



VERMONT
AGENCY OF TRANSPORTATION

FY2017 Budget

Chris Cole, Secretary of Transportation

House Appropriations Committee

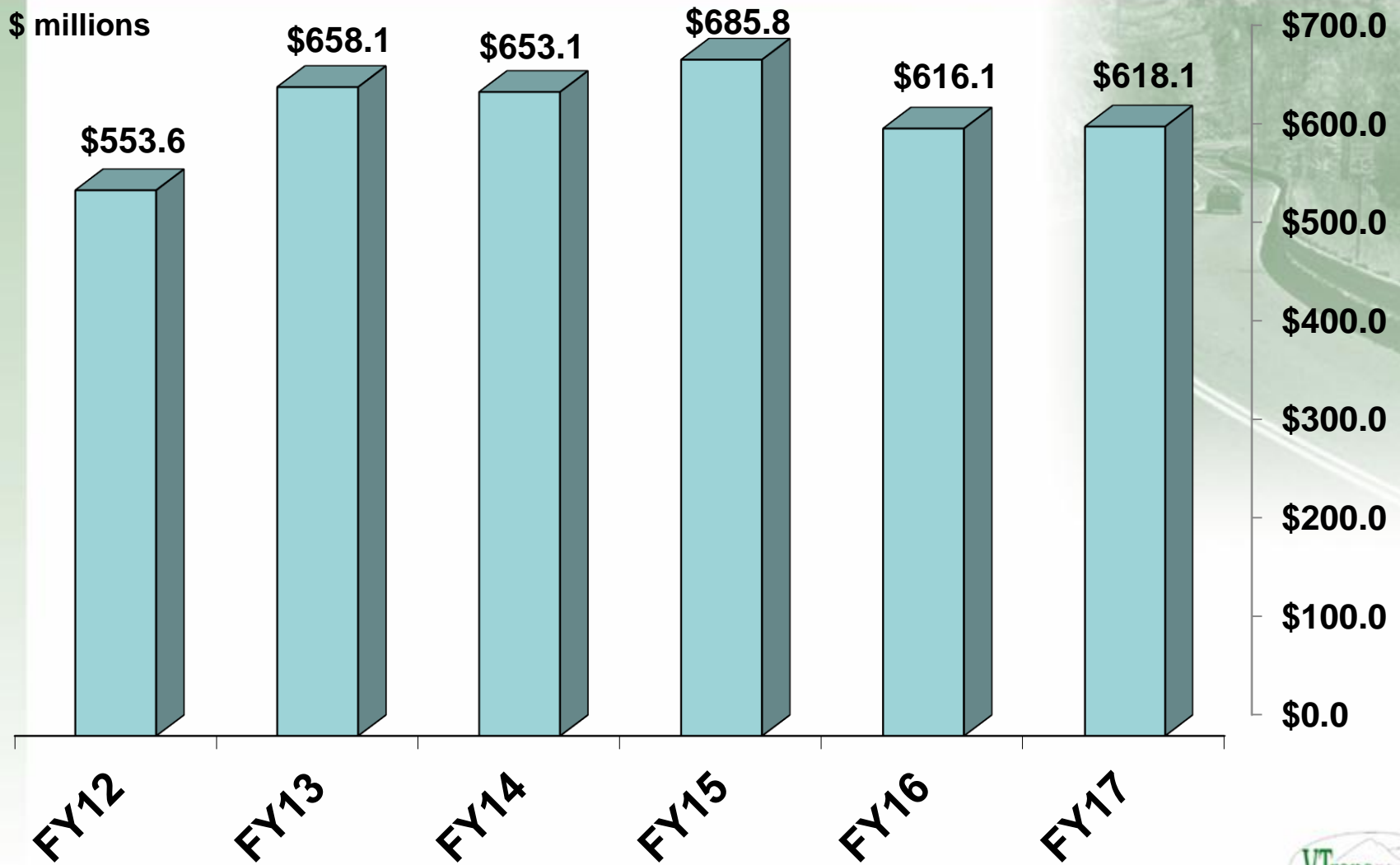
February 19, 2016



FY2017 Budget Overview

Fund Source	FY 2016 As Passed	FY 2017 GOV REC	Increase (Decrease)	Percent Change
STATE (TFund)	235,321,208	249,982,148	14,660,940	6%
FEDERAL	342,305,346	331,243,786	(11,061,560)	-3%
LOCAL/OTHER	4,694,285	4,833,982	139,697	3%
TIB FUND	13,498,587	12,355,580	(1,143,007)	-8%
CENTRAL GARAGE FUND	20,309,560	19,731,787	(577,773)	-3%
TOTAL	\$616,128,986	\$618,147,283	\$2,018,297	0.3%

Six Year Budget History



2017 Budget – Federal Funding

- Fixing America’s Surface Transportation Act – FAST Act
- Five year transportation reauthorization - replaces MAP-21
- Increases annual FHWA and FTA formula funding by \$20M average annually - \$100M total over five years
- FHWA increases \$10M (5%) in first year (FFY15 to FFY16)
 - \$196M to \$206M
- FTA increases \$600K (7%) in first year (FFY15 to FFY16)
 - \$8.4M to \$9.0M
- VTrans continues to benefit from discretionary awards
 - Rail TIGER grants
 - Aviation Airport Improvement Program
- FEMA PA Program significantly reduced (post-Irene)

2017 Budget – State Funds (TF + TIB)

- Overall increase of \$13.5M (5%) over FY2016
- Proposes increases to DMV and other fees
 - Generates estimated \$9.5M additional State funds
- \$2.5M additional reduction to TFund appropriated to Public Safety
- State revenue growth accounts for the balance of ~ \$1.5M
- Includes no proposed bonding

Emphasis on Safety, Preservation and Maintenance, Economic Development, Energy Efficient Transportation Choices, Asset Management and Performance

- \$92M for maintenance and operations
 - Preserves safety and resilience of transportation system
- \$618M budget supports thousands of jobs
- \$35M in Public Transit
 - Including FTA funds passed directly to CCTA
 - Increased capital spending for buses
 - Pilot programs for car hailing and pop up bus service in rural areas
- Rail priorities
 - \$8.6M investment in western corridor
 - \$4.5M in rail/highway crossing and safety improvements
- \$10M in Bicycle and Pedestrian facilities
- Environmental stewardship: water quality and stormwater

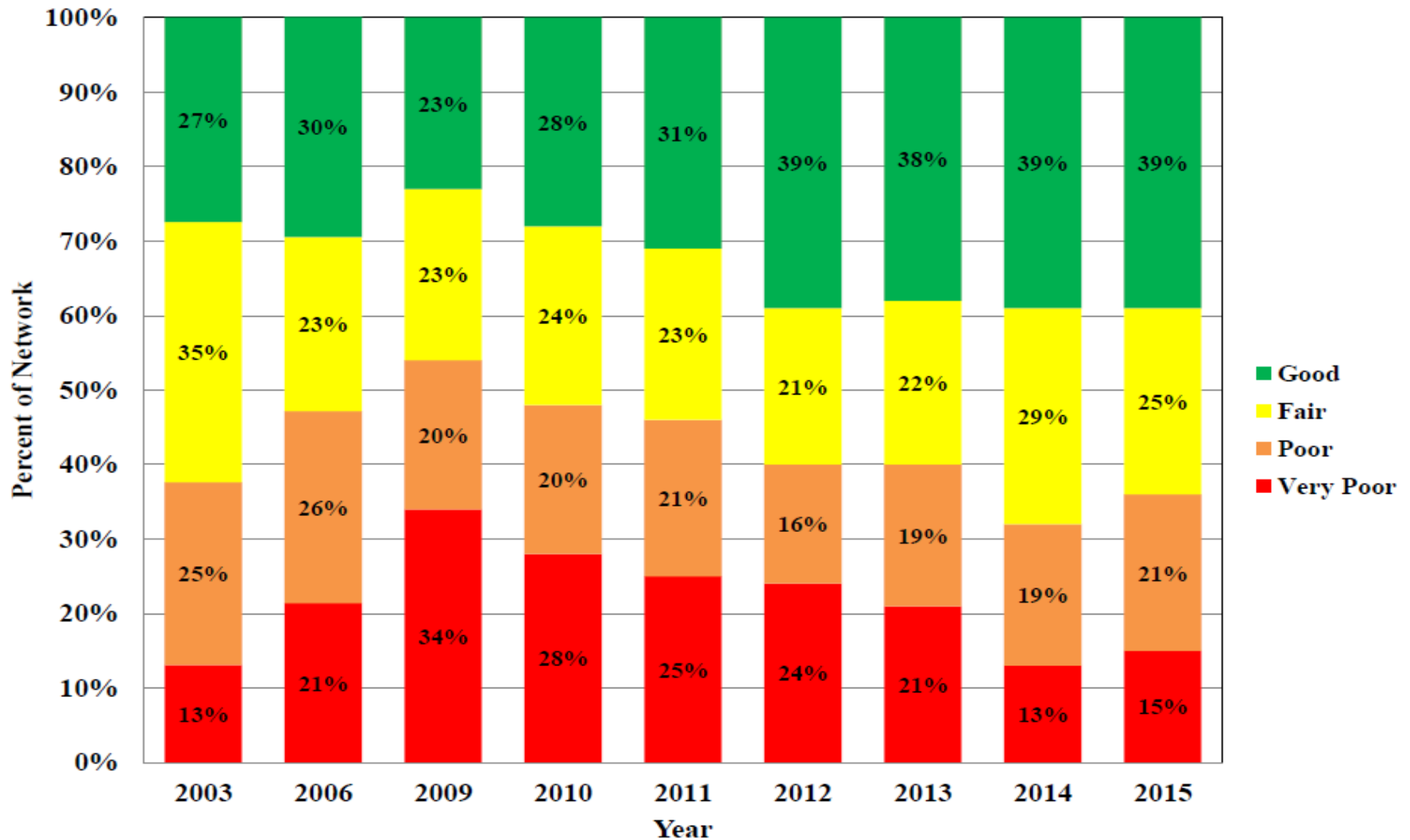
Dept. of Motor Vehicles



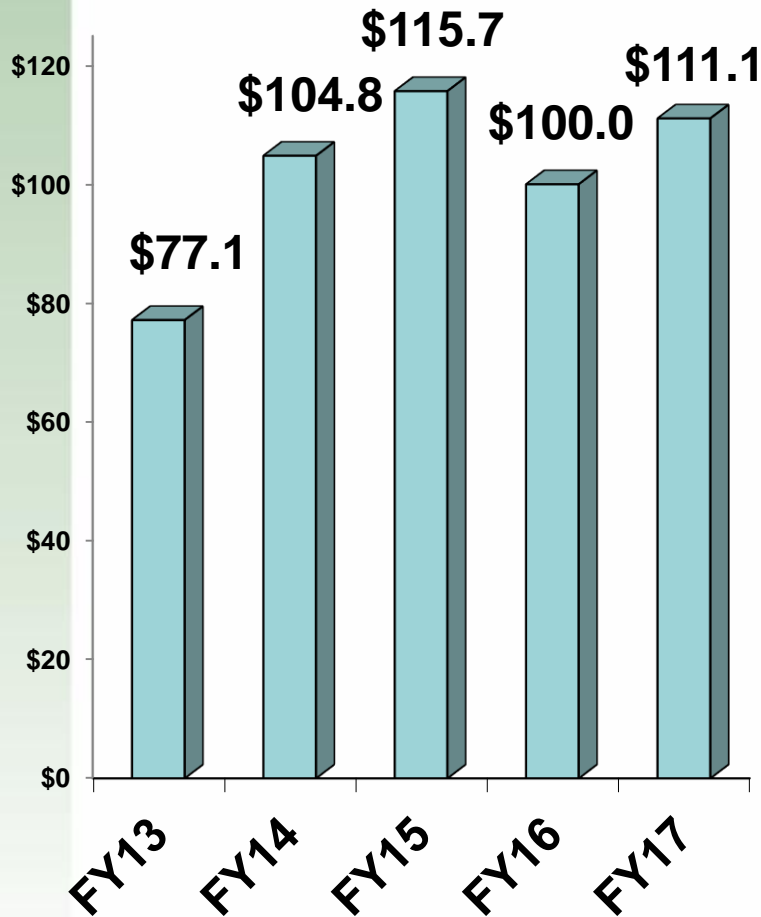
- Increase of \$1.9M (7%)
- Continues outstanding customer service levels
- 94 percent customer favorability ratings achieved during FY2015
- Average wait times increased modestly in FY2015 (REAL ID)
 - 13 percent increase in customers
 - 11 percent increase in transactions
- DMV will collect an estimated \$321M in taxes and fees in FY2017
- Includes \$1.7M for IT project
 - New Point of Sale system

Pavement Conditions

% Conditions Over Time - Unweighted



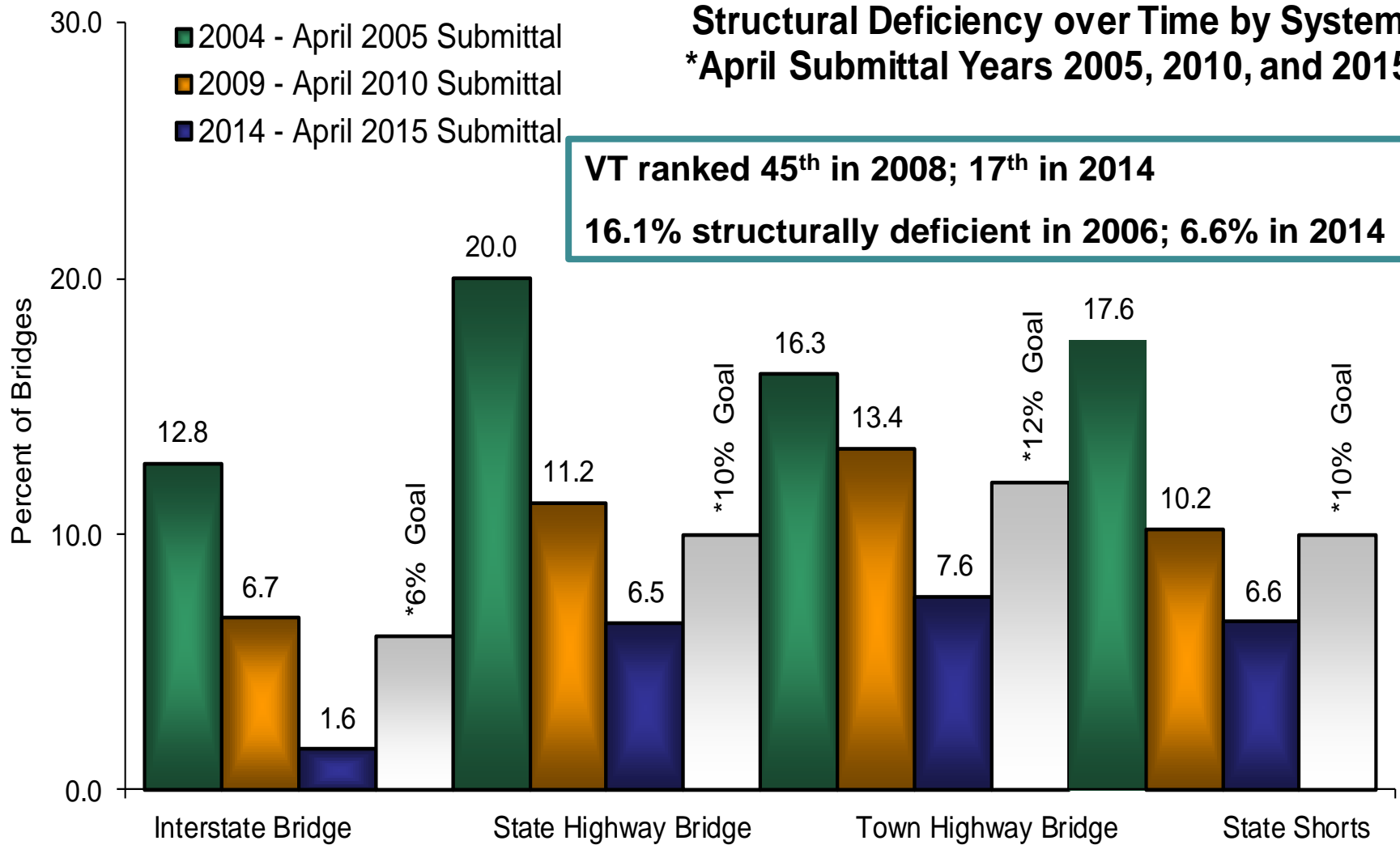
Paving



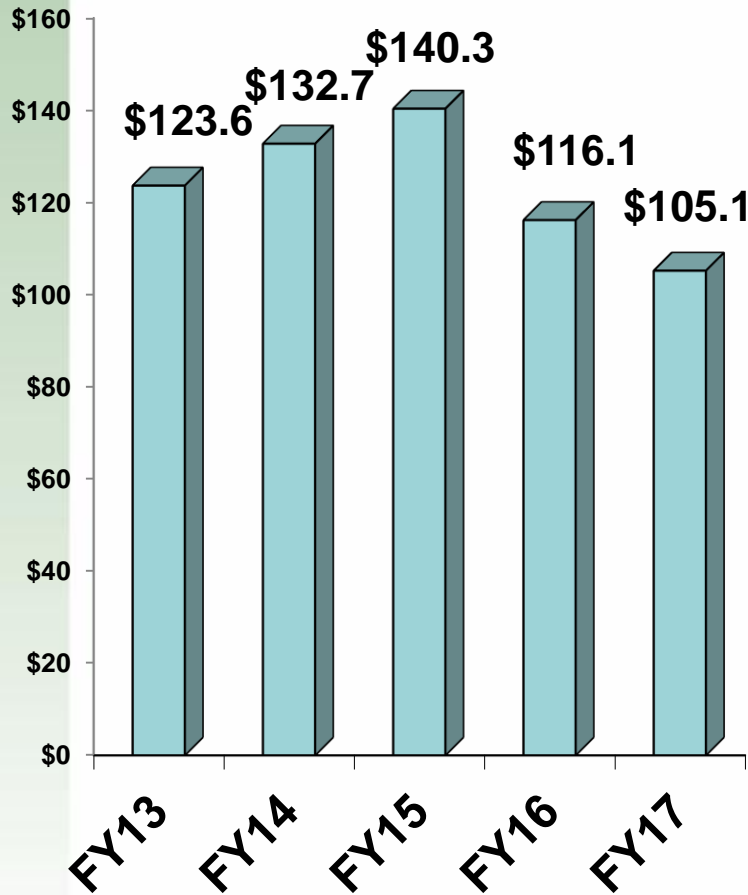
- \$11.1M increase (11%)
- 4th consecutive year over \$100M
- Continued commitment to improved pavement conditions
- Improves over 200 miles
- \$3.5M district leveling
- \$5.6M federal resurfacing
- Pavements rated in poor condition have declined from 36 percent in 2008 to 15 percent in 2015 (goal = < 25)



Bridge Structural Deficiency



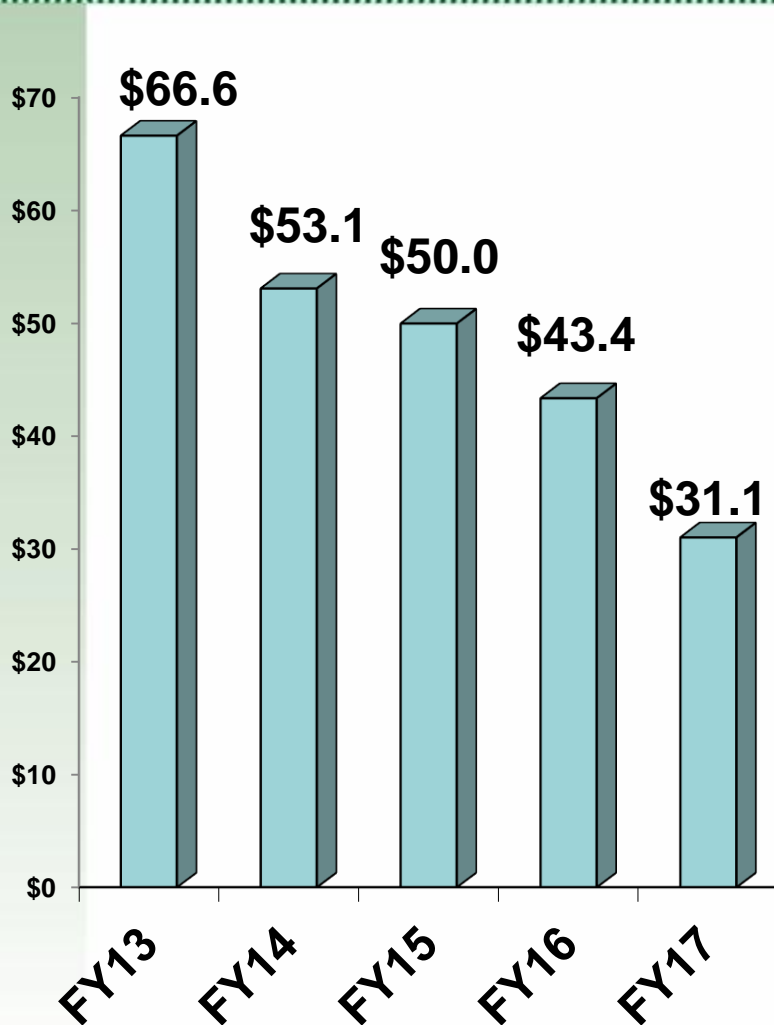
Bridge Programs



\$11.1M decrease (10%)

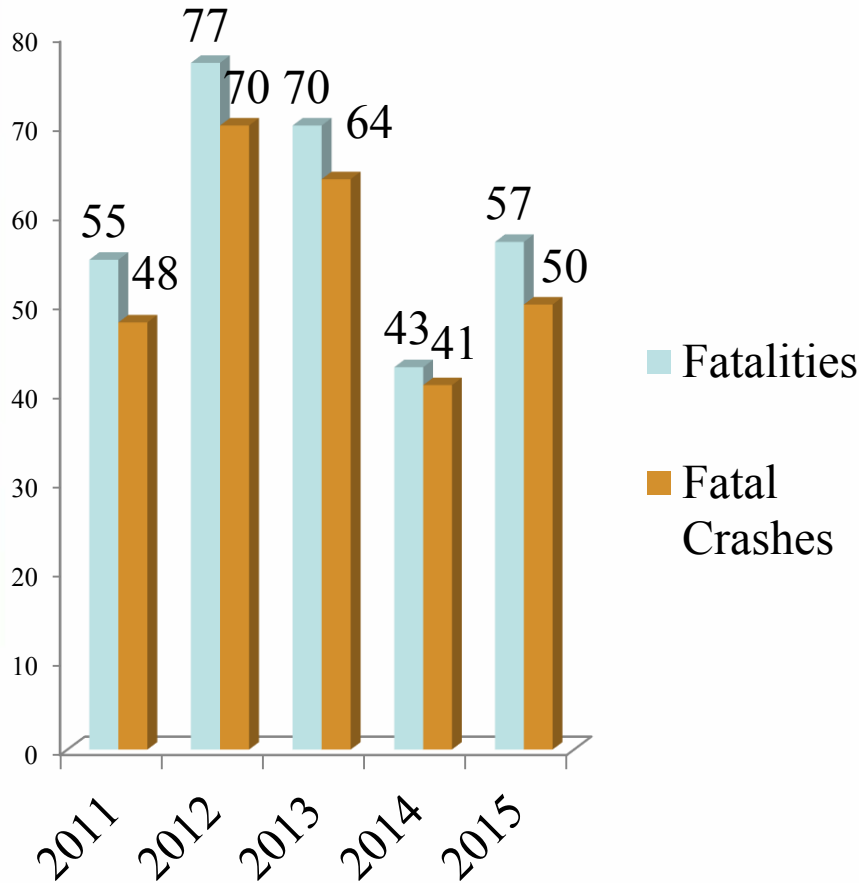
- 7th straight year over \$100M
- Major construction on 68 structures
- Preventive maintenance on dozens of structures
- Interstate Bridges (\$52.8M)
 - \$8.8M increase (20%)
 - Structural deficiency 1.6% – goal is 6%
- State Highway Bridges (\$32.3M)
 - \$16.9M decrease (34%)
 - Structural deficiency 6.5% – goal is 10%
- Town Highway Bridges (\$20.0M)
 - \$2.9M decrease (13%)
 - Structural deficiency 7.6 % – goal is 12%

Roadway Program



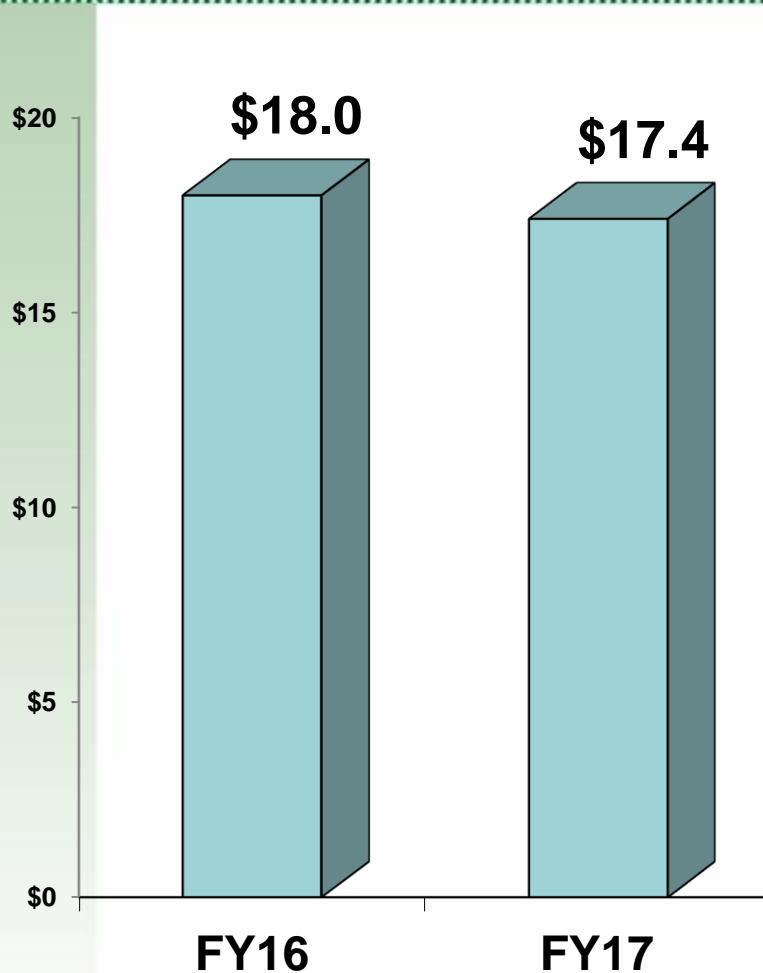
- \$12.3M decrease (28%)
- Several Irene projects moved to Paving Program
- Major projects include:
 - Charlotte US 7
 - CIRC Alternatives
 - Essex Crescent Connector
 - Numerous culvert and slope projects to stabilize infrastructure and improve safety
- \$5.5M for Irene related projects
 - Improves several corridors
 - Funded with mix of formula funds and FHWA ER funds

Preliminary Highway Fatalities



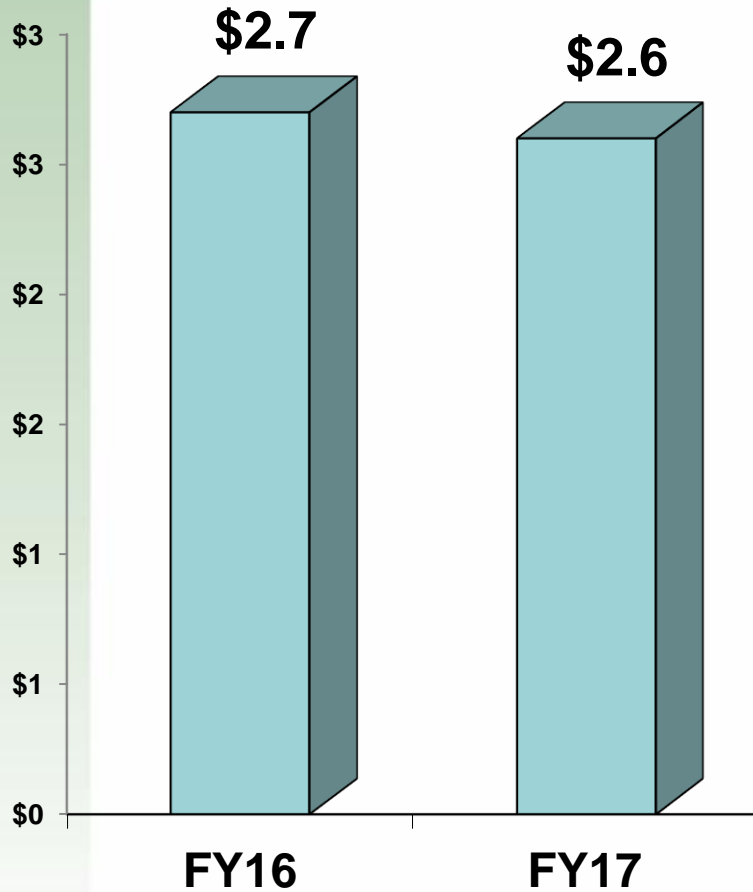
- 2015 fatalities increased to 57
- 33% increase (14) in fatalities from 2014
- 2014 was lowest fatalities since WWII
- Combined effort of Vermont Highway Safety Alliance
 - Law enforcement
 - Educators
 - Car dealers
 - Insurance companies
 - Nonprofits
 - Other public officials

Traffic & Safety



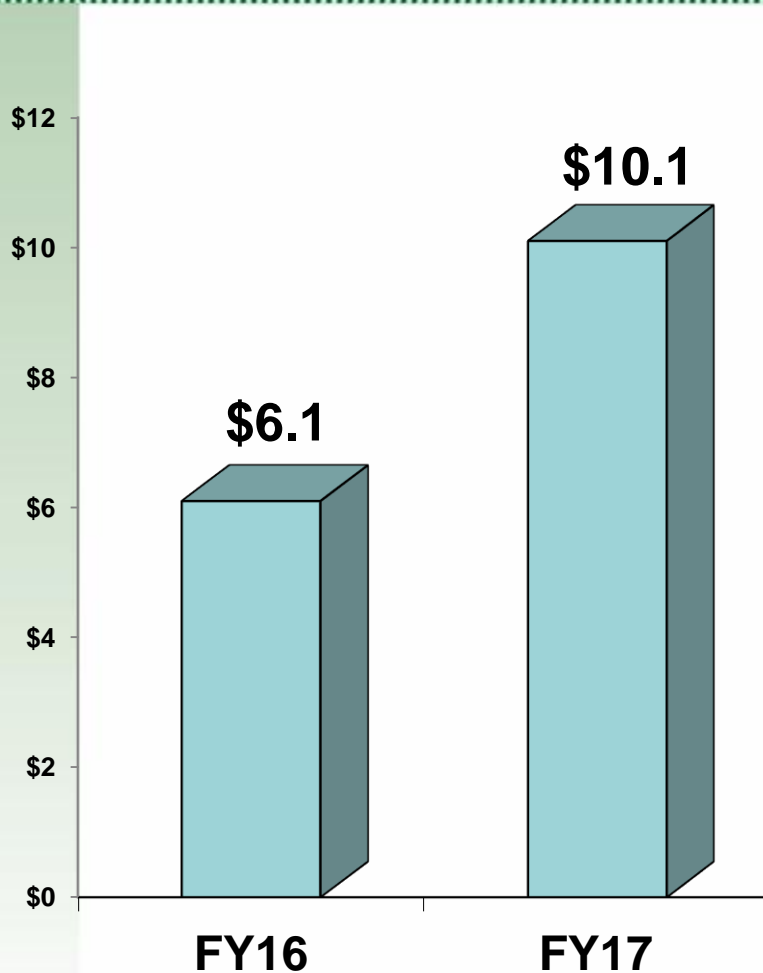
- \$620,000 decrease (3%)
- Reflects ongoing commitment to this mission-critical program
- Program provides funding for safety improvements:
 - Intersections
 - Hartford Roundabout
 - Signs and markings
 - Center line rumble strips

Park & Ride Facilities



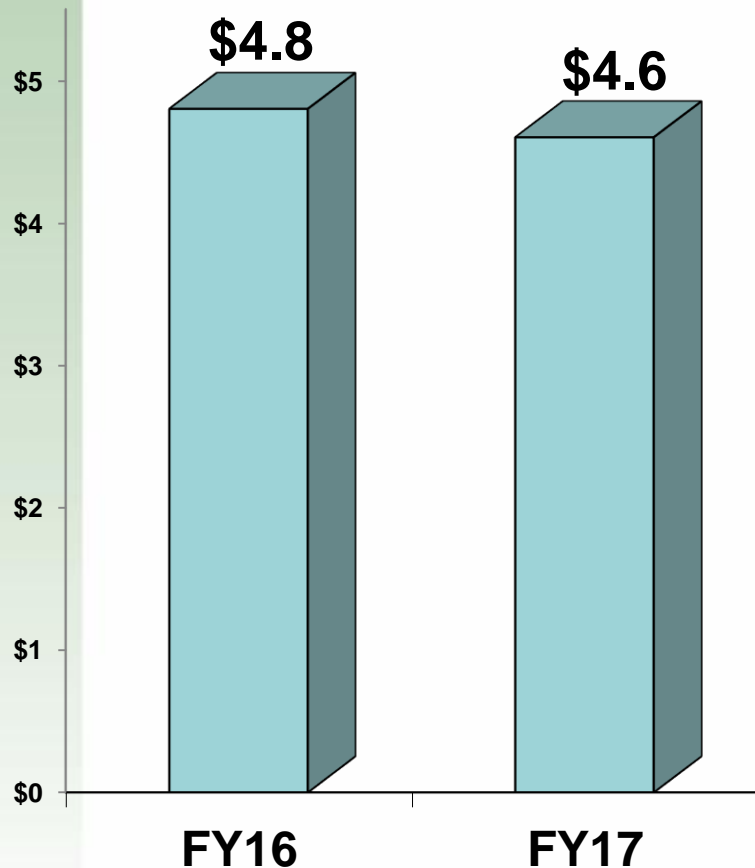
- Decrease of \$73,000 (2%)
- Funding levels driven by project readiness
- Enlarges or improves 3 existing facilities
 - Cambridge, Randolph, St. Johnsbury
- Constructs 2 new facilities
 - East Montpelier, Williston
- Creates over 159 new spaces
- \$250,000 for Municipal Park & Ride Program
- Preliminary engineering for 7 projects

Bicycle & Pedestrian Facilities



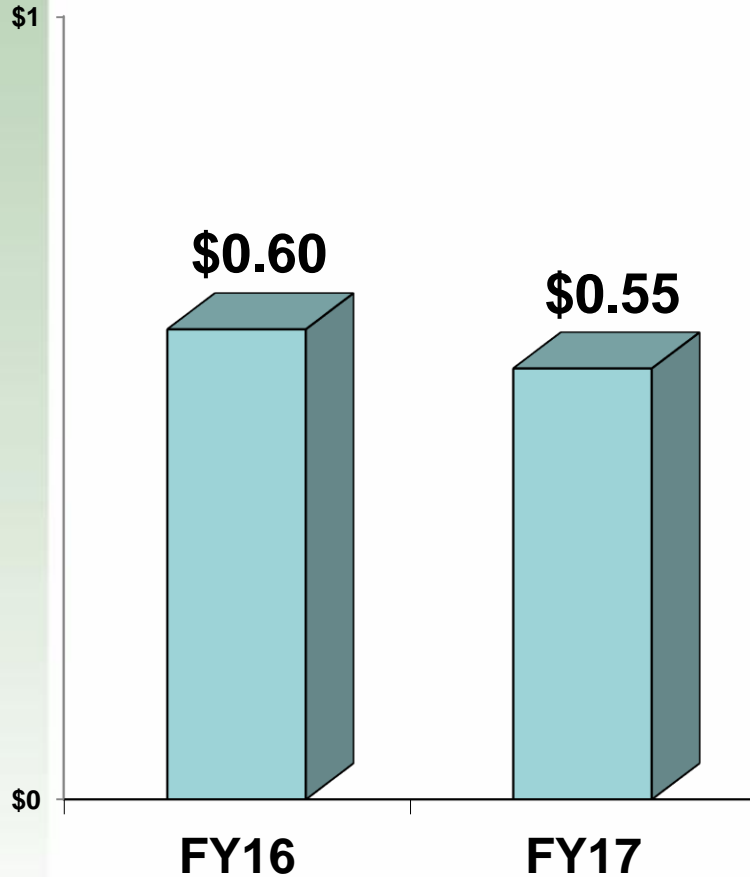
- \$3.9M increase (64%)
- Reflects increased project activity from recent years' awards
- Funds construction on:
 - 35 bicycle/pedestrian projects
 - 4 Safe Routes to School projects
- \$300,000 for 100% State funded projects – double last year's funding for this new program
- 46 additional projects under development

Transportation Alternatives



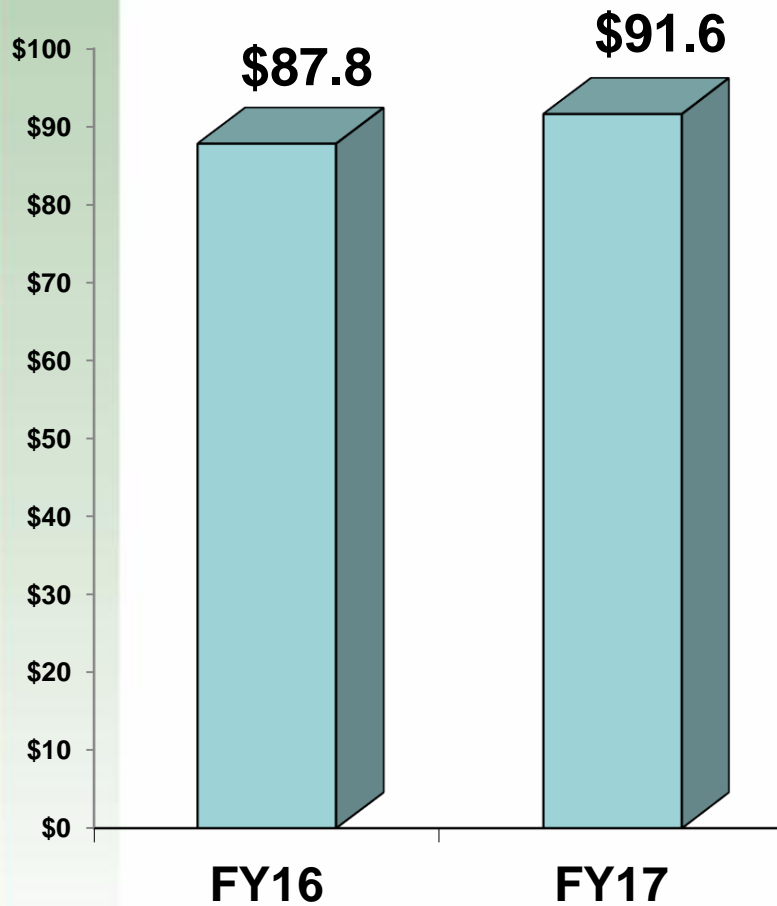
- \$192,000 decrease (4%)
- Funds all projects receiving grants that are ready to proceed
- 45 total projects funded
- Construction on 26 projects
- Half of program awards go to stormwater mitigation projects
- Recently announced \$2.2M in new awards for 11 projects

Rest Areas



- \$75,000 decrease (12%)
- No major construction projects funded
- Funds only major maintenance and repair projects
- Includes capital projects only
- Information center operating costs are budgeted by BGS

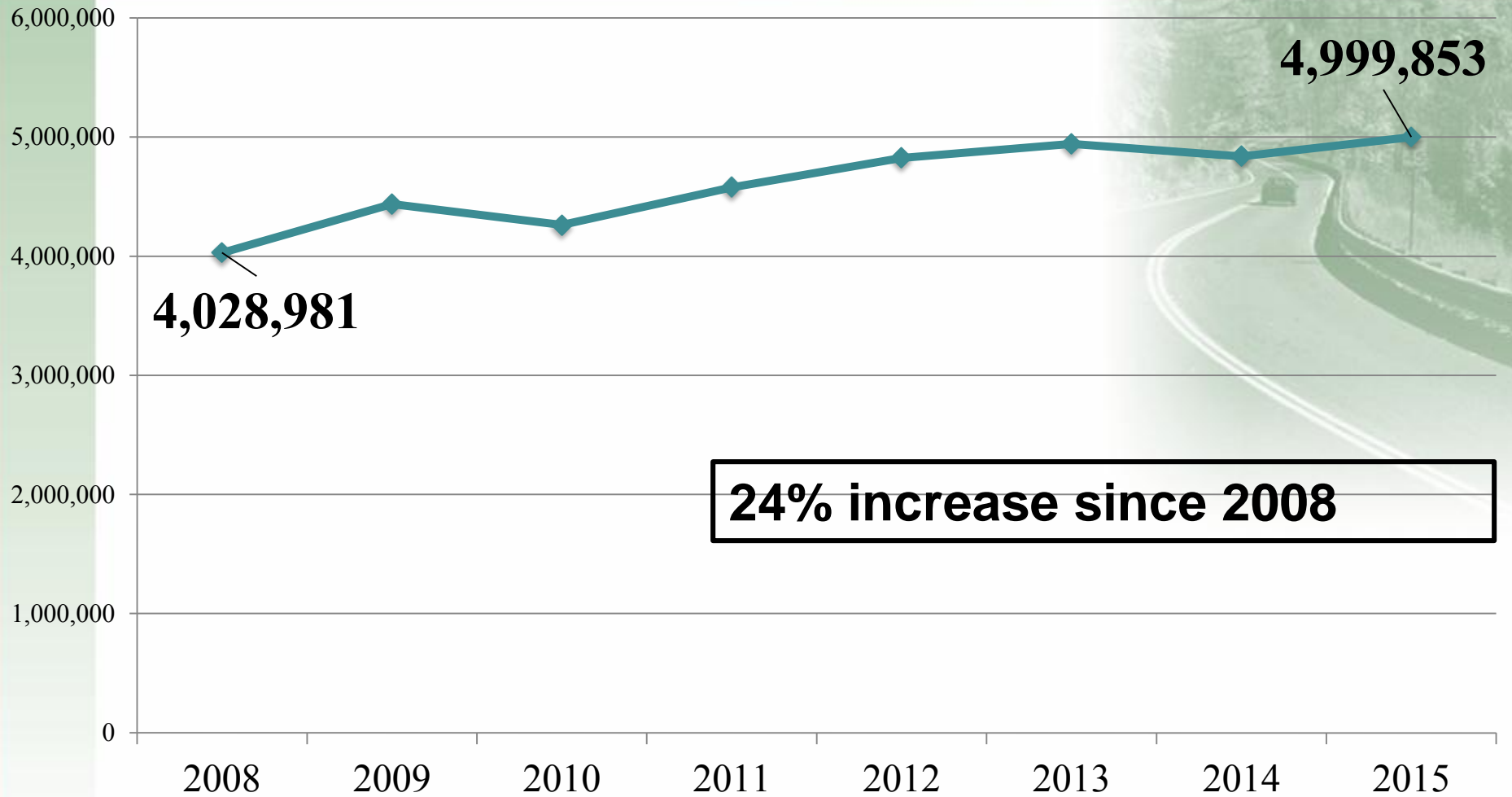
Maintenance



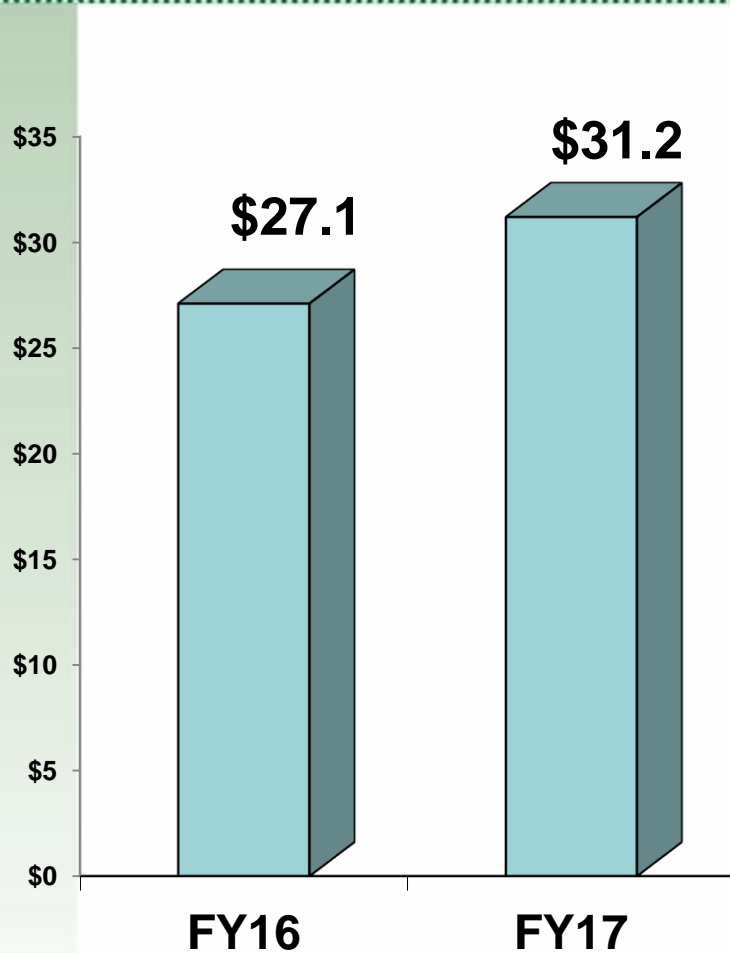
- \$4.5M increase (5%)
- Increase due to costs of materials and equipment and personnel costs
- Continues focus on general maintenance, safety, preservation, and resilience



Public Transit Ridership 2008-2015

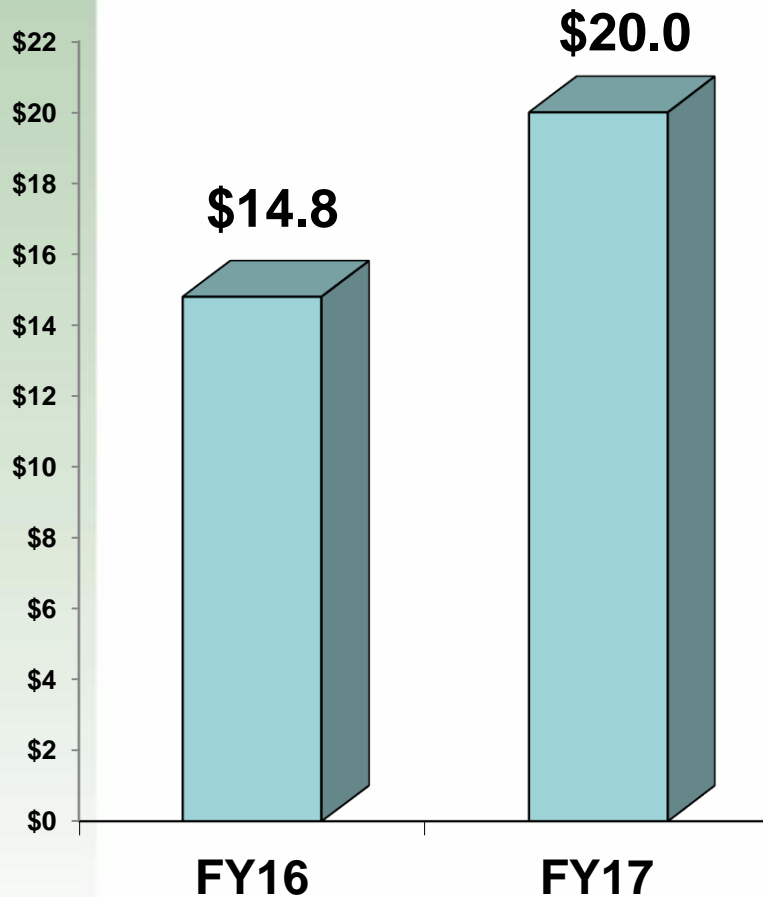


Public Transit



- \$4.1M increase (15%)
- Reflects increased funding for bus purchases
- Expands inter-city bus system
- Additional services to new Waterbury facilities
- Expands car and van-pooling
- Annual ridership holding at just under 5 million - 23% increase from 2008

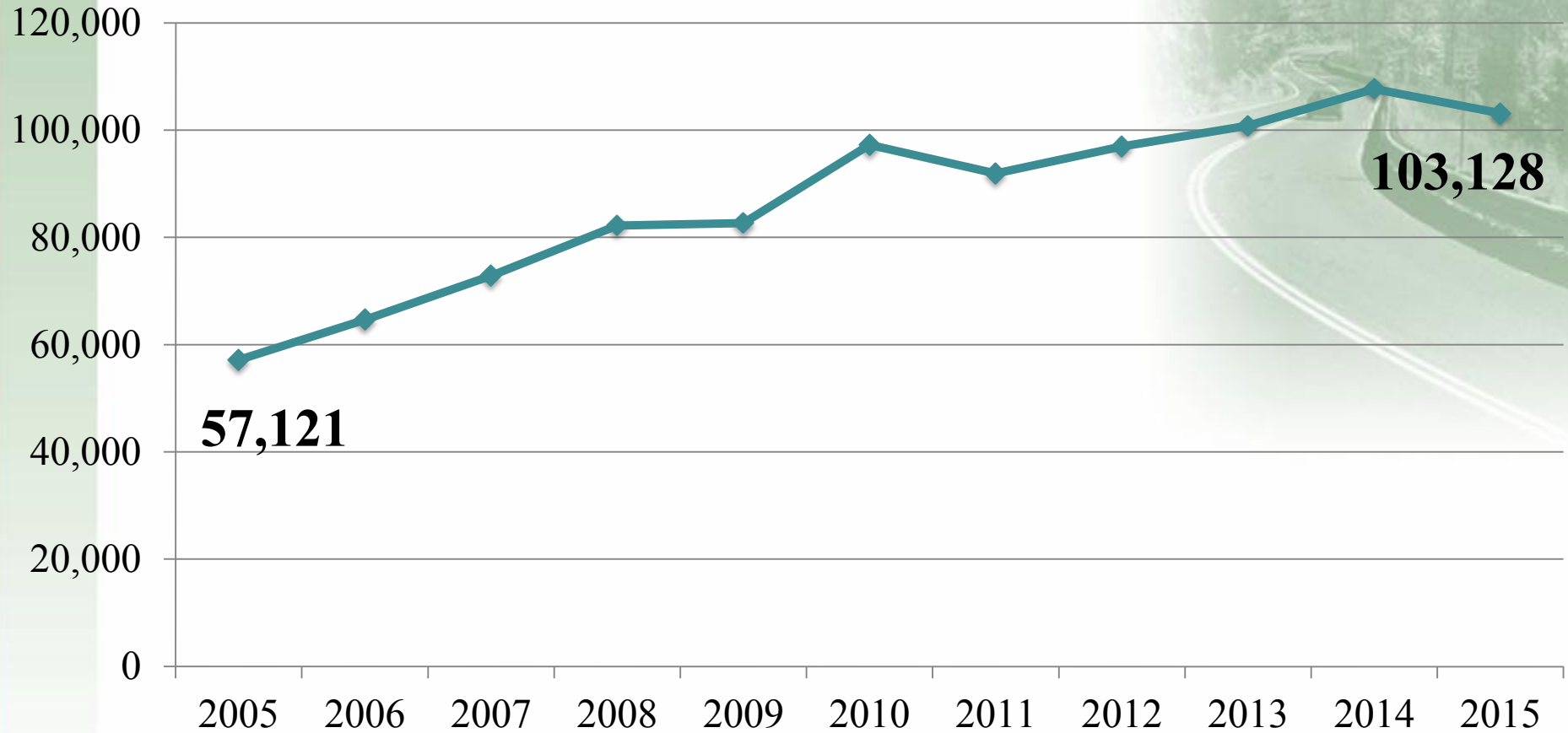
Aviation



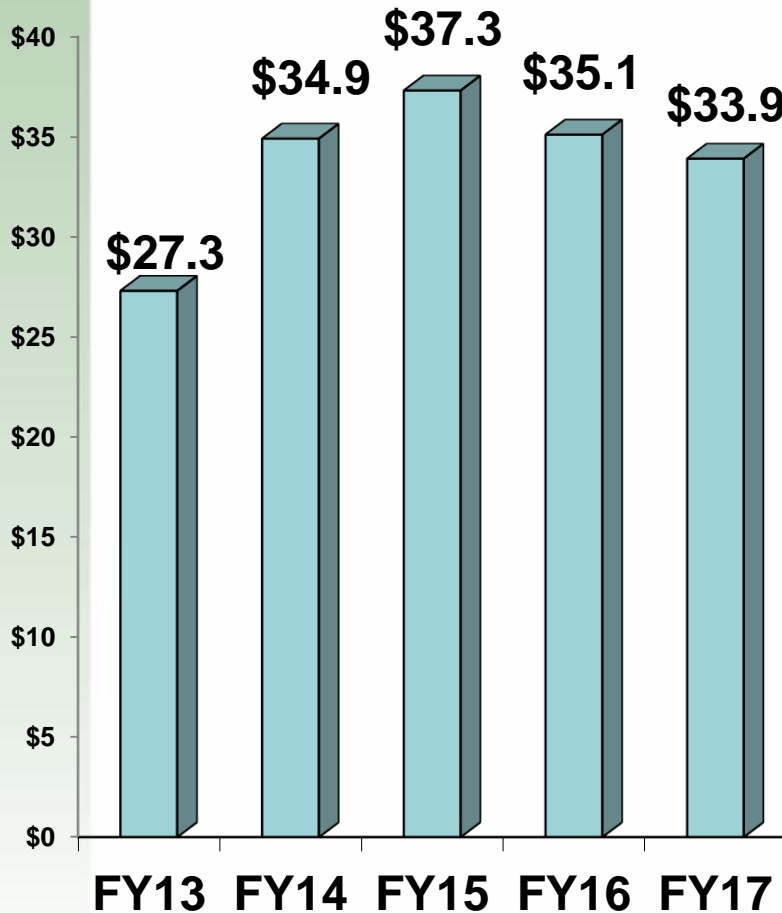
- \$5.3M increase (36%)
- Increase is predominantly FAA project driven – AIP Program
 - \$4.2M increase in FAA
 - State match is 10%
- Major construction projects:
 - Rutland
 - Corrects deficient runway safety area
 - Newport
 - Runway extension and other improvements
 - Middlebury
 - Runway and taxiway extension

Rail Ridership 2005-2015

Up over 46,000 (81%) in the last decade - 2005 to 2015

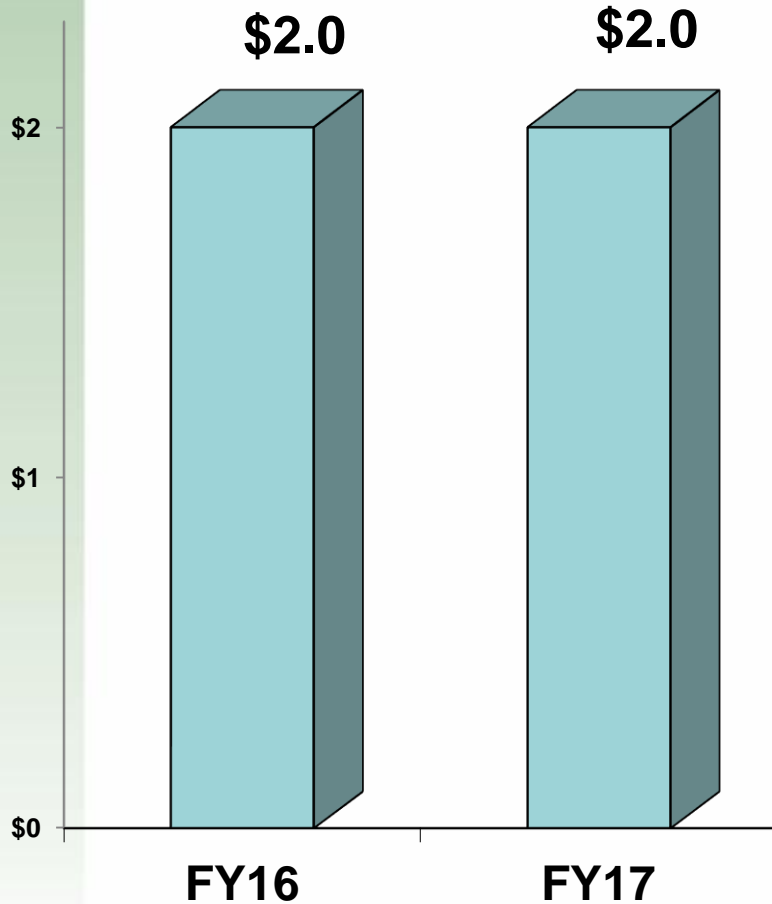


Rail



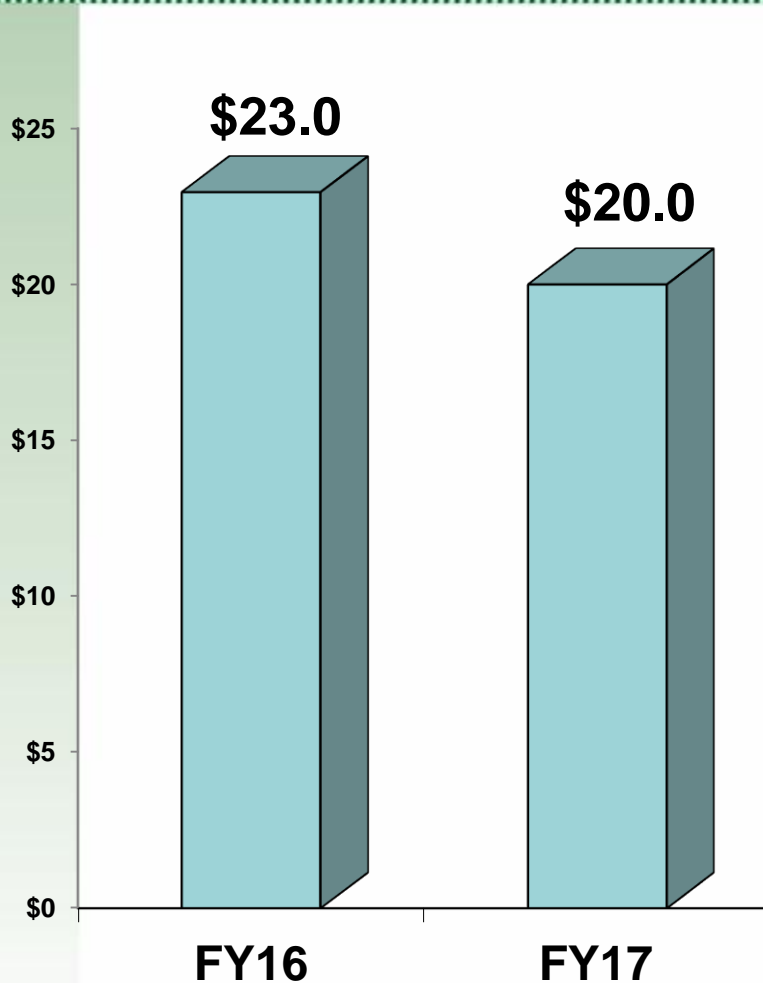
- \$1.3M decrease (4%)
- \$8.6M in Western Corridor
 - \$4.1M track and bridge improvements
 - \$4.5M on 12 crossings
 - \$2.7M from TIGER VII
- \$8.1M for continuation of Amtrak
- Annual rail ridership increased 81 percent between FFY2005 and FFY2015 (most recent data available)
 - Declined slightly (4%) from FFY2014 to FFY2015

Transportation Buildings



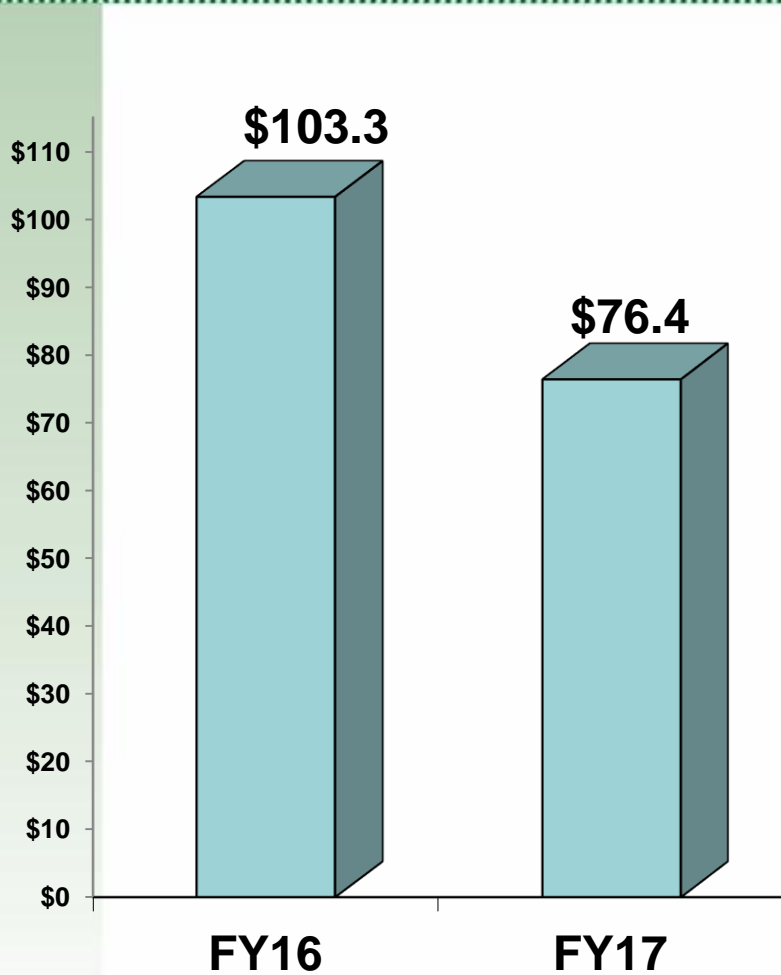
- Level funded
- White River Junction rehab
- Sharon I-89 salt depot
- Dummerston roof replacement
- Central Garage hazardous materials remediation
- \$110,000 for statewide fuel tanks
- \$155,000 for statewide heating system replacements

Town Highway Bridge



- \$2.9M decrease (13%)
- Construction on 21 projects
- Funds additional 14 projects under development
- Structural deficiency is 7.6 percent - goal is 12 percent

Town Highway Programs



- \$26.9M decrease (26%)
- Decrease is attributed to:
 - Decrease of \$23M in FEMA Public Assistance Program related to Irene
 - Decrease of \$3.2M in TH Structures related to a one-time shift in funding to balance the FY2015 budget
 - Decrease of \$160,000 in TH Aid for Federal Disasters – state match from prior year carryforwards is sufficient
- Otherwise TH Programs are essentially level funded

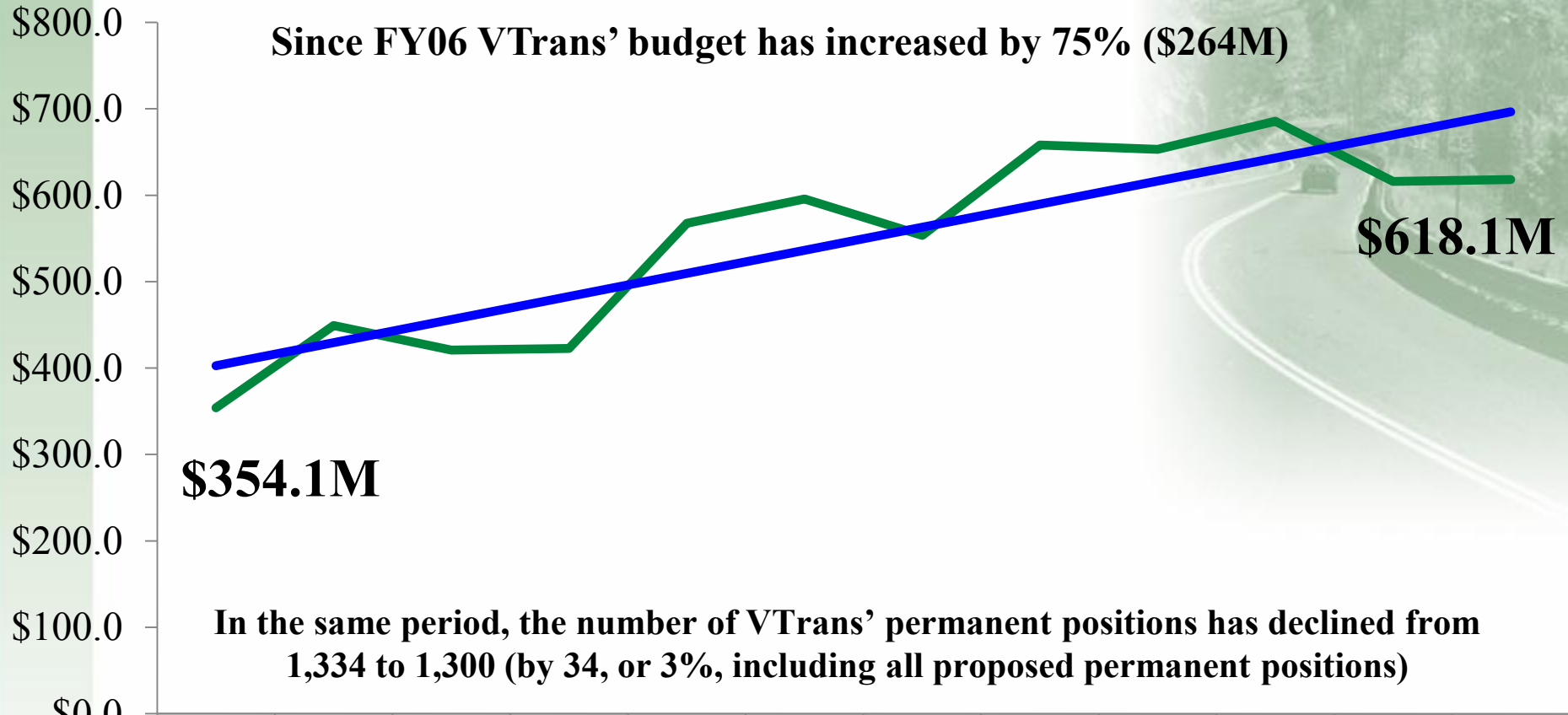
Town Highway Grant Programs

- Funded at recent levels
- \$6.33M for TH Structures grants
- \$7.25M for TH Class 2 grants
- \$1.15M for TH nonfederal disasters (non-FEMA)
- \$1.28M for TH federal disasters (FHWA – Emergency Relief)
- \$26M for Town Highway Aid (formula)
- Increase of \$2.25M (347%) in Municipal Mitigation Grant Program
 - Increase is \$1M Transportation Fund and \$1.465M Clean Water Fund
 - In addition, Transportation Alternatives Program now includes \$1.1M for stormwater improvement projects



VTrans' Budget History \$M

Since FY06 VTrans' budget has increased by 75% (\$264M)



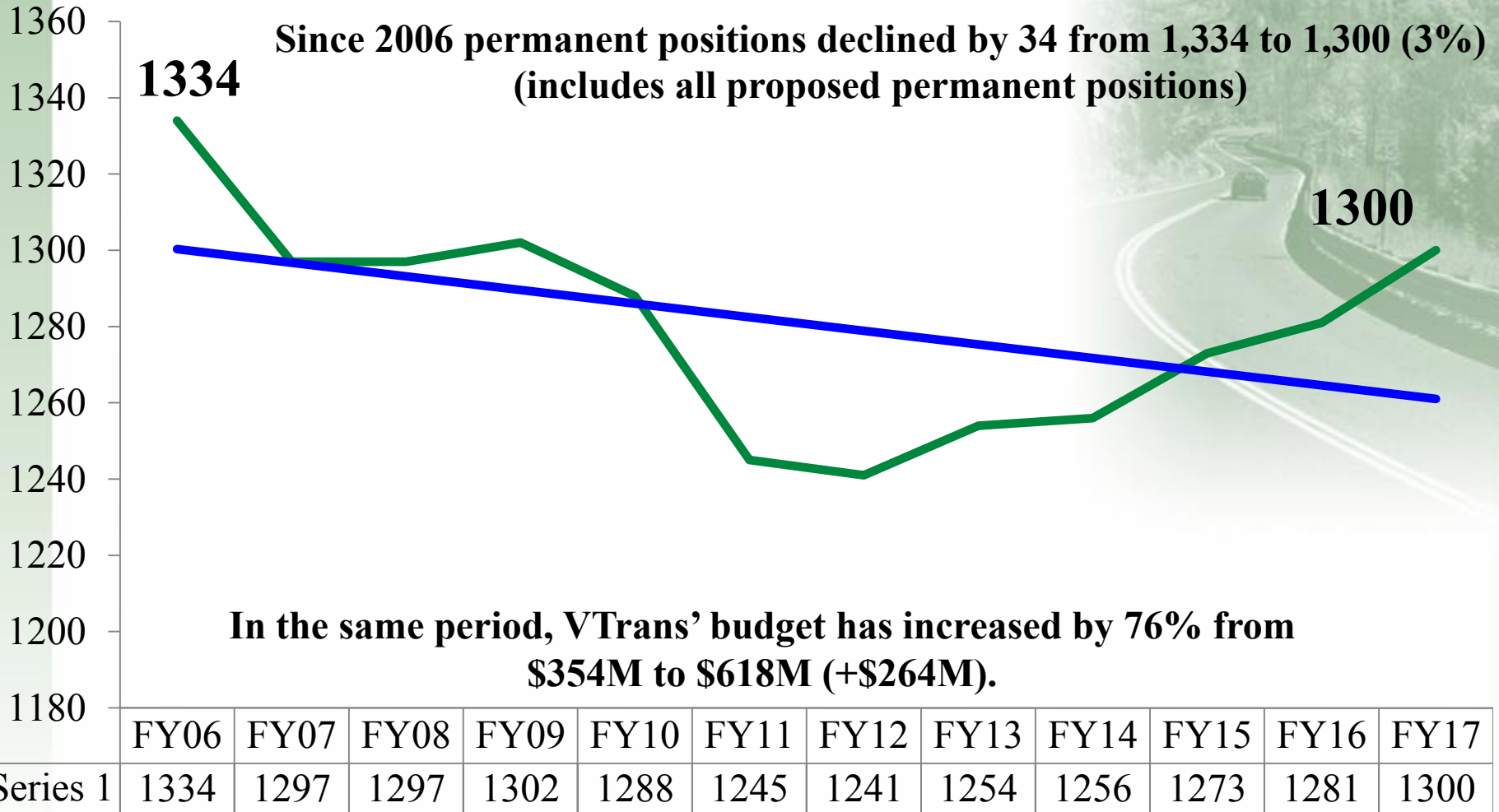
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Series 1	\$354.	\$449.	\$420.	\$422.	\$567.	\$595.	\$553.	\$658.	\$653.	\$685.	\$616.	\$618.





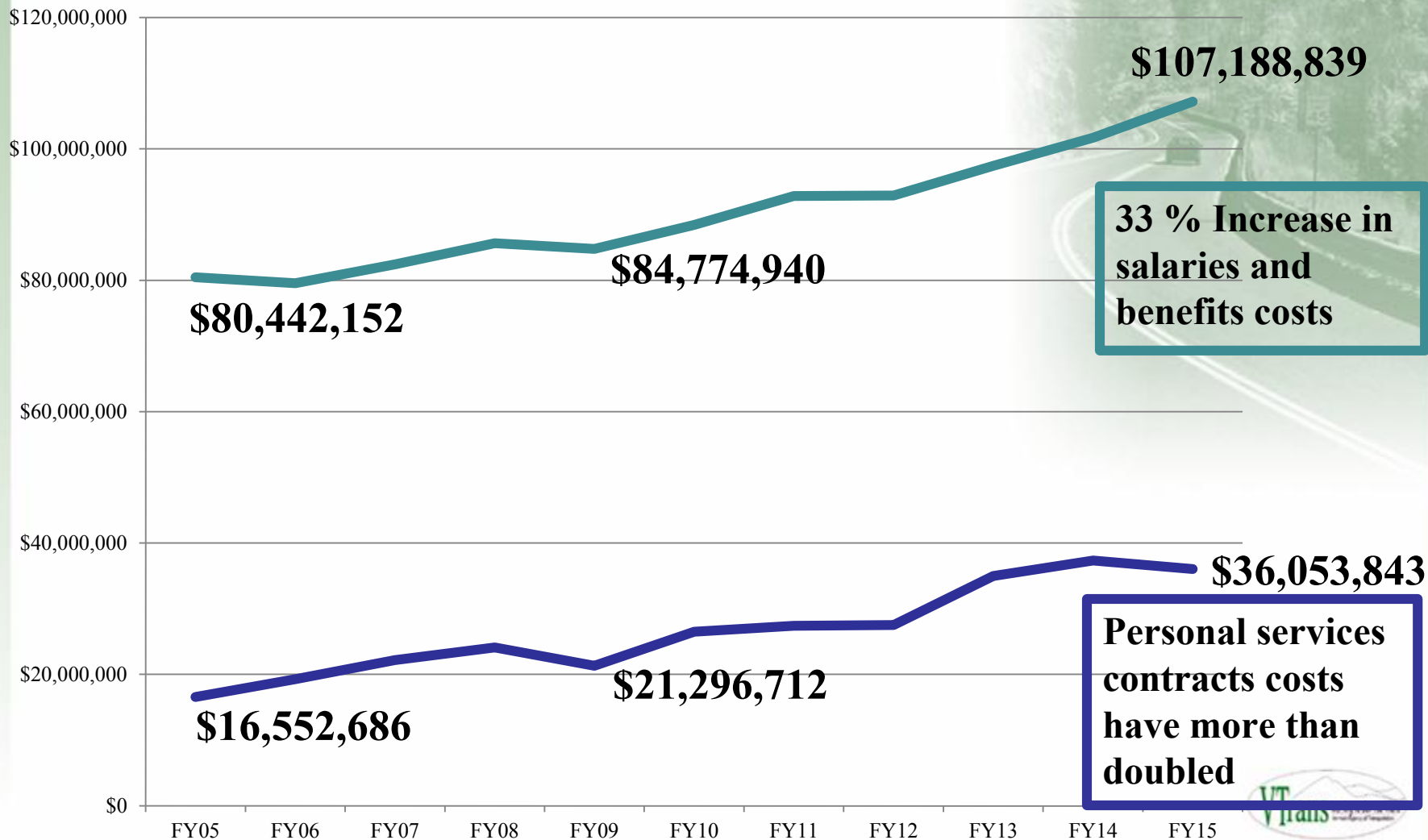
VTrans' Permanent Position Number History

Since 2006 permanent positions declined by 34 from 1,334 to 1,300 (3%)
(includes all proposed permanent positions)





Contracts versus Salaries and Benefits History



33 % Increase in salaries and benefits costs

Personal services contracts costs have more than doubled



FY2017 Position Summary

- 22 pilot positions added recently
- 17 limited service positions to be made permanent
- 2 new positions related to water quality improvements
- 5 limited service positions extended through June 30, 2019
- Net loss of 39 positions due to retirement incentive
 - 54 took retirement incentive
 - VTrans was authorized to rehire 15
- FY2016 to FY2017 Summary
 - Minus 39 to retirement incentive
 - Plus 22 pilot positions
 - Plus 2 new stormwater related positions
 - Net reduction of 15 positions FY2016 to FY2017
 - 1323 budgeted in FY2016; 1308 budgeted in FY2017

Right Sizing VTrans

- Builds Institutional Knowledge
 - 1/3rd of employees eligible to retire by 2020
 - In-house staff know VTrans – higher rate of return
 - Greater flexibility - can easily reassign in-house staff
- Resource management is asset management
 - Increased workforce helps fulfill mission and strategic goals
 - Requires balance between consultants and in-house staff
 - Managing consultants requires oversight and staff time
 - Reduces overtime and temporary employees
- Improved outcomes for transportation system
 - Managing in-house staff optimizes resources
 - Increased consultant costs = less money to build projects
 - In-house mid-level engineer costs 35% less than consultant