

VERMONT
AGENCY OF TRANSPORTATION

FY2020 Budget

Joe Flynn, Secretary of Transportation
January 24, 2019

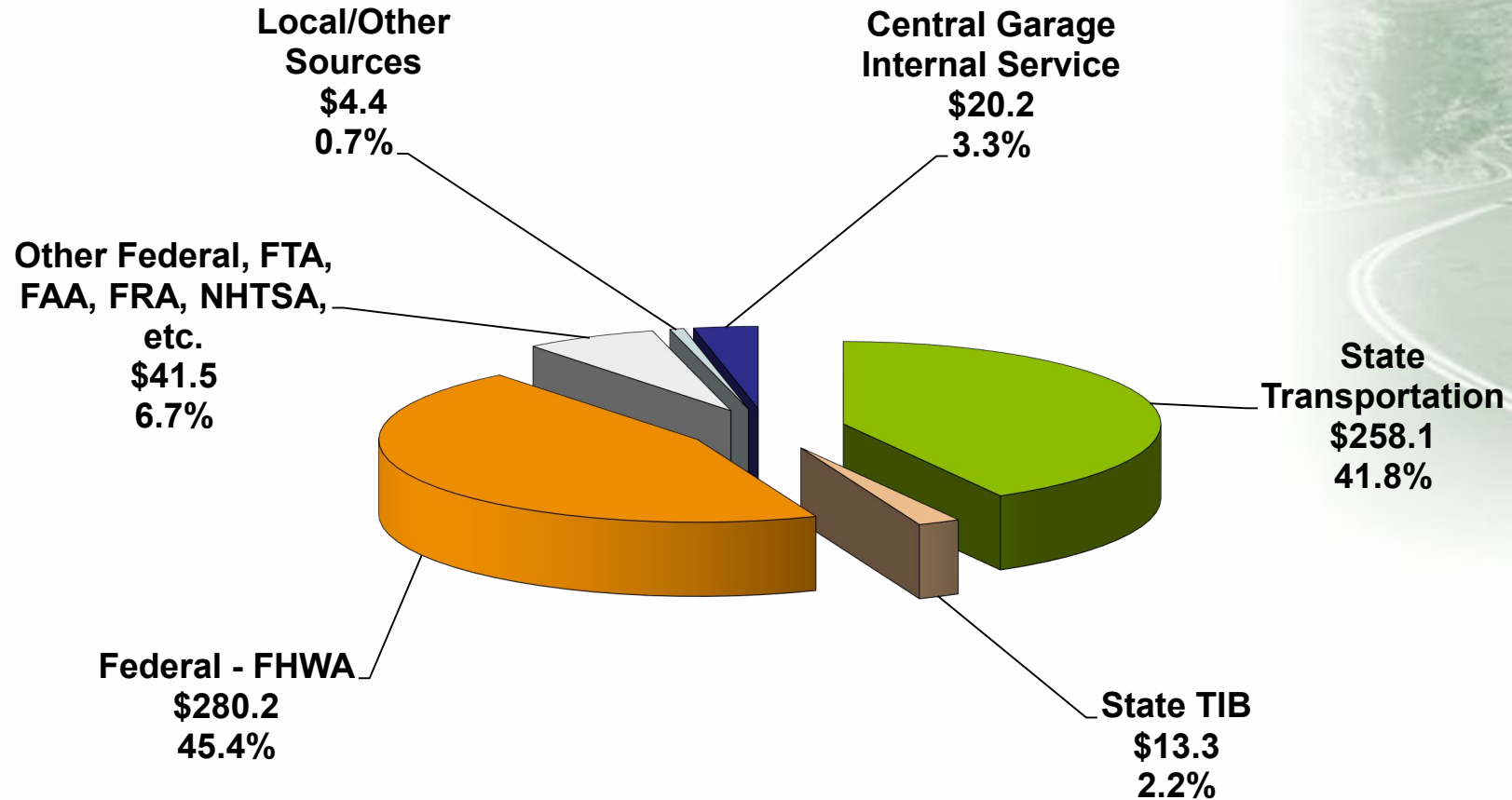
FY2020 Budget Overview

Fund Source	FY 2019 AS PASSED	FY 2020 GOVREC	Increase (Decrease)	Percent Change
STATE (TFund)	251,072,742	258,079,167	7,006,425	2.8%
FEDERAL	318,917,135	321,646,228	2,729,093	0.9%
LOCAL/OTHER	4,604,357	4,371,911	(232,446)	(5.0%)
TIB FUND	13,202,337	13,297,387	95,050	0.7%
GO BONDS	2,400,000	0	(2,400,000)	(100.0%)
CENTRAL GARAGE FUND	20,684,524	20,151,942	(532,582)	(2.6%)
TOTAL	610,881,095	617,546,635	6,665,540	1.1%

Five Year Budget History

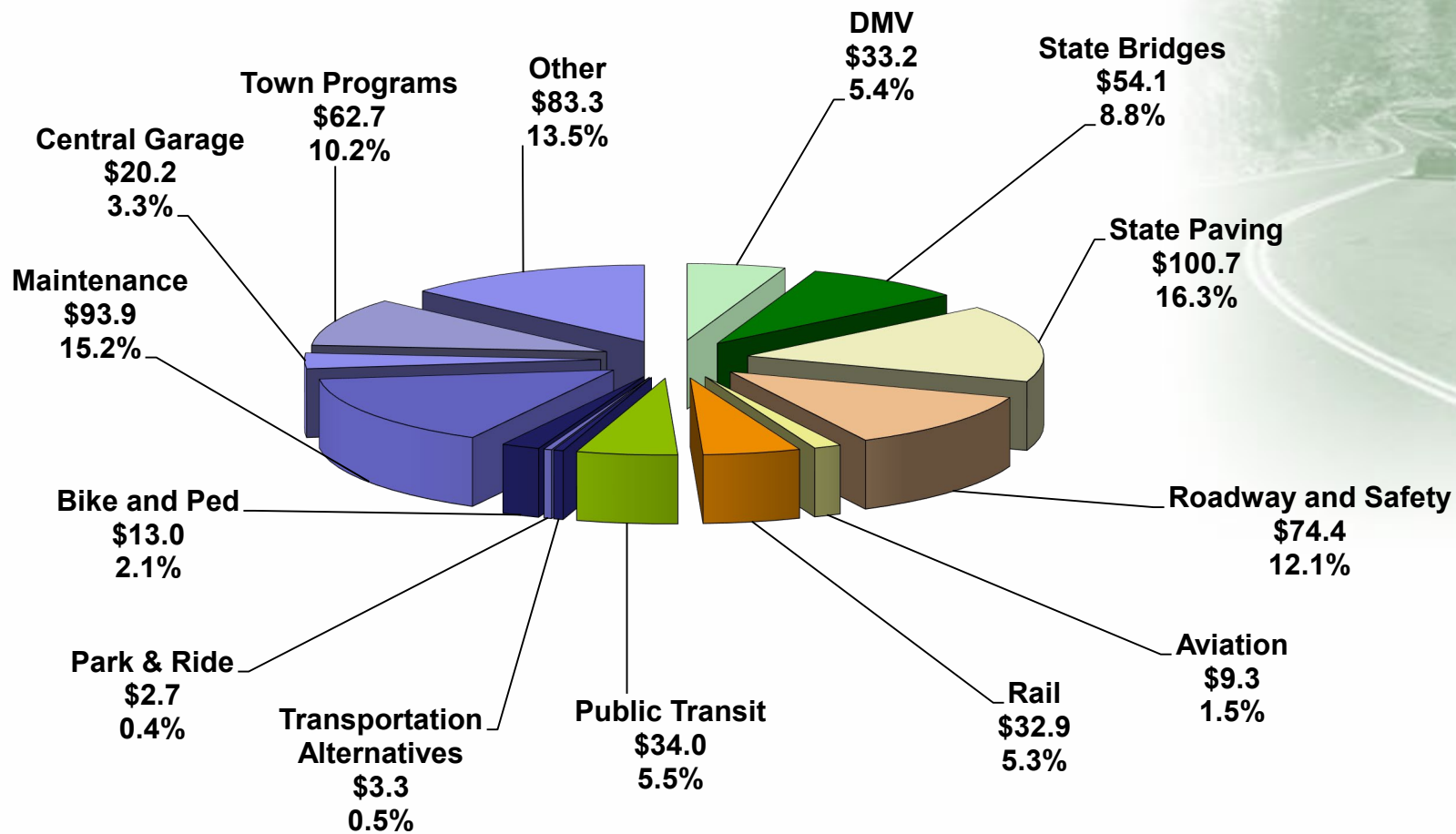


Transportation Funding Sources FY2020
\$617.6M Total
(\$ millions)



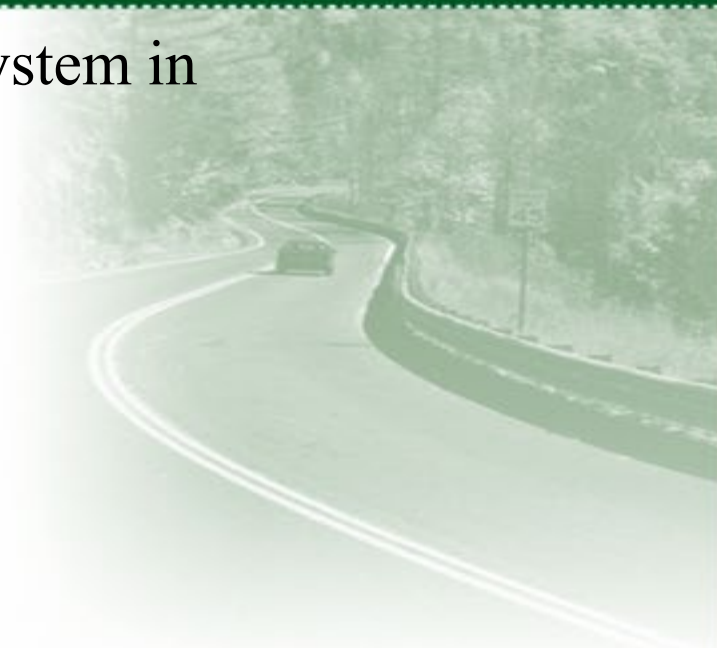
FY2020 Draft Transportation Budget Expenditure Plan

\$617.6M Total (\$ millions)



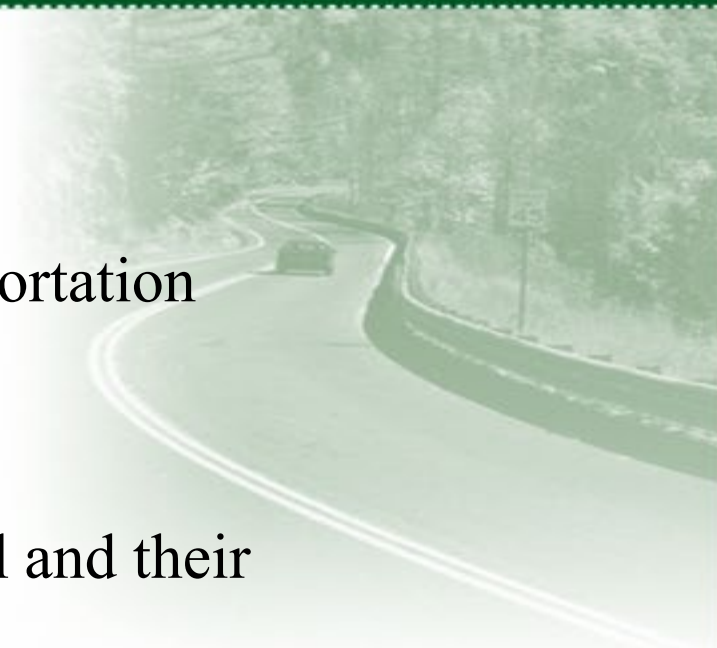
Grow Vermont's Economy

- Vermont's economy relies on a multi-modal transportation system in good repair
- \$617M budget supports thousands of jobs
- \$9.4M investment in western corridor rail
- \$17.2M for Airport improvements
 - Includes FAA direct funding to Burlington International Airport
- Includes funding for several projects to improve downtowns
- Funds several CIRC Alternatives projects
- \$8M investment in protecting Lake Champlain and other waterways
- \$1.5M for Electric Vehicle (EV) Incentives
 - Eligibility based on income



Protecting Vulnerable Populations Providing Transportation Choices

- \$34M in Public Transit
 - Excludes FTA direct to Green Mountain Transportation Authority
- \$9.3M for Aviation
 - Excludes FAA direct to Burlington International and their local match
- \$32.9M for Rail
- \$2.7M for Park & Rides
- \$13M for Bicycle and Pedestrian facilities



Making Vermont Affordable

- Includes no proposed bonding, fee or revenue increases
 - Budget balanced to January consensus forecast
- Performance Section
 - Focus on continuous improvement – LEAN and Business Process Management
- 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

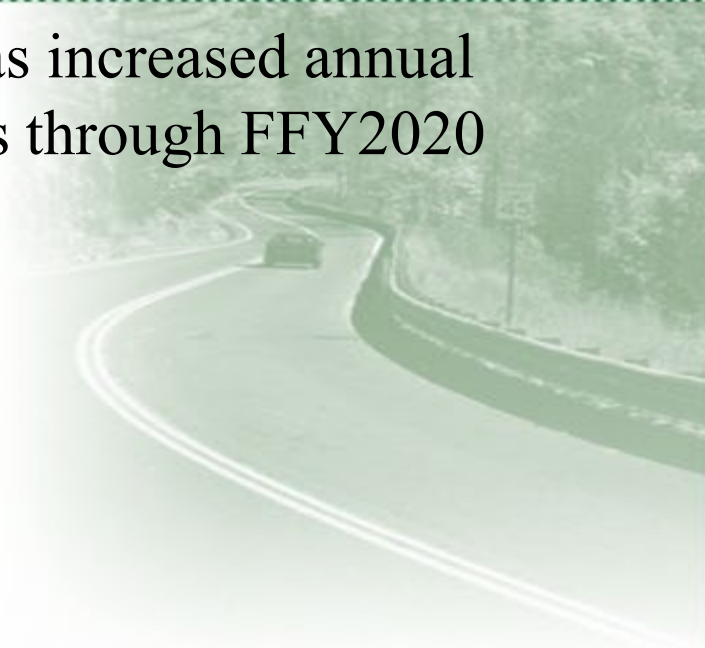


2020 Budget – State Funds (TF + TIB))

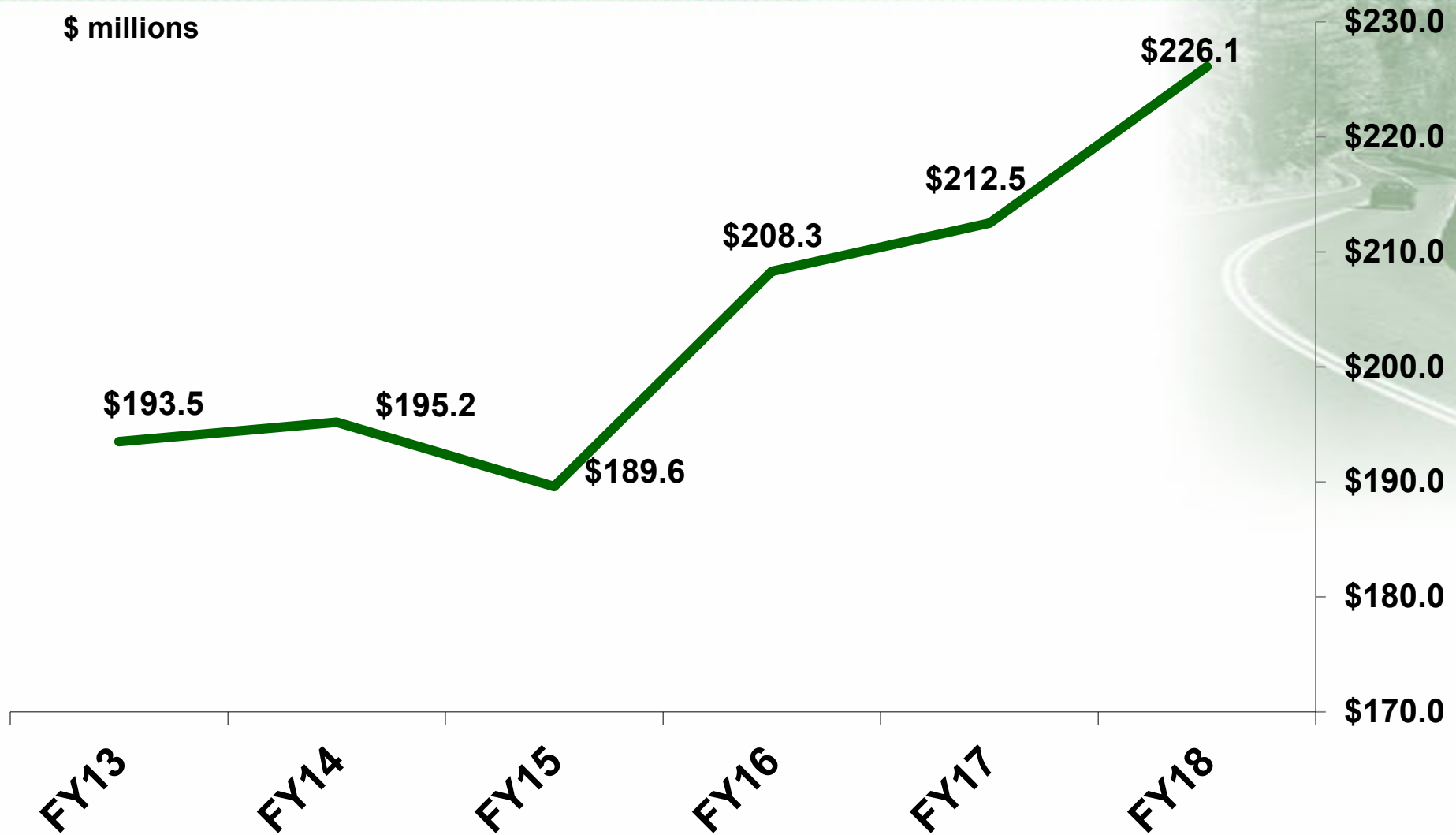
- Total of \$258.1M Transportation Fund (TF)
 - Increase of \$7M over FY2019 As Passed
- Total of \$13.3M Transportation Infrastructure Bond (TIB) Fund
 - Increase of \$100K over FY19 As Passed
- Includes no proposed bonding, fee or revenue increases

Federal Funding

- Fixing America's Surface Transportation Act – FAST Act has increased annual FHWA funding by approximately \$20M over previous levels through FFY2020
 - FFY2018 FHWA funding was a record \$226M
- VTrans continues to benefit from Federal competitive grants
 - USDOT grants for western corridor rail projects ongoing
 - TIGER VII - \$10M Federal funds
 - BUILD grant - \$20M Federal funds
 - FTA awarded grant for two electric buses
- Application planned for INFRA grant
 - I-89 corridor improvements
 - \$106M+ application: \$64M INFRA; \$21M FHWA formula; \$21M State (TIB bonds)
 - Authorized by Legislature in last year's Transportation Bill



FHWA Funds (Obligation Limit) History



Budget Pressures/New Programs

- \$6.9M increase in salaries and benefits
 - \$2.5M increase in retirement (+20%)
- \$1.4M salt cost increase – based on 3-year average usage and 15% cost increase
- \$750K increase in Statewide cost allocations
 - Insurance, fee for space, workers comp, DHR, ADS, etc.
- \$2M allocation for DMV IT systems (FY2019 was \$1.65M)
- \$300K for 3 to 4 new EV fast charging stations
- \$200K for opioid treatment transportation
 - A recommendation of Opioid Coordination Council

FY2020 Governor's Recommended Budget: Rollup Report

Organization: 08 - Transportation

Budget Object Group: 1. PERSONAL SERVICES

Budget Object Rollup Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
Salaries and Wages	79,624,643	74,348,289	74,348,289	77,087,029	2,738,740	3.7%
Fringe Benefits	40,041,943	37,994,634	37,994,634	42,169,477	4,174,843	11.0%
Contracted and 3rd Party Service	40,402,133	37,122,037	38,731,472	36,567,251	(554,786)	-1.5%
PerDiem and Other Personal Services	24,658	5,000	5,000	22,000	17,000	340.0%
Budget Object Group Total: 1. PERSONAL SERVICES	160,093,377	149,469,960	151,079,395	155,845,757	6,375,797	4.3%

Budget Object Group: 2. OPERATING

Budget Object Rollup Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
Equipment	9,711,274	11,931,007	11,931,007	11,329,536	(601,471)	-5.0%
IT/Telecom Services and Equipment	4,932,745	10,505,576	10,505,576	11,104,870	599,294	5.7%
Travel	732,469	943,446	943,446	839,888	(103,558)	-11.0%
Supplies	28,946,212	24,255,795	27,109,445	27,394,585	3,138,790	12.9%
Other Purchased Services	12,983,444	17,029,635	17,029,635	15,653,762	(1,375,873)	-8.1%
Other Operating Expenses	4,299,817	1,991,327	1,991,327	2,140,619	149,292	7.5%
Rental Other	27,029,514	34,722,961	36,522,961	24,887,753	(9,835,208)	-28.3%
Rental Property	4,654,622	4,033,632	4,033,632	4,196,063	162,431	4.0%
Property and Maintenance	226,385,227	230,185,917	230,647,591	248,295,011	18,109,094	7.9%
Debt Service and Interest	1,584,361	0	0	0	0	0.0%
Repair and Maintenance Services	1,106,898	1,346,650	1,346,650	1,305,950	(40,700)	-3.0%
Rentals	86,587	0	0	55,000	55,000	0.0%

FY2020 Governor's Recommended Budget: Rollup Report

Organization: 08 - Transportation

Budget Object Rollup Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
Property Management Services	150	0	0	0	0	0.0%
Budget Object Group Total: 2. OPERATING	322,453,321	336,945,946	342,061,270	347,203,037	10,257,091	3.0%

Budget Object Group: 3. GRANTS

Budget Object Rollup Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
Grants Rollup	108,072,466	124,465,189	122,065,189	114,497,841	(9,967,348)	-8.0%
Budget Object Group Total: 3. GRANTS	108,072,466	124,465,189	122,065,189	114,497,841	(9,967,348)	-8.0%
Total Expenses	590,619,164	610,881,095	615,205,854	617,546,635	6,665,540	1.1%

Fund Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
General Funds	0	0	0	0	0	0.0%
Transportation Fund	243,362,481	251,072,742	256,370,871	258,079,167	7,006,425	2.8%
Transportation Infrastructure Bond Fund	13,233,594	13,202,337	14,628,967	13,297,387	95,050	0.7%
Special Fund	3,036,429	3,819,457	1,419,457	1,440,000	(2,379,457)	-62.3%
Federal Funds	310,666,647	318,917,135	318,917,135	321,646,228	2,729,093	0.9%
ARRA Funds	40,069	0	0	0	0	0.0%
ISF Funds	17,870,836	20,684,524	20,684,524	20,151,942	(532,582)	-2.6%
IDT Funds	1,122,727	1,053,100	1,053,100	1,789,815	736,715	70.0%
Local Match Debt Service Funds	1,286,382	2,131,800	2,131,800	1,142,096	(989,704)	-46.4%

Report ID: VTPB-11-BUDRLLUP

Run Date: 01/16/2019

Run Time: 03:30 PM

State of Vermont

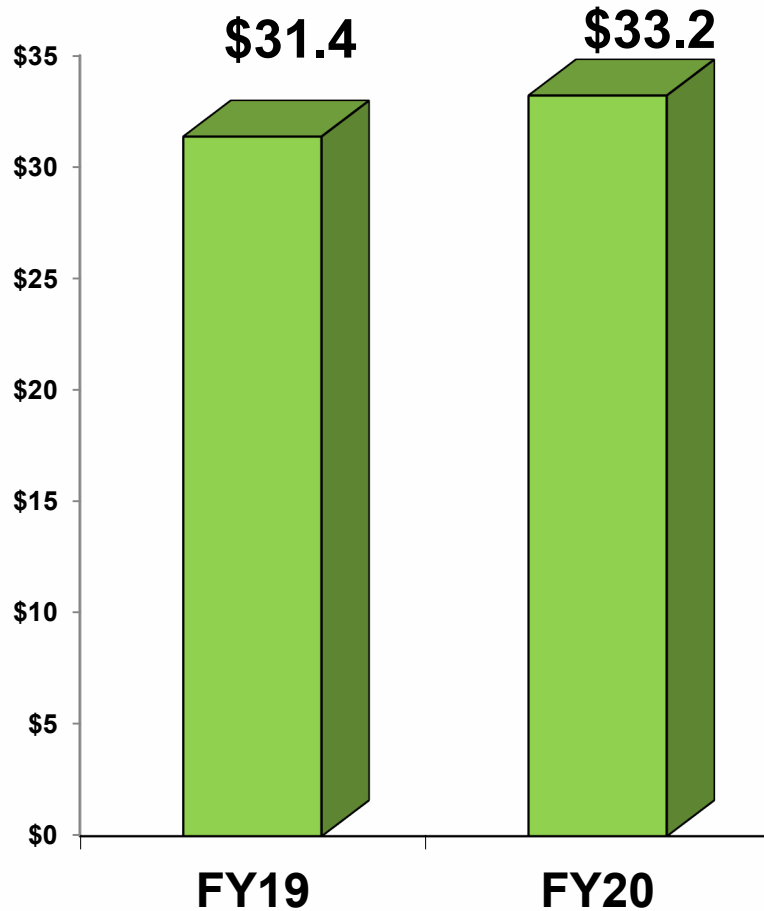
FY2020 Governor's Recommended Budget: Rollup Report

Organization: 08 - Transportation

Fund Name	FY2018 Actuals	FY2019 Original As Passed Budget	FY2019 Governor's BAA Recommended Budget	FY2020 Governor's Recommended Budget	Difference Between FY2020 Governor's Recommend and FY2019 As Passed	Percent Change FY2020 Governor's Recommend and FY2019 As Passed
TIB Proceeds Fund	0	0	0	0	0	0.0%
Funds Total	590,619,164	610,881,095	615,205,854	617,546,635	6,665,540	1.1%
Position Count				1,277		
FTE Total				1,272.54		

These slides are from Vantage Budget Development System and funding is consistent with earlier slides.

Dept. of Motor Vehicles - \$33.2M



- Increase of \$1.8M (5.7%)
- Continues current service levels
- DMV will collect an estimated \$344M in taxes and fees in FY2020
- Includes \$2M for various IT projects
 - Increase of \$350K; \$1.65M in FY2019
 - Replace CVO/IFTA/IRP/ system
 - Commercial Vehicle Enforcement, includes collection of fuel taxes and assessments
 - International Fuel Tax Agreement
 - International Registration Program

Finance & Administration - \$15.5M



- Increase of \$841,155 (5.7%)
- Transferred 3 positions
 - (1) Improves Safety Programs and employee development
 - (2) Centralizes construction inspection contract oversight and payment processing in Contract Administration

Paving - \$100.7M

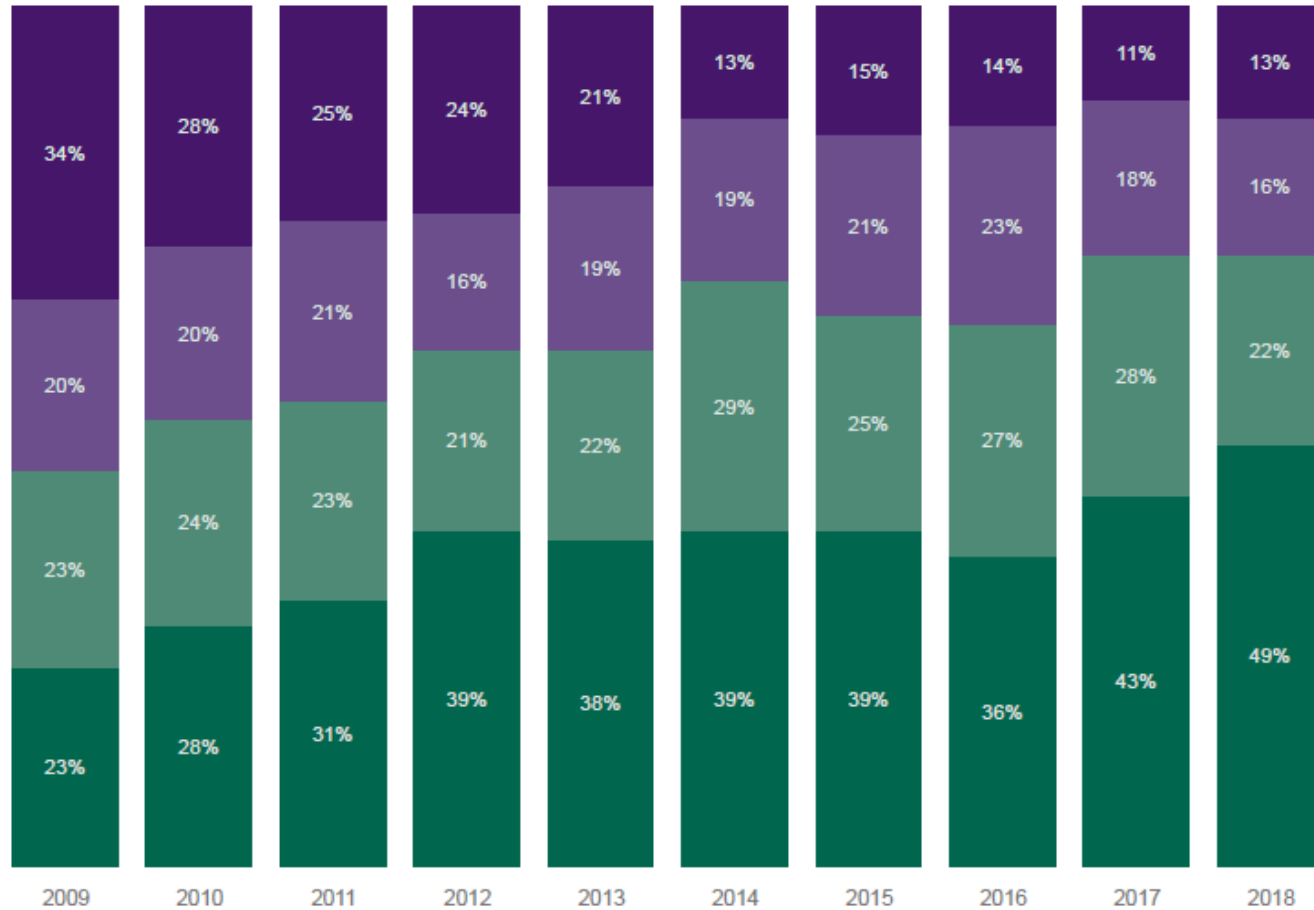


- \$3.5M decrease (-3.4%)
- 7th consecutive year over \$100M
- Funds construction on 49 projects
 - 150 miles of paving
 - 70+ miles of district leveling
- Continued commitment to improved pavement conditions

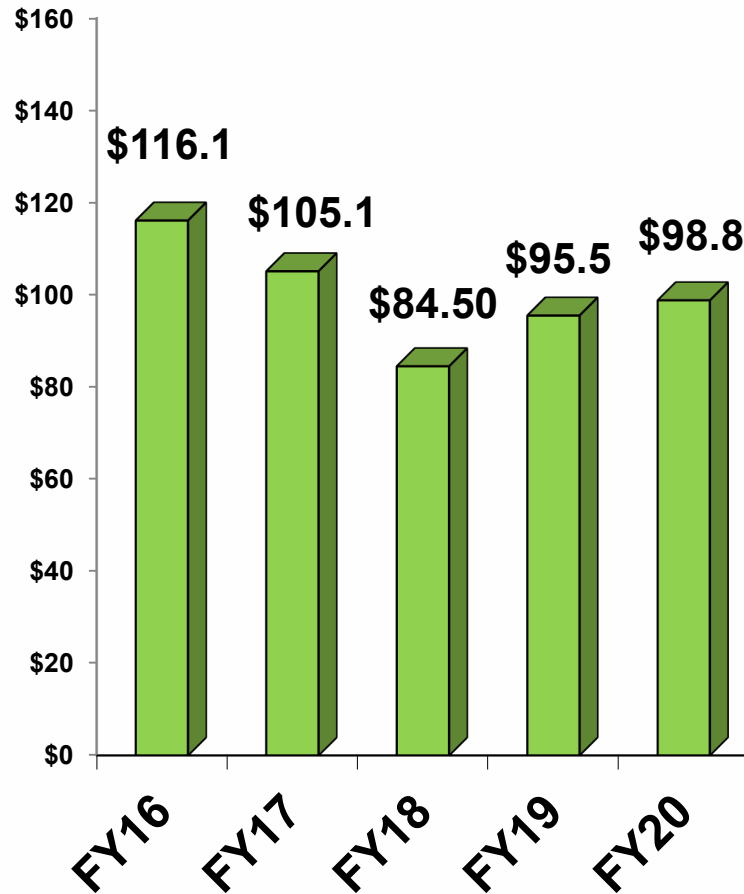
RBA Pavement Condition

Unweighted Pavement Condition Distribution

■ good
 ■ fair
 ■ poor
 ■ very poor

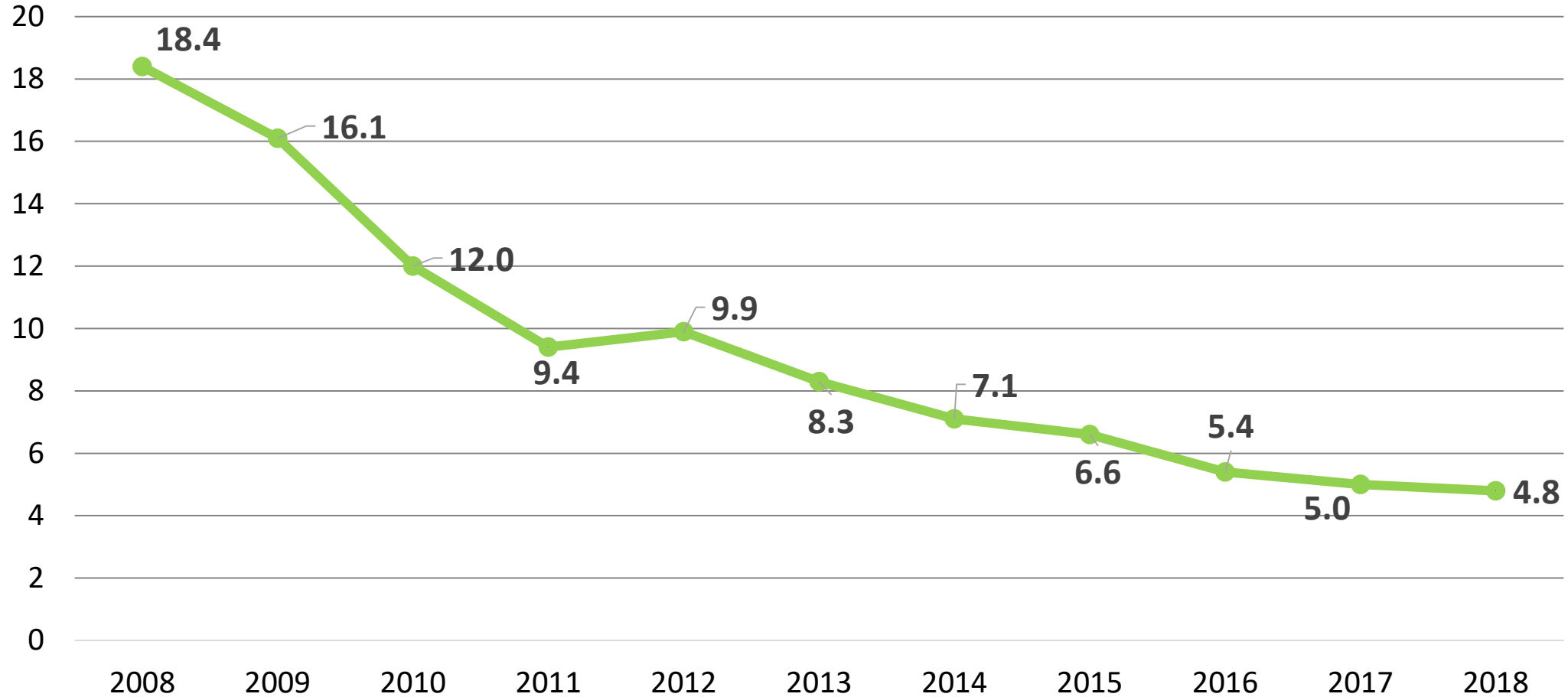


Combined Bridge Programs - \$98.8M



- \$3.3M increase (3.4%)
 - Construction on 41 projects
 - Advances 52 projects (PE or ROW)
 - Projects in 70 different communities
 - Interstate Bridge
 - Increase of \$6.3M (26%)
 - Large Interstate projects in Colchester and Rockingham
 - State Bridge
 - Decrease of \$3.5M (-6%)
 - Middlebury (\$16M)
 - N Hero-Grand Isle (\$15M)
 - Town Highway Bridge
 - Increase of \$509K (3.8%)

RBA Performance: Percent of Structurally Deficient Bridges



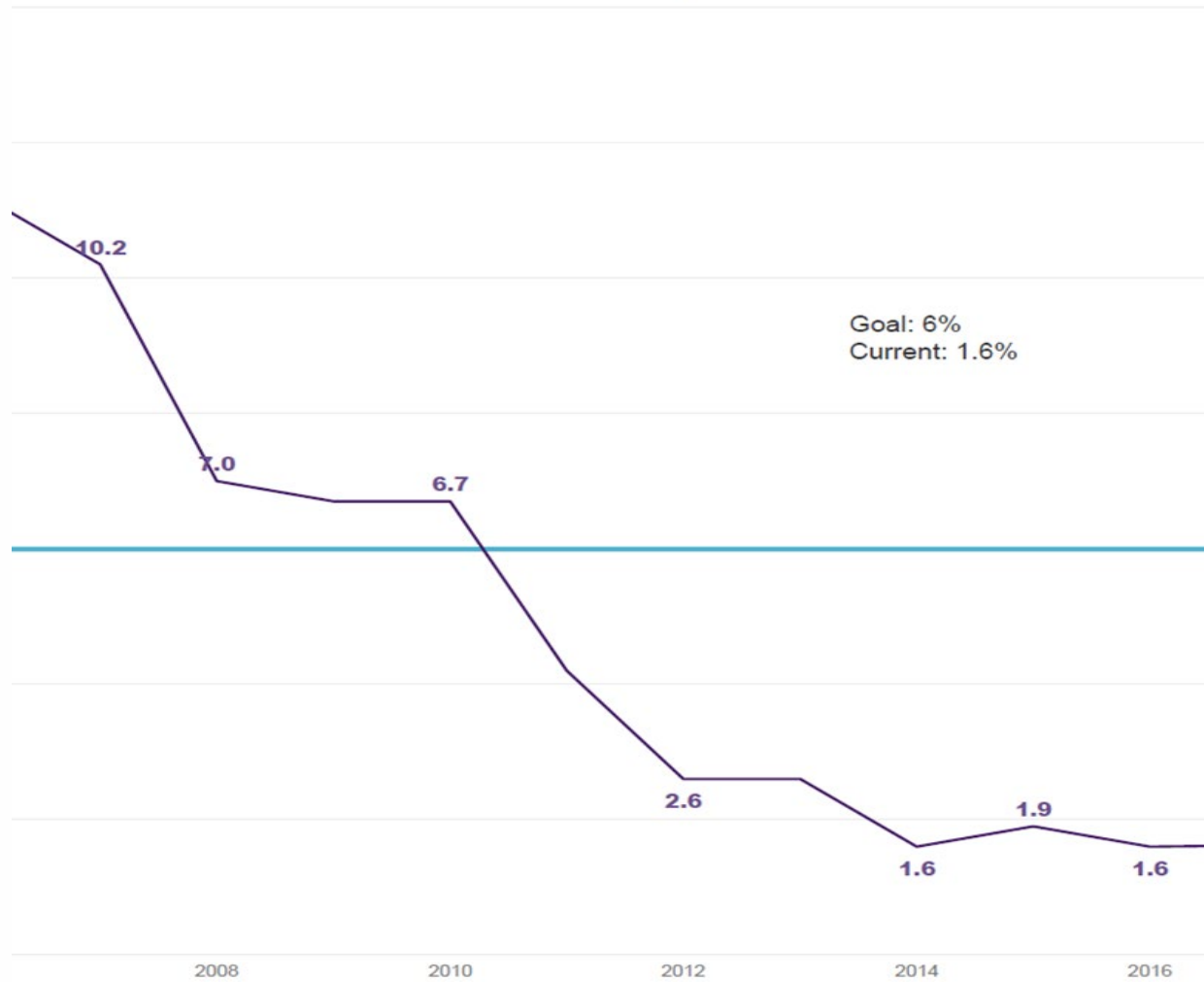
Interstate Bridge - \$30.8M



- \$6.3M increase (25.6%)
- Construction on 8 bridges
- Large Interstate projects ongoing
 - Colchester: \$11.1M
 - Rockingham: \$12.5M

Interstate Bridge – RBA Structurally Deficient

% Structural Deficiency over Time

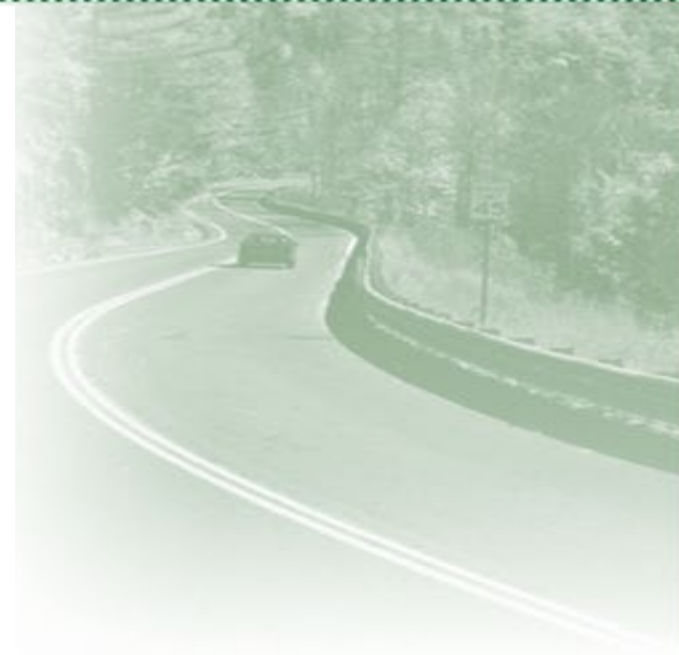
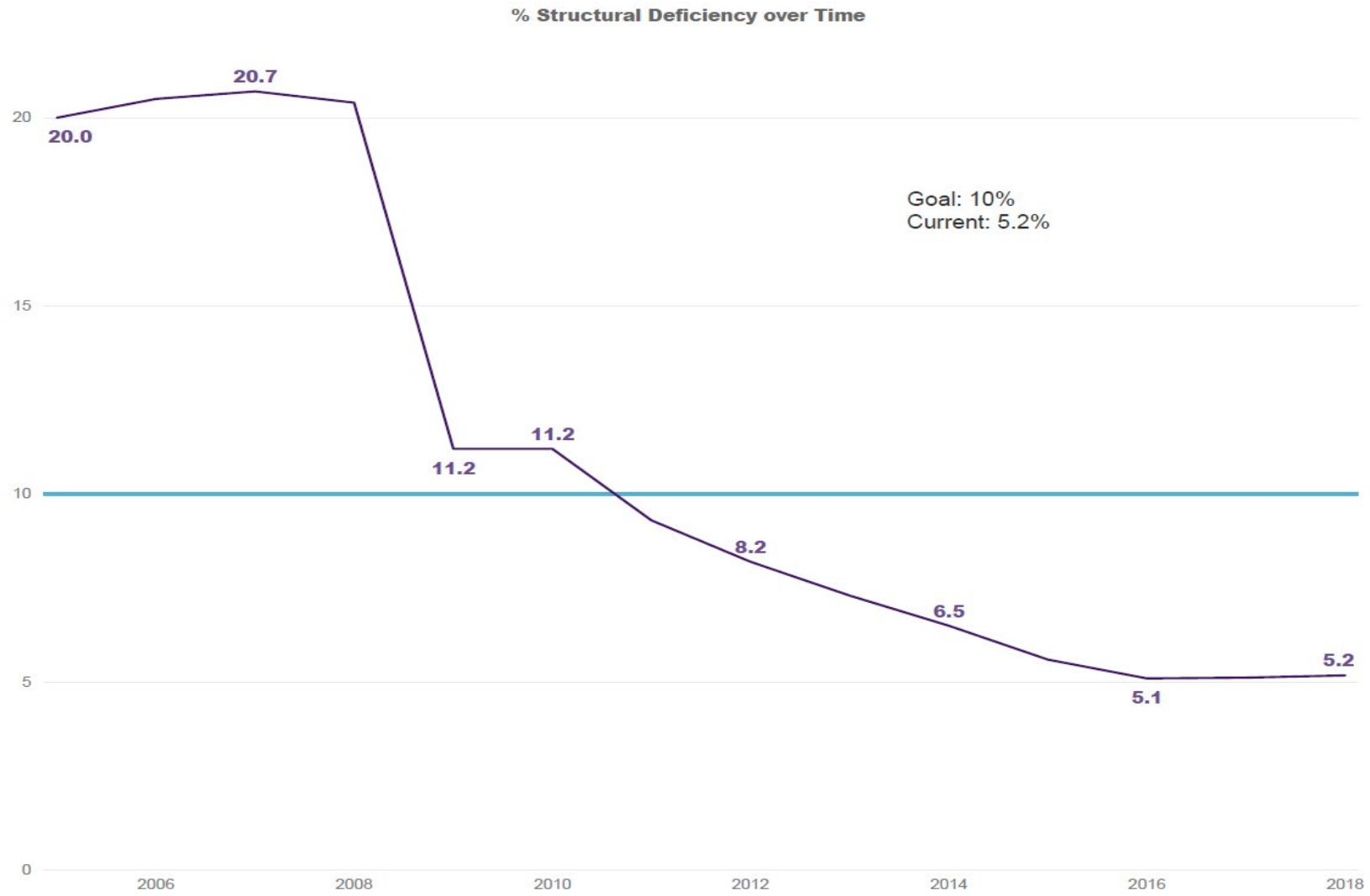


State Bridge - \$54.1M

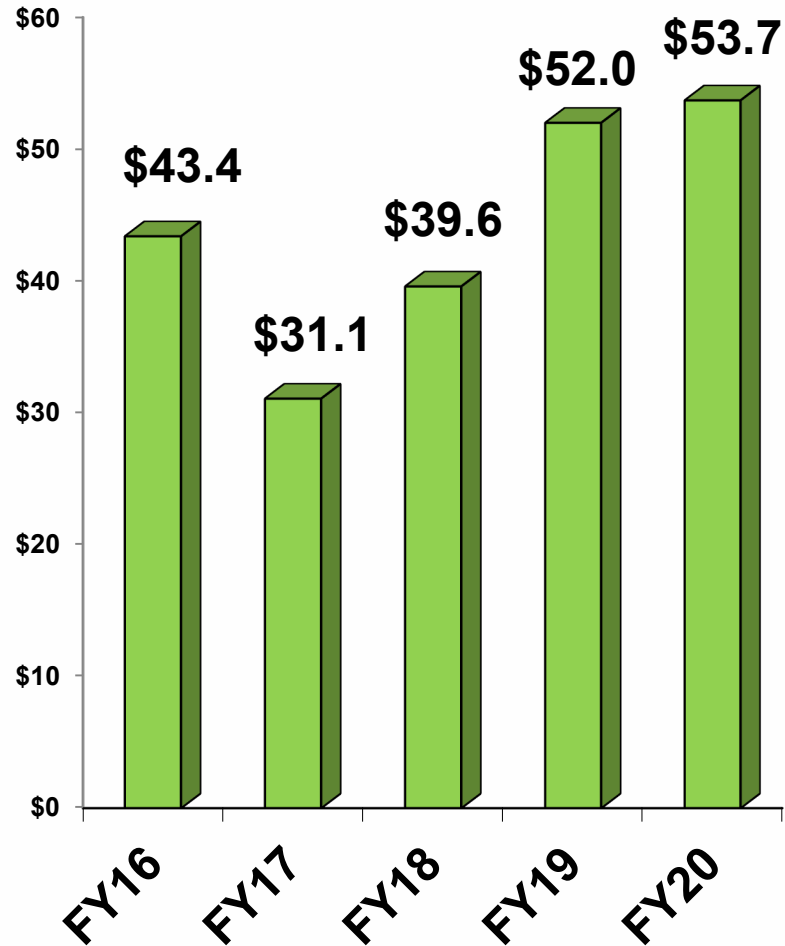


- \$3.5M decrease (-6.1%)
- Construction on 29 bridges
- Large projects ongoing
 - Middlebury: \$16M
 - N Hero-Grand Isle: \$15M

State Bridge – RBA Structurally Deficient

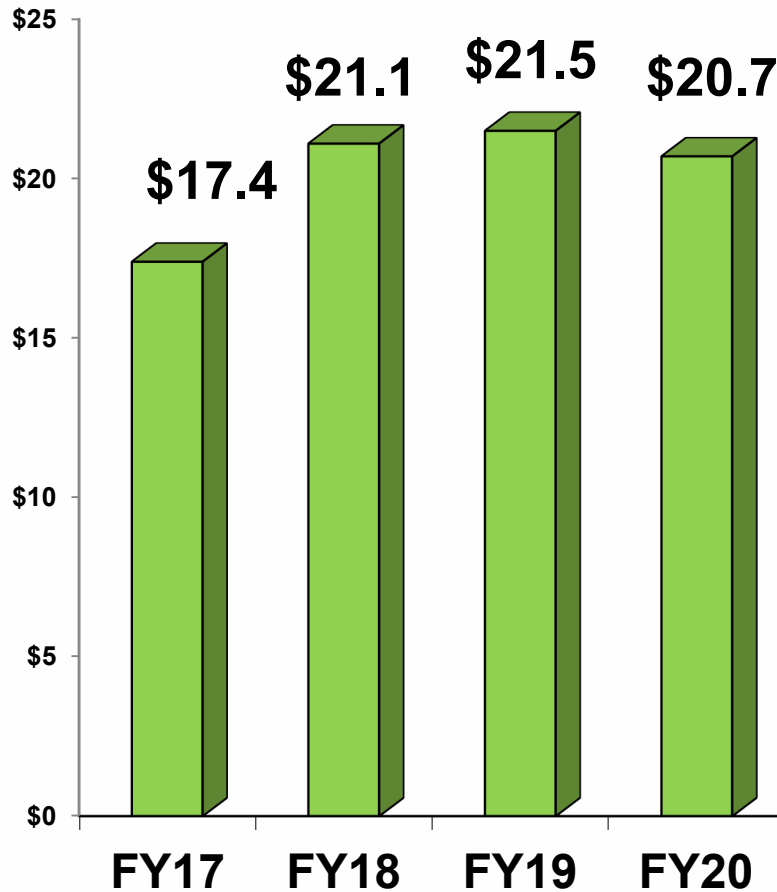


Roadway Program – \$53.7M



- \$1.7M increase (3.3%)
- Construction on 24 projects
- Advances 43 projects (PE or ROW)
- Major projects include:
 - Brandon Segment 6 (\$10.9M)
 - Burlington Champlain Parkway (\$11M)
 - Essex Crescent Connector (\$2.4M)
 - Newport City slope repair (\$3.1M)
 - Pittsford Segment 1 (\$3M)
 - South Burlington Market Street (\$2M)
 - Waterbury Main Street (\$10M)
 - Numerous culvert and slope projects to stabilize infrastructure and improve safety

Traffic & Safety - \$20.7M

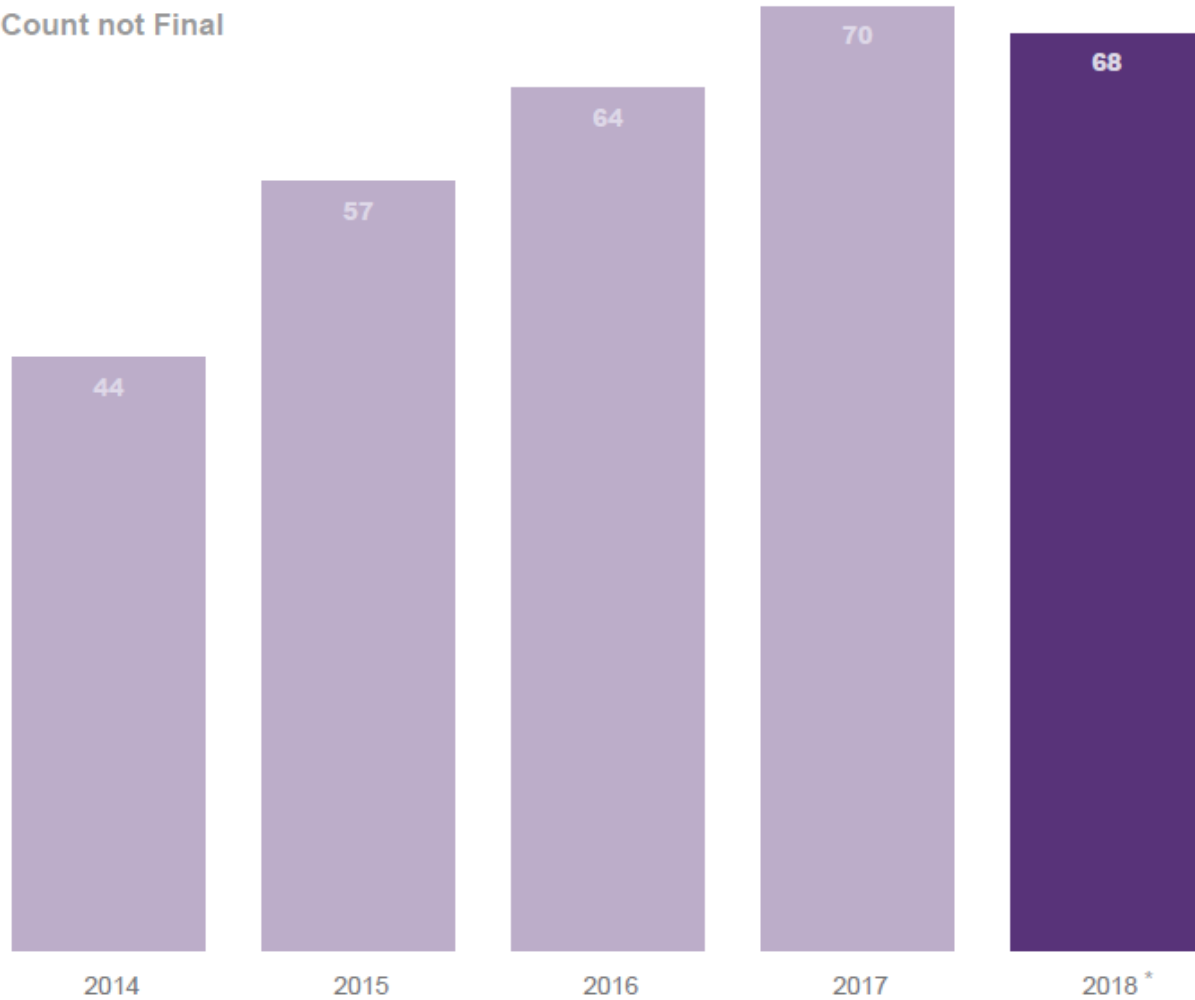


- \$770,000 decrease (-3.6%)
- Reflects consistent funding level for this mission-critical program
- Includes GHSP (\$5.5M)
- Major projects include:
 - Burlington roundabout
 - Colchester Exit 16
 - Hartford Sykes Ave
 - Hinesburg VT116
 - Intersections, signs and markings, centerline rumble strips

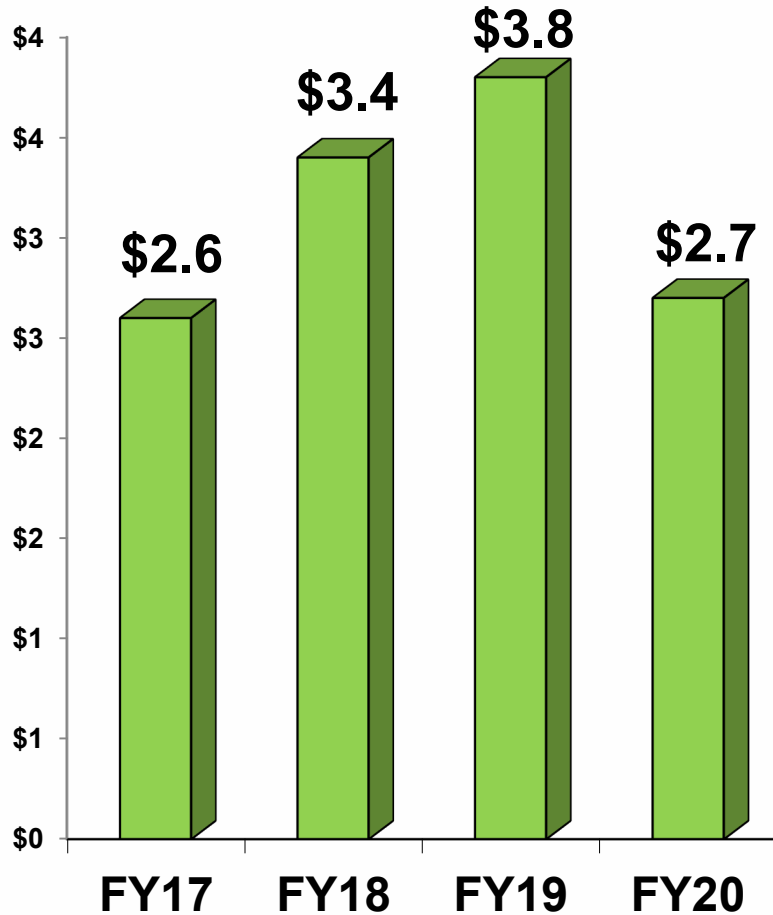
Highway Fatality Statistics by Year

Number of Fatalities by Year

*2018 Count not Final

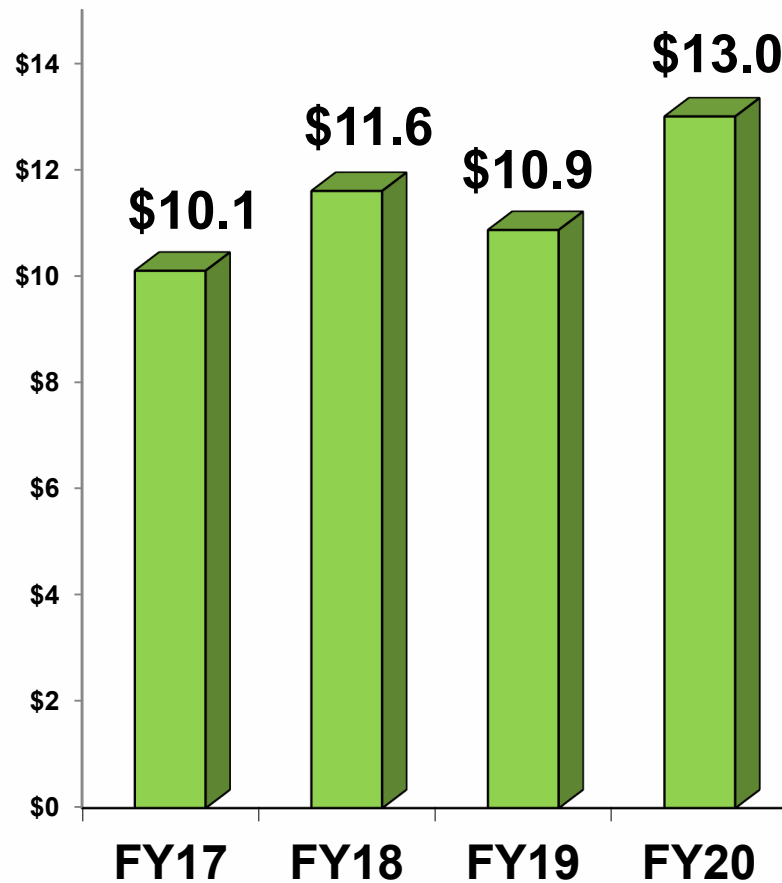


Park & Ride Facilities - \$2.7M



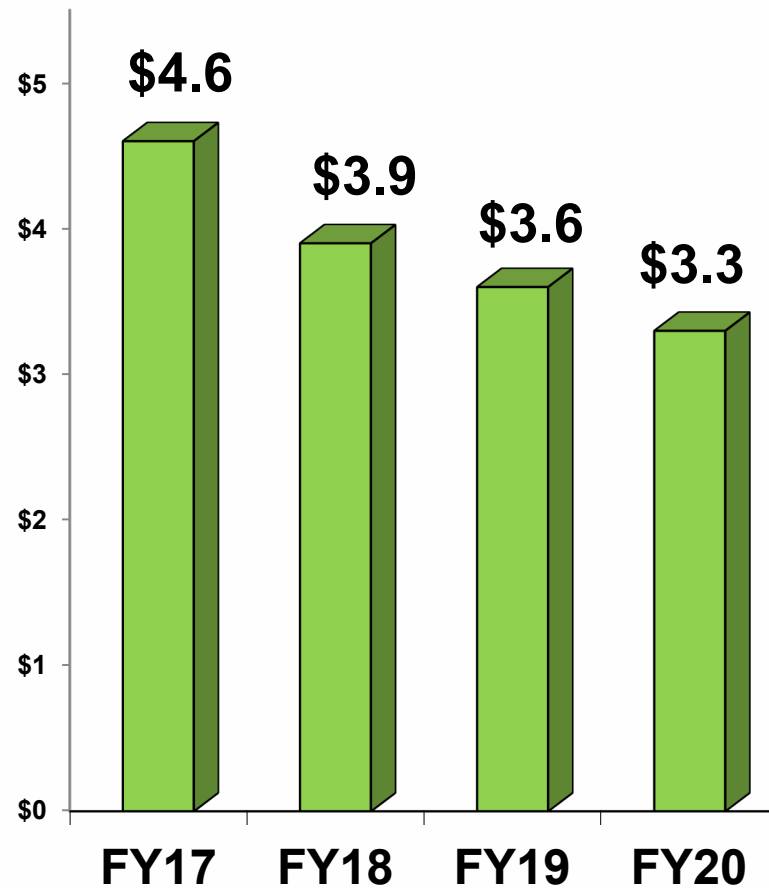
- Decrease of \$1.2M (-30.4%)
- Decrease result of completion of Colchester project (\$1M in FY19)
- New - Includes \$300K for EV charging stations
- Funds construction at 4 facilities
 - Cambridge, Royalton, St. Johnsbury, Williston
- Preliminary engineering for 6 projects
- Funds paving at several facilities

Bicycle & Pedestrian Facilities - \$13M



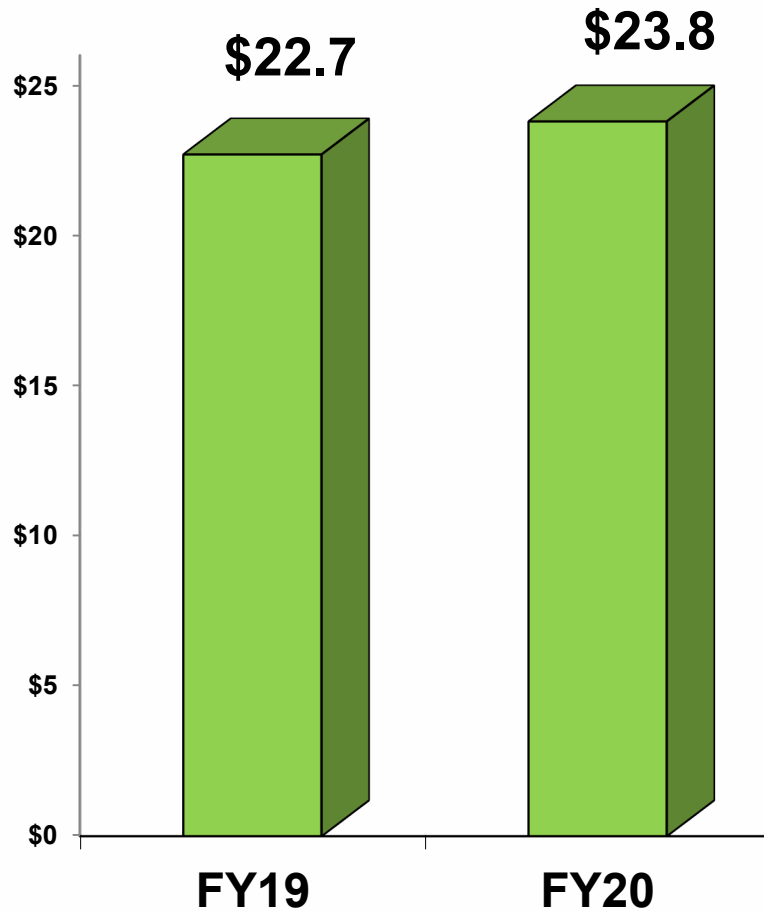
- \$2.2M increase (20.0%)
- Reflects increased project activity from recent years' awards
- Funds construction on 34 projects
- Several larger projects:
 - Bennington Bike/Ped path
 - Burlington Birchcliff Parkway – Locust Street
 - Central VT Regional Path
 - Colchester - Essex
 - East Montpelier sidewalks
 - Fairfield sidewalks
 - LVRT
 - Middlebury sidewalks
 - Richford Missisquoi Trail Extension
 - Stowe sidewalks

Transportation Alternatives - \$3.3M



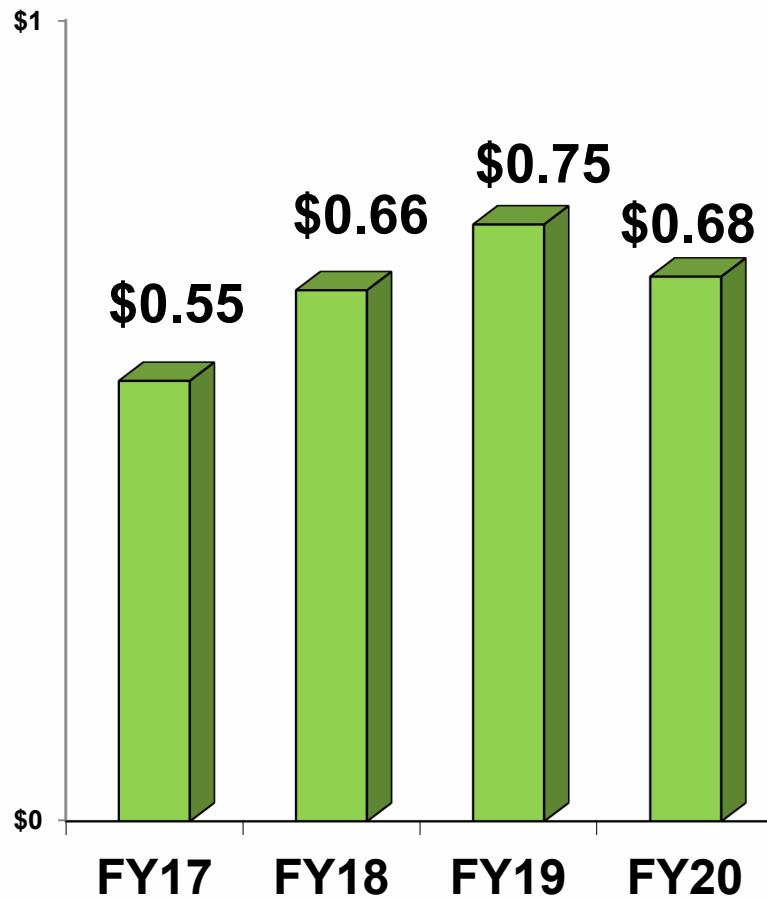
- \$332,000 decrease (-9.2%)
- \$2.2M awarded annually
 - Funds all projects that received grants to the extent they are ready to proceed
- 36 total projects funded
- Construction on 22 projects
- Redirects entire \$2.2M annual funding to any eligible activity
- In FY2018 and FY2019 entire \$2.2M was allocated to stormwater projects (clean water)

Program Development Admin. - \$23.8M



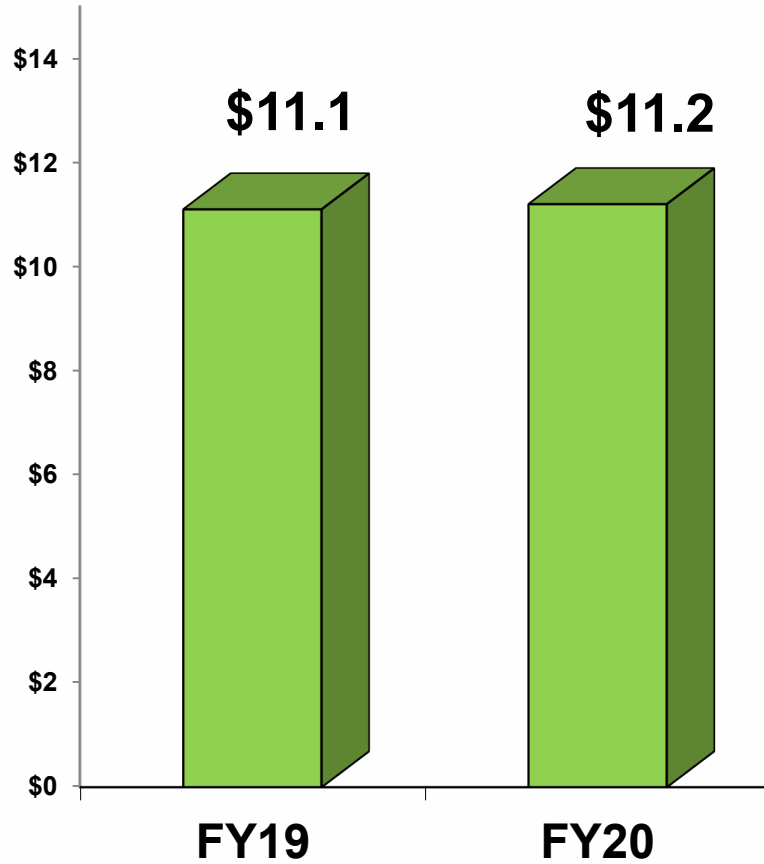
- Increase of \$1.1M (4.7%)
- Increase is driven by funding for replacing dated AASHTO application that is no longer supported
 - New Construction Management System (COTS solution)

Rest Areas - \$680,000



- \$65,000 decrease (-8.7%)
- No major construction projects funded
- Funds only major maintenance and repair projects
- Funds capital projects only, including paving
- Information center operating costs are budgeted by BGS

Policy and Planning - \$11.2M



- Increase of \$106,000 (1.0%)



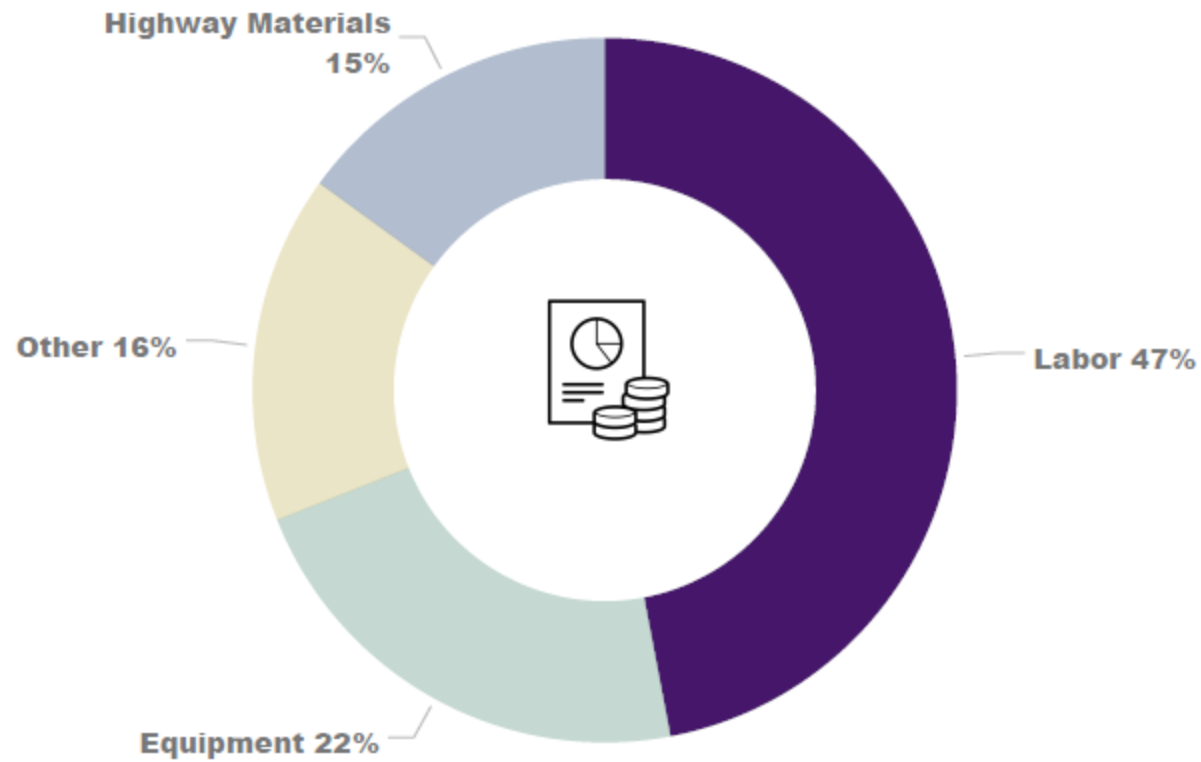
Maintenance - \$93.9M



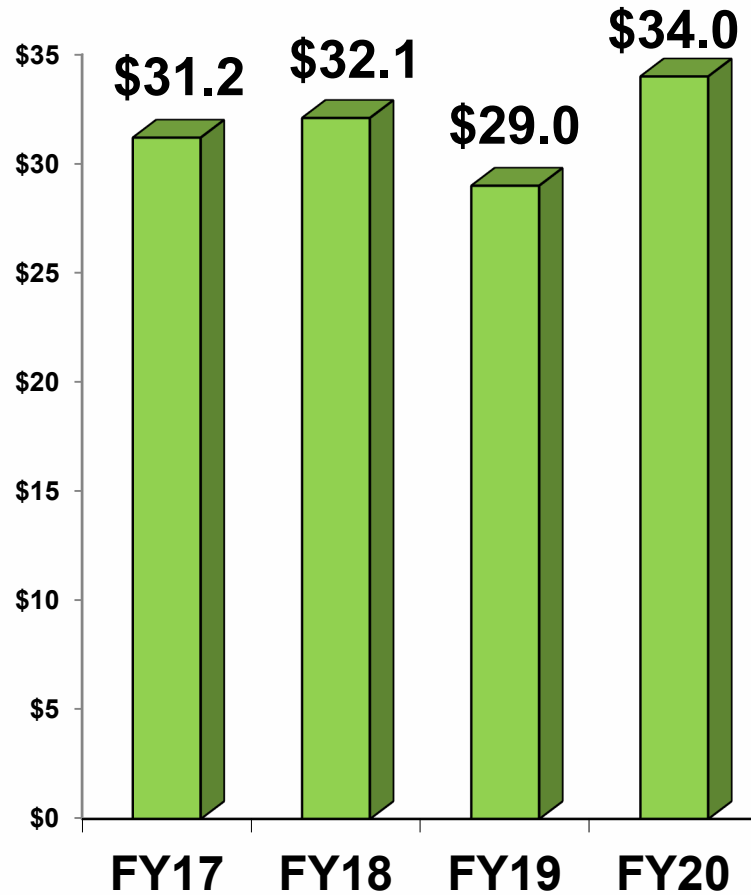
- \$6M increase (6.8%)
 - Restores \$1.6M cut made to FY19 last session (TDI related)
 - \$1.4M for increased salt cost – based on 3-year average usage and 15% cost increase
 - FY19 = 104,155 tons (26% over FY18)
 - Now includes Office of Highway Safety
 - Continues focus on general maintenance, safety, preservation, and resilience – back to basics

Maintenance Spending Breakdown

Maintenace Cost Breakdown



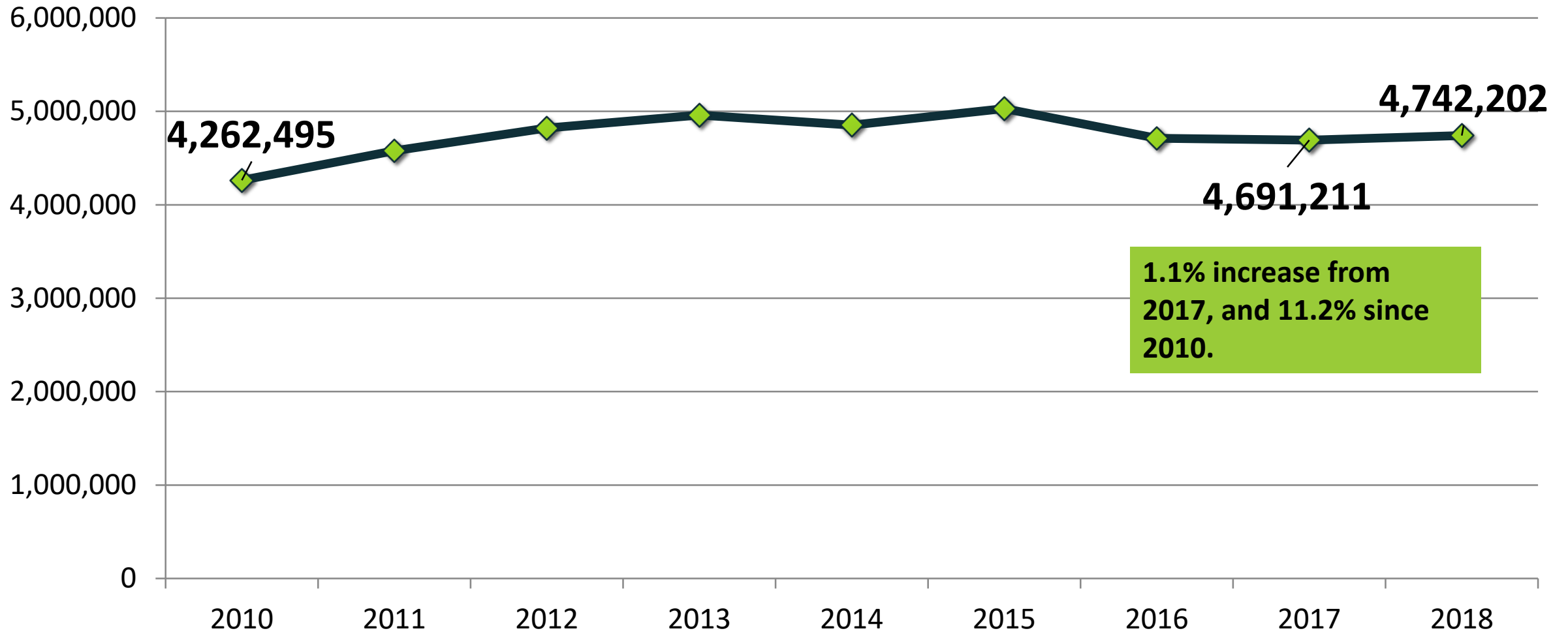
Public Transit - \$34M



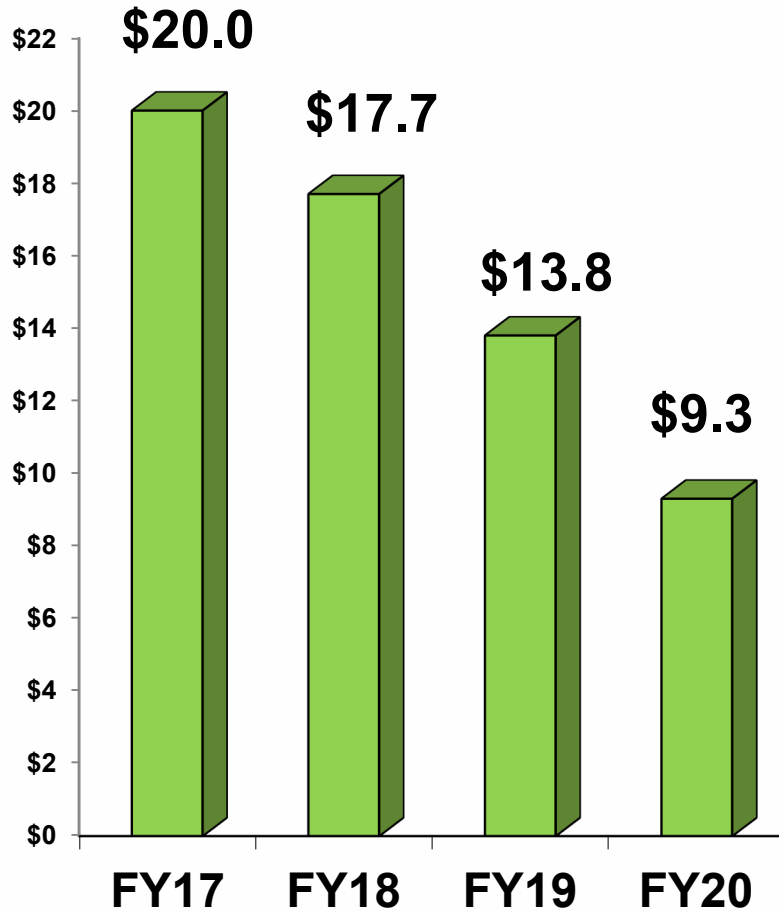
- \$5M increase (17.2%)
- Capital – bus and facilities increased significantly
 - \$800K for new facility in Bradford
 - Portion of a \$2M+ project
 - Increased funding for bus replacements
 - Estimated 42 vehicles replaced
- \$200K for opioid treatment transportation
 - Recommended by Opioid Coordination Council

Public Transportation

Public Transit Ridership by Federal Fiscal Year

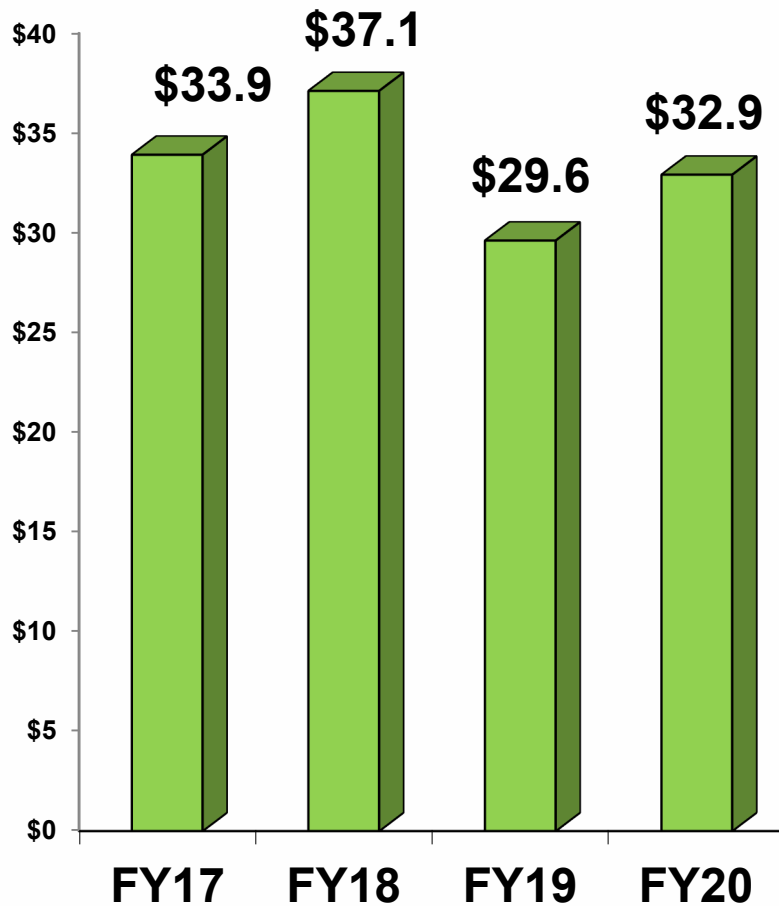


Aviation - \$9.3M



- \$4.5M decrease (-32.3%)
- Decrease is entirely FAA funds
 - Program was driven by FAA Airport Improvement Program (AIP) projects in recent years
- BTV support capped at \$500K
- Highgate runway (PE) and fencing
- Morrisville-Stowe taxiway and safety improvements
- Coventry and Springfield aviation easements

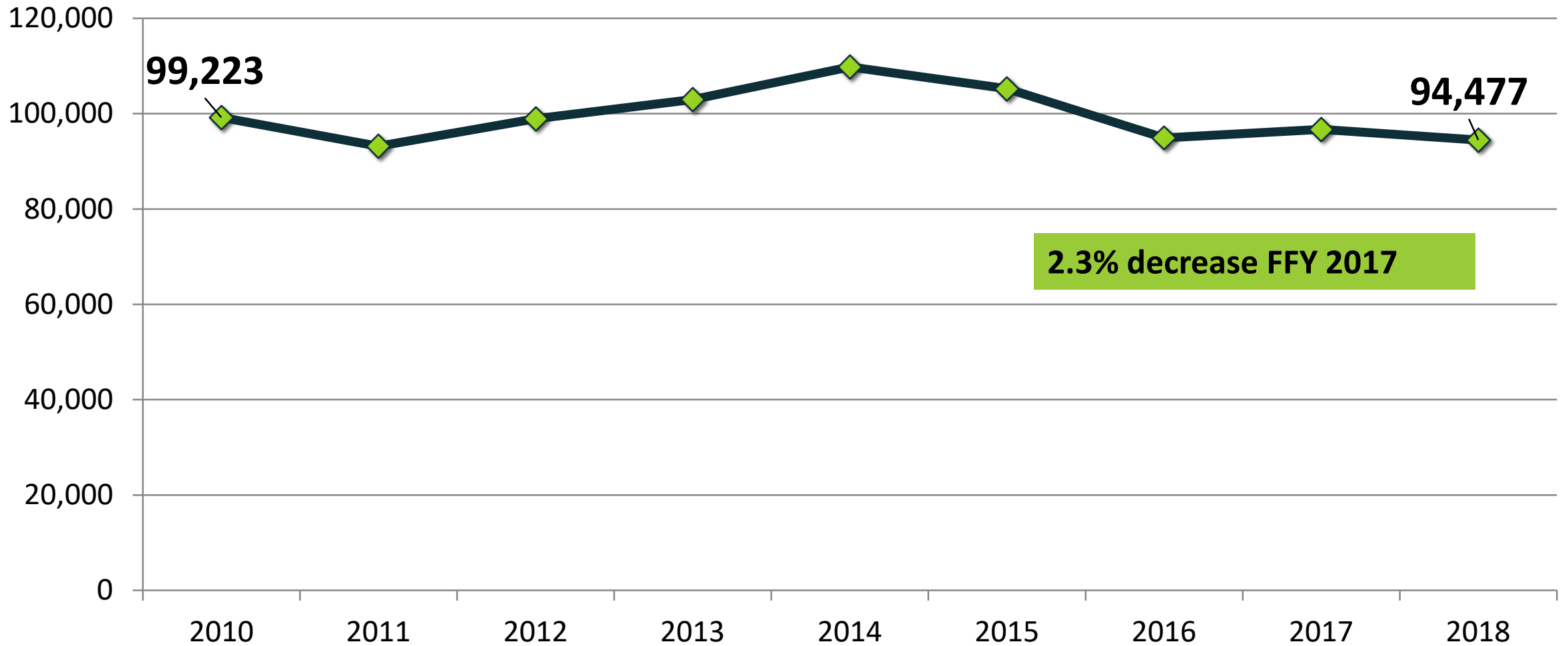
Rail - \$32.9M



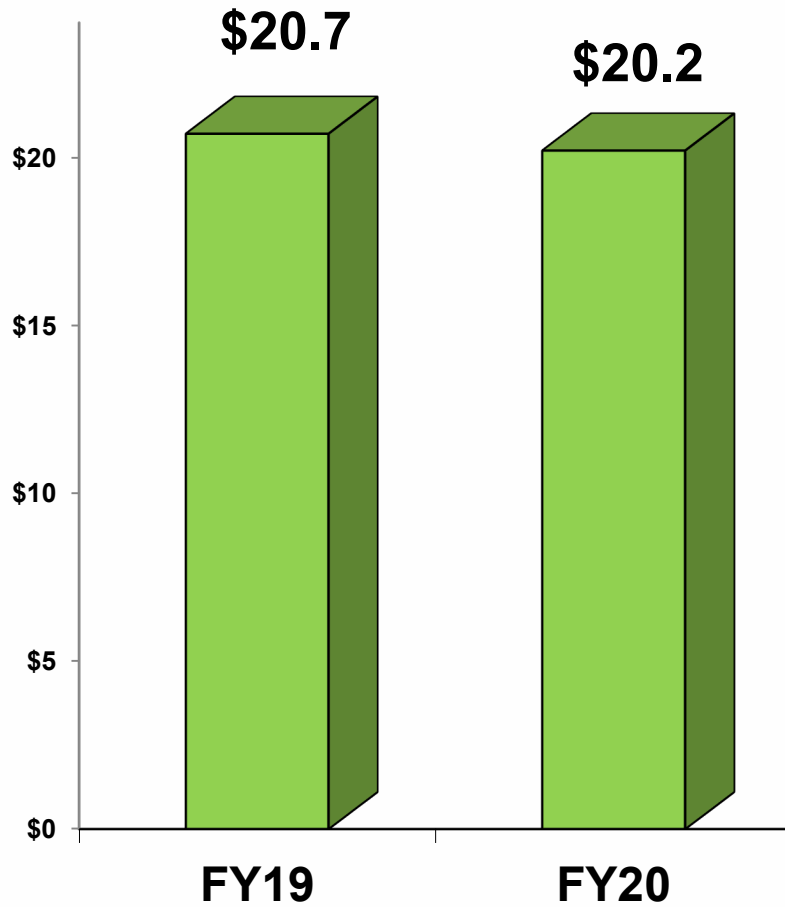
- \$3.3M increase (11.0%)
- Increase driven by increase in rail highway crossing improvements
- \$8.3M for continuation of Amtrak
- \$9.4M Western Corridor improvements
- Recently awarded competitive “BUILD” federal grant for Rutland-Hoosick bridges
 - Better Utilizing Investments to Leverage Development (BUILD) grant
 - \$31M project: \$20M Federal BUILD; \$11M Match (from State and FHWA formula funds)

Passenger Rail

Intercity Passenger Rail Ridership by Federal Fiscal Year

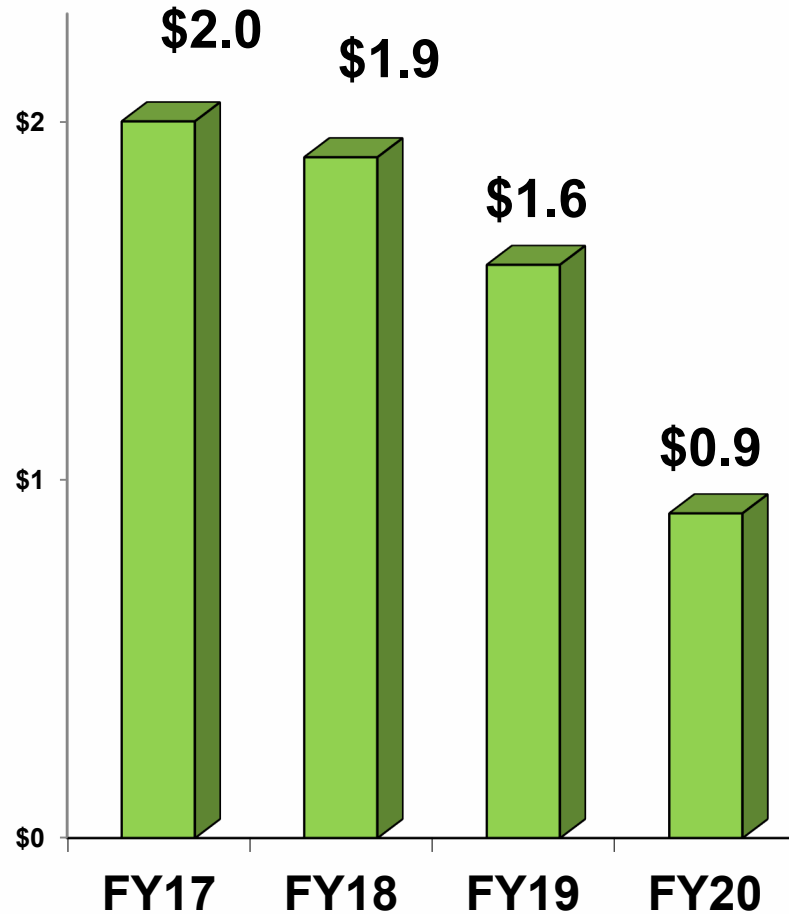


Central Garage - \$20.2M



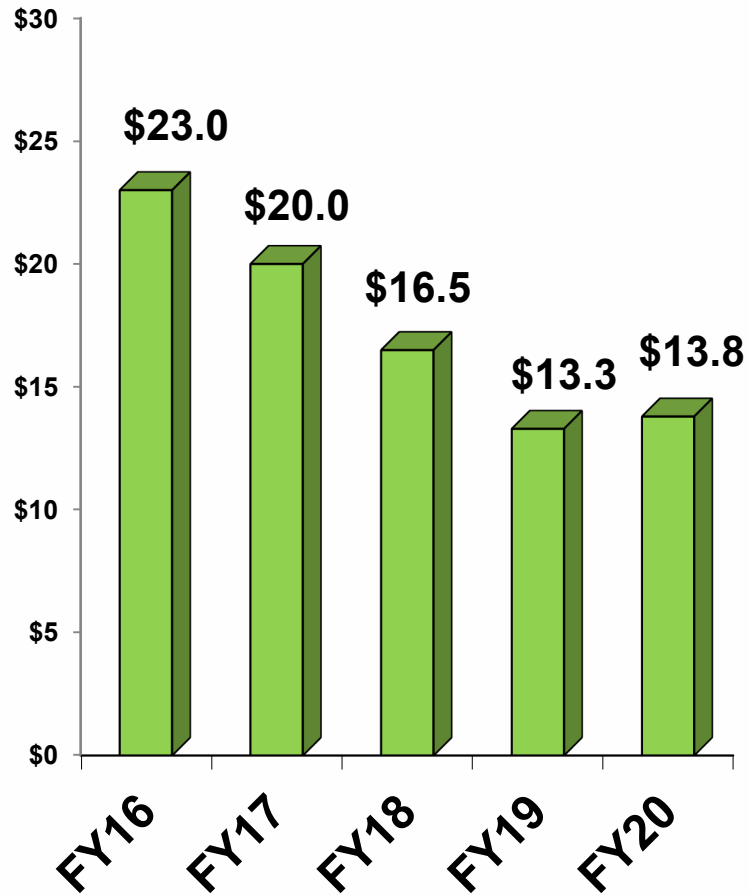
- \$533,000 decrease (-2.6%)
- Maintains, procures and administers VTrans' fleet
- Includes \$7.4M investment in equipment replacement

Transportation Buildings - \$907,746



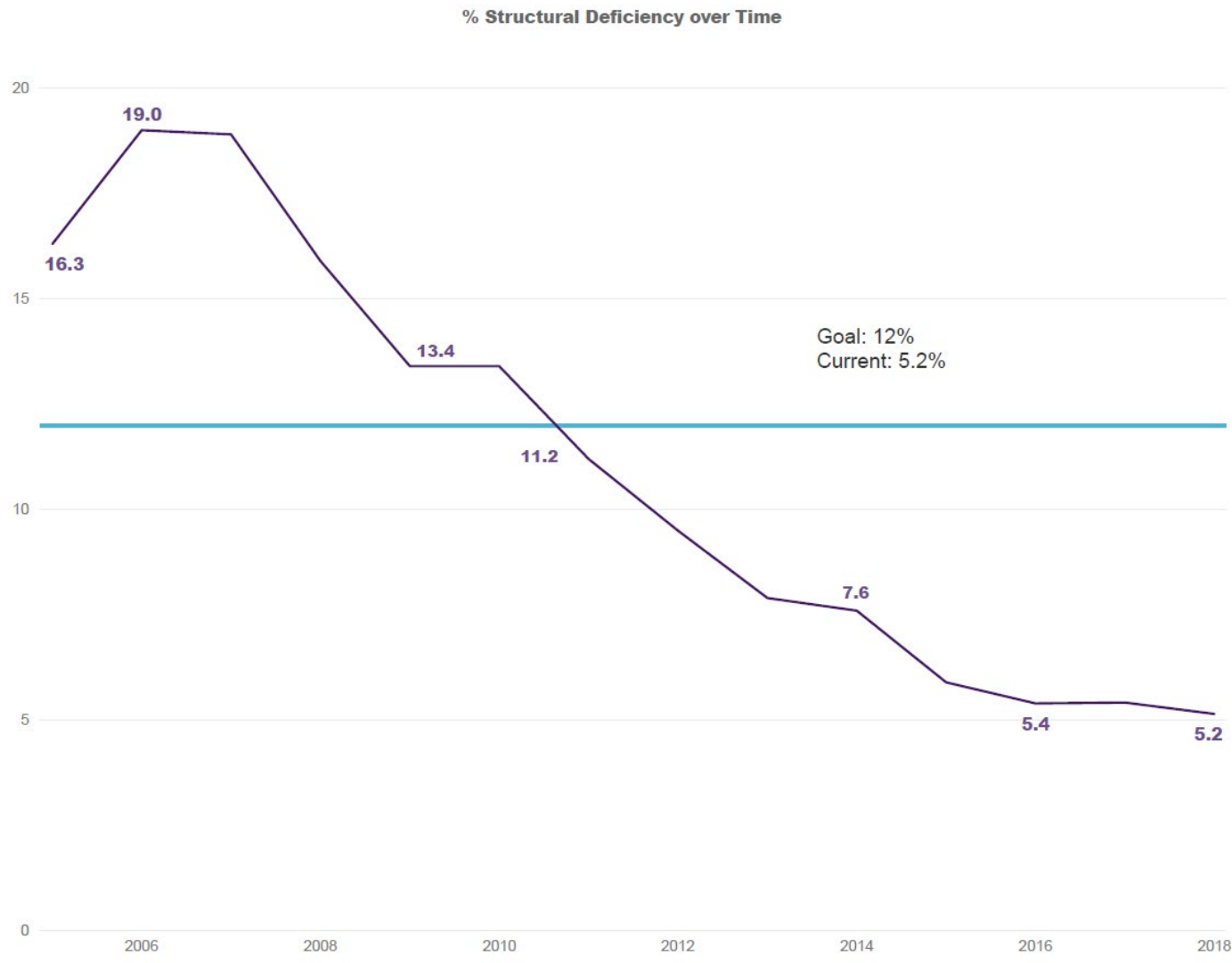
- \$670,000 decrease (-42.5%)
- Reflects completion of White River (District 4) project
- Construction at St Albans 10-Bay Garage
- Plans for Island Pond salt shed

Town Highway Bridge - \$13.8M

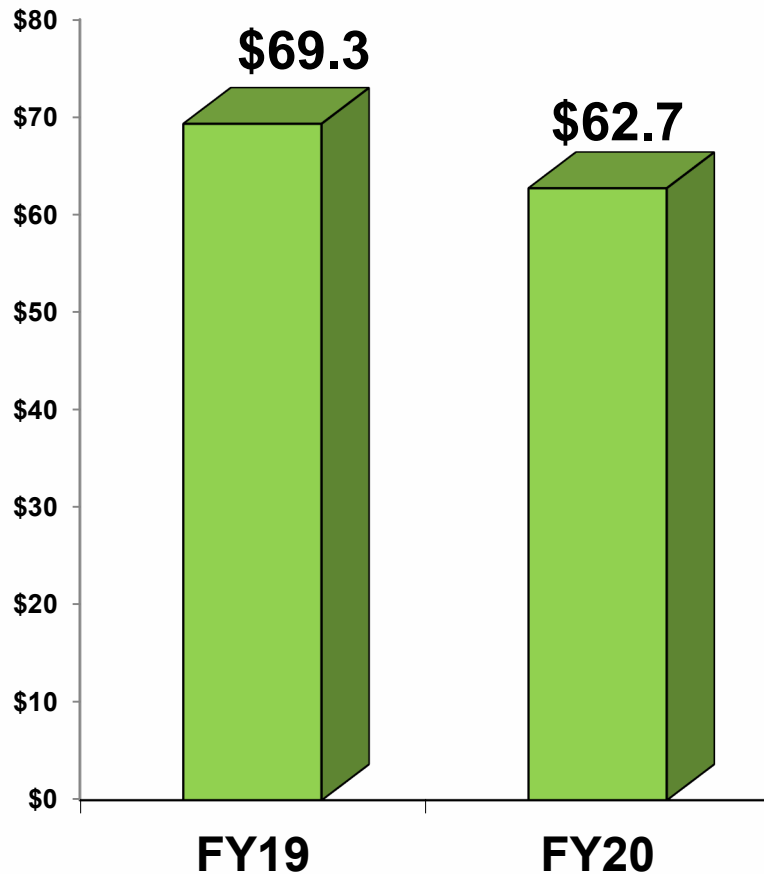


- \$509,000 increase (3.8%)
- Construction on 11 bridges
- Funds additional 17 projects under development (PE or ROW)

Town Highway Bridge – RBA Structurally Deficient



Combined Town Highway Programs - \$62.7M



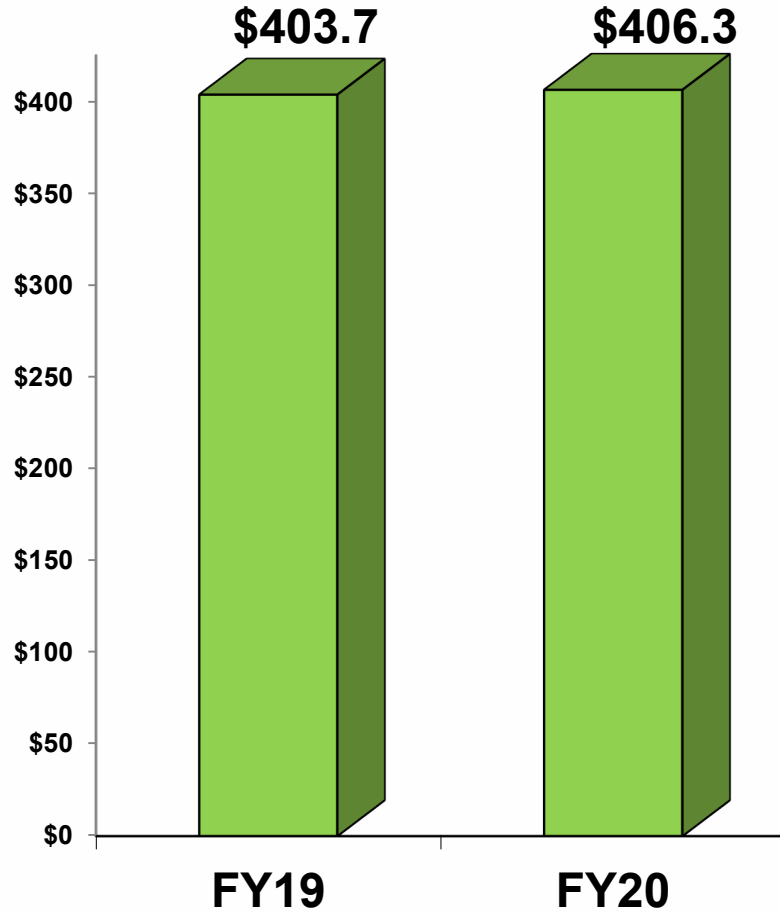
- \$6.6M decrease (-9.5%)
 - Town Highway grant programs level funded
 - Decrease of \$600K in Public Assistance Program (FEMA)
 - Irene projects winding down
 - Decrease of \$6.2M in Municipal Mitigation Grant Program
 - Clean Water Funding was supplemented in FY18 and FY19 and now sunsetting
 - Additional detail in later slide

Town Highway Grant Programs

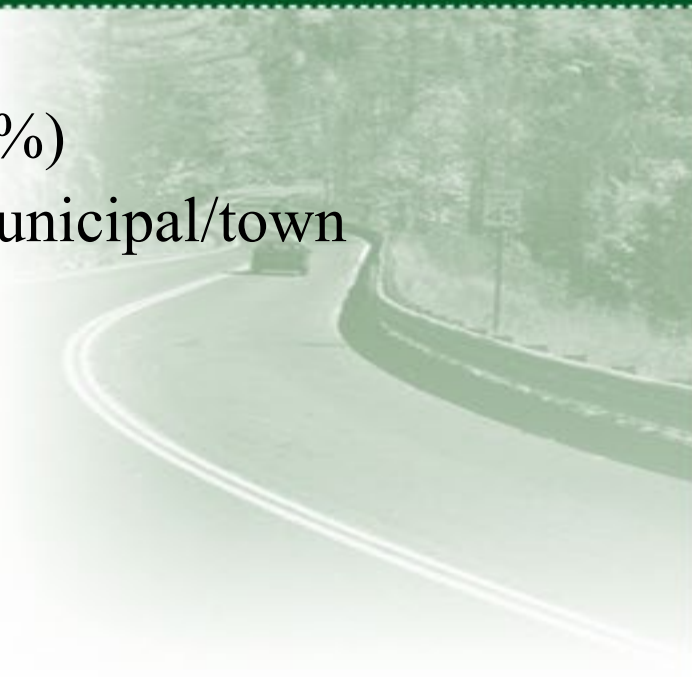
- Level funded at recent levels
 - \$6.33M for TH Structures grants
 - \$7.65M for TH Class 2 grants
 - \$1.15M for TH non-federal disasters (not FEMA eligible)
 - \$180,000 for TH federal disasters
 - FHWA – Emergency Relief Program
 - \$26M for Town Highway Aid (formula)
 - \$128,750 for TH Class 1 Supplemental (formula)



VT Local Roads - \$406,307



- Increase of \$2,593 (0.6%)
- Provides training for municipal/town transportation workers

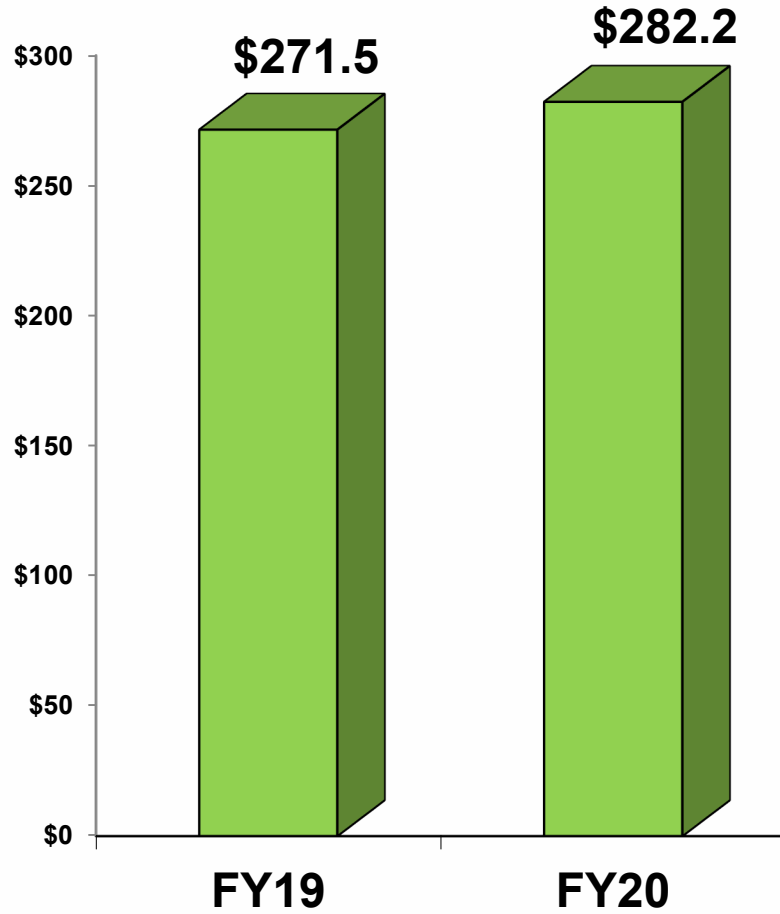


Municipal Mitigation Assistance Program - \$2.9M



- \$6.2M decrease (-67.8%)
- Decrease is driven by:
 - \$2.4M decrease in Capital Bill (bonds)
 - \$4M decrease in FHWA funds
 - FY18 and FY19 redirected FHWA funds to Clean Water Initiative on a temporary basis
 - \$540K decrease in Transportation Fund (TF)
 - FY17 - FY19 redirected TF funds to Clean Water Initiative on a temporary basis pursuant to provision included in FY2017 Transportation Bill
 - \$640K increase in Clean Water Fund

Transportation Board - \$282,191



- Increase of \$10,648 (3.9%)



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