



VERMONT  
AGENCY OF TRANSPORTATION

FY2019 Budget

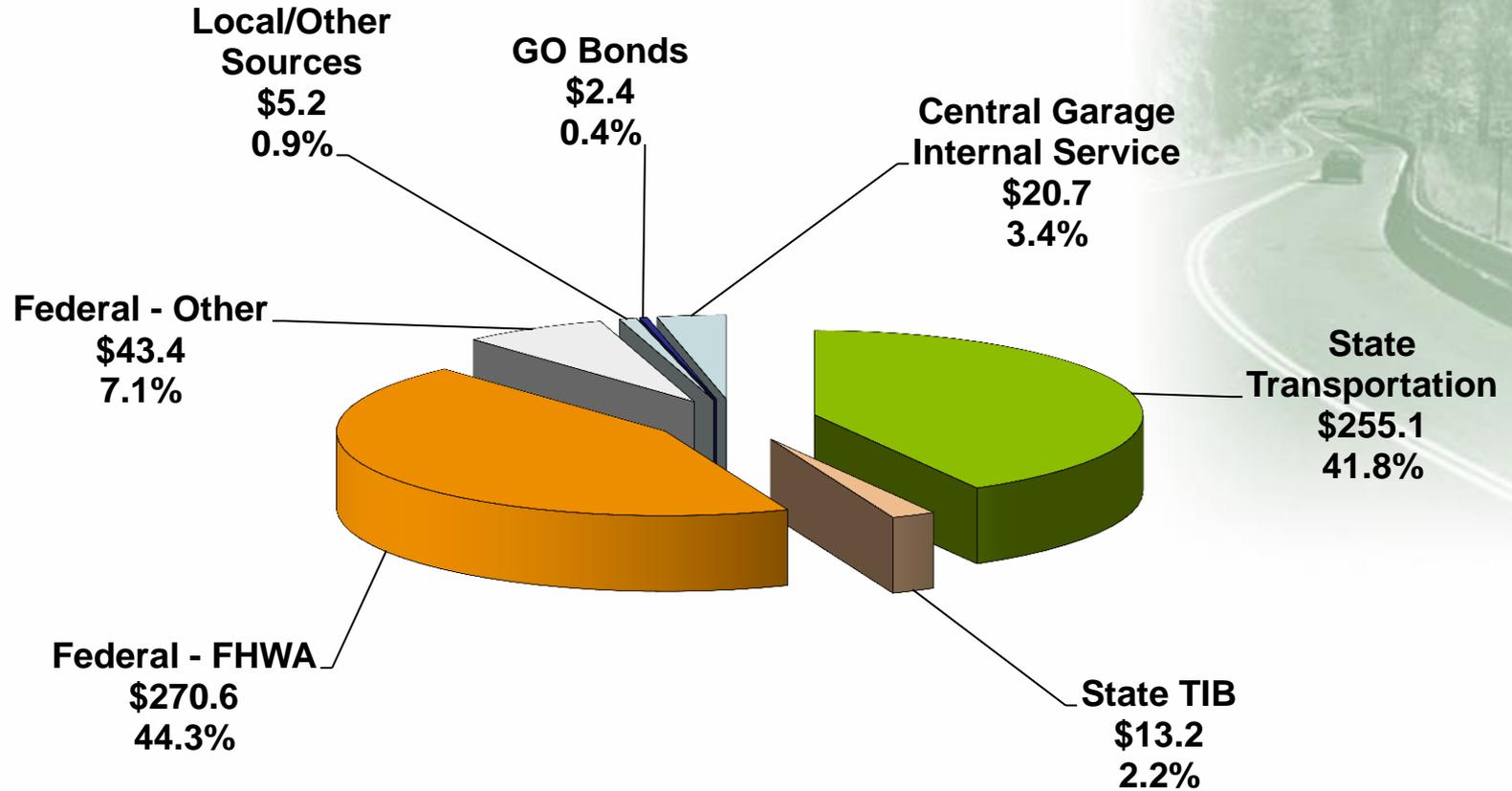
*Joe Flynn, Secretary of Transportation*



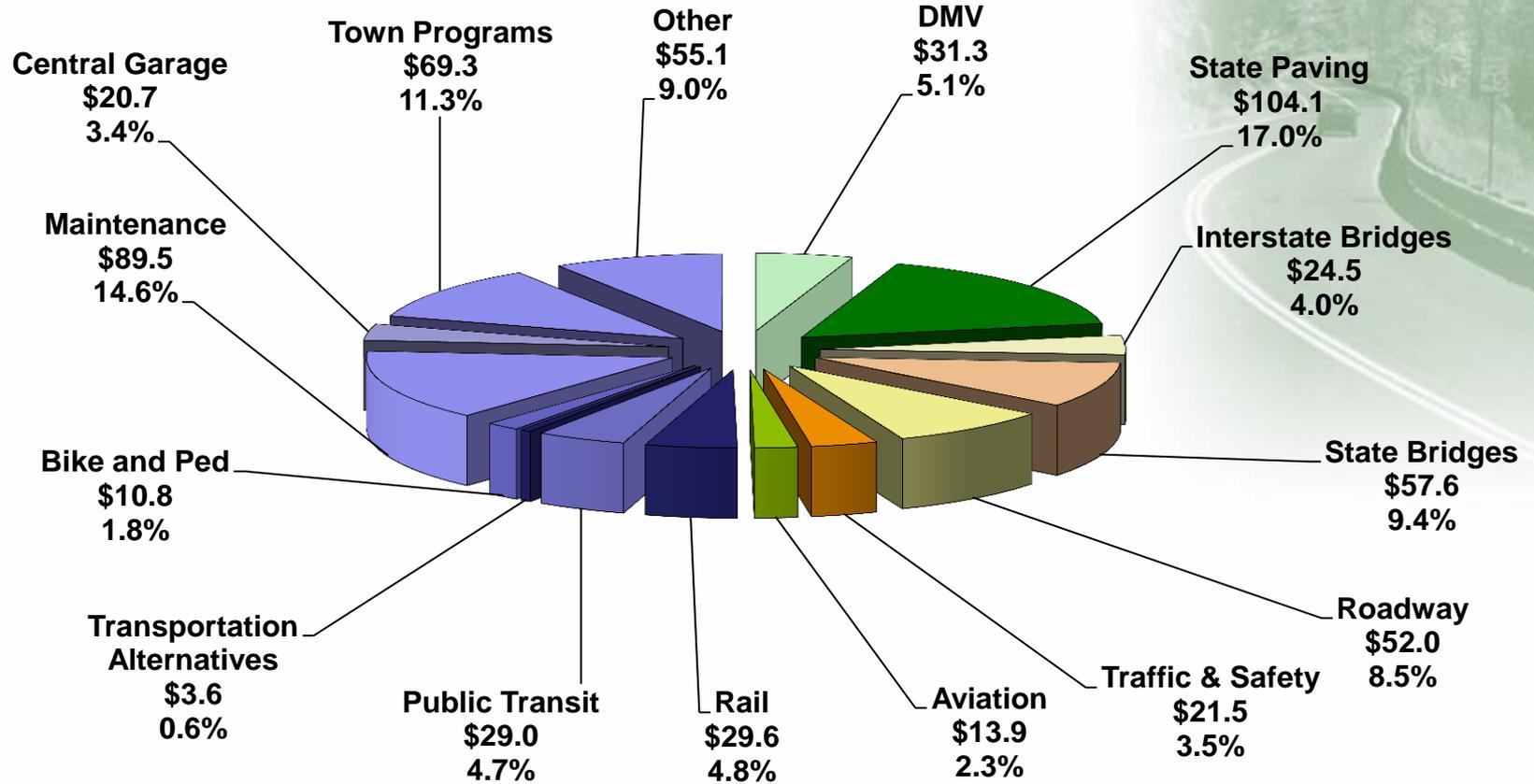
# FY2019 Budget Overview

<b>Fund Source</b>	<b>FY 2018 AS PASSED</b>	<b>FY 2019 DRAFT</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
<b>STATE (TFund)</b>	<b>249,382,048</b>	<b>255,072,742</b>	<b>5,690,694</b>	<b>2.3%</b>
<b>FEDERAL</b>	<b>325,648,972</b>	<b>316,517,135</b>	<b>(9,131,837)</b>	<b>(2.8%)</b>
<b>LOCAL/OTHER</b>	<b>5,819,776</b>	<b>4,604,357</b>	<b>(1,215,419)</b>	<b>(21%)</b>
<b>TIB FUND</b>	<b>12,195,312</b>	<b>13,202,337</b>	<b>1,007,025</b>	<b>8.3%</b>
<b>GO BONDS</b>	<b>1,400,000</b>	<b>2,400,000</b>	<b>1,000,000</b>	<b>71%</b>
<b>CENTRAL GARAGE FUND</b>	<b>20,054,911</b>	<b>20,648,524</b>	<b>629,613</b>	<b>3.1%</b>
<b>TOTAL</b>	<b>614,501,019</b>	<b>612,481,095</b>	<b>(2,019,924)</b>	<b>(0.3%)</b>

## Funding Sources - FY2019 Transportation Program \$612.5M Total



## FY2019 Transportation Program Expenditure Plan \$612.5M Total



# Six Year Budget History



# Grow Vermont's Economy

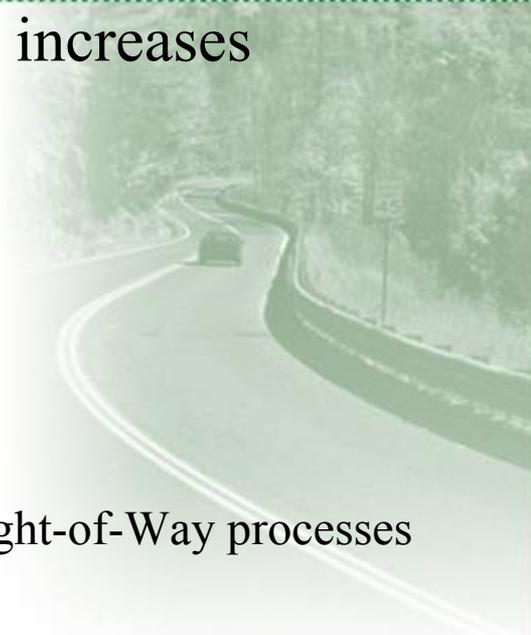
- Vermont's economy relies on a multi-modal transportation system in good repair
- \$612M budget supports thousands of jobs
- \$12.4M investment in western corridor rail
- \$30M for Airport improvements
  - Includes FAA direct funding to Burlington International Airport
- Additional \$13.5M investment in protecting Lake Champlain and other waterways – 2<sup>nd</sup> year of two-year plan
- Includes funding for several projects to improve downtowns
- Funds several CIRC Alternatives projects

# Protecting Vulnerable Populations Providing Transportation Choices

- \$29M in Public Transit
  - Excludes FTA direct to Green Mountain Transportation Authority
- \$14M for Aviation
  - Excludes FAA direct to Burlington International and their local match
- \$30M for Rail
- \$3.8M for Park & Rides
- \$10.8M for Bicycle and Pedestrian facilities

# Making Vermont Affordable

- Includes no proposed bonding, fee or revenue increases
  - Budget balanced to January consensus forecast
- Performance Section
  - Lean and process improvements
  - Performance monitoring and reporting
  - Business Process Management
    - Improvements to Construction Final Close-out and Right-of-Way processes
- Asset Management
  - 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)
  - Revising project prioritization methodology



# Environmental Stewardship Clean Water Initiative

- Second year of two-year program FY2018 – FY2019
- \$13.5M over two years
- \$1.1M additional Transportation Alternatives (TA) funding redirected to Municipal stormwater grants annually
  - Entire \$2.2M TA Program now dedicated to clean water
- Funds directed to Municipal Mitigation Assistance
  - \$5.4M in FHWA formula funds in FY2018 and FY2019
  - \$2.4M in Capital Bill (Bonds)
  - \$1.2M Transportation Funds

# 2019 Budget – State Funds (TF)

- Total of \$255.1M
- Includes no proposed bonding, fee or revenue increases
- Increase of \$5.7M over FY2018 As Passed
- Assumes \$4M new revenue from lease of Highway Right of Way
  - Option signed by TDI-NE for New England Power Link Electric transmission line
- Transportation Fund forecast increase of \$3.4M over FY2018 (January 2018 forecast)
  - Note that additional forecast changes occurred since budget was passed.

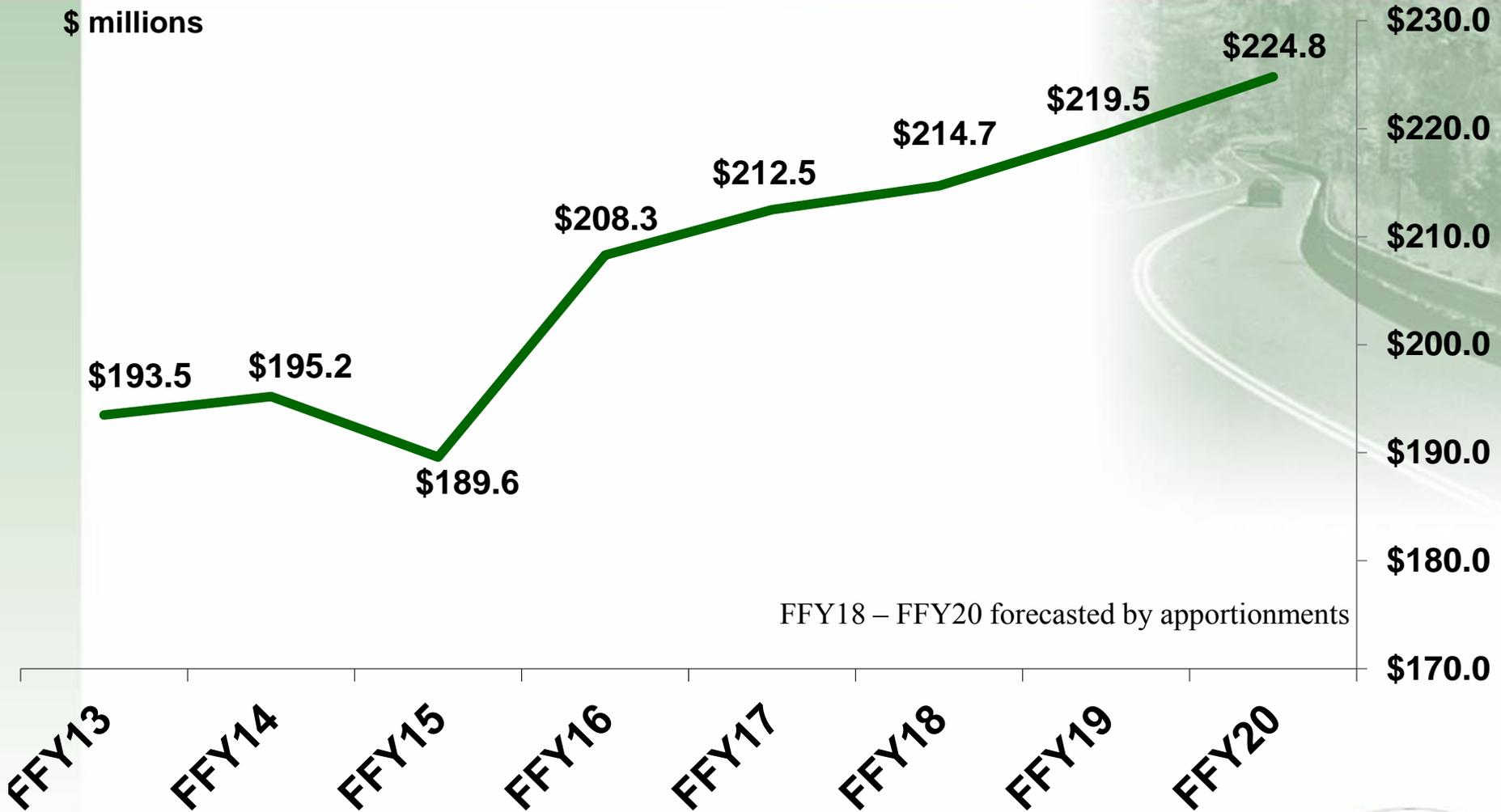
- Total of \$13.2M
- Increase of \$1M over FY18 As Passed
- Transportation Fund forecast increase of \$800K over FY2018 (January forecast)

# Federal Funding

- Fixing America's Surface Transportation Act – FAST Act has increased annual FHWA funding by approximately \$20M over previous levels through FFY2020
- VTrans continues to benefit from Federal competitive grants
  - USDOT TIGER grants for western corridor rail projects ongoing
    - TIGER V - \$9M Federal funds
    - TIGER VII - \$10M Federal funds
  - Applications have been submitted for Rail TIGER and INFRA grants
    - TIGER IX – Connecticut River – 21 bridges
    - INFRA – VT Railway – 15 bridges
  - FTA transit discretionary grants – clean diesel and electric buses
  - FAA Aviation Airport Improvement Program (AIP)

# FHWA Funds History

\$ millions



FFY18 – FFY20 forecasted by apportionments

- Infrastructure for Rebuilding America (INFRA)
  - \$750M to \$1B available annually.
  - INFRA is authorized in the FAST Act annually for three more years.
  - VT has potential for a \$61M award (total \$102M package of projects)
    - \$61M INFRA; \$20M FHWA formula; \$20M State match
  - Our goal is to position for a large project (\$102M total) award

- Transportation Investment Generating Economic Recovery (TIGER)
- Accelerated Innovating Deployment (AID)
- Advanced Transportation and Congestion Management Technologies Deployment
- Consolidated Rail Infrastructure and Safety Improvements
- Federal/State Partnership for State of Good Repair
- Restoration and Enhancement of Rail Services
- Transit Bus and Bus Facilities

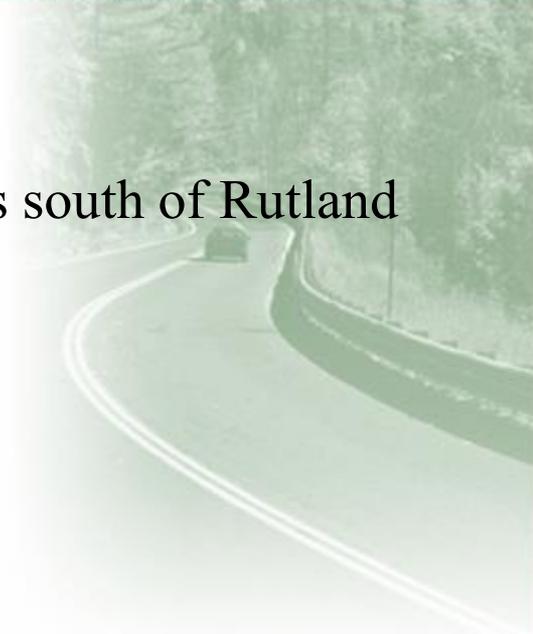
**VTrans evaluates all opportunities for potential applications**

# Federal Infrastructure Bill

- There is momentum in Congress to unveil a National Infrastructure Plan (\$300B to \$1T).
- May result in one of the largest investments ever made in Vermont's transportation infrastructure, and last for several construction seasons.
- **Not known what, if any, matching funds will be required.**
- **VTrans is not positioned to provide match for competitive grant programs or an infrastructure stimulus without additional revenues or potentially bonding.**

# Rail Grants – Applications Submitted

- INFRA Grant
  - Western Corridor (Vermont Railway): 15 bridges south of Rutland
  - \$12.2M total grant
  - \$4.4M State match required
- TIGER IX Grant
  - Connecticut River line: 21 bridges
  - \$12.3M total grant
  - \$2.5M State match required
- Match not identified in FY2019 budget



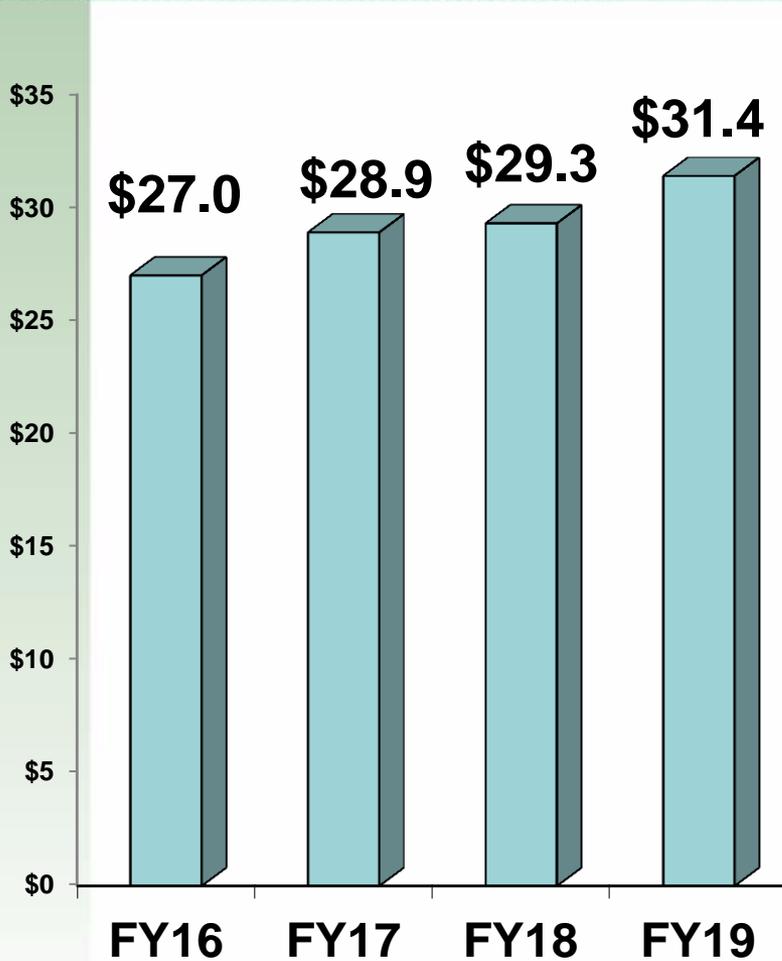
- Propose language in TBill “encouraging” VTrans to apply for INFRA grant for package of projects on I-89 corridor
  - Improves bridges and culverts
  - Accelerates several projects already in Transportation Program
  - Allows FHWA formula funds to be redirected to other programs/projects
- Propose language for *contingent* match alternative
- Total Project (I-89 corridor) = \$102M
  - INFRA grant (60%) = \$61.2M (large project threshold)
  - FHWA Formula funds = \$20.4M (can fund up to 80% of total)
  - State funds (contingent) = \$20.4M (minimum of 20% of total)
  - Proposed contingent match source is TIB Bonding
- Grant would provide \$61.2M of *additional* Federal funds

# Positioning for an INFRA Grant

- VTrans proposes to gain Legislative support for an application for I-89 Corridor Project(s)
  - To include authority for revenue source or to issue TIB bonds if grant is awarded
  - Legislative support and identified match fund source (language in TBill) will strengthen the application
- A \$61M federal grant award in the INFRA Program requires a \$102M total application (60/40 program)
- The \$41M match provided from two sources:
  - \$20.5M State funds and \$20.5M annual FHWA formula funds

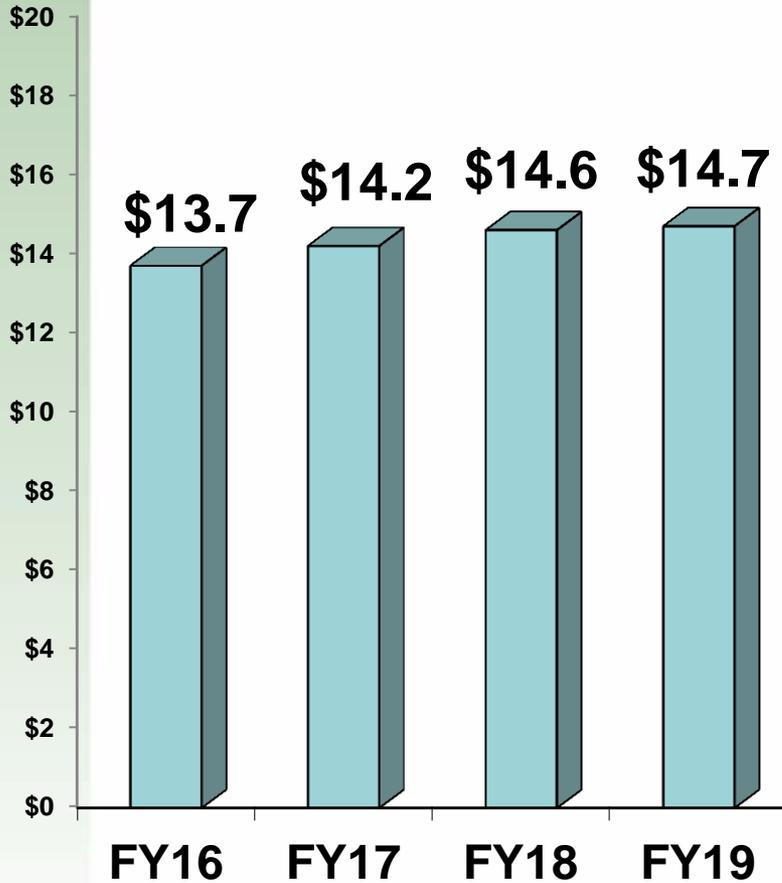
- Propose language to authorize VTrans to fund already approved projects in Transportation Program with infrastructure bill funds.
  - State match for projects, if needed, is already budgeted.
  - Additional State match for “redirected” federal formula funds will be needed.
  - Revenue package can be prepared for next session if bill is passed and additional funding is needed.

# Dept. of Motor Vehicles - \$31.4M



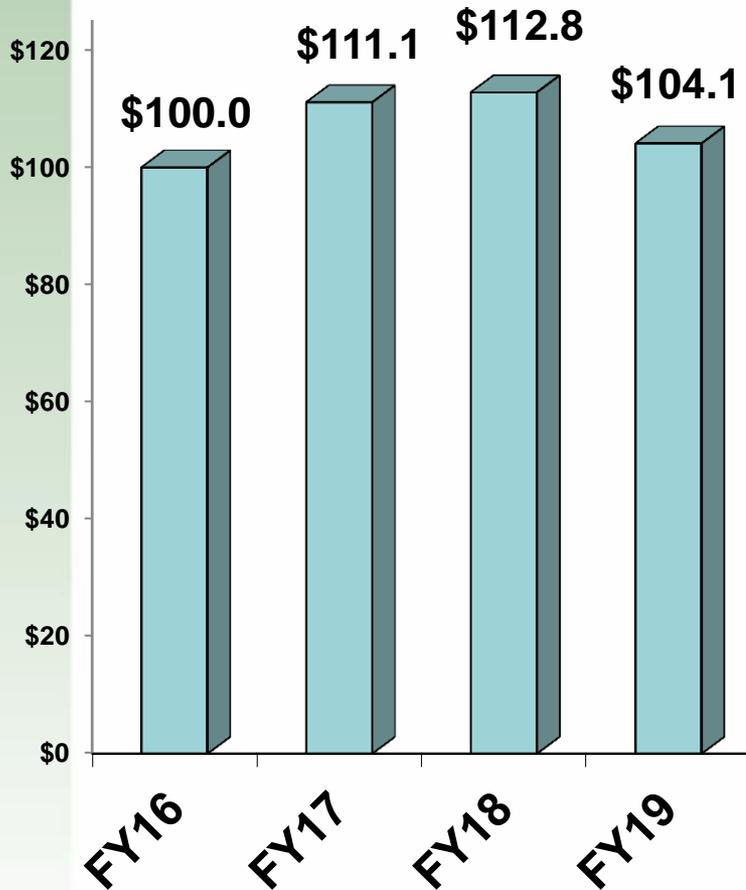
- Increase of \$2.1M (7%)
- DMV will collect an estimated \$334M in taxes and fees in FY2019
- 87% of customers served in less than 30 minutes in FY2017
- Over 400,000 branch office transactions
- Over 176,000 mail transactions
- 1,525,890 visits to DMV website
  - Internet transactions increased 2.7%
  - Over 306,000 forms downloaded
- Increase driven by:
  - \$300K impact for credit card fees
  - \$200K impact for 1 license plate
  - ADS staff costs now allocated by appropriation staff counts
  - Includes \$1.65M for IT projects

# Finance & Administration - \$14.7M



- Increase of \$30K (0.2%)
- Performance Section consolidated
- Business Offices consolidated
- Training Center

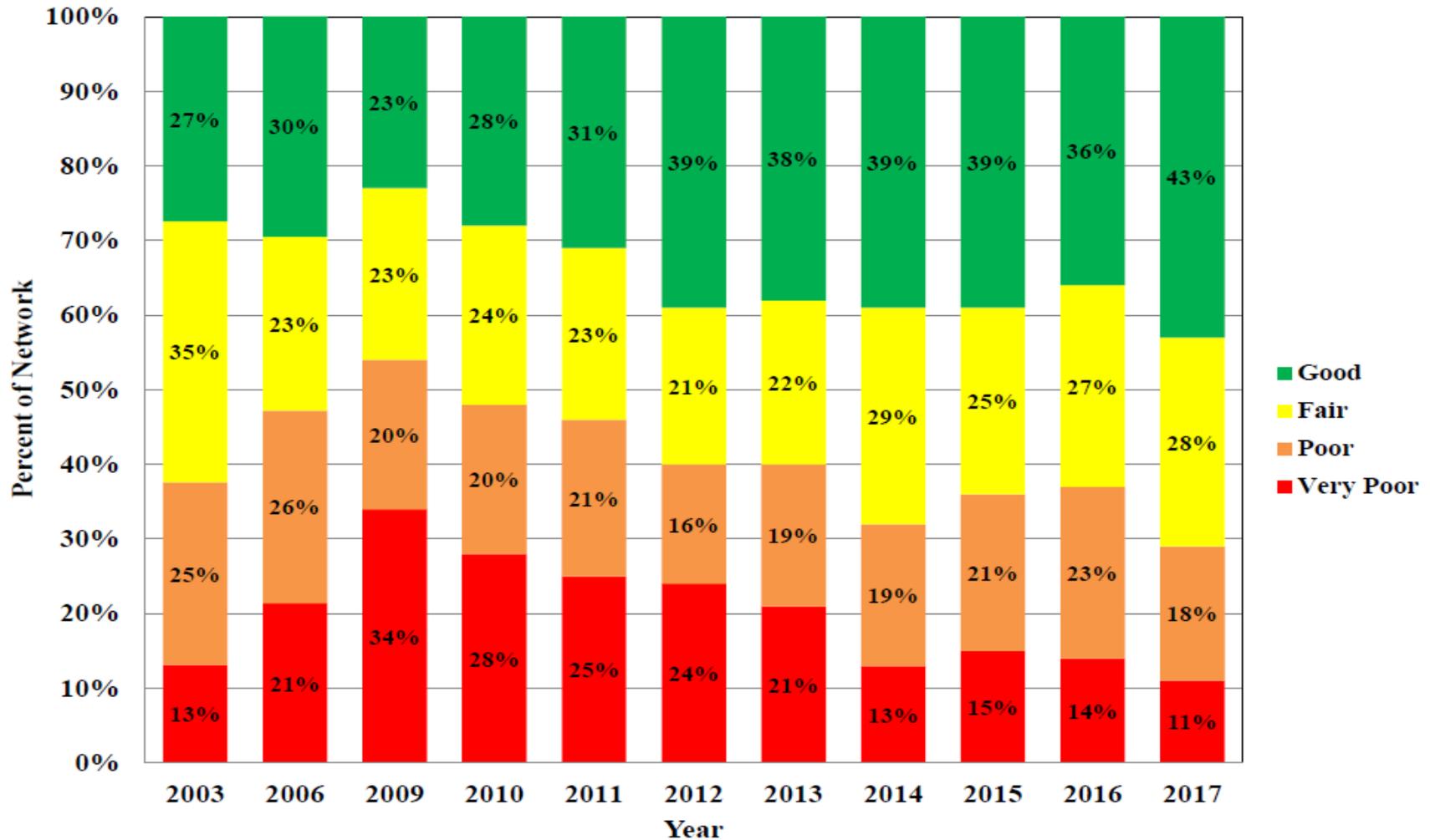
# Paving - \$104.1M



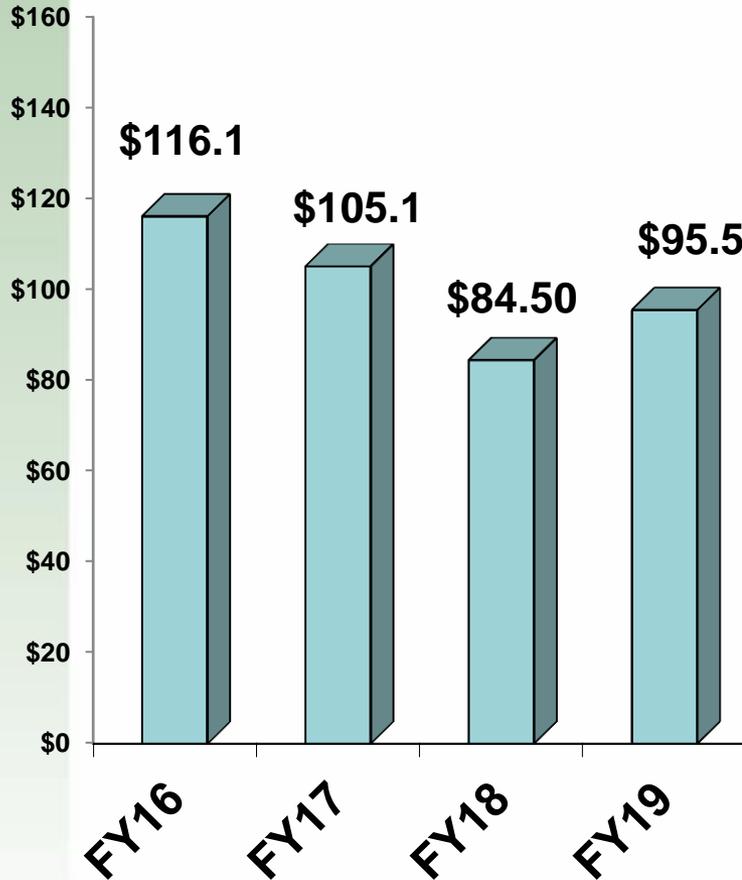
- \$8.7M decrease (-7.7%)
- 6<sup>th</sup> consecutive year over \$100M
- \$3.3M district leveling
  - Up from \$2.9M in FY18
- Continued commitment to improved pavement conditions
- *RBA*: Pavements rated in very poor condition have declined from 36% in 2008 to 11 percent in 2017 (goal = < 25)
- Paved 229 miles in 2017
  - 4% increase over 2016

# RBA - Pavement Conditions

**Historic Pavement Condition Distribution - Unweighted**



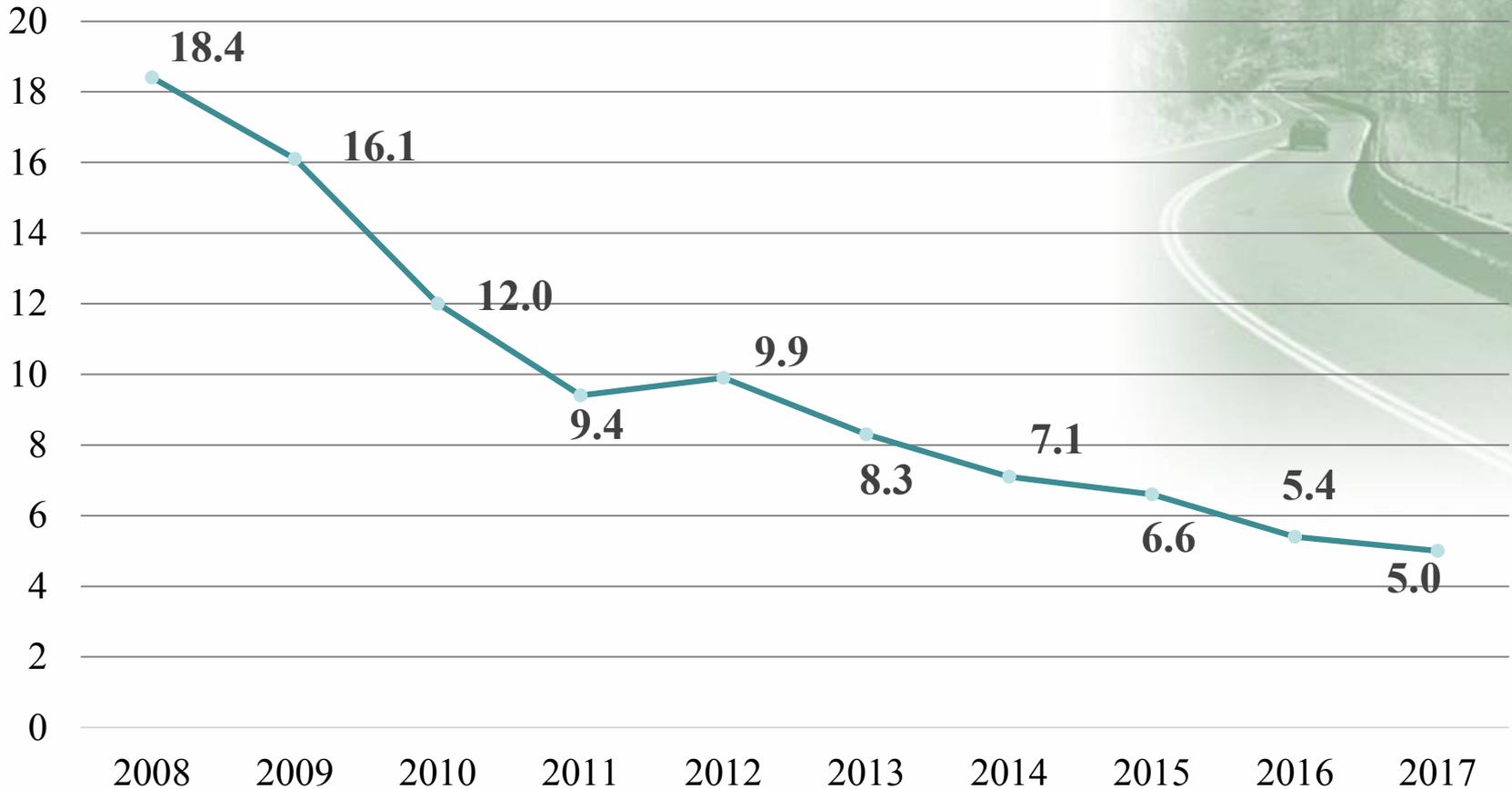
# Bridge Programs - \$95.5M



- \$11M increase (13%)
  - Interstate Bridge
    - Decrease of \$12.1M (-33%)
    - Reflects completion of several large Interstate projects
  - State Bridge
    - Increase of \$26M (83%)
    - Middlebury (\$21M)
    - N Hero-Grand Isle (\$13M)
  - Town Highway Bridge
    - Decrease of \$3.2M (-19%)
- *RBA*: Structurally Deficient Bridges
  - In 2016 ranked 13<sup>th</sup> nationally (5.2%)
  - In 2008 ranked 45<sup>th</sup> nationally (18.4%)

# RBA - Percent of Structurally Deficient Bridges

Declined from 18.4% in 2008 to 5% in 2016

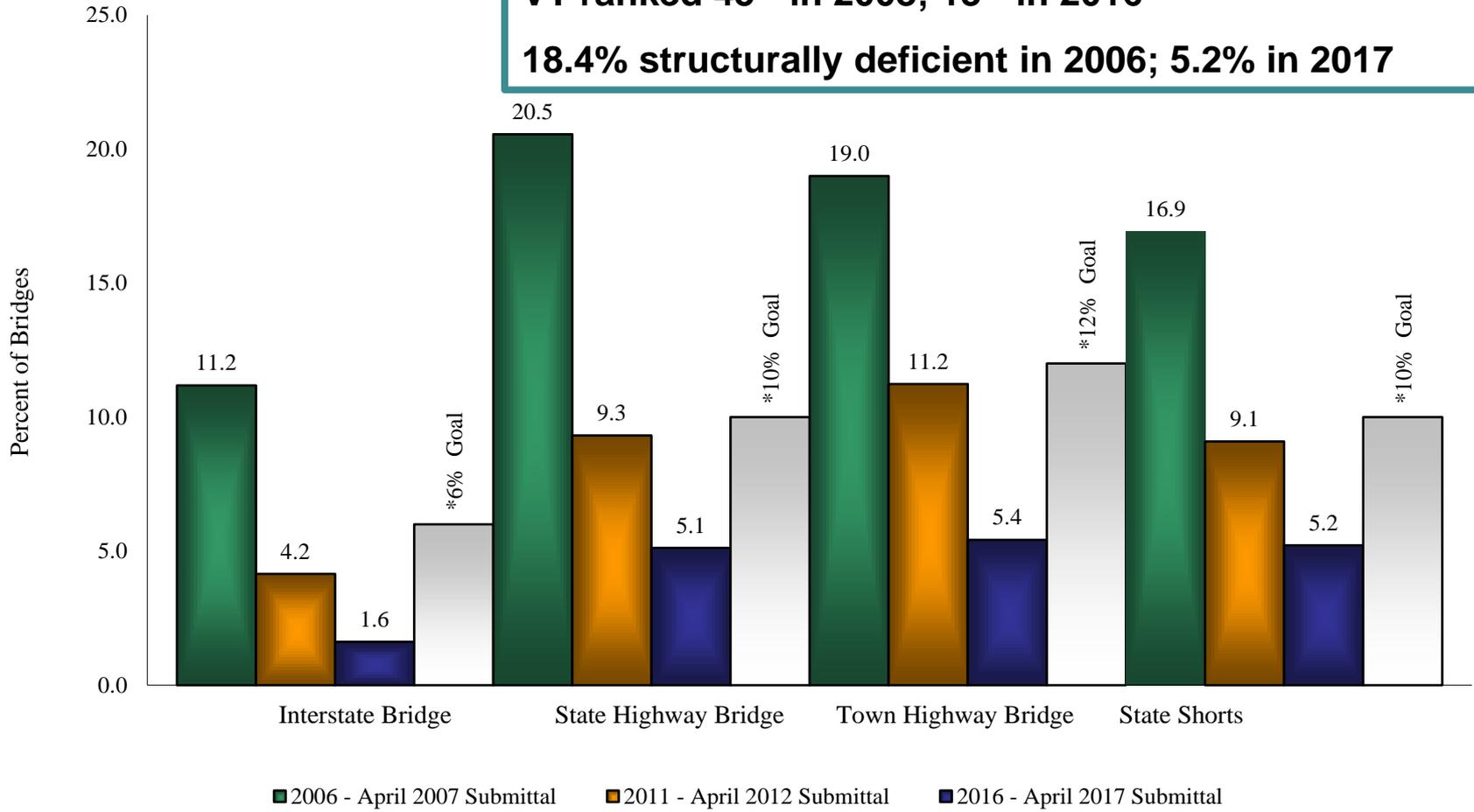


31 Bridges under construction in 2017 – the same number of bridges as constructed in 2016

# RBA - Bridge Structural Deficiency

**VT ranked 45<sup>th</sup> in 2008; 13<sup>th</sup> in 2016**

**18.4% structurally deficient in 2006; 5.2% in 2017**

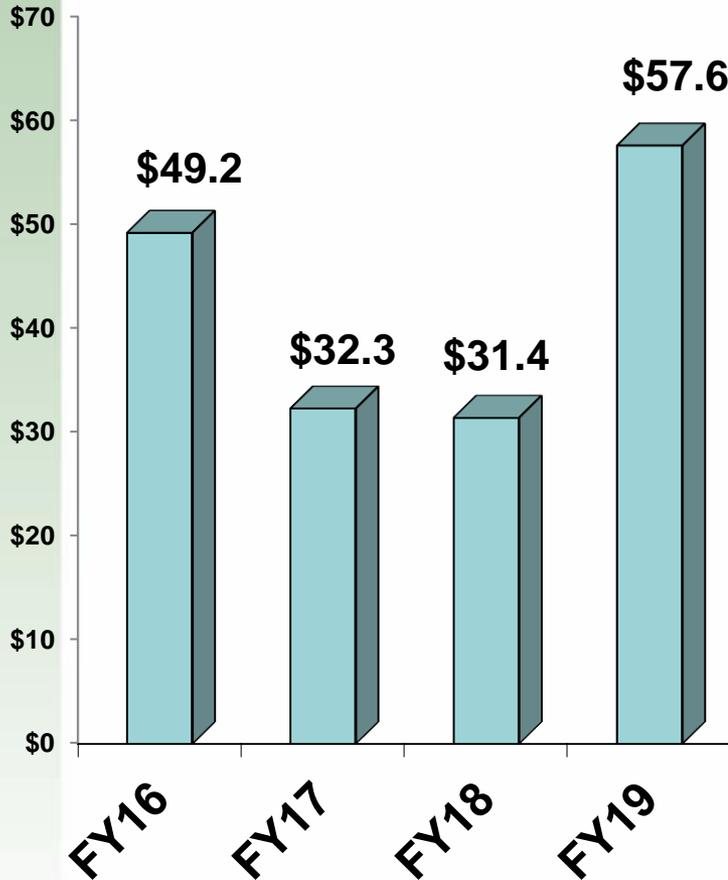


# Interstate Bridge - \$24.5M



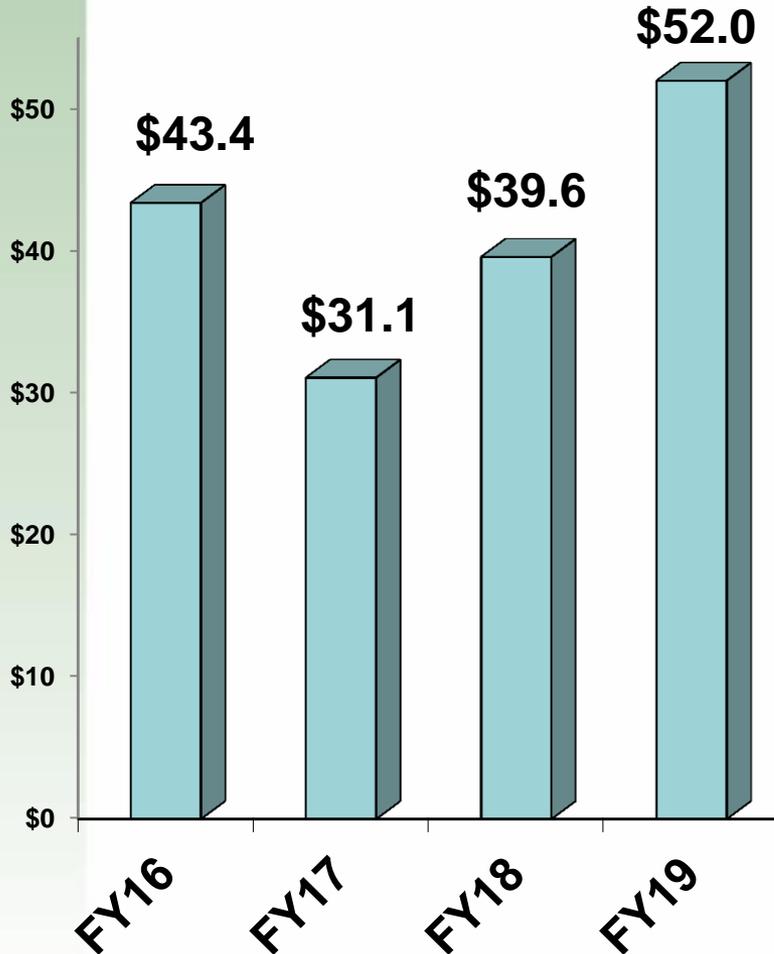
- \$12.1M decrease (-33%)
- Reflects completion of several large projects
- *RBA*: Structural deficiency
  - 1.6% – goal is 6%
  - Down from 11.2% in 2007

# State Bridge - \$57.6M



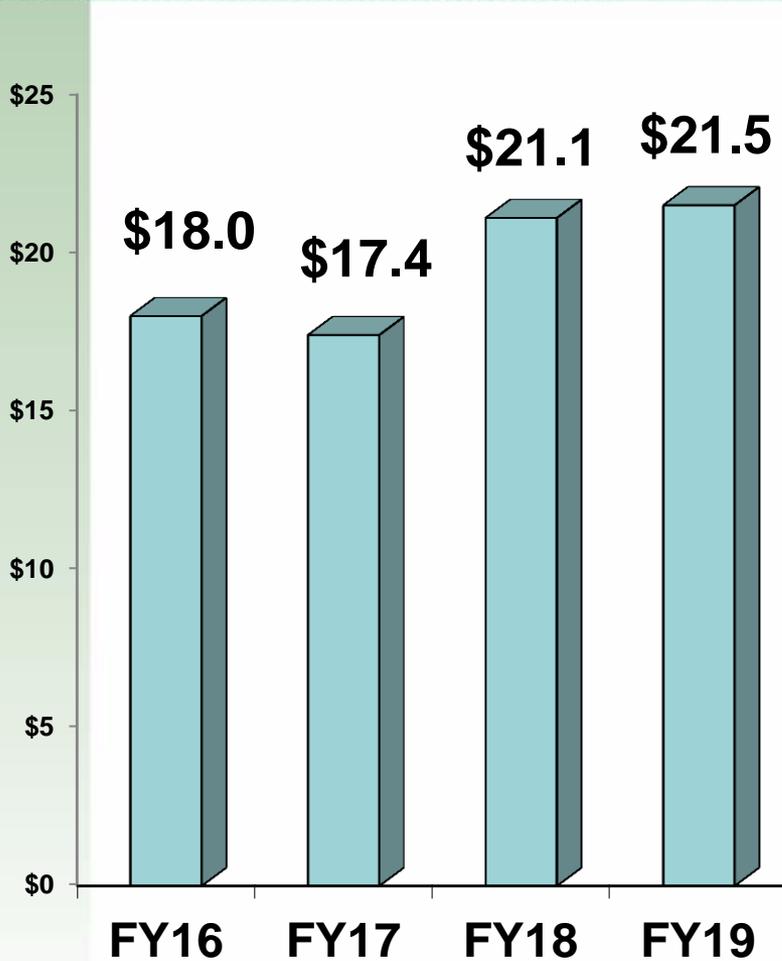
- \$26.2M increase (83.5%)
- Construction on 36 bridges
- Increase driven by
  - Middlebury \$21M
  - N Hero-Grand Isle \$13M
- *RBA*: Structural deficiency
  - 5.1% – goal is 10%
  - Down from 20.5% in 2007

# Roadway Program – \$52M



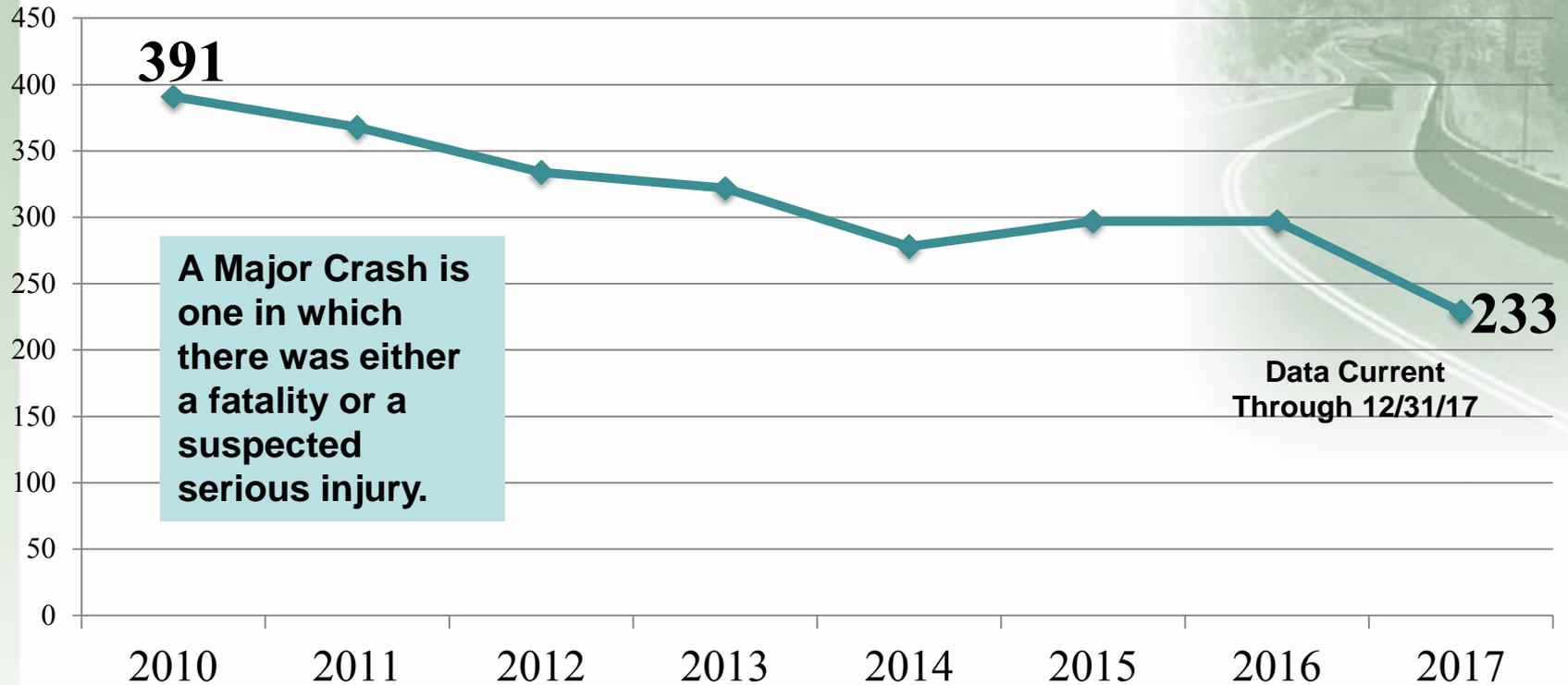
- \$12.3M increase (31.0%)
- Major projects include:
  - Brandon Segment 6
  - Cabot-Danville US 2
  - CIRC Alternatives
  - Essex Crescent Connector
  - South Burlington Market Street
  - Waterbury Main Street
  - Numerous culvert and slope projects to stabilize infrastructure and improve safety

# Traffic & Safety - \$21.5M

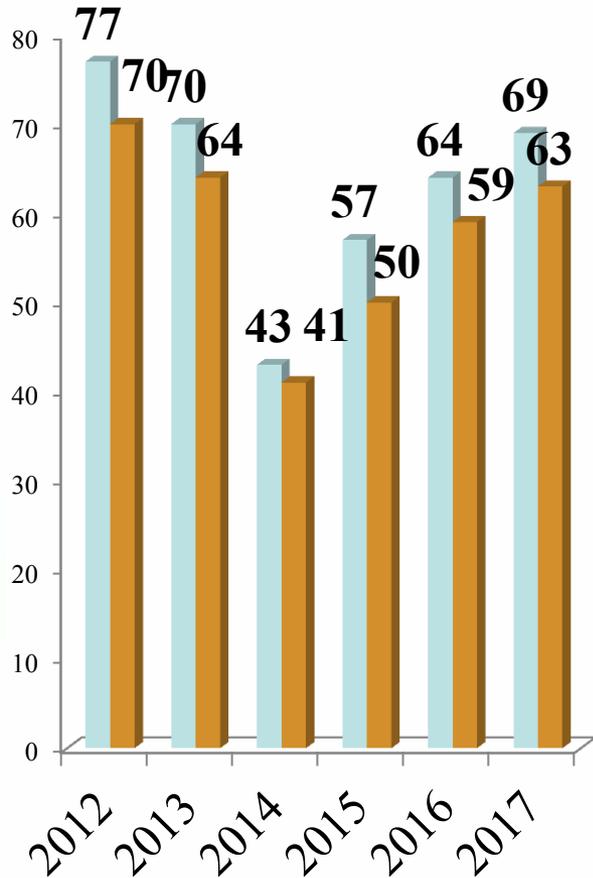


- \$434,000 increase (2.1%)
- Reflects ongoing commitment to this mission-critical program
- Now includes GHSP (+\$6M)
- Major projects include:
  - Essex signals
  - Jericho turn lane
  - Morristown 15/15A
  - Intersections, signs and markings, centerline rumble strips
- *RBA* – Major Crashes
  - 40% decline since 2010
  - From 391 to 233

# RBA - Highway Safety Major Crashes

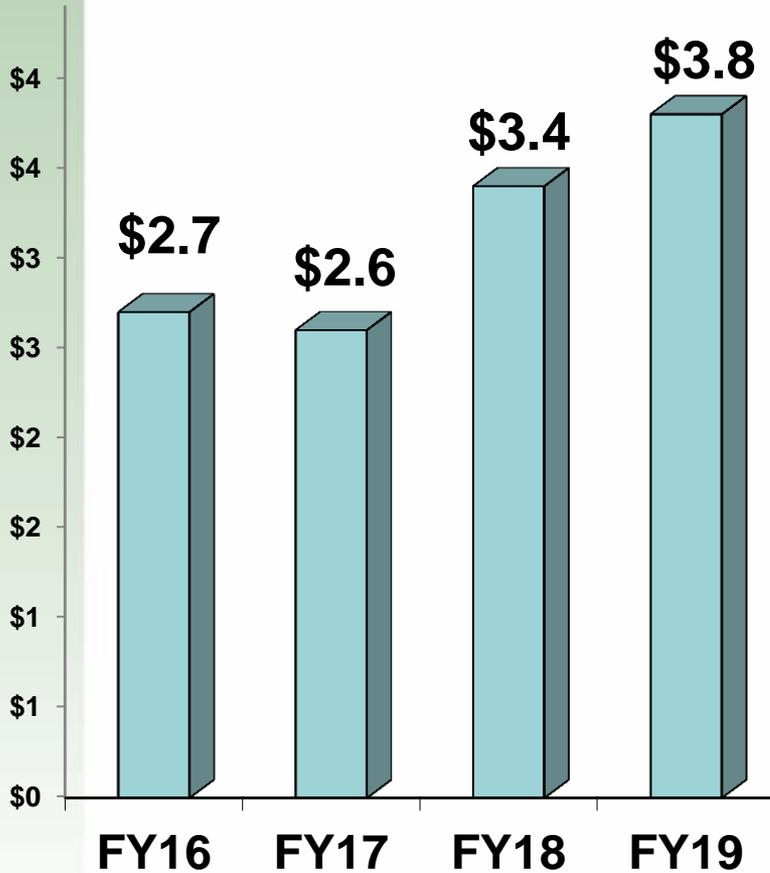


# RBA - Highway Fatalities



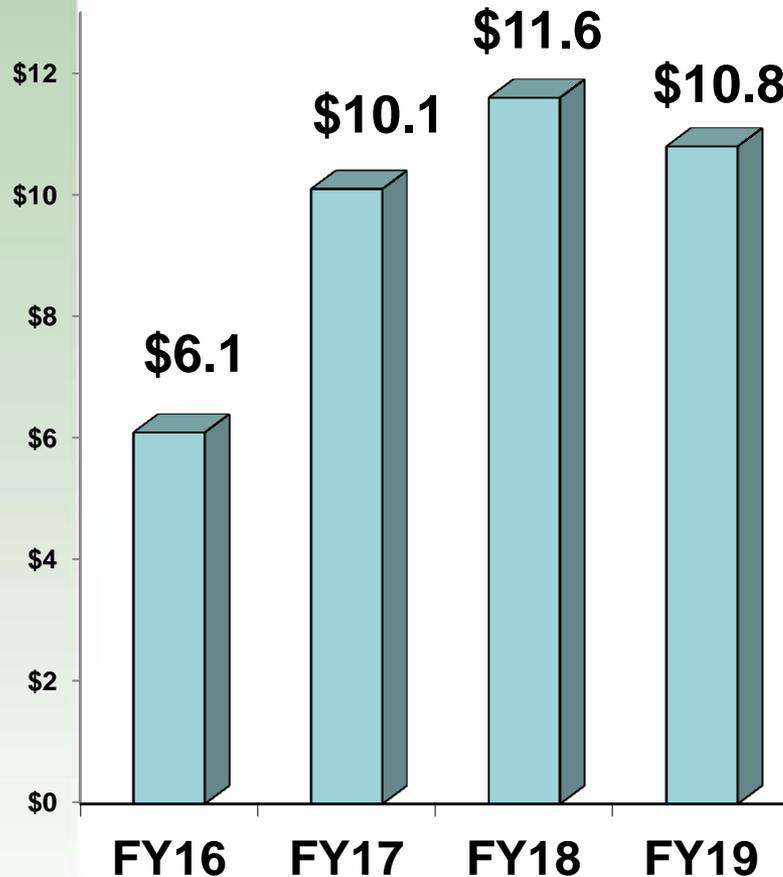
- 2017 fatal crashes increased by 4 from 59 to 63
- 2017 fatalities increased by 5 from 64 to 69
- 10% decrease (8) in fatalities from 2012
- 2014 was lowest fatalities since WWII
- **Even one fatality is too many**

# Park & Ride Facilities - \$3.8M



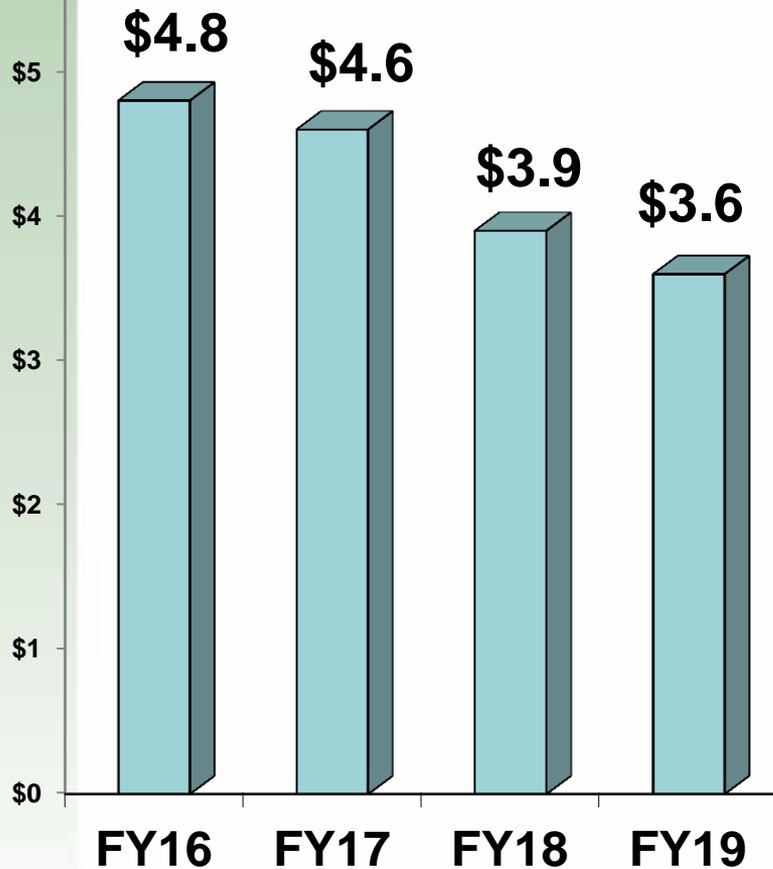
- \$420,000 increase (12.4%)
- Funds construction on 4 facilities
  - Cambridge, Colchester, St. Johnsbury, Williston
- \$65,000 for Municipal Park & Ride Program
  - Moratorium on new awards for FY19
  - Program has experienced decline in applications
- Preliminary engineering for 8 projects

# Bicycle & Pedestrian Facilities - \$10.8M



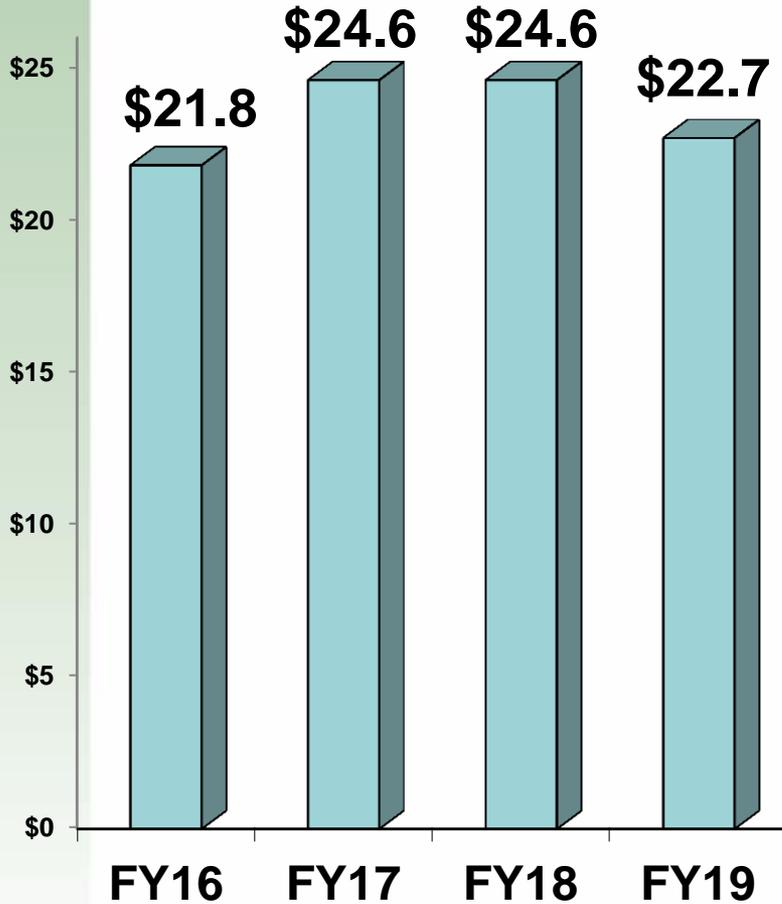
- \$800,000 decrease (-7%)
- Decrease driven by completion of large South Hero bike/ped trail project
- Funds 59 projects in 38 communities
- Funds construction on 32 projects
- \$2.3M for Central VT Regional Path
- \$2.1M for LVRT

# Transportation Alternatives - \$3.6M



- \$292,000 decrease (-7.5%)
- Funds all projects that have received grants to the extent they are ready to proceed
- 39 total projects funded in 32 communities
- Construction on 19 projects
- Design on 20 projects
- Entire \$2.2M annual funding allocation will go to stormwater mitigation projects
  - Clean Water Initiative
  - Same as FY2018

# Program Development Admin. - \$22.7M



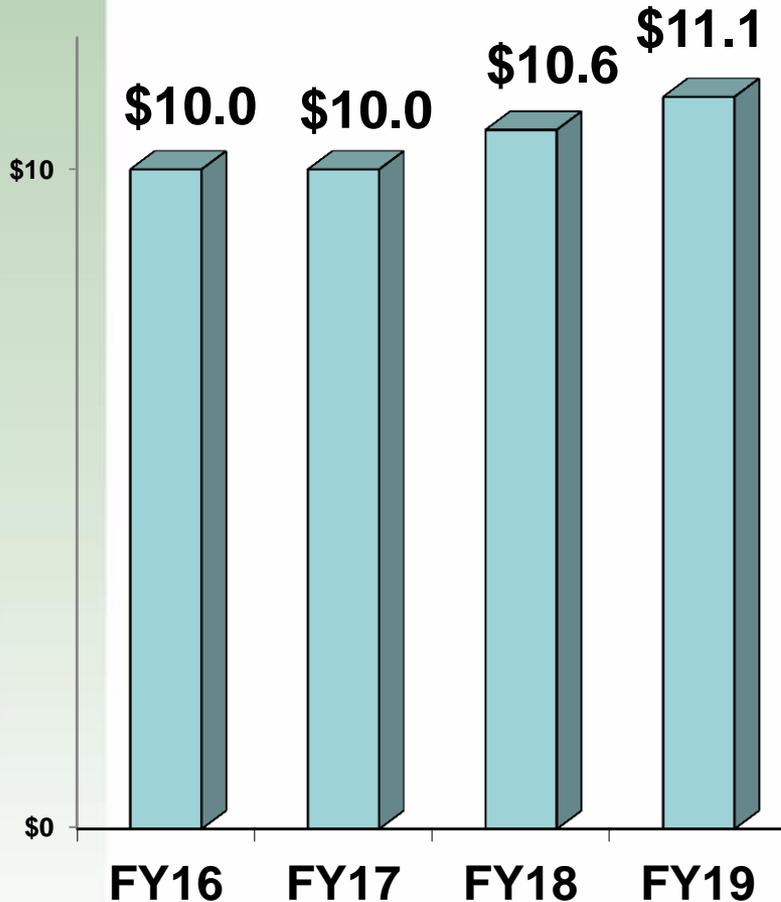
- Decrease of \$1.8M (-7.4%)
- Governor's Highway Safety Program transferred to Traffic and Safety

# Rest Areas - \$745,000



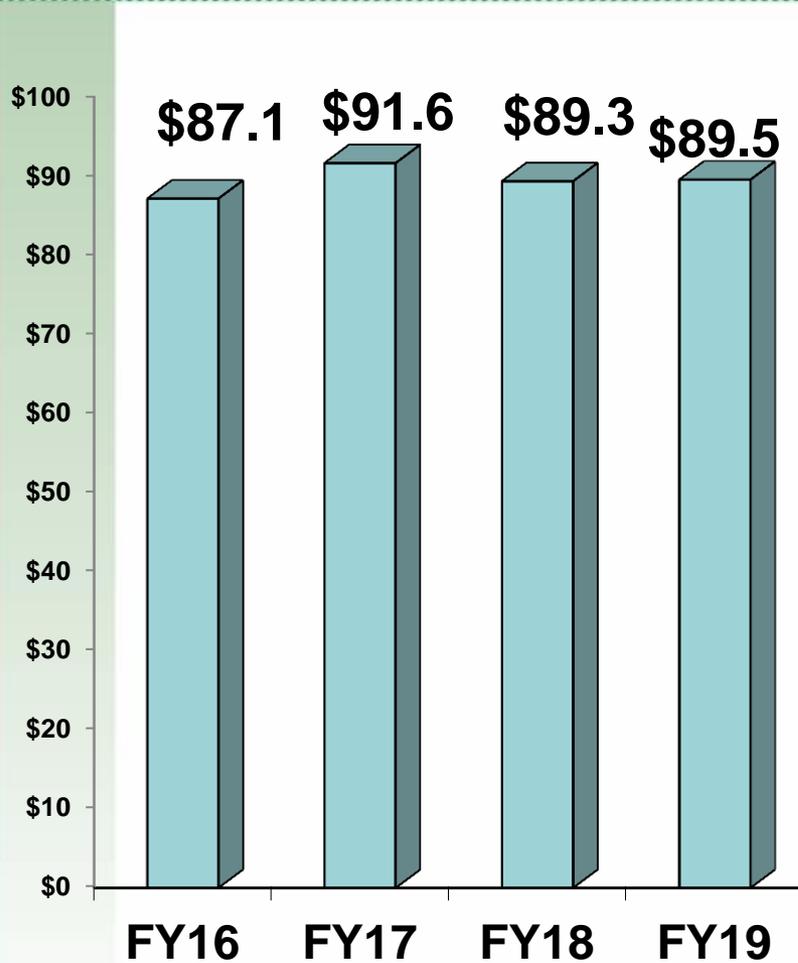
- \$82,000 increase (12%)
- No major construction projects funded
- Funds only major maintenance and repair projects
- Includes capital projects only
- Information center operating costs are budgeted by BGS

# Policy & Planning - \$11.1M



- \$490,000 increase (4.6%)
- Policy and Planning
  - Provides funding to RPCs
- Mapping
- Development Review and Permitting
- Research Program

# Maintenance - \$89.5M



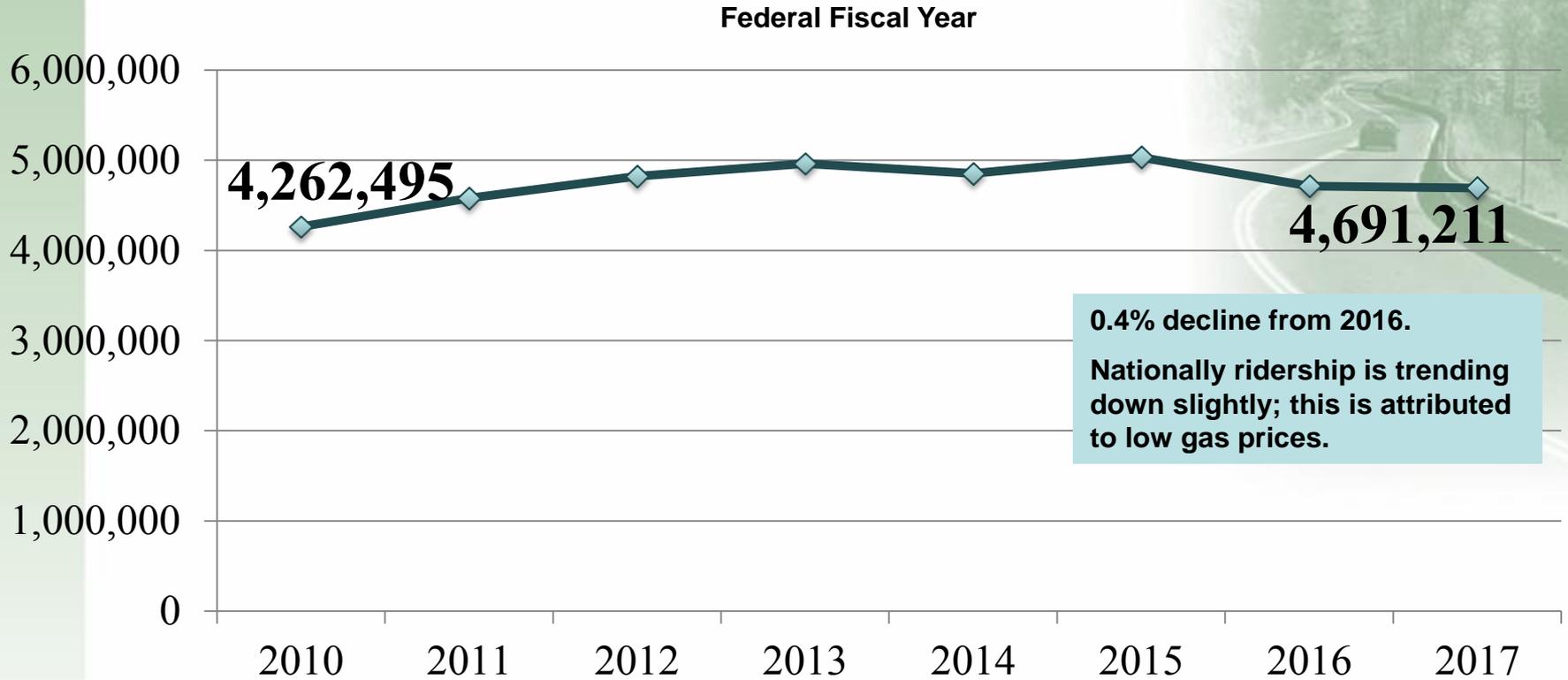
- \$170,000 increase (0.2%)
  - State funding decrease of \$760,000 due to shifting bridge maintenance to federal funding in State Bridge Program (\$2M shifted @ 80/20)
  - Federal funding increased by \$928,000
  - Continues focus on general maintenance, safety, preservation, and resilience – back to basics

# Public Transit - \$29.0M



- \$3.1M decrease (-9.7%)
- Capital – bus and facilities decreased due to competitive grant awards in prior years
- *RBA*: Annual ridership holding at just under 5 million - 10% increase from 2010

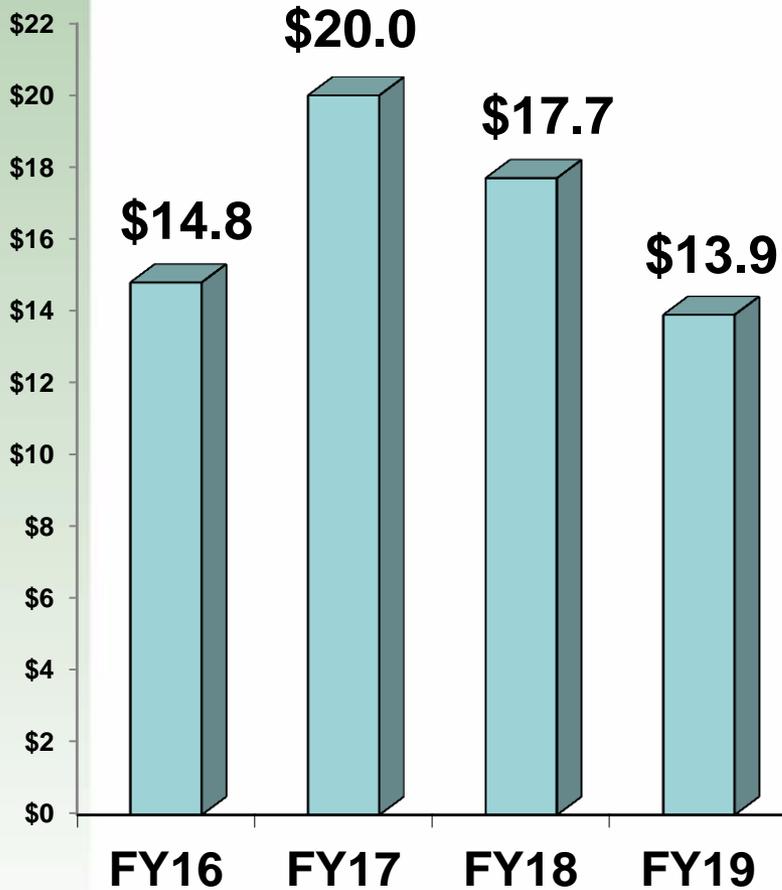
# RBA - Public Transit Ridership



0.4% decline from 2016.

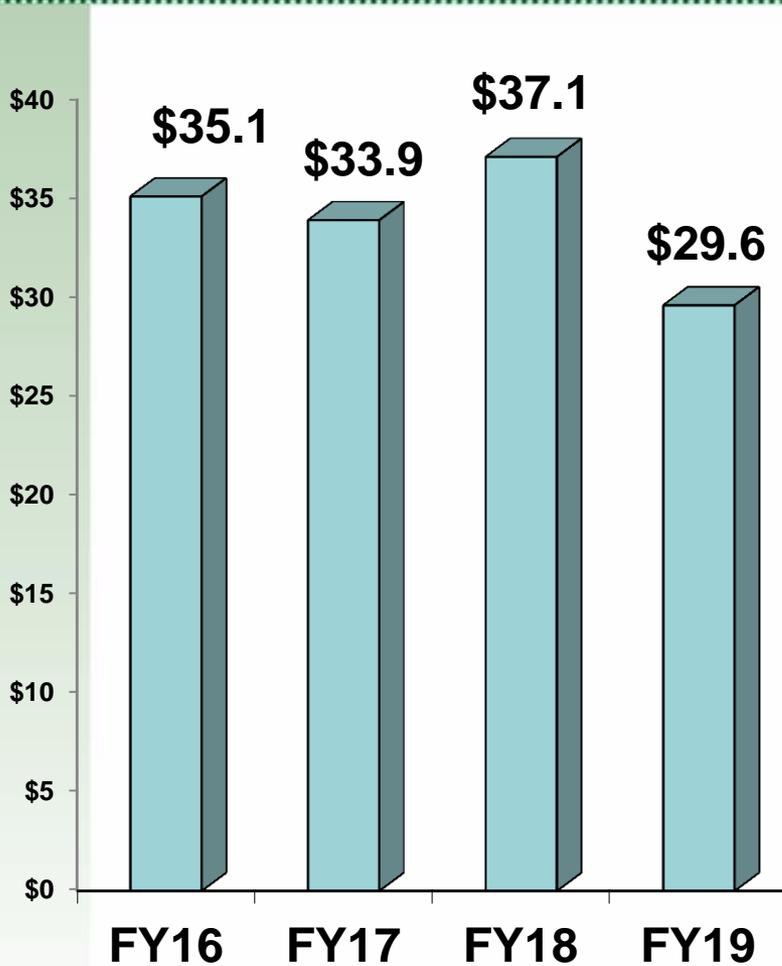
Nationally ridership is trending down slightly; this is attributed to low gas prices.

# Aviation - \$13.9M



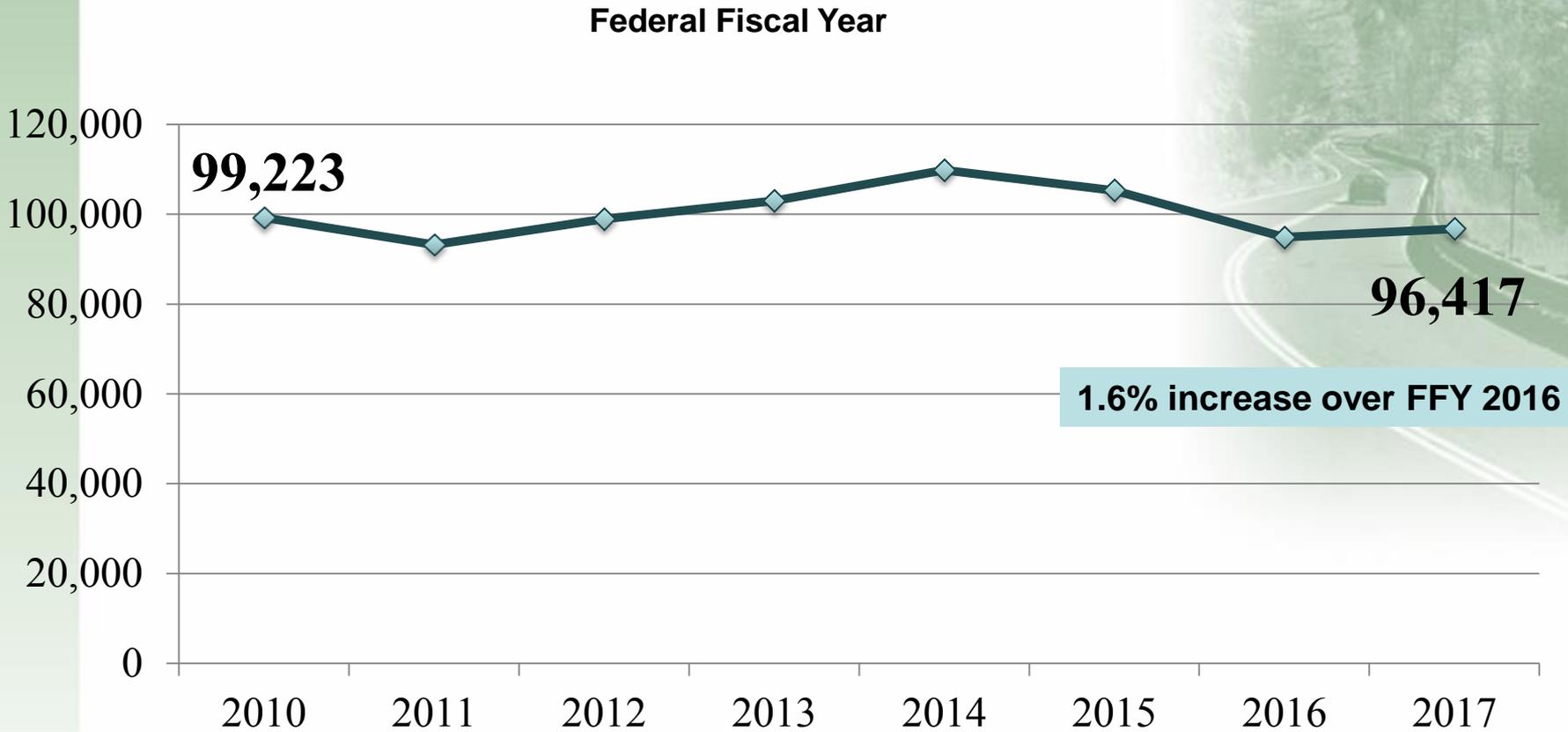
- \$3.8M decrease (-21.3%)
- Decrease is predominantly FAA project driven – AIP Program
  - \$3.6M decrease in FAA
  - State match is 10%
- Major construction projects:
  - Bennington
    - Runway safety and other improvements
  - Clarendon
    - Taxiway A improvements
- \$750,000 support for BTV

# Rail - \$29.6M



- \$7.5M decrease (-20.2%)
- Decrease is largely due to near completion of TIGER VII award
  - \$5.86M in FY18 vs. \$1.8M in FY19 (excludes State match)
- \$8.3M for continuation of Amtrak
- *RBA*: Annual rail ridership increased 1.6% over FFY2016
- Recently submitted application for INFRA and TIGER IX discretionary grants
  - VT Railway – 15 bridges
  - Conn River – 21 bridges

# RBA - Passenger Rail Ridership

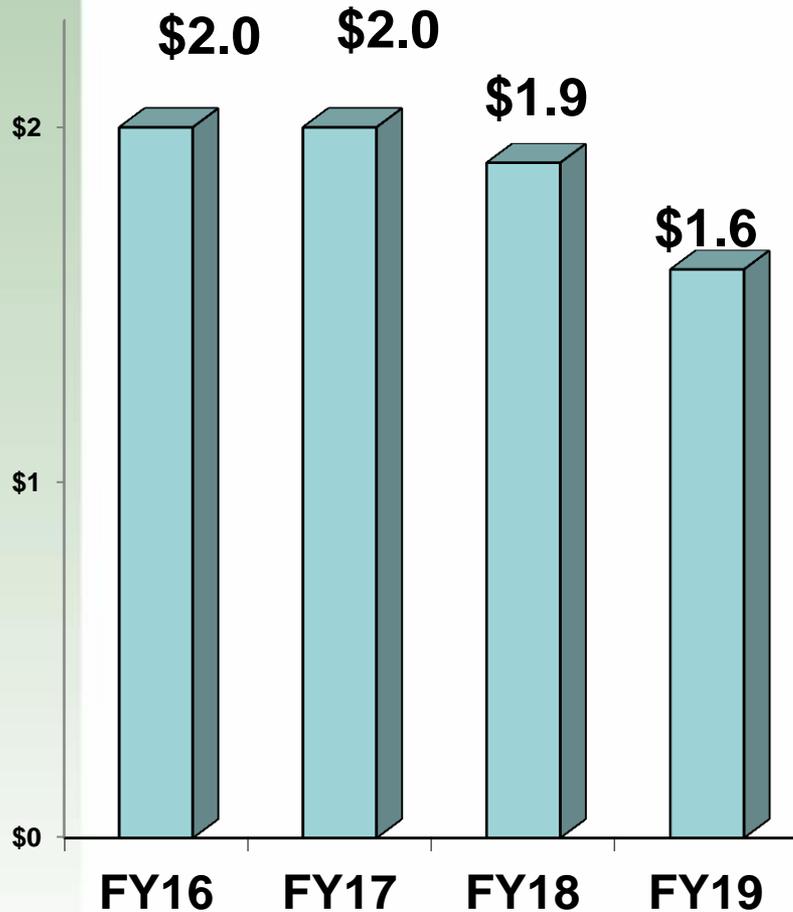


# Central Garage - \$20.7M



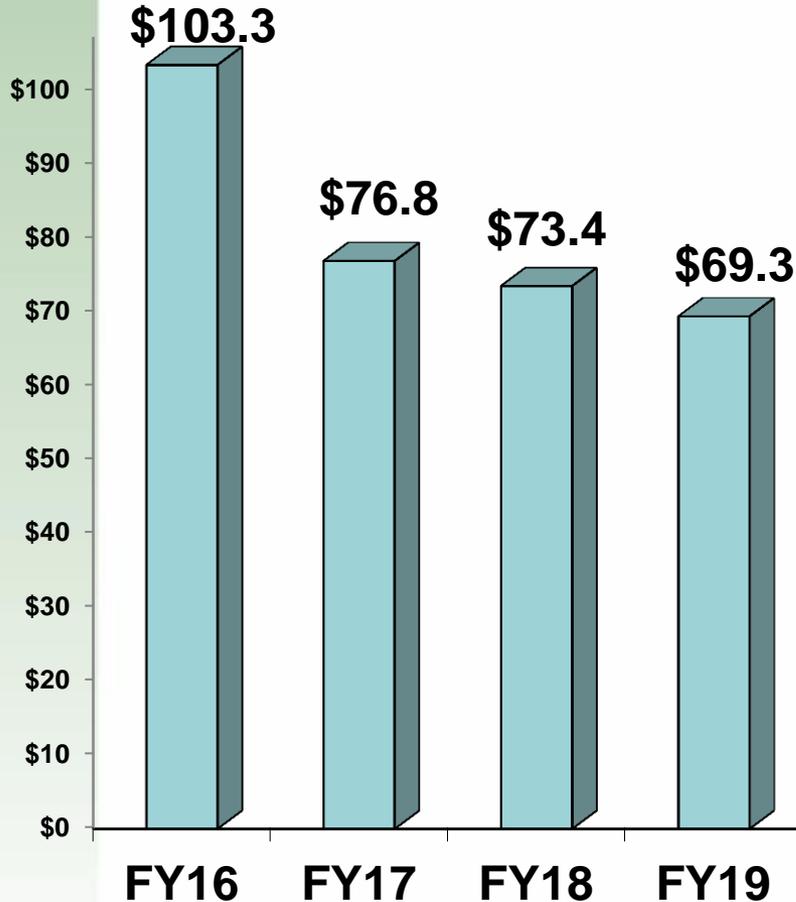
- \$630,000 increase (3.1%)
- Maintains, procures and administers VTrans' fleet
- Includes \$8.1M investment in equipment

# Transportation Buildings - \$1.6M



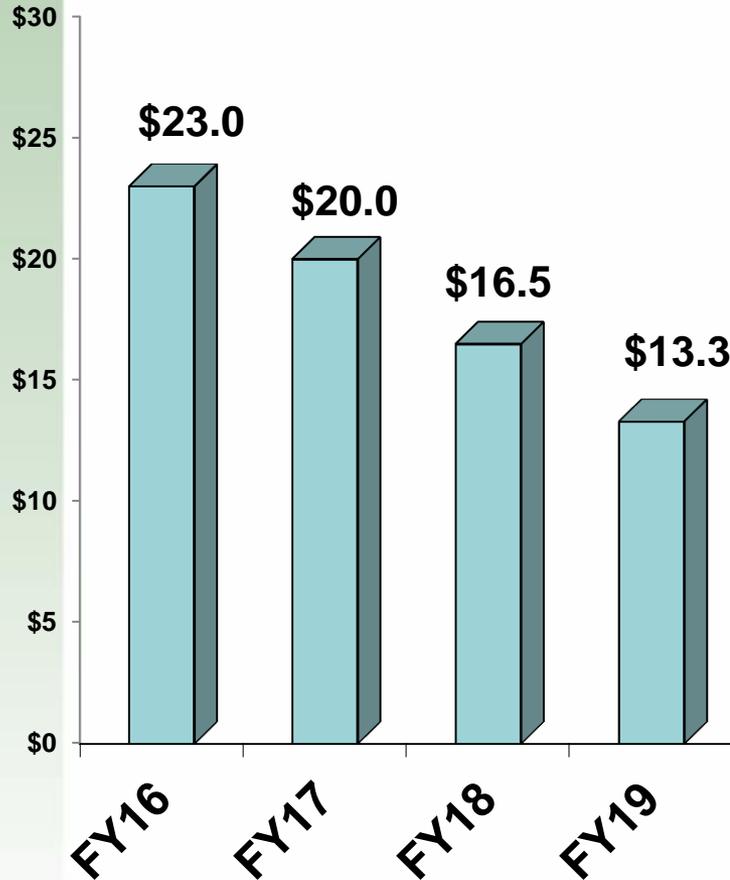
- \$322,000 decrease (-16.9%)
- New Haven 5-Bay Garage construction
- Heating system replacements, standby generators

# Town Highway Programs Total - \$69.3M



- \$4M decrease (-5.6%)
  - Decrease of \$3.2M in TH Bridge
  - Decrease of \$200,000 in TH Class 2
    - Excludes \$200K added in FY18
      - Shift from DMV 1 license plate that didn't pass last session
  - Decrease of \$100K in Municipal Mitigation Grant Program (Clean Water)
  - FEMA Public Assistance
    - Decrease of \$580,000

# Town Highway Bridge - \$13.3M



- \$3.2M decrease (-19.4%)
- Construction on 18 bridges
- Funds additional 19 projects under development
- Funding in future years is forecast to return to previous levels
- *RBA*: Structural deficiency
  - 5.4% – goal is 12%
  - Down from 19% in 2007

# Town Highway Grant Programs

- Level funded at recent levels
- \$6.33M for TH Structures grants
- \$7.65M 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)
- Decrease of \$100K in Municipal Mitigation Assistance Program (Clean Water Initiative)



# Transportation Board - \$271,543



- Increase of \$38,000 (16%)
- Significant increase in consultant legal services

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