From: Alex Saloutos
To: All Alders
Subject: Agenda Item 23, Legistar 93777, Highway 151 transfer: public comments for tonight
Date: Tuesday, July 21, 2026 6:31:49 PM
Attachments: 260721_LEGISTAR93777_MEMORANDUM_HWY151TRANSFER.pdf

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Alders,

Attached are my public comments on Agenda Item 23, Legistar File ID 93777, along with a worksheet showing the present value calculations. Please enter both into the record for tonight's meeting.

The direct version: this is a short-term money grab to fund a gap in the BRT capital budget to secure Federal funding that also creates a transportation slush fund, both of which rob Peter to pay Paul.

The Wisconsin nice version: You are being asked to approve a $37 million transaction and a $15 million appropriation on a record that contains no analysis of either. The one slide that quantified what the city is giving up was shown to the Finance Committee on July 13 and is missing from the legislative file. On that slide's own numbers, the fund will be roughly $12.7 million short of the liabilities the transfer creates the moment $15 million goes to BRT. The memo lays out the arithmetic and six specific actions that fix this without losing the transfer or the September 30 payment.

Are there six of you who will put transparency, accountability, and taxpayers first and vote "NO" or, in the alternative, support referral?

Cheers,

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Alex Saloutos

M E M O R A N D U M

Date: July 21, 2026

To: Common Council

From: Alex Saloutos

RE: **Agenda Item 23, Legistar File ID 93777, Jurisdictional transfer of U.S. Highway 151 to the City of Madison**

These are my public comments on Agenda Item 23 at the Common Council meeting of July 21, 2026, Legistar File ID 93777, regarding the jurisdictional transfer agreement between the Wisconsin Department of Transportation and the City of Madison for portions of U.S. Highway 151, establishing a special revenue fund for transportation-related revenues and expenditures, and amending the budget for the North-South Bus Rapid Transit project.

SUMMARY

This file bundles two decisions that deserve separate resolutions: a permanent transfer to the city of full responsibility for about four miles of major arterial streets in exchange for a one-time payment of $37 million, and a $15 million appropriation to the North-South Bus Rapid Transit project paired with a rewrite of that project's funding plan. The record before you supports neither. The only quantitative basis for judging whether $37 million adequately compensates the city appeared on a single slide at the Finance Committee; that slide is not in the legislative file, and it does not appear in the presentation attached for tonight. And the slide contains critical omissions. Using figures from that slide, the payment is at best a wash against what the city surrenders, and the moment the Council sends $15 million to BRT, the fund created to hold it will be roughly $12.7 million short of the liabilities the transfer creates over the next 25 years.

For the following reasons, separate the two decisions. Direct staff to place the missing slide and the WisDOT calculation in the file. Adopt the jurisdictional transfer with an amendment restricting the new special revenue fund to maintenance and capital costs for the transferred corridors. Strike or re-refer the $15 million appropriation until the revised BRT budget is in the file and the public has had time to review it and comment. If the September 30 payment date requires action tonight, adopt the transfer with the restriction and defer the appropriation to a meeting with a complete record.

ANALYSIS AND CONCLUSIONS

Two decisions in one file

The first decision is the swap: the city takes full design, permitting, operational, maintenance, and reconstruction responsibility for South Park Street, West Washington Avenue, Proudfit Street, North Shore Drive, John Nolen Drive, and South Blair Street, gives up the annual Connecting Highway Aid of about $300,000, gives up state participation in future reconstruction, and accepts a ten-year prohibition on using STP-Urban funds on these roads, in exchange for $37 million.1 The second decision is a budget amendment: $15 million from the payment goes to the North-South BRT project, $40 million in carryforward federal budget authority is canceled, and the state's earlier $10 million commitment to the project is absorbed into the payment.2 Each decision might be defensible. Bundled, the BRT calendar, driven by the requirement to demonstrate budget capacity to the

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[1] Legistar File ID 93777, Version 2, Fiscal Note. The ten-year STP-Urban prohibition appears in Park Street Jurisdictional Transfer Common Council.pdf, attachment 1 to the file, on the slide titled Agreement structure.

[2] Legistar File ID 93777, Version 2, recitals and the final resolved clause.

Federal Transit Administration and the September 30 payment date, sets the schedule for a permanent $37+ million infrastructure decision. That is how the legislative record ends up this thin.

The analysis is missing from the record
A $37 million transaction should be judged on the record, and this record is missing the information and documentation needed to test and verify it. The file is missing:

1. The WisDOT calculation behind the $37 million is described in the fiscal note only as the product of Facility Development Manual chapter 4, section 5, which covers pavement replacement from 2026 to 2035.[3]

2. The slide presented to the Finance Committee on July 13, 2026, shows the State's share of capital expenses on these roads over the next 25 years, totaling $42.2 million. The slide is visible, though difficult to read, in the meeting video.[4] It is not in the legislative file, and it has been removed from the attached presentation version for tonight. The one document that lets an alder weigh the payment against what the city is giving up appeared once and vanished.

3. Pavement condition, remaining service life, the reconstruction schedule, and the state cost share under current arrangements, segment by segment. John Nolen Drive above all.

4. The present value of the foregone $300,000 annual aid.

5. The cost of the ten-year STP-Urban prohibition.

6. The terms governing the new special revenue fund.

7. The description and amount of any work within the $15 million BRT appropriation that the State would otherwise have funded.

8. The revised North-South BRT budget. The resolution states: "WHEREAS, the North-South BRT project budget has been refined based on further design and risk analysis, reducing the total project cost relative to the adopted 2025 budget;"[5] The new total appears nowhere. By the file's own arithmetic, federal funds fall by $40 million, the state's $10 million commitment disappears, and $15 million of transfer money comes in, so the project cost must have fallen by roughly $35 million for the plan to balance. Nothing in the file confirms that, and nothing rules out a remaining gap. The Council is being asked to certify the city's budget capacity to the FTA on faith, on a budget the public has never seen.

9. The present value of costs not included in the staff estimates presented to the Finance Committee, including those beyond the 25-year horizon.

The arithmetic staff did not provide
The State pays $37 million. The staff presentation to the Finance Committee put the State's capital share on these roads over the next 25 years at $42.2 million, which is about $26.7 million in present value.[6] Replacing the lost $300,000 annual aid requires about $8 million of principal at the same rate of return. The city is surrendering about $34.7 million in present value. Measured against the full payment, the transfer roughly breaks even over 25 years. Expenses beyond 25 years are not accounted for. Measured against the payment net of the absorbed $10 million BRT commitment, it

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3 Legistar File ID 93777, Version 2, Fiscal Note.
4 Finance Committee meeting of July 13, 2026, video recording, presentation on Legistar File ID 93777.
5 Legistar File ID 93777, Version 2, recitals.
6 260721_LEGISTAR93777_CAPITALCOSTS, attached to this memorandum, shows the calculations and assumptions.

starts about $7.7 million behind. Either way, after the $15 million appropriation, $22 million remains in the fund against about $34.7 million in liabilities, a shortfall of roughly $12.7 million. Some of the $15 million may fund improvements on the transferred roads that the State would otherwise have funded, thereby reducing the shortfall. Nothing in writing identifies that work or its amount.

My assumptions: the slide figures as best they can be read from the meeting video; the cost groups discounted as lump sums at years 3, 16, and 25; a discount rate of 3.75 percent, the yield on the city's investment portfolio in the Treasury's June 2026 Report of Investments.[7] If staff has better numbers, the legislative record is the place for them. As it stands, my worksheet is the only present value analysis of a $37 million payment for the estimated capital expenses to be incurred in the next 25 years, and that should trouble every member of this body.

The file contradicts itself
The fiscal note describes the $37 million as the cost of future pavement replacement from 2026 to 2035. The resolution describes it as helping defray one-time initial capital and operating costs of the added miles.[8] Same file, two answers to what the money is for. The fiscal note states that expenses previously supported by the state will now be paid with city funds, including this payment; the same resolution immediately appropriates $15 million of that amount to a different project. The operative amendment clause contains drafting errors that no $15 million appropriation should carry. And the fund authorizes one-time money for operating costs, which sound budgeting practice warns against.

What the transfer gets right
Full local control of Park Street, John Nolen Drive, and the connecting segments has real value for design, permitting, and operations, and rerouting US 151 to the Beltline and Interstate is faster for through traffic.[9] The question before you is not whether local control is worth having. It is whether the price is adequate, whether the proceeds are protected, and whether you have been given enough information to judge either. You have not.

REQUESTED ACTIONS

The defects in this file are correctable without losing the transfer or the September 30 payment. To correct them, I ask the Council to adopt a resolution tonight that states:

1. Staff shall place in the legislative file the Finance Committee slide showing the State's 25-year capital share and the WisDOT calculation behind the $37 million.

2. The jurisdictional transfer and the BRT appropriation are separated.

3. The legislation is amended to restrict the special revenue fund to maintenance and capital costs for the transferred corridors, or to require separate Council approval for each appropriation from it, until a lifecycle cost analysis is in the file.

4. The $15 million appropriation is stricken or re-referred until the revised North-South BRT sources and uses are in the file with time for public review and comment.

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[7] City of Madison Treasury, Report of Investments, General Fund Aggregate, June 2026, Monthly Return Summary, posted at cityofmadison.com/finance/treasury/investment-portfolios, showing a total yield of 3.752 percent.
[8] Compare the Fiscal Note of Legistar File ID 93777, Version 2, with the recital in the same file describing the Cost to Cure payment.
[9] Park Street Jurisdictional Transfer Common Council.pdf, attachment 1 to Legistar File ID 93777, slide titled Redesignation of 151.

5. If the September 30 payment date requires action tonight, the transfer is adopted with the fund restriction and the appropriation is deferred.

6. Staff shall file a lifecycle cost analysis for the transferred segments within 60 days.

LEGISTAR FILE ID NO. 93777
JURISDICTIONAL TRANSFER OF HIGHWAY 151

YEAR	COSTS	SAY	PRESENT VALUE
0 to 3	$ 3,573,000		
0 to 3	$ 10,000,000		
Subtotal	**$ 13,573,000**	**$ 13,600,000**	**$ 12,178,000**
10 to 16	$ 7,400,072		
10 to 16	$ 12,417,787		
Subtotal	**$ 19,817,859**	**$ 19,800,000**	**$ 10,986,000**
16 to 25 years	$ 8,761,446		
16 to 25 years	$ -		
Subtotal	**$ 8,761,446**	**$ 8,800,000**	**$ 3,506,000**
Total		**$ 42,200,000**	**$ 26,670,000**

Sources of Funds	
WisDOT funds for North Sound BRT	$ 10,000,000
WisDOT funds for Highway 151 transfer of jurisdiction	$ 37,000,000
Total Source of Funds	**$ 47,000,000**
Use of Funds	
Less WisDOT funding for BRT	$ 10,000,000
Transter to BRT	$ 15,000,000
Fund principal to replace $300,000 in lost annual WisDOT revenue	$ 8,000,000
Present value of WisDOT contributions to capital expenses years 1 to 25	$ 26,670,000
Total Use of Funds	**$ 59,670,000**
Fund Surplus (Deficit)	**$ (12,670,000)**

Note: there may be typos in this data. It was hard to read the PowerPoint slide in the video of the Finance Committee meeting.The $42.2 million in total expenses is plus or minus 0.2%

From:	tom
To:	Madison Mayor; All Alders
Subject:	Legistar 93777
Date:	Tuesday, July 21, 2026 6:51:24 PM

Sadya, and others, vote NO.

You have enough problems, don't be looking to take-over any more responsibilities from the State of Wisc.

Tom,
Protect the 1st amendment, stop the censorship Google, FB, Twitter, MSM!