



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

General Francis Marion Hotel
The Conference Room
107 E Main Street
Marion, VA 24354
May 15, 2018
12:00 p.m.

1. Dashboard 4.0 presentation.
Rob Cary, Virginia Department of Transportation
Jay Styles, Virginia Department of Transportation
2. I-66 Commuter Choice
Jennifer DeBruhl, Virginia Department of Rail & Public Transportation
Kate Mattice, NVTC.
3. Budget Presentation
Steve Pittard, Virginia Department of Rail & Public Transportation
John Lawson, Virginia Department of Transportation
4. Toll Facility Revolving Account
John Lawson, Virginia Department of Transportation
5. Status Update for the Virginia Transportation Infrastructure Bank
John Lawson, Virginia Department of Transportation
6. I-81 Corridor Improvement Plan
Nick Donohue, Deputy Secretary of Transportation
7. Innovation and Technology Update
Hap Connors, Member, Commonwealth Transportation Board
8. Performance Measures - Baseline Data and Information
Nick Donohue, Deputy Secretary of Transportation

Agenda
Meeting of the Commonwealth Transportation Board
Workshop Session
May 15, 2018
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9. WMATA Legislation Implementation
Nick Donohue, Deputy Secretary of Transportation

10. Commissioner's Items
 - HRBT Schedule Update
Stephen Brich, Virginia Department of Transportation

11. Director's Items
Jennifer Mitchell, Virginia Department of Rail & Public Transportation

12. Secretary's Items
Shannon Valentine, Secretary of Transportation
###

DASHBOARD 4.0

Briefing to the Commonwealth Transportation Board

| May 15, 2018

Agenda Topics

- **Why is the Dashboard important?**
 - Objective and Expected Outcomes
- **The New Dashboard 4.0**
 - What is Included and What is Changing
 - Business Rules
- **Communications and Next Steps**



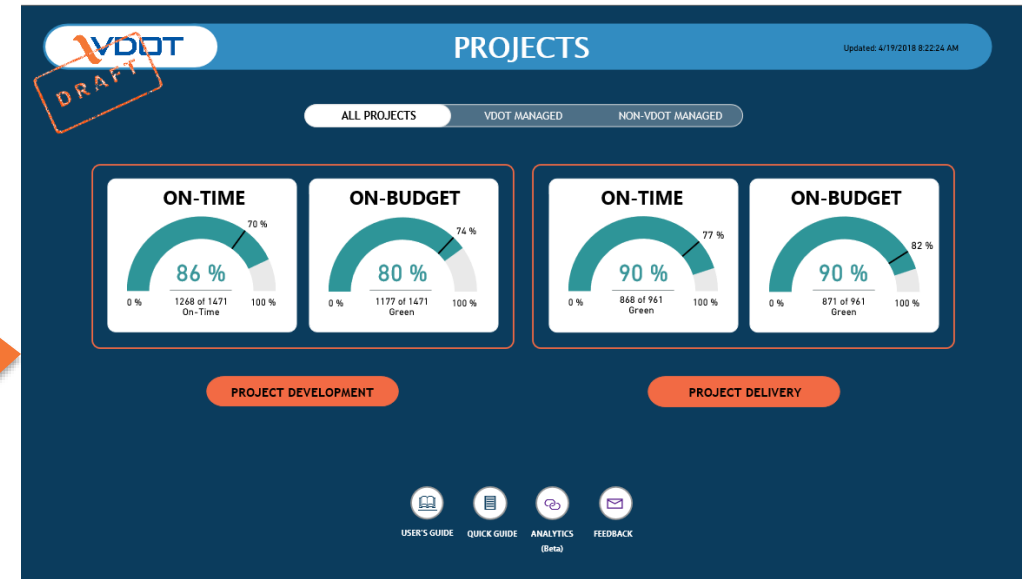
Why is the Dashboard important?

- **Maintain Focus**
 - Flawless execution of the Six Year Improvement Program
- **Time = money**
 - Deliver transportation improvements to the citizens of our Commonwealth efficiently and without delay
- **We are all accountable for delivering projects On-Time and On-Budget**
- **Equal focus on VDOT and locally administered projects**
 - Localities have $\frac{1}{2}$ the number of projects and $\frac{1}{3}$ of the program value

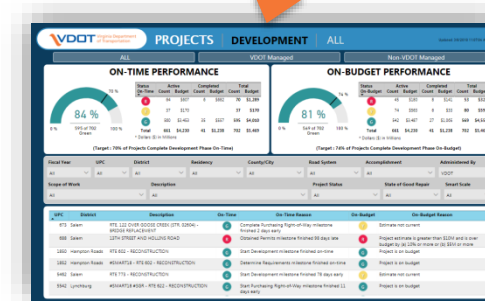
Objective & Expected Outcomes

- **Project Development & Project Delivery**
 - **Implement Phase 1 (Projects Dial) to modernize VDOT's Dashboard**
 - **Introduce predictive / leading indicators of performance**
 - **Tracking and reporting on core activities, not only 'advertisement'**
 - **Delivery to budget rather than estimate**
 - **Quicken the pace of the program**
 - **Demonstrate that projects can be delivered quickly if there are no breaks in the funding stream**
 - **Rules apply to all fully funded projects scheduled for award in FY19 or later**
 - **Promote the early start and early finish of activities**

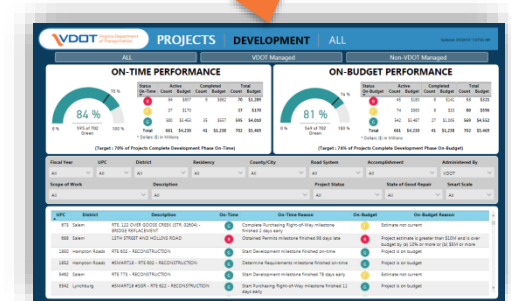
VDOT Dashboard 4.0 Prototype



Interface from DB3 to DB4
From DB3 'Project Dial' users
redirected to new Dashboard 4
Power BI generated web page.



Project Development



Project Delivery

PROJECTS HOME

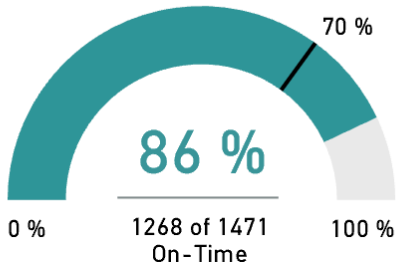
PROJECT DELIVERY

ALL PROJECTS

VDOT MANAGED

LOCALLY MANAGED

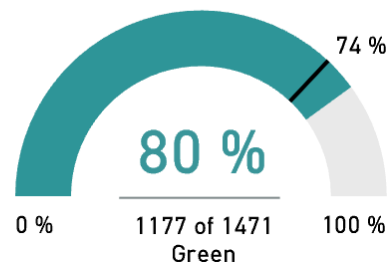
ON-TIME PERFORMANCE



Status	Active Count	Active Budget	Completed Count	Completed Budget	Total Count	Total Budget
R On-Time	197	\$1,319M	6	\$532M	203	\$1,851M
Y	86	\$338M	1	\$1M	87	\$339M
G	1118	\$5,633M	63	\$668M	1181	\$6,300M
Total	1401	\$7,289M	70	\$1,200M	1471	\$8,490M

(Target : 70% of Projects Complete Development Phase On-Time)

ON-BUDGET PERFORMANCE



Status	Active Count	Active Budget	Completed Count	Completed Budget	Total Count	Total Budget
R On-Budget	109	\$480M	14	\$80M	123	\$561M
Y	162	\$990M	9	\$34M	171	\$1,024M
G	1130	\$5,819M	47	\$1,086M	1177	\$6,905M
Total	1401	\$7,289M	70	\$1,200M	1471	\$8,490M

(Target : 74% of Projects Complete Development Phase On-Budget)

Fiscal Year	UPC	District	Residency	City/County	Road System	Accomplishment	Administered By
All	All	All	All	All	All	All	All

Scope of Work	Description	Project Status	State of Good Repair	Smart Scale
All	All	All	All	All

UPC	District	Description	On-Time	On-Time Reason	On-Budget	On-Budget Reason
100200	Hampton Roads	#SMART18 - SKIFFES CREEK CONNECTOR	G	Start Development milestone finished 33 days early	G	Project is on budget
100395	Bristol	Rt. 1101-Install Concrete Crossing Surface	G	Determine Requirements milestone finished on-time	G	Project is on budget
100396	Bristol	Lincoln St. - Install Concrete Crossing Surface	G	Determine Requirements milestone finished on-time	R	Critical information missing
100422	Northern Virginia	REBUILDING MT. VERNON TRAIL PARALLEL TO ABINGDON DR.	G	Determine Requirements milestone finished on-time	G	Project is on budget
100423	Northern Virginia	ROBERTS ROAD SIDEWALK IMPROVEMENTS	G	Solicit Bids milestone finished on-time	R	Project estimate is less than \$5M and is 20% or more over budget



DEV.

110012

#SGR Route 658 Str 6104 over SF Holston River Fed ID 17648

GENERAL INFORMATION

Fiscal Year	District	Residency	City/County
FY2019	Bristol	WYTHEVILLE	Smyth County

Road System	Route	Administered By	Program Manager
Secondary	0658	VDOT	Programming/Operations Planning Division

Accomplishment

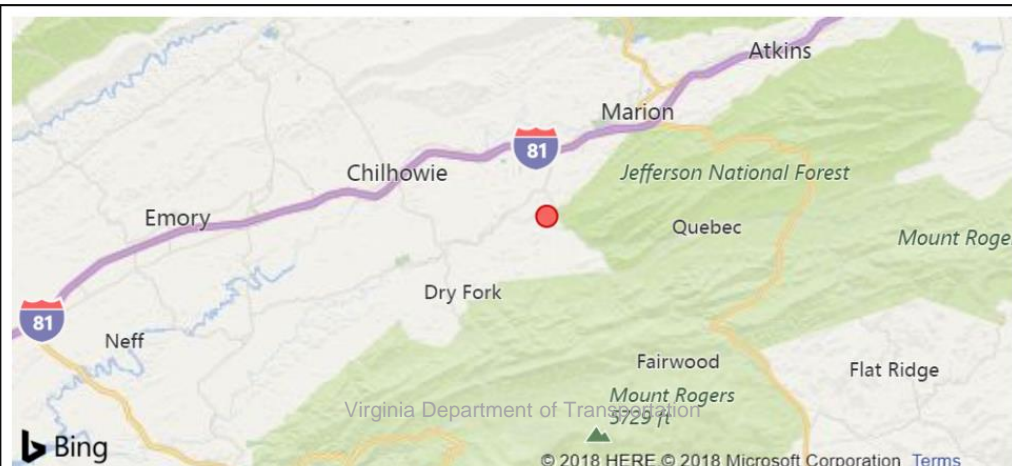
RAAP CONTRACT

Scope of Work

Bridge Rehab w/o Added Capacity

Associated Contract ID

Contact Type	Name	Phone	Email
Non-VDOT Project Manager			
VDOT Project Manager/Coordinator	David L Lively	(276) 696-3388	



SCHEDULE

G Complete Purchasing Right-of-Way milestone finished 52 days early

PROJECT DEVELOPMENT TASK

Task	Code	Planned Start	Planned Finish	Actual Start	Actual Finish	Status
Start Development	12	9/1/2016	12/29/2016	9/1/2016	12/29/2016	G
Determine Requirements	22	12/30/2016	3/21/2017	12/30/2016	3/21/2017	G
Engage Public	49	9/7/2017	9/7/2017	9/14/2017	9/14/2017	R
Start Purchasing Right-of-Way	52	12/28/2017	12/28/2017	11/6/2017	11/6/2017	G
Complete Purchasing Right-of-Way	69	12/28/2017	12/28/2017	11/6/2017	11/6/2017	G
Obtained Permits	70	12/7/2017	8/10/2018	12/1/2017		G
Relocate Utilities	67U	5/10/2018	11/14/2018			G
Solicit Bids	80	12/11/2018	12/11/2018			G
Start Delivery	84	2/5/2019	2/26/2019			G

BUDGET

G Project is on budget

Budget	Estimate	Variance	Estimate Date
\$1,180,000	\$1,180,000	0.00 %	1/22/2018

What is Changing – Project Development

Old Rules	New Rules
Tracked 1 activity (advertisement) at the end of development process	Tracking 10 key milestones in project development
Once a project turned red, it stayed red	Leading indicators provide early warning signs and opportunities to recover
No incentive to finish early – just meet the deadlines	Encouraging activities to finish early
Looked at accuracy of estimates and obtain additional money if needed	Delivering to project budget

How do we set deadlines and budgets?

- **On-Time (Smart Scale and non-SmartScale)**
 - Before the project is scoped, the Local Agreement, PE Authorization, and Scoping milestones are set. The remaining project development milestones are locked after scoping is completed.
- **On-Budget**
 - **Non-Smart Scale** – Before project is scoped, the budget is equivalent to the estimate. Post scoping, the subsequent estimate update is locked as the project budget.
 - **Smart Scale** - The approved funding in the SYIP is the budget

Business Rules: Project Development On-Time

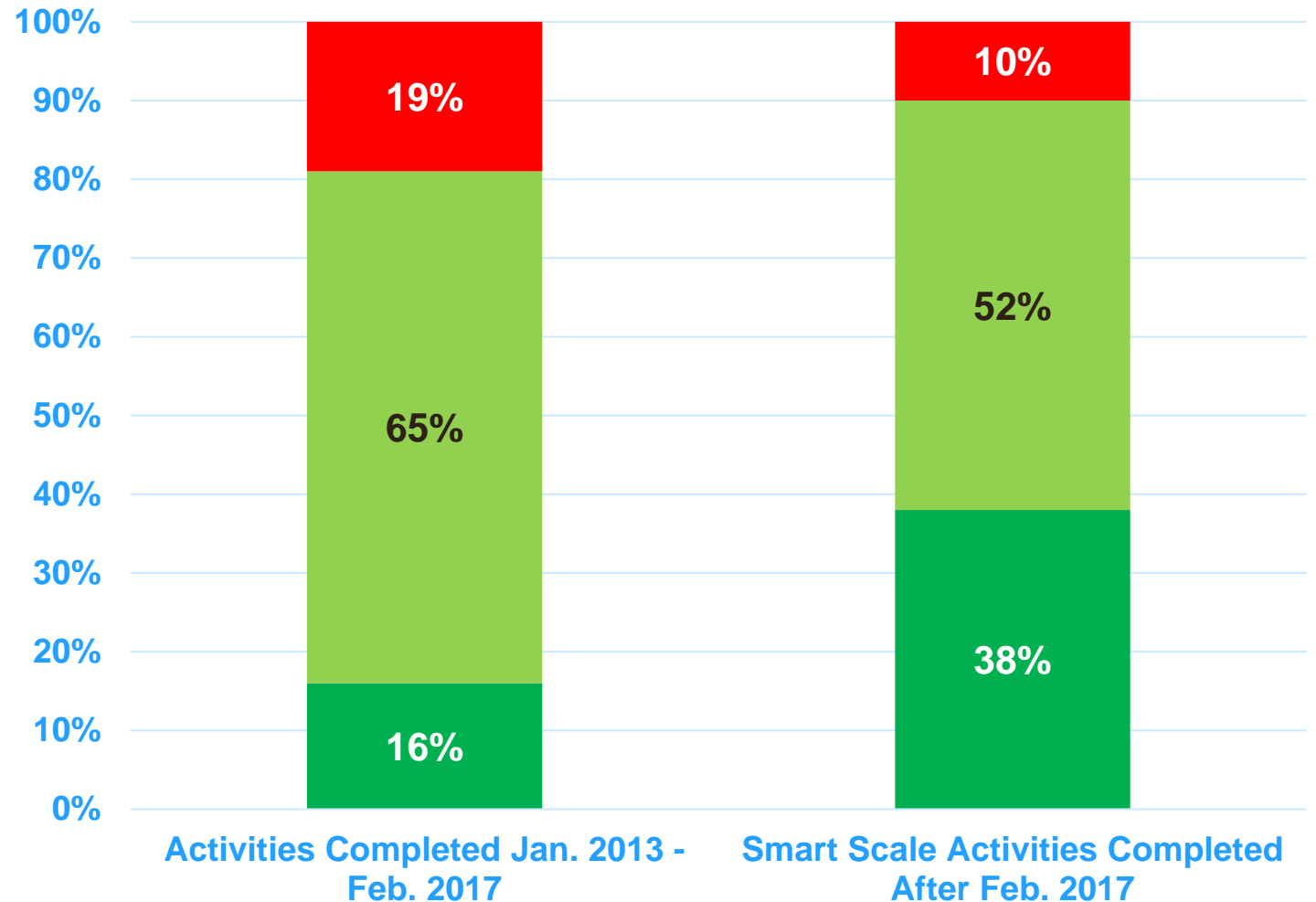
Project Milestone	Activity Code	Early Finish			Late Finish
Local Agreement	10	> 30 days early	≤ 30 days early	Baseline Finish Date	> 0 days late
Start Development (Authorize PE)	12				
Determine Requirements (Scope Project)	22				
Engage Public (Approve Willingness, Adopt Location/Design)	47, 49				
Start Purchasing Right-of-Way (Authorize R/W & UT Funds)	52				
Utility Relocation	67U	> 60 days early	≤ 60 days early		> 0 days late
Complete Purchasing Right-of-Way (Acquire Right-of-Way)	69				
Obtain Permits	70				
Solicit Bids (Advertise Project)	80				
Start Delivery (Award Contract)	84	> 30 days early	≤ 30 days early		

Business Rules & Impact of Smart Scale Dashboard

Completed Activities by Status

- **Activities completed early have doubled since before Smart Scale Dashboard**
- **Activities completed late have been cut by nearly 1/2**

- Completed Late
- Yellow but Completed On-Time
- Completed Early (Never Yellow)



Business Rules: Project Development On-Budget

Approved Budget	Current Estimate in PCES		
< \$5 million	≤ 0	> 0 to < 20%	$\geq 20\%$
\$5 million to \$10 million	≤ 0	> 0 to > \$1M	$\geq \$1M$
> \$10 million	≤ 0	> 0 to < 10% or < \$5M*	$\geq 10\%$ or $\geq \$5M^*$
<i>* Whichever is less</i>			

Business Rules: Project Delivery On-Time

Milestones	Early Finish			Late Finish
Project Specific Interim Milestones	> 14 days	≤ 14 days	Baseline End Date	> 0 days
Complete Delivery	≥ 0 days			> 0 days

Business Rules: Project Delivery On-Budget

	Contracts have not been executed; no status		
Active	Neither the current contract amount, nor the cost of work to date, exceed the award amount by more than 3%	Either the current contract amount, or the cost of work to date, exceeds the contract award amount by 3% to 10%	Either the current contract amount, or the cost of work to date, exceeds the contract award amount by more than 10%
Completed	Un-audited final cost is within 110% of award amount	Cost of work to date, or the current contract amount, exceed the original award amount by 3% to 10%	Un-audited final cost is not known; Either the cost of work to date, or the current contract amount, exceeds 110% of the award amount

Communications Plan – VDOT

- ✓ **Conceptual buy-in from agency leadership**
- ✓ **Draft Initial Prototype and work with division and district staff to ensure rules are properly applied and data is accurate**
- ✓ **Communicate with key agency leadership**
- ✓ **Open Prototype to all staff and receive feedback**
 - Quick Start Guide
 - User's Guide

Communication Plan - Localities

- ✓ **Local gov't stakeholders (Mar)**
- ✓ **Hampton Roads LAP CIRCLE workshop (Apr)**
- ✓ **Statewide Webinar to all localities**
- **Upcoming outreach**
 - **Additional meetings with locals and administration officials**
 - **Local Assistance Division Newsletter**
 - **Coordination with Office of Communications to inform public**

Next Steps

- **Beta Test period: March 30- July 1**
- **Receive feedback from localities: May 31**
- **Public launch: July 1**
- **Begin Reporting - Quarterly Report Card to CTB: First Quarter of FY19**

FY 2018 I-66 Commuter Choice Program

Presentation to the
Commonwealth Transportation Board
May 15, 2018



Presentation Overview

I-66 Commuter Choice Program Overview



FY18 Program Evaluation and Selection

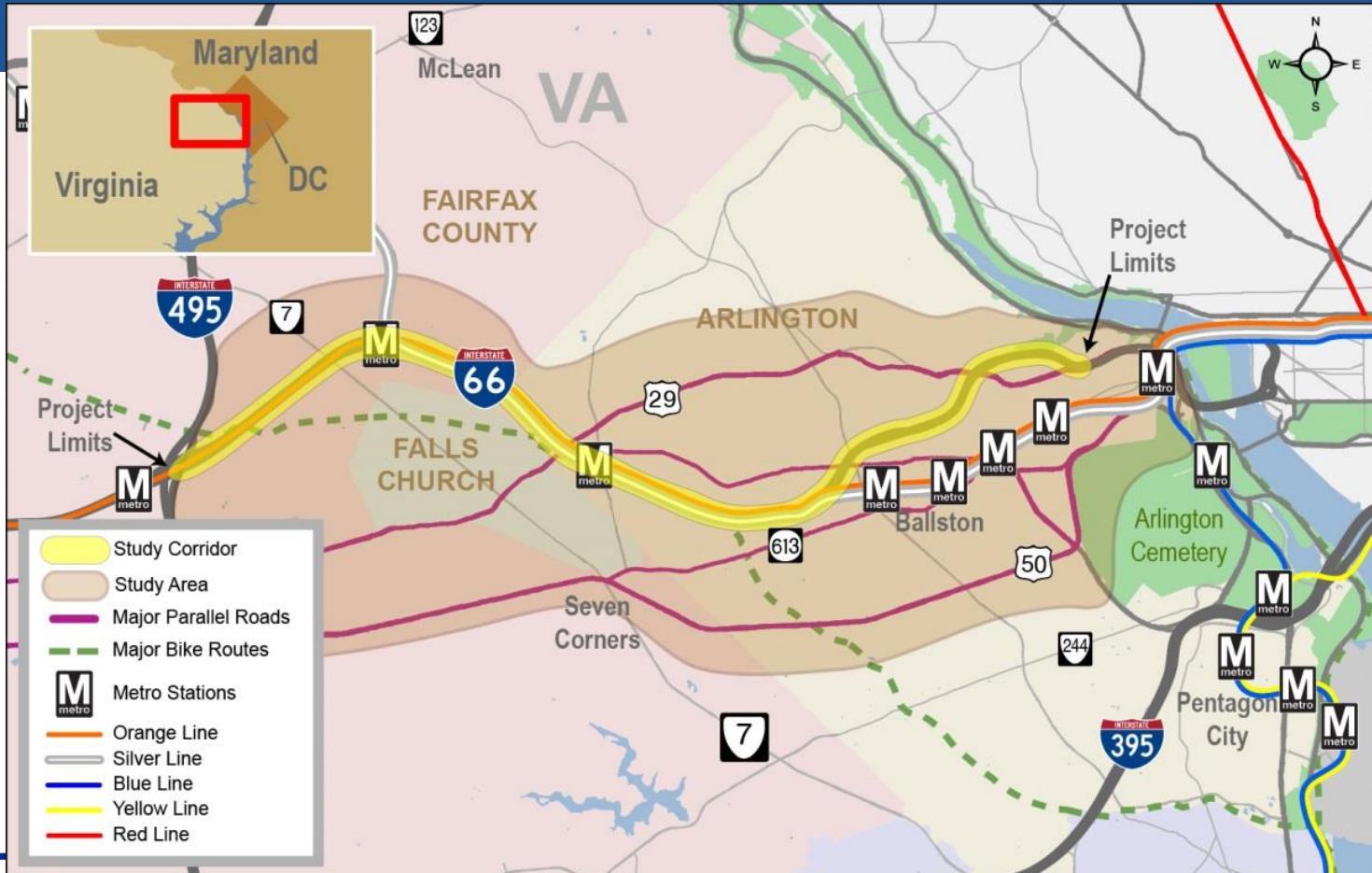


FY18 Recommended Program



Program Overview

The I-66 Commuter Choice program uses toll revenues from I-66 inside the Beltway to fund multimodal transportation projects that improve travel in the corridor.



Transform 66

Inside the Beltway Partnership

Transform 66 Inside the Beltway Partnership 40-year agreement between the Commonwealth and NVTC

NVTC's Role

- Establish a selection process
- Plan and select multimodal improvements
- Issue grants to and coordinate with agencies to ensure efficient delivery
- Monitor effectiveness of projects
- Provide annual reports to the CTB
- Provide information to the public concerning the projects

Commonwealth's Role

- Review project eligibility and confer with OAG (DRPT)
- Widen I-66 eastbound between exits 67 and 71 (VDOT)
- Manage the design, construction, maintenance, and operations of I-66 Inside the Beltway toll facilities (VDOT)
- Approve NVTC's program of projects (CTB)

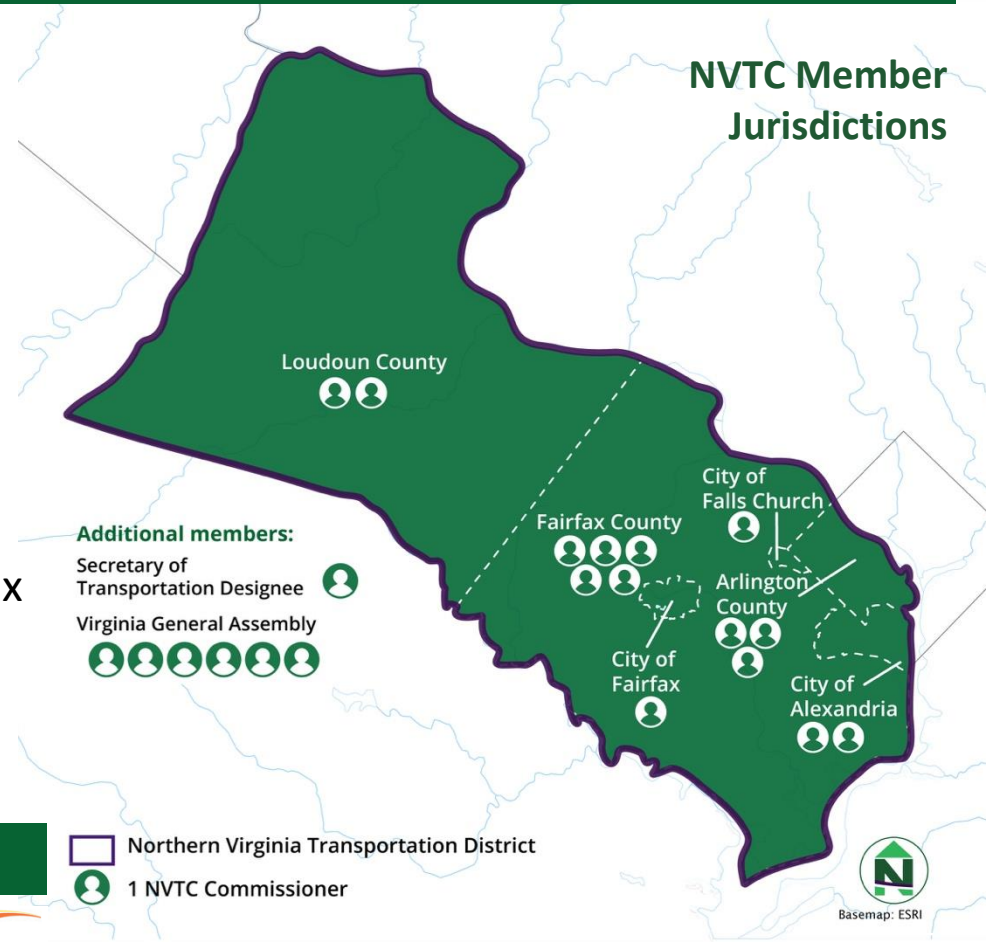


About NVTC:

The Northern Virginia Transportation Commission

NVTC was founded in 1964 to represent the interests of the Commonwealth during the establishment of Metrorail. Today, NVTC serves as the voice of transit in Northern Virginia.

- Designates Virginia’s WMATA Board members
- Co-owns VRE, Virginia’s only commuter rail system
- Administers the I-66 Commuter Choice program (I-95/395 in FY 2020)
- Administers regional gas tax for WMATA and VRE
- Manages state and regional funding for six bus systems, Metrorail and VRE
- Provides transit research and technical expertise



NVTC Jurisdictions’ Transit Systems



Program Goals

The principal objective of the I-66 Commuter Choice program is to select projects that meet the

Transform 66 Multimodal Project Improvement Goals *identified in the MOA*



Move More
People



Reduce Roadway
Congestion



Increase Travel
Options

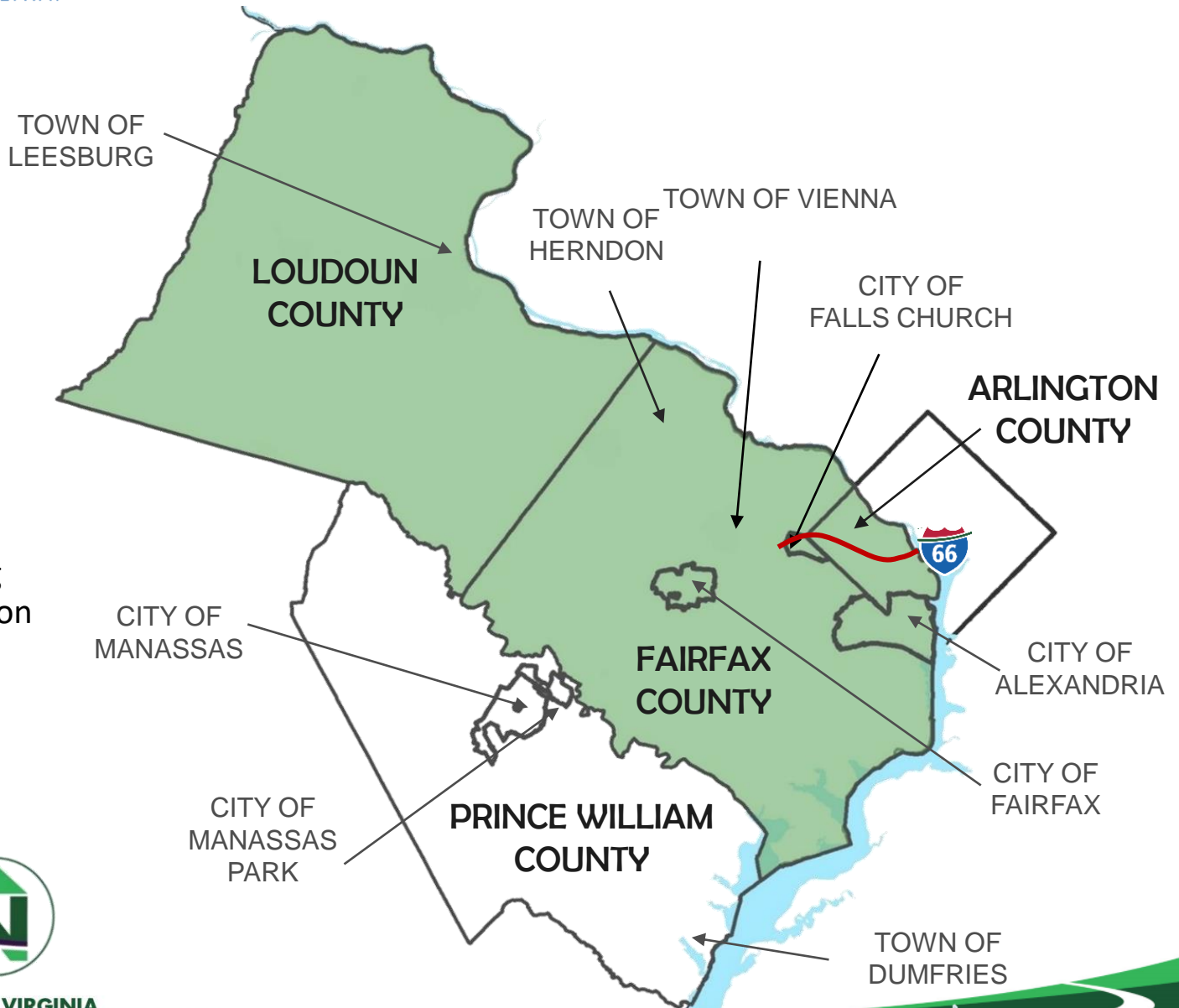


Enhance
Transportation
Connectivity



Improve Transit
Service

Eligible Applicants



- ✓ Virginia Planning District 8 jurisdictions
- ✓ Agencies providing public transportation within those jurisdictions (VRE, WMATA, PRTC/OmniRide)

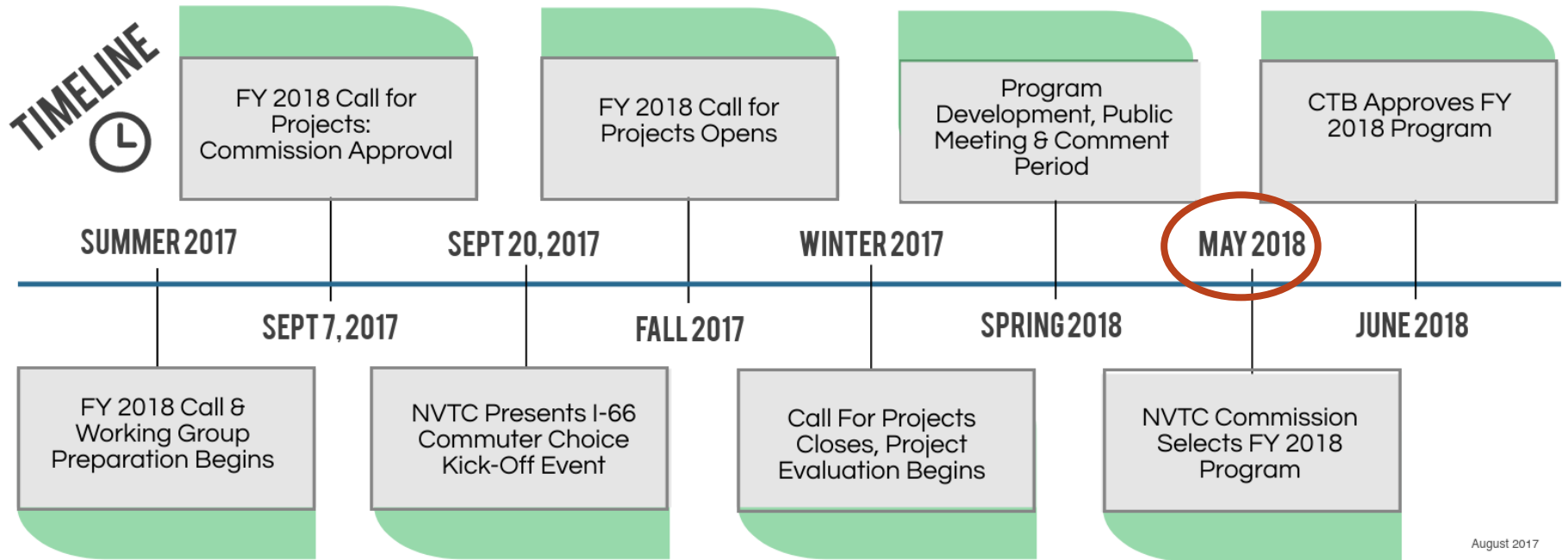


All projects must demonstrate benefits to the toll payers

- **New or enhanced local and commuter bus service**, including capital and operating expenses
- **Vanpool**, and formal and informal carpooling programs
- **Metrorail and Metrobus capital improvements**
- **Park and ride lot(s) and access**
- **Roadway operational improvements**, including corridor management and ITS
- **Transportation Demand Management**

FY 2018 Program Selection

FISCAL YEAR 2018 PROCESS

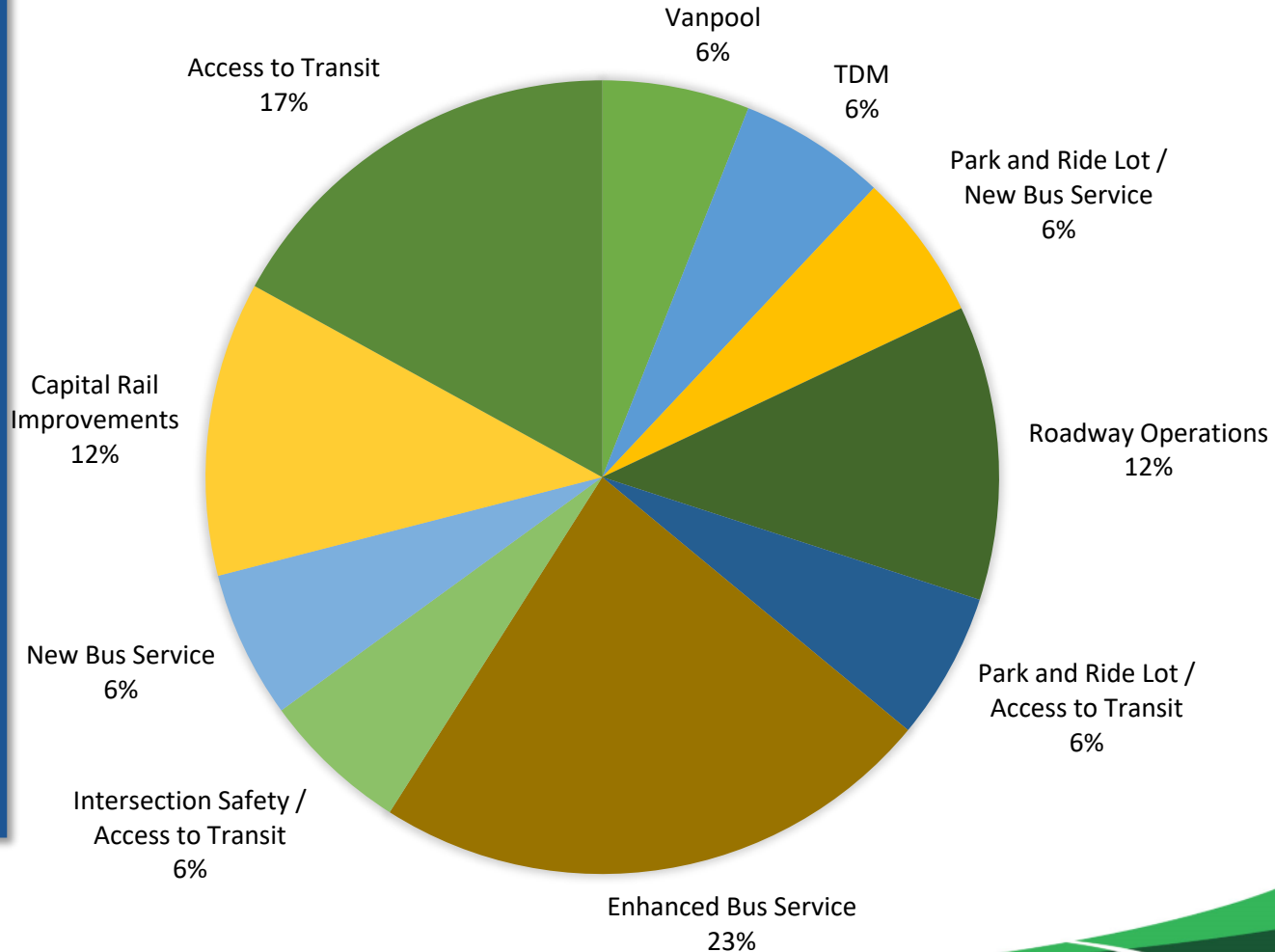


August 2017

FY 2018 Application Summary

- 17 applications received
- Total funding request \$29.6 million
- Applications from:
 - ✓ Arlington County
 - ✓ City of Fairfax
 - ✓ City of Falls Church
 - ✓ City of Manassas
 - ✓ Fairfax County
 - ✓ Loudoun County
 - ✓ PRTC
 - ✓ VRE

**Composition of FY2018
I-66 Commuter Choice Applications**



Program Development Process

1

Technical
Evaluation

2

Jurisdictional
Staff Working
Group

3

Commissioner
Working
Group

Program Development



1

Technical Evaluation

Evaluation Category	Evaluation Criteria	Criteria Objective	Weight
Congestion Relief	Person Throughput	To move more people through the corridor efficiently.	45
	Peak Period Travel Time	To provide consistent travel during congested periods for users of the corridor and improves operational efficiency of the transportation network	15
	Connectivity	To create, complete, or link transportation network elements and/or modes.	15
	Accessibility	To provide people access to opportunities.	15
Diversion Mitigation		To mitigate the impacts of trips diverted from I-66 inside the Beltway resulting from tolling and/or high occupancy vehicle restrictions	10
Total Benefit Score			100
Cost Effectiveness Score		To have a cost-effective solution relative to the realized benefits	$\frac{\text{Total Benefit Score} \times 1M}{\text{Funding Request}}$

2

Jurisdictional Staff Working Group

- Nine working group meetings from August 2017 through April 2018
- Reviewed project applications and scoring
- Identified crosscutting priorities
 - ✓ Maximize Transit Operating
 - ✓ Move More People
 - ✓ Maximize Cost Effectiveness
 - ✓ Project Diversity
 - ✓ Project Readiness
- Developed proposed program of projects



Commissioner Working Group

Libby Garvey (Arlington County)
Jeff Greenfield (City of Fairfax)
John Foust (Fairfax County)
Matt Letourneau (Loudoun County)
David Snyder (City of Falls Church)




- Provided feedback to NVTC staff on the proposed program of projects
- Reviewed public comments
- Affirmed staff proposal for presentation to the Commission

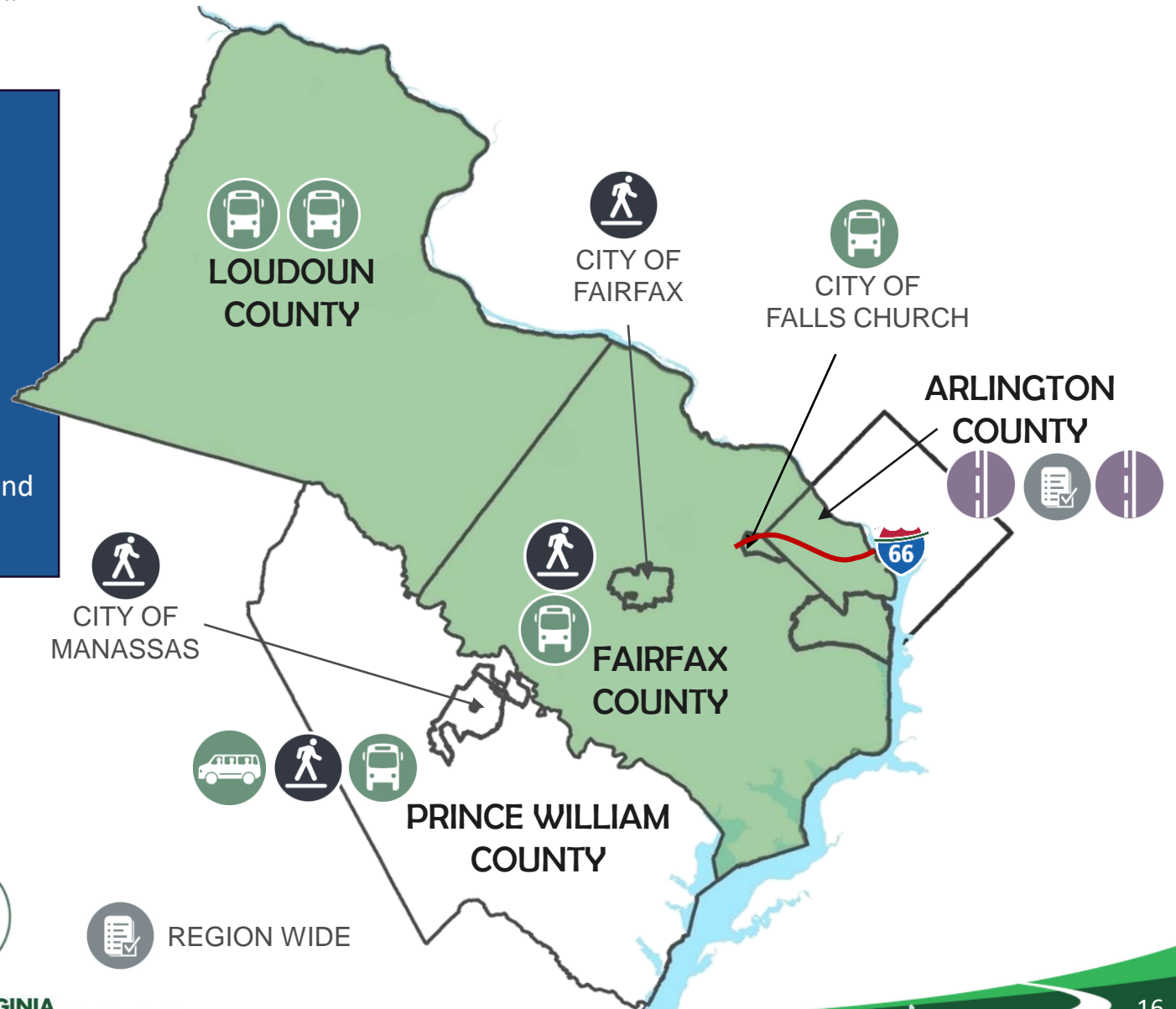


FY18 Recommended Program

FY2018 I-66 Commuter Choice Project Name	Applicant	Total Funding Request
Fairfax Connector Express Bus Service Between Vienna/Fairfax-GMU and Pentagon Metrorail Stations	Fairfax County	\$ 3,452,618
Loudoun County Transit Metro Connection Route 88X Extension to Dulles South	Loudoun County	\$ 1,706,040
On-Demand Commuter Lot Shuttles in Prince William County	PRTC	\$ 1,087,796
Loudoun County Transit Metro Connection from New Purcellville Park and Ride	Loudoun County	\$ 1,065,960
CUE Access and Technology Improvements	City of Fairfax/CUE	\$ 965,000
Metrobus Route 3T Extension and Service Expansion	City of Falls Church	\$ 845,754
I-66 Corridor Vienna/Merrifield Bike Share Expansion	Fairfax County	\$ 497,100
I-66 Corridor Intelligent Transportation System Enhancements	Arlington County	\$ 400,000
Traffic Management Center	Arlington County	\$ 400,000
Expanded Transportation Demand Management Outreach to the I-66 Corridor	Arlington County	\$ 350,000
Flexible Vanpool Program	PRTC	\$ 317,600
Linton Hall OmniRide Metro Direct Bus Service Enhancement	PRTC	\$ 134,200
Bicycle Parking Improvements at Manassas VRE Station	City of Manassas	\$ 55,000
I-66 Commuter Choice Marketing and Outreach	NVTC	\$ 400,000
Program Administration, Evaluation and Oversight	NVTC	\$ 400,000
Total		\$ 12,077,068

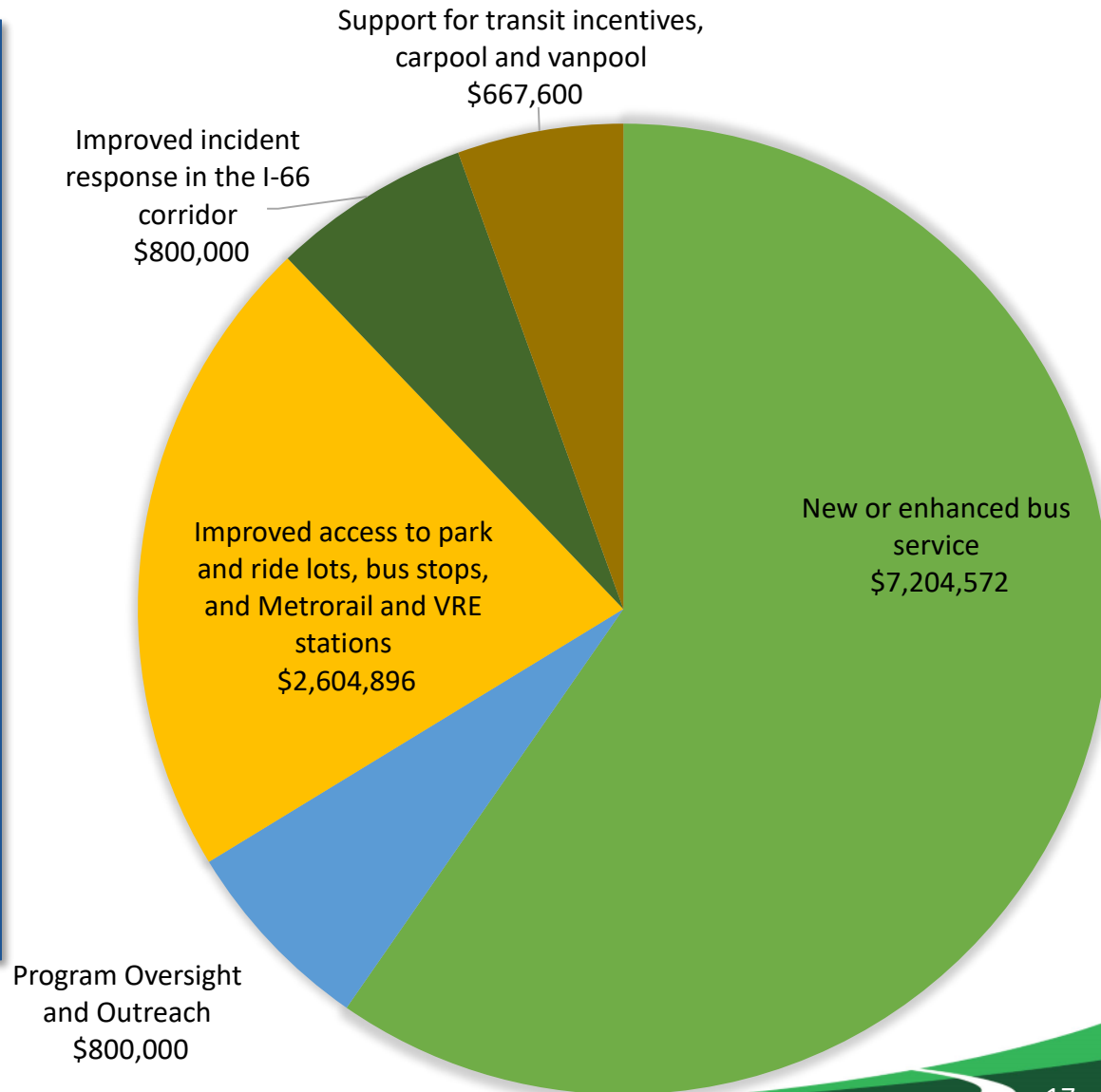
FY 2018 Project Locations

-  Bus service
-  Vanpool
-  Roadway Operations
-  Access to transit
-  Transportation Demand Management



FY18 Program Characteristics

- 60% of the program will fund **new or enhanced bus service**
- 22% of the program will improve **access to park and ride lots, bus stops, and Metrorail and VRE stations**
- 7% of the program will directly **improve emergency response to incidents** along the I-66 corridor
- 6% of the program will support **transit incentives and alternate ways to travel** such as carpool and vanpool



FY18 Program Benefits

Moves an additional **2,000 people** through the corridor during the morning peak period

Saves approximately **120,000 hours** of travel delay per year during the commuter peak periods

Connects people to more than **15 activity centers** in Virginia and the District of Columbia

Provides **two new bus routes** and enhances service on three existing bus routes

Improves emergency and **incident response capabilities** to keep I-66 moving



Next Steps

1. Develop and implement project agreements

Ongoing NVTC grant administration and performance monitoring

Annual report to CTB on project performance

Future Call for Projects – Fall/Winter 2018

Questions?

Jen Debruhl

DPRT Chief of Public Transportation

Jennifer.debruhl@drpt.virginia.gov

Kate Mattice

NVTC Executive Director

katemattice@novatransit.org

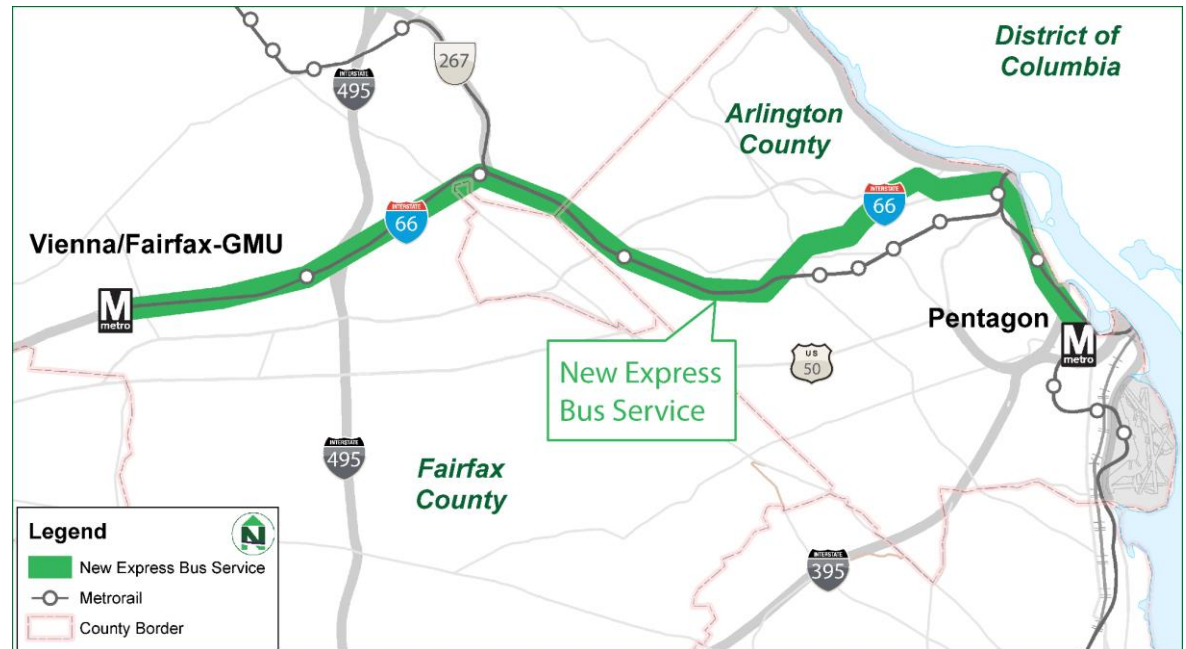


FY2018 Proposed Projects



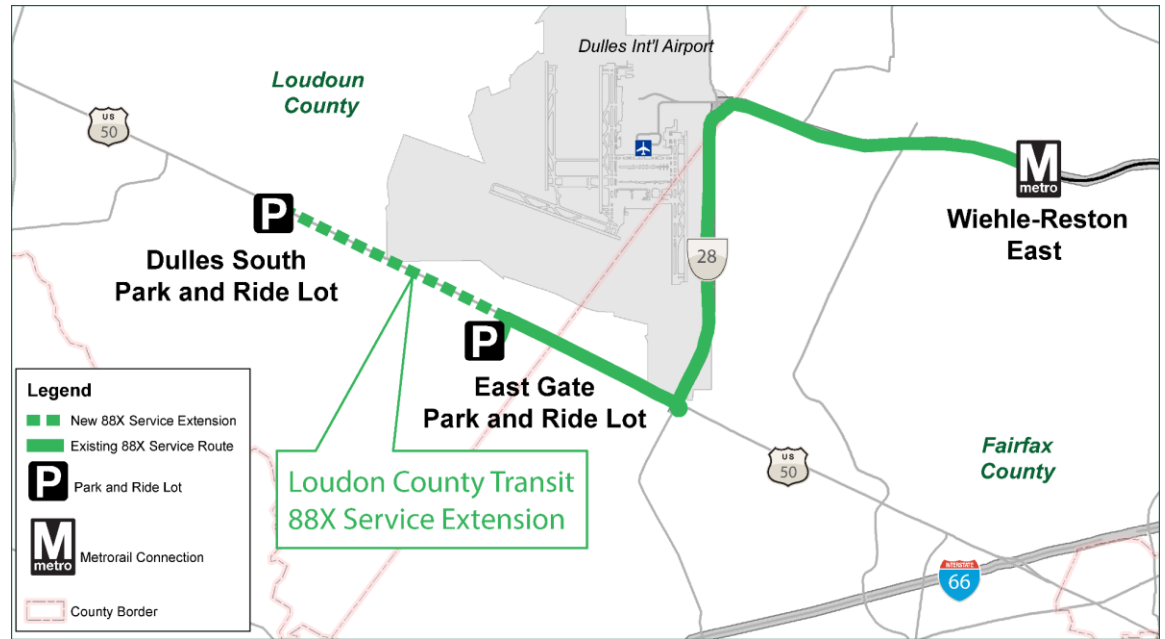
Fairfax Connector Express Bus Service Between Vienna/Fairfax-GMU and Pentagon Metrorail Stations Fairfax County (\$3,452,618)

- What it funds:
 - ✓ the purchase of five new buses to provide 10 inbound and 10 outbound weekday trips
- What it provides:
 - ✓ restoration of bus service, proven popular during SafeTrack
 - ✓ a direct route between the Vienna/Fairfax-GMU Metrorail station and the Pentagon, a major employment and transportation hub



Loudoun County Transit Metro Connection Route 88X Extension to Dulles South Loudoun County (\$1,706,040)

- What it funds:
 - ✓ the purchase and operation of two new buses to extend service further west, past Dulles International Airport
- What it provides:
 - ✓ increased ridership on the 88X through the addition of a stop at Dulles South park and ride lot
 - ✓ commuter bus service, with no change in bus frequency, between two park and ride lots and the Wiehle-Reston East Metrorail station during rush hour



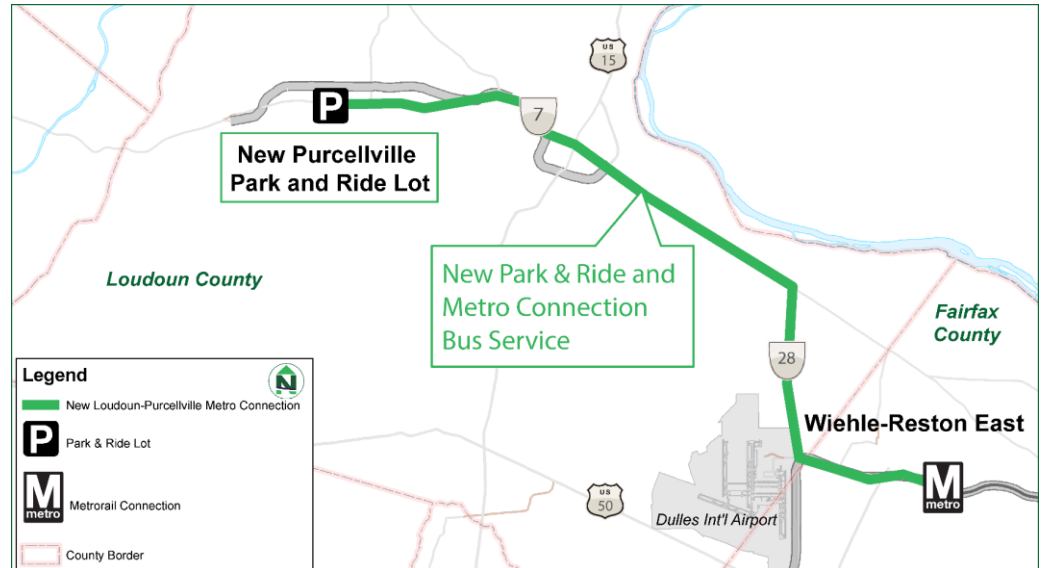
On-Demand Commuter Lot Shuttles in Prince William County PRTC (\$1,087,796)

- What it funds:
 - ✓ development of new software
 - ✓ new vehicles
 - ✓ on-board vehicle hardware
 - ✓ transit operations
 - ✓ promotion and outreach
- What it provides:
 - ✓ free on-demand shuttles between
Gainesville/Haymarket neighborhoods and nearby commuter lots
 - ✓ improved access to OmniRide Metro Direct buses by resolving issues pertaining to a lack of parking



Loudoun County Transit Metro Connection from New Purcellville Park and Ride Loudoun County (\$1,065,960)

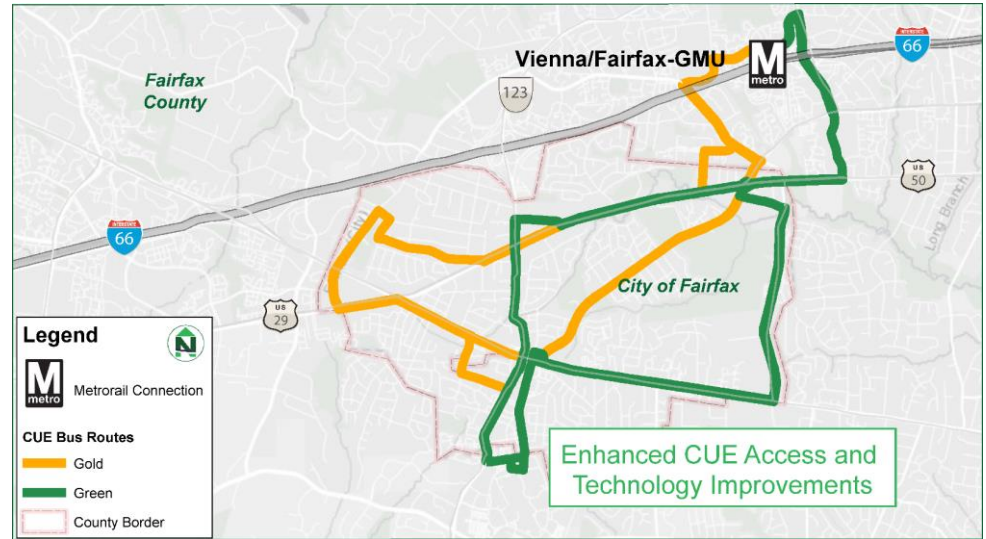
- What it funds:
 - ✓ the operation of new express bus service
 - ✓ the leasing of at least 80 parking spaces
- What it provides:
 - ✓ direct bus service between Purcellville and the Wiehle-Reston East Metrorail station
 - ✓ nine morning inbound and nine evening outbound trips
 - ✓ improved access to Metro Connection buses by resolving issues pertaining to a lack of parking



CUE Access and Technology Improvements City of Fairfax/CUE (\$965,000)

- What it funds:
 - ✓ the purchase of real-time transit arrival information screens at high ridership bus stops
 - ✓ improvements to bus shelters, benches and signage
 - ✓ identifying and prioritizing the locations for improvements
 - ✓ marketing of CUE services

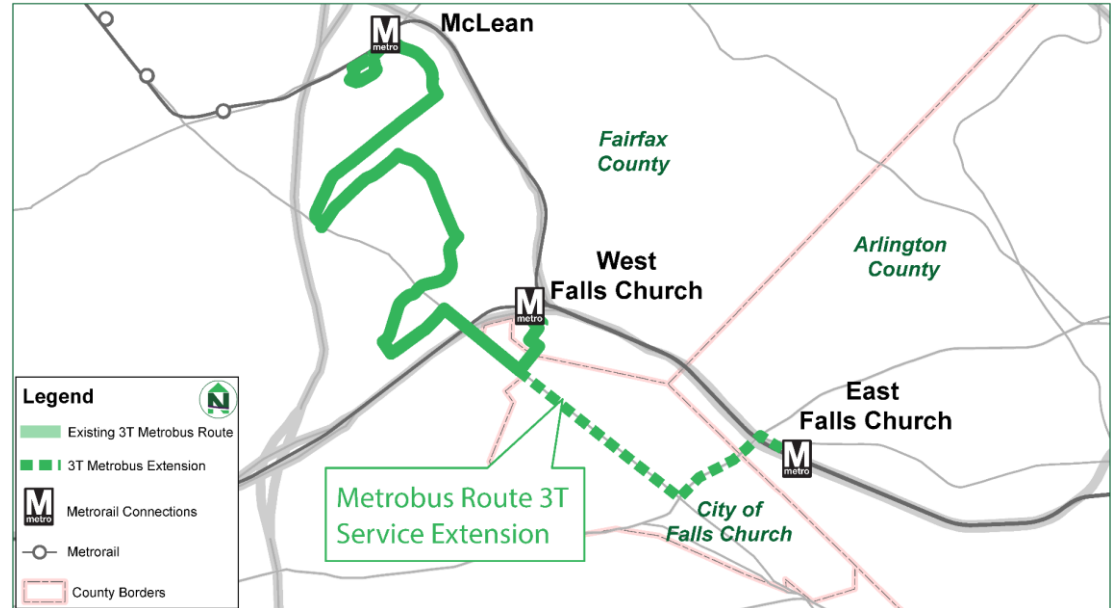
- What it provides:
 - ✓ improved reliability, access and comfort to make CUE a more attractive commuting option
 - ✓ enhanced connections between the City of Fairfax, George Mason University and the Vienna-Fairfax/GMU Metrorail station



Metrobus Route 3T Extension and Service Expansion

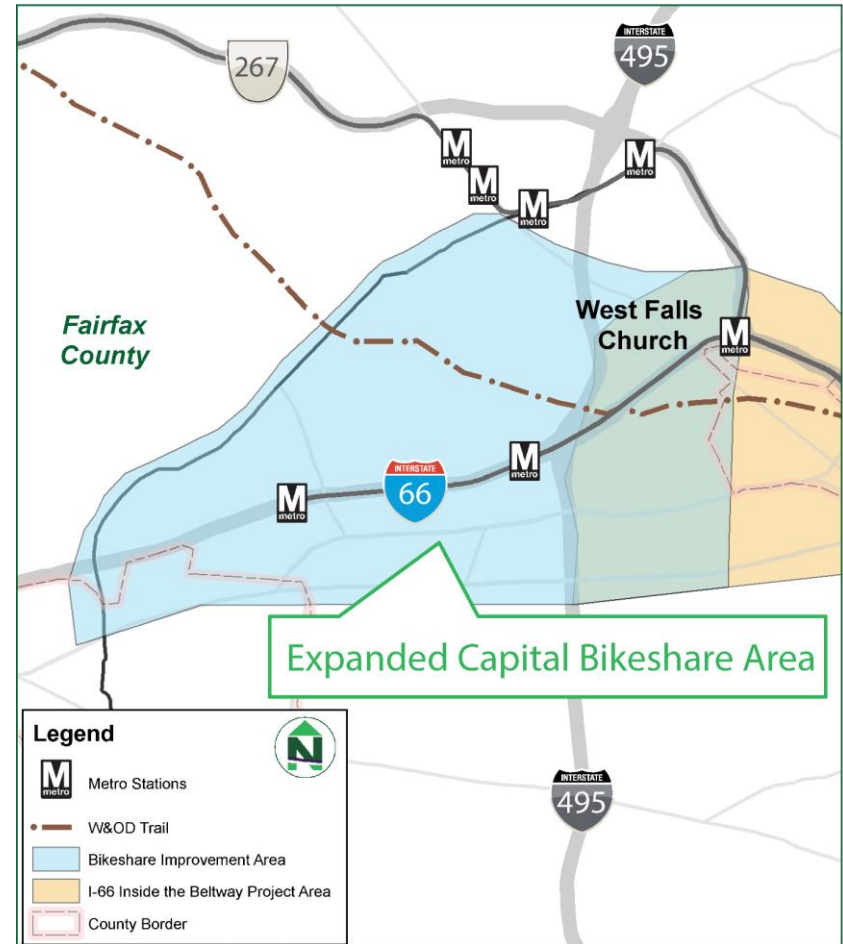
City of Falls Church (\$845,754)

- What it funds:
 - ✓ operation of increased and geographically extended bus service
- What it provides:
 - ✓ restoration of direct Metrobus service between the West Falls Church-VT/UVA and East Falls Church Metrorail stations
 - ✓ bidirectional, rush-hour service with 20-minute headways along West Broad and North Washington streets



I-66 Corridor Vienna/Merrifield Bike Share Expansion Fairfax County (\$497,100)

- What it funds:
 - ✓ the purchase of 10 new bike share stations
- What it provides:
 - ✓ greater access to the Vienna/Fairfax-GMU and Dunn Loring-Merrifield Metrorail stations as well as the future I-66 bicycle and pedestrian trail
 - ✓ access to bike docks from near Gallows Road/I-495 intersection and Inova Fairfax's campuses
 - ✓ closes a significant gap in Fairfax County's bike share network



- What it funds:
 - ✓ enhancements to Arlington County's intelligent transportation system
- What it provides:
 - ✓ more rapid response to traffic incidents in the I-66 corridor, which can minimize back-ups and delays
 - ✓ reduce gaps in monitoring coverage
 - ✓ strengthen real-time situational awareness
 - ✓ information sharing with commuters, VDOT, and local law enforcement and emergency personnel

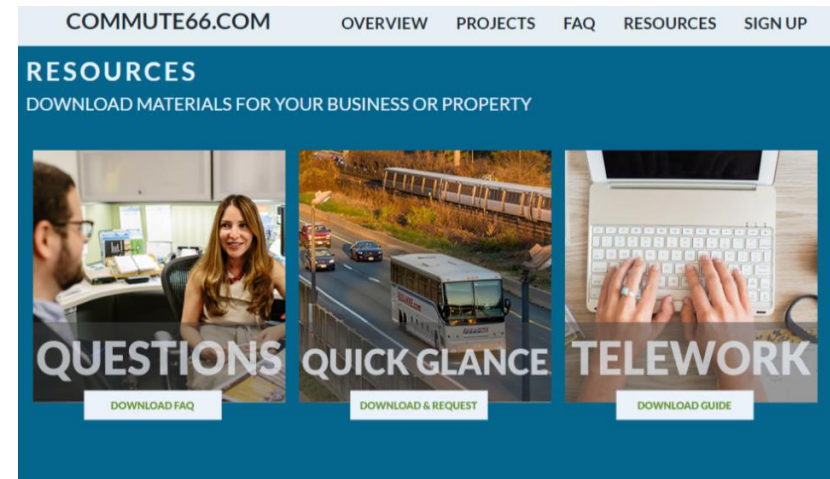


- What it funds:
 - ✓ staffing of Arlington County's Traffic Management Center during business hours
- What it provides:
 - ✓ optimal use of the county's Intelligent Transportation System
 - ✓ centralization and evaluation of traffic data from field devices
 - ✓ improved coordination with partner agencies such as VDOT and first responders



Expanded Transportation Demand Management Outreach to the I-66 Corridor Arlington County (\$350,000)

- What it funds:
 - ✓ new staff – one for marketing and one for outreach
- What it provides:
 - ✓ expanded employer and residential outreach with a focus on promoting telework and flexible work schedules
 - ✓ reduced congestion and emissions
 - ✓ increased Metrorail ridership
 - ✓ enhanced job access
 - ✓ ability to leverage a quarter-time
 - ✓ outreach person from Arlington Transportation Partners to complement the grant-funded staff



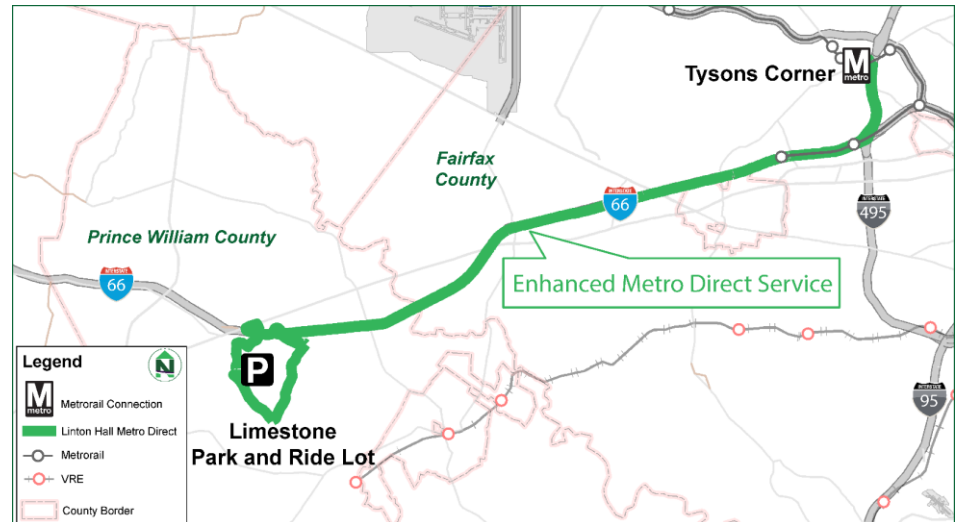
- What it funds:
 - ✓ vanpool rostering and fare payment software for both smartphone and desktop applications
- What it provides:
 - ✓ increased attractiveness of vanpools in the I-66 corridor through flexible scheduling
 - ✓ ability of riders registered in one vanpool to ride with another
 - ✓ ability of unregistered riders to catch a one-time ride



Linton Hall OmniRide Metro Direct Bus Service Enhancement

PRTC (\$134,200)

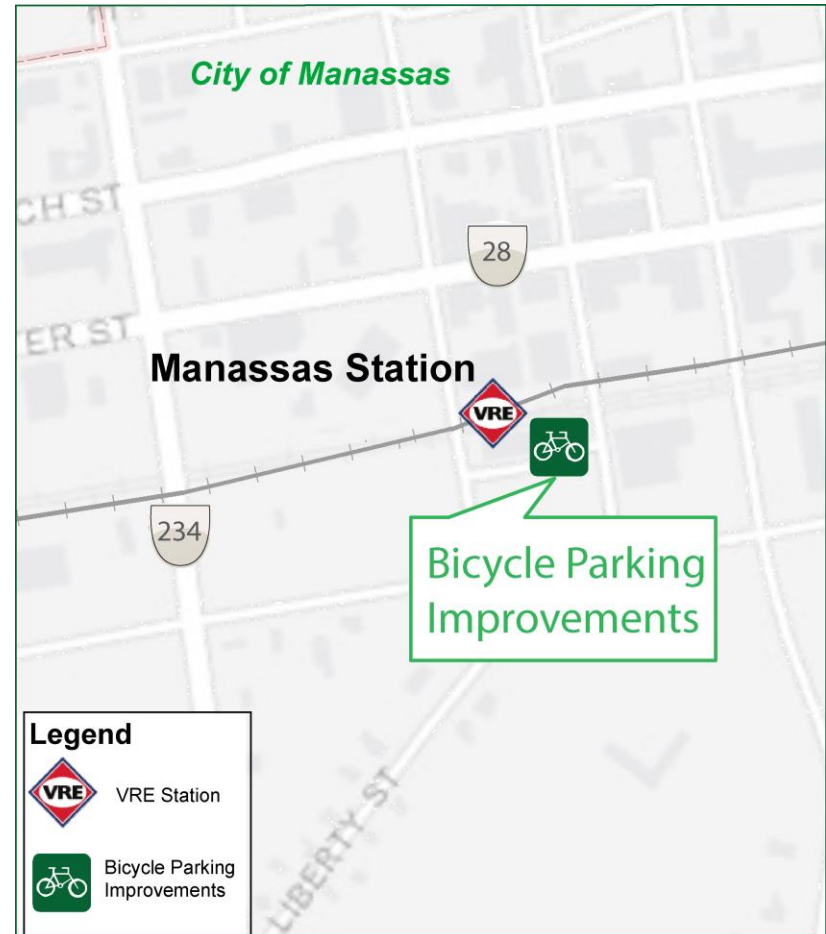
- What it funds:
 - ✓ operating costs associated with expanded service during rush hour
- What it provides:
 - ✓ alternative transportation option as construction on I-66 disrupts the commutes of thousands of drivers
 - ✓ increased service on an already popular commuter bus route, which runs between stops in Prince William County and the Tysons Corner Metrorail station



Bicycle Parking Improvements at Manassas VRE Station

City of Manassas (\$55,000)

- What it funds:
 - ✓ new, sheltered bike racks
 - ✓ 10 bicycle lockers
 - ✓ bicycle repair stand
- What it provides:
 - ✓ greater access to VRE and Amtrak trains by mitigating issues pertaining to a lack of parking
 - ✓ convenient long-term bicycle parking options





I-66 Commuter Choice Marketing and Outreach NVTC (\$400,000)

- What it funds:
 - ✓ Staff and other direct costs to coordinate outreach and marketing to encourage the use of transit and carpools for commuters using the I-66 corridor Inside the Beltway
- What it provides:
 - ✓ outreach and marketing to coordinate such efforts across jurisdictions, identify gaps in efforts, and initiate a campaign to expand knowledge of transportation alternatives along this corridor.

Note: These efforts were previously managed and funded by the Virginia Department of Transportation.

- What it funds:
 - ✓ Staff and other direct costs to administer, evaluate and conduct oversight for the I-66 Commuter Choice program
- What it provides:
 - ✓ Resources to conduct the call for projects, technical evaluation, financial and program management, and project and program evaluation
 - ✓ Required reporting of near and long-term outcomes

Note: These efforts were previously managed and funded by the Virginia Department of Transportation.





Virginia Department of Rail and Public Transportation

DRPT
FY 2019
Draft Budget Update

Steve Pittard
CFO
May 15, 2018

FY 2019 Budget Development Basis

- Based on anticipated cash outlays for FY 2019
- SYIP based on allocations of revenues to projects
 - Not necessarily based on timing of cash outlay
- Differences between budget and SYIP
 - Federal funds allocated by CTB; received directly by grantee
 - Capital project development lag

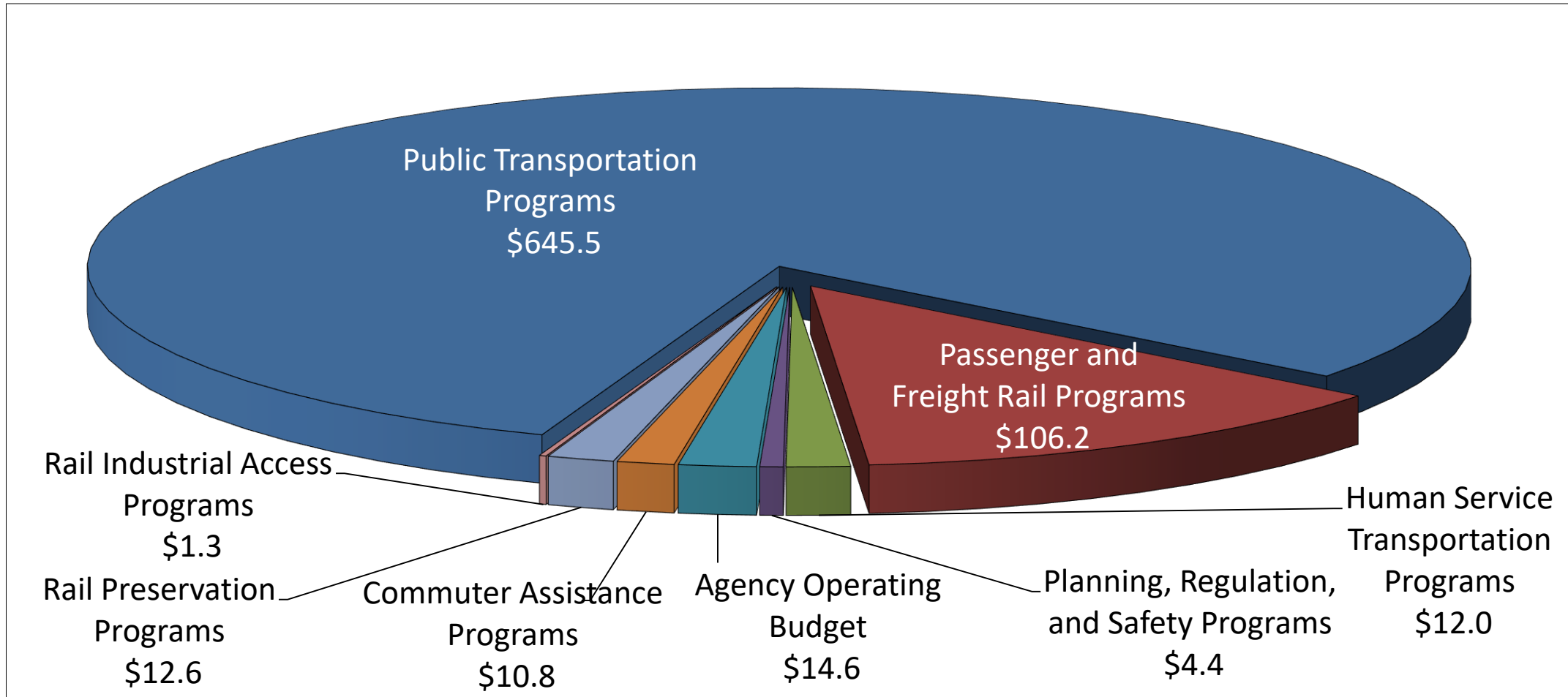
Reconciliation of SYIP Allocations to Budgeted Expenditures – FY 2019

(\$ in millions)

Total Six Year Improvement Plan Allocations	\$	<u>756.4</u>
Federal Funds Allocations with Grantee FTA Contracting		(28.6)
VDOT Revenues to be spent in future years		(69.3)
Agency Operating Budget		14.6
Prior Year Allocations in Current Year Budget		
Transit Revenue and Bond Allocations		85.0
Rail Revenue and Bond Allocations		48.0
Rail Industrial Access		1.3
Total Budgeted Expenditures	\$	<u><u>807.4</u></u>

Budgeted Expenditures – FY 2019

\$807.4 Million



Budget

FY 2019 vs. FY 2018

	(\$ in millions)			
	<u>Adopted FY 2018</u>	<u>Recommended FY 2019</u>	<u>Increase / Decrease</u>	<u>Percentage Change</u>
Public Transportation Programs	\$ 429.0	\$ 645.5	\$ 216.5	50.5%
Other Programs	29.4	27.2	(2.2)	-7.5%
Rail Assistance Programs	216.7	120.1	(96.6)	-44.6%
Agency Operating Budget	13.9	14.6	0.7	5.0%
Total	<u><u>\$ 689.0</u></u>	<u><u>\$ 807.4</u></u>	<u><u>\$ 118.4</u></u>	17.2%

Public Transportation Programs Budget FY 2019 vs FY 2018

	(\$ in millions)			
	<u>Adopted FY 2018</u>	<u>Recommended FY 2019</u>	<u>Increase / Decrease</u>	<u>Percentage Change</u>
Operating Assistance	\$ 100.1	\$ 105.9	\$ 5.8	5.8%
Capital Assistance	123.4	138.8	15.4	12.5%
Special Programs	4.3	4.2	(0.1)	-2.3%
WMATA Assistance	201.2	241.0	39.8	19.8%
Dedicated Funding	-	155.6	155.6	100.0%
Total Public Transportation Pgm	<u>\$ 429.0</u>	<u>\$ 645.5</u>	<u>\$ 216.5</u>	50.5%

Public Transportation Programs - Increase of \$216.5 M

- WMATA Assistance
 - Classified in separate line in FY 2019 due to General Assembly action
 - 53.5% of the Mass Transit Trust Fund
 - Includes FY 2019 PRIIA match, fixed 53.5% share, and previous capital projects that have anticipated expenditures in FY 2019
 - Increase of \$39.8 M - due to increase in current year allocations of \$16.3 M and older capital projects of \$23.5 M anticipated to be spent in FY 2019
- Dedicated Funding – WMATA/Commuter Rail
 - Various local sources of revenues plus approximately \$10M of state motor vehicle rental tax
 - Deposited in the WMATA Capital Fund to provided a dedicated source of funding for the long term capital needs of WMATA
 - Deposited in CROC to provide dedicated source of funding for operating and capital needs for VRE

Rail Assistance Programs – Decrease of \$96.6 M

- Arkendale to Powell's Creek project and the DC2RVA project - \$64M decrease
- Remainder due to the timing of project startup

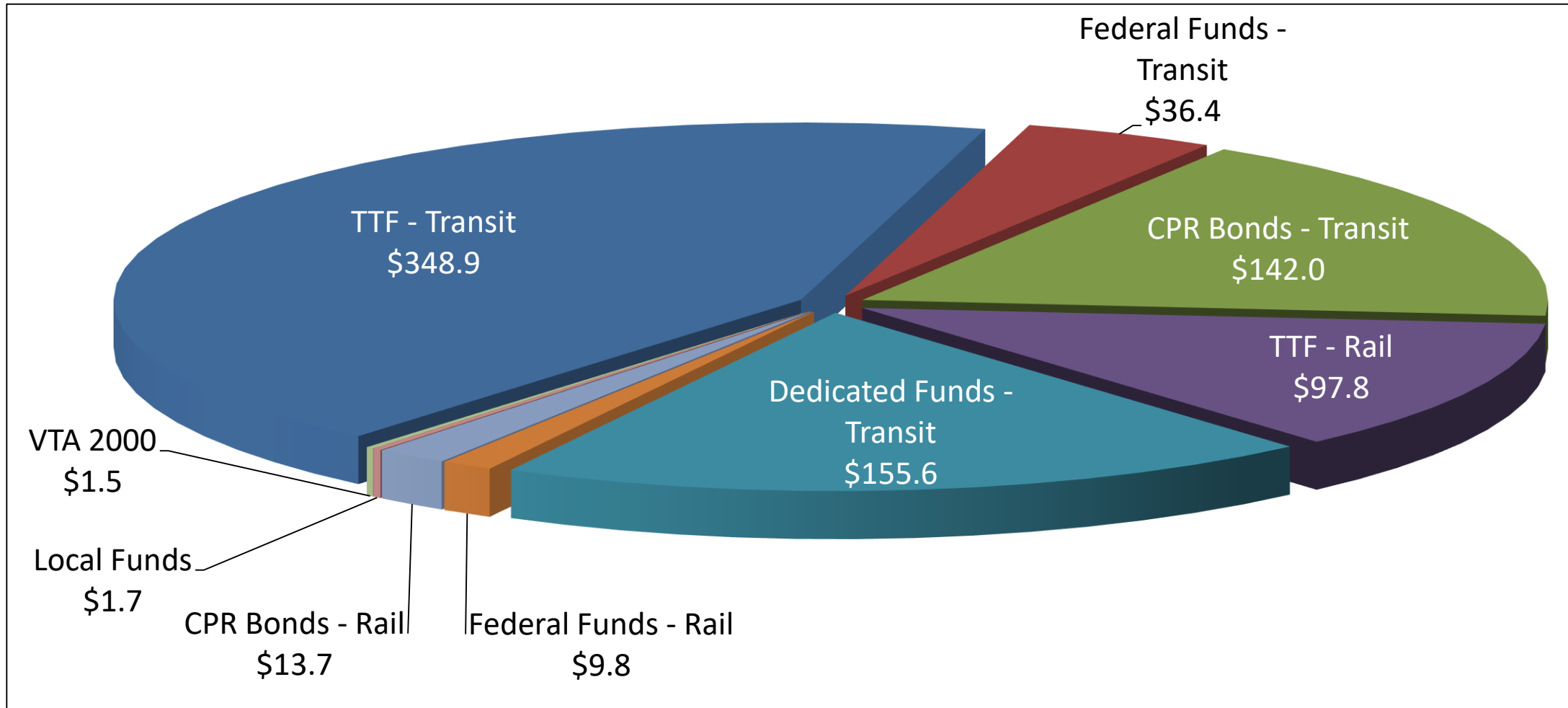
DRPT Administrative Budget



- Combined Project Management and Administrative Budget
 - \$14.6 M for FY 2019 vs. \$13.9 M for FY 2018
 - Overhaul the transit operating and capital programs in FY 2019
 - Provide technical consultant assistance in managing the complex Atlantic Gateway railway project
 - 1.8 % of total proposed budget of \$807.4 M

DRPT Funding Sources – FY 2019

\$807.4 Million





Virginia Department of Rail and Public Transportation

Questions?

Steve Pittard

CFO

May 15, 2018



Virginia Department of Rail and Public Transportation

Annual Budget Fiscal Year 2019



DRAFT

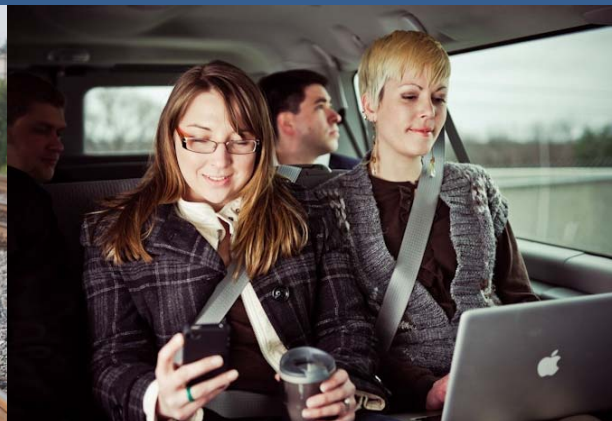
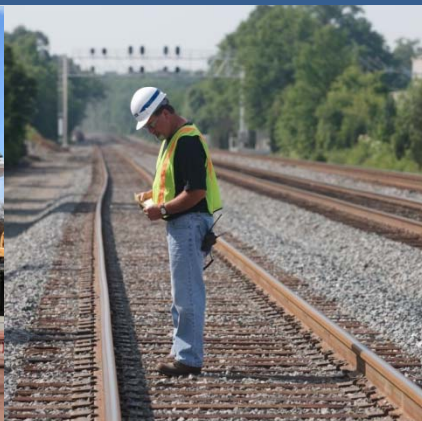
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SUMMARY OF PROGRAMS

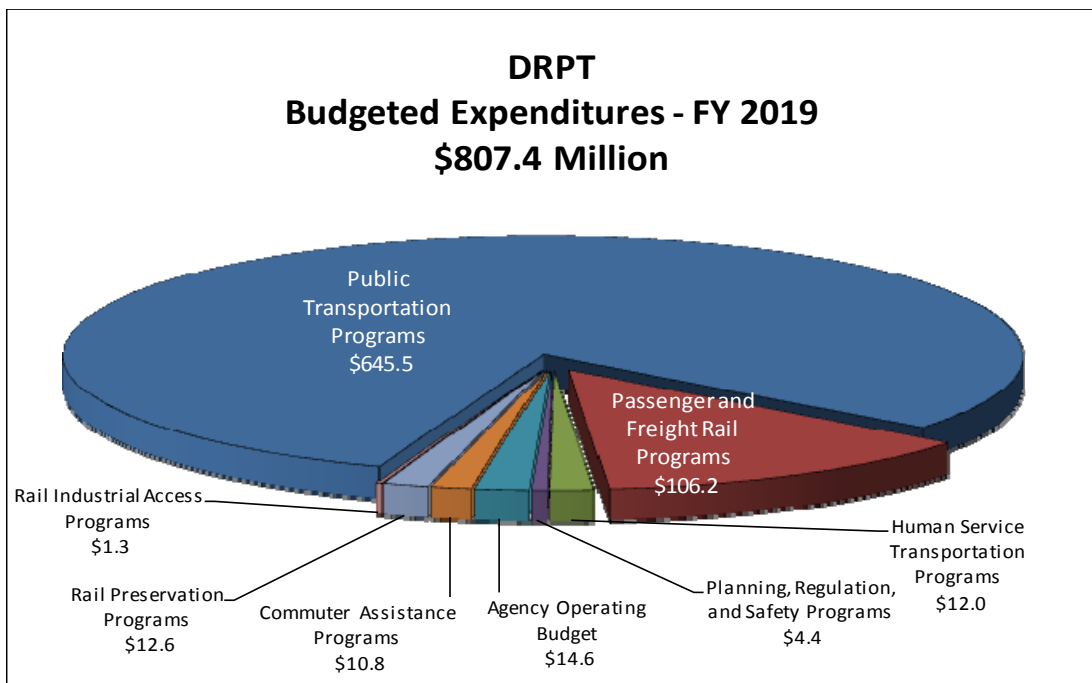


Summary of FY 2019 Budget

In FY 2019, DRPT will invest \$807.4 million in state, federal, and local resources towards improving rail and public transportation capacity and service across the Commonwealth of Virginia. The overwhelming majority of these funds are directed to a variety of grant recipients, including: public transportation providers, local and regional government entities, freight railroads, and Amtrak. Over 50% of these funds are dedicated to capital improvement projects.

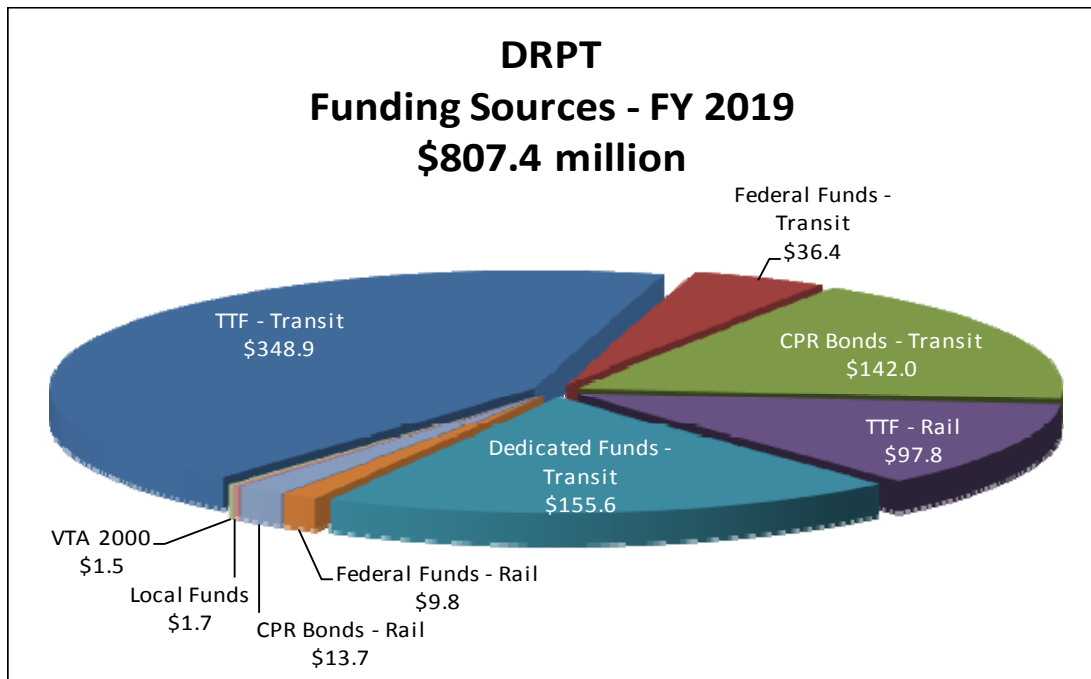
FY 2019 expenditures are estimated to be \$118.4 million more than FY 2018 primarily due to the addition of dedicated funds totaling \$169.7 million in HB 1539/SB 856 for the Washington Metropolitan Area Transit Authority (WMATA) and commuter rail support of the Virginia Railway Express (VRE). It is estimated that \$155.6 million of these funds will be disbursed in FY 2019. Additionally, the total estimated expenditures for WMATA Assistance increased \$39.8 million. Of this amount, \$16.1 million is current year allocations and the remainder is due to WMATA capital reimbursements not being submitted in FY 2018. These increases are offset by a decrease in estimated Passenger and Freight Rail Program expenditures of \$101.1 million due to several large projects winding down in FY 2019.

Timing, both in terms of the lifecycle of capital projects as well as scheduled drawdown of grant funds, account for the variations in the year over year budgeted expenditures. Additional detail on these changes is included in the specific program sections of this document.



The above chart depicts the FY 2019 DRPT budget across the agency's eight service areas. The budgeted expenditures for each service area are discussed in more detail later in this report.

The chart below depicts the source of funds for DRPT's annual budgeted expenditures. It is not based on the annual estimated revenues for each funding source; rather, the funding source is derived from over 2,000 projects included in the cash flow projections used to estimate the budgeted expenditures. Additional information concerning the DRPT FY 2019 funding sources can be found on page 18.



FY 2019 Service Area Budget Highlights

Agency Operating Budget

The DRPT program management and administrative budget increased 5.0% or \$0.7 million in FY 2019. Over the past several years, the rail and transit programs managed by DRPT have grown significantly. This growth has been accompanied by increased demand by the General Assembly for accountability over the funds in these programs. As the need for funding has increased due to the loss of Commonwealth Project Revenue (CPR) bonds, DRPT has been required to overhaul the transit operating and capital programs in FY 2019. The increase in the agency operating budget will be used to develop and expand the program oversight requested by the General Assembly over state transit funding as well as to provide technical consultant assistance in managing the complex Atlantic Gateway railway project.

The nature of the large-scale projects that DRPT now manages is highly diverse in their scope and service, changing dramatically over the last 15 years. Examples of these projects include: DC2RVA Tier II Environmental Impact Statement (EIS), Richmond Bus Rapid Transit (BRT), Dulles Corridor Metrorail, Arkendale to Powell's Creek Third Track, Atlantic Gateway, and I-95 and I-81 rail corridor programs.

DRPT is also currently completing studies on future transportation demand management (TDM) strategies in the heavily congested I-66 and I-395 corridors, which will for the first time refocus on measuring person throughput (rather than vehicle) and redirect toll revenue collected on highways to critical transit projects.

Virginia statute authorizes the Commonwealth Transportation Board (CTB) to approve up to 3.5% per year of the Mass Transit Trust Fund (MTTF), Rail Enhancement Fund, and Rail Preservation Fund (§33.2-1604) to be used to support the DRPT costs of project development, project administration, and project compliance. Starting in FY 2018, Appropriation Act language allows the CTB to allocate up to 5% of the IPROC Fund towards these efforts.

In FY 2019, \$14.6 million of the available balance of these funds will be needed to support these programs' ongoing administrative costs. A complete list of these estimated administrative costs is included in the footnotes of the budget statement at the end of this document. Despite the increase in demands on the agency, the DRPT operating budget still only represents 1.8% of the \$807.4 million of total funds administered.

Public Transportation Programs

The state funding for Public Transportation is comprised of revenues from the Mass Transit Trust Fund (MTTF) and the Mass Transit Capital Fund (MTCF). HB 1539/SB 856, passed by the General Assembly in 2018, establishes a separate allocation for the Washington Metropolitan Area Transit Authority (WMATA) and sets new allocation percentages for our Operating, Capital, and Special programs for FY 2019. It also streamlines the funding by making all state funding subject to new allocation percentages and mandating that all state funding, excluding CPR bonds, be deposited in the MTTF. It is important to note that these bills did not create additional transportation revenues. Instead, they build on the new revenues generated by HB 2313 in 2013 by changing the distribution of existing revenues.

The new legislation consolidated the revenues that are deposited into the MTTF so that they no longer are earmarked to a specific program (see the below list). Instead, all of the revenues deposited in the MTTF are now allocated using the newly calculated program percentages. The revenues deposited into the MTTF with prior year dedications are as follows:

- \$0.02 of the state recordation tax to the MTTF (§58.1-815.4.) to state operating assistance grants
- \$.01 of the state recordation tax to transit capital
- .35% of motor vehicle fuel tax to transit operations per §58.1-2289
- .24% of motor vehicle fuel tax to special programs per §58.1-2289
- 3.11% of motor vehicle fuel tax to transit capital per §58.1-2289
- 14.7% of the 1986 Special Session Revenues (formula allocation)

- 60% of the 0.125% addition to the general sales and use tax passed by the 2013 General Assembly (formula allocation)

As is evident, the funding sources are derived from various economic sectors which serves to mitigate large swings in annual revenues. Beginning in FY 2019, these funds are distributed in accordance with the Code of Virginia and specific Appropriations Act language as follows:

- Up to 3.5% of the MTTF to support costs of project development, project administration, and project compliance per §33.2-1604
- \$1.2 million (current Appropriation Act language) of the MTTF for state safety oversight
- \$1.5 million (current Appropriations Act language) of the MTTF for paratransit capital projects and enhanced transportation services for the elderly and disabled

The remaining funds are allocated by statute (§33.2-1526.1) with a minimum of 31% for state operating assistance grants, 12.5% awarded as capital assistance grants, 53.5% for distribution to WMATA for capital purposes and operating assistance, and the balance of up to 3% awarded as special projects grants subject to CTB approval.

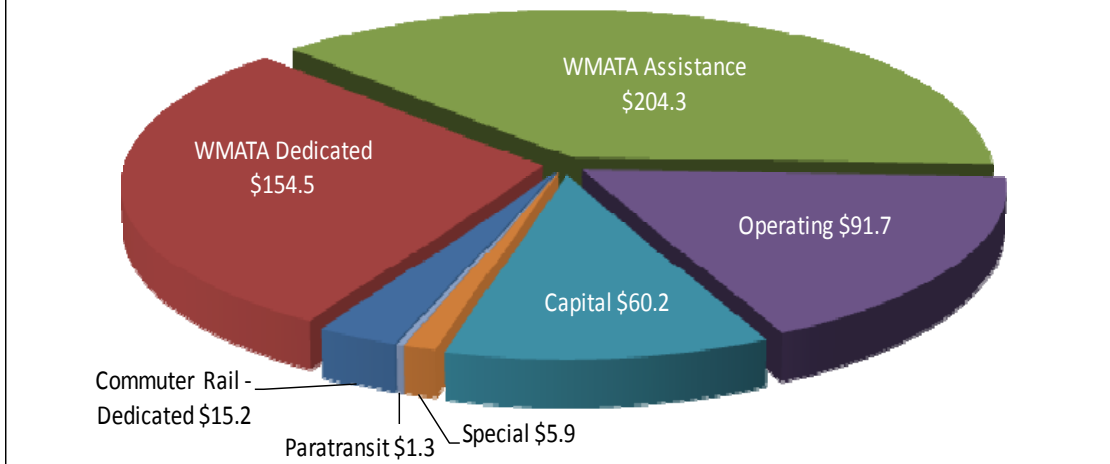
The MTCF is made up of the CPR bonds authorized under Chapter 896 of the 2007 Acts of Assembly allocated to transit capital. The major revenue source for these bond authorizations is the tax on insurance premiums.

In the Six Year Improvement Program (SYIP) for FY 2019, the CPR bonds represent approximately 85% of the state transit capital assistance. Beginning in FY 2019, these bond funds will complete the 10 year period under the original bond authorization and the \$60 million annual amount available will cease. By the close of FY 2021 when the WMATA state of good repair funding grant ends, the state transit capital assistance program will lose an additional \$50 million of annual bond funding.

In 2018, the General Assembly directed the CTB to develop a separate prioritization process for state of good repair projects and major expansion projects. The process for state of good repair projects shall be based upon transit asset management principles, including federal requirements for Transit Asset Management pursuant to 49 U.S.C. § 5326 while the process for major expansion projects shall be based on Smart Scale factors. Over 85% of the transit capital program has historically been utilized for maintenance of existing assets which highlights the importance of finding a solution to this problem.

The FY 2019 SYIP allocation of the state transit revenues for public transportation is depicted in the following chart. This chart represents FY 2019 SYIP allocations only, which vary from the budgeted amounts in this report due to the timing of expenditures versus allocations of funds. For more information, see Note 1 on page 19.

FY 2019 SYIP State Transit Allocations (\$533.1 million)



The FY 2019 allocation of \$533.1 million of state transit revenues in the SYIP represents an increase of \$148.8 million from FY 2018. This increase is primarily caused by the addition of dedicated funds in HB 1539/SB 856 for WMATA and commuter rail support of VRE. Operating and capital allocations in FY 2019 decreased by \$101.8 million and \$120.5 million, respectively, primarily due to the funding provided for WMATA being included in a separate classification called WMATA Assistance funds. For the current year, DRPT allocated \$93.7 million of anticipated bond proceeds in the SYIP with an emphasis placed on replacement vehicles and infrastructure. This includes an allocation of \$50 million in WMATA Assistance to match the federal funds WMATA is receiving under the federal state of good repair program.

WMATA Assistance Funds

HB 1539/SB 856, passed by the General Assembly, establishes a separate allocation of the Mass transit Trust Fund (53.5%) for WMATA that can be used for capital or operating. The budgeted state assistance provided to WMATA increased by \$39.8 million for FY 2019. Of this amount, \$16.1 million is current year allocations and the remainder is due to WMATA capital reimbursements not being submitted in FY 2018. In prior years, WMATA received a share of the funds available for the operating and capital assistance based on program allocation guidance. Under this new process, greater oversight responsibility will be required of the Northern Virginia Transportation Commission for these state funds dedicated to WMATA.

Public Transportation Operating Funds

The budgeted FY 2019 transit operating expenditures increased by \$5.8 million due to an increase in estimated revenues available for allocation. During the 2018 session of the General Assembly, the transit operating allocation percentage was amended in HB 1539/SB 856 to 31% of available state funding. For FY 2019, \$33.2-

1526.1 of the Code of Virginia directs that the first \$54.0 million of state grants for public transportation operating expenses from the MTTF revenues be awarded on the basis of the annual operating cost of a given transit provider expressed as a percentage of the total annual amount of operating expenses for all providers.

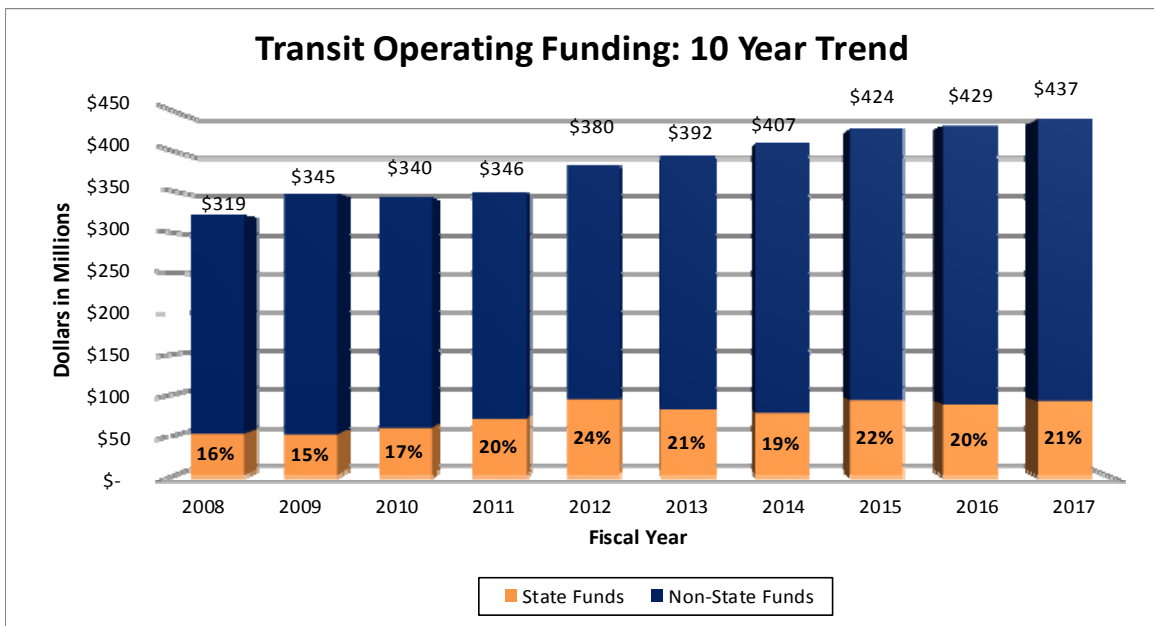
State law also requires performance-based allocations of state transit operating assistance above the \$54.0 million threshold for FY 2019. Starting in FY 2020, all transit operating funding will be distributed based on performance factors. The factors for the performance-based operating assistance allocation model and their associated weightings for FY 2019 are as follows:

Net Cost per Passenger (50%): Total operating costs less depreciation and any operating income derived from a source other than taxpayers, divided by ridership.

Customers per Revenue Hour (25%): Ridership divided by revenue hours.

Customers per Revenue Mile (25%): Ridership divided by revenue miles.

The overall state share of transit operating expenditures for FY 2019 is 20.7% versus 20.3%. The increase in percentage is due to increased revenues available for allocation in FY 2019, partially offset by a slight increase in total operating expenses. The following chart provides a history of the state’s participation in the cost of transit operations in the Commonwealth. Prior years in the chart have been restated to exclude operating payments made to WMATA. In FY 2019 funding for WMATA operating and capital are reported as WMATA Assistance funds.



Public Transportation Capital Funds

During the 2018 session of the General Assembly, the transit allocation percentages were amended in HB 1539/SB 856 for transit capital funding to 12.5% of available state funding. State capital program grants from the MTTF are awarded to public transportation capital projects deemed to be eligible, reasonable, and appropriate. These capital grants are funded based on the total cost of the project. A three tiered capital allocation methodology which was approved by the CTB on December 4, 2013 is currently used to allocate transit capital funds. The three tiers are described below with state matching percentages of Tier 1 – 68%, Tier 2 – 34 %, and Tier 3 – 17% which were used for FY 2016, FY 2017, FY 2018, and are proposed for FY 2019.

Tier 1: Replacement and Expansion Vehicles: Activities eligible for funding under this tier include acquisition of rolling stock for either replacement or expansion purposes. Other eligible activities include items that would be installed on a vehicle as part of a major fleet-wide conversion/upgrade or considered a part of the initial acquisition.

Tier 2: Infrastructure or Facilities: Activities eligible for funding under this tier include the construction of infrastructure or facilities for transit purposes, such as maintenance facilities, bus shelters, administrative buildings, or guideway infrastructure.

Tier 3: Other: Activities eligible under this category include all other transit-related capital items.

Debt service: Funds allocated for debt service and lease payments will be included in the tier that applies to the underlying capital asset that is being financed.

In FY 2019, the budget for public transportation capital expenditures is \$138.8 million – a \$15.4 million increase from FY 2018. This increase is attributable to the timing of several medium sized capital projects. The projects to be supported by these funds and the applicable federal funds managed by DRPT are summarized on the next page:

Public Transportation Capital Projects for FY 2019						
	Replacement Transit Vehicles	Expansion Transit Vehicles	Vehicles for Elderly & Disabled Services	Service Support Vehicles	Transit Facility Construction or Renovation	Transit Facility Planning or Design
Bristol District	19	0	3	0	0	0
Culpeper District	2	0	7	0	0	0
Fredericksburg District	4	0	3	0	0	0
Hampton Roads District	223	1	20	0	1	1
Lynchburg District	14	3	5	0	1	0
Northern Virginia District	27	0	0	3	6	2
Richmond District	25	0	11	0	0	0
Salem District	2	0	10	0	0	0
Staunton District	7	0	12	0	0	1
Multi - District	39	6	4	1	0	0
Statewide Totals	362	10	75	4	8	4

Public Transportation Special Program Funds

The Special Programs budget is estimated at \$4.2 million for FY 2019. These funds are used to award discretionary grants for public transportation demonstration projects, technical assistance projects, and public transportation training and internships, as well as to fund the state safety oversight program for fixed guideway systems.

Public Transportation Dedicated Funds

HB 1539/SB 856, passed by the General Assembly, establishes the WMATA Capital Fund and the Commuter Rail Operating and Capital Fund. It also establishes a Restricted and Non-Restricted account within the WMATA Capital Fund. Monies in the Restricted Account may be used for capital purposes other than for the payment of, or security for, debt service on bonds or other indebtedness of WMATA. Monies in the Non-Restricted account may be used for capital purposes including the payment of debt service on bonds or other indebtedness. The total funds dedicated to the WMATA Capital Fund are estimated at \$154.5 million and are broken down as follows:

Restricted Account - for capital purposes excluding debt service

- \$20.0 million of local recordation tax
- \$10.0 million of statewide motor vehicle rental tax

Non-Restricted Account – for capital purposes including debt service

- \$22.3 million of NVTC regional gas taxes
- \$27.2 million of NVTA 30% local taxes
- \$29.6 million of 2% NVTC transient occupancy tax
- \$44.9 million of NVTC grantor's tax
- \$0.5 million of interest income

This funding is contingent on Maryland and the District of Columbia enacting legislation or taking action to provide dedicated funding to WMATA. The percentage of funding provided by the Commonwealth shall be proportional to the amount of funding provided by the District of Columbia and Maryland relative to their respective share of WMATA funding each fiscal year.

In addition, the General Assembly dedicated funding of \$15.2 million for VRE commuter rail services, funded through locally levied motor fuel taxes and interest.

Commuter Assistance Programs

The Commuter Assistance Programs budget of \$10.8 million includes \$5.0 million of MTTF funds for FY 2019 to support Transportation Demand Management (TDM) projects. The budget also includes Federal Highway Administration (FHWA) funds of \$1.8 million and the related state match of \$4.0 million for projects included in the VDOT SYIP that DRPT will administer, such as the Arlington County Commuter Services program, Hampton Roads Transit TRAFFIX program, Telework, RideFinders, and various Transportation Management Plans.

The TDM program is a discretionary grant program that provides state funds to support up to 80% of the costs of TDM projects and other special projects that are designed to reduce single occupant vehicle travel. These funds are used to support vanpooling, ridesharing, and marketing and promotional efforts across the Commonwealth that encourage travel in shared ride modes. The distribution of grants for FY 2019 is shown in the below table.

Commuter Assistance Projects for FY 2019			
	Transportation Demand Management Agencies	Special TDM Projects	Total
Bristol District	0	0	0
Culpeper District	2	1	3
Fredericksburg District	3	1	4
Hampton Roads District	0	0	0
Lynchburg District	0	0	0
Northern Virginia District	6	2	8
Richmond District	1	0	1
Salem District	1	0	1
Staunton District	2	1	3
Statewide Totals	15	5	20

Human Service Transportation Programs

The Human Service Transportation Programs budget is estimated at \$12.0 million for FY 2019. Human service transportation programs are operated by local government social service agencies or private non-profit human service agencies for the benefit of their clients. These clients are elderly or disabled individuals and

economically disadvantaged children who are enrolled to receive publicly funded social services.

Human service transportation differs from public transportation in that it is designed to serve the very specific needs of human service agency clients and in most cases, service is restricted to the clients of those agencies who often have no other transportation service available to them. It is not open to the general public. The funding for this program comes from the Federal Transit Administration (\$8.7 million), local provider match (\$1.0 million), CPR bond proceeds (\$0.5 million), and MTTF funds for enhanced transportation services for the elderly and disabled (\$1.8 million). The breakdown by district of the 75 vehicles purchased through this program is included in the Public Transportation Capital Projects table on page 11.

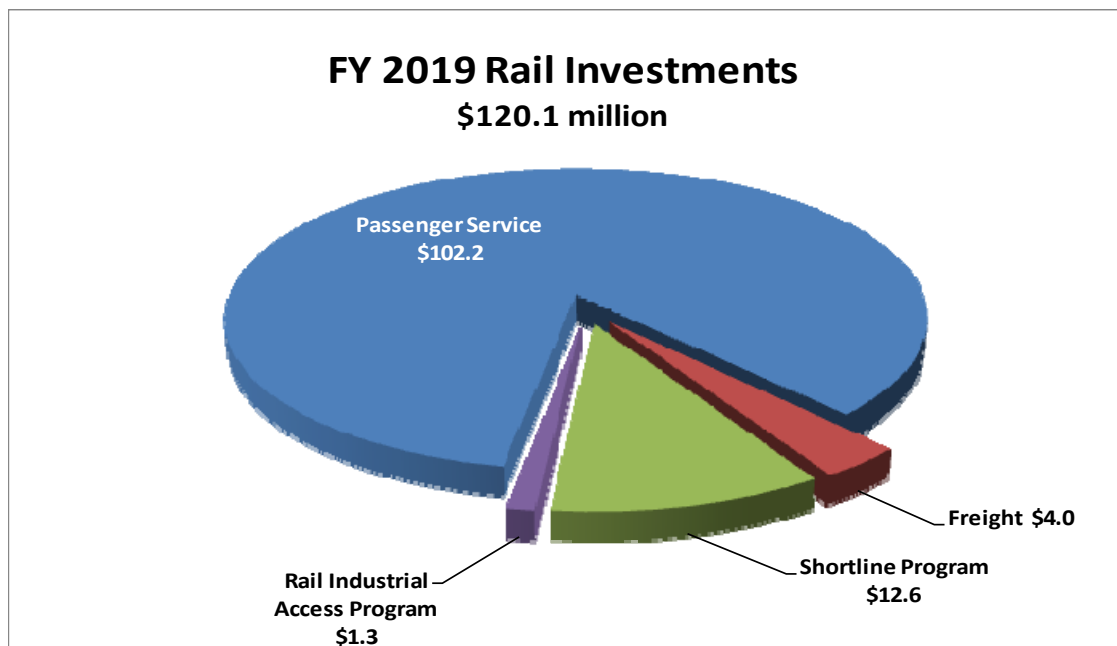
Planning, Regulation, and Safety Programs

DRPT's FY 2019 budget includes \$4.4 million estimated expenditures for Planning, Regulation, and Safety Programs, which include long-term planning and regional corridor studies. The budget for these programs consists of the FTA 5303/5304 planning funds of \$3.9 million and MTTF state match allocations of \$0.5 million.

Passenger and Freight Rail Programs

DRPT's FY 2019 budget for all rail service areas includes \$120.1 million of expenditures for rail improvements in Virginia. These programs decreased by \$96.6 million when compared to FY 2018. This is mainly due to spending down the federal grant and substantially completing the Arkendale to Powell's Creek project in FY 2018. An estimate of \$64.0 million was included in the FY 2018 budget.

The distribution of anticipated expenditures falls into four categories as displayed in the following chart:



Funding for DRPT's rail programs is supported through ten federal, state and local funding sources:

Federal

- Federal Railroad Administration (FRA) grant funds of \$8.3 million;
- Federal Highway Administration (FHWA) funds of \$1.5 million;

State

- Intercity Passenger Rail Operating and Capital (IPROC) funds of \$47.3 million;
- Rail Enhancement Funds (REF) of \$38.8 million;
- Transportation Capital Projects Revenue (CPR) Bond funds of \$13.7 million;
- VDOT Transfers of \$0.3 million;
- Shortline Railway and Development funds of \$6.8 million;
- VTA 2000 funds of \$1.5 million;
- Rail Industrial Access (RIA) funds of \$1.3 million; and
- Local Match of \$0.6 million.

The IPROC fund was created by the General Assembly in FY 2011. In 2013, the General Assembly dedicated 40% of a 0.125% increase in the general sales and use tax to the fund which amounts to approximately \$55 million annually. These funds are used to support the operating and capital needs for the six regional intercity passenger trains as well as capital costs for the expansion of intercity passenger rail. The trains operate in the Northeast Corridor and originate from Roanoke, Norfolk, Richmond (2), and Newport News (2).

Transportation Bond Funds

Chapter 896 of the 2007 Acts of Assembly provides for CPR bonds to be issued annually with a minimum of 4.3% of the proceeds going to either the REF or the Shortline Railway Preservation and Development Fund. The final bond allocation for rail was made in FY 2018. For FY 2019, planned expenditures from prior year's bond proceeds are \$7.9 million for joint passenger and freight rail infrastructure improvements and \$5.8 million for improvement to the tracks of shortline railroads.

Rail Preservation Program

As part of the Rail Preservation Program, the Shortline Railway Preservation and Development Fund will support 20 projects for Virginia's shortline railroads in FY 2019. These Rail Preservation projects consist primarily of bridge and track upgrades, yard improvements, siding enhancements, and tie and rail replacement, as well as the related ballast, tamping, and surfacing of existing rail lines operated by the shortline railroads in Virginia. These projects are funded through the annual Transportation Trust Fund allocation and related interest revenues, and the CPR bonds.

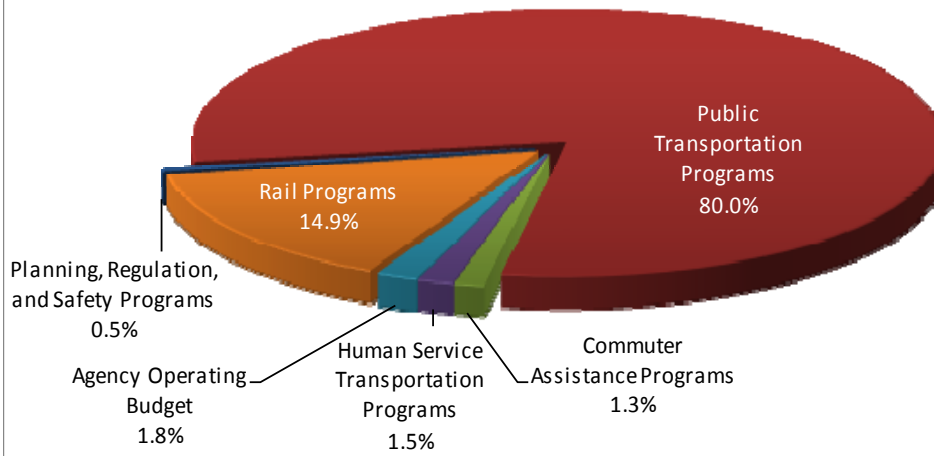
Rail Industrial Access Program

This program funds the construction of industrial access railroad tracks. These projects are funded through the Transportation Trust Fund as they are approved by the CTB.

ANNUAL BUDGET STATEMENT

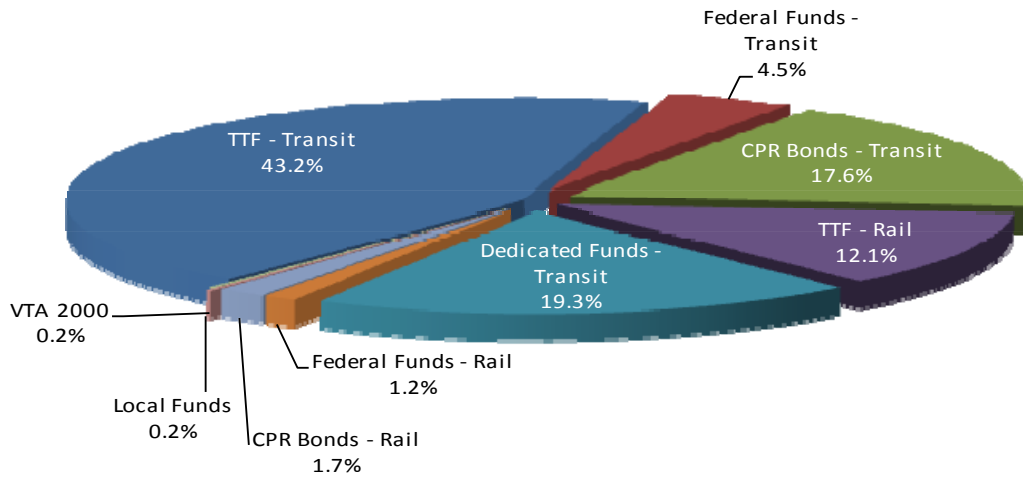


DRPT Budgeted Expenditures - FY 2019



	(\$ in millions)			
	Adopted FY 2018	Recommended FY 2019	Increase / (Decrease)	Percentage Change
Public Transportation Programs				
Operating Assistance [Notes 2, 4, 14]	\$ 100.1	\$ 105.9	\$ 5.8	5.8%
Capital Assistance [Notes 1, 2, 5, 14]	123.4	138.8	15.4	12.5%
Special Programs [Notes 2, 6]	4.3	4.2	(0.1)	-2.3%
WMATA Assistance [Note 2, 14]	201.2	241.0	39.8	19.8%
Dedicated Funding [Note 3]	-	155.6	155.6	100.0%
Total	429.0	645.5	216.5	50.5%
Commuter Assistance Programs [Note 7]	8.7	10.8	2.1	24.1%
Human Service Transportation Pgm [Note 8]	16.4	12.0	(4.4)	-26.8%
Planning, Regulation, & Safety Pgm [Note 9]	4.3	4.4	0.1	2.3%
Total Transit Programs	458.4	672.7	214.3	46.7%
Rail Preservation Programs [Note 10]	7.8	12.6	4.8	61.5%
Rail Industrial Access [Note 11]	1.6	1.3	(0.3)	-18.8%
Passenger and Freight Rail Programs [Note 12]	207.3	106.2	(101.1)	-48.8%
Total Rail Programs	216.7	120.1	(96.6)	-44.6%
Agency Operating Budget [Note 13]	13.9	14.6	0.7	5.0%
Agency Total	\$ 689.0	\$ 807.4	\$ 118.4	17.2%

DRPT Funding Sources - FY 2019



	(\$ in millions)			
	Adopted FY 2018	Recommended FY 2019	Increase / (Decrease)	Percentage Change
TRANSPORTATION TRUST FUND				
1986 Special Session Revenue (14.7%) [Notes 4, 5, 6, 7, 8, 9, 13]	\$ 140.1	\$ 162.6	\$ 22.5	16.1%
2013 Chapter 766 Revenue for Transit [Notes 4, 5, 6, 7, 8, 9, 13]	75.2	88.1	12.9	17.2%
2015 Chapter 684 Revenue for Transit [Notes 4, 5, 6, 7, 8, 9, 13]	48.4	45.8	(2.6)	-5.4%
Recordation Tax [Notes 4, 13]	31.0	32.0	1.0	3.2%
Rail Preservation Program [Notes 10, 13]	3.2	6.9	3.7	115.6%
Rail Industrial Access [Note 11]	1.6	1.3	(0.3)	-18.8%
Rail Enhancement [Notes 12, 13]	40.2	39.6	(0.6)	-1.5%
2013 Chapter 766 Revenue for IPROC [Notes 12, 13]	135.4	50.0	(85.4)	-63.1%
Special Programs - VDOT Transfers [Notes 4, 5, 6, 7, 12]	18.8	20.4	1.6	8.5%
Total	493.9	446.7	(47.2)	-9.6%
2018 HB 1539 DEDICATED FUNDING - Transit [Note 3]	-	155.6	155.6	100.0%
GENERAL FUND - Rail [Note 12]	1.9	-	(1.9)	-100.0%
BOND PROCEEDS - Transit Capital and Rail [Notes 5, 8, 10, 12]	139.1	155.7	16.6	11.9%
FEDERAL REVENUE				
American Recovery and Reinvestment Act (ARRA) [Note 12]	3.8	-	(3.8)	-100.0%
FHWA Funding (CMAQ/RSTP) [Notes 5, 7, 12]	5.0	3.5	(1.5)	-30.0%
Federal Transit Administration [Notes 4, 5, 8, 9]	33.1	34.4	1.3	3.9%
Federal Railroad Administration [Note 12]	8.8	8.3	(0.5)	-5.7%
Total	50.7	46.2	(4.5)	-8.9%
LOCAL REVENUES [Notes 8, 12]	1.5	1.7	0.2	13.3%
TRANSFERS FROM OTHER AGENCIES				
VDOT - VTA 2000 Transfers [Note 12]	1.9	1.5	(0.4)	-21.1%
TOTAL SOURCES	\$ 689.0	\$ 807.4	\$ 118.4	17.2%

Footnotes to the FY 2019 Annual Budget

(1) The budgeted amounts in this report include anticipated expenditures on all of the projects and grants that DRPT manages for FY 2019 and the revenue sources to cover these anticipated expenditures. A cash basis of accounting is utilized to develop the budgeted amounts. Therefore, the budgeted amounts will not agree to allocations in the SYIP due to the timing of cash expenditures versus allocations of funds. The actual cash outlays of many capital projects may lag behind the related allocation of resources by as much as five years. For example, DRPT will allocate Passenger and Freight Rail Projects of \$130.6 million in FY 2019, but \$106.2 million is expected to be expended on rail projects during FY 2019. The differences between the FY 2019 SYIP allocations and budgeted expenditures are as follows:

Total Six Year Improvement Plan Allocations	\$ 756.4
Federal Funds Allocations with Grantee FTA Contracting	(28.6)
VDOT Revenues to be spent in future years	(69.3)
Agency Operating Budget	14.6
Prior Year Allocations in Current Year Budget	
Transit Revenue and Bond Allocations	85.0
Rail Revenue and Bond Allocations	48.0
Rail Industrial Access	1.3
Total Budgeted Expenditures	\$ 807.4

It is important to note that DRPT's reliance on our transportation partners for accurate information will impact the accuracy of our budgeted expenditures. The vast majority of the DRPT budgeted expenditures are initiated by a reimbursement request from one of our project partners who controls the actual project development. As such, DRPT must gather information from these partners about the timing of almost 2,000 projects in order to estimate cash basis expenditures each year. Based on this operating format for DRPT, a variance of up to 15% would not be unreasonable. Ultimately, the goal for DRPT will be to work with our project partners to attain a variance of 10% or less by each year end.

(2) A change in funding allocation in fiscal year 2019 results in significant variances from the budgeted funding in fiscal year 2018. Funds are allocated by statute (§33.2-1526.1) with 53.5% for distribution to WMATA for capital purposes and operating assistance, a minimum of 31% for state operating assistance grants, 12.5% awarded as capital assistance grants, and the balance of up to 3% awarded as special projects grants subject to CTB approval. Prior to fiscal year 2019, funds were allocated by statute (§58.1-638) a minimum of 72% for state operating assistance grants, 25% awarded as capital assistance grants, and the balance of up to 3% awarded as special projects grants subject to CTB approval. WMATA Assistance in FY 2019 also includes \$22.1 million of MTF funds and \$64.6 million of transit bond funds including funds under the federal state of good repair program in addition to the 53.5%.

(3) HB 1539/SB 856, passed by the General Assembly, establishes dedicated capital funding for WMATA of \$154.5 million. This includes \$22.3 million of NVTC regional gas taxes, \$27.2 million of NVTA 30% local taxes, \$29.6 million of 2% NVTC transient occupancy tax, \$30.0 million of local recordation and statewide motor vehicle rental tax, \$44.9 million of NVTC grantor's tax, and \$0.5 million of interest income. In addition, dedicated funding of \$15.2 million was established for VRE commuter rail services, funded through motor fuel taxes. It is estimated that only \$155.6 million of the total \$169.7 million allocated will be disbursed in FY 2019 due to the timing of collection of revenues.

DRPT Footnotes to the FY 2019 Annual Budget (Continued)

- (4) The budgeted expenditure line item entitled Public Transportation Programs - Operating Assistance increased by \$5.8 million from FY 2018 to FY 2019. This was due to an increase in estimated revenues. The Operating Assistance line is made up of MTTF operating allocations of \$59.5 million, recordation taxes of \$32.0 million, and \$14.2 million in federal assistance through the FTA 5311 Rural Assistance program. Additionally, \$0.2 million in projects administered by DRPT with state matching funds allocated through VDOT's Six-Year Improvement Program is included in this service area.
- (5) Public Transportation Programs - Capital Assistance increased by \$15.4 million which is related to several medium sized projects. This line item consists of \$38.5 million of MTTF allocations, \$76.9 million of Transportation Capital Projects bond proceeds, and \$7.8 million of FTA funding. Additionally, \$15.6 million in projects administered by DRPT with funding allocated through VDOT's SYIP (CMAQ, RSTP, and related state match) is included in this Service Area.
- (6) Public Transportation Programs – Special Programs consists of MTTF allocations of \$3.8 million and 0.4 million in projects administered by DRPT with funding allocated through VDOT's SYIP (CMAQ, RSTP, and related state match) is included in this service area.
- (7) The budgeted Commuter Assistance Programs line item increased by \$2.1 million from FY 2018 to FY 2019. Commuter Assistance Programs includes Mass Transit Trust Funds of \$5.0 million and FHWA funding of \$1.8 million. Additionally, \$4.0 million in projects administered by DRPT with funding allocated through VDOT's SYIP (CMAQ, RSTP, Telework and related state match) is included in this service area.
- (8) The budgeted Human Service Transportation Programs line item decreased by \$4.4 million from FY 2018 to FY 2019. Funding includes \$8.7 million of FTA 5310 and 5311 awards. The match to these federal awards consists of \$1.8 million of MTTF State matching funds for the paratransit capital projects and enhanced transportation services for the elderly and disabled, Transportation Capital Projects Bond proceeds of \$0.5 million, as well as \$1.0 million of local match to the FTA 5310 funds.
- (9) Planning, Regulation, and Safety Programs consists of the FTA 5303/5304 planning funds of \$3.9 million and MTTF state match allocations of \$0.5 million.
- (10) The 2006 General Assembly passed legislation (§33.2-1602) to establish the Shortline Railway Preservation and Development fund. The fund was created to support the retention, maintenance, and improvement of shortline railways in Virginia and to assist with the development of railway transportation facilities. The source of funding for the Shortline Railway Preservation fund is the Transportation Trust Fund of \$6.8 million. The additional \$5.8 million of planned expenditures is funded by Transportation Capital Projects Bond proceeds allocated by the CTB.
- (11) The Rail Industrial Access Program funds construction of industrial access railroad tracks. The activities budgeted in this line item consist of Transportation Trust Fund allocations of \$1.3 million.
- (12) The budgeted Passenger and Freight Rail Programs line item of \$106.2 million represents a decrease of \$101.1 million from FY 2018 to FY 2019. This is mainly due to spending down the federal grant and substantially completing the Arkendale to Powell's Creek project in FY 2018. An estimate of \$64.0 million was included in the FY 2018 budget. The source of funding to cover these expenditures includes \$38.8 million from the Rail Enhancement Fund which is comprised of the state portion of vehicle rental taxes collected in the Transportation Trust Fund. Additionally, this line item includes Federal High Speed Rail funds of \$8.3 million, bond proceeds of \$7.9 million, Intercity Passenger Rail Operating and Capital funds of \$47.3 million, VTA 2000 funds of \$1.5 million, Federal Highway Administration (FHWA) funds of \$1.5 million, VDOT Transfers of \$0.3 million, and local matching funds of \$0.6 million.

DRPT Footnotes to the FY 2019 Annual Budget (Continued)

(13) The CTB is authorized by §33.2-1604 of the Code of Virginia to approve up to 3.5% per year of the Mass Transit Trust Fund, Rail Enhancement Fund, and Rail Preservation Fund to support costs of project development, project administration, and project compliance. Starting in FY 2018, Appropriation Act language allows the CTB to allocate up to 5% of the Intercity Passenger Rail Operating and Capital (IPROC) Fund to be used to support the DRPT costs of project development, project administration, and project compliance. DRPT has determined that the 3.5% and 5% (\$14.6 million) of the available balance of the aforementioned funds for FY 2019 will be needed to support the ongoing costs of these programs. The DRPT operating budget represents only 1.8% of the total \$807.4 million FY 2019 budget.

Major Components of Agency Operating Budget	
Payroll and Fringe Benefits	\$ 8,012,538
Operations Program Support	2,967,004
Central Service Agencies Indirect Costs	975,000
Information Technology Costs	587,500
Finance Program Support	575,000
Rent	475,000
Travel and Training	313,000
Office Expansion	300,000
Attorney Services	220,000
Other Program and Project Management Initiatives	227,775
Total	\$ 14,652,817
Source of Funding for Agency Operating Budget	
Mass Transit Trust Fund	\$ 11,009,967
Intercity Passenger Rail Operating and Capital Fund	2,750,000
Rail Enhancement Fund	752,500
Rail Preservation Fund	140,350
Total	\$ 14,652,817

(14) In order to provide comparative data to the FY 2019 budget, certain reclassifications were made to FY 2018 line items. This includes \$105.4 million of Operating Assistance and \$95.8 million of Capital Assistance for WMATA programs that were reclassified to WMATA Assistance.



Draft FY 2019 – 2024 Commonwealth Transportation Fund (CTF) Six-Year Financial Plan

Draft FY 2019 CTF and VDOT Budgets

John Lawson, Chief Financial Officer

May 15, 2018

Revenue Estimate Updates

- **State Revenue Updates during FY 2019 – FY 2024 period**
 - Update to Hampton Roads Fuel Tax Revenue Estimate based on HB 768/SB 896, establishing the price floor for deriving the tax rate
- **Federal revenue is based on Federal FY 2018 apportionments and assumed Obligation Authority levels for the year provided under the FAST Act – No change**

Annual Formula Obligation Authority provided through September 30, 2018
- **Additional federal funding from the Omnibus Bill totaling \$51.2 million for the Highway Infrastructure Program**

Commonwealth Transportation Fund (CTF)

Draft Fiscal Years 2019 – 2024 Six-Year Financial Plan Overview

- ❑ **The Six-Year Financial Plan (SYFP) identifies the planned funding for allocation to Highways, Transit, Ports and Aviation**
 - Builds upon prior SYFP
 - Reflects impact of new revenue forecast
 - Reflects tentative adjustments for legislation and potential Budget Bill actions
- ❑ **The Preliminary Fiscal Years 2019 – 2024 SYFP allocates \$36.7 billion to Transportation programs**
- ❑ **Includes the use of \$747.8 million of GARVEE and CPR Bonds**
- ❑ **Transfers \$3.4 billion to the two Transportation Regions**
- ❑ **Dedicates \$13.5 billion for Maintenance and Operations**
- ❑ **Provides \$9.5 billion for Construction**

Commonwealth Transportation Fund

Draft Fiscal Years 2019 – 2024 Six-Year Financial Plan

Estimated Revenues (in millions)

	2019	2020	2021	2022	2023	2024	Total	Revised FY 2018-2023	Difference
State Transportation Revenues									
HMO	\$ 2,085.8	\$ 2,098.9	\$ 2,124.6	\$ 2,135.8	\$ 2,139.5	\$ 2,157.0	\$ 12,741.6	\$ 12,537.0	\$ 204.6
TTF net interest	1,277.0	1,293.3	1,317.6	1,335.4	1,350.3	1,370.3	7,943.9	7,705.2	238.6
PTF (From TTF)	212.7	220.9	226.5	235.5	244.3	252.6	1,392.5	1,400.7	(8.2)
Local & Regional Project Participation	427.7	348.6	396.3	185.9	143.3	143.3	1,645.1	1,758.4	(113.3)
Other Revenue	246.9	222.6	226.6	241.1	241.3	260.0	1,438.5	1,937.8	(499.3)
Total	4,250.0	4,184.3	4,291.5	4,133.7	4,118.7	4,183.2	25,161.5	25,339.1	(177.6)
Federal Revenues	1,142.8	1,087.2	1,104.1	1,122.2	1,140.6	1,159.3	6,756.1	6,709.9	46.2
Total Revenues	5,392.8	5,271.5	5,395.6	5,255.9	5,259.3	5,342.5	31,917.6	32,049.0	(131.4)
Other Financing Sources									
GARVEE Bonds	85.7	101.2	98.0	76.3	100.0	125.0	586.2	574.3	11.9
Capital Improvement Bonds	61.6	50.0	50.0	-	-	-	161.6	234.5	(72.9)
Route 58	-	150.9	249.1	-	195.7	-	595.7	595.7	-
Total	147.3	302.1	397.1	76.3	295.7	125.0	1,343.5	1,404.5	(61.0)
Total Operating Revenues and Other Financing Sources	\$ 5,540.1	\$ 5,573.6	\$ 5,792.7	\$ 5,332.2	\$ 5,555.0	\$ 5,467.5	\$ 33,261.1	\$ 33,453.5	\$ (192.4)
Pass Through Revenues									
Regional Transportation Funds	555.5	551.4	562.3	572.1	582.0	592.2	3,415.5	3,094.0	321.5
Grand Total	\$ 6,095.6	\$ 6,125.0	\$ 6,355.0	\$ 5,904.3	\$ 6,137.0	\$ 6,059.7	\$ 36,676.6	\$ 36,547.5	\$ 129.1

Commonwealth Transportation Fund

Draft Fiscal Years 2019 – 2024 Six-Year Financial Plan

Estimated Allocations (in millions)

	2019	2020	2021	2022	2023	2024	Total	2018 - 2023 SYFP	Difference
Debt Service	\$ 391.3	\$ 387.2	\$ 408.5	\$ 416.8	\$ 437.6	\$ 451.8	\$ 2,493.1	\$ 2,371.6	\$ 121.5
Other Agencies & Transfers	49.2	49.2	50.3	50.6	51.8	52.0	303.1	280.6	22.45
Maintenance & Operations	2,183.1	2,186.2	2,212.9	2,245.9	2,288.6	2,357.0	13,473.6	13,204.7	268.9
Administration & Other Programs	431.6	449.5	503.5	497.7	479.1	489.6	2,851.1	2,716.2	134.8
Toll Programs	77.7	88.1	90.1	93.6	99.7	102.3	551.5	462.4	89.1
Rail and Public Transportation									
Public Transportation	463.8	469.9	475.8	454.4	459.0	479.4	2,802.3	2,585.3	217.0
Rail Assistance	110.7	110.7	112.0	115.4	116.5	117.6	682.9	730.1	(47.2)
Other Programs and Administration	14.7	14.8	15.1	15.5	15.7	15.9	91.7	88.0	3.7
Port Trust Fund	43.2	43.8	44.7	45.0	45.5	46.2	268.4	261.2	7.1
Airport Trust Fund	24.6	25.0	25.5	25.7	26.0	26.4	153.1	149.0	4.1
Commonwealth Space Flight Fund	16.6	16.6	15.8	15.8	15.8	15.8	96.3	94.8	1.5
Construction ⁽¹⁾	1,733.6	1,732.8	1,838.6	1,355.7	1,519.8	1,313.5	9,494.2	10,509.6	(1,015.4)
Total Operating Programs	\$ 5,540.1	\$ 5,573.6	\$ 5,792.7	\$ 5,332.2	\$ 5,555.0	\$ 5,467.5	\$ 33,261.1	\$ 33,453.5	\$ (192.4)
Pass Through Programs									
Northern Virginia Transportation Authority Fund	364.5	357.3	364.3	370.7	377.1	383.6	2,217.5	2,054.1	163.4
Hampton Roads Transportation Fund	191.0	194.1	198.0	201.4	204.9	208.6	1,198.0	1,039.9	158.1
Subtotal	555.5	551.4	562.3	572.1	582.0	592.2	3,415.5	3,094.0	321.5
Total	\$ 6,095.6	\$ 6,125.0	\$ 6,355.0	\$ 5,904.3	\$ 6,137.0	\$ 6,059.7	\$ 36,676.6	\$ 36,547.5	\$ 129.1

⁽¹⁾ Allocations include funds previously programmed for rail and public transportation. Distribution to Public Transportation and Rail Assistance will be updated with the Final SYIP Recommendations in June 2018.

Programmatic Changes/Updates

Senate Bill 856/House Bill 1539

- ❑ Additional \$50 million in CPR Bonds anticipated and allocated in FY 2021, dedicated to match federal funds provided for capital projects by the Washington Metropolitan Area Transit Authority (WMATA)
- ❑ Share of Rental Tax formerly dedicated to State of Good Repair purposes now dedicated to WMATA Capital Fund
- ❑ Updates to Northern Virginia Transportation District to provide \$20 million annually beginning in FY 2019 to WMATA Capital Fund

Transit Investments

Anticipated Transit Funding from I-395 Extension of Express Lanes and I-66 Outside the Beltway included

Programmatic Changes for VDOT

Based on proposed General Assembly Actions

Employer Health Insurance premiums – Employer rate increases across health care plans average 6.3% from FY 2018 to FY 2019 (approximately \$7.1 million) and 9.1% from FY 2019 to FY 2020 (approximately \$10.4 million)

House of Delegates (HB 5002)

- **2% Bonus on December 1, 2018 for classified employees on payroll in April 2018 (approximately \$9.7 million)**
- **2% Raise effective July 1, 2019; additional 1% merit based raise (approximately \$9.7 million for 2% and associated employee benefit impacts)**

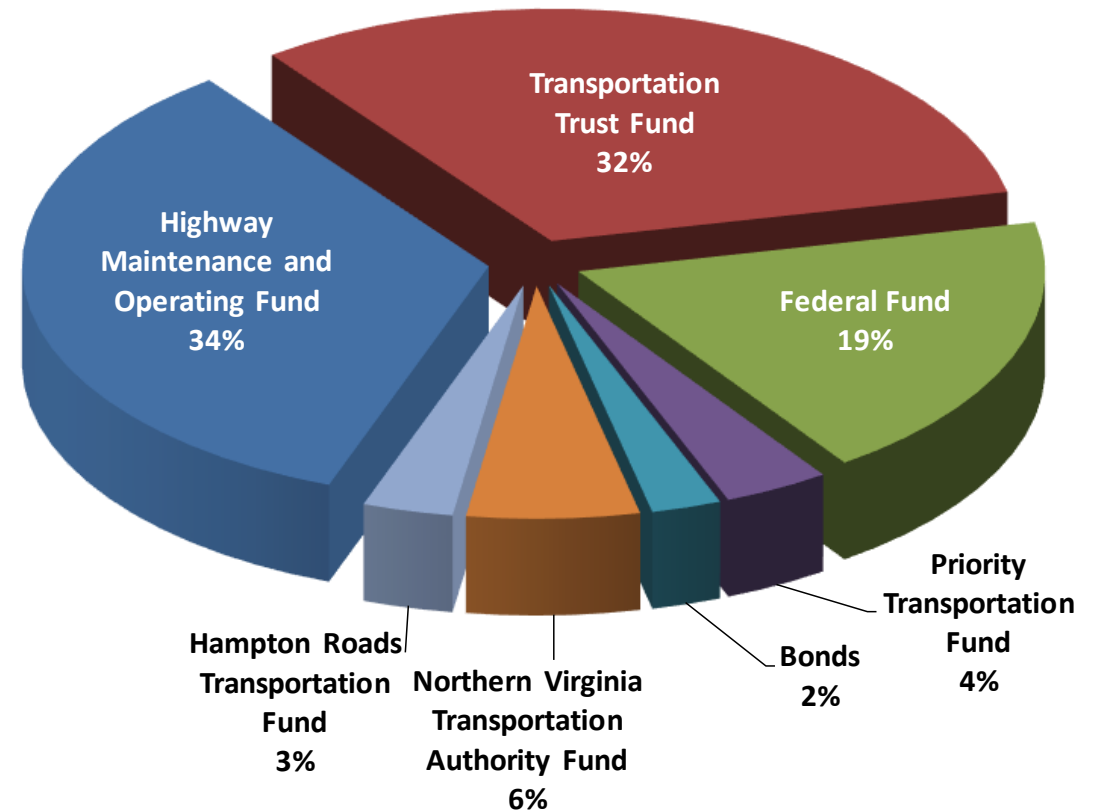
Senate (based on floor approved amendments from regular session)

- **Fund study for VCSFA - Chincoteague Island Study; \$1.5 million during biennium**
- **Additional funds for Chesapeake Bay Initiatives, \$2.6 million annually (Appropriation Act, Part 3 Transfer)**

Commonwealth Transportation Fund FY 2019 Draft Budget

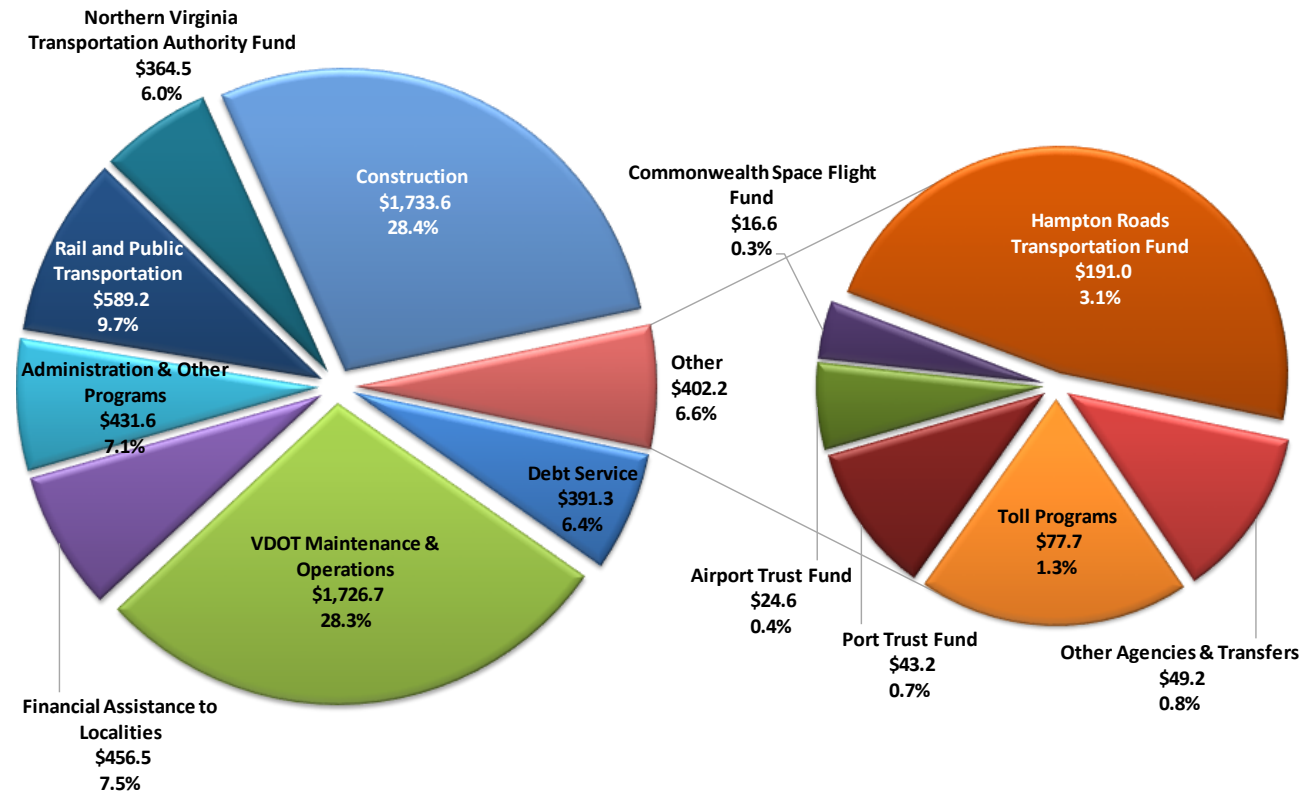
- FY 2019 CTF Revenues total \$6.1 billion, 9.0 percent decrease over the Revised FY 2018 Budget (In comparison to Original Budget, 0.3 percent decrease)
- Dedicated Regional revenues represent 9.1 percent of total budget
- Planned use of bond proceeds is down from 4 percent of total
- Decrease reflects unique funding in Revised FY 2018 Budget from Concession Fee and Atlantic Gateway

Revenue	Total Estimate
Highway Maintenance and Operating Fund	\$2,085.8
Transportation Trust Fund	1,940.5
Federal Fund	1,142.8
Priority Transportation Fund	223.7
Bonds	147.3
Total Operating Revenues	\$5,540.1
Pass Through Revenue	
Northern Virginia Transportation Authority Fund	364.5
Hampton Roads Transportation Fund	191.0
Subtotal	\$555.5
Total	\$6,095.6



FY 2019 Draft Recommended Allocations

- Highway Maintenance, including VDOT maintained and Locality Maintained, represents 36 percent of budget, up from 32 percent in Revised FY 2018 (35 percent in the Original FY 2018 Budget)
- Highway Construction receives 28 percent of the total with support of regional / local funding
- Funding for Rail and Public Transportation is 10 percent of budget



FY 2019 Draft VDOT Recommended Allocations

- **VDOT budget down by 9 percent, primarily due to one-time budget of Concession Fee and FAST Lane Grant in Revised FY 2018**
- **Maintenance growth of approximately 2 percent**
- **Reduction in Capital Outlay due to planned commitments and additional planned allocations in subsequent biennia**
- **Support to DRPT Programs reflects transfer from NVTD Fund of \$20 million for WMATA Capital Fund**

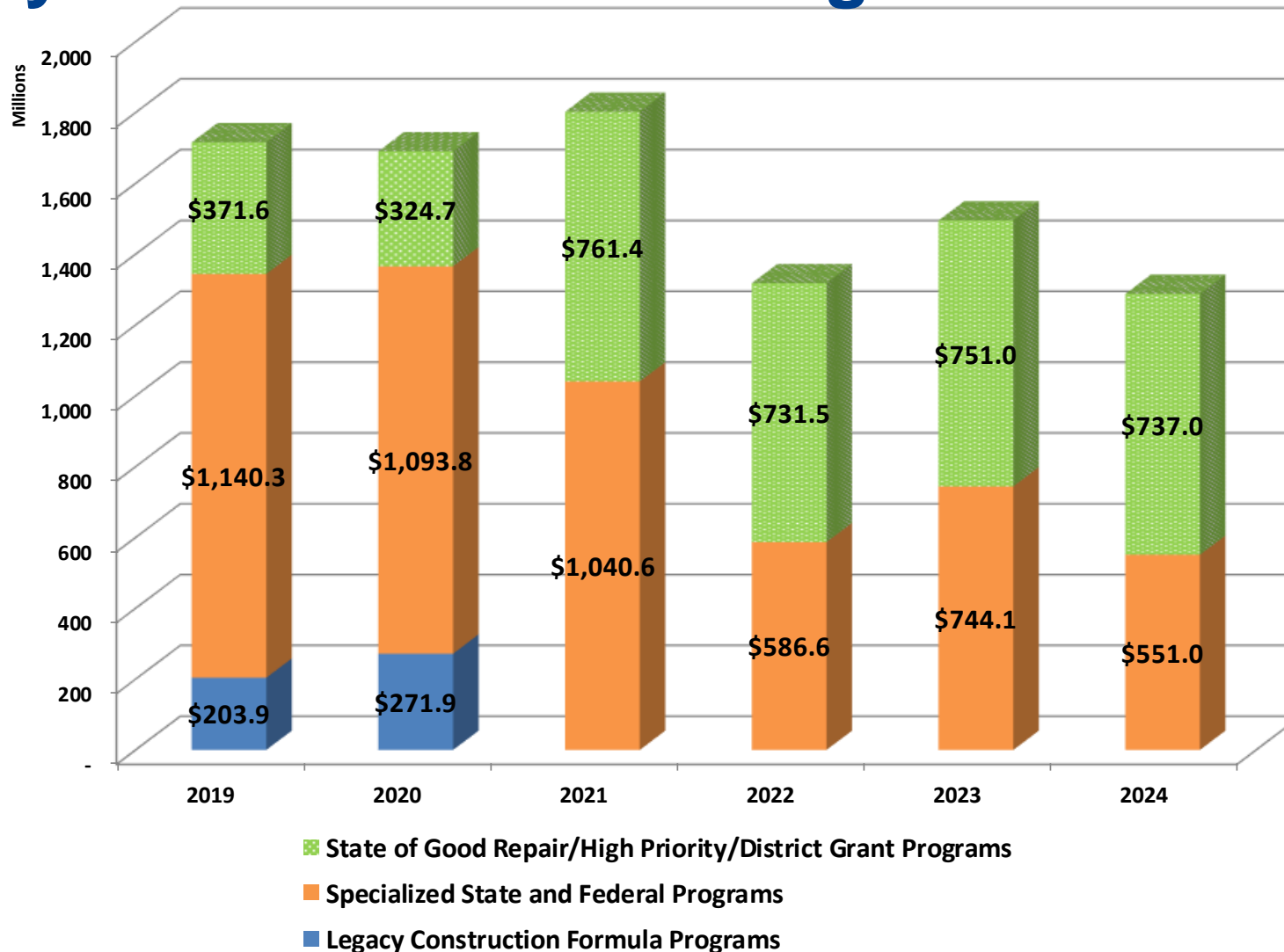
	(in millions)		
	Revised FY 2018	Recommended FY 2019	Increase (Decrease)
VDOT Programs			
Environmental Monitoring and Evaluation (514)	\$ 13.7	\$ 24.2	\$ 10.5
Ground Transportation Planning and Research (602)	73.8	75.2	1.4
Highway System Acquisition and Construction (603)	2,470.9	1,758.6	(712.3)
Highway System Maintenance (604)	1,689.4	1,726.7	37.3
Commonwealth Toll Facilities (606)	70.5	80.9	10.4
Financial Assistance to Localities (607)			
VDOT Programs	457.5	472.0	14.5
Regional Programs	492.5	555.5	63.0
Non-Toll Supported Transportation Debt Service (612)	358.4	390.5	32.0
Administrative and Support Services (699)	263.4	279.4	16.0
VDOT Capital Outlay (998)	30.7	10.0	(20.7)
Total VDOT Programs	\$ 5,920.7	\$ 5,372.9	\$ (547.8)
Support to Other State Agencies	60.7	65.7	5.1
Support to DRPT Programs	7.9	24.0	16.1
TOTAL	\$ 5,989.3	\$ 5,462.6	\$ (526.6)
TOTAL OPERATING BUDGET (Net Regional Programs)	\$ 5,496.8	\$ 4,907.1	\$ (589.6)

Assumptions for Highway Construction Programs

Based on the updated revenue and programmatic assumptions noted:

- The adjustments to State of Good Repair reflect an estimated \$40.8 million in reduced allocation through FY 2023; an additional \$29.7 million for Smart Scale categories during the same period.
 - Reduction for SGR reflects the redirection of the share of the Rental Tax to the WMATA Capital Fund
- The estimated amount for allocation in FY 2024 is \$275 million for State of Good Repair and \$462 million for High Priority Projects and the District Grant Programs (including ITTF and Unpaved Roads allocations)
 - In addition to the 55% share of funds available, HPP and DGP receive an allocation of GARVEE Bonds that are shared, ensuring the same overall amount of monies through the mix of bond proceeds, state allocations and federal allocations. (Appropriation Act, Chapter 836, Item 436, A. 11.)

Preliminary Construction Funding Available



FY 2019 Commonwealth Toll Facilities

<i>(in millions)</i>	Powhite Parkway Extension	Coleman Bridge	I-64 Express Lanes	I-66 Inside the Beltway Express Lanes
Anticipated Revenue	\$11.0	\$6.0	\$2.4	\$25.3
Uses				
Debt/Interest Repayment	3.1	3.0	-	
Operating Expenses	6.5	2.9	1.9	7.4
Maintenance Replacement Reserve	1.4	0.0	-	2.5
Other				
Anticipated Transit Distribution			0.5	15.4
Total Uses	\$11.0	\$6.0	\$2.4	\$25.3

I-64 Transit Distribution is an anticipated transfer to DRPT to support transit services

Next Steps and Updates

- Continue to monitor General Assembly actions on biennial budget
- Provide final SYIP assumptions for final SYIP in preparation for consideration in June. These assumptions may be based on tentative actions by the General Assembly.

Looking Forward

- FAST Act contains a \$7,569,000,000 planned rescission of unobligated balances of contract authority rescission in the last year, FY 2020.
- A rescission cancels the availability of budget authority (e.g., contract authority) before that authority would otherwise expire; it does not reduce obligation limitation.
- The rescission is spread among the States based on a State's percent share of the total amount of contract authority provided to all states.
- Sub-allocated Surface Transportation Block Grant Program (STBGP) funds are not subject to the rescission.
- Will be analyzing potential impacts to see if budgetary adjustments are needed in the FY 2020-2025 update.



Fiscal Year 2019

VDOT Annual Budget

May 2018

Draft



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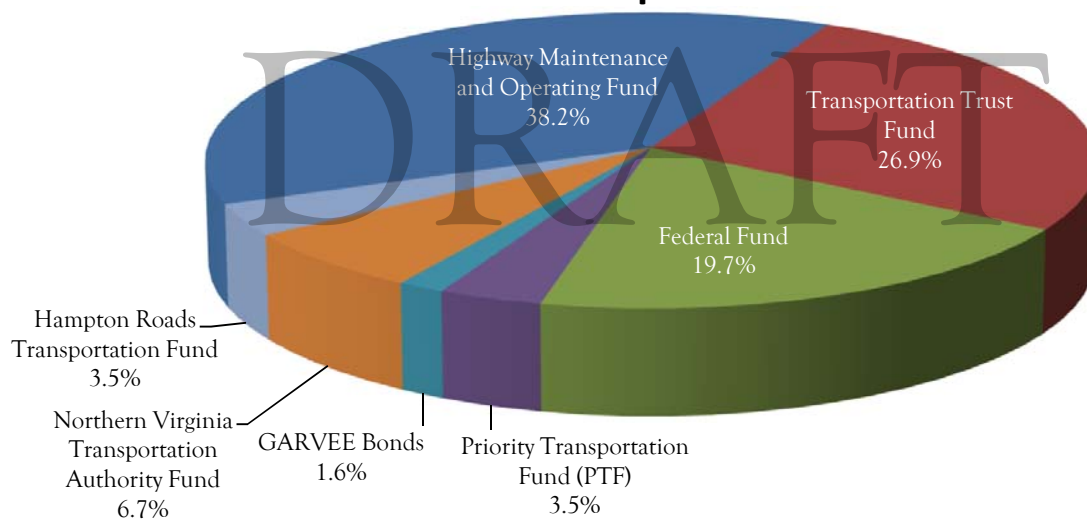
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Overview

The Fiscal Year 2019 (FY 2019) 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 most recent official state revenue forecast from December 2017 and estimated federal funding. The VDOT Budget for FY 2019 totals \$5,434,897,390, a 9.3% decrease from the Revised FY 2018 Budget of \$5,989,261,363. The reduction is largely related to the one-time concession fee payment related to I-66 Outside the Beltway. Excluding this and comparing to the original 2018 budget results in a 1% increase. The budget also provides for pending actions being considered by the General Assembly for the 2018-2020 Biennial Budget.

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



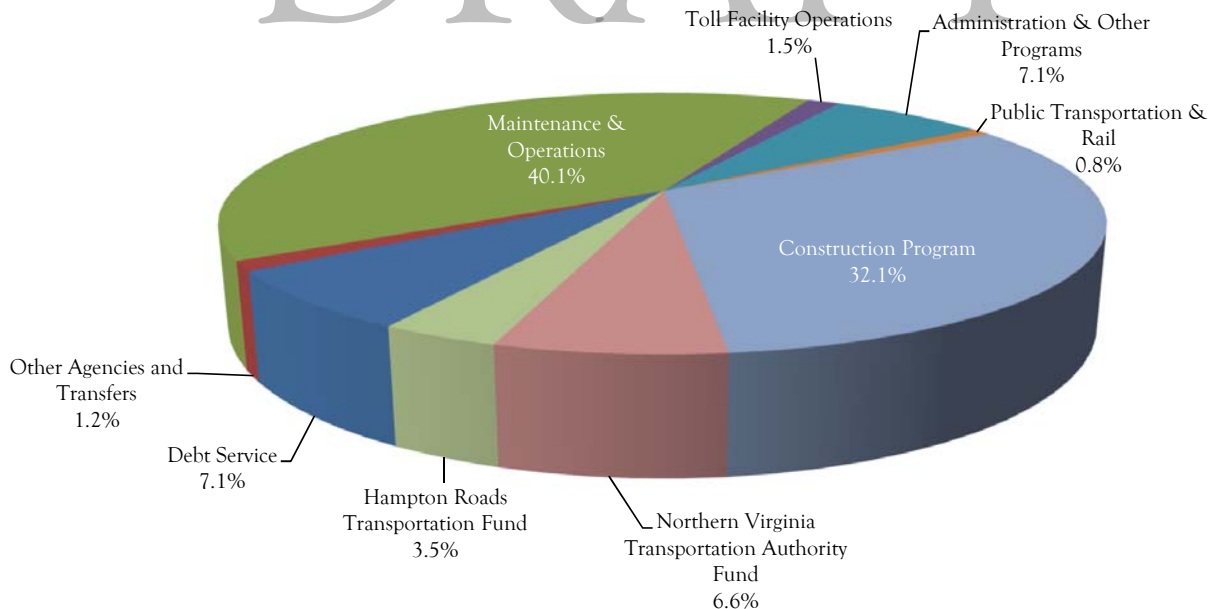
Highway Maintenance and Operating Fund	\$2,085,813,152
Transportation Trust Fund	1,468,713,429
Federal Fund	1,075,928,393
Priority Transportation Fund (PTF)	190,978,744
GARVEE Bonds	85,693,244
Subtotal	\$4,907,126,962
Pass Through Revenues	
Northern Virginia Transportation Authority Fund	364,500,000
Hampton Roads Transportation Fund	191,000,000
TOTAL	\$5,462,626,962

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:

	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Debt Service	\$358,434,092	\$390,469,786	\$32,035,694
Other Agencies and Transfers	60,655,283	65,724,888	5,069,605
Maintenance & Operations	2,146,853,145	2,198,682,806	51,829,661
Toll Facility Operations	70,473,166	80,876,667	10,403,501
Administration & Other Programs	381,574,644	388,803,309	7,228,665
Public Transportation & Rail	7,875,884	44,000,000	36,124,116
Construction Program	2,470,895,149	1,758,569,506	(712,325,643)
Subtotal	\$5,496,761,363	\$4,927,126,962	(\$569,634,401)
Pass Through Revenues			
Northern Virginia Transportation Authority Fund	332,100,000	364,500,000	32,400,000 *
Hampton Roads Transportation Fund	160,400,000	191,000,000	30,600,000
TOTAL	\$5,989,261,363	\$5,482,626,962	(\$506,634,401)

* The impact of House Bill 1539/Senate Bill 856, which dedicates revenue sources to the Washington Metropolitan Area Transit Authority (WMATA) Capital Fund, will be reflected in the Final Recommended Budget.



Revenues

VDOT's revenues are specifically designated for transportation. Four primary state taxes provide for transportation in Virginia: Sales Tax on Motor Fuels, Motor Vehicle Sales and Use Tax, Motor Vehicle License Fee, and State Sales and Use Tax. The following table summarizes VDOT's FY 2019 revenues.

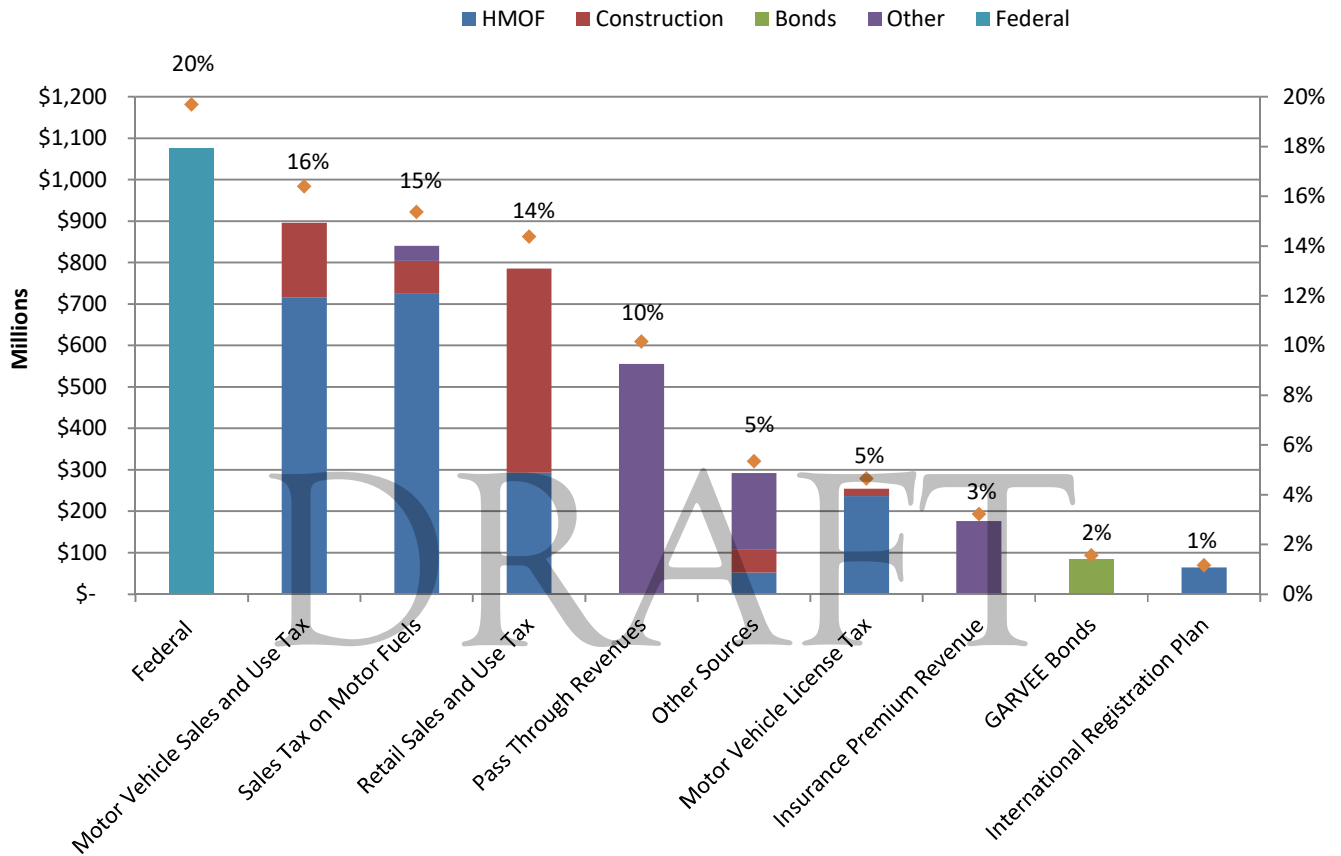
Source	HMOF	Construction*	Federal	Bonds	Other	TOTAL
Sales Tax on Motor Fuels	\$724,400,000	\$79,723,100	\$ -	\$ -	\$36,200,000	\$840,323,100
Motor Vehicle Sales and Use Tax	715,700,000	180,695,200	-	-	-	896,395,200
Motor Vehicle License Tax	236,700,000	17,786,200	-	-	-	254,486,200
Retail Sales and Use Tax	292,700,000	493,134,200	-	-	-	785,834,200
International Registration Plan	64,200,000	-	-	-	-	64,200,000
GARVEE Bonds	-	-	-	85,693,244	-	85,693,244
Insurance Premium Revenue	-	-	-	-	176,700,000	176,700,000
Local	-	435,042,676	-	-	-	435,042,676
Other Sources	52,113,152	54,715,122	-	-	185,695,675	292,523,949
Federal	-	-	1,075,928,393	-	-	1,075,928,393
Transfer to HMOF	155,035,364	(155,035,364)	-	-	-	-
Transfer from Construction Fund for Maintenance Allocation	26,000,000	(26,000,000)	-	-	-	-
Subtotal	\$2,266,848,516	\$1,080,061,134	\$1,075,928,393	\$ 85,693,244	\$398,595,675	\$4,907,126,962
Pass Through Revenues						
Northern Virginia Transportation Authority Fund	-	-	-	-	364,500,000	364,500,000
Hampton Roads Transportation Fund	-	-	-	-	191,000,000	191,000,000
TOTAL	\$2,266,848,516	\$1,080,061,134	\$1,075,928,393	\$85,693,244	\$954,095,675	\$5,462,626,962

* Includes Highway Share of TTF and other special funds.

** Other Sources includes VDOT Toll Facility Revenue, Cell Tower Lease Revenue, E-Z Pass Operations, Unallocated Balances, Interest and Other Miscellaneous Items.

Revenues Dedicated to VDOT

This chart illustrates the anticipated revenues of the agency and their relative contribution. Federal revenues are the largest single source followed by the Motor Vehicle Sales and Use Tax.

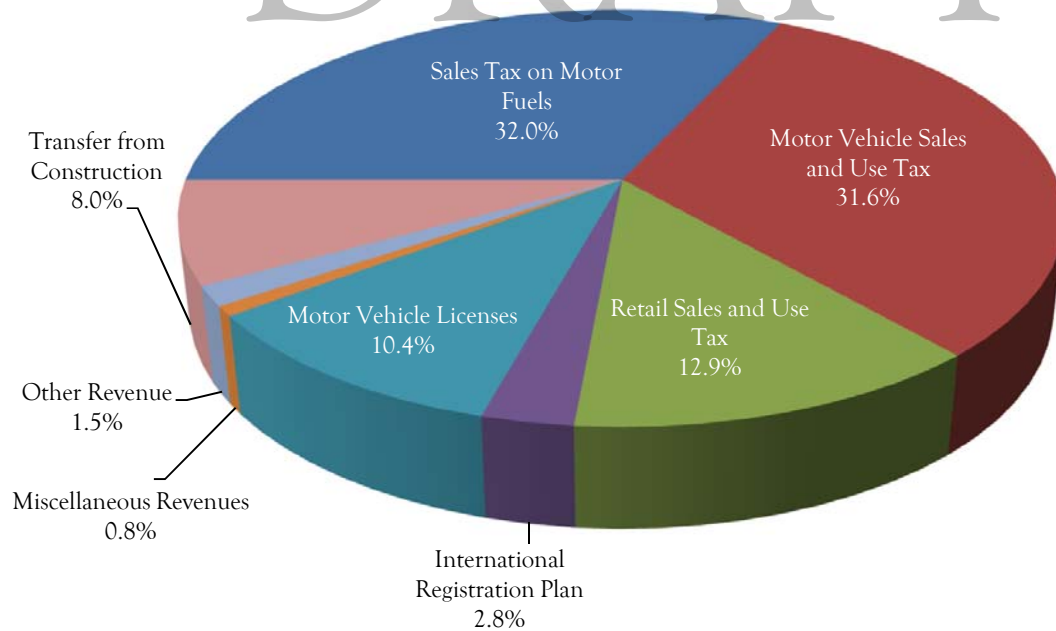


Highway Maintenance & Operating Fund

The Highway Maintenance and Operating Fund (HMOF) is one of VDOT's major funds. It is funded by dedicated state revenues as listed below. The HMOF is intended to provide for the agency's maintenance, operations and administrative needs. Since Fiscal Year 2002, the HMOF has required transfers from the Construction Fund to cover the budgetary needs of the fund.

HMOF Revenue Sources	Revised FY 2018	FY 2019	Difference
Sales Tax on Motor Fuels	\$699,000,000	\$724,400,000	\$25,400,000
Motor Vehicle Sales and Use Tax	712,100,000	715,700,000	3,600,000
Retail Sales and Use Tax	291,700,000	292,700,000	1,000,000
International Registration Plan	64,000,000	64,200,000	200,000
Motor Vehicle Licenses	233,500,000	236,700,000	3,200,000
Miscellaneous Revenues	17,300,000	17,200,000	(100,000)
Other Revenue	13,460,785	34,913,152	21,452,367
Subtotal	\$2,031,060,785	\$2,085,813,152	\$54,752,367
Transfer from Construction	158,659,074	181,035,364	22,376,290
Total	\$2,189,719,859	\$2,266,848,516	\$77,128,657

HMOF Revenue Sources, FY 2019



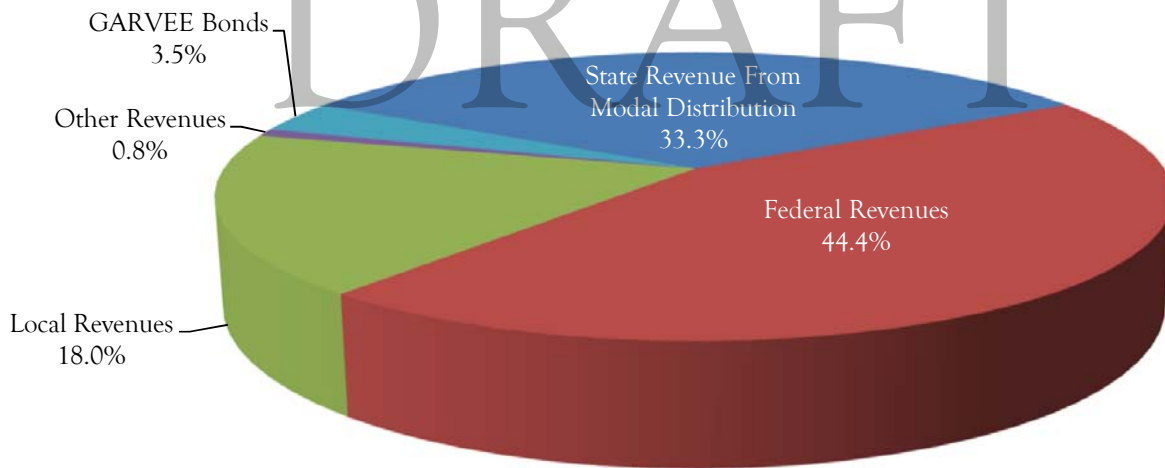
Transportation Trust Fund - Construction

The Transportation Trust Fund was created by the 1986 Special Session. VDOT manages the 78.7% of the TTF funds dedicated by the Code of Virginia for highway construction. State Revenue from Modal Distribution includes motor vehicle fuels tax, motor vehicle sales tax, and state retail sales and use tax. The following table identifies the construction fund revenues by major source.

Construction Fund Revenue Sources	Revised FY 2018	FY 2019	Difference
State Revenue From Modal Distribution	\$768,609,473	\$806,115,486	\$37,506,013
Federal Revenues	1,057,087,914	1,075,928,393	18,840,479
Local Revenues	503,478,561	435,042,676	(68,435,885)
Other Revenues	17,317,652	19,938,336	2,620,684
GARVEE Bonds	113,100,988	85,693,244	(27,407,744)
Total	\$2,459,594,588	\$2,422,718,135	(\$36,876,453)

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**Construction Fund Revenue by Source,
FY 2019**



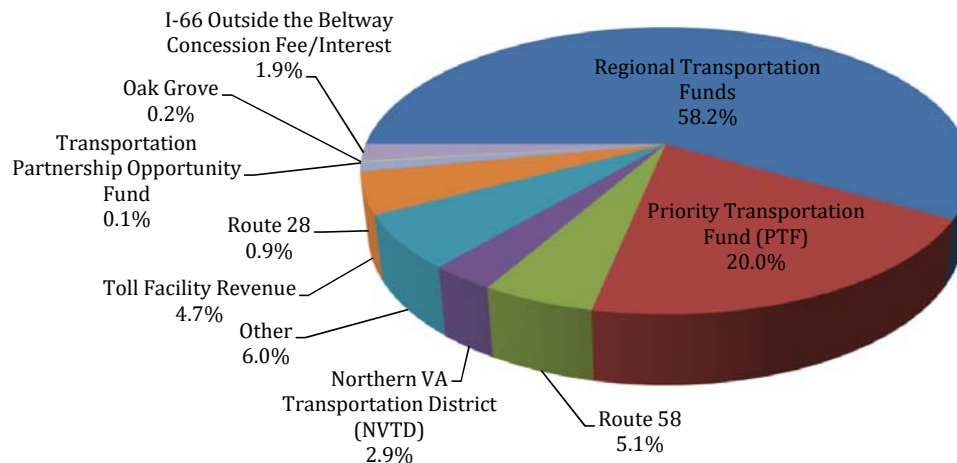
Other Fund Revenues

In addition to the two major state funds, VDOT manages a number of special funds. Each special fund receives dedicated revenues to be used to support the mission of the program.

Other Fund Revenues	Revised FY 2018	FY 2019	Difference
Regional Transportation Funds	\$492,500,000	\$555,500,000	\$63,000,000 ³
Powhite Parkway Extension Toll Revenue	11,000,000	11,000,000	-
Coleman Bridge Toll Revenue	6,000,000	6,000,000	-
I-66 Inside the Beltway Toll Revenue	9,864,833	25,316,667	15,451,834 ⁴
I-64 Express Lanes Toll Revenue	1,258,333	2,410,000	1,151,667 ⁴
Northern VA Transportation District (NVTD)	15,897,353	28,139,720	12,242,367 ⁵
Oak Grove	1,555,803	1,577,771	21,968
Priority Transportation Fund (PTF)	263,153,930	190,978,744	(72,175,186) ⁶
Transportation Partnership Opportunity Fund	600,000	717,577	117,577
Route 58	47,294,019	48,218,195	924,176
Route 28	7,212,269	8,639,519	1,427,250
I-66 Outside the Beltway Concession Fee/Interest	578,919,450	18,012,329	(560,907,121) ⁷
Other	63,350,000	57,585,153	(5,764,847)
Total	\$1,498,605,990	\$954,095,675	(\$544,510,315)

Total Construction Major Sources (page 10)	2,459,594,588	2,422,718,135	(36,876,453)
Transfer to HMOF	(158,659,074)	(\$181,035,364)	(22,376,290)
Total Construction Fund	\$3,799,541,504	\$3,195,778,446	(\$603,763,058)

Other Fund Revenue, FY 2019



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VDOT Program
Descriptions
& Allocations

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Summary of Allocations by Program

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

	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$13,688,075	\$24,211,863	\$10,523,788
Ground Transportation Planning and Research (602)	73,774,836	75,153,449	1,378,613
Highway Construction Programs (603)	2,470,895,149	1,758,569,506	(712,325,643)
Highway System Maintenance (604)	1,689,365,163	1,726,679,082	37,313,919
Commonwealth Toll Facilities (606)	70,473,166	80,876,667	10,403,501
Financial Assistance to Localities (607)	949,987,982	1,027,503,724	77,515,742
Non-Toll Supported Transportation Debt Service (612)	358,434,092	390,469,786	32,035,694
Administrative and Support Services (699)	263,439,502	279,437,997	15,998,495
VDOT Capital Outlay (998)	30,672,231	10,000,000	(20,672,231)
Support to Other State Agencies	60,655,283	65,724,888	5,069,605
Support to DRPT Programs	7,875,884	44,000,000	36,124,116
Total	\$5,989,261,363	\$5,482,626,962	(\$506,634,401)

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Environmental Monitoring and Evaluation (514)

The Environmental Program consists of the following service areas:

Environmental Monitoring and Compliance for Highway Projects (514008) - To provide efforts to evaluate, monitor and maintain the quality of the state's natural resources as part of a balanced consideration of environmental and transportation needs. VDOT's wetland mitigation program is funded in this service area.

Environmental Monitoring Program Management and Direction (514009) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

Municipal Separate Storm Sewer System Compliance Activities (514010) - To provide efforts to address storm water discharges, including the related operational and maintenance activities, to meet Total Maximum Daily Load reduction targets. VDOT's current Municipal Separate Storm Sewer System (MS4) permit requires VDOT to reduce its pollutant load allocation to the Chesapeake Bay. This service area is new for FY 2019.

ENVIRONMENTAL MONITORING & EVALUATION (514)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (514008)	\$10,700,185	\$6,722,931	(\$3,977,254) ⁸
Environmental Monitoring Program Management (514009)	2,987,890	3,293,882	305,992
Municipal Separate Storm Sewer System Compliance Activities (514010)	-	14,195,050	14,195,050 ⁸
TOTAL ENVIRONMENTAL	\$13,688,075	\$24,211,863	\$10,523,788
TTF	13,688,075	24,211,863	10,523,788

Ground Transportation Planning & Research (602)

Ground Transportation Planning and Research is comprised of:

Ground Transportation System Planning (602001) - To provide efforts to lead and plan a comprehensive system of ground transportation, including the planning of particular ground transportation projects through surveying, mapping and studies. These studies are the basis for decisions on proposed highway plans, programs and projects, as well as other travel modes and routes throughout Virginia.

Ground Transportation System Research (602002) - To provide efforts devoted to the planning and delivery of a comprehensive ground transportation research, development, consulting and technology transfer program covering the areas of transportation system operations, maintenance, structural design and construction, materials and specifications, safety, environmental stewardship, finance and policy.

Ground Transportation Program Management and Direction (602004) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

PLANNING & RESEARCH (602)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Ground Transportation System Planning (602001)	\$60,671,030	\$61,573,678	\$902,648
Ground Transportation System Research (602002)	9,197,341	9,500,838	303,497
Ground Transportation Program Management (602004)	3,906,465	4,078,933	172,468
TOTAL PLANNING & RESEARCH	\$73,774,836	\$75,153,449	\$1,378,613
HMOF	12,243,780	12,557,058	313,278
CONSTRUCTION	41,694,952	42,268,389	573,437
FEDERAL	19,836,104	20,328,002	491,898

Highway Construction Programs (603)

For FY 2019, 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 budget also contains a significant application of Toll Credits that are used as "soft match" to meet the nonfederal share matching requirements. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.

CONSTRUCTION (603)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
State of Good Repair Program (603020)	\$87,690,068	\$80,458,179	(\$7,231,889)
High Priority Projects Program(603021)	107,937,754	136,304,809	28,367,055
Construction District Grant Programs (603022)	89,405,123	154,788,814	65,383,691
Specialized State and Federal Programs (603023)	1,920,291,301	1,140,257,987	(780,033,314)
Legacy Construction Formula Program (603024)	226,565,119	203,925,079	(22,640,040)
Construction Management (603015)	39,005,784	42,834,638	3,828,854
TOTAL CONSTRUCTION	\$2,470,895,149	\$1,758,569,506	(\$712,325,643)
CONSTRUCTION	1,000,206,688	963,875,435	(36,331,253)
FEDERAL	661,436,806	678,584,642	17,147,836
PTF	109,650,157	3,272,481	(106,377,676)
TPOF	581,060	696,222	115,162
BONDS	7,000,000	8,000,000	1,000,000
VTIB		435,153	435,153
GARVEE BONDS	113,100,988	85,693,244	(27,407,744)
CONCESSION FEE FUND	578,919,450	18,012,329	(560,907,121)

*Beginning in FY 2017, the Highway Construction Budget is aligned to new service areas within the program. Construction funding is now dedicated to the State of Good Repair Program, the High Priority Projects Program and the Construction District Grant Program. Other funding streams that are not dedicated to these areas are allocated in the Specialized State and Federal Programs service area. Funding dedicated to the CTB Alternate Formula through FY 2020 will be allocated in the Legacy Construction Formula Program service area. The following pages detail each construction service area.

Highway Construction Programs (603)

STATE OF GOOD REPAIR PROGRAM (603020)

The purpose of the State of Good Repair Program service area is to allocate funds to state of good repair purposes for reconstruction and replacement of structurally deficient state and locally owned bridges and reconstruction and rehabilitation of pavement on the Interstate System and primary state highway system determined to be deteriorated by the Board, including municipality-maintained primary extensions. (Code of Virginia §33.2-369)

STATE OF GOOD REPAIR PROGRAM (603020)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
TOTAL STATE OF GOOD REPAIR	\$87,690,068	\$80,458,179	(\$7,231,889)
CONSTRUCTION	53,718,524	50,741,453	(2,977,071)
FEDERAL	33,971,544	29,716,726	(4,254,818)

HIGH PRIORITY PROJECTS PROGRAM (603021)

The purpose of the High Priority Projects Program service area is to allocate funds to the established program for projects and strategies that address a transportation need identified for a corridor of statewide significance or a regional network in the Statewide Transportation Plan pursuant to Code of Virginia §33.2-353. From funds allocated to this program, the Board shall allocate funds to the Innovation and Technology Transportation Fund, provided that the allocation shall not exceed \$25 million annually. (Code of Virginia §33.2-370)

HIGH PRIORITY PROJECTS PROGRAM (603021)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
TOTAL HIGH PRIORITY PROJECTS	\$107,937,754	\$136,304,809	\$28,367,055
CONSTRUCTION	58,687,830	36,604,995	(22,082,835)
FEDERAL	19,825,086	83,893,461	64,068,375
GARVEE	29,424,838	15,806,353	(13,618,485)

CONSTRUCTION DISTRICT GRANT PROGRAMS (603022)

The purpose of the Construction District Grant Programs service area is to allocate funds to the established grant program in each highway construction district to fund projects and strategies that address a need in the Statewide Transportation Plan developed pursuant to Code of Virginia §33.2-353. In accordance with §33.2-359, the Commonwealth Transportation Board shall allocate funds to improve nonsurface treated secondary highways that carry 50 or more vehicles per day. This allocation shall not exceed \$25 million annually. (Code of Virginia, §33.2-371)

CONSTRUCTION DISTRICT GRANT PROGRAMS (603022)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
TOTAL CONSTRUCTION DISTRICT GRANT	\$89,405,123	\$154,788,814	\$65,383,691
CONSTRUCTION	36,115,412	55,089,001	18,973,589
FEDERAL	36,712,997	83,893,460	47,180,463
GARVEE	16,576,714	15,806,353	(770,361)

* The amounts provided for High Priority Projects Program and the Construction District Grant Program are reduced to transfer funding to the Maintenance Program, representing 45% of the funds released from the Route 460 Improvements Project. These transfers are planned through FY 2021. Additional allocations were made available for High Priority Projects Program and the Construction District Grant Program with allocations released from the Virginia Beach Light Rail Project.

Highway Construction Programs (603)

SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)

The purpose of the Specialized State and Federal Programs service area is to allocate funds to State and Federal Construction Programs that are not components of the other funding distributions. The Federal programs that are exempt from the distribution process are outlined in § 33.2-214.1. of the Code of Virginia (Statewide prioritization process for project selection). These include Congestion Mitigation and Air Quality (CMAQ) funding, Regional Surface Transportation Program funding, and Safety funding. Through FY 2020, some federal funding continues in this distribution category to meet project commitments. The service area will also allocate previously programmed GARVEE bonds, other bond programs, and the state and local components of Revenue Sharing.

SPECIALIZED STATE AND FEDERAL (603023)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
CMAQ & State Match	\$32,753,112	\$45,943,311	\$13,190,199
I-66 Inside the Beltway	3,000,000	2,500,000	(500,000)
NHPP & Soft Match	10,440,202	31,891,488	21,451,286
NHPP Bridge & Soft Match	9,121,911	8,772,808	(349,103)
NHPP APD	8,500,306	14,087,967	5,587,661
NHPP Exempt & Soft Match	15,582,169	15,582,169	-
Open Container	10,629,113	12,811,307	2,182,194
Participating Project Costs	40,000,000	40,000,000	-
Previously Programmed GARVEE Bonds	67,099,436	54,080,538	(13,018,898)
Project Participation from HRTAC	343,360,184	264,441,132	(78,919,052)
Project Participation from NVT A	9,250,000	20,000,000	10,750,000
PTF for MWAA	25,000,000	-	(25,000,000)
Revenue Sharing	200,000,000	200,000,000	-
Safety & Soft Match	53,122,502	53,122,502	-
STP Bridge & Soft Match	42,000,000	43,000,000	1,000,000
STP BROS & Soft Match	14,724,918	15,353,046	628,128
STP Regional & State Match	95,333,403	116,889,693	21,556,290
STP Statewide & Soft Match	33,735,767	31,404,550	(2,331,217)
STP 5-200K & Soft Match	18,984,620	12,324,904	(6,659,716)
STP <5K & Soft Match	34,964,479	35,005,683	41,204
Tele Fees	10,367,377	10,100,544	(266,833)
Fast Lane Grant	120,000,000	-	(120,000,000)
I-66 Outside the Beltway Concession Fee/Interest Earnings	578,919,450	18,012,329	(560,907,121)
Other	143,402,352	94,934,016	(48,468,336)
TOTAL SPECIALIZED STATE AND FEDERAL (60323)	\$1,920,291,301	\$1,140,257,987	(\$780,033,314)
Construction	634,883,532	574,680,269	(60,203,263)
Federal	522,157,666	481,080,995	(41,076,671)
GARVEES	67,099,436	54,080,538	(13,018,898)
PTF	109,650,157	3,272,481	(106,377,676)
Concession Fee Fund	578,919,450	18,012,329	(560,907,121)
Bonds	7,000,000	8,000,000	1,000,000
VTIB	-	435,153	435,153
TPOF	581,060	696,222	115,162

Highway Construction Programs (603)

LEGACY CONSTRUCTION FORMULA PROGRAMS (603024)

The purpose of the Legacy Construction Formula Programs service area is to allocate funds to the Commonwealth Transportation Board Alternate Formula outlined in the Code of Virginia, §33.2-358 C. Funding available for the purposes outlined is planned through FY 2020. The service area will also have appropriation to support spending of prior-year allocations of formula distributed funding.

LEGACY CONSTRUCTION FORMULA PROGRAMS (603024)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
CTB Formula	\$226,565,119	\$203,925,079	(\$22,640,040)
TOTAL LEGACY CONSTRUCTION FORMULA PROGRAMS (603024)	\$226,565,119	\$203,925,079	(\$22,640,040)
CONSTRUCTION	177,795,606	203,925,079	26,129,473
FEDERAL	48,769,513	-	(48,769,513)

The Commonwealth Transportation Board authorized \$411,695,765 for the CTB Alternate Formula distribution. The difference between the amount authorized and the amount allocated above represents the previously unprogrammed balance that was available for Smart Scale Distribution. Those funds are reflected in the High Priority Projects Program and the Construction District Grant Program.

CONSTRUCTION MANAGEMENT (603015)

The purpose of the construction management program is to provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

CONSTRUCTION MANAGEMENT (603015)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$39,005,784	\$42,834,638	\$3,828,854 ⁹
TTF	39,005,784	42,834,638	3,828,854

Highway System Maintenance (604)

The maintenance program consists of:

Interstate Maintenance (604001) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Primary Maintenance (604002) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Secondary Maintenance (604003) - To preserve the public's investment through the delivery of an effective and efficient statewide maintenance program to protect and enhance the transportation infrastructure and the safety of the traveling public.

Transportation Operations Services (604004) - To improve mobility, safety, travel time reliability and security on the transportation system through the deployment of a variety of operational strategies including regional smart traffic centers, emergency services, traveler services, congestion management and traffic signalization optimization.

Highway Maintenance Program Management and Direction (604005) - To provide activities related to the management and direction of the program. Adequate and effective management and direction is critical to the success of the program.

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HIGHWAY SYSTEM MAINTENANCE (604)	Revised FY 2018	FY 2019*	INCREASE (DECREASE)
Interstate Maintenance (604001)	\$359,754,551	\$ -	(\$359,754,551)
Primary Maintenance (604002)	497,415,881	-	(497,415,881)
Secondary Maintenance (604003)	589,912,970	-	(589,912,970)
Transportation Operations Services (604004)	168,477,856	-	(168,477,856)
Highway Maintenance Program Management & Direction (604005)	73,803,905	-	(73,803,905)
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,689,365,163	\$1,726,679,082	\$37,313,919
HMOF	1,431,836,739	1,481,953,361	50,116,622
FEDERAL	257,528,424	244,725,721	(12,802,703)

* The amounts recommended for FY 2019 include transfers from the funds allocated to the High Priority Projects Program and the Construction District Grant Program, representing a share of 45% of the allocations released from the Route 460 Improvements Project. These transfers are planned through FY 2021.

The distribution by service area will be provided for in the final recommended budget.

Commonwealth Toll Facilities (606)

Revenues collected from toll facilities contribute to Virginia's safe and effective transportation system. Of these facilities, four are currently owned and operated by VDOT: Powhite Parkway Extension Toll Road in Chesterfield County, George P. Coleman Bridge in Gloucester County, I-66 Inside the Beltway and I-64 Express Lanes.

Toll Facility Acquisition and Construction (606001) -To provide for efforts to acquire and construct ground transportation toll facilities. For FY 2018 this was an estimate for what is needed for Interstate 66 Inside the Beltway toll facility.

Toll Facility Debt Service (606002) -To provide for the debt service requirements of the debt-financed toll facilities. The bond indentures for the toll facilities require the Commonwealth Transportation Board (CTB) to set toll rates for all classes of vehicles which will provide sufficient net revenues to meet the facility's obligations. Toll roads are typically constructed with debt financing and the subsequent toll collection revenues are used for debt service payments. The remaining state-owned facility collecting tolls to pay debt service on outstanding bonds is the George P. Coleman Bridge located between Gloucester and York counties. The bonds issued to finance the Powhite Parkway Extension have been retired, but the toll revenues are needed to repay the outstanding debts of the facility owed to VDOT and Chesterfield County.

Toll Facility Maintenance and Operation (606003) - To provide for the operational costs of the four toll facilities operated by VDOT: the George P. Coleman Bridge and the Powhite Parkway Extension Toll Road, I-66 Inside the Beltway facility and I-64 Express Lanes. All operating costs associated with that facility are to be paid out of the revenues generated by that facility. Customer service and toll collection are toll facilities' main operations.

Toll Facilities Revolving Fund (606004) - To provide a method to finance and/or refinance existing and potential toll facilities. Funds allocated from the Toll Facilities Revolving Account intended for planned or operating toll facilities are considered advance funding and are expected to be repaid to the Toll Facilities Revolving Account.

COMMONWEALTH TOLL FACILITIES (606)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Acquisition & Construction (606001)	\$12,700,000	\$ -	(\$12,700,000) ⁵
Debt Service (606002)	3,193,400	3,194,200	800
Maintenance & Operations (606003)	24,929,766	41,532,467	16,602,701
Toll Facilities Revolving (606004)	29,650,000	36,150,000	6,500,000 ⁵
TOTAL TOLL FACILITIES	\$70,473,166	\$80,876,667	\$10,403,501
POWHITE	11,000,000	11,000,000	-
COLEMAN	6,000,000	6,000,000	-
I-66 INSIDE THE BELTWAY	22,564,833	25,316,667	2,751,834
I-64 EXPRESS LANES	1,258,333	2,410,000	1,151,667
TOLL FACILITIES REVOLVING	29,650,000	36,150,000	6,500,000

Financial Assistance to Localities (607)

Financial Assistance to Localities consists of:

Financial Assistance for City Road Maintenance (607001) - To provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities. Direct financial assistance is provided to 84 cities and towns to maintain, operate, and improve their arterial and collector roads and local streets. The level of assistance to the respective local governments for maintenance expenditures is based on the number of qualifying lane-miles in each locality and available funding.

Financial Assistance for County Road Maintenance (607002) - Provide monetary support in lieu of maintenance services to localities for road maintenance and upkeep where such localities have elected to maintain their own highway systems. Currently, Henrico and Arlington maintain their own roads.

Financial Assistance for Planning, Access Roads, and Special Projects (607004) - To manage and distribute funding for recreational and industrial access programs and the Metropolitan Planning federal grant program. The Recreational Access Program provides funding for roads and bikeways to new or expanding non-federal, non-commercial public parks and historic sites. Access roads for qualifying airports and industrial sites, and access tracks for qualified rail users are provided through VDOT's Industrial, Airport, and Rail Access Fund. The Metropolitan Planning Grants are federal funds available to support activities undertaken by Metropolitan Planning Organizations (MPOs) to develop long-range transportation plans and transportation improvement programs.

Distribution of Northern Virginia Transportation Authority Fund Revenues (607006) - To transfer state regional tax revenues to the Northern Virginia Transportation Authority to fund local and regional transportation projects.

Distribution of Hampton Roads Transportation Fund Revenues (607007) - To transfer state regional tax revenues to the Hampton Roads Transportation Accountability Commission to fund local and regional transportation projects.

FINANCIAL ASSISTANCE TO LOCALITIES (607)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Financial Assistance for City Road Maintenance (607001)	\$375,481,970	\$387,527,944	\$12,045,974
Financial Assistance for County Road Maintenance (607002)	66,775,844	68,923,856	2,148,012
Financial Assistance for Planning, Access Roads, & Special Projects (607004)	15,230,168	15,551,924	321,756
Distribution of Northern Virginia Transportation Authority Fund Revenues (607006)	332,100,000	364,500,000	32,400,000
Distribution of Hampton Roads Transportation Fund Revenues (607007)	160,400,000	191,000,000	30,600,000
TOTAL FINANCIAL ASSISTANCE TO LOCALITIES	\$949,987,982	\$1,027,503,724	\$77,515,742
HMOF	442,257,814	456,451,800	14,193,986
CONSTRUCTION	7,914,463	7,950,214	35,751
FEDERAL	7,315,705	7,601,710	286,005
NORTHERN VIRGINIA REGIONAL FUND	332,100,000	364,500,000	32,400,000
HAMPTON ROADS REGIONAL FUND	160,400,000	191,000,000	30,600,000

Non-Toll Supported Transportation Debt Service (612)

Non-Toll Supported Transportation Debt Service consists of:

Highway Transportation Improvement District Debt Service (612001) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special tax districts. There is currently only one such district, the State Route 28 Highway Transportation Improvement District in Fairfax and Loudoun counties.

Designated Highway Corridor Debt Service (612002) - To provide for the debt service requirements of the bonds sold to finance transportation improvements in special designated highway corridors. The Commonwealth Transportation Board has issued transportation revenue bonds for the U.S. Route 58 Corridor Development Program, the City of Chesapeake Oak Grove Connector Project, and the Northern Virginia Transportation District (NVTD) Program.

Commonwealth Transportation Capital Projects Bond Act Debt Service (612004) - To provide for the debt service requirements of the bonds sold to finance transportation improvements under the Commonwealth Transportation Capital Projects Bond Act.

Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005) - To provide for the debt service requirements of the bonds sold as Federal Transportation Grant Anticipation Revenue bonds (GARVEEs).

Non-Toll Supported Transportation Debt Service (612)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Highway Transportation Improvement Debt Service (612001)	\$7,212,269	\$8,639,519	\$1,427,250
Designated Highway Corridor Debt Service (612002)	86,747,175	76,935,686	(9,811,489)
Commonwealth Transportation Capital Projects Bond Act Debt Service (612004)	153,503,773	187,706,263	34,202,490
Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005)	110,970,875	117,188,318	6,217,443
TOTAL NON-TOLL SUPPORTED DEBT SERVICE	\$358,434,092	\$390,469,786	\$32,035,694
NVTD	35,897,353	32,139,720	(3,757,633)
OAK GROVE	2,555,803	2,577,771	21,968
ROUTE 28	7,212,269	8,639,519	1,427,250
CPR BONDS	153,503,773	187,706,263	34,202,490
ROUTE 58	48,294,019	42,218,195	(6,075,824)
FEDERAL	110,970,875	117,188,318	6,217,443

Administrative & Support Services (699)

Administrative and Support Services is comprised of:

General Management and Direction (699001) - To provide for the general administrative management, direction and support activities of VDOT. This includes, but is not limited to, accounting services, human resources, succession planning, health and safety services, procurement, facilities management, management studies, policy analysis, process improvements, performance management, internal auditing, innovative financing, financial planning services and oversight of compensation programs for all VDOT employees.

Information Technology Services (699002) - To provide for administrative management, direction and infrastructure support for tasks including, but not limited to, automated data processing services for citizens and visitors to the Commonwealth, Virginia's legislative bodies, other state and local government agencies as well as its own Department of Transportation employees.

Facilities and Grounds Management Services (699015) - To provide physical plant maintenance needs to VDOT facilities. This maintenance work is considered ordinary or routine nature and includes the cost of labor, equipment and materials to make minor repairs to utilities such as plumbing, heating, and electrical; and the maintenance of driveways, parking lots, and yards. The service area also funds small renovation/alteration projects that cost no more than \$10,000.

Employee Training and Development (699024) - To provide Employee Training and Development services to VDOT. This includes traditional classroom training and related development activities and tuition reimbursement.

ADMINISTRATIVE & SUPPORT SERVICES (699)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
General Management & Direction (699001)	\$137,533,719	\$146,809,084	\$9,275,365
Information Technology Services (699002)	90,923,268	96,813,415	5,890,147
Facilities and Grounds Management Services (699015)	16,668,596	17,169,363	500,767
Employee Training & Development (699024)	18,313,919	18,646,135	332,216
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$263,439,502	\$279,437,997	\$15,998,495
HMOF	262,546,616	278,502,051	15,955,435
CONSTRUCTION	892,886	935,946	43,060

VDOT Capital Outlay (998)

Capital Outlay funding is provided to support the agency's building and renovation needs as well as Maintenance Reserve needs. This funding may be used for acquisition of real property (including buildings or plant) or machinery or equipment, new construction, and improvements related to state-owned real property, buildings, plant, machinery or equipment (including plans therefore), as defined in the *Code of Virginia*. All capital outlay projects must be approved by the Governor and General Assembly via the Six-Year Capital Improvement Plan and the Biennial Budget. VDOT receives direction from the Department of Planning and Budget and the Department of General Services on the development and execution of the Capital Outlay Program.

VDOT CAPITAL OUTLAY (998)	Revised FY 2018	FY 2019	INCREASE (DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$30,672,231	\$10,000,000	(\$20,672,231)
CONSTRUCTION	30,672,231	10,000,000	(20,672,231)

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Support to Other State Agencies

VDOT provides funding to other agencies to cover support activities and services related to the transportation programs.

SUPPORT TO OTHER STATE AGENCIES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Transportation Appropriation to Other Agencies			
Department of Education	\$263,327	\$270,419	\$7,092
Marine Resources Commission	313,768	313,786	18
Secretary of Transportation	888,474	916,840	28,366
Department of State Police	7,795,519	8,185,295	389,776
Department of Minority Business Enterprise	1,535,238	1,592,572	57,334
Department of Historic Resources	109,835	115,642	5,807
Department of Emergency Management	1,170,639	1,212,509	41,870
Department of Motor Vehicles	13,694,150	14,036,504	342,354
Department of Treasury	185,187	185,187	-
Virginia Liaison Office	151,884	157,576	5,692
Virginia Commercial Space Flight Authority	15,800,021	16,550,000	749,979
Office of the State Inspector General	1,851,627	1,930,362	78,735
SUBTOTAL	43,759,669	45,466,692	1,707,023
Transfers to the General Fund			
Department of General Services	362,854	388,254	25,400
Department of Agriculture & Conservation	97,586	97,586	-
Chesapeake Bay Initiatives	7,416,469	10,000,000	2,583,531
Indirect Costs	4,735,091	5,338,860	603,769
Department of Taxation	2,783,614	2,933,496	149,882
SUBTOTAL	15,395,614	18,758,196	3,362,582
Transfers to Other Agencies			
Department of Motor Vehicles (fuel tax evasion)	1,500,000	1,500,000	-
SUBTOTAL	1,500,000	1,500,000	-
TOTAL SUPPORT TO OTHER STATE AGENCIES	\$60,655,283	\$65,724,888	\$5,069,605
HMOF	40,834,910	44,884,246	4,049,336
CONSTRUCTION	19,801,433	20,819,287	1,017,854
TPOF	18,940	21,355	2,415

The following table summarizes VDOT's budget by major program and major fund.

Program	HMOF	Construction	Federal	Bonds	Other*	Total
Environmental Monitoring and Evaluation (514)	\$ -	\$24,211,863	\$ -	\$ -	\$ -	\$24,211,863
Ground Transportation Planning & Research (602)	12,557,058	42,268,389	20,328,002	-	-	75,153,449
Highway Construction Programs (603)	-	963,875,435	678,584,642	85,693,244	30,416,185	1,758,569,506
Highway System Maintenance (604)	1,448,453,361	26,000,000	252,225,721	-	-	1,726,679,082
Commonwealth Toll Facilities (606)	-	-	-	-	80,876,667	80,876,667
Financial Assistance to Localities (607)	456,451,800	7,950,214	7,601,710	-	555,500,000	1,027,503,724
Non-Toll Supported Transportation Debt Service (612)	-	-	117,188,318	-	273,281,468	390,469,786
Administrative and Support Services (699)	278,502,051	935,946	-	-	-	279,437,997
VDOT Capital Outlay (998)	-	10,000,000	-	-	-	10,000,000
Support to Other State Agencies	44,884,246	20,819,287	-	-	21,355	65,724,888
Support to DRPT Programs	-	24,000,000	-	-	20,000,000	44,000,000
TOTAL	\$2,240,848,516	\$1,120,061,134	\$1,075,928,393	\$85,693,244	\$960,095,675	\$5,482,626,962

* - Other includes tolls, PTF, Route 58, Route 28, Oak Grove, TPOF, Concession Fund Interest and Regional Transportation Funds.

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Budget Comparison Schedule for FY 2019

Revenues

Revenue provided by the General Fund of the Commonwealth	\$40,000,000
Taxes	3,272,691,700
Rights and privileges	349,391,642
Sale of property and commodities	-
Interest, dividends, and rents	27,393,861
Fines, forfeitures, court fees	-
Penalties, and escheats	5,500,000
Receipts from localities and private sector	426,782,132
Federal grants and contracts	1,075,928,393
Toll revenues	70,816,667
Other	93,376,447
Total Revenues	<u><u>5,361,880,842</u></u>

Other Financing Sources

Other financing sources	15,052,876
Bond proceeds	85,693,244
Note proceeds	-
Transfers from other state agencies and General Fund	-
Transfers in	-
Total Other Financing Sources	<u><u>100,746,120</u></u>

Total Revenues and Other Sources	<u><u>\$5,462,626,962</u></u>
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Budget Comparison Schedule for FY 2019

Expenditures

Administrative and support services	\$279,437,997
Ground transportation system planning and research	75,153,449
Highway system acquisition and construction	1,758,569,506
Highway system maintenance	1,726,679,082
Financial assistance to localities	1,027,503,724
Environmental monitoring and compliance	24,211,863
Toll facility operations and construction	80,876,667
Capital outlay	10,000,000
Debt Service	390,469,786
Total Expenditures	5,372,902,074

Other Financing Uses

Other financing uses	
Transfers to other state agencies and General Fund	109,724,888
Transfers out	-
Total Other Financing Uses	109,724,888
Total Expenditures and Other Uses	\$5,482,626,962

Revenues and Other Sources Over (Under)	\$ (20,000,000)
Expenditures and Other Uses	

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Appendix I - Powhite Parkway Extension (0436) FY 2019

FY 2019 ESTIMATED REVENUE

Toll Revenues	\$ 11,000,000
TOTAL ESTIMATED REVENUES	\$ 11,000,000
Toll Facility Revolving Account Loan Repayment	1,830,000
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 9,170,000

FY 2019 EXPENDITURE BUDGET

Revenue Fund	
Operations	6,525,285
Maintenance Replacement Fund	1,397,957
Estimated Interest Payment to Chesterfield County	1,246,758
TOTAL ESTIMATED EXPENDITURES	\$ 9,170,000

Details of Operating Expenditures	ALLOCATION FY 2018	RECOMMENDED FY 2019	INCREASE (DECREASE)
Personal Services	\$ 1,386,116	\$ 1,457,180	\$ 71,064
Contractual Services	1,414,955	1,414,955	-
Supplies and Materials	59,650	59,550	(100)
Transfer Payments	1,988,000	1,988,000	-
Continuous Charges	108,100	70,100	(38,000)
Property and Improvements	-	-	-
Equipment	1,500,000	1,535,500	35,500
Obligations			-
TOTAL - Operating Expenditures	\$ 6,456,821	\$ 6,525,285	\$ 68,464

Appendix I - Coleman Bridge (0782) FY 2019

FY 2019 ESTIMATED REVENUE

Toll Revenues	\$ 6,000,000
TOTAL ESTIMATED REVENUES	\$ 6,000,000
Toll Facility Revolving Account Loan Repayment	-
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 6,000,000

FY 2019 EXPENDITURE BUDGET

Revenue Fund	
Debt Service	
Principal	2,560,000
Interest	403,000
Subtotal - Debt Service	\$ 2,963,000
Operations	2,945,133
Maintenance Replacement Fund	91,867
TOTAL ESTIMATED EXPENDITURES	\$ 6,000,000

	ALLOCATION FY 2018	RECOMMENDED FY 2019	INCREASE (DECREASE)
Details of Operating Expenditures			
Personal Services	\$ 587,970	\$ 531,198	\$ (56,772)
Contractual Services	1,112,100	1,363,800	251,700
Supplies and Materials	68,750	72,050	3,300
Transfer Payments	250,000	250,000	-
Continuous Charges	78,800	81,280	2,480
Property and Improvements	-	-	-
Equipment	648,400	646,805	(1,595)
Obligations	-	-	-
TOTAL - Operating Expenditures	\$ 2,746,020	\$ 2,945,133	\$ 199,113

Appendix I - I-66 Inside the Beltway (0446) FY 2019

FY 2019 ESTIMATED REVENUE

Toll Revenues	\$ 25,316,667
TOTAL ESTMATED REVENUES	\$ 25,316,667
Toll Facility Revolving Account Loan Repayment	-
TOTAL ESTIMATED REVENUE AVAILABLE	\$ 25,316,667

FY 2019 EXPENDITURE BUDGET

Revenue Fund	
Operations	22,816,667
Maintenance Replacement Fund	2,500,000
TOTAL ESTIMATED EXPENDITURES	\$ 25,316,667

Details of Operating Expenditures	ALLOCATION FY 2018	RECOMMENDED FY 2019	INCREASE (DECREASE)
Personal Services	\$ 253,813	\$ 712,000	\$ 458,187
Contractual Services	1,702,662	4,830,001	3,127,339
Supplies and Materials	7,300	-	(7,300)
Transfer Payments	7,901,058	17,274,666	9,373,608
Continuous Charges	-	-	-
Property and Improvements	-	-	-
Equipment	-	-	-
Obligations	-	-	-
TOTAL - Operating Expenditures	\$ 9,864,833	\$ 22,816,667	\$ 12,951,834

Appendix I - I-64 Express Lanes (0447) FY 2019

FY 2019 ESTIMATED REVENUE

Toll Revenues \$ 2,410,000

TOTAL ESTIMATED REVENUES \$ 2,410,000

Toll Facility Revolving Account Loan Repayment

TOTAL ESTIMATED REVENUE AVAILABLE \$ 2,410,000

FY 2019 EXPENDITURE BUDGET

Revenue Fund

Operations 2,410,000

Maintenance Replacement Fund

TOTAL ESTIMATED EXPENDITURES \$ 2,410,000

Details of Operating Expenditures	<u>ALLOCATION</u> FY 2018	<u>RECOMMENDED</u> FY 2019	<u>INCREASE</u> (DECREASE)
Personal Services	\$ 93,433	\$ 280,299	\$ 186,866
Contractual Services	908,400	1,487,701	579,301
Supplies and Materials	1,500	3,000	1,500
Transfer Payments	255,000	639,000	384,000
Continuous Charges			-
Property and Improvements			-
Equipment			-
Obligations			-
TOTAL - Operating Expenditures	<u>\$ 1,258,333</u>	<u>\$ 2,410,000</u>	<u>\$ 1,151,667</u>

Index: Acronyms and Terminology

Term	Description
BROS	Bridge Off-System
CMAQ	Congestion Mitigation and Air Quality
CPR	Capital Projects Revenue Bonds
CTB Formula	The <i>Code of Virginia</i> calls for the Allocation of funds among highway systems (§ 33.2-358). The section was updated during the 2012 General Assembly session with the addition of the CTB Formula. Through FY 2020, up to \$500 million of funds available may be distributed in the following manner: 25% Bridge, 25% High Priority Projects, 25% Interstate and Primary and Primary Extension Pavements, 15% Public-Private Transportation Act Projects, 5% Unpaved roads, and 5% to Smart Roadway Technology.
DRPT	Department of Rail and Public Transportation
FHWA	Federal Highway Administration
GARVEE	Federal Grant Anticipation Revenue Bonds
HMOF	Highway Maintenance and Operating Fund
MWAA	Metropolitan Washington Airports Authority
NHPP	National Highway Performance Program
NHPP APD	National Highway Performance Program dedicated to the Appalachian Development Program
NHPP Bridge	National Highway Performance Program dedicated to Bridges
NVTD	Northern Virginia Transportation District
Oak Grove	City of Chesapeake Oak Grove Connector Project Bonds
PTF	Priority Transportation Fund
Soft Match	The budget contains a significant application of Toll Credits that are used as "soft match" to meet the nonfederal share matching requirements. Section 120(j) of Title 23 permits states to substitute certain previous toll-financed investments for state matching funds on current Federal-aid projects. It permits the non-Federal share of a project's cost to be met through a "soft match" of toll credits. The federal share on most projects in the future can effectively be increased up to 100 percent. However, the use of soft match does not increase the federal funding available to Virginia.
STP	Surface Transportation Program
STP Bridge	Surface Transportation Program dedicated to Bridges
STP Regional	Federal allocation that is to be used in urbanized areas with population greater than 200,000 – This portion is to be divided among those areas based on their relative share of population
STP Statewide	Surface Transportation Program suballocation that may be used in any area of the State
STP Under 200,000	Federal allocation that is to be used in areas with population greater than 5,000 but no more than 200,000
STP Under 5,000	Federal allocation that is to be used in areas with population of 5,000 or less
TAP	Transportation Alternatives Program
Tele Fees	Allocation of revenue from Public Rights-of-Way Use Fee to a provider of telecommunications service
Toll Facilities	Toll Facilities Revolving Account
TPOF	Transportation Partnership Opportunity Fund
TTF	Transportation Trust Fund

Endnotes

Endnote Number	Description
1	The local revenue estimate is driven by project participation from localities and anticipated revenue from regional entities for VDOT administered projects.
2	Based on FY 2019 planned use of bonds.
3	The difference reflects updated revenue estimates as well as the establishment of a price floor to derive the fuel tax rate in Hampton Roads (House Bill 768/Senate Bill 896 from the 2018 Session). The impact of House Bill 1539/Senate Bill 856, which dedicates revenue sources to the Washington Metropolitan Area Transit Authority (WMATA) Capital Fund, will be reflected in the Final Recommended Budget.
4	The difference reflects the updated and annualized toll facility revenue estimates.
5	The increased allocation represents the use of the Northern Virginia Transportation District fund balance to meet the fund's commitments.
6	Planned reduction in allocation of PTF funds, allocation of PTF in FY 2018 for Atlantic Gateway Projects.
7	Reduction reflects the one-time revenue of the I-66 Outside the Beltway Concession Fee.
8	The allocations provided in the Environmental Program represent the transfer and additional allocation provided in FY 2019 for the Municipal Separate Storm Sewer System Compliance Activities to be performed by VDOT.
9	Additional allocations in FY 2019 provide for program growth and tentative funding for classified employee bonuses based on budget amendments under consideration by the General Assembly.
10	The decrease from FY 2018 is related to the dedication of the share of the Rental Tax to the WMATA Capital Fund beginning in FY 2019 based on House Bill 1539/Senate Bill 856.
11	Adjustments based on revenue available for Smart Scale Distribution.
12	Reduction reflects the one-time revenue of the I-66 Outside the Beltway Concession Fee and the one-time allocation of the Fast Lane Federal Grant for Atlantic Gateway Projects.
13	Planned reduction in funds available for CTB Alternate Formula distribution.
14	Planned allocation of PTF to MWAA as directed in Chapter 836, Item 436, M. in previous fiscal year.
15	Allocation reduced based on the completed construction of the I-66 Inside the Beltway Toll Facility and the annualization of the operations of the new toll facilities. Additional allocations in 606004 are provided to support E-Zpass Operations and Violation Enforcement Services.
16	Additional allocations necessary for DMV Carinal and Indirect Cost Recovery, Office of the Attorney General costs, and VITA cost increases.
17	Planned reduction in Capital Outlay investment in FY 2019. Funding levels are planned to be restored to the previous program levels in subsequent fiscal years.
18	Tentative funding for based on budget amendments under consideration by the General Assembly.



Fiscal Year 2019

Commonwealth Transportation Fund Budget
May 2018
Draft



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Virginia Department of Transportation

Financial Planning Division

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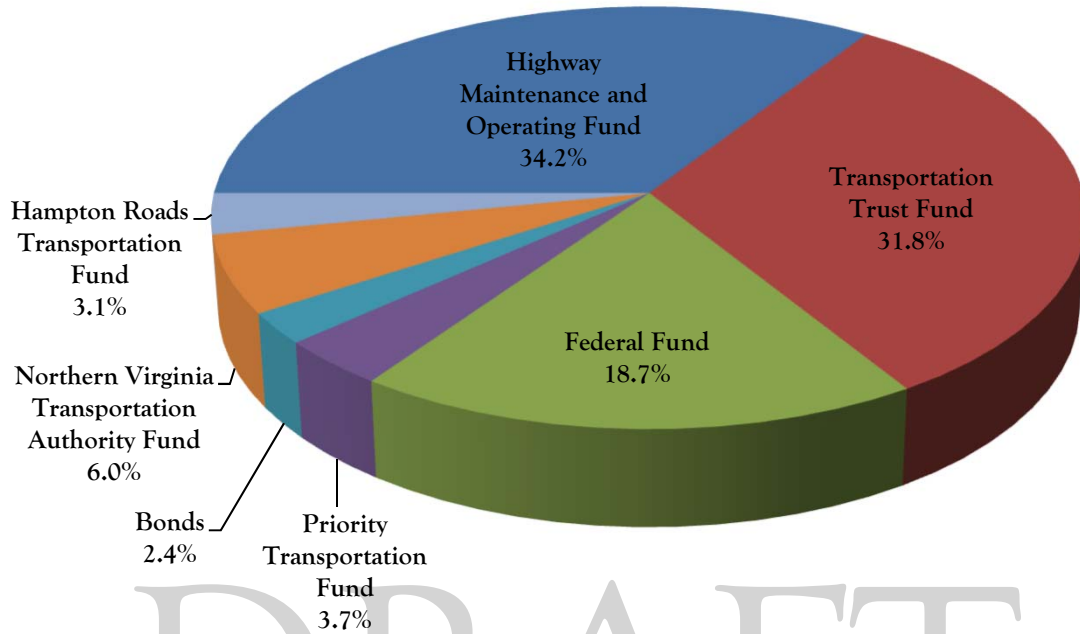


The Fiscal Year 2019 budget for the Commonwealth Transportation Fund (CTF) identifies the estimated revenues and the distribution of the revenues to the related transportation agencies and programs. It is based on the most recent official state revenue forecast from December 2017 and estimated federal funding. The CTF Budget for FY 2019 totals \$6,095,626,907, a 10.0% decrease from the Revised FY 2018 Budget of \$6,695,526,258. The reduction is largely related to the one-time concession fee payment related to I-66 Outside the Beltway. Excluding this and comparing to the original 2018 budget results in a a 0.3% decrease. The budget also provides for pending actions being considered by the General Assembly for the 2018-2020 Biennial Budget.

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.

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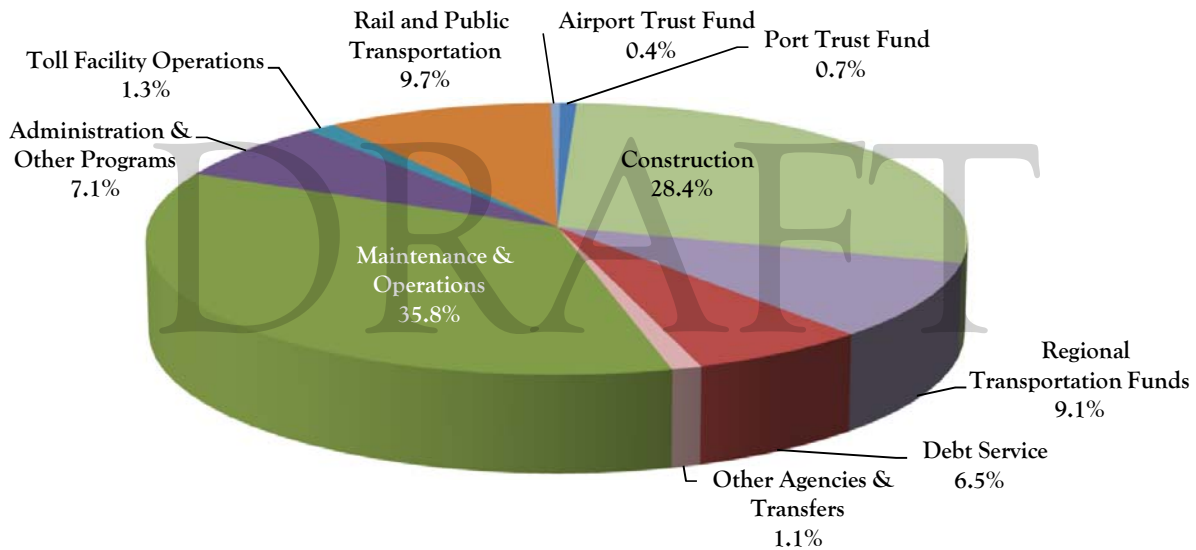
**Commonwealth Transportation Fund
Total Revenues FY 2019**



Highway Maintenance and Operating Fund	\$2,085,813,152
Transportation Trust Fund	1,940,515,359
Federal Fund	1,142,793,545
Priority Transportation Fund	223,678,744
Bonds	147,326,107
Total Operating Revenues	\$5,540,126,907
Pass Through Revenues	
Northern Virginia Transportation Authority Fund	364,500,000
Hampton Roads Transportation Fund	191,000,000
Subtotal	555,500,000
TOTAL	\$6,095,626,907

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	\$393,663,986
Other Agencies & Transfers	65,724,888
Maintenance & Operations	2,183,130,882
Administration & Other Programs	431,637,947
Toll Facility Operations	77,682,467
Rail and Public Transportation	589,177,701
Airport Trust Fund	24,633,089
Port Trust Fund	43,189,155
Construction	1,731,286,792
Total Operating Programs	\$5,540,126,907
Pass Through Programs	
Regional Transportation Funds	555,500,000
TOTAL RECOMMENDED DISTRIBUTIONS	\$6,095,626,907



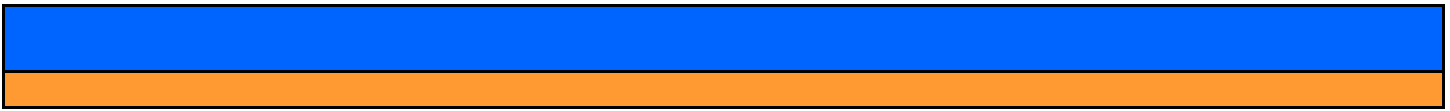
STATE REVENUE SOURCES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Highway Maintenance & Operating Fund (HMOF)			
State Revenue	\$2,031,060,785	\$2,085,813,152	\$54,752,367
Total HMOF	2,031,060,785	2,085,813,152	54,752,367
Transportation Trust Fund (TTF)			
Revenue Available for Modal Distribution	996,800,000	1,021,600,000	24,800,000
Interest Earnings	1,275,000	1,977,730	702,730
Toll Facilities	69,214,833	80,876,667	11,661,834 ¹
Local Revenue Sources	151,758,221	151,509,185	(249,036)
Project Participation - Regional Entities	352,610,184	284,441,132	(68,169,052) ²
CPR Bonds	122,900,000	61,632,863	(61,267,137) ³
GARVEE Bonds	113,100,988	85,693,244	(27,407,744) ³
I-66 Outside the Beltway Concession Fee Payment/Interest	578,919,450	18,012,329	(560,907,121) ⁴
Other Trust Fund Revenue	321,915,189	382,098,316	60,183,127
Other Trust Fund Revenue	2,708,493,865	2,087,841,466	(620,652,399)
Priority Transportation Fund (PTF)			
State Revenue	272,446,552	223,678,744	(48,767,808) ⁵
Total PTF	272,446,552	223,678,744	(48,767,808)
Pass Through Revenues			
State Revenue for Regional Entities	492,500,000	555,500,000	63,000,000 ⁶
Total Regional Transportation Funds	492,500,000	555,500,000	63,000,000
TOTAL STATE REVENUES	\$5,504,501,202	4,952,833,362	(551,667,840)
Federal Funding Sources			
Federal Highway Administration (FHWA)	1,149,793,185	1,103,733,168	(46,060,017)
Federal Transit Administration (FTA)	41,231,871	39,060,377	(2,171,494)
Total Federal Funding	1,191,025,056	1,142,793,545	(48,231,511)
TOTAL COMMONWEALTH TRANSPORTATION FUNDS	\$6,695,526,258	\$6,095,626,907	(\$599,899,351)



DISTRIBUTION OF REVENUE SOURCES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Debt Service			
Toll Facilities Debt	\$3,193,400	\$3,194,200	\$800
Northern Virginia transportation District	31,565,855	31,576,190	10,335
Oak Grove Connector	1,990,750	1,992,750	2,000
Route 28	7,212,269	8,639,519	1,427,250
Route 58	47,435,319	41,025,250	(6,410,069)
GARVEE Bonds	110,970,875	117,188,318	6,217,443
CPR Bonds	153,503,773	187,706,263	34,202,490
Other	5,755,252	2,341,496	(3,413,756)
Total Debt Service	361,627,492	393,663,986	32,036,494
Other Agencies & Transfers			
Trust Fund Management	2,783,614	2,933,496	149,882
Support to Other State Agencies (excludes DRPT)	53,136,578	57,452,532	4,315,954 ⁷
Indirect Costs	4,735,091	5,338,860	603,769
Total State Agencies	60,655,283	65,724,888	5,069,605
Maintenance & Operations			
Highway System Maintenance	1,689,365,163	1,726,679,082	37,313,919
Financial Assist. to Localities for Ground	375,481,970	387,527,944	12,045,974
Financial Assist. to Localities for Ground Trans. - Counties	66,775,844	68,923,856	2,148,012
Total Maintenance & Operations	2,131,622,977	2,183,130,882	51,507,905
Tolls, Administration & Other Programs			
Ground Transportation System Planning & Research	73,774,836	75,153,449	1,378,613
Environmental Monitoring & Compliance	13,688,075	24,211,863	10,523,788 ⁸
Administrative & Support Services	263,439,502	279,437,997	15,998,495 ⁹
Program Management & Direction	39,005,784	42,834,638	3,828,854 ⁹
Toll Facilities Operations	37,629,766	41,532,467	3,902,701
Toll Facility Revolving Account	29,650,000	36,150,000	6,500,000
Capital Outlay	30,672,231	10,000,000	(20,672,231) ¹⁰
Total Tolls, Administration & Other Programs	487,860,194	509,320,414	21,460,220



DISTRIBUTION OF REVENUE SOURCES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Transit and Rail Funds			
Share of Modal Distribution	\$143,128,508	\$150,112,045	\$6,983,537
Transit	77,200,000	82,500,000	5,300,000
Surface Transportation Program	26,620,755	27,804,775	1,184,020
Federal Transit Authority (FTA)	41,231,871	39,060,377	(2,171,494)
CMAQ (without State Match)	9,139,360	-	(9,139,360) ¹¹
STP Regional (without State Match)	6,364,176	-	(6,364,176) ¹¹
NHPP Statewide with Soft Match	3,034,890	-	(3,034,890) ¹¹
NHPP Exempt with Soft Match	-	-	- ¹¹
STP Statewide with Soft Match	2,546,090	-	(2,546,090) ¹¹
Rail Fund	19,250,000	21,850,000	2,600,000
Interest Earnings	880,000	1,210,000	330,000
Motor Fuels Tax to Commonwealth Capital Fund	27,200,000	28,200,000	1,000,000
Motor Fuels Tax to transit operations	3,100,000	3,200,000	100,000
Motor Fuels Tax to transit special programs	2,100,000	2,200,000	100,000
Metro Matters	50,000,000	50,000,000	-
Transit Capital Bonds	60,000,000	11,632,863	(48,367,137) ³
Rail Bonds	12,900,000	-	(12,900,000) ³
Recordation Taxes for Transit Operating	50,200,000	48,200,000	(2,000,000)
Intercity Passenger Rail Operating and Capital Fund (IPROC)	51,500,000	55,000,000	3,500,000
Mass Transit Fund-Support from Construction	7,875,884	4,000,000	(3,875,884) ¹¹
Fast Lane Grant	45,000,000	-	(45,000,000) ¹²
Priority Transportation Fund for Atlantic Gateway	9,292,622	32,700,000	23,407,378 ¹²
Rental Tax for WMATA Capital Fund	-	10,600,000	10,600,000
Transfer from NVTD Fund for WMATA Capital Fund	-	20,000,000	20,000,000
Other	889,844	907,641	17,797
Subtotal Transit and Rail Funds	649,454,000	589,177,701	(60,276,299)
Airport Trust Fund			
Share of Modal Distribution (2.4%)	23,367,920	24,508,089	1,140,169
Interest Earnings	125,000	125,000	-
Total Airport Trust Fund	23,492,920	24,633,089	1,140,169
Port Trust Fund			
Share of Modal Distribution (4.2%)	40,893,859	42,889,155	1,995,296
Interest Earnings	300,000	300,000	-
Total Port Trust Fund	41,193,859	43,189,155	1,995,296



DISTRIBUTION OF REVENUE SOURCES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
Pass Through Revenue Allocations			
Northern Virginia Transportation Authority Fund	\$332,100,000	\$364,500,000	\$32,400,000
Hampton Roads Transportation Authority Fund	160,400,000	191,000,000	30,600,000
Total Regional Transportation Programs	492,500,000	555,500,000	63,000,000

Construction			
Financial Assistance to Localities for Ground Transportation	15,230,168	15,551,924	321,756
State of Good Repair Program	87,690,068	80,458,179	(7,231,889)
High Priority Projects Program	107,937,754	136,304,809	28,367,055
Construction District Grant Programs	89,405,123	154,788,814	65,383,691
Specialized State and Federal Programs	1,920,291,301	1,140,257,987	(780,033,314)
Legacy Construction Formula Programs	226,565,119	203,925,079	(22,640,040)
Total Construction	2,447,119,533	1,731,286,792	(715,832,741)

DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS	\$6,695,526,258	\$6,095,626,907	(\$599,899,351)
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Agency Funding Summary:

VDOT	\$5,989,261,363	\$5,462,626,962	(\$526,634,401)
Less Support to Ports	-	-	-
Less Support to DRPT	(7,875,884)	(24,000,000)	(16,124,116)
VDOT (Net)	5,981,385,479	5,438,626,962	(542,758,517)

Support to Other Agencies & General Fund

DRPT	649,454,000	589,177,701	(60,276,299)
Ports	41,193,859	43,189,155	1,995,296
Aviation	23,492,920	24,633,089	1,140,169

Grand Total	\$6,695,526,258	\$6,095,626,907	(\$599,899,351)
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State Revenue Details

STATE REVENUE SOURCES	Revised FY 2018	FY 2019	INCREASE (DECREASE)
State Tax on Motor Fuels	\$865,000,000	\$896,500,000	\$31,500,000
Road Tax	10,700,000	10,300,000	(400,000)
Retail Sales & Use Tax	1,045,200,000	1,067,800,000	22,600,000
Motor Vehicle Sales and Use Tax	947,300,000	952,600,000	5,300,000
International Registration Plan	64,000,000	64,200,000	200,000
Motor Vehicle Licenses	255,400,000	259,200,000	3,800,000
Miscellaneous Revenues	17,300,000	17,200,000	(100,000)
Motor Vehicle Rental Tax	39,600,000	42,400,000	2,800,000
Aviation Fuels Tax	1,800,000	1,900,000	100,000
Recordation Tax	48,400,000	48,300,000	(100,000)
Total	\$ 3,294,700,000	\$ 3,360,400,000	\$ 65,700,000

DRAFT

Endnotes

Endnote Number	Description
1	Annualized revenue of I-66 Inside the Beltway Toll Facility and I-64 Express Lanes that opened during the previous fiscal year.
2	Adjusted expectations on project participation from the regional entities from previous fiscal year.
3	Planned use of bond proceeds.
4	Revised FY 2018 Budget included the I-66 Outside the Beltway Concession Fee Payment. The recommended budget includes anticipated interest earnings.
5	The prior year's budget included prior unallocated balances of the Priority Transportation Fund to fulfill commitments of the Atlantic Gateway projects.
6	Reflects updated revenue estimate as well as the established of a price floor to derive the fuel tax rate in Hampton Roads (HB 768/SB 896 from the 2018 Session).
7	Adjustments include tentative allocation for the Chesapeake Bay Initiatives and the Virginia Commercial Space Flight Authority that have been proposed in the budget bill amendments being considered in the General Assembly. These allocations are pending and will be fulfilled if included in the final Appropriations Act.
8	Adjustments to the program include the additional commitments for Municipal Separate Storm Sewer System Compliance Activities. This additional investment is new in FY 2019.
9	Includes allocations for a one-time employee bonus that has been proposed in the budget bill amendments being considered in the General Assembly. These allocations are pending and will be fulfilled if included in the final Appropriations Act.
10	Planned reduction in Capital Outlay investment in FY 2019. Funding levels are planned to be restored to the previous program levels in subsequent fiscal years.
11	Represents allocation to projects in the Six-Year Improvement Program (SYIP). This detail will be updated for the Final Recommended Budget.
12	Reduction represents one-time allocation in FY 2018 for the Fast Lane federal grant and the associated PTF commitments to the Atlantic Gateway Projects.

TOLL FACILITY REVOLVING ACCOUNT



Toll Facility Revolving Account (TFRA)

Established and governed by § 33.2-1529 of the Code of Virginia.

- The 1986 Special Session II of the General Assembly, the Commission on Transportation in the 21st Century, recommended the establishment of a Toll Facilities Revolving Account for a method to finance or refinance existing and potential toll facilities.
- On July 1, 1987, the Toll Facilities Revolving Account was created under § 33.1-23.03:4 of the Code of Virginia to pay or finance all or a part of the costs of toll facilities constructed under the provisions of Title 33.1 (Title 33.2 today).
- Funds residing in the TFRA have been utilized to provide operational support for the Powhite Parkway Extension Toll Road, the George P. Coleman Bridge, the Pocahontas Parkway Toll Road in addition to advanced funding for projects such as the Route 168 Chesapeake Expressway, Pinner's Point Interchange, Dulles Greenway and others.
- Repayment arrangements are in place for the outstanding loans for Powhite Parkway Extension, Coleman Bridge and the Chesapeake Expressway.

TFRA Information

Prior to HB 1887 (2015), all interest earnings from the Highway Maintenance and Operating Fund and the TTF Construction fund were dedicated to the TFRA.

These interest earnings are now dedicated to the Virginia Transportation Infrastructure Bank (VTIB) and the Transportation Partnership Opportunity Fund (TPOF).

No dedicated revenue source

Other Subfunds

- Includes the Federal and State components of the State Infrastructure Bank (SIB)
 - Created to support P3s
 - Available balance of \$39.2 million
- Operating activity for E-ZPass Operations and Violation Enforcement Services

TFRA Portfolio

Fund/Facility Due From	Amount (in millions)	Anticipated Repayment Date
E-ZPass / Toll Collection Support (Working Capital)	\$40.8	On-going
Highway Construction Fund Legacy Projects	23.1	Actively addressing through project closeout process
I-95 Fredericksburg Extension Procurement	12.0	2019
Highway Maintenance and Operating Fund - ERT	21.1	2019
Powhite Parkway Extension Toll Facility	20.0	Annual payments: Current – 2023
Coleman Bridge Toll Facility	39.1	Annual payments: 2022 – 2032
I-66 Inside the Beltway Express Toll Facility	67.0	Annual payments: 2023 – 2047
I-64 Express Lanes, Segment I and advance for transit	20.0	Annual payments: 2023 – 2050
I-64 Express Lanes, Segment II	10.0	Annual payments: TBD
Hampton Roads HOT Network	1.5	2022
Total	\$254.6	

TFRA Status

Current available balance of \$45.5 million

Activity this year:

Allocations

- **\$10 million for I-64 Segment II**
- **\$1 million advance for I-64 transit**
- **\$1.5 million for HOT Network Study in Hampton Roads**

Revenue

None

No Pending Requests

Two year outlook

Anticipate repayments of \$30-33 million, increasing available balance to approximately \$75 million



STATUS UPDATE FOR THE VIRGINIA TRANSPORTATION INFRASTRUCTURE BANK (VTIB)

| John W. Lawson Chief Financial Officer, VDOT

May XX 2018

Virginia Transportation Infrastructure Bank

Virginia Transportation Infrastructure Bank (VTIB) was created by Chapter 830 of the 2011 Acts of Assembly and amended by Chapter 805 of the 2014 Acts of Assembly (§ 33.2-1500)

VTIB is a Special non-reverting, revolving loan fund and is a sub-fund of the Transportation Trust Fund

The Bank was created for the purpose of making loans and other financial assistance to localities, private entities and other eligible borrowers to alleviate, in part, a critical need for additional funding sources for transportation projects

Monies loaned from the Bank are to be repaid, with interest, to the Bank to provide loans and credit assistance to additional projects

Guidelines and Selection Criteria were updated in 2016 to align the VTIB Program to the changes made to the Code of Virginia by HB 1887 (2015)

Virginia Transportation Infrastructure Bank

Administered by the Commonwealth Transportation Board (CTB) and the Virginia Resources Authority (VRA)

CTB policy and programmatic administrator

Acting through the Virginia Department of Transportation (VDOT) staff

Virginia Resources Authority serves as the financial manager

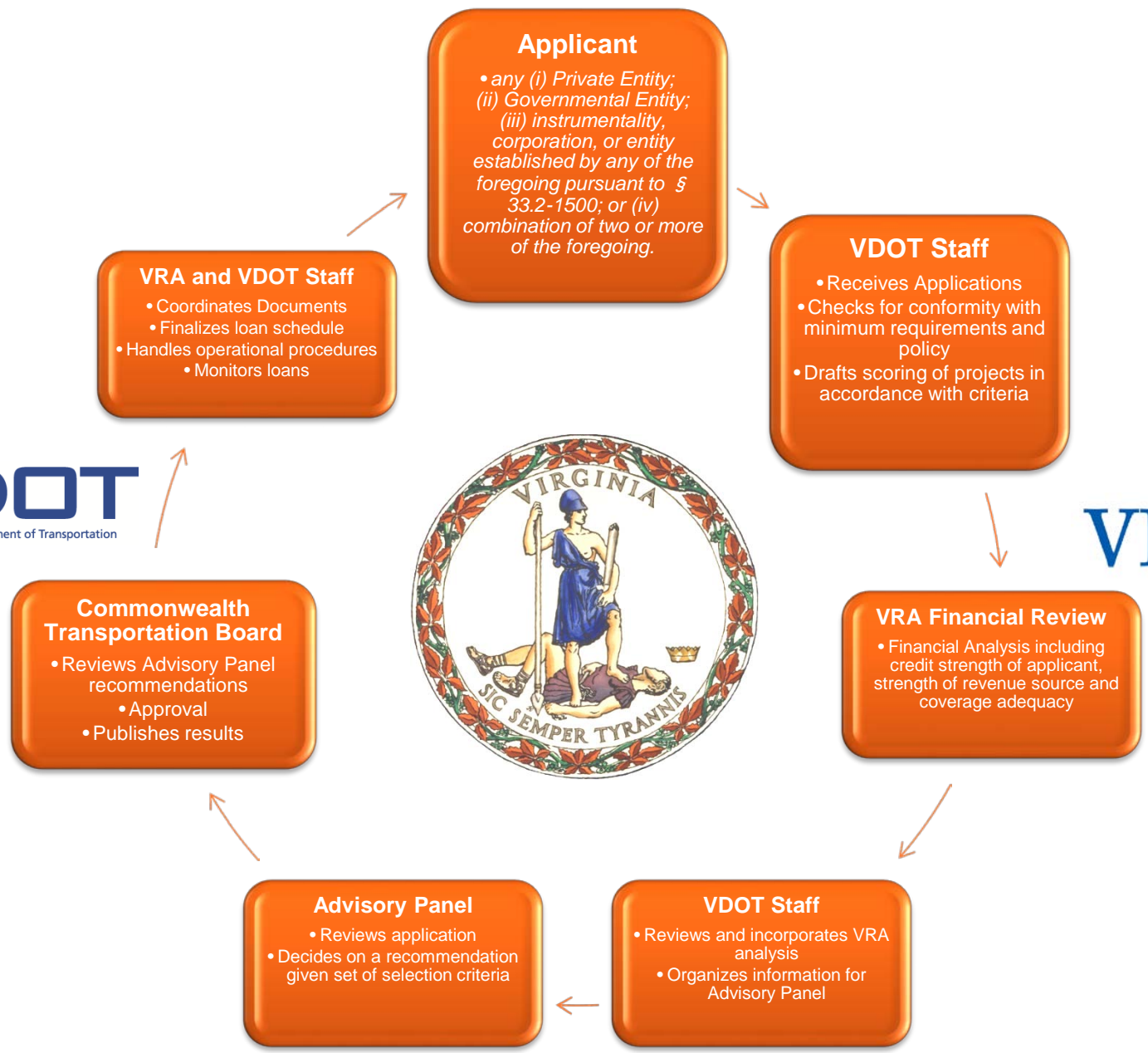
Minimum Eligibility Requirements

A Governmental Entity is a duly created and a validly existing unit of government as defined by the VTIB Act

A Private Entity has executed an interim or comprehensive agreement to develop and construct a transportation infrastructure project pursuant to the Public-Private Transportation Act of 1995

The Project is of local, regional, or statewide significance and meets the public interest identified in subsection A of § 33.2-214.1, Statewide prioritization process for project selection

VRA is responsible for semi-annual program reporting to Chairmen of the House Committees on Appropriations, Finance, and Transportation and the Senate Committees on Finance and Transportation



Virginia Transportation Infrastructure Bank

History of Previous Funding provided to VTIB - \$282,700,000

\$32,700,000 from the Commonwealth's General Fund

\$250,000,000 from the Commonwealth Transportation Fund

New Dedicated Revenue to VTIB

House Bill 1887, effective July 1, 2015, provides VTIB with two-thirds of all interest, dividends, and appreciation that may accrue to the Transportation Trust Fund and the Highway Maintenance and Operating Fund

Current Available VTIB Balance

Virginia Transportation Infrastructure Bank

Life to Date, as of May 8, 2018

Capitalizations to date	\$311,378,287.00
Interest Earnings	24,345,362.82
Expenditures	<u>(884,357.69)</u>
Funds Available for VTIB Loans	334,839,292.13
<u>Less - Closed Loans and Line of Credit:</u>	
City of Chesapeake- Dominion Blvd	151,893,495.00
EDA of Loudoun County- Pacific Blvd	36,000,000.00
City of Alexandria- Potomac Yards	50,000,000.00
CBBT District- Thimble Shoal Tunnel	50,000,000.00
I-95 Express Lanes, LLC- I-395	<u>45,000,000.00</u>
Total Closed Loans/Lines of Credit	332,893,495.00

<u>Plus - Interest Repayments:</u>	
EDA of Loudoun County- Pacific Blvd	<u>684,287.10</u>
Total Interest Repayments	684,287.10
<u>Plus - Principal Loan Repayments:</u>	
EDA of Loudoun County- Pacific Blvd	<u>13,140,879.20</u>
Total Principal Repayments	13,140,879.20
Remaining Available VTIB Funds	<u><u>\$15,770,963.43</u></u>

Outstanding Loans and Commitments

Project Name	Term	Repayment Terms	VTB Loan Amount	VTIB Loan Amount Outstanding	Estimated Project Cost
City of Chesapeake – Dominion Boulevard Toll Road Project	Not to exceed 35 Years after project completion (2052)	No payments during the first 2 years. After 2 years payments will be made per the minimum P&I schedule or 100% of the revenues less Operations Reserve	\$151,893,495	\$119,700,130	\$450,000,000
IDA of Loudoun County - Kincora – Gloucester Parkway/Pacific Boulevard Extension	Not to exceed 20 Years after date of loan closing (2033)	Capitalized interest for up to 3 years. Interest only payment in year 4. Beginning year 5 minimum principal payments of \$100,000	36,000,000	21,461,439	82,000,000
City of Alexandria – Potomac Yard Metrorail Station	27 Years after project Completion	After ramp-up period has expired P&I will be amortized on a level-basis over 27 years	50,000,000	-	285,000,000
Chesapeake Bay Bridge Tunnel District – Thimbal Shoal Tunnel	Not to exceed 35 Years after project completion	Interest payments begin 2021. Principal payments commence in 2025 with a minimum annual principal payment of \$200,000 for the first four fiscal years	50,000,000	-	991,000,000
Transurban – I-395 HOT Lanes	30 Years (December 31st 2047)	Interest payment begin in 2020, scheduled principal payments begin in 2024	45,000,000	-	345,000,000

Program Activity Year to Date

Revenues

Total interest revenue to date \$5,018,394.30 (through 3rd quarter)

- HMO earnings into the Fund – 3,397,775
- VTIB balance Interest earnings into the Fund – 1,620,619

Total Repayments

EDA of Loudoun County

- \$5,033,217 in loan principal prepayments have been received
- \$355,690 interest only payment

Total Disbursements

EDA of Loudoun County

- \$10,708 in loan disbursement during 2018 (total cumulative disbursements now total \$34,601,436)

Loan Closings

\$45 million loan closing for the I-395 Express Lanes

Pending Requests and Current Outlook

Currently, there are no pending applications

Future repayments within the next 2 Years

Loudoun County EPA

- \$707,358 in FY2019
- \$801,698 in FY2020

City of Chesapeake

- \$4,086,014 in FY2020

The Current outlook for VTIB

Positive outlook with no foreseen issues with current loan pool

In the absence of new applications and approved loans, the current funding balance will grow slowly at the current market rate of interest earnings and/or any repayments that would be made into the fund



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

Interstate 81 Corridor Improvement Plan

Nick Donohue
Deputy Secretary of Transportation
May 2018





Interstate 81 Overview



I-81 Corridor Significance



11.7
MILLION TRUCKS PER YEAR



\$312
BILLION IN GOODS PER YEAR



42%
OF STATEWIDE INTERSTATE
TRUCK VMT



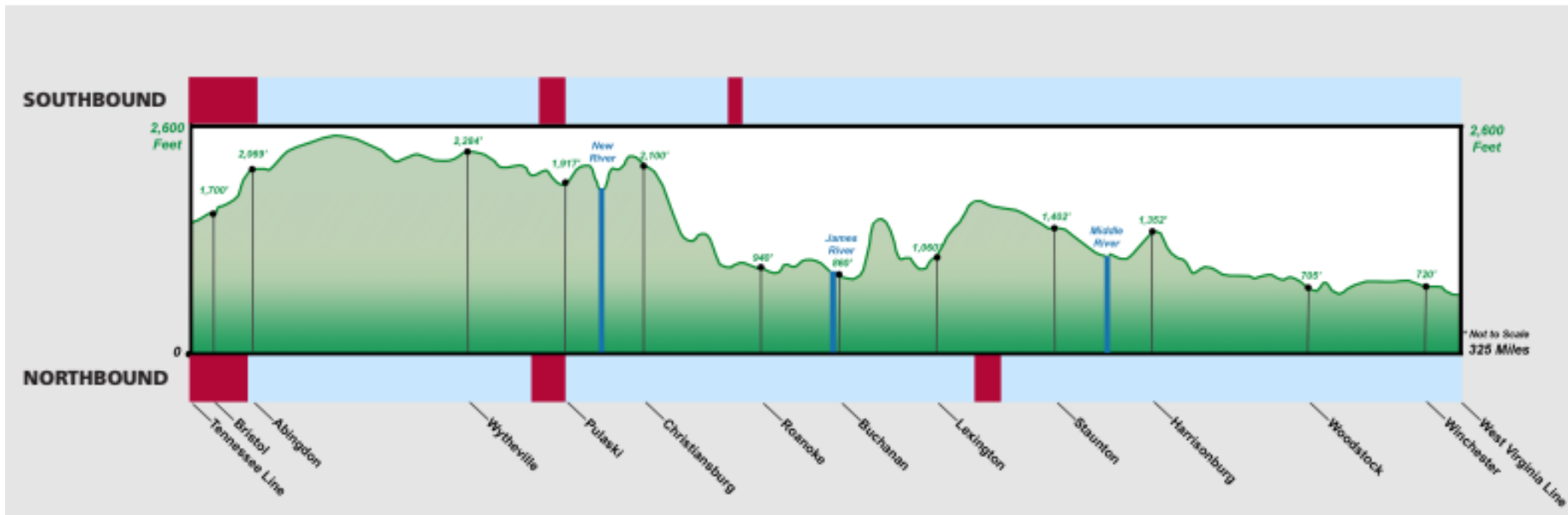
≈ 11,000
CRASHES OVER 5 YEARS



30
CRASHES PER YEAR
(WITH CLEARANCE TIMES
GREATER THAN 6 HOURS)

* Data sources include TRANSEARCH INSIGHT and VDOT data between 2012 and 2016

Interstate 81 Elevation Profile



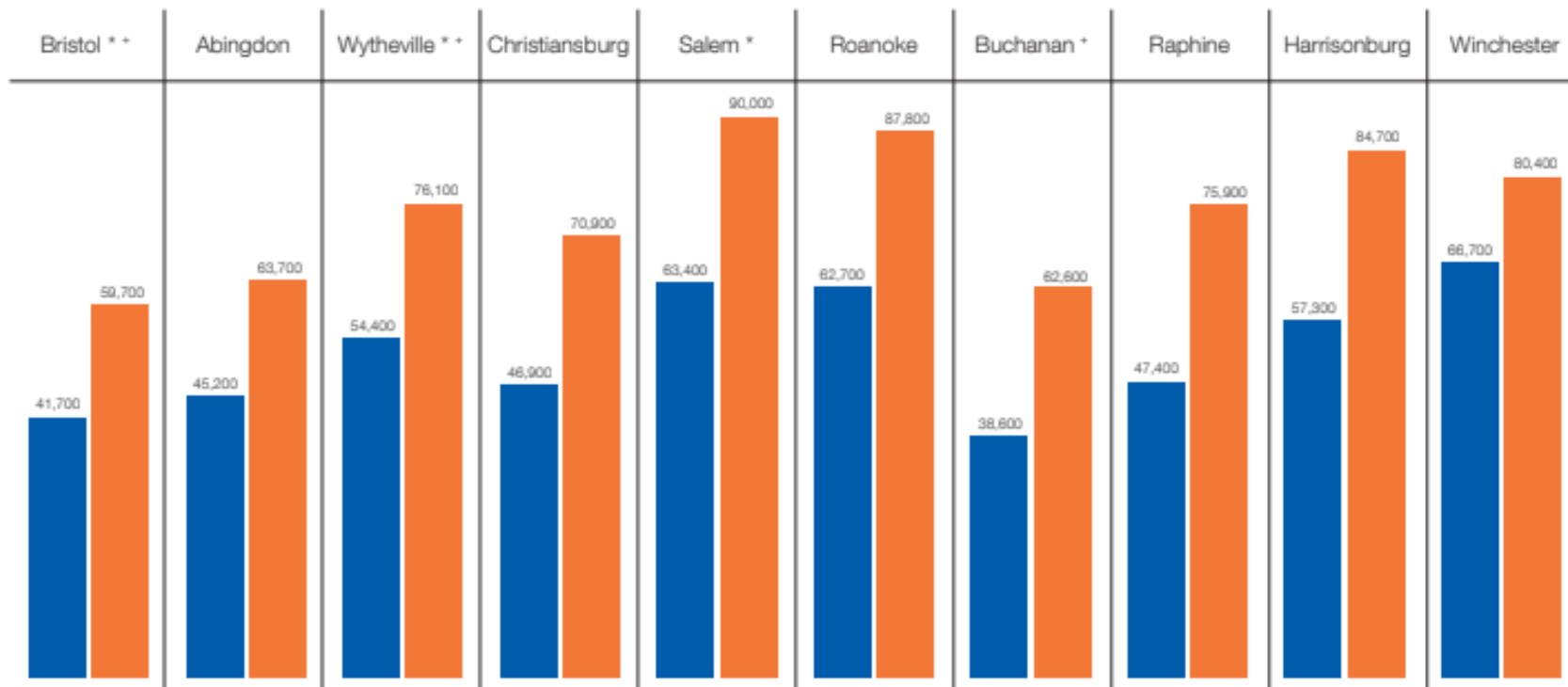
LEGEND: ■ 3-LANE SECTION

■ 2-LANE SECTION

Effect of Length of Grade and Trucks on I-81



2016 AADT Versus Passenger Car Equivalent (PCE) AADT



Source: VDOT continuous traffic count stations and Statewide Planning System

Description: Traffic volume that has been adjusted to account for the effects of the number of trucks and type of terrain

Definition: PCE = Passenger Car Equivalent (factor used to convert trucks into passenger cars)

■ 2016 AADT
■ 2016 AADT converted to PCE

* Portions of section are three lanes in southbound (*) and/or northbound (+)

SB971 – Legislation Requirements



- **Board shall study financing options for the I-81 Corridor**
- **Study shall evaluate–**
 - **Tolls on heavy commercial vehicles**
 - **High-occupancy toll lanes**
- **Study shall not evaluate tolling options that apply to all users of I-81**
- **Board may consider other funding and financing options, including regional fuels tax**

SB971 – Legislation Requirements



- **Board shall develop I-81 Corridor Improvement Plan. The plan shall—**
 - Identify segments of I-81 for improvement
 - Identify targeted set of improvements, for each segment that can be financed by evaluated financing options
 - Include corridor-wide incident management strategies
 - Evaluate concepts to minimize impact of truck-only tolls on local truck traffic and diversion of truck traffic
 - Assess economic impacts on corridor for toll financing

I-81 Corridor Improvement Plan

Element #1



Problem identification – review entire I-81 corridor to identify areas for improvement based on severity of identified problems

The following conditions will be evaluated:

- **Safety – examining both crash rate and crash frequency**
- **Congestion – person hours of delay**
- **Resiliency – incident-related delay and multi-hour lane closures**

Board will be updated at July meeting on findings

I-81 Corridor Improvement Plan

Elements #2 and #3



- **Recommendations development – a fresh look at potential strategies and projects to address identified problems in the Corridor**
 - Operational strategies will be considered first, where appropriate
 - Capital improvements will be targeted
- **Tolling and financing analysis – evaluate potential financing and funding options to determine**
 - Analysis will examine potential impacts on Virginia agriculture, manufacturing, and logistics sectors
- **Board will be updated at its September meeting**

I-81 Corridor Improvement Plan

Element #4



Recommended Corridor Improvement Plan

- Identify key corridor-wide operational improvements to be funded
- Prioritize potential improvements using SMART SCALE process
- Evaluate potential packages of strategies and improvements that could be financed with revenues generated
- Identify recommended package and financing option

Board will have briefings at October and Nov/Dec meetings



Public Outreach Plan

- **Initial outreach at Spring SYIP meetings**
- **3 sets of public meetings along the Corridor in 4 locations**
 - **Problem identification (present data and solicit solution input)**
 - **Recommendations development and tolling feasibility/ economic analyses**
 - **Recommendations packages**
- **Public meetings to be co-hosted by MPOs and PDCs on the corridor**



Problem Identification Public Meetings

- **Meetings will be from 4-7 PM in each location**
 - 4-5 PM- briefing of public officials
 - 5-7 PM- citizen's information meeting
- **Meeting dates and locations:**
 - June 6: Bristol - SW VA Higher Education Center
 - June 7: Salem - Salem Civic Center
 - June 12: Staunton (north) - Strasburg High School
 - June 13: Staunton (south) - Blue Ridge Community College



I-81 Corridor Improvement Plan

Next Steps

- **Status report to CTB in July**
- **Host “Recommendations development” public meetings in July-August**
- **Status report to CTB in September**
- **Host “Recommended Corridor Plan” public meetings in September/ October**
- **Draft report to CTB in October**
- **Revised report with recommended package to CTB at November/December**



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

General Francis Marion Hotel
The Conference Room
107 E Main Street
Marion, VA 24354
May 15, 2018
12:00 p.m.

7. Innovation and Technology Update
Hap Connors, Member, Commonwealth Transportation Board

This presentation is currently unavailable.

###



COMMONWEALTH of VIRGINIA

Office of the

SECRETARY of TRANSPORTATION

Transportation Performance Management Measures and Target Setting #2

Nick Donohue

Deputy Secretary of Transportation

May 15, 2018



Virginia Department of Rail and Public Transportation



Performance Management Measures and Target

- **MAP-21 Federal Law – establish performance targets for:**
 - **Asset Management - Pavements and Bridges**
 - **System Performance**
 - **Congestion**
 - **Air Quality**
 - **Safety**
- **HB2241/SB1331 – Board to establish performance targets for surface transportation**

Performance Measures Baseline Conditions

- **Freight Reliability Measure**
- **CMAQ – Emissions Reduction**

Freight Reliability Measure

Truck Travel Time Reliability (TTTR) Index

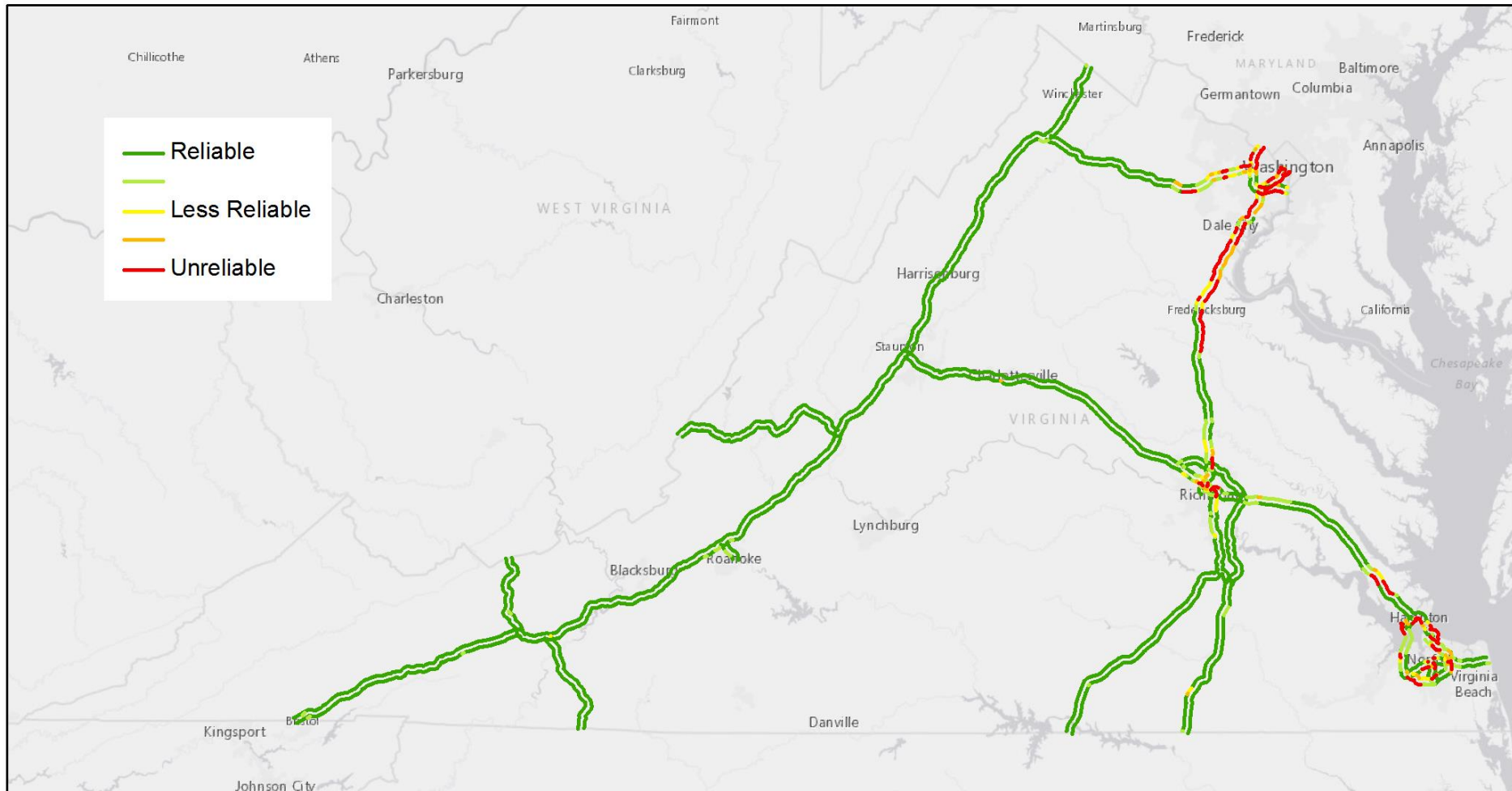
- Examines each segment of the Interstate during five time periods
 - Weekdays 6a to 10a; 10a to 4p; and 4p to 8p
 - Weekends 6a to 8p
 - Overnight (all days) 8p to 6a
- Objective is to improve reliability for trucking industry in order to predict buffer time needed for “on-time delivery”
 - Measure looks at the ratio of the truck travel time for the 95th percentile to 50th percentile and utilizes the maximum TTTR for the 5 time periods for each interstate segment multiplied by the segment length / total length of the interstate

Freight Reliability Measure Baseline

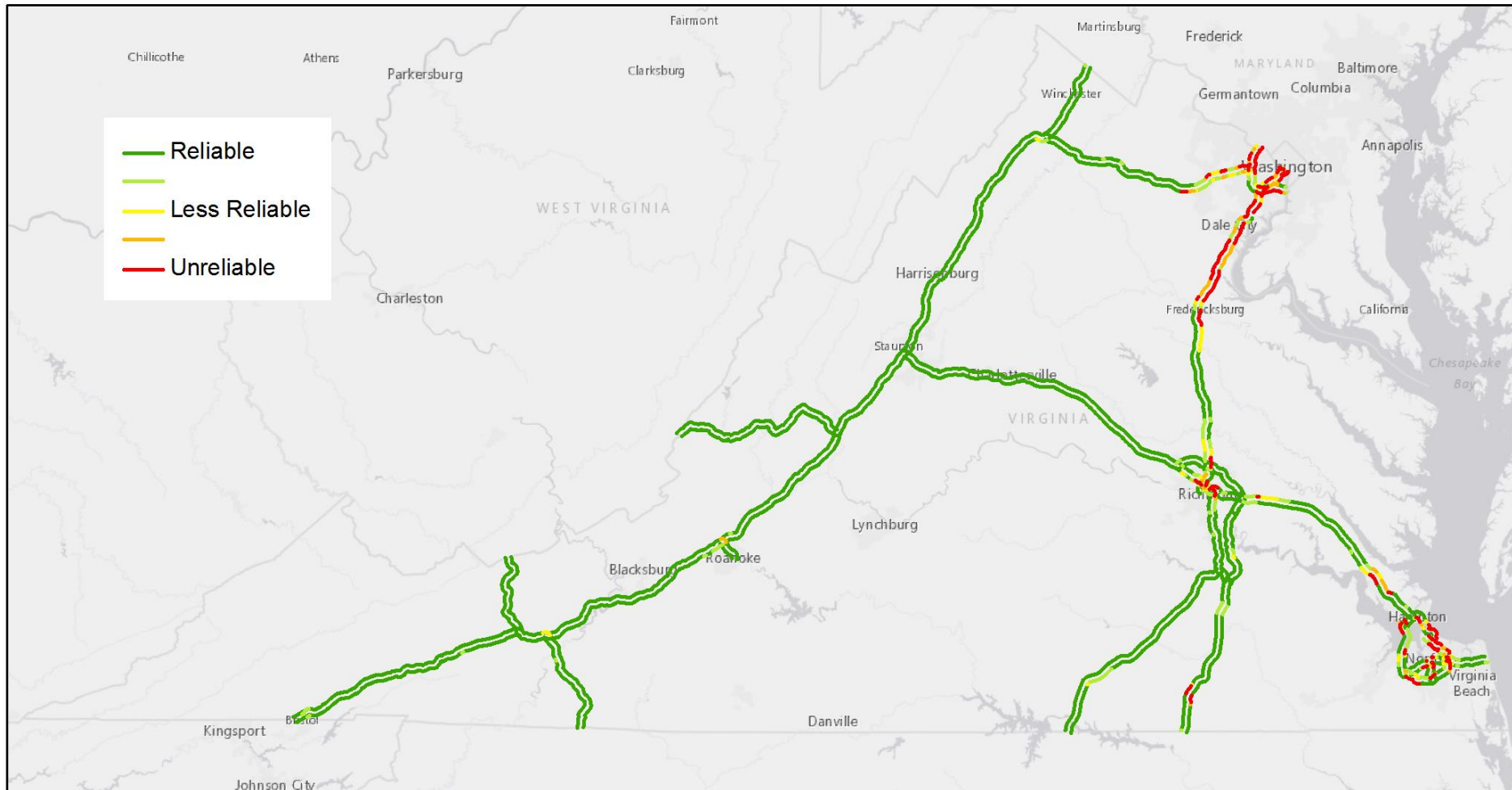
Truck Travel Time Reliability (TTTR) Index

Metropolitan Planning Organization	2016 TTTR	2017 TTTR
Winchester-Frederick County MPO	1.10	1.10
Blacksburg-Christiansburg-Montgomery Area MPO	1.09	1.09
Bristol MPO	1.11	1.13
Tri Cities Area MPO	1.12	1.14
Richmond Area MPO	1.44	1.45
Staunton-Augusta-Waynesboro MPO	1.11	1.11
Roanoke Valley MPO	1.21	1.23
National Capital Region Transportation Planning Board	2.88	2.91
Charlottesville-Albemarle MPO	1.15	1.13
Hampton Roads Transportation Planning Organization	2.03	2.05
Harrisonburg-Rockingham MPO	1.06	1.06
Fredericksburg Area MPO	2.60	2.61

Freight Reliability Measure 2016 TTTR Index Heat Map

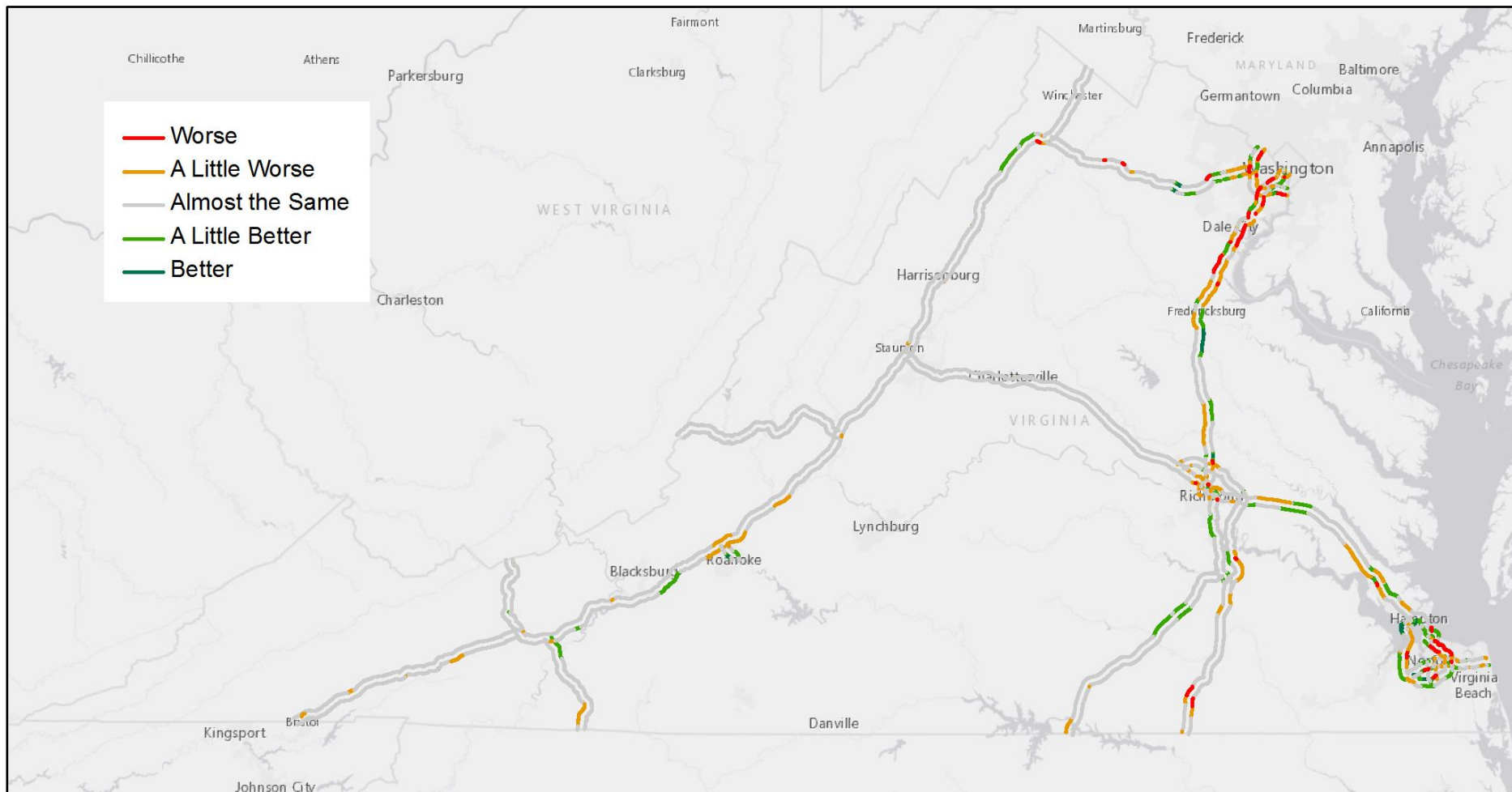


Freight Reliability Measure 2017 TTTR Index Heat Map

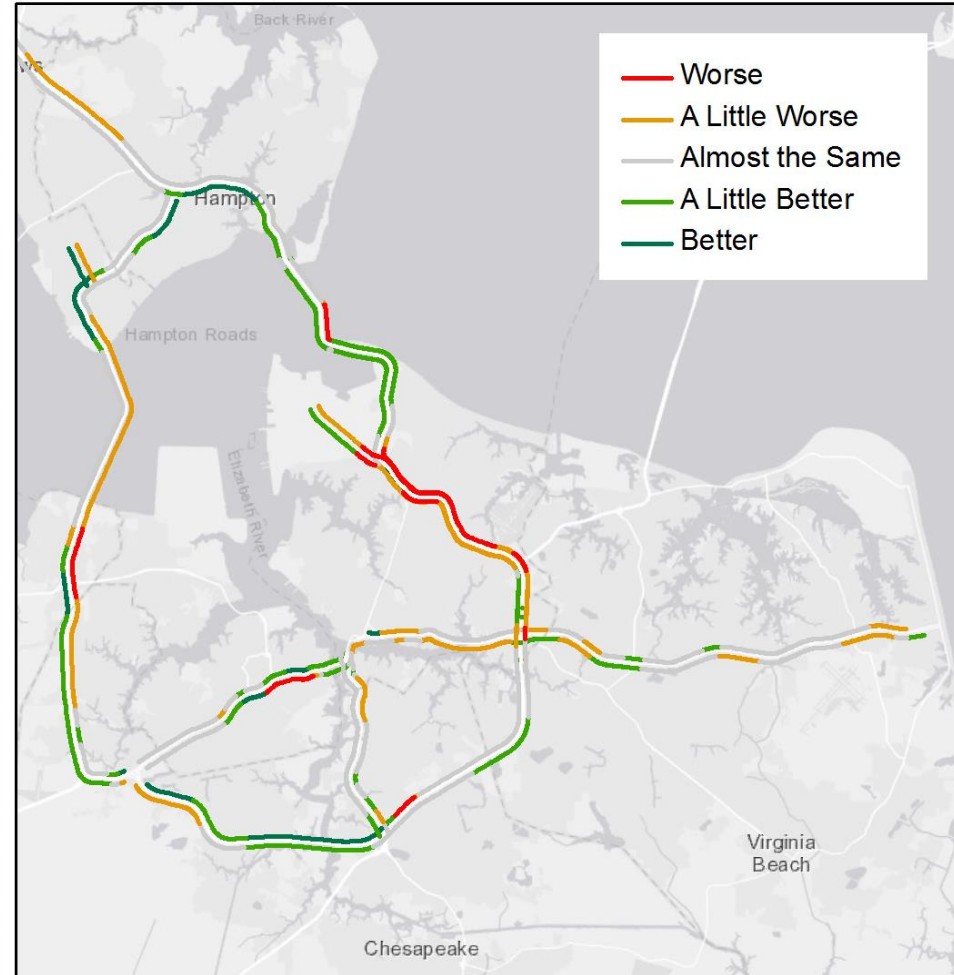
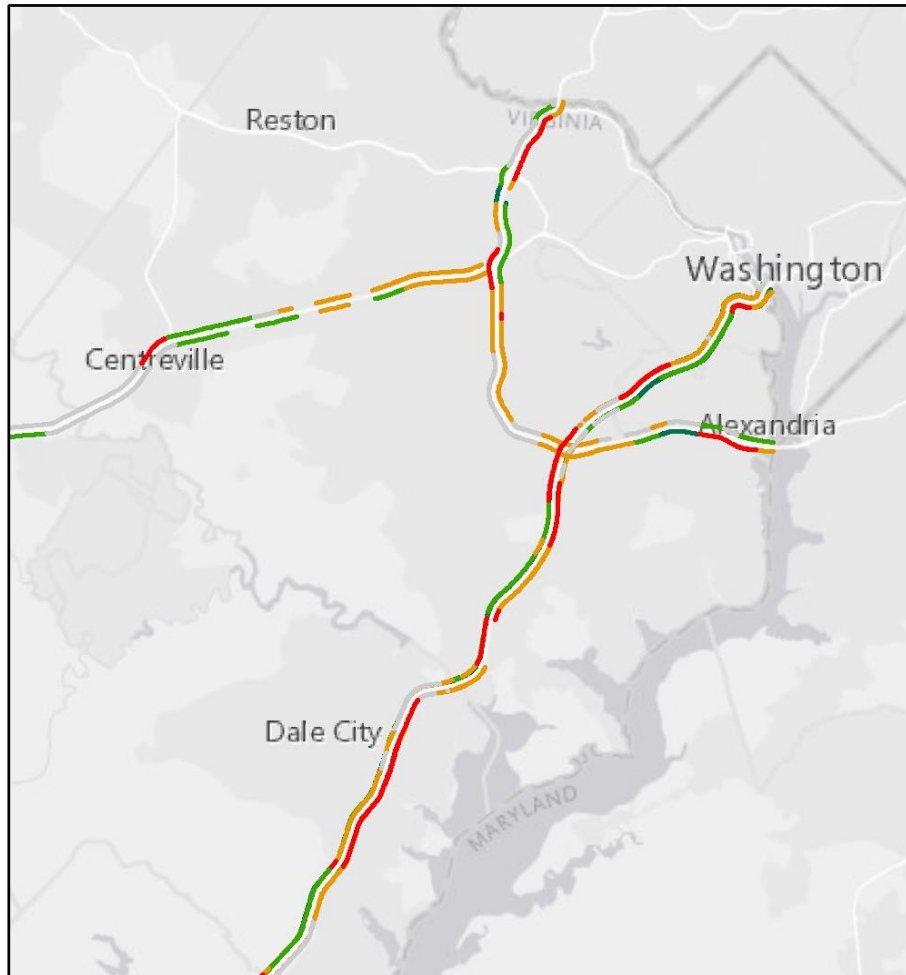


Freight Reliability Measure

Change in TTTR Index 2016 to 2017



Freight Reliability Measure Change in TTTR Index 2016 to 2017

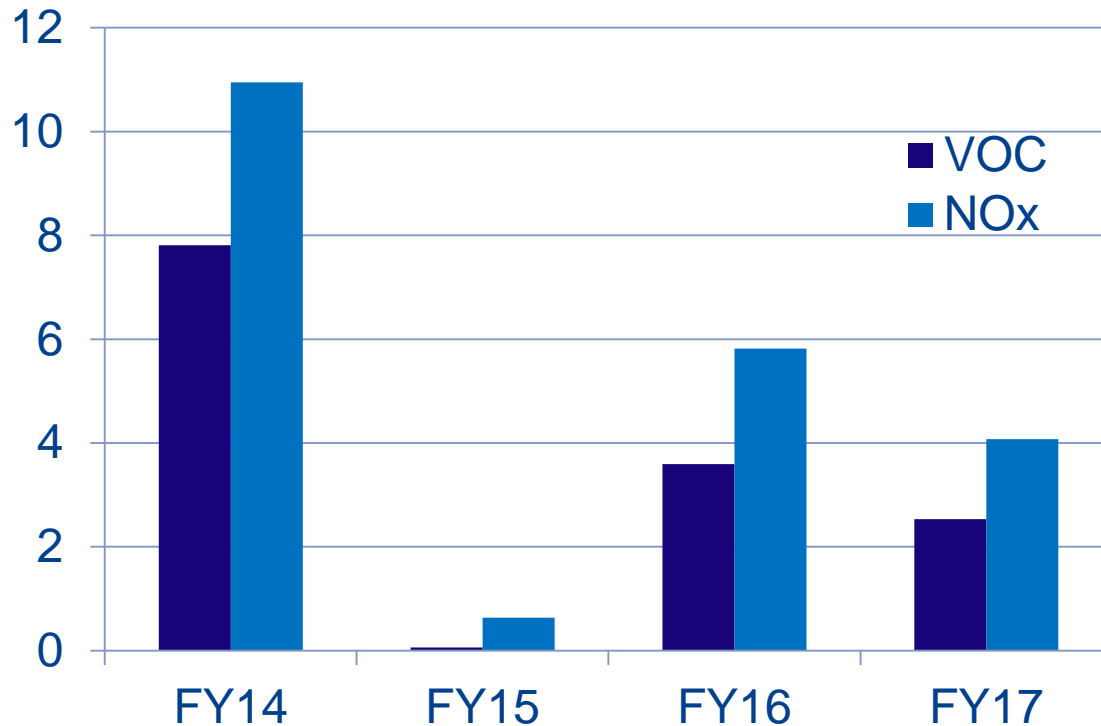


CMAQ Emissions Reduction Measure

- **The Total Emissions Reduction is the cumulative 2-year and 4-year reported emission reductions for:**
 - **All projects funded using CMAQ funds**
 - **Applicable criteria for pollutants and or their precursors**
 - Only applies to Northern Virginia (TPB)
 - Applicable Pollutants: volatile organic compounds (VOC) and nitrogen oxides (NOx)
- **Applicable State DOTs and MPOs must coordinate and collectively to establish a methodology for developing targets**

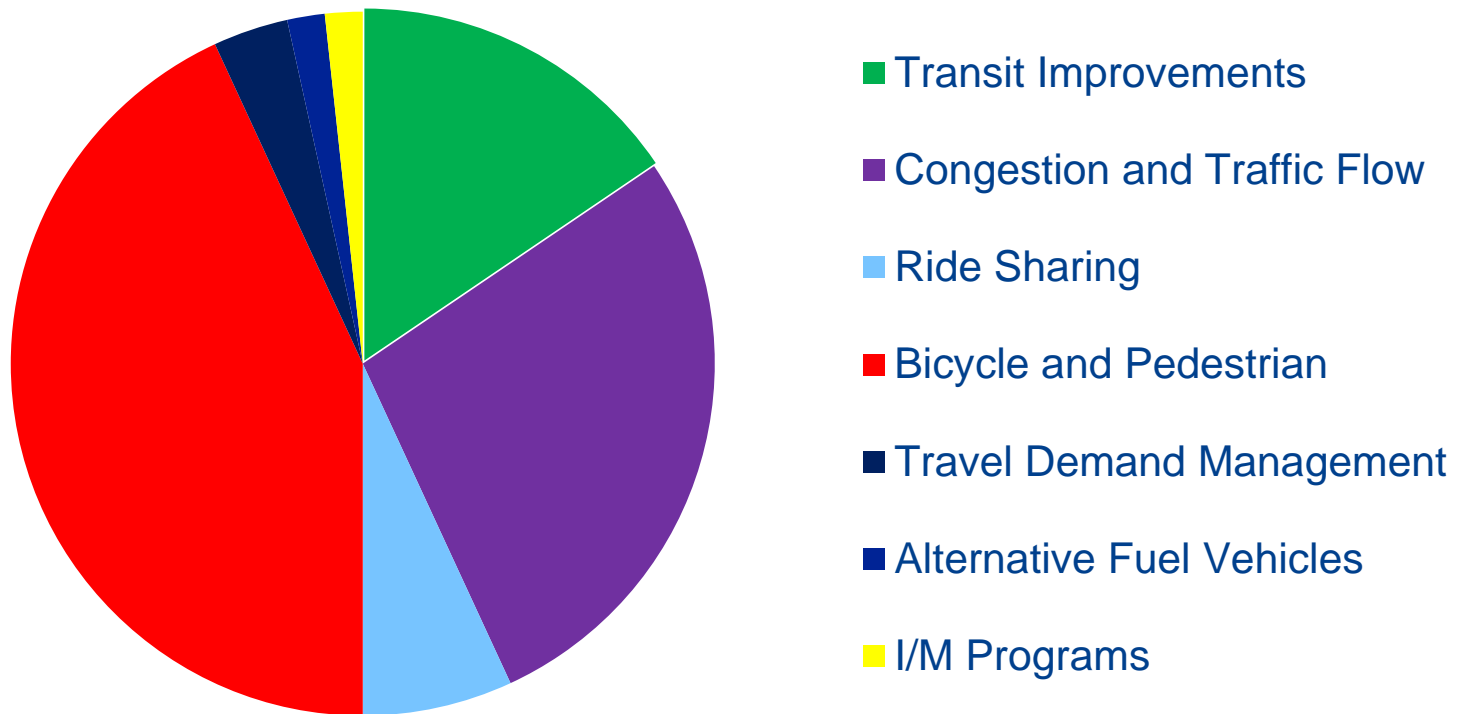
CMAQ Emissions Reduction Measure Baseline

FY 14-17 Emission Reductions (kg/day)



CMAQ Emissions Reduction Measure Baseline

FY 14-17 Project Types



Target Setting Methodology

- **Trends lines (straight or best fit) based on historic data to establish future conditions**
 - Captures existing trends of actual performance
- **Extrapolation (linear or exponential)**
 - Can be useful with limited data sets
- **Modeling to forecast future performance**
 - Uses existing trends/conditions along with related indicators (deterioration rates, projected growth, etc.) to project future conditions (i.e. Travel Demand Models, Pavement Management System, Bridge Management System)
- **Anticipated Projects**
 - Estimated benefits of programmed projects (i.e. CMAQ funded projects)
- **Mix of the concepts above**

Safety Performance Measures

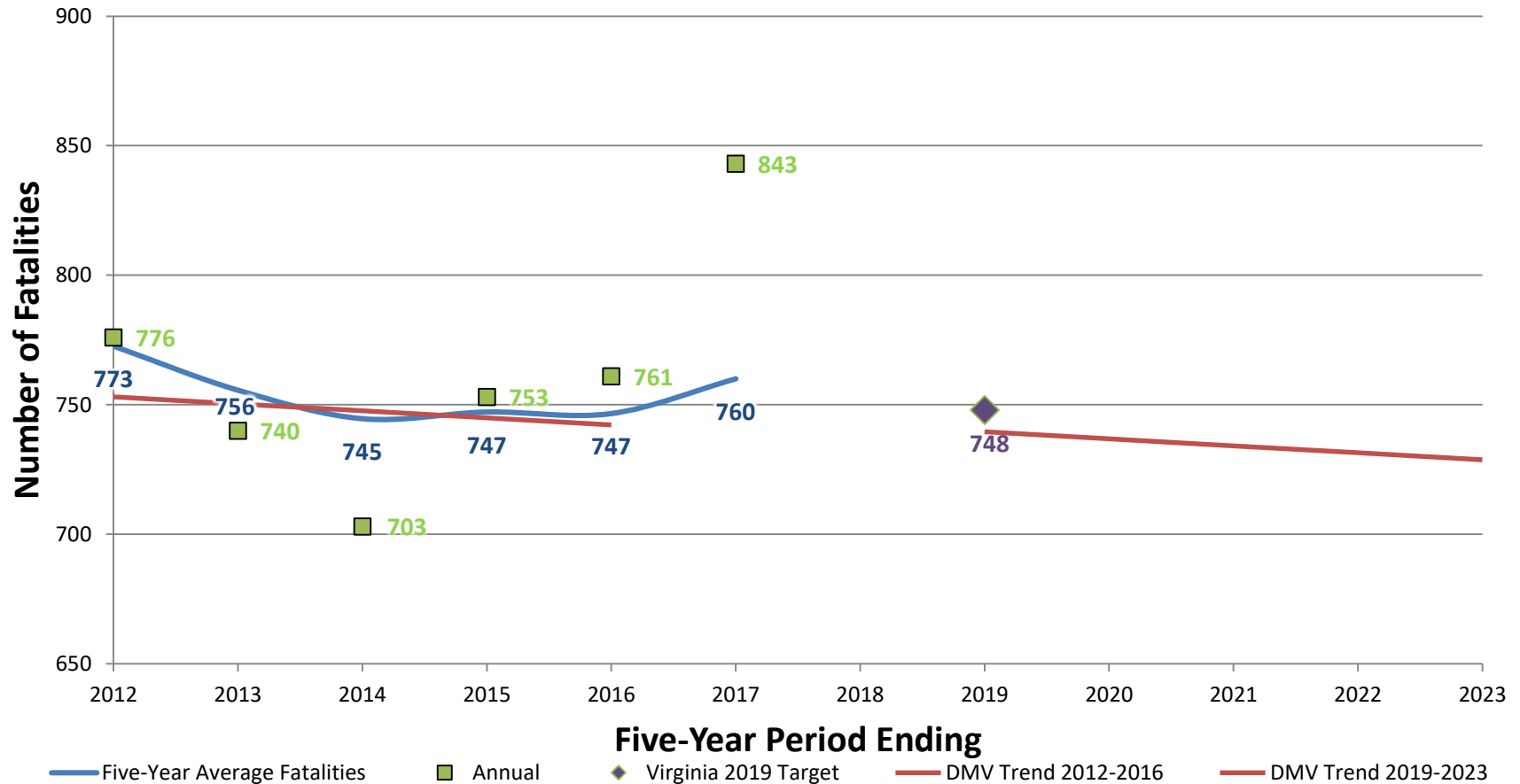
- **Safety Performance Measures**
 - Number of fatalities*
 - Number of severe injuries*
 - Rate of fatalities per 100M vehicle miles traveled*
 - Rate of severe injuries per 100M vehicle miles traveled**
 - Number of non-motorized fatalities and severe injuries**

- **Safety Targets Due Annually**
 - Initial targets for 2018 established August 2017
 - DMV and VDOT must agree to targets
 - DMV targets due July 1, 2018
 - VDOT targets due August 31, 2018

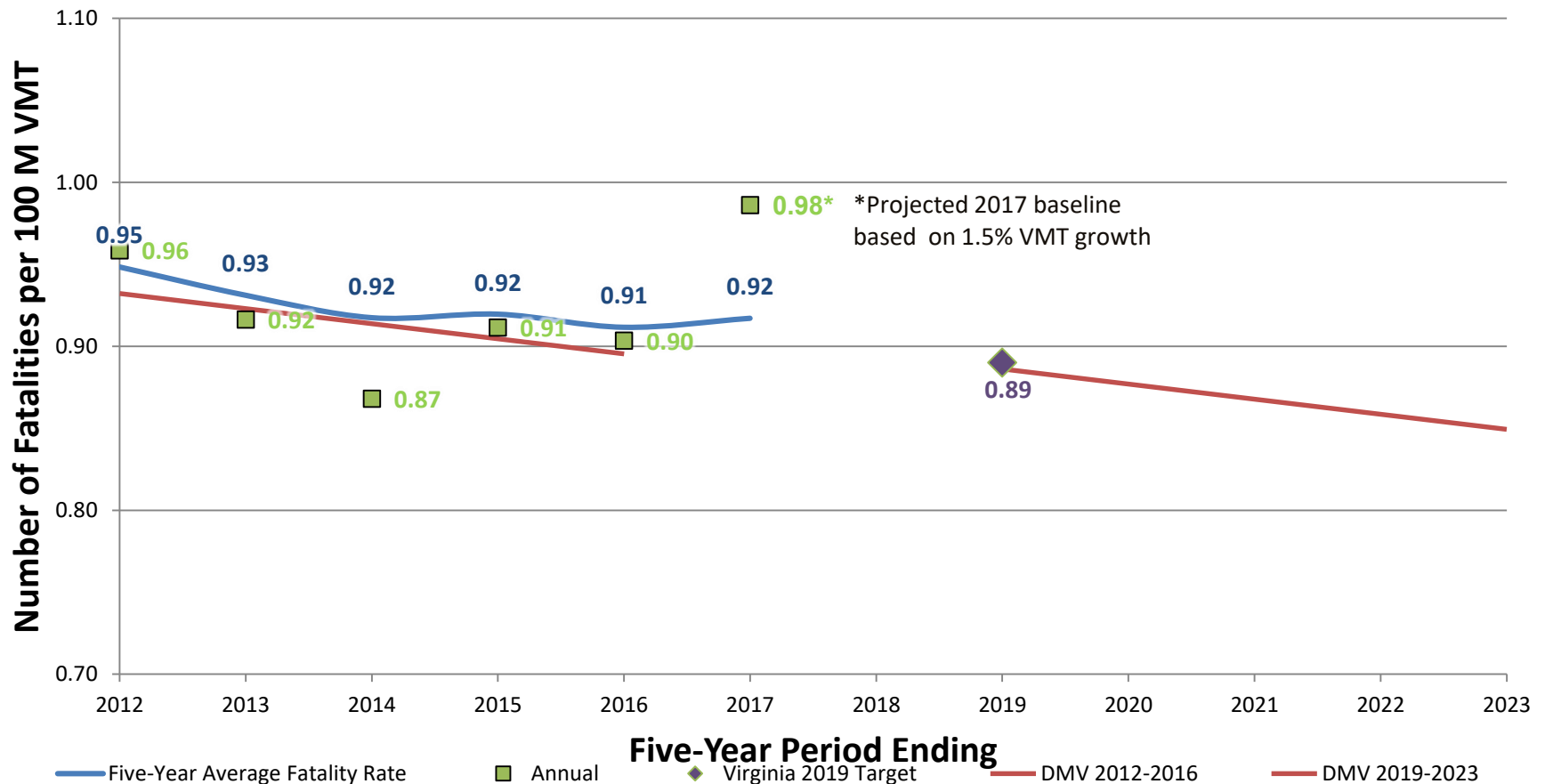
*Federal measure impacting VDOT and DMV

**Federal measure impacting VDOT only

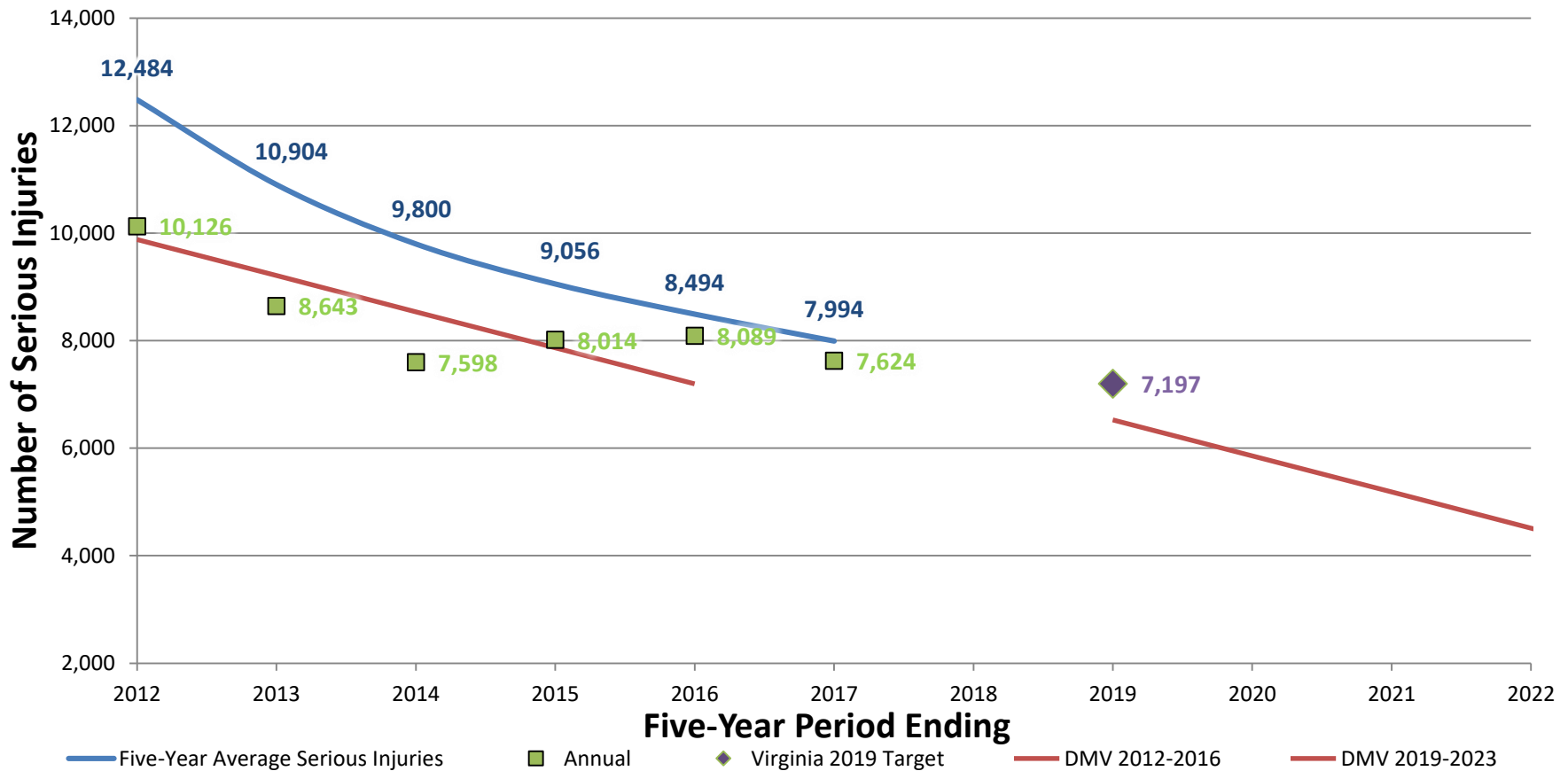
2019 Fatalities Based on Trend-line



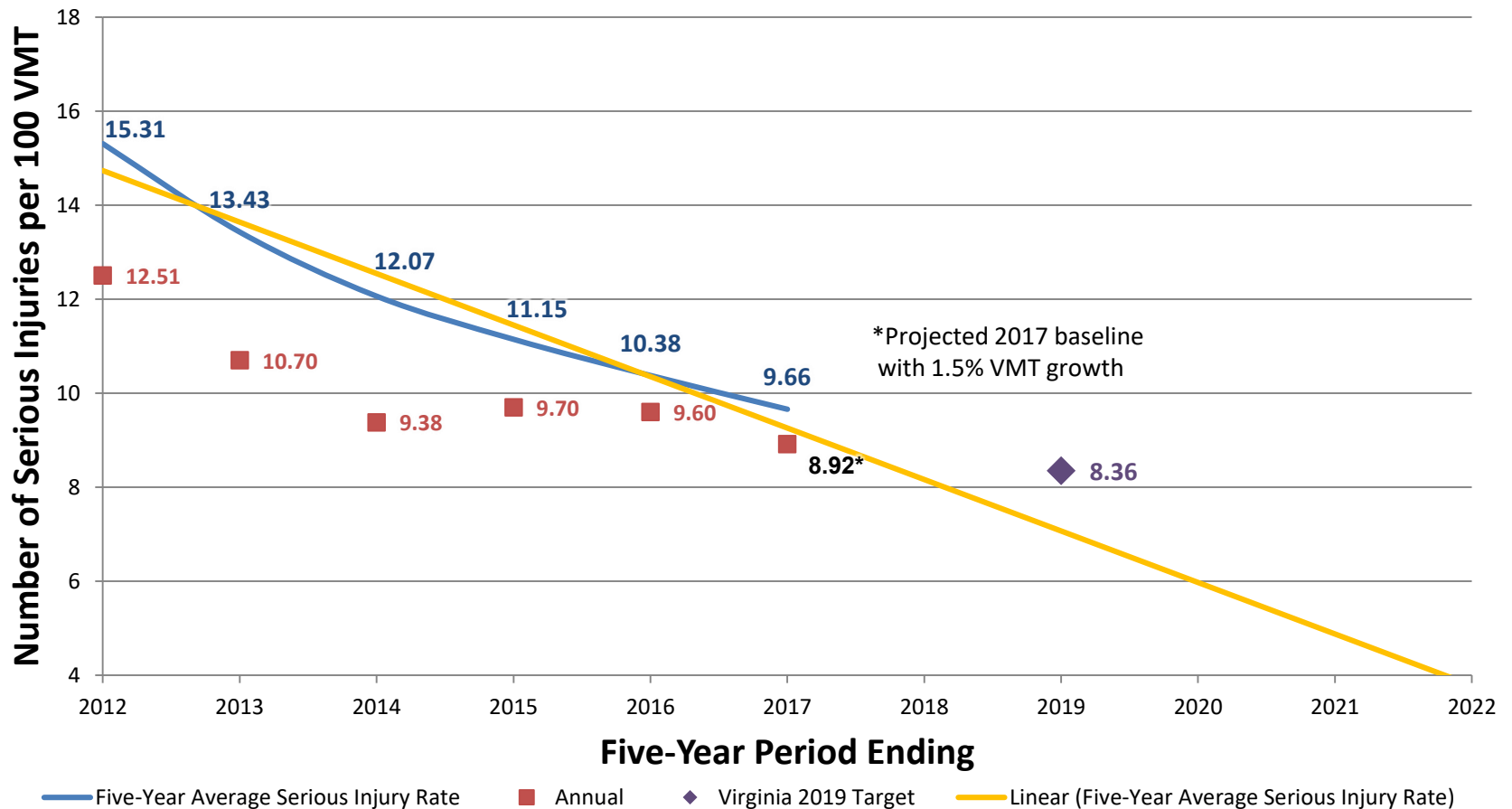
2019 Fatalities per 100M VMT Based on Trend-line



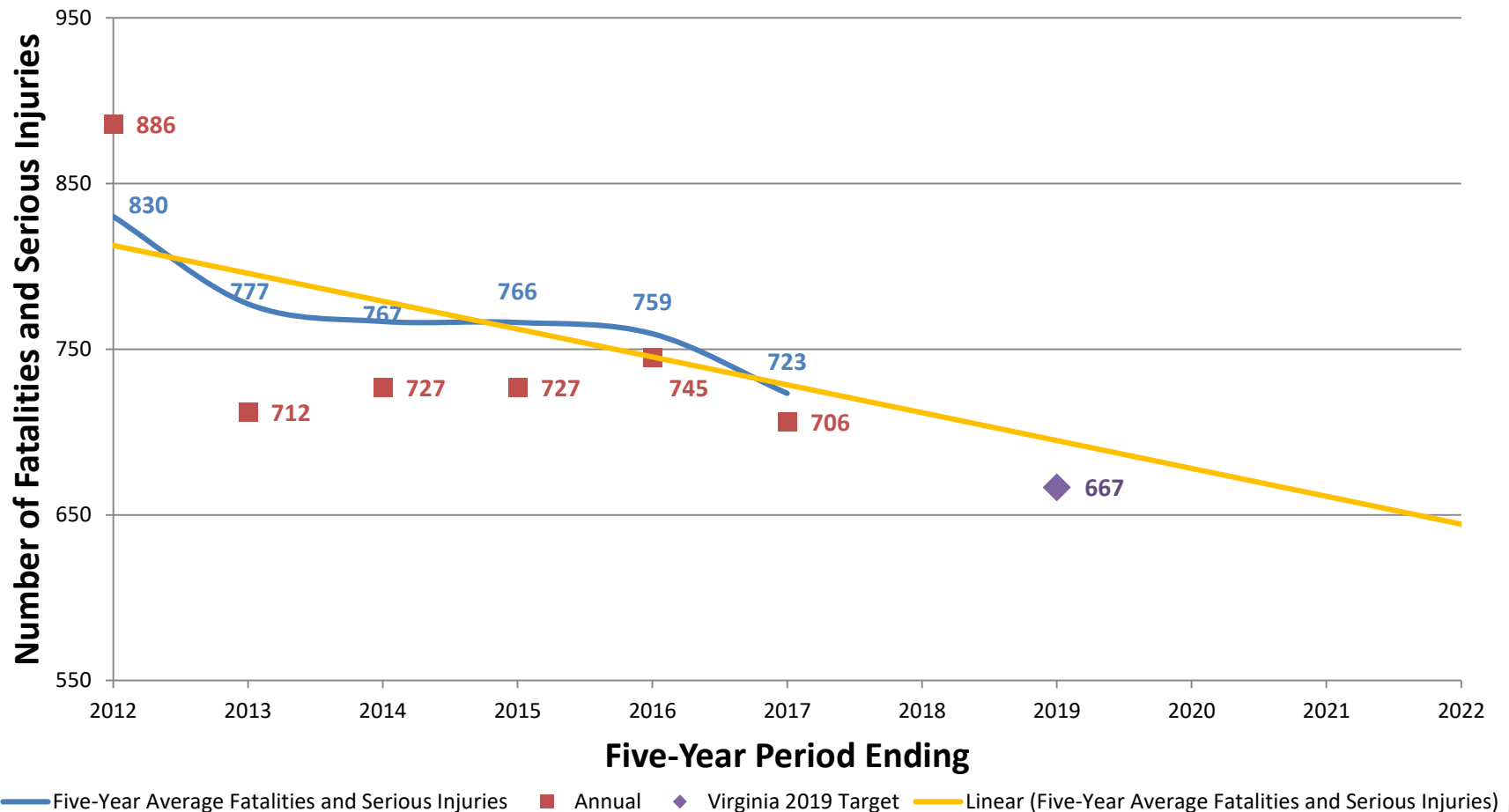
2019 Serious Injuries Trend-line



2019 Serious Injuries per 100M VMT Based on Trend-line



2019 Non-Motorized Fatalities and Serious Injuries Trend-line



Safety Targets

National Highway Transportation Safety Administration and FHWA recommend using trend-line analysis to establish targets

- **Trend-line analysis has a 1-2 year lag**
- **“5-year rolling average” includes 9 years of data, the trends have changed during this time period**
- **Does not take into account new investment strategies or laws and policies**

Safety Targets

- **Challenged staff to develop a new data-based methodology to establishing targets**
- **Draft concept includes—**
 - **Review causes of fatalities and severe injuries**
 - **Determine which causes can be influenced by capital improvements**
 - **Determine whether travel will increase/decrease**
 - **Evaluate safety impact of projects that opened to traffic the previous year**

Next Steps

- **Methodology for Target Setting**
 - ✓ **Define Purpose**
 - ✓ **Set Target parameters**
 - ✓ **Assemble baseline data and analyze trends**
 - ✓ **Present remaining baseline data at following meeting**
 - 4. **Develop targets for the Board's consideration**
 - 5. **Seek feedback from Board and other stakeholders**
 - 6. **Provide adopted targets to USDOT by October**



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

WMATA Legislation Implementation

Nick Donohue
Deputy Secretary of Transportation
May 15, 2018



WMATA Legislation

- **Virginia legislation directs the Commonwealth Transportation Board to withhold state funds for WMATA under certain circumstances**
- **Maryland legislation also includes circumstances where state funds for WMATA are withheld**
- **Both VA and Maryland legislation include reporting requirements**

CTB Policies

- **Recommend the Board establish policies to provide clear guidance to WMATA Board and General Manager regarding Virginia legislation**
- **Recommend Board policies align, to the extent practicable, with Maryland requirements**

3% Cap on Growth in Operating Assistance

- Board is required to withhold 35% of dedicated state funds for WMATA (53.5% of Mass Transit Account)
- The operating costs related to the following is excluded from this calculation:
 - Any service, equipment, or facility that is required by any applicable law, rule or regulation
 - Any capital project approved by the WMATA Board
 - Any payment/obligation resulting from a legal dispute or proceeding
- Maryland and Virginia language is identical

WMATA Board Governance

- **Board shall withhold 20% of dedicated state funds for WMATA for non-compliance**
- **Intent of legislation was—**
 - **To scale back the size of the WMATA Board to the principal directors and have the alternate directors only participate in Board meetings or committee meetings if principal is not present, and**
 - **Revise WMATA by-laws so only principal directors are members of committees**

WMATA Strategic Plan

- **Board shall withhold 20% of dedicated state funding for WMATA for non-compliance**
- **WMATA must adopt by July 1, 2019 a strategic plan that addresses the key recommendations from the LaHood Report, and hold a public hearing in Northern Virginia**
- **Every 3 years thereafter WMATA must adopt or update a strategic plan**

WMATA Capital Improvement Program

- **Board shall withhold 20% of dedicated state funding for WMATA for non-compliance**
- **WMATA must adopt by July 1, 2019 a capital improvement program that covers a 6-year period, and hold a public hearing in Northern Virginia**
- **Annually thereafter WMATA must update the 6-year program, similar to CTB policy**

Reporting Requirements

- **Dedicated state funding for WMATA is contingent upon NVTC reporting on WMATA's condition and performance**
- **Maryland legislation includes similar reporting requirements. Additional items include**
 - **Monthly ridership by rail line, rail station, bus line and bus station**
 - **Comparison of annual capital investments to the approved capital budget**
- **Maryland operating funds may be withheld if WMATA does not report this information**

Moving Forward

- **Secretary's Office and DPRT will be meet and coordinate with Maryland and the District regarding reforms**
- **Draft policies will be developed by DRPT and provided to the Board at its July meeting**
- **Based on feedback final policies will be provided to the Board for action at its September meeting**



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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Richmond, Virginia 23219

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COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

General Francis Marion Hotel
The Conference Room
107 E Main Street
Marion, VA 24354
May 15, 2018
12:00 p.m.

10. Commissioner's Items

- HRBT Schedule Update

Stephen Brich, Virginia Department of Transportation

This item does not have a presentation associated with it, but rather is the time when the Commissioner will update the Board on various items.

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COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

General Francis Marion Hotel
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Marion, VA 24354
May 15, 2018
12:00 p.m.

11. Director's Items

Jennifer Mitchell, Virginia Department of Rail & Public Transportation

This item does not have a presentation associated with it, but rather is the time when the Director will update the Board on various items.

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COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

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May 15, 2018
12:00 p.m.

12. Secretary's Items

Shannon Valentine, Secretary of Transportation

This item does not have a presentation associated with it, but rather is the time when the Secretary will update the Board on various items.

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