



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

Transportation in Virginia

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Secretary of Transportation
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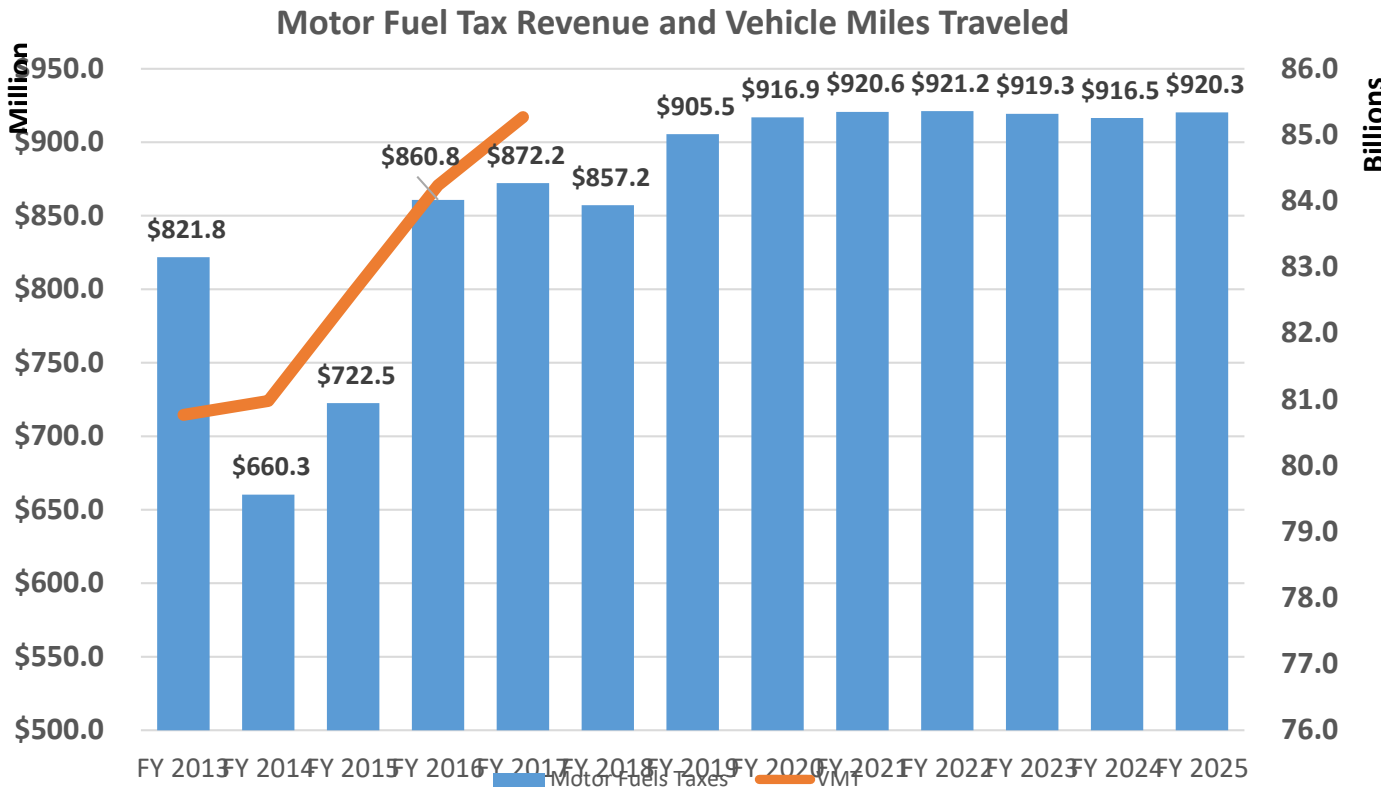


Commonwealth Transportation Fund (CTF) Revenues Finished Fiscal Year 2018 \$12.3 Million Below the Official Forecast

Actual Collections Compared to the Official Forecast for Fiscal Year 2018
(Millions of Dollars)

Revenue Sources	FY2017 Actual	FY2018 Actual	FY2018 Forecast	Percent Change 2017-2018		Forecast Variance	
				Actual	Forecast	Amount	Percent
Motor Fuels Tax	857.9	843.5	886.3	-1.7%	3.3%	(42.8)	-4.8%
Road Use Tax	12.3	11.7	10.5	(4.9)	(14.6)	1.2	11.4
Vehicle Sales Tax	957.7	943.6	922.4	(1.5)	(3.7)	21.2	2.3
Vehicle Licenses	260.2	258.8	259.2	(0.5)	(0.4)	(0.4)	(0.2)
State Sales Tax	1,020.4	1,043.8	1,047.0	2.3	2.6	(3.2)	(0.3)
Recordation Tax	48.1	47.8	48.3	(0.6)	0.4	(0.5)	(1.0)
Insurance Premiums Tax	163.1	168.0	168.0	3.0	3.0	0.0	0.0
Int'l Registration Plan	66.2	69.2	64.4	4.5	(2.7)	4.8	7.5
Interest Earnings	6.4	8.9	3.3	39.1	(48.4)	5.6	169.7
Rental Tax	39.5	40.2	40.9	1.8	3.5	(0.7)	(1.7)
Aviation Fuels Tax	2.0	2.0	1.9	0.0	(5.0)	0.1	5.3
Miscellaneous	18.4	19.6	17.2	6.5	(6.5)	2.4	14.0
TOTAL	\$3,452.2	\$3,457.1	\$3,469.4	0.1%	0.5%	(\$12.3)	-0.4%

Motor Fuel Tax Revenue and Vehicle Miles Traveled (VMT)



Source: CTF Revenue Reporting by DOA; VDOT VMT Report 2200 - DVMT by Maintenance Jurisdiction All Roads, annualized total (VMT reflects calendar year reporting)

Commonwealth Transportation Fund Revenue Updates

December 2018 Revenue Forecast

- \$47.2 million net reduction statewide
- Regional Revenues positive

	(In millions)						
STATEWIDE	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
Impact by Fund							
HMOF	\$ (17.4)	\$ (15.5)	\$ (24.6)	\$ (10.3)	\$ 1.7	\$ 2.5	\$ (63.6)
TTF	(26.0)	(0.9)	7.5	6.0	13.3	16.5	16.4
Total	\$ (43.4)	\$ (16.4)	\$ (17.1)	\$ (4.3)	\$ 15.0	\$ 19.0	\$ (47.2)
TTF Breakdown							
Modal Distribution							
Highway Construction	(9.6)	(1.6)	(0.5)	5.0	10.3	12.2	15.8
Transit	(1.8)	(0.3)	(0.1)	0.9	1.9	2.3	3.0
Ports	(0.5)	(0.1)	(0.0)	0.3	0.5	0.7	0.8
Airports	(0.3)	(0.0)	(0.0)	0.2	0.3	0.4	0.5
Mass Transit	(0.5)	1.4	2.0	2.2	2.6	2.8	10.5
IPROC	(0.2)	0.8	1.3	1.4	1.6	1.8	6.7
WMATA Capital Fund	(0.1)	0.1	0.1	0.1	0.1	0.1	0.2
Recordation Tax	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(28.2)
3.7% to Mass Transit Fund (Fuel Tax)	(0.2)	-	(0.1)	(0.3)	(0.6)	(0.9)	(2.1)
PTF	(8.2)	3.6	9.6	1.0	1.3	1.9	9.2
	\$ (26.0)	\$ (0.9)	\$ 7.5	\$ 6.0	\$ 13.3	\$ 16.5	\$ 16.4
Regional Revenues							
Northern Virginia	(2.2)	1.4	3.4	4.2	5.1	5.8	\$ 17.7
Hampton Roads	7.2	7.7	8.8	9.3	9.3	9.2	\$ 51.5

Revenue Estimate Updates

- **Federal revenue is based on Federal FY 2019 apportionments and assume Obligation Authority levels for the year provided under the FAST Act**
 - Current federal budget extension through December 21, 2018, obligation authority provided to Virginia based on portion of the year
- **After FY 2020, assumed federal revenue growth of 1.7 percent**

“Absent a revenue fix by 2020, the Federal Highway Trust Fund is expected to experience a significant cash shortfall leading to an estimated 51 percent drop in highway obligations from the year before, or from \$46.9 billion to \$23 billion, and a zeroing out of obligations from the Mass Transit Account in 2021 and 2022.” - Carlos Braceras P.E., President of American Association of State Highway and Transportation Officials; Testimony on November 28, 2018 to U.S. Senate Committee on Environment and Public Works
- **Without congressional action, federal revenues will be reduced in the future**

Transportation in Virginia

- **SMART SCALE**
- **State of Good Repair**
- **VITAL Infrastructure**
- **WMATA and Transit**

SMART SCALE



	Round 1	Round 2	% Change
Total # Submitted	321	436	36%
Requested Funding	7.2B	9.7B	38%
Available Funding	1.4B	1B	-29%
Max # Apps from Locality	12	33	175%
Avg # Apps per Locality	2.2	2.8	27%

SMART SCALE



- **Round 3**

- Anticipate ~\$750-800M in available funding
 - Down 45% from Round 1
 - 1/3 is GARVEE bond proceeds
- \$6.956B in requested funding for 468 projects
- **Scores and draft funding scenario will be released next week at the CTB meeting**

State of Good Repair

- **Reconstruction of deficient primary pavements and rehabilitation and reconstruction of structurally deficient bridges**
- **Less than \$300M/year in available funds**
- **Each district receives funding based on their proportional share of needs**
- **State and city assets are both eligible under this program**

Assumptions for Highway Construction Programs

State of Good Repair

	(in millions)						
	2020	2021	2022	2023	2024	2025	TOTAL
State of Good Repair Allocation	\$40.1	\$290.4	\$290.9	\$293.4	\$283.7	\$282.9	\$1,481.4
Difference from Previous Assumptions	1.3	(16.5)	(4.0)	0.5	8.3		(10.3)

VITAL Infrastructure

- VDOT identified 25 large and unique structures approaching the end of design life
- VITAL (Very large, Indispensable Transportation Asset List)
- 3 categories:
 - Moveable bridges
 - Tunnels
 - Larger Bridges
- Funding
- Next steps



Washington Metropolitan Area Transit Authority



- **Historic regional effort**
 - **Secure dedicated source of revenue for critical capital needs (combined \$500M)**
 - **Implement oversight reforms**
 - **Governance**
 - **Reporting Requirements**
 - **3% Operating Cap**
- **Challenges: shutdowns for capital repairs**
- **Metrorail Safety Commission certification**

Transit Reforms



Making Efficient + Responsible Investments In Transit

- **CTB adopted transit capital prioritization process at its October 2018 meeting**
 - Developed in coordination with Transit Service Delivery Advisory Committee and subject to public comment period
- **Focuses capital funding on state of good repair – at least 80% available resources**
- **Two key components of score**
 - Asset condition rating: 60% of potential score
 - Service Impact Score: 40% of potential score

Transit Reforms: Strategic Plans



Making Efficient + Responsible Investments In Transit

- **Phased implementation**
 - 2 pilots underway: Lynchburg and Hampton Roads
- **Major components include:**
 - Assessment of state of good repair needs
 - Review of performance of fixed route bus service
 - Evaluation of opportunities to improve operating efficiency of transit network

Transit Reforms



Making Efficient + Responsible Investments In Transit

- **CTB will adopt changes to allocation of operating funds based on performance factors**
 - Since 2013 a portion of funds have been allocated using performance factors
- **FY20 funds will be allocated using performance factors**
- **CTB is scheduled to vote on policy at its February 2019 meeting**

I-81 Corridor Improvement Plan

I-81 Corridor Overview – Critical to Movement of Goods in Eastern U.S.



11.7
MILLION TRUCKS PER YEAR



\$312
BILLION IN GOODS PER YEAR



42%
OF STATEWIDE
INTERSTATE TRUCK VMT



45+
CRASHES PER YEAR
(WITH CLEARANCE TIMES
GREATER THAN 4 HOURS)



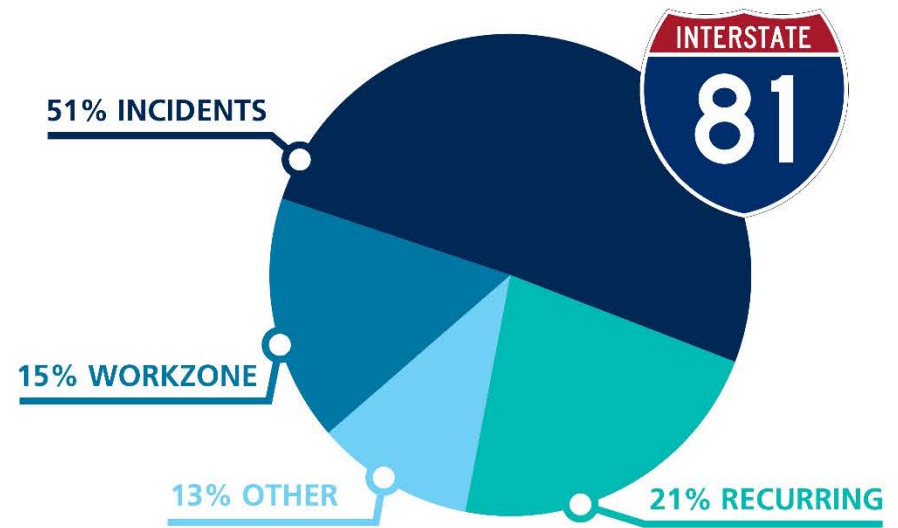
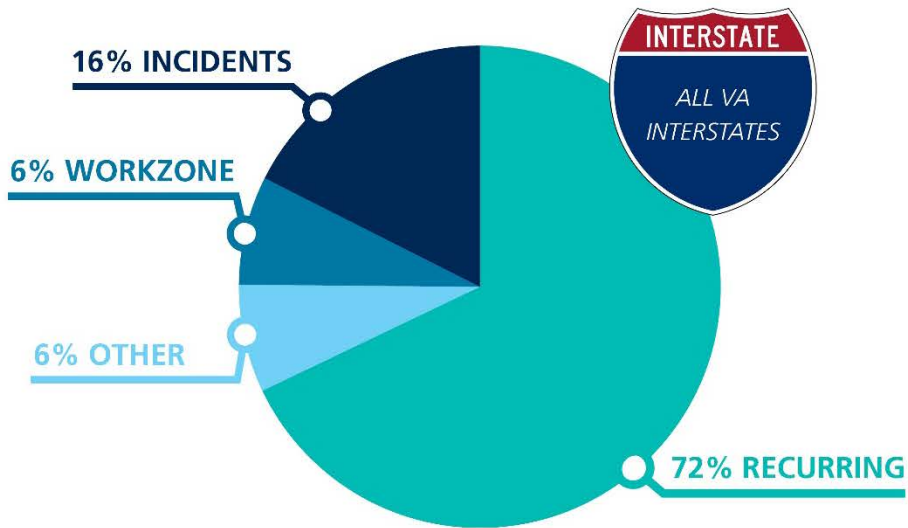
~11,000
CRASHES OVER 5 YEARS



Includes TRANSEARCH INSIGHT and VDOT data 2012-2016

I-81 Corridor Operations Plan

Delay Makes I-81 Unique



Major Interstate Corridor Funding SMART SCALE vs. Other Resources

Interstate	SMART SCALE	Regional/Tolls/Other
I-64	\$397	\$1,179
I-66	0	\$2,680
I-77	\$5	0
I-81	\$168	0
I-85	0	0
I-95/I-395	\$220	\$940

Figures in millions

SB971: I-81 Corridor Improvement Plan

- Review of top problem areas
- Identification of potential solutions and operations plan
- Prioritization of potential solutions and recommended improvement plan
- Development of potential financing options
- Economic impact analysis of tolling

Prioritization of Potential Capital Improvements

- Focused on capital improvements package of \$2.2 billion based on industry capacity feedback – approximately ½ of cost of all improvements
- Evaluated all potential capital improvements using SMART SCALE-like process
- Board evaluated regional taxes and tolls as potential funding sources

81 Corridor Improvement Plan: Next Steps

- **Bipartisan draft legislation**
- **Creates a framework for establishing dedicated funding source**
 - Authorizes CTB to impose tolls
 - Caps on tolls
 - Offers annual pass for autos and small trucks
- **Revenues may only be used for improvements in 81 Corridor**
- **Advisory board will be established**

81 Corridor Improvement Plan: Ongoing Work

- **Operations/technology**
- **Truck parking**
- **Multimodal improvements**
- **Law enforcement**

Major Projects

- I-95/395
 - FredX
 - Rappahannock River Crossings
 - I-66 Inside the Beltway
 - I-66 Outside the Beltway
 - High Rise Bridge
 - I-64 Widening
 - HRBT Expansion
 - Route 58
 - Corridor Q
-
- I-81
 - Project Next

Transform66: Inside the Beltway

- **Result of a multi-year planning that started during the McDonnell Administration**
- **2016 compromise reached with General Assembly**
 - Convert I-66 to express lanes from 5:30 a.m. - 9:30 a.m. EB and 3 p.m. - 7 p.m. WB
 - Widening I-66 EB from the Dulles Connector Road to Ballston – groundbreaking took place in June 2018
 - Re-invest toll revenues in the corridor for improvements recommended by NVTC – \$24M allocated to-date
 - HOV-2 to HOV-3 when 66 Outside the Beltway opens in 2022

Transform66: Inside the Beltway

First Year Performance Review

- **Average daily use**
 - 27,893 HOV users
 - 18,279 toll paying users
 - 6,638 bus riders*
- **Travel speeds eastbound in the morning**
 - 11.1% average increase on I-66
 - -0.3% to 10% average change on parallel arterials
- **Travel speeds westbound in the afternoon**
 - 21.3% average increase on I-66
 - 3% to 7.5% average increase on parallel arterials

*Average for February and June

Transform66: Inside the Beltway

Toll Rates and Usage

- **52,810 average daily users**
 - 52.8% carpoolers
 - 34.6% toll payers
 - 12.6% bus riders
- **\$12.59 average price for round trips**
 - \$8.02 average price for eastbound trips
 - \$4.57 average price for westbound trips
- **48.6% of eastbound trips on average are HOV**
- **38.1% of westbound trips on average are HOV**

Transform66: Inside the Beltway

HOV Usage of I-66

- Average daily HOV users in first three months of 2018 was 12,964
- Average daily HOV users from Sept. – Nov. was 14,938
- Represents an increase of 15%
- Almost 2,000 daily car trips during “rush hour” eliminated

Transform66: Inside the Beltway

Toll Rates

- Tests started this summer/fall and are on-going
- Tests to-date have lowered tolls for SOV vehicles choosing to use I-66 by varying degrees
- Largest benefits realized between 6:45 a.m. and 7:45 a.m.
- Smallest benefits realized at the height of rush hour between 8:00 a.m. and 9:00 a.m.

Interstate 64 Widening | Background

- **Interstate improvement project broken into eight segments from Richmond to Newport News**
- **Aimed to:**
 - Ease congestion
 - Increase emergency evacuation capacity
 - Improve safety of transportation infrastructure
- **Four segments are funded and under construction or complete**
 - 21 miles in Hampton Roads from Jefferson Avenue to Route 199
 - 5 miles in Richmond District from I-295 to Bottoms Bridge

I-64 Improvements: HRBT Expansion



Overview of HRBT Expansion Project

- Settlers Landing in Hampton to I-564 Norfolk (10 Miles)
- I-64 improvements include 6 lanes of highway and construction of 4 lane bridge/tunnel
- New 4 lane HRBT tunnel will carry EB traffic
- 2 existing tunnels will carry WB traffic
- Replace existing marine approach bridges
- I-564 Direct Ramps (included as Option)
- Project Estimate: \$3.66B

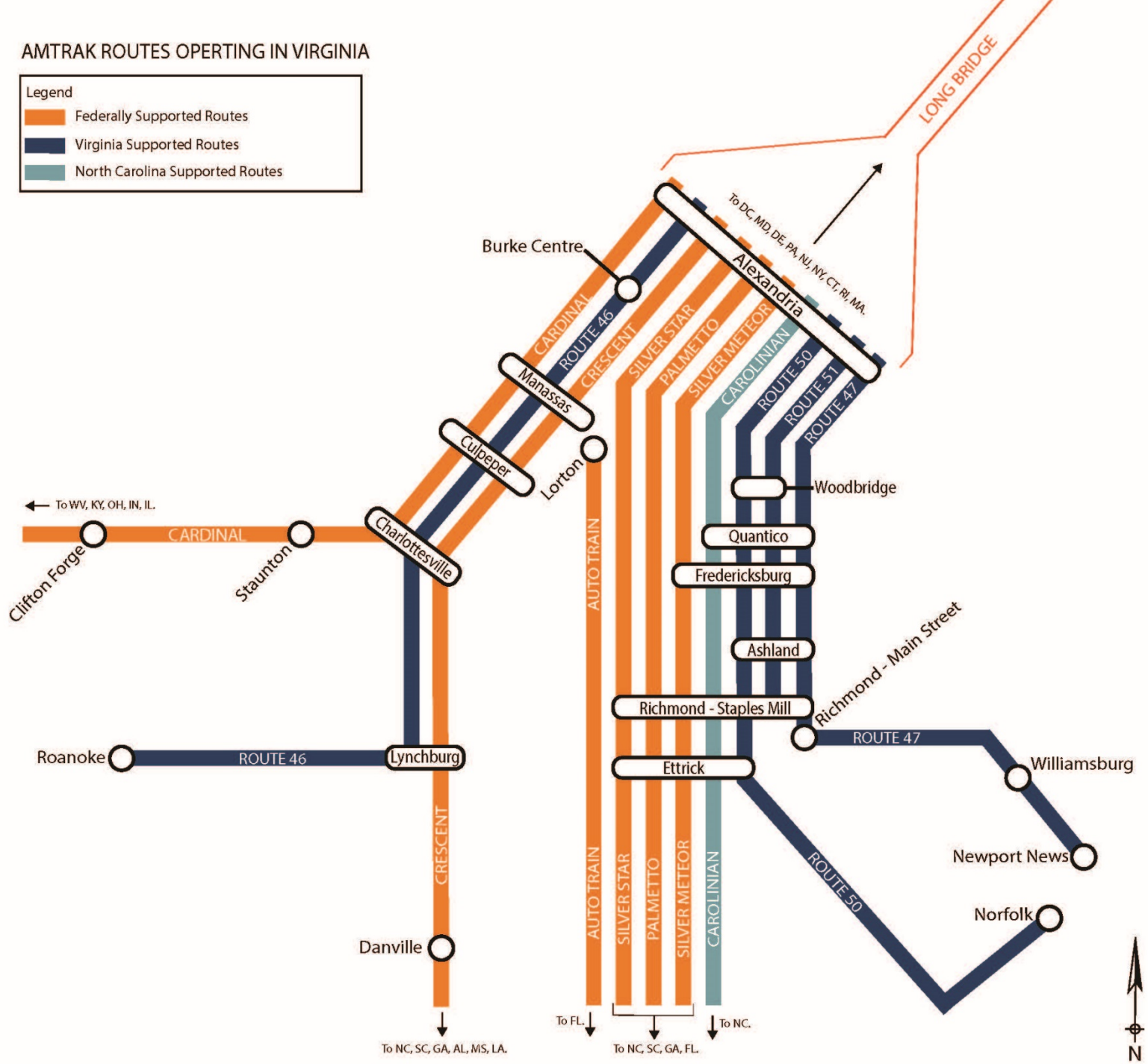


Rail

AMTRAK ROUTES OPERATING IN VIRGINIA

Legend

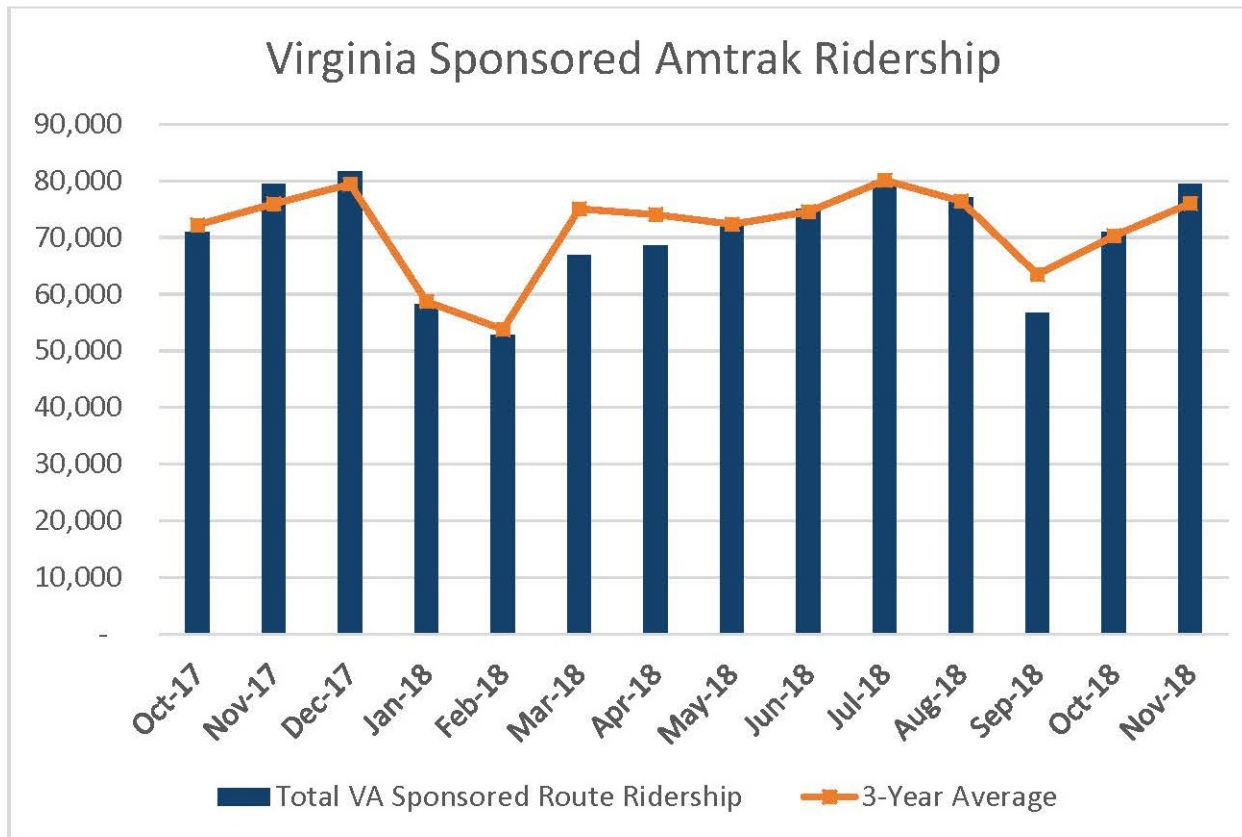
- █ Federally Supported Routes
- █ Virginia Supported Routes
- █ North Carolina Supported Routes



Rail

- 4 routes and 6 trains
- 2 expansions to Norfolk
- 839,466 rides on Virginia-supported Amtrak routes in FFY2018
- Drives 6% of Virginia's total economy

Virginia-sponsored Route Ridership



Amtrak Commitments

- All 4 routes have seen increased ridership in the first 2 months of FFY2019:

Roanoke	Norfolk	Newport News	Richmond
+12.6%	+8%	+2.6%	+2.6%

- Amtrak Commitments

Long Bridge

- Impacts I-95 / I-66 / I-64 / Rt. 29 / I-81 / Rt. 460 / Port of Virginia
- Every commuter, passenger, and freight train that crosses the Potomac to the NE



- **Office of Intermodal Planning and Investment leading a study examining sustainability of transportation revenues**
 - Parameters around declining tax fuels
 - Evaluation of transportation revenues in other states
 - Identification of potential replacements for the fuels tax

- **Update to the Commonwealth's long-range transportation plan**
- **Evaluates impacts of trends and reviews performance of transportation system based on:**
 - Sustainability
 - Resiliency
 - Innovation
 - Economic Opportunity/Competitiveness
- **Establishes policy for near- and long-term**



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Thank you.

