



# VERMONT AGENCY OF TRANSPORTATION

## FY2018 Budget

*Joe Flynn, Secretary of Transportation*

*House Appropriations Committee*

*February 27, 2017*



# Today's Presentation

- FY2018 Governor's Recommended overview and program level crosswalks
- Results Based Accountability Performance Review
- Appropriation level crosswalk document (FY17 to FY18) has been provided to Committee and reviewed with Committee Liaison Rep. Helm
- Proposed Transportation Program (Budget) has been reviewed by House Transportation Committee and Rep. Helm



# FY2018 Budget Overview

	<b>FY 2017</b>	<b>FY 2018</b>	<b>Increase</b>	<b>Percent</b>
<b>Fund Source</b>	<b>As Passed</b>	<b>GOV REC</b>	<b>(Decrease)</b>	<b>Change</b>
<b>STATE (TFund)</b>	<b>249,073,779</b>	<b>249,382,048</b>	<b>308,269</b>	<b>0.1%</b>
<b>FEDERAL</b>	<b>326,665,494</b>	<b>327,568,972</b>	<b>903,478</b>	<b>0.3%</b>
<b>LOCAL/OTHER</b>	<b>4,833,982</b>	<b>5,819,776</b>	<b>985,794</b>	<b>20%</b>
<b>TIB FUND</b>	<b>12,269,376</b>	<b>12,195,312</b>	<b>(74,064)</b>	<b>(1%)</b>
<b>CENTRAL GARAGE FUND</b>	<b>19,731,787</b>	<b>20,054,911</b>	<b>323,124</b>	<b>2%</b>
<b>TOTAL</b>	<b>612,574,418</b>	<b>615,021,019</b>	<b>2,446,601</b>	<b>0.4%</b>

Report ID: VTPB-11-BUDRLLUP

Run Date: 01/20/2017

Run Time: 11:04 AM

State of Vermont

FY2018 Governor's Recommended Budget: Rollup Report

Organization: 08 - Transportation

Budget Object Group: 1. PERSONAL SERVICES

Budget Object Rollup Name	FY2016 Actuals	FY2017 Original As Passed Budget	FY2017 Governor's BAA Recommended Budget	FY2018 Governor's Recommended Budget	Difference Between FY2018 Governor's Recommend and FY2017 As Passed	Percent Change FY2018 Governor's Recommend and FY2017 As Passed
Salaries and Wages	72,688,939	72,727,646	72,727,646	74,839,178	2,111,532	2.9%
Fringe Benefits	37,371,336	40,001,605	40,001,605	41,329,313	1,327,708	3.3%
Contracted and 3rd Party Service	40,241,763	29,937,842	29,937,842	36,168,187	6,230,345	20.8%
PerDiem and Other Personal Services	5,486	13,000	13,000	8,000	(5,000)	-38.5%
<b>Budget Object Group Total: 1. PERSONAL SERVICES</b>	<b>150,307,523</b>	<b>142,680,093</b>	<b>142,680,093</b>	<b>152,344,678</b>	<b>9,664,585</b>	<b>6.8%</b>

Budget Object Group: 2. OPERATING

Budget Object Rollup Name	FY2016 Actuals	FY2017 Original As Passed Budget	FY2017 Governor's BAA Recommended Budget	FY2018 Governor's Recommended Budget	Difference Between FY2018 Governor's Recommend and FY2017 As Passed	Percent Change FY2018 Governor's Recommend and FY2017 As Passed
Equipment	13,848,400	14,077,155	14,077,155	11,801,562	(2,275,593)	-16.2%
IT/Telecom Services and Equipment	4,924,374	2,932,413	2,932,413	5,096,826	2,164,413	73.8%
Travel	1,016,296	1,362,534	1,362,534	1,054,884	(307,650)	-22.6%
Supplies	19,597,807	27,312,570	27,312,570	25,191,664	(2,120,906)	-7.8%
Other Purchased Services	16,656,075	17,544,713	17,544,713	18,031,135	486,422	2.8%
Other Operating Expenses	1,983,129	1,872,951	1,872,951	1,944,245	71,294	3.8%
Rental Other	35,229,082	34,728,412	34,728,412	35,881,044	1,152,632	3.3%
Rental Property	3,610,260	3,740,047	3,740,047	3,844,064	104,017	2.8%
Property and Maintenance	216,958,748	226,340,771	226,340,771	225,836,736	(504,035)	-0.2%
Debt Service and Interest	1,983,644	0	0	0	0	0.0%
Repair and Maintenance Services	0	1,875,054	1,875,054	1,956,667	81,613	4.4%
<b>Budget Object Group Total: 2. OPERATING</b>	<b>315,807,817</b>	<b>331,786,620</b>	<b>331,786,620</b>	<b>330,638,827</b>	<b>(1,147,793)</b>	<b>-0.3%</b>

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FY2018 Governor's Recommended Budget: Rollup Report

Organization: 08 - Transportation

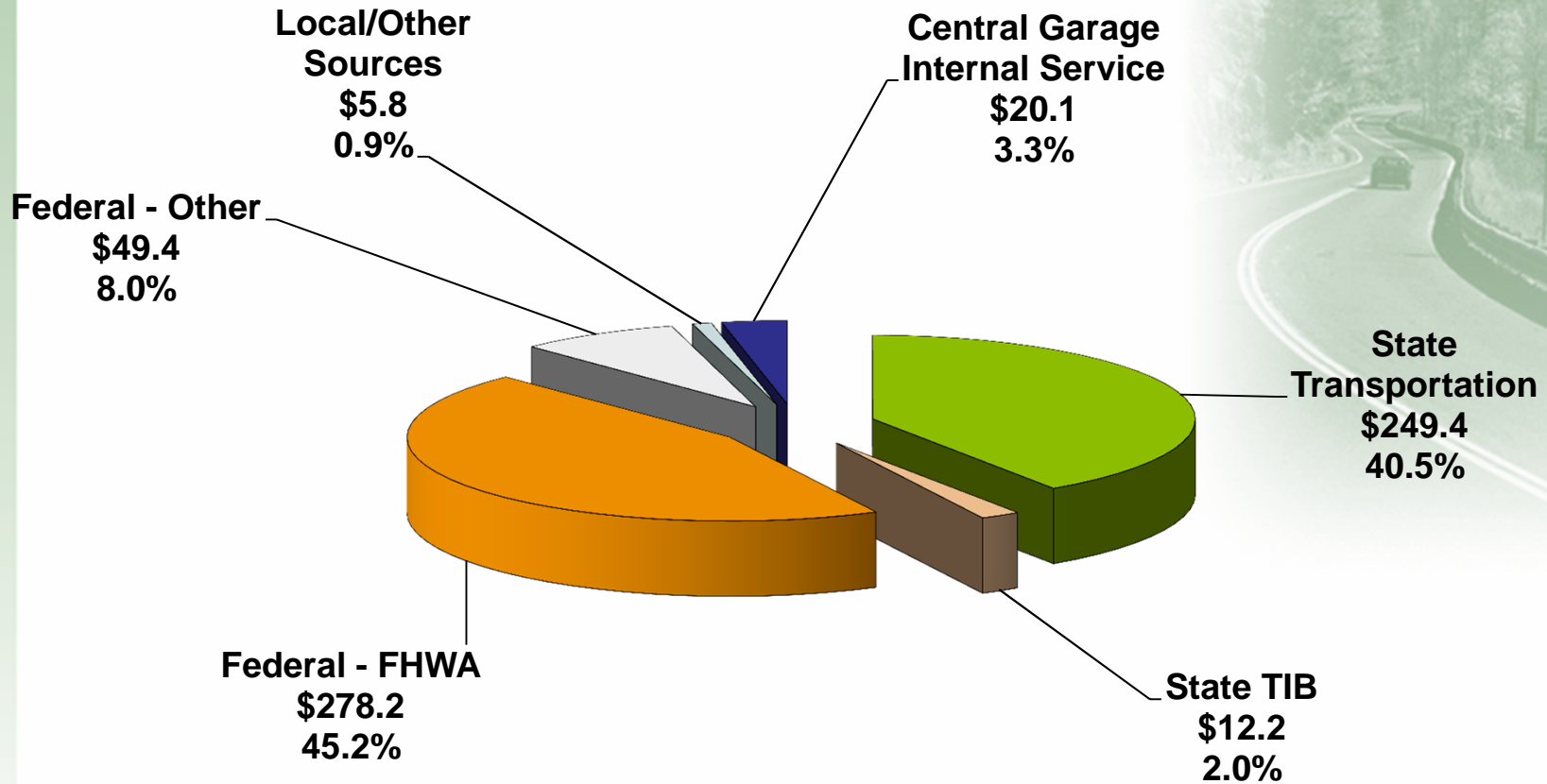
Budget Object Group: 3. GRANTS

Budget Object Rollup Name	FY2016 Actuals	FY2017 Original As Passed Budget	FY2017 Governor's BAA Recommended Budget	FY2018 Governor's Recommended Budget	Difference Between FY2018 Governor's Recommend and FY2017 As Passed	Percent Change FY2018 Governor's Recommend and FY2017 As Passed
Grants Rollup	94,935,113	138,107,705	138,107,705	132,037,514	(6,070,191)	-4.4%
<b>Budget Object Group Total: 3. GRANTS</b>	<b>94,935,113</b>	<b>138,107,705</b>	<b>138,107,705</b>	<b>132,037,514</b>	<b>(6,070,191)</b>	<b>-4.4%</b>
<b>Total Expenses</b>	<b>561,050,453</b>	<b>612,574,418</b>	<b>612,574,418</b>	<b>615,021,019</b>	<b>2,446,601</b>	<b>0.4%</b>

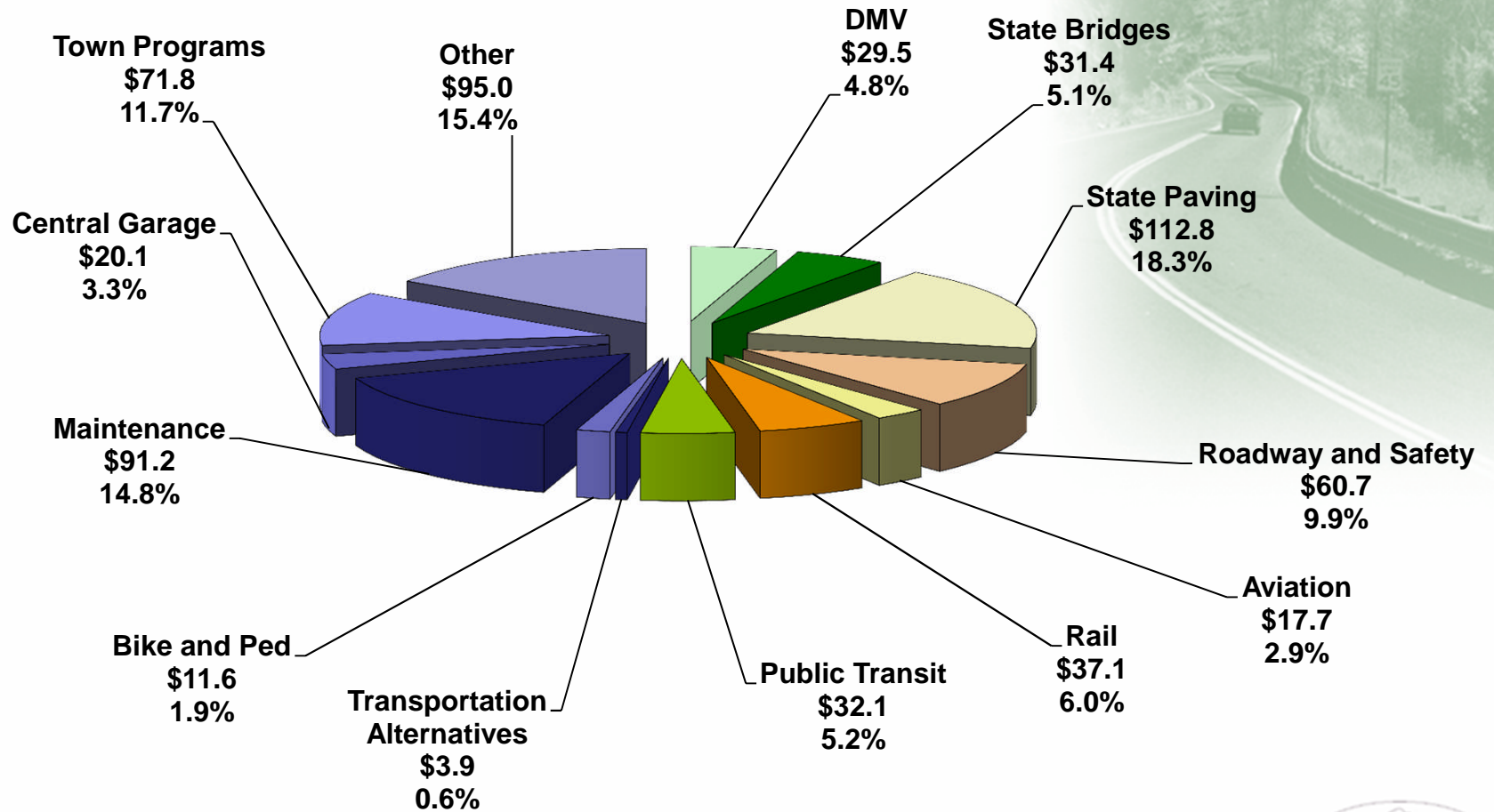
Fund Name	FY2016 Actuals	FY2017 Original As Passed Budget	FY2017 Governor's BAA Recommended Budget	FY2018 Governor's Recommended Budget	Difference Between FY2018 Governor's Recommend and FY2017 As Passed	Percent Change FY2018 Governor's Recommend and FY2017 As Passed
General Funds	0	0	0	0	0	0.0%
Transportation Fund	237,244,253	249,073,779	249,073,779	249,382,048	308,269	0.1%
Transportation Infrastructure Bond Fund	15,298,531	12,269,376	12,269,376	12,195,312	(74,064)	-0.6%
Special Fund	2,886,804	1,765,000	1,765,000	3,100,000	1,335,000	75.6%
Federal Funds	284,034,035	326,574,595	326,574,595	327,568,972	994,377	0.3%
ARRA Funds	5,544	90,899	90,899	0	(90,899)	-100.0%
ISF Funds	17,624,597	19,731,787	19,731,787	20,054,911	323,124	1.6%
IDT Funds	714,866	753,566	753,566	1,093,999	340,433	45.2%
Local Match Debt Service Funds	1,796,348	2,315,416	2,315,416	1,625,777	(689,639)	-29.8%
TIB Proceeds Fund	1,445,474	0	0	0	0	0.0%
<b>Funds Total</b>	<b>561,050,453</b>	<b>612,574,418</b>	<b>612,574,418</b>	<b>615,021,019</b>	<b>2,446,601</b>	<b>0.4%</b>

Position Count				1,320	
FTE Total				1,314.45	

## Transportation Funding Sources FY2018 \$615M Total

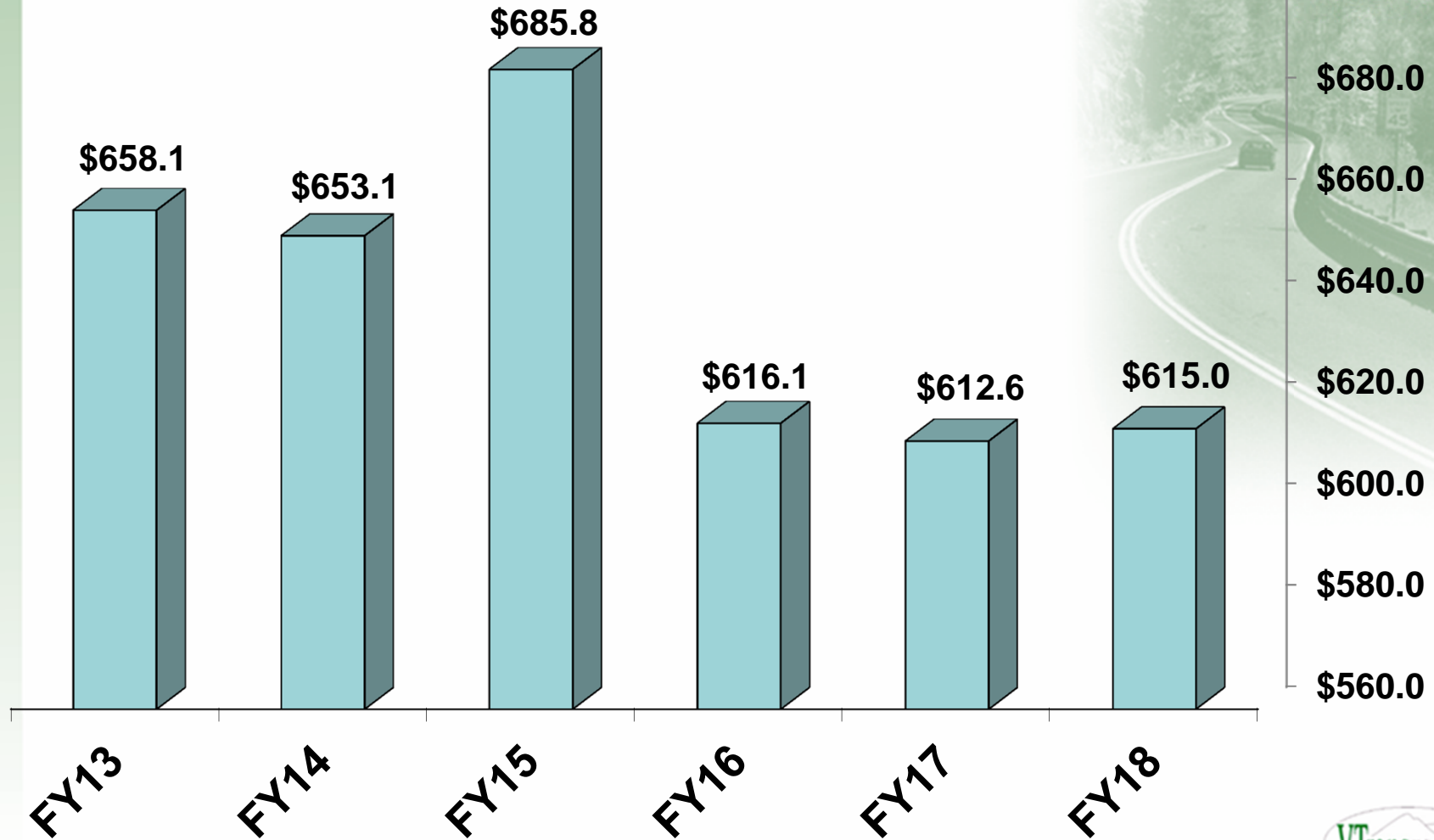


## FY2018 Transportation Budget Expenditure Plan \$615M Total



# Six Year Budget History

\$ millions





# Federal Funding Update

- Fixing America's Surface Transportation Act – FAST Act
- Five year transportation reauthorization – through FFY2020
- FHWA obligation limit for FFY2016 was a record \$208M
- Increases annual FHWA and FTA formula funding by ~ \$5M annually over the next four years – FFY2017 to FFY2020
- VTrans continues to benefit from discretionary awards
  - Rail TIGER grants for western corridor ongoing
  - Application pending for FASTLANE grant: Rutland – Hoosick bridges
  - FTA discretionary grants – capital and demand response ridership
  - Aviation Airport Improvement Program – New Bennington award
- FEMA PA Program significantly reduced (post-Irene)



## 2018 Budget – State Funds (TF + TIB)

- Overall increase of only \$234,000 (0.1%) over FY2017
- Includes no proposed bonding, fee or revenue increases
- Budget balanced to January consensus forecast
- Advances goal of making Vermont affordable
- \$900,000 additional reduction to TFund appropriated to Public Safety
  - Now fully reduced to statutory level of \$20.25M annually





# 2018 – 2019 Budget – Areas of Emphasis

**Provide for the safe and efficient movement of people and goods.**

**A safe, reliable and multimodal transportation system that promotes Vermont's quality of life and economic wellbeing.**

- Safety
- Preservation and Maintenance
- Grow Vermont's Economy
- Energy Efficient Transportation Choices
- Protecting Vulnerable Populations
- Making Vermont Affordable
- Asset Management and Performance
- Clean Water Initiative





# FY18 Safety/Preservation & Maintenance

- \$91M for maintenance and operations
  - Preserves safety and resilience of transportation system
- \$6M in rail/highway crossings (12) and safety improvements
- \$21M Traffic and Safety Program
  - Supports Strategic Highway Safety Plan
  - Traffic signal and intersection improvements
  - Signs and markings, centerline rumble strips
- \$5M Governor's Highway Safety Program
  - Impaired Driving Program
  - Occupant Protection Program – including child safety
  - Motorcycle Safety
  - State Traffic Safety Information System Improvements





# Grow Vermont's Economy

- Vermont's economy relies on a multi-modal transportation system in good repair
- \$615M budget supports thousands of jobs
- \$13.7M investment in western corridor rail
- \$32M for Airport improvements
  - Including \$14.5M Burlington International Airport funding
- Additional \$13.5M investment in protecting Lake Champlain and other waterways – two-year plan
- Includes funding for several projects to improve downtowns
- Funds several CIRC Alternatives projects





# Protecting Vulnerable Populations Providing Transportation Choices

- \$36M in Public Transit
- \$32M for Aviation (including the \$14M sent to Burlington Int'l)
- \$37.1M for Rail
- \$3.4M for Park & Rides
- \$11.6M for Bicycle and Pedestrian facilities



# Making Vermont Affordable

- Includes no proposed bonding, fee or revenue increases
- Budget balanced to existing revenues
  - January consensus forecast
- Performance, Innovation & Efficiency (PIE) Section
  - Lean training and process improvements
  - Business Process Management
    - Improve Construction Final Close-out and Right-of-Way processes
- Asset Management Focus
  - Data-driven decisions consistent with defined performance objectives
  - Utilize available funding strategically and efficiently
  - Making the right investment at the right time
  - Preservation first – not worst first
  - Transportation Asset Management Plan (TAMP)





# Environmental Stewardship Clean Water Initiative – FY18

<b>\$4.8M</b>	<b>Agency-Wide Stormwater Compliance and Clean Water Funding</b>
<b>\$8.2M</b>	<b>Municipal Mitigation Assistance Program (\$5.3M increase over FY17)</b>
<b>\$130K</b>	<b>VTrans Training Center (VTTC) and Vermont Local Roads (VLR)</b>
<b>\$2.2M</b>	<b>Transportation Alternatives Program (\$1.1M increase over FY17)</b>
<b>\$150K</b>	<b>VTrans Hydraulics Support to Maintenance Districts and Municipalities</b>
<b>\$90K</b>	<b>VTrans Hydraulic Stream Gage Monitoring</b>
<b>\$320K</b>	<b>VTrans ongoing technical support to towns</b>
<b>\$10.2M</b>	<b>Town Highway Grant Programs – Estimated portion of Town Programs</b>
<b>\$26.1M</b>	<b>Total Agency Funds or Federal Pass Through (\$7.7M increase over FY17)</b>







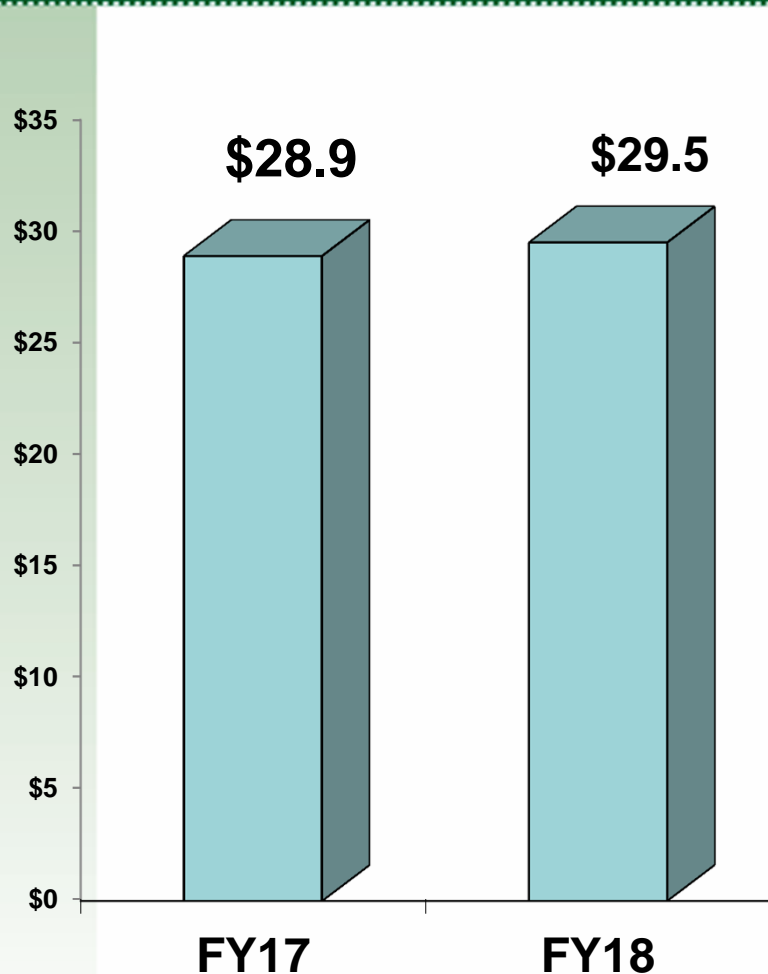
# Environmental Stewardship Clean Water Initiative

- Two-year enhanced funding FY2018 – FY2019
- \$13.5M *additional* funding over two years
- Alternative to Clean Water Report proposed TIB Funds
  - \$1.1M additional Transportation Alternatives (TA) funding redirected to Municipal stormwater grants annually - entire \$2.2M TA annual Grant Program now dedicated to clean water
  - \$5.2M in FHWA formula funds annually in FY2018 and FY2019
  - \$400,000 TFund redirected from Town Highway Class 2 Roadway Program to municipal stormwater grants





# Dept. of Motor Vehicles - \$29.5M



- Increase of \$592,000 (2%)
- Continues current service levels
- DMV will collect an estimated \$320M in taxes and fees in FY2018
- Plans for increased internet transactions and self-service kiosks
  - These transactions increased by 2.8% in FY16
- Includes \$1.7M for IT projects
  - New Point of Sale system

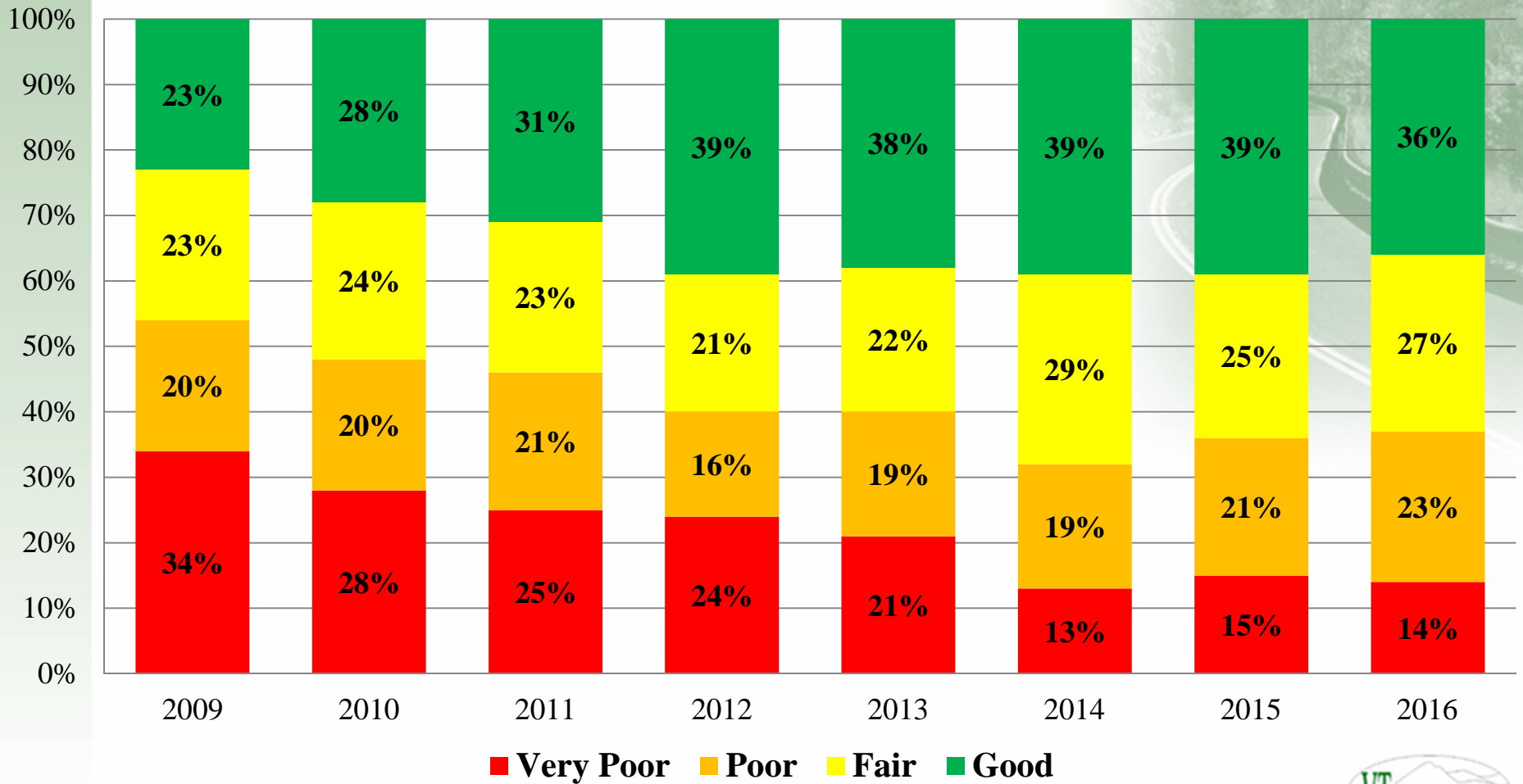
# Paving - \$112.8M



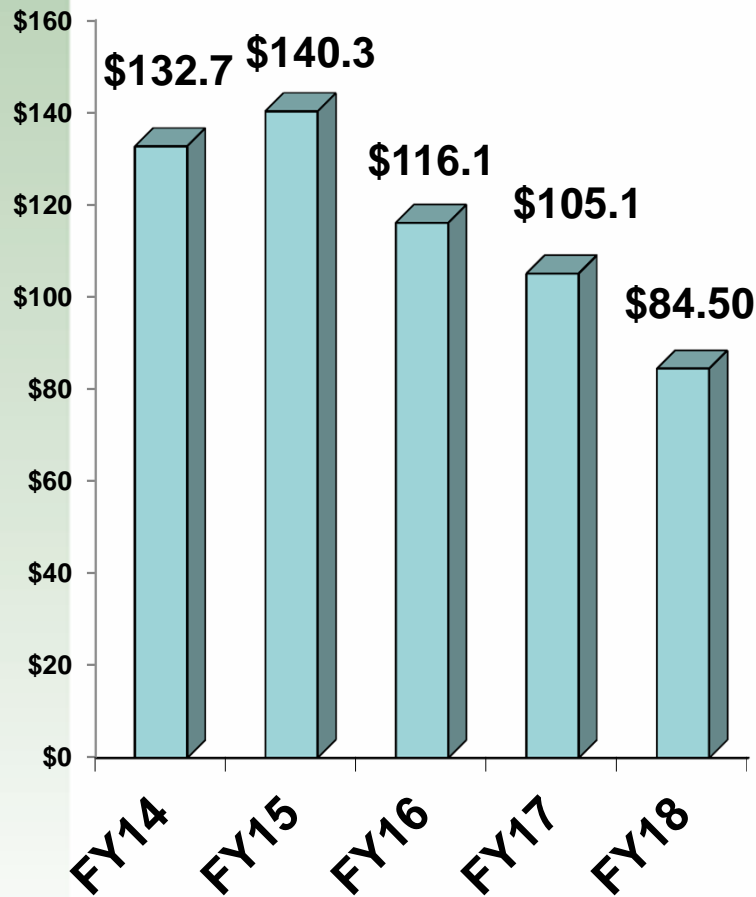
- \$1.8M increase (2%)
- 5<sup>th</sup> consecutive year over \$100M
- Continued commitment to improved pavement conditions
- Improves over 200 miles
- \$2.9M district leveling
- *RBA*: Pavements rated in poor condition have declined from 34 percent in 2009 to 14 percent in 2016 (goal = < 25)

# RBA - Pavement Conditions

**% Pavement Condition Over Time - Unweighted**



# Bridge Programs - \$84.5M



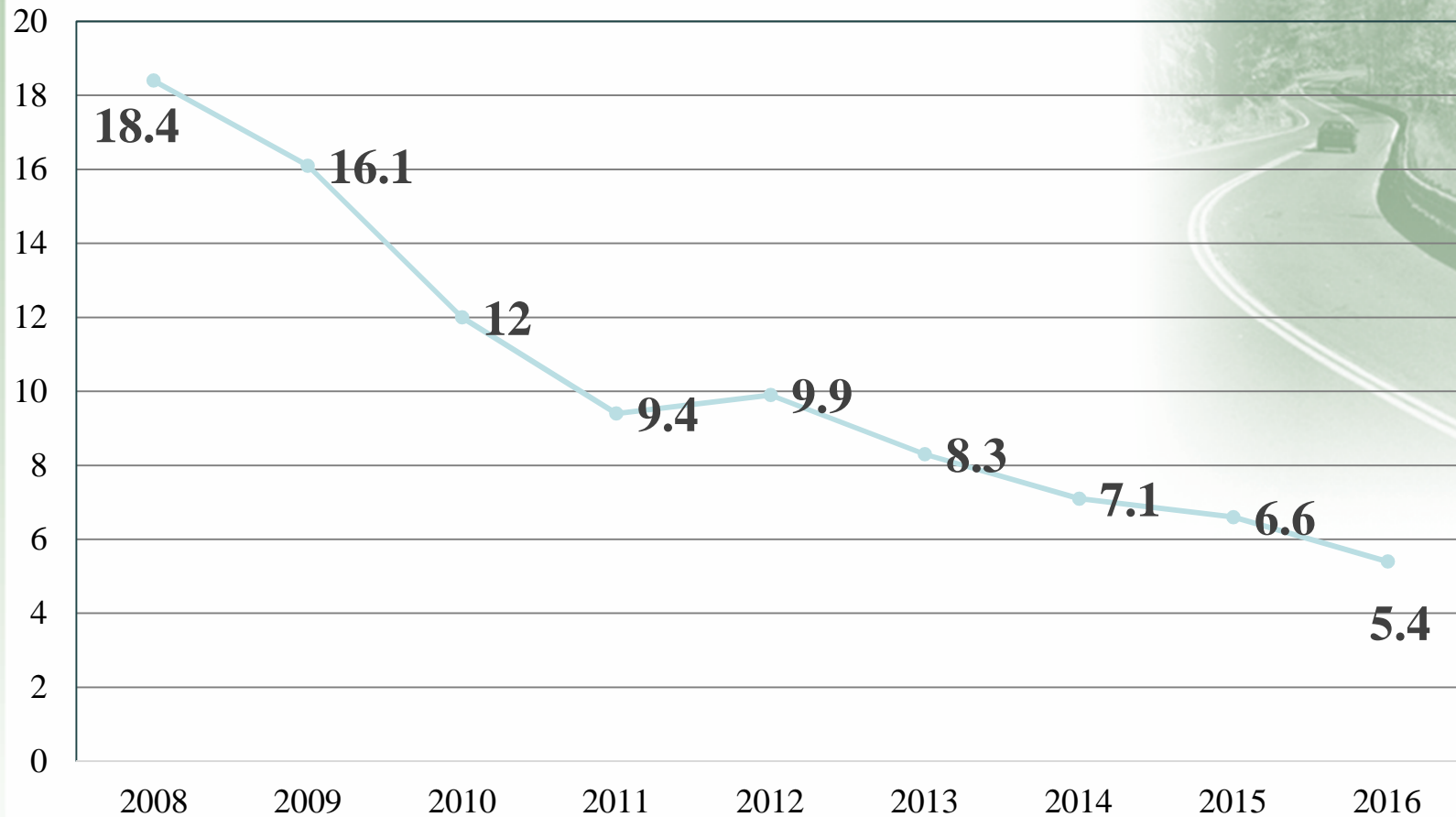
\$20.5M decrease (19%)

- Follows seven straight years over \$100M
- Reflects completion of several large Interstate projects
- Advances more than 100 structures
- Preventive maintenance on dozens of structures
- *RBA: Structurally Deficient Bridges*
  - In 2015 ranked 18<sup>th</sup> nationally (5.4%)
  - In 2008 ranked 45<sup>th</sup> nationally (16.1%)



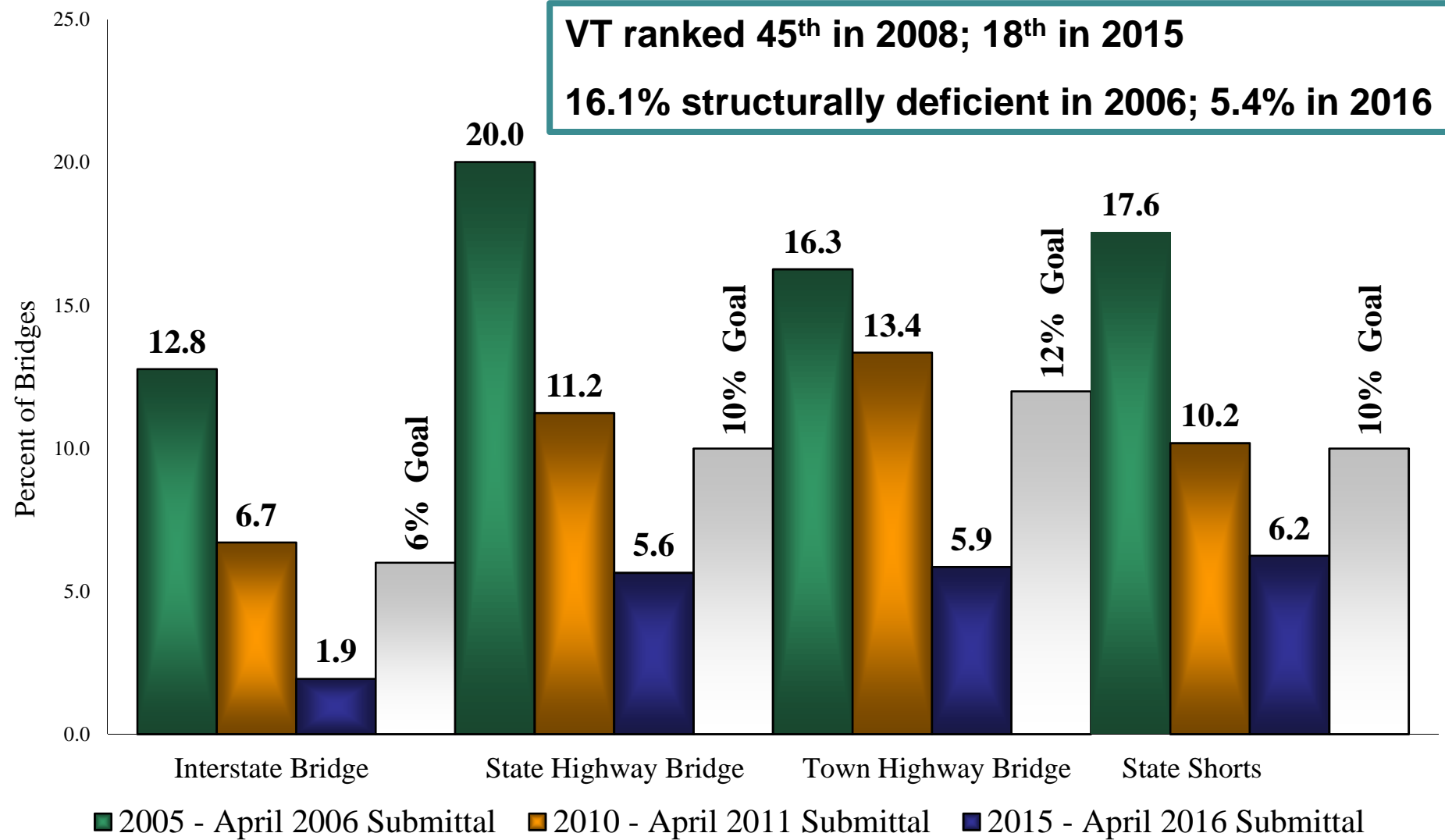
# RBA - Percent Structurally Deficient Bridges

Reduced from 18.4% in 2008 to 5.4% in 2016

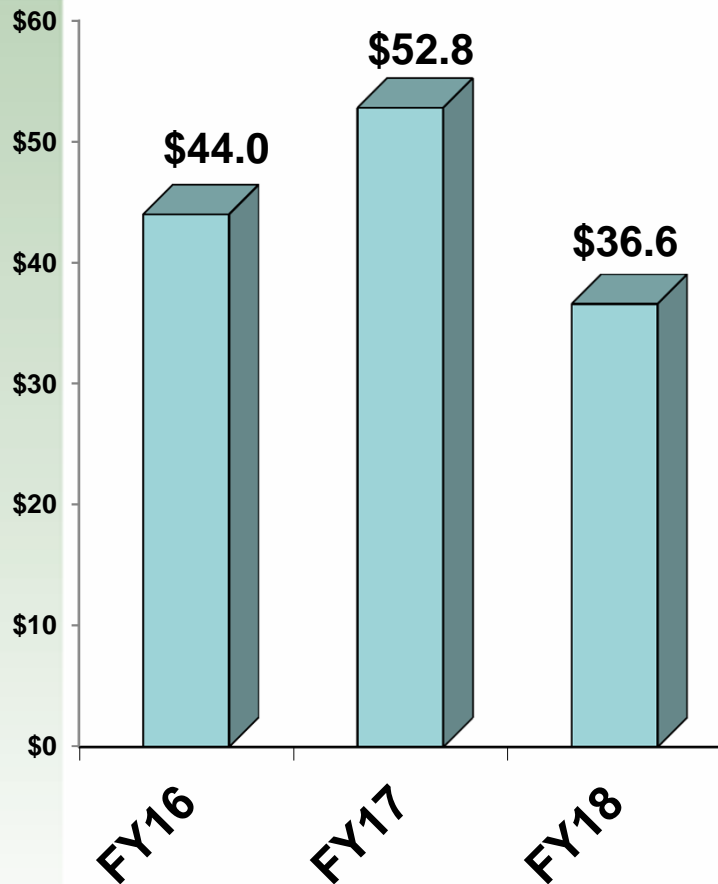




# RBA - Bridge Structural Deficiency



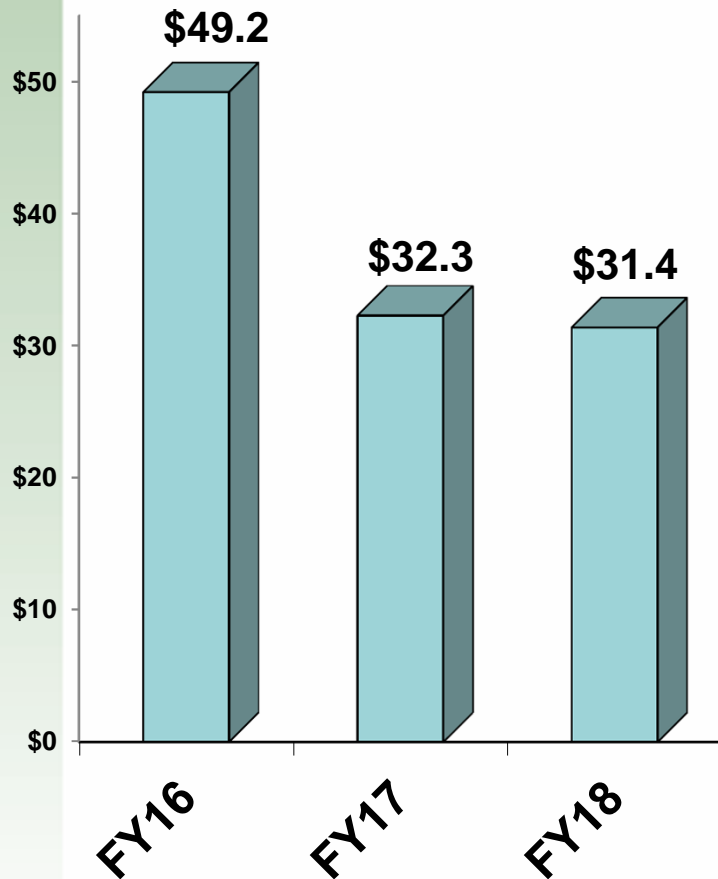
# Interstate Bridge - \$36.6M



- \$16.2M decrease (31%)
- Reflects completion of several large projects
- Construction or painting on 12 bridges
- *RBA*: Structural deficiency
  - 1.9 percent – goal is 6 percent
  - Down from 12.8 percent in 2006

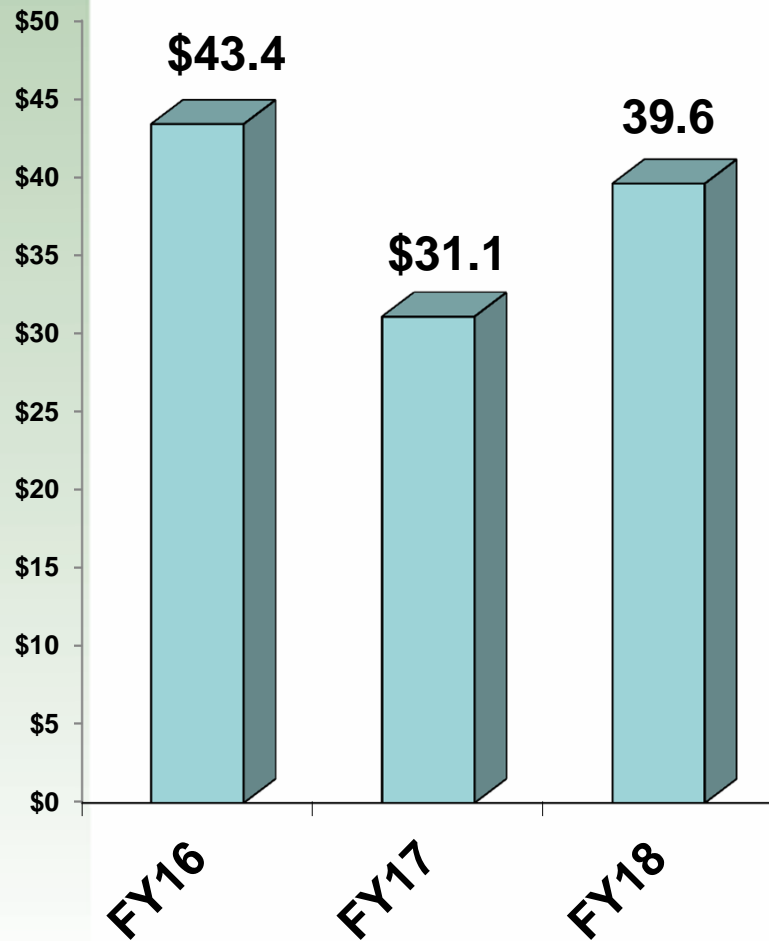


# State Bridge - \$31.4M



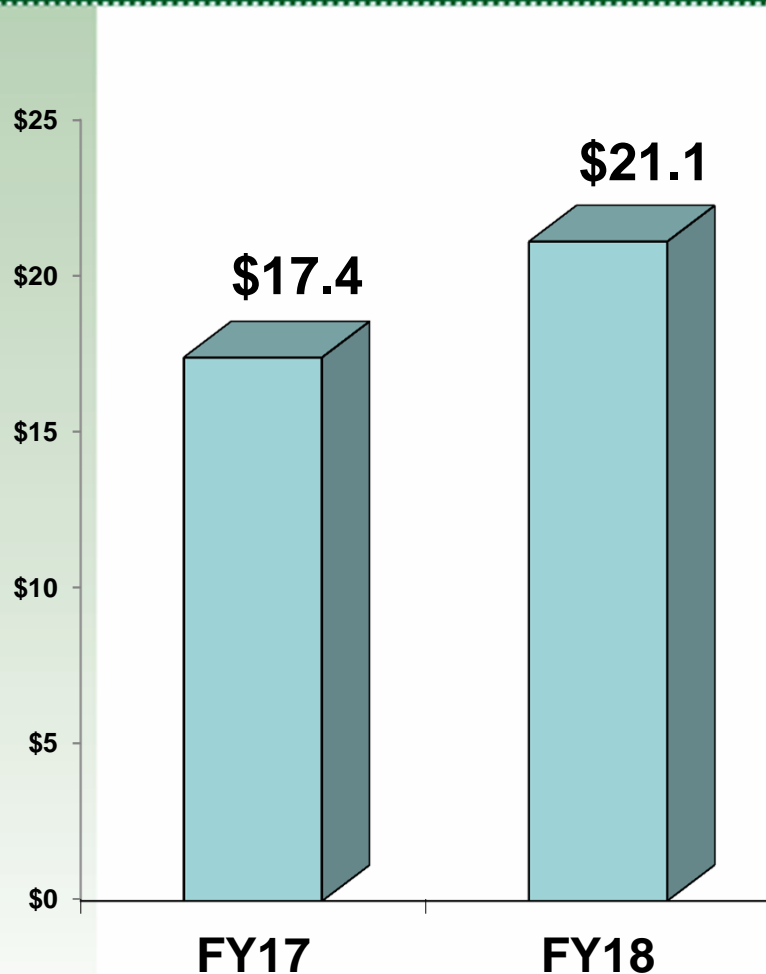
- \$848,000 decrease (2.6%)
- Construction on 24 bridges
- *RBA*: Structural deficiency
  - 5.6 percent – goal is 10 percent
  - Down from 20 percent in 2006

# Roadway Program – \$39.6M



- \$8.5M increase (27.3%)
- Major projects include:
  - Charlotte US 7
  - CIRC Alternatives
  - Essex Crescent Connector
  - Cabot-Danville US 2
  - South Burlington Market Street
  - Numerous culvert and slope projects to stabilize infrastructure and improve safety
- \$3.9M for Irene-related projects

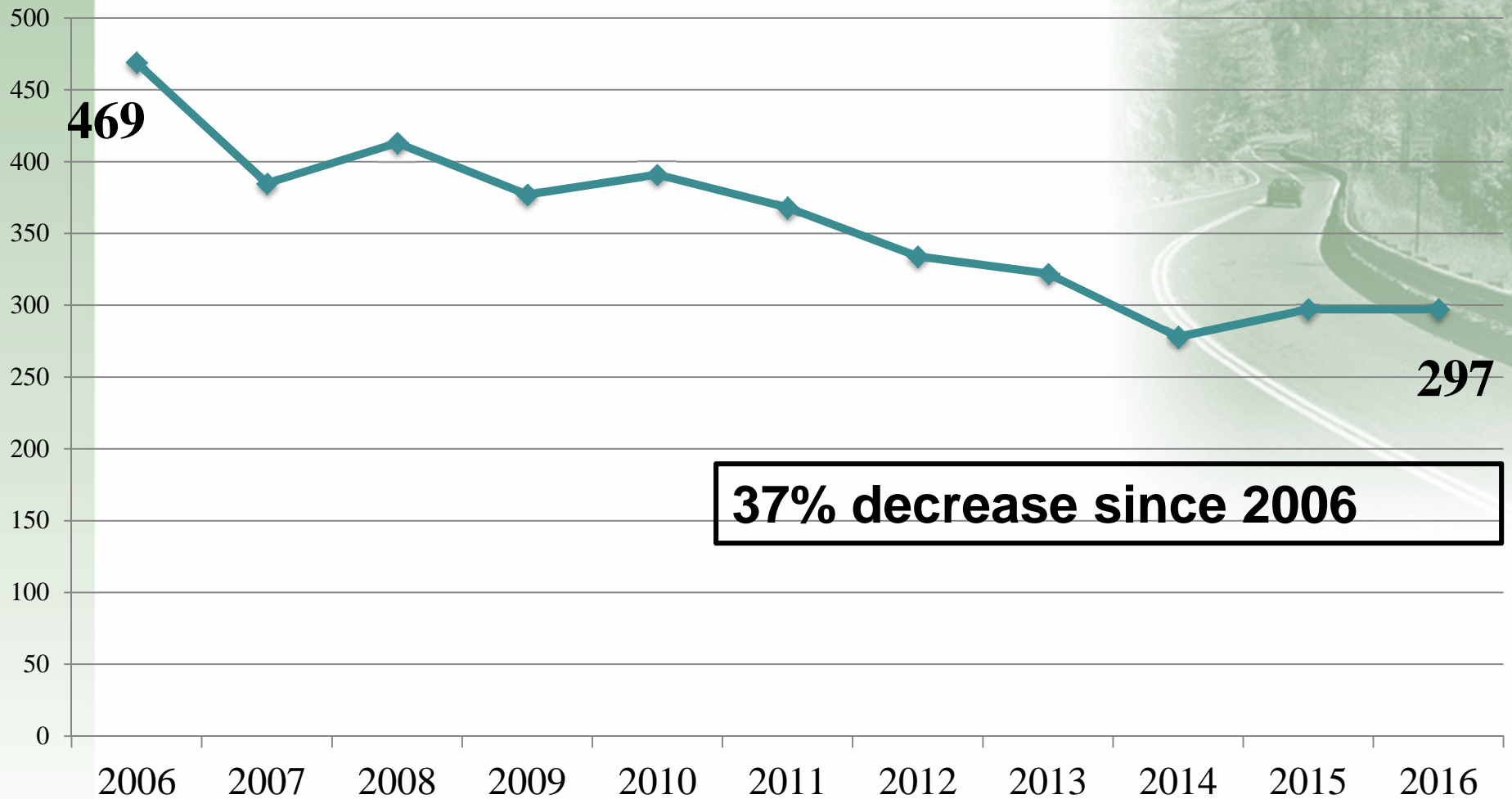
# Traffic & Safety - \$21.1M



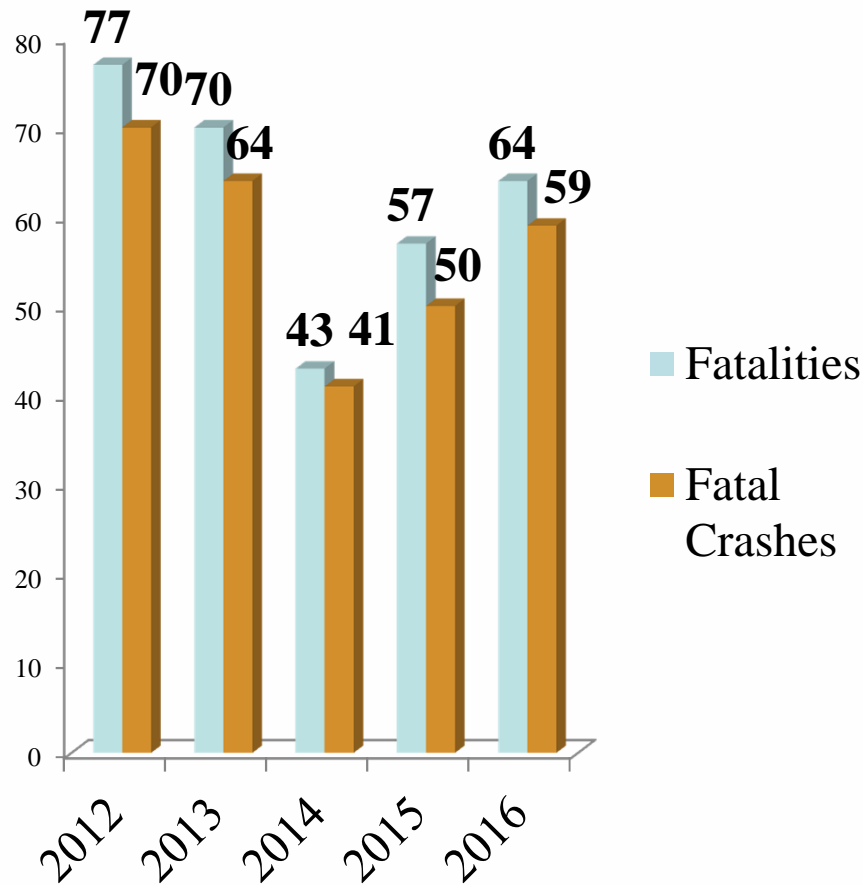
- \$3.7M increase (21.4%)
- Reflects ongoing commitment to this mission-critical program
- Major projects include:
  - Essex signals
  - Jericho left turn lane
  - I-91 signs Rockingham-Hartford
  - Williston-Essex adaptive signal control
  - Intersections, signs and markings, centerline rumble strips



# RBA - Major Crashes 2006-2016

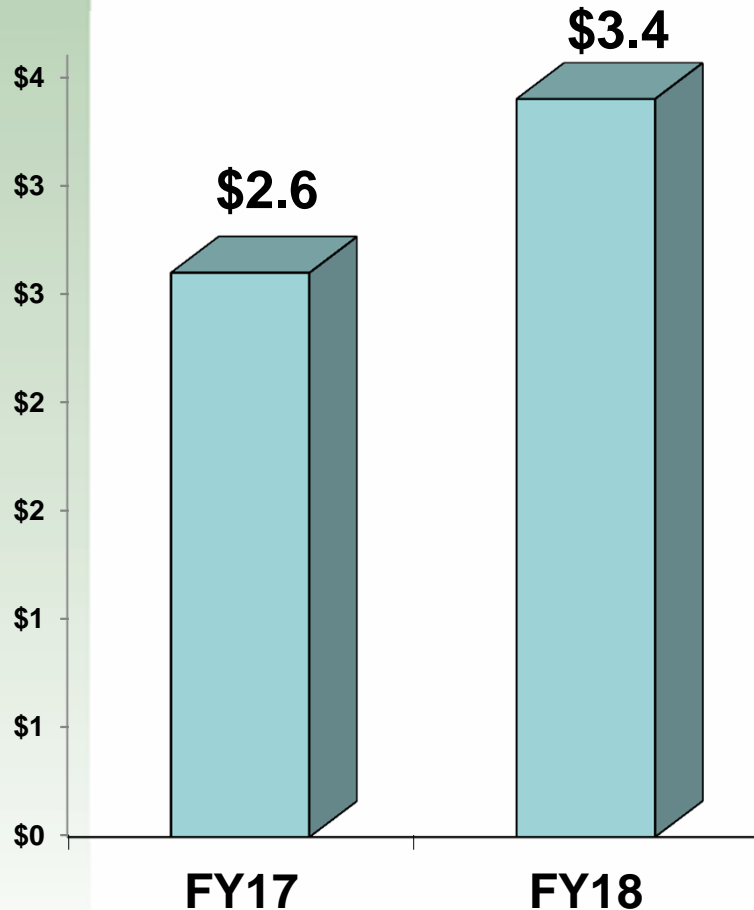


# RBA - Highway Fatalities



- Major Crashes – Results Based Accountability
  - Major crashes have declined by 25.7% since 2005
- 2016 fatal crashes increased by 9 from 50 to 59
- 2016 fatalities increased by 7 from 57 to 64
- 17% decrease (13) in fatalities from 2012
- 2014 was lowest fatalities since WWII

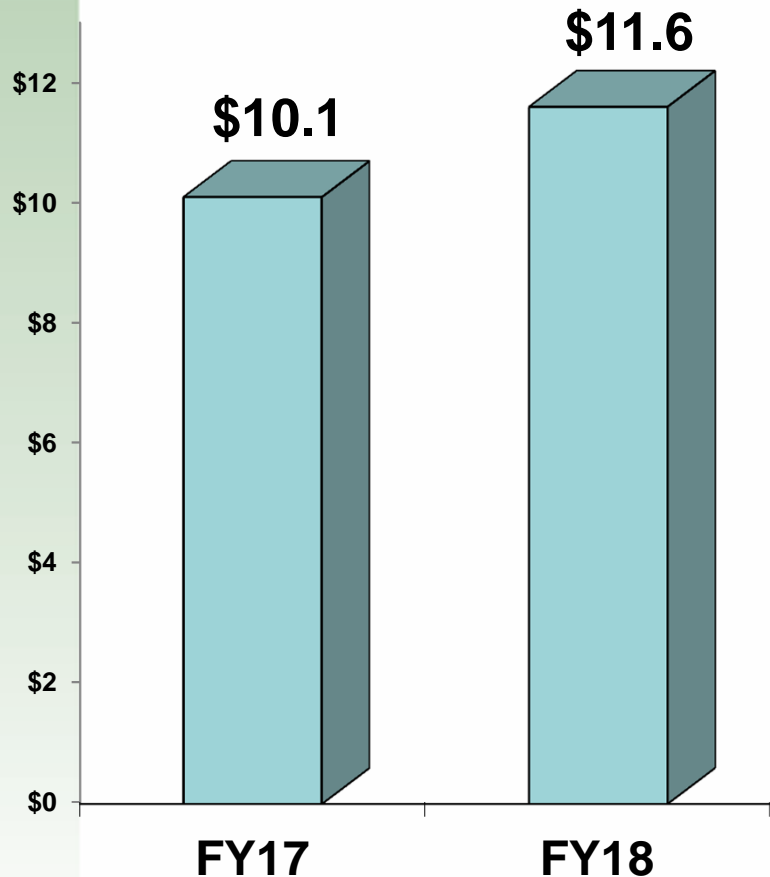
# Park & Ride Facilities - \$3.4M



- Increase of \$787,000 (30.2%)
- Enlarges or improves 5 existing facilities
  - Cambridge, Colchester, East Montpelier, St. Johnsbury, Williston
- Creates over 332 new spaces
- \$200,000 for Municipal Park & Ride Program
- Preliminary engineering for 8 projects



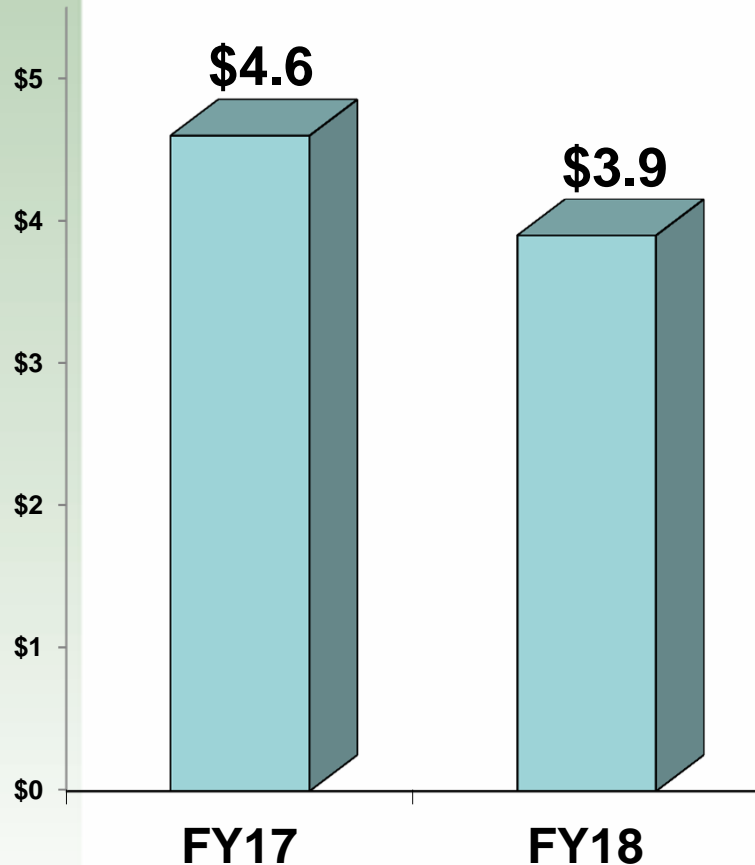
# Bicycle & Pedestrian Facilities - \$11.6M



- \$1.5M increase (15%)
- Reflects increased project activity from recent years' awards
- Funds construction on 41 projects
- \$300,000 for State-funded projects
  - No federal requirements saves \$
- 39 additional projects under development



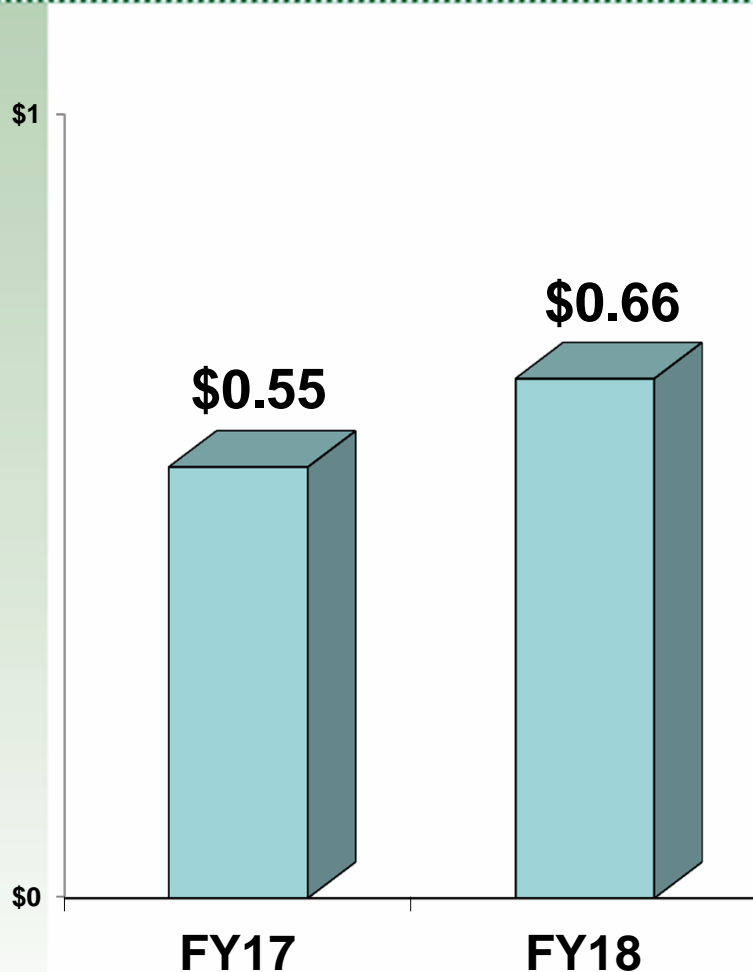
# Transportation Alternatives - \$3.9M



- \$680,000 decrease (15%)
- Funds all projects receiving grants that are ready to proceed
- 40 total projects funded
- Construction on 21 projects
- Entire \$2.2M annual funding will go to stormwater mitigation projects (double last year)
  - Clean Water Initiative

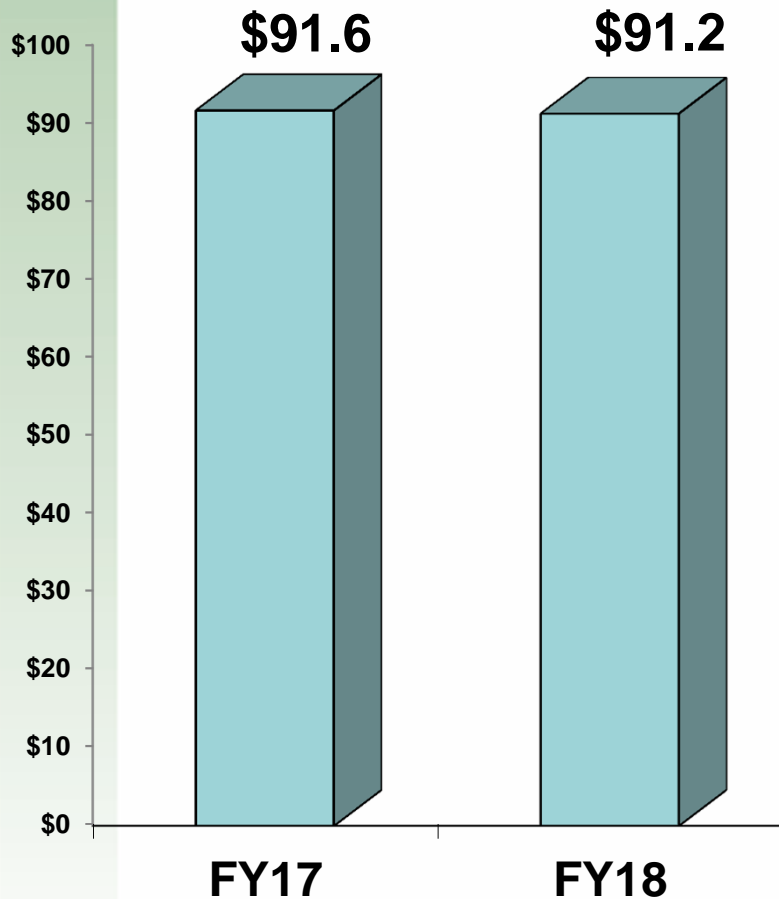


# Rest Areas - \$663,000



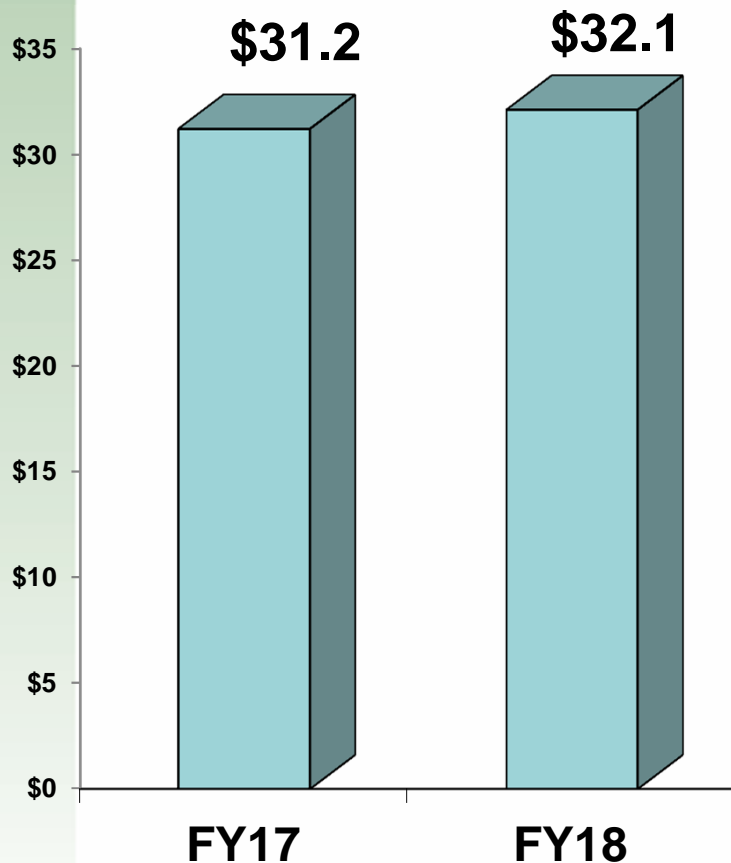
- \$113,000 increase (20%)
- No major construction projects funded
- Funds only major maintenance and repair projects
- Includes capital projects only
- Information center operating costs are budgeted by BGS

# Maintenance - \$91.2M



- \$310,000 decrease (0.3%)
  - State funding increase by \$650,000 due to costs of materials and equipment and personnel costs
  - Federal funding decreased by \$1.3M
- Continues focus on general maintenance, safety, preservation, and resilience – back to basics

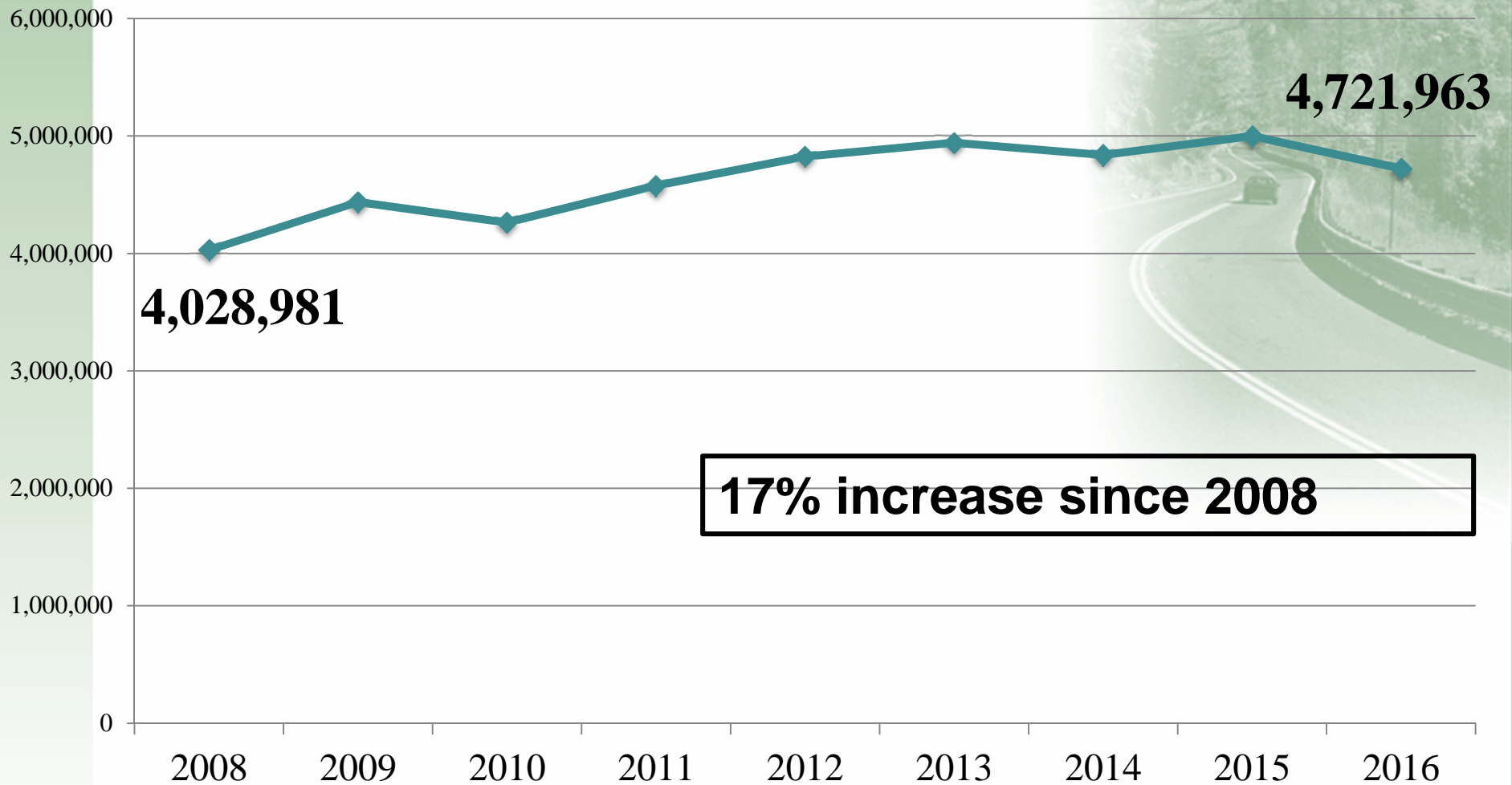
# Public Transit - \$32.1M



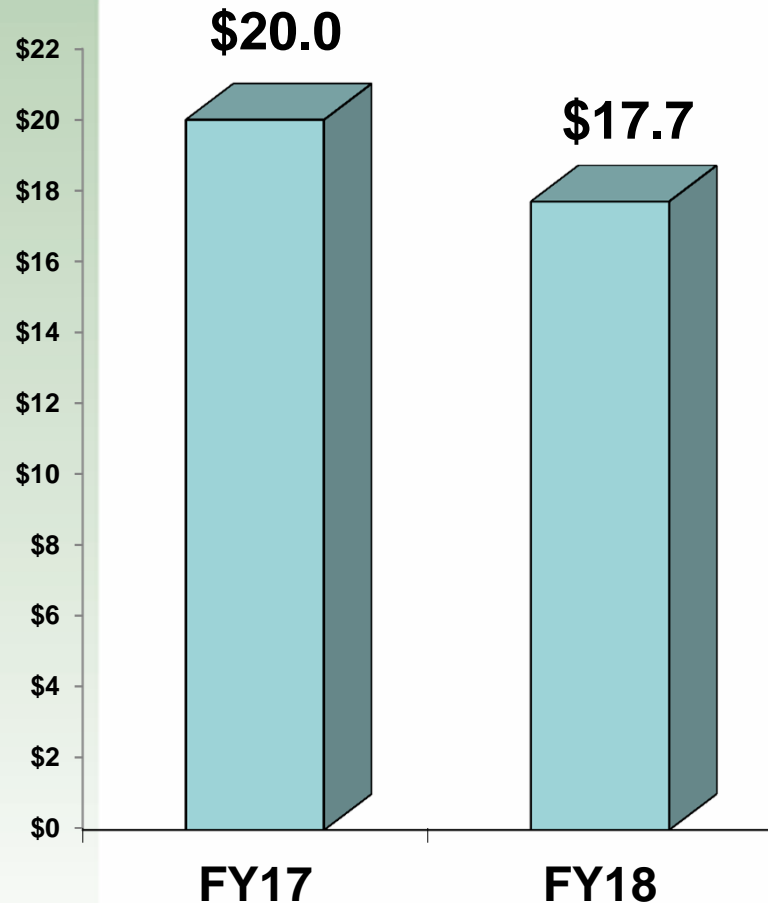
- \$1M increase (3%)
- Supports continued funding for bus purchases
- State-wide dispatching software
- Supports veterans' transit needs
- Automatic vehicle locating (AVL)
- Demand response ridership
- *RBA*: Annual ridership holding at just under 5 million - 17% increase from 2008



# RBA - Public Transit Ridership 2008-2016

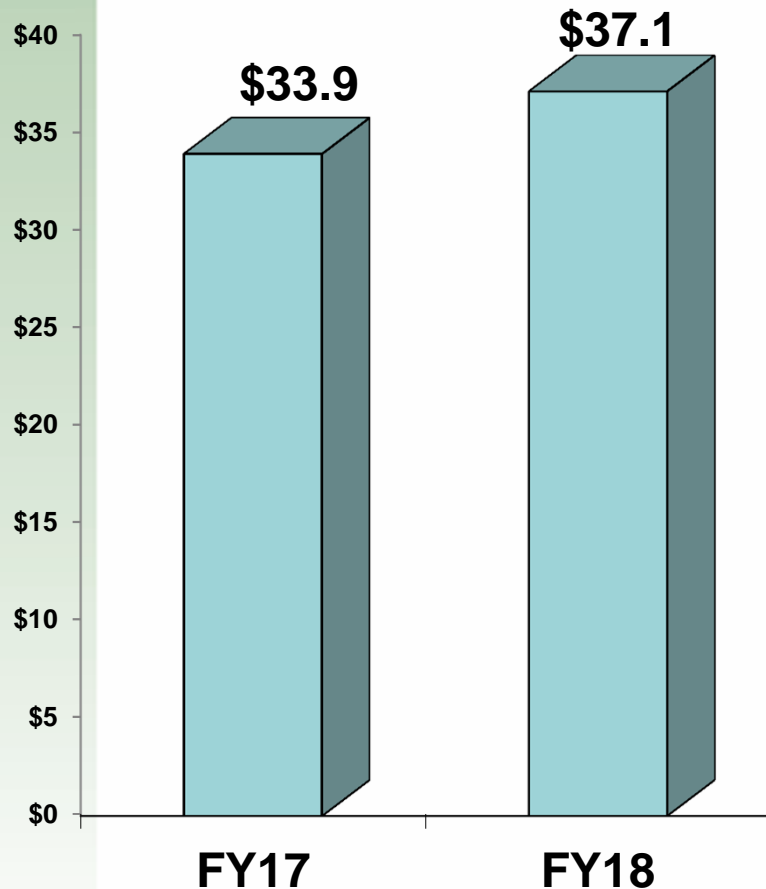


# Aviation - \$17.7M



- \$2.3M decrease (12%)
- Decrease is predominantly FAA project driven – AIP Program
  - \$1.3M decrease in FAA
  - State match is 10%
- Major construction projects:
  - Rutland
    - Corrects deficient runway safety area
  - Bennington
    - Runway safety and other improvements
  - Middlebury
    - Runway and taxiway extension

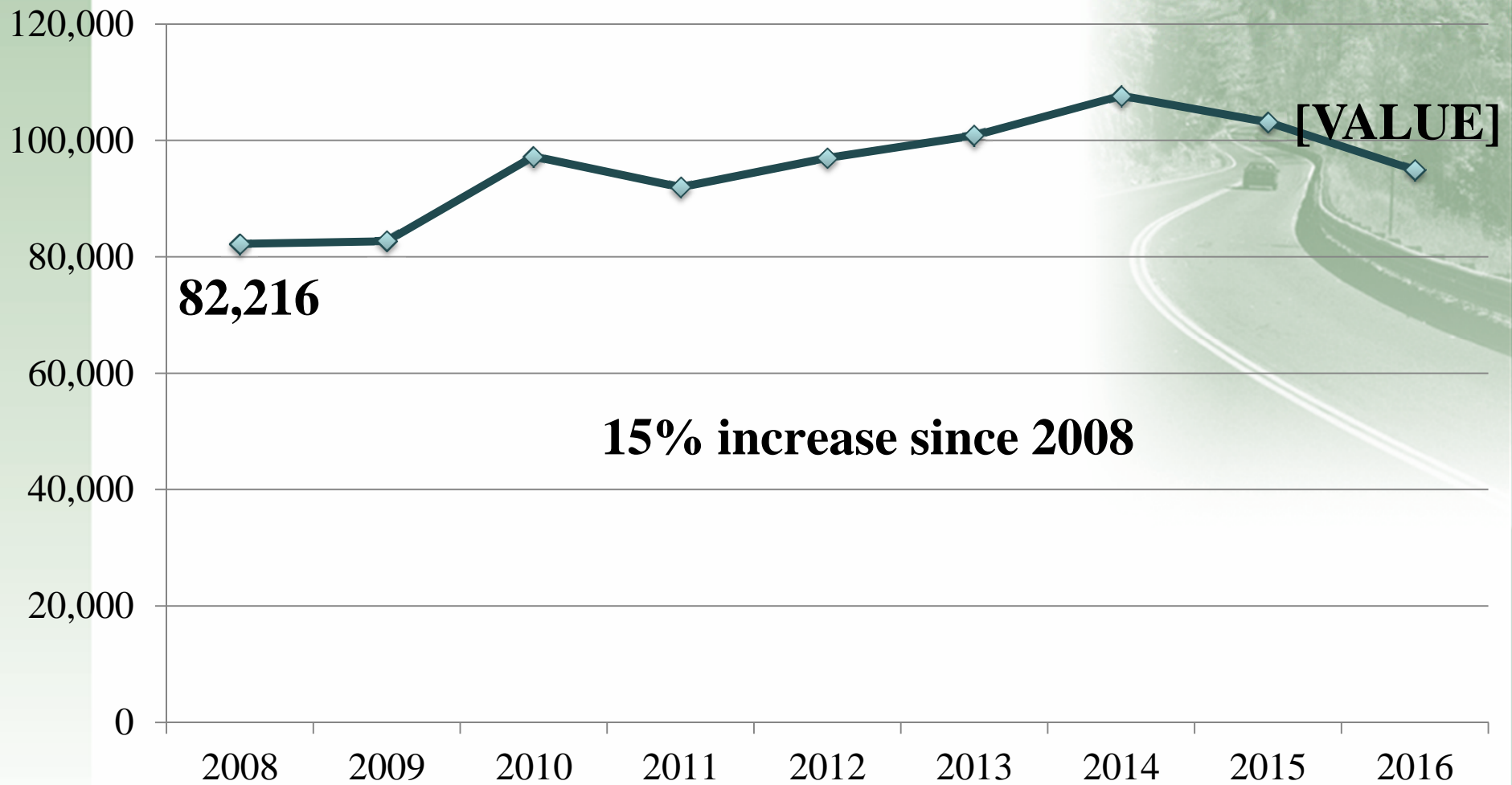
# Rail - \$37.1M



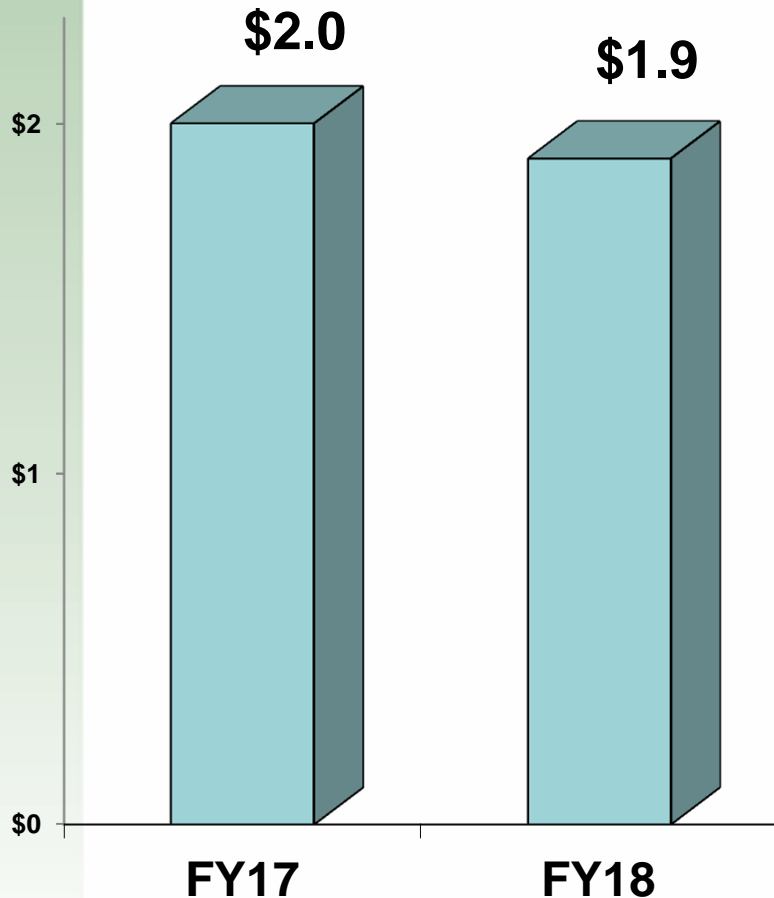
- \$3.1M increase (9.4%)
- \$13.7M in Western Corridor
  - \$7.7M track and bridge improvements
  - \$6M on 12 crossings
  - Advances TIGER VII grant work
- \$8.1M for continuation of Amtrak
- *RBA*: Annual rail ridership increased 15 percent since 2008
- Recently submitted application for FASTLANE discretionary grant
  - Rutland-Hoosick bridges



# RBA - Rail Ridership 2008-2016



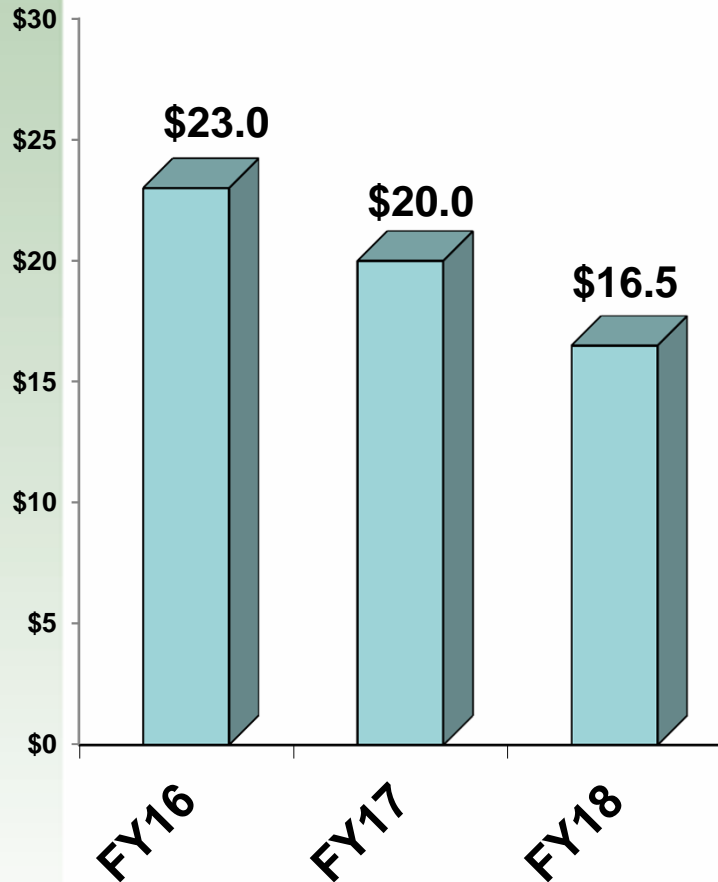
# Transportation Buildings - \$1.9M



- \$100,000 decrease
- White River Junction rehab
- Bradford salt shed
- East Dorset cold storage
- Rutland facility improvements
- Fuel tank installations, heating system replacements, brine-making facilities



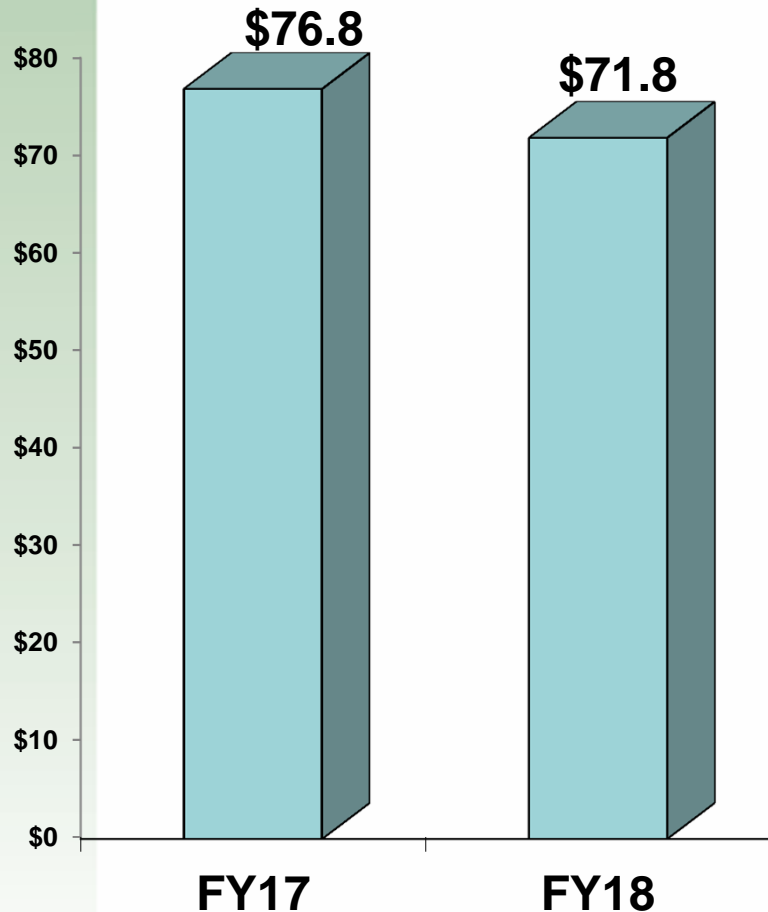
# Town Highway Bridge - \$16.5M



- \$3.5M decrease (17.5%)
- Construction on 19 bridges
- Funds additional 10 projects under development
- *RBA*: Structural deficiency
  - 5.9 percent – goal is 12 percent
  - Down from 16.3 percent in 2006



# Town Highway Programs - \$71.8M



- \$5M decrease (6.5%)
  - Decrease of \$3.5M in TH Bridge
  - Decrease of \$400,000 in TH Class 2
    - Funds are redirected to Municipal Mitigation Assistance – Clean Water Initiative
  - Increase of \$5.3M in Municipal Mitigation Assistance related to Clean Water Initiative
  - Decrease of \$5.3M in FEMA Public Assistance Program related to Irene

# 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 non-federal disasters (not FEMA eligible)
- \$180,000 for TH federal disasters
  - FHWA – Emergency Relief – reflects ongoing disaster projects
- \$26M for Town Highway Aid (formula)
- Increase of \$5.3M (182%) in Municipal Mitigation Assistance Program (Clean Water Initiative)
  - Increase is \$5.2M FHWA funds and \$400,000 Transportation Fund
  - In addition, Transportation Alternatives Program now sets aside entire \$2.2M for stormwater improvement projects
  - This is alternative to Treasurer’s Clean Water Report which recommended \$5M of TIB Fund

?

