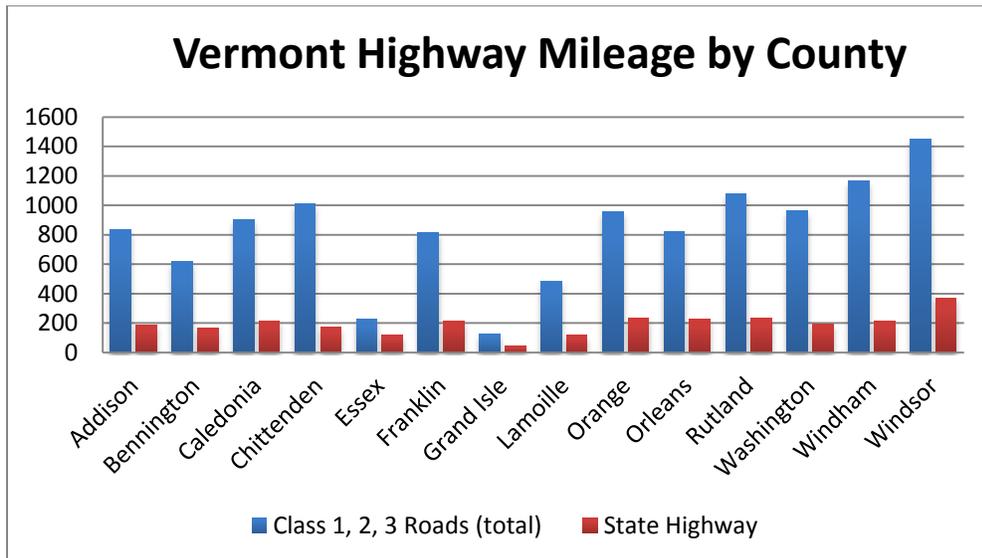




**House Transportation Committee
Town Highway Aid Programs
February 24, 2016**

Thank you for the opportunity to testify on behalf of municipalities with respect to the transportation bill.

Almost 85 percent of all roadways in Vermont are town highways. Of the 14,147 total Class 1, Class 2, Class 3, and state highway miles, only 2,203 are maintained solely by the state government; the rest are maintained at least in part by Vermont municipalities.



(Source: Vermont Agency of Transportation)

Draft 2.2, T. Bill

We have a few comments on Draft 2.2 of the bill, dated 2/23/16. At Section 11, regarding the assigning of numerical priorities to projects, we urge you to include a requirement that the agency consult with affected municipalities in developing its priority rating.

At Section 16, we would ask you to clarify at subsection (d) (1), If total damages to town highways and drainage structures *cumulatively* are less than the value of ten percent of the

town's overall total highway budget excluding the town's winter maintenance budget, the disaster shall not qualify for assistance under this subsection.

We remain very concerned about the 50 percent credit for VTrans in Section 20 of the bill. And we cannot support funding from the Clean Water Fund to support a portion of VTrans payments to municipal stormwater utilities for all the budgetary reasons outlined below.

Municipal Aid Programs.

We have significant concerns about funding, that have been thrown into relief upon passage of the federal FAST Act and the Vermont Clean Water Act.

According to the VTrans budget history graph in Secretary Cole's FY 2017 Budget presentation on January 21, the VTrans budget increased 75 % since FY 06. VTrans expects their budget to increase by \$20 million each year over the next five years as a result of the FAST Act. The VTrans budget in FY 2017 will total \$618 million. The FAST Act establishes five years of predictable funding for state budgets - for the first time in ten years.

A starkly contrasting reality faces municipalities. We are very concerned that municipal highway aid funds are essentially stagnant and have been for years.

Town Highway Structures

| | |
|---------|---|
| FY 2010 | \$3.83 million |
| FY 2011 | \$5.83 million |
| FY 2012 | \$5.83 million |
| FY 2013 | \$6.33 million |
| FY 2014 | \$6.33 million |
| FY 2015 | \$6.33 million |
| FY 2016 | \$9.48 million (repaid a loan to the Transportation Budget) |
| FY 2017 | \$6.33 million (<i>proposed</i>) |

Town Highway Class 2 Roadway

| | |
|---------|------------------------------------|
| FY 2010 | \$5.75 million |
| FY 2011 | \$7.25 million |
| FY 2012 | \$7.25 million |
| FY 2013 | \$7.25 million |
| FY2014 | \$7.25 million |
| FY 2015 | \$7.25 million |
| FY 2016 | \$7.25 million |
| FY 2017 | \$7.25 million (<i>proposed</i>) |

Town Highway Aid

| | |
|---------|-----------------|
| FY 2010 | \$24.98 million |
| FY 2011 | \$24.98 million |
| FY 2012 | \$24.98 million |
| FY 2013 | \$25.98 million |
| FY 2014 | \$25.98 million |

FY 2015 \$25.98 million
FY 2016 \$25.98 million
FY 2017 \$25.98 million (*proposed*)

Town Highway Class I Supplemental

FY 2010 \$0.13 million
FY 2011 \$0.13 million
FY 2012 \$0.13 million
FY 2013 \$0.13 million
FY 2014 \$0.13 million
FY 2015 \$0.13 million
FY 2016 \$0.13 million
FY2017 \$0.13 million (*proposed*)

Municipal Mitigation Grants

FY 2010 \$2.11 million
FY 2011 \$2.11 million
FY 2012 \$1.14 million
FY 2013 \$1.26 million
FY 2014 \$1.55 million
FY 2015 \$0.87 million
FY 2016 \$0.65 million
FY 2017 \$2.91 million (\$1 million T Fund , \$1.47 Clean Water Fund)

Town Bridge Grants

FY 2010 \$24.68 million
FY 2011 \$18.32 million
FY 2012 \$16.78 million
FY 2012 \$19.30 million
FY 2014 \$15.55 million
FY 2015 \$15.56 million
FY 2016 \$21.63 million
FY 2017 \$20 million

VT Clean Water Act

As Gina Campoli testified in the House Fish, Wildlife and Water Resources Committee, the following funds are dedicated to municipal water quality funding programs in VTrans:

VT Better Roads Program

\$440,000 in the VTrans budget

\$1.4 million allocated from the Clean Water Fund

\$1 million committed from the 2015 Transportation bill (FY 2017, 2018, 2019).

\$1,1 million within the Transportation Alternatives Program

\$ 3.9 million, Total

Total Clean Water Fund dollars equal \$10,400,000 over two years, across all sectors. This is orders of magnitude less than will be required to fulfill the mandates of the VT Clean Water Act.

Town Highway Grants.

In early January, Alec Portalupi gave a presentation on town highway grants. The presentation did not include any indication of demand for project fund matches in those grants. That is, if every eligible project were funded at the maximum permitted amount, how much money would be distributed to local projects? We think it would be very helpful for the committee to know not just dollars awarded but dollars requested. This would give you a better understanding of the need for town highway aid.