

**Recommended
FY 2010 - 2015
Six-Year Improvement Program**

Reta R. Busher, VDOT CFO

Steve Pittard, DRPT CFO

June 17, 2009

Total Recommended Six-Year Improvement Program FY 2010-2015

	Approved FY 2008-2013 Program	Approved FY 2009-2014 Program	Revised FY 2009-2014 Program	Recommend FY 2010-2015 Program
Highway Construction	\$8.6 billion	\$7.9 billion	\$6.0 billion	\$5.5 billion
Rail & Public Transportation	\$2.9 billion	\$2.7 billion	\$2.9 billion	\$2.0 billion
Total	\$11.5 billion	\$10.6 billion	\$8.9 billion	\$7.5 billion

**Highway Construction
Six Year Improvement Program
FY 2010 - 2015**

Revised Highway Program Strategy

- **Maximize use of federal funds**
- **Fund projects already federally approved to draw down all Federal funds for FFY 2009**
- **Fund underway project phases as well as project phases that start in FFY 2009, most importantly construction phases underway**
 - **PE**
 - **RW**
 - **CN**
- **Safety, bridges and reconstruction of existing infrastructure are highway priorities**

Highway Program Development

- **This has been another difficult Six Year Improvement Program update for highways.**
- **After reducing the highway program by \$2 billion for FY 2009-2014 we still face some serious programming issues with the FY 2010-2015 update.**
- **A State revenue reduction in the fall as well as Federal revenue reductions above the reserve, we currently maintain, are still possible.**

Highway Program Development

- **The revised FY 2009-2014 Six Year Improvement Program reduced funding on 808 projects or project phases, the bulk of which were on the Secondary and Urban systems.**
- **In the development of the FY 2010-2015 we were forced to review “previous” project allocations on the interstate to help fund federally qualifying projects to obligate all of our federal funds for FFY 2009.**
- **In other words we moved previous interstate allocations from one district to another.**

Highway Program Development

- **The sustainability of the Six Year Improvement Program is in question. To date:**
 - **State funds only match federal dollars and fund state mandated programs**
 - Eliminated State formula distributions for unpaved roads, primary, secondary and urban systems
 - **Planned use of CPR Bonds have been reduced; only to support transit, rail, and federal match on construction projects**
 - Propose the elimination of the bond component of revenue sharing in FY 2012
 - **STP Federal formula funding by population will no longer be distributed to localities in FY 2011; CTB will allocate in future**
 - **Redistributed interstate “previous” dollars to projects to maximize federal funds**

Highway Program

	FY 2008-2013	FY 2009-2014	Revised FY 2009-2014	Proposed FY2010-2015
Interstate	\$2.1 billion	\$2.1 billion	\$1.4 billion	\$1.3 billion
Primary	\$2.0 billion	\$1.6 billion	\$1.3 billion	\$1.0 billion
Secondary	\$1.3 billion	\$1.0 billion	\$0.6 billion	\$0.5 billion
Urban	\$1.1 billion	\$0.8 billion	\$0.5 billion	\$0.4 billion
Federal Maintenance	\$0.9 billion	\$1.0 billion	\$1.2 billion	\$1.2 billion
MPO	\$0.6 billion	\$0.6 billion	\$0.5 billion	\$0.6 billion
Safety, Enh, Rail, Other	\$0.6 billion	\$0.8 billion	\$0.5 billion	\$0.5 billion
Total	\$8.6 billion	\$7.9 billion	\$6.0 billion	\$5.5 billion

Highway Program Summary

- The highway six year program has been reduced approximately \$538 million from \$6.05 billion to \$5.52 billion.
 - Interstate \$(73) million
 - Primary \$(273) million
 - Secondary \$(118) million
 - Urban \$(147) million
 - Other \$ 73 million
- \$(538) million**

**Public Transportation and Rail
Six Year Improvement Program
FY 2010 - 2015**

Three Year Comparison of Six Year Program

\$ in millions

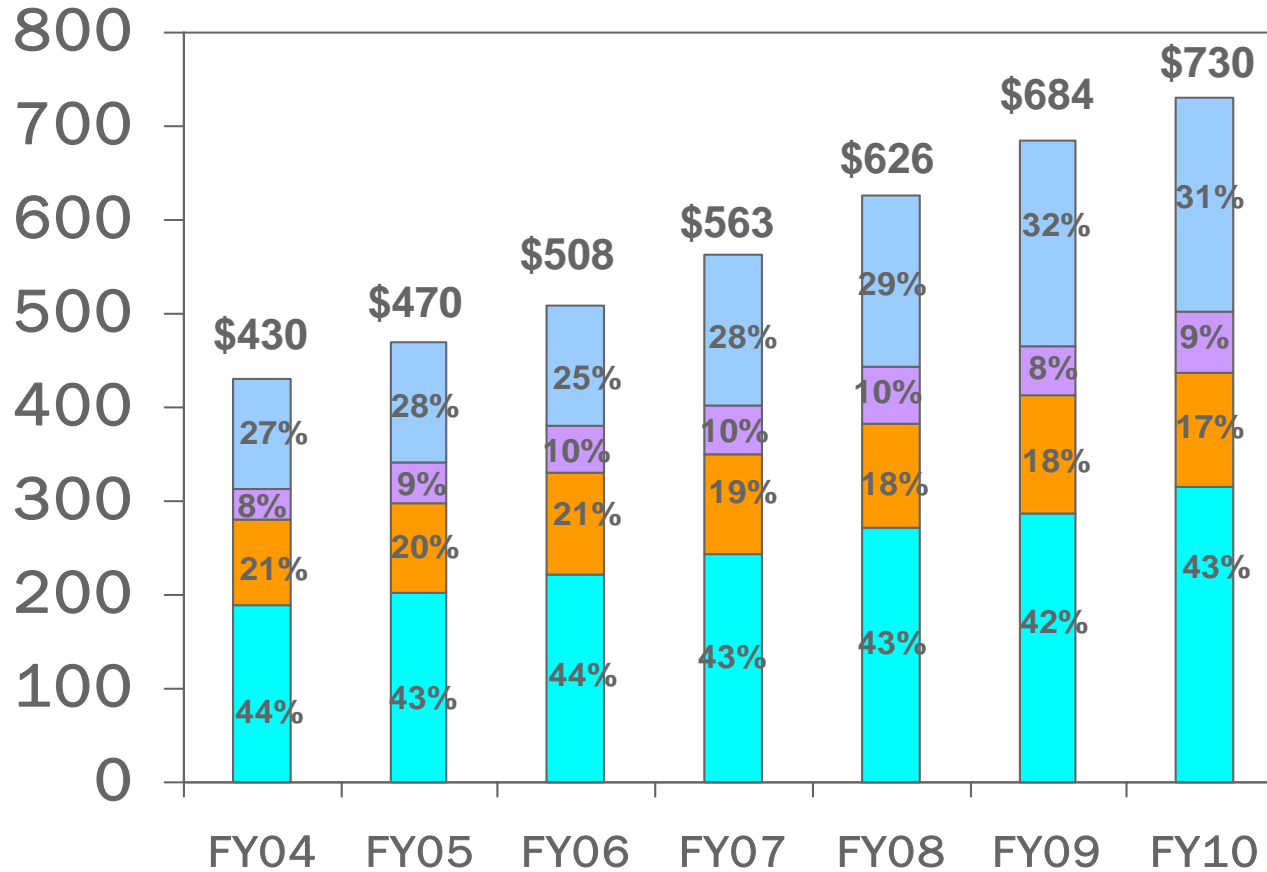
	FY 08 - 13	Revised FY 09 - 14	FY 10 - 15
Public Transit	\$ 1,780	\$ 1,833	\$ 1,739
Rail	287	260	242
Dulles Metrorail	799	822	46
Total	\$ 2,866	\$ 2,915	\$ 2,027

Overall Program

- **State's blended matching share for transit capital projects at 78% - highest match in over a decade!**
- **The programmatic impact of the dedication of recordation tax revenue for transit operating has been significantly diminished**
- **Funding provided for a 3-year demonstration passenger rail service and related capital costs in the I-95 and I-81 corridors**
- **Allocation to rail projects through the Rail Enhancement Fund based on priorities identified in the Rail Resource Allocation Plan**
- **30% decrease from FY 09-14 due to Dulles project removal**

Public Transportation Operations Funding Funding Sources

(\$ in millions)

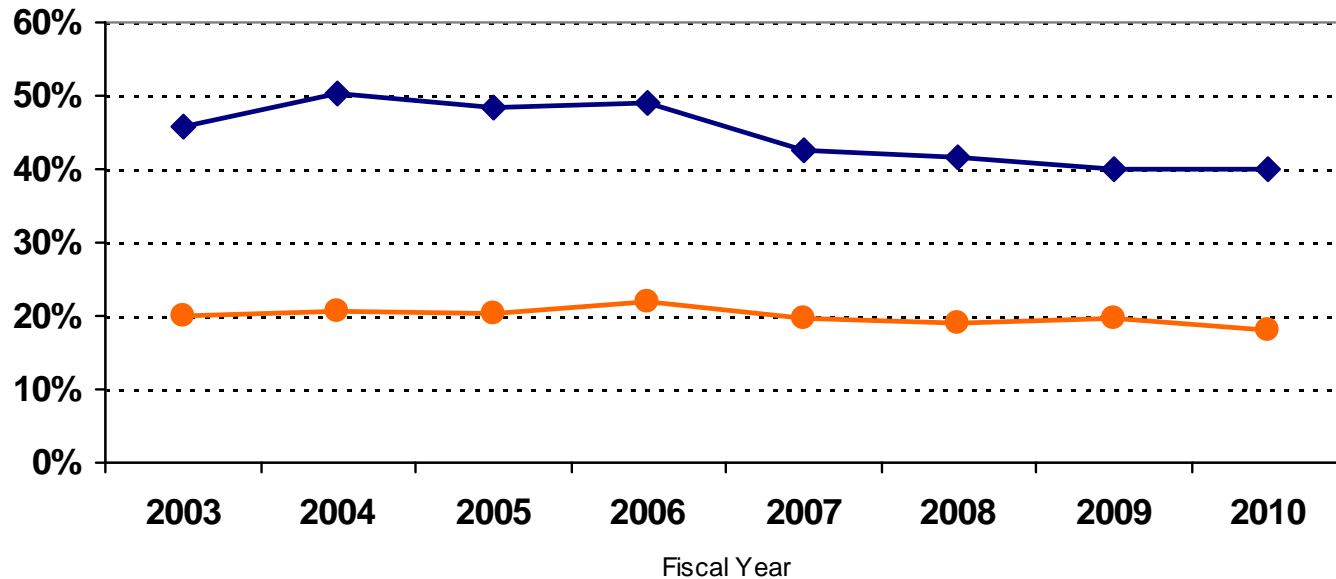


Without recordation tax, state share would be 14% in FY 10



Public Transportation Operations Funding

40% State Share of Eligible Costs

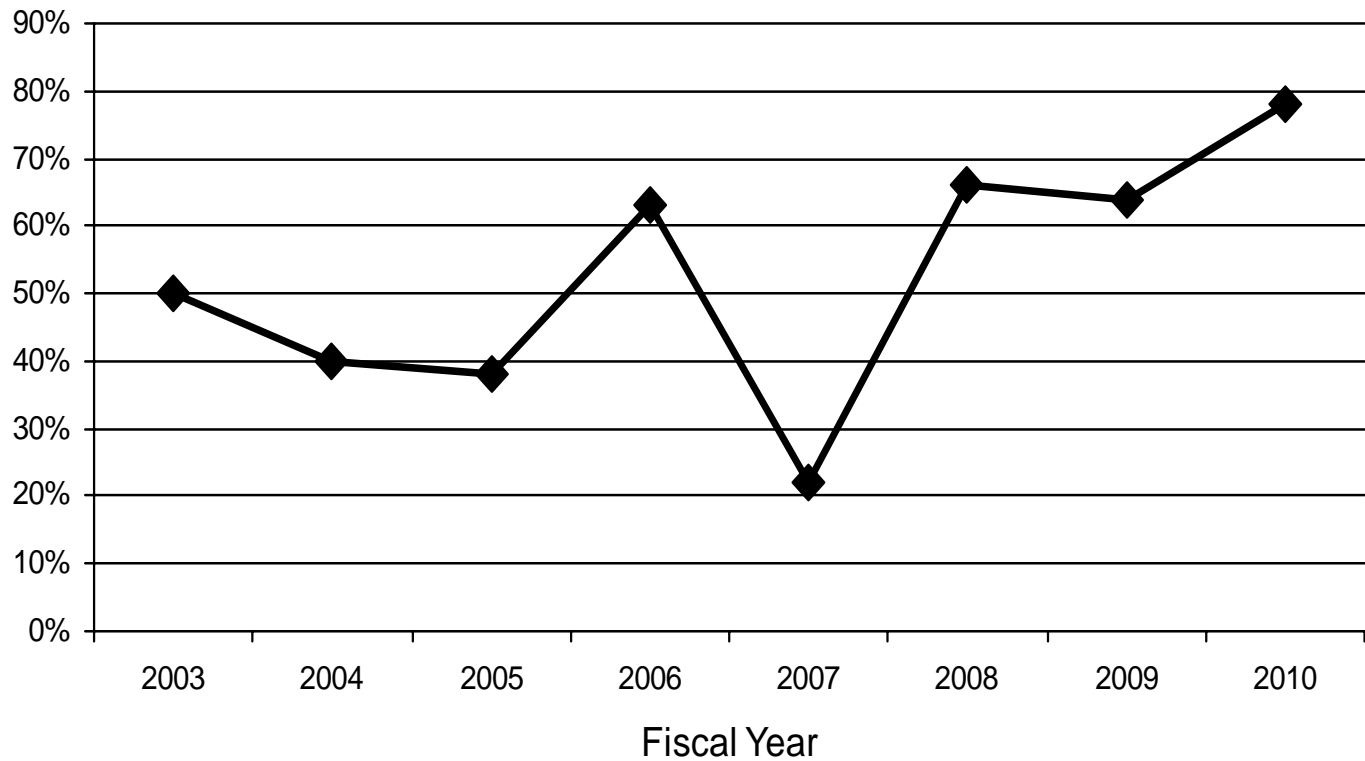


◆ State Share of Total Eligible Expenses ● State Share of Total Operating Expenses

Public Transportation Capital Funding

78% State Share

State Share of Non-Federal Capital Expenses



Investments in Public Transportation and TDM

- **Major transit projects in large urban areas that will improve mobility, generate jobs and promote economic development.**
 - **Dulles Corridor Metrorail**
 - **Richmond Bus Rapid Transit Alternatives Analysis**
 - **Norfolk Light Rail**
- **Start new transit service in Haymarket, VA**
- **New locomotives for VRE that will reduce maintenance costs and improve reliability**
- **Metro Matters program – helps address aging infrastructure and capacity constraints for Metrorail and Metrobus**

Rail Programs

Rail Enhancement Fund

- **Includes \$217 million for 14 projects for freight and passenger rail needs over the six-year period:**
 - **Capital improvement in the I-95/I-64 and I-81/Rte. 29 rail corridors**
 - **Crescent Corridor and National Gateway freight intermodal initiatives**
 - **Intercity Passenger Rail, Virginia Port Authority, VRE Commuter Rail, and High Speed Rail initiatives**

Rail Programs

Rail Preservation Fund

- **Includes \$29.8 million for 14 projects for freight and passenger rail needs over the six-year period**
 - **Capital improvements include the rehabilitation of bridges, roadbed, rail, and grade crossings**
 - **Projects contribute to the continuation and reliability of the Amtrak *Cardinal* service on the Buckingham Branch Railroad**
 - **Several projects support rail service to the Port of Hampton Roads**

Rail Programs

Demonstration Passenger Service

- **Pilot intercity passenger service for 3 years**
 - **Lynchburg to Washington, DC**
 - **Richmond to Washington, DC**
 - **\$17.2 million in FY 10 – FY 12 of Commonwealth Transportation funds for operational subsidy**

Other SYIP Items

- **Incorporation of asset management, public benefit, maintenance of effort, and transit sustainability per Item 449.E. of Chapter 879 - 2008 Acts of Assembly**
- **ARRA funding included in FY 09 in April and May FY 09 supplemental allocation; FY 10 supplemental allocation planned for October**
- **Minor technical corrections to the working draft**

**Recommended
FY 2010 - 2015
Six-Year Improvement Program**

Reta R. Busher, VDOT CFO

Steve Pittard, DRPT CFO

June 17, 2009