



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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COMMONWEALTH TRANSPORTATION BOARD

We are concerned about your health, and we are committed to do all we can to reduce the risk and spread of novel coronavirus. Governor Ralph Northam declared a state of emergency in Virginia on Thursday, March 12, 2020 in response to COVID-19. In light of this action, we have decided to conduct the April 2021 Commonwealth Transportation Board (CTB) workshop meeting using electronic communications in accord with Item 4-0.01.g. of Chapter 1289 (2020 Acts of Assembly), as the COVID-19 emergency makes it impracticable or unsafe to assemble in a single location. The purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operation of the CTB and the discharge of its lawful purposes, duties, and responsibilities.

All board members will be participating remotely. The public may view the meeting via live stream by clicking the "View video" button at the following link: http://www.ctb.virginia.gov/public_meetings/live_stream/default.asp. There will be opportunity for public comment at the beginning of the April 21, 2021 Action meeting. Public comment can be submitted by calling the following telephone number 1-785-422-7132 followed by PIN 427 007 051# when it is announced that public comment will begin. A caller may be placed on hold until others who have called in earlier have had opportunity to speak.

In the event there is an interruption in the broadcast of the meeting, please call (804) 729-6495.

Should you wish to offer comment regarding how meetings using electronic communications technology compare to traditional meetings when the CTB is physically present, you may complete the FOIA Council's Electronic Meetings Public Comment form appearing at the end of this agenda and submit it to the FOIA Council as described on the Form.

WORKSHOP AGENDA

April 20, 2021

9:00 a.m. – 1:00 p.m.

1. 95 Variable Speed Limit
Mena Lockwood, Virginia Department of Transportation
Kelly Hannon, Virginia Department of Transportation
2. Environmental
Rob Cary, Virginia Department of Transportation
3. Interstate Operations and Enhancement
John Lawson, Deputy Secretary of Transportation
4. ITTF Funding
Cathy McGhee, Virginia Research Council

Agenda
Meeting of the Commonwealth Transportation Board
Workshop Session
April 20, 2021
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5. Draft Fiscal Years 2022 – 27 Commonwealth Transportation Fund Six-Year Financial Plan, Draft Fiscal Year 2022 Commonwealth Transportation Fund and Virginia Department of Transportation Budgets
Laura Farmer, Virginia Department of Transportation
Jamie Motley, Virginia Department of Rail and Public Transportation
6. Draft FY2022-2027 SYIP Update
Kimberly Pryor, Virginia Department of Transportation
Jennifer DeBruhl, Virginia Department of Rail and Public Transportation
Michael McLaughlin, Virginia Department of Rail and Public Transportation
Jamie Motley, Virginia Department of Rail and Public Transportation
7. I-495 Express Lanes Northern Extension
Rob Cary, Virginia Department of Transportation
Susan Shaw, Virginia Department of Transportation
8. I-81 Program Update
Dave Covington,, Virginia Department of Transportation
9. Passenger Rail Update
Michael McLaughlin, Virginia Department of Rail and Public Transportation
10. I-81 Corridor Finance Update; Series 2021 Authorization
Laura Farmer, Virginia Department of Transportation
11. Station Policy, Needs Assessment and Prioritization Strategies
Station Funding FY22-27
Emily Stock, Virginia Department of Rail and Public Transportation
12. Director's Items
Jennifer Mitchell, Virginia Department of Rail and Public Transportation
13. Commissioner's Items
Stephen Brich, Virginia Department of Transportation
14. Secretary's Items
Shannon Valentine, Secretary of Transportation

#

I-95

Variable Speed Limit System

Commonwealth Transportation Board Meeting

April 20, 2021



Key Takeaways

Project Background

Significant congestion; high travel time variability; high crash rates

Variable Speed Deployments

Other DOTs are using VSL for congestion and weather applications

What VSL will look like in Virginia

Field devices; algorithm features; how it works

Expected Benefits

Crash rates are reduced, throughput is increased, fewer stop-and-go conditions

Next Steps

Deployment schedule, performance evaluation, and VSL expansion strategy



Project Background

- I-95 Corridor Improvement Plan (CIP)
 - I-95 near Fredericksburg experiences heavy recurring weekday and weekend congestion
 - High incident and personal vehicle delay increases approaching Fredericksburg (and further north)
 - Unreliable travel time due to stop-and-go conditions throughout the corridor
 - Other projects north of Fredericksburg will not mitigate congestion south of these projects



Project Development

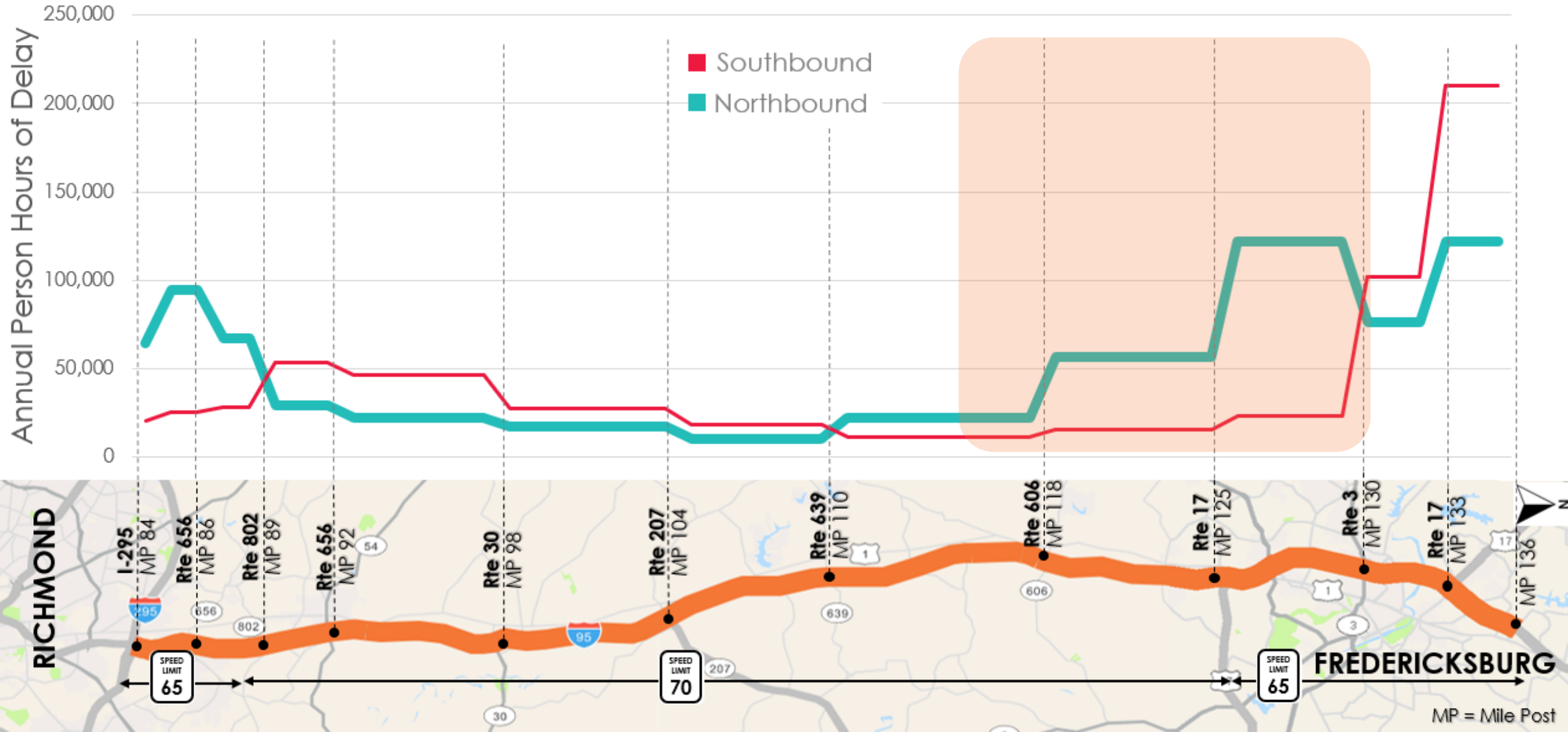
Corridor Characteristics



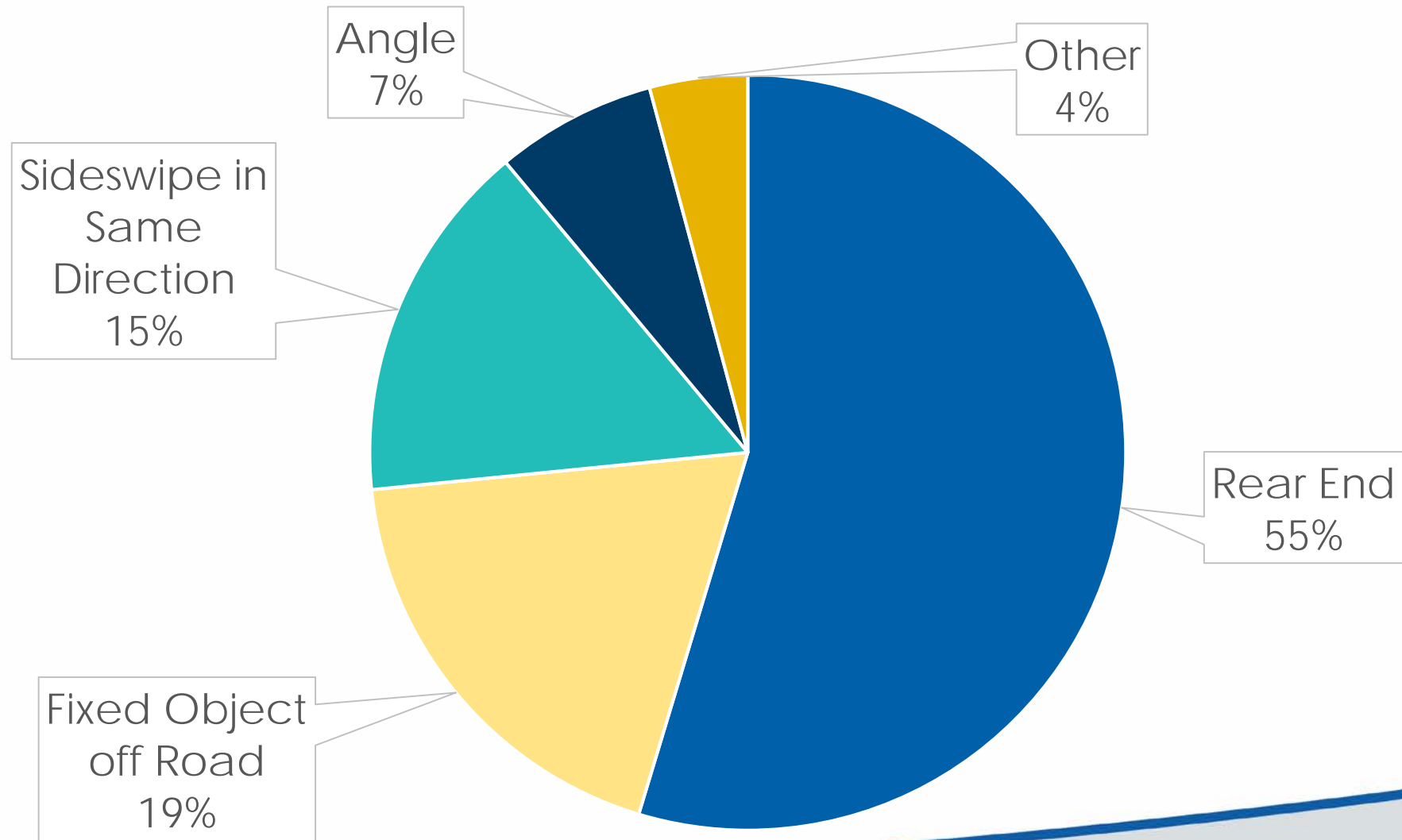
- Recurring and non-recurring congestion
- Hot spots with stop-and-go conditions
- Speed variations
- Higher crash rates – significant incident delay



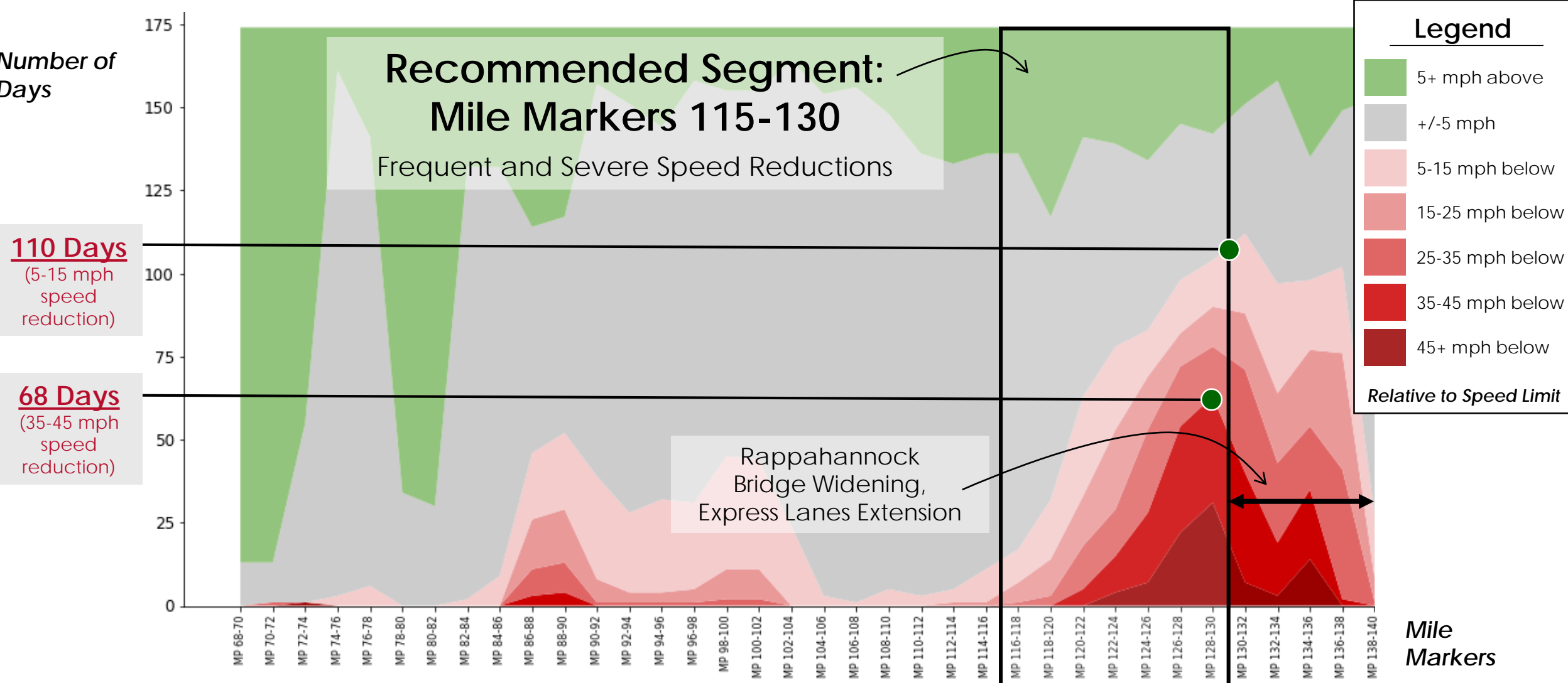
2015 – 2019 Total Annual Person Hours of Delay



2015-2019 Collision Types



Frequency of Speed Reductions Along Corridor



Northbound I-95, PM Peak Period, Weekends (Jan 2019 – Aug 2020)

Why VSL is Deployed

Speed Harmonization

End-of-Queue Warning

Weather and Visibility
Advisories



Powered by Bing
© DSAT for MFT, GeoNames, TomTom



I-15 in Las Vegas, NV



Example VSL Signs

I-95 Variable Speed Limit System



Example VSL Signs

I-95 Variable Speed Limit System

I-80 in San Francisco, CA



Full-Matrix Electronic Sign

I-77 in Virginia



Full-Matrix LED Sign

HRBT in Virginia



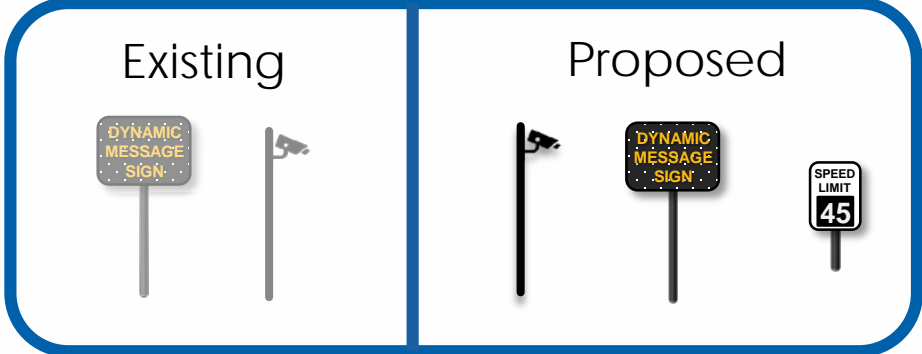
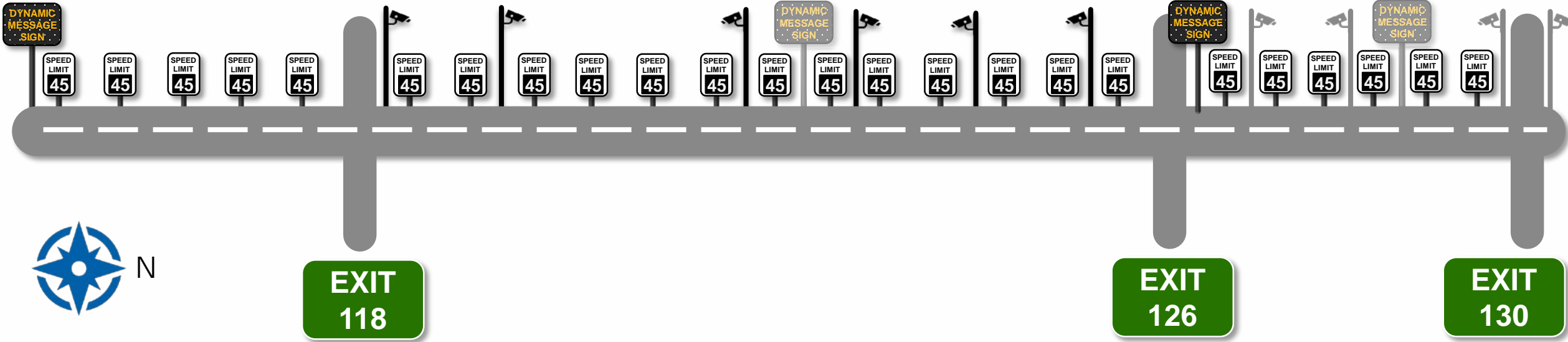
Static Sign with Cutout



Imagery of Future VSL on I-95



I-95 Variable Speed Limit System

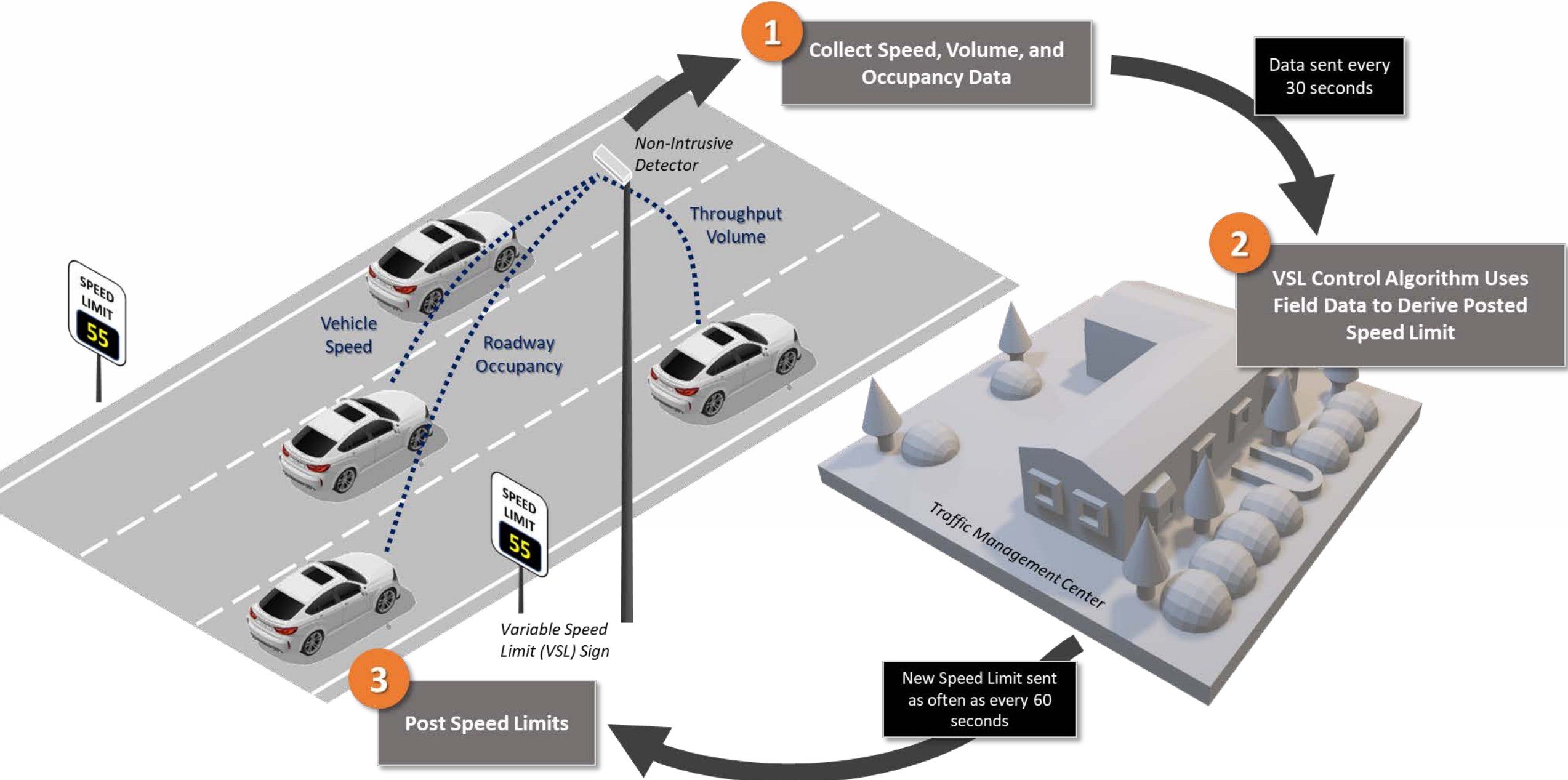


To Fredericksburg 



How VSL Works

I-95 Variable Speed Limit System

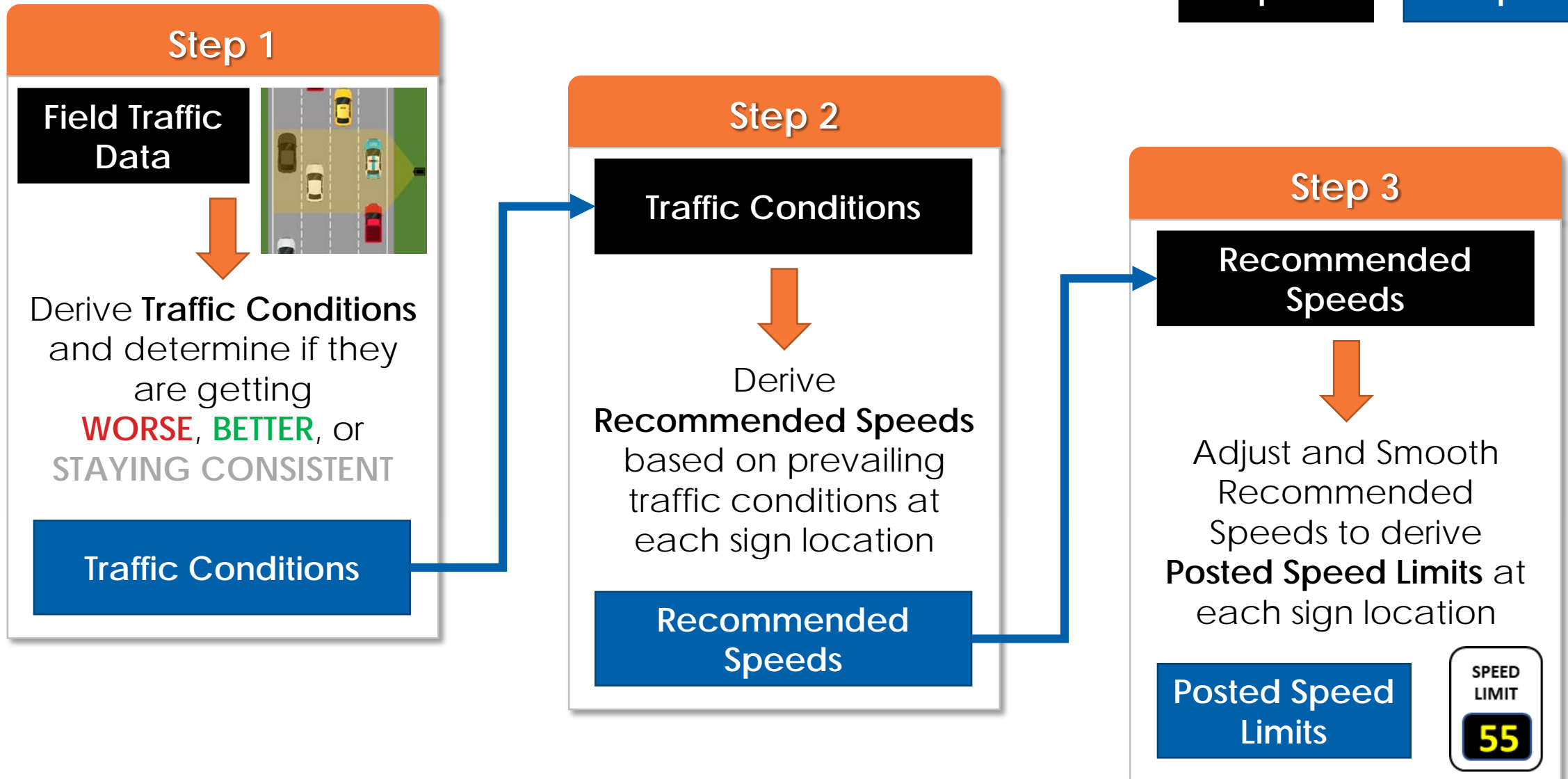


VSL Control Algorithm

I-95 Variable Speed Limit System

Inputs

Outputs



Corridor Evaluation & Expansion Strategy

- Evaluate Project Performance
 - Reduce Recurring and Non-Recurring Congestion
 - Reduce Incidents
 - Improve Travel Time Reliability
 - Increase Throughput
- Define characteristics for future deployments
 - Crash rates
 - Congestion hot spots, severity and duration
 - Weather or visibility impacts
 - Available capacity for increased throughput
- Identify and prioritize candidate VSL corridors throughout state for future deployments



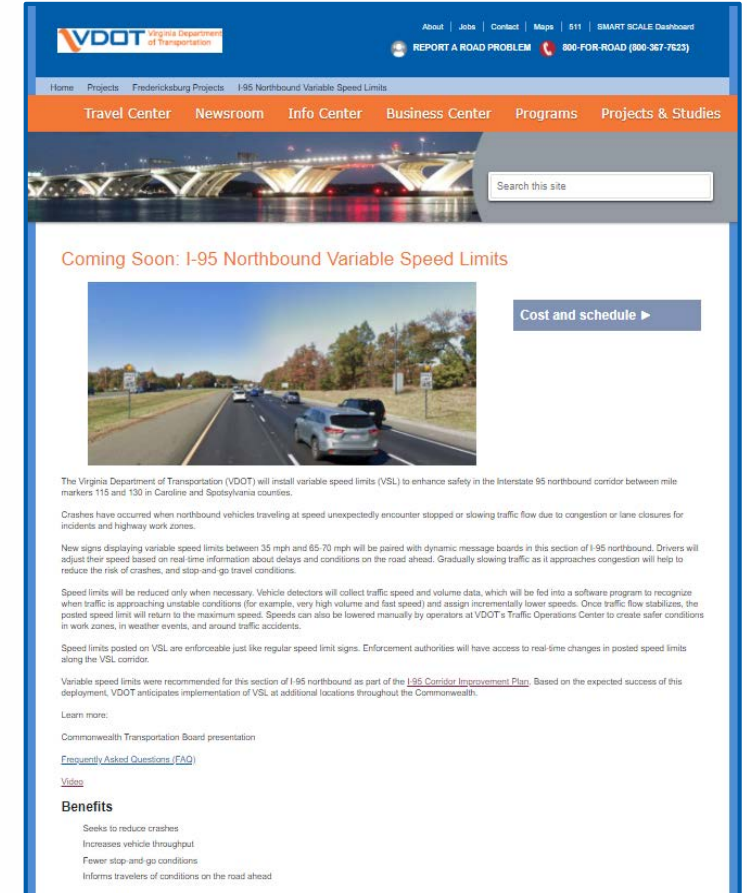
Project Timeline

- Concept of Operations – Completed
- High-Level System Requirements and Design – Completed
- VSL Algorithm – In Development
- System Deployment – In Design
- Public Engagement Plan – In Development
- **System Operational – Fall 2021**



Public Communication

- Messaging:
 - Increasing awareness
 - Lead with safety
- Timing (3 waves):
 - CTB presentation
 - Launch
 - Seasonal outreach
- Web : virginiadot.org/variablespeedlimits
- Strategies:
 - Joint event with VSP at launch
 - Social media, earned media, owned media
 - I-95 Safety Rest Areas
- Other
 - Briefings with local governments/law enforcement before activation
 - Communicating change early with private mapping partners



VDOT I-95 VSL Public Outreach Video:

<https://www.youtube.com/watch?v=480pyXmiHzA>



Questions



ENVIRONMENTAL STEWARDSHIP + SUSTAINABILITY

Commonwealth Transportation Board

| VDOT Chief Deputy Commissioner Rob Cary, P.E., L.S.

April 2021

Transportation's Commitment to Environmental Stewardship



Environmental Stewardship: Embedded into the Mission



Project Development



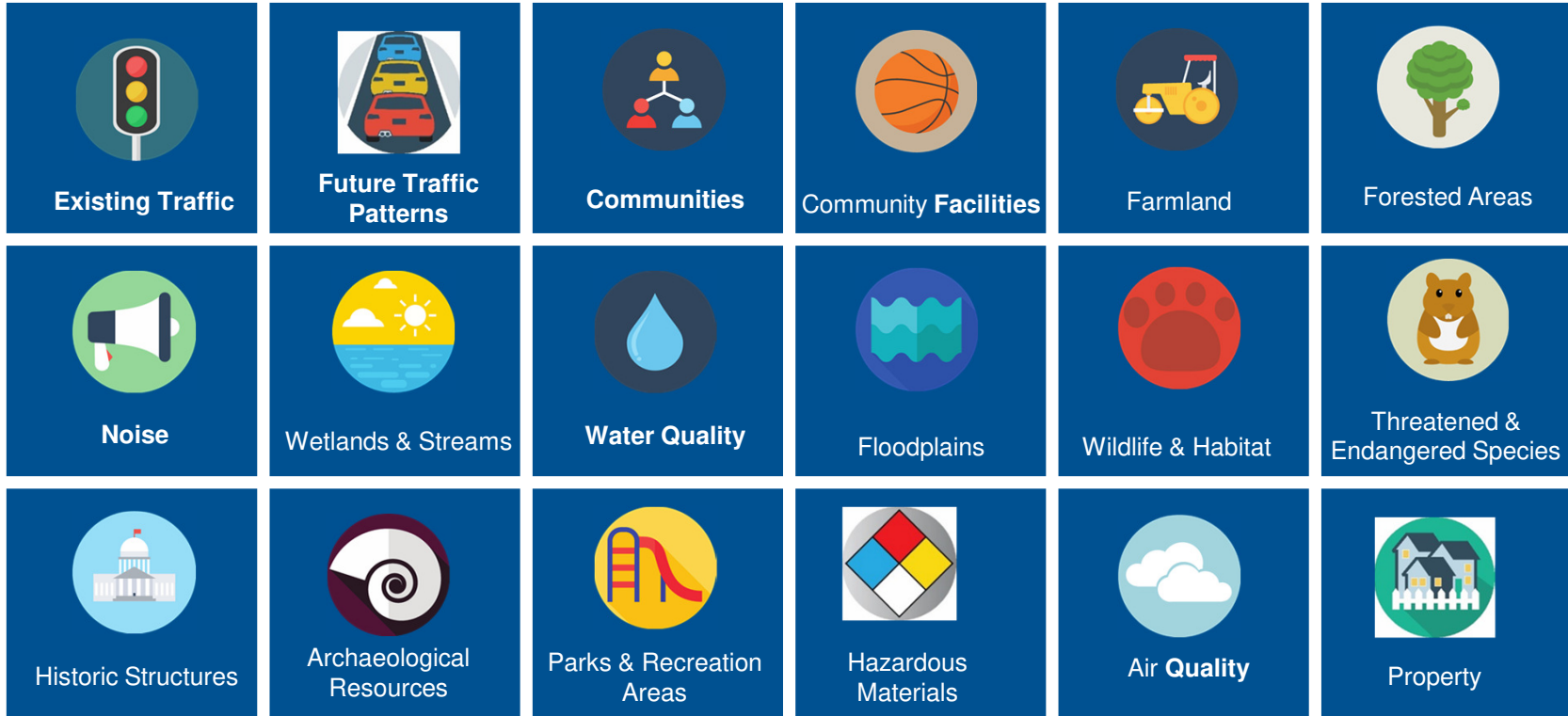
Construction



Maintenance

Regulatory Clearances
Negotiate and Manage Efficiencies
Statewide Environmental Business Tools
Environmental Program Administration
Technical Assistance and Coordination

Identification | Avoidance | Minimization | Documentation



Regulatory Partners



NOAA
FISHERIES



DHR | Virginia Department of Historic Resources



US Army Corps
of Engineers®

Proactive Partnerships: Seabirds



Proactive Partnerships: Virginia is for Lovers, Not Litter



In Sept. 2020, VDOT in partnership with Secretary Valentine, launched Virginia is for Lovers, Not Litter LoversNotLitter.org



The campaign aims to raise awareness about Virginia's litter problem and build accountability



All Virginia residents and visitors are encouraged to take the No Love for Litter Pledge and vow to stop littering



Each of us is accountable to keep Virginia clean, beautiful and welcoming to all



Proactive Partnerships: Virginia is for Lovers, Not Litter



Plans are underway to promote the campaign during upcoming national observances such as Earth Day and Pollinator Week



A series of litter pick-ups are planned in conjunction with the fall Six-Year Improvement Plan meetings

**VIRGINIA IS FOR LOVERS,
NOT LITTER**

**Take the No Love
for Litter Pledge**

LoversNotLitter.org



Proactive Partnerships



**Adopt-a-Highway
and
Adopt-a-Park & Ride**

**Sponsorships
through Beautify
Virginia**

**Pollinator
Habitat
Program**

**Keep
Virginia
Beautiful**



Looking Forward: Connected and Automated Vehicles

VDOT is preparing for connected and automated vehicles

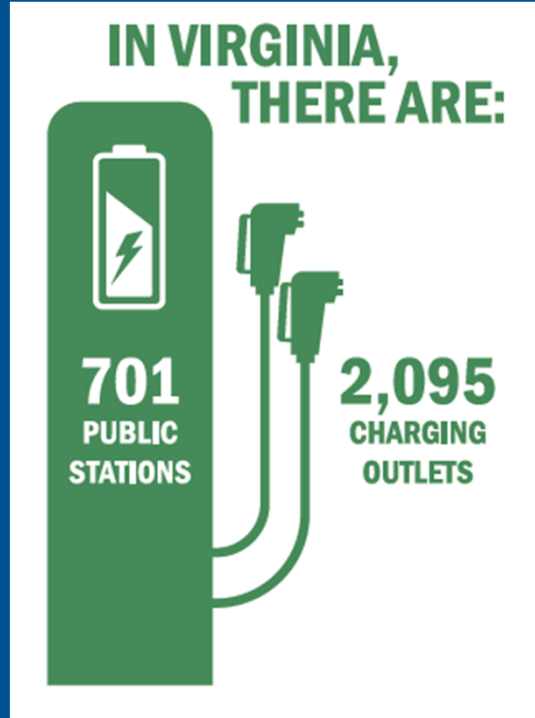
- **Assessing current state of readiness + developing a roadmap for future CAV deployments**
- **CAV partnerships**
 - **Cellular Vehicle to Everything (CV2X)**



Looking Forward: Air Quality

- **Greenhouse Gas Study**
 - Statewide Planning-Level Analysis
 - Pilot Project Analysis Along the Multimodal I-95 Corridor
 - National leader in developing quantitative GHG measures as opposed to qualitative measures.
 - Ultimately, this may provide an opportunity for using the data in the multimodal capacity project selection process.

Electric Vehicle (EV) Readiness



- **EV Readiness Study Highlights**
 - Education + Outreach | Regulation + Opportunities
 - Access | Charging Options + Inclusive Access
 - Partnership | Infrastructure + Inventory
- **Signage for nearby EV charging stations**
 - In partnership with Virginia Department of Environmental Quality, Virginia Department of Mines, Minerals, and Energy and Virginia Clean Cities



Looking Forward: Resiliency

- **Resilience incorporated into Structure & Bridge Design Manual**
- **Updating NOAA Atlas 14 and Developing Predictive IDF Curves**
- **Initiated resiliency study with VIMS**
 - Analyzing at-risk infrastructure
 - Assessing ecosystem impacts
 - Developing proactive strategies for project development and operations management
- **Incorporating resilience into roadway design**



For today: Get involved **Earth Day is April 22 |**

Get out and pick up litter in your neighborhood

Snap a selfie and post with #VALoversNotLitter on social

Sign the pledge |

www.loversonotlitter.org

Litter quitters |

Kudos to VDOT, DRPT and our many local government partners for combating the litter problem and picking up trash together

We are all in this together |

Each of us need to keep Virginia beautiful



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Interstate Operations and Enhancement Program
Prioritization Approach

John Lawson
Deputy Secretary of Transportation
April 20, 2021



Interstate Operations and Enhancement Program

- The purpose of the Interstate Operations and Enhancement Program (the Program) is to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth.
- The Program is a result of the 2019 Interstate 81 bill
- The Omnibus legislation in 2020 codified Program and its requirements (33.2-372)
- Program receives 20% of funds available for construction, after revenue sharing take-down

Distribution of Funding

- Funds distributed based on share of total vehicle miles traveled by trucks
- 43.7% distributed to Interstate 81 Corridor Improvement Fund for Interstate 81 Corridor Improvement Program
- 8.4% distributed to and controlled by the Northern Virginia Transportation Authority Fund
- For any interstate highway with more than 10 percent of total vehicle miles traveled by trucks
 - 16.5% must be used on I-95
 - 11.8% must be used on I-64
 - Remaining 19.6% can be used at Board's discretion for Interstate improvements

Available Funding

Excluding Interstate 81 and NVT

(in millions)

	Previous	2022	2023	2024	2025	2026	2027	Total
Interstate 95	\$20.8	\$0.2	\$12.9	\$13.5	\$19.8	\$28.6	\$27.3	\$123.0
Interstate 64	18.1	10.8	18.8	18.8	19.6	20.6	19.6	126.3
Interstate Improvements	53.6	21.7	31.1	31.1	32.6	34.2	32.5	236.8
Total	\$92.4	\$32.7	\$62.8	\$63.4	\$72.0	\$83.4	\$79.4	\$486.1

Prioritization Process

- The Board, with the assistance of the Office of Intermodal Planning and Investment, is required to establish a process to evaluate and prioritize potential strategies and improvements
- The Code requires priority be given to operational and transportation demand management strategies that improve reliability and safety of travel

Interstate Corridor Planning

- Funds may be used to address a need identified in VTrans or an Interstate corridor plan approved by the Board
- Planning processes to evaluate potential solutions for needs identified on Interstate corridors
 - First, develop corridor-wide operations and incident management plans
 - Second, development of solutions focused on multimodal alternatives
 - Lastly, identify capital improvements

Operational Improvements

- Each Interstate corridor was analyzed to identify gaps in existing operations focused on safety and reliability
- Key components examined and considered include:
 - Changeable message signs and cameras
 - Expanded safety service patrol
 - Detour routes and improvements to parallel routes
 - Quick clearance towing programs

Operational Improvements

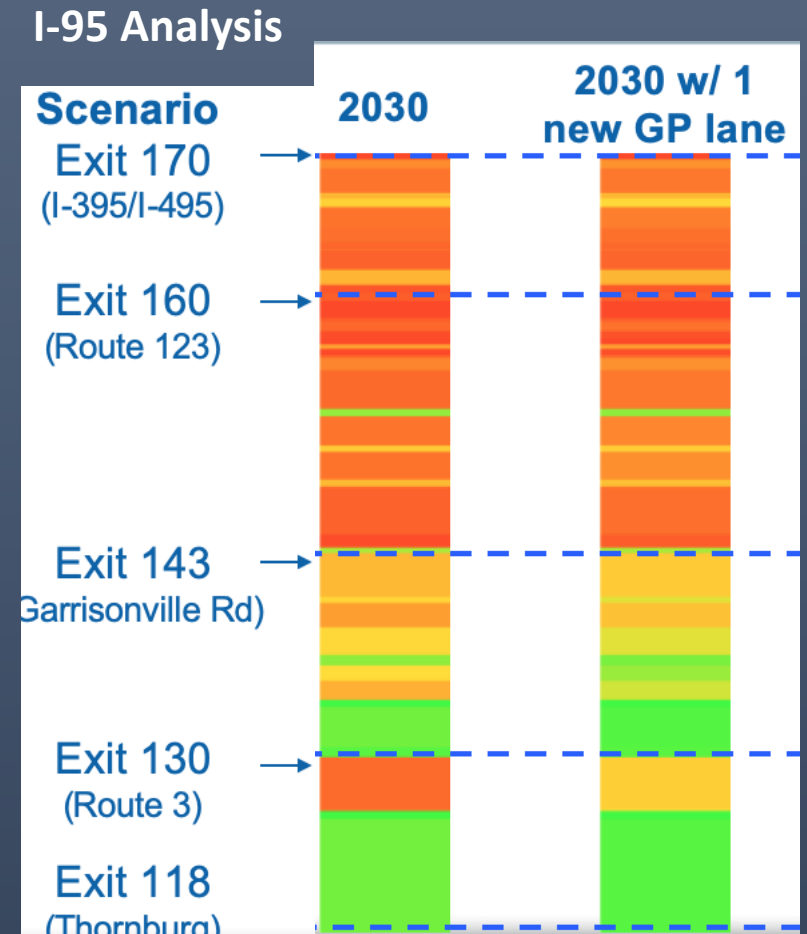
- Require that in each programming cycle funds be allocated off the top for the identified operational improvements system-wide
- Operational improvements have on-going O&M costs. Should the Program -
 - Pay for the O&M costs every year?
 - Pay for The O&M costs for a defined period of time?
 - Not pay for any O&M costs?

Cost of Planned Operational Improvements (in millions)

	Operational Improvements	Annual O&M
Interstate 95	\$74.2	\$9.0
Interstate 64	14.0	0.95
Other Interstates	7.7	1.3
Totals	\$95.9	\$11.25

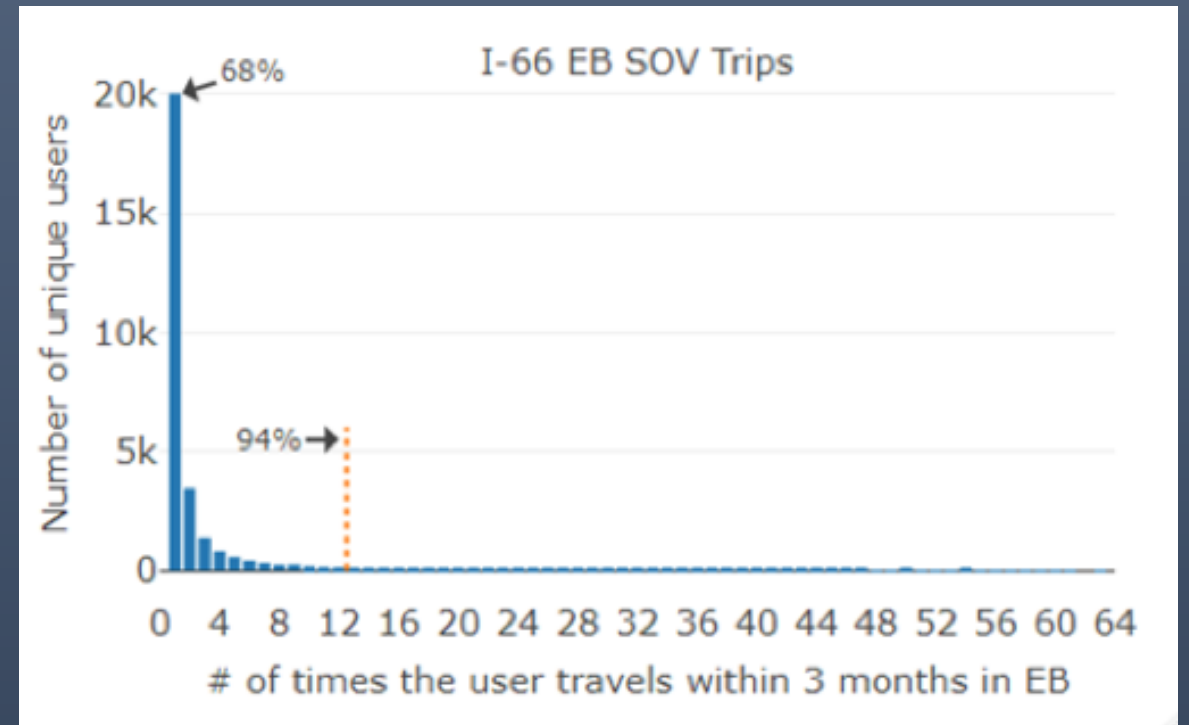
Transportation Demand Management

- Interstate widening projects can provide long-term travel flow and reliability benefits
 - Widening I-81 is projected to provide improved travel flow for 50 to 80+ years
- In certain circumstances widening projects do not provide long-term relief



Transportation Demand Management

- Express lanes provide travel choices to users and provide a reliable and faster option when necessary
- By maintaining travel flow express lanes can move more vehicles during peak periods
- Provide fast option for buses and carpoolers



Transportation Demand Management

- Northern Virginia has a mature express lanes network
 - By 2022 90+ mile network on all major interstate corridors
 - 95 Express Lanes move more than 2x times as many people per hour during peak periods as general purpose lanes
- Hampton Roads is implementing a 45 mile network on I-64 expected to be completed by 2025

Transportation Demand Management

- When considering the potential expansion of Interstate highways, the Board should evaluate whether the new lanes will provide long-term benefits
- If new general purpose lanes are expected to remain or become congested again, the implementation of express lanes should be given priority over general purpose lanes

Transportation Improvements, Strategies, or Services

- The planning process also identifies and considers other transportation improvements such as:
 - Safety improvements
 - Transit Capital (Initial operating costs)
 - Park and Ride Lots
 - Acceleration and Deceleration lane extensions
 - Interchange improvements
 - Widening projects

Prioritization of Capital Improvements

- Code requires Board to develop a prioritization process for programming the capital funds
- Recommending the use of a SMART SCALE-like process with benefits compared to project costs and scores determined as follows:
 - 40% based on person hours of delay
 - 40% based on change in crash frequency
 - 20% based on change in access to jobs

Prioritization of Capital Improvements

- Funding would be applied in a step-wise approach
 - First, funding for operational upgrades provided off the top for both corridors with dedicated funding, and remaining interstate corridors
 - Second, allocations to corridors with dedicated funding based on SMART SCALE-like scoring (similar to District Grant step)
 - Third, allocations to all corridors based on SMART SCALE-like scoring (similar to High Priority step)

Next Steps

- May – Present the Interstate Operations and Enhancement Prioritization Policy document
- June – Board consideration of the Program Policy
- July – Present the initial allocation of Interstate projects funded by Program

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Cathy McGhee, PE
Director of Research and Innovation

Innovation and Technology Transportation Fund

The ITTF provides funding specifically for the purposes of funding pilot programs and fully developed initiatives pertaining to high-tech infrastructure improvements with a focus on:

- Reducing congestion
- Improving mobility
- Improving safety
- Providing up-to-date travel data
- Improving emergency response

Status of Previous Projects

- There are 40 projects currently funded with ITTF that were approved by the CTB in previous SYIP updates
- Those 40 projects total \$125,465,169
- 6 of these projects are complete or nearing completion
- Of the remaining 34, all but two are underway and the remaining 2 are in development

Proposed Projects

- Proposed projects for inclusion in FY22 SYIP were developed in consultation with VTRC, DRPT, the Operations Technology Team, VDOT Districts, and Traffic Engineering and Operations Divisions
- Total value of proposed projects is \$13.2 million (funded from prior ITTF balances and FY22 allocation)
- Proposed projects include focus on:
 - Congestion Mitigation
 - Traffic Signal Operational Improvements
 - Communication Network Enhancements
 - Operations Maintenance
 - Work Zones/Incident Management

Congestion Mitigation

- **I-77 VSL and Queue Warning Feasibility**
 - Address travel speed degradation with speed harmonization and queue warning
 - Reduce potential of rear-end collisions
- **Statewide VSL Framework/Feasibility Assessment**
 - Quantify benefits of VSL under varying conditions
 - Identify other locations for beneficial deployment
- **Improved Freeway Management (IFM) Pilot**
 - Leverage I-95 VSL project
 - Connected vehicle deployment of speed harmonization (CACCC strings)

Congestion Mitigation (cont.)

- **Tunnel Speed Management (Guide Lights)**
 - Address phenomenon of reduced speed on inclines
 - “Pace” lights provide visual cues of appropriate speed
- **HRBT Over-height Detection and Mitigation**
 - Separate project will address tunnel height restriction
 - Identify and pilot system to detect and divert remaining over-height vehicles

Traffic Signal Operational Improvements

- **Rt. 19/460 Signal Detection Upgrades**
 - Primary diversion route for I-77
 - Facilitate ATSPM and EVP
 - Three camera for situational awareness
- **Jefferson Avenue Signal Improvements**
 - Upgrade signal controllers and connect to statewide system
 - Provide continuity of operations and enhanced incident management capabilities

Operations Maintenance

- **High Water Monitoring System**
 - Lynchburg District – locations experience frequent roadway flooding
 - Automatically detect and report roadway flooding
- **Pavement Marking/Marker Management System**
 - Mobile collection of retroreflectivity data
 - Facilitate maintenance and replacement of markings/markers
- **Smarter Lighting**
 - Network assessment of current nighttime lighting levels
 - Impacts of lighting deenergization
 - Targeted illumination of crosswalks

Work Zones/Incident Management

- **Connected Work Zones**
 - Real-time work zone status information dissemination
 - Worker Alerts
 - ATMAs
- **Automated Speed Enforcement**
 - Pilot in 2-3 work zones
 - At least one I-81 work zone
- **Incident Response Optimization**
 - Focus on VDOT people, skills, equipment
 - Reduce response time and overall duration

Communications for Operations Technology

- **Osprey Fiber Connections**
 - Leverage Osprey RSA to connect devices along I-81 in Southwest/Northwest Regions
 - Will result in \$400,000 annual cost savings
- **High Speed Signal Communications – Phase 2**
 - Reliable high-speed communications required for real-time operations and performance monitoring
 - 95 signals will be upgraded in Phase 2

Project	Improve Safety	Reduce Congestion	Improve Traveler Information	Enhance Emergency Response	Improve Mobility
I-77 VSL/Queue Warning	✓	✓	✓		
Statewide VSL Framework/Feasibility	✓	✓			
IFM Pilot	✓	✓			✓
Tunnel Speed Management	✓	✓	✓		
HRBT Over-height Detection and Mitigation	✓	✓			✓
Rt. 19/460 Signal Detection Upgrades	✓	✓		✓	
Jefferson Avenue Signal Improvements	✓	✓		✓	
High Water Monitoring	✓		✓		
Pavement Marking Management	✓		✓		✓
Smarter Lighting	✓				
Connected Work Zones	✓	✓	✓		
Automated Speed Enforcement	✓	✓			
Incident Response Optimization	✓	✓		✓	
Osprey Fiber Connections	✓	✓	✓	✓	✓
High Speed Signal Comms – Phase 2	✓	✓			✓



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Draft FY 2022 – 2027 Commonwealth Transportation Fund (CTF) Six-Year Financial Plan

Draft FY 2022 CTF and VDOT Budgets

Laura Farmer, Chief Financial Officer

April 20, 2021

Commonwealth Transportation Fund (CTF)

Draft Fiscal Years 2022 – 2027 Six-Year Financial Plan Overview

- ❑ The Six-Year Financial Plan (SYFP) identifies the planned funding for allocation to Highways, Rail, Transit, Ports, Aviation, DMV, and Space Flight
- ❑ The Preliminary Fiscal Years 2022 – 2027 SYFP allocates \$46.1 billion
- ❑ Includes the use of bond proceeds totaling \$1.2 billion, representing GARVEE and Route 58 Corridor Bonds. I-81 Debt will be reflected in the Final Plan
- ❑ Transfers \$4.7 billion to the three regions for transportation improvements and \$695 million in dedicated revenue for WMATA Capital Fund
- ❑ Includes \$376 million of dedicated fuel tax revenue for the I-81 Corridor Improvements
- ❑ Dedicates \$14.3 billion for Maintenance and Operations
- ❑ Provides \$13.7 billion for Construction
 - Approximately \$3.9 billion of Construction Funding represents Local and Regional Funding for Projects
- ❑ Reflects actions of 2021 General Assembly Session

Commonwealth Transportation Fund Revenue Updates

- ❑ **State funding updates in fiscal years 2021 and 2022, net increase of \$127.7 million**
 - ❑ Decreased revenue expectations for Motor Fuel Tax revenue by \$80.6 million for the biennium
 - ❑ Reset expectations for the Road Tax performance, increasing the estimate by \$36.6 million for the biennium
 - ❑ Increased Retail Sales and Use Tax estimate by \$171.8 million for the biennium
- ❑ **Provides opportunity to restore omnibus investments toward full formula implementation in FY 2024**

- ❑ **Federal Revenue updates for Highway Infrastructure Program funds made available in Coronavirus Response and Relief Supplemental Appropriations Act and the DOT Appropriations Act**

Planned Omnibus Investments

Omnibus Investments possible with additional state revenue made available.

Directed allocations for remaining funding in FYs 2021 – 2023 to phase in commitments anticipated from omnibus legislation

<i>(in millions)</i>	FY 2022		FY 2023
	Previous	Current	Previous/Current
Special Structures*	\$5.0	\$60.0	\$80.0
Virginia Highway Safety Improvement Program	10.0	15.0	12.5
District Grant Program	5.0	7.5	7.5
High Priority Projects Program	5.0	7.5	7.5
Ports	-	2.5	3.0
Aviation	-	0.8	1.0
Space	-	0.8	1.0

<i>(in millions)</i>	FY 2022		FY 2023
	Previous	Current	Previous/Current
PRIIA Match	\$50.0	\$50.0	\$50.0
Operating	4.0	4.0	12.5
WMATA	4.0	6.0	12.1
Ridership Incentive	5.0	10.0	15.0
Rail	10.0	44.5	27.5
Capital	0.8	12.2	12.5
DMV	-	5.8	7.5

* Special Structures amount in FY 2023 prescribed by the Code of Virginia § 33.2-1524, C.

2021 Transportation Initiative

Sources	Amount (in millions)
General Fund	\$55.0
Uncommitted TPOF Funding	20.0
Uncommitted Access Program Funding	15.0
Federal – Highway Infrastructure Program - CRRSAA - Any Area	214.4
Federal – Highway Infrastructure Program and Bridge Replacement Funding	19.0
TOTAL	\$323.4

Uses Project/Effort (in millions)	Federal	State	Total
Intercity Passenger Rail from Roanoke to Blacksburg/Christiansburg	\$83.5	-	\$83.5
Improve commuter rail service on the VRE Manassas Line	83.5		83.5
Improvements to the I-64 Corridor - (1) HRELN, (2) improvements between exit 205 to 234	56.5	36.6	93.1
WMATA Capital for FY 2022		32.4	32.4
Regional trails	3.6	6.4	10.0
Pilot programs for fare-free transit with urban and rural providers		10.9	10.9
Redevelopment demonstration program - Falls Church	6.4	3.6	10.0
TOTAL	\$233.4	\$90.0	\$323.4

Estimated distribution based on current understanding of project eligibility

Commonwealth Transportation Fund (CTF) Revenue Estimate

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	TOTAL
Sources of Funds							
Retail Sales and Use Tax	\$ 1,214.7	\$ 1,157.5	\$ 1,184.4	\$ 1,243.9	\$ 1,303.9	\$ 1,339.2	\$ 7,443.6
Motor Vehicle Sales and Use Tax	899.6	983.6	982.8	1,025.1	1,057.3	1,009.6	5,958.0
Motor Fuels Tax	1,238.5	1,345.4	1,377.1	1,392.4	1,412.5	1,447.6	8,213.5
Aviation Fuels Tax	2.0	2.0	2.0	2.0	2.0	2.0	12.0
Road Tax	47.2	27.5	28.3	28.3	28.3	28.3	187.9
International Registration Plan	73.9	73.8	72.2	69.2	69.6	69.9	428.6
Registration Fees	202.9	202.9	206.0	206.9	207.8	207.4	1,233.9
State Insurance Premium Tax	171.8	177.5	184.3	190.8	197.0	203.2	1,124.6
Recordation Tax	57.0	57.0	57.0	57.0	57.0	57.0	342.0
Vehicle Rental Tax	29.7	31.1	31.6	32.1	32.7	33.2	190.4
Highway Use Fee	46.6	53.1	53.1	53.1	53.1	53.1	312.1
Total Commonwealth Transportation Fund	\$ 3,983.9	\$ 4,111.4	\$ 4,178.8	\$ 4,300.8	\$ 4,421.2	\$ 4,450.5	\$ 25,446.6

December 2020 Forecast; FYs 2021 and 2022 updated mid-General Assembly Session for Retail Sales and Use Tax, Motor Fuels Tax and Road Tax



Commonwealth Transportation Fund Draft Fiscal Years 2022 – 2027 Six-Year Financial Plan Estimated Revenues (in millions)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2022-2027 Total
State Transportation Revenues							
Commonwealth Transportation Fund	\$ 4,205.5	\$ 4,111.4	\$ 4,178.8	\$ 4,300.8	\$ 4,421.2	\$ 4,450.5	\$ 25,668.2
Prior year funding	-	191.4	-	-	-	-	191.4
Local & Regional Project Participation/Revenue	895.2	929.2	896.9	879.7	189.7	161.5	3,952.2
Other Revenue	441.6	435.3	459.3	414.5	417.8	424.3	2,592.9
Total	<u>5,542.3</u>	<u>5,667.3</u>	<u>5,535.0</u>	<u>5,595.0</u>	<u>5,028.7</u>	<u>5,036.3</u>	<u>32,404.6</u>
Federal Revenues							
	<u>1,363.4</u>	<u>1,122.7</u>	<u>1,140.6</u>	<u>1,158.8</u>	<u>1,177.4</u>	<u>1,196.2</u>	<u>7,159.1</u>
Total Revenues	<u>6,905.7</u>	<u>6,790.0</u>	<u>6,675.6</u>	<u>6,753.8</u>	<u>6,206.0</u>	<u>6,232.5</u>	<u>39,563.8</u>
Other Financing Sources							
GARVEE Bonds	76.3	100.0	125.0	134.0	137.1	149.0	721.4
Route 58	218.4	-	152.2	74.2	-	-	444.8
Total	<u>294.7</u>	<u>100.0</u>	<u>277.2</u>	<u>208.2</u>	<u>137.1</u>	<u>149.0</u>	<u>1,166.2</u>
Total Operating Revenues and Other Financing Sources	<u>\$ 7,200.4</u>	<u>\$ 6,890.0</u>	<u>\$ 6,952.8</u>	<u>\$ 6,962.0</u>	<u>\$ 6,343.1</u>	<u>\$ 6,381.5</u>	<u>\$ 40,730.0</u>
Pass Through Revenues							
Regional Transportation Funds	732.8	751.8	767.6	798.7	830.5	850.9	4,732.3
WMATA Capital Fund Revenue	110.0	115.6	116.2	117.0	117.8	118.5	695.1
Grand Total	<u>\$ 8,043.2</u>	<u>\$ 7,757.4</u>	<u>\$ 7,836.6</u>	<u>\$ 7,877.7</u>	<u>\$ 7,291.5</u>	<u>\$ 7,350.9</u>	<u>\$ 46,157.4</u>

Local & Regional Project Participation includes HRTAC's funding for the HRBT Expansion Project through FY 2025



Commonwealth Transportation Fund Preliminary Fiscal Years 2022 – 2027 Six-Year Financial Plan Estimated Allocations (in millions)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2022- 2027 Total
Debt Service	\$ 401.7	\$ 425.4	\$ 436.7	\$ 446.9	\$ 464.7	\$ 475.4	\$ 2,650.7
Other Agencies & Transfers	50.6	51.8	52.1	53.3	53.6	54.9	316.4
Maintenance & Operations	2,233.2	2,327.6	2,363.7	2,415.3	2,469.9	2,528.0	14,337.7
Administration & Other Programs	543.9	502.8	511.8	525.1	519.8	533.0	3,136.4
Toll Programs	70.9	97.6	99.3	100.9	102.5	104.1	575.2
Special Structures	60.0	80.0	82.1	84.0	86.0	87.9	480.0
Public Transportation	509.9	516.0	534.9	522.6	535.7	539.1	3,158.2
Virginia Passenger Rail Authority	361.4	161.5	176.5	164.0	169.4	170.6	1,203.5
DRPT Rail Assistance	15.7	13.9	14.4	14.6	14.9	14.7	88.2
DRPT Administration	17.5	17.8	20.8	21.5	22.2	22.3	122.2
Port Trust Fund	47.8	49.1	49.3	50.8	52.3	52.6	301.9
Airport Trust Fund	26.7	27.4	29.6	30.5	31.4	31.6	177.1
Commonwealth Space Flight Fund	16.6	16.8	19.6	20.2	20.8	20.9	114.9
Department of Motor Vehicles	19.7	21.4	24.6	25.2	25.8	25.9	142.8
Construction	2,760.4	2,541.3	2,498.0	2,447.4	1,734.7	1,681.0	13,662.7
Total Operating Programs	\$ 7,135.9	\$ 6,850.5	\$ 6,913.3	\$ 6,922.5	\$ 6,303.6	\$ 6,342.0	\$ 40,468.0
Pass Through Programs							
WMATA Dedicated	154.5	135.1	135.7	136.5	137.3	138.0	837.1
Central Virginia Transportation Fund	200.3	205.7	210.0	218.1	226.6	232.4	1,293.1
Northern Virginia Transportation Authority Fund	317.0	324.5	330.9	345.1	359.5	367.9	2,044.9
Hampton Roads Regional Transit Fund	32.3	32.6	33.0	33.4	33.5	33.5	198.3
Hampton Roads Transportation Fund	203.2	209.0	213.7	222.1	230.9	237.1	1,316.0
Subtotal	907.3	906.9	923.3	955.2	987.8	1,008.9	5,689.4
Total	\$ 8,043.2	\$ 7,757.4	\$ 7,836.6	\$ 7,877.7	\$ 7,291.5	\$ 7,350.9	\$ 46,157.4



Assumptions for Highway Construction Programs

- ❑ Revenue Sharing Program includes the re-allocation of funds over fiscal years 2022 – 2024 as granted by the flexibility. Funds available in FYs 2025 – 2027 are \$100 million annually.
- ❑ The Innovation and Technology Transportation Fund (ITTF) funding from the High Priority Projects Program for FY 2026 and FY 2027 is \$25 million annually
- ❑ Unpaved Roads funding for FY 2026 and FY 2027 is \$25 million annually from the District Grant Program

Assumptions for Highway Construction Programs

Based on the updated revenue and programmatic assumptions noted:

- The adjustments to State of Good Repair reflect an estimated \$29.4 million reduction over the six-year period.
- The adjustments to SMART SCALE categories reflect reduced allocations of \$40.6 million
 - (\$18.3 million) for High Priority Projects
 - (\$22.3 million) for District Grant Program
- The adjustments to the Interstate Operations and Enhancement Program reflect an reduction of \$19.5 million
- Funds available for the Virginia Highway Safety Improvement Program reflect reduction of \$8.7 million

Commonwealth Transportation Fund FY 2022 Draft Budget

CTF Revenues total \$8.0 billion

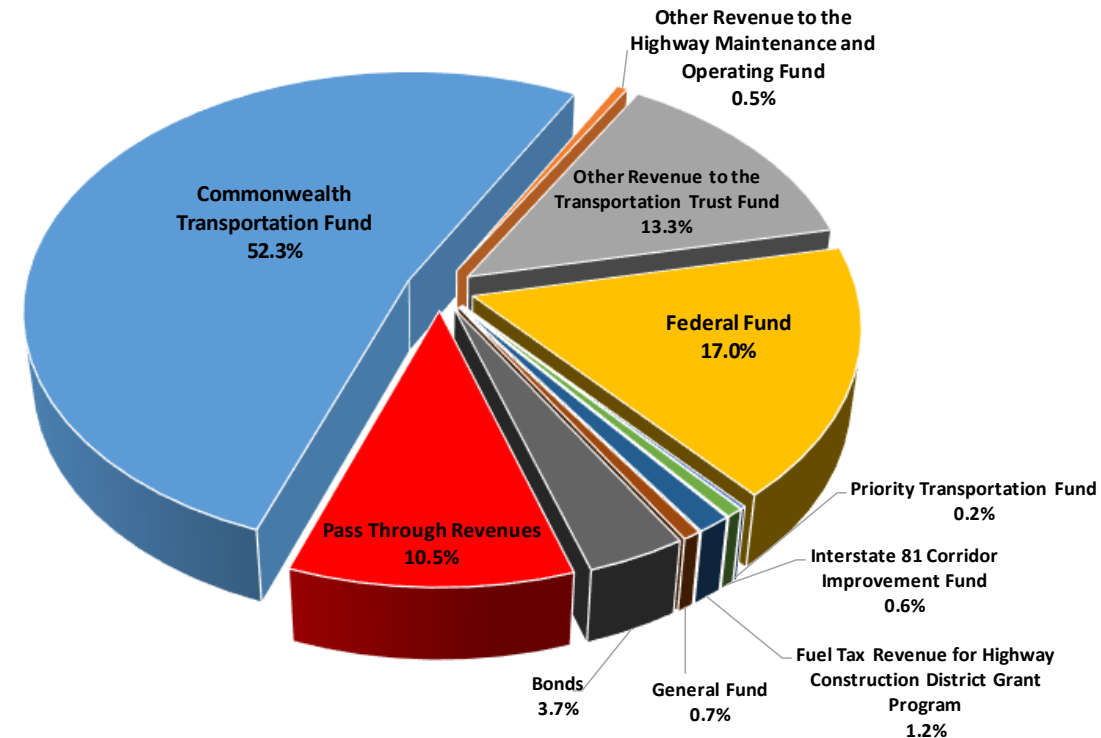
In comparison, total operating revenues of \$7.2 billion are 1.5 percent greater than the FY 2021 Budget

Pass Through Revenues represent 10.5 percent of total budget

Updates include:

- *One-time federal and state revenues for 2021 Transportation Initiative*
- *Full year implementation of CVTA revenue*
- *Reduced project participation from regional authorities*
- *Route 58 Bonds*
- *Prior year collections*

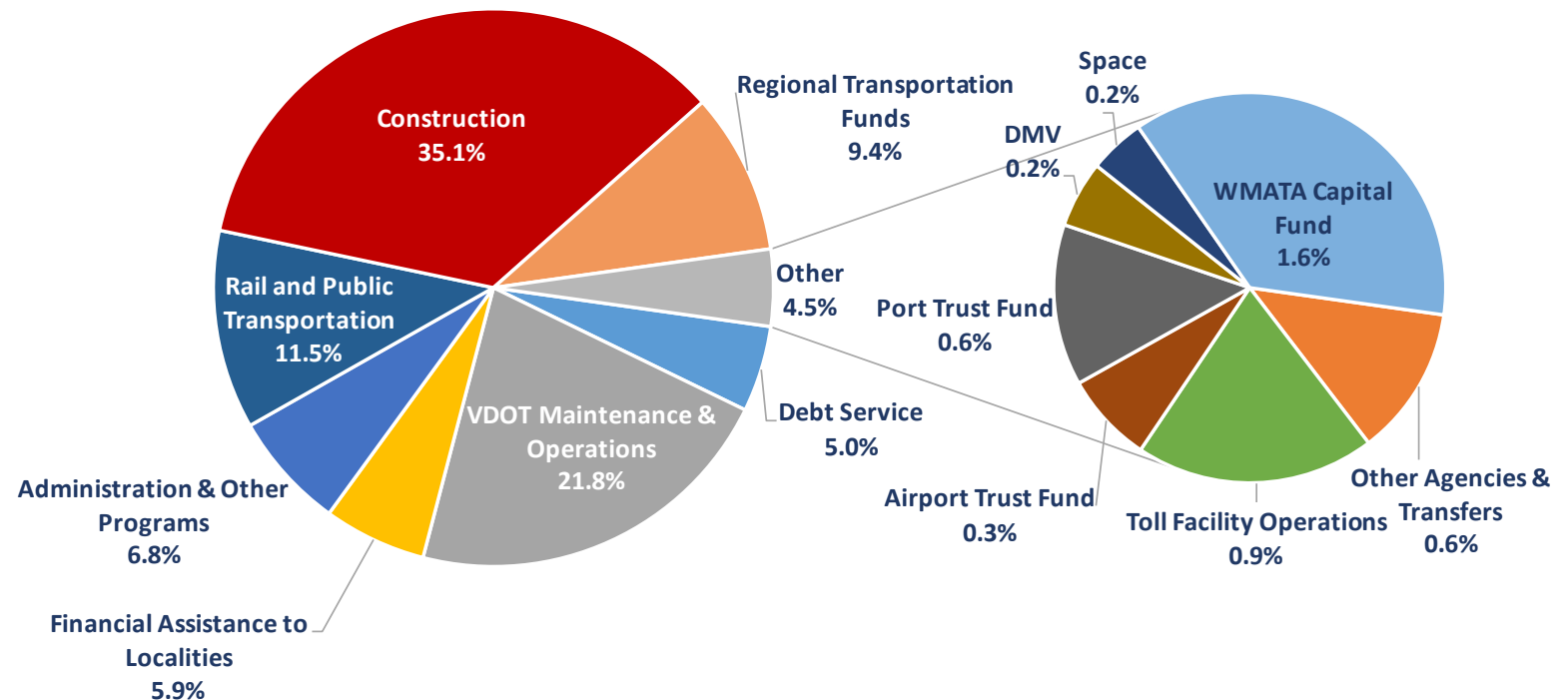
Revenue	Total Estimate
Commonwealth Transportation Fund	\$4,205.5
Other Revenue to the Highway Maintenance and Operating Fund	41.0
Other Revenue to the Transportation Trust Fund	1,073.6
Federal Fund	1,363.4
Priority Transportation Fund	14.4
Interstate 81 Corridor Improvement Fund	50.6
Fuel Tax Revenue for Highway Construction District Grant Program	100.1
General Fund	55.0
Bonds	294.7
Total Operating Revenues	\$7,198.3
Pass Through Revenues	
WMATA Capital Fund	112.1
Central Virginia Transportation Fund	200.3
Northern Virginia Transportation Authority Fund	297.0
Hampton Roads Transportation Fund	203.2
Hampton Roads Regional Transit Fund	32.3
Subtotal	\$ 844.9
Total	\$8,043.2



FY 2022 Draft Recommended Allocations

- Highway Maintenance, including VDOT maintained and Locality Maintained, represents 28 percent of budget
- Highway Construction represents 35 percent of the total with support of regional / local funding
- Funding for Rail and Public Transportation is 12 percent of budget

Excluding regional pass-through revenue and local revenue supported project funding, Construction represents 31 percent of the adjusted total. Highway Maintenance is 36 percent.



FY 2022 VDOT Budget Highlights

Draft budget totals \$6.2 billion net of regional programs; grand total of \$6.96 billion

Program Growth

- Personal services growth rate updated to 4.9 percent over previous year due to salary and benefit changes from 2021 Session Updates**
- CPI used for nonpersonal services and Maintenance Program growth is 2.7 percent.**

The construction fund will provide \$192 million of state funds to support the budgetary needs of the Highway Maintenance and Operating Fund (HMOF).

FY 2022 Draft VDOT Recommended Allocations

	(in millions)		
	FY 2021	Recommended FY 2022	Increase (Decrease)
VDOT Programs			
Environmental Monitoring and Evaluation (514)	\$ 40.9	\$ 44.0	\$ 3.0
Ground Transportation Planning and Research (602)	79.1	87.7	8.6
Highway Construction Programs (603)	2,987.1	2,782.2	(204.9)
Highway System Maintenance (604)	1,741.9	1,755.6	13.7
Commonwealth Toll Facilities (606)	68.6	70.9	2.2
Financial Assistance to Localities (607)			
VDOT Programs	484.3	492.5	8.2
Regional Programs	644.2	765.6	121.3
Non-Toll Supported Transportation Debt Service (612)	407.9	401.7	(6.2)
Special Structures (614)	-	60.0	60.0
Administrative and Support Services (699)	300.4	302.6	2.2
VDOT Capital Outlay (998)	64.3	60.0	(4.3)
Total VDOT Programs	\$ 6,818.9	\$ 6,822.7	\$ 3.9
Support to Other State Agencies	50.3	50.6	0.3
Support to DRPT Programs & Virginia Passenger Rail Authority	123.4	83.8	(39.6)
TOTAL	\$ 6,992.6	\$ 6,957.1	\$ (35.5)
TOTAL OPERATING BUDGET (Net Regional Programs)	\$ 6,348.4	\$ 6,191.6	\$ (156.8)

Next Steps

- Reflect necessary adjustments in Final Six-Year Improvement Program (SYIP) for Construction Programs**
- Update Interstate 81 Corridor Projects and add Debt and Debt Service Assumptions for the Program**
- Continue analysis on current performance of toll facilities for potential revisions for final recommended budget assumptions**
- Final recommended budgets to be presented in June**

Fiscal Year 2022

Commonwealth Transportation Fund Budget

April 2021

Draft



Virginia Department of Transportation

Budget and Funds Management Division

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DRAFT



During its 2020 session, the Virginia General Assembly enacted the Governor's Omnibus Transportation Bill, Chapter 1230 (House Bill 1414), which revised the composition of and increased available revenues for transportation funding in the Commonwealth. Under Chapter 1230, the Commonwealth Transportation Fund (CTF) serves as the fund to which all transportation revenues are deposited and then distributed to programs and funds. These transportation revenues include: (i) motor vehicles fuels taxes and road taxes for diesel fuel; (ii) vehicle registration fees; (iii) highway use fee; (iv) 0.5% statewide sales and use tax; (v) 0.3% statewide sale and use tax for transportation; (vi) 4.15% percent motor vehicles sales and use tax; (vii) motor vehicle rental tax (10 percent of gross proceeds from rentals for most passenger vehicles); (viii) \$0.03 of the \$0.25 per \$100 of assessed value of the statewide recordation tax; (ix) tax on liquid alternative fuel, set at the rate for gasoline; (x) International Registration Plan fees; and (xi) one-third of the revenue from insurance premium taxes.

Chapter 1230 also amends the allocation of funds. Before funds are distributed between the Transportation Trust Fund and the Highway Maintenance and Operating Fund ("HMO Fund"), (i) \$40 million annually will be deposited into the Route 58 Corridor Development Fund; (ii) \$40 million annually will be deposited into the Northern Virginia Transportation District Fund; and (iii) \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020.

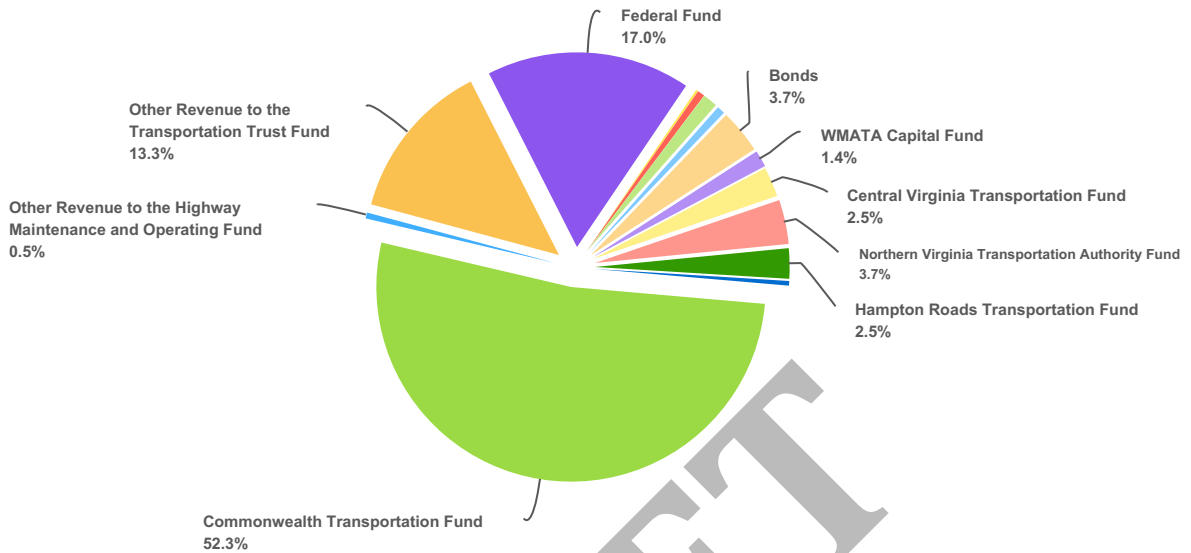
Toll revenue and concession payments to the Commonwealth under the Public-Private Transportation Act of 1995 also would be deposited to the Commonwealth Transportation Fund and allocated to the Transportation Trust Fund (for defined purposes and not available for further distribution). Interest, dividends, and appreciation accrued to the Transportation Trust Fund or the HMO Fund also would be allocated to the Commonwealth Transportation Fund and distributed two-thirds to the Virginia Transportation Infrastructure Bank and one-third to the Transportation Partnership Opportunity Fund.

The remaining funds in the Commonwealth Transportation Fund are allocated 51% to the HMO Fund and 49% to the Transportation Trust Fund. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit Fund; (iii) 7.5% to the Commonwealth Rail Fund; (iv) 2.5% to the Commonwealth Port Fund; (v) 1.5% to the Commonwealth Aviation Fund; (vi) 1% to the Commonwealth Space Flight Fund; (vii) 10.5% to the Priority Transportation Fund; and (viii) 1% to the Department of Motor Vehicles. Enactment Clause 11 of Chapter 1230 also allows the Commonwealth Transportation Board to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure appropriate coverage ratios for any outstanding debt backed by the Transportation Trust Fund.

The Fiscal Year 2022 budget for the CTF identifies the estimated revenues and the distribution of the revenues to the related transportation agencies and programs. It is based on the state revenue forecast from December 2020, an interim update from February 2021, and estimated federal funding. The budget also applies the flexibility granted in Enactment Clause 11 to continue expectations across transportation agencies. The percentages for CTF and TTF distribution are effective in Fiscal Year 2024. The CTF Budget for FY 2022 totals \$8,043,240,222, a 2.8% increase from the FY 2021 Budget of \$7,820,904,839.

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, Hampton Roads, and Central Virginia. These funds are dedicated to the efforts of the Northern Virginia Transportation Authority, Central Virginia Transportation Authority, and the Hampton Roads Transportation Accountability Commission.

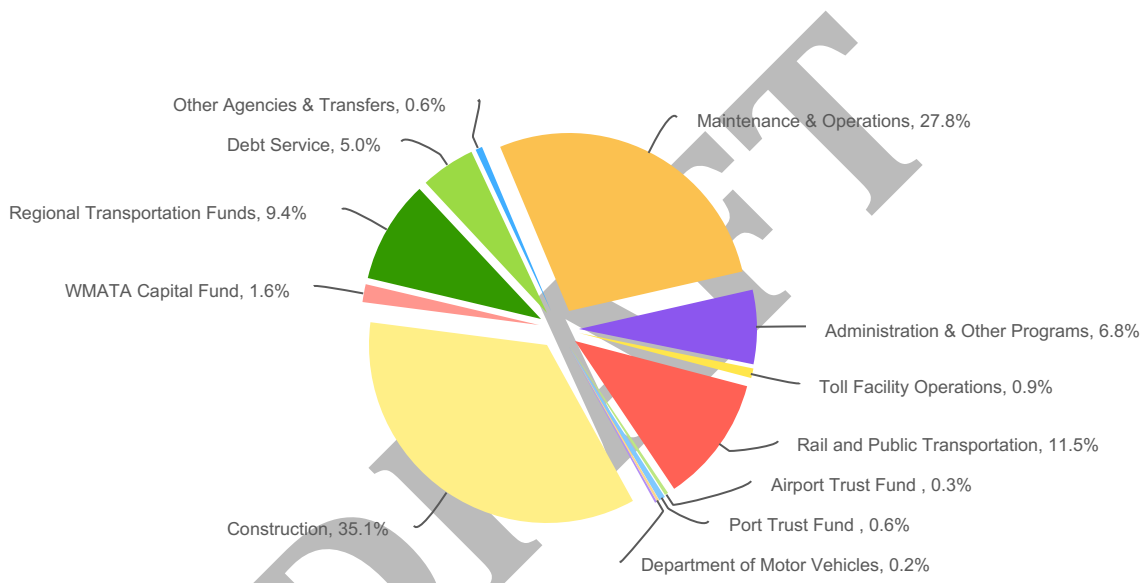
Commonwealth Transportation Fund Total Revenues for FY 2022



Commonwealth Transportation Fund	\$ 4,205,500,000
Other Revenue to the Highway Maintenance and Operating Fund	41,031,650
Other Revenue to the Transportation Trust Fund	1,073,580,316
Federal Fund	1,363,444,556
Priority Transportation Fund	14,411,589
Interstate 81 Corridor Improvement Fund	50,577,928
Fuel Tax Revenue for Highway Construction District Grant Program	100,100,000
General Fund	55,000,000
Bonds	294,691,183
Total Operating Revenues	7,198,337,222
Pass Through Revenues	
WMATA Capital Fund	112,103,000
Central Virginia Transportation Fund	200,300,000
Northern Virginia Transportation Authority Fund	297,000,000
Hampton Roads Transportation Fund	203,200,000
Hampton Roads Regional Transit Fund	32,300,000
Subtotal	844,903,000
TOTAL	\$ 8,043,240,222

The revenues are dedicated to specific funds within the CTF. After certain distributions required by the Code of Virginia, the remaining funds in the CTF are allocated 51% to the Highway Maintenance and Operating Fund (HMOF) and 49% to the Transportation Trust Fund. Chapter 1230 directs the following distribution of funds from the Transportation Trust Fund: (i) 53% for construction programs; (ii) 23% to the Commonwealth Mass Transit Fund; (iii) 7.5% to the Commonwealth Rail Fund; (iv) 2.5% to the Commonwealth Port Fund; (v) 1.5% to the Commonwealth Aviation Fund; (vi) 1% to the Commonwealth Space Flight Fund; (vii) 10.5% to the Priority Transportation Fund; and (viii) 1% to the Department of Motor Vehicles.

The revenues for the 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. The Commonwealth Transportation Board can also use the Fund to facilitate the financing of priority transportation projects throughout the Commonwealth. Federal revenues are used for their defined purposes to support construction, maintenance or transit.



Debt Service	\$401,655,426
Other Agencies & Transfers	50,633,130
Maintenance & Operations	2,233,180,356
Administration & Other Programs	543,856,013
Toll Facility Operations	70,858,214
Rail and Public Transportation	926,929,097
Airport Trust Fund	26,713,623
Port Trust Fund	47,840,349
Department of Motor Vehicles	19,748,216
Space Flight Fund	16,571,192
Construction	2,820,351,606
Total Operating Programs	7,158,337,222
Pass Through Programs	
WMATA Capital Fund	132,103,000
Regional Transportation Funds	752,800,000
TOTAL RECOMMENDED DISTRIBUTIONS	\$8,043,240,222



STATE REVENUE SOURCES	FY 2021	FY 2022	INCREASE (DECREASE)	
Commonwealth Transportation Fund	\$ 3,864,213,900	\$ 4,205,500,000	\$ 341,286,100	1
Revenue Sharing	\$ 303,650,111	\$ —	\$ (303,650,111)	2
Highway Maintenance & Operating Fund (HMOF)	46,331,334	41,031,650	(5,299,684)	
General Fund	—	55,000,000	55,000,000	
Transportation Trust Fund (TTF) and Other State Revenue				
Interest Earnings	3,325,000	28,515,000	25,190,000	3
Toll Facilities	68,633,061	34,108,214	(34,524,847)	4
Local Revenue Sources	171,012,372	133,131,383	(37,880,989)	
Project Participation - Regional Entities	1,373,469,013	782,764,066	(590,704,947)	5
CPR Bonds	50,000,000	—	(50,000,000)	6
GARVEE Bonds	98,000,000	76,300,000	(21,700,000)	
Route 58 Bonds	—	219,304,103	219,304,103	7
I-66 Outside the Beltway Concession Fee Payment/Interest	5,303,401	22,094,013	16,790,612	
Interstate 81 Corridor Improvement Fund	55,100,000	50,577,928	(4,522,072)	8
Statewide Interstate Improvement Fund	—	(29,022,756)	(29,022,756)	9
Special Fund Account for the Highway Construction District Grant Program	92,000,000	100,100,000	8,100,000	1
Other Trust Fund Revenue	131,084,801	101,077,476	(30,007,325)	
Total TTF and Other Revenue	1,955,927,648	1,518,949,427	(436,978,221)	
Priority Transportation Fund (PTF)				
State Revenue	49,122,654	14,411,589	(34,711,065)	10
Total PTF	49,122,654	14,411,589	(34,711,065)	
Pass Through Revenues				
Revenue Dedicated to WMATA Capital Fund	141,228,000	112,103,000	(29,125,000)	10
State Revenue for Regional Entities	610,800,000	732,800,000	122,000,000	10
Total Pass Through Revenues	752,028,000	844,903,000	92,875,000	
TOTAL STATE REVENUES	6,667,623,536	6,679,795,666	12,172,130	
Federal Funding Sources				
Federal Highway Administration (FHWA)	1,105,543,831	1,314,216,097	208,672,266	11
Federal Transit Administration (FTA)	47,737,472	49,228,459	1,490,987	
Total Federal Funding	1,153,281,303	1,363,444,556	210,163,253	
TOTAL COMMONWEALTH TRANSPORTATION FUNDS	\$7,820,904,839	\$8,043,240,222	\$222,335,383	

DISTRIBUTION OF REVENUE SOURCES	FY 2021	FY 2022	INCREASE (DECREASE)
Debt Service			
Toll Facilities Debt	\$ 2,955,750	\$ —	\$ (2,955,750)
Northern Virginia Transportation District	17,960,090	12,604,924	(5,355,166)
Oak Grove Connector	2,118,339	2,128,077	9,738
Route 28	8,644,519	8,644,519	—
Route 58	48,092,837	49,937,920	1,845,083
GARVEE Bonds	134,817,616	134,881,288	63,672
CPR Bonds	196,254,150	193,458,698	(2,795,452)
Other	—	—	—
Total Debt Service	410,843,301	401,655,426	(9,187,875)
Other Agencies & Transfers			
Trust Fund Management	3,021,501	3,200,876	179,375
Support to Other State Agencies (excludes DRPT)	41,803,857	42,304,162	500,305
Indirect Costs	5,499,026	5,128,092	(370,934)
Total State Agencies	50,324,384	50,633,130	308,746
Maintenance & Operations			
Highway System Maintenance	1,741,888,121	1,755,573,255	13,685,134
Financial Assist. to Localities for Ground Transportation - Cities	397,832,085	405,714,180	7,882,095
Financial Assist. to Localities for Ground Transportation - Counties	70,610,931	71,892,921	1,281,990
Total Maintenance & Operations	2,210,331,137	2,233,180,356	22,849,219
Tolls, Administration & Other Programs			
Ground Transportation System Planning and Research	79,132,074	91,140,015	12,007,941
Environmental Monitoring & Compliance	40,930,642	43,957,252	3,026,610
Administrative and Support Services	300,397,680	302,587,781	2,190,101
Program Management and Direction	44,231,815	46,170,965	1,939,150
Toll Facilities Operations	28,927,311	34,108,214	5,180,903
Toll Facility Revolving Account	36,750,000	36,750,000	—
Capital Outlay	64,300,000	60,000,000	(4,300,000)
Total Tolls, Administration & Other Programs	594,669,522	614,714,227	20,044,705

DISTRIBUTION OF REVENUE SOURCES	FY 2021	FY 2022	INCREASE (DECREASE)
Transit and Rail Funds			
Share of TTF Distribution for Transit	\$ 331,555,055	\$ 339,368,434	\$ 7,813,379
Transit - Share of administrative costs	(687,543)	(685,308)	2,235
Other Revenue dedicated to Transit	15,375,000	15,759,375	384,375
Share of TTF Distribution for Rail	96,187,808	100,516,839	4,329,031
Rail - Share of administrative costs	(176,944)	(176,369)	575
Federal Transit Authority (FTA)	47,737,472	49,228,459	1,490,987
CMAQ (without State Match)	32,849,378	—	(32,849,378) 14
STP Regional (without State Match)	10,659,172	—	(10,659,172) 14
Rail Fund (with prior year adjustments)	(1,700,000)	—	1,700,000
Interest Earnings	3,090,000	2,640,000	(450,000)
HB1414 Off the Top to Commonwealth Mass Transit Fund	—	82,185,240	82,185,240 15
Metro Matters	50,000,000	—	(50,000,000) 6
HB1414 Off the Top to Commonwealth Rail Fund	—	44,500,000	44,500,000 15
Mass Transit Fund-Support from Construction	14,877,135	4,000,000	(10,877,135) 14
Priority Transportation	88,560,988	59,805,427	(28,755,561) 16
Other	814,000	229,787,000	228,973,000 17
Subtotal Transit and Rail Funds	689,141,521	926,929,097	237,787,576
Pass Through Revenue for WMATA Capital			
Dedicated Revenue for WMATA Capital Fund	141,228,000	112,103,000	(29,125,000) 10
Transfer from NVTDFund for WMATA Capital Fund	20,000,000	20,000,000	—
Subtotal WMATA Capital Fund	161,228,000	132,103,000	(29,125,000)
Airports - Share of TTF Distribution	25,414,796	25,785,995	371,199
Airports - Share of administrative costs	(47,527)	(47,372)	155
Revision from prior year	(779,400)	—	779,400
Airports - Interest Earnings	125,000	175,000	50,000
Directed CTF Allocation	—	800,000	800,000 15
Total Airport Trust Fund	24,712,869	26,713,623	2,000,754
Ports - Share of TTF Distribution	44,475,892	45,125,492	649,600
Ports - Share of administrative costs	(85,421)	(85,143)	278
Revision from prior year	(1,363,950)	—	1,363,950
Ports - Interest Earnings	300,000	300,000	—
Directed CTF allocation	—	2,500,000	2,500,000 15
Total Port Trust Fund	43,326,521	47,840,349	4,513,828
Department of Motor Vehicles - Share of TTF Distribution	8,963,900	8,963,900	—
DMV - Share of administrative costs	(15,735)	(15,684)	51
Directed CTF allocation	5,000,000	10,800,000	5,800,000 15
Total DMV	13,948,165	19,748,216	5,800,051
Virginia Commercial Space Flight Authority - Share of TTF Distribution	15,800,000	15,800,000	—
Space Flight Authority - Share of administrative costs	(28,902)	(28,808)	94
Directed CTF allocation	1,000,000	800,000	(200,000) 15
Total Space Flight Authority	16,771,098	16,571,192	(199,906)



DISTRIBUTION OF REVENUE SOURCES	FY 2021	FY 2022	INCREASE (DECREASE)
Pass Through Revenue Allocations			
Central Virginia Transportation Authority Fund	\$ 136,900,000	\$ 200,300,000	\$63,400,000
Northern Virginia Transportation Authority Fund	299,311,884	329,702,389	30,390,505
Hampton Roads Transportation Fund	181,900,000	203,200,000	21,300,000
Hampton Roads Regional Transit Fund	26,100,000	32,300,000	6,200,000
Total Regional Transportation Programs	644,211,884	765,502,389	121,290,505
Construction			
Financial Assistance to Localities for Ground Transportation	15,896,079	14,912,548	(983,531)
State of Good Repair Program	288,616,106	249,479,115	(39,136,991)
High Priority Projects Program	206,915,853	249,251,163	42,335,310
Construction District Grant Programs	298,920,540	346,881,805	47,961,265
Specialized State and Federal Programs	2,148,446,684	1,887,124,586	(261,322,098)
Total Construction	2,958,795,262	2,747,649,217	(211,146,045)
Special Structures	—	60,000,000	60,000,000
DISTRIBUTION OF COMMONWEALTH TRANSPORTATION FUNDS			
	\$7,818,303,664	\$8,043,240,222	\$224,936,558
Agency Funding Summary:			
VDOT	\$ 6,992,613,613	\$ 6,957,140,172	\$ (35,473,441)
Less Support to DRPT	(123,438,123)	(83,805,427)	39,632,696
VDOT (Net)	6,869,175,490	6,873,334,745	4,159,255
DRPT	852,970,696	1,059,032,097	206,061,401
Ports	43,326,521	47,840,349	4,513,828
Aviation	24,712,869	26,713,623	2,000,754
DMV	13,948,165	19,748,216	5,800,051
Space Flight Authority	16,771,098	16,571,192	(199,906)
Grand Total	\$7,820,904,839	\$8,043,240,222	\$222,335,383

CTF State Revenue Details

STATE REVENUE SOURCES	FY 2021	FY 2022	INCREASE (DECREASE)
State Tax on Motor Fuels	\$963,700,000	\$1,238,500,000	\$274,800,000
Road Tax	44,700,000	47,200,000	2,500,000
Retail Sales & Use Tax	1,021,600,000	1,214,700,000	193,100,000
Motor Vehicle Sales and Use Tax	886,600,000	899,600,000	13,000,000
International Registration Plan	73,700,000	73,900,000	200,000
Motor Vehicle Licenses	223,500,000	202,900,000	(20,600,000)
Miscellaneous Revenues	17,900,000	17,300,000	(600,000)
Motor Vehicle Rental Tax	43,300,000	29,700,000	(13,600,000)
Aviation Fuels Tax	2,000,000	2,000,000	—
Highway Use Fee	38,000,000	46,600,000	8,600,000
Insurance Premium	181,400,000	171,800,000	(9,600,000)
Recordation Tax	45,300,000	57,000,000	11,700,000
Total	\$3,541,700,000	\$4,001,200,000	\$459,500,000

This is a comparison to the revenue estimate provided in the FY 2021 Budget adopted in December 2021 to the FY 2022 Budget.

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Endnotes

Endnote Number	Description
1	Revenue adjustment reflects \$221.6 million of CTF revenue that is anticipated to be collected in FY 2021.
2	Previous fiscal year included the allocation of prior funds made available previously for revenue sharing purposes.
3	Updated interest earnings assumptions across all funds.
4	Updated assumptions on revenue expectations for VDOT operated toll facilities.
5	Reduced annual spending expectations for the Hampton Roads Bridge Tunnel Expansion Project over previous year.
6	Previous fiscal year represented the last allocation of the series of Capital Projects Revenue (CPR) Bonds.
7	Update reflects programming of bonds available for Route 58 Corridor.
8	Amount reflects adjustment for actual collections from FY 2020 with revenue update.
9	Amount reflects adjustment for actual collections from FY 2020.
10	Reflected state revenue update for dedicated funds available
11	Additional federal funding reflects the impact of updates for Highway Infrastructure Program funds made available in Coronavirus Response and Relief Supplemental Appropriations Act and the DOT Appropriations Act
12	Planned growth in the Maintenance and Operations Programs.
13	Adjustment reflects additional funds provided for project pipeline efforts and strategic innovation efforts.
14	Represents allocation to projects in the Six-Year Improvement Program (SYIP). This will be updated with the final budget.
15	Funding reflects omnibus investments toward full formula implementation in FY 2024
16	Priority Transportation Funding dedicated to the Atlantic Gateway Project and Rail Initiative.
17	Other reflects one-time allocation for projects included in the 2021 Transportation Initiative (Chapter 552, Item 447.10, 2021 Special Session I).
18	FY 2022 represents the first allocation of funding available for Special Structures.



Fiscal Year 2022

VDOT Annual Budget

April 2021

Draft



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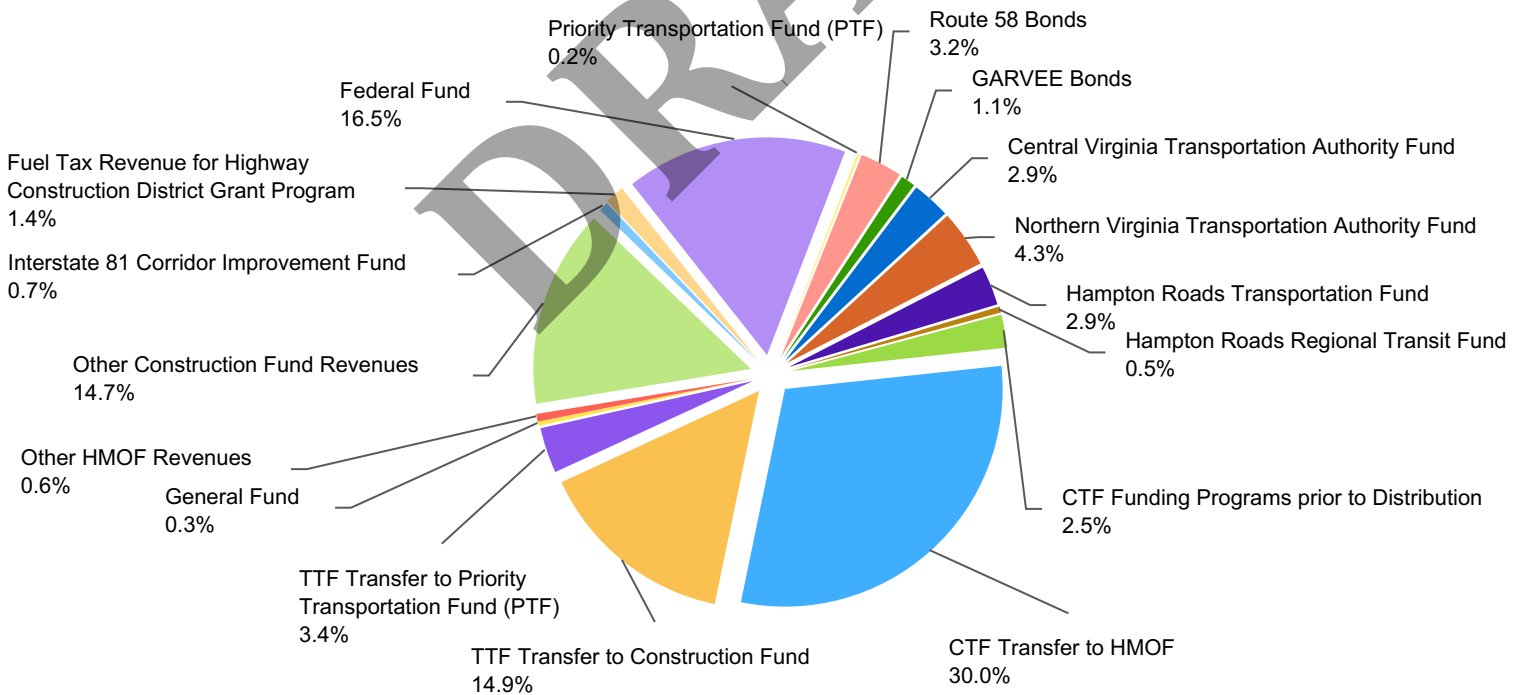
Overview

The Fiscal Year 2022 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 interim state revenue forecast from August 2020 and estimated federal funding. The VDOT Budget for FY 2022 totals \$6,957,140,172 a (0.5)% decrease from the FY 2021 Budget of \$6,992,613,613. The change from the previous year represents reduced expectations for project participation from others as well as the addition of one-time revenues from the 2021 Transportation Initiative, which included state and federal funding (Chapter 552, Item 447.10, 2021 Special Session I).

Chapter 1230 created the Commonwealth Transportation Fund which serves as the fund to which all statewide transportation revenues are deposited and then distributed to programs and funds. These transportation revenues include: (i) motor vehicles fuels taxes and road taxes for diesel fuel; (ii) vehicle registration fees; (iii) highway use fee; (iv) 0.5% statewide sales and use tax; (v) 0.3% statewide sale and use tax for transportation; (vi) 4.15% percent motor vehicles sales and use tax; (vii) motor vehicle rental tax (10 percent of gross proceeds from rentals for most passenger vehicles); (viii) \$0.03 of the \$0.25 per \$100 of assessed value of the statewide recordation tax; (ix) tax on liquid alternative fuel, set at the rate for gasoline; (x) International Registration Plan fees; and (xi) one-third of the revenue from insurance premium taxes.

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, the Hampton Roads Transportation Accountability Commission, and the Central Virginia Transportation Authority.

Source of Transportation Funds



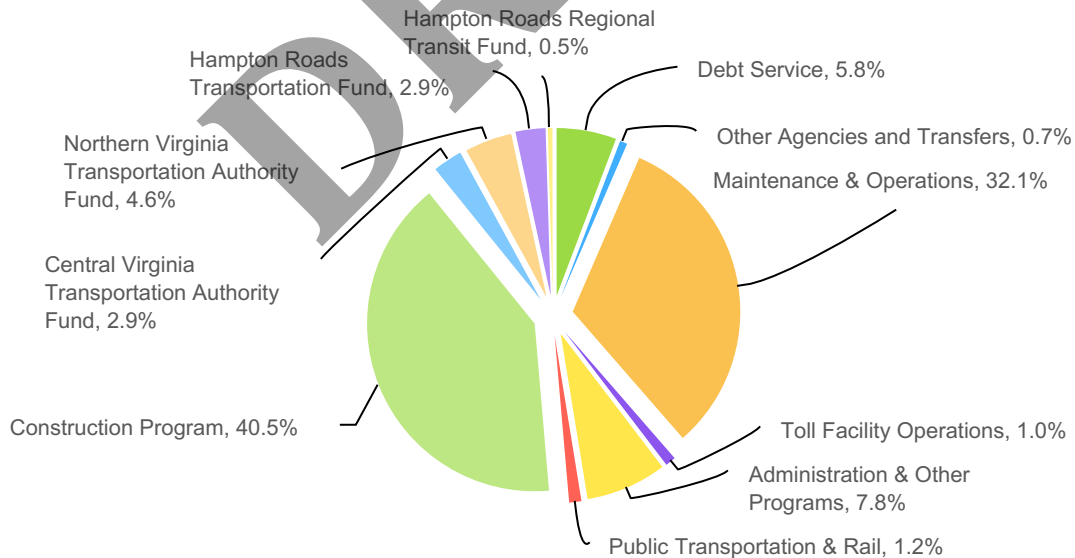
Detailed Sources of Transportation Funds

CTF Funding Programs prior to Distribution	\$ 171,000,000
CTF Transfer to HMOF	2,085,900,000
TTF Transfer to Construction Fund	1,033,919,705
TTF Transfer to Priority Transportation Fund (PTF)	236,500,000
General Fund	22,600,000
Other HMOF Revenues	41,031,650
Other Construction Fund Revenues	1,025,479,100
Interstate 81 Corridor Improvement Fund	50,577,928
Fuel Tax Revenue for Highway Construction District Grant Program	100,100,000
Federal Fund	1,147,216,097
Priority Transportation Fund (PTF)	14,411,589
Route 58 Bonds	219,304,103
GARVEE Bonds	76,300,000
Subtotal	6,224,340,172
Pass Through Revenues	
Central Virginia Transportation Authority Fund	200,300,000
Northern Virginia Transportation Authority Fund	297,000,000
Hampton Roads Transportation Fund	203,200,000
Hampton Roads Regional Transit Fund	32,300,000
TOTAL	\$ 6,957,140,172

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:

Allocations	FY 2021	FY 2022	INCREASE (DECREASE)
Debt Service	\$410,843,301	\$401,655,426	\$(9,187,875)
Other Agencies and Transfers	50,324,384	50,633,130	308,746
Maintenance & Operations	2,210,331,137	2,233,180,356	22,849,219
Toll Facility Operations	65,677,311	70,858,214	5,180,903
Administration & Other Programs	528,992,211	543,856,013	14,863,802
Public Transportation & Rail	123,438,123	83,805,427	(39,632,696)
Construction Program	2,958,795,262	2,820,351,606	(138,443,656)
Subtotal	\$6,348,401,729	\$6,204,340,172	\$(144,061,557)
Pass Through Revenues			
Central Virginia Transportation Authority Fund	136,900,000	200,300,000	63,400,000
Northern Virginia Transportation Authority Fund	299,311,884	317,000,000	17,688,116
Hampton Roads Transportation Fund	181,900,000	203,200,000	21,300,000
Hampton Roads Regional Transit Fund	26,100,000	32,300,000	6,200,000
TOTAL	\$6,992,613,613	\$6,957,140,172	\$(35,473,441)



Highway Maintenance & Operating Fund

The Highway Maintenance and Operating Fund (HMOF) is one of VDOT's major funds. 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. Starting with Fiscal Year 2021, the HMOF is funded by a transfer from the Commonwealth Transportation Fund (CTF) as a result of Chapter 1230. This shift from dedicated revenue sources to a transfer of revenues deposited into the CTF is demonstrated in the chart below.

HMOF Revenue Sources	FY 2021	FY 2022	Difference
CTF Transfer to HMOF	\$ 2,060,400,000	\$ 2,085,900,000	\$25,500,000
Miscellaneous Revenues	17,900,000	17,300,000	(600,000)
Other Revenue	28,431,334	23,731,650	(4,699,684)
Subtotal	\$2,106,731,334	\$2,126,931,650	\$20,200,316
Transfer from Construction	157,134,135	191,942,142	34,808,007
Total	\$2,263,865,469	\$2,318,873,792	\$55,008,323

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Commonwealth Transportation Fund & Transportation Trust Fund

Chapter 1230 amends the allocation of funds. Before funds are distributed between the Transportation Trust Fund and the Highway Maintenance and Operating Fund (HMOF), (i) \$40 million annually will be deposited into the Route 58 Corridor Development Fund; (ii) \$40 million annually will be deposited into the Northern Virginia Transportation District Fund; and (iii) \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020. The following table provides details on distributions for Fiscal Year 2022.

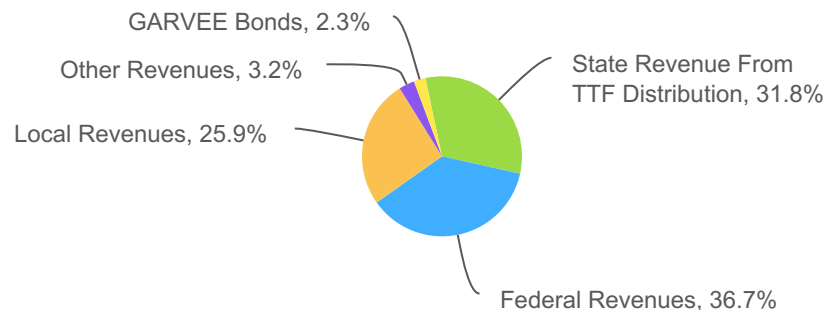
Construction Fund Revenue Sources	FY 2021	FY 2022	Difference
Distributed to Route 58 Corridor Fund	\$ 40,000,000	\$ 40,000,000	\$ —
Distributed to Northern Virginia Transportation District Fund	40,000,000	40,000,000	—
Distributed to Oak Grove Fund	1,000,000	1,000,000	—
Distributed to TTF for Support	1,000,183	1,034,395	34,212
Distributed for Omnibus Programs	3,000,000	90,000,000	87,000,000
Total	\$ 85,000,183	\$ 172,034,395	\$ 87,034,212

The Transportation Trust Fund was created by the 1986 Special Session. Through Fiscal Year 2020 VDOT managed the 78.7% of the TTF funds dedicated by the Code of Virginia for highway construction.

Starting with Fiscal Year 2021, the share provided for highway construction is transferred from the CTF to the TTF. The following table identifies the construction fund revenues by major source.

Construction Fund Revenue Sources	FY 2021	FY 2022	Difference
State Revenue From TTF Distribution	\$ 954,316,266	\$ 1,033,919,705	\$ 79,603,439
Federal Revenues	1,062,035,281	1,193,818,664	131,783,383
Local Revenues	1,483,667,385	842,853,270	(640,814,115)
Other Revenues	36,901,440	103,128,126	66,226,686
GARVEE Bonds	98,000,000	76,300,000	(21,700,000)
Total	\$ 3,634,920,372	\$ 3,250,019,765	\$ (384,900,607)

Construction Fund Revenue by Source, FY 2022



Other Fund Revenues

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	FY 2021	FY 2022	Difference
Regional Transportation Funds	\$ 610,800,000	\$ 732,800,000	\$ 122,000,000 ¹
Interstate 81 Corridor Improvement Fund	55,100,000	50,577,928	(4,522,072) ⁷
Fuel Tax Revenue for the Special Fund Account for the Highway Construction District Grant Program	92,000,000	100,100,000	8,100,000
Powhite Parkway Extension Toll Revenue	11,110,000	11,000,000	(110,000)
Coleman Bridge Toll Revenue	6,501,281	6,000,000	(501,281)
I-66 Inside the Beltway Toll Revenue	11,163,880	15,216,600	4,052,720
I-64 Express Lanes Toll Revenue	3,107,900	1,891,614	(1,216,286)
Northern VA Transportation District (NVTD)	12,104,841	7,020,640	(5,084,201)
Oak Grove	1,118,339	1,128,077	9,738
Priority Transportation Fund (PTF)	285,222,654	236,500,000	(48,722,654) ⁸
Transportation Partnership Opportunity Fund	10,066,667	10,066,667	—
Route 58	592,837	219,304,103	218,711,266 ⁹
Route 28	8,644,519	8,644,519	—
Other	61,536,706	28,619,303	(32,917,403)
Total	\$ 1,169,069,624	\$ 1,428,869,451	\$ 259,799,827
<hr/>			
Total Construction Major Sources (page 7)	3,634,920,372	3,250,019,765	(384,900,607)
Transfer to HMOF	(157,134,135)	(191,942,142)	(34,808,007)
Total Construction Fund	\$ 4,646,855,861	\$ 4,486,947,074	\$ (159,908,787)

VDOT Program Descriptions and Allocations

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Summary of Allocations by Program

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

	FY 2021	FY 2022	INCREASE (DECREASE)
Environmental Monitoring and Evaluation (514)	\$ 40,930,642	\$ 43,957,252	\$ 3,026,610
Ground Transportation Planning and Research (602)	79,132,074	91,140,015	12,007,941
Highway Construction Programs (603)	2,987,130,998	2,778,907,634	(208,223,364)
Highway System Maintenance (604)	1,741,888,121	1,755,573,255	13,685,134
Commonwealth Toll Facilities (606)	68,633,061	70,858,214	2,225,153
Financial Assistance to Localities (607)	1,128,550,979	1,258,022,038	129,471,059
Non-Toll Supported Transportation Debt Service (612)	407,887,551	401,655,426	(6,232,125)
Special Structures (614)	—	60,000,000	60,000,000
Administrative and Support Services (699)	300,397,680	302,587,781	2,190,101
VDOT Capital Outlay (998)	64,300,000	60,000,000	(4,300,000)
Support to Other State Agencies	50,324,384	50,633,130	308,746
Support to DRPT Programs	123,438,123	83,805,427	(39,632,696)
Total	\$ 6,992,613,613	\$ 6,957,140,172	\$ (35,473,441)

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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.

ENVIRONMENTAL MONITORING & EVALUATION (514)	FY 2021	FY 2022	INCREASE (DECREASE)
Environmental Monitoring & Compliance for Highway Projects (514008)	\$3,433,626	\$10,873,613	\$7,439,987
Environmental Monitoring Program Management (514009)	8,980,886	3,595,685	(5,385,201)
Municipal Separate Storm Sewer System Compliance Activities (514010)	28,516,130	29,487,954	971,824
TOTAL ENVIRONMENTAL MONITORING & EVALUATION	\$40,930,642	\$43,957,252	\$3,026,610
TTF	40,930,642	43,957,252	3,026,610

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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)	FY 2021	FY 2022	INCREASE (DECREASE)
Ground Transportation System Planning (602001)	\$ 65,016,686	\$ 73,326,127	\$ 8,309,441
Ground Transportation System Research (602002)	9,819,773	13,471,811	3,652,038
Ground Transportation Program Management (602004)	4,295,615	4,342,077	46,462
TOTAL PLANNING & RESEARCH	\$ 79,132,074	\$ 91,140,015	\$ 12,007,941
HMOF	13,166,379	16,728,369	3,561,990
CONSTRUCTION	44,968,009	54,085,741	9,117,732
FEDERAL	20,997,686	20,325,905	(671,781)

Highway Construction Programs (603)

For Fiscal Year 2022, the funding made available for distribution is distributed via the formula outlined in the Code of Virginia, § 33.2-358. With the enactment of Chapter 1230, funds are distributed to the following programs: State of Good Repair Program, High Priority Projects Program, Construction District Grant Program, Interstate Operations and Enhancement Program, and Virginia Highway Safety Improvement Program. Enactment Clause 11 of Chapter 1230 provides the Commonwealth Transportation Board the ability to take actions deemed necessary in fiscal years 2021, 2022, and 2023 to ensure funds for modal programs and the highway maintenance and operating fund are at least equal to the amounts provided for in the six-year financial plan for the Commonwealth Transportation Fund as in effect on January 1, 2020. The following table provides details on distributions for Fiscal Year 2022.

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)	FY 2021	FY 2022	INCREASE (DECREASE)
State of Good Repair Program (603020)	\$ 288,616,106	\$ 249,479,115	\$ (39,136,991)
High Priority Projects Program(603021)	206,915,853	249,251,163	42,335,310
Construction District Grant Programs (603022)	298,920,540	346,881,805	47,961,265
Specialized State and Federal Programs (603023)	1,998,299,009	1,887,124,586	(111,174,423)
Construction Management (603015)	44,231,815	46,170,965	1,939,150
TOTAL CONSTRUCTION	\$2,836,983,323	\$2,778,907,634	\$ (58,075,689)
CONSTRUCTION	2,086,972,732	1,593,957,137	(493,015,595)
FEDERAL	611,876,861	706,005,643	94,128,782
I-81 CORRIDOR IMPROVEMENT FUND	55,100,000	50,577,928	(4,522,072)
STATEWIDE INTERSTATE IMPROVEMENT FUND - PRIOR YEAR ADJUSTMENT	—	(29,022,757)	(29,022,757)
SPECIAL FUND ACCOUNT FOR CONSTRUCTION DGP	92,000,000	100,100,000	8,100,000
PTF	—	2,800,000	2,800,000
TPOF	10,044,671	10,046,154	1,483
BONDS	12,500,000	—	(12,500,000)
VTIB	15,333,333	15,333,333	—
GARVEE BONDS	98,000,000	76,300,000	(21,700,000)
CONCESSION FEE FUND	5,303,401	844,013	(4,459,388)
GENERAL FUND	—	22,600,000	22,600,000
ROUTE 58	12,500,000	229,366,183	216,866,183

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)	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL STATE OF GOOD REPAIR	\$ 288,616,106	\$ 249,479,115	\$ (39,136,991)
CONSTRUCTION	137,312,902	133,820,047	(3,492,855)
FEDERAL	151,303,204	115,659,068	(35,644,136)

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)	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL HIGH PRIORITY PROJECTS	\$ 206,915,853	\$ 249,251,163	\$ 42,335,310
CONSTRUCTION	70,528,785	101,353,566	30,824,781
FEDERAL	87,907,149	81,998,290	(5,908,859)
GARVEE	48,479,919	65,899,307	17,419,388

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)	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL CONSTRUCTION DISTRICT GRANT	\$ 298,920,540	\$ 346,881,805	\$ 47,961,265
CONSTRUCTION	70,036,144	129,655,711	59,619,567
SPECIAL FUND ACCOUNT FOR CONSTRUCTION	92,000,000	100,100,000	8,100,000
FEDERAL	87,364,315	106,725,401	19,361,086
GARVEE	49,520,081	10,400,693	(39,119,388)

* 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.

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. The service area will also allocate bond programs and the state and local components of Revenue Sharing. Anticipated funding from regional entities for projects is also allocated in this service area.

SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)	FY 2021	FY 2022	INCREASE (DECREASE)	
CMAQ & State Match	\$ 30,531,783	\$ 68,609,519	\$ 38,077,736	12
Open Container	—	20,919,874	20,919,874	
Participating Project Costs	60,000,000	60,000,000	—	
Project Participation from HRTAC	109,450,034	—	(109,450,034)	13
HRTAC Participation for Hampton Roads Bridge-Tunnel Expansion Project	1,128,994,340	584,212,963	(544,781,377)	13
Project Participation from NVTVA	135,024,639	138,551,103	3,526,464	13
Route 58 Bonds	—	218,391,183	218,391,183	14
Revenue Sharing	199,624,385	220,210,334	20,585,949	15
Safety & Soft Match	79,107,769	51,318,635	(27,789,134)	12
STP Set-aside	20,428,962	23,246,788	2,817,826	
STP Regional & State Match	102,251,682	102,559,883	308,201	12
Tele Fees	9,697,372	9,483,037	(214,335)	
I-66 Outside the Beltway Concession Fee/Interest Earnings	5,303,401	844,013	(4,459,388)	
Interstate 81 Corridor Improvements	55,100,000	50,577,928	(4,522,072)	16
Statewide Interstate Improvements	150,147,674	109,493,766	(40,653,908)	17
Highway Improvement Program - CRSSA	—	37,995,585	37,995,585	
Improvements to I-64 HRELN	—	93,100,000	93,100,000	
Other	62,784,642	97,609,975	34,825,333	18
TOTAL SPECIALIZED STATE AND FEDERAL PROGRAMS (603023)	\$ 2,148,446,683	\$ 1,887,124,586	\$ (261,322,097)	
CONSTRUCTION	1,764,863,086	1,182,956,848	(581,906,238)	
FEDERAL	285,302,193	401,622,884	116,320,691	
I-81 CORRIDOR IMPROVEMENT FUND	55,100,000	50,577,928	(4,522,072)	
STATEWIDE INTERSTATE IMPROVEMENT FUND - PRIOR YEAR ADJUSTMENT	—	(29,022,757)	(29,022,757)	
GENERAL FUND	—	22,600,000	22,600,000	
PTF	—	2,800,000	2,800,000	
CONCESSION FEE FUND	5,303,401	844,013	(4,459,388)	
OTHER BOND PROGRAMS/FUNDS	12,500,000	229,366,183	216,866,183	
VTIB	15,333,333	15,333,333	—	
TPOF	10,044,671	10,046,154	1,483	

Highway Construction Programs (603)

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)	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL CONSTRUCTION MANAGEMENT	\$44,231,815	\$46,170,965	\$ 1,939,150
TTF	44,231,815	46,170,965	1,939,150

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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.

HIGHWAY SYSTEM MAINTENANCE (604)	FY 2021	FY 2022	INCREASE (DECREASE)
Interstate Maintenance (604001)	\$ 358,903,210		
Primary Maintenance (604002)	522,915,134		
Secondary Maintenance (604003)	594,608,284		
Transportation Operations Services (604004)	181,189,653		
Highway Maintenance Program Management & Direction (604005)	84,271,840		
TOTAL HIGHWAY SYSTEM MAINTENANCE	\$1,741,888,121	\$1,755,573,255	\$ 13,685,134
HMOF	1,455,452,629	1,476,691,287	21,238,658
FEDERAL	286,435,492	278,881,968	(7,553,524)

* The amounts recommended for FY 2020 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.

Commonwealth Toll Facilities

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.

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)	FY 2021	FY 2022	INCREASE (DECREASE)
Acquisition & Construction (606001)	\$ —	\$ —	\$ —
Debt Service (606002)	2,955,750	—	(2,955,750)
Maintenance & Operations (606003)	28,927,311	34,108,214	5,180,903
Toll Facilities Revolving (606004)	36,750,000	36,750,000	—
TOTAL TOLL FACILITIES	\$ 68,633,061	\$ 70,858,214	\$ 2,225,153
POWHITE	11,110,000	11,000,000	(110,000)
COLEMAN	6,501,281	6,000,000	(501,281)
I-66 INSIDE THE BELTWAY	11,163,880	15,216,600	4,052,720
I-64 EXPRESS LANES	3,107,900	1,891,614	(1,216,286)
TOLL FACILITIES REVOLVING	36,750,000	36,750,000	—

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.

Distribution of Central Virginia Transportation Authority Fund Revenues (607010) - To transfer state regional tax revenues to the Central Virginia Transportation Authority to fund local and regional transportation projects.

FINANCIAL ASSISTANCE TO LOCALITIES (607)	FY 2021	FY 2022	INCREASE (DECREASE)
Financial Assistance for City Road Maintenance (607001)	\$ 397,832,085	\$ 405,714,180	\$ 7,882,095
Financial Assistance for County Road Maintenance (607002)	70,610,931	71,892,921	1,281,990
Financial Assistance for Planning, Access Roads, & Special Projects (607004)	15,896,079	14,912,548	(983,531)
Distribution of Northern Virginia Transportation Authority Fund Revenues (607006)	299,311,884	329,702,389	30,390,505
Distribution of Hampton Roads Transportation Fund Revenues (607007)	208,000,000	235,500,000	27,500,000
Distribution of Central Virginia Transportation Authority Fund Revenues (607010)	136,900,000	200,300,000	63,400,000

TOTAL FINANCIAL ASSISTANCE TO LOCALITIES **\$1,128,550,979 \$1,258,022,038 \$ 129,471,059**

HMOF	468,443,016	477,607,101	9,164,085
CONSTRUCTION	7,988,453	20,493,644	12,505,191
FEDERAL	7,907,626	7,121,293	(786,333)
CENTRAL VIRGINIA TRANSPORTATION FUND	136,900,000	200,300,000	63,400,000
NORTHERN VIRGINIA TRANSPORTATION FUND	299,311,884	317,000,000	17,688,116
HAMPTON ROADS TRANSPORTATION FUND	181,900,000	203,200,000	21,300,000
HAMPTON ROADS REGIONAL TRANSIT FUND	26,100,000	32,300,000	6,200,000

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)	FY 2021	FY 2022	INCREASE (DECREASE)
Highway Transportation Improvement Debt Service (612001)	8,644,519	8,644,519	—
Designated Highway Corridor Debt Service (612002)	68,171,266	64,670,921	(3,500,345)
Commonwealth Transportation Capital Projects Bond Act Debt Service (612004)	196,254,150	193,458,698	(2,795,452)
Federal Transportation Grant Anticipation Revenue Notes Debt Service (612005)	134,817,616	134,881,288	63,672
TOTAL NON-TOLL SUPPORTED DEBT SERVICE	\$ 407,887,551	\$ 401,655,426	\$ (6,232,125)
NVTD	17,960,090	12,604,924	(5,355,166)
OAK GROVE	2,118,339	2,128,077	9,738
ROUTE 28	8,644,519	8,644,519	—
CPR BONDS	196,254,150	193,458,698	(2,795,452)
ROUTE 58	48,092,837	49,937,920	1,845,083
FEDERAL	134,817,616	134,881,288	63,672

Special Structures (614)

Statewide Special Structures (614000) - Special Structures are very large, indispensable and unique bridges and tunnels identified by the Commissioner of Highways and approved by the Commonwealth Transportation Board. The General Assembly declares it to be in the public interest that the maintenance, rehabilitation, and replacement of special structures in the Commonwealth occur timely as to provide and protect a safe and efficient highway system. The Board is establishing a program for the maintenance, rehabilitation, and replacement of special structures in the Commonwealth. With the assistance of the Department of Transportation, the Board developed and will maintain a plan for the maintenance, rehabilitation, and replacement of special structures in the Commonwealth.

VDOT SPECIAL STRUCTURES	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL VDOT SPECIAL STRUCTURES	\$ —	\$ 60,000,000	\$ 60,000,000
SPECIAL STRUCTURES	—	60,000,000	60,000,000

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Administrative and 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)	FY 2021	FY 2022	INCREASE (DECREASE)
General Management & Direction (699001)	\$ 159,465,571	\$ 163,817,254	\$ 4,351,683
Information Technology Services (699002)	108,188,208	105,791,557	(2,396,651)
Facilities and Grounds Management Services (699015)	20,191,707	20,540,895	349,188
Employee Training & Development (699024)	12,552,194	12,438,075	(114,119)
TOTAL ADMINISTRATIVE & SUPPORT SERVICES	\$ 300,397,680	\$ 302,587,781	\$ 2,190,101
HMOF	299,397,497	301,553,386	2,155,889
CONSTRUCTION	1,000,183	1,034,395	34,212

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)	FY 2021	FY 2022	INCREASE (DECREASE)
TOTAL VDOT CAPITAL OUTLAY	\$ 64,300,000	\$ 60,000,000	\$ (4,300,000)
CONSTRUCTION	64,300,000	60,000,000	(4,300,000)

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Program Allocations by Fund

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

SUPPORT TO OTHER STATE AGENCIES	FY 2021	FY 2022	INCREASE (DECREASE)
Transportation Appropriation to Other Agencies			
Department of Education	\$ 278,532	\$ 279,612	\$ 1,080
Marine Resources Commission	319,748	313,768	(5,980)
Secretary of Transportation	936,094	953,895	17,801
Department of State Police	8,594,560	9,083,587	489,027
Department of Minority Business Enterprise	1,640,349	1,640,575	226
Department of Historic Resources	115,642	115,642	—
Department of Emergency Management	1,214,934	1,295,713	80,779
Department of Motor Vehicles	14,387,417	14,387,417	—
Department of Treasury	189,817	185,187	(4,630)
Virginia Liaison Office	162,303	164,267	1,964
Office of the State Inspector General	1,978,621	2,083,846	105,225
SUBTOTAL	29,818,017	30,503,509	685,492
Transfers to the General Fund			
Department of General Services	388,254	388,254	—
Department of Agriculture & Conservation Services	97,586	97,586	—
Chesapeake Bay Initiatives	10,000,000	10,000,000	—
Indirect Costs	5,499,026	5,128,092	(370,934)
Department of Taxation	3,021,501	3,015,689	(5,812)
SUBTOTAL	19,006,367	18,629,621	(376,746)
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	\$ 50,324,384	\$ 50,633,130	\$ 308,746
HMOF	45,905,948	46,293,649	387,701
CONSTRUCTION	2,946,852	2,874,094	(72,758)
TPOF	21,996	20,513	(1,483)
DMV	15,735	15,684	(51)
RAIL	176,944	176,369	(575)
PTF	407,516	406,190	(1,326)
PORTS	85,421	85,143	(278)
AIRPORTS	47,527	47,372	(155)
DRPT	687,543	685,308	(2,235)
SPACE	28,902	28,808	(94)

Program Allocations by Fund

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)	\$ —	\$ 43,957,252	\$ —	\$ —	\$ —	\$ 43,957,252
Ground Transportation Planning & Research (602)	16,728,369	54,085,741	20,325,905	—	—	91,140,015
Highway Construction Programs (603)	—	1,593,957,137	706,005,643	76,300,000	402,644,854	2,778,907,634
Highway System Maintenance (604)	1,476,691,287	—	278,881,968	—	—	1,755,573,255
Commonwealth Toll Facilities (606)	—	—	—	—	70,858,214	70,858,214
Financial Assistance to Localities (607)	477,607,101	7,791,255	7,121,293	—	765,502,389	1,258,022,038
Non-Toll Supported Transportation Debt Service (612)	—	—	134,881,288	—	266,774,138	401,655,426
Special Structures (614)	—	60,000,000	—	—	—	60,000,000
Administrative and Support Services (699)	301,553,386	—	—	—	1,034,395	302,587,781
VDOT Capital Outlay (998)	—	60,000,000	—	—	—	60,000,000
Support to Other State Agencies	46,293,649	2,874,094	—	—	1,465,387	50,633,130
Support to DRPT Programs	—	4,000,000	—	—	79,805,427	83,805,427
TOTAL	\$2,318,873,792	\$ 1,826,665,479	\$ 1,147,216,097	\$ 76,300,000	\$1,588,084,804	\$6,957,140,172

* - Other includes I-81 Corridor Improvement Fund, Statewide Interstate Improvement Fund, 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 2022

Revenues

Revenue provided by the General Fund of the Commonwealth	\$	22,600,000
Taxes		893,900,000
Rights and privileges		19,073,840
Sale of property and commodities		—
Interest, dividends, and rents		39,914,823
Fines, forfeitures, court fees		—
Penalties, and escheats		6,000,000
Receipts from localities and private sector		903,855,752
Federal grants and contracts		1,147,216,097
Toll revenues		64,108,214
Other		12,384,912
	Total Revenues	<u><u>3,109,053,638</u></u>

Other Financing Sources

Other financing sources		244,466,829
Bond proceeds		76,300,000
Note proceeds		—
Transfers from other state agencies and General Fund		—
Transfers in		3,527,319,705
	Total Other Financing Sources	<u><u>3,848,086,534</u></u>
	Total Revenues and Other Sources	<u><u>\$6,957,140,172</u></u>

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Budget Comparison Schedule for FY 2022

Revenues

Administrative and support services	\$302,587,781
Ground transportation system planning and research	91,140,015
Highway system acquisition and construction	2,778,907,634
Highway system maintenance	1,755,573,255
Financial assistance to localities	1,258,022,038
Environmental monitoring and compliance	43,957,252
Toll facility operations and construction	70,858,214
Special Structures	60,000,000
Capital outlay	60,000,000
Debt Service	401,655,426
Total Expenditures	<u>6,822,701,615</u>

Other Financing Uses

Other financing uses	—
Transfers to other state agencies and General Fund	134,438,557
Transfers out	—
Total Other Financing Uses	<u>134,438,557</u>

Total Expenditures and Other Uses **\$6,957,140,172**

Revenues and Other Sources Over (Under) Expenditures and **\$ —**

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.
CTF	Commonwealth Transportation Fund
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 non-federal 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 sub-allocation 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 Revolving	Toll Facilities Revolving Account
TPOF	Transportation Partnership Opportunity Fund
TTF	Transportation Trust Fund

Endnotes

Endnote Number	Description
1	Reflects state revenue update for dedicated funds available
2	Funding reflects omnibus investments toward full formula implementation in FY 2024
3	Additional federal funding reflects the impact of updates for Highway Infrastructure Program funds made available in Coronavirus Response and Relief Supplemental Appropriations Act and the DOT Appropriations Act
4	Reduced annual spending expectations for the Hampton Roads Bridge Tunnel Expansion Project over previous year.
5	Reflects one-time allocation of state funding available from the General Fund, Transportation Partnership Opportunity Fund and construction fund balances from the Access Programs (Chapter 552, Item 447.10)
6	Update in planned allocation of GARVEE Bonds available
7	Amount reflects adjustment for actual collections from FY 2020 with revenue update.
8	Reflects state revenue update for dedicated funds available and reduced use of prior year funding available.
9	Update reflects programming of bonds available for Route 58 Corridor.
10	Additional mitigation funding allocated for new fiscal year.
11	Adjustment reflects additional funds provided for project pipeline efforts and strategic innovation efforts.
12	Reflects reconciliation and reduction to federal revenue estimate and associated state match.
13	Reduced annual spending expectations for project participation by others.
14	Update reflects programming of bonds available for Route 58 Corridor.
15	Revenue Sharing adjustment based action adopted to adjust revenue sharing allocations provided previously and provide state match allocations in the year in which they are needed through Fiscal Year 2024. This requested flexibility is addressed in the budget bill considered in the 2020 Special Session I, Item 430, P.
16	Amount reflects adjustment for actual collections from FY 2020 with revenue update.
17	Amount reflects adjustment for actual collections from FY 2020 and formula distribution for the Interstate Operations and Enhancement Program.
18	Other reflects one-time allocation for projects included in the 2021 Transportation Initiative (Chapter 552, Item 447.10, 2021 Special Session I).
19	Estimate reflects full year of revenue available to the Central Virginia Transportation Authority.
20	Reflects the first year of implementation for the Special Structures Fund and Program. Funding is provided as a direct allocation from the Commonwealth Transportation Fund.

DRPT FY 2022 Draft Budget Update

Commonwealth Transportation Board: April 20, 2021

Jamie Motley, Director of Financial Planning and Budget
Department of Rail and Public Transportation



FY 2022 Budget Development Basis

- Based on anticipated cash outlays for FY 2022
- SYIP based on allocations of revenues to projects:
 - Not necessarily based on timing of cash outlay
- Major differences between budget and SYIP:
 - Federal funds allocated by CTB; received directly by grantee
 - Capital project development lag

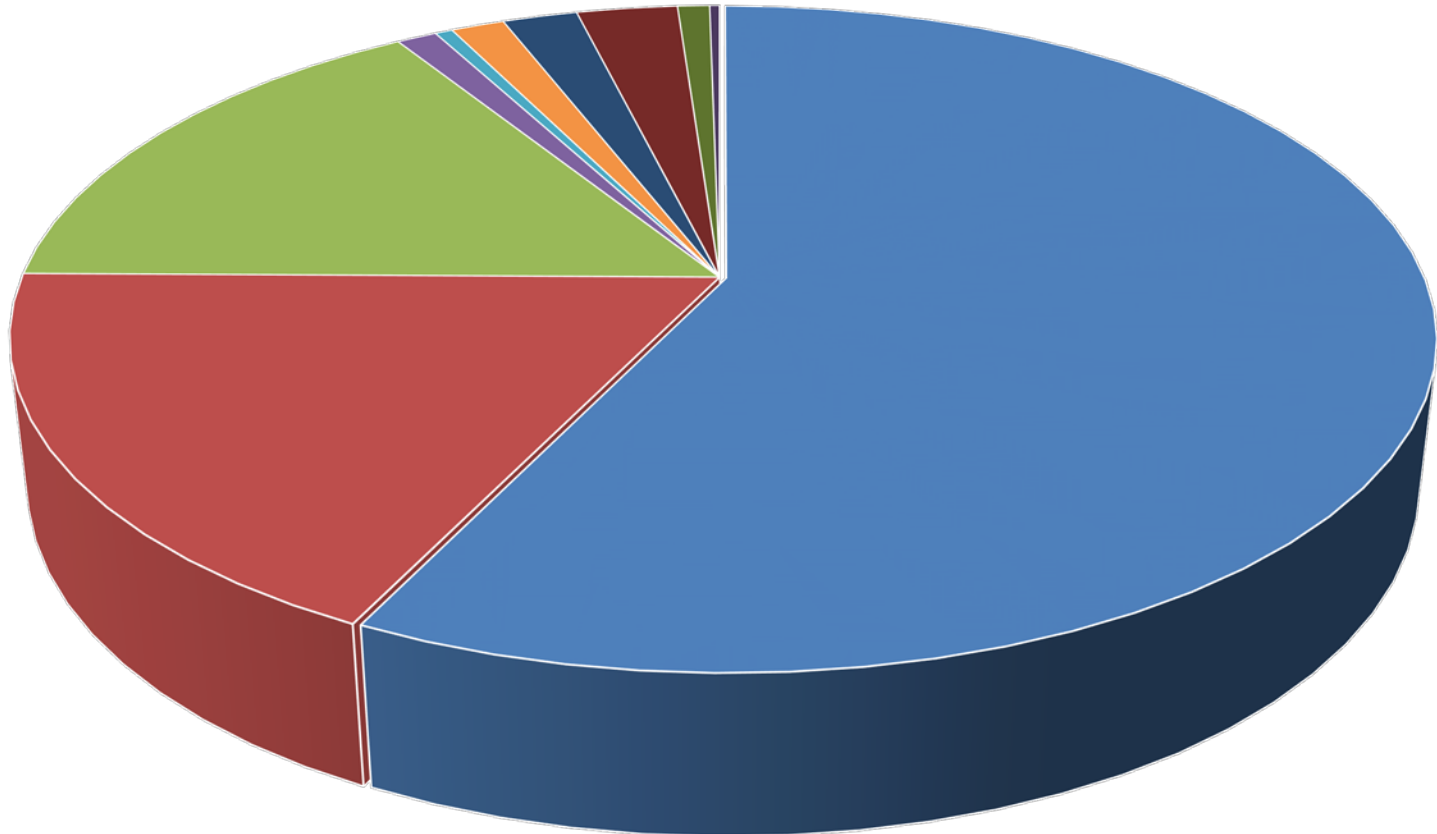
Reconciliation of SYIP Allocations to Budget – FY 2022

(In Millions)

Total Six Year Improvement Plan Allocations	1,023.1
Federal Funds Allocations with Grantee FTA Contracting	(38.6)
Agency Operating Budget	17.5
Rail Industrial Access	2.3
VPRA Recurring Payments	136.6
VPRA Allocations for Transforming Rail in Virginia Project	(88.0)
2021 Transportation Funding Initiative (Item 447.10 of Biennial Budget)	(167.0)
Current Year Allocations in Future Budgets	
Transit Revenue and Bond Allocations	(22.2)
VDOT Revenues to be spent in future years	(14.7)
Prior Year Allocations in the Current Budget	
Rail Revenue and Bond Allocations	11.3
Total Budgeted Expenditures	860.3

Budgeted Expenditures – FY 2022

(\$860.3 Million)



- Public Transportation
- Human Service Transportation
- Agency Operating Budget
- Rail Industrial Access
- WMATA Dedicated
- Planning, Regulation, & Safety
- Freight Rail
- VPRA
- Commuter Assistance
- Rail Preservation

Budget: FY 2021 vs. FY 2022

(In Millions)

	Adopted FY 2021	Draft FY 2022	Increase / Decrease
Public Transportation Programs	\$620.2	\$646.8	\$26.6
Other Programs	25.6	26.0	0.4
Rail Assistance Programs	20.0	33.4	13.4
VPRA Payments	393.2	136.6	(256.6)
Agency Operating Budget	17.2	17.5	0.3
Total Budgeted Expenditures	1,076.2	860.3	(215.9)

Public Transportation Programs Budget

FY 2021 vs. FY 2022 (In Millions)

	Adopted FY 2021	Draft FY 2022	Increase / Decrease
Operating Assistance	132.0	137.9	5.9
Capital Assistance	101.4	110.0	8.6
Special Programs	8.7	8.8	0.1
NVTC / WMATA Assistance	223.6	227.1	3.5
Transit Ridership Incentive Programs	-	8.5	8.5
WMATA Dedicated Funding	154.5	154.5	-
Total Public Transportation	620.2	646.8	26.6

Public Transportation Programs

- **Operating and NVTC/WMATA State Assistance**
 - Increase of 2% over FY21
- **WMATA Dedicated Funding**
 - Deposited in the WMATA Capital Fund to provide for the long term capital needs of WMATA
 - Covering estimated shortfall of \$22.4M with \$32.4M in 2021 Transportation Funding Initiative (Item 447.10.B of Biennial Budget)
- **Transit Ridership Incentive Program (TRIP)**
 - New program in FY21
 - Delayed until FY22 due to pandemic

Other Programs

- **Human Service Transportation - \$12.5 million**
- **Planning, Regulation and Safety - \$4.1 million**
- **Commuter Assistance Programs - \$9.4 million**

Rail Assistance Programs

- **Increase of \$13.4M mainly due to:**
 - NIT Central Rail Yard expansion project: \$4.1M
 - VIP Capacity expansion project: \$4.1M
 - CW Railway Marshalling Yard project: \$2.2M
 - Remainder due to the timing of project startup

VPRA Payments

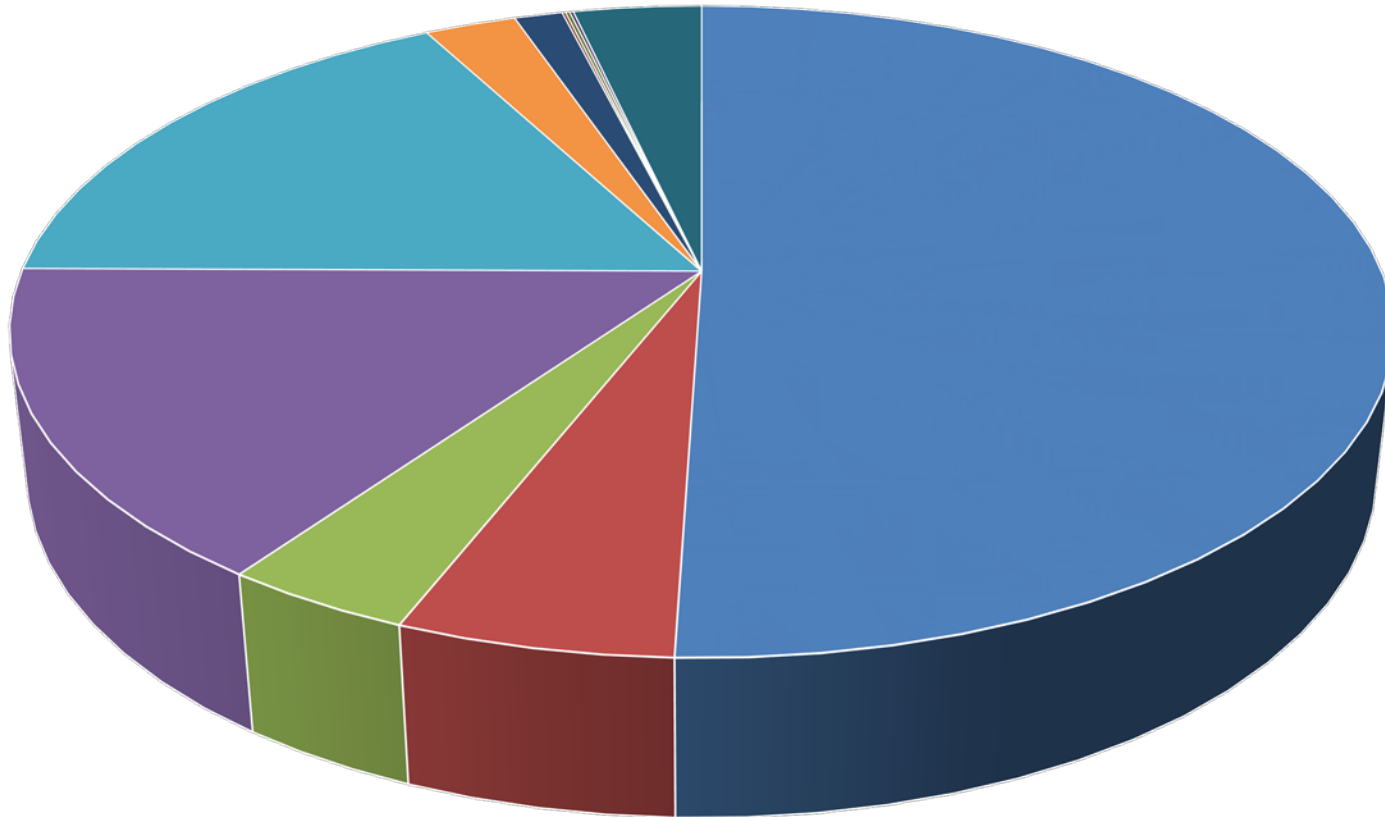
- **VPRA Payments decreased by \$256.6M**
 - One time payment of existing REF and IPROC cash paid to the VPRA in FY21 of \$302.7M
 - Offset by increase in Commonwealth Rail Fund estimated revenues in FY 22

DRPT Administrative Budget

- **Project Management and Administrative Budget**
 - **\$17.2M for FY 2021 vs. \$17.5M for FY 2022**
 - **Overhaul the rail freight program in FY 2022**
 - **Consultant support for General Assembly mandated studies**
 - **2.0 % of total proposed budget of \$860.3M**

DRPT Funding Sources – FY 2022

\$860.3 Million



- TTF-Transit
- FTA-Cares
- Federal Funds-Transit
- Dedicated Funds-Transit
- TTF-Rail
- CPR Bonds-Transit
- VPRA-Rail
- CPR Bonds-Rail
- Federal Funds Rail
- Local Funds
- I-395 Tolls & VW Trust Fund

Questions?

DRPT FY 2022 Draft Budget Update

Commonwealth Transportation Board: April 20, 2021

Jamie Motley, Director of Financial Planning and Budget
Department of Rail and Public Transportation



Virginia Department of Rail and Public Transportation



Virginia Department of Rail and Public Transportation

Annual Budget Fiscal Year 2022



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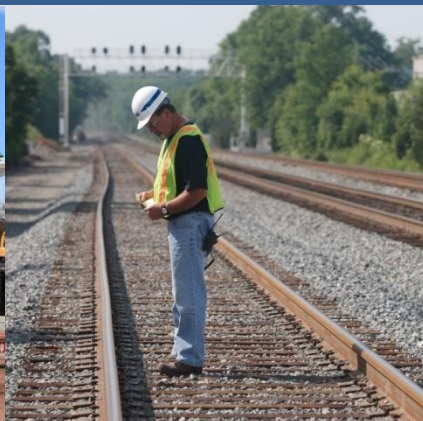
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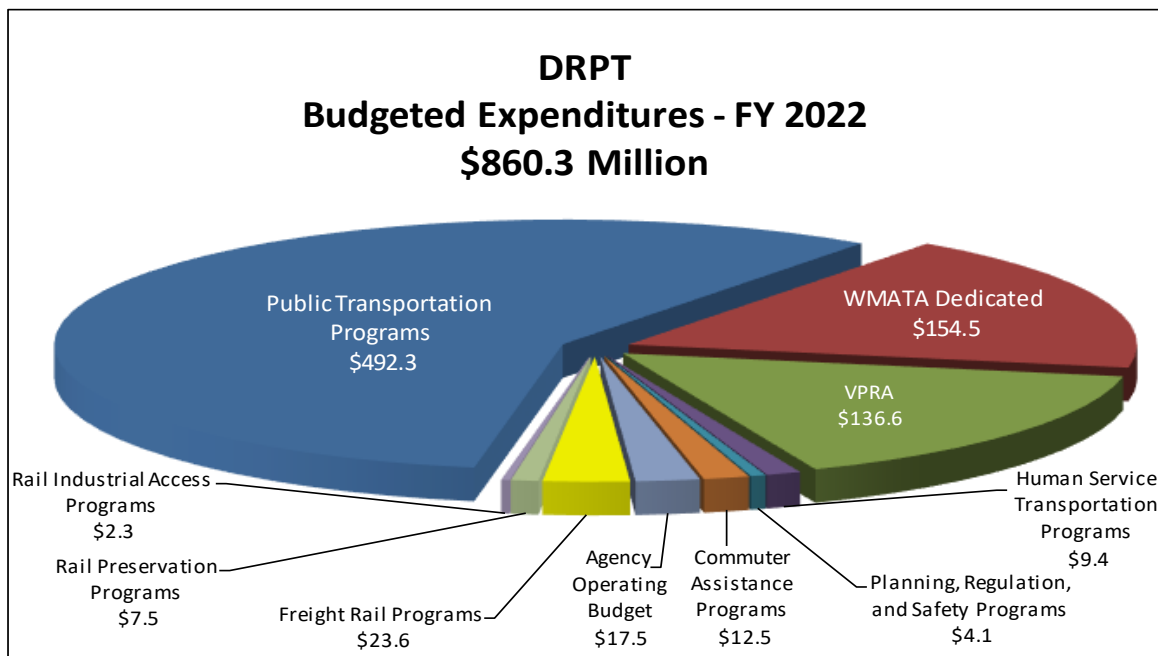
SUMMARY OF PROGRAMS



Summary of FY 2022 Budget

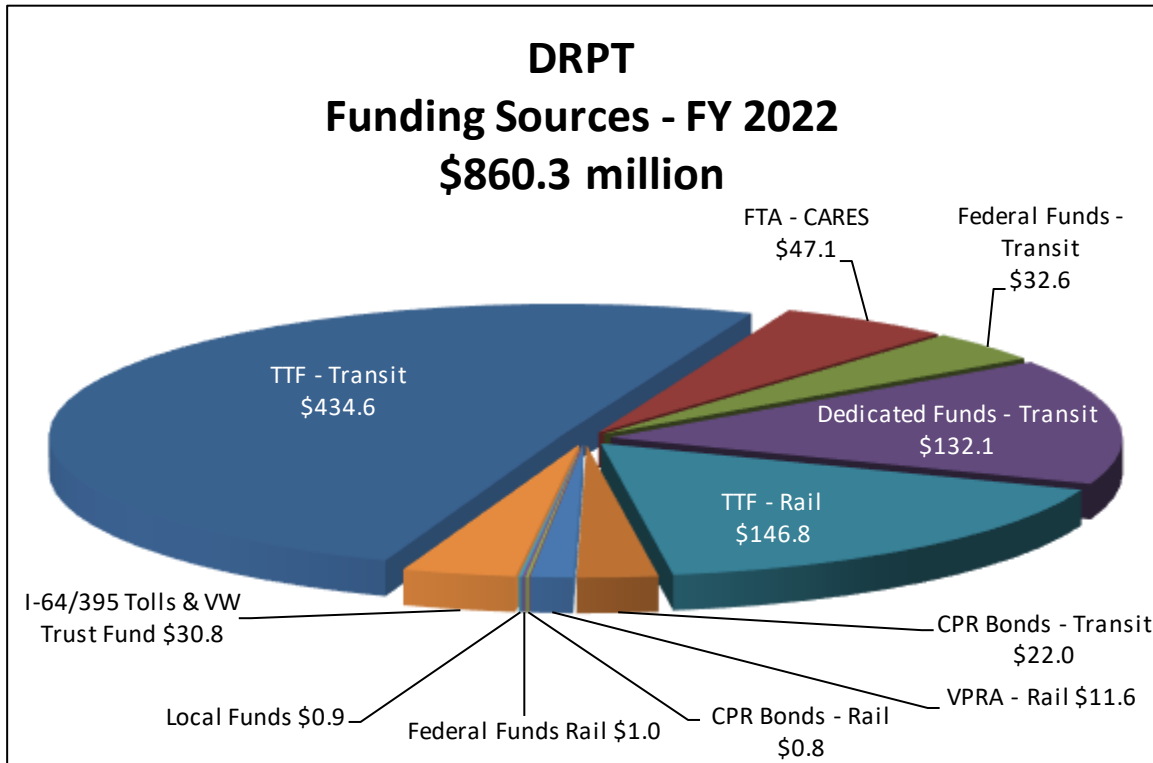
In FY 2022, DRPT will invest \$860.3 million in state, federal, and local resources towards improving rail and public transportation capacity and service across the Commonwealth of Virginia. The overwhelming majority of these funds are directed to a variety of recipients, including: public transportation providers, local and regional government entities, freight railroads, and the Virginia Passenger Rail Authority (VPRA). The VPRA was established in section §33.2-288.B. of the Code of Virginia to oversee passenger rail projects within the Commonwealth including the state supported Amtrak service. Item 443 of Chapter 1289 of the 2020 Virginia Acts of Assembly required that DRPT transfer all cash balances of the Commonwealth Rail Fund as of July 1, 2020 to the VPRA once an agreement was executed between DRPT and the VPRA. The DRPT cash balance in the Commonwealth Rail Fund of \$302.7 million was paid to the VPRA in FY 2021. The VPRA receives on going funding from DRPT of 93% of the estimated revenues of the Commonwealth Rail Fund, which is estimated at \$136.6 million for FY2022.

Expenditures for FY 2022 are estimated to be \$215.9 million less than FY 2021 primarily due to the one-time cash transfer related to the VPRA in the prior year. Excluding the one-time budgeted cash transfer to VPRA in the prior year, FY 2022 expenditures are estimated to be \$40.7 million higher than FY 2021. This is primarily due an increase in revenues and the resumption of capital spending after the reduction FY 2021 due to the Coronavirus. This increase includes pandemic related funding granted by the Federal Transit Administration (FTA) for operating assistance for rural transit agencies and an increase in WMATA Assistance used to support operating and capital expenses, as well as increased support for rail programs. Additional detail is included in the specific program sections of this document.



The chart depicts the FY 2022 DRPT budget across the agency’s service areas and the newly created Virginia Passenger Rail Authority (VPRA). The budgeted expenditures for each 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 2022 funding sources can be found on page 20.



FY 2022 Service Area Budget Highlights

Agency Operating Budget

The DRPT program management and administrative budget is forecast to increase 1.7% or \$0.3 million as a result of increased funding and program requirements in the 2020 Transportation Omnibus bill. 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. The agency operating budget will be used to develop and expand the program oversight requested by the General Assembly related to state transit funding as well as to provide assistance in the development of the Virginia Passenger Rail Authority which is managing the complex Long Bridge project and passenger rail oversight in Virginia.

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: The Virginia Breeze Intercity Bus, WMATA oversight, transit way improvements related to the Amazon headquarters arrival, transit facility design and construction oversight, Dulles Corridor Metrorail, as well as I-95 and I-81 freight 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. This for the first time will focus on measuring person throughput (rather than vehicle) and redirect toll revenue collected on highways to critical transit projects.

Chapter 1289 of the 2020 Acts of Assembly authorizes the Commonwealth Transportation Board (CTB) to approve up to 5.0% per year of the Commonwealth Mass Transit Fund (§33.2-1526), Rail Preservation Fund (§33.2-1602), and the revenues allocated to the Department from the Commonwealth Rail Fund (§33.2-1526.4) to be used to support the DRPT costs of project development, project administration, and project compliance.

In FY 2022, it is forecast that \$17.5 million of the revenues of these funds is available to support the 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 2.0% of the \$860.3 million of total funds administered.

Public Transportation Programs

The state funding for Public Transportation is comprised of revenues from the Commonwealth Mass Transit Fund (CMTF) and the Commonwealth Transit Capital Fund (CTCF). Effective July 1, 2020, HB 1414 adopted numerous structural changes to the transportation funding system in the Commonwealth. Most state transportation revenues are directed to the Commonwealth Transportation Fund and the Highway Maintenance and Operating Fund, which are administered by the Virginia Department of Transportation (VDOT). Revenues are then disbursed from the Commonwealth Transportation Fund to the Transportation Trust Fund and then distributed to meet the varying transportation needs of different modes of transportation. The CMTF receives 23% of the Transportation Trust Fund. This structure allocates the net impact of upturns and downturns in specific revenues so no one mode is adversely affected.

Chapter 854 of the 2018 Acts of Assembly established a separate allocation for the Washington Metropolitan Area Transit Authority (WMATA) and set allocation percentages for our Operating, Capital, and Special programs in FY 2019 and beyond. It is important to note that these bills did not create additional transportation revenues. Instead, they built on the new revenues generated by HB 2313 in 2013 by changing the distribution of existing revenues.

Beginning in FY 2021, these funds were distributed in accordance with the *Code of Virginia* and specific Appropriations Act language as follows:

- Up to 5.0% of the CMTF to support costs of project development, project administration, and project compliance (current Appropriation Act language)
- \$2.0 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

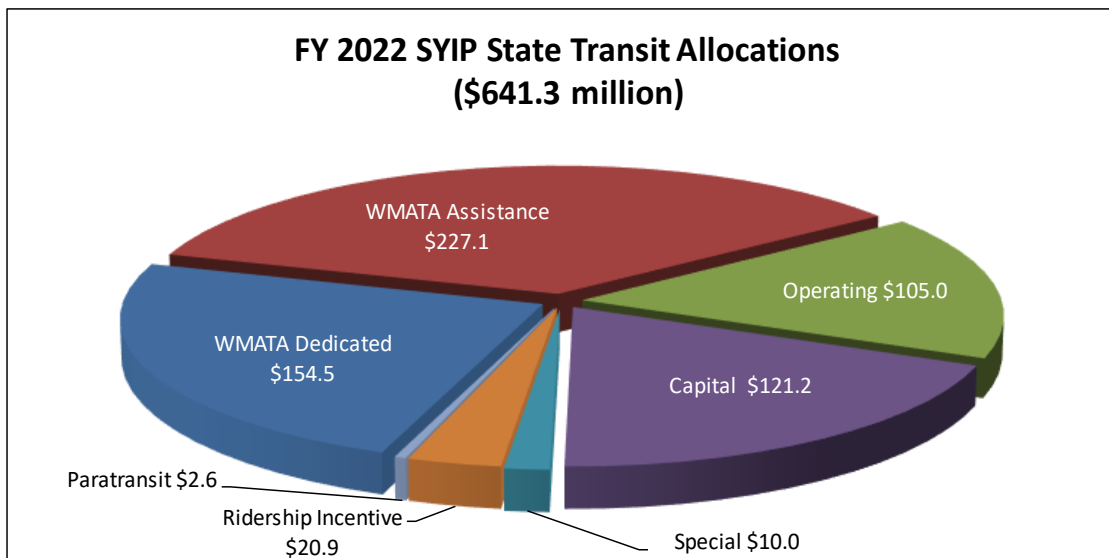
The remaining funds are allocated by statute (§33.2-1526.1) with a minimum of 27.0% for state operating assistance grants, 18.0% awarded as capital assistance grants, 46.5% for distribution to WMATA for capital purposes and operating assistance, 6.0% for the Transit Ridership Incentive Program and the balance of up to 2.5% awarded as special projects grants, subject to CTB approval. Item 436.P of Chapter 56 of the 2020 Special Session I of the Virginia Acts of Assembly gives the CTB flexibility in applying these percentages to keep revenue streams relatively stable to maintain the project's current schedule from FY 2020 for each program, but no later than FY 2024. Therefore, no funds are allocated for the Transit Ridership Incentive Program for FY 2022.

The CTCF 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. Beginning in FY 2019, these bond funds completed the 10 year period under the original bond authorization and the \$60 million annual amount available ended. Current year allocations of these funds represent monies deobligated from prior year projects.

By the close of FY 2021 when the WMATA state of good repair funding grant ended, the state transit capital assistance program lost an additional \$50 million of annual bond funding. However, section §33.2-1526.1.B of the Code of Virginia allocates up to \$50 million off the top of the CMTF starting in FY 2022 for the WMATA State of Good Repair program.

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 is 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 is 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 2022 SYIP allocation of the state transit revenues for public transportation is depicted in the following chart. This chart represents FY 2022 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, reference Note 1 on page 21.



The FY 2022 allocation of \$641.3 million of state transit revenues in the SYIP represents an increase of \$98.2 million from FY 2021. Capital projects increased \$63.2 million primarily due to an increase in estimated revenue collections and an increase in large bus purchases and facility construction following a period of reduced capital needs in FY 2021 due to the Covid-19 pandemic. WMATA Assistance increased \$3.5 million from FY 2021. Transit Operating Assistance allocations from the State increased \$7.3 million. In FY 2022 DRPT is also using \$4.7 million of Federal funds provided by the CARES Act through the FTA that are not included above to fund operating assistance to smaller transit agencies. In FY 2022 and FY 2021 there was a shortfall in WMATA Dedicated funds. In FY 2022 the General Assembly made up to \$32.4 million of proceeds from Item 447.10 of the Biennial Budget available to bring the WMATA Dedicated funds to the annual commitment level of \$154.5 million, of which it is estimated that \$22.4 million will be needed to cover the shortfall. In FY 2021 DRPT allocated \$17.6 million of bond proceeds to fill the WMATA Dedicated funds shortfall. WMATA Assistance includes an allocation of \$50.0 million of CMTF funding, which was funded from bond proceeds prior to FY 2022, to match the federal funds WMATA is receiving under the federal state of good repair program.

Public Transportation Operating Funds

The budgeted amounts in this report include anticipated expenditures on all of the projects and grants that DRPT manages for FY 2022, not just amounts allocated in FY 2022 by the CTB above. The budgeted FY 2022 transit operating expenditures increased \$5.9 million. This increase includes \$17.7 million of CARES Act funding from the FTA for rural transit agencies with no matching requirements that replaced operating funds with a 50% local match requirement. Section §33.2-1526.1 of the *Code of Virginia* provides that the Commonwealth Transportation Board (CTB) shall allocate 27.0% of the Commonwealth Mass Transit Fund to support operating costs of transit providers and that the CTB shall establish service delivery factors, based on effectiveness and efficiency, to guide the relative distribution of such funding. Such measures and their relative weight shall be evaluated every three years.

The Department of Rail and Public Transportation (DRPT) has worked in consultation with the Transit Service Delivery Advisory Committee (TSDAC) and other stakeholders to develop the necessary policies and procedures to implement a performance based state transit operating allocation. The TSDAC adopted the following policy objectives to guide their deliberations: promoting fiscal responsibility, incentivizing efficient operations, supporting robust transit service, rewarding higher patronage, promoting mobility, supporting a social safety net, and utilizing data that exists for all agencies.

The CTB adopted the allocation policy for transit operating funding for FY 2022 based on performance factors as follows:

System Sizing Metrics:

Bus Systems:

- Operating Cost (50%)
- Ridership (30%)
- Revenue Vehicle Hours (10%)
- Revenue Vehicle Miles (10%)

Commuter Rail Systems:

- Passenger Miles Traveled (33%)
- Revenue Vehicle Hours (33%)
- Revenue Vehicle Miles (33%)

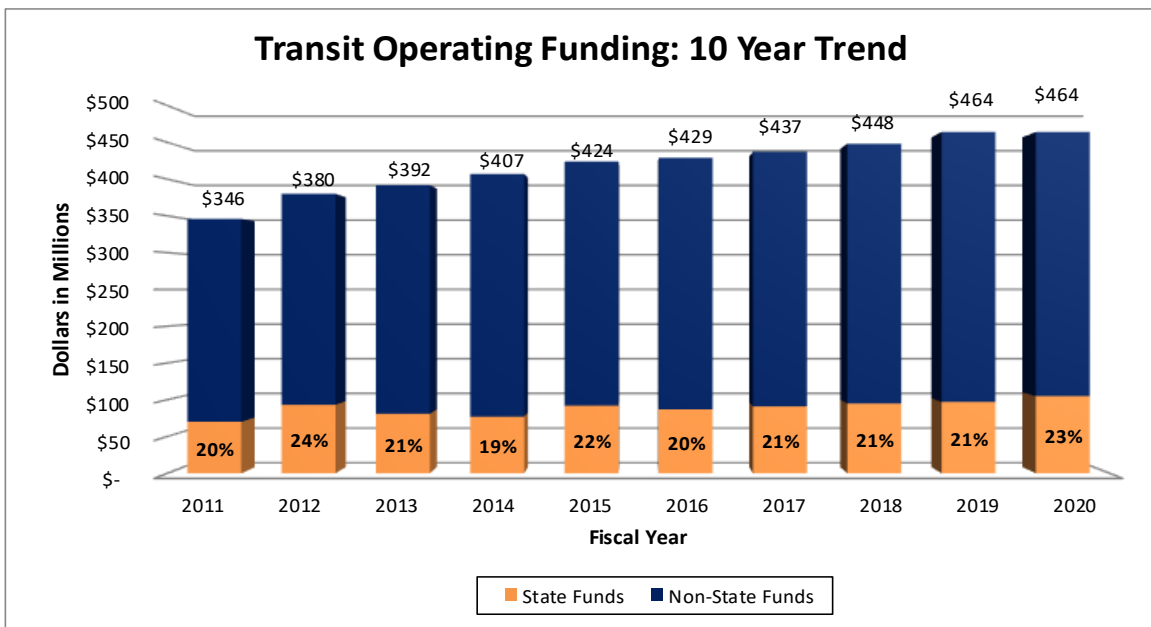
Performance Adjustment:

All Systems:

- Passengers per Revenue Vehicle Hour (20%)
- Passengers per Revenue Vehicle Mile (20%)
- Operating Cost per Revenue Vehicle Hour (20%)
- Operating Cost per Revenue Vehicle Mile (20%)
- Operating Cost per Passenger (20%)

In order to ensure an even distribution of funding, the share of state operating assistance is to be capped at 30% of an agency's operating cost. Unallocated balances remaining after applying the cap are run through the performance based formula to ensure full allocation of the available operating funding. Agencies that receive an increase in state assistance as a result of the performance based formula are encouraged to invest the increased allocation into sustaining and expanding service options.

The overall state share of transit operating expenditures for FY 2022 is 22.6%, which is an increase of 1.7% from prior year. DRPT allocated \$4.7 million of Federal Cares funding for Operating that is not included in the chart below. 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 and beyond funding for WMATA operating and capital are reported as WMATA Assistance funds.



Public Transportation Capital Funds

Section §33.2-1526.1 of the *Code of Virginia* provides that the CTB shall allocate 18.0% of the Commonwealth Mass Transit Fund for capital purposes distributed utilizing the transit capital prioritization process established by the Board pursuant to Section 33.2-214.4 of the *Code of Virginia*. Capital program grants from the CMTF are funded based on the total cost of the project. Effective July 1, 2019, capital projects are prioritized in three different categories:

State of Good Repair (SGR): capital projects or programs to replace or rehabilitate an existing asset. SGR is based on transit asset management principles, including federal requirements for Transit Asset Management. Projects are prioritized based on asset condition score and service impact score.

Minor Enhancement (MIN): Projects or programs to add capacity, new technology, or a customer enhancement meeting the following criteria:

- Project cost is up to \$2 million, OR
- For expansion vehicles, a minor enhancement entails a fleet increase of no more than 5 vehicles or less than 5% of the fleet size, whichever is greater.

Minor enhancement projects are prioritized solely on service impact scores.

Major Expansion (MAJ): Projects or programs that add, expand, or improve service with a cost exceeding \$2 million or for expansion vehicles, an increase of greater than 5 vehicles or 5% of fleet size, whichever is greater. Projects are prioritized based on the following SMART SCALE factors:

- Congestion Mitigation
- Economic Development

- Accessibility
- Safety
- Environmental Quality
- Land Use

In FY 2022, the budget for public transportation capital expenditures is \$110.0 million, which is an \$8.6 million increase from FY 2021. This increase is mainly attributable to the adverse effect of the Coronavirus on the ability of transit agencies and localities to fund and engage in longer term capital projects. The projects that will be supported by these funds and the applicable federal funds managed by DRPT are summarized on the following chart:

Public Transportation Capital Projects for FY 2022						
	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	21	0	0	0	0	0
Culpeper District	7	4	8	0	0	0
Fredericksburg District	3	0	6	2	0	0
Hampton Roads District	14	0	19	31	0	0
Lynchburg District	24	0	7	2	0	0
Northern Virginia District	83	0	0	7	0	0
Richmond District	52	0	8	2	1	0
Salem District	24	0	5	4	2	0
Staunton District	8	0	13	0	0	0
Multi - District	43	0	2	7	0	0
Statewide Totals	279	4	68	55	3	0

Public Transportation Special Program Funds

Section §33.2-1526.1 of the *Code of Virginia* provides that the CTB shall allocate 2.5% of the Commonwealth Mass Transit Fund for special programs. The Special Programs budget is estimated at \$8.8 million for FY 2022. These funds are used to award discretionary grants for ridesharing, public transportation promotion, operation studies, technical assistance projects, as well as programs that enhance the provision and use of public transportation services.

Public Transportation Ridership Incentive

Section §33.2-1526.1 of the *Code of Virginia* provides that the CTB shall allocate 6.0% of the Commonwealth Mass Transit Fund for the Transit Ridership Incentive Program established pursuant to Section §33.2-1526.3 of the *Code of Virginia*. The Board shall establish the Transit Ridership Incentive Program (the Program) to promote improved transit service in urbanized areas of the Commonwealth with a population in excess of 100,000 and to reduce barriers to transit use for low-income individuals.

Due to the adverse effects of the Coronavirus on revenues, Item 430.P of Chapter 1289 of the 2020 Virginia Acts of Assembly gives the CTB flexibility in applying these percentages to keep revenue streams relatively stable from FY 2020 for each program. Therefore, no funds were allocated for the Transit Ridership Incentive Program for FY 2021. The FY 2022 budget includes \$8.5 million to support projects such as free fare programs.

WMATA Assistance Funds

The budgeted state assistance provided to WMATA increased \$3.5 million from FY 2021. Section §33.2-1526.1 of the *Code of Virginia* provides that the Commonwealth Transportation Board (CTB) shall allocate 46.5% of the Commonwealth Mass Transit Fund to the Northern Virginia Transportation Commission for distribution to WMATA for capital purposes and operating assistance. In FY 2018 and prior years, WMATA received a share of the funds available for the operating and capital assistance based on program allocation guidance. Under the new process, greater oversight responsibility is required of the Northern Virginia Transportation Commission for these state funds dedicated to WMATA.

Commuter Assistance Programs

The Commuter Assistance Programs budget of \$12.5 million includes \$5.3 million of CMTF funds for FY 2022 to support Transportation Demand Management (TDM) projects. The budget also includes Federal Highway Administration (FHWA) funds of \$5.5 million and the related state match of \$1.7 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 2022 is shown in the following table.

Commuter Assistance Projects for FY 2022			
	Transportation Demand Management Agencies	Special TDM Projects	Total
Bristol District	0	0	0
Culpeper District	2	2	4
Fredericksburg District	5	2	7
Hampton Roads District	1	1	2
Lynchburg District	1	2	3
Northern Virginia District	11	7	18
Richmond District	3	6	9
Salem District	3	2	5
Staunton District	2	2	4
Multi - District	2	0	2
Statewide Totals	30	24	54

Human Service Transportation Programs

The Human Service Transportation Programs budget is estimated at \$9.4 million for FY 2022. 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 (\$6.9 million), local provider match (\$0.8 million), CPR bond proceeds (\$0.9 million), special VDOT programs (\$0.1 million), and CMTF funds for enhanced transportation services for the elderly and disabled (\$0.7 million). The breakdown by district of the 68 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 2022 budget includes \$4.1 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 \$3.6 million and CMTF state match allocations of \$0.5 million.

WMATA Dedicated Funds

Chapter 854 of the 2018 Acts of Assembly established the WMATA Capital Fund. It also established 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 expected revenues budgeted to the Dedicated WMATA Capital Fund are estimated at \$132.1 million for FY 2022. DRPT allocated \$22.4 million of additional funds per Item 447.10 of the Biennial Budget to bring WMATA Dedicated funds to the FY 2021 level of \$154.5 million.

Restricted Account – (capital purposes excluding debt service)

The underlying revenues come from local recordation tax and statewide motor vehicle rental tax. For FY 2022, DRPT is allocating \$29.9 million that will be accounted for in the Restricted Account.

Non-Restricted Account – (capital purposes including debt service)

The underlying revenues come from regional gas taxes, grantor's taxes, transient occupancy tax, and local taxes or other contributions from Northern Virginia local jurisdictions and a supplement from the CMTF.

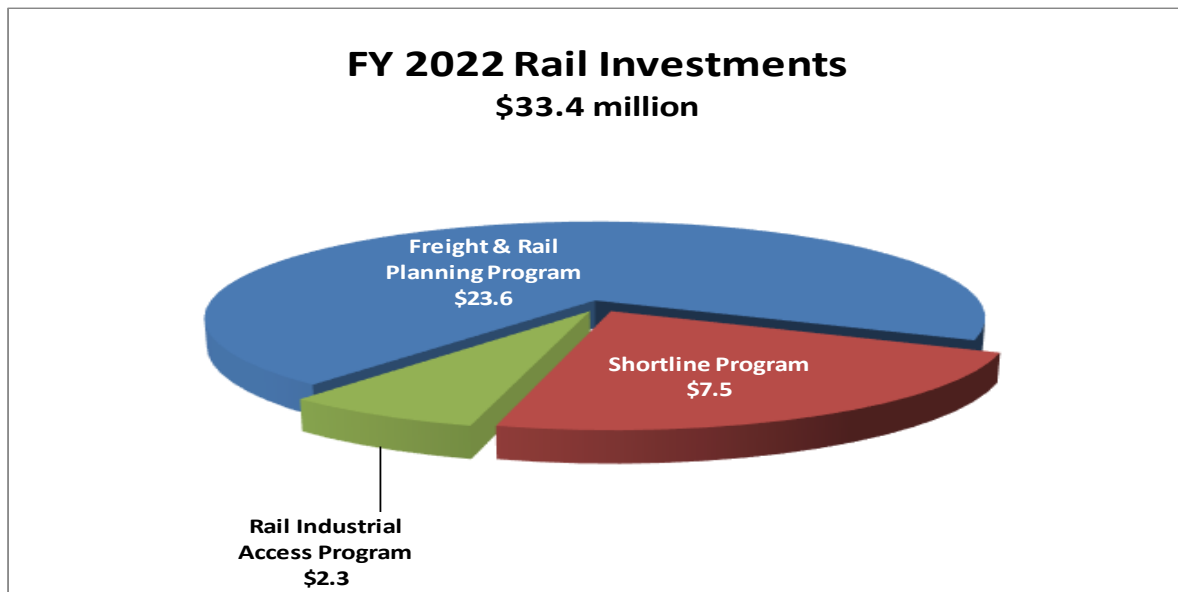
This funding is contingent on Maryland and the District of Columbia taking action to provide dedicated funding to WMATA. The percentage of funding provided by the Commonwealth shall be proportional to the amount of funding provided by the District of Columbia and Maryland relative to their respective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

Rail Programs

DRPT's FY 2022 budget for all rail service areas is \$33.4 million of funding for freight and rail planning, shortline preservation, and rail industrial access programs. In prior years, DRPT administered passenger rail projects within the State including the state supported Amtrak service. In FY 2021, the Virginia Passenger Rail Authority (VPRA) was established to oversee passenger rail projects within the State including intercity passenger service.

Effective July 1, 2020, the VPRA and the Commonwealth Rail Fund came into existence pursuant to Section §33.2-1526.4 of the *Code of Virginia*. The new legislation implemented numerous structural changes to the transportation funding system in the Commonwealth. Most state transportation revenues are directed to the Commonwealth Transportation Fund and the Highway Maintenance and Operating Fund. Revenues are then disbursed from the Commonwealth Transportation Fund to the Transportation Trust Fund and then distributed to meet the varying transportation needs of different modes of transportation. The Commonwealth Rail Fund receives 7.5% of the Transportation Trust Fund. This structure consolidates the net impact of upturns and downturns in specific revenues. This serves to mitigate the year to year impacts on the revenue streams of the various modes of transportation. In FY 2021, the Commonwealth Rail Fund replaced the IPROC and Rail Enhancement funds with 93% of the fund going to the VPRA while 7% of the funds are retained by DRPT to support freight and rail planning projects.

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



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

Federal

- Federal Railroad Administration (FRA) grant funds of \$1.0 million;

State

- Commonwealth Rail Fund of \$2.8 million;
- Transportation Capital Projects Revenue (CPR) Bond funds of \$0.8 million;
- Shortline Railway and Development funds of \$6.7 million;
- VDOT Transfers of \$8.1 million;
- VPRA Transfers of \$11.6 million;
- Rail Industrial Access (RIA) funds of \$2.3 million; and
- Local Match of \$0.1 million.

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 2022, budgeted expenditures from prior year's bond proceeds are expected to be \$0.8 million for freight rail infrastructure improvements and 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 18 projects for Virginia's shortline railroads in FY 2022. 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 Fund allocation and related interest revenues, and the CPR bonds.

The Department of Rail and Public Transportation may use up to \$4 million of the 7% share of the Commonwealth Rail Fund for the purposes of the Shortline Railway Preservation and Development Fund pursuant to §33.2-1526.4.

Rail Industrial Access Program

This program funds the construction of industrial access railroad tracks for the purpose of connecting industries to the rail network and creating jobs. These projects are funded through the Commonwealth Transportation Fund as they are approved by the CTB.

Planning and Freight Rail Program

DRPT is the state agency responsible for rail planning and the freight rail program in the Commonwealth. Every four years, the Federal Railroad Administration requires states to submit an updated State Rail Plan. This is required in order for Virginia to be eligible for federal rail funding. DRPT also works closely with the two major Class I railroads operating in Virginia concerning freight projects and shortline railroads. DRPT will be developing the program guidance for these new areas during FY2022. Virginia's Class I railroads, shortline railroads, and the Port of Virginia are typical recipients of grants.

Virginia Passenger Rail Authority

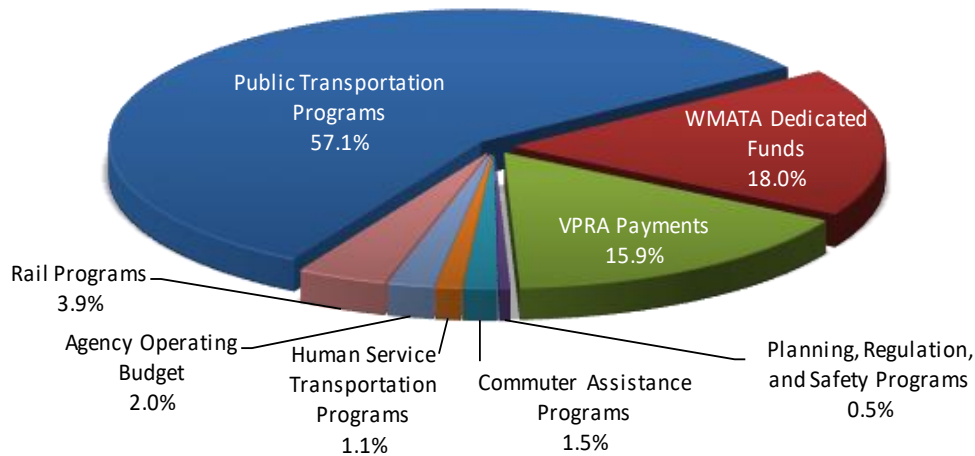
DRPT's FY 2021 budget included \$393.2 million of expenditures for the Virginia Passenger Rail Authority. The cash balance in the Commonwealth Rail Fund of \$302.7 million was paid to the VPRA in FY 2021 as directed by the General Assembly. These balances were the residual amounts for the prior IPROC and Rail Enhancement funds. The existing project commitments were divided among passenger activities (moved to VPRA) and freight activities (retained by DRPT).

The VPRA receives 93% of the annual revenues (estimated at \$88.6 million for FY 2021) of the Commonwealth Rail Fund revenues. These funds were distributed by DRPT to VPRA in FY 2021 in addition to the one-time payment. In FY 2022, \$136.6 million of annual revenues of the Commonwealth Rail Fund will be distributed to the VPRA.

ANNUAL BUDGET STATEMENT

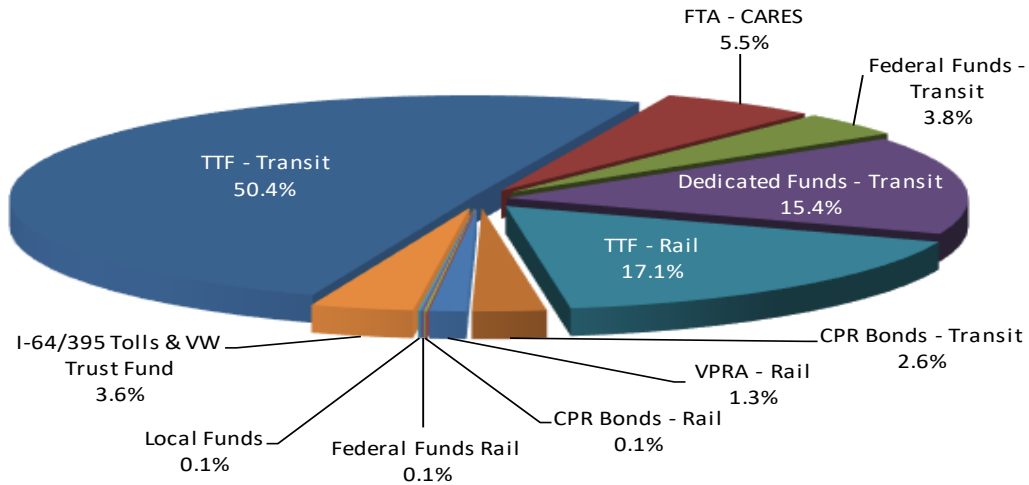


DRPT Budgeted Expenditures - FY 2022



	(\$ in millions)			
	Adopted FY 2021	Recommended FY 2022	Increase / (Decrease)	Percentage Change
Public Transportation Programs				
Operating Assistance [Notes 1, 2, 3]	\$ 132.0	\$ 137.9	\$ 5.9	4.5%
Capital Assistance [Notes 1, 2, 4]	101.4	110.0	8.6	8.5%
Special Programs [Notes 1, 2, 5]	8.7	8.8	0.1	1.1%
Ridership Incentive Programs [Notes 1, 2, 6]	-	8.5	8.5	100.0%
WMATA Assistance [Note 2, 7]	223.6	227.1	3.5	1.6%
Total Public Transportation Programs	465.7	492.3	26.6	5.7%
Commuter Assistance Programs [Notes 1, 8]	12.0	12.5	0.5	4.2%
Human Service Transportation Pgm [Notes 1, 9]	10.0	9.4	(0.6)	-6.0%
Planning, Regulation, & Safety Pgm [Notes 1, 10]	3.6	4.1	0.5	13.9%
WMATA Dedicated Funding [Note 11]	154.5	154.5	-	0.0%
Total Transit Programs	645.8	672.8	27.0	4.2%
Rail Programs				
Rail Preservation Programs [Notes 1, 12]	8.3	7.5	(0.8)	-9.6%
Rail Industrial Access [Notes 1, 13]	1.6	2.3	0.7	43.8%
Planning and Freight Rail Programs [Notes 1, 14]	10.1	23.6	13.5	133.7%
Total Rail Programs	20.0	33.4	13.4	67.0%
Agency Operating Budget [Note 15]	17.2	17.5	0.3	1.7%
Agency Total Before VPRA Payments	683.0	723.7	40.7	6.0%
VPRA Payments [Note 16]	393.2	136.6	(256.6)	-65.3%
Agency Total	\$ 1,076.2	\$ 860.3	\$ (215.9)	-20.1%

DRPT Funding Sources - FY 2022



	(\$ in millions)			
	Adopted FY 2021	Recommended FY 2022	Increase / (Decrease)	Percentage Change
TRANSPORTATION TRUST FUND				
Commonwealth Mass Transit Fund [Notes 3, 4, 5, 6, 7, 8, 9, 10, 15]	\$ 342.2	\$ 425.4	\$ 83.2	24.3%
Special Programs - VDOT Transfers [Notes 4, 5, 8, 9]	9.1	6.9	(2.2)	-24.2%
Rail Industrial Access [Note 13]	1.6	2.3	0.7	43.8%
Commonwealth Rail Programs [Notes 14, 15, 16]	398.9	139.9	(259.0)	-64.9%
Rail Preservation Program [Notes 12, 15]	7.2	6.9	(0.3)	-4.2%
Total	759.0	581.4	(177.6)	-23.4%
2018 CHAPTER 854 DEDICATED FUNDING - Transit [Note 11]	136.9	132.1	(4.8)	100.0%
BOND PROCEEDS - Transit Capital and Rail [Notes 4, 9, 12]	103.7	22.8	(80.9)	-78.0%
FEDERAL REVENUE				
FHWA Funding (CMAQ/RSTP) [Notes 4, 8]	3.9	6.1	2.2	56.4%
Federal Transit Administration [Notes 3, 4, 9, 10]	19.6	26.5	6.9	35.2%
Federal Transit Administration - CARES [Note 3]	28.7	47.1	18.4	64.1%
Federal Railroad Administration [Note 14]	2.5	1.0	(1.5)	-60.0%
Total	54.7	80.7	26.0	47.5%
LOCAL REVENUES [Notes 9, 14]	0.8	0.9	0.1	12.5%
TRANSFERS FROM OTHER AGENCIES				
VDOT I-64/I-395 Tolls Transfers [Note 4]	15.4	28.9	13.5	87.7%
DEQ VW Trust Fund Transfers [Note 4]	5.7	1.9	(3.8)	-66.7%
Virginia Passenger Rail Authority [Note 16]	-	11.6	11.6	
TOTAL SOURCES	\$ 1,076.2	\$ 860.3	\$ (215.9)	-20.1%

Footnotes to the FY 2022 Annual Budget

(1) The budgeted amounts in this report include anticipated expenditures on all of the projects and grants that DRPT manages for FY 2022 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 Planning and Freight Rail Projects of \$3.8 million in FY 2022, but \$23.6 million is expected to be spent on Planning and Freight rail projects during FY 2022. The differences between the FY 2022 SYIP allocations and budgeted expenditures are as follows:

Total Six Year Improvement Plan Allocations	\$ 1,023.1
Federal Funds Allocations with Grantee FTA Contracting	(38.6)
Agency Operating Budget	17.5
Rail Industrial Access	2.3
VPRA Recurring Payments	136.6
VPRA One-Time Payments	(88.0)
CARES - Rail Funding	(167.0)
Current Year Allocations in Future Budgets	
Transit Revenue and Bond Allocations	(22.2)
VDOT Revenues to be spent in future years	(14.7)
Prior Year Allocations in the Current Budget	
Rail Revenue and Bond Allocations	11.3
Total Budgeted Expenditures	\$ 860.3

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) Funds are allocated by statute (§33.2-1526.1) with 46.5% for distribution to WMATA for capital purposes and operating assistance, a minimum of 27.0% for state operating assistance grants, 18.0% awarded as capital assistance grants, 6.0% for transit ridership incentives, and the balance of up to 2.5% awarded as special projects grants subject to CTB approval. Item 430.P of Chapter 1289 of the 2020 Virginia Acts of Assembly gives the CTB flexibility in applying these percentages to keep revenue streams relatively stable from FY 2020 for each program.

(3) The budgeted expenditure line item entitled Public Transportation Programs - Operating Assistance increased by \$5.9 million from FY 2021 to FY 2022 to \$137.9 million. This was mainly due to the use of \$17.7 million in federal assistance provided by the CARES program, which funds up to 100% of eligible rural operating expenses and is being used in lieu of other state and federal funding. The Operating Assistance line is also made up of Commonwealth Mass Transit Funds of \$105.0 million and \$15.2 million in federal assistance through the FTA 5311 Rural Assistance program.

DRPT Footnotes to the FY 2022 Annual Budget (Continued)

(4) Public Transportation Programs - Capital Assistance increased by \$8.6 million to \$110.0 million, which is due to the negative effect of the Coronavirus in FY 2021 on the ability of localities and transit agencies to engage in and fund longer-term projects. This line item consists of \$54.1 million of Commonwealth Mass Transit funds, \$21.1 million of Transportation Capital Projects bond proceeds, \$0.8 million of FTA funding, \$6.7 million of FTA Cares funding, \$0.6 million of FHWA funding, \$20.8 million of I-66 & I-395 tolls, and \$1.9 million of VW Trust funds. Additionally, \$4.0 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.

(5) Public Transportation Programs – Special Programs increased \$0.1 million from FY 2021 to FY 2022 to \$8.8 million. Funding comes from the Commonwealth Mass Transit Fund (\$7.4 million), FTA Cares funding (\$0.3 million), and funding allocated through VDOT (\$1.1 million). This service area includes Metrorail State Safety Oversight.

(6) Public Transportation Programs - Ridership Incentive Programs increased \$8.5 million from FY 2021 to FY 2022. This line item consists of \$8.5 million of Commonwealth Mass Transit Funds. Due to the adverse effects of the Coronavirus on revenues, Item 430.P of Chapter 1289 of the 2020 Virginia Acts of Assembly gives the CTB flexibility in applying these percentages to keep revenue streams relatively stable from FY 2020 for each program. Therefore, no funds were allocated for the Transit Ridership Incentive Program for FY 2021. The FY 2022 budget includes \$8.5 million to support projects such as improved transit service in urbanized areas of the Commonwealth with a population in excess of 100,000 and to reduce barriers to transit use for low-income individuals.

(7) WMATA Assistance increased \$3.5 million from FY 2021 to FY 2022 to \$227.1 million. This Funding comes from the Commonwealth Mass Transit Fund to the Northern Virginia Transportation Commission for distribution to WMATA for capital purposes and operating assistance. Also included in FY 2022 and beyond is \$50.0 million of CMTF funding to replace the bond program that was used in prior years for the Federal State of Good Repair Program.

(8) The budgeted Commuter Assistance Programs line item increased by \$0.5 million to \$12.5 million from FY 2021 to FY 2022. Commuter Assistance Programs include Commonwealth Mass Transit Funds of \$5.3 million and FHWA funding of \$5.5 million. Additionally, \$1.7 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.

(9) The budgeted Human Service Transportation Programs line item decreased by \$0.6 million to \$9.4 million from FY 2021 to FY 2022. Funding includes \$6.9 million of FTA 5310 and 5311 awards. The match to these federal awards consists of \$0.7 million of Commonwealth Mass Transit State matching funds for the paratransit capital projects and enhanced transportation services for the elderly and disabled, Transportation Capital Projects Bond proceeds of \$0.9 million, as well as \$0.8 million of local match to the FTA 5310 funds, and \$0.1 million of funding from VDOT.

(10) Planning, Regulation, and Safety Programs consists of the FTA 5303/5304 planning funds of \$3.6 million and Commonwealth Mass Transit state match allocations of \$0.5 million.

(11) Chapter 854 of the 2018 Acts of Assembly establishes dedicated capital funding for WMATA. Expected revenues for FY 2022 are \$132.1 million. DRPT allocated \$22.4 million of funding from Item 447.10 of the Biennial Budget to bring WMATA Dedicated funds to the FY 2021 level of \$154.5 million

(12) The 2006 General Assembly passed legislation (§33.2-1526.4) 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. This line item decreased \$0.8 million to \$7.5 million from FY 2021 to FY 2022. The source of funding for the Shortline Railway Preservation fund is the Transportation Trust Fund of \$6.7 million. The additional \$0.8 million of planned expenditures is funded by Transportation Capital Projects Bond proceeds allocated by the CTB.

DRPT Footnotes to the FY 2022 Annual Budget (Continued)

(13) 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 through VDOT of \$2.3 million.

(14) The budgeted Planning and Freight Rail Programs line item of \$23.6 million represents an increase of \$13.5 million from FY 2021 to FY 2022. The source of funding to cover these expenditures includes \$2.8 million from the 7% allocation of the Commonwealth Rail Fund. The Commonwealth Rail Fund is funded by a 7.5% allocation from the Transportation Trust Fund. Additionally, this line item includes Federal Railroad Administration funds of \$1.0 million, I-66 toll proceeds of \$8.1 million, expected VPRA transfers of \$11.6 million, and local matching funds of \$0.1 million.

(15) The CTB is authorized by §33.2-1604 of the *Code of Virginia* to approve up to 3.5% per year of the Rail Preservation Fund and Commonwealth Rail Fund and by §33.2-1526.1 G of the *Code of Virginia* to approve up to 3.5% per year of the Commonwealth Mass Transit Fund to support costs of project development, project administration, and project compliance. In FY 2021 the Appropriation's Act language allows the CTB to allocate up to 5% of the Rail Preservation Fund, Commonwealth Mass Transit Fund, and Commonwealth Rail Fund to be used to support the DRPT costs of project development, project administration, and project compliance. It is forecast that \$17.5 million of revenues from these funds is available to support the programs' ongoing administrative costs. The DRPT operating budget represents only 2.0% of the total \$860.3 million FY 2022 budget.

Major Components of Agency Operating Budget	
Payroll and Fringe Benefits	\$ 7,780,000
Operations Program Support	5,456,000
Information Technology Costs	1,175,000
Central Service Agencies Indirect Costs	1,000,000
Finance Program Support	680,000
Rent	475,000
Attorney Services	350,000
Travel and Training	261,000
Other Program and Project Management Initiatives	369,379
Total	<u>\$ 17,546,379</u>
Source of Funding for Agency Operating Budget	
Commonwealth Mass Transit Fund	\$ 16,829,157
Commonwealth Rail Fund	514,222
Shortline Railway Preservation and Development Fund	203,000
Total	<u>\$ 17,546,379</u>

DRPT Footnotes to the FY 2022 Annual Budget (Continued)

(16) DRPT's FY 2021 budget included \$393.2 million of expenditures to the Virginia Passenger Rail Authority, which included recurring funding from the Commonwealth Rail Fund and a one-time cash payment. In July 2020, \$302.7 million of the rail cash balance was paid to VPRA and effectively became part of its capital structure. This cash balance included REF and IPROC funds received before June 30, 2020. Although all the funds were transferred to the VPRA, DRPT retained rail freight and planning projects. The VPRA will transfer funds (estimated to be \$11.6 million in FY 2022) to DRPT for these projects upon expenditure by DRPT until the projects are completed. In addition, the budget includes \$136.6 million of Commonwealth Rail Funds to be transferred to the VPRA in FY 2022.

DRAFT FY 2022 – 2027 SIX-YEAR IMPROVEMENT PROGRAM

 Kimberly Pryor, Infrastructure Investment Director

April 20, 2021

Draft FY 2022-2027 SYIP

	Final FY 2020-2025	Draft FY 2022-2027	Change*
Highways	\$18.3 billion	\$15.7 billion	-\$2.6 billion
Rail & Public Transp.	\$4.6 billion	\$5.7 billion	\$1.1 billion
Total SYIP**	\$22.9 billion	\$21.4 billion	-\$1.5 billion

*Comparison is made to the last full SYIP update approved by the CTB; the FY2021-2026 COVID-19 SYIP Update was a partial update.

**Total excludes debt service.

- Highway Construction Program (FY 2022 – 2027) \$15.7 billion
 - Additionally includes \$970 million in debt service
 - Provides funding to more than 3,900 projects
 - Current program includes \$4.1 billion to be provided by others

Highlights – Programs Updated

Program	Update Cycle	FY2022-2027 Total
State of Good Repair Program (SGR)	Annual	\$1.5 billion
Regional Surface Transportation Program (RSTP)	Annual	\$0.5 billion
Congestion Mitigation Air Quality (CMAQ)	Annual	\$0.3 billion
Unpaved Roads	Annual	\$0.1 billion
Innovation and Technology Transportation (ITTF)	Annual	\$0.1 billion
Construction District Grant (DGP)	Even fiscal years	\$2.0 billion
High Priority Projects (HPP)	Even fiscal years	\$1.3 billion

Highlights – New Programs

Program	FY2022-2027 Total
Interstate Operations and Enhancement Program (IOEP)	\$1.2 billion
Virginia Highway Safety Improvement Program (VHSIP)	\$0.5 billion

SGR Proposed Paving

District	VDOT Paving	Local Paving	Total
Bristol	\$5.1	\$0.9	\$5.9
Culpeper	\$2.5	\$0.2	\$2.7
Fredericksburg	\$2.5	\$0.0	\$2.5
Hampton Roads	\$2.4	\$8.7	\$11.1
Lynchburg	\$3.2	\$1.2	\$4.4
Northern Virginia	\$4.1	\$1.2	\$5.3
Richmond	\$4.6	\$1.6	\$6.2
Salem	\$5.8	\$2.3	\$8.1
Staunton	\$8.0	\$0.7	\$8.7
Total	\$38.2	\$16.8	\$55.0

(millions)

- VDOT SGR Paving
 - \$214M dedicated over the six-year window
 - \$38M in FY22 and previous surplus funds available for projects
- Local SGR Paving
 - \$85M dedicated over the six-year window
 - \$17M FY22 and previous surplus funds available for projects
 - Includes \$2.2M in Legacy CTB Formula Primary Extension funding

SGR Proposed Bridges

District	VDOT Bridge		Local Bridge		Total	
	# Bridges	Allocations millions	# Bridges	Allocations millions	# Bridges	Allocations millions
Bristol	2	\$22.3	0	\$0.0	2	\$22.3
Culpeper	2	\$12.6	0	\$0.0	2	\$12.6
Fredericksburg	3	\$2.5	0	\$0.0	3	\$2.5
Hampton Roads	0	\$0.0	1	\$2.9	1	\$2.9
Lynchburg	0	\$0.0	0	\$0.0	0	\$0.0
Northern Virginia	2	\$28.2	0	\$0.0	2	\$28.2
Richmond	1	\$50.3	0	\$0.0	1	\$50.3
Salem	3	\$32.1	0	\$0.0	3	\$32.1
Staunton	2	\$15.3	1	\$2.8	3	\$18.1
Total	15	\$163.3	2	\$5.7	17	\$169.0

- VDOT SGR Bridge
 - \$1,006M dedicated over the six-year window
 - \$170M in FY26 available for projects
- Local SGR Bridge
 - \$238M dedicated over the six-year window
 - \$40M in FY26 available for projects

ITTF Proposed Projects

UP	Description	Total Allocations (millions)
-25289	#ITTF22 Route 19/460 Signal Improvements and Cameras	\$1.1
-25288	#ITTF22 I-77 VSL Study	\$0.2
-25303	#ITTF22 Project Evaluations	\$0.8
-25302	#ITTF22 Incident Response Optimization	\$1.0
-25301	#ITTF22 Variable Speed Limit Feasibility Study	\$0.5
-25300	#ITTF22 Guide Lights for Speed Management	\$1.0
-25299	#ITTF22 IFM Pilot with VTTI/CAMP	\$0.5
-25298	#ITTF22 Automated Speed Enforcement Pilot	\$0.6
-25297	#ITTF22 Connected Work Zones Program	\$0.7
-25296	#ITTF22 Smarter Lighting Initiative	\$0.5
-25295	#ITTF22 Data-Driven Mgmt Program for Pavement Marking	\$0.3
-25294	#ITTF22 High Speed Communications for Signals (Phase II)	\$3.0
-25293	#ITTF22 City of Newport News Traffic Signal Upgrades	\$0.2
-25292	#ITTF22 HRBT Over-height Detection System Enhancements	\$0.5
-25291	#ITTF22 High-Water Monitoring System	\$0.6
-25290	#ITTF22 Osprey Fiber Connections	\$1.5
Total		\$12.9

- \$130M dedicated over the six-year window
- \$20M in FY22 available for projects

SMART SCALE Update – Staff Recommended Scenario

District	Available		Recommended		Remaining	
	DGP	HPP	# Projects	Funding	DGP	HPP
Bristol	\$72.9	\$0.0	16	\$76.6	\$13.1	\$0.0
Culpeper	\$114.3	\$0.0	19	\$160.1	\$5.4	\$0.0
Fredericksburg	\$69.7	\$0.0	12	\$109.5	\$0.4	\$0.0
Hampton Roads	\$120.1	\$0.0	19	\$125.9	\$45.1	\$0.0
Lynchburg	\$113.5	\$0.0	9	\$142.1	\$10.1	\$0.0
Northern Virginia	\$111.1	\$0.0	11	\$220.9	\$4.1	\$0.0
Richmond	\$122.0	\$0.0	19	\$177.8	\$7.0	\$0.0
Salem	\$105.4	\$0.0	29	\$142.8	\$1.0	\$0.0
Staunton	\$54.7	\$0.0	21	\$80.8	\$1.0	\$0.0
Multi	\$0.0	\$0.0	1	\$50.0	\$0.0	\$0.0
Total	\$883.7	\$490.7	156	\$1,286.4	\$87.2	\$0.7

(dollars in millions)

VHSIP Update

- **Newly established program to reduce motorized and nonmotorized fatalities and severe injuries on highways**
- **Includes both federal and state funding sources**
 - **Current programming is consistent with the Board's Highway Safety Improvement Program Project Prioritization Policy (December 2019), which prioritizes systemic safety improvement projects on VDOT maintained roads until FY2024**
 - **Per the Code, the Board must adopt an investment strategy to guide investments**
 - **Beginning in FY2024, after program administration costs**
 - 54% for infrastructure projects
 - 29% for behavioral strategies
 - 17% for other strategies in the Board's investment strategy

Next Steps

- **April/May - Hold Virtual Spring Meetings**
- **May - Approve SMART SCALE Round 4 Consensus Scenario**
- **May - Approve IOEP recommendations**
- **May - Incorporate Specials Structure funding**
- **June - Adopt Final FY2022-2027 SYIP**



Draft FY22-27 Six Year Improvement Program

Commonwealth Transportation Board: April 20, 2021

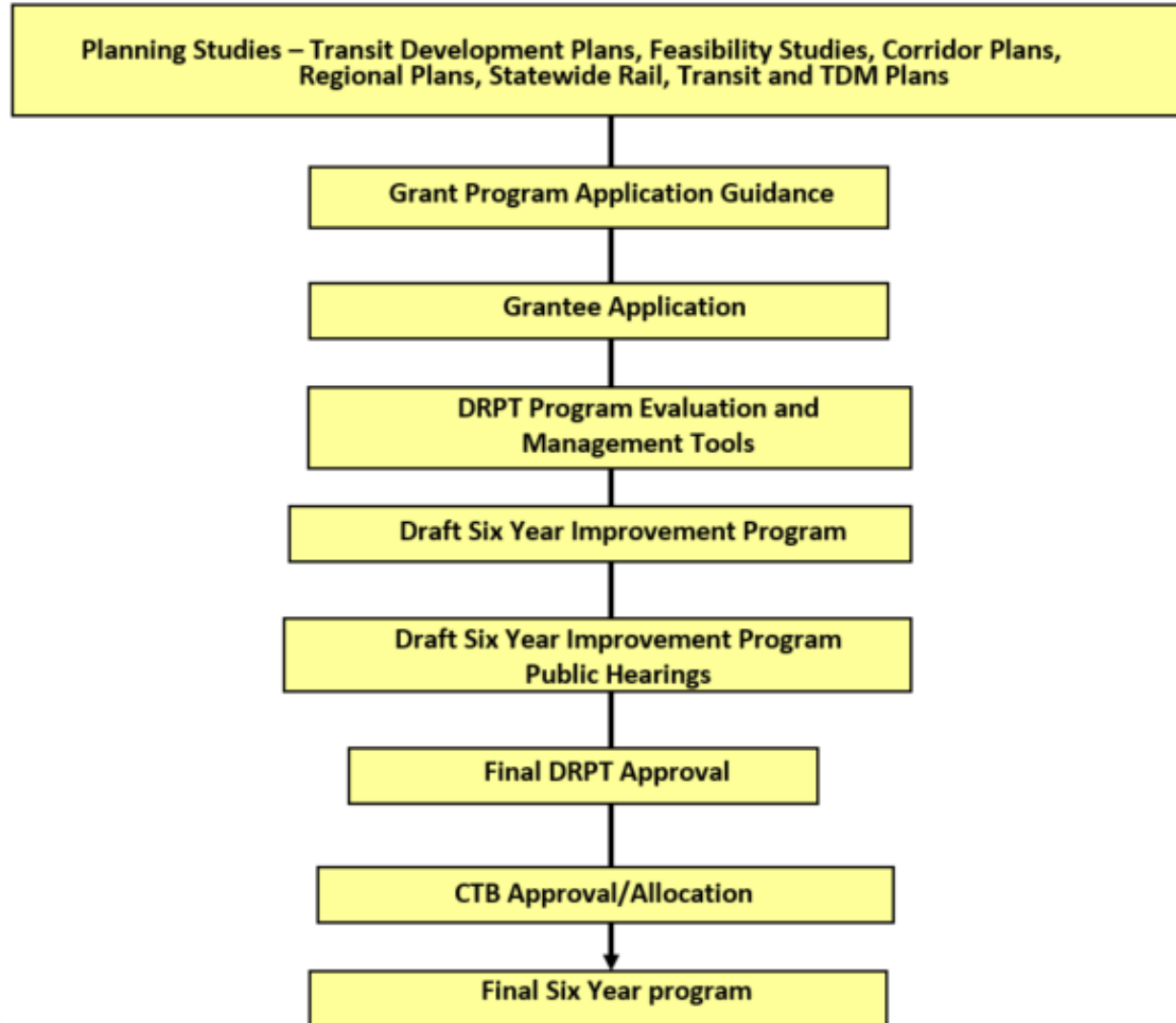
Jennifer DeBruhl, Chief of Public Transportation

Michael McLaughlin, Chief of Rail

Jamie Motley, Director of Financial Planning & Budget



Six Year Improvement Program Process



Transit Funding Allocation Process

- **Review existing grants (federal & state), project progress, transit development plans and state of good repair in making recommendations for capital funding**



Making Efficient + Responsible Investments In Transit

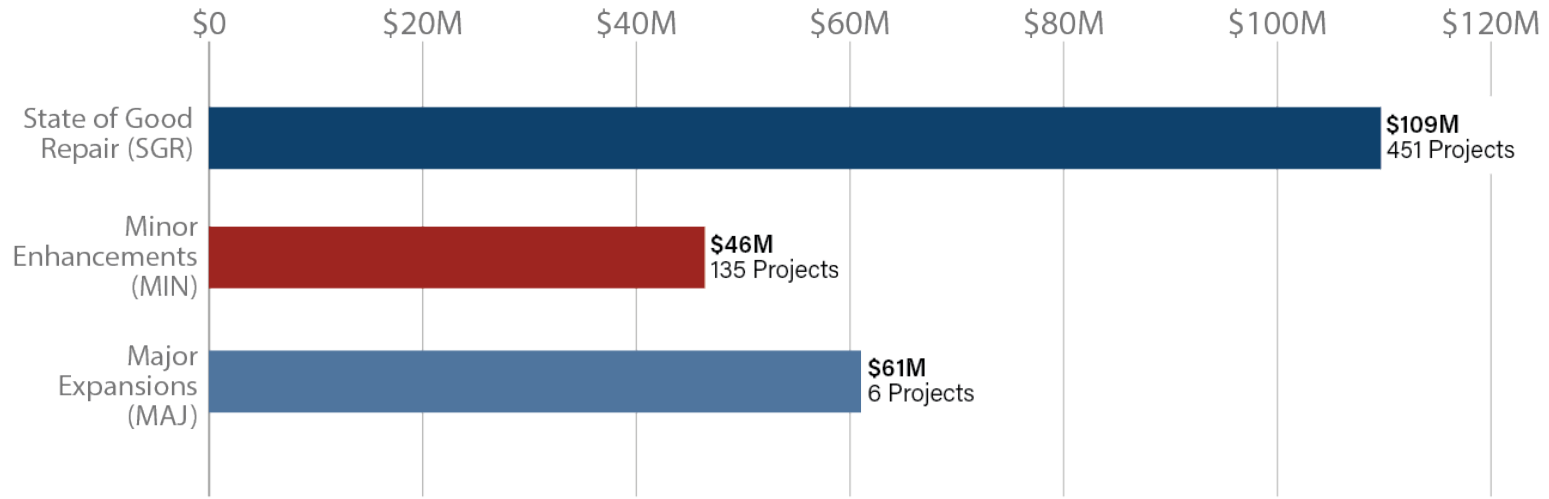
- **Capital Funds:**
 - Allocated based on MERIT prioritization methodology
 - Focus on state of good repair/minor enhancement needs, in accordance with CTB policy
- **Operating Funds:**
 - Carryforward of FY21 performance metrics for allocation
 - 2% increase in funding



MERIT: FY22 Capital Assistance Requested

FY22 - DRPT State Controlled Capital Transit Funding Requested

Includes: State Capital, State Controlled Federal, DEQ - VW Mitigation funds

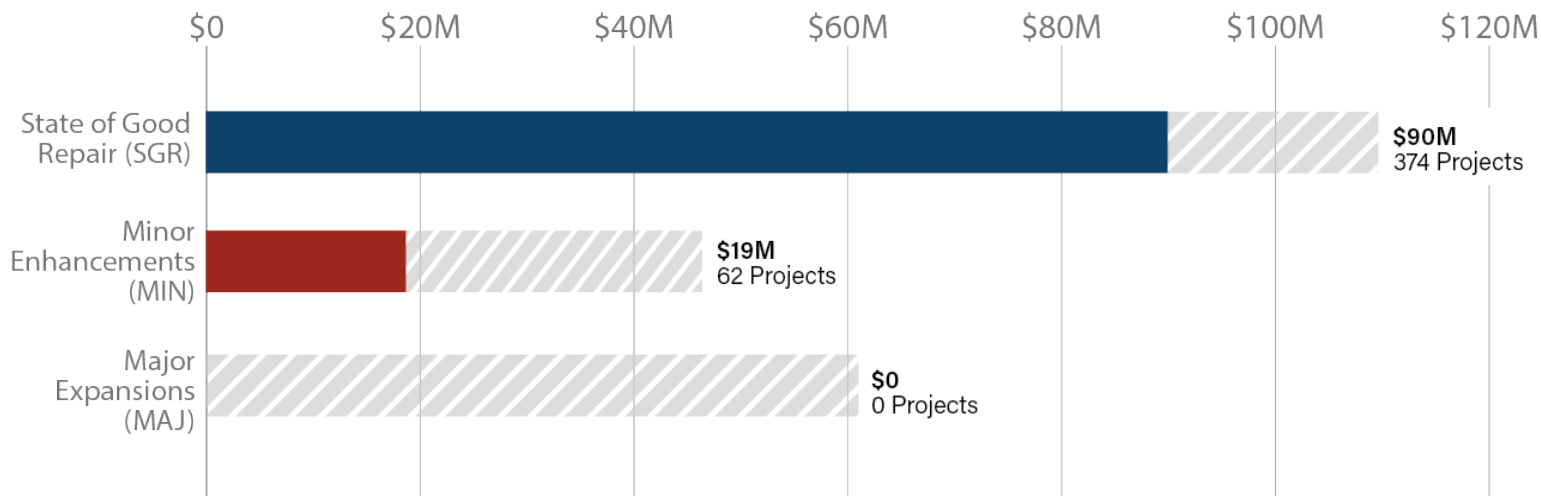


- A total of \$216 million in state controlled capital funds was requested across 592 individually evaluated projects
- Larger request than recent Fiscal Years, but consistent with the Transit Capital Needs Assessment prepared in 2019

MERIT: FY22 Capital Assistance Allocated

FY22 - DRPT State Controlled Capital Transit Funding Allocated

Includes: State Capital, State Controlled Federal, DEQ - VW Mitigation funds

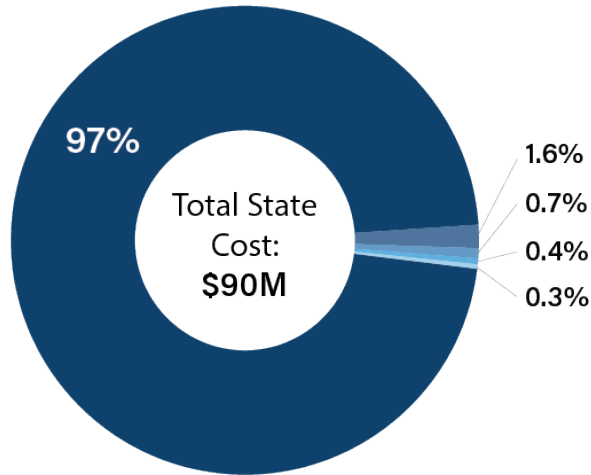


- **The FY22 Recommended Capital Assistance Program includes:**
 - SGR projects that replace assets that meet or exceed 95% of their useful life
 - High scoring MIN projects
 - Primarily expansion buses, small technology and maintenance projects
 - No MAJ projects

Recommended State of Good Repair Projects

FY22 - State of Good Repair Projects

Allocations By Project Type



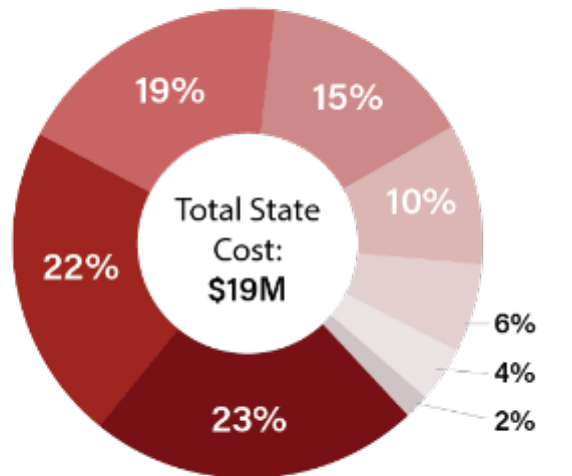
- Revenue Vehicles (97%)
- Support Vehicles (1.6%)
- Vehicle Rehabilitation/ Overhaul (0.7%)
- Equipment: Operating Support (0.4%)
- Equipment: ITS/ Communications (0.3%)

- **451 Projects Evaluated**
- **374 Projects Recommended For Funding (with a score of 40 or higher)**
- **Projects that scored well:**
 - Revenue and support vehicle replacements and rehabilitations
 - Equipment for operating support exceeding useful life
 - Administrative/ maintenance facility parts & equipment exceeding useful life
- **Projects that did not score well:**
 - Replacement of assets that have not yet met their useful life for age or mileage

Recommended Minor Enhancement Projects

FY22 - Minor Enhancement Projects

Allocations By Project Type



- Equipment: ITS/ Communications (23%)
- Revenue Vehicles (22%)
- System Infrastructure (19%)
- Equipment: Operations Support (15%)
- Maintenance Equipment/ Parts (10%)
- Financial Tools (6%)
- Vehicle Rehabilitation/ Overhaul (4%)
- Customer Facility Repair (2%)

- **135 Projects Evaluated**
- **62 Projects Recommended For Funding (with a score of 21 or higher)**
 - Large expansion vehicle project for HRT was partially funded; HRT also receiving funding through HRTAC
- **Projects that scored well:**
 - Expansion Revenue Vehicles
 - Equipment for operational support & onboard systems for ITS
 - System Infrastructure
 - Maintenance equipment and parts, and Light Rail SGR parts and equipment
- **Projects that did not score well:**
 - Customer facility enhancements – bus stops and shelters
 - Equipment for administrative support

VW Mitigation Trust Electric Buses

- Allocation of \$7.8M from the VW Mitigation Trust funds, leveraged with transit capital
- Final year of 3 year partnership with DRPT & DEQ
 - \$16.7M in mitigation trust funds
- Replacement vehicles prioritized through MERIT Process
 - Greater Roanoke Transit Company (Valley Metro)
 - Three – 35' Buses and charging infrastructure
 - Blacksburg Transit
 - Two – 35' Buses and charging infrastructure
 - Ten – 40' Buses and charging infrastructure
 - On route charging infrastructure
 - Fairfax County
 - Four – 40' Buses and charging infrastructure

Statewide Transit Operating Assistance

- Transit agencies have faced unprecedented conditions during the COVID-19 pandemic, while maintaining essential lifeline services for their communities
- Operating assistance offsets a portion (20-30%) of transit agency operating expenses in a typical year
- Transit performance metrics utilized to allocate operating assistance have varied greatly across the state (ridership, service levels)
- Recommendation:
 - Carryforward performance data utilized to calculate operating assistance for FY21 (pre-pandemic) for FY22
 - Provide 2% increase in the State Transit Operating Assistance program

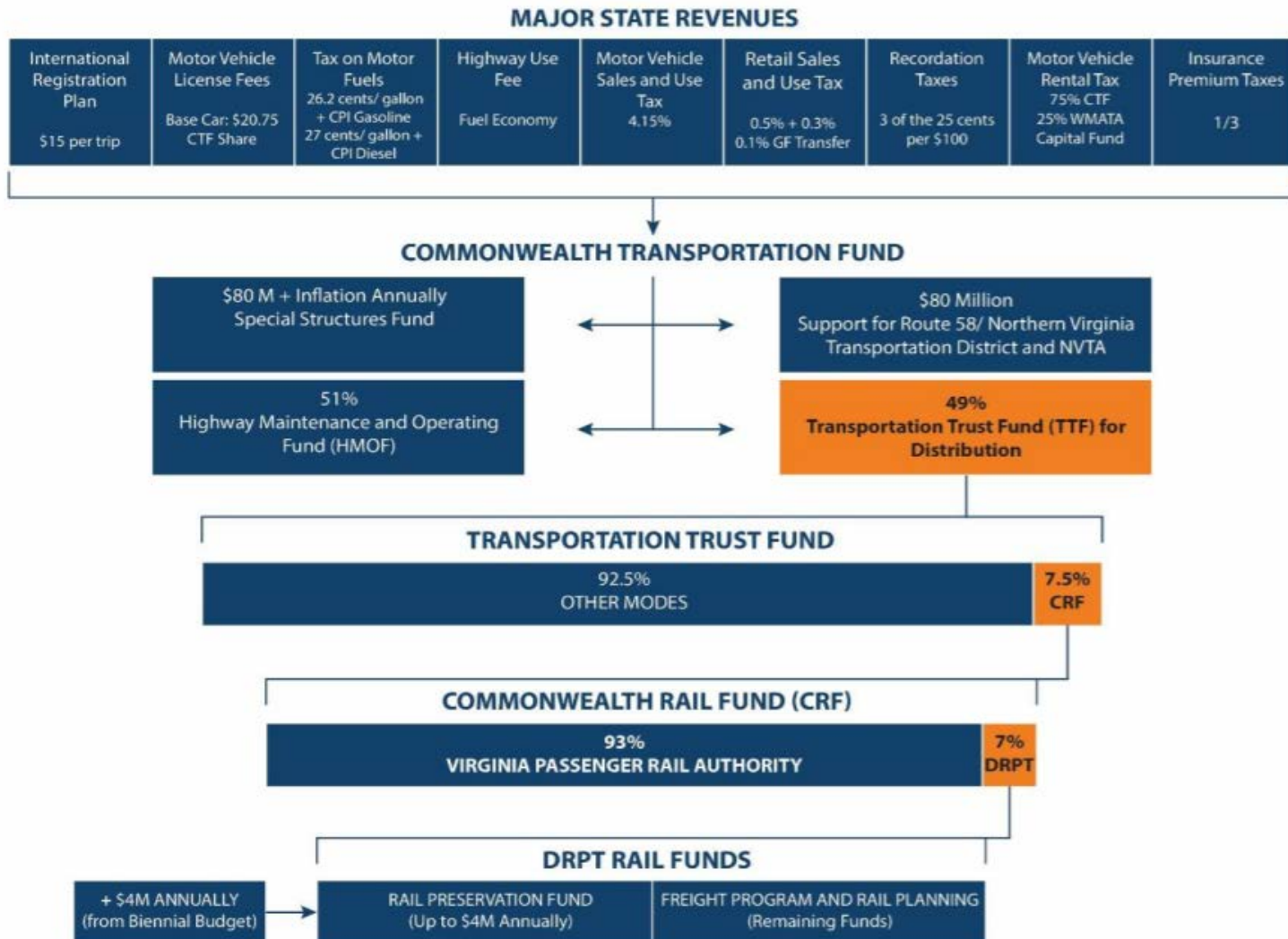


Other Transit Programming Highlights

- **Human Service Transportation**
 - Allocation of Federal CRRSAA and ARPA funding – 100%
 - Peninsula – Veterans Transportation Call Center
- **Technical Assistance Program**
 - Transit Strategic Plans – Fredericksburg & Loudoun County
 - Analysis of Bus Stop Improvements – GLTC
 - Electric Bus Feasibility – PRTC, JAUNT, DASH
 - Microtransit Study – Harrisonburg Dept. of Public Transit
 - Neighborhood Transit Centers and Next BRT Studies – GRTC
- **Commuter Assistance Program**
 - Statewide Marketing – Return to Transit
 - Enterprise Vanpool Pilot

Rail SYIP

2020 Omnibus Changes



Commonwealth Rail Fund

(In Millions)

	FY22	FY23	FY24	FY25	FY26	FY27	Total
VPRA (93%)	136.6	122.2	137.6	141.6	145.7	146.3	830.0
DRPT (7%)	10.3	9.2	10.3	10.7	11.0	11.0	62.5

DRPT Rail SYIP Changes:

2020 Omnibus Created VPRA

DRPT Programming

- **Freight Rail Programs**
 - Rail Preservation
 - Rail Industrial Access
 - FREIGHT Funding
- **Statewide Rail Planning**
 - Long Range Planning
 - State Rail Plan

VPRA Programming

- **Operating**
 - Amtrak State-supported
 - Track Maintenance
 - VRE Track Lease
- **Passenger Capital Investments (\$3B+)**
 - Project Funding
 - Project Delivery

Rail Preservation Program Recommendations (In Thousands)

- **Up to \$8M Annually**
- **FY22 Applications: 4 Railroads applied**
 - \$16M – Total Request (over multiple years)
 - \$4.5M – Total Recommended (3 projects)
 - 1 application did not pass SOGR threshold

Virginia Shortline Railroads:



Buckingham Branch



Chesapeake & Albemarle



Chesapeake Western



Commonwealth Railway



Delmarva Central Railroad



North Carolina & Virginia



Winchester & Western



Norfolk & Portsmouth Belt Line



Shenandoah Valley

1) Shenandoah Valley Railroad: Rockingham County

- Bridge re-decking includes a safety walkway and structural upgrades

	FY22	FY23	FY24	FY25	FY26	FY27
70% Grant	-	-	210	-	-	-
30% Match	-	-	90	-	-	-

Rail Preservation Program Recommendations

(In Thousands)

2) Buckingham Branch Railroad: Buckingham County (Buckingham Div.)

- 4 year project to upgrade structures and replace bridge deck ties
- Address 18 bridges along 11 miles of track to ensure the Division maintains 286K load capacity for railcars

	FY22	FY23	FY24	FY25	FY26	FY27
70% Grant	210	210	210	210	-	-
30% Match	90	90	90	90	-	-

3) Norfolk & Portsmouth Beltline: Chesapeake, Norfolk, Portsmouth

- Programmatic rail, tie, and related infrastructure upgrades to meet traffic density demands and safety regulations

	FY22	FY23	FY24	FY25	FY26	FY27
70% Grant	280	-	280	420	560	560
30% Match	120	-	120	180	240	240

Freight Program

- **Commonwealth Rail Fund supplanted two DRPT Programs (REF/IPROC)**
 - 7% of CRF goes to DRPT for freight program and rail planning
- **DRPT has drafted proposed new Freight Program guidelines:**
 - CTB Rail & Transit Committee will provide input on guidelines
 - Planning for FY23 Application period to open 12/1/21
 - One freight project was de-obligated
 - Shoulder's Hill (CWRY); Marshalling Yard Project will instead accommodate rail needs
- **Freight projects existing before CRF remain funded in DRPT SYIP**
 - \$10 million in Freight projects for FY 22 and FY 23 – 3 Port projects



Rail Planning Highlights

- Future Service Development Planning: \$1.2M
 - Includes Bristol Study
- 2022 & 2026 State Rail Plan & Commonwealth Corridor Study: \$3.75M
- Station Improvement Planning (address new responsibilities): \$3.9M
- Statewide Rail Planning: \$1.6M
- Concluding Previous Studies: Bedford, Charlottesville, DC2RVA PE



Five Year Comparison of SYIP Allocations

(In millions)

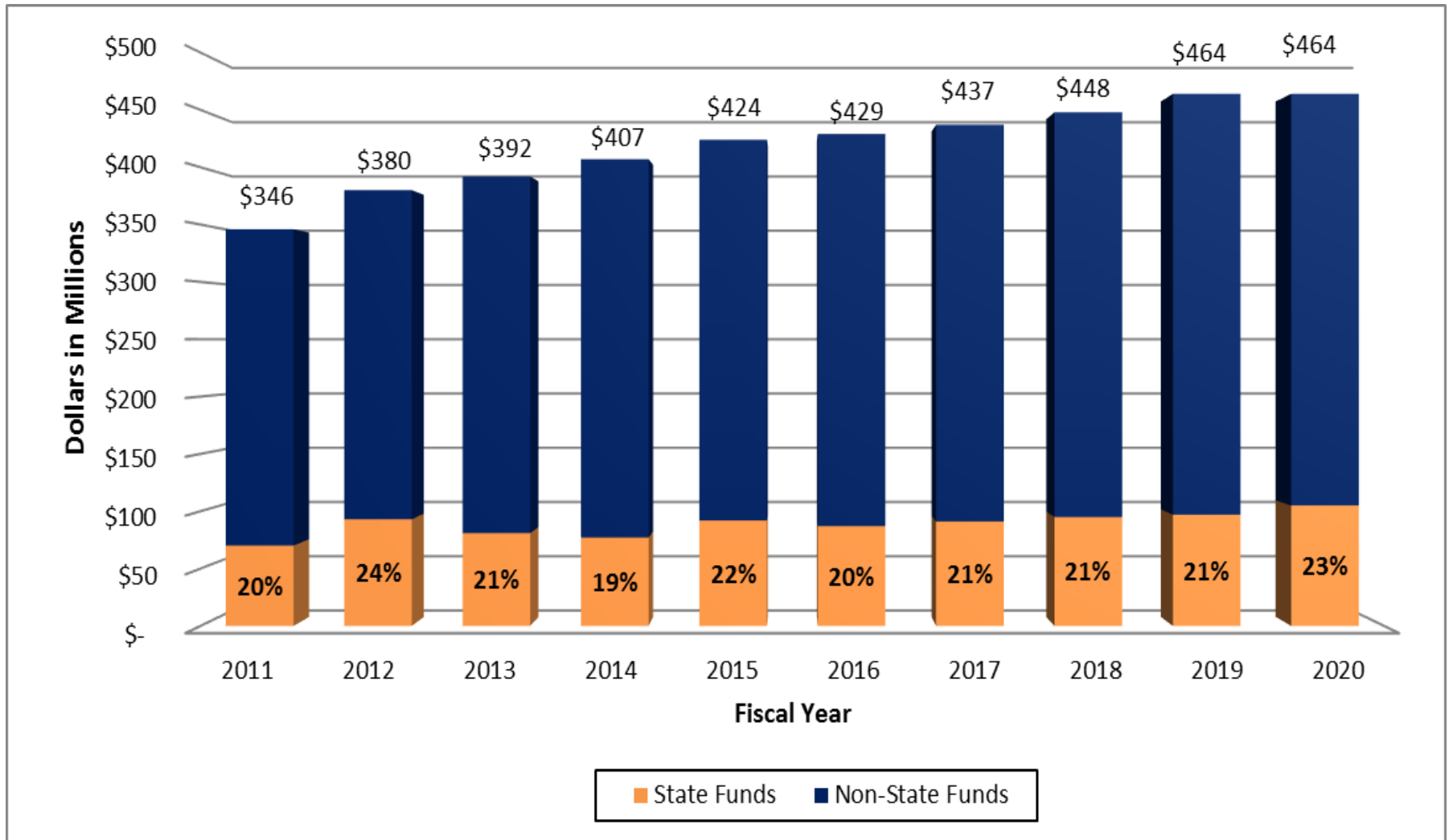
	FY18-23	FY19-24	FY20-25	FY21-26	Draft FY22-27
Public Transportation	2,605	3,742	3,847	1,298	4,215
Rail	823	643	803	171	1,450
Total	3,428	4,385	4,650	1,469	5,665

Transit SYIP Allocations by Program

(In millions)

	FY22	FY23	FY24	FY25	FY26	FY27	Total
Operating	182	158	163	167	172	173	1,015
Capital	184	153	164	147	151	123	922
Other	8	10	9	10	10	10	57
WMATA	382	362	360	367	374	376	2,221
Total	756	683	696	691	707	682	4,215

Transit Operating Funding: 10 Year Trend



Transit Operating and Capital Reserve

(In Millions)

FY 21 Operating and Capital Reserve	7.9
Recommended Addition to Reserve	2.1
FY 22 Recommended Operating & Capital Reserve	10.0

Rail SYIP Allocations by Program

(In Millions)

	FY22	FY23	FY24	FY25	FY26	FY27	FY 22-27 Total	Percentage
Planning and Freight Rail	4	6	1	1	1	1	14	1%
Rail Preservation	8	8	6	3	1	1	27	2%
Transforming Rail in Virginia	88	95	64	685	53	57	1,242	86%
2021 Transportation Funding Initiative	167	-	-	-	-	-	167	11%
Total	267	309	71	689	55	59	1,450	

Transforming Rail in Virginia Initiative

(In Millions)

Proposed Allocations of State Controlled Funds

Source	FY22	FY23	FY24	FY25	FY26	FY27	Total
Priority Transportation Funds	59	41	40	23	24	25	212
I-66 (Inside the Beltway) Tolls/Financing*	6	22	24	662	29	32	775
I-95 Concession Funds	23	232	-	-	-	-	255
Total	88	295	64	685	53	57	1,242

* Based on preliminary toll revenue forecasts: to be updated prior to Final SYIP

Final SYIP: Items for Review

- **Finalize Project Management and Administration Budget**
- **Incorporate changes based on SYIP hearing comments**
- **Finalize Five Year Capital Budget for projects not funded in the current SYIP**

Draft FY22-27 Six Year Improvement Program

Commonwealth Transportation Board: April 20, 2021

Jennifer DeBruhl, Chief of Public Transportation

Michael McLaughlin, Chief of Rail

Jamie Motley, Director of Financial Planning & Budget





I-495 EXPRESS LANES NORTHERN EXTENSION (495 NEXT)

Virginia Department of Transportation

COMMONWEALTH TRANSPORTATION BOARD BRIEFING

April 20, 2021

Presenting: Rob Cary, Deputy Commissioner
Susan Shaw, Megaprojects Director, Northern Virginia

Presentation Topics

- Project Overview
- Environmental and Traffic Assessment Findings
- Public Outreach
- Concerns Addressed
- Transit Study
- Regional Coordination with Maryland
- Future Actions on HOV, Tolling, and P3 Procurement Process
- Schedule and Next Steps



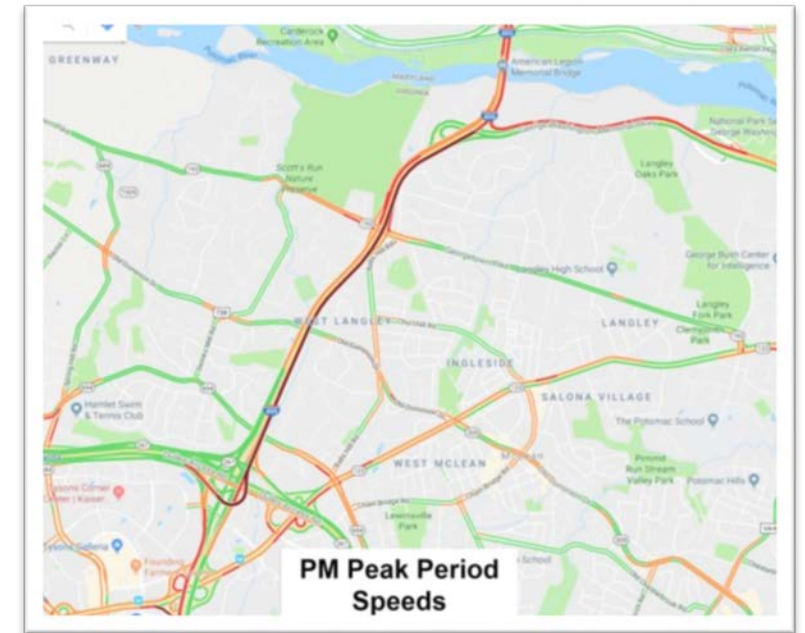
Project Overview

■ Scope

- Extend the 495 Express Lanes by approximately three miles from the I-495 and Dulles Toll Road interchange to the George Washington Memorial Parkway in the vicinity of the American Legion Bridge
- Replace existing bridges
- Add bike and pedestrian trails
- Replace existing noise walls and construct new walls where needed
- Provide stormwater management facilities

■ Goals and Objectives

- Reduce congestion
- Provide additional travel choices
- Improve travel reliability
- Enhance safety



Public Outreach

Public Meetings and Public Hearings

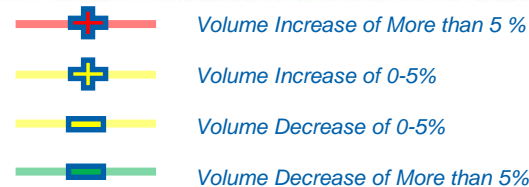
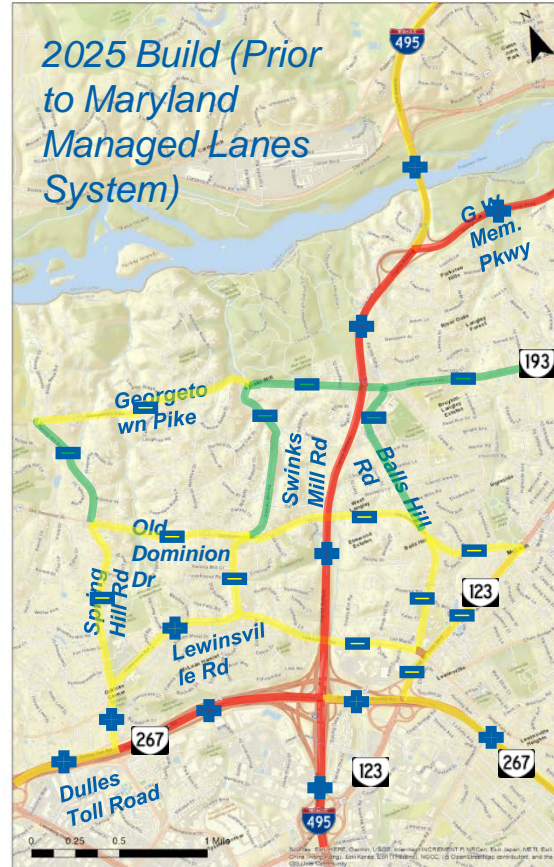
- Public Meeting # 1 (June 11, 2018)
- Public Meeting # 2 (May 20, 2019)
- Question and Answer Session #1 (September 28, 2020)
- Question and Answer Session #2 (September 30, 2020)
- Public Hearing # 1 Virtual (October 5, 2020)
- Public Hearing # 2 In-Person (October 8, 2020)
- Public Comment Period closed (December 4, 2020)
- Joint Public Meeting DRPT and VDOT– Transit Study, 495 NEXT (November 18, 2020)
- **Elected Officials (23 meetings)**
- **Stakeholders and Agencies (111 meetings)**
- **Property Owners One-on-One Meetings (22 meetings)**
- **Homeowners and Business Associations (22 meetings)**

Traffic Benefits

Move More People

- **2045:** Moves 7,600 more people per hour in both directions combined
- **2025 with Maryland Managed Lanes System:** Moves 5,400 more people per hour in both directions combined
- **2025 Prior to Maryland Managed Lanes System:** Moves 2,500 more people per hour in both directions combined

Reduces Cut-Through Traffic on Local Roads



Improves Travel Reliability

2025 Prior to Maryland Project

- A 5 to 24 minute decrease in travel time on the northbound I-495 express lanes
- A 4 to 6 minute increase in travel time on the northbound general purpose lanes

2025 With Maryland Project

- A 4 to 5 minute decrease in travel time on the northbound I-495 express lanes
- A 3 to 4 minute decrease in travel time on the northbound I-495 general purpose lanes

Environmental Assessment Findings

Environmental Resource	Resource Summary
Property Impacts	89 properties with potential impacts No relocations
Community Facilities	5 community facilities: Partial property acquisition 9 existing trail/bicycle facilities: Temporary impacts 4 proposed trail/bicycle facilities by others: Temporary impacts
Environmental Justice (Minority/Low-income)	No disproportionately high and adverse effects
Historic Properties	Anticipated “No Adverse Effect” determination from the Virginia State Historic Preservation Officer (SHPO)
Section 4(f) Protected Properties	Anticipated <i>de minimis</i> impact finding for Scott’s Run Nature Preserve and the George Washington Memorial Parkway
Section 6(f) Protected Properties	Anticipated impacts to Scott’s Run Nature Preserve
Noise – Based on Preliminary Noise Study	9 existing barriers physically affected will be replaced 3 of the 9 existing barriers would be lengthened 1 new barrier determined to be feasible and reasonable

Environmental Assessment Findings

Environmental Resource	Resource Summary
Air Quality	No adverse impacts to air quality; no violation of the National Ambient Air Quality Standards
Wetlands and Streams	Streams: Approximately 13,000 linear feet located within the LOD (Anticipated 3,000 linear feet of impact) Wetlands: 20 acres within the LOD (Anticipated 4.5 acres of impact)
Floodplains	Approximately 60 acres of floodplains are within LOD No increase in flood levels or probability of flooding expected
Wooded Areas	Approximately 118 acres within the LOD
Wildlife and Habitat	Approximately 234 acres within the LOD (Anticipated 66 acres of impact) No new habitat fragmentation or elimination of existing wildlife passages is anticipated
Threatened and Endangered Species	Tree clearing could impact potential suitable habitat for three bat species Streams and floodplains that contain potential habitat for wood turtles would be impacted

These impacts are based on the proposed Limits of Disturbance (LOD). During final design, efforts will be made to reduce the project footprint and minimize impacts.

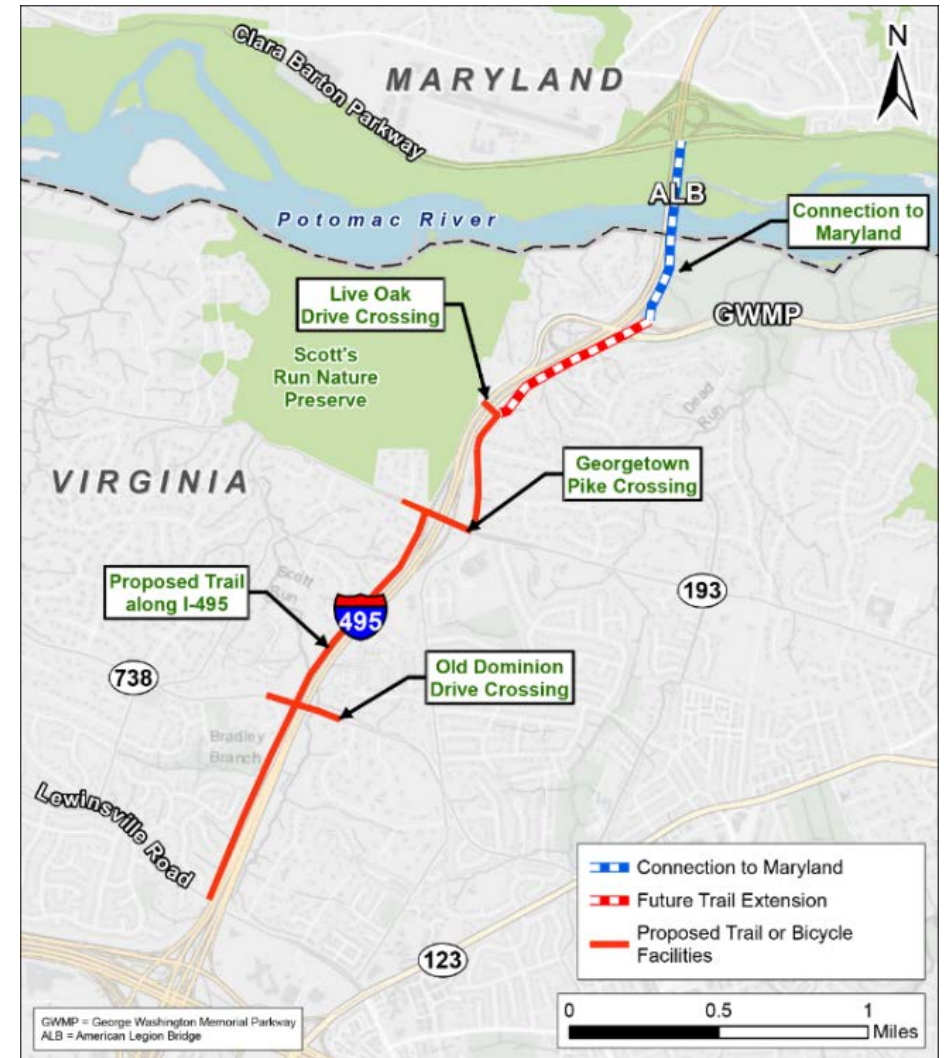
Key Themes From Public Comments

700+ comments and letters received during official comment period

- 495 NEXT needs to be coordinated with Maryland Managed Lanes Project and the project should not be built until Maryland upgrades the American Legion Bridge
- Why was EA done instead of EIS? Why was only one build alternative studied?
- Questions about traffic impact/benefits prior to Maryland's upgrades to American Legion Bridge
- The project should be delayed until long-term traffic impact of COVID-19 is known
- Questions about Transurban involvement in 495 NEXT
- Provide transit funding commitment on I-495

Key Themes From Public Comments (cont.)

- Support for shared-use path, located on non-highway side of the noise wall
- Concerns about elevated ramps and phasing at Dulles Toll Road, George Washington Memorial Parkway interchanges
- Noise mitigation, new noise walls will be needed
- Concerns about stormwater and wetland impacts, including Scotts Run
- Concerns about tree clearing and replacement
- Concerns about construction-related noise, traffic, and access to residences
- Concerns about local intersection operations near I-495



Concerns Addressed

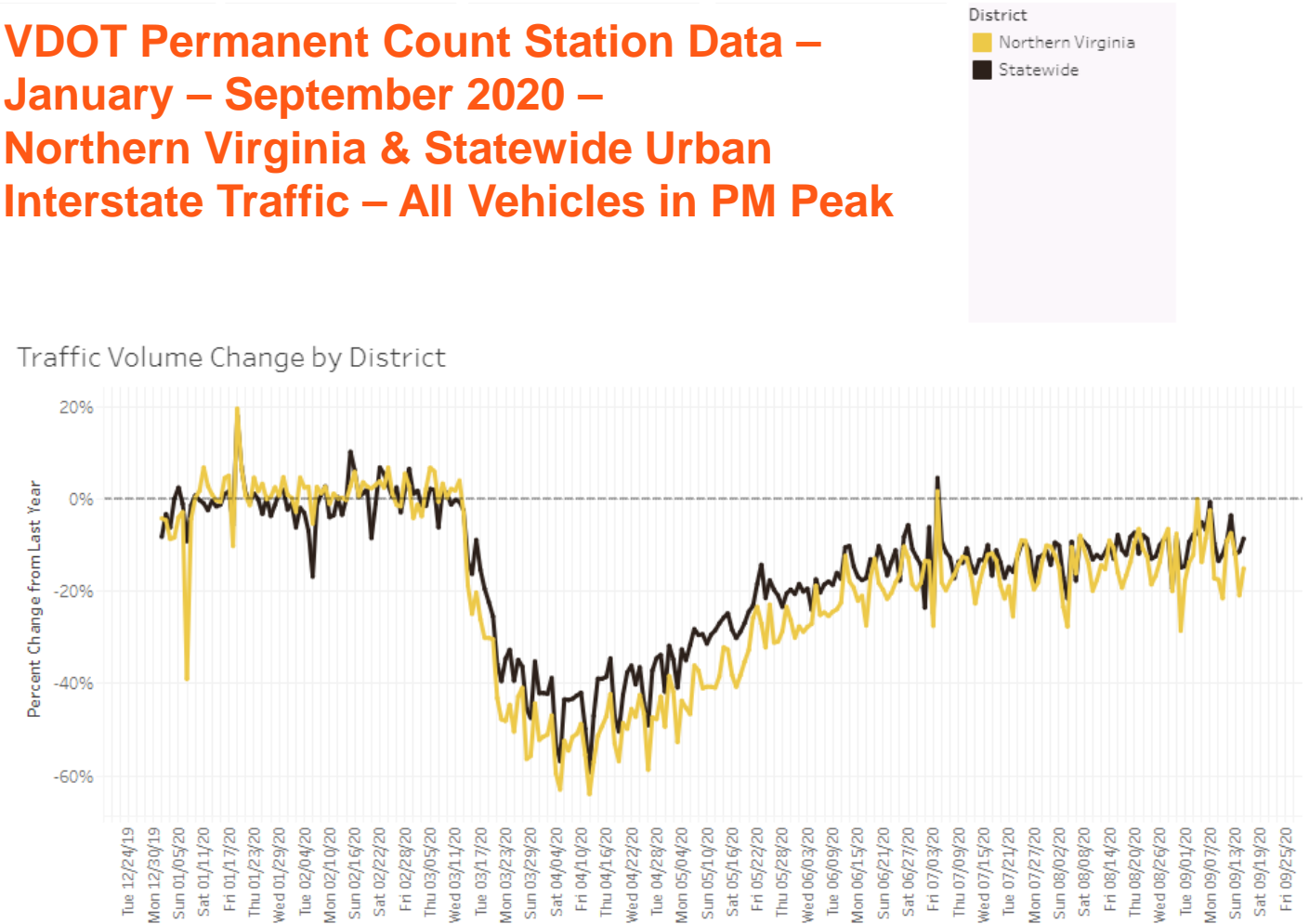
- Outfall enhancements added to the project
- Funding commitment to partner on future stream restoration (\$1.38 M)
- Reduced project footprint to minimize tree loss (35 acres in Phase 1); committed to tree survey
- Provided renderings for elevated ramps as requested by communities
- Providing new and/or extended sound walls where needed
- Dedicated Transit Improvement Fund: \$5.2M for transit vehicles, and \$2.2M per year for transit operations
- Enhancements to the bike/ped accommodations at southern terminus of proposed shared-use path at Lewinsville Road



Concerns Addressed: Impacts of COVID-19

- Current traffic at 80% to 90% of pre-COVID-19 levels
- VDOT conducting sensitivity analyses to assess the impacts of COVID-19 on future traffic in the corridor – Completion in April 2021

VDOT Permanent Count Station Data – January – September 2020 – Northern Virginia & Statewide Urban Interstate Traffic – All Vehicles in PM Peak



I-495 Regional Transit Study

- High-level transit needs study
- Joint study between Virginia Department of Rail and Public Transportation and Maryland Transit Administration
- Study Purpose: identify potential current and future multimodal solutions to reduce congestion, improve trip reliability and regional connections
- Study includes assessing the overall demand for transit and developing recommendations
- Rail along this corridor is not included in the regional long range plan or local comprehensive plans
- The study is independent of ongoing environmental studies in both states
- Presented at CTB Workshops on December 9th, and January 19th
- Anticipate final report in Spring 2021

Designation as HOT Lanes

- Section 33.2-502 of the *Code of Virginia* requires the CTB to designate HOT lanes and to specify the high-occupancy requirement for use of the HOT lanes as HOV lanes by certain users
- The draft resolution (May 2021) will:
 - Designate the I-495 Northern Extension as HOT lanes
 - Establish the high occupancy requirement as HOV-3 matching the existing I-495 Express Lanes facility
 - Authorize the Commissioner of Highways to establish the conditions for use of the I-495 Northern Extension and to negotiate with Capital Beltway Express LLC to finalize amendments for the I-495 HOT Lanes agreement

Tolling Memorandum of Understanding (MOU)

- In December 2007, VDOT entered into a Tolling Agreement with FHWA for the I-495 Express Lanes in accordance with federal requirements
- With the addition of the I-495 Northern Extension HOT Lanes, FHWA and VDOT plan to enter into a tolling MOU for the congestion pricing strategy that replaces the 2007 agreement
- The draft resolution (May 2021) will:
 - Confirm that the HOT Lanes will meet the federal toll eligibility requirements
 - Commit that VDOT will assure compliance with federal requirements
 - Replace the existing Tolling Agreement with updated MOU
 - Authorize the Commissioner of Highways to execute the updated MOU between the Department and FHWA

Key Project Development / P3 Milestones and Next Steps

Key Milestones	Begin Dates
Final Transit/TDM Study	Spring 2021
Final NEPA Decision	May 2021
CTB Actions to Designate HOT Lanes, HOV Requirement and Authorize Tolling MOU	May 2021
Commercial Close / Contract Amendment	August 2021
Financial Close	December 2021
Service Commencement	Mid-to-late 2025



IMPROVE **81**

I-81 CORRIDOR IMPROVEMENT PROGRAM

Commonwealth Transportation Board

Dave Covington, PE – VDOT I-81 Program Delivery Director

April 20, 2021

Program Benefits



Enhanced Safety

This program will implement a series of improvements such as lane and shoulder widening to reduce the rate and frequency of crashes along the corridor.



Reduced Congestion

The program will reduce congestion and improve reliability by adding capacity in targeted areas of the corridor and improve speed of incident clearance to help limit travel delays.



Economic Development

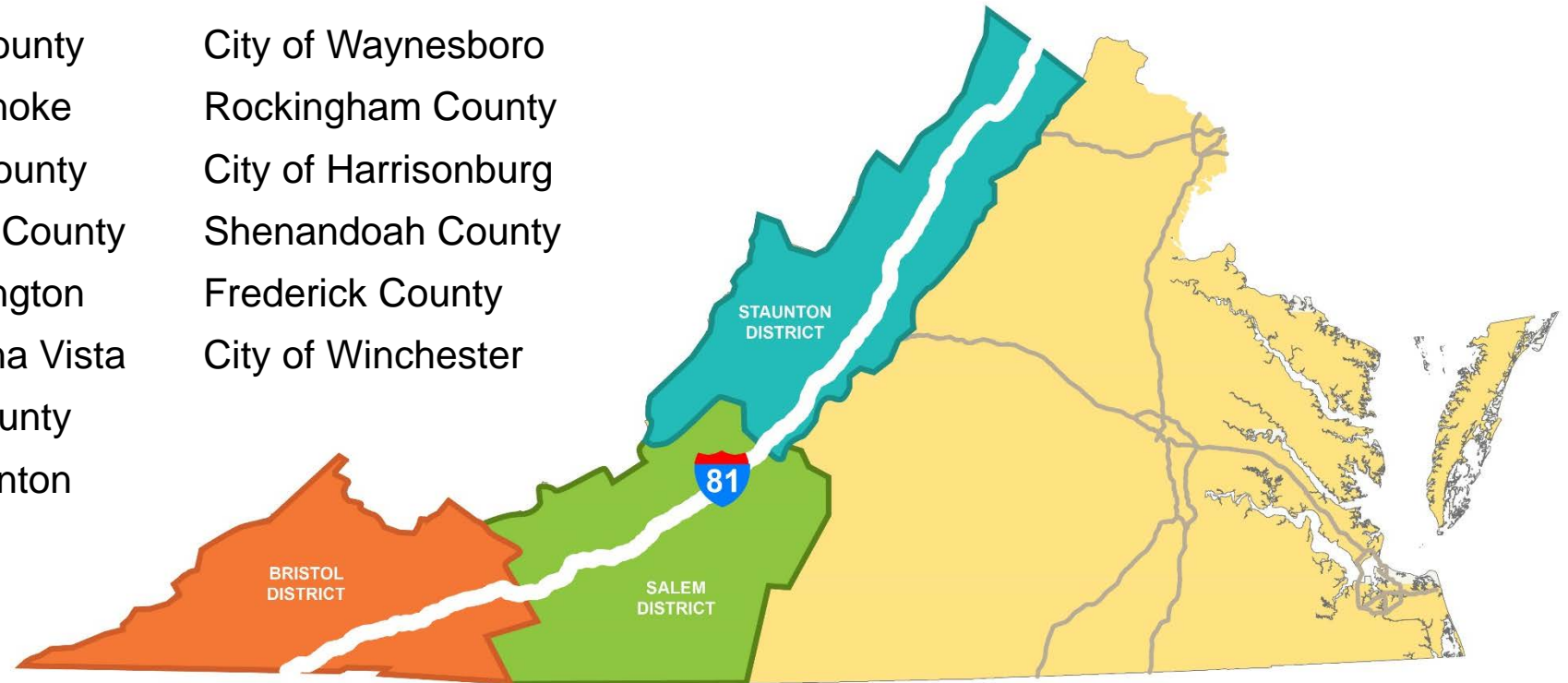
I-81 is the main corridor and key economic artery of western Virginia. These improvements will ensure that goods and services critical to our economy move safely and efficiently through and within the region.

Planned Improvements









The **325-mile long corridor** spans three VDOT districts: **Bristol, Salem, and Staunton.**

Localities along the corridor include:

City of Bristol	Roanoke County	City of Waynesboro
Washington County	City of Roanoke	Rockingham County
Smyth County	Botetourt County	City of Harrisonburg
Wythe County	Rockbridge County	Shenandoah County
Pulaski County	City of Lexington	Frederick County
City of Radford	City of Buena Vista	City of Winchester
Montgomery County	Augusta County	
City of Salem	City of Staunton	



Takeaway Scorecard

Activity	Status	Anticipated Completion
Curve improvements (8)	 Complete	Fall 2019
Initial accel/decel lane extensions (8)	 Complete	Fall 2020
Safety Service Patrol Expansion	 Complete	Summer 2019
Additional Cameras (51)	 Complete	Spring 2020
Additional Digital Message Signs	 Underway	Fall 2021
Arterial Upgrades	 Underway	Varies by project
Active Construction Projects (4)	 Underway	Varies by project
Remaining capital projects (28)	 Underway	Varies by project

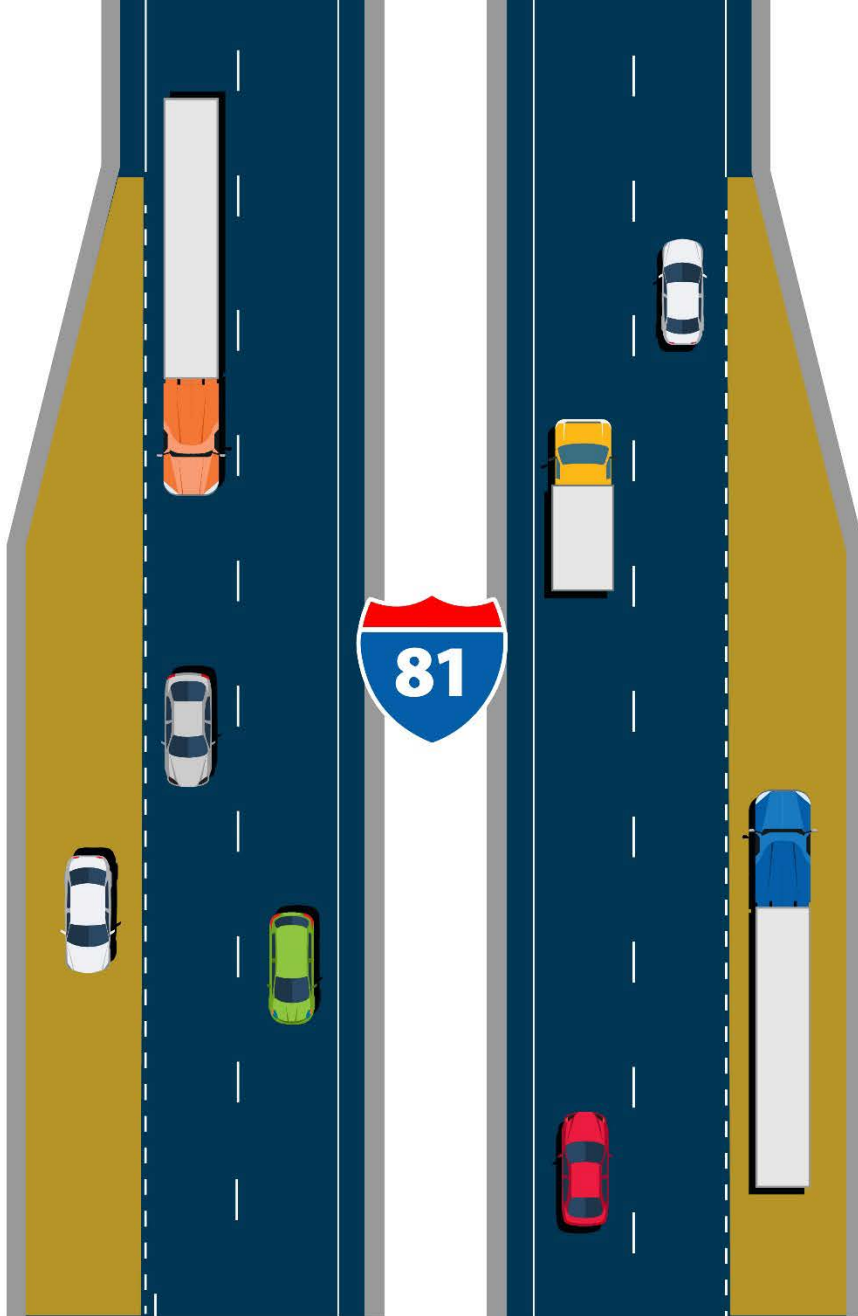
More than
64 Program
Improvements

More than
94% of the contractors and
consultants working on this
program call Virginia home



Project Development Process (Capital Projects)



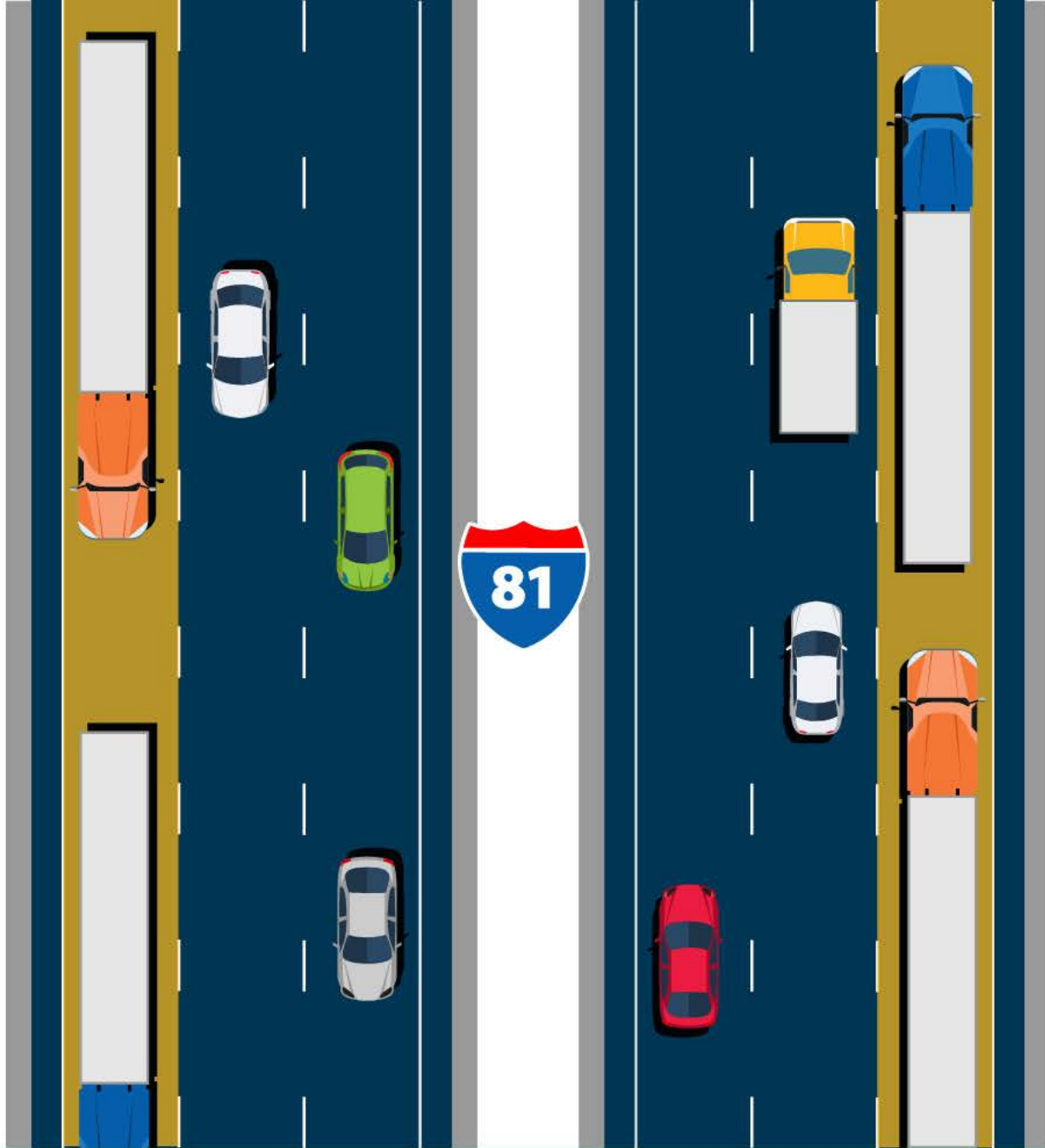


Infrastructure Improvements

**Acceleration
& Deceleration
Extension**



36 Improvements Planned

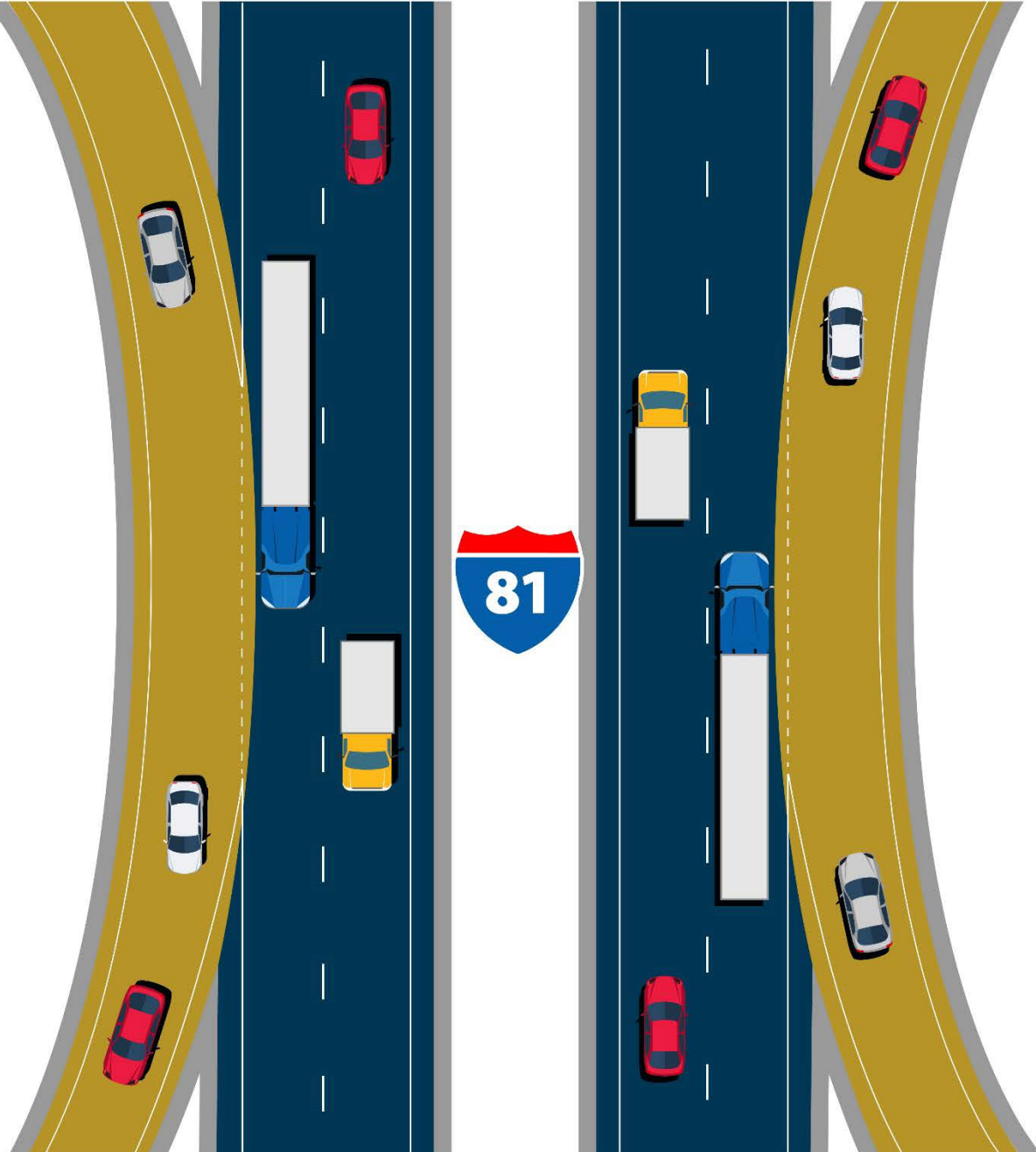


Infrastructure Improvements

Truck Climbing Lanes

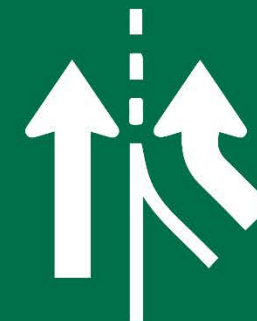


5 Improvements Planned



Infrastructure Improvements

Auxiliary Lane



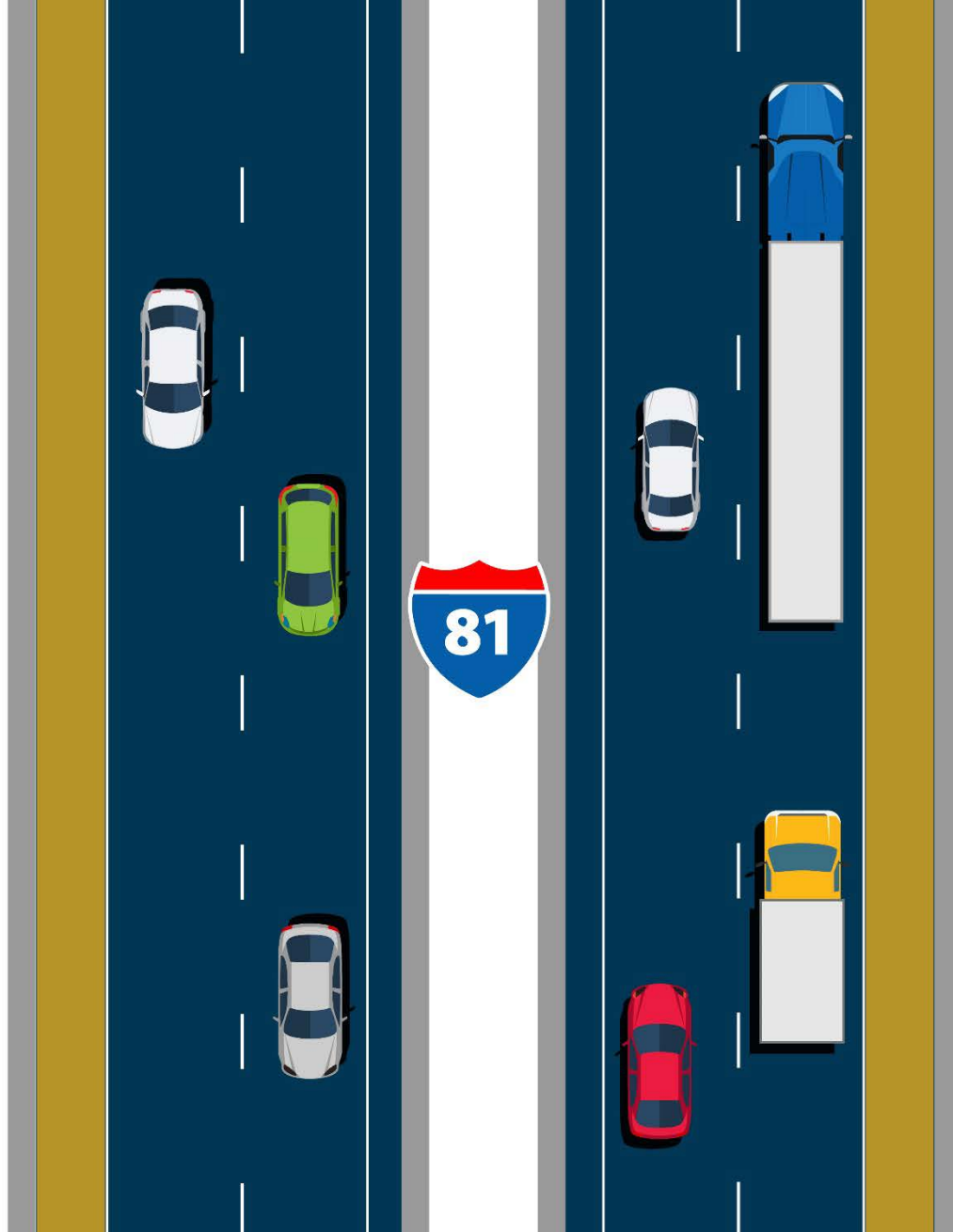
4 Improvements Planned

Infrastructure Improvements

Shoulder Widening

+S

1 Improvement Planned





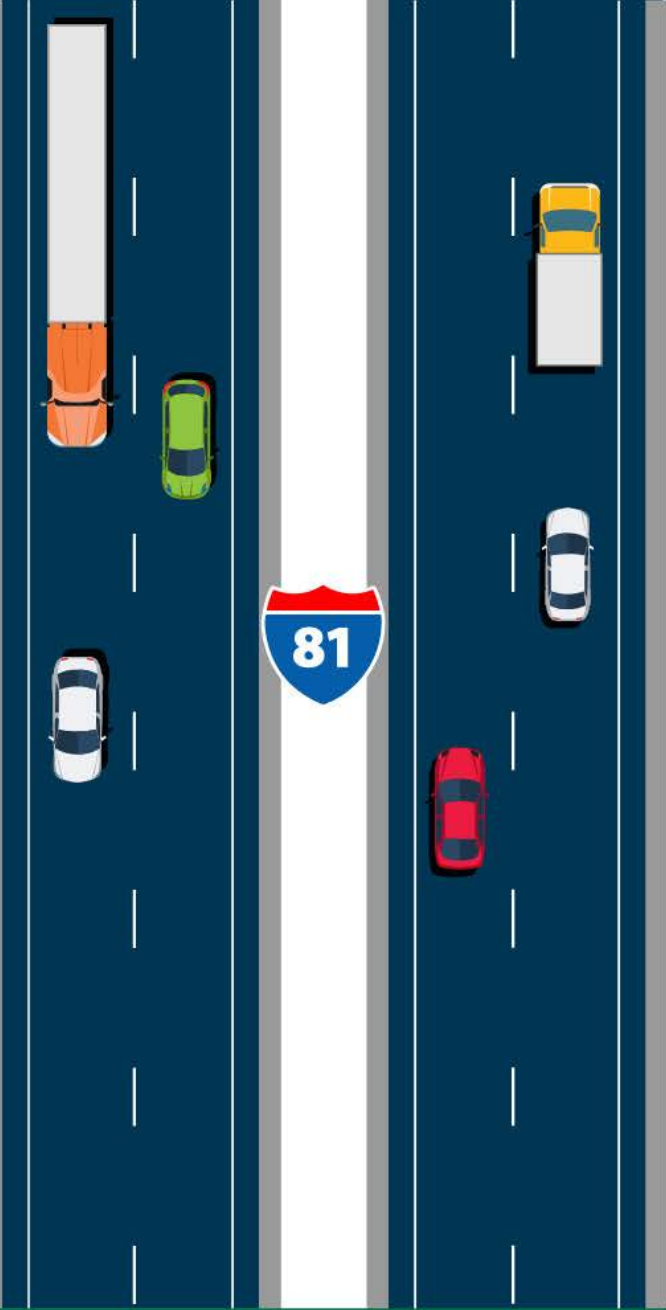
New digital message signs



New traffic cameras



Extended safety service patrols



Detour route improvements



Improved incident clearance



Multimodal improvements



Curve improvements

Infrastructure Improvements

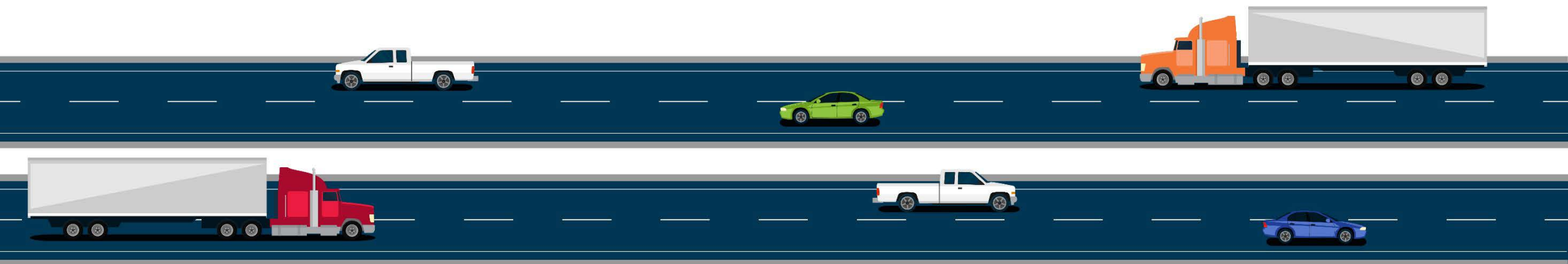
Operational Improvements



5 Improvements Delivered

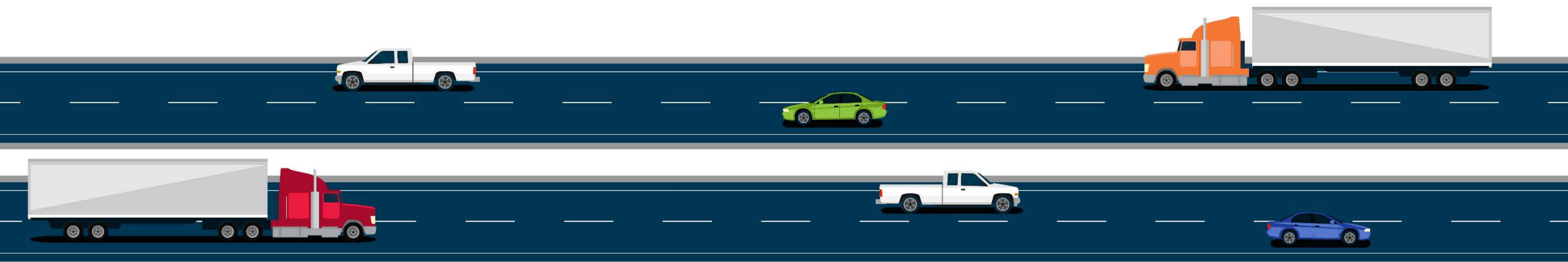
19 Program Improvement Initiatives

Completed through 2020



Upcoming Program Improvements

- Exit 137 to Exit 141 Design Build (2 projects bundled)
- MM 48 Single Phase Design-Build
- Continue Design of Capital Improvement Projects
- Complete Projects Under Construction
- Begin Arterial Improvements
- Execute TRIP Program



Planned Studies With Potential Future Improvements

The [I-81 Corridor Improvement Plan](#), Section 10, identified three areas for further analysis and potential future improvements based on the outcome of the analyses:



Truck Parking

Appendix I of the I-81 Study Report includes an analysis of truck parking availability along the corridor and identifies deficiencies. The Plan recommends the formation of a task force comprised of representatives from the Virginia Department of Transportation, The Virginia Department of Motor Vehicles, private travel center owners, economic development authorities, trucking associations, and representatives from local and regional governments and planning agencies. The purpose of the task force is to:

- Identify site-specific issues and overcome obstacles to parking development
- Investigate opportunities to fund the expansion of public and private truck parking facilities in targeted locations
- Develop a truck parking information system for public rest areas initially and examine opportunities to partner with the private sector
- Implement mobile technology to assist truck drivers with finding available and reserved parking

The Truck Parking Task Force was formed in August 2020 and has begun the work to serve its purpose.

Studies With Potential Future Improvements

The [I-81 Corridor Improvement Plan](#), Section 10, identified three areas for further analysis and potential future improvements based on the outcome of the analyses:



Speed Enforcement

With specific focus on the northern end of the I-81 Corridor within the Commonwealth, the I-81 Corridor Improvement Plan recommends the formation of a task force comprised of members of the Commonwealth Transportation Board, Department of State Police, and local law enforcement to determine strategies for enhanced speed enforcement.

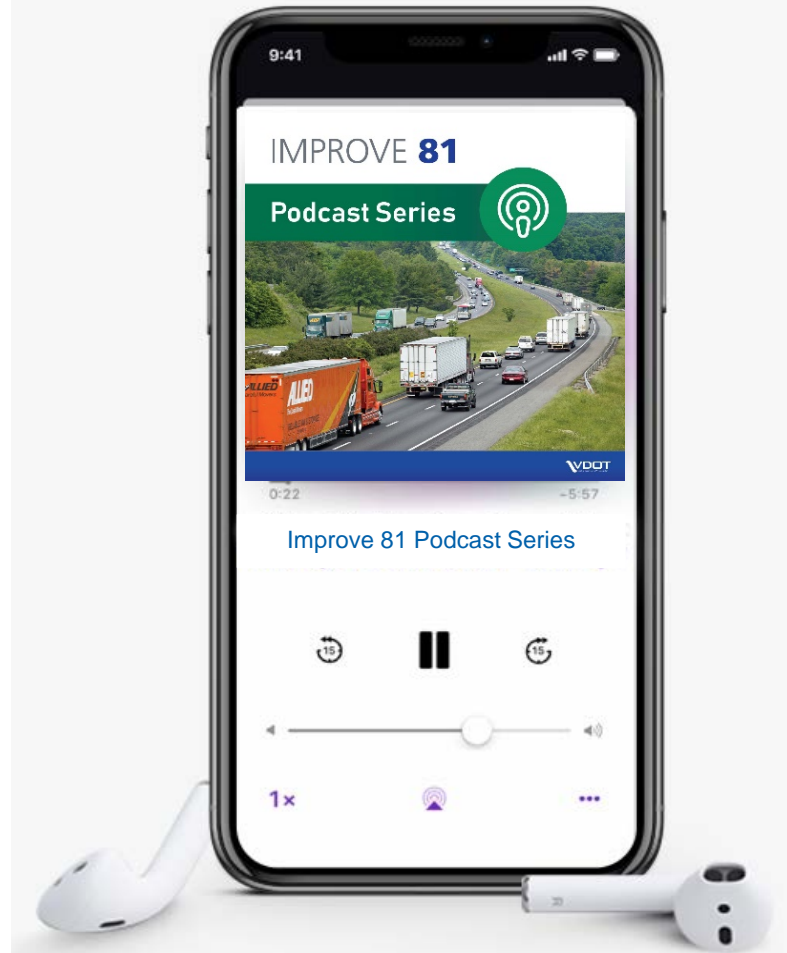
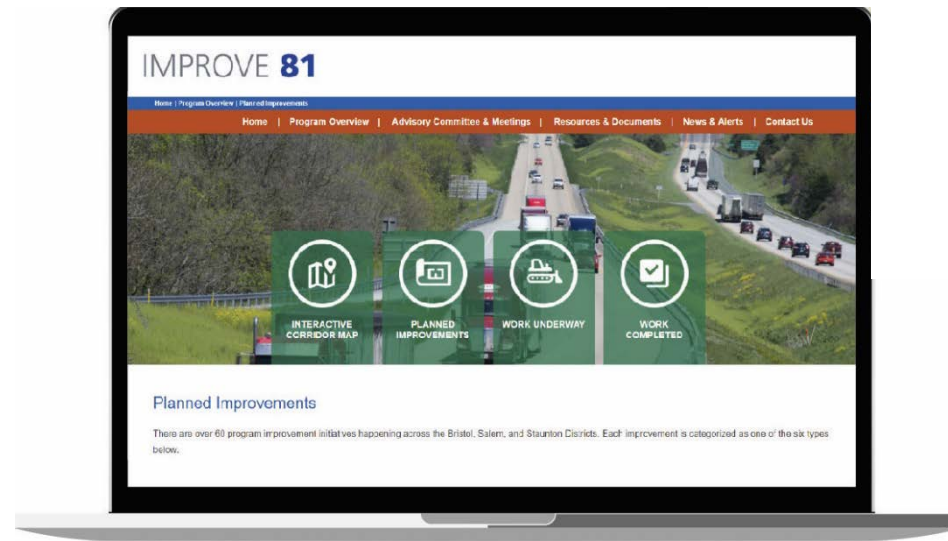


Multimodal Improvements

The I-81 Corridor Improvement Plan states that the Office of Intermodal Planning and Investment and the Virginia Department of Rail and Public Transportation will work through a cooperative process with the railroad industry, Amtrak, local governments, intercity bus operators, and regional planning bodies to fully develop the capital improvement needs to support impactful multimodal improvements along the I-81 Corridor.

Website Implementation

Improve81.org



Passenger Rail Update

Commonwealth Transportation Board – April 20, 2021

Michael McLaughlin, Chief of Rail
Department of Rail and Public Transportation



Transforming Rail in Virginia

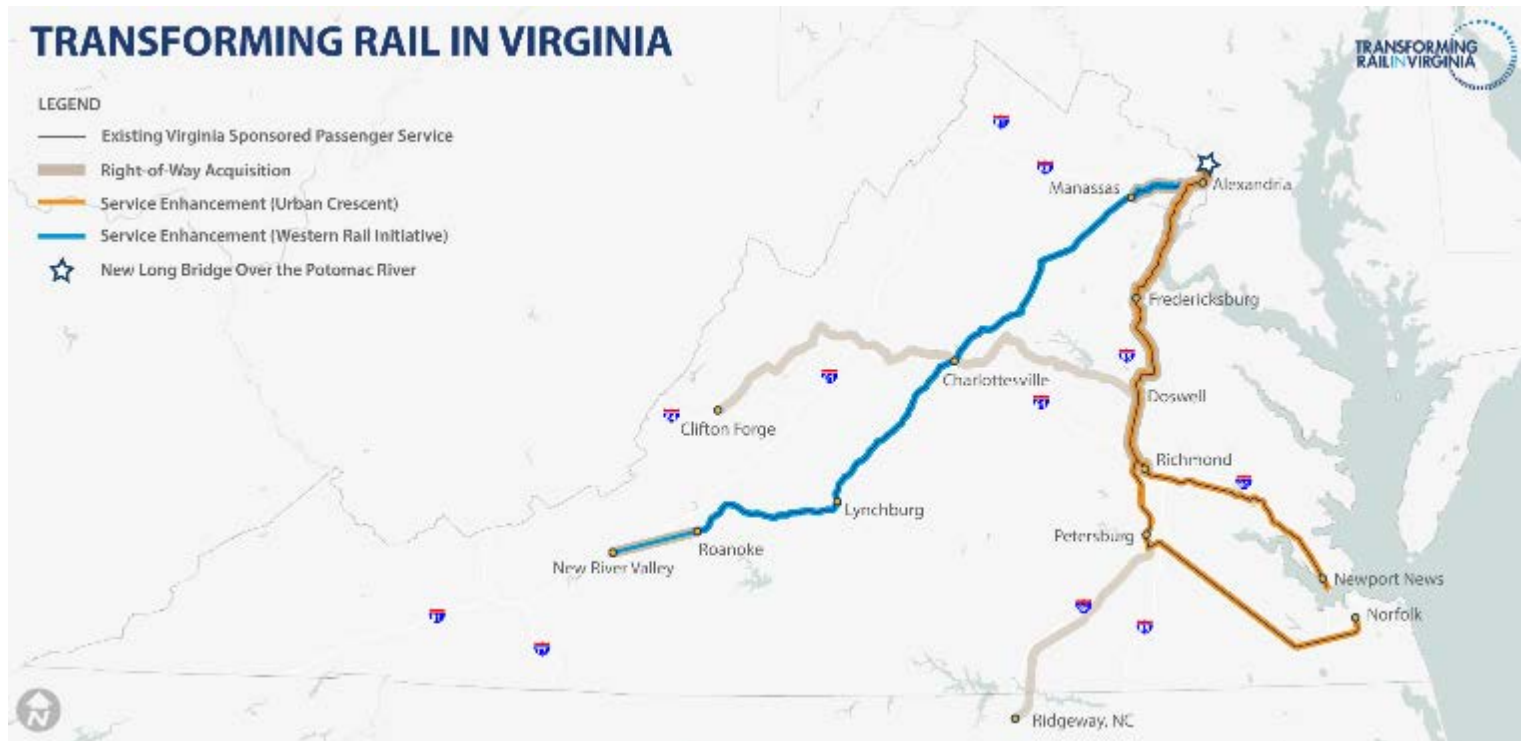
- Definitive Agreements for the \$3.7 Billion Transforming Rail in Virginia are complete
- Commercial Close: March 30 (Virginia-CSX-Amtrak-VRE)
- Financial Close with CSX: April 14
- Planning, Survey, and Design Continue for Program of Projects



Transforming Rail in Virginia

Statewide Benefits

- Doubles Amtrak Service and Increases VRE Service by over 60%
- All of the VRE and Amtrak Passenger Trains Travel over the Long Bridge
- Creates Path Forward for Eventual Separation of Passenger and Freight



Western Rail Initiative

- 2nd State-Supported Round Trip would connect the Northeast Corridor and Alexandria, Burke, Manassas, Culpeper, Charlottesville, Lynchburg and Roanoke
- Extension of Service to New River Valley
- Discussions with NS ongoing



80,000 New Riders Estimated to be added to a Route that had 220,000 riders in 2019.

Western Rail Initiative Funding

- Budget Bill Passed General Assembly in March (\$83.5M)
- I-81 Multimodal Funding (\$100M)
- SMART SCALE (application submitted by CTB for \$50M)
- SYIP and Commonwealth Rail Fund Allocations



Western Rail Initiative: Next Steps

- Update VPRA Board at April 26 Board Meeting
- Brief I-81 Interstate Advisory Committee on Multi-Modal Recommendations
- CTB Decision on SYIP
- Continue Engineering Due Diligence
- Continue Negotiations with Norfolk Southern





I-81 Project Finance Update

Series 2021 Authorization

 Laura Farmer
Chief Financial Officer

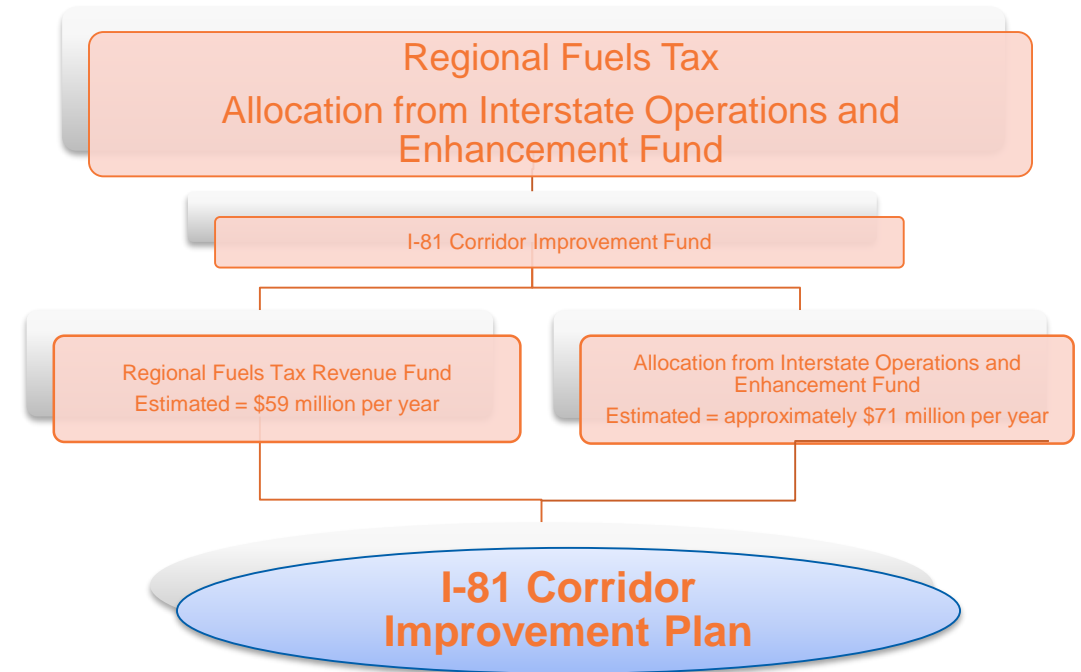
April 20, 2021

Legislative Background

- **Chapters 837 and 846 (HB 2718 and SB 1716)**
 - Created the Interstate 81 Corridor Improvement Program and Fund
 - Provided new transportation revenues to support the interstate highways and specifically I-81
- **Chapters 1230 and 1275 (HB 1414 and SB 890)**
 - Authorized the sale and issuance of bonds with an aggregate principal amount not to exceed \$1 billion
 - Changed the localities contributing to fuel tax revenue for I-81 Fund to those through which I-81 passes or cities wholly encompassed by a county through which I-81 passes
 - Provided allocated funding through the Interstate Operations and Enhancement Program (IOEP)

Funding Sources and Structure

- **Dedicated funding for the I-81 Program is deposited in the I-81 Corridor Improvement Fund and includes:**
 - Regional Fuels Tax along the I-81 Corridor
 - Share of statewide revenues from allocation of the IOEP
- **Regional Fuels Tax**
 - July 1, 2019 through June 30, 2020, additional 2.1% tax on gasoline and diesel sold by a distributor to a retail dealer
 - Effective July 1, 2020, changed to a per gallon rate subject to annual CPI-U adjustment
 - May be leveraged for debt service and paygo
- **Allocation from IOEP**
 - I-81 receives allocation equal to ratio of Vehicle Miles Traveled (VMT) on I-81 by vehicles Class 6 or higher to total VMT on all Interstate highways
 - May provide funding only for paygo



Revenue Performance and Projections

Interstate 81 Improvement Fund (in millions) - Actual Receipts for FY 2020 and Projections for FY 2021-2027

Source	FY 2020	FY 2021*	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Regional Fuels Tax	\$69.8	\$59.3	\$61.0	\$62.8	\$64.2	\$65.0	\$66.1	\$67.7	\$515.9
Interstate Operation and Enhancement Program	22.6	71.3	69.4	69.4	69.4	72.7	76.3	72.3	523.4
Interest Income	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	4.2
Total	\$93.1	\$131.1	\$130.9	\$132.7	\$134.1	\$138.2	\$142.9	\$140.5	\$1,043.5

*FY 2021 regional fuels tax collections as March 31, 2021 were \$53.8 million

Project Expenditures through March 31, 2021	\$24.8
Cash Balance on March 31, 2021	\$123.1

I-81 Corridor Program – Project Costs

- **Project costs total \$2.87* billion over life of program**
 - Comprised of operational and capital improvements
 - No single project exceeds 11% of the Program
 - Projects are implemented in phases through 2038 based on current revenue assumptions and debt model
 - Projects are independent of each other

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
<i>in millions</i>																				
Operational Improvements	\$11	\$16	\$12	\$45	\$43	\$38	\$39	\$39	\$39	\$14	\$14	\$15	\$15	\$15	\$16	\$16	\$17	\$17	\$18	\$441
Capital Improvements																				
Rural Projects	\$1	\$2	\$29	\$26	\$36	\$87	\$64	\$114	\$114	\$45	\$21									\$540
Regular Projects	\$2	\$1	\$58	\$58	\$58	\$168	\$244	\$180	\$218	\$154	\$154	\$84	\$84	\$121	\$77	\$77	\$77	\$37	\$37	\$1,889
sub-total	\$3	\$3	\$87	\$85	\$95	\$255	\$308	\$294	\$333	\$199	\$175	\$84	\$84	\$121	\$77	\$77	\$77	\$37	\$37	\$2,429
Total	\$14	\$19	\$100	\$130	\$138	\$293	\$347	\$333	\$372	\$213	\$189	\$98	\$99	\$136	\$93	\$93	\$94	\$55	\$55	\$2,870

* Preliminary and subject to change

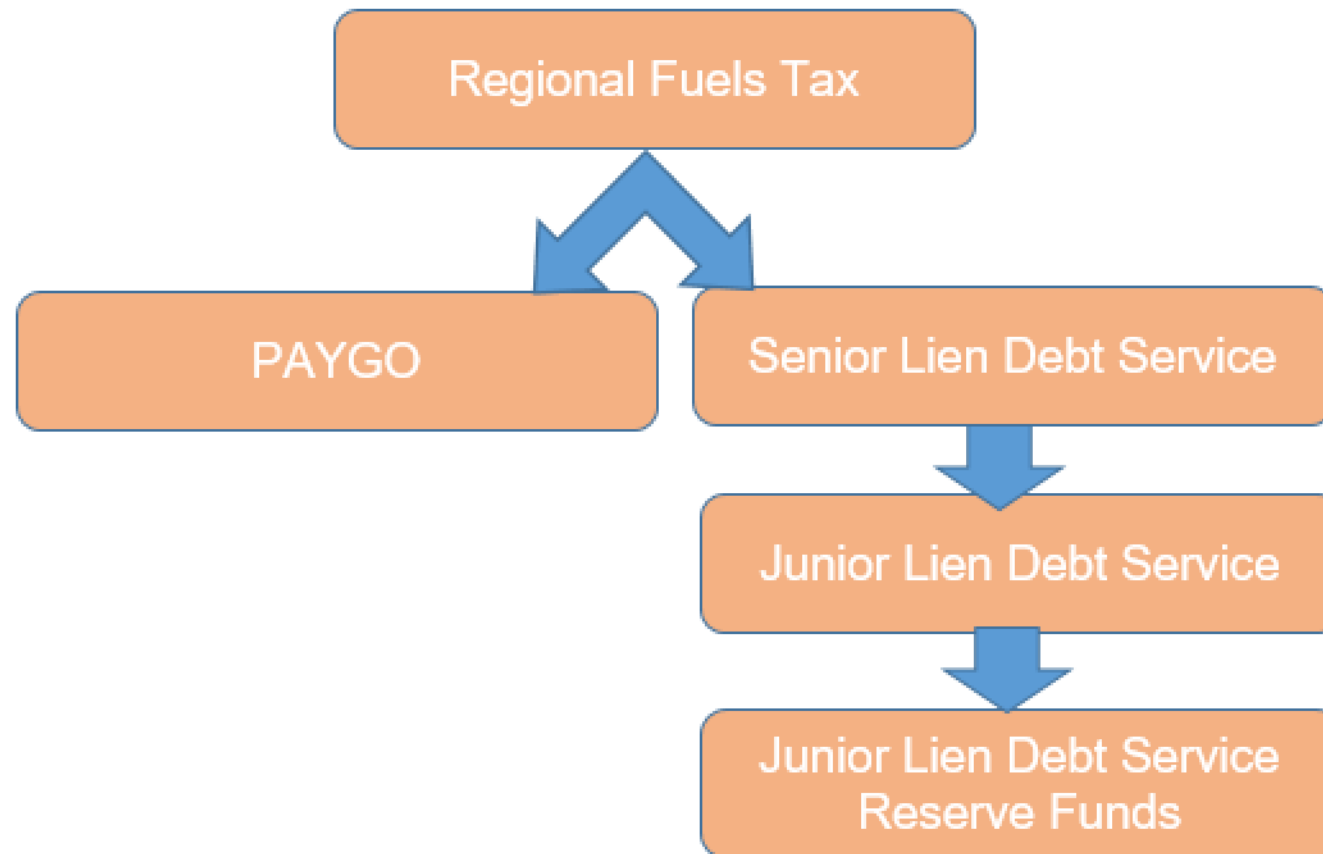
Debt Issuance Plan

- The I-81 Regional Fuels Tax revenues will support all debt issued
- Will not impact debt capacity of the Commonwealth
- Similar to bond programs implemented by NVTAA and HRTAC backed by regional revenues
- Mixture of municipal bonds and Transportation Infrastructure Financing Innovation Act (TIFIA) loans over the life of the program

	2021 Financings	Future Financings	Total
<i>Funded Costs (in \$MM)</i>			
Senior Lien Bonds	\$99	\$30	\$129
Senior Lien Rural TIFIA Loan	\$19	\$258	\$277
Junior Lien Regular TIFIA Loan	\$77	\$517	\$594
<i>Total</i>	\$195	\$805	\$1,000

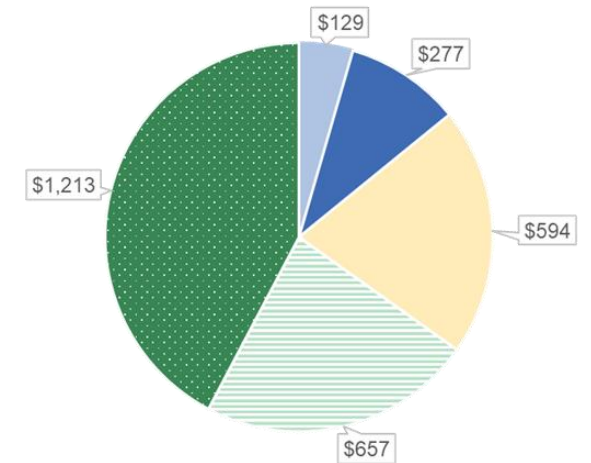
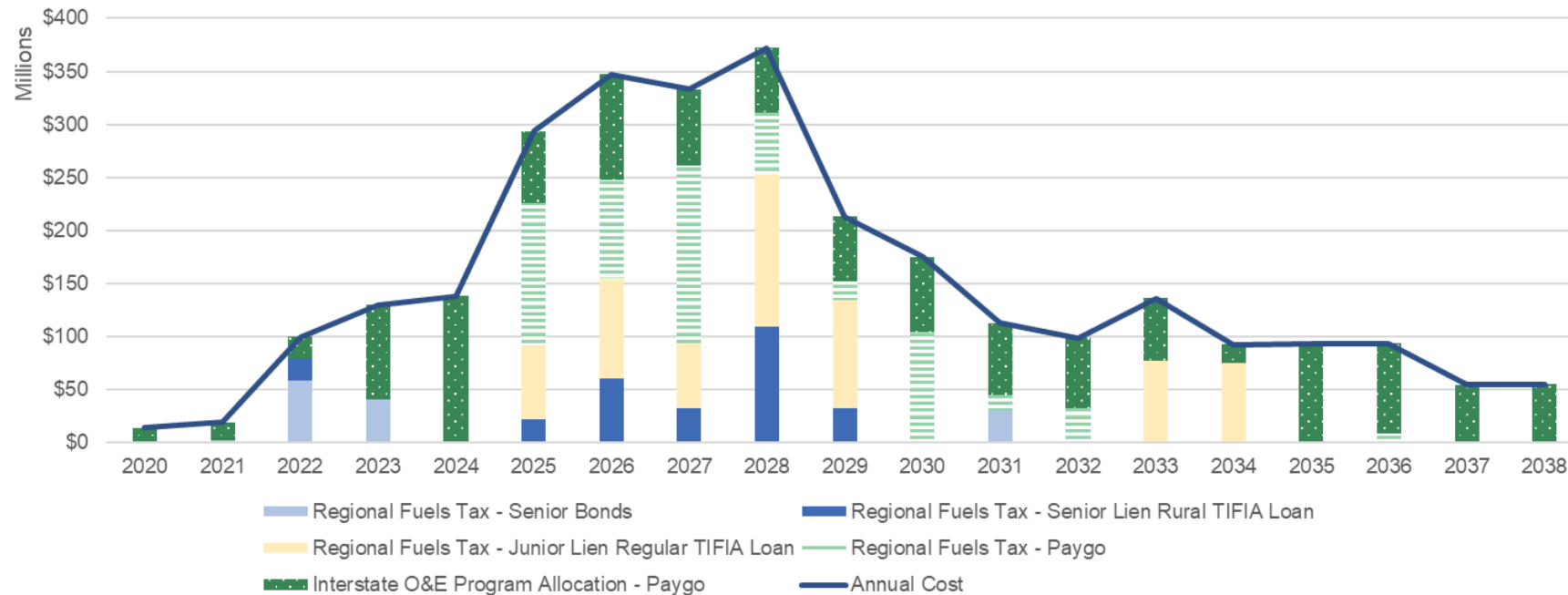
* Preliminary and subject to change

Planned Use of Regional Fuels Tax



Preliminary Funding by Year and Source

- Well-balanced funding mix of paygo and multi-lien debt
- TIFIA loans are shown based on expected cash flow draws with loans committed in advance
- Healthy cash liquidity maintained (preliminary minimum target of \$25 million)



Inaugural Municipal Bond Offering – 2021 Series

- **Negotiated sale**
- **Allows additional focus on introducing new program to investor community**
- **Both HRTAC (2018) and NVT A (2014) sold inaugural bonds on a negotiated basis**

Summary Terms of Offering*	
Issuer	Commonwealth Transportation Board
Project(s)	UPC 116203 - MM136 TO MM142 Add Lane in Each Direction Roanoke County
Anticipated Ratings	Double-A Category
Pricing Date	July 2021*
Security	Regional Fuels Tax Revenue
Par Amount	\$90 million*
Structure	Serial Bonds 2022-2055*
Final Maturity (years)	35*

* Preliminary and subject to change

Series 2021 Bond Sale –Schedule*

April 2021

- Request confidential indicative ratings
- Present financing plan to CTB

May 2021

- Request CTB approval to issue Series 2021

June 2021

- Request Treasury Board approval to issue Series 2021
- Request formal public ratings

July 2021

- Bond pricing
- Closing

* Preliminary and subject to change

Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan

- **Proposed structure allows for maximized TIFIA program benefits**
 - Rural loan – allows for financing of up to 49% of project costs at one-half 30-year U.S. Treasury rate
 - Regular/non-rural loan – allows for financing of up to 33% of project costs at 30-year U.S. Treasury rate
- **Repayment term – 35 years after substantial completion**
- **Flexible payment structure**
- **Flexible draw period of up to one-year post substantial completion**

TIFIA Debt Issuance Approach

- Will assist in financing approximately \$870 million over the program through multiple loans
- Projects (UPCs) to be packaged:
 - Rural v. regular/non-rural projects
 - Based on project readiness/schedules and cash flow
- Anticipate submitting two TIFIA Letters of Interest (LOI) in late spring/early summer for the 2022 loans

TIFIA Loans – 2022		
Type	Total Project(s) Cost* (millions)	Anticipated Loan Amount* (millions)
Rural projects	\$39.3	\$19.3
Regular/non-rural project(s)	\$232.7	\$76.8
	\$272.0	\$96.1

* Preliminary and subject to change

2022 TIFIA – Projects*

2022 Rural TIFIA			
UPC(s)	Project Description	Project Location	Project Cost (millions)
115801, 116245	Extending northbound and southbound Exit 205 acceleration lanes	Rockbridge County	\$2.75
115803, 116244, 116270	Extending northbound Exit 291 acceleration lane, northbound Exit 304 acceleration lane, and southbound Exist 296 acceleration lane	Frederick and Shenandoah Counties	3.71
116158, 116174, 116159	Extending northbound deceleration and southbound acceleration lanes	Smyth County	5.31
115345	Extend southbound deceleration lane from MM 26.7 to 26.8	Washington County	0.27
115346	Extend southbound acceleration lane from MM 25.9 to 26.1	Washington County	0.68
115795	Extend acceleration lane at Exit 89	Pulaski County	0.82
116171	Extend southbound acceleration lane at MM 16.6	Abingdon	1.62
116155	Extend northbound deceleration lane at MM 19.2	Abingdon	1.60
116165	Extend southbound deceleration lane at MM 84.3	Wythe County	1.80
116162	Extend northbound deceleration lane at MM 67.3	Wytheville	1.46
116173	Apply high friction epoxy to southbound curve Exit 39	Smyth County	2.10
116161	Design Build to extend northbound acceleration lane at MM 48.1	Smyth County	17.20
Total Rural Projects Costs			\$39.32
2022 Regular TIFIA			
116203	MM 136 to MM 139 adding lane in each direction	Roanoke County	232.70
Total Regular Project Costs			\$232.70
Total 2022 TIFIA Project Costs			\$272.02

* Preliminary and subject to change

2022 TIFIA Loan – Schedule*

June 2021 through
August 2021

- Submit Letter of Interest (LOI)
- Creditworthiness presentation to TIFIA

September 2021

- Present TIFIA plan of finance to CTB

October 2021

- Request CTB approval to submit loan application and enter into TIFIA loan agreement

November 2021

- Request Treasury Board approval
- Submit TIFIA loan application

February 2022

- TIFIA loan execution

* Preliminary and subject to change

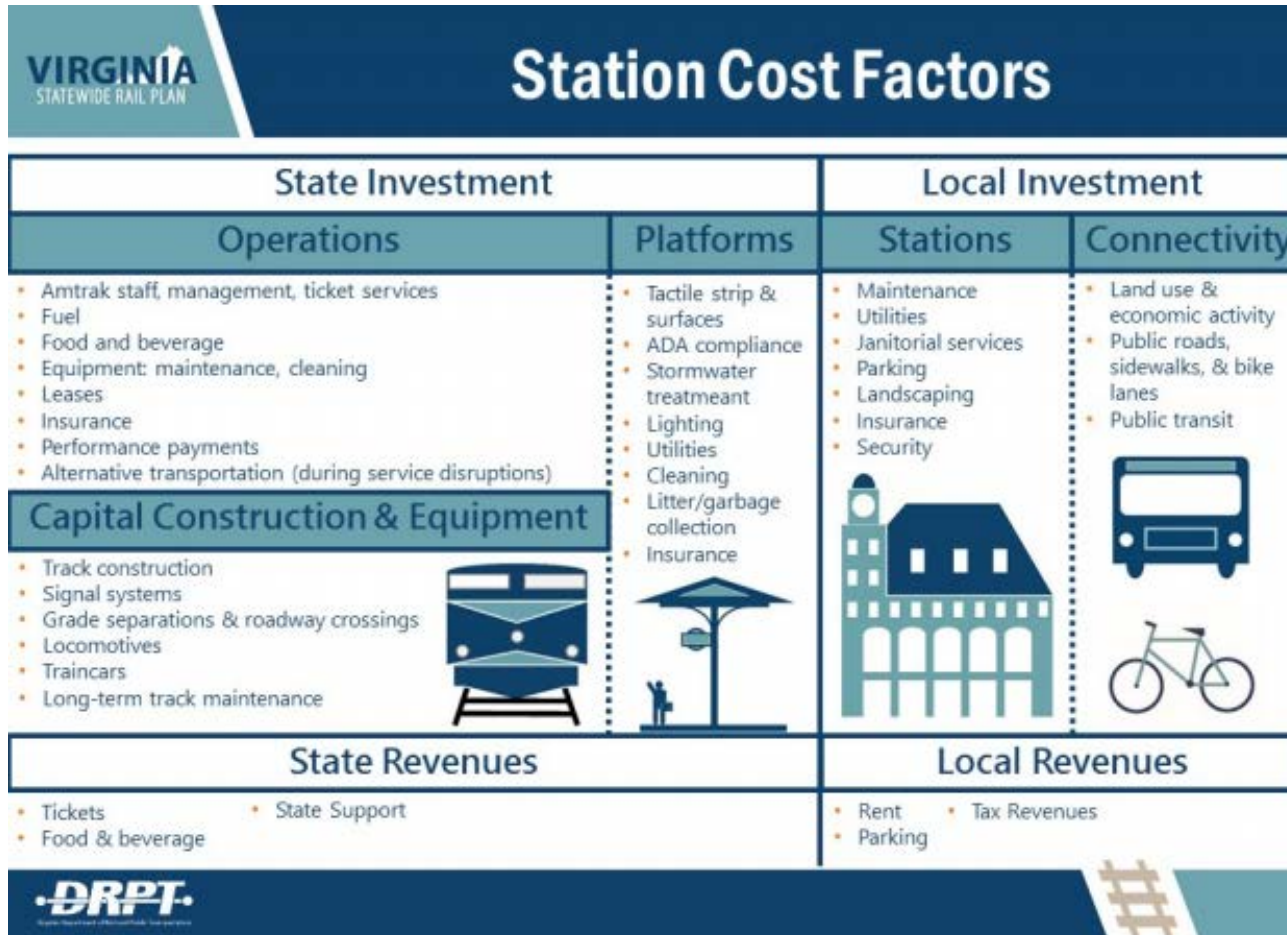
Station Policy, Needs Assessment, and Prioritization Strategies for Station Funding

CTB Workshop – April 20, 2021

Emily Stock, Manager of Rail Planning
Department of Rail and Public Transportation



Current Passenger Rail Stop Policy



Changes in Rail Context

- Developed as part of Statewide Rail Plan adopted in 2018 and approved by CTB Rail Committee
- Policy was prepared under IPROC/REF paradigm; now a single Commonwealth Rail Fund
- Predates concept of ownership of stations and platforms to be transferred to VA from CSX
 - VA now has responsibility for ADA compliance at platforms it owns (previously Amtrak responsibility)
- Policy assumed DRPT responsibility for stations; now future station improvements will be implemented by VPRA
- New River Valley expansion will be first expansion agreement since 2013

Current Station Responsibilities

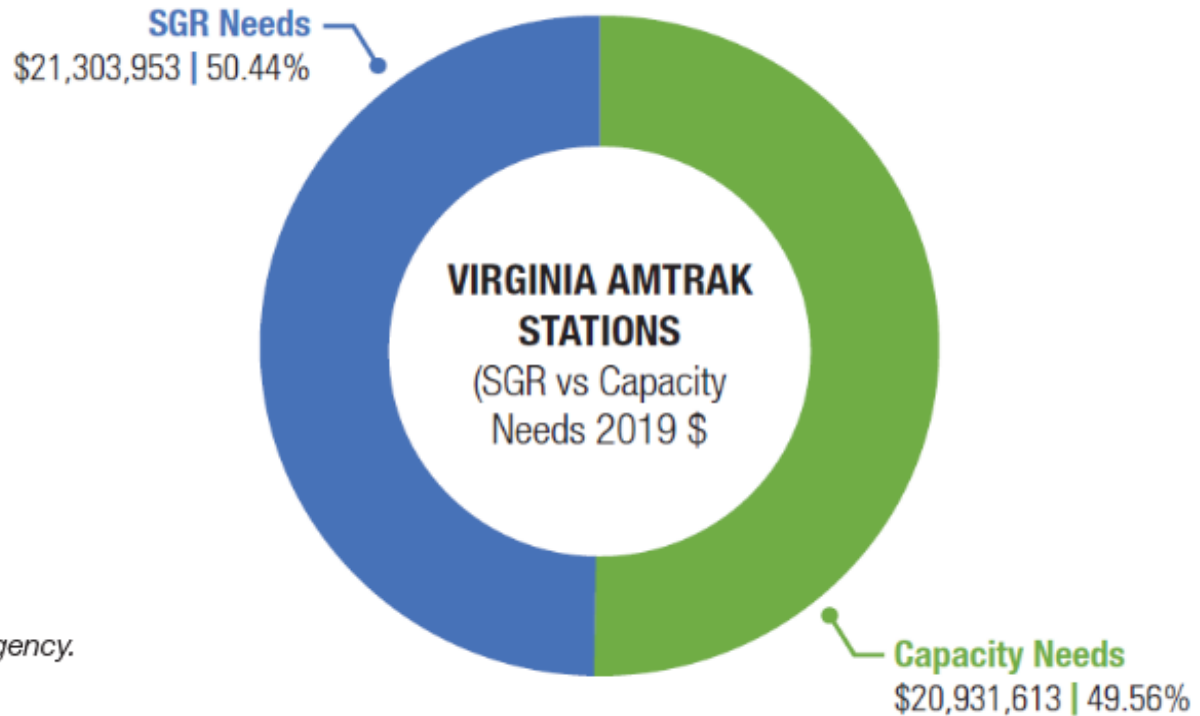
Amtrak

- Operates staffed and unstaffed stations
- O&M costs (non-VRE) proportionately billed to Virginia using PRIIA 209 Methodology
- Shares costs with VRE for those dual-served stations

Virginia

- Does not operate any stations, but owns portion of land under one (Richmond-Staples Mill)
- Pays for O&M costs billed by Amtrak under PRIIA 209
- Pays for track-side capital costs, including platforms
- Ensures local modal connectivity

2019 Station Needs Assessment



TOTAL COSTS¹

2019: \$42,235,566

2022: \$46,827,327

¹All costs listed include a contingency.



State of Good Repair Needs

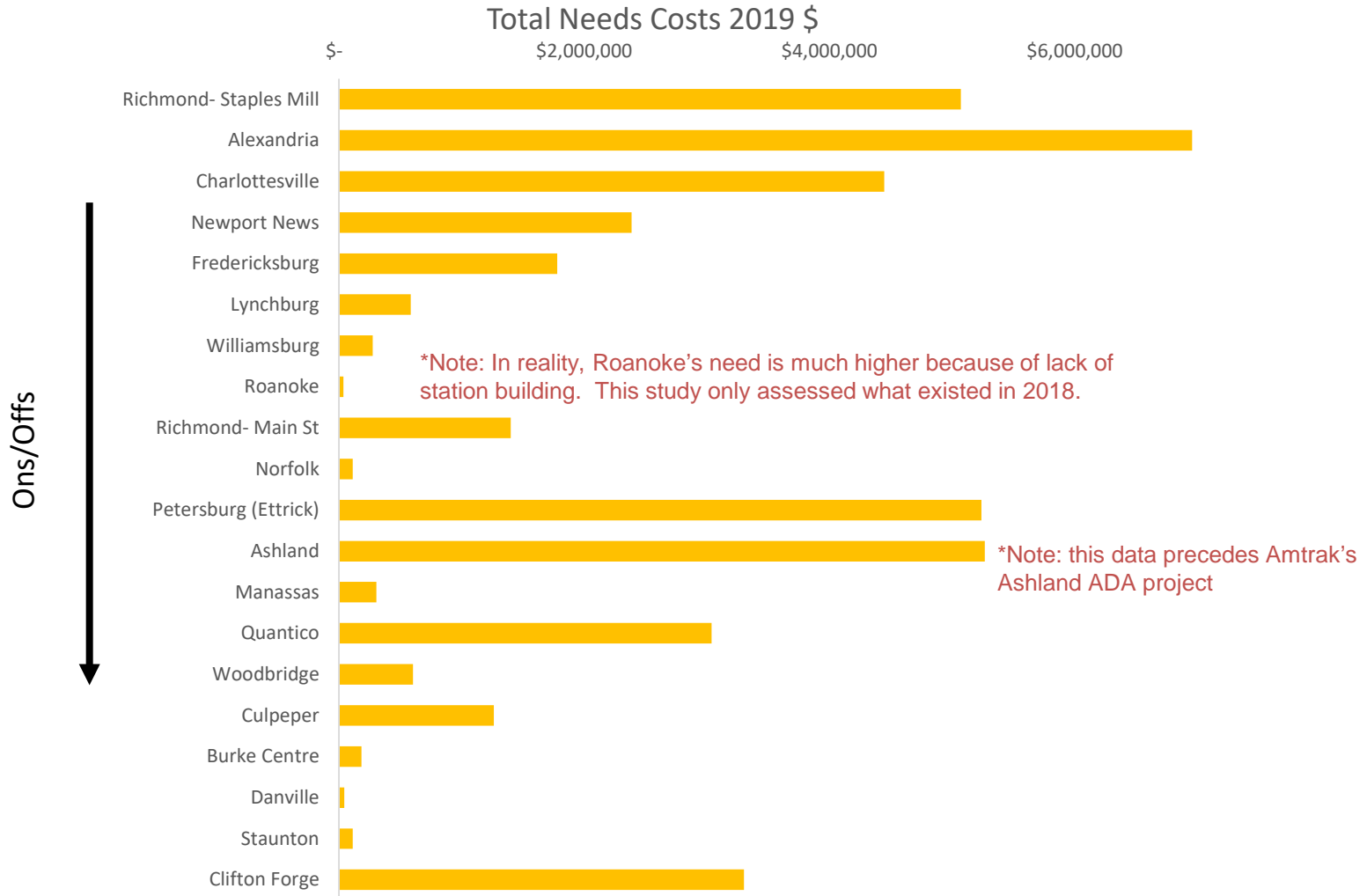
A State of Good Repair Need is a feature that is rated as “poor” or “marginal” as per the Federal Transit Administration’s (FTA) Transit Economic Requirements Model (TERM).



Capacity Needs

A Capacity Need is a feature or addition that is required to accommodate the expected number of passengers and employees according to the *Amtrak Station Program and Planning Guidelines*.

2019 Station Needs Assessment



Potential Funding Prioritization

Guiding philosophy

- Focus on ADA and Safety/Security first
- All stations should be “safe, dry, and bright”
- Capacity constraints addressed only after basic passenger needs are met



2022 Rail Plan will Help Establish Data-Driven Priorities

Station Type	Large	Medium	Small	Caretaker
Annual Ridership Threshold	Greater than 400,000	100,000 to 400,000	20,000 to 100,000	Less than 20,000

- Rail Plan to project time at which capacity upgrades will be necessary
- VPRA Board ultimately will determine prioritization of any station improvements to be funded with VPRA funds
- Rail Plan will inform an updated “Station Stop Policy”
- Could use portion of 7% of CRF designated for DRPT for a dedicated “Station Planning Assistance” grant for localities to pipeline SOGR projects (see below):

Virginia Rail Planning and Statewide Initiatives

Districts	Project Description	Applicant	Funding Source	Previous Allocations	FY21	FY22	FY23	FY24	FY25	FY26	Total Programmed	
All Districts	Station Improvement Planning	DRPT	CRF	-	300,000	600,000	600,000	600,000	600,000	600,000	3,300,000	
Nova, Fredericksburg, Richmond	Statewide Rail Planning	Various	CRF	2,700,780	-	-	-	-	-	-	2,700,780	
Total Rail Planning and Statewide Initiatives					\$ 58,985,780	\$ 1,225,000	\$ 1,175,000	\$ 900,000	\$ 900,000	\$ 1,100,000	\$ 1,100,000	\$ 65,385,780

Projects Already in the Pipeline

Ashland

- Amtrak ADA platform improvements almost complete.

Bedford

- Concept plan developed.

Charlottesville

- Long range Concept planning underway.
- Amtrak implementing ADA improvements - design/construction out for procurement.

Roanoke

- Locality moving closer to station building construction.

Ettrick

- SOGR project partnership with Chesterfield County and Amtrak.
- Working with Amtrak to perform ADA improvements to platform.

Newport News

- Construction underway, will be owned by City of Newport News. Includes servicing facility and level boarding platform.

Staples Mill

- Expansion 30% design soon to be complete.

Transforming Rail in Virginia Effects

Agreement with CSX to result in Commonwealth ownership of station elements (ex: parking lot, platform, or land) at these locations:

Alexandria (VRE)
Ashland
Brooke (VRE)
Charlottesville
Crystal City (VRE)
Franconia-Springfield (VRE)
Fredericksburg (VRE)
Leeland Road (VRE)
L'Enfant (VRE)
Lorton (VRE)
Petersburg
Quantico (VRE)
Richmond - Staples Mill
Rippon (VRE)
Spotsylvania (VRE)
Staunton
Woodbridge (VRE)

Transforming Rail in Virginia Effects

Amtrak Stations that will have Virginia Responsibilities:

Alexandria

Petersburg

Ashland

Richmond - Staples Mill

Charlottesville

Staunton

Fredericksburg

- Virginia responsible for ADA improvements by virtue of owning the land.
- Amtrak responsible for maintaining SOGR.
- Virginia can elect to partner with Amtrak for mutually agreed upon capital improvements.



Questions

10. If there were any presentations (PowerPoint, etc.), were you able to hear and see them?

Poorly
1 2 3 4 5
Clearly

COMMENT _____

11. Were the members as attentive and did they participate as much as you would have expected?

Less
1 2 3 4 5
More

COMMENT _____

12. Were there differences you noticed in how the members interacted?

With the other members present:

Very Different
1 2 3 4 5
No Difference

With members participating from other locations:

Very Different
1 2 3 4 5
No Difference

With the public:

Very Different
1 2 3 4 5
No Difference

COMMENT _____

13. Did you feel the technology was a help or a hindrance?

Hindered
1 2 3 4 5
Helped

COMMENT _____

14. How would you rate the overall quality of this meeting?

Poor
1 2 3 4 5
Excellent

COMMENT _____

THANK YOU. Please send your completed form by mail, facsimile or electronic mail to the FOIA Council using the following contact information:

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General Assembly Building, Second Floor
201 North 9th Street, Richmond, Virginia 23219
foiacouncil@dls.virginia.gov/Fax: 804-371-8705/Tele: 866-448-4100