



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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Richmond, Virginia 23219

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Agenda item #2

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 10, 2018

MOTION

Made By: Mr. Kasprovicz, Seconded By: Ms. Hynes

Action: Motion Carried, Unanimously

Title: Action on the Revised Fiscal Year 2018 Annual Budgets for the Commonwealth Transportation Fund and for the Virginia Department of Transportation

WHEREAS, the Commonwealth Transportation Board (the "Board") is required by §§ 33.2-214 (B) and 33.2-221 (C) of the *Code of Virginia (Code)* to administer and allocate funds in the Transportation Trust Fund; and

WHEREAS, the Board approved the Commonwealth Transportation Fund Budget and the Virginia Department of Transportation Budget for Fiscal Year 2018 on June 20, 2017; and

WHEREAS, the Commonwealth received a concession payment from the Concessionaire on November 9, 2017 related to the Transform 66 Outside the Beltway Project; and

WHEREAS, concession payments to the Commonwealth attributable to qualifying transportation facilities developed and/or operated pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) are deposited into the Transportation Trust Fund pursuant to subdivision 7 of § 33.2-1524 from and, pursuant to § 33.2-1528, shall be held in a separate subaccount to be designated the Concession Payments Account, (the Account) together with all interest, dividends, and appreciation that accrue to the Account and that are not otherwise specifically directed by law or reserved by the Board for other purposes allowed by law; and

Resolution of the Board

Revised FY 2018 Annual Budgets for the Commonwealth Transportation Fund and the Virginia Department of Transportation

January 10, 2018

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WHEREAS, the Board may make allocations from the Account upon such terms and subject to such conditions as the Board deems appropriate to pay or finance all or part of the costs of programs or projects, including the costs of planning, operation, maintenance, and improvements incurred in connection with the acquisition and construction of projects, provided that allocations from the Account shall be limited to programs and projects that are reasonably related to or benefit the users of the qualifying transportation facility that was the subject of a concession pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.); and

WHEREAS, the priorities of metropolitan planning organizations, planning district commissions, local governments, and transportation corridors shall be considered by the Board in making project allocations from moneys in the Account; and

WHEREAS, a portion of the concession payment shall be used to support the Department's Oversight of the I-66 Outside the Beltway Project; and

WHEREAS, the Board has identified certain Route 29 Projects, and through a Memorandum of Agreement between the Board and the Northern Virginia Transportation Authority (NVTa) the NVTa has identified proposed projects, to be funded with the remainder of the concession payment funding .

NOW, THEREFORE, BE IT RESOLVED by the Commonwealth Transportation Board that the recommended Revised Annual Budgets for the Commonwealth Transportation Fund and for the Virginia Department of Transportation reflecting the revenues and allocations related to the concession payment from the I-66 Outside the Beltway Project is approved.

####

Fiscal Year 2018

Commonwealth Transportation Fund Budget
June 2017

Revised, January 2018



Virginia Department of Transportation

Financial Planning Division

1221 E. Broad Street, 4th Floor

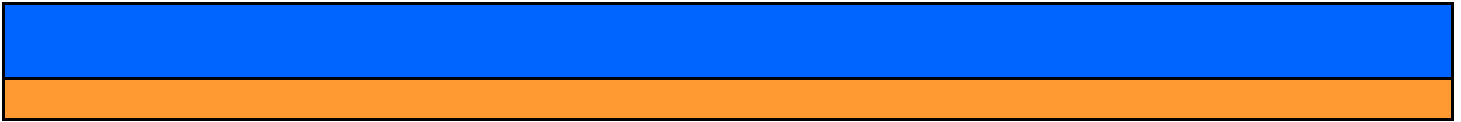
Richmond, VA 23219

Telephone: (804) 786-3096

Internet Address: <http://www.virginiadot.org/projects/reports-budget.asp>

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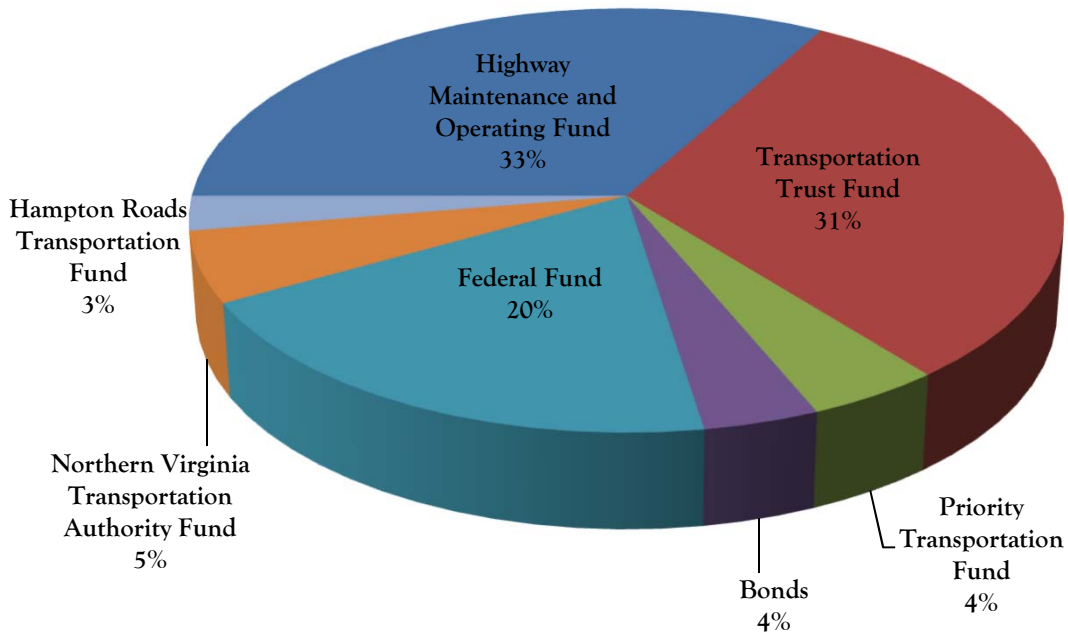
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The Revised Fiscal Year 2018 budget for the Commonwealth Transportation Fund (CTF) identifies the estimated revenues and the distribution of the revenues to the related transportation agencies and programs. It is based on the adopted CTF Budget from June 2017 and the addition of the I-66 Outside the Beltway Concession Fee.

The CTF receives revenues from dedicated state and federal sources. The major state revenues are based on Virginia's official revenue forecast developed by the Department of Taxation. The federal revenues from the Federal Highway Administration and the Federal Transit Administration are estimated by the Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT). Revenues provided are also from funds collected for regional transportation improvements in Northern Virginia and Hampton Roads. These funds are dedicated to the efforts of the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission.

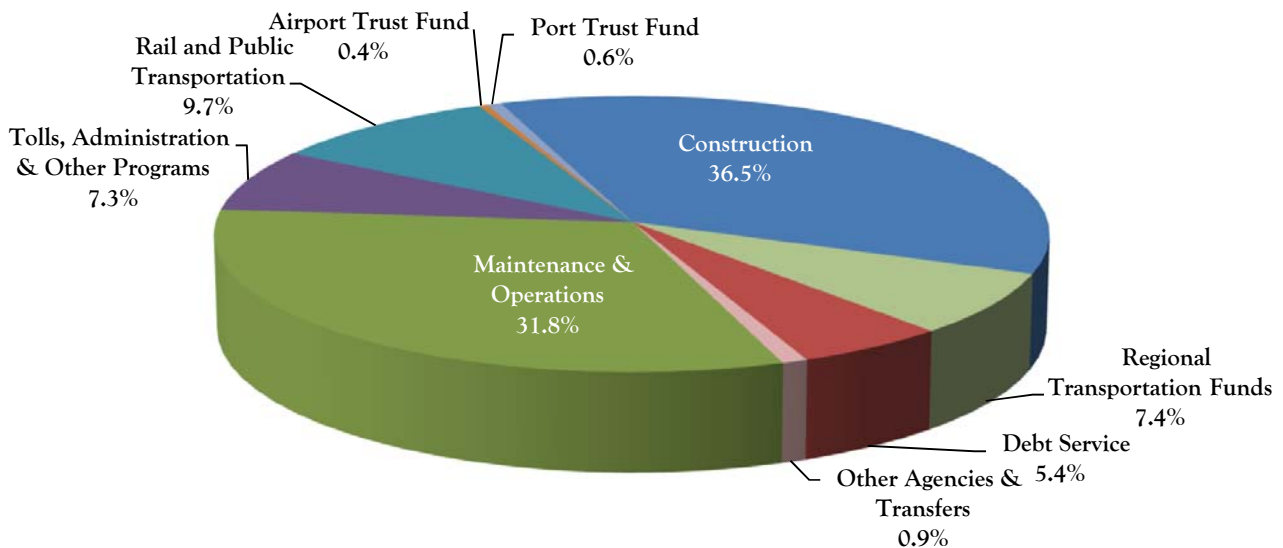
**Commonwealth Transportation Fund
Total Revenues FY 2018**



| | |
|--|------------------------|
| Highway Maintenance and Operating Fund | \$2,031,060,785 |
| Transportation Trust Fund | 1,893,573,427 |
| Priority Transportation Fund | 272,446,552 |
| Bonds | 236,000,988 |
| Federal Fund | 1,191,025,056 |
| I-66 Outside the Beltway Concession Fee | 578,919,450 |
| Total Operating Revenues | \$6,203,026,258 |
| Pass Through Revenues | |
| Northern Virginia Transportation Authority Fund | 332,100,000 |
| Hampton Roads Transportation Fund | 160,400,000 |
| Subtotal | 492,500,000 |
| TOTAL | \$6,695,526,258 |

The revenues are dedicated to specific funds within the CTF. The revenues for the Highway Maintenance and Operating Fund (HMOF) support highway maintenance, operations and administration. The Priority Transportation Fund (PTF) revenues are dedicated to debt service on the Commonwealth of Virginia Transportation Capital Projects Revenue Bonds. Federal revenues are used for their defined purposes to support construction, maintenance or transit.

The Transportation Trust Fund revenues are distributed by formula, as defined by the Code of Virginia, to the Construction Fund, the Mass Transit Fund, the Airport Fund and the Port Fund. The 78.7% distributed to the Construction Fund is managed by VDOT. The 14.7% provided to the Mass Transit Fund supports transit operations, capital and special programs and is managed by the DRPT. The Airport Fund's 2.4% is provided to the Aviation Board and the 4.2% to the Port Fund is managed by the Virginia Port Authority.



| | |
|---|------------------------|
| Debt Service | 361,627,493 |
| Other Agencies & Transfers | 60,655,283 |
| Maintenance & Operations | 2,131,622,977 |
| Tolls, Administration & Other Programs | 487,860,194 |
| Rail and Public Transportation | 649,454,000 |
| Airport Trust Fund | 23,492,920 |
| Port Trust Fund | 41,193,859 |
| Construction | 2,447,119,532 |
| Total Operating Programs | \$6,203,026,258 |
| Pass Through Programs | |
| Regional Transportation Funds | 492,500,000 |
| TOTAL RECOMMENDED DISTRIBUTIONS | \$6,695,526,258 |



| STATE REVENUE SOURCES | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|--|-----------------------------|----------------------------|--------------------------------|
| Highway Maintenance & Operating Fund (HMOF) | | | |
| State Revenue | \$2,031,060,785 | \$2,031,060,785 | \$ - |
| Total HMOF | 2,031,060,785 | 2,031,060,785 | - |
| Transportation Trust Fund (TTF) | | | |
| Revenue Available for Modal Distribution | 996,800,000 | 996,800,000 | - |
| Interest Earnings | 1,275,000 | 1,275,000 | - |
| Toll Facilities | 69,214,833 | 69,214,833 | - |
| Local Revenue Sources | 151,758,221 | 151,758,221 | - |
| Project Participation - Regional Entities | 352,610,184 | 352,610,184 | - |
| CPR Bonds | 122,900,000 | 122,900,000 | - |
| GARVEE Bonds | 113,100,988 | 113,100,988 | - |
| Other Trust Fund Revenue | 321,915,189 | 900,834,639 | 578,919,450 |
| Other Trust Fund Revenue | 2,129,574,415 | 2,708,493,865 | 578,919,450 |
| Priority Transportation Fund (PTF) | | | |
| State Revenue | 272,446,552 | 272,446,552 | - |
| Total PTF | 272,446,552 | 272,446,552 | - |
| Regional Transportation Funds | | | |
| State Revenue | 492,500,000 | 492,500,000 | - |
| Total Regional Transportation Funds | 492,500,000 | 492,500,000 | - |
| TOTAL STATE REVENUES | 4,925,581,752 | 5,504,501,202 | 578,919,450 |
| Federal Funding Sources | | | |
| Federal Highway Administration (FHWA) | 1,149,793,185 | 1,149,793,185 | - |
| Federal Transit Administration (FTA) | 41,231,871 | 41,231,871 | - |
| Total Federal Funding | 1,191,025,056 | 1,191,025,056 | - |
| TOTAL COMMONWEALTH TRANSPORTATION FUNDS | \$6,116,606,808 | \$6,695,526,258 | \$578,919,450 |



| DISTRIBUTION OF REVENUE SOURCES | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|--|-----------------------------|----------------------------|--------------------------------|
| Debt Service | | | |
| Toll Facilities Debt | \$3,193,400 | \$3,193,400 | - |
| Northern Virginia transportation District | 31,565,855 | 31,565,855 | - |
| Oak Grove Connector | 1,990,750 | 1,990,750 | - |
| Route 28 | 7,212,269 | 7,212,269 | - |
| Route 58 | 47,435,319 | 47,435,319 | - |
| GARVEE Bonds | 110,970,875 | 110,970,875 | - |
| CPR Bonds | 153,503,773 | 153,503,773 | - |
| Other | 5,755,252 | 5,755,252 | - |
| Total Debt Service | 361,627,492 | 361,627,492 | - |
| Other Agencies & Transfers | | | |
| Trust Fund Management | 2,783,614 | 2,783,614 | - |
| Support to Other State Agencies (excludes DRPT) | 53,136,578 | 53,136,578 | - |
| Indirect Costs | 4,735,091 | 4,735,091 | - |
| Total State Agencies | 60,655,283 | 60,655,283 | - |
| Maintenance & Operations | | | |
| Highway System Maintenance | 1,689,365,163 | 1,689,365,163 | - |
| Financial Assist. to Localities for Ground | 375,481,970 | 375,481,970 | - |
| Financial Assist. to Localities for Ground Trans. - Counties | 66,775,844 | 66,775,844 | - |
| Total Maintenance & Operations | 2,131,622,977 | 2,131,622,977 | - |
| Tolls, Administration & Other Programs | | | |
| Ground Transportation System Planning & Research | 73,774,836 | 73,774,836 | - |
| Environmental Monitoring & Compliance | 13,688,075 | 13,688,075 | - |
| Administrative & Support Services | 263,439,502 | 263,439,502 | - |
| Program Management & Direction | 39,005,784 | 39,005,784 | - |
| Toll Facilities Operations | 37,629,766 | 37,629,766 | - |
| Toll Facility Revolving Account | 29,650,000 | 29,650,000 | - |
| Capital Outlay | 30,672,231 | 30,672,231 | - |
| Total Tolls, Administration & Other Programs | 487,860,194 | 487,860,194 | - |



| DISTRIBUTION OF REVENUE SOURCES | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|---|-----------------------------|----------------------------|--------------------------------|
| Transit and Rail Funds | | | |
| Share of Modal Distribution | \$143,128,508 | \$143,128,508 | \$ - |
| Transit | 77,200,000 | 77,200,000 | - |
| Surface Transportation Program | 26,620,755 | 26,620,755 | - |
| Federal Transit Authority (FTA) | 41,231,871 | 41,231,871 | - |
| CMAQ (without State Match) | 9,139,360 | 9,139,360 | - |
| STP Regional (without State Match) | 6,364,176 | 6,364,176 | - |
| NHPP Statewide with Soft Match | 3,034,890 | 3,034,890 | - |
| NHPP Exempt with Soft Match | - | - | - |
| STP Statewide with Soft Match | 2,546,090 | 2,546,090 | - |
| Rail Fund | 19,250,000 | 19,250,000 | - |
| Interest Earnings | 880,000 | 880,000 | - |
| Motor Fuels Tax to Commonwealth Capital Fund | 27,200,000 | 27,200,000 | - |
| Motor Fuels Tax to transit operations | 3,100,000 | 3,100,000 | - |
| Motor Fuels Tax to transit special programs | 2,100,000 | 2,100,000 | - |
| Metro Matters | 50,000,000 | 50,000,000 | - |
| Transit Capital Bonds | 60,000,000 | 60,000,000 | - |
| Rail Bonds | 12,900,000 | 12,900,000 | - |
| Recordation Taxes for Transit Operating | 50,200,000 | 50,200,000 | - |
| Intercity Passenger Rail Operating and Capital Fund (IPROC) | 51,500,000 | 51,500,000 | - |
| Mass Transit Fund-Support from Construction | 7,875,884 | 7,875,884 | - |
| Fast Lane Grant | 45,000,000 | 45,000,000 | - |
| Priority Transportation Fund for Atlantic Gateway | 9,292,622 | 9,292,622 | - |
| Other | 889,844 | 889,844 | - |
| Subtotal Transit and Rail Funds | 649,454,000 | 649,454,000 | - |
| Airport Trust Fund | | | |
| Share of Modal Distribution (2.4%) | 23,367,920 | 23,367,920 | - |
| Interest Earnings | 125,000 | 125,000 | - |
| Total Airport Trust Fund | 23,492,920 | 23,492,920 | - |
| Port Trust Fund | | | |
| Share of Modal Distribution (4.2%) | 40,893,859 | 40,893,859 | - |
| Interest Earnings | 300,000 | 300,000 | - |
| Total Port Trust Fund | 41,193,859 | 41,193,859 | - |



| DISTRIBUTION OF REVENUE SOURCES | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|---|-----------------------------|----------------------------|--------------------------------|
| Regional Transportation Programs | | | |
| Northern Virginia Transportation Authority Fund | \$332,100,000 | \$332,100,000 | \$ - |
| Hampton Roads Transportation Authority Fund | 160,400,000 | 160,400,000 | - |
| Total Regional Transportation Programs | 492,500,000 | 492,500,000 | - |

| | | | |
|--|----------------------|----------------------|--------------------|
| Construction | | | |
| Financial Assistance to Localities for Ground Transportation | 15,230,168 | 15,230,168 | - |
| State of Good Repair Program | 87,690,068 | 87,690,068 | - |
| High Priority Projects Program | 107,937,754 | 107,937,754 | - |
| Construction District Grant Programs | 89,405,123 | 89,405,123 | - |
| Specialized State and Federal Programs | 1,920,291,301 | 2,499,210,751 | 578,919,450 |
| Legacy Construction Formula Programs | 226,565,119 | 226,565,119 | - |
| Total Construction | 2,447,119,533 | 3,026,038,983 | 578,919,450 |

| | | | |
|--|------------------------|------------------------|----------------------|
| DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS | \$6,003,166,578 | \$7,274,445,708 | \$578,919,450 |
|--|------------------------|------------------------|----------------------|

Agency Funding Summary:

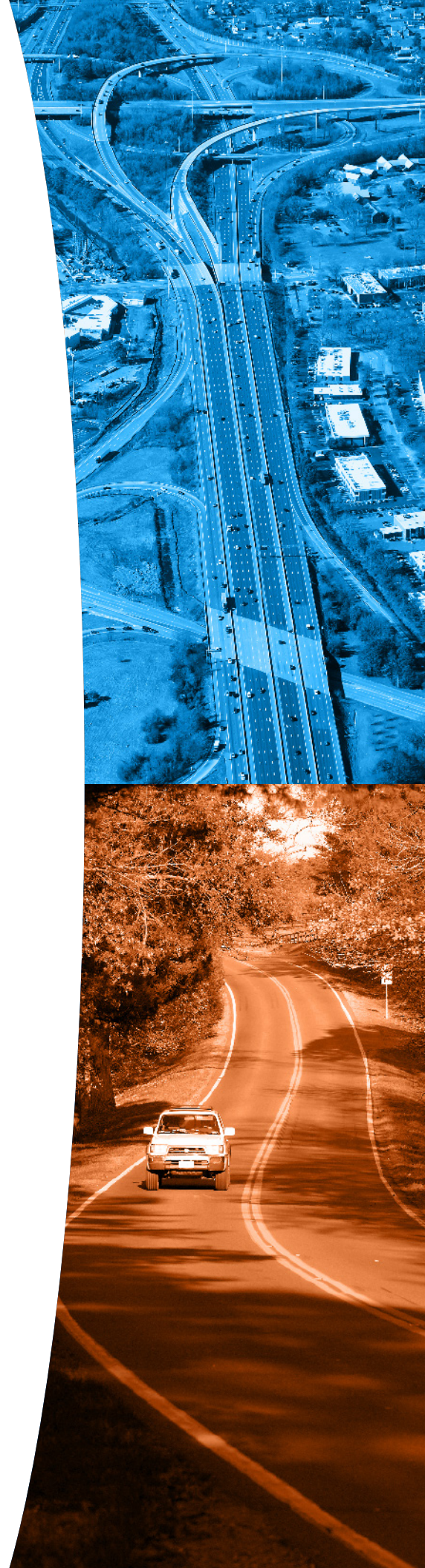
| | | | |
|---|------------------------|------------------------|----------------------|
| VDOT | \$5,410,341,913 | \$5,989,261,363 | \$578,919,450 |
| Less Support to Ports | - | - | - |
| Less Support to DRPT | (7,875,884) | (7,875,884) | - |
| VDOT (Net) | 5,402,466,029 | 5,981,385,479 | 578,919,450 |
| Support to Other Agencies & General Fund | - | - | - |
| DRPT | 649,454,000 | 649,454,000 | - |
| Ports | 41,193,859 | 41,193,859 | - |
| Aviation | 23,492,920 | 23,492,920 | - |
| Grand Total | \$6,116,606,808 | \$6,695,526,258 | \$578,919,450 |



Fiscal Year 2018

VDOT Annual Budget
June 2017

Revised, January 2018

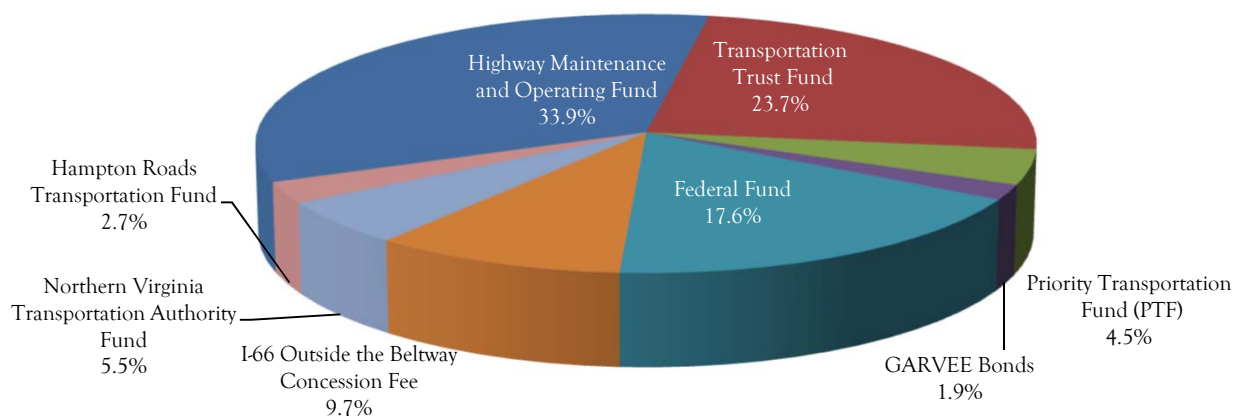


Overview

The Revised Fiscal Year 2018 (FY 2018) budget for the Virginia Department of Transportation (VDOT) identifies the estimated revenues and the distribution of the revenues to the related transportation programs. It is based on the previously approved budget with the addition of the Concession Fee received for the I-66 Outside the Beltway Project.

VDOT's revenues are provided by dedicated state and federal revenue sources. The major state revenues are estimated by the Department of Taxation and are included in the state's official revenue estimate. VDOT continues to estimate federal revenues based upon information received from Federal Highway Administration (FHWA). The budget also includes the regional revenues provided to the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission.

Sources of Transportation Funds

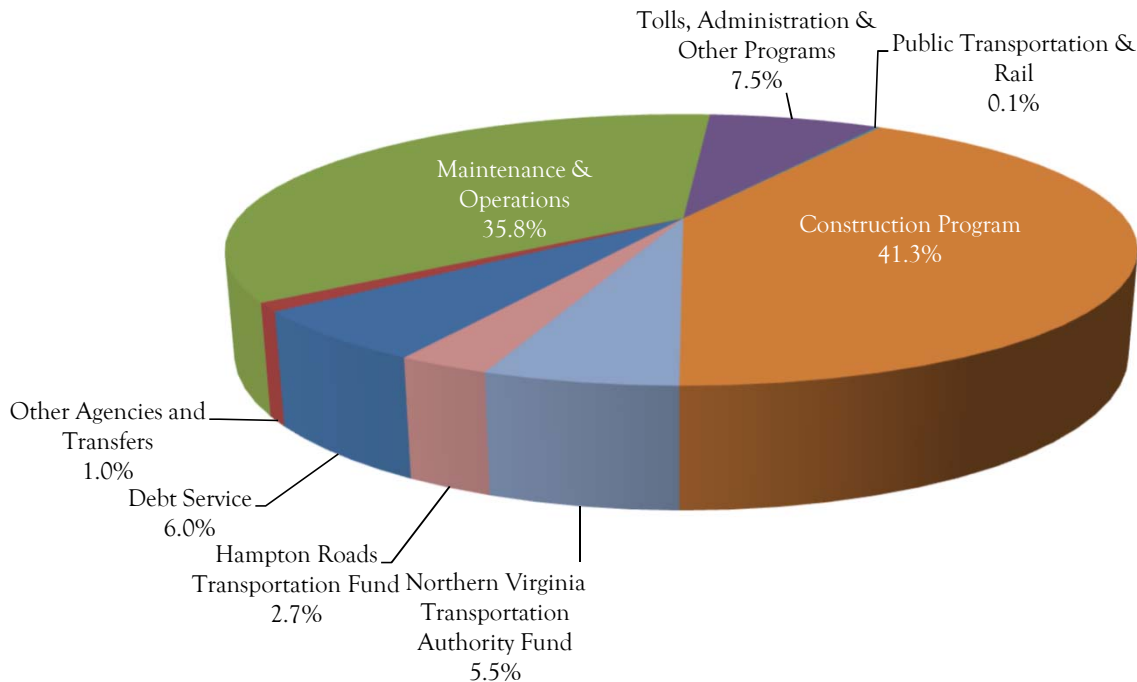


| | |
|---|------------------------|
| Highway Maintenance and Operating Fund | \$2,031,060,785 |
| Transportation Trust Fund | 1,453,438,296 |
| Priority Transportation Fund (PTF) | 263,153,930 |
| GARVEE Bonds | 113,100,988 |
| Federal Fund | 1,057,087,914 |
| I-66 Outside the Beltway Concession Fee | 578,919,450 |
| Subtotal | \$5,496,761,363 |
| Pass Through Revenues | |
| Northern Virginia Transportation Authority Fund | 332,100,000 |
| Hampton Roads Transportation Fund | 160,400,000 |
| TOTAL | \$5,989,261,363 |

Overview

VDOT's revenues provide funding for debt service, maintenance, administration and construction. This budget reflects the planned use of the revenues available to the agency and also includes the pass through funds to the regions. The following is a summary of the programs by spending category:

| | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|---|------------------------|------------------------|------------------------|
| Debt Service | \$358,434,092 | \$358,434,092 | \$ - |
| Other Agencies and Transfers | 60,655,283 | 60,655,283 | - |
| Maintenance & Operations | 2,146,853,145 | 2,146,853,145 | - |
| Tolls, Administration & Other Programs | 452,047,810 | 452,047,810 | - |
| Public Transportation & Rail | 7,875,884 | 7,875,884 | - |
| Construction Program | 1,891,975,699 | 2,470,895,149 | 578,919,450 |
| Subtotal | \$4,917,841,913 | \$5,496,761,363 | \$578,919,450 |
| Pass Through Revenues | | | |
| Northern Virginia Transportation Authority Fund | 332,100,000 | 332,100,000 | - |
| Hampton Roads Transportation Fund | 160,400,000 | 160,400,000 | - |
| TOTAL | \$5,410,341,913 | \$5,989,261,363 | \$578,919,450 |



Summary of Allocations by Program

The following table summarizes VDOT's budget by the major budgetary programs.

| | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|--|-----------------------------|----------------------------|--------------------------------|
| Environmental Monitoring and Evaluation (514) | \$13,688,075 | \$13,688,075 | \$ - |
| Ground Transportation Planning and Research (602) | 73,774,836 | 73,774,836 | - |
| Highway Construction Programs (603) | 1,891,975,699 | 2,470,895,149 | 578,919,450 |
| Highway System Maintenance (604) | 1,689,365,163 | 1,689,365,163 | - |
| Commonwealth Toll Facilities (606) | 70,473,166 | 70,473,166 | - |
| Financial Assistance to Localities (607) | 949,987,982 | 949,987,982 | - |
| Non-Toll Supported Transportation Debt Service (612) | 358,434,092 | 358,434,092 | - |
| Administrative and Support Services (699) | 263,439,502 | 263,439,502 | - |
| VDOT Capital Outlay (998) | 30,672,231 | 30,672,231 | - |
| Support to Other State Agencies | 60,655,283 | 60,655,283 | - |
| Support to DRPT Programs | 7,875,884 | 7,875,884 | - |
| Total | \$5,410,341,913 | \$5,989,261,363 | \$578,919,450 |

Highway Construction Programs (603)

For FY 2018, the funding made available for distribution is distributed via the Commonwealth Transportation Board Formula outlined in the Code of Virginia, § 33.2-358. Funding is also available for distribution to the following programs: State of Good Repair Program, High Priority Projects Program, and the Construction District Grant Program.

The Revised Annual Budget for the Construction Program contains the allocation of the I-66 Outside the Beltway Concession Fee.

| CONSTRUCTION (603) | Approved FY 2018 | Revised FY 2018 | INCREASE (DECREASE) |
|---|-----------------------------|----------------------------|--------------------------------|
| State of Good Repair Program (603020) | \$87,690,068 | \$87,690,068 | \$ - |
| High Priority Projects Program(603021) | 107,937,754 | 107,937,754 | - |
| Construction District Grant Programs (603022) | 89,405,123 | 89,405,123 | - |
| Specialized State and Federal Programs (603023) | 1,341,371,851 | 1,920,291,301 | 578,919,450 |
| Legacy Construction Formula Program (603024) | 226,565,119 | 226,565,119 | - |
| Construction Management (603015) | 39,005,784 | 39,005,784 | - |
| TOTAL CONSTRUCTION | \$1,891,975,699 | \$2,470,895,149 | \$578,919,450 |
| CONSTRUCTION | 1,000,206,688 | 1,000,206,688 | - |
| FEDERAL | 661,436,806 | 661,436,806 | - |
| PTF | 109,650,157 | 109,650,157 | - |
| ROUTE 58 | - | - | - |
| TPOF | 581,060 | 581,060 | - |
| BONDS | 7,000,000 | 7,000,000 | - |
| VTIB | - | - | - |
| GARVEE BONDS | 113,100,988 | 113,100,988 | - |
| CONCESSION FEE | | 578,919,450 | 578,919,450 |