



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



Regional Transit Authority
July 17, 2006



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



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.



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.



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.



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)



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.



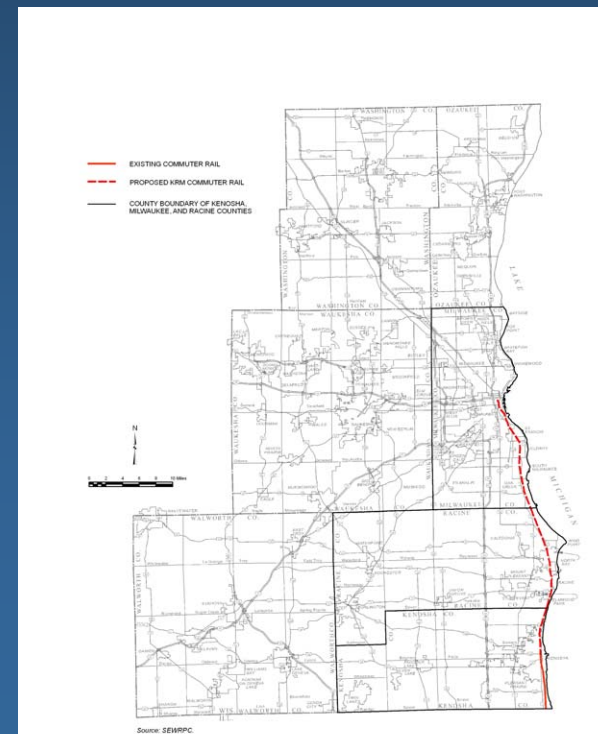
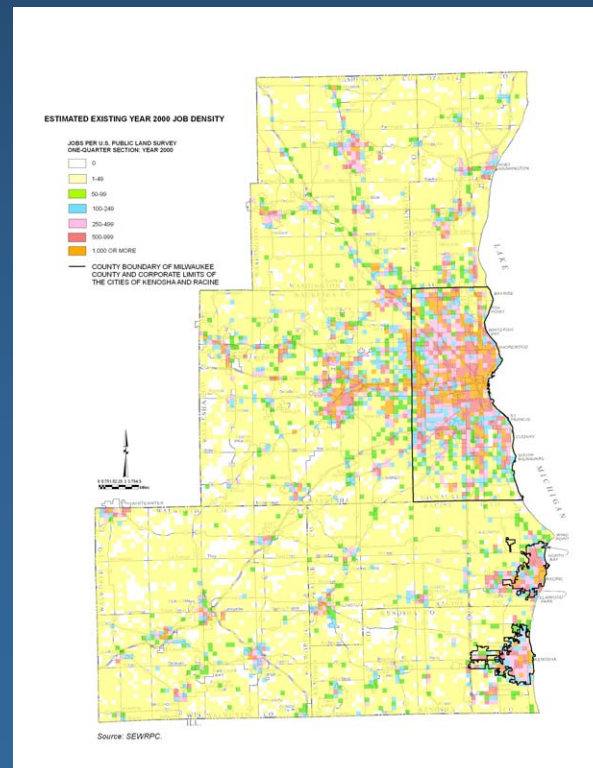
What is the Need for an RTA and New Transit Funding?

- 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.



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.





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



Transit and Transit Funding in Other Metropolitan Areas

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

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 ^a						
				Types of Transit Service	Annual Revenue Vehicle Miles of Service (millions)	Annual Ridership ^b (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 ^c
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 ^d
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 ^e
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

^aFinancial 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.

^bTotal boarding passengers including those transferring between routes.

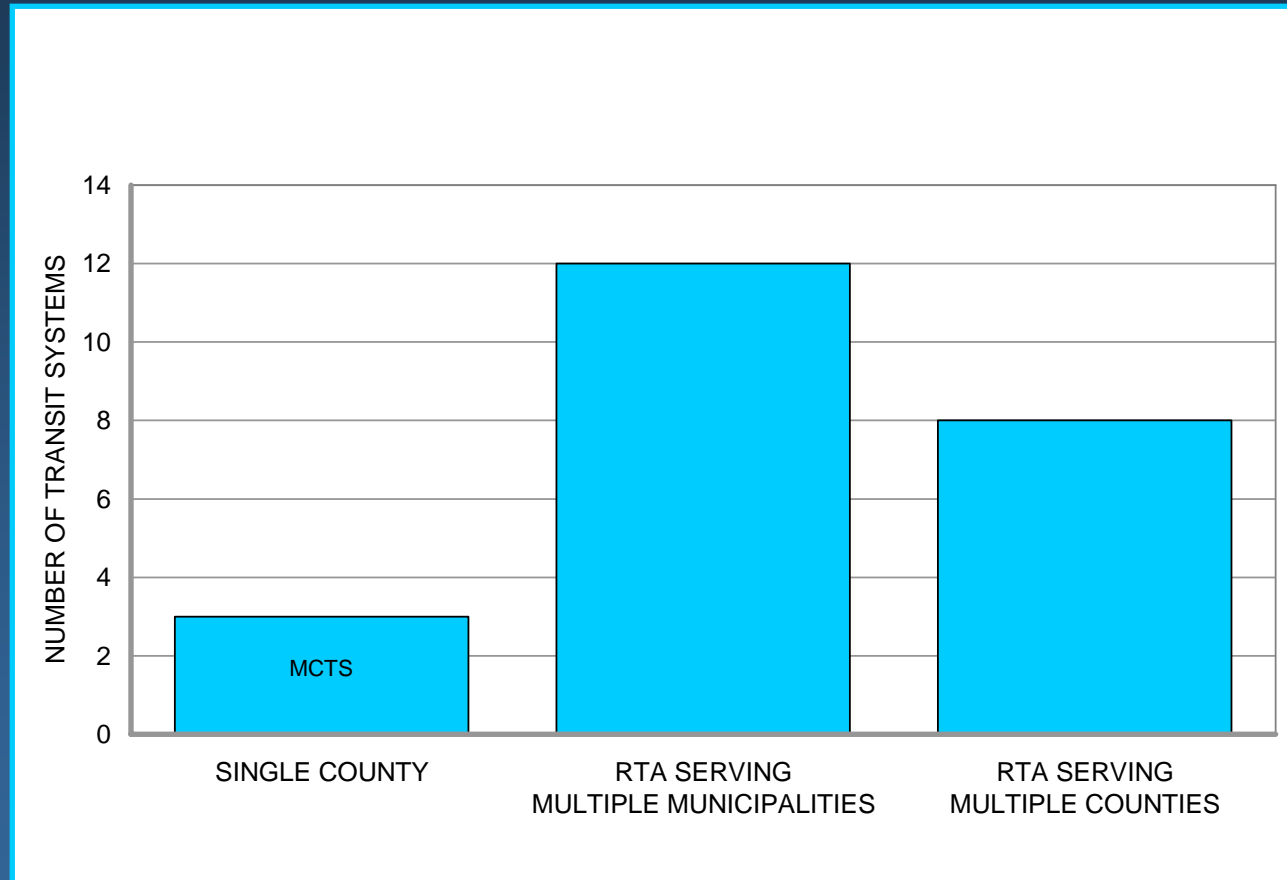
^cPortion of State 1.22% Sales tax, and \$1 per tire, \$2 per vehicle rental, and 3% of vehicle lease.

^dAlso 0.6% hotel room tax.

^e0.4375% in Salt Lake County, 0.5% in 2 counties, and 0.25% in 3 Counties.

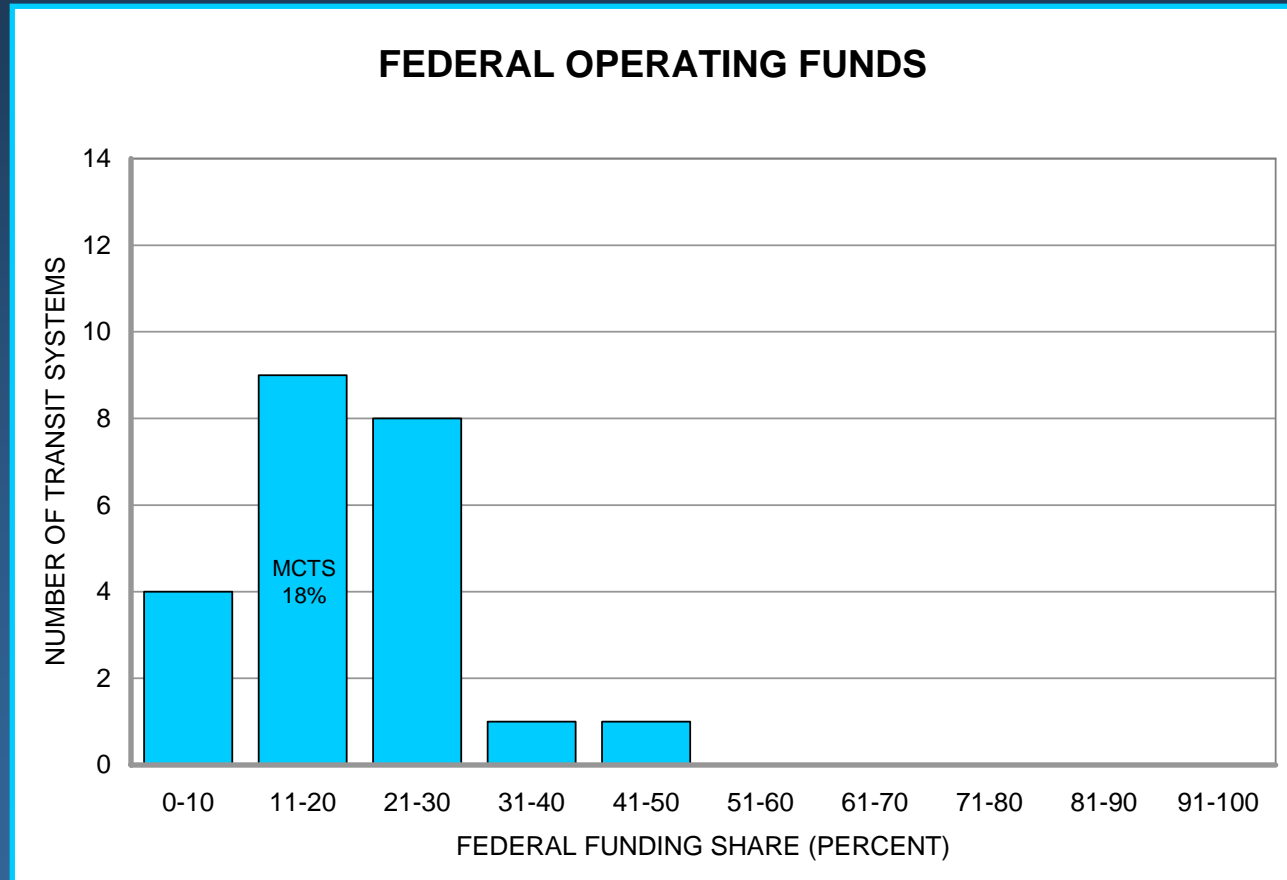


Public Transit Governance



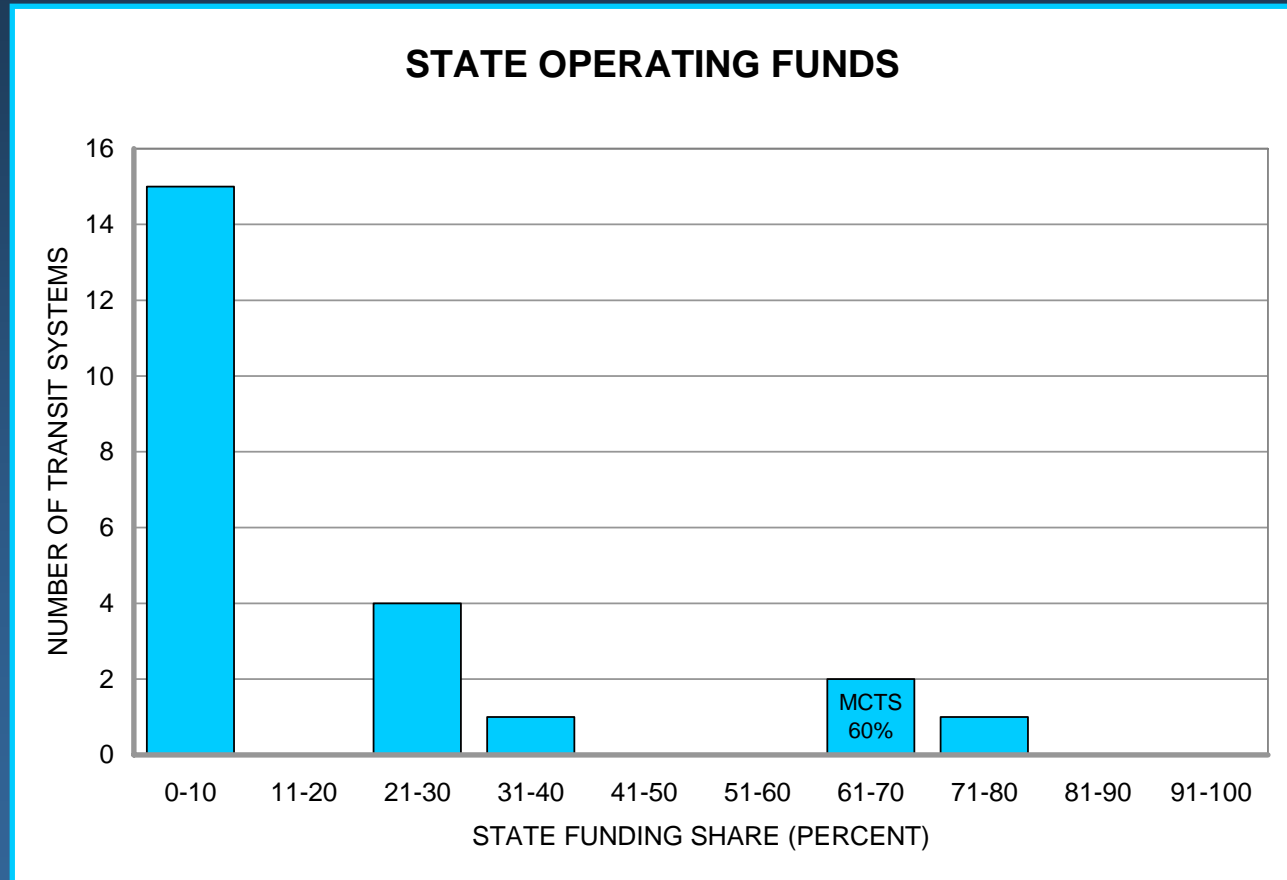


Public Transit System Funding



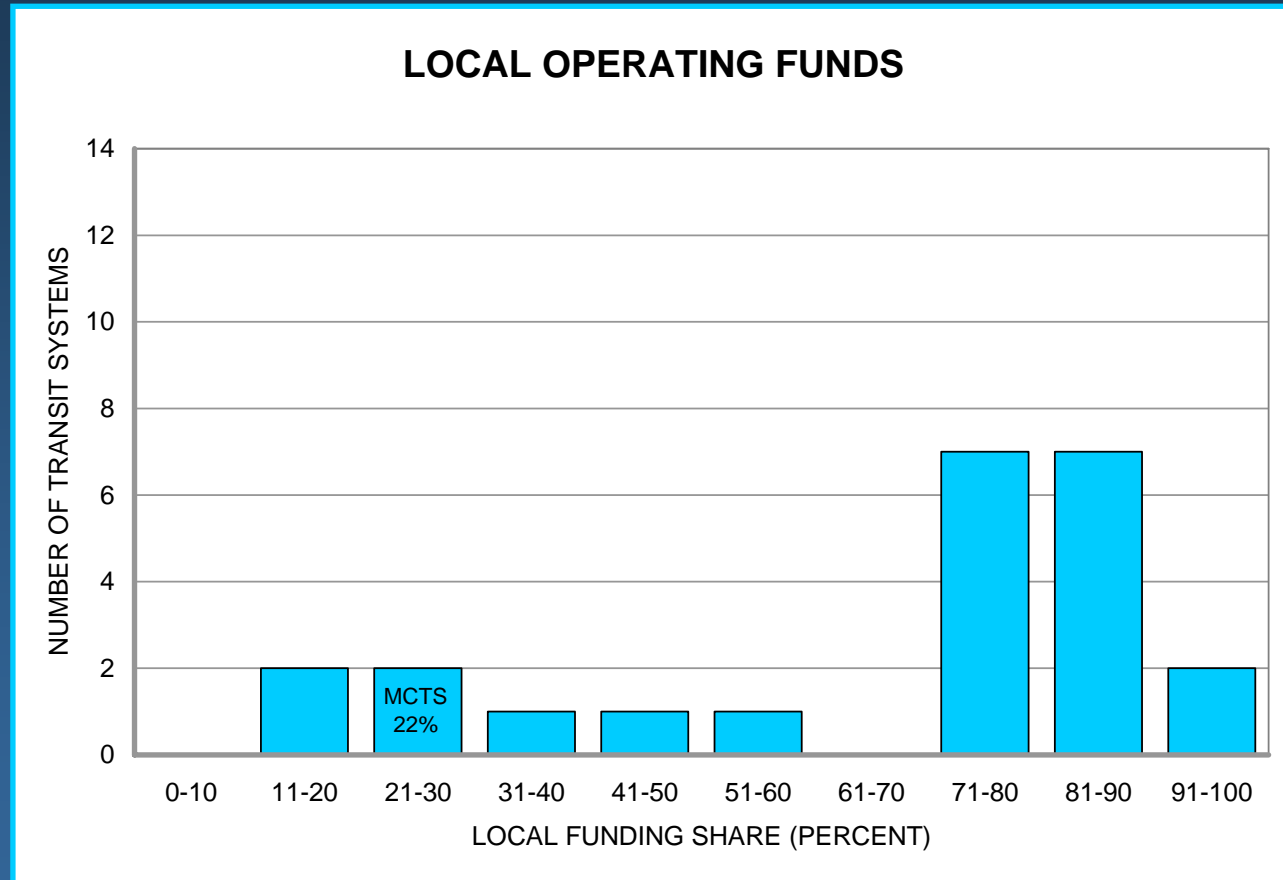


Public Transit System Funding (continued)





Public Transit System Funding (continued)





Use and Source of Local Dedicated Funding

Name	2000 Population (in 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 ^a
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 ^b
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 ^c
Jacksonville, FL	0.88	1.0% Sales tax
Louisville, KY	0.86	0.2% payroll
Charlotte, NC	0.76	0.5% Sales tax

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

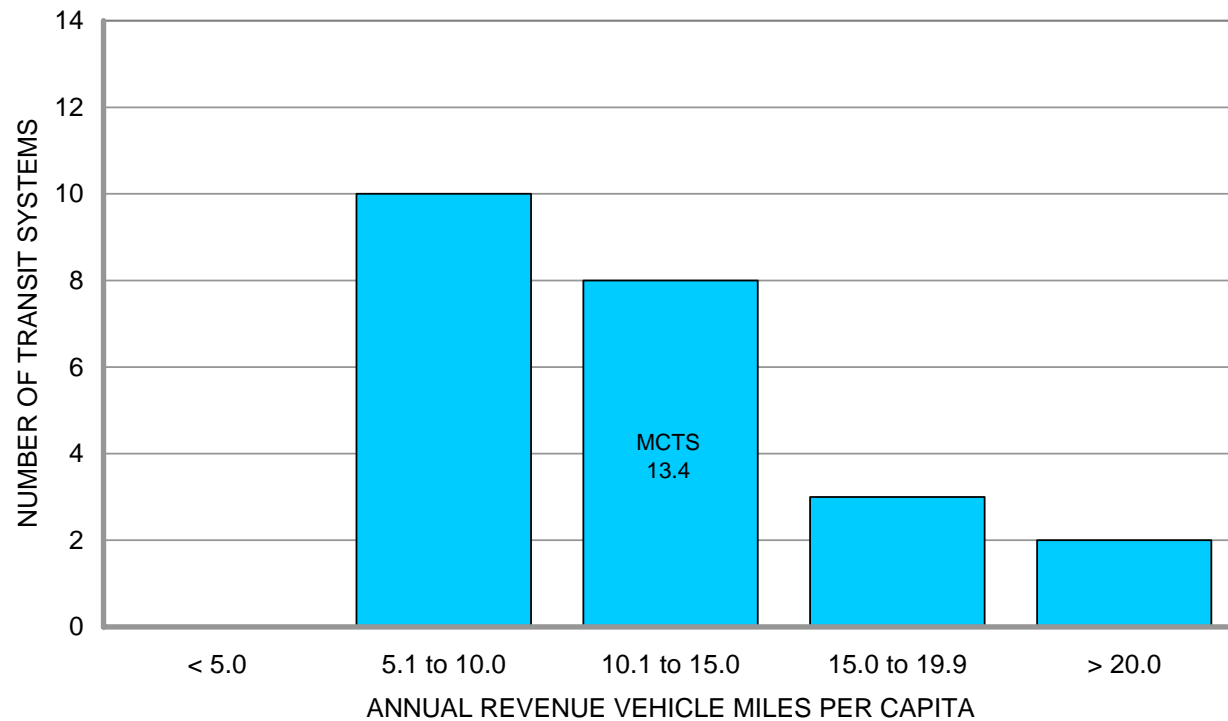
^b Also 0.6% hotel room tax.

^c 0.4375% in Salt Lake County, 0.5% in 2 counties, and 0.25% in 3 Counties.



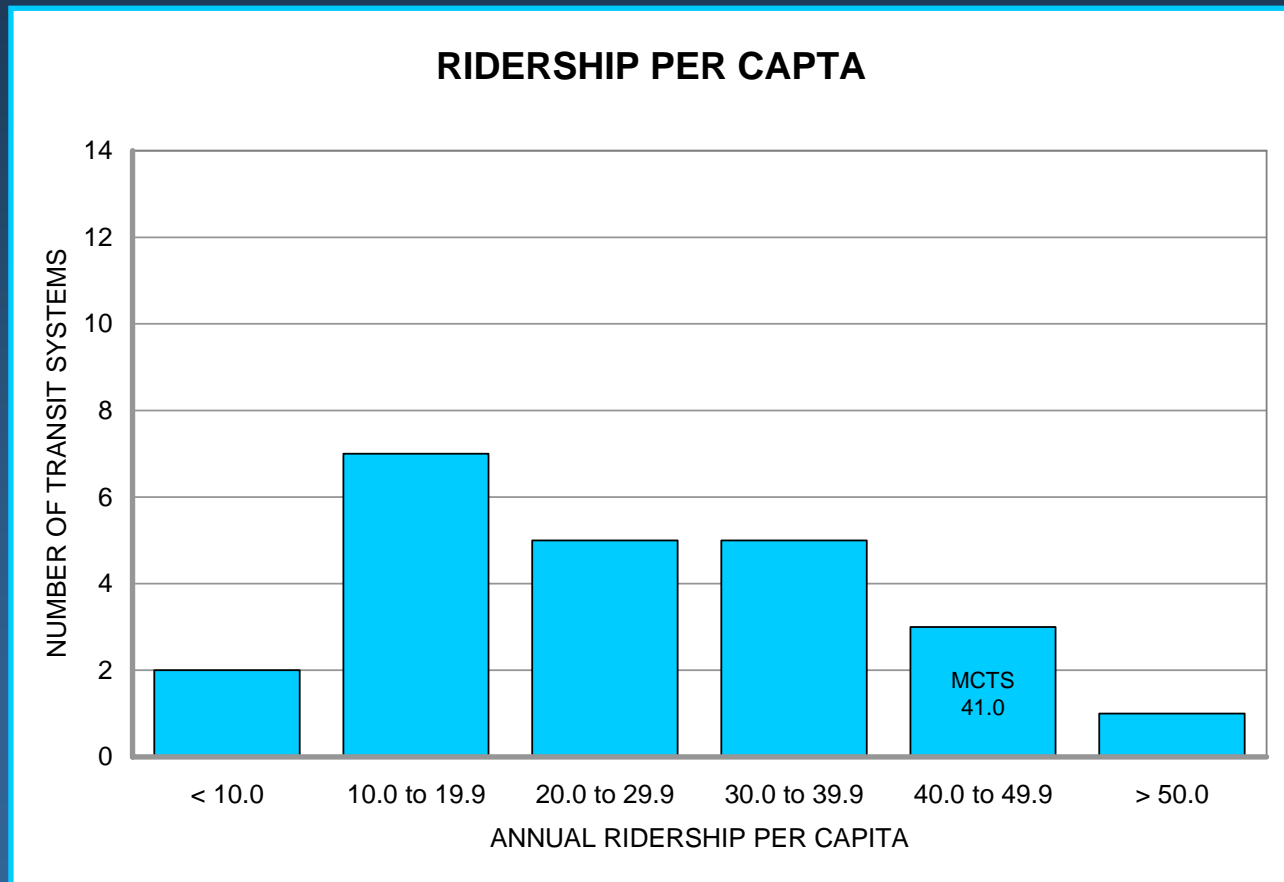
Public Transit System Service and Ridership

SERVICE PROVIDED TO URBAN AREA POPULATION



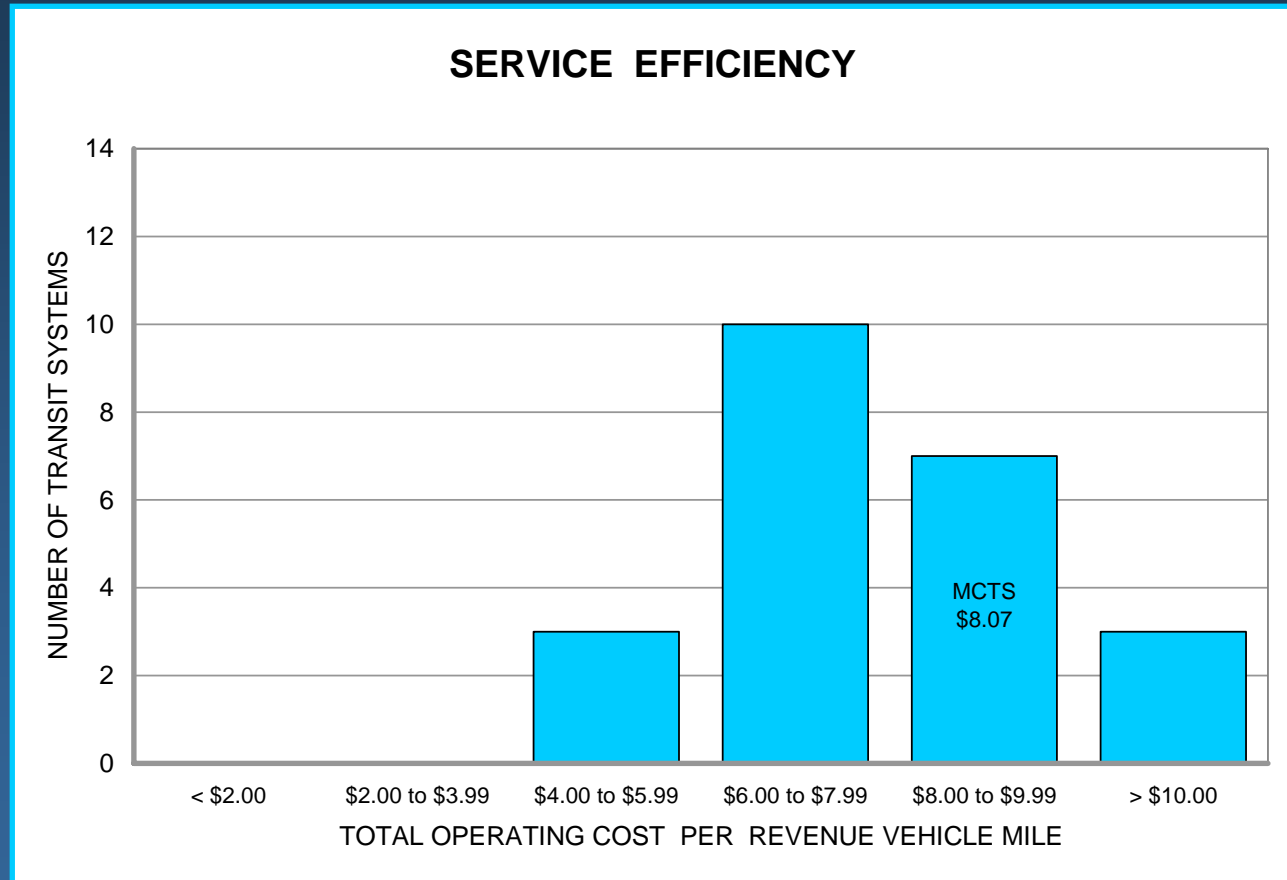


Public Transit System Service and Ridership (continued)



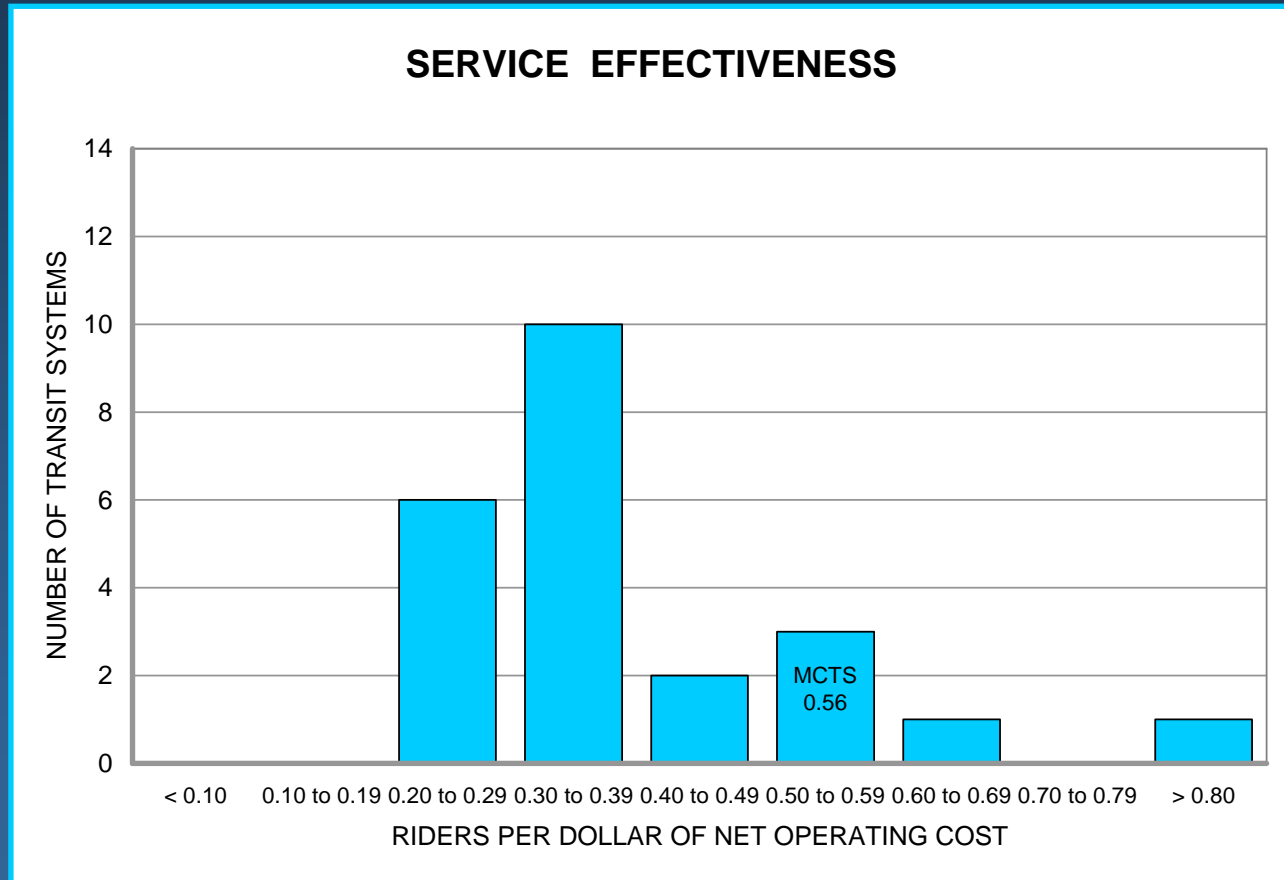


Public Transit System Service and Ridership (continued)





Public Transit System Service and Ridership (continued)





Public Transit System Service and Ridership (continued)

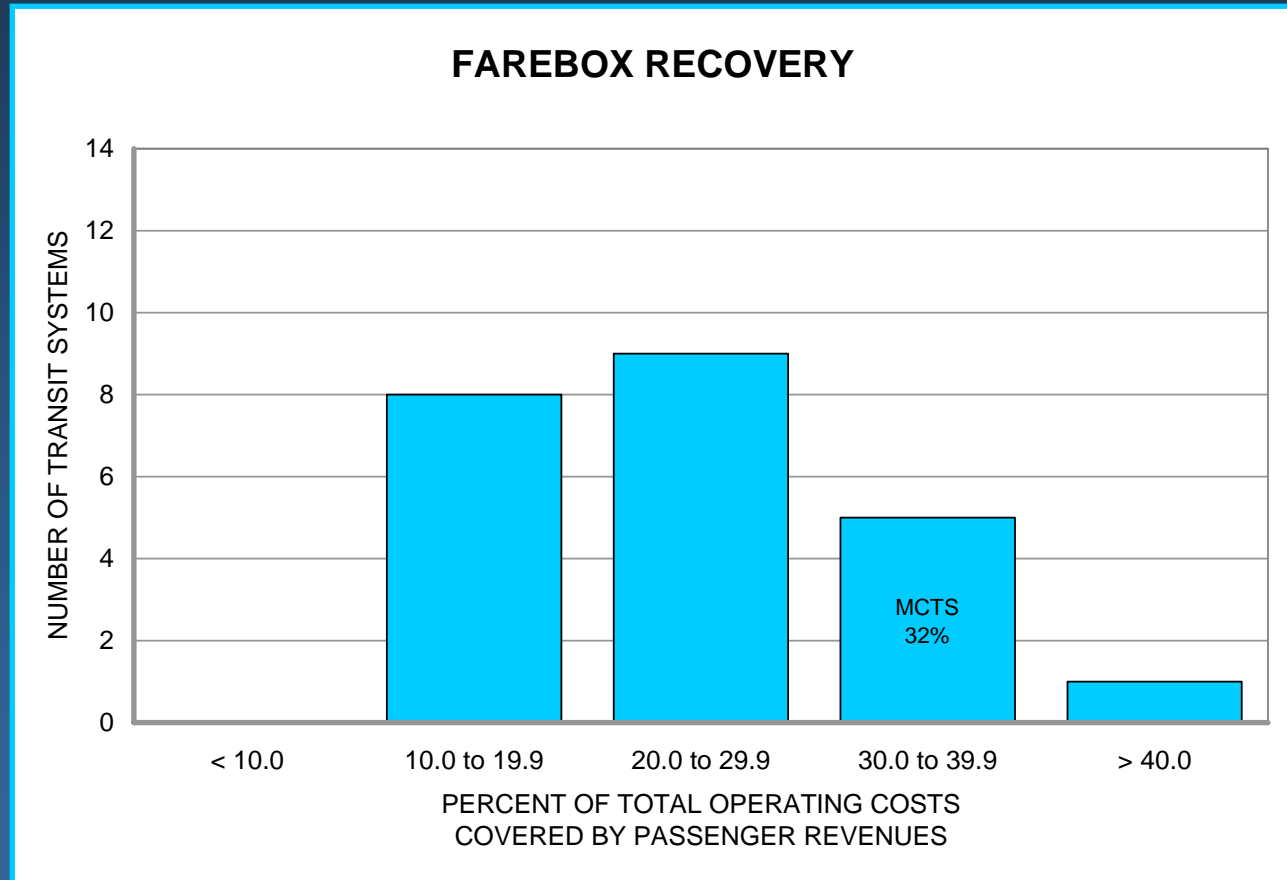


Table 2

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

Metropolitan Area	Transit Operator	Service Area ^b	Year 2000 Population (thousands)	Services and Characteristics			Total for All Services Provided by Transit System ^a						
				Types of Transit Service	Annual Revenue Vehicle Miles of Service (millions)	Annual Ridership ^c (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	--

^aFinancial 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.

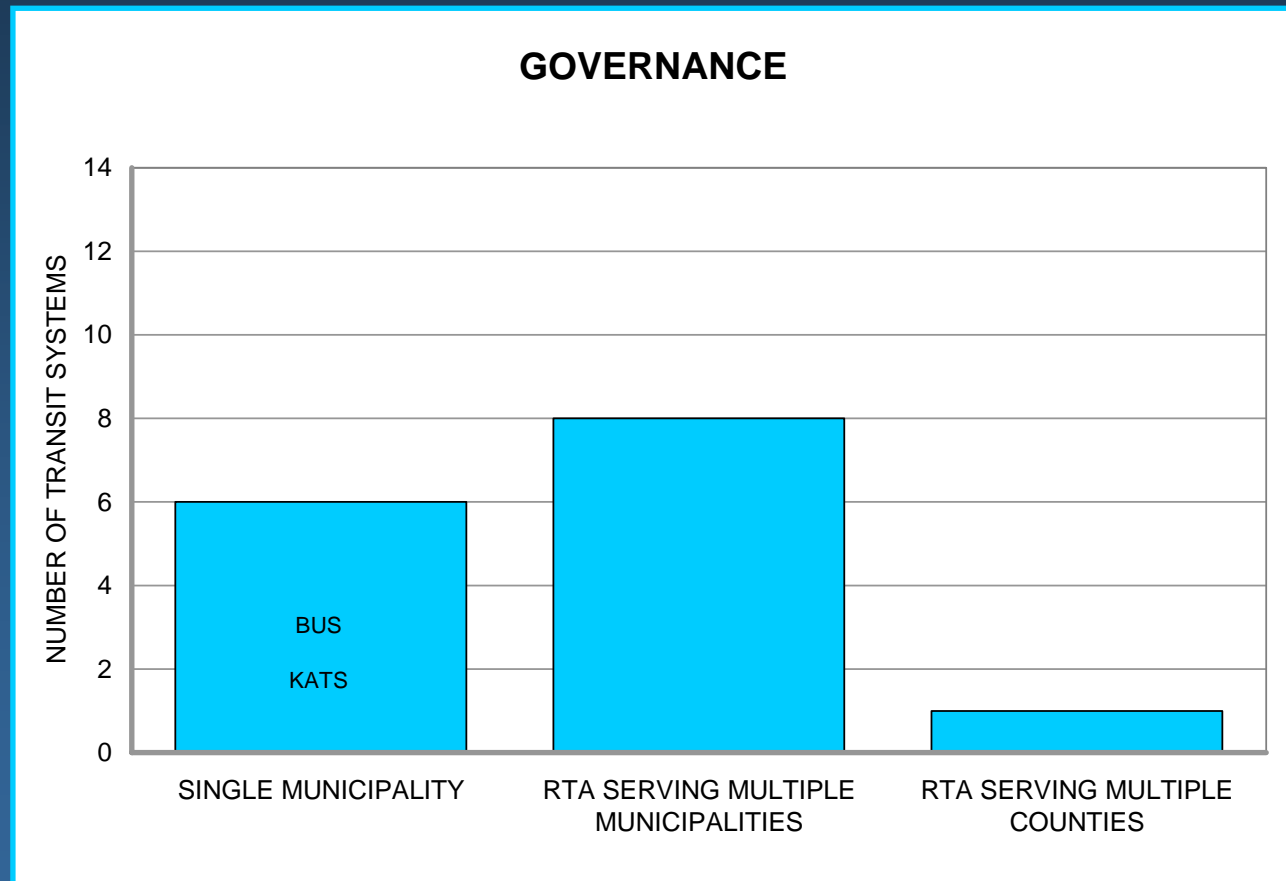
^bIn some cases, transit operators provide paratransit or demand-response service to municipalities outside the fixed-route service area. "Service Area" includes only the units served by fixed-route bus service.

^cTotal boarding passengers including those transferring between routes.

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



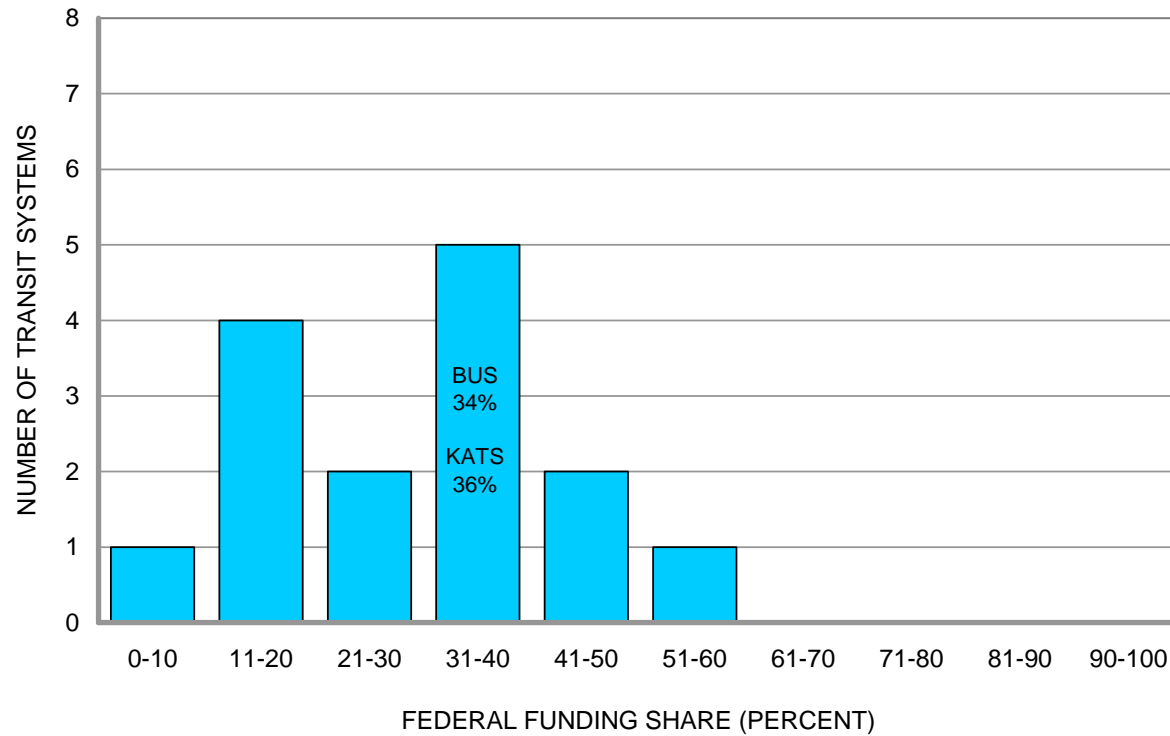
Public Transit Governance





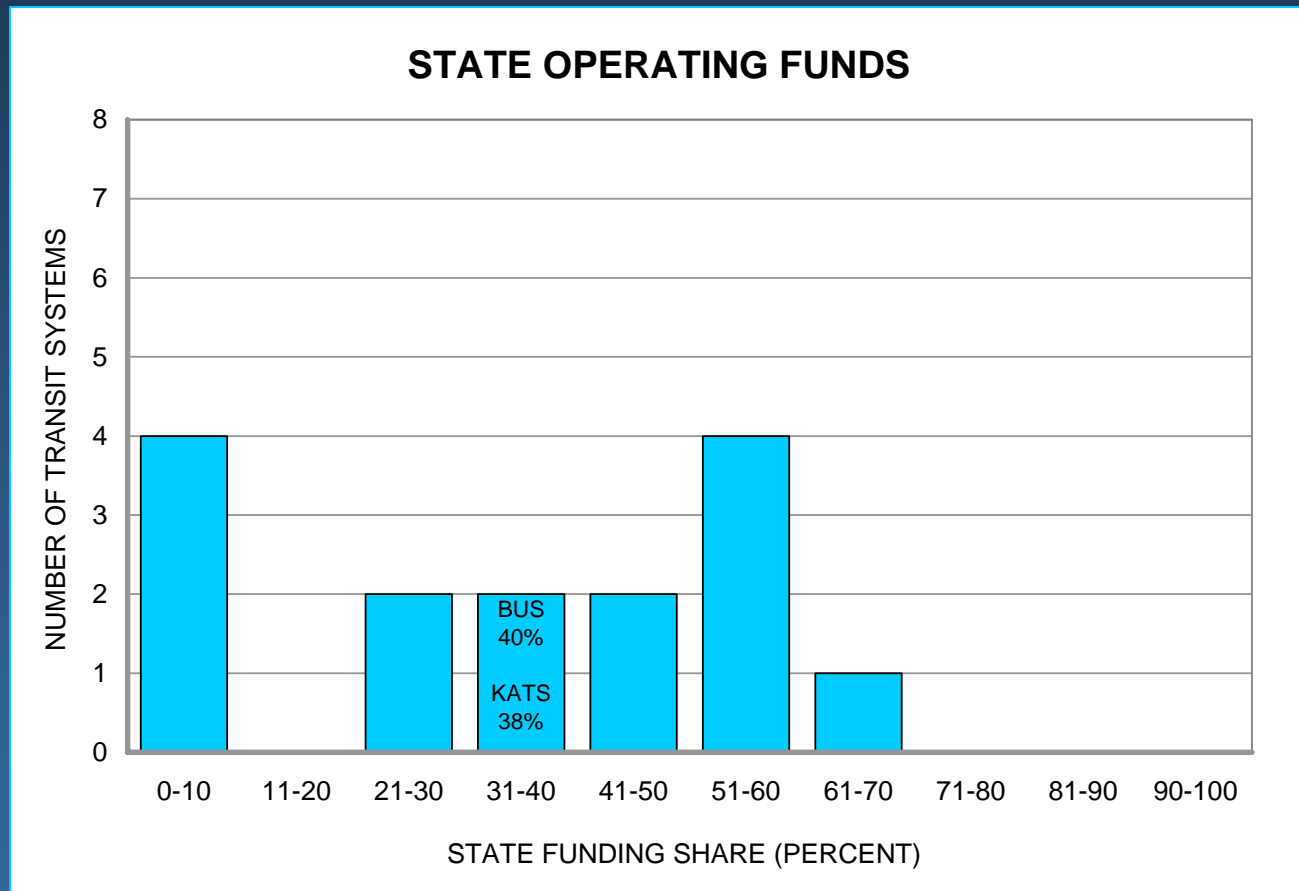
Public Transit System Funding

FEDERAL OPERATING FUNDS



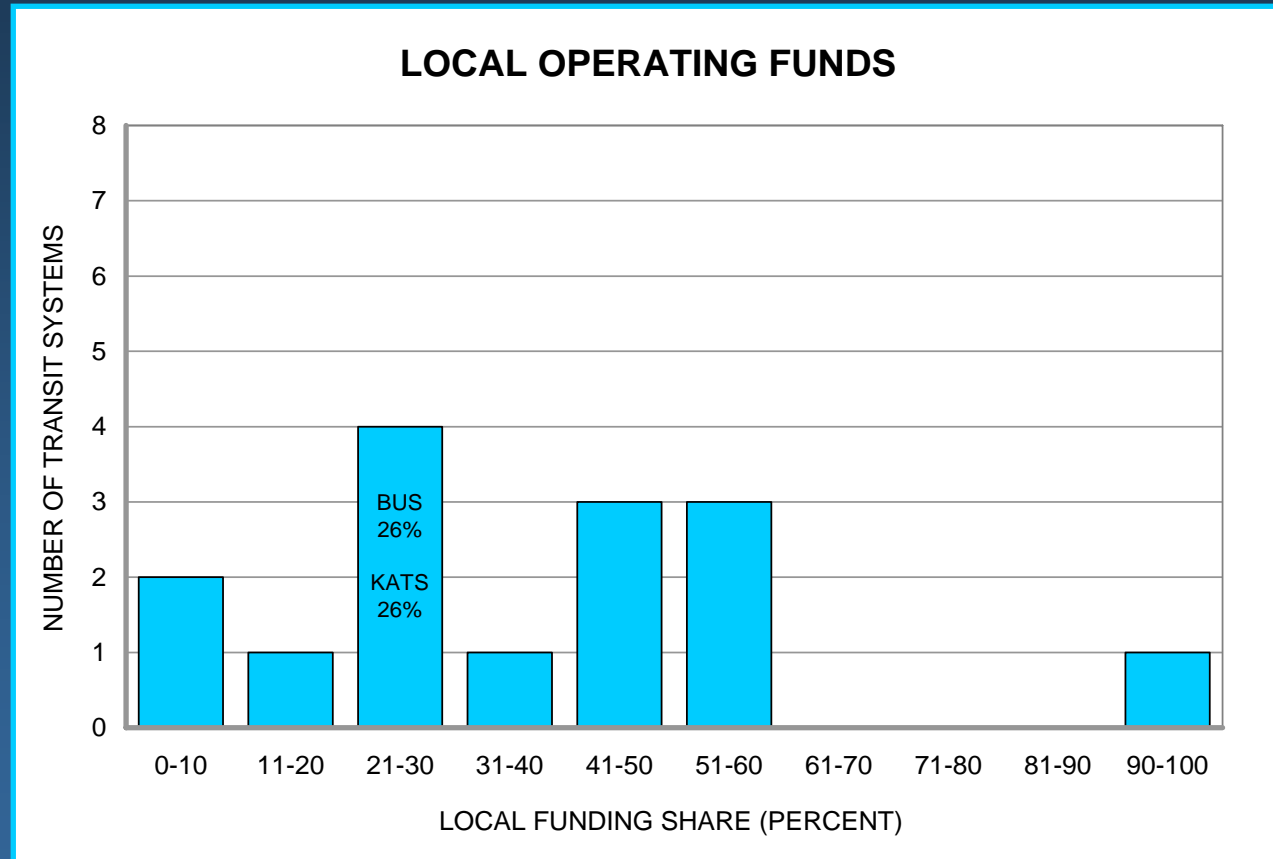


Public Transit System Funding (continued)





Public Transit System Funding (continued)



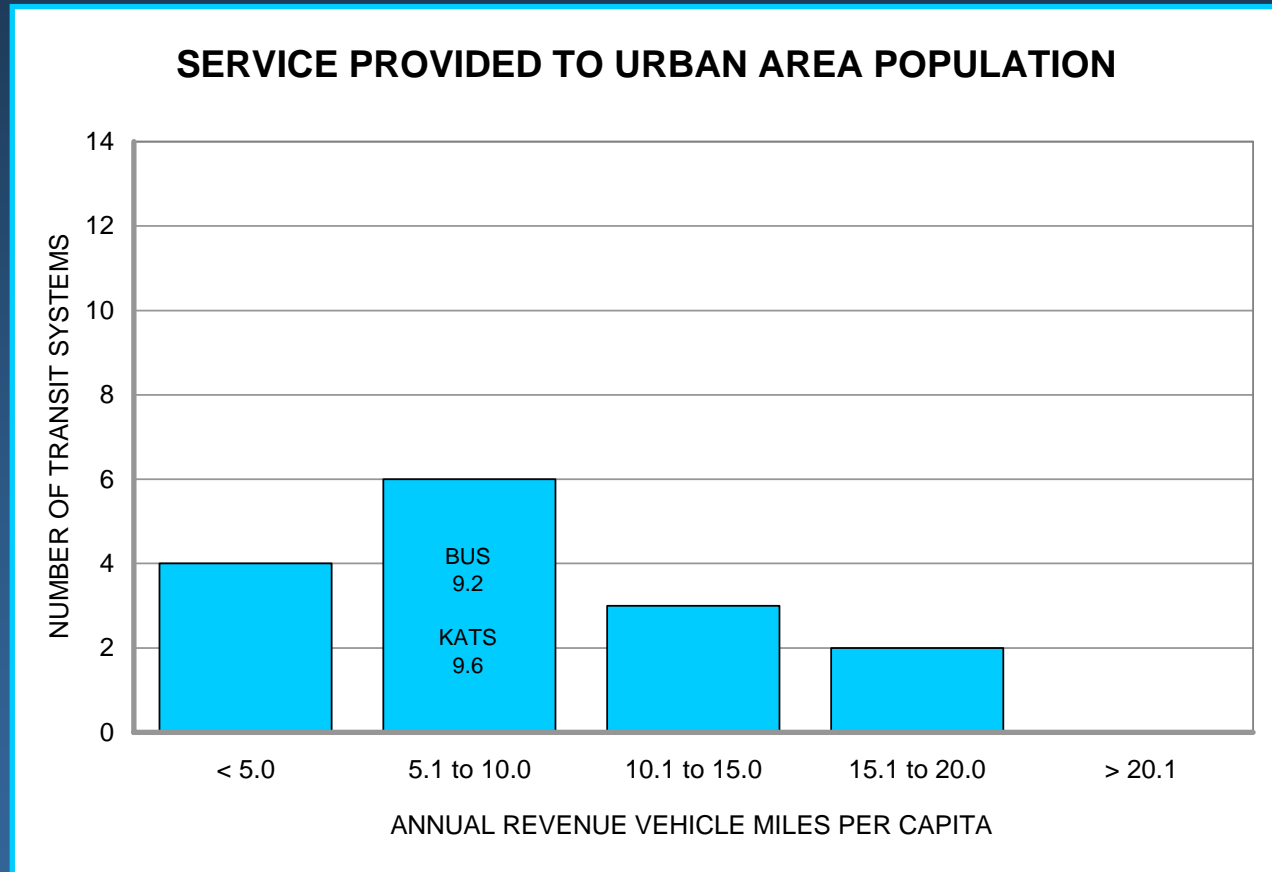


Use and Source of Local Dedicated Funding

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	--

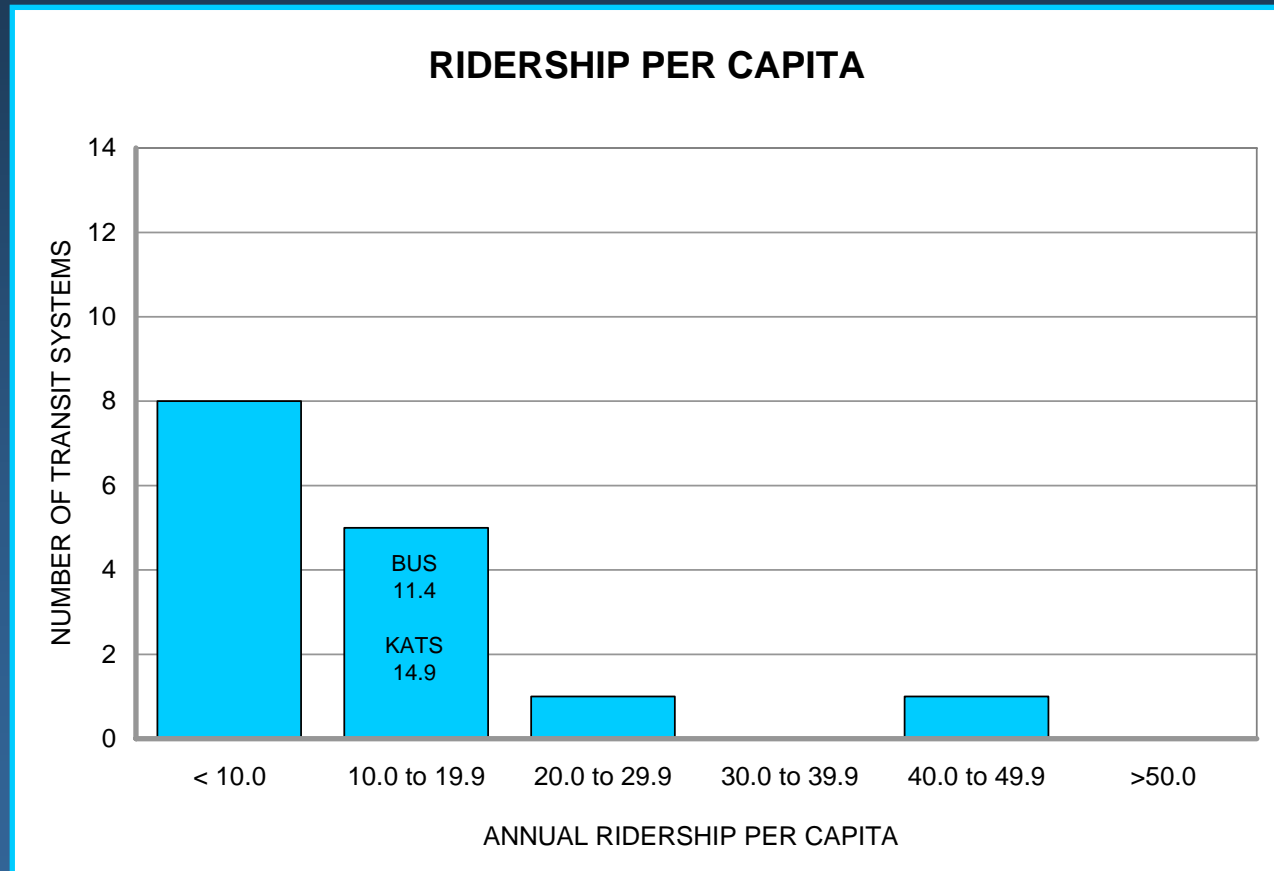


Public Transit System Service and Ridership



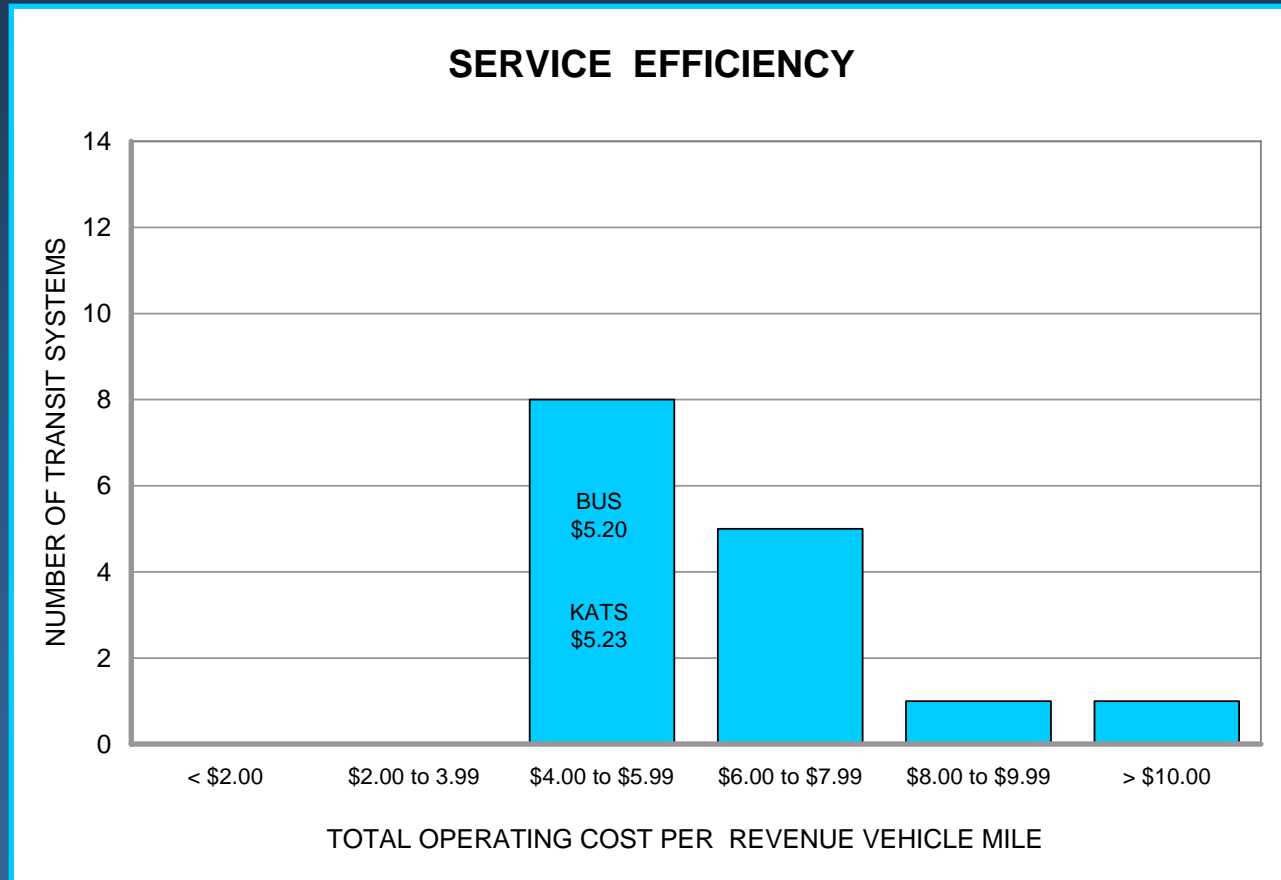


Public Transit System Service and Ridership (continued)



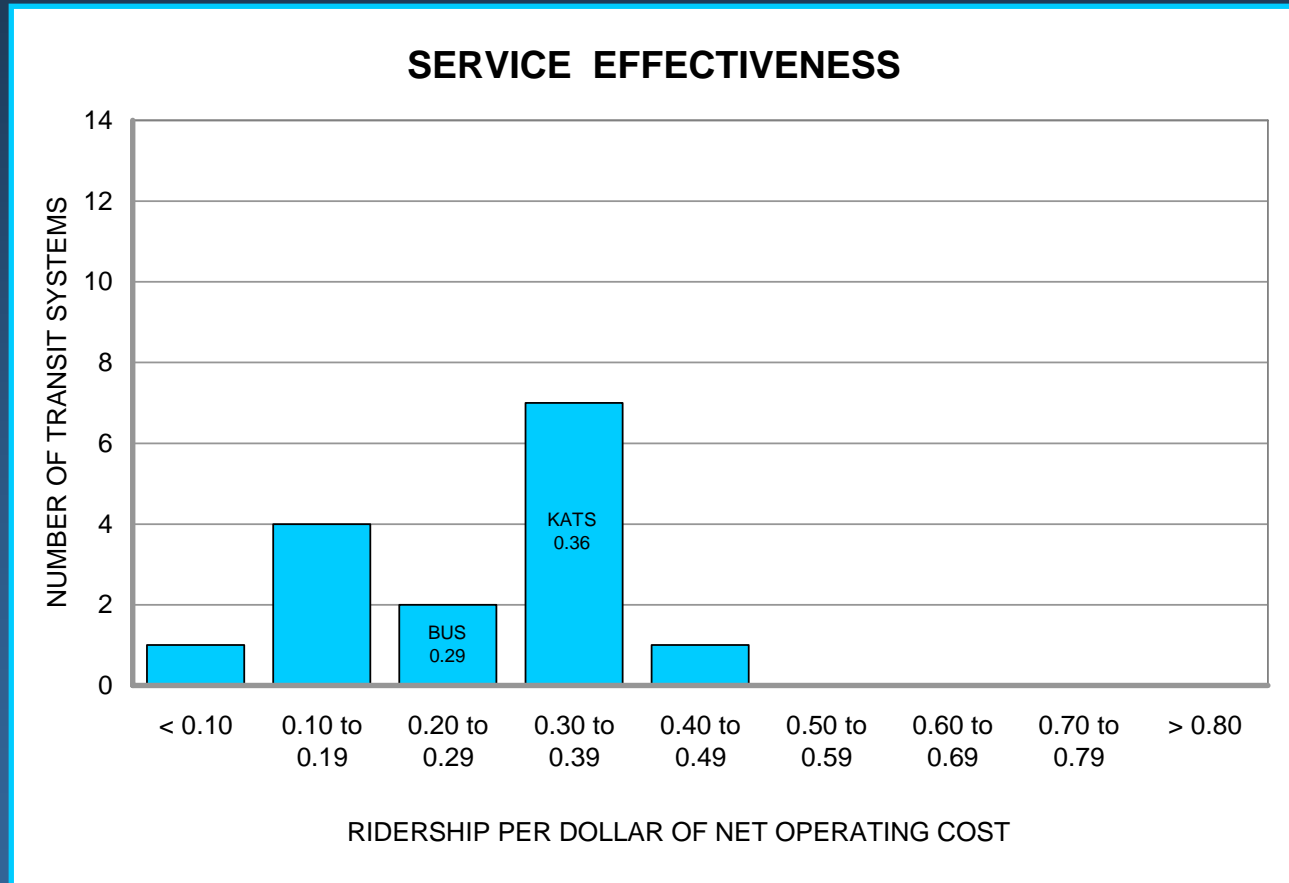


Public Transit System Service and Ridership (continued)



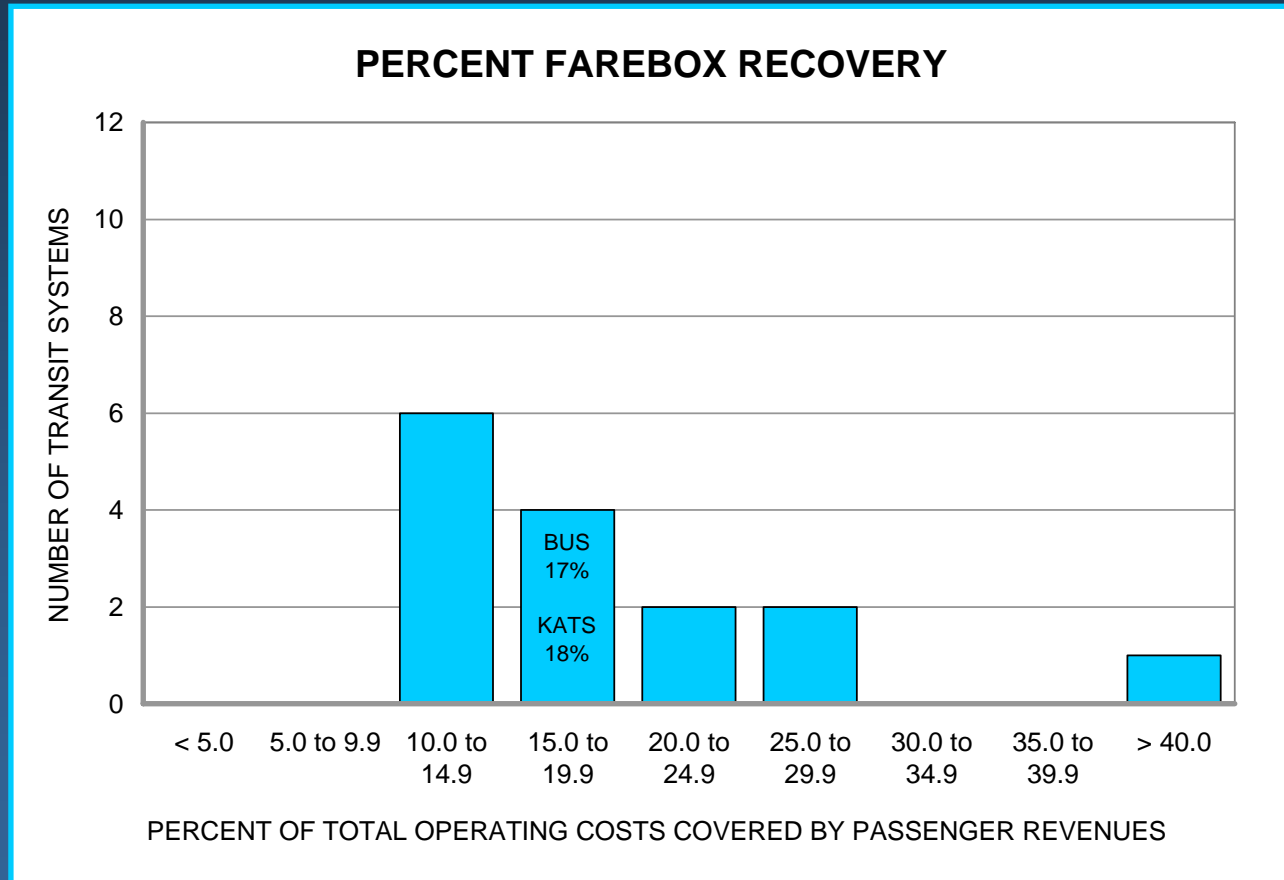


Public Transit System Service and Ridership (continued)





Public Transit System Service and Ridership (continued)





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.

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.
NEW COMMUTER RAIL SYSTEMS UNDER DEVELOPMENT																
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 ^a	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 ^b	Albuquerque	0.6	New Mexico DOT	2006 est.	1 - 51 - 9	7 RT	Weekdays only		--	9.0	0.9	8.1 ^b	--	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.

^a 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.

^b 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.

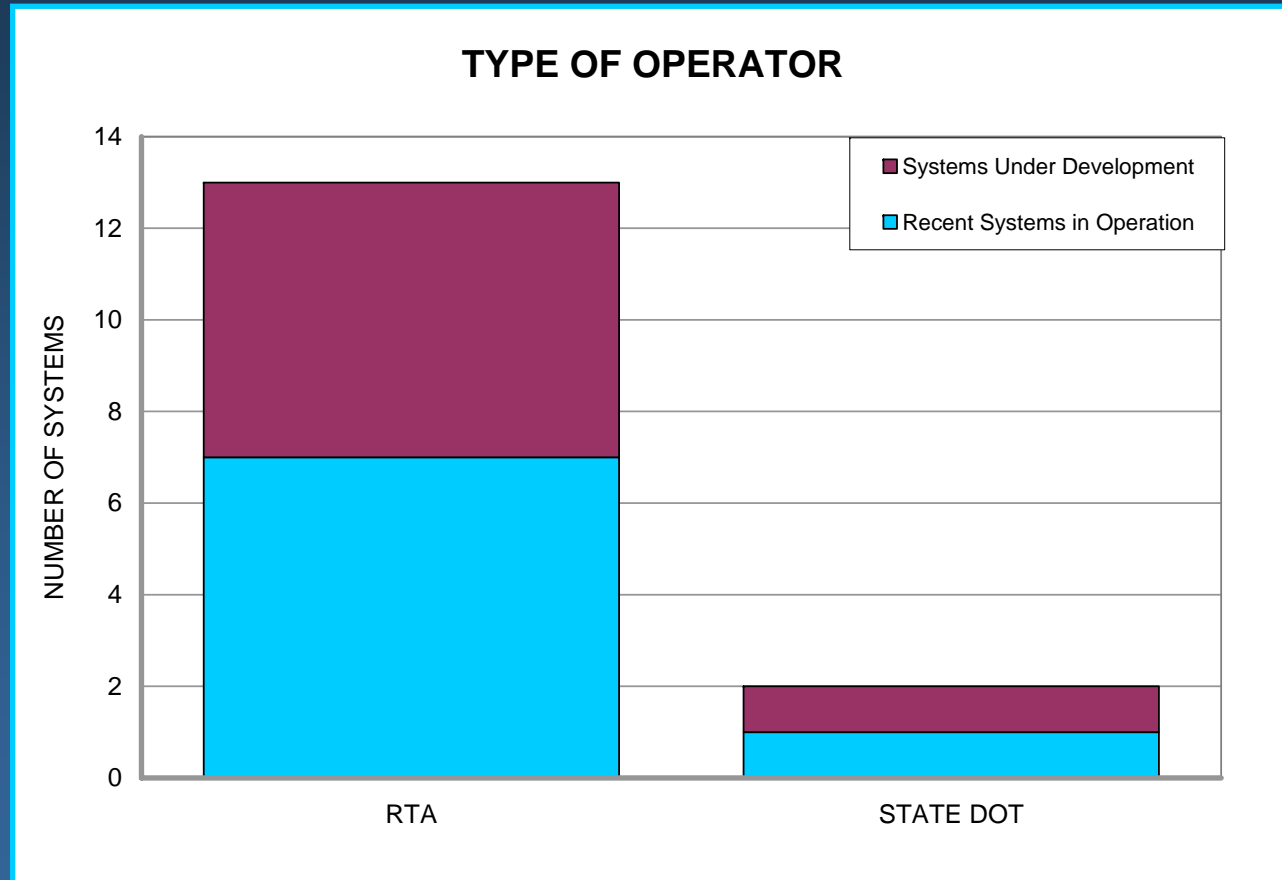


Recent New and Proposed New Commuter Rail Lines (continued)

- 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)

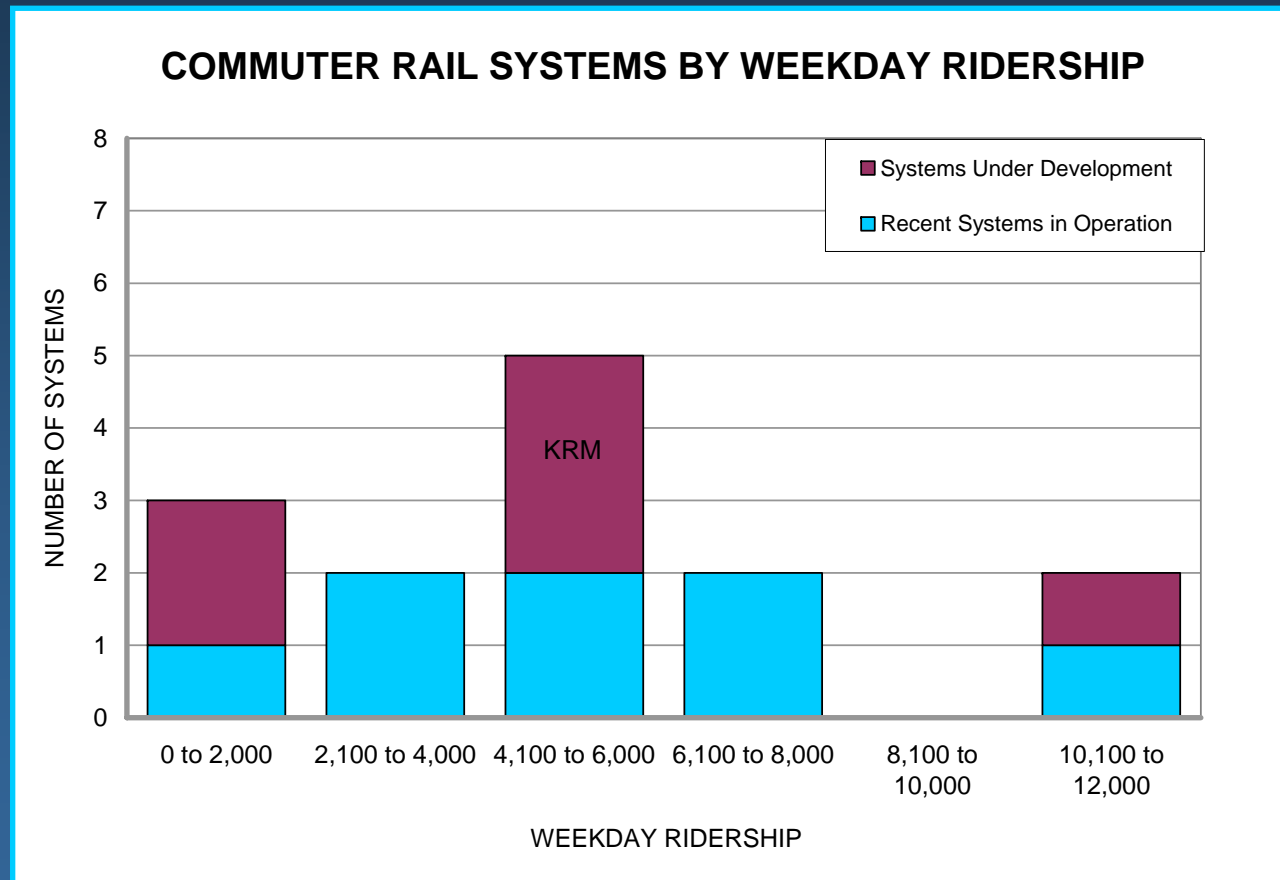


Commuter Rail Operator





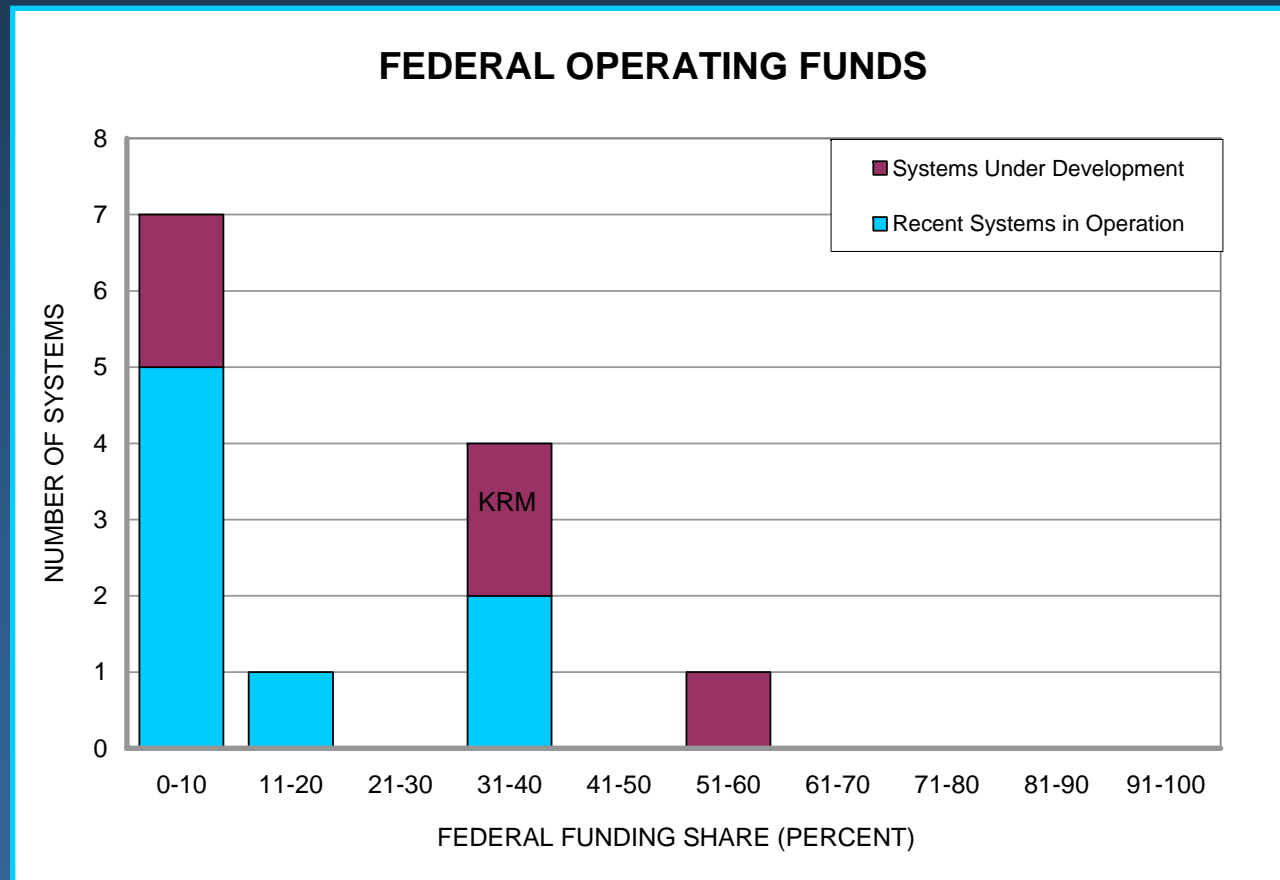
Commuter Rail Ridership



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.



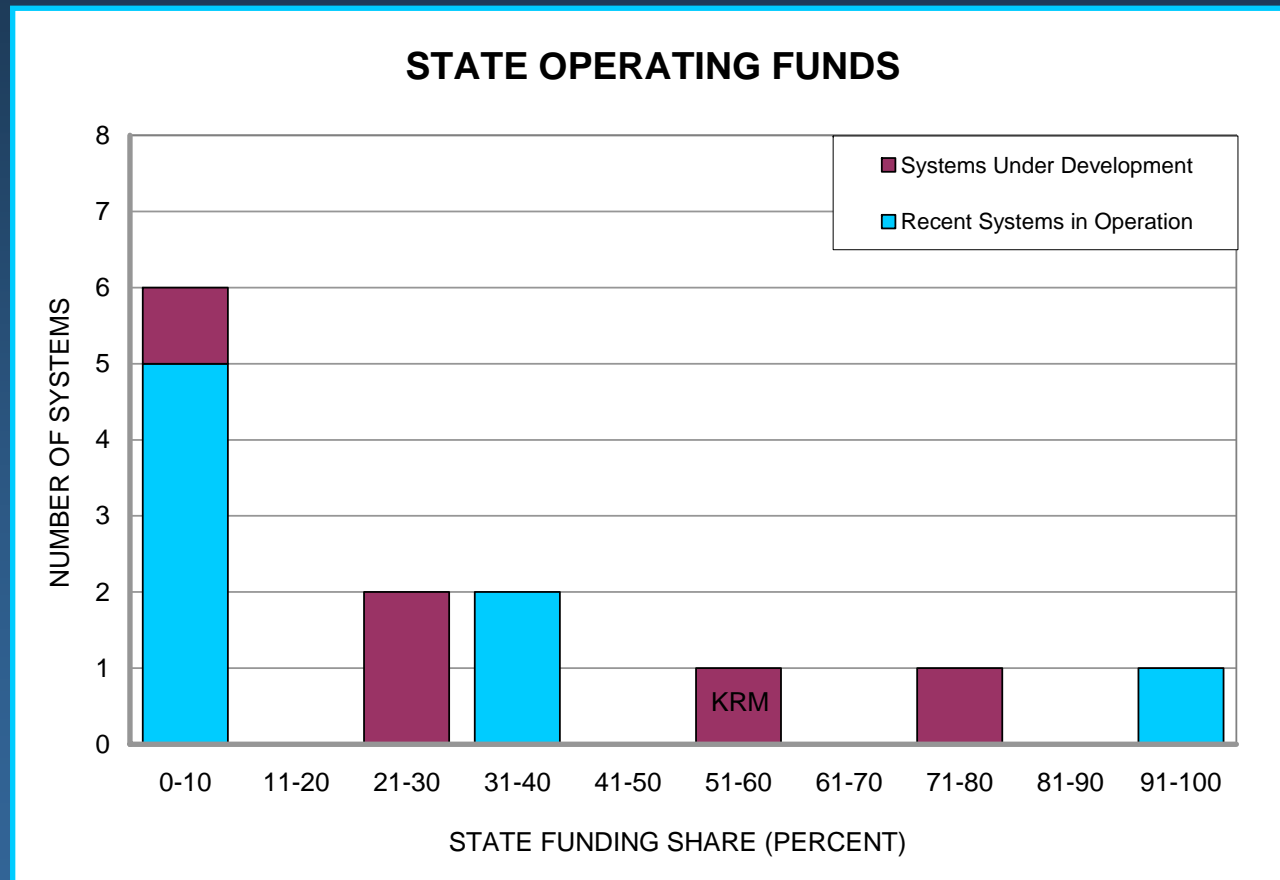
Commuter Rail Operating Funding



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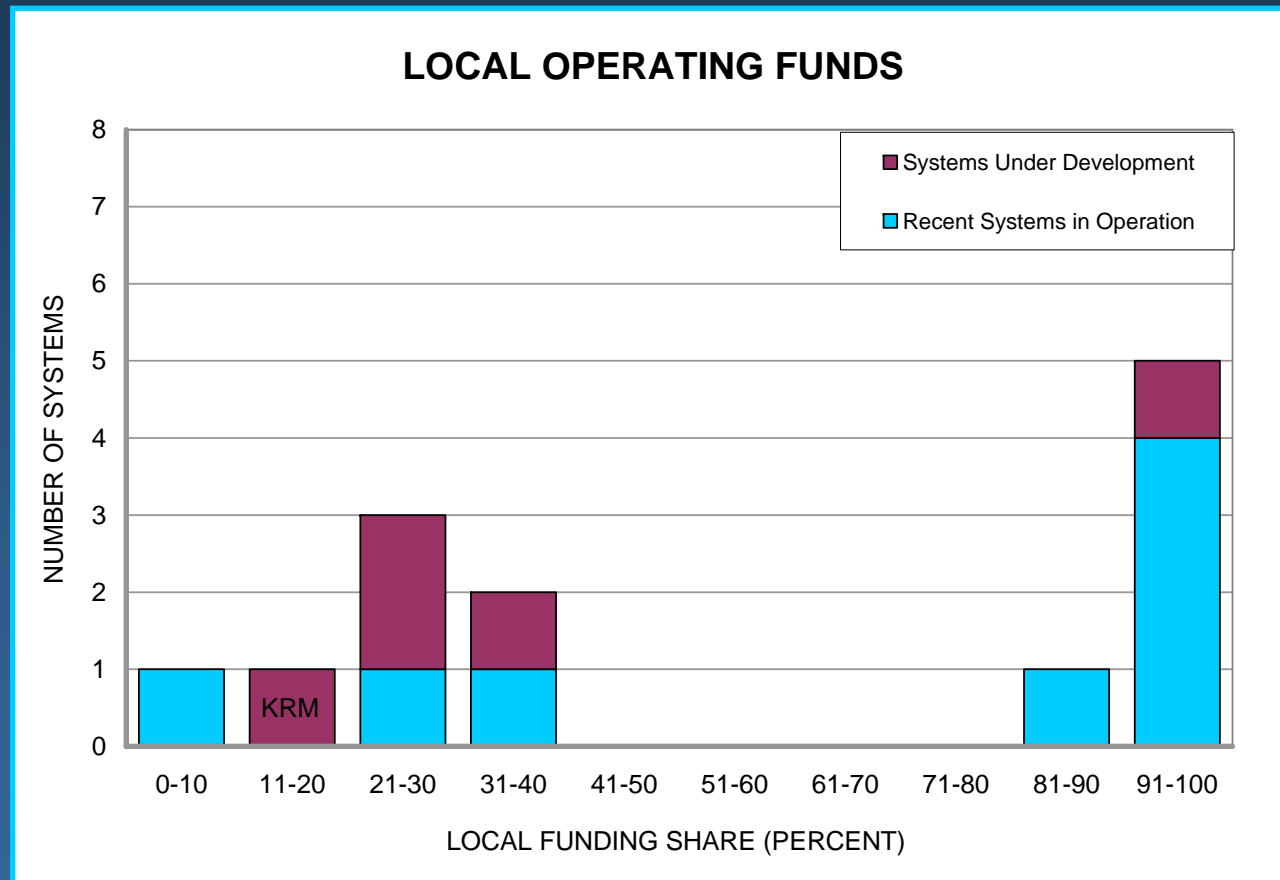
Commuter Rail Operating Funding (continued)



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.



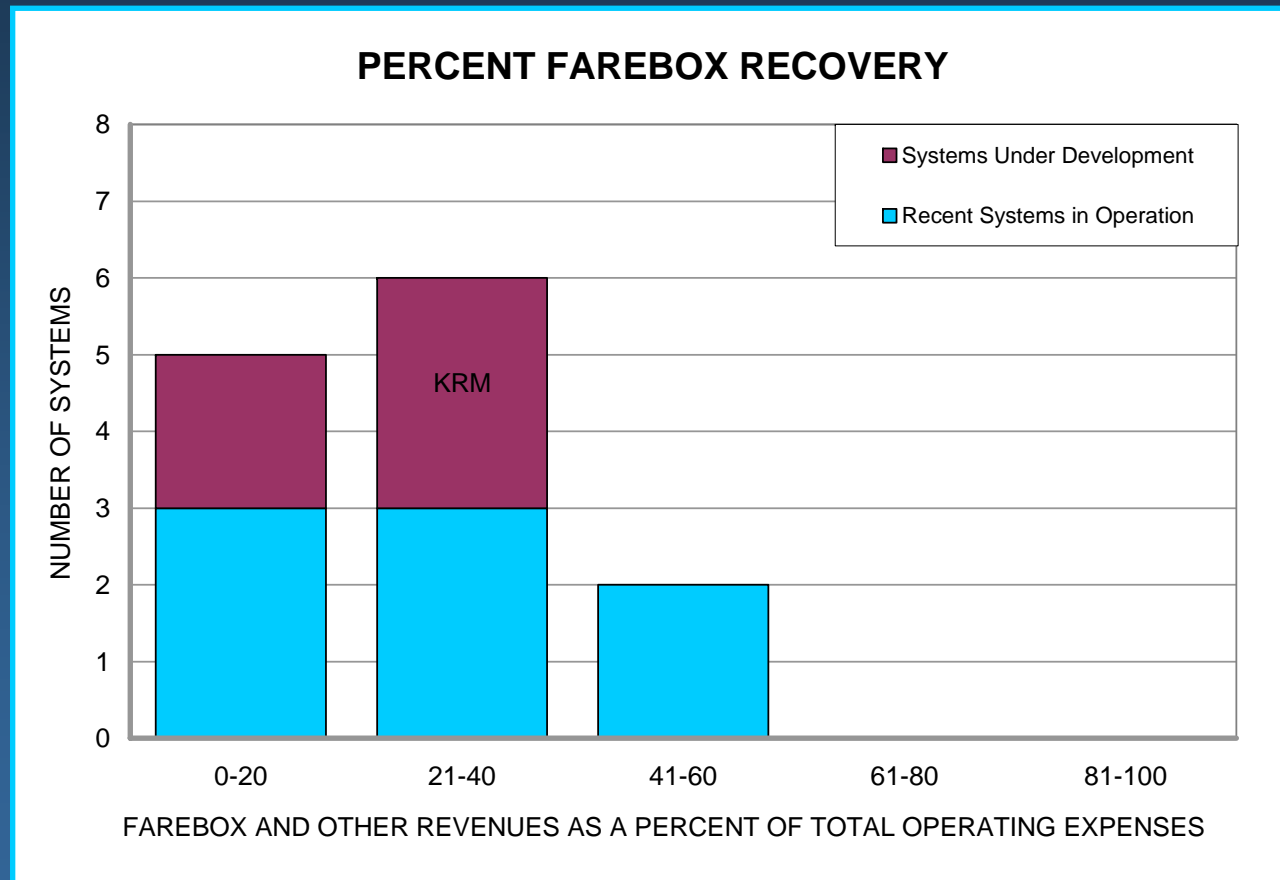
Commuter Rail Operating Funding (continued)



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.



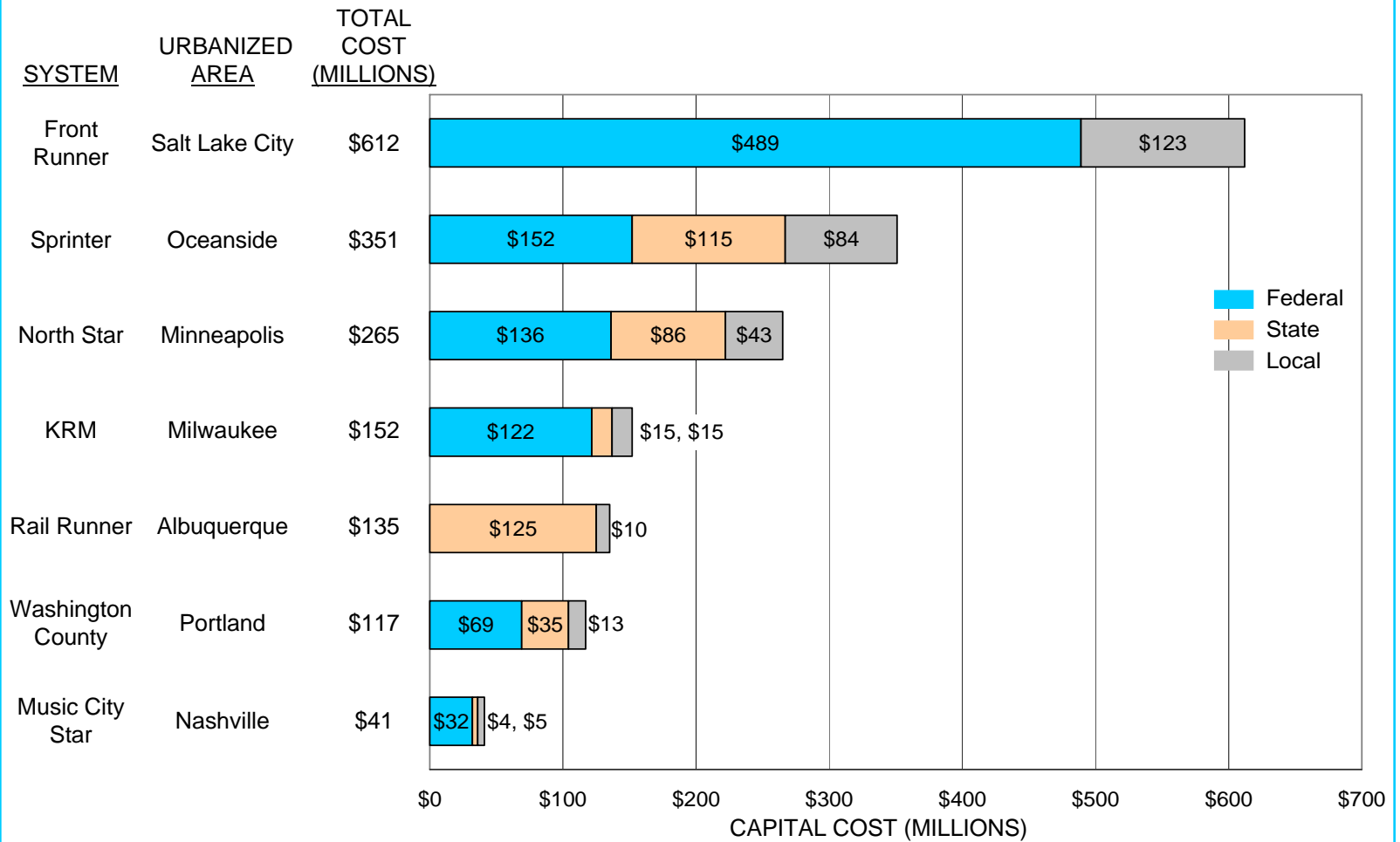
Source of Local Funding for Commuter Rail

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
Sounder - 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



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