



**Impact of Revenue Reduction on
Six-Year Improvement Program Update
for
Fiscal Years 2015 - 2020**

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February 5, 2014

Six-Year Improvement Program History

	Approved FY 2011- 2016 Program	Approved FY 2012- 2017 Program	Approved FY 2013- 2018 Program	Approved FY 2014- 2019 Program
Highway Construction	\$5.7 b	\$8.3 b	\$9.0 b	\$11.5 b
Rail & Public Transportati on	\$2.1 b	\$2.3 b	\$2.4 b	\$2.9 b
Hampton Roads Fund				\$1.3 b
Total Final SYIP	\$7.8 b	\$10.6 b	\$11.4 b	\$15.7 b
NOVA Fund				\$1.9 b
Total With Regional Funds		\$10.6 b	\$11.4 b	\$17.6 b

Impact of Revenue Reduction on Six-Year Improvement Program for FY 2015-2020

- **Continue to work with the existing Priorities for SYIP Development as directed by the CTB.**
- **Continue to program the remaining new state funding through the CTB Formula.**
- **State revenue will no longer be sufficient to flow through the original State Construction Formula in FY 2017-2020. This is a reduction of \$294 million.**
- **Based on revised revenue estimates, VDOT will propose to delay project schedules versus eliminating projects in the existing SYIP.**

Impact of Revenue Reduction on Six-Year Improvement Program for FY 2015-2020

- The FY 2020 revenues (the sixth year of the new SYIP) will be used to reduce the impact of the revenue reductions for FY 2014-2019 projects by stretching the schedules into FY 2020.
- RSTP and CMAQ funding is estimated to be reduced over the six years by 2.1% in RSTP or \$9.4 million and 2.3% in CMAQ or \$6.8 million in the SYIP update.
- The CTB has authorized increasing Revenue Sharing allocation for each year of the SYIP to \$184 million to meet the increasing need of the Program. Approximately an increase of \$204 million in state funding over 6 years.

Highway Priorities for FY 2015-2020 SYIP Update

- Fund deficits on underway project phases
- Fund underway project phases as well as project phases that start in the current federal fiscal year
- Maximize use of federal funds to meet federal strategy
- Fund deficient bridges and paving projects
- Fund Appalachian Development Highway System planned projects with an average of 4% of total federal maintenance and construction funds over the six years
- Fund deficient bridges with an average of 13% of total federal maintenance and construction funds over the six years
- Increase funding for preliminary engineering
- Support development of PPTAs
- Allocate funds consistent with how they will be obligated and expended
- Redirect inactive balances on projects

Funding Guidelines

- **Maximize federal funds**
- **Utilize project cash flow information**
- **Use current estimates and schedules**
- **Match allocations to project**
- **Fully fund PE by RW phase start**
- **Fully fund RW by CN phase start**
- **Fully fund CN phase in year of expected completion; state code requires projects be fully funded within 12 months of completion**

Funding the SYIP

- **CTB Formula (Approved by General Assembly in 2012)**
 - **Categories**
 - 25 percent to bridge reconstruction and rehabilitation;
 - 25 percent to advancing high priority projects statewide;
 - 25 percent to reconstructing deteriorated interstate and primary system pavements determined to have a Combined Condition Index of less than 60;
 - 15 percent to projects undertaken pursuant to the PPTA;
 - 5 percent to paving unpaved roads carrying more than 200 vehicles per day; and
 - 5 percent to smart roadway technology.
 - **Amounts up to \$500 million per year- amounts over \$500 million go through the existing state construction formula**
 - **Sunsets in FY 2020**

General Assembly Bills of Interest

- **HB 2, 87 and 1100 – Prioritization of projects funded by the Commonwealth Transportation Board**
- **HB 1253, SB 513 – Establishment of the Hampton Roads Transportation Accountability Commission**
- **HB 1048 – Funding highway systems: Not exceeding \$500 million per year, 25% Bridge, 25% Paving, 25% High Priority Projects, 15% PPTA, 5% unpaved roads and 5% smart roadway technology – Adding municipality maintained primary extension pavements to the paving category; reducing 200 vehicles per day for unpaved road activity level to 50.**

Tentative Schedule FY 2015-2020 SYIP Update

➤ **January - February 2014**

- Priorities submitted – urban, bridge, paving, surface transportation plan, regional
- Financial information for SYIP available to begin programming funds
- Coordinate with MPOs on RSTP and CMAQ programming
- Other special fund categories programmed by program managers

➤ **March 2014**

- RSTP, CMAQ, Hampton Roads Transportation Funds and other special fund programming complete by March 14th

➤ **April – May 2014**

- Present draft SYIP to CTB
- Financial information for Final SYIP available
- Complete public hearings (9)
- Adjust SYIP as necessary for final financial information and public hearing comments

➤ **June 2014**

- CTB adopts the FY 2015-2020 SYIP