



Agency Update

**Stephen C. Brich, P.E.
Commissioner of Highways
January 29, 2018**

Outline

Department Overview

Overview of Biennial Budget Request

- **Operating Budget**
- **Capital Outlay**

Department Overview

Agency established in 1906

Our mission is to plan, deliver, operate and maintain a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life.

Nationally, maintain the third largest state maintained highway system

General structure: Central Office, 9 Districts, 31 Residencies, 189 Area Headquarters

VDOT carries out its mission through eight defined programs

Total Budget: \$5.6 billion in FY 2018; Requested \$6.2 billion in FY 2019 and \$5.7 billion in FY 2020

Operating Budget Updates by Program

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Environmental Monitoring and Evaluation	\$14.4	\$13.7	\$24.1	\$21.4
Ground Transportation Planning and Research	73.2	73.8	74.7	76.3
Highway Construction Programs	1,855.6	2,211.5	2,605.6	2,184.4
Highway System Maintenance and Operations	1,688.9	1,689.4	1,719.9	1,685.8
Commonwealth Toll Facilities	47.1	69.2	64.4	64.0
Financial Assistance to Localities for Ground Transportation	947.7	949.0	1,055.1	1,049.0
Non-Toll Supported Transportation Debt Service	375.5	354.0	368.8	390.0
Administrative and Support Services	262.1	263.4	273.8	276.5
Total	\$5,264.5	\$5,623.9	\$6,186.3	\$5,747.5

Operating Budget Updates by Program

Item 448 - Environmental Monitoring and Evaluation

Purpose: Efforts to monitor and evaluate the state's environmental resources in order to maintain their quality.

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Environmental Monitoring and Evaluation	\$14.4	\$13.7	\$24.1	\$21.4

Major Adjustments

Program growth and additional funding for Municipal Separate Storm Sewer System (MS4) Compliance Activities. Funding transferred and provided in new Service Area for MS4 Efforts within the Program, \$13.2 million in FY 2019 and \$10.3 million in FY 2020

Operating Budget Updates by Program

Item 450 - Highway Construction Programs

Purpose: Efforts to acquire land for, prepare detailed plans for, and construct roads

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Highway Construction Programs	\$1,855.6	\$2,211.5	\$2,605.6	\$2,184.4

Major Adjustments

- Updates to FY 2018 include the allocation of the Atlantic Gateway Projects and the related FAST Lane Federal Grant, appropriation for regional entity participation in VDOT administered projects.
- FY 2019 includes appropriation for the balance of the Concession Fee for I-66 Outside the Beltway (\$503.9 million). Additional appropriation will be administratively secured to support project spending in the current fiscal year.
- Updated for Funds available for Construction in the adopted FY 2018 – 2023 SYIP in June 2017. Includes \$151 million for first issuance of Route 58 bonds authorized in 2013 in FY 2020. Appropriation included to support project participation from Regional Entities for VDOT administered projects (totaling \$490 million over the new biennium).

Operating Budget Updates by Program

Item 451 - Highway System Maintenance and Operations

Purpose: Efforts to maintain and operate the interstate, urban, primary, and secondary highway systems of the state.

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Highway System Maintenance and Operations	\$1,688.9	\$1,689.4	\$1,719.9	\$1,685.8

Major Adjustments

Program growth and impact of reductions to base program in FY 2020

Operating Budget Updates by Program

Item 452 – Commonwealth Toll Facilities

Purpose: Efforts to operate toll facilities in the state highways system.

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Commonwealth Toll Facilities	\$47.1	\$69.2	\$64.4	\$64.0

Major Adjustments

- Removed toll facility construction appropriation for I-66 Inside the Beltway in the new biennium
- Appropriation for operations of two new facilities, I-66 Inside the Beltway and 64 Express Lanes

Operating Budget Updates by Program

Item 453 – Financial Assistance to Localities for Ground Transportation

Purpose: Efforts to provide monetary support to localities for capital improvements and/or maintenance of roads and/or transportation facilities.

	<i>(in millions)</i>			
Program	FY 2018 Chapter 836	FY 2018 Request HB 29	FY 2019 Request HB 30	FY 2020 Request HB 30
Financial Assistance to Localities for Ground Transportation	\$947.7	\$949.0	\$1,055.1	\$1,049.0

Major Adjustments

- Includes proposed increase for NVTA, \$50.5 million in FY 2019 and \$50.8 million in FY 2020
- Changes in City and County Maintenance Payments, impact of base adjustments in FY 2020
- Revenue growth anticipated for NVTA and HRTAC

Capital Outlay Program

VDOT currently maintains facilities statewide, supporting the workforce, equipment and materials used

	<i>(in millions)</i>			
	2016-2018 Biennium		2018-2020 Biennium	
Program	FY 2017 Chapter 836	FY 2018 Chapter 836	FY 2019 Request HB 30	FY 2020 Request HB 30
Capital Outlay	\$35.2	\$35.9	- *	\$25.0
Maintenance Reserve	4.7	4.7	-	5.0
Total	\$39.9	\$40.6	-	\$30.0

** Does not include VBPA Bond Authorization which supplants previously authorized appropriation.*

Major Adjustment

VDOT adjusted planned improvements for the new biennium to maintain expectations in the operating budget. The agency currently plans for additional investment in subsequent biennia.

Capital Outlay Program

2018-2020 Biennial Request

- **Provide \$20 million VPBA Bonds for previously authorized capital outlay – Finances eligible construction costs while freeing cash balance for dredging for Virginia Port Authority**
 - *Not an increase to VDOT's Capital Outlay Program*
- **\$25 million for Facilities – Approximately half of which will be used on the Richmond District Transportation Operations Center and the remainder will be deployed for Chemical Storage Buildings**
- **\$5 million for Maintenance Reserve – Planned roof replacements on operational facilities, HVAC updates, other major facility improvements**