



**Preliminary Engineering/NEPA Analysis
for the
Dane County/Greater Madison Metropolitan Area**

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Minutes

TRANSPORT 2020: IMPLEMENTATION TASK FORCE (ITF) FINANCE AND GOVERNANCE SUBCOMMITTEE

Wednesday, March 1, 2006

12:00 noon

**Madison Municipal Building, Room LL-110
215 Martin Luther King, Jr. Boulevard
Madison, WI**

-- ROLL CALL

Members Present: Ald. Ken Golden; Lori Kay; Supv. Scott McDonell; Warren Onken; Dick Wagner.

Members Absent: Sandy Beaupre (*notified*); Michael Blaska (*notified*); Chris Klein (*notified*).

TAC/Staff Present: Rod Clark (*WisDOT-Bureau of Transit and Local Roads*); Catherine Debo (*Madison Metro*); Rob Kennedy (UW-Madison, Facilities Planning and Management); Elizabeth Kluesner (Dane County Executive's Office); Bob McDonald (Madison Area Metropolitan Planning Organization); Arun Rao (WisDOT, Urban Planning); Bill Schaefer (Madison Area MPO); David Trowbridge (Madison Planning and Development; *Transport 2020 Project Manager*).

Others Present: Fred Bartol (Dane Alliance for Rail Transit); John DeLamater (ITF); Laurie Hussey (Cambridge Systematics); Jesse Kaysen (ITF); Ken Kinney (*HNTB Project Manager*); Caron Kloser (HNTB); Ward Lyles (1000 Friends of Wisconsin); Royce Williams (ProRail).

1. INTRODUCTIONS

Subcommittee members, agency staff, members of the consultant team and the general public introduced themselves to one another.

2. **REVIEW OF FINANCE AND GOVERNANCE ISSUES AFFECTING THE TRANSPORT 2020 PROJECT AND THE FTA NEW STARTS APPLICATION (LAURIE HUSSEY, CAMBRIDGE SYSTEMATICS); SUBCOMMITTEE DISCUSSION**

Laurie Hussey gave an overview of key issues for the New Starts application that will need aggressive attention from the Finance and Governance Subcommittee. The focus is required in order to submit a New Starts application by December 2006. The presentation focused on Governance, Finance and overlap of Transport 2020 with the Madison Streetcar Study.

Governance Issues

Laurie reviewed three options for governance of a Transport 2020 system

- Use Metro as the implementer/operator of the system
- Create a new entity, such as a Regional Transportation Authority
- Use a combined approach where Metro continues to operate bus service and a new regional entity that operates Transport 2020 service.

The best option for the application may be to propose a combined approach. In its response to the New Starts application, FTA will require the project sponsors to outline the next steps to implement the governance structure. This will likely involve execution of a Project Development Agreement (PDA) that outlines the steps and proposed schedule for completing them.

In order to meet the application schedule, the following actions must be complete:

- Draft governance plan by summer 2006
- Project Management Plan by September 2006
- Final governance plan action steps by November 2006

Finance Issues

The project sponsors must demonstrate the following:

- A 20-year cash flow of revenues and commitments for both existing service and new service
- Transport 2020 local sources needed by September 2006
- Finance action steps by November 2006

The Subcommittee discussed cash flow at length and acknowledged that other new sources of revenue will need to be developed for a Transport 2020 system. It will be important that, first and foremost, the sponsors demonstrate that financing is sufficient for existing service and is stable. FTA's evaluation of future funding sources for Transport 2020 would be seriously questioned if existing service is not adequately funded. Furthermore, funding for Transport 2020 system must demonstrate stability. Innovative alternative funding mechanisms do not always fare well in the New Starts evaluation process.

Laurie further explained that the sponsors should expect that FTA would fund 50% of capital costs, with the remaining 50% coming from local sources. FTA's approval to move into PE does not require funding to be finalized, but the sponsors need to demonstrate a solid plan for how funding will be obtained. Between PE and Final Design the sponsors must have funding commitments in place to further implement the system through a Full Funding Grant Agreement. The group discussed that funding would need to be based on a regional source of dollars and that legislation will likely be required

to get future funding sources in place.

Coordination with the Streetcar Study

Laurie discussed the following issues that face the overlap of Transport 2020 and the Streetcar Study:

- Overlap in study area/purpose and need
- Methodology
- Attribution of benefits
- Local outreach
- Legislative support

In order for the two studies to be viewed separately, the study area and purpose and need must be clearly distinguishable. Otherwise, the studies would be competing for the same ridership; a serious consideration that must be addressed.

The ridership modeling methodology should consider both projects. However, the group discussed that the Streetcar study may or may not happen. Therefore, the model ideally should be run with and without the Streetcar service. The approach to the methodology will be a subject of discussion with FTA. If the Streetcar is folded into the Transport 2020 model, perhaps we can consider a phased approach, with the Streetcar happening later. The Streetcar study is not expected to be complete until March 2007.

Regarding attribution of benefits, it is in the interest of both studies to keep the two as separate as possible in regards to alternative corridors. The corridors must demonstrate they complement each other, rather than compete for riders and benefits. The Streetcar corridor may not be known until summer 2006, but that needs to be expedited.

Local outreach and legislative support face the same issue; there needs to be a clear message about the two studies and why they are different. If there is confusion about the purposes of the studies, it will be difficult to marshal public support to expend public money and thus little legislative support to obtain funds for implementation and operation.

The Subcommittee agreed to develop action plans for governance, finance and legislative support to meet the deadlines laid out. Laurie encouraged the Subcommittee to use FTA's funding sources and research how other communities have funded their systems. It will be important to have a regional partnership for the project to be implemented.

3. SCHEDULING OF FUTURE SUBCOMMITTEE MEETINGS

The Subcommittee agreed to meet in the evenings for longer sessions to work out their action plans. Dave Trowbridge will establish meeting times for the Subcommittee.

As a reminder, other Transport 2020 meetings currently scheduled are noted below:

- The Management Team will meet Thursday, March 2, 12:00 noon, Room 260 MMB (Purpose and Need talking points, FTA issues).
- The Management Team will meet Tuesday, March 14, 12:00 noon, Room LL-110 MMB (review preliminary alternatives).

- Transit Operations Subcommittee will meet Wednesday, March 15, 4:45 p.m., Room LL-110 MMB (review preliminary alternatives).
- The Management Team will meet Tuesday, April 4, 12:00 noon, Room LL-110 MMB (preliminary alternatives recommendations).
- The next full meeting of the Implementation Task Force will be Wednesday, April 5, 7:00 p.m., Room 260 Madison Municipal Bldg (preliminary alternatives recommendations; note the later start time).

4. ADJOURNMENT

The Finance and Governance Subcommittee adjourned its meeting at 1:00 p.m.

These minutes represent the writers' interpretation of discussion and resolution of key points. Please contact Caron Kloser of HNTB (414/359-2300) to discuss questions, modifications or corrections.