



Proposed Final Revised FY 2015-2020 Six-Year Improvement Program

John Lawson, CFO VDOT

Steve Pittard, CFO DRPT

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Proposed Final Revised FY 2015-2020 SYIP

- Revisions to the Final FY 2015-2020 SYIP are necessary to:
 1. Prepare for the implementation of HB2 by July 1, 2016
 2. Recognize the impact of reduced funding for construction
- Funds determined to be eligible for distribution per the HB2 prioritization process were not reprogrammed to non-exempt projects

Policy Guiding Development of SYIP

- Revised program continues to utilize the optional CTB construction formula made available by Section 33.2-3202
 - 25% for bridge reconstruction and rehabilitation
 - 25% for interstate and primary pavement repair (14% used for primary extensions)
 - 25% for high priority projects
 - 15% for public-private partnerships
 - 5% for smart roadway technology
 - 5% for unpaved roads (10% used for high volume unpaved)
- No funding is distributed through the “traditional” 40-30-30 formula

Public Review and Comment

- 9 public hearings were held in conjunction with the annual Fall Transportation Meetings
 - Lynchburg (9/23)
 - Hampton Roads (9/25)
 - Richmond (10/1)
 - Fredericksburg (10/2)
 - Staunton (10/8)
 - Culpeper (10/9)
 - Northern Virginia (10/16)
 - Salem (10/21)
 - Bristol (10/22)
- 429 people attended the public hearings
- 504 comments were received

HB2 Prioritization

- HB2 prioritization process does not change the allocation formula funds
- State and federal funds not excluded by HB2 will be allocated as prescribed by state Code to projects subject to prioritization
- The following types of projects and categories of funds are excluded from the prioritization process
 - Repair and reconstruction
 - NEPA complete and fully funded
 - Revenue Sharing
 - NoVA and Hampton Roads regional revenues
 - CMAQ federal funds
 - RSTP federal funds
 - Highway Safety federal funds
 - Transportation Alternatives federal funds
 - Secondary and urban formula funds

HB2 Candidate Projects

- Allocations were adjusted on projects in the SYIP that did not meet an exemption
 - 64 projects were impacted
 - These projects, as well as others, will be candidates for scoring
 - \$416M in future year allocations has been set aside in the Revised FY 2015-2020 SYIP
 - Funding available subject to HB2 prioritization is expected to increase in the FY 2016-2021 SYIP and beyond as underway projects are completed

Historical Comparison of SYIPs

(\$'s in Billions)

	Approved FY 2011- 2016	Approved FY 2012- 2017	Approved FY 2013- 2018	Approved FY 2014- 2019	Final FY 2015- 2020	Proposed Final Revised FY 2015- 2020	Change
Highway Construction	\$5.7	\$8.3	\$9.0	\$11.5	\$9.9	10.0	\$0.1
Rail & Public Transp.	\$2.1	\$2.3	\$2.4	\$2.9	\$3.2	\$3.2	\$0
Total SYIP*	\$7.8	\$10.6	\$11.4	\$14.4	\$13.1	\$13.2	\$0.1

*(excludes debt service)

Comparison of the Final FY 2015-2020 SYIP to the Proposed Final Revised FY 2015-2020 SYIP

(\$'s in Billions)

Final FY15 SYIP*	\$9.908
CTB Formula	(\$0.159)
Local Project Contributions	\$0.047
Transit Adjustments	\$0.039
Federal Funds to MN	\$0.137
Federal Funds to CN	\$0.012
Proposed Final Revised FY15 SYIP*	\$9.984

*(excludes debt service)

Proposed Final Revised FY 2015-2020 SYIP

(\$'s in Billions)

	Approved FY 2011- 2016	Approved FY 2012- 2017	Approved FY 2013- 2018	Approved FY 2014- 2019	Approved FY 2015- 2020	Proposed Final Revised FY 2015- 2020	Change
Interstate	\$1.4	\$1.4	\$1.7	\$2.1	\$1.4	\$1.3	(\$0.1)
Primary	\$1.2	\$2.0	\$2.8	\$3.5	\$2.7	\$2.6	(\$0.1)
Secondary	\$0.3	\$0.5	\$0.6	\$1.0	\$0.7	\$0.8	\$0
Urban	\$0.3	\$0.8	\$0.7	\$0.7	\$0.9	\$0.9	\$0
Federal Maintenance	\$1.4	\$1.4	\$1.8	\$1.4	\$1.4	\$1.5	\$0.1
Safety, TAP, Rev Sharing, Other	\$1.1	\$2.2	\$1.4	\$2.8	\$2.8	\$2.9	\$0.2
Total*	\$5.7	\$8.3	\$9.0	\$11.5	\$9.9	10.0	\$0.1

*(excludes debt service)



Transit and Rail Revenue

Recent Trend: Declining

- **Estimated FY 2015 state revenues – down 10% overall since HB2313 (June 2013) enacted**
- **Estimated FY 2015 state revenues – down 6% from SYIP approval (June 2014) to August (\$17.6 M)**
- **Actual FY 2014 state revenue collections - \$14.2 M shortfall**
- **Uncertainty concerning federal revenues**

Transit and Rail Revenues Reduction – HB2313 to August, 2014

Fund Source	<u>FY 2015 Revenue Projections</u>			
	June 2013	August 2014	Difference	%
1986 Special Session (14.7%)	\$ 143.3	\$ 122.7	\$ (20.6)	(14%)
Recordation Tax - Operating	27.0	28.7	1.7	6%
HB 2313 Retail SUT	75.3	70.3	(5.0)	(7%)
Total Transit	245.6	221.7	(23.9)	(10%)
HB 2313 Retail SUT - IPROC	50.2	46.9	(3.3)	(7%)
Vehicle Rental Taxes - REF	27.7	23.2	(4.5)	(16%)
Total Rail	77.9	70.1	(7.8)	(10%)
Total Estimated Revenue	323.5	291.8	(31.7)	(10%)
FY 2014 Revenue Shortfall			(14.2)	
TOTAL	\$ 323.5		\$ (45.9)	(14%)

Transit and Rail Revenues Reduction Since Approved SYIP, June 2014

Fund Source	<u>FY 2015 Revenue Projections</u>			
	June 2014	August 2014	Difference	%
1986 Special Session (14.7%)	\$ 133.3	\$ 122.7	\$ (10.6)	(8%)
Recordation Tax - Operating	34.0	28.7	(5.3)	(16%)
HB 2313 Retail SUT	70.9	70.3	(0.6)	(1%)
Total Transit	238.2	221.7	(16.5)	(7%)
HB 2313 Retail SUT - IPROC	47.3	46.9	(0.4)	(1%)
Vehicle Rental Taxes - REF	23.9	23.2	(0.7)	(3%)
Total Rail	71.2	70.1	(1.1)	(2%)
Total Estimated Revenue	309.4	291.8	(17.6)	(6%)
FY 2014 Revenue Shortfall			(14.2)	
TOTAL	\$ 309.4		\$ (31.8)	(10%)

Revenue Reductions Impact on SYIP Programs

Program	Amount (millions)
Transit Operating	\$ 12.3
Transit Capital	2.5
Transit Special	0.3
Transit Reserve	0.8
Rail	1.1
Project Mgmt / Admin.	0.6
Total	\$ 17.6

Summary of Actions to Address Revenue Reductions

Program	Amount (millions)
Capital – Operating Transfer	\$ 11.6
Unobligated Balances - Rail	1.1
Unobligated Balances - Transit	3.5
Transit Reserve Reduction	0.8
Project Mgmt / Admin. Reduction	0.6
Total	\$ 17.6

Transit Operating SYIP Impact - Mitigating Strategies

- Deobligated balances of \$1.6 M from April through July
- Requesting that CTB recognize a special need as authorized under § 58.1-638.A.4.b.
 - *Transfer of funds from funding categories in subdivisions 4 b (2) (c) [Capital] and 4 b (2) (d) [Special] to 4 b (2) (b) [Operating] shall be considered by the Commonwealth Transportation Board in times of statewide economic distress or statewide special need.*
 - Total of \$11.6 M of Mass Transit Trust Fund (MTTF) capital proposed for transfer
- The MTTF capital funding will be replaced using unobligated CPR bonds

Draft Revised SYIP - Other Changes

- **VRE Potomac Shores increase of \$1.3 M Rail Enhancement funds for PE of platforms**
- **VRE Expansion Railcar purchase – corrected error to set state controlled share at 68% per CTB approved capital tiers; federal flexible STP of \$6.8 M utilized.**
- **Removed the Christiansburg Park and Ride Lot project from DRPT section of SYIP; VDOT now managing**
- **Revised the regional passenger train service costs to match the recently signed contract with Amtrak – \$3.1 M decrease**
- **Added IPROC Projects of \$31 M related to Arkendale to Powell’s Creek project – all funding in out years**
- **Other technical adjustments**

FY 2015 DRPT Budget - Revised

- **Project management, project compliance, and administration budget cut by 6% or \$613 K**
 - **Reduced / delayed agency initiatives**
 - **Eliminated bonus funding; language removed from the final Appropriation Act approved June 23rd**
- **DRPT CTB Budget for FY 2015 decreased to \$583.6 M from the June approved budget of \$584.2 M**