



Professional Transit Management

T r u s t E x p e r i e n c e .

January 15, 2008

Mr. Mike Glasheen, Transit Planner
City of Racine
730 Washington Avenue, Room 304
Racine, WI 53403

Dear Mike,

Professional Transit Management, Ltd. is proud of the relationship we have with the City of Racine and Belle Urban System (BUS). We enjoy the quality of the working relationship with you and the Parking and Transit Commission, and appreciate your vision on policy, planning and funding issues. Together, progress has been good and we are optimistic about the continued growth in the future.

Our management agreement expires in January of next year, and we respectfully request consideration of an extension. Certain events suggest this action to be in our mutual best interest – your pending retirement after years of dedicated leadership and service certainly being high on the list. Regardless of the succession plan, a smooth transition of responsibilities can be simplified by an early renewal. Management continuity leading into collective bargaining will be beneficial to both the City and the BUS employees, as they will know with whom they will be working going forward. Unified thinking on dealing with state and local funding issues is also important, and we want to continue our community outreach efforts to broaden the base of support for transit in the larger community. These objectives are more attainable with continuity of management at BUS.

We propose a two-year extension to continue the positive momentum surrounding BUS and to maintain management continuity. Our current contract includes annual fee adjustments of 3% and 3.5%; we suggest a 3.5% annual increase for the ~~two~~-year period.

Following are several pages of accomplishments, some with dollar values assigned to show savings in the overall BUS operating expenses. We will continue to identify opportunities to reduce operating expense and expand revenue with each budget year through a commitment to continuous improvement. PTM continues to expand its resources, and with the addition of Veolia, those resources should serve to strengthen BUS in many ways.

We have also provided a brief Qualifications Statement for PTM, a summary of corporate Support Services, and comments on goals and objectives going forward.

Please allow us to assist you in any way to make this extension work to our collective good.

Sincerely,



Robert P. Edwards
Region Manager and
Vice President – Business Development



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Belle Urban System (BUS)
PROPOSED FEE SCHEDULE

Dates	Annual Fee	Monthly Fee
2/01/08 – 1/31/09	\$147,692	\$12,308
2/01/09 – 1/31/10	\$152,861	\$12,738
2/01/10 – 1/31/11	\$158,211	\$13,184



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