

COUNTY OF MILWAUKEE

Inter-office Communication

DATE: 11/26/2025

TO: Marcelia Nicholson-Bovell, Chairwoman, Milwaukee County Board of Supervisors

FROM: John Rodgers, Interim Director, Department of Transportation
Steve Fuentes, President & CEO, MCTS

SUBJECT: From the Interim Director, Department of Transportation and the President & CEO, Milwaukee County Transit System, providing an Action Item Report on MCTS' Plan to maximize 2026 Transit and Paratransit service levels and minimize community disruption.

FILE TYPE: Action Report

POLICY

An appropriation of \$4,785,785 is included in an allocated contingency account within the departmental budget to help mitigate potential transit and paratransit service reductions described above. The Milwaukee County Transit System (MCTS) and the Department of Transportation (DOT) shall submit a report, as directed in File No. 25-687, with recommendations on the most effective use of these funds to prevent service reductions.

****In addition to the amendment funds, MCTS will also realize an additional \$250K in savings from changes to the service contract regarding Waukesha Metro. This brings the total allocation for modified service continuation to \$5,035,785.**

BACKGROUND

The Milwaukee County Transit System (MCTS) is projecting a budget deficit in 2026 of approximately \$14M. As a result, MCTS proposed the elimination of six bus routes, modification of five others, and frequency adjustments on twenty-two routes to realize enough savings to close that \$14M deficit.

MCTS intends to use the allocated \$4.7M and additional \$250K in the following fashion:

- Maintain the same-day paratransit program at a reduced or limited version of the current structure. A limited version of the program may include strategies such as limiting rides to work or medical-related trips, reducing the number of round-trip rides per month, per customer, and/or a reduction in times of day and day of week. **Estimated Cost - \$750,000**
- Delay the proposed route segment elimination to begin on March 7, 2026, instead of January 11, 2026. This gives passengers more time to adjust to the reduction and gets those most impacted through the winter. **Estimated Cost - \$1,400,000**
 - Route segments included: 11 Hampton, 22 Center, 24 Forest Home, 80 6th Street, and 88 Brown Deer
- Maintain peak service, seven days per week, on the six routes proposed for elimination. Maintaining the peak period service will simultaneously address many of the concerns expressed by school students and the general riding public. This service will be monitored, and adjustments will be made incrementally throughout the year to meet the appropriate service needs of the community and stakeholders. **Peak service hours may vary from route to route, depending on ridership patterns, and will vary from weekdays to weekends.**

We will aim to provide optimum service for each route, dependent on the route's specific needs. Generally speaking, "peak service" has traditionally covered the hours of 6am – 9am and 3pm – 6pm, Monday through Friday, with that shifting on weekends in some cases to more midday service. **Estimated Cost - \$2,500,000**

- Routes included: 20 S. 20th Street, 28 108th Street, 33 Vliet, 34 Hopkins, 55 Layton, and 58 Villard
- Contingency funds held for service adjustments throughout 2026 to the six peak-service routes, five modified routes, or routes with frequency reductions. **Estimated Cost - \$385,785**
- Combined totals:
 - Maintaining a limited version of same-day paratransit pilot: **\$750,000**
 - Postpone segment elimination on five routes until March: **\$1,400,000**
 - Maintain daily peak service on six routes proposed for elimination: **\$2,500,000**
 - Contingency funds to make service level adjustments in 2026: **\$385,785**
 - Total of all actions: **\$5,035,785**

Timeline of service adjustments and other actions MCTS will be taking in 2026:

- **January 1, 2026:**
 - Implement a limited version of the same-day paratransit pilot program
 - Implement fare increases as previously proposed.
 - Adult cash fare increase: \$2.00 to \$2.75
 - Reduced cash fare increase: \$1.00 to \$1.25
 - Stored value full fare increases:
 - Single ride: \$2.00 to \$2.75
 - Daily cap: \$5.00 to \$8.25
 - Weekly cap: \$20.00 to \$33.00
 - Monthly: \$75.00 to \$99.00
 - Stored value reduced fare increases:
 - Single ride: \$1.00 to \$1.25
 - Daily cap: \$2.50 to \$4.00
 - Weekly cap: \$11.00 to \$16.50
 - Monthly cap: \$37.50 to \$49.50
- **January 11, 2026:**
 - Implement daily peak service on six routes previously proposed for elimination.
 - Routes included: 20 S. 20th Street, 28 108th Street, 33 Vliet, 34 Hopkins, 55 Layton, and 58 Villard
 - Implement frequency reduction on sixteen routes as previously proposed.
 - Routes included:
 - Weekday – 12, 14, 31, 51, 53, 57, 60, 63
 - Saturday – 18, 19, 21, 31, 59, 74, GREEN, PURPLE & RED LINE
 - Sunday – 31, 59, 74
 - Continue current service levels on five routes proposed for segment reduction, from 1/11/26 – 3/7/26.
 - Routes included: 11 Hampton Avenue, 22 Center Street, 24 Forest Home-16th Street, 80 6th Street, and 88 Brown Deer Road
- **March 8, 2026:**
 - Implement route modifications (segment and frequency reductions) on five routes as previously proposed.
 - Routes included: 11 Hampton Avenue, 22 Center Street, 24 Forest Home-16th Street, 80 6th Street, and 88 Brown Deer Road

- Throughout 2026, MCTS will continue to engage with Milwaukee Public Schools (MPS) for opportunities to increase student ridership and collaborative partnerships.
- MCTS will also pursue strategic opportunities to engage with all stakeholders regarding the transit agency, including board members, customers, members of the business community, and community leaders.
- MCTS will provide regular updates to the Board regarding service levels throughout 2026 and will strategically begin system optimization as we prepare to present our 2027 budget proposal, which we anticipate having a large budget deficit, with no COVID relief funding to help alleviate. Our updates will include initiatives MCTS will be taking internally to ensure our system is functioning within its financial constraints, as well as potential initiatives with outside companies as we prepare for long-term sustainability, while providing the quality service that best meets the needs of Milwaukee County.
- During the first quarter of 2026, MCTS plans on implementing an updated version of the same-day paratransit pilot program, which we hope to maintain throughout 2026.
- In 2026, MCTS will continue its collaboration with ATU Local 998 leadership regarding service. MCTS will consider a proposal for route adjustments and service changes along Routes 52, 59, 68, 73, 74, 82 as submitted by Local 998 leadership.

ALIGNMENT TO STRATEGIC PLAN

2C: Apply a racial equity lens to all decisions.

3A: Invest “upstream” to address root causes of health disparities.

3B: Enhance the County’s fiscal health and sustainability.

3C: Dismantle barriers to diverse and inclusive communities.

RECOMMENDATION

File No. 25-687 outlines that any funds appropriated to an allocated contingency account within the 2026 Adopted Budget for the Milwaukee County Transit System (MCTS), for purposes of transit or paratransit service restoration, shall not be expended without prior approval of the Milwaukee County Board of Supervisors. The Interim Director, Department of Transportation recommends adoption of the outlined MCTS plan as the most effective use of funds to prevent service reductions.

FISCAL EFFECT

An appropriation transfer will be requested by the Interim Director of the Department of Transportation in January 2026 to move \$4,785,785 appropriated to an allocated contingency account within the 2026 Adopted Budget for the Milwaukee County Transit System (MCTS).

TERMS (If applicable)

N/A

VIRTUAL MEETING INVITES

John Rodgers, Interim Director, Dept. of Transportation

Eduardo Santiago, Interim Deputy Director, Dept of Transportation

Sandra Kellner, Interim President & CEO, MCTS skellner@mcts.org

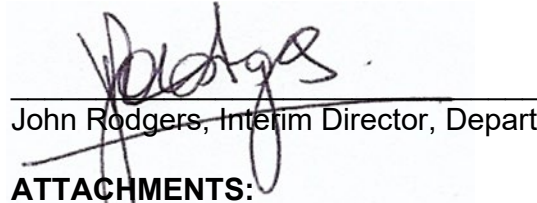
Alexander Corona, Chief Financial Officer, MCTS acorona@mcts.org

PREPARED BY:

Steve Fuentes, President & CEO, MCTS

Sandra Kellner, Chief Administrative Officer, MCTS

APPROVED BY:

A handwritten signature in dark ink, appearing to read "Rodgers", is written over a horizontal line.

John Rodgers, Interim Director, Department of Transportation

ATTACHMENTS:

Resolution
Fiscal Note
PowerPoint

cc: Kelly Bablitch, Chief of Staff, County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk