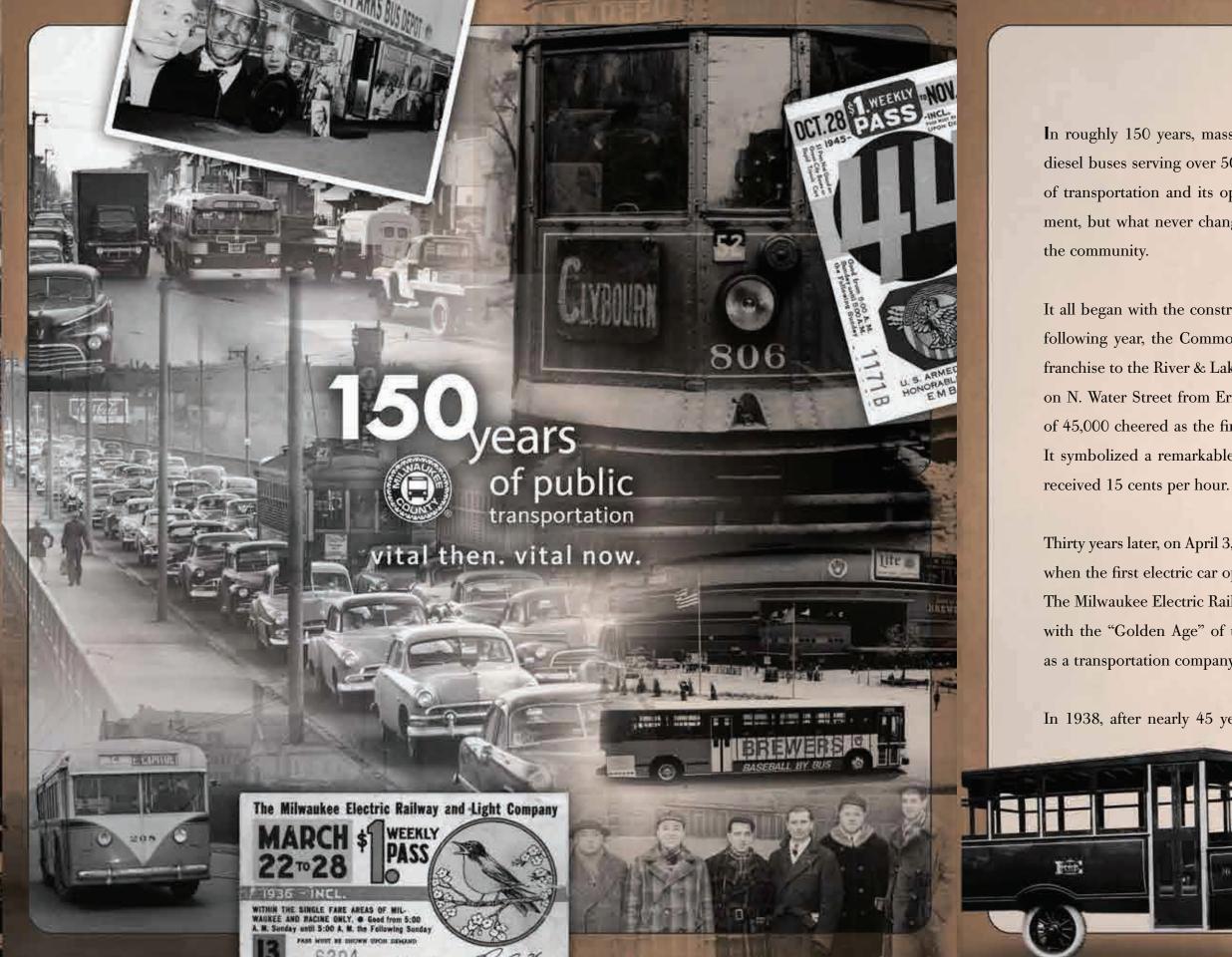
MILWAUKEE COUNTY TRANSIT SYSTEM

PROVIDING 150 YEARS OF VITAL SERVICE TO THE COMMUNITY



vital then, vital now.



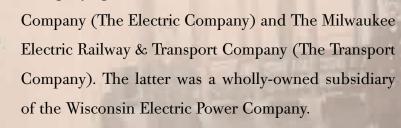


In roughly 150 years, mass transit in Milwaukee grew from two-man horse carriages to diesel buses serving over 50 million rides a year at one point. Over that time, the method of transportation and its operating company went through numerous stages of development, but what never changed was the ability to provide a vital transportation service to

It all began with the construction of a street railway system in Milwaukee in 1858. In the following year, the Common Council granted the city's first horse drawn street railroad franchise to the River & Lake Shore City Railway Company. A single track was constructed on N. Water Street from Erie Street to E. Juneau Avenue. On May 30, 1860, a proud city of 45,000 cheered as the first streetcar was pulled over a dirt road by four sturdy horses. It symbolized a remarkable step forward for the city. Fare was 5 cents and the operator received 15 cents per hour.

Thirty years later, on April 3, 1890, the mass transit system in Milwaukee was revolutionized when the first electric car operated on Wells Street. It was not until January 29, 1896, that The Milwaukee Electric Railway & Light Company (TMER&L) was founded. Synonymous with the "Golden Age" of the electric street railway, the company was created primarily as a transportation company, but it also handled electrical utilities.

In 1938, after nearly 45 years, the company split to form the Wisconsin Electric Power









PROGRESS & INNOVATION



Many changes occurred in the first half of the 20th century, including the introduction of the one-man streetcars in 1921 and, on April 17, 1920, the debut of the first gasoline motor bus on W. Mitchell Street. Trackless trolleys (rubber-tired electric buses) were substituted for streetcars beginning in 1936 when the North Avenue line was converted to trackless trolley operation. But it wasn't until 1949 that the last two-man streetcar was retired. Finally, in 1950 the first diesel buses were put into operation.



In December 1952, the complete separation of the transit operation from the electric utility was accomplished when it was sold to a private company, Milwaukee & Suburban Transport Corporation. Under the new ownership, the conversion of the streetcar lines to bus lines was rapidly completed. On March 2, 1958, the last streetcar crossed the Wells Street viaduct and on June 20, 1965, the company converted the two remaining trackless trolley routes to diesel bus routes.

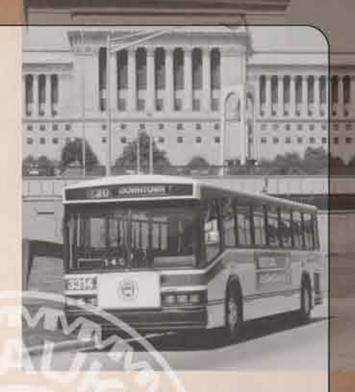
In March 1964, shortly after completion of the first freeway link to the suburbs, a new rapid transit bus service called the Freeway Flyer was instituted. The Freeway Flyer proved to be an instant success running between Mayfair Shopping Center in Wauwatosa and downtown Milwaukee. The Freeway Flyer proved it could attract automobile drivers back to buses. Its popularity grew and today there are 12 routes in operation.



For the first 115 years of the transit system in the Milwaukee area, the system was self sustaining and ran only on the fares collected from riders. In fact, Milwaukee was one of the last cities in the country to have a privately owned, profit-making transit company. But on July 1, 1975, Milwaukee County acquired ownership of the transit system in order to sustain its existence. It contracted Milwaukee Transport Services, Inc. (MTS) to handle the newly named Milwaukee County Transit System (MCTS) bus operation.

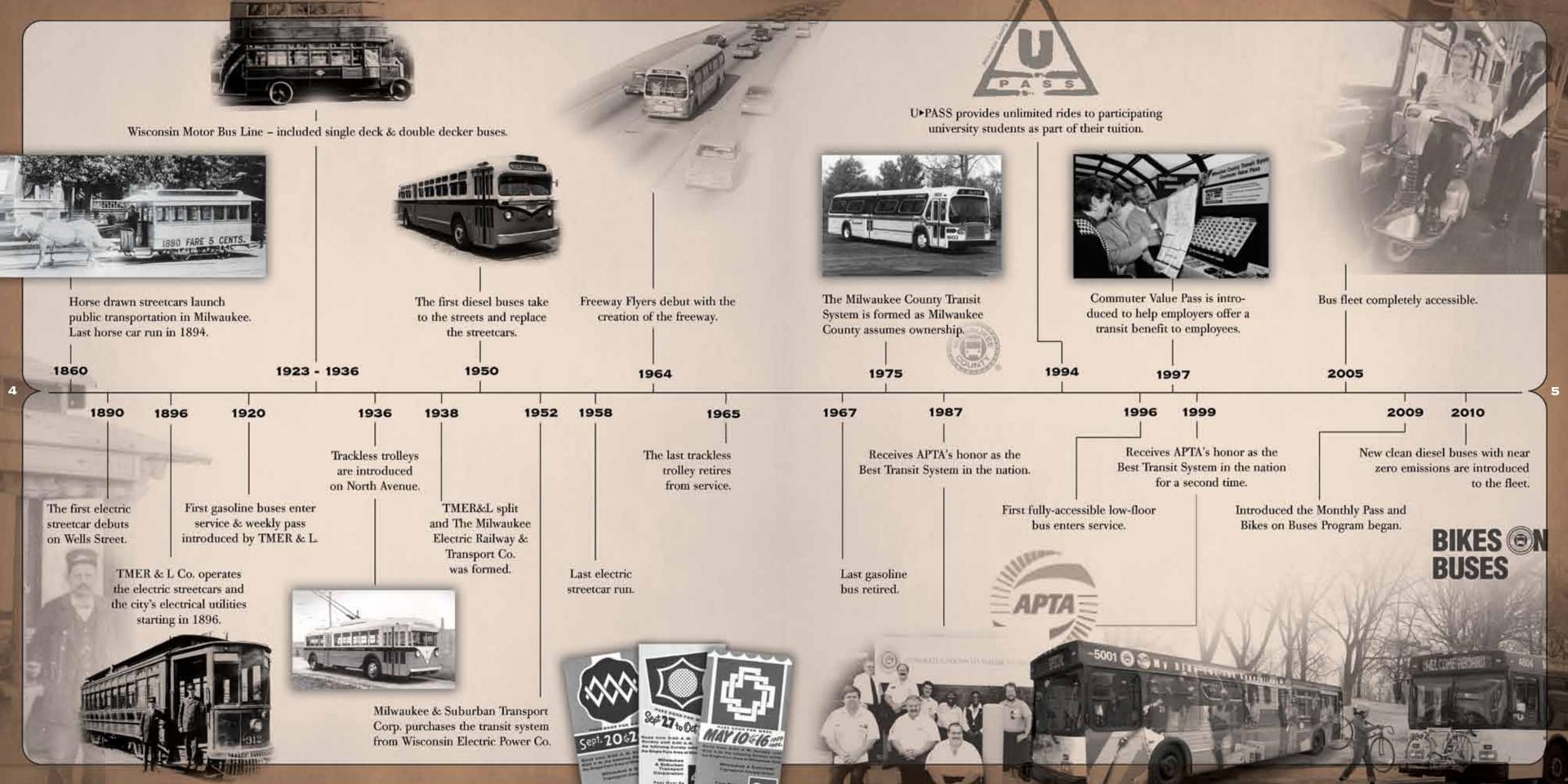
Milwaukee County invested in the transit system and led them through significant ridership growth during the 1980s and early 1990s. New services were added such as the Metrolink express service in 1992. Those traveling to special events in the summer, such as Summerfest and the Wisconsin State Fair, relied heavily on the easy-to-use express service. There was even a short time where "trolleys" returned in the early 2000s. Ten Chance Coach Trolley replica buses connected visitors and residents to work, shopping and entertainment venues in downtown Milwaukee.

Today, the transit system is operated out of five locations. The system's administration and fleet maintenance operations were previously located at Cold Spring Shops on Highland Boulevard which in the early 1900s was the site of many innovations including streetcar construction, building of bus bodies and the invention of the transit windshield wiper. But the administrative departments moved to the present facilities on North 17th Street in October 1985. Every day, operators pull buses out of three stations: Fond du Lac, Kinnickinnic and Fiebrantz. Each facility also houses a garage to fuel, clean and provide day-to-day maintenance to ensure buses run properly. On October 27, 1992, the Downtown Transit Center opened. Adjacent to O'Donnell Park on Milwaukee's lakefront, the facility features a large waiting area, extensive bus parking, meeting rooms, a rooftop park and a transit history exhibit.



UNDER COUNTY OWNERSHIP





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Other 1990s innovations provided major changes in the way people paid their fares. MCTS focused on programs to increase ridership and revenue for the company such as the Commuter Value Program and VanPool. The Commuter Value Program was initiated so that employers could offer an employee benefit of reduced transportation costs. VanPool provides an economical alternative for employees without access to public transportation. To assist the university population, the popular U*PASS program was introduced. The U*PASS program offers unlimited MCTS rides to 53,000 students at eight universities or colleges including Milwaukee Area Technical College, Marquette University and University of Wisconsin-Milwaukee.

CUSTOMER SERVICE PROGRAMS AND RECOGNITION

In 1987 and again in 1999, MCTS received the highest honor by being selected as the best transit system in the country when the American Public Transportation Association (APTA) presented the Outstanding Achievement Award to MCTS. The company was chosen based on operations effectiveness and efficiency, innovation, customer service, ridership and overall administration. Throughout the years, MCTS has won dozens of other national awards in recognition of excellence and innovation in specific areas ranging from purchasing to advertising and promotion. Also, the Wisconsin Department of Transportation audits consistently find MCTS to be most efficient and effective when compared to peer systems.

MCTS to be most efficient and effective when compared to peer systems.

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In the 2000s, MCTS struggled with funding. It is one of the last transit systems in the country to not have a dedicated source of funding and this lack of funding caused service cuts and fare increases. Yet, throughout, MCTS found creative and innovative solutions to keep as much bus service in operation as possible for the community who relies on it.

Even though MCTS continues to search for horizon, including Web-based real-time h to use. Within a year, more than one fourte emissions. Additionally, all buses will have new electronic fareboxes with magnet reader technology which creates greater to enhance the system like the New Freed and the Bikes on Buses program which we

MCTS has a long and proud heritage, and MTS continues this tradition as the actual provider of the transit services. MCTS has a history of efficiency, productivity, safety and innovation. The transportation provided is vital to the community, connecting employees to jobs, providing accessibility for persons with disabilities, and simply getting people to where it is they want to go. With all employees focused and dedicated to the company's mission and values, MTS will maintain its reputation for excellence both nationally and, most importantly, in the minds of customers without whom the transit company would cease to exist.



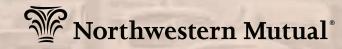


Even though MCTS continues to search for a funding solution, there are exciting new technological advancements on the horizon, including Web-based real-time bus information which will move MCTS forward and make the bus even easier to use. Within a year, more than one fourth of the entire bus fleet will be new clean diesel, low-floor buses with near zero emissions. Additionally, all buses will have

es with magnet

reader technology which creates greater versatility and ease for the rider. We will continue to look at new programs to enhance the system like the New Freedom Pass (unlimited bus pass for Transit Plus riders), Google Transit Trip Planner and the Bikes on Buses program which were recently implemented.

Thank you to our sponsors for making the 150th year of public transportation very special to our community. With your assistance, we were able to give back to the public who rely on our service and enhance their quality of life.



Milwaukee Career College

CLEARCHANNEL

SPONSORS

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MCTS extends a special thank you to bus riders and supporters who ride daily, weekly or occasionally. This includes the many who contacted us to let us know how important the bus service is to their lives and discussed an array of topics from ways we can improve to complimenting a courteous employee who improved their day.

To all current and past employees, accept our sincere gratitude for working hard and dedicating your career to serving the public. Through our combined work we have provided a lifeline to jobs, school, businesses and beyond. We mobilized a community. Truly we were vital then and vital now.

Thank





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