

County of Milwaukee
Interoffice Communication

DATE: 3/3/2017
TO: Eddie Cullen, Chairman, Intergovernmental Relations Committee
FROM: Brian Dranzik, Director, Department of Transportation
SUBJECT: Information report regarding the programmatic and fiscal impacts of the 2017-2019 State budget proposal on the DOT

BACKGROUND

As requested, the following is a summary of the programmatic and fiscal impacts of the State budget as proposed by the Governor. This information may change as the State Legislature takes action through the budget process.

Transit

85.20 Urban Mass Transit Operating Program – This program is State funding of transit systems. There is no increase of funding in the Governor’s Budget.

85.21 Specialized Transportation Assistance Program for Counties – This program is State funding for paratransit programs. The Governor’s budget proposes a 2% increase in each year of the biennium. This is roughly a \$40,000 increase in each year of the biennium.

85.205 Paratransit Aids Program – There is no mention of this program in the budget documentation. The amount received for this program in past budgets was \$1.4 million annually.

VW Settlement – This settlement provides \$26 million over the biennium to replace transit vehicles that are eligible under the funding criteria of the VW settlement. Vehicles that meet this requirement are transit vehicles from 2006 and older. The Governor’s budget reduces state shared revenue by \$1.95 million annually from 2018 to 2027.

Allocable Segregated Fees (UW System Budget) – The following language is provided in the UW System budget: “The Governor recommends that students be given the option to decline to pay allocable segregated fees at the time the student pays tuition beginning with the 2018-19 academic year.” This may have an impact on fees collected at UW-Milwaukee for the UPASS program. Student fees support roughly \$3 million in funding for routes that serve UWM.

Highway

General Transportation Aids (GTA) – Increase of the annual amount of the GTA program by 12% for calendar year 2018. GTA is provided to counties on a formula basis. Currently Milwaukee County receives \$3.8 million dollars of GTA with funding provided to Highways, Parks, and Sheriff. Since GTA is funded on a formula basis it is unclear how much will be allocated to Milwaukee County at this time.

Routine Maintenance – Routine maintenance funding is provided to counties for work performed on State Trunk Highways and the Interstate System for the State of Wisconsin. Routine maintenance funding increases by 11% in each year of the biennium, however current routine maintenance funding is knowingly

underfunded by 24% of the State level of service funding model. In other words, the amount of the funding increase does not result in additional funding above what Milwaukee County budgets for state revenue of routine maintenance.

Local Road Improvement Program (LRIP) – The LRIP program supports local road reconstruction for counties and municipalities throughout the state. The LRIP program is increased by \$2 million statewide. Funding is provided to each county through a regional allocation. It is undermined how much additional funding Milwaukee County may receive under this program.

Local Bridge Program – There is a \$3 million annual increase in the local bridge program. This is statewide program whereby bridge projects are authorized by the State DOT.

Prevailing Wage – The Governor’s budget eliminates prevailing wage requirements for projects using state dollars. Projects using federal dollars are still applicable to federal Davis-Bacon wage requirements.

RECOMMENDATION

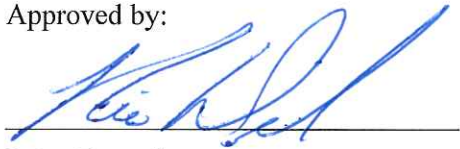
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This report is for informational purposes unless otherwise directed.

Prepared by:

Brian Dranzik, Director of Transportation

Approved by:



Brian Dranzik
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cc: Chris Abele, County Executive
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