

Transportation

2026 Capital Budget Request Summary

Request by Proposal

Project/Program Name	2026	2027	2028	2029	2030	2031
I-94 Interchanges	-	-	-	150,000	8,400,000	-
North-South Bus Rapid Transit	3,916,000	-	-	-	201,400	-
Total	3,916,000	-	-	150,000	8,601,400	-

Request by Funding Source - GO Borrowing vs. Other

2026 Request

Funding Source	2026	2027	2028	2029	2030	2031
GO Borrowing	3,916,000	-	-	-	201,400	-
Other	-	-	-	150,000	8,400,000	-
Total	3,916,000	-	-	150,000	8,601,400	-

Prior Year CIP

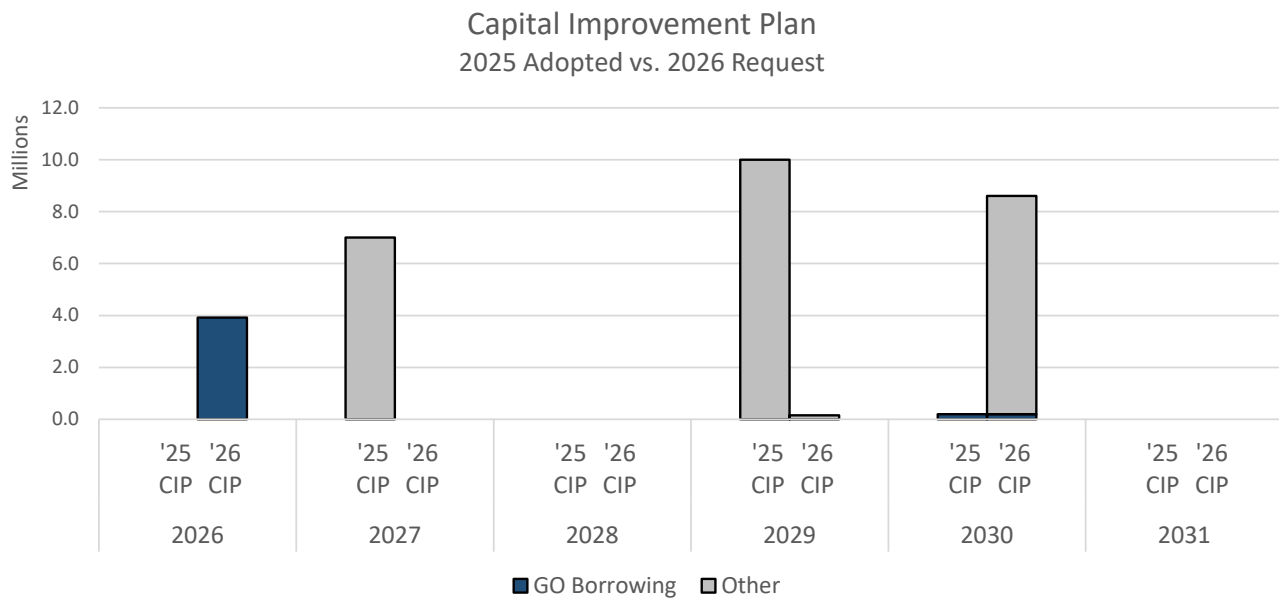
Funding Source	2026	2027	2028	2029	2030
GO Borrowing	-	-	-	-	201,400
Other	-	7,000,000	-	10,000,000	-
Total	-	7,000,000	-	10,000,000	201,400

Request vs. Prior Year CIP - Difference

Funding Source	2026	2027	2028	2029	2030
GO Borrowing	3,916,000	-	-	-	-
Other	-	(7,000,000)	-	(9,850,000)	8,400,000
Total	3,916,000	(7,000,000)	-	(9,850,000)	8,400,000

Transportation

2026 Capital Budget Request Summary



Major Changes

I-94 Interchanges

- Project budget removes \$10.0 million in impact fees from 2029 associated with the Milwaukee Street interchange as construction is not anticipated until early 2040's.
- Impact fees associated Hoepker Road interchange increased from \$7.0 million to \$8.4 million and moved from 2027 to 2030. Additionally, \$150,000 in impact fees added in 2029 for consulting work.

North-South Bus Rapid Transit

- Program budget adds \$3.9 million in TIF supported borrowing in 2026.



Department of Transportation

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April 19, 2025

TO: David Schmiedicke, Christine Koh
FROM: Tom Lynch, Director of Transportation/ Liz Callin
DATE: April 18, 2025
SUBJECT: Transportation Department Capital Budget Request

Summary of Changes from 2025 Capital Improvement Plan

This budget request adds or increases some capital budget projects contained in the CIP.

- North-South Bus Rapid Transit (13665) – The TID 51 plan included \$2.5 million for a local match for the eventual Perry St overpass construction associated with the Reconnecting Communities grants of the Bipartisan Infrastructure Law. The feasibility of the overpass is being studied, yet it is unlikely that implementation funding will be available prior to the expiration of the BIL. Therefore this \$2.5 million is being reallocated to North-South Bus Rapid Transit. Additionally, \$1.416 million designated for Park St reconstruction from TID 42 will be allocated to the North-South Bus Rapid Transit project as this project reconstructs portions of Park St. The added total of \$3.916 million increases project implementation flexibility for the N-S BRT as both state and federal funding sources are undetermined.
- I-94 Interchanges (14699) – This project increases the local match amount by \$1.4 million to coincide with the \$8.4 million local match estimate provided by WisDOT for the Hoepker Rd interchange. It also delays the allocation until 2030, when construction is expected to take place. The budget request provides \$150,000 in 2029 to enlist consultant help with establishing an assessment district to pay for the interchange. The previous \$10 million allocation in 2029 designated for the Milwaukee St extension interchange was removed from the budget request in that construction of this interchange is not anticipated until the early 2040's.

Risk Assessment of Federal Funding

- North-South Bus Rapid Transit (13665) – Risk of losing – Moderate to High – Funding for the Small Starts program, which would support Madison's North-South Bus Rapid Transit program, was included in the continuing resolution. However, obtaining this money would require a signed funding agreement with the Federal Transit Administration. It is unclear whether this funding agreement can or will be executed. The Madison project team has developed four funding scenarios with and without federal funding to provide flexibility in project delivery. If federal funding is not obtained, the scope and length of the project would be reduced, with Park St being the focus of implementation.

- I-94 Interchanges (14699) – Risk of losing – Low – WisDOT is the sponsor for this project and the risk of losing federal funding is low because the overall project aligns with the current administration’s priorities.

Prioritized List of Capital Requests

1.North-South Bus Rapid Transit (13665)	Madison’s North-South Bus Rapid Transit was recommended for \$118 million of funding in FTA’s 2023 annual funding recommendations report. This, combined with E-W BRT, would provide significant improvements to our transit system. The added TIF funding will help address project cost, provide flexibility in delivery options if needed, and make the project more competitive for federal participation.
2.I-94 Interchanges (14699)	WisDOT has approved the expansion of I-90/94 and is waiting on project enumeration which occurs in Wisconsin’s state budget process. In 2025 Madison will need to enter into a local cost sharing agreement with WisDOT for future costs associated with the Hoepker Rd interchange. Actual expenditure will not occur until the time of construction, anticipated for 2030.

cc: Reuben Sanon, Liz Callin

2026 Capital Improvement Plan

Project Budget Proposal

Identifying Information

Agency	Transportation	New or Existing Project	Existing
Proposal Name	I-94 Interchanges	Project Type	Project
Project Number	14699		

Project Description

This project funds the local commitment for two potential Madison I-94 interchange locations as well as other possible grade separated crossings. The two locations are a Milwaukee Street extension near Sprecher Road and a Hoepker Road interchange near the American Center. The Hoepker Road interchange will be constructed around 2030, with the Milwaukee Street interchange extension occurring in the 2040s. WisDOT requires a local cost sharing commitment for new interchanges and new crossings, which varies depending on the benefit the interchange provides the overall interstate system. Federal Highway Administration approval and a local cost sharing agreement would need to be approved by the Common Council for the interchanges/crossings to proceed.

This project has been updated from 2025 to allocate the confirmed cost share funds in the correct construction year, with the Milwaukee St interchange being delayed until future CIPs. \$150,000 has also been added to enlist a consultant to assist with determining and calculating the assessment district and fees.

Budget Comparison

	2026	2027	2028	2029	2030	2031
2025 CIP Total	\$ -	\$ 7,000,000	\$ -	\$ 10,000,000		
2026 CIP Total	\$ -	\$ -	\$ -	\$ 150,000	\$ 8,400,000	\$ -
Difference '26 vs. '25	\$ -	\$ (7,000,000)	\$ -	\$ (9,850,000)	\$ 8,400,000	\$ -

Requested 2026 Budget by Funding Source

Funding Source	2026	2027	2028	2029	2030	2031
Impact Fees	\$ -			\$ 150,000	\$ 8,400,000	
Total	\$ -	\$ -	\$ -	\$ 150,000	\$ 8,400,000	\$ -

Requested 2026 Budget by Expense Type

Expense Type	2026	2027	2028	2029	2030	2031
Other	\$ -			\$ 150,000	\$ 8,400,000	
Total	\$ -	\$ -	\$ -	\$ 150,000	\$ 8,400,000	\$ -

Explain any changes from the 2025 CIP in the proposed funding for this project/program

TIF funding is included in this request:	No
Impact Fees are included in this request:	Yes

Request includes TIF or Impact Fees. Proceed to Supplemental Budget Info.

Project Information

Agency: Transportation

Project/Program: I-94 Interchanges

TIF Supported Projects/Programs

If TIF is a funding source, please identify the amounts by district for TIF-supported borrowing and TIF increments:

TIF Borrowing

District	2026	2027	2028	2029	2030	2031
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

TIF Increment

District	2026	2027	2028	2029	2030	2031
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

If TIF is a requested funding source, is this request included in an approved TIF project plan?

Impact Fees

District	2026	2027	2028	2029	2030	2031
Pending				\$ 150,000	\$ 8,400,000	
Total	\$ -	\$ -	\$ -	\$ 150,000	\$ 8,400,000	\$ -

Project Information

Agency: Transportation

Project/Program: I-94 Interchanges

Project Schedule and Location

Complete the table below for each year of requested funding. If detailed project plans are not available, explain why and when this information will be available.

- For **programs**, detail the minor projects that will occur and provide location detail when necessary.
- For **projects**, detail costs across the major project phases (planning, design, or construction/implementation).

[illegible]

Additional Information

Facility Expenses

Does the proposal include facility expenses?

No

Technology

Does the proposal include a technology component (e.g. electronic hardware, upgrades or migrations of existing systems, website changes, technology-related operating costs such as software licenses)?

No

Over the next six years, will the project/program require any of the following operating expenses:

- Facilities or land maintenance?
- Software or software licenses?
- Vehicle setup or maintenance costs?
- External management or consulting contracts?
- Additional FTE positions for ongoing operations of this project/program?

No
No
No
No
No

Is this project/program required to meet the Percent for Arts ordinance?

No

Percent for Art requirements detailed in MGO Section 4.30

End of Proposal Form.

2026 Capital Improvement Plan

Program Budget Proposal

Identifying Information

Agency	Transportation	New or Existing Project	Existing
Proposal Name	North-South Bus Rapid Transit	Project Type	Program
Project Number	13665	2026 Project Number	

Project Description

This program funds the design and implementation of the North-South Bus Rapid Transit (N-S BRT) from South Park Street north to Northport Drive. The goal of the N-S BRT is to complement the E-W BRT as it provides improved transit frequency and service to the City's north and south sides.

This budget requests reallocates \$2.5 million of TIF 51 funding and \$1.416 million of TIF 42 funding towards the reconstruction of Park St, as part of the N-S BRT project. The reallocation of these TIF funds increases flexibility for project delivery with or without Federal Small Starts monies.

Budget Comparison

	2026	2027	2028	2029	2030	2031
2025 CIP Total	\$ -	\$ -	\$ -	\$ -	\$ 201,400	
2026 CIP Total	\$ 3,916,000	\$ -	\$ -	\$ -	\$ 201,400	\$ -
Difference '26 vs. '25	\$ 3,916,000	\$ -	\$ -	\$ -	\$ -	\$ -

Requested 2026 Budget by Funding Source

Funding Source	2026	2027	2028	2029	2030	2031
Borrowing - GF GO	\$ -	\$ -	\$ -	\$ -	\$ 201,400	\$ -
Borrowing - TIF	\$ 3,916,000	\$ -	\$ -	\$ -		
Total	\$ 3,916,000	\$ -	\$ -	\$ -	\$ 201,400	\$ -

Requested 2026 Budget by Expense Type

Expense Type	2026	2027	2028	2029	2030	2031
Art & Historical Treasures		\$ -	\$ -	\$ -	\$ 201,400	\$ -
Street	\$ 3,916,000	\$ -	\$ -	\$ -	\$ -	
Total	\$ 3,916,000	\$ -	\$ -	\$ -	\$ 201,400	\$ -

Explain any changes from the 2025 CIP in the proposed funding for this project/program

TIF funding is included in this request:	Yes
Impact Fees are included in this request:	No

Request includes TIF or Impact Fees. Proceed to Supplemental Budget Info.

Project Information

Agency: Transportation

Project/Program: North-South Bus Rapid Transit

TIF Supported Projects/Programs

If TIF is a funding source, please identify the amounts by district for TIF-supported borrowing and TIF increments:

TIF Borrowing

District	2026	2027	2028	2029	2030	2031
TID 42 Wingra (Wingra Clinic Project)	\$ 1,416,000					
TID 51 South Madison	\$ 2,500,000					
Total	\$ 3,916,000	\$ -	\$ -	\$ -	\$ -	\$ -

TIF Increment

District	2026	2027	2028	2029	2030	2031
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

If TIF is a requested funding source, is this request included in an approved TIF project plan?

No

If the project is not included in the project plan, contact Dan Rolfs and Joe Gromacki in the Economic Development Division.

Impact Fees

District	2026	2027	2028	2029	2030	2031
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Project Information

Agency: Transportation

Project/Program: North-South Bus Rapid Transit

Project Schedule and Location

Complete the table below for each year of requested funding. If detailed project plans are not available, explain why and when this information will be available.

- For **programs**, detail the minor projects that will occur and provide location detail when necessary.
- For **projects**, detail costs across the major project phases (planning, design, or construction/implementation).

[illegible]

Additional Information

Facility Expenses

Does the proposal include facility expenses?	Yes
----------------------------------------------	-----

Yes

Technology

Does the proposal include a technology component (e.g. electronic hardware, upgrades or migrations of existing systems, website changes, technology-related operating costs such as software licenses)?	Yes
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Yes

Over the next six years, will the project/program require any of the following operating expenses:

Facilities or land maintenance?	Yes
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Software or software licenses?	Yes
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Vehicle setup or maintenance costs?	No
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External management or consulting contracts?	Yes
----------------------------------------------	-----

Additional FTE positions for ongoing operations of this project/program?	No
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Yes

Yes

No

Yes

No

Is this project/program required to meet the Percent for Arts ordinance? Yes

Yes

Percent for Art requirements detailed in MGO Section 4.30

Please provide additional information in the following section.

Project Information

Agency: Transportation

Project/Program: North-South Bus Rapid Transit

Additional Information (Continued)

If you answered "Yes" to any of the "Additional Information" questions above, please provide additional details in the next section. If a specific section is not relevant, you can enter "N/A"

Facility Expenses

If the proposal includes City site/building/facility expenses, has the proposal been reviewed by City Engineering Facilities?

N/A

Explain how you developed the facilities cost estimate for the budget request.

This funding adds to previously approved funding for the N-S BRT. The N-S BRT will not require additional drivers, mechanics, or support staff. Operational costs for N-S BRT are already included in the current Route B. There may be a need for one or two maintenance positions to maintain BRT stations.

Technology

Technology components may include:

- Electronic hardware that will be connected to a City device (e.g. wireless, bluetooth, cable, NFC)
- A new website or changes to an existing website
- Changes to existing software or processes, including upgrades or additional modules
- Technology-related operating costs (e.g. software licenses, Software as a Service subscriptions)

If the proposal includes a technology component, have you worked with your IT Project Portfolio Manager to discuss the project?

Yes

[If no, please reach out to your Project Portfolio Manager so that their business analysis can be included in the request.](#)

Do you believe any of the hardware or software to be considered surveillance technology?

Yes

[Surveillance technology is defined in MGO Sec. 23.63\(2\).](#)

If yes, please reach out to Sarah Edgerton prior to submitting your budget request.

The Government Accounting Standards Board (GASB) recently issued a statement (GASB 96) for subscription-based information technology arrangements (SBITAs). Per GASB 96, ongoing licensing and subscription costs, including software as a service (SaaS) expenses should be budgeted as an operating expense. Software costs should **not** be requested in your capital budget. Answer the questions below so the Finance Department is aware of your software needs for the operating budget request process.

Does your project or program require purchasing software licenses?

No

Does your project or program require purchasing implementation services or other one-time costs?

Yes

Operating Expenses

Estimate the project/program annual operating costs. Include software costs if applicable.

Description - please detail operating costs by major where available	Annual Costs
Maintenance staff for BRT stations	120000

Percent for Art

If your project is required to meet the Percent for Art ordinance, is this expense included in the expense table on the "Project Information" tab?

Yes