

MINUTES OF THE SIXTEENTH MEETING

SOUTHEASTERN WISCONSIN REGIONAL TRANSIT AUTHORITY

DATE: December 17, 2007

TIME: 8:00 a.m.

PLACE: General Mitchell International Airport Terminal
Mitchell Gallery of Flight Museum – Sijan Room
Upper Concourse Level
Milwaukee, Wisconsin

Board Members

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

Board Members Excused

George A. Torres Milwaukee County Representative

Staff Members

Philip C. Evenson Executive Director, SEWRPC
Kenneth R. Yunker Deputy Director, SEWRPC
Albert A. Beck Principal Planner, SEWRPC

Consultant Team (Transit Advocacy and Communications)

H. Carl Mueller
Lori Richards
Brandon Scholz
Barbara Ulichny

Guests

Dan Boehm Director of Administration, Milwaukee County Transit System
F. H. “Chip” Brewer Director, Worldwide Government Relations, S. C. Johnson & Son, Inc.
Donna L. Brown Systems Planning Group Manager, Southeast Region,
Wisconsin Department of Transportation
Anita Gullotta-Connelly Managing Director,
Milwaukee County Transit System
Michael J. Glasheen Transit Planner, City of Racine
Geoffrey Greiveldinger Chief of Staff, Racine County Executive’s Office
Edward Huck Executive Director, Wisconsin Alliance of Cities
William McReynolds County Executive, Racine County
Frederick J. Patrie Director of Public Works, Kenosha County
Karen Schmiechen Planner, Wisconsin Department of Transportation, Southeast Region

Guests (continued)

Albert StanekChief, Intercity Planning,
 Division of Transportation Investment Management,
 Wisconsin Department of Transportation

Jeff StoneState Representative

Kerry ThomasCommunications Director, Transit Now

ROLL CALL AND INTRODUCTIONS

Chairman Ostby called the meeting to order at 8:05 a.m. He noted that Board member George Torres had been excused from the meeting but there was a quorum of six members present.

APPROVAL OF AGENDA

There were no changes identified by Board members to the meeting agenda.

REVIEW AND APPROVAL OF MINUTES OF THE JUNE 25, 2007, MEETING

A motion to approve the minutes as presented was made by Mr. Karls, seconded by Mr. Brandrup, and carried unanimously by the Board.

REVIEW AND DISCUSSION OF CORRESPONDENCE RECEIVED

There was no correspondence received since the last Board meeting.

REVIEW AND DISCUSSION OF WRITTEN COMMENTS RECEIVED TO DATE

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

FINANCIAL REPORT

Chairman Ostby asked the Commission staff to review with the Board the financial report for the RTA dated December 12, 2007 (see Attachment 1). Mr. Evenson stated that the report reflected RTA revenues through November 30, 2007, and expenses through October 31, 2007, and commented that the original estimate of about \$800,000 in annual revenue for the RTA from the \$2 rental car fee appeared to be accurate. He also suggested that Phase I of the Communications Consultant work be declared as complete, thereby recapturing about \$3,200 in unexpended funds. He indicated that the RTA could expect to have a balance of about \$550,000 through the end of 2007.

After a brief discussion, Mr. Karls moved to close out Phase I of the consultant contract and recapture any unexpended funds allocated to that Phase. The motion was seconded by Mr. Eberle and passed unanimously by the Board. On a motion by Ms. Taylor, seconded by Mr. Karls, the board unanimously voted to accept the financial report and place it on file.

DISCUSSION OF ALLIANCE OF CITIES REGIONAL TRANSIT AUTHORITY LEGISLATION AND POTENTIAL CHANGES NEEDED TO ACCOMMODATE SOUTHEASTERN WISCONSIN

Chairman Ostby introduced Mr. Edward Huck, Executive Director of the Wisconsin Alliance of Cities, and asked him to brief the Board on proposed legislation addressing the creation of RTAs in other areas of Wisconsin that was being jointly developed by several State legislators and his organization. Mr. Huck distributed a draft of the RTA legislation (see Attachment 2) for the Board's information, noting that the copy was no longer current as it did not reflect changes that had recently been made to the bill. He stated that the intent of the legislation was to provide a means for other areas in the State to form RTAs if they so desired, and not to interfere with the business of the existing Southeastern Wisconsin RTA. He indicated that the authors of the bill believed that the needs of the Southeastern Wisconsin RTA would be addressed with the 2007-2009 State budget legislation, but that did not occur.

Mr. Huck stated that the legislation had been drafted primarily to respond to anticipated reductions in Federal transit funding levels for the Green Bay and Appleton transit systems that are expected to occur from population increases in Brown County and the Fox Valley area to be identified under the 2010 U.S. Census. To counter the reduction in Federal funds, the legislation would provide RTAs in these and other areas of the State with a dedicated source of local funding, specifically a local sales tax. He explained that the bill did not attempt to specify areas where RTAs should be created, leaving that as a local decision, and that the bill had borrowed language from existing legislation in Wisconsin and other States.

Mr. Huck stated that the draft legislation was now being reviewed and revised by members of the Democratic and Republican caucuses in the Legislature who have their own ideas and preferences on how the legislation should be crafted, along with concerns that the legislation not become a campaign issue during the 2008 elections. He stressed that it was important for the bill to have support from both parties. He stated that the Alliance of Cities had identified authors for the bill in both houses of the Legislature.

Mr. Huck stated the bill would be circulated in the Legislature on or about January 15, 2008. He also discussed the mandatory referendum requirement included in the bill, noting that some legislators would not allow the bill to be introduced without language requiring a referendum; that separate referenda would be required for bus and rail funding issues; and that Milwaukee County would vote on any referendum as a whole, while other areas would vote by municipality. He identified a few other changes that would be made to the bill before it was circulated including changing "transportation authority" to "transit authority" in the title, and dropping freight from the scope of a transit authority. He noted that the members of his association had signed-off on the draft RTA legislation, although not in unanimity.

The following questions were raised and comments made by Board members on the information presented by Mr. Huck:

1. In response to a question from Mr. Brandrup, Mr. Huck stated that he did not believe that creating language in the bill that would "carve out" separate provisions for an RTA in southeastern Wisconsin from those in the rest of the State would relieve the area from the referendum requirement. He noted that there were strong opinions from some State legislators favoring the requirement. Mr. Brandrup asked why Milwaukee County would vote as a whole on a referendum while individual referendums would be needed in each municipality in Racine and Kenosha Counties. Mr. Huck indicated that it was due, in part, to Milwaukee County being the transit operator and, in part, to the politics of the issue. In response to a question from Ms. Ulichny, Mr. Huck stated that the required referendum could be scheduled for any regular election.

Mr. Eberle asked what would happen if the Town of Raymond decided to join an RTA after one had already been created under the legislation. Mr. Huck indicated that the Town and RTA would need to pass common resolutions and the Town would need to pass a referendum approving the tax levy for the RTA. He suggested that the RTA might not allow the Town join if it would not be fiscally prudent to provide it with transit service.

2. Mr. Brandrup stated that the way the legislation was written would make it difficult for public entities to withdraw after joining an RTA, citing requirements for meeting obligations related to capital appreciation and pension liabilities. He suggested that it was possible that no RTAs would be created under the legislation as it was currently written, and questioned why the Southeastern Wisconsin RTA should become involved with it. Mr. Huck stated that he believed the bill would be used to create RTAs in other parts of Wisconsin.
3. In response to a question from Ms Ulichny as to whether every community along the KRM commuter rail line would need to pass a referendum, Mr. Huck indicated that would be a likely result under the legislation. Ms. Taylor asked if the Alliance of Cities had done any research or polling on whether the public likely would approve such a referendum, noting that achieving the passage of the bill by the Legislature was quite different than getting the public to approve a referendum. Mr. Huck indicated that no such polling had been done and stated that that most mayors involved believe the public understands the importance of RTAs for public transit.
4. In response to a question from Ms. Taylor as to whether the level of support for the bill by the State Legislature and Governor was known, Mr. Huck stated that the degree of support for the bill by the Legislature and Governor could not be determined, but the six legislators who the Alliance was directly working with on the bill were committed to finding a solution and reaching agreement.

Mr. Huck noted that the Southeastern Wisconsin area has yet to reach consensus on the need, and the appropriate funding, for an RTA. Mr. Mueller noted that the RTA did reach consensus on using the car rental fee as a dedicated local funding source for the KRM commuter rail project while the Legislature could not. Mr. Huck attributed the inaction by the Legislature to a failure by the Governor and State Legislature to make RTA funding a “bottom line” issue in the 2007-2009 State Budget. He noted that Representative Stone had bottom-lined RTA funding as an issue during budget deliberations.

5. In response to a question by Ms. Ulichny, Mr. Huck stated that Milwaukee County and southeastern Wisconsin would be covered automatically under the Alliance of Cities RTA bill unless a separate section addressing Milwaukee County and southeastern Wisconsin is specified in the legislation. He noted that the other areas in the State outside of Dane County and southeastern Wisconsin had expressed their support for the RTA legislation.
6. In response to a question by Mr. Brandrup as to why a tax levy of 0.35 percent was identified for an RTA which would include the City of Milwaukee, but RTAs in the rest of the State would be allowed to levy a 0.50 percent tax, Mr. Huck indicated that the lower rate was requested by the City of Milwaukee. Mr. Brandrup stated that that tax rate would be inadequate to address Milwaukee County’s transit needs and likely would not be endorsed by the Southeastern Wisconsin RTA.

7. Ms. Ulichny questioned if an allowance should be made for having the RTA in southeastern Wisconsin cover more than the three present counties, noting that the City of Waukesha had shown some interest in being part of the RTA. Mr. Brandrup stated that the Alliance of Cities bill provides for a means to allow areas to join an existing RTA.
8. Mr. Brandrup stated that he had problems with language in the bill that would not allow an RTA to serve areas outside its boundaries, noting that could be a roadblock to creating a truly regional transit system. However, he indicated that the sections of the bill addressing the operations aspects of the RTA and the treatment of employee benefits and pensions were well done.
9. Mr. Huck stated that from the comments made at the meeting, he sensed that the Board may not want specific language addressing the needs of the RTA in southeastern Wisconsin to be included in the bill. That being the case, he indicated that the bill could be introduced in mid January without any language for the Southeastern Wisconsin RTA. Mr. Ostby indicated the he did not favor that approach and stated that the Board needed time to take a very close look at the bill and provide strong feedback on what revisions it believed were needed. Ms. Taylor stated that she was not opposed to the work of the Alliance of Cities on the RTA legislation, but believed the Board needed to identify a solution that fits in with the existing RTA. She indicated that she was troubled by the requirement for separate referenda on bus and rail issues included in the bill and wanted more time to look at the bill and discuss it with the public officials and business leaders in the RTA counties. She suggested that the Board not take any action on the bill until its meeting in January 2008.
10. Chairman Ostby asked if Ms. Connelly, Representative Stone, or Mr. Scholz had any comments on the draft Alliance of Cities bill. Ms. Connelly stated that the Transportation and Public Works Committee of the Milwaukee County Board was concerned that the tax levy of 0.35 percent identified in the bill would be inadequate for the Milwaukee County Transit System, and whether local municipalities in the County would be allowed to opt out of an RTA which would be detrimental for the funding and operations of the County's transit system.

Representative Stone stated that it was important that he be kept informed on the direction which the RTA wants to take on the legislation. He requested that RTA Board members and staff contact him directly and provide their comments on the draft legislation and suggested revisions to the bill's language.

Mr. Scholz stated that after the discussion at today's meeting, he believed the Board and staff could now provide good feedback on the draft bill and the specific provisions the RTA wants to be addressed.

11. Chairman Ostby indicated his main concerns with the draft Alliance of Cities RTA bill were the proposed tax levy limits and resulting local funding levels, and the requirement for separate referenda for bus and rail issues. It was noted that an extensive media campaign would be needed to fully educate the public on the referendum issues, with a potential cost of \$1 to \$2 million. Chairman Ostby stated that the RTA would need to think about whether or not it could generate the funds to cover the costs of such a campaign.
12. Mr. Karls suggested that Board members and consultants get feedback on the draft Alliance of Cities RTA bill from public officials and business leaders and provide that feedback along

with the RTA's comments and requested revisions to the legislation in a letter to Representative Stone before the draft bill is circulated on January 15, 2008. Chairman Ostby suggested that a teleconference meeting of the Board be scheduled in early January to review and discuss the content of the letter before it is sent.

CONSIDERATION OF PLACING ON HOLD THE RTA REQUEST OF THE FEDERAL TRANSIT ADMINISTRATION FOR THE KRM COMMUTER RAIL PROJECT TO ENTER PRELIMINARY ENGINEERING AND RECEIVE A FEDERAL DISCRETIONARY CAPITAL GRANT

Mr. Yunker stated that the RTA had no chance of being awarded a Federal discretionary capital grant and being permitted by the Federal Transit Administration (FTA) to conduct preliminary engineering on the KRM commuter rail project. He noted that a local funding source was not in place, and the RTA had not been given the authority to sponsor and operate the commuter rail service. He stated that the RTA needed to request that the application be put on hold to avoid a recommendation by the FTA against funding the project.

A motion to have the RTA request that the FTA put the application on hold was made by Mr. Eberle and seconded by Mr. Brandrup. The motion was carried unanimously by the Board.

[Secretary's Note: A copy of the letter to the FTA requesting that the RTA's request to enter preliminary engineering and receive a federal discretionary capital grant be placed on hold is included in Attachment 3]

DISCUSSION OF POTENTIAL ENHANCEMENTS OF THE KRM APPLICATION TO FTA

Chairman Ostby asked Mr. Yunker to discuss the ways in which the KRM application for a "New Starts" grant could be enhanced beyond having a local funding source, based on staff discussions with FTA staff. Mr. Yunker stated that desirably the funding source and financial plan would address the needs of all public transit, and not just the KRM commuter rail. He also stated that having more detailed discussions with, and potentially reaching consent of, and agreements with, Metra and the Union Pacific Railroad would be desirable. He added that continuing to work with FTA staff to refine the project costs and ridership would also enhance the application. He also said the schedule of trains could be reviewed and modified to consist entirely of trains meeting Metra trains in Kenosha and Waukegan. He stated that achieving unanimity of support for the project among local officials and business leaders would also be desirable.

Mr. Yunker stated that the Commission staff had met with the Steering Committee for the KRM project and that group was ready to continue to lead the technical effort for refining and resubmitting the application in mid-2008 or mid-2009. He indicated the additional work entailed in refining and updating the application would have an estimated cost of between \$600,000 and \$800,000 and could be funded with 80 percent Federal funds, 10 percent State funds, and 10 percent local in-kind staff funds.

CONSIDERATION AND POSSIBLE ACTION ON ACTIVITIES REQUIRED TO COMPLETE CHARGE SET FORTH IN THE RTA ENABLING LEGISLATION

Chairman Ostby stated that he would like the Commission staff to begin drafting the report to the Governor and Legislature summarizing the work of the RTA and its recommendations on the issues

identified in the RTA authorizing statute. Mr. Evenson stated that staff should be able to prepare a draft of the report for review no later than the April meeting of the RTA Board.

Chairman Ostby stated that he had met recently with Assembly Speaker Huebsch relative to RTA matters. The forthcoming RTA report to the Governor and Legislature would be useful, he said, in briefing Speaker Huebsch and other members of the Legislature on RTA issues and public transit needs.

Ms. Ulichny noted that the RTA and public transit issues related are not well known or understood by the public and a major work effort will be needed to develop information and materials to properly educate the public, as well as local officials, on RTA and transit needs. Mr. Brandrup stated that the development of educational materials was something the Board will need to consider.

CONSIDERATION OF MEETING SCHEDULE FOR 2008

It was the consensus of the Board that the next Board meeting be scheduled as a teleconference meeting at 8:00 a.m. on January 7, 2008, at which time it would review a draft of the letter to Representative Stone identifying the RTA's comments and requested revisions to the draft Alliance of Cities RTA legislation. Mr. Evenson stated that the Commission would host the meeting, and Board members and the public could attend at the Commission offices if they desired.

Chairman Ostby stated that he believed the RTA could meet every other month in 2008 after the January meeting. He stated the Board's immediate focus will be the draft Alliance of Cities RTA bill, and then the RTA's report to the Governor and Legislature.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:45 a.m. on a motion by Mr. Eberle, seconded by Mr. Karls, and carried unanimously by the Board.

Respectfully submitted,

Kenneth R. Yunker
Recording Secretary

**SOUTHEASTERN WISCONSIN REGIONAL TRANSIT AUTHORITY
FINANCIAL REPORT: DECEMBER 12, 2007**

**Collected Vehicle Fees Received From the
Wisconsin Department of Revenue**

<u>Reporting Period</u>	<u>Amount*</u>
October 1 - November 27, 2006	\$217,839.72
November 28, 2006 - February 23, 2007	262,727.15
February 24, 2007 - May 31, 2007	161,418.14
June 1, 2007 - August 31, 2007	236,534.54
September 1, 2007 - November 30, 2007	286,964.90
Interest earned through October 31, 2007	12,714.28
Wire transfer fees incurred through October 31, 2007	-145.00
* Net amount after payment of Statutory fee to WDOR	\$1,178,053.73

**Progress, Billing, and Payment Report
Communications Consultant - Phase I**

Work Element	Total Budget	Percent Complete	Amount	
			Billed through Oct. 31, 2007	Amount Paid to Date*
1 - Communications Strategy	\$50,700.00	100.00	\$50,700.00	\$50,700.00
2 - Funding Source Research	\$58,225.00	94.40	54,978.13	54,978.13
3 - Communications Materials	\$28,247.72	100.00	28,247.72	28,247.72
4 - Public Opinion Assessment	\$15,466.88	100.00	15,466.88	15,466.88
5 - Outreach--Elected Officials and Business	\$173,305.74	100.00	173,305.74	173,305.74
6 - Outreach--Public	\$170,054.66	100.00	170,054.66	170,054.66
Total	\$496,000.00	99.35	\$492,753.13	\$492,753.13

**Progress, Billing, and Payment Report
Communications Consultant - Phase II**

Work Element	Total Budget	Percent Complete	Amount	
			Billed through Oct. 31, 2007	Amount Paid to Date*
5 - Outreach--Elected Officials and Business	\$50,000.00	87.40	\$43,698.44	\$39,328.60
6 - Outreach--Public	\$65,000.00	85.85	55,803.11	50,222.80
Total	\$115,000.00	86.52	\$99,501.55	\$89,551.40

* Ninety percent of billed amount for each work element is paid with 10% withheld until a work element is satisfactorily completed.

<u>Miscellaneous Expenditures</u>	
Through December 12, 2007	\$2,884.51

<u>Financial Summary</u>	
Income	\$1,178,053.73
Expenditures	585,189.04
Encumbrances	9,950.16
Balance	\$582,914.53

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

1 AN ACT *to renumber* 345.05 (1) (a); *to amend* 32.05 (1) (a), 32.07 (2), 40.02 (28),
2 59.58 (6) (title) and (a) 1., 66.0301 (1) (a), 67.01 (5), 70.11 (2), 71.26 (1) (b),
3 chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70], 77.71
4 (intro.), 77.71 (1), 77.71 (2), 77.71 (3), 77.71 (4), 77.73, 77.76 (1), 77.76 (2), 77.76
5 (4), 77.77, 77.78, 345.05 (2) and 611.11 (4) (a); *to repeal and recreate* 40.02
6 (28); and *to create* 20.566 (1) (gc), 20.835 (4) (gc), 66.1039, 77.54 (9a) (er),
7 77.708, 77.76 (3r), 77.76 (5) and 345.05 (1) (ag) of the statutes; **relating to:** the
8 creation of regional transportation authorities, requiring a referendum, and
9 making appropriations.

Analysis by the Legislative Reference Bureau

This bill allows cities, towns, villages, and counties (political subdivisions) to create regional transportation authorities (RTAs), which are public bodies corporate and politic that are separate governmental entities. The governing bodies of two or more political subdivisions may join together (participating political subdivisions) to jointly create an RTA by adopting identical resolutions (authorizing resolutions), except that certain additional requirements apply to the creation of an RTA in parts of Dane County. If an RTA includes a county, the RTA must also include at least one

municipality within that county. If an RTA has already been formed, additional political subdivisions may join the RTA by adopting authorizing resolutions identical to the original authorizing resolutions if all participating political subdivisions of the RTA also adopt resolutions allowing the additional political subdivisions to join the RTA. Participating political subdivisions may amend or modify their authorizing resolutions, including to allow a new political subdivision to join the RTA, if, after any amendment or modification, the authorizing resolutions of all participating political subdivisions remain identical. In Dane county, an RTA may only be formed in the Madison metropolitan planning area (an area determined by agreement between the governor and the metropolitan planning organization formed under authority of federal law) if two-thirds or more of the political subdivisions in the Madison metropolitan planning area adopt authorizing resolutions creating an RTA. Any RTA authorizing resolution must contain certain information, including all of the following:

1. The name of the RTA and a description or map of its jurisdictional area. “Jurisdictional area” is defined as the geographic area formed by the combined territorial boundaries of all participating political subdivisions except that, for a participating political subdivision that is a county, it includes only that portion of the county that is within the territorial boundaries of cities, villages, and towns in the county that are also participating political subdivisions.
2. The purpose of the RTA and the functions or services to be provided by the RTA.
3. The powers, duties, and limitations of the RTA.
4. The establishment and organization of a board of directors, in which all powers of the RTA are vested, the voting requirements for action by the board of directors, and the duties of the board of directors.
5. The manner of selection, powers, and duties of the RTA’s officers.
6. The method of financing the formation and operation of the RTA.
7. If authorized, the maximum rate of the sales and use tax, not exceeding the statutory limit, that may be imposed by the RTA.
8. Provisions for the disposition or distribution of any property, assets, and obligations of the RTA on dissolution or on withdrawal of a participating political subdivision.

In political subdivisions other than counties, the governing body of the political subdivision must approve by at least a majority vote the authorizing resolution creating or joining an RTA and, upon such approval, the authorizing resolution must be ratified by the electors at a referendum held in the political subdivision at a spring or general election. The referendum question must reference the maximum rate of the sales and use tax that may be imposed by the RTA, as specified in the authorizing resolution. A county board must approve an authorizing resolution creating or joining an RTA by a two-thirds vote of the members of the county board and no referendum is required to ratify the county board’s resolution. Also, at least 30 days before approving an authorizing resolution, the governing body of a political subdivision must hold a public hearing on the resolution.

An RTA may do all of the following:

1. Establish or acquire a comprehensive unified local transportation system, which is a transportation system comprised of bus lines and other public transportation facilities or freight transportation facilities generally within the jurisdictional area of the RTA. "Transportation system" is defined to include land, structures, equipment, and other property for transportation of passengers or freight, including by bus, rail, or other form of mass transportation. The RTA may operate this transportation system or provide for its operation by another. The RTA may contract with a public or private organization to provide transportation services in lieu of directly providing these services and may purchase and lease transportation facilities to public or private transit companies. With an exception, an RTA may not directly or by contract provide service outside the RTA's jurisdictional area.

2. Coordinate specialized transportation services for persons who are disabled or aged 60 or older.

3. Own or lease real or personal property.

4. Acquire property by condemnation.

5. Enter upon highways to install, maintain, and operate the RTA's facilities.

6. Impose, by the adoption of a resolution by the board of directors, a sales and use tax in the RTA's participating political subdivisions at a rate of not more than 0.35 percent if the RTA includes a first class city, and not more than 0.5 percent if the RTA does not, of the gross receipts or sales price or, if lower, not to exceed the maximum rate established by the authorizing resolution. This sales and use tax may not be imposed in any municipality within a county that is a participating political subdivision of an RTA unless the municipality is also a participating political subdivision of the RTA.

7. Incur debts and obligations. An RTA may issue tax-exempt revenue bonds, secured by a pledge of any income or revenues from any operations or other source of moneys for the RTA. The bonds of an RTA are not a debt of its participating political subdivisions and neither the participating political subdivisions nor the state are liable for the payment of the bonds.

8. Set fees and charges for functions, facilities, and services provided by the RTA.

9. Adopt bylaws and rules to carry out the powers and purposes of the RTA.

10. Sue and be sued in its own name.

11. Employ agents, consultants, and employees, engage professional services, and purchase furniture, supplies, and materials reasonably necessary to perform its duties and exercise its powers.

12. Invest funds not required for immediate disbursement.

13. Do and perform any authorized acts by means of an agent or by contracts with any person.

14. Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the RTA, including providing for passenger safety.

The board of directors of an RTA must annually prepare a budget for the RTA. Rates and other charges received by the RTA must be used only for the general

expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision. The RTA must maintain an accounting system in accordance with generally accepted accounting principles and must have its financial statements and debt covenants audited annually by an independent certified public accountant.

An RTA that acquires a transportation system must assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law. An RTA that acquires, constructs, or operates a transportation system must negotiate an agreement with the representative of the labor organization that covers the employees affected by the acquisition, construction, or operation to protect the interests of employees affected, and that agreement must include specified provisions. Employees of the RTA are participatory employees under the Wisconsin Retirement System (WRS) if the RTA elects to join the WRS.

A participating political subdivision may withdraw from an RTA if: (1) the governing body of the political subdivision adopts a resolution requesting withdrawal from the RTA; (2) the board of directors of the RTA approves the withdrawal; (3) the political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the RTA; and (4) any authorized sales and use tax that is levied by the RTA within the political subdivision continues to be levied for the period of time for which the tax is authorized. If a political subdivision withdraws from an RTA, the political subdivision continues to receive transportation services from the RTA for so long as the sales and use tax continues to be levied in the political subdivision.

An RTA may be dissolved if a majority of the participating political subdivisions adopt resolutions recommending the dissolution of the RTA. Dissolution of an RTA may not occur until adequate provision has been made for payment of the RTA's outstanding indebtedness, including outstanding revenue bonds. Dissolution of an RTA, and withdrawal of a political subdivision from an RTA, is subject to provisions of the authorizing resolutions relating to, respectively, dissolution or withdrawal.

Current law provides limited immunity for cities, villages, towns, counties, and other political corporations and governmental subdivisions, and for officers, officials, agents, and employees of these entities, for acts done in an official capacity or in the course of employment. Claimants must generally follow a specified claims procedure and liability for damages is generally limited to \$50,000 except that no liability may be imposed for performance of a discretionary duty or for punitive damages. If a person suffers damage resulting from the negligent operation of a motor vehicle owned and operated by a county, city, village, town, school district, sewer district, or other political subdivision of the state in the course of its business, the person may file a claim for damages following this claims procedure and the amount of damages recoverable is limited to \$250,000. This bill specifies that this provision related to claims and liability for negligent operation of a motor vehicle by a political subdivision applies to an RTA.

1 tax revenues collected under subch. V of ch. 77 shall be credited to the appropriation
2 account under s. 20.566 (1) (gc).

3 **SECTION 4.** 32.05 (1) (a) of the statutes is amended to read:

4 32.05 (1) (a) Except as provided under par. (b), a county board of supervisors
5 or a county highway committee when so authorized by the county board of
6 supervisors, a city council, a village board, a town board, a sewerage commission
7 governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65,
8 the secretary of transportation, a commission created by contract under s. 66.0301,
9 a joint local water authority created by contract under s. 66.0823, a transportation
10 authority created under s. 66.1039, a housing authority under ss. 66.1201 to 66.1211,
11 a local exposition district created under subch. II of ch. 229, a local cultural arts
12 district created under subch. V of ch. 229, a redevelopment authority under s.
13 66.1333 or a community development authority under s. 66.1335 shall make an order
14 providing for the laying out, relocation and improvement of the public highway,
15 street, alley, storm and sanitary sewers, watercourses, water transmission and
16 distribution facilities, mass transit facilities, airport, or other transportation
17 facilities, gas or leachate extraction systems to remedy environmental pollution from
18 a solid waste disposal facility, housing project, redevelopment project, cultural arts
19 facilities, exposition center or exposition center facilities which shall be known as the
20 relocation order. This order shall include a map or plat showing the old and new
21 locations and the lands and interests required. A copy of the order shall, within 20
22 days after its issue, be filed with the county clerk of the county wherein the lands are
23 located or, in lieu of filing a copy of the order, a plat may be filed or recorded in
24 accordance with s. 84.095.

25 **SECTION 5.** 32.07 (2) of the statutes is amended to read:

1 32.07 (2) The petitioner shall determine necessity if application is by the state
2 or any commission, department, board or other branch of state government or by a
3 city, village, town, county, school district, board, commission, public officer,
4 commission created by contract under s. 66.0301, joint local water authority under
5 s. 66.0823, transportation authority created under s. 66.1039, redevelopment
6 authority created under s. 66.1333, local exposition district created under subch. II
7 of ch. 229, local cultural arts district created under subch. V of ch. 229, housing
8 authority created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad
9 up to 100 feet in width, for a telegraph, telephone or other electric line, for the
10 right-of-way for a gas pipeline, main or service or for easements for the construction
11 of any elevated structure or subway for railroad purposes.

12 **SECTION 6.** 40.02 (28) of the statutes, as affected by 2007 Wisconsin Act 20, is
13 amended to read:

14 40.02 (28) “Employer” means the state, including each state agency, any
15 county, city, village, town, school district, other governmental unit or
16 instrumentality of 2 or more units of government now existing or hereafter created
17 within the state, any federated public library system established under s. 43.19
18 whose territory lies within a single county with a population of 500,000 or more, a
19 local exposition district created under subch. II of ch. 229, a transportation authority
20 created under s. 66.1039, and a long-term care district created under s. 46.2895,
21 except as provided under ss. 40.51 (7) and 40.61 (3) and subch. X. “Employer” does
22 not include a local cultural arts district created under subch. V of ch. 229. Each
23 employer shall be a separate legal jurisdiction for OASDHI purposes.

1 **SECTION 7.** 40.02 (28) of the statutes, as affected by 1999 Wisconsin Act 65, 2007
2 Wisconsin Act 20 and 2007 Wisconsin Act (this act), is repealed and recreated to
3 read:

4 40.02 **(28)** “Employer” means the state, including each state agency, any
5 county, city, village, town, school district, other governmental unit or
6 instrumentality of 2 or more units of government now existing or hereafter created
7 within the state, any federated public library system established under s. 43.19
8 whose territory lies within a single county with a population of 500,000 or more, a
9 local exposition district created under subch. II of ch. 229, a transportation authority
10 created under s. 66.1039, and a long-term care district created under s. 46.2895,
11 except as provided under ss. 40.51 (7) and 40.61 (3). “Employer” does not include a
12 local cultural arts district created under subch. V of ch. 229. Each employer shall be
13 a separate legal jurisdiction for OASDHI purposes.

14 **SECTION 8.** 59.58 (6) (title) and (a) 1. of the statutes are amended to read:

15 59.58 **(6)** (title) ~~REGIONAL~~ KENOSHA-RACINE-MILWAUKEE REGIONAL TRANSIT
16 AUTHORITY.

17 (a) 1. “Authority” means the Kenosha-Racine-Milwaukee regional transit
18 authority.

19 **SECTION 9.** 66.0301 (1) (a) of the statutes, as affected by 2007 Wisconsin Act 20,
20 is amended to read:

21 66.0301 **(1)** (a) In this section “municipality” means the state or any
22 department or agency thereof, or any city, village, town, county, school district, public
23 library system, public inland lake protection and rehabilitation district, sanitary
24 district, farm drainage district, metropolitan sewerage district, sewer utility district,
25 solid waste management system created under s. 59.70 (2), local exposition district

1 created under subch. II of ch. 229, local professional baseball park district created
2 under subch. III of ch. 229, local professional football stadium district created under
3 subch. IV of ch. 229, ~~a~~ local cultural arts district created under subch. V of ch. 229,
4 transportation authority created under s. 66.1039, long-term care district under s.
5 46.2895, water utility district, mosquito control district, municipal electric company,
6 county or city transit commission, commission created by contract under this section,
7 taxation district, regional planning commission, or city-county health department.

8 SECTION 10. 66.1039 of the statutes is created to read:

9 **66.1039 Transportation authorities. (1) DEFINITIONS.** In this section:

10 (a) “Authority” means a transportation authority created under this section.

11 (b) “Bonds” means any bonds, interim certificates, notes, debentures, or other
12 obligations of an authority issued under this section.

13 (c) “Common carrier” means any of the following:

14 1. A common motor carrier, as defined in s. 194.01 (1).

15 2. A contract motor carrier, as defined in s. 194.01 (2).

16 3. A railroad subject to ch. 195, as described in s. 195.02 (1) and (3).

17 4. A water carrier, as defined in s. 195.02 (5).

18 (d) “Comprehensive unified local transportation system” means a
19 transportation system that is comprised of motor bus lines and any other local public
20 transportation facilities or freight transportation facilities, the major portion of
21 which is located within, or the major portion of the service of which is supplied to the
22 inhabitants of, the jurisdictional area of the authority.

23 (e) “Jurisdictional area” means the geographic area formed by the combined
24 territorial boundaries of all participating political subdivisions except that, for a
25 participating political subdivision that is a county, it includes only that portion of the

1 county that is within the territorial boundaries of cities, villages, and towns in the
2 county that are also participating political subdivisions.

3 (f) “Madison metropolitan planning area” means the metropolitan planning
4 area that includes the city of Madison.

5 (g) “Metropolitan planning area” has the meaning given in 23 USC 134 (b) (1).

6 (h) “Participating political subdivision” means a political subdivision that has
7 adopted a resolution creating an authority or joining an established authority under
8 this section except that, if the political subdivision has 50 percent or more of its
9 population located in the Madison metropolitan planning area, the political
10 subdivision is a participating political subdivision only if the authority is created in
11 the manner provided under sub. (2) (i).

12 (i) “Political subdivision” means a city, village, town, or county.

13 (j) “Transportation system” means all land, shops, structures, equipment,
14 property, franchises, and rights of whatever nature required for transportation of
15 passengers or freight within the jurisdictional area of the authority and, only to the
16 extent specifically authorized under this section, outside the jurisdictional area of
17 the authority. “Transportation system” includes elevated railroads, subways,
18 underground railroads, motor vehicles, motor buses, and any combination thereof,
19 and any other form of mass transportation, but does not include transportation
20 excluded from the definition of “common motor carrier” under s. 194.01 (1) or charter
21 or contract operations to, from, or between points that are outside the jurisdictional
22 area of the authority.

23 **(2) CREATION OF TRANSPORTATION AUTHORITIES.** (a) Subject to pars. (g) and (i),
24 the governing body of a political subdivision may, by resolution, declare the need for
25 an authority to function in the political subdivision and may join together with one

1 or more other political subdivisions to jointly create, by adopting identical
2 resolutions, a public body corporate and politic in these political subdivisions. This
3 public body shall be a separate governmental entity and shall be known as a
4 “regional transportation authority.” The authority may transact business and
5 exercise any powers granted to it under this section.

6 (b) Subject to par. (g), if an authority has been created under par. (a), including
7 an authority created under pars. (a) and (i), a political subdivision may join this
8 authority if the governing body of this political subdivision adopts a resolution
9 identical to the resolution creating the authority and all participating political
10 subdivisions of the authority adopt a resolution allowing this political subdivision to
11 join the authority.

12 (c) Any resolution under pars. (a) and (b), including any resolution subject to
13 par. (i), creating or joining an authority shall specify all of the following:

- 14 1. The name of the authority and a description or map of its jurisdictional area.
- 15 2. The purpose of the authority and the functions or services to be provided by
16 the authority.
- 17 3. The powers, duties, and limitations of the authority.
- 18 4. The establishment and organization of a board of directors, in which all
19 powers of the authority shall be vested. The resolution may permit the board of
20 directors to create an executive committee of the board of directors to which the board
21 of directors may delegate any of its powers and duties, as specified by the board.
- 22 5. The number of directors, the manner of their appointment, the terms of their
23 office, their compensation, if any, and the procedure for filling vacancies on the board
24 of directors.

1 6. The manner of selection of the officers of the authority and their powers,
2 duties, and limitations.

3 7. The voting requirements for action by the board of directors. Unless
4 specifically provided by the resolution, a majority of the authorized directors
5 constitutes a quorum of the board of directors. Unless specifically provided by the
6 resolution, a majority of the quorum is necessary for any action to be taken by the
7 board of directors.

8 8. The duties of the board of directors, including the obligation to comply with
9 this section and the laws of this state and with the terms of the resolution adopted
10 under this section.

11 9. The method of financing the formation and operation of the authority.

12 10. If taxes may be imposed by the authority under sub. (3) (s), the maximum
13 rate of the taxes that may be imposed by the authority under sub. (3) (s), not to exceed
14 the maximum rate specified in s. 77.708 (1). The rate of the taxes that may be
15 imposed by the authority under sub. (3) (s) shall be uniform among the participating
16 political subdivisions of the authority.

17 11. Provisions for the disposition, division, or distribution of any property,
18 assets, and obligations of the authority on dissolution or on withdrawal of a
19 participating political subdivision.

20 (d) 1. Subject to par. (e), any resolution of a county board under pars. (a) and
21 (b), including any resolution subject to par. (i), shall be approved by a two-thirds vote
22 of the members of the county board.

23 2. Except as provided in subd. 1. and subject to par. (e), any resolution under
24 pars. (a) and (b), including any resolution subject to par. (i), shall be approved by at
25 least a majority vote of the members of the governing body of the political subdivision

1 and, upon such approval, shall be ratified by the electors at a referendum held in the
2 political subdivision. The referendum shall be submitted to the electors at the next
3 spring or general election, if the election is more than 6 weeks after the date the
4 political subdivision adopted the resolution or, if there are 6 weeks or less before the
5 election, at the next election thereafter. The governing body of the political
6 subdivision may not order a special election for the purpose of voting on the
7 referendum. The referendum question on the referendum ballot shall include the
8 maximum tax rate under par. (c) 10. specified in the resolution approved by the
9 governing body of the political subdivision. If the resolution creating or joining an
10 authority is approved in the referendum, the resolution may take effect. If the
11 resolution creating or joining an authority is not approved in the referendum, the
12 resolution may not take effect.

13 (e) At least 30 days before approving a resolution under par. (a) or (b), including
14 a resolution subject to par. (i), the governing body of a political subdivision shall hold
15 a public hearing on the resolution. Notice of the hearing shall be published as a class
16 3 notice under ch. 985.

17 (f) A political subdivision may not be a participating political subdivision in
18 more than one authority.

19 (g) If an authority created under par. (a) includes as a participating political
20 subdivision a county, the authority shall also include at least one municipality within
21 that county.

22 (h) 1. Subject to subd. 2., if an authority has been created under this subsection,
23 the participating political subdivisions of the authority may amend or modify their
24 original resolutions creating or joining the authority if, after any amendment or
25 modification, the resolutions of all participating political subdivisions of the

1 authority remain identical and continue to satisfy the requirements under this
2 section for the creation of an authority. Any such amendment or modification of the
3 original resolutions creating or joining the authority does not create a new authority
4 unless specifically provided otherwise in the amendment or modification, even if the
5 amendment or modification is undertaken for the purpose of including additional
6 participating political subdivisions in the authority. If the original resolutions
7 creating the authority were subject to par. (i), the resolutions may not be amended
8 or modified unless, at the time of the amendment or modification, the requirements
9 under par. (i) continue to be satisfied.

10 2. The amendment or modification under subd. 1. of the original resolutions
11 creating or joining an authority is not subject to the requirement under par. (e) and
12 is only subject to ratification by referendum under par. (d) 2. if the amendment or
13 modification includes a change to the tax rate specified in par. (c) 10.

14 (i) 1. Except as provided in subd. 4., if a political subdivision has 50 percent or
15 more of its population located in the Madison metropolitan planning area, the
16 political subdivision may join together with other political subdivisions to jointly
17 create, by adopting resolutions as provided under par. (a), an authority only if the
18 requirements specified in this paragraph are satisfied. An authority may be created
19 under this paragraph only if two-thirds or more of the political subdivisions located
20 in the Madison metropolitan planning area adopt resolutions, in the manner
21 provided under par. (a), to create the authority. For purposes of calculating the
22 two-thirds requirement under this subdivision:

23 a. The numerator shall be calculated by adding together the political
24 subdivisions located in the Madison metropolitan planning area that have adopted
25 resolutions to create the authority, counting each political subdivision that has 50

1 percent or more of its population located in the Madison metropolitan planning area
2 as one and counting each political subdivision that has some, but less than 50
3 percent, of its population located in the Madison metropolitan planning area as
4 one-half.

5 b. The denominator shall be calculated by adding together all political
6 subdivisions, other than Dane County, that have 50 percent or more of their
7 population located in the Madison metropolitan planning area.

8 c. Population shall be determined according to the latest U.S. bureau of census
9 figures available.

10 2. If an authority has been created under this paragraph, any subsequent
11 change in the Madison metropolitan planning area or in the population of political
12 subdivisions partly or wholly in the Madison metropolitan planning area, and any
13 withdrawal under sub. (12) of a participating political subdivision from the
14 authority, shall not affect the validity of the authority. However, any amendment or
15 modification of the resolutions creating the authority are subject to par. (h).

16 3. After an authority has been created under this paragraph, any political
17 subdivision may join the authority as provided in par. (b).

18 4. Notwithstanding par. (f), Dane County may be a participating political
19 subdivision of an authority created under this paragraph and of a different authority
20 that is not subject to the provisions of this paragraph.

21 **(3) POWERS.** Notwithstanding s. 59.84 (2) and any other provision of this
22 chapter or ch. 59 or 85, an authority may do all of the following:

23 (a) Establish, maintain, and operate a comprehensive unified local
24 transportation system primarily for the transportation of persons and freight.

1 (b) Acquire a comprehensive unified local transportation system by purchase,
2 condemnation under s. 32.05, or otherwise and provide funds for the operation and
3 maintenance of the system. Upon the acquisition of a comprehensive unified local
4 transportation system, the authority may:

5 1. Operate and maintain it or lease it to an operator or contract for its use by
6 an operator.

7 2. Contract for superintendence of the system with an organization that has
8 personnel with the requisite experience and skill.

9 3. Delegate responsibility for the operation and maintenance of the system to
10 an appropriate administrative officer, board, or commission of a participating
11 political subdivision.

12 4. Maintain and improve railroad rights-of-way and improvements on these
13 rights-of-way for future use.

14 (c) Contract with a public or private organization to provide transportation
15 services in lieu of directly providing these services.

16 (d) Purchase and lease transportation facilities to public or private transit
17 companies that operate within and outside the jurisdictional area.

18 (e) Apply for federal aids to purchase transportation facilities considered
19 essential for the authority's operation.

20 (f) Coordinate specialized transportation services, as defined in s. 85.21 (2) (g),
21 for residents who reside within the jurisdictional area and who are disabled or aged
22 60 or older, including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and
23 42 USC 5011 (b), under ss. 49.43 to 49.499 and 85.21, and under other public funds
24 administered by the county. An authority may contract with a county that is a
25 participating political subdivision for the authority to provide specialized

1 transportation services, but an authority is not an eligible applicant under s. 85.21
2 (2) (e) and may not receive payments directly from the department of transportation
3 under s. 85.21.

4 (g) Acquire, own, hold, use, lease as lessor or lessee, sell or otherwise dispose
5 of, mortgage, pledge, or grant a security interest in any real or personal property or
6 service.

7 (h) Acquire property by condemnation using the procedure under s. 32.05 for
8 the purposes set forth in this section.

9 (i) Enter upon any state, county, or municipal street, road, or alley, or any public
10 highway for the purpose of installing, maintaining, and operating the authority's
11 facilities. Whenever the work is to be done in a state, county, or municipal highway,
12 street, road, or alley, the public authority having control thereof shall be duly
13 notified, and the highway, street, road, or alley shall be restored to as good a condition
14 as existed before the commencement of the work with all costs incident to the work
15 to be borne by the authority.

16 (j) Fix, maintain, and revise fees, rates, rents, and charges for functions,
17 facilities, and services provided by the authority.

18 (k) Make, and from time to time amend and repeal, bylaws, rules, and
19 regulations to carry into effect the powers and purposes of the authority.

20 (L) Sue and be sued in its own name.

21 (m) Have and use a corporate seal.

22 (n) Employ agents, consultants, and employees, engage professional services,
23 and purchase such furniture, stationery, and other supplies and materials as are
24 reasonably necessary to perform its duties and exercise its powers.

1 (o) Incur debts, liabilities, or obligations including the borrowing of money and
2 the issuance of bonds under sub. (6).

3 (p) Invest any funds held in reserve or sinking funds, or any funds not required
4 for immediate disbursement, including the proceeds from the sale of any bonds, in
5 such obligations, securities, and other investments as the authority deems proper in
6 accordance with s. 66.0603 (1m).

7 (q) Do and perform any acts and things authorized by this section under,
8 through, or by means of an agent or by contracts with any person.

9 (r) Exercise any other powers that the board of directors considers necessary
10 and convenient to effectuate the purposes of the authority, including providing for
11 passenger safety.

12 (s) Impose, by the adoption of a resolution by the board of directors, the taxes
13 under subch. V of ch. 77 in the authority's participating political subdivisions. With
14 respect to any county that is a participating political subdivision, the taxes
15 authorized under this paragraph may not be imposed in any municipality within the
16 county that is not a participating political subdivision of the authority. If an
17 authority adopts a resolution to impose the taxes, it shall deliver a certified copy of
18 the resolution to the department of revenue at least 120 days before its effective date.
19 The authority may, by adoption of a resolution by the board of directors, repeal the
20 imposition of taxes under subch. V of ch. 77 and shall deliver a certified copy of the
21 repeal resolution to the department of revenue at least 120 days before its effective
22 date.

23 **(4) LIMITATIONS ON AUTHORITY POWERS.** (a) Notwithstanding sub. (3) (a), (b), (c),
24 (d), (q), and (r), no authority, and no public or private organization with which an
25 authority has contracted for services, may provide service outside the jurisdictional

1 area of the authority unless the authority receives financial support for the service
2 under a contract with a public or other private organization for the service.

3 (b) Whenever the proposed operations of an authority would be competitive
4 with the operations of a common carrier in existence prior to the time the authority
5 commences operations, the authority shall coordinate proposed operations with the
6 common carrier to eliminate adverse financial impact for the carrier. This
7 coordination may include route overlapping, transfers, transfer points, schedule
8 coordination, joint use of facilities, lease of route service, and acquisition of route and
9 corollary equipment. If this coordination does not result in mutual agreement, the
10 proposals of the authority and the common carrier shall be submitted to the
11 department of transportation for arbitration.

12 (5) AUTHORITY OBLIGATIONS TO EMPLOYEES OF COUNTY MASS TRANSPORTATION
13 SYSTEMS. (a) An authority acquiring a comprehensive unified local transportation
14 system shall assume all of the employer's obligations under any contract between the
15 employees and management of the system to the extent allowed by law.

16 (b) An authority acquiring, constructing, controlling, or operating a
17 comprehensive unified local transportation system shall negotiate an agreement
18 with the representative of the labor organization, notwithstanding s. 111.70 (2), (3),
19 and (6), that covers the employees affected by the acquisition, construction, control,
20 or operation to protect the interests of employees affected. This agreement shall
21 include all of the provisions identified in s. 59.58 (4) (b) 1. to 8. and may include
22 provisions identified in s. 59.58 (4) (c). An affected employee has all the rights and
23 the same status under subch. IV of ch. 111 that her or she enjoyed immediately before
24 the acquisition, construction, control, or operation and may not be required to serve

1 a probationary period if he or she attained permanent status before the acquisition,
2 construction, control, or operation.

3 (c) In all negotiations under this subsection, a senior executive officer of the
4 authority shall be a member of the authority's negotiating body.

5 (6) BONDS; GENERALLY. (a) An authority may issue bonds, the principal and
6 interest on which are payable exclusively from all or a portion of any revenues
7 received by the authority. The authority may secure its bonds by a pledge of any
8 income or revenues from any operations, rent, aids, grants, subsidies, contributions,
9 or other source of moneys whatsoever.

10 (b) An authority may issue bonds in such principal amounts as the authority
11 deems necessary to provide sufficient funds to carry out any of its corporate purposes
12 and powers, including the establishment or increase of reserves, interest accrued,
13 and the payment of all other costs or expenses of the authority incident to and
14 necessary or convenient to carry out its corporate purposes and powers.

15 (c) 1. Neither the members of the board of directors of an authority nor any
16 person executing the bonds is personally liable on the bonds by reason of the issuance
17 of the bonds.

18 2. The bonds of an authority are not a debt of the participating political
19 subdivisions. Neither the participating political subdivisions nor the state are liable
20 for the payment of the bonds. The bonds of any authority shall be payable only out
21 of funds or properties of the authority. The bonds of the authority shall state the
22 restrictions contained in this paragraph on the face of the bonds.

23 (7) ISSUANCE OF BONDS. (a) Bonds of an authority shall be authorized by
24 resolution of the board of directors. The bonds may be issued under such a resolution
25 or under a trust indenture or other security instrument. The bonds may be issued

1 in one or more series and may be in the form of coupon bonds or registered bonds
2 under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest
3 at the rates, be in the denominations, have the rank or priority, be executed in the
4 manner, be payable in the medium of payment, at the places, and be subject to the
5 terms of redemption, with or without premium, as the resolution, trust indenture,
6 or other security instrument provides. Bonds of an authority are issued for an
7 essential public and governmental purpose and are public instrumentalities and,
8 together with interest and income, are exempt from taxes.

9 (b) The authority may sell the bonds at public or private sales at the price or
10 prices determined by the authority.

11 (c) If an officer whose signatures appear on any bonds or coupons ceases to be
12 an officer of the authority before the delivery of such obligations, the officer's
13 signature shall, nevertheless, be valid for all purposes as if the officer had remained
14 in office until delivery of the bonds.

15 **(8) COVENANTS.** An authority may do all of the following in connection with the
16 issuance of bonds:

17 (a) Covenant as to the use of any or all of its property, real or personal.

18 (b) Redeem the bonds, or covenant for the redemption of the bonds, and provide
19 the terms and conditions of the redemption.

20 (c) Covenant as to charge fees, rates, rents, and charges sufficient to meet
21 operating and maintenance expenses, renewals, and replacements of any
22 transportation system, principal and debt service on bonds, creation and
23 maintenance of any reserves required by a bond resolution, trust indenture, or other
24 security instrument and to provide for any margins or coverages over and above debt

1 service on the bonds that the board of directors considers desirable for the
2 marketability of the bonds.

3 (d) Covenant as to the events of default on the bonds and the terms and
4 conditions upon which the bonds shall become or may be declared due before
5 maturity, as to the terms and conditions upon which this declaration and its
6 consequences may be waived, and as to the consequences of default and the remedies
7 of bondholders.

8 (e) Covenant as to the mortgage or pledge of, or the grant of a security interest
9 in, any real or personal property and all or any part of the revenues of the authority
10 to secure the payment of bonds, subject to any agreements with the bondholders.

11 (f) Covenant as to the custody, collection, securing, investment, and payment
12 of any revenues, assets, moneys, funds, or property with respect to which the
13 authority may have any rights or interest.

14 (g) Covenant as to the purposes to which the proceeds from the sale of any bonds
15 may be applied, and as to the pledge of such proceeds to secure the payment of the
16 bonds.

17 (h) Covenant as to limitations on the issuance of any additional bonds, the
18 terms upon which additional bonds may be issued and secured, and the refunding
19 of outstanding bonds.

20 (i) Covenant as to the rank or priority of any bonds with respect to any lien or
21 security.

22 (j) Covenant as to the procedure by which the terms of any contract with or for
23 the benefit of the holders of bonds may be amended or abrogated, the amount of
24 bonds, the holders of which must consent thereto, and the manner in which such
25 consent may be given.

1 (k) Covenant as to the custody and safekeeping of any of its properties or
2 investments, the insurance to be carried on the property or investments and the use
3 and disposition of insurance proceeds.

4 (L) Covenant as to the vesting in one or more trustees, within or outside the
5 state, of those properties, rights, powers, and duties in trust as the authority
6 determines.

7 (m) Covenant as to the appointing of, and providing for the duties and
8 obligations of, one or more paying agent or other fiduciaries within or outside the
9 state.

10 (n) Make all other covenants and do any act that may be necessary or
11 convenient or desirable in order to secure its bonds, or in the absolute discretion of
12 the authority, tend to make the bonds more marketable.

13 (o) Execute all instruments necessary or convenient in the exercise of the
14 powers granted under this section or in the performance of covenants or duties,
15 which may contain such covenants and provisions, as a purchaser of the bonds of the
16 authority may reasonably require.

17 **(9) REFUNDING BONDS.** An authority may issue refunding bonds for the purpose
18 of paying any of its bonds at or prior to maturity or upon acceleration or redemption.
19 An authority may issue refunding bonds at such time prior to the maturity or
20 redemption of the refunded bonds as the authority deems to be in the public interest.
21 The refunding bonds may be issued in sufficient amounts to pay or provide the
22 principal of the bonds being refunded, together with any redemption premium on the
23 bonds, any interest accrued or to accrue to the date of payment of the bonds, the
24 expenses of issue of the refunding bonds, the expenses of redeeming the bonds being
25 refunded, and such reserves for debt service or other capital or current expenses from

1 the proceeds of such refunding bonds as may be required by the resolution, trust
2 indenture, or other security instruments. To the extent applicable, refunding bonds
3 are subject to subs. (7) and (8).

4 **(10) BONDS ELIGIBLE FOR INVESTMENT.** (a) Any of the following may invest funds,
5 including capital in their control or belonging to them, in bonds of the authority:

- 6 1. Public officers and agencies of the state.
- 7 2. Political subdivisions.
- 8 3. Insurance companies.
- 9 4. Trust companies.
- 10 5. Banks.
- 11 6. Savings banks.
- 12 7. Savings and loan associations.
- 13 8. Investment companies.
- 14 9. Personal representatives.
- 15 10. Trustees.
- 16 11. Other fiduciaries not listed in this paragraph.

17 (b) The authority's bonds are securities that may be deposited with and
18 received by any officer or agency of the state or any political subdivision for any
19 purpose for which the deposit of bonds or obligations of the state or any political
20 subdivision is authorized by law.

21 **(11) BUDGETS; RATES AND CHARGES; AUDIT.** The board of directors of an authority
22 shall annually prepare a budget for the authority. Rates and other charges received
23 by the authority shall be used only for the general expenses and capital expenditures
24 of the authority, to pay interest, amortization, and retirement charges on bonds, and
25 for specific purposes of the authority and may not be transferred to any political

1 subdivision. The authority shall maintain an accounting system in accordance with
2 generally accepted accounting principles and shall have its financial statements and
3 debt covenants audited annually by an independent certified public accountant.

4 **(12) WITHDRAWAL FROM AUTHORITY.** (a) A participating political subdivision may
5 withdraw from an authority if all of the following conditions are met:

6 1. The governing body of the political subdivision adopts a resolution by a
7 majority vote of the members of the governing body requesting withdrawal of the
8 political subdivision from the authority.

9 2. The board of directors of the authority, by a majority vote of authorized
10 directors other than directors representing or affiliated with the political subdivision
11 requesting withdrawal, approves the withdrawal of the political subdivision from
12 the authority.

13 3. The political subdivision has paid, or made provision for the payment of, all
14 obligations of the political subdivision to the authority.

15 4. Any tax authorized under sub. (3) (s) that is levied by the authority within
16 the political subdivision continues to be levied for the period of time for which the
17 authority has authorized the tax in a resolution imposing the tax under sub. (3) (s)
18 if such a resolution specifies a time period for the tax or until the effective date of a
19 tax repeal resolution under sub. (3) (s), whichever occurs first.

20 (b) If a political subdivision has withdrawn from an authority as provided in
21 par. (a), the political subdivision shall continue to receive transportation services
22 from the authority, in the same manner and to the same extent as those provided
23 prior to the withdrawal, for so long as the tax continues to be levied as provided in
24 par. (a) 4.

1 (c) If a political subdivision has withdrawn from an authority as provided in
2 par. (a), the articles of incorporation of the authority shall be amended to reflect the
3 withdrawal of the political subdivision and this amendment shall be filed and
4 published, in the same manner as a resolution, by the withdrawing political
5 subdivision and each participating political subdivision.

6 (d) Withdrawal of a political subdivision from an authority is subject to the
7 resolution provisions specified in sub. (2) (c) 10.

8 **(13) DISSOLUTION OF AUTHORITY.** An authority may be dissolved if the governing
9 bodies of a majority of the participating political subdivisions adopt resolutions, by
10 a majority vote of the members of each governing body, recommending the
11 dissolution of the authority. Dissolution of an authority is subject to the resolution
12 provisions specified in sub. (2) (c) 10. Dissolution of an authority may not occur until
13 all outstanding indebtedness of the authority has been paid and all unexpended
14 funds returned to the participating political subdivisions that supplied them, or until
15 adequate provision has been made for the outstanding indebtedness or unexpended
16 funds. An authority may not be dissolved so long as it has bonds outstanding, unless
17 provision for full payment of such bonds, by escrow or otherwise, has been made
18 pursuant to the terms of the bonds or the resolution, trust indenture, or security
19 instrument securing the bonds. The authority shall notify the department of
20 revenue of the authority's dissolution at least 120 days before the dissolution's
21 effective date.

22 **(14) OTHER STATUTES.** This section does not limit the powers of political
23 subdivisions to enter into intergovernmental cooperation or contracts or to establish
24 separate legal entities under s. 66.0301 or 66.1021 or any other applicable law, or

1 otherwise to carry out their powers under applicable statutory provisions. Section
2 66.0803 (2) does not apply to an authority.

3 **SECTION 11.** 67.01 (5) of the statutes is amended to read:

4 67.01 (5) "Municipality" means any of the following which is authorized to levy
5 a tax: a county, city, village, town, school district, board of park commissioners,
6 technical college district, metropolitan sewerage district created under ss. 200.01 to
7 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60,
8 transportation authority created under s. 66.1039, public inland lake protection and
9 rehabilitation district established under s. 33.23, 33.235, or 33.24, and any other
10 public body empowered to borrow money and issue obligations to repay the money
11 out of public funds or revenues. "Municipality" does not include the state.

12 **SECTION 12.** 70.11 (2) of the statutes, as affected by 2007 Wisconsin Act 20, is
13 amended to read:

14 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
15 Property owned by any county, city, village, town, school district, technical college
16 district, public inland lake protection and rehabilitation district, metropolitan
17 sewerage district, municipal water district created under s. 198.22, joint local water
18 authority created under s. 66.0823, transportation authority created under s.
19 66.1039, long-term care district under s. 46.2895 or town sanitary district; lands
20 belonging to cities of any other state used for public parks; land tax-deeded to any
21 county or city before January 2; but any residence located upon property owned by
22 the county for park purposes that is rented out by the county for a nonpark purpose
23 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d),
24 this exemption shall not apply to land conveyed after August 17, 1961, to any such
25 governmental unit or for its benefit while the grantor or others for his or her benefit

1 are permitted to occupy the land or part thereof in consideration for the conveyance.
2 Leasing the property exempt under this subsection, regardless of the lessee and the
3 use of the leasehold income, does not render that property taxable.

4 **SECTION 13.** 71.26 (1) (b) of the statutes, as affected by 2007 Wisconsin Act 20,
5 is amended to read:

6 71.26 (1) (b) *Political units.* Income received by the United States, the state
7 and all counties, cities, villages, towns, school districts, technical college districts,
8 joint local water authorities created under s. 66.0823, transportation authorities
9 created under s. 66.1039, long-term care districts under s. 46.2895 or other political
10 units of this state.

11 **SECTION 14.** Chapter 77 (title) of the statutes is amended to read:

12 **CHAPTER 77**

13 **TAXATION OF FOREST CROPLANDS;**

14 **REAL ESTATE TRANSFER FEES;**

15 **SALES AND USE TAXES;**

16 **COUNTY, TRANSPORTATION AUTHORITY,**

17 **AND SPECIAL DISTRICT SALES AND**

18 **USE TAXES; MANAGED FOREST LAND;**

19 **RECYCLING SURCHARGE;**

20 **LOCAL FOOD AND BEVERAGE TAX;**

21 **LOCAL RENTAL CAR TAX;**

22 **PREMIER RESORT AREA TAXES;**

23 **STATE RENTAL VEHICLE FEE;**

24 **DRY CLEANING FEES;**

25 **REGIONAL TRANSIT AUTHORITY FEE**

1 **SECTION 18.** 77.71 (intro.) of the statutes is amended to read:

2 **77.71 Imposition of county, transportation authority, and special**
3 **district sales and use taxes.** (intro.) Whenever a county sales and use tax
4 ordinance is adopted under s. 77.70, a transportation authority resolution is adopted
5 under s. 77.708, or a special district resolution is adopted under s. 77.705 or 77.706,
6 the following taxes are imposed:

7 **SECTION 19.** 77.71 (1) of the statutes is amended to read:

8 **77.71 (1)** For the privilege of selling, leasing, or renting tangible personal
9 property and for the privilege of selling, performing, or furnishing services a sales
10 tax is imposed upon retailers at the rate of 0.5% in the case of a county tax, at the
11 rate under s. 77.708 in the case of a transportation authority tax, or at the rate under
12 s. 77.705 or 77.706 in the case of a special district tax of the gross receipts from the
13 sale, lease, or rental of tangible personal property, except property taxed under sub.
14 (4), sold, leased, or rented at retail in the county ~~or~~, special district, or transportation
15 authority's jurisdictional area, or from selling, performing, or furnishing services
16 described under s. 77.52 (2) in the county ~~or~~, special district, or transportation
17 authority's jurisdictional area.

18 **SECTION 20.** 77.71 (2) of the statutes is amended to read:

19 **77.71 (2)** An excise tax is imposed at the rate of 0.5% in the case of a county tax,
20 at the rate under s. 77.708 in the case of a transportation authority tax, or at the rate
21 under s. 77.705 or 77.706 in the case of a special district tax of the sales price upon
22 every person storing, using, or otherwise consuming in the county ~~or~~, special district,
23 or transportation authority's jurisdictional area tangible personal property or
24 services if the property or service is subject to the state use tax under s. 77.53, except
25 that a receipt indicating that the tax under sub. (1), (3), or (4) has been paid relieves

1 the buyer of liability for the tax under this subsection and except that if the buyer
2 has paid a similar local tax in another state on a purchase of the same property or
3 services that tax shall be credited against the tax under this subsection and except
4 that for motor vehicles that are used for a purpose in addition to retention,
5 demonstration, or display while held for sale in the regular course of business by a
6 dealer the tax under this subsection is imposed not on the sales price but on the
7 amount under s. 77.53 (1m).

8 **SECTION 21.** 77.71 (3) of the statutes is amended to read:

9 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
10 activities within the county ~~or, special district, or transportation authority's~~
11 jurisdictional area, at the rate of 0.5% in the case of a county tax, at the rate under
12 s. 77.708 in the case of a transportation authority tax, or at the rate under s. 77.705
13 or 77.706 in the case of a special district tax of the sales price of tangible personal
14 property that is used in constructing, altering, repairing, or improving real property
15 and that becomes a component part of real property in that county or special district
16 or in the transportation authority's jurisdictional area, except that if the contractor
17 has paid the sales tax of a county ~~in the case of a county tax, transportation authority,~~
18 ~~or of a special district in the case of a special district tax~~ in this state on that property,
19 or has paid a similar local sales tax in another state on a purchase of the same
20 property, that tax shall be credited against the tax under this subsection.

21 **SECTION 22.** 77.71 (4) of the statutes, as affected by 2007 Wisconsin Act 11, is
22 amended to read:

23 77.71 (4) An excise tax is imposed at the rate of 0.5 percent in the case of a
24 county tax, at the rate under s. 77.708 in the case of a transportation authority tax,
25 or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales

1 price upon every person storing, using or otherwise consuming a motor vehicle, boat,
2 snowmobile, recreational vehicle, as defined in s. 340.01 (48r), trailer, semitrailer,
3 all-terrain vehicle or aircraft, if that property must be registered or titled with this
4 state and if that property is to be customarily kept in a county that has in effect an
5 ordinance under s. 77.70, a political subdivision participating in a transportation
6 authority that has in effect a resolution under s. 66.1039 (3) (s), or in a special district
7 that has in effect a resolution under s. 77.705 or 77.706, except that if the buyer has
8 paid a similar local sales tax in another state on a purchase of the same property that
9 tax shall be credited against the tax under this subsection.

10 **SECTION 23.** 77.73 of the statutes is amended to read:

11 **77.73 Jurisdiction to tax.** (1) Retailers making deliveries in their
12 company-operated vehicles of tangible personal property, or of property on which
13 taxable services were performed, to purchasers in a county ~~or~~, special district, or
14 transportation authority's jurisdictional area are doing business in that county ~~or~~,
15 special district, or jurisdictional area, and that county ~~or~~, special district, or
16 transportation authority has jurisdiction to impose the taxes under this subchapter
17 on them.

18 (2) Counties ~~and~~, special districts, and transportation authorities do not have
19 jurisdiction to impose the tax under s. 77.71 (2) in regard to tangible personal
20 property purchased in a sale that is consummated in another county or special
21 district in this state, or in another transportation authority's jurisdictional area, that
22 does not have in effect an ordinance or resolution imposing the taxes under this
23 subchapter and later brought by the buyer into the county ~~or~~, special district, or
24 participating political subdivision of the transportation authority that has imposed
25 a tax under s. 77.71 (2).

1 **SECTION 24.** 77.76 (1) of the statutes is amended to read:

2 77.76 (1) The department of revenue shall have full power to levy, enforce, and
3 collect county, transportation authority, and special district sales and use taxes and
4 may take any action, conduct any proceeding, impose interest and penalties, and in
5 all respects proceed as it is authorized to proceed for the taxes imposed by subch. III.
6 The department of transportation and the department of natural resources may
7 administer the county, transportation authority, and special district sales and use
8 taxes in regard to items under s. 77.61 (1).

9 **SECTION 25.** 77.76 (2) of the statutes is amended to read:

10 77.76 (2) Judicial and administrative review of departmental determinations
11 shall be as provided in subch. III for state sales and use taxes, and no county,
12 transportation authority, or special district may intervene in any matter related to
13 the levy, enforcement, and collection of the taxes under this subchapter.

14 **SECTION 26.** 77.76 (3r) of the statutes is created to read:

15 77.76 (3r) From the appropriation under s. 20.835 (4) (gc) the department of
16 revenue shall distribute 98.5 percent of the taxes reported for each transportation
17 authority that has imposed taxes under this subchapter, minus the transportation
18 authority portion of the retailers' discount, to the transportation authority no later
19 than the end of the 3rd month following the end of the calendar quarter in which such
20 amounts were reported. At the time of distribution the department of revenue shall
21 indicate the taxes reported by each taxpayer. In this subsection, the "transportation
22 authority portion of the retailers' discount" is the amount determined by multiplying
23 the total retailers' discount by a fraction the numerator of which is the gross
24 transportation authority sales and use taxes payable and the denominator of which
25 is the sum of the gross state and transportation authority sales and use taxes

1 payable. The transportation authority taxes distributed shall be increased or
2 decreased to reflect subsequent refunds, audit adjustments, and all other
3 adjustments of the transportation authority taxes previously distributed. Interest
4 paid on refunds of transportation authority sales and use taxes shall be paid from
5 the appropriation under s. 20.835 (4) (gc) at the rate paid by this state under s. 77.60
6 (1) (a). Any transportation authority receiving a report under this subsection is
7 subject to the duties of confidentiality to which the department of revenue is subject
8 under s. 77.61 (5).

9 **SECTION 27.** 77.76 (4) of the statutes is amended to read:

10 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for
11 taxes imposed by special districts under ss. 77.705 and 77.706 and transportation
12 authorities under s. 77.708 and 1.75% of the taxes collected for taxes imposed by
13 counties under s. 77.70 to cover costs incurred by the state in administering,
14 enforcing, and collecting the tax. All interest and penalties collected shall be
15 deposited and retained by this state in the general fund.

16 **SECTION 28.** 77.76 (5) of the statutes is created to read:

17 77.76 (5) If a retailer receives notice from the department of revenue that the
18 retailer is required to collect and remit the taxes imposed under s. 77.708, but the
19 retailer believes that the retailer is not required to collect such taxes because the
20 retailer is not doing business within the transportation authority's jurisdiction, the
21 retailer shall notify the department of revenue no later than 30 days after receiving
22 notice from the department. The department of revenue shall affirm or revise its
23 original determination no later than 30 days after receiving the retailer's notice.

24 **SECTION 29.** 77.77 of the statutes is amended to read:

1 **77.77 Transitional provisions. (1)** The gross receipts from services subject
2 to the tax under s. 77.52 (2) are not subject to the taxes under this subchapter, and
3 the incremental amount of tax caused by a rate increase applicable to those services
4 is not due, if those services are billed to the customer and paid for before the effective
5 date of the county ordinance, special district resolution, transportation authority
6 resolution, or rate increase, whether the service is furnished to the customer before
7 or after that date.

8 **(2)** Lease or rental receipts from tangible personal property that the lessor is
9 obligated to furnish at a fixed price under a contract entered into before the effective
10 date of a county ordinance, transportation authority resolution, or special district
11 resolution are subject to the taxes under this subchapter on the effective date of the
12 ordinance or resolution, as provided for the state sales tax under s. 77.54 (18).

13 **(3)** The sale of building materials to contractors engaged in the business of
14 constructing, altering, repairing or improving real estate for others is not subject to
15 the taxes under this subchapter, and the incremental amount of tax caused by the
16 rate increase applicable to those materials is not due, if the materials are affixed and
17 made a structural part of real estate, and the amount payable to the contractor is
18 fixed without regard to the costs incurred in performing a written contract that was
19 irrevocably entered into prior to the effective date of the county ordinance, special
20 district resolution, transportation authority resolution, or rate increase or that
21 resulted from the acceptance of a formal written bid accompanied by a bond or other
22 performance guaranty that was irrevocably submitted before that date.

23 **SECTION 30.** 77.78 of the statutes, as affected by 2007 Wisconsin Act 11, is
24 amended to read:

1 **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle,
2 as defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle or aircraft that
3 is required to be registered by this state may be registered or titled by this state
4 unless the registrant files a sales and use tax report and pays the county tax,
5 transportation authority tax, and special district tax at the time of registering or
6 titling to the state agency that registers or titles the property. That state agency shall
7 transmit those tax revenues to the department of revenue.

8 **SECTION 31.** 345.05 (1) (a) of the statutes is renumbered 345.05 (1) (am).

9 **SECTION 32.** 345.05 (1) (ag) of the statutes is created to read:

10 345.05 (1) (ag) “Authority” means a transportation authority created under s.
11 66.1039.

12 **SECTION 33.** 345.05 (2) of the statutes is amended to read:

13 345.05 (2) A person suffering any damage proximately resulting from the
14 negligent operation of a motor vehicle owned and operated by a municipality or
15 authority, which damage was occasioned by the operation of the motor vehicle in the
16 course of its business, may file a claim for damages against the municipality or
17 authority concerned and the governing body ~~thereof of the municipality~~, or the board
18 of directors of the authority, may allow, compromise, settle and pay the claim. In this
19 subsection, a motor vehicle is deemed owned and operated by a municipality or
20 authority if the vehicle is either being rented or leased, or is being purchased under
21 a contract whereby the municipality or authority will acquire title.

22 **SECTION 34.** 611.11 (4) (a) of the statutes is amended to read:

23 611.11 (4) (a) In this subsection, “municipality” has the meaning given in s.
24 345.05 (1) (c), but also includes any transportation authority created under s.
25 66.1039.



December 20, 2007

Ms. Marisol Simon
Regional Administrator, Region 5
Federal Transit Administration
200 W. Adams Street, Suite 320
Chicago, IL 60606-5253

Re: Request to Initiate Preliminary Engineering: KRM Commuter Rail Project

Dear Ms. Simon:

The Southeastern Wisconsin Regional Transit Authority (RTA) hereby requests that its recently submitted application for the proposed Kenosha-Racine-Milwaukee (KRM) Commuter Rail Project be put "on hold" and not be considered by the Federal Transit Administration (FTA) for advancement into Preliminary Engineering (PE) at this time. This application was submitted to the FTA on September 4, 2007. The RTA, at its meeting held on December 17, 2007, acted unanimously to ask that this action be taken as a result of the RTA not being able to obtain a local funding source for this project in the State of Wisconsin 2007-2009 budget as was originally expected. As you know, this action by the RTA had been discussed by telephone between FTA staff and Southeastern Wisconsin Regional Planning Commission (SEWRPC) staff, which is currently acting as staff to the RTA.

The RTA, however, remains committed to moving ahead with the KRM Commuter Rail Project and will be continuing efforts in earnest to obtain the necessary local funding share. Accordingly, the RTA would like to continue to work with the FTA over the coming months and plans to resubmit the application to initiate PE during 2008 or 2009 when it has completed securing a suitable local funding source and accompanying financial plan for this project.

In addition, the RTA and SEWRPC staff would like to continue working closely with FTA staff to complete the Draft Environmental Impact Statement, refine the technical study for the project, and identify other potential improvements in the proposed project, with the intent of ultimately achieving a successful New Starts application and transit project.

c/o SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION
W239 N1812 Rockwood Drive • PO Box 1607
Waukesha, Wisconsin 53187-1607
www.sewistra.org

Ms. Marisol Simon
December 20, 2007
Page 2

We appreciate all of the assistance and guidance provided to date by FTA staff on this project and look forward to continuing to work with FTA to refine and improve this application so that this project can successfully advance into PE at a later date.

If you have any questions regarding this request, or about the KRM Commuter Rail Project, please do not hesitate to contact me.

Sincerely,

Karl J. Ostby
Chairman, Southeastern Wisconsin Regional Transit Authority

cc: Mr. Sean Libberton, Chief, Analysis Division, Office of Planning and Environment, Federal Transit Administration
Mr. Brian E. Jackson, Community Planner, Office of Planning and Environment, Federal Transit Administration
Mr. Philip C. Evenson, Executive Director, SEWRPC
RTA Board Members

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