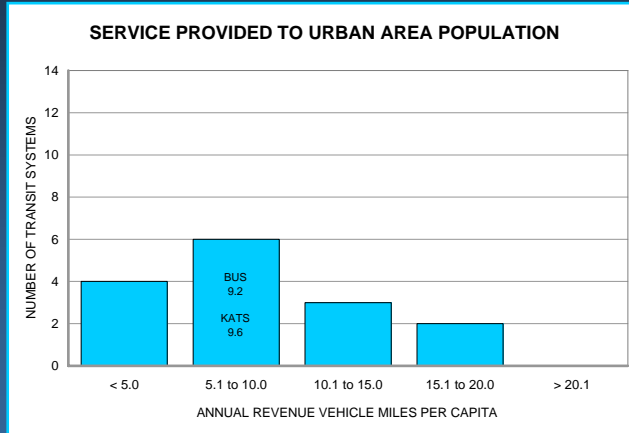


## Use and Source of Local Dedicated Funding

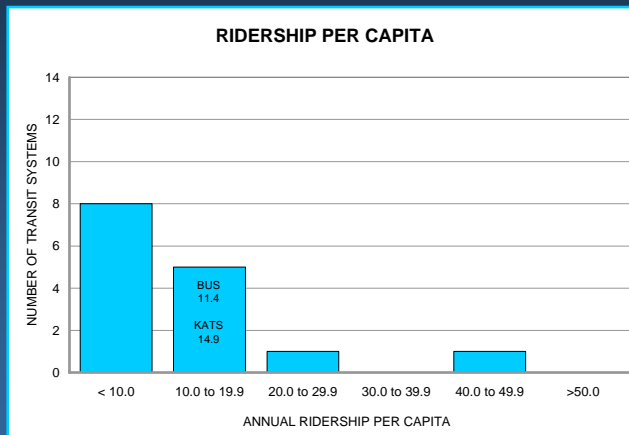
Name	2000 Population (in thousands)	Source of Local Dedicated Funding
Boise, ID	273	--
Springfield, MO	215	--
Evansville, IL	212	--
Salem, OR	207	0.76 mil property tax levy
Erie, PA	195	--
Kalamazoo, MI	188	1 mil property tax levy
Broome County, NY	159	--
Racine, WI	130	--
Utica, NY	113	--
Kenosha, WI	111	--
Waterloo, IA	108	0.95 mil property tax levy
Jackson, MI	88	1 mil property tax levy
Bellingham, WA	84	0.3% Sales Tax
Bay City, MI	74	0.75 mil property tax levy
Pittsfield, MA	53	--



## Public Transit System Service and Ridership

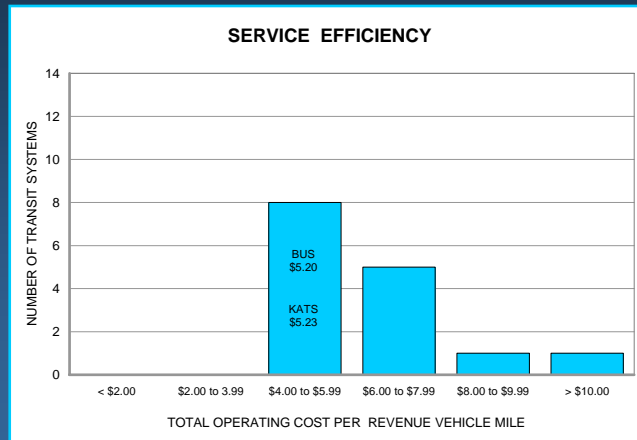


## Public Transit System Service and Ridership (continued)

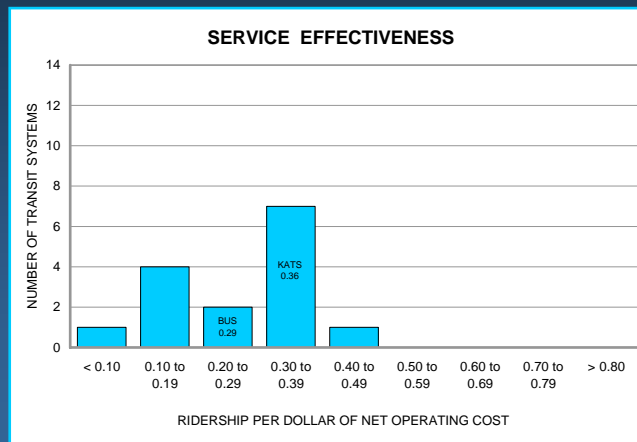




## Public Transit System Service and Ridership (continued)

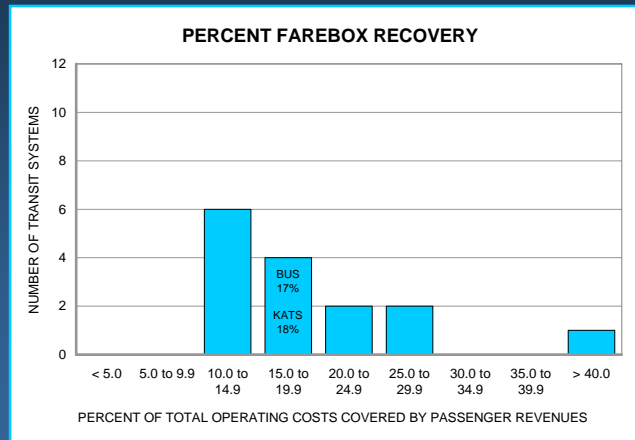


## Public Transit System Service and Ridership (continued)





## Public Transit System Service and Ridership (continued)



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## Recent New and Proposed New Commuter Rail Lines

- Recent new lines are in areas larger than southeastern Wisconsin, but most proposed new lines are in areas smaller than southeastern Wisconsin
- Operators are predominantly regional transit authorities.
- Most recent and proposed new lines have station spacing somewhat greater than that proposed for KRM (9 stations in 33 miles).
- Length of KRM commuter rail line (33 miles within southeastern Wisconsin and 85 miles combined with northern Illinois) compares well to recent and proposed new starts.

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Table 3

SELECTED OPERATING CHARACTERISTICS OF RECENT AND NEW-START COMMUTER RAIL SYSTEMS IN THE UNITED STATES

Name of Service	Services and Characteristics							Total Expenses and Revenues for Commuter Rail Mode							Local Funding Source	
	System				Service			Ridership		Operating Expenses (millions)	Farebox and Other Revenues (millions)	Net Operating Expenses (millions)	Share of Operating Subsidy			
	Primary Urbanized Area	Population (millions)	Operator	Year Open	Routes - Length (miles) - Stations	Amount of Weekday Service	Other Service	Weekday Trips	Annual Passenger-Miles (millions)				Federal Share (millions)	State Share (millions)		Local Share (millions)
Altamont Commuter Express	San Jose	2.0	ACE Joint Powers Authority	1998	1 - 86 - 10	3 RT PP PD only	Weekdays only	3,600	29.5	\$ 11.3	\$ 2.9	\$ 8.3	\$ 0.7	\$ - -	\$ 7.6	Dedicated sales taxes from 3 counties; varies from 1/4 to 1/2-cent.
Coaster	San Diego	3.4	North County Transit District	1995	1 - 42 - 8	12 RT	Add'l Fri evening RT; 4 RT on Sat	5,400	40.4	14.0	5.2	8.7	1.0	--	7.7	Dedicated sales taxes from north half of San Diego County.
Metrolink	Los Angeles	10.5	Southern California Regional Rail Authority	1992	7 - 512 - 54	71 RT	Sat - 12 RT on 2 lines Sun/Hol - 4 RT on 1 line	41,300	364.5	130.8	74.8	55.9	--	--	55.9	Dedicated sales taxes from 5 counties; varies from 1/4 to 1/2 cent.
Souder	Seattle	2.7	Central Puget Sound Regional Transit Authority	2000	2 - 73 - 9	4 RT PP PD on Tacoma line 2 RT PP PD on Everett line	Weekdays only	4,200	24.0	16.0	2.4	13.6	--	--	13.6	Dedicated sales tax of 0.4 % from 5 subareas in 3 counties. Also motor vehicle excise tax and rental car tax.
Shore Line East	New Haven	1.5	Connecticut DOT	1990	1 - 51 - 8	10 RT PP	Weekdays only	1,800	8.1	7.2	1.2	6.0	--	6.0	--	None.
Trinity River Express	Dallas - Ft. Worth	4.1	Fort Worth Transportation Authority and Dallas Area Rapid Transit	1996	1 - 34 - 9	24 RT	11 RT on Sat	7,600	28.3	25.0	4.3	20.7	--	--	20.7	Dedicated sales taxes of 1% through DART and 0.5% through FWTA.
Tri-Rail	Miami	4.9	South Florida Regional Transportation Authority	1989	1 - 71 - 18	20 RT	8 RT on Sat 7 RT on Sun/Hol	10,100	84.8	25.2	6.4	18.8	7.1	6.4	5.3	Each of 3 counties contributes equal amount of local share from general funds. No dedicated local funding.
Virginia Railway Express	Washington	2.4	Northern Virginia Transportation Commission and Potomac and Rappahannock Transportation Commission	1992	2 - 89 - 18	6 RT PP PD on Fredericksburg line 8 RT PP mostly PD on Manassas line	Weekdays only	14,600	103.7	37.4	17.1	20.3	6.2	7.5	6.4	Each jurisdiction contributes a share from general funds based on a population/ridership formula. No dedicated local funding.
<b>NEW COMMUTER RAIL SYSTEMS UNDER DEVELOPMENT</b>																
FrontRunner	Salt Lake City	0.9	Utah Transit Authority	2008 est.	1 - 44 - 8	31 RT	28 RT on Sat	5,800 in 2008 11,800 in 2025	--	18.0	3.6	14.4	--	--	14.4	Dedicated sales taxes from 5 counties; varies from 0.25% to 0.5%.
KRM Commuter Link	Milwaukee	1.3	Southeastern Wisconsin Regional Transit Authority	?	1 - 33 - 9	7 RT	3 RT on weekends	4,100 in 2020	30.8	18.6	3.2	15.4 <sup>a</sup>	5.0	8.4	2.0	?
Music City Star	Nashville	0.7	Regional Transportation Authority	2006 est.	1 - 32 - 6	3 RT PP PD 2 RT PP RD	Weekdays only	1,500 in 2008 1,900 in 2012	--	3.0	1.1	1.9	0.7	0.5	0.7	RTA fees from member counties.
Northstar	Minneapolis	2.5	Northstar Corridor Development Authority	2011 est.	1 - 40 - 6	5 RT PP PD 1 RT PP RD	3 RT on weekends	4,000 in 2009 5,600 in 2025	--	12.0	4.0	8.0	4.0	2.0	2.0	Regional property taxes from 7 counties.
Rail Runner <sup>b</sup>	Albuquerque	0.6	New Mexico DOT	2006 est.	1 - 51 - 9	7 RT	Weekdays only		--	9.0	0.9	8.1 <sup>b</sup>	--	6.3	1.8	Freight railroad usage fees.
Sprinter	Oceanside	3.4	North County Transit District	2007 est.	1 - 22 - 15	32 RT	Also weekends	10,300 in 2008 19,000 in 2020	--	N/A	N/A	N/A	N/A	N/A	N/A	Dedicated sales taxes from north half of San Diego County.
Washington County	Portland	1.3	Tri-County Metropolitan Transportation District of Oregon	2008 est.	1 - 15 - 5	21 RT	N/A	1,600 in 2008 3,000 in 2020	--	8.8	N/A	N/A	N/A	N/A	N/A	Dedicated payroll tax from district within 3 counties. Also cigarette tax.

Note - N/A indicates data not available.

<sup>a</sup> The total operating costs shown include the costs of all new commuter rail service provided under the project. This includes service within southeastern Wisconsin, and as well, some new service within northeastern Illinois. Much of this new service within northeastern Illinois is reverse-commuter service, including service in the morning outbound from the Chicago Loop and, in the afternoon, inbound to the Chicago Loop. Approximately \$4.5 million of the \$18.6 million annual total operating cost shown are due to this service entirely within northeastern Illinois. It is reasonable to expect that negotiations would occur to allocate the costs of this new service between northeastern Illinois and southeastern Wisconsin. The farebox revenue attributable to trips made entirely within northeastern Illinois on this new service have not been estimated or included in these estimates. Potential allocation of the costs of that portion of the new commuter rail service in northeastern Illinois may be expected to reduce the net annual operating expense by 10 to 20 percent and may be expected to increase the corresponding farebox recovery ratio from between 15 and 20 percent to between 20 and 25 percent.

<sup>b</sup> The New Mexico Rail Runner Express will operate with no fares upon start-up, and then with reduced fares. Following an initial three-year period, a permanent fare and funding structure that includes a dedicated local funding source will be put in place.

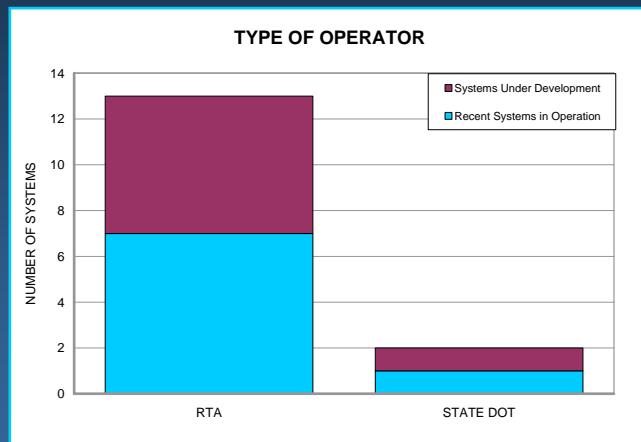


## Recent New and Proposed New Commuter Rail Lines (continued)

- About half of the recent and proposed new commuter rail lines provide daily service in both directions, and the other half provide peak period-peak direction service (typically only on weekdays)

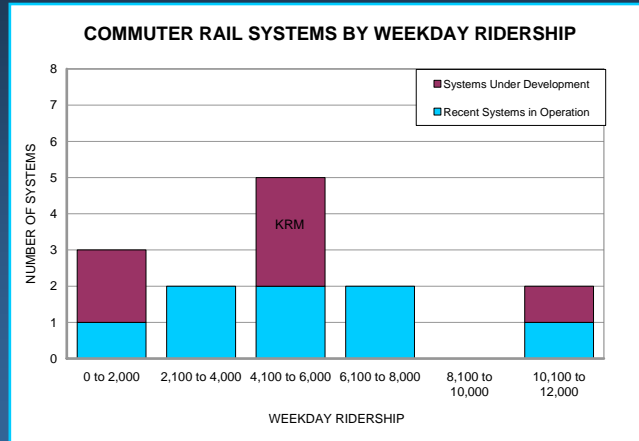


## Commuter Rail Operator





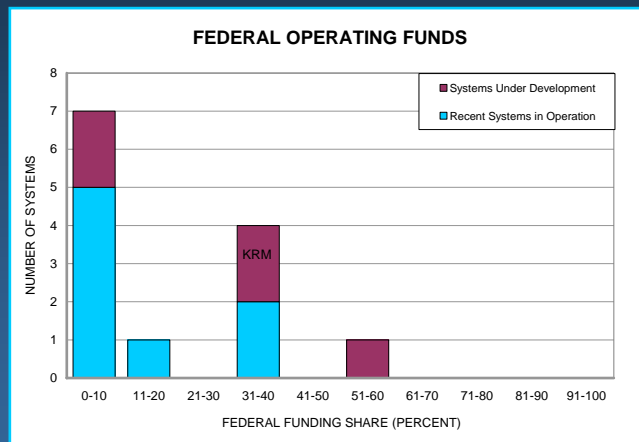
## Commuter Rail Ridership



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



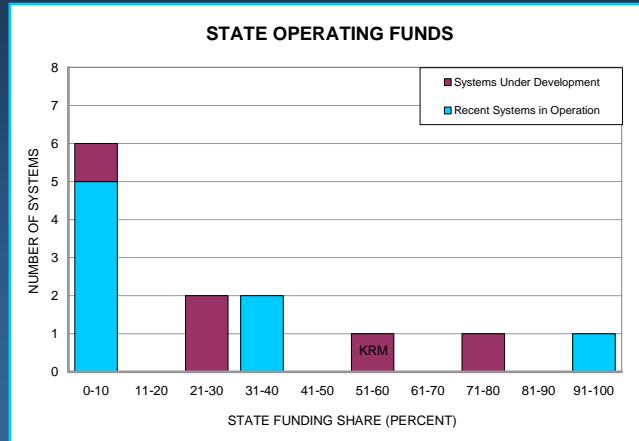
## Commuter Rail Operating Funding



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



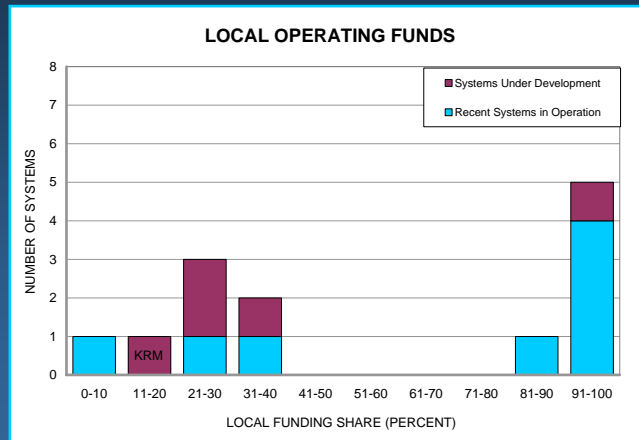
## Commuter Rail Operating Funding (continued)



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



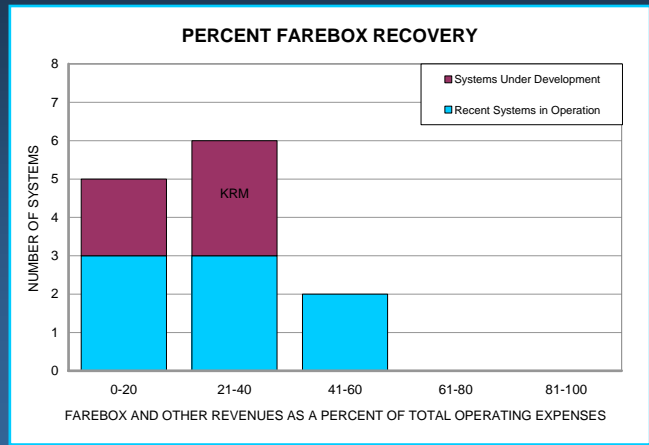
## Commuter Rail Operating Funding (continued)



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



## Commuter Rail Operating Funding (continued)



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



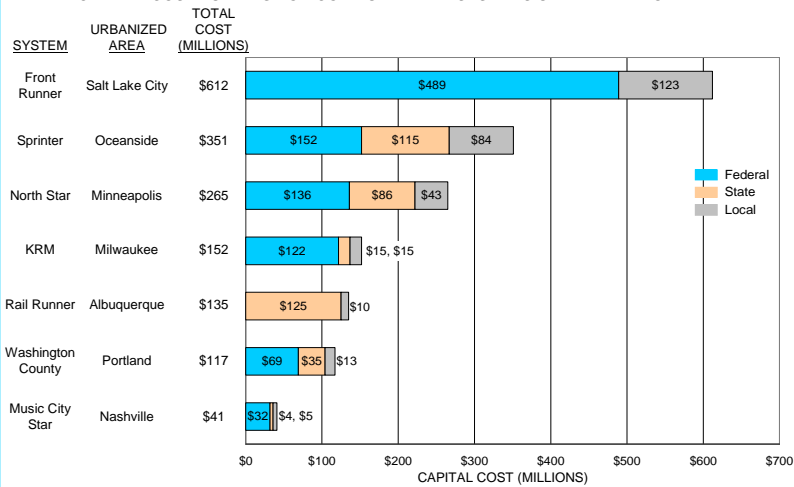
## Source of Local Funding for Commuter Rail

Name - Urbanized Area	2000 Population (in millions)	Source of Local Funding
<i>Recent and New Systems in Operation</i>		
Altamont Commuter Express - San Jose	2.0	Dedicated sales tax
Coaster - San Diego	3.4	Dedicated sales tax
Metrolink - Los Angeles	10.5	Dedicated sales tax
Souder - Seattle	2.7	Dedicated sales tax, motor vehicle excise tax, and rental car tax
Shore Line East - New Haven	1.5	None
Trinity River Express - Dallas/Ft. Worth	4.1	Dedicated sales tax
Tri-Rail - Miami	4.9	Local general funds, no dedicated funding
Virginia Railway Express - Washington	2.4	Local general funds, no dedicated funding
<i>Systems Under Development</i>		
FrontRunner - Salt Lake City	0.9	Dedicated sales tax
Music City Star - Nashville	0.7	RTA fees from local counties
Northstar - Minneapolis	2.5	Regional property taxes
Rail Runner - Albuquerque	0.6	Freight railroad usage fees
Sprinter - Oceanside	3.4	Dedicated sales tax
Washington County - Portland	1.3	Dedicated payroll tax and cigarette tax



## Capital Cost Funding for Proposed New Lines

CAPITAL COST FUNDING FOR COMMUTER RAIL SYSTEMS UNDER DEVELOPMENT



Note: Data for potential KRM commuter rail service are from the alternatives analysis study completed in 2003. Revised data are currently being prepared as part of the KRM Commuter Link project development and may differ from that shown here.



## Summary and Conclusions

- Need for a good public transit system in southeastern Wisconsin
- Public transit in southeastern Wisconsin has been substantially funded by Federal and State government.
- A substantial need exists in southeastern Wisconsin for an RTA and new dedicated funding.
  - State and Federal funding have not kept up with inflation.
  - Even with increased local funding, significant service reductions and fare increases have occurred.
  - Transit service needs extending beyond jurisdictional boundaries are not being met. (KRM commuter rail)



## Summary and Conclusions (continued)

- Findings of review of other systems
  - Milwaukee County Transit System
    - Efficiency and effectiveness are high compared to other systems
    - Almost all other systems are governed by an RTA serving multiple jurisdictions, and have dedicated local funding, typically a sales tax
  - Kenosha and Racine Transit Systems
    - Efficiency and effectiveness compare well to other systems
    - Many other systems are governed by an RTA serving multiple jurisdictions, some with dedicated local funding

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## Summary and Conclusions (continued)

- KRM Commuter Rail
  - KRM commuter rail compares well to recent and proposed new commuter rail lines—area size, length, station spacing, service schedule, and ridership.
  - Almost all commuter rail lines are operated by an RTA, with a few operated by a State.
  - Almost all commuter rail lines have dedicated local funding, usually a sales tax

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## Attachment B

### **Proposed Retention of Communications Consultant by Southeastern Wisconsin Regional Transit Authority**

#### Scope of Work

The Commission staff proposed in June 2006 that the Southeastern Wisconsin Regional Transit Authority (RTA) consider retention of a communications consultant to assist the RTA and Commission staff in developing and providing information on the work, findings, and recommendations of the RTA. The consultant would develop and implement a communications strategy. The strategy could consist of the development of briefing materials, the design and the conduct of surveys, and the conduct of meetings with elected officials, government staff, business community, media, and the public, among perhaps other activities.

#### Selection Process

The Commission staff would propose to retain a consultant through a request for qualifications/proposal process. The staff would develop a request for qualifications/proposals (RFQ/P), which would include the criteria for selection. The RFQ/P would be reviewed and approved by the RTA. We would propose that this be done by e-mailing a draft RFQ/P to RTA members with a request for review and comment. We would then attempt to incorporate all RTA member comments in the final RFQ/P. In the alternative, an RTA meeting could be held in August to review and approve the RFQ/P. We would also provide to the RTA members the list of firms to be sent the RFQ/P and any other means of notice of the RFQ/P. Comments would be welcome on these materials too. We would propose that the selection be done through review of qualifications and proposals and interviews by a seven member panel consisting of the six local government members of the Kenosha-Racine-Milwaukee Commuter Rail Corridor Study Steering Committee and a representative of the Regional Planning Commission staff.<sup>1</sup> That panel would make a recommendation for consideration by the RTA. Following RTA Board action, the Commission staff would work with the selected consultant to develop a final scope of work and budget which also would be submitted for approval by the RTA.

#### Budget and Funding

It is estimated that the \$2 vehicle rental fee will generate about \$750,000 annually. The Wisconsin Department of Revenue began collecting this fee on June 1, 2006. The first payment to the RTA, which

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<sup>1</sup> The six local government steering committee members are appointed by the chief elected officials of the cities and counties of Kenosha, Milwaukee, and Racine and include Len Brandrup, Director, Department of Transportation for the City of Kenosha; Jeffrey J. Mantes, Commissioner of Public Works for the City of Milwaukee; Richard M. Jones, Commissioner of Public Works for the City of Racine; Frederick J. Patrie, Director of Public Works for Kenosha County; Robert R. Dennik, Director, Economic and Community Development Division for Milwaukee County; and, Glenn M. Lampark, Director of Public Works for Racine County.

would include the month of June 2006 and the third quarter of 2006, is estimated to be \$250,000 and should be received by the RTA in November 2006. The Commission staff is not anticipating any other significant additional RTA expenditures attendant to the completion of the work of the RTA up to and including the final report. The RFQ/P and the contract with the selected consultant would indicate that the selected firm will not be paid until the RTA has received revenue from the Wisconsin Department of Revenue.

\* \* \*

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#119334 v1 - RTA/PropRetentionCommConsl