

J00B01
State Highway Administration
Maryland Department of Transportation

Operating Budget Data

(\$ in Thousands)

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
Special Fund	\$424,580	\$438,245	\$456,665	\$18,420	4.2%
Adjustments	0	-1,746	571	2,316	
Adjusted Special Fund	\$424,580	\$436,499	\$457,235	\$20,736	4.8%
Federal Fund	14,561	15,187	15,428	241	1.6%
Adjustments	0	-99	36	135	
Adjusted Federal Fund	\$14,561	\$15,088	\$15,464	\$376	2.5%
Adjusted Grand Total	\$439,141	\$451,587	\$472,699	\$21,113	4.7%

Note: FY 18 Working includes targeted reversions, deficiencies, and across-the-board reductions. FY 19 Allowance includes contingent reductions and cost-of-living adjustments.

- The fiscal 2019 allowance for the State Highway Administration (SHA) increases by \$21.1 million (4.7%) over the fiscal 2018 working appropriation. Special funds increase by \$20.7 million (4.8%), and federal funds increase by \$376,000 (2.5%).
- Fiscal 2018 is adjusted to reflect the across-the-board reduction to health insurance subsidies (-\$1.8 million), and fiscal 2019 is adjusted to include the general salary increase (\$606,000).

Note: Numbers may not sum to total due to rounding.

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PAYGO Capital Budget Data

(\$ in Thousands)

	Fiscal 2017	Fiscal 2018		Fiscal 2019
	<u>Actual</u>	<u>Legislative</u>	<u>Working</u>	<u>Allowance</u>
Special	\$923,081	\$885,401	\$894,731	\$756,739
Federal	\$520,656	\$643,014	\$618,279	\$690,608
Total	\$1,443,736	\$1,528,415	\$1,513,010	\$1,447,347

- The fiscal 2018 working appropriation is \$15.4 million lower than the legislative appropriation comprising a \$9.3 million increase in special funds more than offset by a \$24.7 million decrease in federal funds.
- The fiscal 2019 allowance decreases by \$65.7 million from the fiscal 2018 working appropriation comprising a \$138 million decrease in special funds only partially offset by an increase in federal funds of \$72.3 million.

Operating and PAYGO Personnel Data

	<u>FY 17 Actual</u>	<u>FY 18 Working</u>	<u>FY 19 Allowance</u>	<u>FY 18-19 Change</u>
Regular Operating Budget Positions	1,489.00	1,676.50	1,676.50	0.00
Regular PAYGO Budget Positions	<u>1,487.50</u>	<u>1,283.00</u>	<u>1,283.00</u>	<u>0.00</u>
Total Regular Positions	2,976.50	2,959.50	2,959.50	0.00
Operating Budget FTEs	5.00	42.00	42.00	0.00
PAYGO Budget FTEs	<u>12.00</u>	<u>46.00</u>	<u>46.00</u>	<u>0.00</u>
Total FTEs	17.00	88.00	88.00	0.00
Total Personnel	2,993.50	3,047.50	3,047.50	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	177.51	6.00%
Positions and Percentage Vacant as of 1/1/18	276.00	9.30%

- The number of regular positions and contractual full-time equivalents both remain unchanged between the fiscal 2018 working appropriation and the fiscal 2019 allowance.

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- In fiscal 2018, 1 filled position was transferred from the Motor Vehicle Administration (MVA) to the SHA procurement office, and 1 vacant position was transferred from SHA to MVA.
- As of January 1, 2018, SHA had 276 vacant positions equating to a vacancy rate of 9.3%. Turnover in the fiscal 2019 allowance is budgeted at 6%, which will require that an average of 177.5 positions remain vacant the entire year.

Analysis in Brief

Major Trends

Safety and Security: Preliminary data for calendar 2016 indicates that there was one more traffic fatality in Maryland than in the previous year but that the fatality rate (fatalities per 100 million miles driven) decreased slightly due to the increase in vehicle miles traveled.

Congestion: Congestion on arterial roads ranged from a high of 17% in calendar 2011 to a low of 15% in calendar 2014 and remained at 16% for calendar 2015 through 2017. Freeway congestion has fluctuated over this period with a low of 22% in calendar 2013, a high of 33% in calendar 2012, and in recent years, hovering around 27%.

System Preservation and Maintenance – Structurally Deficient Bridges: The percent of bridges in the State Highway Network rated as structurally deficient declined steadily from calendar 2008 to 2015 and remained unchanged between calendar 2015 and 2016.

System Preservation and Maintenance – Highway Maintenance Condition: SHA has met its goal of improving/maintaining at least 84% of the highway network in an overall preferred maintenance condition four times since calendar 2008 and most recently in 2017.

Issues

Traffic Relief Plan Approaches and Costs Vary by Region: In fall 2017, the Administration announced a three-phase traffic relief plan to help mitigate traffic congestion in the Washington and Baltimore regions and to a lesser extent throughout the State. Both the funding committed and the solutions planned to addressing traffic congestion vary greatly among the phases. The long-term impacts on traffic congestion will also likely be widely disparate. Absent from any of the proposed plans is a transit component. **The Secretary should brief the committees on:**

- **the factors that led to the development of such disparate traffic relief solutions between the Washington and Baltimore regions;**
- **why the Maryland Department of Transportation believes that converting shoulders to additional lanes, as proposed for the Baltimore Beltway, will not simply induce more traffic within a short time; and**
- **why transit should not be a component of traffic relief efforts in general and the Phase 1 public-private partnership proposal in particular.**

Certain Local Government Uniform Financial Reports Not Submitted: Two municipalities have failed to submit audit reports and Uniform Financial Reports (UFR) for multiple years. **It is**

recommended that State transportation aid funding under the Highway User Revenues program be suspended until the jurisdictions submit delinquent annual audit reports and UFRs. Suggested language is included in the Recommended Actions section of this analysis for consideration.

Operating Budget Recommended Actions

1. Add language restricting transportation aid to municipalities delinquent on submitting required audits and Uniform Financial Reports.

PAYGO Budget Recommended Actions

	<u>Funds</u>
1. Delete planning funding for the Traffic Relief Plan (Phase 1).	\$ 22,000,000
Total Reductions	\$ 22,000,000

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Budget Analysis

Program Description

The State Highway Administration (SHA) is responsible for over 5,200 miles of interstate, primary and secondary roads, and over 2,500 bridges. SHA employees plan, design, build, and maintain these roads and bridges to safety and performance standards, while paying attention to social, ecological, and economic concerns.

SHA employs personnel in seven engineering districts throughout the State and at its Baltimore City headquarters. Each district encompasses a number of adjacent counties, with a district office serving as its headquarters. There is at least one maintenance facility in each county. The districts are responsible for the management of highway and bridge construction contracts and maintenance functions such as pavement repairs, bridge repairs, snow removal, roadside management, equipment maintenance, and traffic engineering operations.

SHA attempts to manage traffic and congestion through the Coordinated Highways Action Response Team (CHART) program. CHART provides information about traffic conditions and clears incidents on major roadways.

The highway safety program funds the Motor Carrier Division. The Motor Carrier Division manages the State's enforcement of truck weight and age limits by inspecting drivers, trucks, and cargo, as well as auditing carriers.

The administration shares the key goals identified by the Maryland Department of Transportation (MDOT):

- safety and security;
- system preservation;
- quality of service;
- environmental stewardship;
- community vitality; and
- economic prosperity.

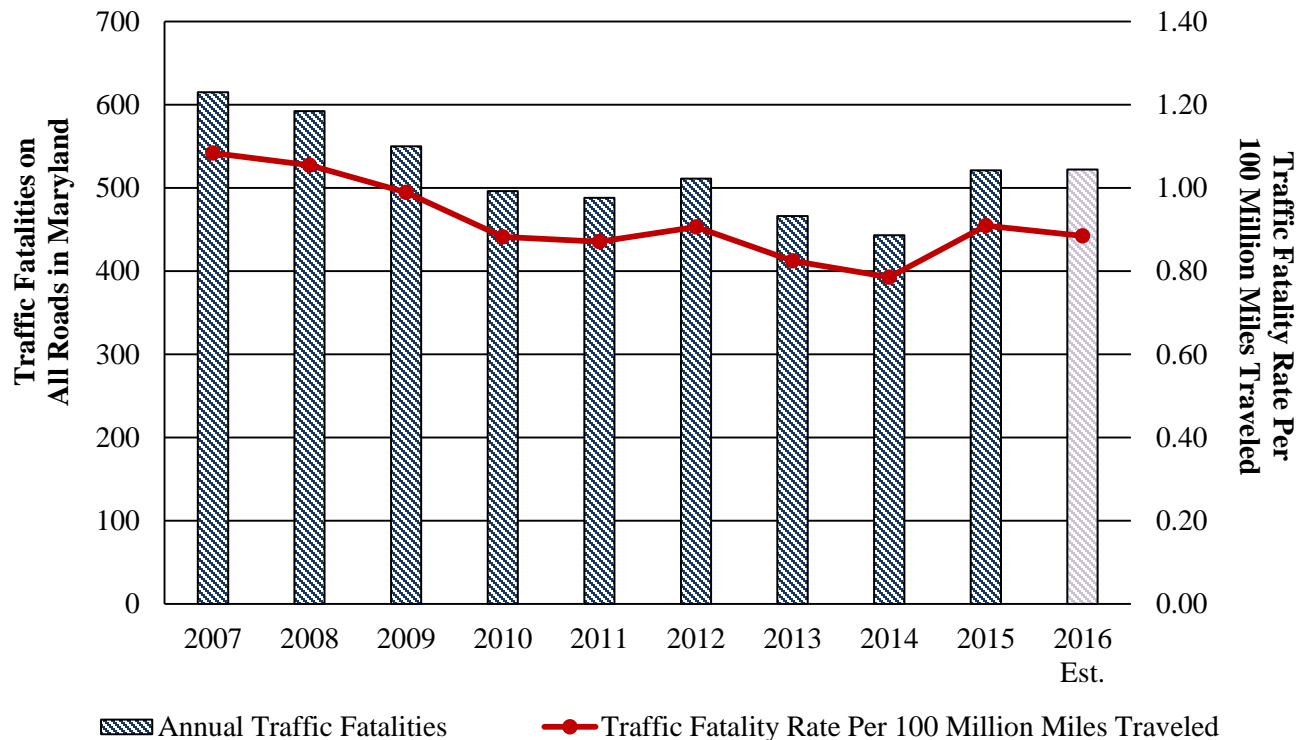
Performance Analysis: Managing for Results

SHA provides Managing for Results performance measures that relate to its mission and goals. The mission of SHA is to “provide a safe, well-maintained, reliable highway system that enables mobility choices for all customers and supports Maryland’s communities, economy, and environment.”

1. Safety and Security

One objective of the SHA safety and security goal is to reduce the annual number of traffic-related fatalities to 387 or fewer by the end of calendar 2020. **Exhibit 1** shows the number of traffic fatalities and the traffic fatality rate by calendar year for calendar 2007 through 2016 estimated. From calendar 2007 to 2014, there was a downward trend in both the annual number of fatalities and the fatality rate. Each of these measures increased in calendar 2015. Based on preliminary data, the fatality rate in calendar 2016 fell slightly from calendar 2015.

Exhibit 1
Traffic Fatalities and Fatality Rates
Calendar 2007-2016 Est.

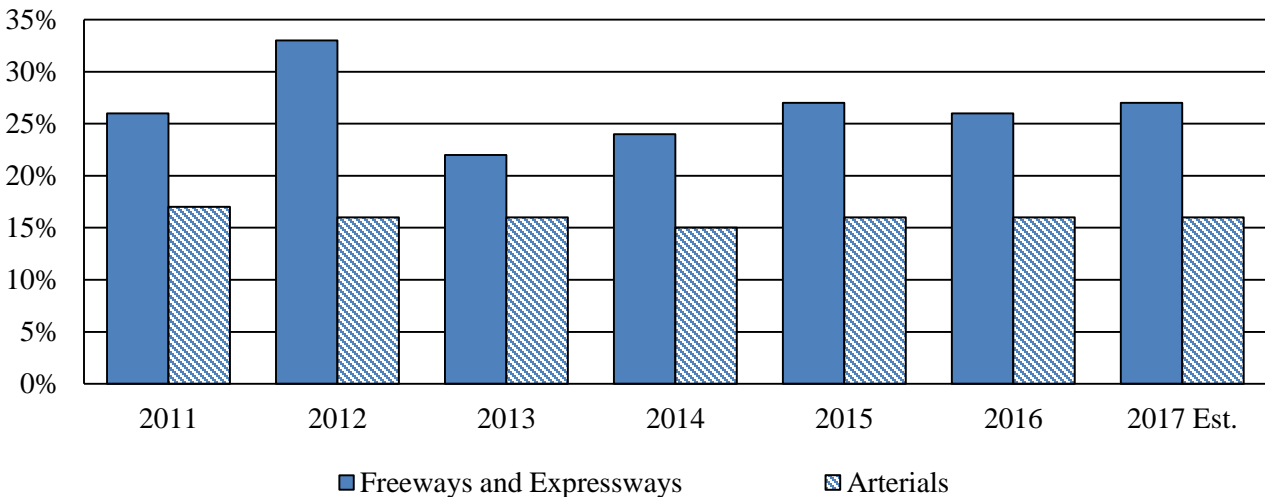


Source: Department of Budget and Management; State Highway Administration

2. Congestion

In recent years, the Washington, DC and Baltimore metropolitan regions have been rated as having some of the highest levels of roadway congestion in the country. **Exhibit 2** shows the percent of vehicle miles traveled in congested conditions during the evening peak hour on Maryland’s freeways and expressways and arterial roads. Congestion on arterial roads ranged from a high of 17% in calendar 2011 to a low of 15% in calendar 2014 and remained at 16% for calendar 2015 through 2017. Freeway congestion has fluctuated over this period with a low of 22% in calendar 2013, a high of 33% in calendar 2012, and hovering around 27% in recent years.

Exhibit 2
Percent of Vehicle Miles Traveled in Congested Conditions during the Evening Peak Hour
Calendar 2011-2017 Est.

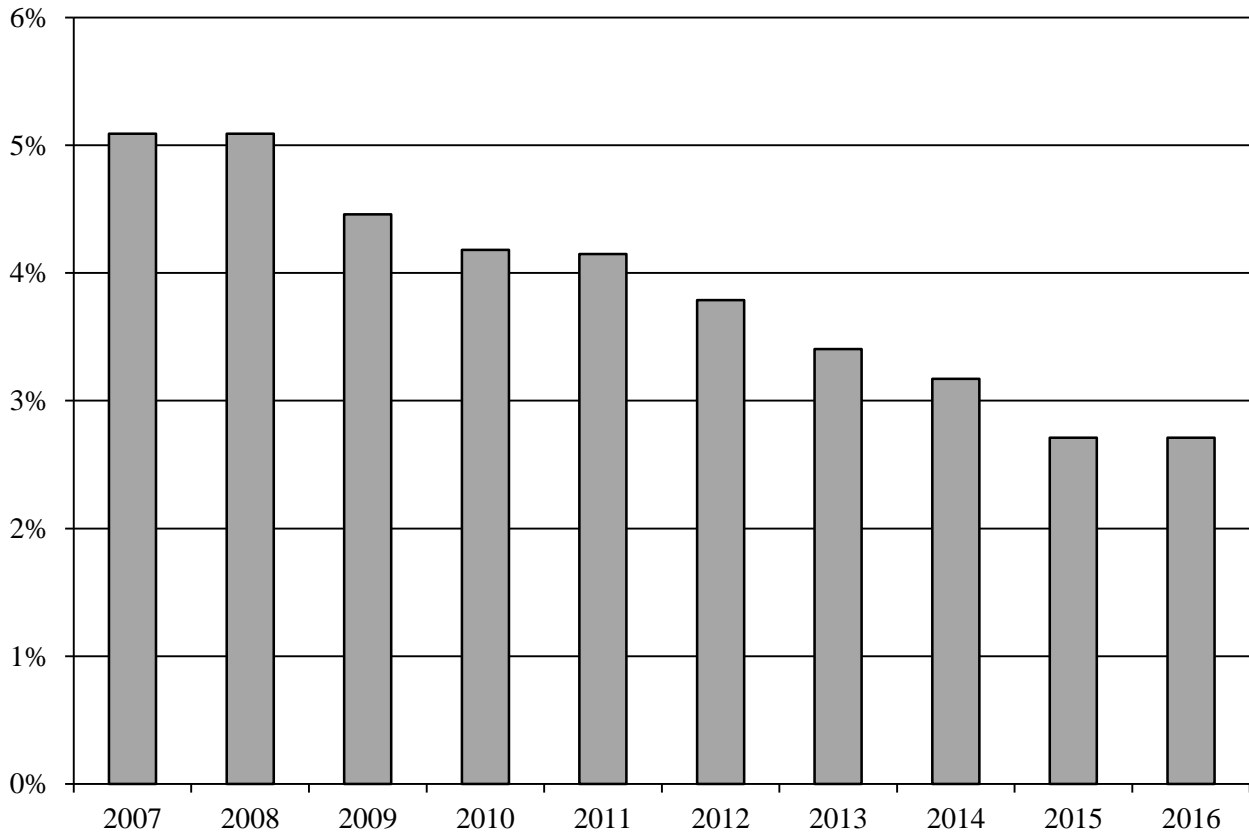


Source: Department of Budget and Management; State Highway Administration

3. System Preservation and Maintenance – Structurally Deficient Bridges

One objective under the SHA goal of system preservation and maintenance is to “maintain all bridges along the State Highway Network, including those identified as weight restricted and structurally deficient, so that there is no adverse effect on their safe use by emergency vehicles, school buses, and vehicles serving the economy of an area.” **Exhibit 3** shows a steady decline in the percent of structurally deficient bridges from calendar 2008 to 2015. The percent of structurally deficient bridges remains the same between calendar 2015 and 2016.

Exhibit 3
Percent of Bridges Rated as Structurally Deficient in the State Highway Network
Calendar 2007-2016

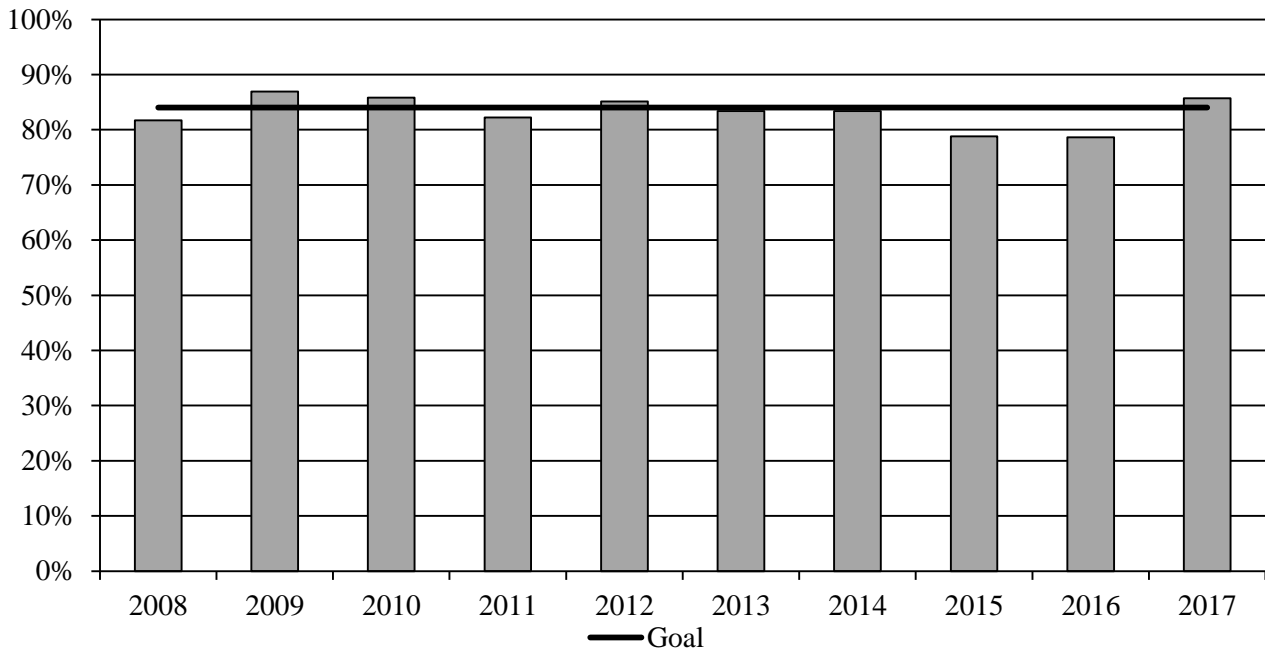


Source: U.S. Department of Transportation, Federal Highway Administration

4. System Preservation and Maintenance – Highway Maintenance Condition

Another objective of the system preservation and maintenance goal is to improve/maintain 84% of the highway network in an overall preferred maintenance condition. As shown in **Exhibit 4**, SHA has met this goal four times since calendar 2008 and most recently in 2017.

Exhibit 4
Percent of Highway Network in Overall Preferred Maintenance Condition
Calendar 2008-2017



Source: Department of Budget and Management; State Highway Administration

Fiscal 2018 Actions

Across-the-board Employee and Retiree Health Insurance Reduction

The budget bill includes an across-the-board reduction for employee and retiree health insurance in fiscal 2018 to reflect a surplus balance in the fund. This agency's share of this reduction is \$1,745,655 in special funds and \$99,455 in federal funds.

Proposed Budget

As shown in **Exhibit 5**, the fiscal 2019 allowance for SHA increases by \$21.1 million over the current year working appropriation. Personnel expenses increase by \$4 million driven by health insurance subsidy expenses, overtime costs (over \$1 million of which is budgeted for snow removal activities), and the general salary increase. Spending on operations increases by a net \$14.7 million with road maintenance and snow removal comprising \$10.2 million of the increase. Grant funding increases by a net \$2.3 million.

Exhibit 5
Proposed Budget
MDOT – State Highway Administration
(\$ in Thousands)

How Much It Grows:	Special Fund	Federal Fund	Total
Fiscal 2017 Actual	\$424,580	\$14,561	\$439,141
Fiscal 2018 Working Appropriation	436,499	15,088	451,587
Fiscal 2019 Allowance	<u>457,235</u>	<u>15,464</u>	<u>472,699</u>
Fiscal 2018-2019 Amount Change	\$20,736	\$376	\$21,113
Fiscal 2018-2019 Percent Change	4.8%	2.5%	4.7%

Where It Goes:

Personnel Expenses

Employee and retiree health insurance.....	\$2,051
Overtime.....	1,794
General salary increase.....	606
New position	131
Accrued leave payout.....	111
Retirement contributions.....	81
Turnover adjustments.....	42
Workers' compensation premium assessment	33
Abolished position	-166
Positions filled at base salary	-636
Other fringe benefit adjustments	-5

Operations

Building/road repairs and maintenance based on maintenance plan.....	6,306
Winter maintenance and snow removal	3,927
Engineering contractual services based on three-year history and increase in access permits	2,839
Equipment repairs and maintenance based on three-year history plus contract increases for maintaining facilities and CHART devices	1,116
Vehicles – maintenance and repair based on actual plus 2% inflation.....	945
Vehicles – gas and oil based on actual plus 3% inflation	207
Contractual employee turnover	187
Software maintenance based on the Consolidated Transportation Information Technology Plan.....	173
Road maintenance supplies and materials based on three-year history	131
Noncell phone wireless device service.....	116
Additional engineering equipment	98
Replacement office equipment.....	93
Insurance paid to State Treasurer's Office.....	86
Fuel – natural gas/propane	41

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Where It Goes:

Security contractual services based on two-year history.....	35
Replacement engineering equipment	29
Agricultural supplies for highway beautification based on three-year history.....	27
Utilities – water/sewer based on three-year average	13
Office supplies based on three-year history	-11
Postage	-13
Clerical and secretarial support based on three-year usage.....	-60
Other motor vehicle charges	-64
Contractual employee compensation	-73
Telephone and cell phone expenses	-250
Technical services based on actual.....	-270
Utilities – electricity at fiscal 2017 actual level	-899
Grants	
Highway User Revenues – local share.....	2,631
Safe Routes to School and Motor Carrier grants.....	-334
Other	45
Total	\$21,113

CHART: Coordinated Highways Action Response Team
MDOT: Maryland Department of Transportation

Note: Numbers may not sum to total due to rounding.

General Salary Increase

The fiscal 2019 allowance includes funds for a 2% general salary increase for all State employees, effective January 1, 2019. These funds are budgeted in the Department of Budget and Management’s statewide program and will be distributed to agencies during the fiscal year. This agency’s share of the general salary increase is \$570,690 in special funds and \$35,714 in federal funds. In addition, employees will receive another 0.5% increase and a \$500 bonus effective April 1, 2019, if actual fiscal 2018 general fund revenues exceed the December 2017 estimate by \$75 million. These funds have not been budgeted. The Administration will need to process a deficiency appropriation if revenues are \$75 million more than projected.

Winter Maintenance/Snow Removal

Budget bill language added to SHA’s fiscal 2010 budget indicated the intent of the General Assembly that SHA increase the amount that it budgets for snow removal expenses by \$5 million each year until the budgeted amount reflects the rolling five-year average of actual snow removal expenditures. The fiscal 2019 allowance complies with this directive. It includes \$71 million

for snow removal efforts – a \$5 million increase over the \$66 million included in the current year budget. The five-year average of snow removal expenditures through fiscal 2017 is \$97 million.

Highway User Revenues

In the fiscal 2019 allowance, statute-based Highway User Revenues (HUR) for local governments increase by \$2.6 million over the fiscal 2018 working appropriation. Based on current projections, however, the fiscal 2018 working appropriation is overstated by \$1.1 million. The final fiscal 2018 distribution will be based on actual revenue collections for fiscal 2018, which could be higher or lower than the current estimate.

In addition to the statute-based HUR, local governments received additional transportation aid through capital grants in the Secretary’s Office totaling \$25 million in fiscal 2017 and \$38.4 million in fiscal 2018. The fiscal 2019 allowance includes \$53.7 million in capital grants for local governments. **Exhibit 6** shows the allocations of both the statute-based HUR and the capital grants for fiscal 2017 through 2019. If approved as introduced, the combined statute-based HUR and capital grants will provide local governments with aid equivalent to 12.5% of estimated HUR revenues in fiscal 2019. **Exhibit 7** provides, by county, the allocations of both the statute-based HUR and capital grant funding for counties, municipalities, and Baltimore City.

Exhibit 6
Local Transportation Aid
Statute-based Highway User Revenues and Capital Grants
Fiscal 2017-2019

	<u>Percent Share</u>	<u>2017¹</u>	<u>2018²</u>	<u>2019</u>
Statute-based Highway User				
MDOT	90.4%	\$1,648,879,540	\$1,652,639,464	\$1,677,415,392
Local Share	9.6%	175,102,252	175,501,536	178,132,608
Total	100.0%	\$1,823,981,792	\$1,828,141,000	\$1,855,548,000
Local Distribution				
Baltimore City	7.7%	\$140,446,598	\$140,766,857	\$142,877,196
Counties	1.5%	27,359,727	27,422,115	27,833,220
Municipalities	0.4%	7,295,927	7,312,564	7,422,192
Subtotal	9.6%	\$175,102,252	\$175,501,536	\$178,132,608
Capital Grant				
Baltimore City		\$2,000,000	\$5,484,423	\$5,558,937
Counties		4,000,000	12,796,987	27,794,685
Municipalities		19,000,000	20,109,551	20,382,769
Subtotal		\$25,000,000	\$38,390,961	\$53,736,391

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	Percent Share	<u>2017</u>¹	<u>2018</u>²	<u>2019</u>
Total Local Transportation Aid				
Baltimore City		\$142,446,598	\$146,251,280	\$148,436,133
Counties		31,359,727	40,219,102	55,627,905
Municipalities		26,295,927	27,422,115	27,804,961
Total		\$200,102,252	\$213,892,497	\$231,868,999

MDOT: Maryland Department of Transportation

¹ Reflects the appropriated amounts. Correction of an error in revenue attainment for fiscal 2017, discovered after the budget closeout, added \$4,979,000 to the total. As a result, a supplemental distribution of \$383,445 for Baltimore City, \$74,697 for counties, and \$19,919 for municipalities will be made in fiscal 2018.

² Reflects the appropriated amounts. Based on current revenue estimates, MDOT would receive \$10.5 million less and the local share would be \$1.1 million less. The final distribution will be based on actual revenue collections for fiscal 2018.

Source: Maryland State Budget

**Exhibit 7
Highway User Revenues and Capital Grants
Allocations to Local Governments
Fiscal 2019**

	Counties			Municipalities		
	<u>HUR</u>	<u>Capital Grant</u>	<u>Total</u>	<u>HUR</u>	<u>Capital Grant</u>	<u>Total</u>
Allegany	\$477,307	\$476,646	\$953,954	\$362,704	\$996,054	\$1,358,757
Anne Arundel	2,972,421	2,968,305	5,940,726	318,184	873,794	1,191,978
Baltimore	4,147,816	4,142,074	8,289,890	0	0	0
Calvert	642,588	641,699	1,284,287	94,179	258,635	352,814
Caroline	400,268	399,714	799,982	135,645	372,508	508,153
Carroll	1,133,364	1,131,795	2,265,158	431,999	1,186,352	1,618,351
Cecil	653,662	652,757	1,306,419	212,025	582,261	794,286
Charles	981,521	980,162	1,961,684	121,077	332,500	453,577
Dorchester	451,683	451,057	902,740	151,109	414,975	566,084
Frederick	1,373,268	1,371,367	2,744,635	830,395	2,280,425	3,110,820
Garrett	535,175	534,434	1,069,609	120,565	331,094	451,659
Harford	1,397,174	1,395,239	2,792,413	347,313	953,787	1,301,100
Howard	1,620,478	1,618,234	3,238,712	0	0	0
Kent	227,848	227,533	455,381	79,675	218,804	298,480
Montgomery	3,764,808	3,759,595	7,524,403	1,198,611	3,291,618	4,490,229

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	Counties			Municipalities		
	<u>HUR</u>	<u>Capital Grant</u>	<u>Total</u>	<u>HUR</u>	<u>Capital Grant</u>	<u>Total</u>
Prince George’s	3,047,895	3,043,675	6,091,570	1,533,436	4,211,110	5,744,546
Queen Anne’s	531,867	531,131	1,062,998	56,103	154,068	210,171
Somerset	284,027	283,634	567,662	55,603	152,695	208,298
St. Mary’s	796,006	794,904	1,590,909	33,722	92,606	126,328
Talbot	327,414	326,960	654,374	210,988	579,414	790,402
Washington	887,698	886,469	1,774,168	477,186	1,310,446	1,787,632
Wicomico	657,912	657,001	1,314,914	412,753	1,133,500	1,546,253
Worcester	521,020	520,299	1,041,318	238,921	656,124	895,045
Total	\$27,833,220	\$27,794,685	\$55,627,905	\$7,422,192	\$20,382,769	\$27,804,961

HUR: Highway User Revenues

Source: Maryland State Budget; Department of Legislative Services

PAYGO Capital Program

Program Description

The State System Construction program provides funds for the capital program of SHA. Financing is available from current revenues, federal aid, and bond proceeds for construction and reconstruction projects on the State highway system, program-related planning and research, acquisition of major capital equipment, and all other capital expenditures. Funding is also provided for local capital programs through the State Aid in Lieu of Federal Aid program and various federal grants, including bridge replacement and rehabilitation and the national highway system.

The *Consolidated Transportation Program* (CTP) includes a development and evaluation program (D&E) and a construction program. Generally, projects are first added to the D&E program, at which stage they are evaluated by planners and engineers, and rights-of-way may be purchased. SHA also prepares draft and final environmental impact statements for projects in the D&E program. These studies examine alternatives that include a no-build option and a number of different alignments. Spending on a project while in the D&E program is usually less than 15% of the total project cost. When SHA wants to move a project forward, it is moved into the construction program.

Fiscal 2018 to 2023 CTP

The fiscal 2018 to 2023 six-year capital program for SHA totals \$8.1 billion, a decrease of \$374.2 million compared to the prior six-year period, adjusted to include \$694 million that had been reserved for HUR restoration in the Transportation Trust Fund (TTF) forecast but not included in the CTP. **Exhibit 8** compares the six-year programmed funding levels by category between the current and previous CTPs.

Exhibit 8
State Highway Administration Six-year Capital Program by Category
Fiscal 2017-2022 vs. Fiscal 2018-2023
(\$ in Millions)

<u>Category</u>	<u>2017-2022</u>	<u>2018-2023</u>	<u>Change</u>
Major Projects	\$2,005.4	\$1,823.8	-\$181.6
Safety, Congestion Relief, and Community Enhancements ¹	5,607.2	5,364.6	-242.6
Development and Evaluation Program	105.6	174.5	68.9
Other System Preservation	284.5	280.9	-3.6
Pass-through to Local Government and Major IT	491.3	476.0	-15.3
Total	\$8,494.0	\$8,119.8	-\$374.2

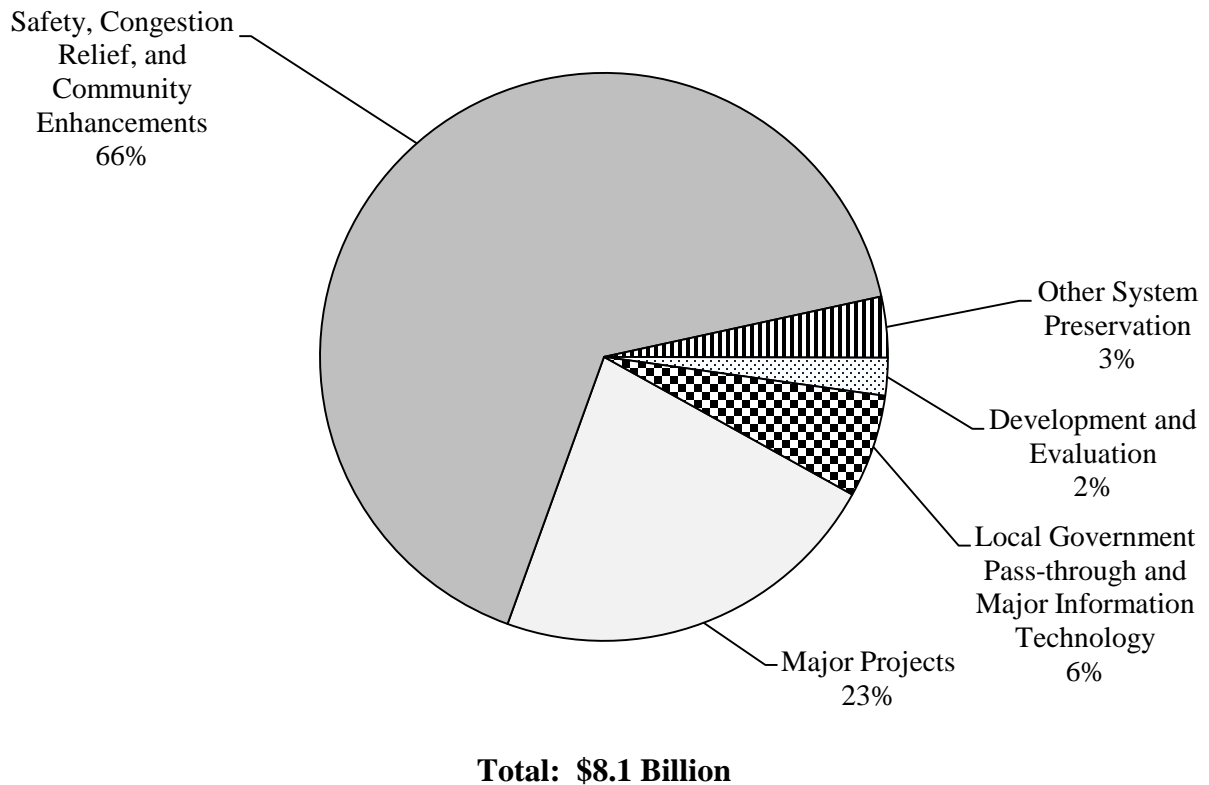
IT: information technology

¹Adjusted to include \$694 million that had been reserved in the Transportation Trust Fund (TTF) forecast for Highway User Revenues (HUR) restoration. Chapter 23 of 2017 (the Budget Reconciliation and Financing Act) prohibits the reservation of funding in the TTF forecast for HUR restoration and prohibits the inclusion of capital grants to local governments in the *Consolidated Transportation Program* (CTP) beyond the budget year. The State Highway Administration Safety, Congestion Relief, and Community Enhancements category exhibited the largest increase when the fiscal 2018-2023 CTP is compared to the prior-year CTP, which suggests that it was the primary recipient of the programming of the previously reserved funds.

Source: Maryland Department of Transportation, 2017-2022 and 2018-2023 *Consolidated Transportation Programs*

Exhibit 9 shows programmed funding by category in the fiscal 2018-2023 capital program. Safety, congestion relief, and community enhancement projects account for the majority of the funding at 66%, followed by major projects at 23%.

Exhibit 9
Funding by Category – All Funds
Fiscal 2018-2023

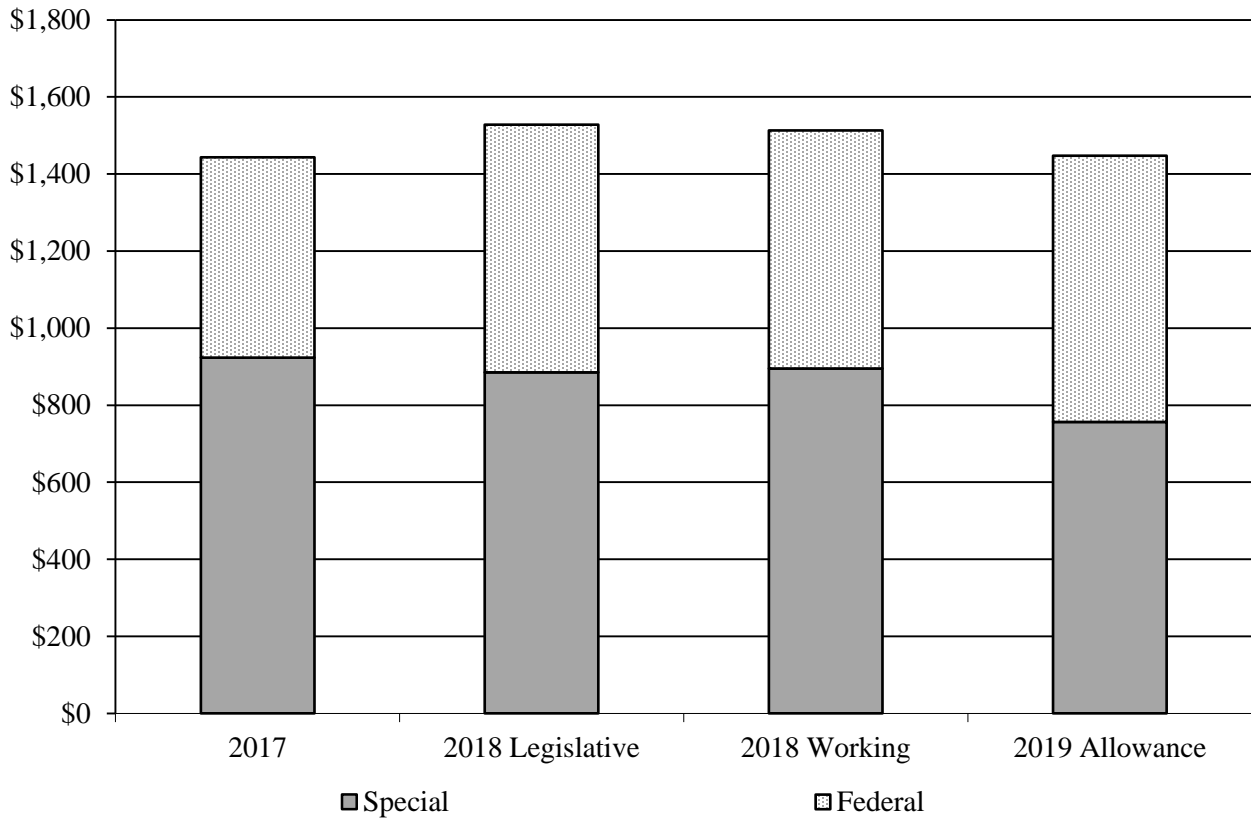


Source: Maryland Department of Transportation, 2018-2023 *Consolidated Transportation Program*

Fiscal 2018 and 2019 Cash Flow Analysis

Exhibit 10 shows the cash flow changes in the SHA capital program from fiscal 2017 through the fiscal 2019 allowance. The fiscal 2018 working appropriation is a net \$15.4 million lower than the legislative appropriation comprising a special fund increase of \$9.3 million more than offset by a federal fund decrease of \$24.7 million. The largest change between the legislative and working appropriations occurs in funding for major projects, which decreases by \$26.3 million between the legislative and working appropriations.

**Exhibit 10
Cash Flow Changes
Fiscal 2017-2019 Allowance
(\$ in Thousands)**



Source: Maryland Department of Transportation, 2018-2023 *Consolidated Transportation Program*

The fiscal 2019 allowance decreases by a net \$65.7 million from the current year working appropriation with a special fund reduction of \$138 million partially offset by an increase in federal funds of \$72.3 million. Major changes in categories of spending include decreases in funding for major projects (\$48.7 million) and safety, congestion relief, and community enhancements (\$32.2 million) and an increase in funding for development and evaluation projects (\$21.3 million).

Exhibit 11 provides a list of the construction projects in SHA receiving funding of at least \$1 million in fiscal 2019 or \$5 million or more over the six-year program.

Exhibit 11
Major Construction Projects
Fiscal 2018-2023
(\$ in Thousands)

<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Allegany	MD 36, Mount Savage Road: Replace Bridge 01008 over Jennings Run. Bicycle and pedestrian accommodations will be provided where appropriate.	\$3,011	\$6,149	\$4,482
Allegany	US 220, McMullen Highway: Study to upgrade and/or relocate US 220 (4.8 miles) and/or MD 53 (3.1 miles) from I-68/US 40 to Cresaptown. This study represents a portion of an approved Maryland/West Virginia joint study, between two Appalachian Development Highway System corridors.	1,899	6,204	3,299
Anne Arundel	US 50, John Hanson Highway: Project to ease congestion on eastbound US 50 from MD 70 to MD 2 northbound (1.7 miles) by restriping lanes on the Severn River/Pearl Harbor Memorial Bridge to accommodate an additional eastbound travel lane.	6,029	24,889	21,913
Anne Arundel	MD 175, Annapolis Road: Construct intersection capacity improvements at Mapes Road/Charter Oaks Boulevard and Reece Road (0.6 miles). (Base Realignment and Closure (BRAC) intersection improvement) This project includes construction of a new security fence and tree buffer along Fort Meade’s property.	0	17,854	5,573
Anne Arundel	MD 175, Annapolis Road: Widen MD 175 from National Business Parkway to McCarron Court from two lanes to six lanes and reconfigure ramps at the MD 295 interchange to create signalized left turns at MD 175.	7,260	87,212	70,761
Anne Arundel	MD 175, Annapolis Road: Widen MD 175 from Disney Road to Reece Road, from the existing two-lane roadway to a six-lane roadway (1.1 miles). Bicycle and pedestrian facilities will be provided.	4,756	19,280	14,787

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Baltimore	I-83, Harrisburg Expressway: Replace Bridge 03062 over Padonia Road.	9,818	21,294	20,241
Baltimore	I-695, Cromwell Bridge Road: Drainage improvements and stream restoration on I-695 at Cromwell Bridge Road.	8,611	13,397	11,722
Baltimore	I-695, Baltimore Beltway: Replace Bridge 03125 on Crosby Road over I-695.	2,480	8,241	7,394
Baltimore	I-695, Baltimore Beltway: This project from US 40 to MD 144 will improve the mobility and safety on I-695 by widening the roadway to provide a fourth lane on the outer loop. This project will also accommodate for the ultimate configuration of this section of the beltway.	18,486	105,407	62,054
Baltimore	I-695, Baltimore Beltway: Replacement of Bridge 03113 on I-695 Inner Loop over Benson Avenue and Bridge 03114 on I-695 Inner Loop over Leeds Avenue, US 1, Amtrak and Herbert Run. The project also includes the realignment of the access to the I-695 on-ramp from Leeds Avenue to US 1.	114	51,333	15,537
Baltimore	I-695, Baltimore Beltway – Traffic Relief Plan (Phase 3): Construct facilities to accommodate peak-hour shoulder use on I-695 between I-70 to MD 43, including bridge and interchange improvements at I-70 and I-695.	13,000	251,000	251,000
Baltimore	MD 137, Mount Carmel Road: Replace Bridge 03050 over I-83. Bicycle and pedestrian improvements will be provided where appropriate.	1,792	8,607	6,715
Baltimore	MD 140, Reisterstown Road: Widening northbound MD 140 from Painters Mill Road to Garrison View Road (Phase 1) to accommodate an additional third travel lane and a bicycle-compatible shoulder (0.2 miles).	2,942	18,109	5,892
Baltimore	US 1, Washington Boulevard: Replace Bridge 03008 over CSX.	10,960	27,458	25,834

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Baltimore	US 40, Pulaski Highway: Replace and widen substructure on Bridges 0303403 and 0303404 over Little Gunpowder Falls and Bridges 0303503 and 0303504 over Big Gunpowder Falls.	10,428	17,001	14,580
Calvert	MD 2/4, Solomons Island Road: Upgrade and widen MD 2/4 to a six-lane divided highway from Fox Run Boulevard to Commerce Lane (0.8 miles). This project will include bicycle and pedestrian accommodations as appropriate. This is Phase 2 of a five-phase project to upgrade and widen MD 2/4.	3,034	29,956	18,173
Calvert	MD 261, Bayside Road: Replace Bridge 04011 over Fishing Creek. This project will accommodate bicycles and pedestrians as appropriate.	2,440	27,959	14,019
Calvert	MD 4, Patuxent Beach Road and Solomons Island Road: Study to upgrade MD 4 between MD 2 and MD 235 (4 miles), including the Governor Thomas Johnson Memorial Bridge (Bridge 04019) over the Patuxent River and the intersection at MD 235 (2.9 miles).	3,750	19,925	14,407
Caroline	MD 404, Shore Highway: Upgrade existing MD 404 to a four-lane divided highway with access controls from US 50 to MD 309 (5.8 miles) and west of Hillsboro Road to Holly Road (3.4 miles). Bicycle and pedestrian accommodations will be included where appropriate.	1,766	151,403	62,093
Caroline	MD 331, Dover Road: Replace Bridge 20023 over the Choptank River. The new span will be located south of the existing roadway and provide a 50-foot river clearance. Bicycle and pedestrian accommodations will be included where appropriate.	1,565	65,431	17,050
Carroll	MD 30 Business Main Street: Roadway, drainage, and streetscape improvements from North Woods Trail to CSX Railroad (Hampstead Urban Reconstruction). Bicycle and pedestrian facilities will be provided (1.6 miles).	11,525	31,223	24,981
Carroll	MD 86, Lineboro Road: Replace Bridge 06019 over South Branch of Gunpowder Falls.	3,325	7,675	6,478

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Carroll	MD 496, Bachmans Valley Road: Replace Bridge 06038 over Big Pipe Creek.	1,118	5,724	4,229
Cecil	MD 272, Mauldin Ave: Replace Bridge 7036 over Amtrak. Shoulders and sidewalks will accommodate bicycles and pedestrians.	8,282	20,399	17,148
Charles	MD 254, Bridge 0803800 over Neale Sound: Replace Bridge 0803800 over Neale Sound. This project will accommodate bicycles and pedestrians as appropriate.	4,861	15,926	11,975
Charles	US 301, Crain Highway: Study to upgrade US 301 intersections at MD 5 and MD 228/MD 5BU.	1,696	14,636	3,096
Frederick	I-270, Eisenhower Highway: Implementation of innovative congestion management (ICM) tools to reduce congestion on I-270, including the east I-270 and west I-270 spurs (31.5 miles). Improvements will include a series of roadway and technology-based improvements.	28,799	111,812	104,526
Frederick	US 15, Catocin Mountain Highway: Construct a grade-separated interchange and park and ride lot at Monocacy Boulevard. This project will include appropriate bicycle and pedestrian facilities.	1,683	61,616	18,128
Frederick	US 40 ALT, Old National Pike: Construct roadway improvements including upgrades to pedestrian/bicyclist facilities, resurfacing, curb and gutter, and stormwater management improvements from Ivy Hill Drive to Middletown Parkway (2.1 miles).	4,892	17,934	11,310
Frederick	MD 85, Buckeystown Pike: Widen MD 85 to a multilane divided highway from Crestwood Boulevard/Shockley Drive to Spectrum Drive (0.8 miles), including MD 85 interchange reconstruction at I-270 and I-270 dual bridges replacement.	19,728	85,459	71,721
Frederick	MD 180, Jefferson Pike: Reconstruction of MD 180, from north of I-70 West Crossing to I-70 East Crossing (0.7 miles), including new, second bridge over US 15/US 340.	3,285	21,012	19,636

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Frederick	MD 355, Urbana Pike: Replace Bridge 10086 over Bennett Creek.	4,597	10,528	8,740
Frederick	MD 355, Urbana Pike: Replace Bridge 10084 over CSXT railroad.	11,366	22,267	20,361
Frederick	MD 478, Knoxville Road: Replace Bridge 10089 over a branch of the Potomac River.	3,695	6,565	5,836
Frederick	US 15, Frederick Freeway, and US 40, Frederick Freeway: Planning and preliminary engineering study to improve safety and mainline operations along US 15 and US 40 from I-270 to north of Biggs Ford Road.	1,550	6,248	4,696
Garrett	MD 39, Hutton Road: Replace Bridge 11002 over the Youghiogheny River. This project will accommodate bicycles and pedestrians where appropriate.	334	6,176	5,769
Garrett	US 219, Chestnut Ridge Road: Upgrade and relocate US 219, north of I-68/US 40 (1.5 miles). This project is being broken out from a larger study to upgrade and/or relocate US 219 from I-68/US 40 to the Pennsylvania State line.	15,646	64,898	58,806
Harford	MD 22, Aberdeen Thruway: Intersection improvements at Beards Hill Road. (BRAC Intersection Improvements).	0	16,235	5,627
Harford	MD 22, Aberdeen Thruway: Intersection improvements at MD 462 (Paradise Road). (BRAC Intersection Improvements).	0	20,862	6,230
Harford	US 40, Pulaski Highway: Construct intersection improvements on US 40 at the MD 7/MD 159 (Phase 2) to support the BRAC initiative.	7,491	24,104	18,426
Howard	MD 32, Sykesville Road: Widen MD 32 from MD 108 to Linden Church Road from two lanes to a four-lane divided roadway.	20,784	44,155	37,134
Howard	MD 32, Patuxent Freeway: Construct capacity and safety improvements along MD 32 from north of Linden Church Road to I-70 (6.6 miles).	13,884	121,211	109,810

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Howard	US 95, Active Traffic Management: Construct facilities to accommodate peak hour shoulder use on I-95 between MD 32 to MD 100.	1,250	1,800	1,800
Montgomery	I-270, Eisenhower Highway: Construct a new I-270 interchange at Watkins Mill Road. Bicycle and pedestrian improvements will be included where appropriate.	30,335	119,313	100,438
Montgomery	I-270, Eisenhower Highway: Implementation of ICM tools to reduce congestion on I-270, including the east I-270 and west I-270 spurs (31.5 miles). Improvements will include a series of roadway and technology-based improvements.	28,799	111,812	104,526
Montgomery	MD 97, Georgia Avenue: Construct new MD 97 interchange at Randolph Road (1 mile). Sidewalks will be included where appropriate. Wide curb lanes will accommodate bicycles.	500	76,591	16,901
Montgomery	MD 97, Georgia Avenue: Construct a two-lane highway from south of Brookeville, near Gold Mine Road, to north of Brookeville. Shoulders will accommodate bicycles (0.7 miles).	14,250	49,438	38,726
Montgomery	MD 185, Connecticut Avenue: Construct MD 185 Phase 3 intersection improvements at Jones Bridge Road. Bicycle and pedestrian facilities will be provided where appropriate. (BRAC Intersection Improvements.)	2,245	17,375	14,128
Montgomery	MD 355, Frederick Road: Replace Bridge 15053 over Little Bennett Creek.	1,947	5,171	4,303
Montgomery	MD 355, Rockville Pike: Construct MD 355 intersection improvements including upgrades to pedestrian/bicycle facilities, resurfacing, and geometric improvements from Woodmont Avenue/Glenbrook Parkway to South Wood Road/South Drive. (BRAC Intersection Improvements.)	1,895	4,300	4,298

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Montgomery	MD 124, Woodfield Road: Reconstruct MD 124 from Midcounty Highway to south of Airpark Road (Phase 2) (1.6 miles) and from north of Fieldcrest Road to Warfield Road (Phase 3) (0.4 miles). Bicycle and pedestrian accommodations will be included where appropriate.	836	10,666	7,655
Montgomery	MD 355, Rockville Pike: Construct a grade-separated crossing over CSX Metropolitan Subdivision and an interchange at Parklawn Drive. Pedestrian and bicycle accommodations will be included where appropriate.	2,248	10,860	4,875
Prince George's	I-95/I-495, Capital Beltway: Replace Bridges 1616205 and 1616206 over Suitland Road.	10,075	35,774	30,082
Prince George's	I-95/I-495, Capital Beltway: Replace Bridges 1616005 and 1616006 over Suitland Parkway.	8,000	30,330	30,153
Prince George's	US 50, John Hanson Highway: Construct safety and resurfacing improvements on US 50 from east of Lottsford Vista Road to Anne Arundel County Line (Westbound) (7.2 miles).	0	11,402	9,684
Prince George's	I-95, Capital Beltway: Replace Bridges 1615305 and 1615306 over MD 214.	8,773	36,862	36,262
Prince George's	MD 4, Pennsylvania Avenue: Construct a new interchange at MD 4 and Suitland Parkway. Bicycles and pedestrians will be accommodated where appropriate. (BRAC-related.)	25,865	131,066	103,681
Prince George's	MD 4, Pennsylvania Avenue: Construct raised curb along the outside edge of roadway, sidewalk along southbound MD 4, a 10-foot multi-use trail along northbound MD 4, on-road bicycle accommodations, and other traffic calming measures from Forestville Road to MD 458 (Silver Hill Road).	0	26,625	10,065
Prince George's	MD 5, Branch Avenue: Construct a new interchange at MD 5, MD 373, and Brandywine Road Relocated. This project also includes a park and ride lot. Bicycle and pedestrian accommodations will be included where appropriate.	12,716	55,552	34,620

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Prince George's	MD 210, Indian Head Highway: Construct a new interchange at MD 210 and Kerby Hill Road/Livingston Road. Bicycles and pedestrians will be accommodated where appropriate.	42,002	116,154	77,107
Prince George's	MD 381, Brandywine Road: Replace Bridge 1630500 over Timothy Branch.	1,728	3,885	3,044
Prince George's	MD 500, Queens Chapel Road: Construct landscaped median with sidewalk and crosswalk improvements from MD 208 (Hamilton Street) to the Washington, DC Line (1.2 miles).	5,833	24,652	21,526
Prince George's	US 1, Baltimore Avenue: Reconstruct US 1 from College Avenue to MD 193 (Segment 1). Bicycle and pedestrian facilities will be included where appropriate (1.5 miles).	5,623	45,133	38,576
Prince George's	MD 210, Indian Head Highway: Project to relieve traffic congestion along MD 210 and improve intersections from I-95/I-495 to MD 228 (10 miles). Bicycles and pedestrians will be accommodated where appropriate.	2,553	16,807	12,767
Prince George's	US 301, Crain Highway: Study to upgrade US 301 intersections at MD 5 and MD 228/MD 5BU.	1,696	14,636	3,096
Prince George's	MD 197, Collington Road: Upgrade and widen existing MD 197 to a multilane divided highway from Kenhill Drive to MD 450 Relocated (1.4 miles). Sidewalks will be included where appropriate. Wide curb lanes will accommodate bicycles.	2,786	12,150	8,825
Queen Anne's	US 301, Blue Star Memorial Highway: Construct a new interchange at MD 304. Shoulders on MD 304 will accommodate bicycles and pedestrians. J-turns at the intersection of US 301 and MD 305 are also being constructed as a part of the project.	1,188	50,461	8,447

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Queen Anne's	MD 404, Shore Highway: Upgrade existing MD 404 to a four-lane divided highway with access controls from US 50 to MD 309 (5.8 miles) and west of Hillsboro Road to Holly Road (3.4 miles). Bicycle and pedestrian accommodations will be included where appropriate.	1,766	151,403	62,093
St. Mary's	MD 5, Point Lookout Road: Reconstruct the MD 5 intersection at Abell Street/Moakley Street. This project will accommodate buggies, bicycles, and pedestrians as appropriate and includes adding a left-turn lane at entrance to St. Mary's Hospital.	2,237	13,078	11,095
St. Mary's	MD 5, Point Lookout Road: Upgrade and widen MD 5 from south of Camp Brown Road to the Lake Conoy causeway (2.2 miles). This project will accommodate bicycles and pedestrians as appropriate.	4,780	24,688	22,139
St. Mary's	MD 4, Patuxent Beach Road and Solomons Island Road: Study to upgrade MD 4 between MD 2 and MD 235 (4.0 miles), including the Governor Thomas Johnson Memorial Bridge (Bridge 04019) over the Patuxent River and the intersection at MD 235 (2.9 miles).	3,750	19,925	14,407
Statewide	Coordinated Highway Action Response Team: Install advanced traffic management system and advanced traffic information system technologies on Interstate highways and arterials statewide. Technologies include cameras, traffic detectors, weather sensors, and dynamic message signs.	24,200	127,600	111,200
Statewide	Transportation Alternatives Program: Projects May Include Pedestrian or Bicycle Facilities: provision of safety and educational activities for nondrivers; conversion of abandoned railroad corridors to trails for pedestrians and bicyclists or other nonmotorized transportation users.	17,100	110,000	99,000
Statewide	Sidewalk Program: This program will provide matching funds for the construction of sidewalks adjacent to State highways. Fifty percent of project costs will be required from local and municipal project sponsors.	3,900	34,800	29,700

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Statewide	Sound Barrier Program: Funding to implement retrofit sound barrier projects that meet eligibility criteria.	2,100	29,400	17,300
Statewide	Total Maximum Daily Load (TMDL): Plan, design, and construct stormwater controls and alternative water quality improvement strategies in Maryland Phase I and Phase II counties in order to meet the U.S. Environmental Protection Agency’s Chesapeake Bay TMDL.	100,000	697,433	483,400
Statewide	Traffic Relief Plan (Phase 2) Smart Traffic Signals: The system uses real-time traffic conditions and computer software that adjusts the timing of traffic signals, synchronizes the entire corridor, and effectively deploys artificial intelligence to keep traffic moving.	7,500	50,300	50,300
Statewide	I-270, Eisenhower Memorial Highway, and I-495, Capital Beltway: Planning activities in support of the Traffic Relief Plan (Phase 1), which will implement express toll lanes along I-270 and I-495.	22,000	71,360	69,190
Talbot	MD 404, Shore Highway: Upgrade existing MD 404 to a four-lane divided highway with access controls from US 50 to MD 309 (5.8 miles) and west of Hillsboro Road to Holly Road (3.4 miles). Bicycle and pedestrian accommodations will be included where appropriate.	1,766	151,403	62,093
Talbot	MD 331, Dover Road: Replace Bridge 20023 over the Choptank River. The new span will be located south of the existing roadway and provide a 50-foot river clearance. Bicycle and pedestrian accommodations will be included where appropriate.	1,565	65,431	17,050
Washington	I-81, Maryland Veterans Memorial Highway: Upgrade and widen I-81 from US 11 in West Virginia to north of MD 63/MD 68 (3.6 miles). West Virginia is funding improvements in West Virginia, and Maryland is administering this bi-state project. This is Phase 1 of a four-phase project.	33,759	103,022	80,638

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<u>County</u>	<u>Project</u>	<u>2019</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Washington	I-81, Maryland Veterans Memorial Highway: Study to upgrade and widen I-81 to a six-lane divided highway between the Potomac River/West Virginia State line and Pennsylvania State line (12.1 miles).	1,000	8,530	4,899
Worcester	US 113, Worcester Highway: Upgrade existing US 113 as a four-lane divided highway, including access controls from north of MD 365 (Phase 4), Public Landing Road to Five Mile Branch (4.3 miles). Bicycle and pedestrian accommodations will be included where appropriate.	24,960	80,974	68,662
Worcester	US 113, Worcester Highway: Upgrade existing US 113 as a four-lane divided highway, Massey Branch to Five Mile Branch (Phase 3) (4.6 miles). Bicycle and pedestrian accommodations will be included where appropriate.	482	52,917	22,869

Source: Maryland Department of Transportation, 2018-2023 *Consolidated Transportation Program*

Significant Changes to the Fiscal 2017 to 2022 CTP

Exhibit 12 shows changes to the fiscal 2017 to 2022 CTP and lists projects added to, removed from, or moved between the construction program and development and evaluation programs.

Exhibit 12 Significant Changes to the Fiscal 2017 to 2022 Consolidated Transportation Program Fiscal 2019 (\$ in Millions)

Projects Added to the Construction Program

I-695, Baltimore Beltway – Traffic Relief Plan (Phase 3); I-695, I-70 to MD 43, (Baltimore)	\$251.0
I-695, Cromwell Bridge Road; I-695 (Baltimore)	13.4
MD 254, Bridge 0803800 over Neale Sound; MD 254 (Charles)	15.9
MD 478, Knoxville Road; MD 478, Replace Bridge 10089 over a branch of the Potomac River (Frederick)	6.6
Traffic Relief Plan (Phase 2) Smart Traffic Signals; 14 Corridors (Statewide)	50.3
Total – Projects Added to the Construction Program	\$337.2

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Projects Added to the Development and Evaluation Program

I-270, Eisenhower Memorial Highway, and I-495, Capital Beltway; Traffic Relief Planning Plan (Phase 1) (Statewide) \$70.0

Projects Moved from the Construction Program to the Development and Evaluation Program

I-95/I-495, Capital Beltway; I-95/I-495, Access to Greenbelt Metro Station (Prince George's)¹

Projects Removed from the Development and Evaluation Program

I-70 and I-695, Baltimore Beltway; I-70/I-695 Triple Bridges (Baltimore)²
I-695, Baltimore Beltway; I-695, Operational Studies (Baltimore)²
I-695, Baltimore Beltway; I-695, I-83 to I-95 (Baltimore)²
I-695, Baltimore Beltway; I-695, I-95 to MD 122 (Baltimore)²

¹ The Greenbelt Metro location was not selected by the Federal Bureau of Investigation; as result, the Construction and Right-of-Way funds will be transferred to the Baltimore Beltway traffic relief plan (Phase 3) project.

² Project removed and replaced by new I-695 Baltimore Beltway Project.

Source: Maryland Department of Transportation, 2018-2023 *Consolidated Transportation Program*

Issues

1. Traffic Relief Plan: Approaches and Costs Vary by Region

In fall 2017, the Administration announced a three-phase traffic relief plan to help mitigate traffic congestion in the Washington and Baltimore regions, and to a lesser extent, throughout the State:

- Phase 1 – \$9.1 billion total cost – add express toll lanes (ETL) on the Maryland portion of the Capital Beltway (I-495), I-270 from the Capital Beltway to Frederick (\$7.6 billion), and the Baltimore-Washington Parkway (MD 295) (\$1.5 billion);
- Phase 2 – \$50.3 million – replace traffic signals with “smart traffic signals” along 14 corridors; and
- Phase 3 – \$461 million total cost – convert interior shoulders on the Baltimore Beltway (I-695) from I-70 to Parkville to new available lanes during peak hours (\$151 million); reconstruct/reconfigure the I-695/I-70 interchange (\$100 million); and extend the northbound I-95 ETLs from MD 43 to MD 24 (\$210 million).

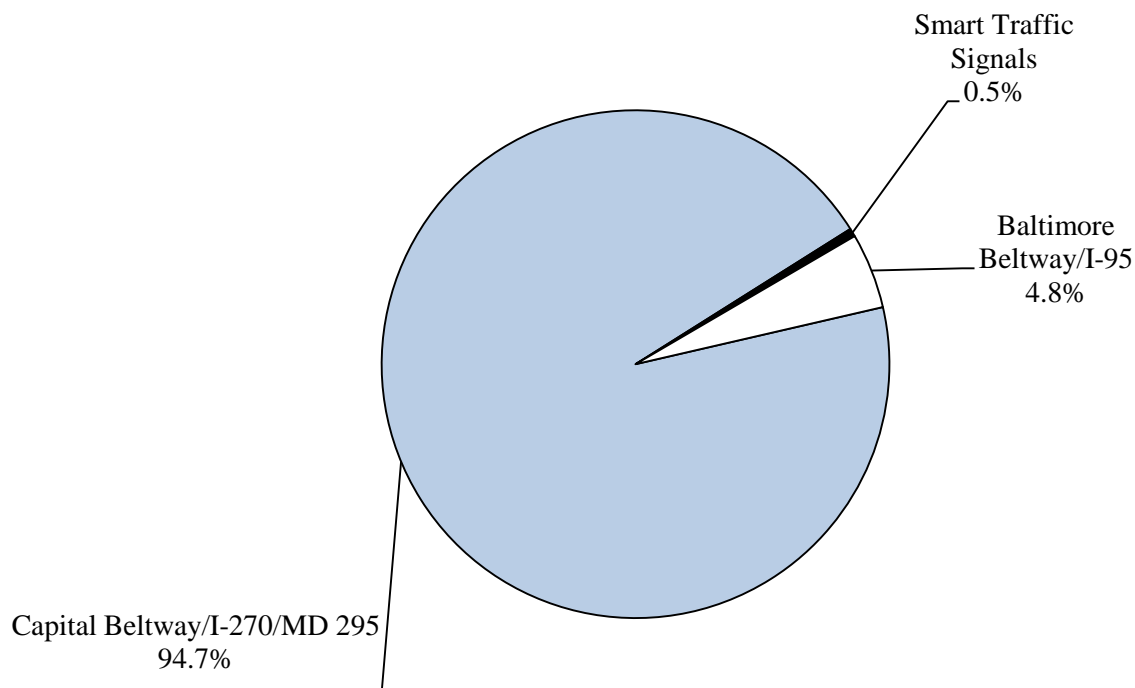
MDOT intends to use a public-private partnership (P3) procurement for the Capital Beltway/I-270 portions of Phase 1. The Maryland Transportation Authority (MDTA) will construct and operate the Baltimore-Washington Parkway portion of Phase 1. Under the P3, the private sector will build and operate the ETLs in exchange for a long-term agreement giving the selected concessionaire(s) the right to set tolls and keep the revenue generated therefrom. In Phase 3, design-build procurements will be used by MDOT for the shoulder lane conversions and interchange reconstruction and by MDTA for the I-95 ETL extension.

Disparity in Funding Is Evident, Disparity in Congestion Relief Results Is Likely

Funding

As shown in **Exhibit 13**, the amount of resources being devoted to traffic relief varies greatly among the phases/regions. The Capital Beltway/I-270/Baltimore-Washington Parkway phase accounts for nearly 95% of total proposed traffic relief funding. The Baltimore Beltway/I-95 phase is slated for just under 5%, and the smart traffic signal effort accounts for just 0.5% of total proposed spending.

Exhibit 13 Traffic Relief Plan Funding Share



Total: \$9.6 Billion

Source: Maryland Department of Transportation

Congestion Relief Outcomes

Likely traffic relief outcomes for Phases 1 and 3 are highly correlated with planned funding levels. Numerous studies have shown that building additional roads or lanes to address congestion often provides only short-term relief as the new capacity is quickly over utilized, a phenomenon known as induced demand. The planned use of congestion pricing in Phase 1 has the potential to counteract induced demand – as tolls increase with congestion, fewer drivers will opt to use the ETLs, thus helping to maintain a higher rate of travel along the corridor – while also raising equity issues by separating drivers into classes of those able to afford to pay high tolls and those unable to do so. However, the non-ETL portion of Phase 3 could become a classic example of induced demand.

No Transit Component

Notably absent from the proposed traffic relief plans is any type of transit component. This omission becomes especially critical in the context of the Phase 1 P3 proposal since, once the P3 agreement is signed, the ability to add other transportation solutions along the Capital Beltway/I-270 corridors will be greatly diminished until the long-term concession agreement expires. The State has the greatest ability to integrate transit into the traffic relief equation before these corridors are locked into a long-term toll road concession.

Limited Legislative Role

In remarks to the media during the announcement ceremony for the P3 project, the Governor emphasized the Administration's ability to proceed without input from the General Assembly. With respect to influencing the content of a P3 agreement, this is largely true. The 2013 legislation that codified the P3 process requires the submission of a presolicitation report to the Comptroller, the State Treasurer, the budget committees, and the Department of Legislative Services (DLS) for a 45-day review and comment period. Once the review period is over, the Administration is free to seek Board of Public Works approval to begin the P3 procurement despite any concerns that the reviewing agencies might raise. Because MDOT intends to structure the P3 in a way that does not rely on funding from the TTF for the construction and operation of the ETLs, the role of the General Assembly is greatly minimized. However, it is not completely eliminated. SHA's fiscal 2019 capital appropriation includes \$22 million in planning funding for the P3 project. These funds are subject to appropriation by the General Assembly. The General Assembly may also choose to amend the P3 statute to assert more control over how P3 projects proceed.

Conclusion and Recommendations

The proposed scope and duration of these congestion relief projects make it imperative that they have broad support at all levels of government. Under the proposed procurement, once the P3 agreement is executed, the State will have given up control of major transportation facilities for decades. **If the General Assembly wishes to have meaningful input on how these projects proceed, it should withhold planning funds until the Administration commits to a process that recognizes the co-equal role of the General Assembly in establishing transportation policies that serve the best interests of the citizens of Maryland.**

The Secretary should brief the committees on:

- **the factors that led to the development of such disparate traffic relief solutions between the Washington and Baltimore regions;**
- **why MDOT believes that converting shoulders to additional lanes, as proposed for the Baltimore Beltway, will not simply induce more traffic within a short time; and**

- **why transit should not be a component of traffic relief efforts in general and the P3 proposal for Phase 1 in particular.**

2. Certain Local Government Uniform Financial Reports Not Submitted

Municipalities are required by Local Government Article Sections 16-304 and 16-306 of the Annotated Code of Maryland to file a Uniform Financial Report (UFR) and an audit report on or before October 31 of each year following the end of the fiscal year. Failure to submit an audit report or UFR by the required date may result in certain State funds being withheld. Two municipalities have not submitted the required documentation for multiple years. Deer Park, located in Garrett County, has not submitted an audit report or UFR for fiscal 2015, 2016, or 2017. Marydel, located in Caroline County, has not submitted a UFR for fiscal 2012, nor an audit report and UFR for fiscal 2013, 2014, 2015, 2016, or 2017.

The annual audit and uniform financial reports contain information that is integral to the analysis that DLS provides annually to the General Assembly. For example, these reports aid in analyzing the financial standing of the local governments with relation to State aid, grant programs, and local legislation. Delinquency of reporting significantly hinders the ability of DLS to provide this information in a timely manner. Delinquency of reporting also hinders the ability of citizens who reside in the affected local jurisdictions to review the financial data themselves and hold their local governments accountable. **It is recommended that State transportation aid funding under the HUR program be suspended for these jurisdictions until the jurisdictions submit delinquent annual audit reports and UFRs. Suggested language is included in the Recommended Actions section of this analysis for consideration.**

Operating Budget Recommended Actions

1. Add the following language to the special fund appropriation:

. provided that \$5,856 of this appropriation made for the purpose of providing transportation aid to Deer Park in Garrett County may not be expended until the town has submitted audit reports and Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise to any other purpose and shall be cancelled.

Further provided that \$1,732 of this appropriation made for the purpose of providing transportation aid to Caroline County on behalf of Marydel may not be expended until the town has submitted the audit reports and Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2012, 2013, 2014, 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise and shall be cancelled.

Explanation: This language restricts transportation aid to municipalities that have not submitted audit reports and financial reports required in statute until the required documents have been submitted for all delinquent years.

Information Request	Author	Due Date
Audit reports and Uniform Financial Reports for fiscal 2015 through 2017	Deer Park	Prior to distribution of funds
Audit reports and Uniform Financial Reports for fiscal 2012 through 2017	Marydel	Prior to distribution of funds

PAYGO Budget Recommended Actions

	<u>Amount Reduction</u>
1. Delete planning funding for the Traffic Relief Plan (Phase 1). There are numerous policy issues that should be resolved prior to moving forward with this project. Furthermore, no funding should be authorized until the Administration commits to a process that recognizes the co-equal role of the General Assembly in establishing transportation policies that serve the best interests of the citizens of Maryland.	\$ 22,000,000 SF
Total Special Fund Reductions	\$ 22,000,000

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**Appendix 1
Current and Prior Year Budgets
MDOT – State Highway Administration
(\$ in Thousands)**

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2017					
Legislative Appropriation	\$0	\$432,892	\$15,294	\$0	\$448,186
Deficiency Appropriation	0	0	0	0	0
Cost Containment	0	0	0	0	0
Budget Amendments	0	-5,991	1,040	0	-4,951
Reversions and Cancellations	0	-2,321	-1,773	0	-4,094
Actual Expenditures	\$0	\$424,580	\$14,561	\$0	\$439,141
Fiscal 2018					
Legislative Appropriation	\$0	\$438,245	\$15,187	\$0	\$453,432
Cost Containment	0	0	0	0	0
Budget Amendments	0	0	0	0	0
Working Appropriation	\$0	\$438,245	\$15,187	\$0	\$453,432

MDOT: Maryland Department of Transportation

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. Numbers may not sum to total due to rounding.

Fiscal 2017

The fiscal 2017 budget for the State Highway Administration closed out \$9 million lower than the legislative appropriation. Budget amendments reduced the budget by a net \$5 million, and year-end cancellations totaling \$4.1 million accounted for the remainder of the reduction.

- Budget amendments made net reductions totaling \$4,951,068:
 - special funds were added due to cost increases related to decentralizing highway access permit processing and to increased hauling permit workload (\$3,520,000) and as a result of the salary increment allocation from the Department of Budget and Management budget;
 - federal funds were added due to additional grants for the Coordinated Highways Action Response Team program; and
 - special funds were reduced through a transfer from the operating program to the capital program (\$10,750,000).
- Year-end special and federal fund cancellations totaled \$4,093,743. Significant cancellations comprised:
 - lower than projected Highway User Revenue distribution due to lower than projected revenue attainment (\$2,303,358 special funds); and
 - invoices from subrecipients of Safe Routes to School Program not received in time to process during fiscal 2017 (\$1,766,392 federal funds).

Fiscal 2018

The fiscal 2018 working appropriation remains unchanged from the legislative appropriation.

Appendix 2
Object/Fund Difference Report
MDOT – State Highway Administration

<u>Object/Fund</u>	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u> <u>Appropriation</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18 - FY 19</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	1,489.00	1,676.50	1,676.50	0.00	0%
02 Contractual	5.00	42.00	42.00	0.00	0%
Total Positions	1,494.00	1,718.50	1,718.50	0.00	0%
Objects					
01 Salaries and Wages	\$ 114,332,650	\$ 116,928,141	\$ 118,518,787	\$ 1,590,646	1.4%
02 Technical and Spec. Fees	5,328,998	7,203,989	6,992,758	-211,231	-2.9%
03 Communication	2,520,132	3,325,090	3,178,450	-146,640	-4.4%
04 Travel	478,134	719,180	731,160	11,980	1.7%
06 Fuel and Utilities	11,011,482	11,982,834	11,124,730	-858,104	-7.2%
07 Motor Vehicles	15,300,034	13,896,772	14,992,640	1,095,868	7.9%
08 Contractual Services	95,618,155	91,737,978	106,155,365	14,417,387	15.7%
09 Supplies and Materials	16,361,279	27,655,295	27,802,750	147,455	0.5%
10 Equipment – Replacement	140,756	302,260	422,210	119,950	39.7%
11 Equipment – Additional	299,643	130,357	233,529	103,172	79.1%
12 Grants, Subsidies, and Contributions	177,181,763	179,006,778	181,302,736	2,295,958	1.3%
13 Fixed Charges	567,797	543,090	637,765	94,675	17.4%
Total Objects	\$ 439,140,823	\$ 453,431,764	\$ 472,092,880	\$ 18,661,116	4.1%
Funds					
03 Special Fund	\$ 424,579,777	\$ 438,244,758	\$ 456,664,705	\$ 18,419,947	4.2%
05 Federal Fund	14,561,046	15,187,006	15,428,175	241,169	1.6%
Total Funds	\$ 439,140,823	\$ 453,431,764	\$ 472,092,880	\$ 18,661,116	4.1%

MDOT: Maryland Department of Transportation

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

Appendix 3
Fiscal Summary
MDOT – State Highway Administration

<u>Program/Unit</u>	<u>FY 17 Actual</u>	<u>FY 18 Wrk Approp</u>	<u>FY 19 Allowance</u>	<u>Change</u>	<u>FY 18 - FY 19 % Change</u>
01 State System Construction and Equipment	\$ 1,351,518,618	\$ 1,428,250,000	\$ 1,368,010,000	-\$ 60,240,000	-4.2%
02 State System Maintenance	251,718,352	266,837,756	280,325,968	13,488,212	5.1%
03 County and Municipality Capital Funds	85,298,472	78,900,000	72,400,000	-6,500,000	-8.2%
04 Highway Safety Operating Program	12,320,219	11,092,472	13,634,304	2,541,832	22.9%
05 County and Municipality Funds	175,102,252	175,501,536	178,132,608	2,631,072	1.5%
08 Major IT Development Projects	6,919,220	5,860,000	6,937,000	1,077,000	18.4%
Total Expenditures	\$ 1,882,877,133	\$ 1,966,441,764	\$ 1,919,439,880	-\$ 47,001,884	-2.4%
Special Fund	\$ 1,347,660,535	\$ 1,332,975,758	\$ 1,213,403,705	-\$ 119,572,053	-9.0%
Federal Fund	535,216,598	633,466,006	706,036,175	72,570,169	11.5%
Total Appropriations	\$ 1,882,877,133	\$ 1,966,441,764	\$ 1,919,439,880	-\$ 47,001,884	-2.4%

MDOT: Maryland Department of Transportation

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

Appendix 4
Budget Amendments for Fiscal 2018
MDOT – State Highway Administration – Operating

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Pending	\$705,000	Special	Transfer information technology spending from capital to operating.
Pending	\$179,730	Special	Provide funds for settlement to clean up hazardous waste at the 68th Street Superfund dump site in Baltimore County. The Board of Public Works approved the settlement on September 6, 2017.

MDOT: Maryland Department of Transportation

Source: Maryland Department of Transportation

Appendix 5
Budget Amendments for Fiscal 2018
MDOT – State Highway Administration – Capital

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Pending	-\$705,000	Special	Transfer information technology spending from capital to operating.
Pending	\$9,330,002	Special	Adjusts the amended appropriation to agree with the final fiscal 2018 to 2023 <i>Consolidated Transportation Program</i> .
	-24,735,011	Federal	
	-\$15,405,009	Total	

MDOT: Maryland Department of Transportation

Source: Maryland Department of Transportation