

FY 2015 TRANSPORTATION PROGRAM

Fund Source	FY 2014 As Passed	FY 2015 GOV REC	Increase (Decrease)	Percent Change
STATE (TFund)	218,733,438	228,319,000	9,585,562	4%
FEDERAL	373,641,099	407,147,672	33,506,573	9%
LOCAL/OTHER	4,418,563	6,222,633	1,804,070	41%
TIB FUND	21,121,994	21,395,087	273,093	1%
TIB BOND PROCEEDS	10,387,500	0	(10,387,000)	-100%
INTER-UNIT TRANSFERS	4,432,547	2,395,041	(2,037,506)	-46%
CENTRAL GARAGE FUND	20,319,956	20,200,226	(119,730)	-1%
TOTAL	653,055,097	685,679,659	32,624,562	5%

The Governor's FY2015 transportation program supports VTrans' vision of a safe, efficient and multimodal transportation system that promotes Vermont's quality of life and economic wellbeing. Key components of this budget emphasize economic development, safety, preservation and maintenance of the existing transportation system, energy efficient transportation choices, and the continued rebuilding of infrastructure damaged by Tropical Storm Irene (Irene) and more recent natural disasters.

A strong economy requires a 21st Century infrastructure. The support of the Legislature in stabilizing our Transportation Fund helped make this-year's record-level investment in Vermont's transportation system possible. This budget makes sound investments in our infrastructure that will grow Vermont jobs not only by directly supporting jobs in the construction industry, but also by supporting other important economic sectors such as tourism, agriculture, hospitality, manufacturing, among others.

Several successive years of record level investment in our infrastructure are yielding positive results. We are seeing improved performance in pavement quality and in the condition of our structures. In 2008, Vermont ranked near the bottom of all states – 45th in the nation – for numbers of structurally deficient bridges. By 2013 we improved that ranking to 28th. Our overall percentage of structurally deficient bridges has declined from 19.7 percent in 2008 to just over 8 percent in 2013. We have also made progress at improving pavement conditions. The percentage of pavements rated in very poor condition has declined from a high of 36 percent in 2008 to only 21 percent in 2013. To continue these gains this budget will advance the repair or replacement of more than 100 bridges, perform preventive maintenance on dozens of structures, and improve more than 300 miles of pavement.

Mindful of our continuing energy challenges and our need to drive down our carbon footprint, this transportation budget proposal continues to invest significantly in all modes of transportation including our railroads, public transit systems, airports, and bicycle and pedestrian facilities. This budget funds nearly \$32 million in public transit including

expanding car and vanpooling, the intercity bus network, and developing electric vehicle charging stations for the regional “Green Highway”. To continue our vision of boosting tourism and mobility along the western corridor, this budget invests \$19 million to the rail line to improve 10 miles of rail and make additional corridor improvements to bring us closer to our goal of delivering passenger rail service between Rutland and Burlington. The budget also funds nearly \$8 million in bicycle and pedestrian infrastructure, and makes significant investments in our state airports to return them to a state of good repair and to foster public/private partnerships that add jobs in Vermont’s growing aviation economy.

VTrans continues to emphasize the safety of our transportation system and its users through a solid budget for maintenance and our districts. To ensure safety and preparedness for future weather events, we are recommending sixteen permanent positions be added to our employee base. This represents a subset of the team of limited service employees we hired immediately following Irene, the majority of which are for supporting the work in our Districts and for ongoing support to Towns.

With an average of 70 highway fatalities and hundreds of incapacitating injuries on our highways each year as a result of crashes, VTrans and all of state government continue to work collaboratively to drive down the number of preventable accidents.

Even as we improve the safety and performance of the system for today’s users, we continue to look to the future by building greater resilience into the roadway network, and through fostering a culture of continuous improvement, customer service and innovation throughout the Agency.

Program Highlights of the FY2015 Budget:

- \$25.4 million for the Department of Motor Vehicles. This is a \$300,000 increase (1 percent) over FY2014. This budget is primarily a maintenance of effort budget and will ensure the continuation of DMV services and offerings at all current locations. The budget will also support the relocation of the Mobile operation in White River Jct. vicinity from leased space to state owned space. DMV continues to exceed customer expectations, achieving a 97 percent customer favorability rating from July 2012 to June 2013. Average wait times also continue to far exceed established goals at all locations, with between 93 and 99 percent of customers reaching a counter in 30 minutes or less. DMV is also responsible for collecting an estimated \$317 million in taxes and fees during FY2015.
- \$115.7 million for paving. This is a \$7.5 million increase (7 percent) over FY2014. This near record level of paving demonstrates our continued commitment to improve the condition of the state’s highway network. A robust paving program is essential to maintaining the State’s existing infrastructure, and supporting Vermonters’ safety and mobility. This funding will improve approximately 95 miles of interstate and 210 miles

of state highway through traditional resurfacing, district leveling and preventive maintenance. These investments will continue our record of improvements to pavement conditions. The percentage of pavements rated in very poor condition has already declined from a high of 36 percent in 2008 to only 21 percent in 2013.

- \$140.3 million for bridges. This is a \$7.6 million increase (6 percent) over FY2014, and is the fifth consecutive year that planned bridge spending has topped \$100 million. The increase is attributed to increases in state bridge reconstruction, rehabilitation, and preservation. Planned spending on interstate bridges, where we have exceeded our performance target, is down \$9.5 million (15 percent). Planned spending in state bridges is up \$17.2 million (31 percent). The Town Highway Bridge Program funds all 24 bridges ready for construction and 38 projects in various stages of development. Funding for town highway structures grants is level funded at \$6.3 million, sustaining the \$500,000 increase of FY2013. Recent efforts and funding have allowed VTrans to exceed its performance goals in Interstate, State and Town Highway Bridge Programs which prepares us well for our aging bridge population. This budget funds major construction on 80 bridges and large culverts, and preventive maintenance work on dozens more structures.
- \$50.0 million for roadway. This is a \$3.1 million decrease (6 percent) from FY2014. The roadway budget includes \$21 million for continued Irene repair work, consisting of 130 miles of improvements to several corridors that were impacted by Irene and the repair of 20 individual damage sites. Major construction projects include the completion of the Morrisville Alternate Truck Route, the continuation of the US 7 upgrades in Pittsford and Brandon, and improvements to US 7 & US 4 in Rutland.
- \$13.3 million for highway safety and traffic operations. This is a \$1.8 million increase (16 percent) over FY2014. The budget for this important safety program is largely funded through a combination of federal sources, mostly created in SAFETEA-LU. Funding for the program is primarily infrastructure related on such projects as intersection reconstruction, roundabout construction, turn lane additions, work-zone assistance to municipalities, the High Risk Rural Roads (HRRR) program, and the installation of signs, beacons, signals and pavement markings. This program also funds the efforts associated with Vermont's Strategic Highway Safety Plan.
- \$2.7 million for park-and-ride facilities. This is a \$1.4 million decrease (35 percent) from FY2014. The FY2015 budget funds the enlargement and improvement of five existing lots, as well as construction of two new facilities, which combined will create over 350 additional parking spaces. This budget also provides funding for upgrades to several municipal park-and-ride facilities and approximately 85 additional spaces through the continuation of the popular municipal park-and-ride grant program, which is funded at \$250,000.

- \$7.9 million for bicycle and pedestrian facilities. This is a \$1 million decrease (11 percent) from FY2014. The decrease is largely due to declining level of SAFETEA-LU earmark funds as those projects are completed, and the result of several years' moratorium on new projects. Funding should increase in future years as newly awarded projects become ready for construction. The budget funds construction for 14 bicycle and pedestrian projects and six projects funded through the Safe Routes to School program. Funding is included to continue construction on the 92-mile Lamoille Valley Rail Trail and to continue the design of 30 other bicycle and pedestrian and Safe Routes to School projects. The Agency will continue planning and integrating these facilities into the State's overall transportation strategy.
- \$4.2 million for transportation alternatives. This is a \$552,000 decrease (12 percent) from FY2014. This budget funds enhancement and transportation alternatives projects that previously received grants and are now ready to proceed. It includes work on 60 projects, including construction funding for 29 projects, and advancement of eight scoping studies.
- \$850,000 for rest areas. This is a \$600,000 decrease (41 percent) from FY2014. The decrease is due the completion of the Bennington Welcome Center during FY2014.
- \$80.2 million for maintenance. This is an \$8.5 million decrease (10 percent) from FY2014. The decrease is largely attributed to federally eligible Irene recovery work that was included in the FY2014 budget. This budget reflects a continuation of general maintenance and other activities to preserve the safety and resilience of our roadway network. A strong commitment to the maintenance of the State's existing infrastructure is vital to addressing travelers' needs and to managing the State's transportation assets. This budget recognizes the importance of ensuring our Transportation District crews' continued ability to adequately respond to snowfall and weather-related emergencies.
- \$29.8 million for public transit. This is a \$1.3 million increase (5 percent) over FY2014. The increase reflects the Administration's commitment to enhancing mobility for an aging population and also reducing our carbon footprint through increased investment in public transit which is reflected by a 5% increase in ridership. Transit expansion highlights include the establishment of an inter-city bus system. VTrans is actively reviewing the State's public transportation system in collaboration with transit providers to identify ways to improve system efficiencies through route integration, operational improvements, and consideration of organizational restructuring. VTrans is supporting two statewide investments for vehicles and technology needs to assist in reducing costs and enhancing efficiency.
- \$19.9 million for aviation. This is an \$8 million increase (67 percent) over FY2014. The increase is predominantly federal funds (\$7.3 million) and is largely due to the FAA mandate to correct deficient runway safety area at the Rutland Southern Vermont

Regional Airport, numerous improvements at the Newport Airport and Morristown Airport. Discretionary grants for these airports have been made available due to federal sequestration. The FY2015 budget will further repair aging infrastructure to include runway and taxiway pavement, hangars, efficiency upgrades, and improve approach airspace. The Aviation program continues to make significant strides toward closing the operating deficit at the general aviation airports.

- \$37.3 million for rail. This is a \$2.4 million increase (7 percent) over FY2014. This budget invests \$2.1 million to complete the track upgrades on the NECR from St. Albans to the Canadian Border and \$3.7 million for a federal TIGER grant for track and other improvements on the Western Rail Corridor. These investments will provide track upgrades for the Vermont portion of the planned extension of Amtrak service to Montreal and help facilitate future passenger service to Burlington. The FY2015 budget will help advance several critical rail projects including: the construction of bridge 219 in Pittsford, implementing several crossing safety projects and continuing to upgrade our structures to the 286,000 pound national freight industry standard. This budget includes a total of \$19 million of investments in the Western Rail Corridor.
- \$2.8 million for transportation building facilities. This is a \$113,000 decrease (4 percent) from FY2014. The decrease is largely attributable to the completion of the major renovation/reconstruction project at the Colchester “Fort” facility. Funds will be used for construction or improvements to facilities in Enosburg, Newbury, Thetford, and White River Junction. This budget also funds continued development and design of maintenance facilities, net metering solar systems and energy upgrades, salt brine facilities, roof membrane replacements, and the installation of above-ground fuel storage tanks. It also proposes a major solar net metering project for land the Agency already owns in Essex through a Department of Buildings & General Services’ statewide renewable energy services contract.
- \$108.7 million for town highway programs. This is a \$16.5 million increase (18 percent) over FY2014. This increase is primarily attributed to a \$19.4 million increase in FEMA Public Assistance Grants, due to Irene and 2013 disasters. Other changes are described below:
 - *Town Highway Programs:* This budget level funds the Town Highway Aid program at \$26 million, sustaining the FY2013 increase of \$1 million (4 percent) which had not been increased since FY2005. Town Highway Aid for Non-Federal Disasters (the former Town Highway Emergency Program) is level funded at the FY2014 levels of \$1.15 million. Funding for Town Highway Aid for Federal Disasters declined by \$2.2 million, but this is mostly due to diminishing costs associated with Irene. Funding for the Town Highway Structures is level funded at \$6.3 million, sustaining the FY2013 increase of \$500,000 (7 percent) over FY2012. The Town Highway Class 2 and Class 1 Supplemental grant programs are level funded at \$7.2 million and \$128,750 respectively.

- *Town Highway Bridges:* This budget funds 24 town highway bridge projects that are ready for construction and 38 additional projects under development. At \$16.5 million the program is essentially level funded from FY2014. This largely reflects the project pipeline and project readiness. The Administration remains committed to improving Vermont's town highway bridges.