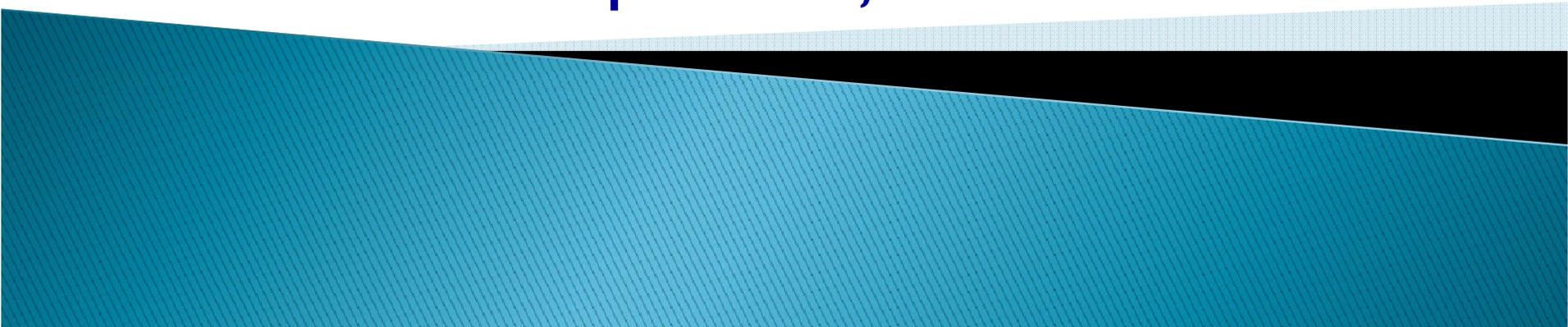


Department of Transportation

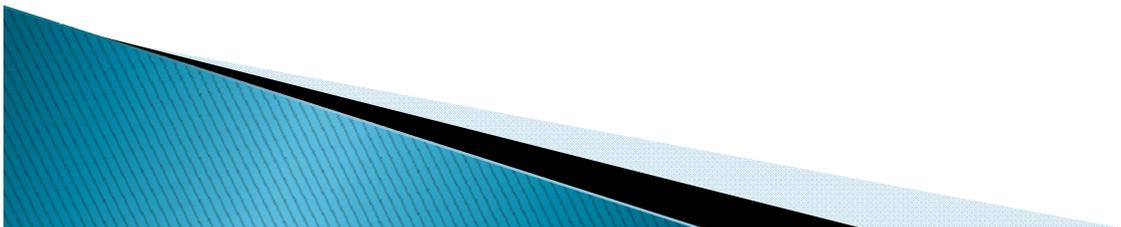
FY11 Bond Bill Committee Hearing

April 26, 2010



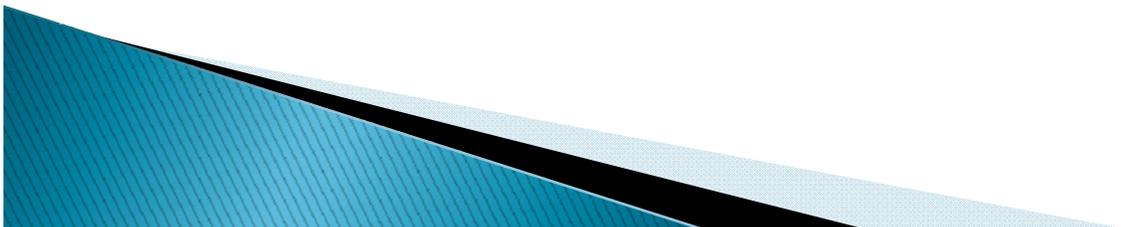
Our Mission

To provide a safe, efficient, and environmentally sensitive transportation network that offers a variety of convenient and cost effective choices for the movement of people and goods.

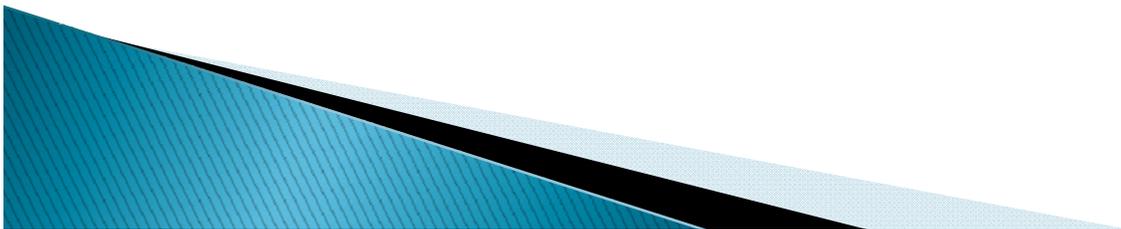


Agenda Items:

- ▶ Capital Transportation Program – Major Projects Review
- ▶ Challenges to the Transportation Trust Fund
- ▶ Next Steps



MAJOR CAPITAL PROJECTS



SR 141, Kirkwood Highway to Faulkland Road



Estimated completion date:



December 2010

US 301, Maryland State Line to SR 1



- US301 Mainline
- Archeology Underway
- Real Estate Acquisitions Underway
- Semi-final Design Plans
 - Summer 2010
- GARVEE Bond Sale
 - Late May 2010

Toll Plaza Rehabilitation

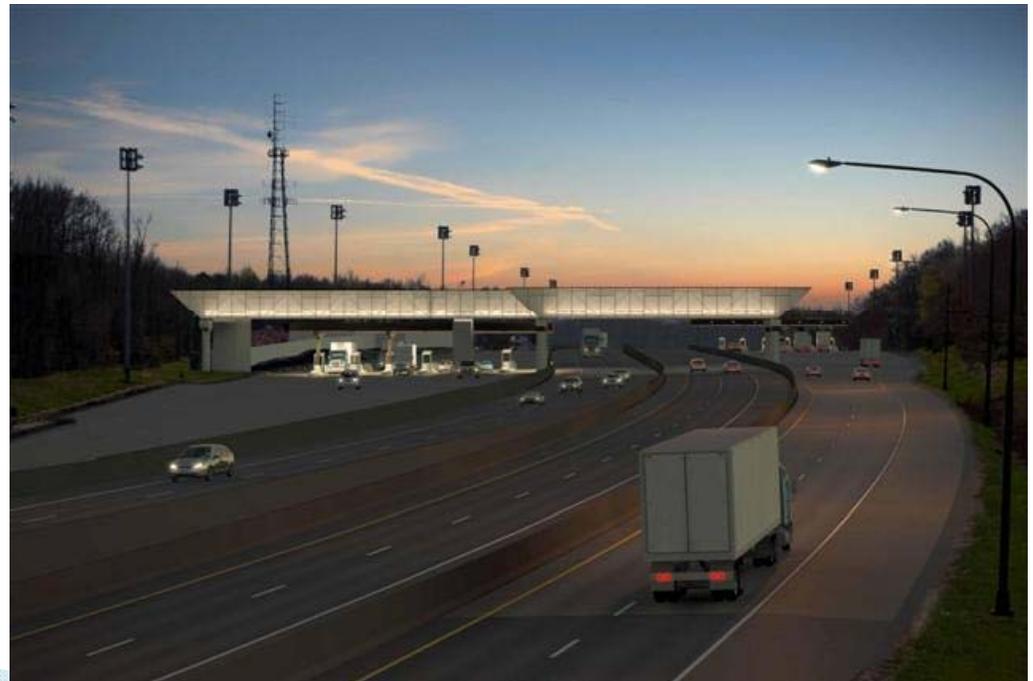


Before

Construction:
Completion –
August 2011

Work began
April 12, 2010

After



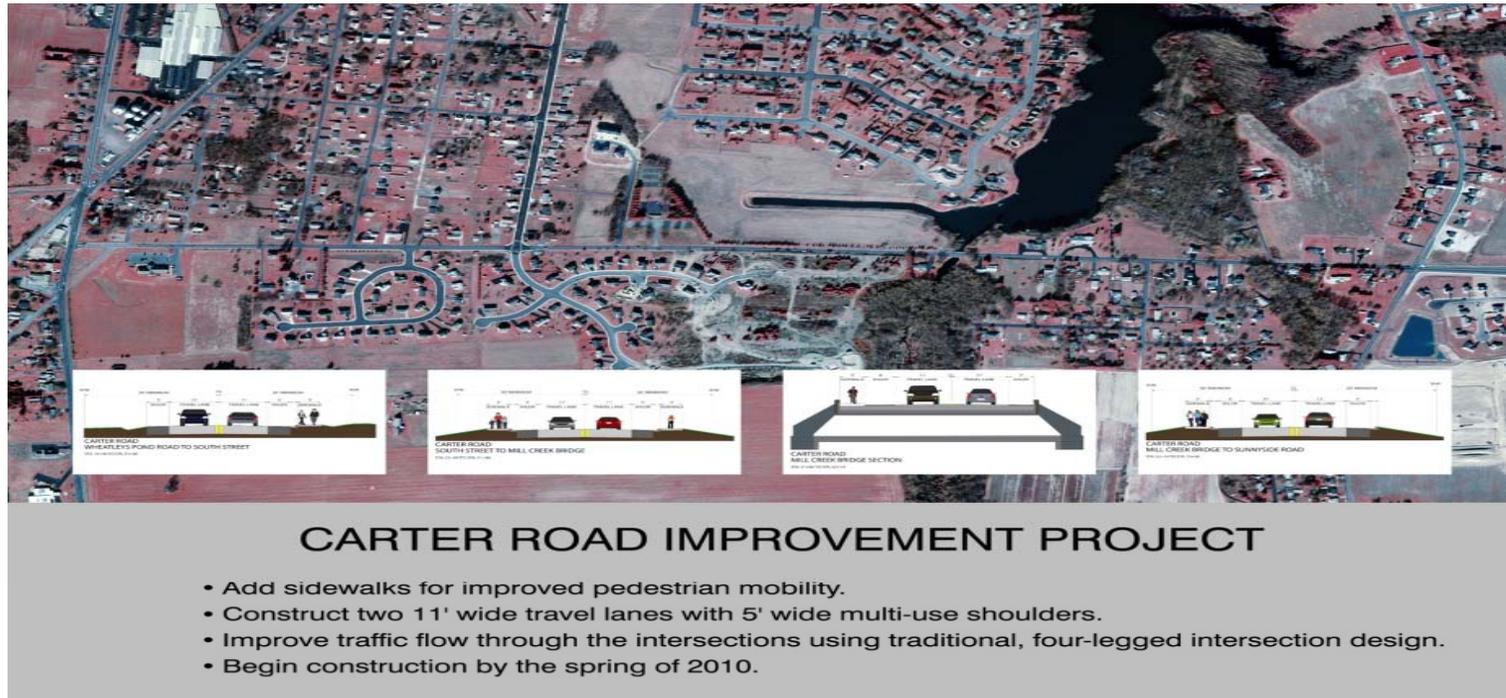
Mid-County Transit Facility

Construction:
Completion 2011



Expansion of existing facility for
the maintenance of fixed route and
paratransit buses.

Carter Road, Sunnyside Road to Wheatley's Pond Road



Current Schedule

Semi-final Construction Plans – Summer 2010

Right-of-Way process – Summer 2010

Construction is planned for Spring/Summer 2011



Estimated Completion – Fall 2012

South Governor's Avenue



Construction Completion:



December 31, 2010

Dover Transit Hub at Water and Queen Streets



Bus loops for 14 buses (including interstate buses) and parking. Site design will accommodate future office space, transit ticket sales and restroom facilities.

Construction:
Completion 2011

SR 1 Corridor Improvements

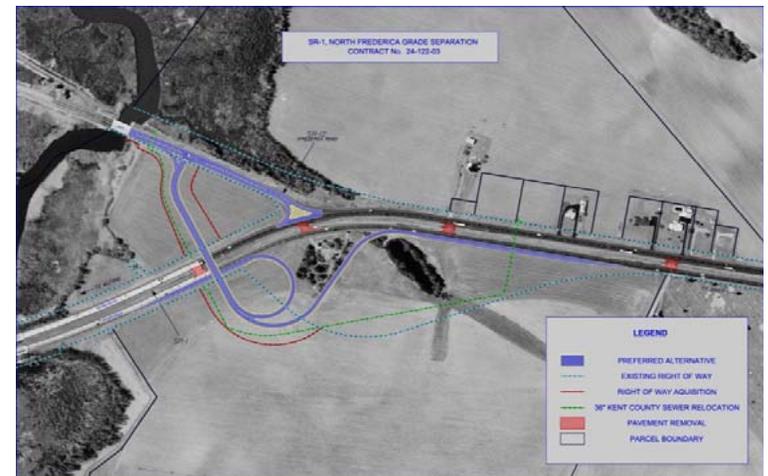
SR1 / SR9 Grade Separated Intersection @ DAFB

- Completed October 23, 2009 (72 days ahead of schedule)



SR1 North Frederica Grade Separated Intersection

- Under Construction
- Completion December 2010



SR 1 Corridor Improvements cont...

SR 1 / SR 30 Grade Separated Intersection

- Completion of plans scheduled for Fall 2010
- Real Estate Acquisition 2011
- Construction FY2012 and FY2013



Before



After

Indian River Inlet Bridge Replacement



Design/Build
Contract:

Design
95% Complete

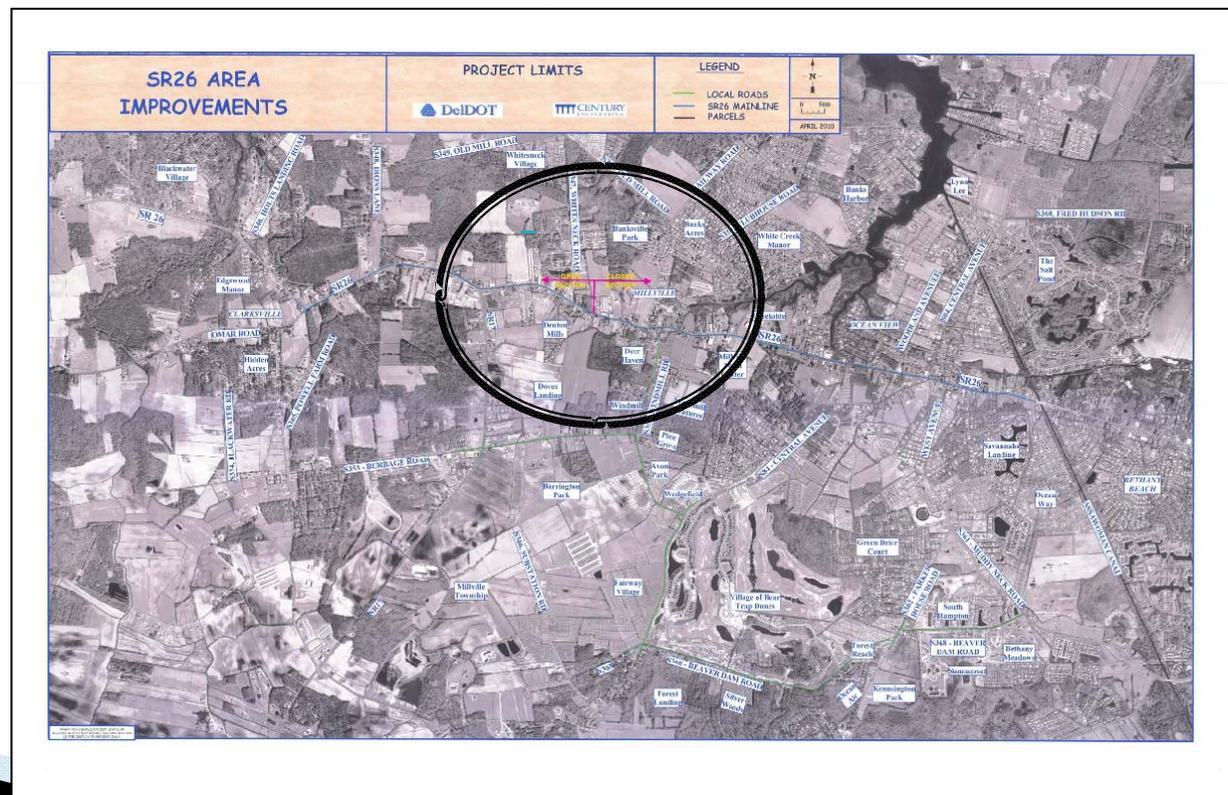
Construction
50% Complete

Roadway Approaches – Summer 2010
Bridge Contract Complete – Summer 2011
Demolish Existing Bridge – Winter 2011/2012
Park Enhancements – Complete 2015

SUSSEX EAST/WEST ROUTES

SR 26, Detour Routes

- Construction to begin Summer 2010
- Estimated completion - 2012

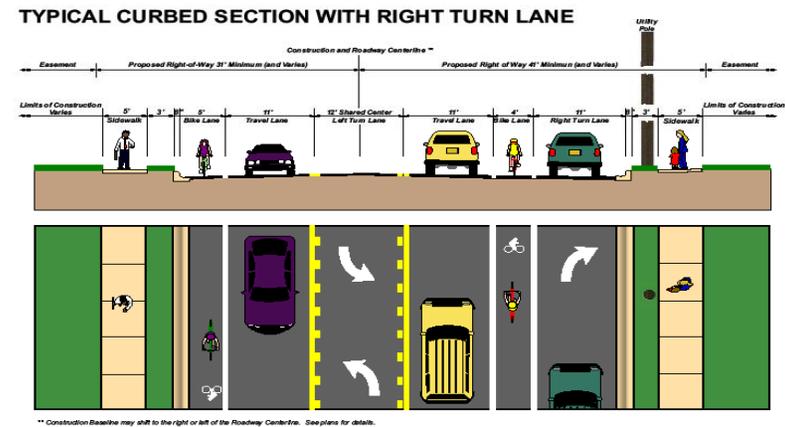
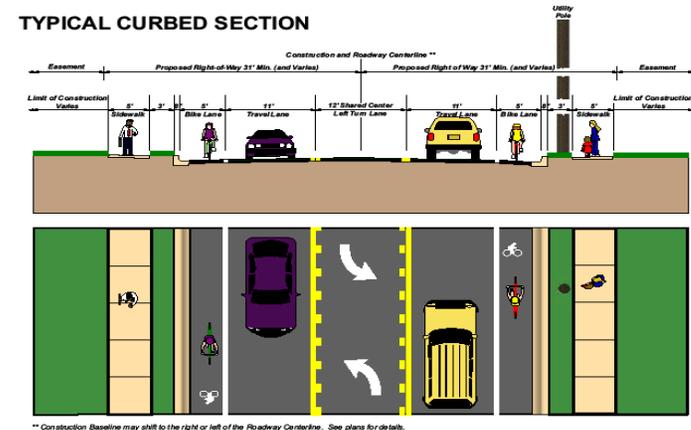


SUSSEX EAST/WEST ROUTES cont...

SR 26, Mainline
Real Estate Acquisition
- 2010 - 2012

Estimated Construction -
2013 - 2016

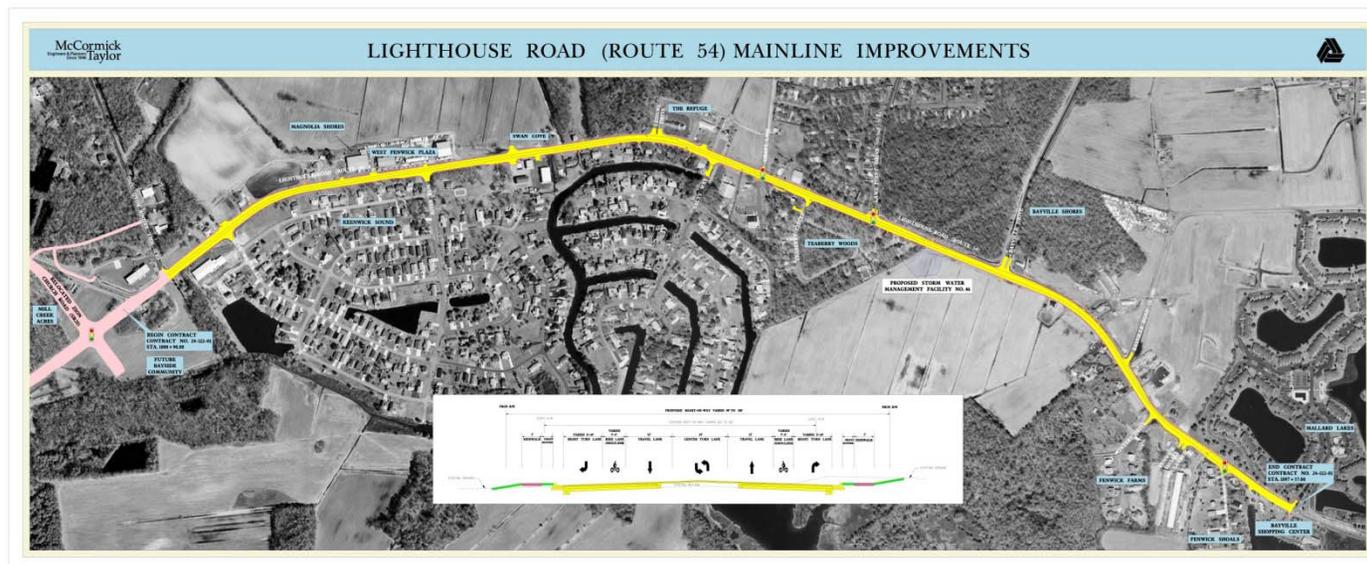
SR26 Typical Curbed Roadway Sections



SUSSEX EAST/WEST ROUTES cont...

SR 54

- Advertise - May 2010
- Construction - Fall 2010
- Estimated Completion - 2012



Statewide Paving Program

Total Statewide Lane Miles: 13,000

Year	Completed Lane Miles
2009	175.3
2010	127.5
2011	88.3

Continuing to complete the FY09/FY10 Paving List in FY11



Pipe Replacement Program



Old Furnace Road



Lion Hope Road



Gum Tree Road

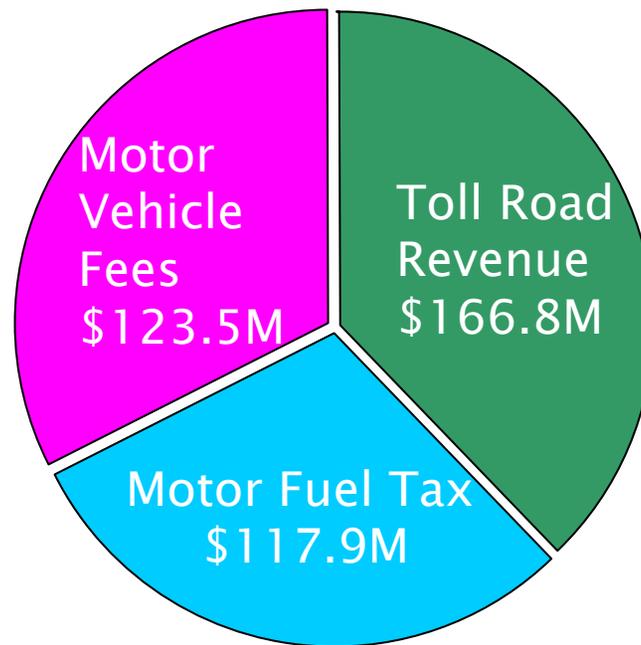


Capital Transportation Program – Funding Priorities

Collaborated with Local Governments to develop an investment strategy in support of comprehensive plans

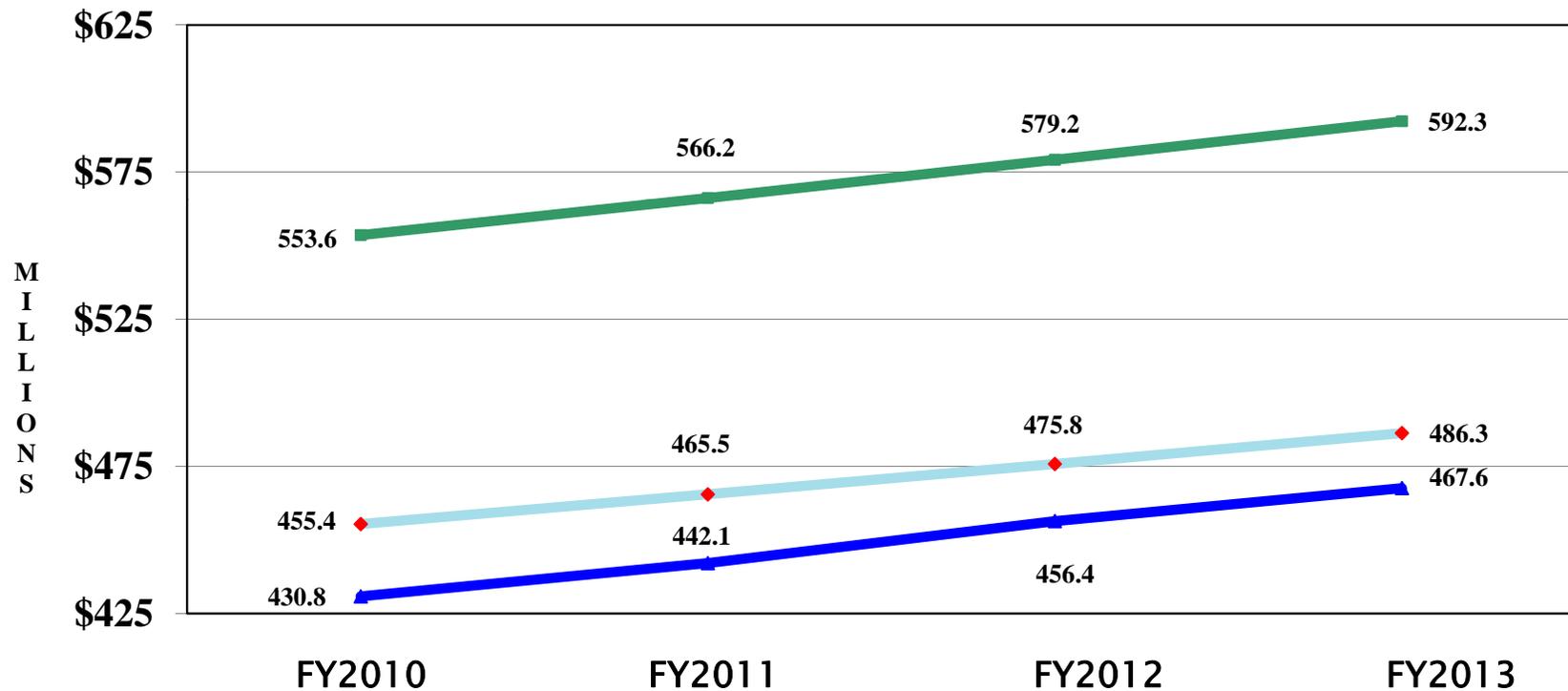
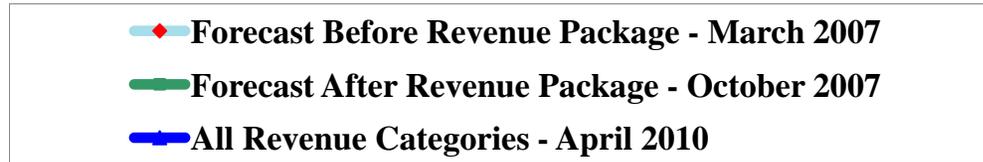
- ✓ Core Business needs continue to be a high priority
- ✓ Capital Plan maximizes federal fund utilization (FHWA, FTA, FRA, FAA)
- ✓ Projects ensure a safe, efficient, environmentally sensitive transportation system
- ✓ Program constrained to work plans that reflect prioritization by Metropolitan Planning Organizations (MPO's), Sussex County and funding levels

FY11 Transportation Trust Fund Major Revenue Categories



Source: April 2010 DEFAC

Effects of Economy on Revenues



Assumes No Escheat FY11 – FY13
 Received \$24M in escheat in FY07

Revenue Challenges Fiscal Year 2011

DMV – \$5.6 M

Auto sales volume ↓ 5.2%
Title transactions ↓ 2.1%

Motor Fuel Tax – \$7.6 M

Fuel consumption ↓ 0.9%

Toll roads – \$6.7 M

I-95 traffic ↓ 0.5% (Commercial Traffic ↓ 8.7%)
SR-1 traffic ↑ 1.6% (Commercial Traffic ↓ 2.2%)

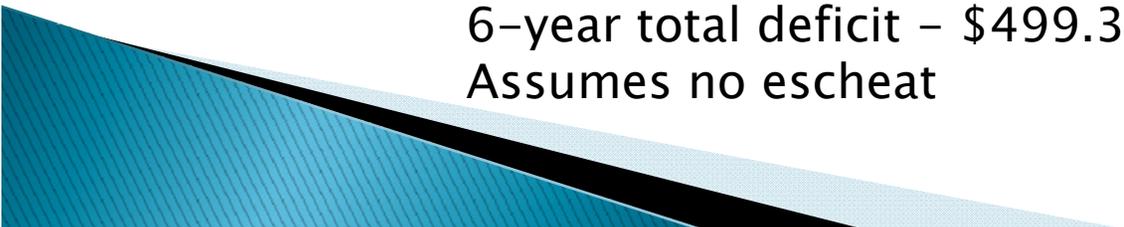
Other Transportation Revenue– \$0.2 M

**Total Revenue
Shortfall
\$20.1 M**

Available Capital Resources vs. Expenditures

	FY11	FY12	FY13	FY14	FY15	FY16
State Resources	\$171.5	\$168.4	\$163.3	\$158.2	\$153.3	\$148.4
6-Year Capital Plan	\$260.7	\$235.6	\$246.1	\$246.2	\$253.2	\$220.6
DEFICIT:	\$89.2	\$67.2	\$82.8	\$88.0	\$99.9	\$72.2

6-year total deficit – \$499.3M
Assumes no escheat

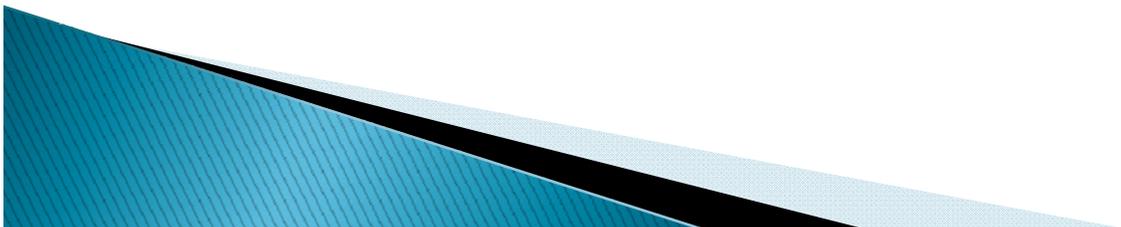


Overall FY11 CTP Budget Shortfall

Revenue Available

Cash	\$122.6M
Bond Proceeds	\$ 48.9M
April 2010 CTP	<u>\$(260.7)M</u>
Shortfall	\$(89.2)M

Needed Program/Project Reduction **\$89.2M**



Available State Projects / Programs to Cover Shortfall:

NCC Under Contract	\$15,667
NCC Starting in FY11	\$5,175
KC Under Contract	\$772
KC Starting in FY11	\$2,100
SC Under Contract	\$16,500
SC Starting in FY11	\$1,500
Community Transportation Fund	\$8,375
CTF Encumbrance Balance	\$22,800
Municipal Street Aid	\$4,000
Paving & Rehabilitation	\$55,943
Total:	\$132,832



Does not include state share of federally funded projects
that would lose federal match or Core Business Costs

Federal Funding Challenges

Obligation
Authority:

2009	\$123,763,497.00
2010	\$126,648,000.00
2011	<i>\$129,780,000.00*</i>
2012	<i>\$133,900,000.00*</i>
2013	<i>\$137,647,000.00*</i>

Existing Transportation Bill extended to 12/10

Rescissions:

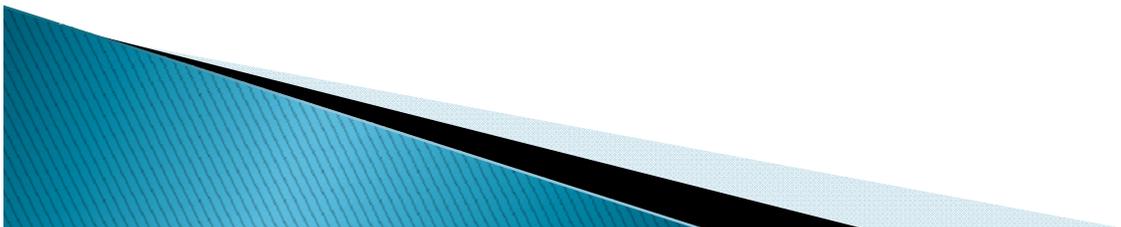
2005	\$14,064,166.78
2006	\$ 7,584,841.91
2007	\$10,730,541.17
2008	\$17,882,474.00
2009	\$12,303,346.00
2010	\$47,002,767.00

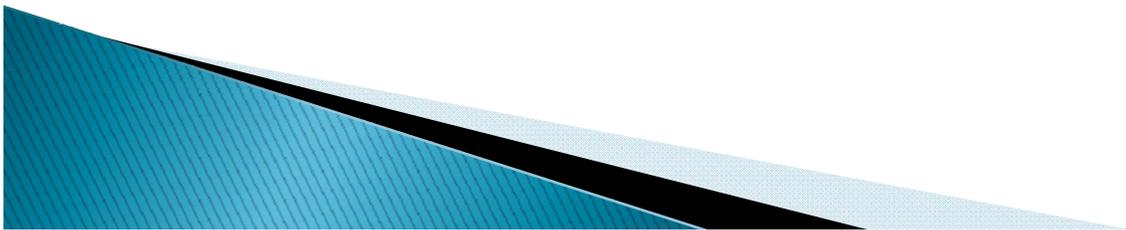
* Estimated authority

Next Steps:

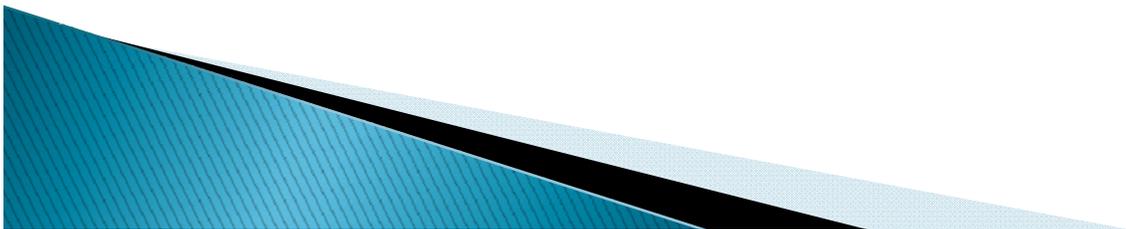
Back in June to Review:

- ✓ May DEFAC Revenues
- ✓ FY11 Paving Program
- ✓ FY11 Transportation Enhancement Program
- ✓ FY11 Capital Authorization Request and 6-Year CTP
- ✓ FY11 Epilogue

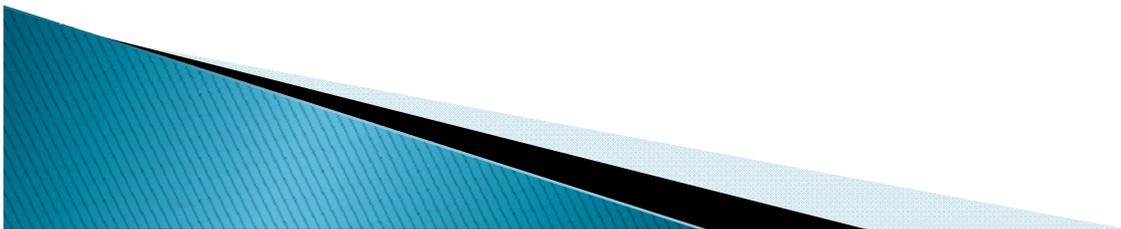




End



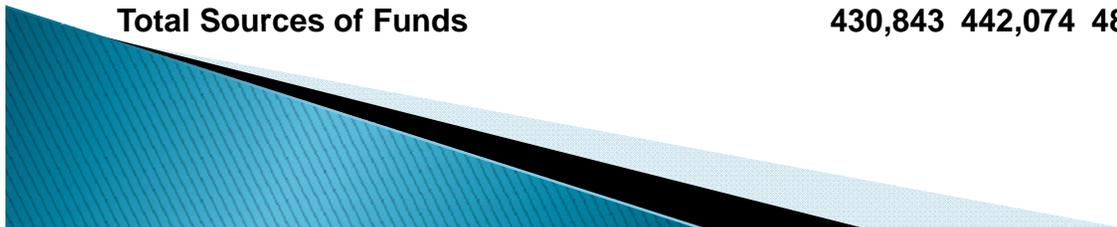
Supplemental Slides



Financial Plan – Total Sources of Funds:

APRIL DEFAC 2010 - 50PG
(\$ in 000s)

<u>Sources of Funds</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Existing Pledged Revenue</u>							
I-95 Tolls & Concessions	119,100	121,300	123,300	125,200	127,200	129,200	131,200
Motor Fuel Tax Admin.	115,600	117,900	120,300	122,700	125,200	127,700	130,300
DMV Fees	119,900	123,500	127,300	131,100	135,000	139,100	143,200
Interest Income	<u>3,400</u>	<u>5,000</u>	<u>7,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>
Total Pledged Revenue	358,000	367,700	377,900	387,000	395,400	404,000	412,700
<u>Non-Pledged Revenues</u>							
SR 1 Tolls	44,400	45,500	47,100	48,700	50,400	52,100	53,900
Escheat	0	0	24,000	24,000	24,000	24,000	24,000
DE Transit (Farebox, FTA, & Other)	16,543	16,874	17,687	18,040	18,401	18,769	19,145
Port of Wilmington - Refinancing	0	0	1,628	1,628	1,628	1,628	1,628
Other Transportation Revenue	<u>11,900</u>	<u>12,000</u>	<u>12,100</u>	<u>12,200</u>	<u>12,300</u>	<u>12,400</u>	<u>12,500</u>
Total Non-Pledged Revenue	72,843	74,374	102,515	104,568	106,729	108,897	111,173
Total Sources of Funds	430,843	442,074	480,415	491,568	502,129	512,897	523,873

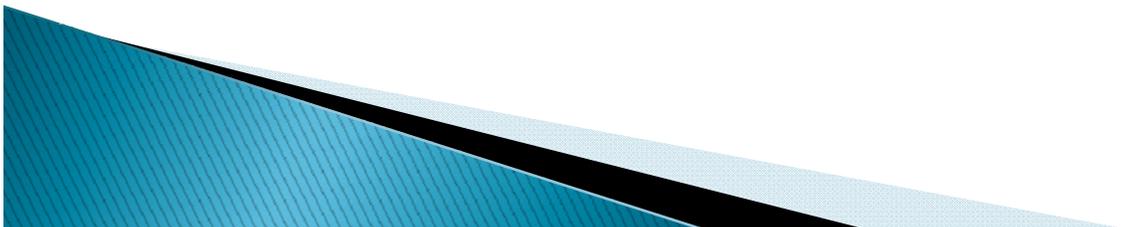


Financial Plan – Total Uses of Funds:

<u>Uses of Funds</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Debt Service</u>							
DTA Bonds & Notes	120,713	119,331	117,528	113,185	108,045	102,791	97,598
New Debt Service	0	4,199	13,487	22,557	31,405	40,044	48,474
State G.O. Bonds	<u>742</u>	<u>720</u>	<u>377</u>	<u>213</u>	<u>153</u>	<u>108</u>	<u>0</u>
Total Debt Service	121,455	124,250	131,391	135,955	139,603	142,943	146,071
<u>Operations</u>							
Department Operations	145,055	141,650	145,900	150,276	154,785	159,428	164,211
Delaware Transit Corp. Operations	<u>90,069</u>	<u>90,400</u>	<u>94,920</u>	<u>99,666</u>	<u>104,649</u>	<u>109,882</u>	<u>115,376</u>
Total Operations	235,124	232,050	240,819	249,942	259,434	269,310	279,587
Total Uses of Funds Before Capital	356,579	356,300	372,211	385,897	399,037	412,253	425,658
State Resources Available for Capital	74,264	85,774	108,204	105,671	103,092	100,644	98,215
Beginning Capital Cash Balance	142,587	56,851	20,000	20,000	20,000	20,000	20,000
Federal Funds	343,570	375,951	259,825	198,108	185,711	155,426	155,388
Bond Proceeds	0	48,923	108,204	105,671	103,092	100,644	98,215
Total Funds Available for Capital Expenditures	560,421	567,499	496,234	429,450	411,895	376,715	371,818

Financial Plan Continued:

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Less:							
State Capital Expenditures	160,000	171,548	216,409	211,342	206,184	201,289	196,430
Federal Capital Expenditures	343,570	375,951	259,825	198,108	185,711	155,426	155,388
Total Capital Spending	503,570	547,499	476,234	409,450	391,895	356,715	351,818



American Recovery and Reinvestment Act (ARRA)

- ▶ Act focuses on:
 - Job preservation and creation
 - Federal share is 100% – no state match requirement
 - Restoration, repair, construction and other activities eligible for Federal Highway funds
 - Expedited project award and construction



American Recovery and Reinvestment Act (ARRA)

\$26.6 Billion total apportionment to States

Delaware Received:

- \$122M – Highways & Bridges
- \$ 18M – Transit



American Recovery and Reinvestment (ARRA) Update



Federal Highway Funds

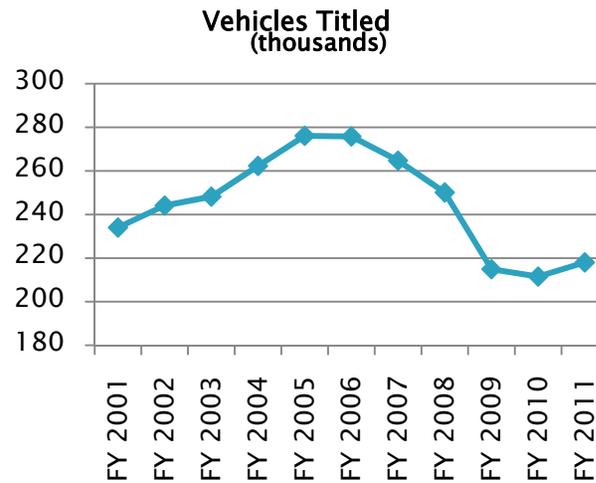
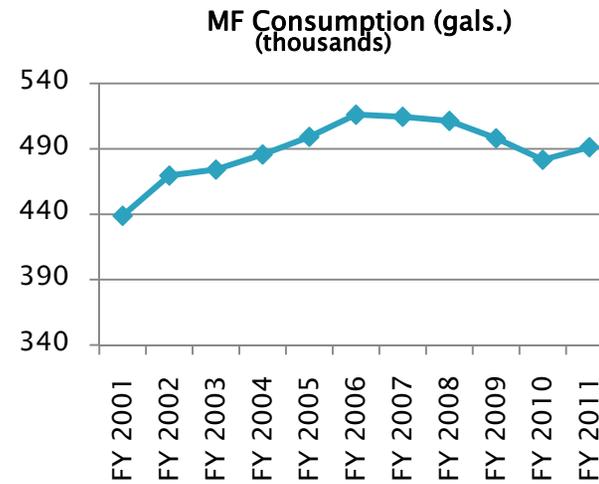
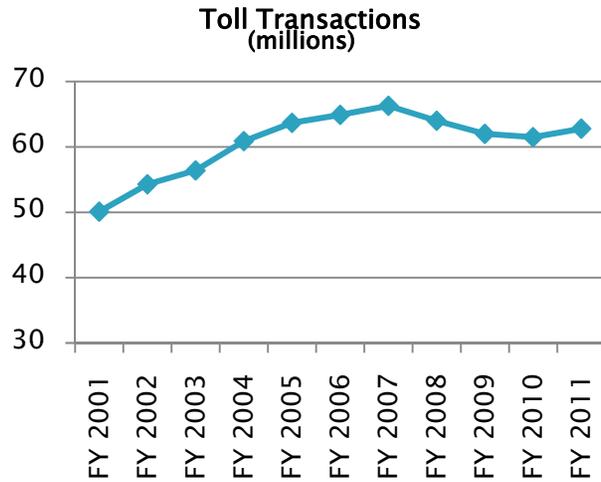
Number of Projects Certified by Governor or Secretary:	33
Number of Projects Either Awarded or Under Construction: (12 under construction, 14 complete, 5 awarded not yet started)	31
Number of Projects Out for Bid/ In Award Process: (Br. 1-325)	1
Number of Projects Remaining to Be Advertised: (Market St.)	1

FTA Funds

Number of Projects Certified by Governor or Secretary:	4
Number of Projects Either Awarded or Under Construction:	4

Awards to Delaware Contractors: 25 of 30 (or 83%)

Economy Impacted Revenues



FY10 & FY11 are estimates

Revenue Challenges Fiscal Year 2010

DMV – \$5.3 M

Auto sales volume ↓ 5.2%
Title transactions ↓ 2.1%

Motor Fuel Tax – \$7.4 M

Fuel consumption ↓ 0.9%

Toll Roads – \$6.9 M

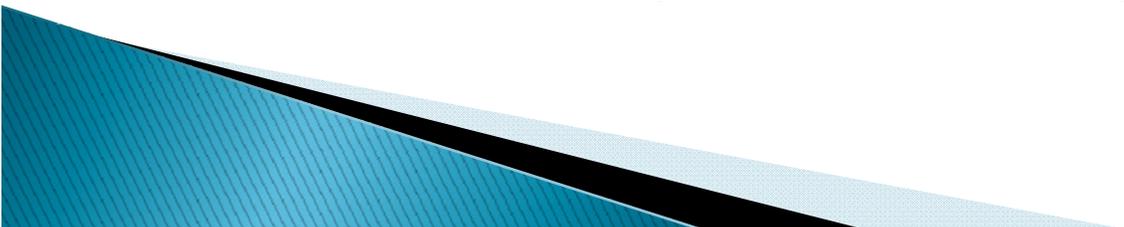
I-95 traffic ↓ 0.5% (Commercial Traffic ↓ 8.7%)
SR-1 traffic ↑ 1.6% (Commercial Traffic ↓ 2.2%)

Investment income – \$2.6 M

Weighted interest earnings

1.18% compared to 1.78% last year, 4.64% 2 years ago

**Total Revenue
Shortfall
\$19.3M**



Statewide Paving Program



Paving Lane Miles

Fiscal Year	Total Miles	Lane Miles FY09	Lane Miles FY10	Lane Miles FY11	Lane Miles FY12
2008	139.1	0	0	0	0
2009	175.3	0	0	0	0
2010	46.7	18.5	28.21	0	0
ARRA	80.82	27.37	53.45		
2011	88.3	3.92	84.38	0	0
2012	88.3	0	60	20.3	0

