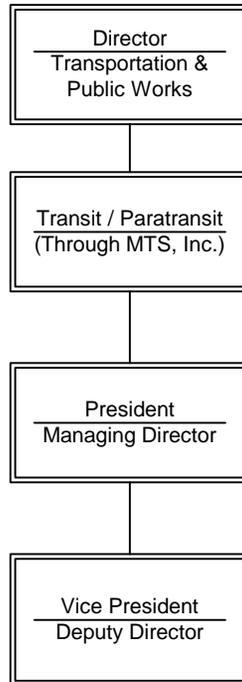


## MILW CO TRANSIT-PARATRANSIT SYSTEM (5600)



### MISSION

The Milwaukee County Transit/Paratransit System exists to provide reliable, convenient, and safe public transportation services that efficiently and effectively meet the varied travel needs of the community and contribute to its quality of life.

### Budget Summary

	2010	2009/2010 Change
<b>Expenditures</b>	<b>172,395,807</b>	<b>47,545</b>
<b>Revenue</b>	<b>154,475,209</b>	<b>4,892,364</b>
<b>Levy</b>	<b>17,920,598</b>	<b>(4,844,819)</b>

### Major Programmatic Changes

- Utilization management coordination between Paratransit, Aging, and DSD
- Fixed Route Cash Fare is raised 0.25¢
- Transfer Fee is assessed at 0.25¢
- Elimination of the Call Center
- Janitorial and security services are outsourced

### OBJECTIVES

- Operate within established budgets while maximizing the quality and timeliness of services provided.
- Work with service providers to ensure that high quality paratransit service is provided cost effectively while meeting the needs of individuals with disabilities.
- Provide a safe and dependable transit system for the traveling public.
- Implement cost control measures while working with executive and legislative bodies toward improved fiscal sustainability.

# COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: Milw Co Transit-Paratransit System

UNIT NO. 5600  
FUND: Enterprise - 0083

## DEPARTMENTAL PROGRAM DESCRIPTION

The Department of Transportation and Public Works (DTPW) provides public transit services through the Milwaukee County Transit System (MCTS). Direct management and operation of the transit system, including paratransit services, is provided by Milwaukee Transport Services, Inc. (MTS), a private non-profit corporation under contract to the County. The corporation uses transit facilities and equipment owned and provided by Milwaukee County.

The Director's Office of the DTPW provides County oversight as well as conducts various transit related studies, and prepares and administers Federal and State transit grants. Division personnel also facilitate the acquisition of capital equipment, and provide design and construction services for capital facilities.

Paratransit operations include the provision of demand responsive transportation and orientation to transportation services. These services provide a complement to the fixed-route services of MCTS and are available to those who are Americans with Disabilities Act (ADA) Paratransit eligible.

## 2010 BUDGET

### *Approach and Priorities*

- The 2010 budget was developed in a manner to ensure the County's fixed route and paratransit services continue to provide efficient and reliable transportation options for the residents of Milwaukee County.

### *Programmatic Impacts*

- The budget includes passenger fare increases and creation of a transfer fee.
- Route, segment, and service modifications are adjusted.
- Janitorial and security services are outsourced.
- Utilization Management techniques are applied to increase paratransit efficiencies and provide users of paratransit services with the most appropriate form of transport.
- Funding for "live" operators at the Call Center is eliminated.

### *Budget Highlights*

#### **Departmental Operations**

**Fuel** **(\$6,618,803)**

Due to a decrease in fuel prices, savings of \$6,618,803 is generated. Fuel is budgeted at \$2.10 per gallon as compared to \$3.75 per gallon in the 2009 Adopted Budget.

**Janitorial and Security Services** **(\$585,967)**

The 2010 Recommended Budget includes an MTS initiative to outsource janitorial and guard services. This creates a net tax levy savings of \$585,967.

**Call Center Operations** **(\$900,000)**

MTS maintains a Call Center with "live" operators and an automated phone system complemented by an interactive web-based system that allow riders to access route, schedule, and fare information. Funding for the "live" operators will be eliminated for a tax levy savings of \$900,000. Transit users will be able to obtain route, schedule, and fare information through the automated phone system and the interactive website.

**Wage and Benefit Modifications** **(\$42,955)**

This budget includes an expenditure reduction of \$42,955 based on the changes described in the non-departmental account for wage and benefit modifications (org-1972) due to a decrease in crosscharges, resulting in a total tax levy savings of \$42,955.

**COUNTY EXECUTIVE'S 2010 BUDGET**

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***Bus Rapid Transit (BRT)***

In March 2009, Federal transportation legislation allocated 40 percent of the local \$91.5 million of Interstate Cost Estimate (ICE) funds to Milwaukee County. This resulted in \$36.6 million to Milwaukee County with a required local match of 15 percent. MTS and DTPW will prepare and submit an application to the Federal Transit Administration (FTA) to use the funding for a ten-mile long Bus Rapid Transit (BRT) line along a corridor from UW-Milwaukee, through downtown, and west to the Regional Medical Complex. Upon final FTA approval of the application, DTPW will receive and expend grant funds for the purpose of the proposed BRT project.

This project is intended to provide improved transit service and amenities for a large number of existing transit riders, as well as attract new riders. Existing transit services in this corridor carry approximately 11,000 passengers each weekday. Nationally, other BRT projects have seen ridership gains of over 20 percent. It is anticipated that the County's transit investment in BRT will produce comparable gains. Assuming this, ridership on the BRT line would exceed 13,000 rides per day.

The purpose of the BRT project is to improve transit services in a manner that will strengthen the entire MCTS fixed route network. The BRT line will provide connectivity via transfers with up to 18 existing MCTS bus routes. In addition, the BRT line is expected to strengthen the East-West corridor connections between high-density residential neighborhoods on the east side of Milwaukee and on the west side of Milwaukee with employment opportunities within Downtown Milwaukee and at the eastern and western termini of the route.

Proceeds of \$6,459,000, from the sale of the County Grounds to the University of Wisconsin – Milwaukee, will be used as a funding source for this project.

**Transit Operations (Fixed Route)**

***Revenue and Expenditure Overview***

Operating expenses total \$139,425,797, a decrease of \$2,387,744 (-1.7%) from the 2009 Adopted Budget. Passenger revenue (passenger abatement) is estimated at \$46,171,450, an increase of \$591,870 (1.3%) due to a combination of passenger fare increases and introduction of a transfer fee.

***Fare Adjustments***

***(\$3,662,000)***

The recommended budget includes passenger fare increases for fixed route bus service. As a result, revenues increase as follows:

<b>Fare - Related Revenue Increase</b>	
<b><i>Fare Type</i></b>	<b><i>Revenue Increase</i></b>
Transfer Fee	\$1,096,000
Cash Fare	1,100,000
Weekly Pass	1,416,000
Monthly Pass	50,000
<b>TOTAL:</b>	<b>\$3,662,000</b>

Additionally, a \$0.25 transfer fee, as proposed by MTS, is included in the 2010 Recommended Budget to help offset the rise in operational costs. This fee generates \$1,096,000 in increased revenue. Of the thirteen transit systems within MCTS' peer-group, six include transfer fees (ranging from \$.25 to \$.75 per transfer).

Fare increases are detailed in the table "Fare Structure" found at the end of this narrative.

***Route Adjustments***

***(\$1,430,110)***

The 2010 Recommended Budget includes route and segment modifications and eliminations (as proposed by MTS) in order to reduce operational costs and account for the loss of state grant revenue. Route and segment modifications and eliminations are as follows:

**COUNTY EXECUTIVE'S 2010 BUDGET**

**DEPT: Milw Co Transit-Paratransit System**

**UNIT NO. 5600**  
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<b>Segments of Routes to be Eliminated</b>
Route 28 -Eliminate service via North, 124th, and Watertown Plank
Route 14 - Eliminate service on 43rd & Howard branch
Route 35 - Eliminate service south of 35th & Howard to Southridge
Route 80 -Eliminate service south of MATC to Puetz Road

<b>Other Service Modification</b>
Route 33 - Vliet Street, Eliminate one bus (from three to two buses)

<b>JARC-Funded Service to be Eliminated (loss of state grant revenue offset)</b>
Route 12 Saturday North of Good Hope Rd to Cherrywood Lane
Route 12 Sunday- North of Good Hope Rd to Cherrywood Lane
Route 28 - Weekday midday headway improvement
Misc Routes - Various Early AM and Late PM Service
Route 27 - Trips to Glendale Industrial Park
Route 68 - Port Washington, Sunday
Route 68 - Port Washington, Saturday Night

**Paratransit Operations**

**Revenue and Expenditure Overview**

Operating expenses total \$26,853,098, an increase of \$2,789,574 (11.6%) over the 2009 Adopted Budget.

The fare for paratransit riders remains at the 2009 Adopted Budget level of \$3.25 per trip (one-way).

The Milwaukee County Department on Aging (Aging) and the Milwaukee County Department of Health & Human Services - Disability Services Division (DSD) will continue to provide funding for paratransit trips provided to their clients in the amount of \$10.80 for Aging and \$10.25 for DDS.

**Utilization Management**

**(\$741,969)**

Utilization Management refers to a coordinated approach to ensure that effective transportation options are made available to achieve community integration goals. Based on of the initial success of the Freedom Pass initiative set forth in the 2009 Adopted Budget, the 2010 Recommended Budget includes expanded utilization management coordination between Aging, DSD, Paratransit, and the Department of Administrative Services - Office of Persons with Disabilities. Coordination of utilization management efforts will ensure that the most effective method of transportation is made available to paratransit riders while allowing for a more efficient use of limited County resources.

<b>Cost Savings Area</b>	<b>Projected Annual Cost Savings</b>	
Migration Van service Users to Taxi Service	\$	(468,358)
Utilization Management relating to ride type		(73,073)
Freedom Pass: Migrate Van Users to the Fixed Route bus		(93,573)
Residential Facilities providing additional transportation		(106,965)
<b>Totals</b>	<b>\$</b>	<b>(741,969)</b>

## COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: Milw Co Transit-Paratransit System

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### ***Title XIX Reimbursement***

Historically, the State has reimbursed Paratransit the full cost of Title XIX rides. However, it appears that Paratransit may lose 100 percent of Title XIX reimbursement due to certain provisions within the State's 2009 – 2011 Adopted Budget (budget). Should any loss of Title XIX reimbursement occur due to the State's budget action, Paratransit shall make a proportionate reduction in its service area (pursuant to the federally mandated  $\frac{3}{4}$  mile boundary of the existing fixed routes) in order to offset the loss of reimbursement. Revenue and expenditure adjustments based on this scenario are not reflected in the 2010 Recommended Budget.

### **Capital Investments**

\$101,534,706 is invested in capital projects for 2010. These include projects that are part of two 2010 debt issuances and a Fall 2009 debt issuance. The projects funded through the Fall 2009 debt issuance were submitted to the County Board for approval during the September 2009 cycle but are presented here for illustrative purposes. Additional details can be found in the Debt Service budget - Org 9960 and the 2010 Recommended Capital Improvement Budget. The funded projects include:

- Replacement of 1996/1997 vintage diesel buses with 125 new diesel buses.
- HVAC replacements for various MCTS buildings and facilities.
- MCTS maintenance garage parking lot resurfacing.
- Wisconsin Avenue - Bus Rapid Transit infrastructure planning, design, and construction and the purchase twenty low-floor, 60-foot, diesel-electric hybrid buses. This project will utilize the proceeds realized from the sale of County Grounds Land to the University of Wisconsin – Milwaukee.

**COUNTY EXECUTIVE'S 2010 BUDGET**

**DEPT: Milw Co Transit-Paratransit System**

**UNIT NO. 5600**  
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<b>BUDGET SUMMARY</b>				
<b>Account Summary</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>2010 Budget</b>	<b>2009/2010 Change</b>
Personal Services (w/o EFB)	\$ 0	\$ 0	\$ 0	\$ 0
Employee Fringe Benefits (EFB)	0	0	0	0
Services	442,698	432,204	432,204	0
Commodities	459,863	460,000	460,000	0
Transit Operations	135,421,051	141,813,541	139,425,797	(2,387,744)
Other Charges	25,458,752	26,722,146	29,152,417	2,430,271
Capital Outlay	443,350	297,300	222,500	(74,800)
County Service Charges	1,772,922	2,623,071	2,702,889	79,818
Abatements	(12,227)	0	0	0
<b>Total Expenditures</b>	<b>\$ 163,986,409</b>	<b>\$ 172,348,262</b>	<b>\$ 172,395,807</b>	<b>\$ 47,545</b>
State & Federal Revenue	88,484,954	90,420,640	91,836,060	1,415,420
Other Direct Revenue	4,672,975	6,975,000	7,742,500	767,500
Transit Revenue	51,780,489	52,187,205	54,896,649	2,709,444
<b>Total Revenue</b>	<b>\$ 144,938,418</b>	<b>\$ 149,582,845</b>	<b>\$ 154,475,209</b>	<b>\$ 4,892,364</b>
<b>Direct Total Tax Levy</b>	<b>19,047,991</b>	<b>22,765,417</b>	<b>17,920,598</b>	<b>(4,844,819)</b>

<b>FARE STRUCTURE</b>			
<i>Fare Type</i>	<i>Current Fare</i>	<i>2010 Fare</i>	<i>Fare Change</i>
Adult Cash	\$2.00	\$2.25	\$0.25
Adult Ticket	10/\$16.50	10/\$17.50	\$1.00
Premium Cash	\$3.00	\$3.25	\$0.25
Premium Ticket	10/\$22.50	10/\$23.50	\$1.00
All Half Fares Cash	\$1.00	\$1.10	\$0.10
All Half Fares Tickets	10/\$10.00	10/\$11.00	\$1.00
Transfer Fee	\$0.00	\$0.25	\$0.25
Adult Weekly Pass*	\$16.50	\$17.50	\$1.00
Monthly Pass	\$60.00	\$64.00	\$4.00
Adult Weekly Pass*	\$16.50	\$17.50	\$1.00
Student Pass - Special*	\$15.50	\$16.50	\$1.00
U-Pass**	\$42.00	\$45.00	\$3.00
Commuter Value Pass***	\$183.00	\$195.00	\$12.00

\*Per week

\*\*Per school term

\*\*\*Per Quarter

**COUNTY EXECUTIVE'S 2010 BUDGET**

**DEPT: Milw Co Transit-Paratransit System**

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<b>ACTIVITY &amp; STATISTICAL SUMMARY</b>			
	2008 Actual	2009 Budget	2010 Budget
Buses Fleet	483	483	483
Buses Operated	392	394	340
Bus Miles	18,098,521	17,975,653	17,690,676
Bus Hours	1,345,685	1,337,644	1,316,132
Revenue Passengers	43,165,472	42,706,629	39,792,000
Cost per Mile	\$ 7.36	\$ 7.75	\$ 7.74
Cost per Revenue Passenger	\$ 3.08	\$ 3.26	\$ 3.44
Revenue per revenue passenger	\$ 1.05	\$ 1.07	\$ 1.16
Farebox Recovery Ratio	33.99%	32.72%	33.72%
Transit Plus Van trips/Hour	2.06	2.05	2.06
Transit Plus Ridership	1,121,848	1,155,477	1,216,430
Transit Plus Cost/Ride	\$ 21.23	\$ 21.82	\$ 23.05

*All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severely liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."*