CITY OF SHEBOYGAN

REQUEST FOR TRANSIT COMMISSION CONSIDERATION

ITEM DESCRIPTION: Director's Report

REPORT PREPARED BY: Derek Muench, Director of Transit & Parking

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REPORT DATE: 9/3/26 **MEETING DATE:** 9/8/26

FISCAL SUMMARY:

Budget Line Item:	N/A
Budget Summary:	N/A
Budgeted Expenditure:	N/A
Budgeted Revenue:	N/A

STATUTORY REFERENCE:

Wisconsin Statutes:	N/A
Municipal Code:	N/A

BACKGROUND / ANALYSIS:
The Director of Transit & Parking presents to the Transit Commission a report of operations for the Transit and Parking Utilities. The Transit Commission is advised of the following processes for several standing items included in this report:

Reporting – Shoreline Metro staff filed several reports with the Wisconsin Department of Transportation and the Federal Transit Administration, typically on a quarterly basis.

- Wisconsin Department of Transportation
    - Bus Operations Report
        - Completed and reported quarterly directly to DOT.
    - 85.21 Operations Report
        - Completed and submitted quarterly to Sheboygan County for review and submission.
    - 5310 Vehicle Report
        - Completed and submitted quarterly to Sheboygan County for review and submission.
- Federal Transit Administration
    - Federal Financial Report (FFR):
        - Submitted for each project (application) active with FTA (typically quarterly) related to the expenses and federal funds used towards a project.
    - Milestone Progress Report (MPR):
        - Submitted for each project (application) active with FTA (typically quarterly) related to the status of a project.

2nd QUARTER OPERATIONS REPORT – 2026

WISCONSIN BUS OPERATIONS REPORT

Wisconsin Department of Transportation

Quarterly/Year End

DT1489 5/2002

1. MUNICIPALITY/TRANSIT SYSTEM:	**CITY OF SHEBOYGAN / SHEBOYGAN TRANSIT**				
2. Period Covered (Check One)				**Year:**	**2026**
1st Quarter ☐ Jan. 1 - Mar. 31	2nd Quarter ☑ Apr. 1 - June 30	3rd Quarter ☐ July 1 - Sept. 30	4th Quarter ☐ Oct. -Dec. 31	Year-End ☐ Jan. 1 - Dec. 31	

3. OPERATING CHARACTERISTICS

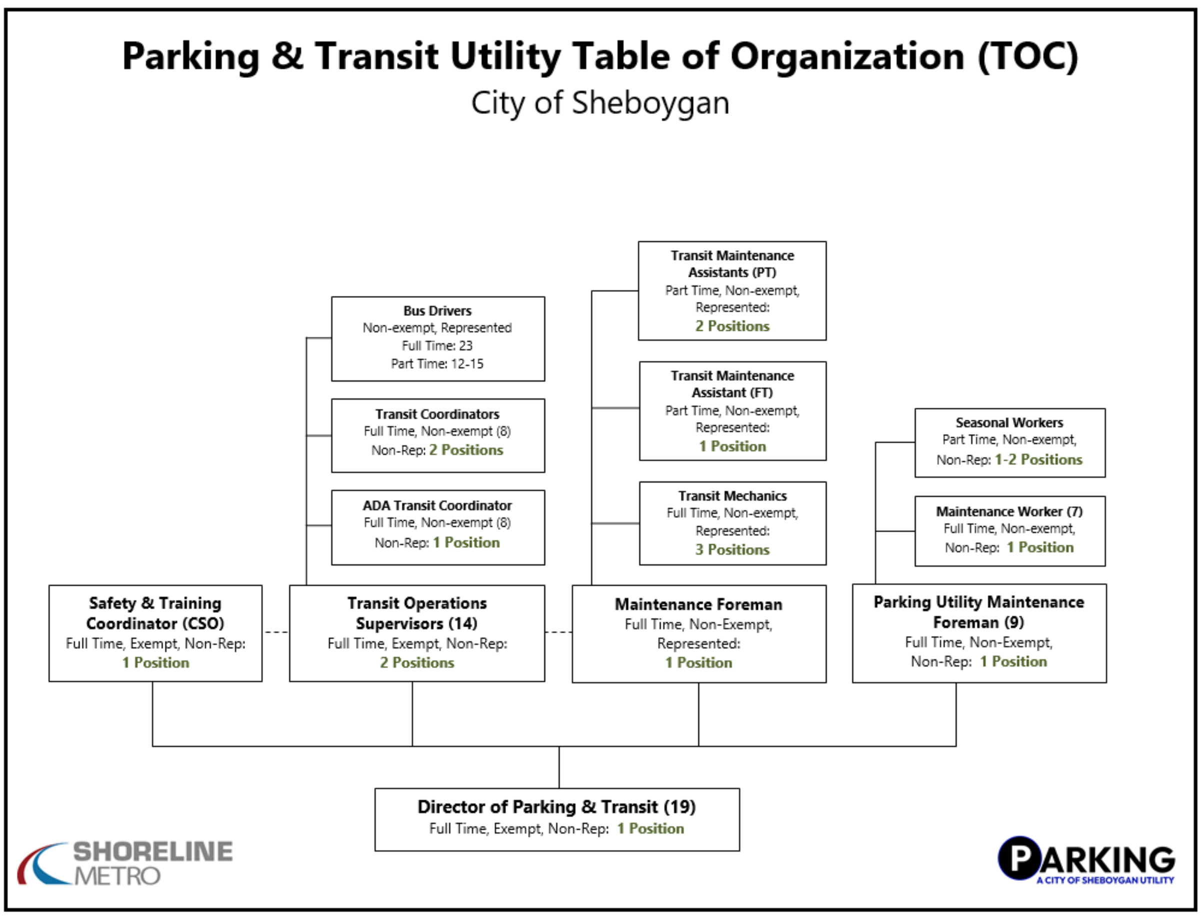
A. PASSENGER TRIPS	FIXED ROUTE	DEMAND RESPONSE (PARATRANSIT) ADA REVENUE TRIPS	SPECIALIZED SUBSYSTEM TRIPS	ADA AGENCY TRIPS	NON-ADA AGENCY TRIPS	TOTAL AGENCY TRIPS	
REVENUE TRIPS	135,613	1,100	2,664	1,877	833	2,710	**142,087**
"FREE FARE" TRIPS	5,949	0	0	0	0	0	**5,949**
TRANSFER TRIPS	0	0	0	0	0	0	**0**
TOTAL	141,562	1,100	2,664	1,877	833	2,710	**148,036**
B. PASSENGER REVENUE							
PASSENGER REVENUE	$102,092	$4,400.00	$10,656.00	$37,540.00	$16,660.00	$54,200.00	**$171,348.00**
C. VEHICLE MILES							
REVENUE MILES	135,771	13,759	16,163				**165,693**
TOTAL MILES	140,431	15,438	18,135				**174,004**
D. VEHICLE HOURS							
REVENUE HOURS	9,529	1,112	1,306				**11,947**
DRIVER PAY HOURS	10,332	1,253	1,472				**13,057**
E. GALLONS OF FUEL							
GALLONS OF FUEL	23,449	1,973	2,318				**27,740**
F. EXPENSES							
					TOTAL EXPENSES		**$1,220,708.00**
					CONTRA EXPENSES		**$0.00**
					NET EXPENSES		**$1,049,360.00**
					METRO CONNECTION		**$215,454.72**
					SHORELINE METRO		**$1,005,253.28**

Derek Muench	**22-Jul-26**	Derek Muench	**22-Jul-26**
(Transit Director)	(Date)	(Prepared By)	(Date)

Financials – Shoreline Metro staff (Director) review expenses and revenues on a regular basis, typically bi-monthly and quarterly. Financial reports are reviewed for accurate expenses and revenues. Inaccuracies are reported to the Finance Department with a recommendation for resolution.

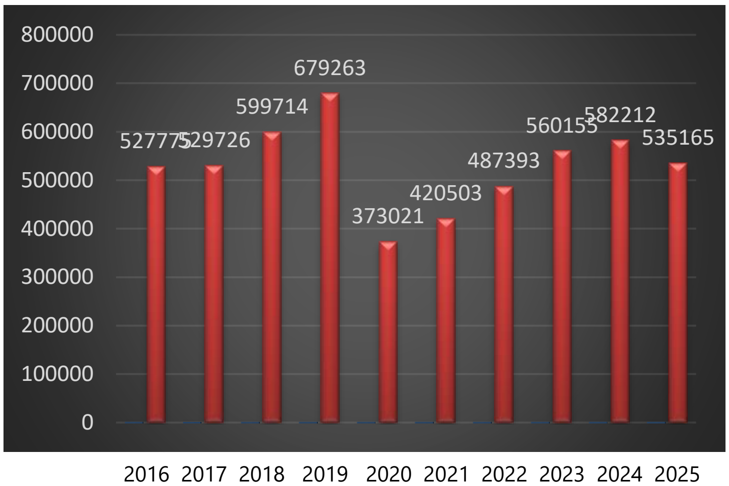
- Invoices
  - Paid within 30-days by staff
  - Payables are reviewed for approval by the Director
  - Approved payables are then sent to Finance for review and payment.
- Revenues/Fares/User Fees
  - Collected in accordance with departmental policies:
    - Fareboxes – twice a month (15th and last day)
    - Office Sales – daily
    - Meters – twice a month (some monthly/quarterly)
    - Grants/Reimbursements – direct deposit is processed by Finance.
  - Deposited at Wisconsin Bank & Trust
  - Credited to appropriate budget accounts as soon as possible by Finance.

Personnel – Shoreline Metro staff address personnel needs on a regular basis. Bus drivers are the most common position available with recruitment occurring almost monthly. Bus drivers are hired as needed and based on abilities and qualifications. Staff positions are filled as needed. The following is the current Table of Organization for the Parking & Transit Utilities:



Ridership – The count of physical passenger trips taken with Shoreline Metro (red diagram) and Metro Connection (blue diagram) is known as ridership. For Shoreline Metro, a trip is counted every time a customer boards a bus. For Metro Connection, a trip is counted every time a customer completes a one-way trip. Ridership is highly influenced by socio-economic factors, weather, and emergencies. It is also a product of affordable fares, reliable service, safe travel and dependability.

Shoreline Metro Ridership – 2016 to 2025



Metro Connection Ridership – 2016 to 2025

DIRECTOR COMMENTS:
The Director of Transit & Parking presents the following items as advisory and information.

Personnel:

- **David Singstock** has rejoined the team as part-time Shoreline Metro driver in Q3 of 2026.
- **John Harmelink** has resigned his position as bus driver in Q3 of 2026. We wish him the best in his future endeavors.

Operational Items/Updates:
The following items are provided as operational updates related to transit and parking services provided by the department.

- **2026/2027** school year is underway. There have been no changes to the program (free rides for SASD staff/students during all hours of service on any route). Staff met with drivers on August 25, 2026 to discuss school year plans and review procedures.
- **Human Resources** is currently being integrated into Shoreline Metro operations. For many years, Shoreline Metro staff maintained personnel files, took leads on hiring, conducted investigations and handled personnel issues. With the City's HR staff now at full staffing, leadership is working to involved HR in daily operations and welcoming their support on personnel issues and hiring.

- **Community Service Day** has been discussed internally and reviewed with Administrator Bradley to offer a free day of transit once a month as a free resource to citizens to go to places they need to go either for additional assistance or for care of themselves/family. There are no restrictions on purpose but for promotional purposes, we would suggest places like the Job Center, ADRC, Health and Human Services, clinics, grocery stores, pharmacies, etc. This came out of a discussion trying to connect low income/unhoused with community resources. It was suggested that the third Wednesday of the month would be Community Resource Day (Job Center has a longstanding job fair on this day). Unless there is no objection, we would look to start this yet in 2026.

Action: Staff recommends accepting the Director's Report provided by the Director of Transit & Parking and placing on file.

TRANSIT COMMISSION AGENDA ITEM COMMENTS:
The following items are on the Transit Commission agenda for consideration and approval and are not a part of the Director's Report. This information is provided by the Director of Transit and Parking and is for your consideration. Please consult this information prior to making any motions or approvals.

5. PRESENTATION OF 2025 PUBLIC TRANSIT AGENCY SAFETY PLAN FOR SHORELINE METRO
Shoreline Metro has made required revisions to its Public Transit Agency Safety Plan. FTA released a few mandatory revisions along with Shoreline Metro's annual updates are included in this final draft.

A summary of the changes includes:
- Updated staffing and personnel in the document (org chart and appendixes).
- Updated clarifying language throughout document to meet several minor requirements.
- Updated data to include most recent years data reporting for accidents and incidents.
- Revised Shoreline Metro staff as listed in the plan.
- Revised goals and benchmarks to include most recent years data.
- New requirements for communicating safety and safety performance information throughout the organization.
- New requirements for a comprehensive safety training program including de-escalation training, reporting training and safety event reporting.

Action: The Director recommends acceptance and approval of the revised 2024 Public Transit Agency Safety Plan for Shoreline Metro.

****This item requires a signature of all Transit Commissioners on the signature page****

6. SHORELINE METRO TRANSPORTATION DEVELOPMENT PLAN (2026-2030)
Bay-Lake Regional Planning Commission has completed Shoreline Metro's next Transportation Development Plan (TDP) for calendar years 2026 to 2030. The plan commenced in February 2025 and

was completed in July 2026. The area considered in this study included the Cities of Sheboygan and Sheboygan Falls and the Village of Kohler.

The last TDP was completed in 2021 for calendar years 2021-2025.

Improvements to service are always necessary to keep a transit operation useful and effective to its riders and to the larger public. Short-range plans are critical for improving and coordinating transit services. The planning process would permit careful consideration of factors expected to impact transit services over the covered period, as well as the development of a strategy to optimize the use of capital and operational funding to meet the needs of the service area. The TDP would involve careful consideration of the appropriate future direction for public transportation services in the Sheboygan area.

A committee was assembled to assist in this process, which will include stakeholders, customers, general public, community organizations, elected officials and city staff.

The final plan is being presented to the Transit Commission for adoption and approval. Individual recommendations within the plan may require Transit Commission approval prior to implementation.

Action: The Director recommends the support and approval of the Transportation Development Plan for 2026-2030 and placing on file.

7. PRESENTATION OF 2027 TRANSIT UTILITY BUDGET

The 2027 Shoreline Metro budget has been submitted to the City Administrator for inclusion into his Executive Budget for 2027. The Director has met with several staff to review the submitted budget and answer any questions pertaining to changes in the proposed budget. The following are summary points of the budget for your consideration:

- Represented employees are receiving a 2.75 percent increase (Class D/E receive 3.25 percent)
- All non-represented employees have been budgeted wage increases in accordance with the non-rep comp plan (2.5 percent).
- A 4.5 percent increase for health insurance and 4.5 percent increase for dental insurance have been factored into the budget (at this time, those exact figures are still not confirmed by HR).
- Due to proposed (and passed) legislation at the federal level, CDBG (HUD) grant funding has been reduced to $32,233 to the local share funding.
- A half percent to the Wisconsin Retirement Funding expense has been included in the budget.
- Sheboygan Falls/Kohler has been increased by 3 percent.
- CARES Act/ARPA grant funds will be used to offset the deficit in the transit budget (currently at $279,945).

Action: The Director recommends the support and approval of the 2027 Transit Utility budget for inclusion in the City's 2027 Executive Budget for the City of Sheboygan.

8. PRESENTATION OF 2027 PARKING UTILITY BUDGET

The 2027 Parking Utility budget has been submitted to the City Administrator for inclusion into his Executive Budget for 2027. The Director has met with several staff to review the submitted budget and answer any questions pertaining to changes in the proposed budget. The following are summary points of the budget for your consideration:

- All non-represented employees have been budgeted wage increases in accordance with the non-rep comp plan (2.5 percent)
- A 4.5 percent increase for health insurance and 4.5 percent increase for dental insurance have been factored into the budget (at this time, those exact figures are still not confirmed by HR).
- Revenues for meters and permits have been remained the same for 2027.
- Assessments in most all districts remained relatively the same as 2026.

Action: The Director recommends the support and approval of the 2027 Parking Utility budget for inclusion in the City's 2027 Executive Budget for the City of Sheboygan.

9. 2027-2031 CAPITAL IMPROVEMENTS PROGRAM FOR PARKING AND TRANSIT UTILITIES

The 2027-2031 CIP for Transit and Parking has been submitted to the City Administrator for inclusion into his Executive Budget for 2027. The Director has met with several staff to review the submitted program and answer any questions pertaining to changes and additions to capital needs. The following are summary points of the budget for your consideration:

- The budgeted five (5) fixed route, heavy-duty buses programmed in 2027 have received grant funding through the Congestion, Mitigation and Air Quality Control (CMAQ) program in the amount of $2.1M. However, the costs of each bus went from $460,000 in 2022 to over $750,000 in 2026. Management has made the financial decision to purchase only three (3) buses at this time with the available federal funding.
- The Shoreline Metro Admin and Maintenance Facility is still included in the five-year plan for administrative and illustrative purposes. By including this in local planning documents, it makes applying for and receiving possible funding much more possible. It's unsure whether this project will stay on schedule or get pushed back in future five-year plans.
- Paratransit vehicles have been included in the CIP for 2031.
- All other projects have been included in previous program cycles.

Action: The Director recommends the support and approval of the 2027 CIP Program for inclusion in the City's 2027 Executive Budget for the City of Sheboygan.

10. SECOND QUARTER REPORTS

The Director of Transit & Parking is submitting these reports for consideration by the Transit Commission. When reading this report for transit operations, please do not put much emphasis on individual quarterly metrics. Many factors influence ridership (winter during first quarter as an example) and expenses (annual purchases such as insurance paid during first and second quarter).

Here is a summary of the First Quarter reports:

- Transit Utility:
  - Shoreline Metro ridership was up 1.8 percent for Q2.
    - Ridership is trending up for 2026 over 2025
    - Ridership is believed to have increased in Q3 (forecasted)
  - Metro Connection ridership was down 6.9 percent for Q2.
    - Ridership trending down for 2026 over 2025
  - Revenue was up 11.8 percent for Q2 over same time in 2025.
  - Expenses were up 15.2 percent for Q2 over same time in 2025.
- Parking Utility:
  - Permit revenue is down slightly over 2025 Q2.
  - Meter revenue was down in Q2 over 2025.

Overall, no concerns at this time on transit or parking report statistics.

END OF REPORT