



WISCONSIN  
URBAN & RURAL  
TRANSIT ASSOCIATION

# 2006 Executive Report

## Legislative Requests Address Crucial Needs

### Special Thanks to Our Representatives in Congress and the State Legislature

On behalf of the citizens we serve, the members of the Wisconsin Urban and Rural Transit Association thank our congressional delegation and state legislators for their support of our efforts to keep Wisconsin communities moving forward. Every dollar invested in transit returns three dollars in community benefits and economic activity. Transit provides mobility for those who need it and mobility choices for those who prefer it. Every day we see your support at work, and we see how much it is appreciated.

But the need is still great and growing. Without adequate funding, increasing economic pressures will put sustainable service at risk. The following requests represent the most urgent needs faced by transit authorities across the state.

### Requests to our State Legislators

#### Enact Legislation to Enable the Creation of Regional Transit Authorities

Across the state, transit providers are united in their belief that the services in urban and rural communities would be substantially helped by the ability to create regional transit authorities with taxation authority. Such structures would address transit needs across multiple political jurisdictions and issues such as the aging of the population. RTA legislation also would put providers in a strong position to coordinate transit services with human service transportation on a regional basis.

#### Strengthen the State's Commitment to the Funding Partnership with Public Transportation so that Services Continue in a Safe, Reliable and Affordable Manner

State funding is used throughout Wisconsin in urban and rural communities to pay a significant portion of transit operating expenses. However, this share has been falling over the past ten years. Unlike capital projects that can be postponed, public transit operations represent an ongoing need, which must be sustained on a daily basis.

#### Consider Additional Funding Assistance for Transit Systems to Offset Steep Cost Increases for Fuel, Utilities and Paratransit

Transit has been hit hard by extraordinary increases in energy costs, impacting diesel fuel, utilities and the cost of providing specialized transportation for elderly and disabled persons. While the two percent funding increase in the last biennium is appreciated, it does not allow transit systems to maintain services without fare increases or service cuts.

For more details, see inside page 2

### Requests to our Congressional Delegation

#### Support \$54.7 Million in 2007 Discretionary Earmarks for Wisconsin

Discretionary funding needs totaling \$54.7 million are required in the 2007 statewide program to continue to meet basic needs for replacement buses and other capital equipment. Although Wisconsin has benefited from over \$188 million of federal discretionary funds since 1991, the federal capital formulas do not favor Wisconsin, and transit systems are in danger of falling behind on essential capital replacement needs. Last year, Wisconsin transit capital projects only received about one third of the actual earmark. Wisconsin does not use these funds for "pork," only to meet basic mobility needs in the state. In the past five years, 66% of transit earmarks have been used for replacement buses, 22% for new or replacement facilities, and the balance for technology and other equipment.

#### Support SAFETEA-LU Levels for Transit Appropriations and Oppose Budget Cuts in This Area

Fully fund transit appropriations (i.e., at the authorized level) to support our state and local economies. Transit gets people to their jobs, medical appointments, school and other destinations essential to their leading more satisfying and productive lives.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) legislation empowers Wisconsin transit systems to plan their services in an orderly manner that ultimately leads to more effective services for the citizens and communities we serve. It also provides enabling language to coordinate public transit and human service transportation systems, which will undoubtedly improve the efficiency of service to urban and rural communities throughout Wisconsin.

For more details, see inside page 3

## **Crisis Looms for Transit Systems as Funding Falls Behind Need**

Government funding of transit has made a difference in the quality of service state transit systems can provide to their customers. Some highlights are listed here. Without continuing adequate funding, the transit systems will face a crisis that will have far-reaching impact. As efficiencies have been wrung from every aspect of service, the systems will likely be forced to cut services and increase fares, largely to populations who can least afford it.

## **Locally Funded RTAs: A Viable Solution**

Regional Transit Authorities will be critical to efficiently and effectively meeting the transit needs of citizens throughout Wisconsin, as other states have successfully done. In fact, there are only three other states (California, Florida and Texas) that have more regional Metropolitan Statistical Areas (MSAs) than Wisconsin. Wisconsin has gotten a start with the current biennial budget, which authorizes a study on the creation of a Regional Transit Authority (RTA) for Kenosha, Racine and Milwaukee.

“A number of systems across Wisconsin are owned by cities and counties, but serve greater areas by selling service to neighboring communities,” said Chuck Kamp, General Manager for Valley Transit, and immediate past WURTA chair.

“For example, Valley Transit serves 13 communities, while Madison has six. Oshkosh Transit System oversees and

coordinates nine paratransit programs in Oshkosh and Winnebago County, as well as an Access to Jobs program,” he said. “They are essentially working as RTAs, but as a collection of authorities, the process is inefficient.”

In the Appleton area, paratransit services are funded by three counties with Appleton determining the budget. “This requires four separate public hearings, which is frustrating for the consumers,” he noted. One advantage of an RTA is a single board, making the overall administration of such programs more efficient and effective. “Consumers also will feel they have more of an impact speaking to a single authority.”

RTA legislation must allow for a funding source other than fares to be determined by local consensus, whether it comes from property tax, vehicle/wheel tax or some combination.

### **Survival Mode**

## **Funding Issues Threaten Public Transit**

“Every Wisconsin system has exhausted its own resources,” said Gwen Van Den Heuvel, Transit Manager of Eau Claire Transit and current WURTA chair.

Eau Claire has already cut a number of routes and shortened service hours; there is a minimum skeleton crew running the system and the office staff is the same size as when the system provided half the rides.

“We’ve been trimming back so much for so many years, there’s no fat left to cut, if there ever was any. We’re just struggling to maintain current service levels.”

Reduced service and higher fares present a double whammy for consumers. “This is very unfortunate because we’re seeing unprecedented demand from passengers,” Van Den Heuvel said. “We’re seeing more ridership, not just from existing riders, but new consumers who are choosing public transit because of high gas prices. People need options.”

The 2004 Wisconsin DOT transit study quantifies the economic value of transit noting a return of three to one. However,

**With increasing financial pressures, the question is not if, but when, every Wisconsin system will be forced to make decisions that will jeopardize essential and affordable transit services.**

funding cuts will ultimately cost taxpayers more because of a ripple effect. The situation is particularly devastating to low-income individuals and families who are transit dependent. For example, if they can’t get to a doctor, they are more likely to end up in emergency rooms; students whose families can’t afford bus fare may face truancy; and willing workers may not be able to get to their jobs.

With increasing financial pressures, the question is not if, but when, every Wisconsin system will be forced to make decisions that will jeopardize essential and affordable transit services, with corresponding economic fallout in the communities they serve.

Although transit systems will see a 2% increase in both years of the current state budget, virtually all of that may be spent on the increased cost of fuel. The impacts on service, due to higher fuel costs, will be felt from the smallest rural operator to the largest urban systems.

“Public transit service needs to be part of the solution to the higher fuel costs our citizens are faced with. It’s what they expect from us,” said Ken Warren, Managing Director of the Milwaukee County Transit System.

WURTA members have lived within the state’s transit budget since its inception in 1975. Now, for the first time in three decades, WURTA will seek relief funding from the state, Van Den Heuvel said.

# The Impact of Discretionary Earmarks

Transit systems in Wisconsin are making good progress in fleet replacement projects, substituting aging buses with new low-floor buses that provide easier access for older adults and people with disabilities.

The Janesville Transit System offers an excellent study in Wisconsin frugality – making the most out of transit dollars it has received over the years. The system has kept seven buses on the streets for 27 years, more than twice the lifetime mandated by federal requirements (12 years). Building up the funds over the past three years, Janesville now has eight new buses on order that will allow retirement of the seven 1979 buses, plus two 1981 buses.

Dave Mumma, Janesville Transit Director, said, “Transit people are by nature resourceful, we are not money wasters. We have learned over the years to make do. However, without timely and adequate investment in this public business, we will be unable to sustain affordable, reliable service to our consumers.”



Seven 1979 buses, like this one, are due for replacement in Janesville.

Wisconsin received only about one-third of 2005 funds earmarked for transit, according to a Wisconsin Department of Transportation report. This represents a repeated pattern of underfunding for Wisconsin transit, year after year, weakening the state's transit systems. If the 2007 earmark were to be fully funded (\$54.7 million), half the money would go to projects that have been carried over from previous years.

“Who would run a business like that?” Mumma asked. “We must make prudent capital investments at the appropriate time. Without the earmarks to the state, the end results are higher operating costs and less reliable service, especially in a small system like ours.” In addition to other economic benefits, federal transit investment also helps reduce independence on imported oil, improve air quality and reduce traffic congestion.

In other system investments:

- **Kenosha Transit** is bringing the average fleet age from 17 years down to eight; plans also include expanding the local electric streetcar system.
- **Madison Metro Transit System** has replaced 16-year-old buses with 15 new low-floor buses.
- **Valley Transit** completed a \$5.6 million procurement for replacement buses in late 2005.

## Federal Funds Spur Economic Growth

Federal discretionary transit funding is a catalyst for spurring economic development throughout the state. Two new multi-use transit centers are playing strategic roles in local economic development.

The Waukesha Transit Center – completed in October 2004 with funds from the five-year discretionary transit bill preceding SAFETEA-LU – includes a parking deck on the second and third floors in partnership with City of Waukesha parking department.

“This makes better use of valuable land – two facilities in one footprint,” said Bob Johnson, Waukesha Metro Transit’s Director. “And it frees up space for other development.”

When Waukesha authorities lobbied Congress for funds, they indicated that the new facility would be a catalyst for a blighted area.

“It’s done what it’s supposed to do,” Johnson said, noting that new condos and a retail venue have already been built adjacent to the state-of-the-art transportation center, all part of a multi-year downtown redevelopment plan. “Although it’s too early to judge economic impact (e.g., tax

income), discretionary projects clearly do create positive results for the community.”

Wausau Area Transit System recently completed a new open-air facility in a blighted parking lot in the heart of the city. Transit Director Greg Seubert said, “We moved to the location in 1992, but we were unable to offer many amenities to our customers. The new facility addresses the basic needs of our riders, particularly the elderly and disabled, and it’s an attractive addition to the downtown.” Of the \$1.3 million total, 80% came from federal discretionary monies.

La Crosse Municipal Transit Utility has acquired property for an \$18 million downtown mixed-use development project, incorporating a new transit center, retail development, parking and housing, to be completed in 2007.

In each of these cases, the federal funds have been invested on projects that the local government or a private developer could not fully finance. Yet, in each case, funds were used to invest in the future of those cities and created additional value as a catalyst for new development.



The new Waukesha Transit Center is a state-of-the-art facility, part of a downtown redevelopment plan, features privately funded public art by local artists.

