

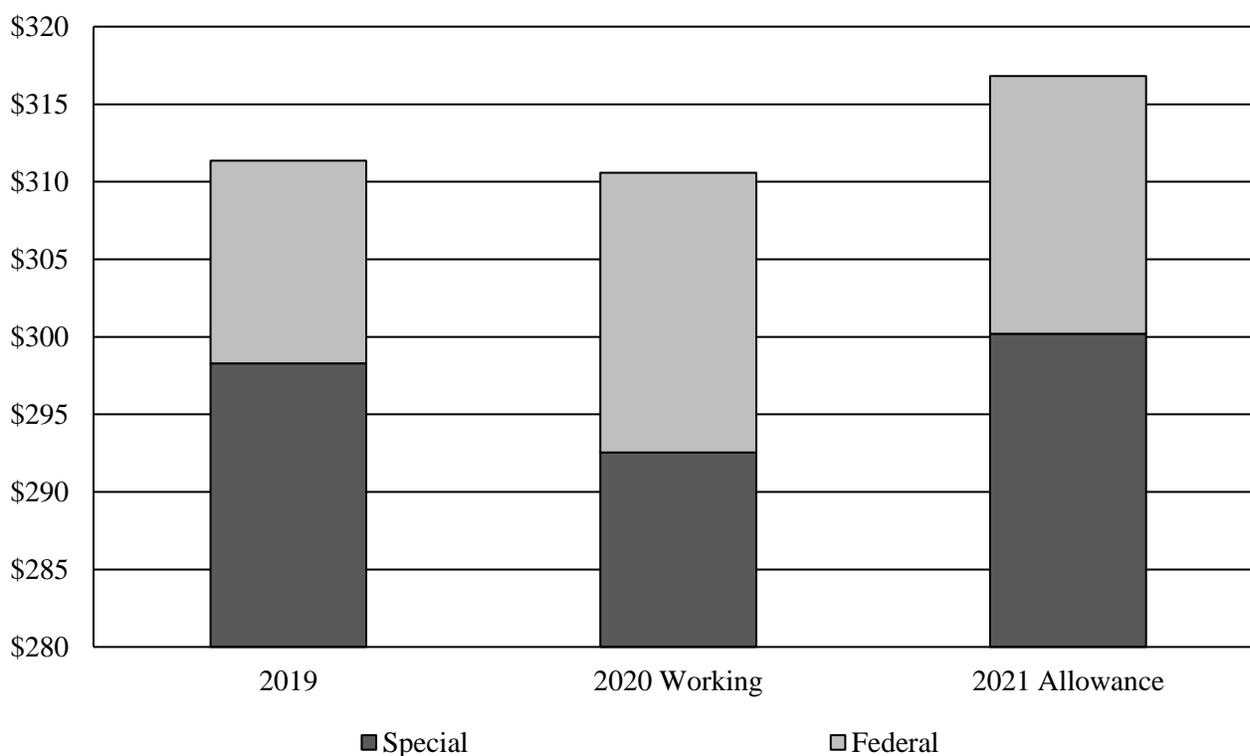
J00B01
State Highway Administration
Maryland Department of Transportation

Executive Summary

The State Highway Administration (SHA) is responsible for building and maintaining Maryland's numbered highways and bridges outside Baltimore City. This includes operation of traffic and roadway monitoring and management, incident management, traveler information, and snow removal.

Operating Budget Summary

Budget Increases \$6.2 Million or 2% to \$316.8 Million in Fiscal 2021
(\$ in Millions)



Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

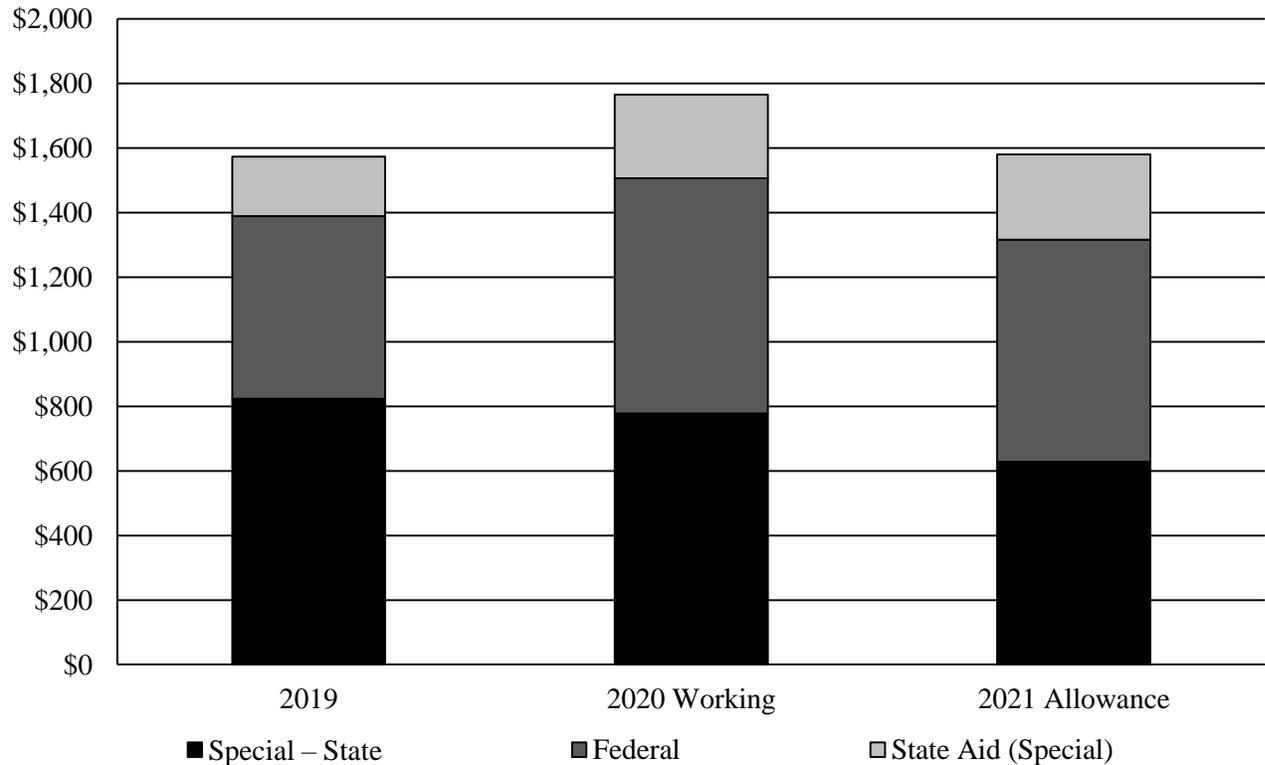
- Over half the increase in the budget supports the core mission of road maintenance. Personnel expenses constitute the bulk of the remainder of the increase.

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PAYGO Capital Budget Summary

PAYGO Capital Budget Decreases \$185.2 Million or -10.5% to \$1,579.7 Million in Fiscal 2021 (\$ in Thousands)



PAYGO: pay-as-you-go

Note: Numbers may not sum due to rounding.

-
- Funding for the SHA capital program in the fiscal 2021 allowance is \$190.3 million less than the current year working appropriation. This decrease is partially offset by an increase of \$5.2 million in State aid.

Key Observations

- SHA’s fiscal 2021 budget does not include an increase in funding for snow removal and winter maintenance expenses despite stated legislative intent that the budget grow by \$5 million each year until it reflects the rolling five-year average of actual expenditures.

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- The declining capital program, an identified gap between funding needs and funding availability for state of good repair capital projects, and increasing reliance on non-Transportation Trust Fund (TTF) and nontraditional funding sources all highlight the growing inability of the TTF to serve its intended purpose of being the source of funding for the State’s transportation program.

Operating Budget Recommended Actions

	<u>Funds</u>
1. Eliminate vacant operating positions and reduce associated funding for vacancies in excess of number needed to meet budgeted turnover.	
2. Level fund building/road repairs and maintenance due to the mild winter lessening road repair needs.	\$ 3,607,800
Total Reductions	\$ 3,607,800

PAYGO Budget Recommended Actions

1. Restrict State aid funding for Deer Park in Garrett County until it has submitted required audit reports and Uniform Financial Reports.

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Budget Analysis

Program Description

The State Highway Administration (SHA) is responsible for nearly 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):

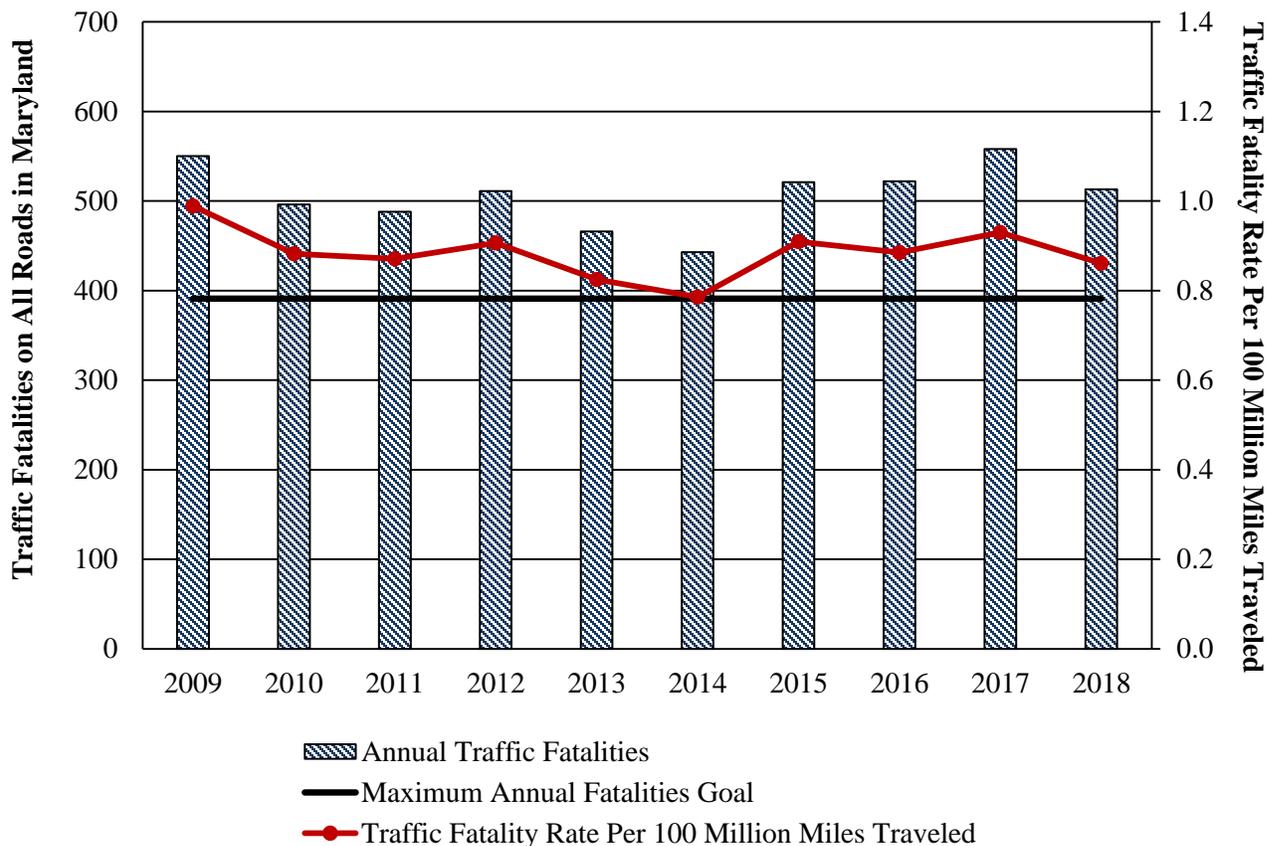
- ensuring a safe, secure, and resilient transportation system;
- maintaining a high standard and modernizing Maryland's multimodal transportation system;
- improving the quality and efficiency of the transportation system to enhance the customer experience;
- providing better transportation choices and connections;
- facilitating economic opportunity and reducing congestion in Maryland through strategic system expansion;
- ensuring environmental protection and sensitivity; and
- promoting fiscal responsibility.

Performance Analysis: Managing for Results

1. Safety and Security

One objective of the SHA safety and security goal is to reduce the annual number of traffic-related fatalities to 391 by the end of calendar 2020. **Exhibit 1** shows the number of traffic fatalities, the maximum fatalities goal, and the traffic fatality rate by calendar year for 2009 through 2018. There were 45 fewer traffic-related fatalities in calendar 2018 than in the previous year, and the fatality rate, which is a measure of the number of fatalities per 100 million miles traveled, also fell.

Exhibit 1
Traffic Fatalities and Fatality Rates
 Calendar 2009-2018

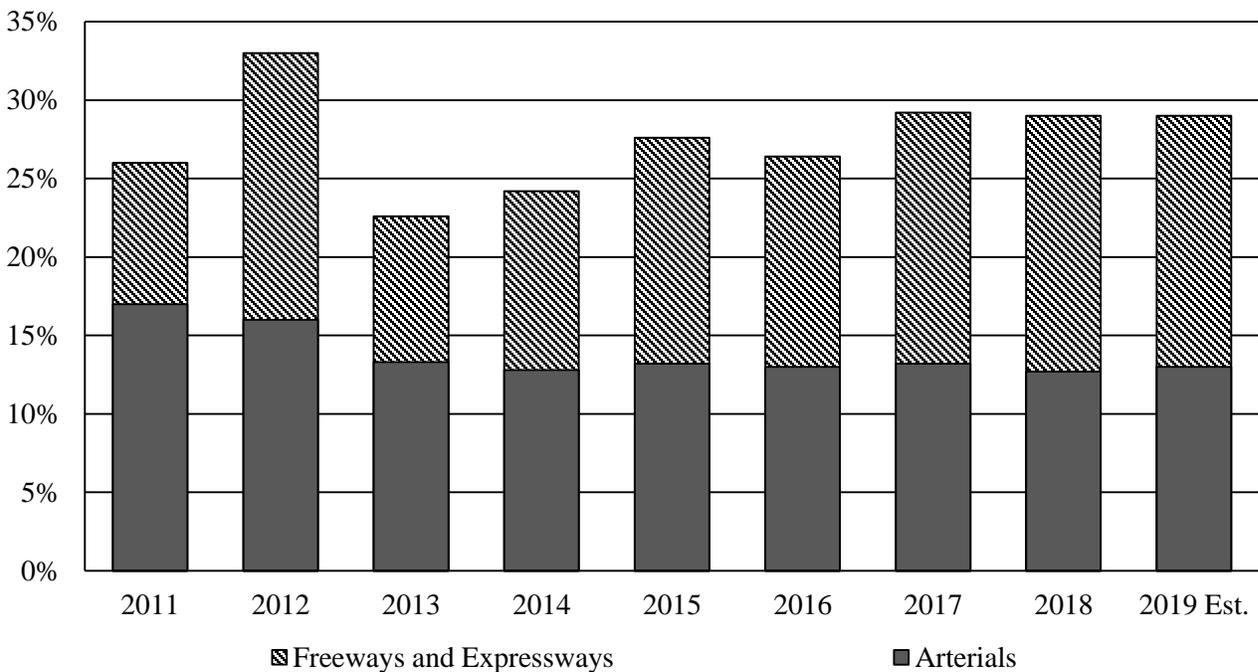


Source: Maryland Department of Transportation; Department of Legislative Services

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, expressways, and arterial roads. Travel in congested conditions remained unchanged in calendar 2018 compared to the previous year and is projected to be at the same level in 2019.

Exhibit 2
Percent of Vehicle Miles Traveled in Congested Conditions during the Evening Peak Hour
Calendar 2011-2019 Est.



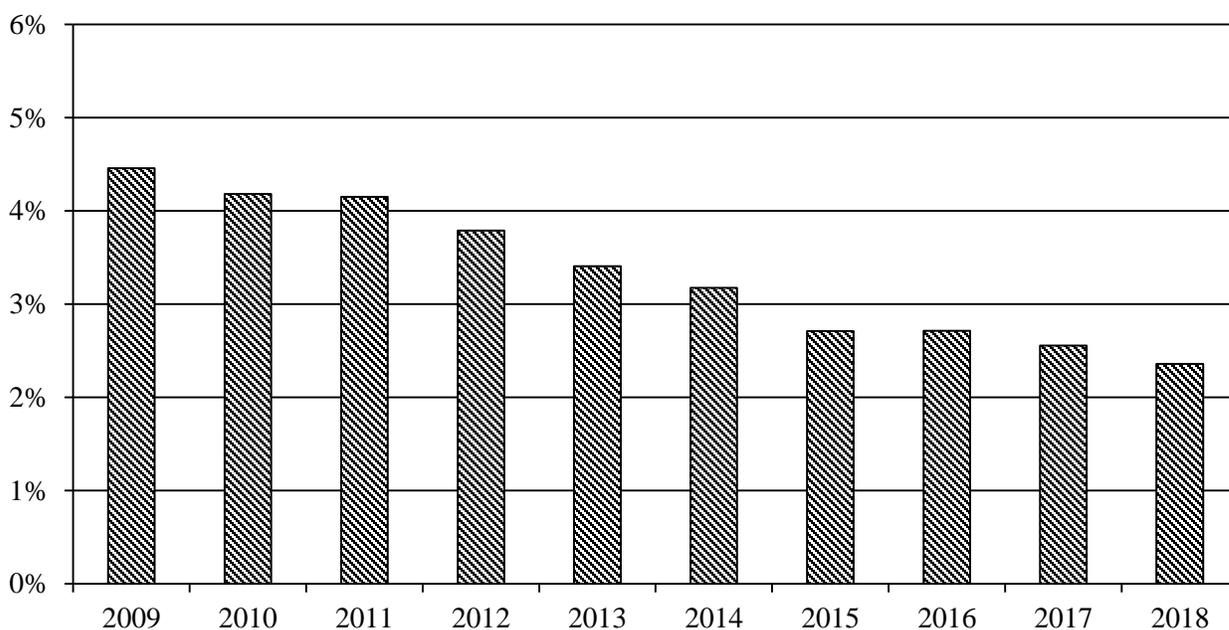
Source: Maryland Department of Transportation; Department of Legislative Services

3. System Preservation and Maintenance – Structurally Deficient Bridges

One objective under the SHA goal of system preservation and maintenance is to preserve and maintain State-owned or funded bridges in a state of good repair (SOGR). **Exhibit 3** shows the percent of bridges in the State highway network rated as structurally deficient for calendar 2009 through 2018.

The Federal Highway Administration considers a bridge to be structurally deficient if any of the bridge components (deck, superstructure, substructure, or culvert) is rated in poor or worse condition. A rating of structurally deficient does not mean that a bridge is unsafe, a condition that would lead to the closing of the bridge, but rather that one or more elements need to be addressed in order to reestablish an SOGR. As shown in Exhibit 3, the percent of bridges rated as structurally deficient has decreased steadily over the past 10 years.

Exhibit 3
Percent of Bridges in the State Highway Network Rated as Structurally Deficient
Calendar 2009-2018

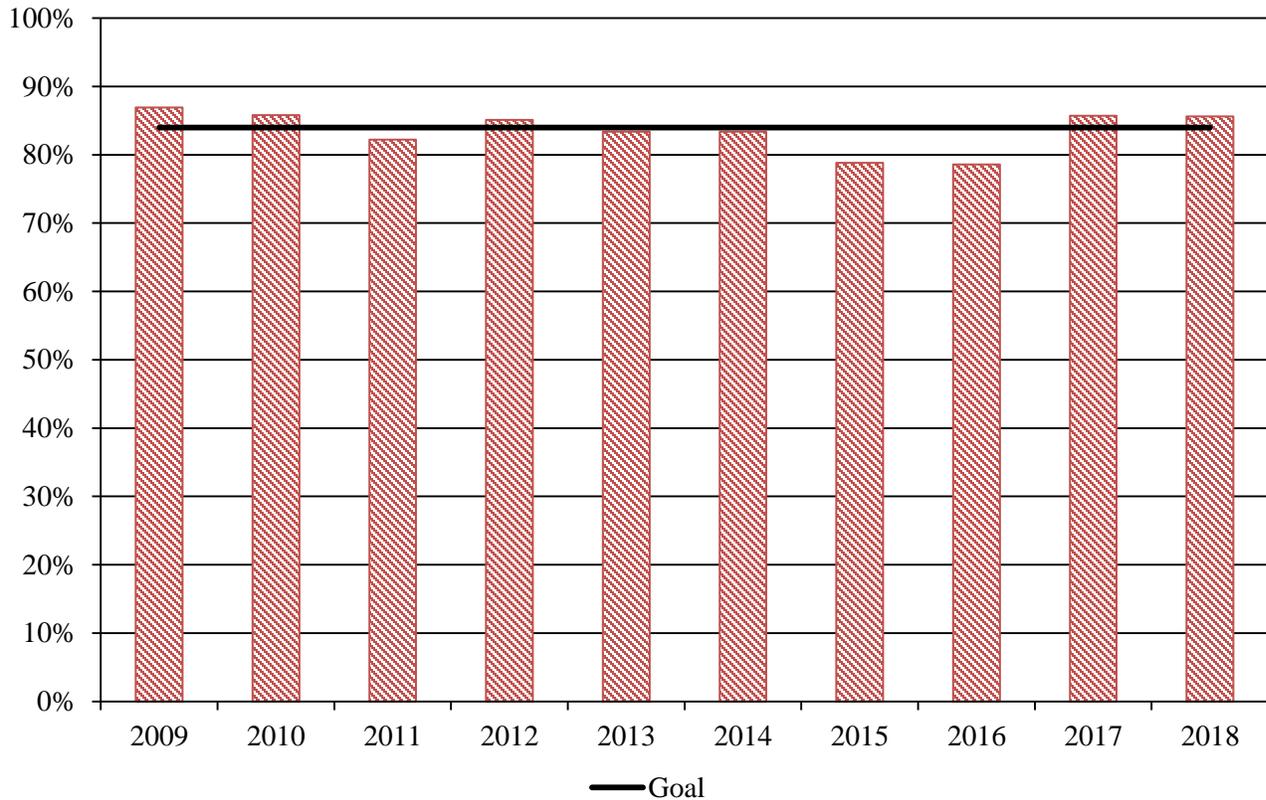


Source: U.S. Department of Transportation, Federal Highway Administration; Department of Legislative Services

4. System Preservation and Maintenance – Highway Maintenance Condition

Another objective of the system preservation and maintenance goal is to improve and maintain at least 84% of the highway network in an overall preferred maintenance condition. As shown in **Exhibit 4**, SHA met this goal 5 out of the past 10 years, including the 2 most recent years.

Exhibit 4
Percent of Highway Network in Overall Preferred Maintenance Condition
Fiscal 2009-2018

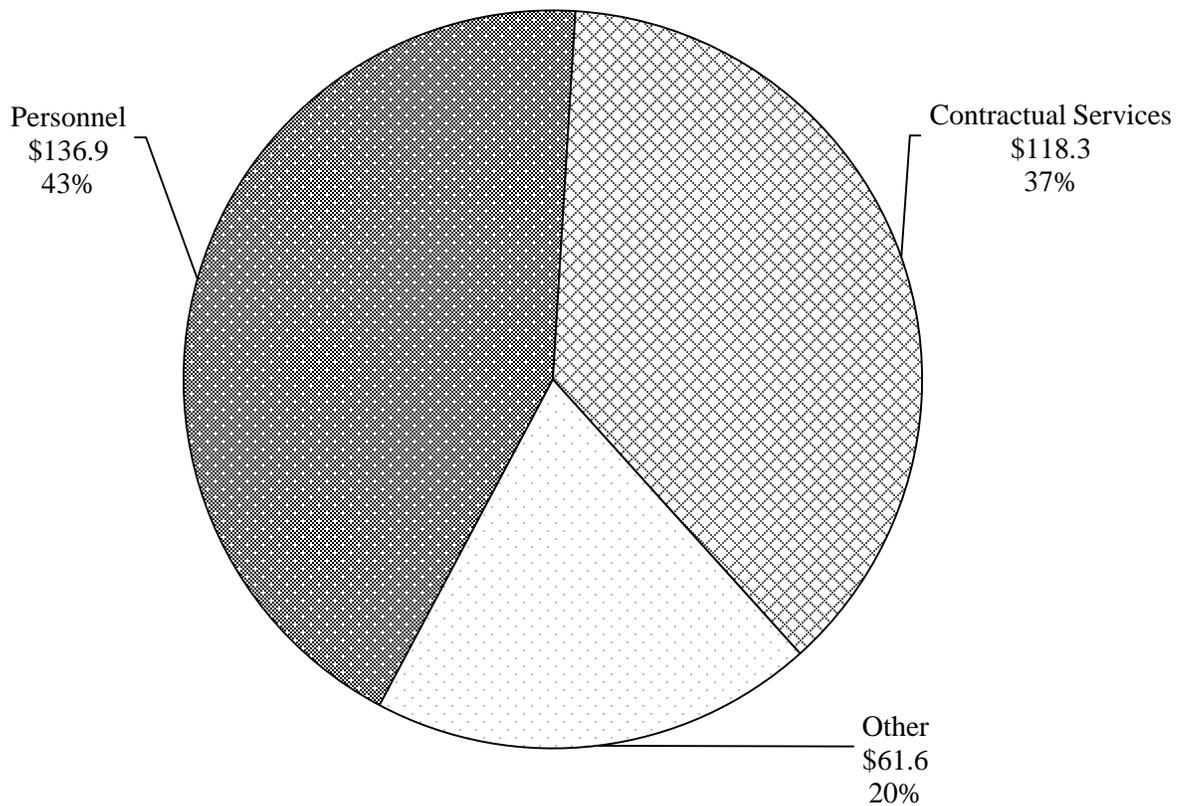


Source: Maryland Department of Transportation; Department of Legislative Services

Fiscal 2021 Overview of Agency Spending

As shown in **Exhibit 5**, SHA delivers its operations and maintenance program with a close to equal reliance on SHA personnel (including contractual full-time equivalents) and contractual services.

Exhibit 5
State Highway Administration Operating Budget by Category
Fiscal 2021 Allowance
(\$ in Millions)



Total: \$316.8 Million

Source: Governor's Fiscal 2021 Budget Books; Department of Legislative Services

Proposed Budget Change

As shown in **Exhibit 6**, the fiscal 2021 allowance for SHA increases by \$6.2 million over the current year working appropriation. Personnel expenses increase by \$2.5 million, largely due to health insurance contributions and the general salary increases. The largest nonpersonnel increase is for building/road repair contractual services.

Exhibit 6
Proposed Budget
MDOT – State Highway Administration
(\$ in Thousands)

How Much It Grows:	Special Fund	Federal Fund	Total
Fiscal 2019 Actual	\$298,287	\$13,077	\$311,364
Fiscal 2020 Working Appropriation	292,539	18,035	310,574
Fiscal 2021 Allowance	<u>300,186</u>	<u>16,620</u>	<u>316,806</u>
Fiscal 2020-2021 Amount Change	\$7,646	-\$1,415	\$6,232
Fiscal 2020-2021 Percent Change	2.6%	-7.8%	2.0%

Where It Goes:

Personnel Expenses

	<u>Change</u>
Employee and retiree health insurance	\$1,204
Fiscal 2021 general salary increase.....	857
Position transfers from State Highway Administration capital to operating program	529
Annualize fiscal 2020 general salary increase	407
Turnover adjustments.....	-95
Workers' compensation premium assessment	-372

Operations

Road repair/maintenance	3,608
Engineering contractual services at just less than fiscal 2019 actual spending	472
Computer/software maintenance and data processing services	297
Education/training contractual services	115
Janitorial services.....	86
Additional equipment – new Office of Homeland Security and Occupational Safety	75
Security services	63
Replacement equipment	57
Insurance through State Treasurer's Office	43
Cell phone usage.....	39
Energy conservation project loan repayment.....	23
Agricultural supplies.....	23
Water/sewage utility charges	7
Rent.....	-25
Oil/natural gas/propane.....	-33
Motor carrier safety program	-70

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Where It Goes:	<u>Change</u>
Vehicle insurance.....	-81
Employee uniforms	-114
Reduced reliance on contractual fulltime equivalent positions.....	-127
Electricity usage.....	-179
Safe Routes to School grants ending (new grants now handled in capital program).....	-294
Budget postage/telephone usage/telecommunications at fiscal 2019 actual level.....	-298
Other Changes.....	15
Total	\$6,232

Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

Winter Maintenance and Snow Removal

Budget bill language added to SHA’s fiscal 2010 budget indicated the intent of the General Assembly that SHA increase the amount it budgeted for snow removal expenses by \$5 million each year until the budgeted amount reflected the rolling five-year average of actual snow removal expenditures. At that time, SHA had only been including \$21 million in its budget for snow removal despite actual expenditures having been double that amount for several years. Every SHA budget submitted between fiscal 2011 and 2019 complied with this intent, but the fiscal 2020 budget included no increase over the prior year level. MDOT indicated that the \$71 million level was adequate despite the fact that only once since fiscal 2014 had it spent less than the \$76 million level dictated by the funding methodology adopted in fiscal 2010. The General Assembly added similar language to the fiscal 2020 budget indicating its intent that SHA continue to increase the snow removal budget until it reflected the rolling five-year average of actual expenditures, but the fiscal 2021 SHA budget maintains funding for snow removal at \$71 million.

MDOT’s unwillingness to comply with legislative intent, coinciding as it does with a forecast that projects significant decreases in funding for the transportation capital program, raises broader questions about the administration’s fiscal stewardship of the Transportation Trust Fund (TTF). It is clear there is an imbalance in the expenditure needs versus revenue available as evidenced by the increasing reliance on non-TTF State support for the transportation program. MDOT is fortunate that the mild winter that Maryland is currently experiencing makes it likely that snow removal expenses in fiscal 2020 will be below the \$71 million included in the budget. However, the savings that it will realize in snow removal expenses due to the mild winter will not be sufficient to cover the \$105 million in additional spending authorization that it is seeking to add by budget amendment.

MDOT should brief the committees on how it expects to bring transportation spending into alignment with TTF revenues and the timeframe it envisions for doing so.

Operating and PAYGO Personnel Data

	<u>FY 19 Actual</u>	<u>FY 20 Working</u>	<u>FY 21 Allowance</u>	<u>FY 20-21 Change</u>
Regular Operating Budget Positions	1,425.50	1,420.50	1,425.50	5.00
Regular PAYGO Budget Positions	<u>1,534.00</u>	<u>1,541.00</u>	<u>1,534.00</u>	<u>-7.00</u>
Total Regular Positions	2,959.50	2,961.50	2,959.50	-2.00
Operating Budget FTEs	24.53	35.45	16.00	-19.45
PAYGO Budget FTEs	<u>42.36</u>	<u>52.55</u>	<u>72.00</u>	<u>19.45</u>
Total FTEs	66.89	88.00	88.00	0.00
Total Personnel	3,026.39	3,049.50	3,047.50	-2.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	207.06	7.00%
Positions and Percentage Vacant as of 12/31/19	316.00	10.7%

Vacancies Above Turnover 108.94

- There are 2 fewer regular positions in SHA’s fiscal 2021 allowance than in the current year. This reflects the transfer of 2 positions to the Secretary’s Office, 1 of which will be used for a new contract oversight unit and the other as a replacement for a position transferred from the Secretary’s Office in a prior year.

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

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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.

Included in the SHA section of the CTP is State aid to local governments. Beginning in fiscal 2020, State aid is provided in the form of mandated capital grants. For fiscal 2020 to 2024, local governments are to receive grants equivalent to 13.5% of the Gasoline and Motor Vehicle Revenue Account (GMVRA) in the TTF. After fiscal 2024, local governments will receive grants equivalent to 9.6% of the GMVRA.

State Aid – Mandated Capital Grants

Prior to fiscal 2020, local governments shared in a portion of the tax and fee revenues that are deposited into the GMVRA, commonly referred to as Highway User Revenues (HUR). Since fiscal 2009, the local share of HUR had been 9.6% of the GMVRA with MDOT retaining 90.4% of revenues to support its operating and capital budgets. Chapters 330 and 331 of 2018 converted this aid to local governments from a share of GMVRA revenues to mandated capital grants based on a percentage of total GMVRA and also increased the amount that local governments would receive to an amount equivalent to 13.5% of the GMVRA for fiscal 2020 to 2024. This change increased MDOT's bonding capacity, since it now retains all GMVRA revenue.

For several years leading up to the increase provided by Chapters 330 and 331, local governments received discretionary capital grants to supplement the HUR funding in lieu of increasing the local share of the GMVRA. These grants totaled \$57.9 million in fiscal 2019. Since Chapters 330 and 331 provide for a five-year increase in the amount of funding provided to local governments, discretionary capital funding is not needed over this period.

Exhibit 7 provides a summary of State transportation aid – HUR and discretionary capital grant funding for fiscal 2019 and mandated capital grant funding for fiscal 2020 and 2021. The fiscal 2021 mandated capital grant funding of \$264.2 million is \$5.2 million higher than the fiscal 2020 amount.

Exhibit 7
State Aid – Highway User Revenues and Capital Grants
Fiscal 2019-2021

	2019 HUR % of GMVRA	2020 Mandated Capital Grants % of GMVRA	2021 Mandated Capital Grants % of GMVRA
MDOT	90.4%	n/a	n/a
Baltimore City	7.7%	8.3%	8.3%
Counties	1.5%	3.2%	3.2%
Municipalities	0.4%	2.0%	2.0%
Total	100.0%	13.5%	13.5%

Highway User Revenues

MDOT	\$1,726,588,445	\$1,918,637,037	\$1,956,990,104
Local Share	183,348,097	0	0
Total GMVRA	\$1,909,936,542	\$1,918,637,037	\$1,956,990,104

Local Distribution

Baltimore City	\$147,065,150	\$0	\$0
Counties	28,649,055	0	0
Municipalities	7,633,892	0	0
Total	\$183,348,097	\$0	\$0

Capital Grants

Baltimore City	\$5,558,937	\$159,246,874	\$162,430,179
Counties	29,892,204	61,396,385	62,623,683
Municipalities	22,480,289	38,372,741	39,139,802
Total	\$57,931,430	\$259,016,000	\$264,193,664

Combined Highway User Revenues and Capital Grants

Baltimore City	\$152,624,087	\$159,246,874	\$162,430,179
Counties	58,541,259	61,396,385	62,623,683
Municipalities	30,114,181	38,372,741	39,139,802
Total	\$241,279,527	\$259,016,000	\$264,193,664

GMVRA: Gasoline and Motor Vehicle Revenue Account

HUR: Highway User Revenues

MDOT: Maryland Department of Transportation

Source: Governor’s Fiscal 2021 Budget Books; Department of Legislative Services

Exhibit 8 provides, by county, the fiscal 2021 allocations for counties, municipalities, and Baltimore City.

Exhibit 8
State Aid – Mandated Capital Grant Allocation
Fiscal 2021

	<u>Counties</u>	<u>Municipalities</u>	<u>Total</u>
Allegany	\$1,088,797	\$1,795,782	\$2,884,579
Anne Arundel	6,737,801	1,659,443	8,397,244
Baltimore	9,245,253	0	9,245,253
Calvert	1,446,544	487,578	1,934,122
Caroline	899,143	716,415	1,615,558
Carroll	2,533,121	2,292,373	4,825,494
Cecil	1,468,617	1,116,082	2,584,699
Charles	2,230,931	648,091	2,879,022
Dorchester	991,961	856,115	1,848,076
Frederick	3,097,885	4,516,528	7,614,413
Garrett	1,198,202	600,664	1,798,866
Harford	3,144,860	1,819,033	4,963,893
Howard	3,685,644	0	3,685,644
Kent	512,203	415,976	928,178
Montgomery	8,447,839	6,298,106	14,745,945
Prince George's	6,900,246	8,126,011	15,026,258
Queen Anne's	1,197,022	299,374	1,496,397
Somerset	636,156	292,455	928,611
St. Mary's	1,791,111	207,654	1,998,764
Talbot	729,751	1,120,335	1,850,086
Washington	1,992,085	2,439,375	4,431,460
Wicomico	1,482,020	2,172,410	3,654,430
Worcester	1,166,491	1,260,004	2,426,494
Subtotal	\$62,623,683	\$39,139,802	\$101,763,485
Baltimore City	\$162,430,179		\$162,430,179
Total	\$225,053,862	\$39,139,802	\$264,193,664

Source: Governor's Fiscal 2021 Budget Books

Fiscal 2020 to 2025 Consolidated Transportation Program

The fiscal 2020 to 2025 six-year capital program for SHA totals nearly \$6.6 billion, exclusive of State aid to local governments. This is a \$767.2 million decrease from the funding programmed in the prior year six-year program. **Exhibit 9** compares the six-year programmed funding levels by category between the current and previous CTPs.

Exhibit 9
State Highway Administration Six-year Capital Program by Category
Fiscal 2019-2024 vs. 2020-2025
(\$ in Millions)

<u>Category</u>	<u>2019-2024</u>	<u>2020-2025</u>	<u>Change</u>
Major Projects	\$1,441.2	\$1,202.9	-\$238.3
Safety, Congestion Relief, Community Enhancements	4,908.4	4,507.0	-401.4
Development and Evaluation Program	210.6	141.7	-68.9
Other System Preservation	317.3	260.8	-56.5
Pass-through Funding to Local Government and Major IT	474.7	472.6	-2.1
Subtotal	\$7,352.2	\$6,585.0	-\$767.2
State Aid – Mandated Capital Grants	\$1,326.3	\$1,541.2	\$214.9
Total as Shown in the Consolidated Transportation Program	\$8,678.5	\$8,126.2	-\$552.3

IT: information technology

Source: Maryland Department of Transportation, Fiscal 2019-2024 and 2020-2025 *Consolidated Transportation Programs*; Department of Legislative Services

Fiscal 2020 and 2021 Cash Flow Analysis

Exhibit 10 shows the changes in SHA capital funding by category, including other funds that do not flow through the SHA budget, between the fiscal 2020 legislative and working appropriations and between the fiscal 2020 working appropriation and the fiscal 2021 allowance.

Exhibit 10
Cash Flow Changes
Fiscal 2020-2021
(\$ in Millions)

	<u>2020</u> <u>Leg. Approp.</u>	<u>2020</u> <u>Working</u>	<u>Change</u>
Major Projects	\$357.3	\$425.7	\$68.4
Safety, Congestion Relief, Community Enhancements	870.6	883.9	13.3
Development and Evaluation Program	58.2	65.5	7.3
Other System Preservation	68.7	52.8	-15.9
Pass-through Funding to Local Government and Major IT	77.9	78	0.1
<i>Subtotal</i>	<i>\$1,432.7</i>	<i>\$1,505.9</i>	<i>\$73.2</i>
State Aid – Mandated Capital Grants	\$256.0	\$259.0	\$3.0
Total as Shown in the Consolidated Transportation Program	\$1,688.7	\$1,764.9	\$76.2
	<u>2020</u> <u>Working</u>	<u>2021</u> <u>Allowance</u>	<u>Change</u>
Major Projects	\$425.7	\$343.4	-\$82.3
Safety, Congestion Relief, Community Enhancements	883.9	810.9	-73
Development and Evaluation Program	65.5	43.4	-22.1
Other System Preservation	52.8	41.2	-11.6
Pass-through Funding to Local Government and Major IT	78	76.7	-1.3
<i>Subtotal</i>	<i>\$1,505.9</i>	<i>\$1,315.6</i>	<i>-\$190.3</i>
State Aid – Mandated Capital Grants	\$259.0	264.4	\$5.4
Total as Shown in the Consolidated Transportation Program	\$1,764.9	\$1,580.0	-\$184.9

IT: information technology

Note: The State Aid – Mandated Capital Grants amounts are as reflected in the Consolidated Transportation Program. The fiscal 2021 allowance is \$264.2 million, which equates to \$5.2 million over the working appropriation.

Source: Maryland Department of Transportation, Fiscal 2019-2024 and 2020-2025 Consolidated Transportation Programs; Department of Legislative Services

Exhibit 11 provides a list of SHA projects in the construction or development and evaluation programs receiving funding of at least \$1 million in fiscal 2021 or \$5 million or more over the six-year program.

**Exhibit 11
Major Construction Projects
Fiscal 2020-2025
(\$ in Thousands)**

<u>County</u>	<u>Project</u>	<u>2021</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.	\$953	\$9,094	\$5,275
Allegany	MD 51, Industrial Boulevard: Rehabilitation of bridge 01092 over CSX and Canal Parkway.	4,268	12,759	11,441
Allegany	MD 51, Old Town Road: Replace bridge 01047 over Town Creek (0.3 miles).	601	12,350	12,162
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. Bicycle and pedestrian accommodations will be provided.	4,898	76,216	54,919
Baltimore	I-83, Harrisburg Expressway: Replacement of dual bridges 0306201 and 0306202 on I-83 over Padonia Road.	6,073	25,583	16,186
Baltimore	I-695, Cromwell Bridge Road: Drainage improvements and stream restoration on I-695 at Cromwell Bridge Road.	1,478	11,311	4,778
Baltimore	I-695, Baltimore Beltway: Replace bridge 03174 on Putty Hill Avenue over I-695.	3,766	12,499	10,523

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<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Baltimore	I-695, Baltimore Beltway: This project from US 40 to MD 144 will improve mobility and safety on I-695 by widening the roadway to provide a fourth lane on the outer loop. This project will also accommodate the ultimate configuration of this section of the beltway. The noise barrier on the inner loop will be replaced and extended from Shady Nook Avenue to US 40 as part of this project.	12,160	131,323	60,731
Baltimore	I-695, Baltimore Beltway: Using the shoulder and dynamic lane controls to create a new lane of traffic during peak hours on the inner and outer loops of I-695 from I-70 to MD 43. This includes adaptive ramp metering and the reconfiguration of the I-695/I-70 interchange.	46,883	281,102	273,745
Baltimore	MD 45, York Road: Construction of safety and resurfacing improvements on MD 45 from south of Padonia Road to Wight Avenue (2.4 miles).	8,197	16,577	15,204
Baltimore	MD 151/MD 151B, Sparrows Point Boulevard: Replace bridge 0309900 on MD 151 and bridges 0335000 and 0335100 on MD 151B.	6,673	22,500	20,954
Baltimore	US 1, Washington Boulevard: Replace bridge 03008 over CSX.	11,583	34,173	25,600
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.	8,043	30,640	21,583

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<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Calvert	MD 2/4, Solomons Island Road: Upgrade and widen MD 2/4 to a six-lane divided highway from Fox Run Boulevard to MD 231 (0.8 miles). This project will include bicycle and pedestrian accommodations as appropriate. This is phase two of a five-phase project to upgrade and widen MD 2/4 from north of Stoakley Road/Hospital Road to south of MD 765A.	958	47,172	19,810
Carroll	MD 30 Bus. 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).	92	33,515	16,351
Cecil	MD 272, Mauldin Ave: Replace bridge 7036 over Amtrak. Shoulders and sidewalks will accommodate bicycles and pedestrians.	3,383	22,509	9,141
Charles	MD 254, Cobb Island Road: Replace bridge 08038 over Neale Sound. This project will accommodate bicycles and pedestrians as appropriate.	109	17,833	6,633
Frederick	I-270, Eisenhower Highway: Implementation of innovative congestion management (ICM) tools to reduce congestion on I-270, including the east and west I-270 spurs (31.5 miles). Improvements will include a series of roadway and technology-based improvements.	42,866	131,115	85,448
Frederick	US 40 Alternate, Old National Pike: Construct roadway improvements, including upgrades to pedestrian/bicyclist facilities, resurfacing, curb and gutter, and storm water management improvements, from Ivy Hill Drive to Middletown Parkway (2.1 miles).	38	18,054	5,020

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Frederick	MD 75, Green Valley Road: Replace bridge 105600 on MD 75 over I-70.	939	11,910	11,607
Frederick	MD 85, Buckeystown Pike: Widen MD 85 to a multilane divided highway from Crestwood Boulevard/Shockley Drive to Spectrum Drive (0.8 miles), includes MD 85 interchange reconstruction at I-270 and I-270 dual bridges replacement. This project is phase one of a three-phase project to widen and reconstruct MD 85 from south of English Muffin Way to north of Grove Road.	12,650	81,909	38,921
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. Bicycle and pedestrian accommodations will be provided as appropriate.	8,692	18,911	16,309
Frederick	MD 355, Urbana Pike: Replace bridge 10086 over Bennett Creek.	5,480	16,993	12,069
Frederick	MD 355, Urbana Pike: Replace bridge 10084 over the CSX railroad.	1,403	13,977	6,696
Garrett	MD 39, Hutton Road: Replace bridge 11002 over the Youghiogheny River. This project will accommodate bicycles and pedestrians where appropriate.	5,130	8,652	7,378
Garrett	US 219, Chestnut Ridge Road: Upgrade and relocate US 219, from I-68/US 40 to Old Salisbury Road (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.	18,315	62,623	37,196
Garrett	US 219, Garrett Highway: Replace bridge 11024 over Youghiogheny River (0.04 miles).	272	8,175	7,781

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Howard	MD 32, Sykesville Road: Widened MD 32 from MD 108 to Linden Church Road from two lanes to a four-lane divided roadway.	169	44,380	10,762
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).	35,486	126,825	94,939
Montgomery	I-270, Eisenhower Highway: Construct a new I-270 interchange at Watkins Mill Road. Bicycle and pedestrian improvements will be included where appropriate.	15,388	124,732	36,412
Montgomery	I-270, Eisenhower Highway: Implementation of ICM tools to reduce congestion on I-270, including the east and west I-270 spurs (31.5 miles). Improvements will include a series of roadway and technology-based improvements.	42,866	131,115	85,448
Montgomery	MD 97, Georgia Avenue: Construct a two-lane highway from south of Brookeville, near Gold Mine Road, to north of Brookeville (0.7 miles). Shoulders will accommodate bicycles.	10,869	43,995	27,141
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. (Base Realignment and Closure (BRAC) Intersection Improvements)	4,289	18,304	12,952
Montgomery	MD 355, Frederick Road: Replace bridge 15053 over Little Bennett Creek.	1,432	10,448	5,374
Prince George's	I-95/I-495, Capital Beltway: Replace bridges 1616205 and 1616206 over Suitland Road.	6,202	35,913	13,178

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Prince George's	I-95/I-495, Capital Beltway: Replace bridges 1616005 and 1616006 over Suitland Parkway.	13,336	35,808	26,179
Prince George's	I-95, Capital Beltway: Replace bridges 1615305 and 1615306 over MD 214.	10,029	32,583	24,618
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).	40,352	133,928	75,037
Prince George's	MD 4, Pennsylvania Avenue: Replace bridges 1609903 and 1609904 over MD 717 and bridges 1610803 and 1610804 over Race Track Road.	675	21,804	21,411
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.	0	56,238	7,455
Prince George's	MD 5, Branch Ave: Construct roadway and streetscape, including sidewalks and crosswalks, on MD 5 from Curtis Drive to the Washington, DC line (1.2 miles), and on MD 637 (Naylor Road) from MD 5 to Suitland Parkway (1.4 miles).	2,423	21,500	6,812
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.	18,789	117,497	48,138
Prince George's	MU 277, Riverdale Road: Replace bridge 16090 over Northeast Branch Anacostia River.	187	9,176	8,666

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Prince George's	MD 212A, Powder Mill Road: Reconstruct MD 212A from Pine Street to US 1 intersection. Project includes sidewalk and crosswalk improvements (1.6 miles).	4,426	25,039	17,627
Prince George's	MD 382, Croom Road: Replace bridge 16061 over Charles Branch.	0	5,752	5,165
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).	7,987	23,655	17,702
Prince George's	US 1, Baltimore Avenue: Reconstruct US 1 from College Avenue to MD 193 (Segment 1). Including bicycle and pedestrian improvements (1.5 miles).	7,357	51,140	36,984
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 (10.0 miles). Bicycles and pedestrians will be accommodated where appropriate.	1,500	15,055	11,014
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). Bicycle and pedestrian improvements will be included.	1,500	12,150	8,434
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, and includes adding a left turn lane at the entrance to St. Mary's Hospital.	3,409	15,275	9,352

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
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.	6,554	23,213	17,410
St. Mary's	MD 5, Point Lookout Road: Upgrade MD 5 from MD 471 to MD 246, including bridge 18006 over the Saint Mary's River (0.3 miles).	3,150	9,863	6,767
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, dynamic message signs, highway advisory radios, websites and telecommunication networks.	21,600	124,500	102,600
Statewide	Sidewalk Program: This program provides matching funds for the construction of sidewalks adjacent to State highways.	3,000	37,400	33,500
Statewide	Total Maximum Daily Load (TMDL) Program: Plan, design, and construct storm water 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 requirements by the year 2025. These strategies support the goal of protecting and restoring the Chesapeake Bay watershed. The implementation will follow Maryland's commitment in its Watershed Implementation Phase I Plan.	69,100	608,700	236,300

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2021</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Statewide	Traffic Relief Plan 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.	7,981	50,300	27,413
Statewide	I-270, Eisenhower Memorial Highway, and I-495, Capital Beltway: Planning activities in support of the Traffic Relief Plan, which will implement managed lanes along I-270 and I-495.	34,699	139,630	95,781
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 to upgrade and widen I-81 from the Potomac River/West Virginia State line to the Pennsylvania state line.	0	103,230	25,544
Washington	I-70, Eisenhower Memorial Highway: Bridge deck and superstructure replacement and widening of I-70 dual bridges 21118 over MD 65 and I-70 dual bridges 21119 over CSX Hagerstown Branch.	7,681	30,366	28,458
Wicomico	US 13 Business, Salisbury Boulevard: Replace bridge 2200400 over East Branch Wicomico River in Salisbury.	836	10,186	7,595
Worcester	US 113, Worcester Highway: Upgrade existing US 113 as a four-lane divided highway, including access controls from north of MD 365 (Public Landing Road) to Five Mile Branch (Phase 4) (4.3 miles). Bicycle and pedestrian accommodations will be included where appropriate.	0	74,434	15,396

Source: Maryland Department of Transportation, 2020-2025 *Consolidated Transportation Program*

Significant Changes from the Previous Consolidated Transportation Program

Exhibit 12 shows significant changes from the fiscal 2019-2024 CTP. For SHA these changes are the addition of 10 projects to the construction program.

Exhibit 12 Major Project Significant Changes to the Fiscal 2020 to 2025 CTP (\$ in Millions)

Projects Added to the Construction Program

MD 51, Old Town Road; MD 51, Bridge over Town Creek (Allegany)	\$12.4
I-695, Baltimore Beltway; I-695, Bridge over I-695 (Baltimore)	12.5
MD 225, Hawthorne Road; MD 225, Bridge over Mattawoman Creek (Charles)	3.2
MD 75, Green Valley Road; MD 75, Bridge over I-70 (Frederick)	11.9
US 219, Garrett Highway; US 219, Bridge over Youghiogheny River (Garrett)	8.2
MD 212A, Powder Mill Road; MD212A, from Pine Street to US 1 intersection (Prince George's)	25.0
MD 4, Pennsylvania Avenue; MD 4, Bridges over MD 717 (Prince George's)	21.8
MU 277, Riverdale Road; MU 227, Bridge over Northeast Branch Anacostia River. (Prince George's)	9.2
MD 382, Croom Road; MD 382, Bridge over Charles Branch (Prince George's)	5.8
US 13 Business, Salisbury Boulevard; US 13 BU, Bridge over East Branch Wicomico River (Wicomico)	10.2
Total	\$120.2

CTP: Consolidation Transportation Program

Source: Maryland Department of Transportation, 2020-2025 Consolidated Transportation Program

Issues

1. Federal Fixing America’s Surface Transportation Act Expires September 30, 2020

The Fixing America’s Surface Transportation Act of 2015, the current authorizing legislation for federal surface transportation program funding, is set to expire on September 30, 2020. The U.S. Senate is considering a bill that would provide a 5-year reauthorization, and the President’s fiscal 2021 budget request includes a proposed 10-year reauthorization. Both proposals include increased funding over current levels. Neither proposal, however, addresses the solvency issues for the federal Highway Trust Fund (HTF) that is the primary source of funding for surface transportation programs but that has required periodic revenue transfers into the fund because the federal gas tax, the primary source of funding for the HTF, has not generated sufficient revenue to cover expenditures for many years. The federal gas tax, which is 18.4 cents per gallon on gasoline and 24.4 cents per gallon on diesel fuel, has not been increased since 1993.

While many details of the President’s proposal are not yet available, one change that has been indicated is the elimination of the 2% set-aside of apportioned funds for the Transportation Alternatives Program (TAP). TAP funding has been used in Maryland for projects that create bicycle and pedestrian facilities, restore historic transportation buildings, convert abandoned railway corridors to pedestrian trails, and mitigate highway runoff. While elimination of the set-aside would not prohibit states from continuing to invest in these types of projects, it is likely that spending for these projects would be less over time. **MDOT should comment on current federal reauthorization proposals and discuss how elimination of the TAP set-aside would impact development of the CTP.**

2. Smart Traffic Signals

Background

In October 2017, the Governor announced the Smart Traffic Signals initiative as the second phase of the Traffic Relief Plan that he had announced the previous month. Through the Smart Traffic Signals initiative, existing traffic signals on 14 major corridors would be replaced with smart traffic signals that operate with an adaptive signal control system utilizing enhanced detection to monitor traffic conditions and alter the timing of traffic signals. The estimated cost of this initiative was \$50.3 million.

During the 2019 session, MDOT indicated that it intended to expand the use of smart traffic signals to additional corridors. Committee narrative in the 2019 *Joint Chairmen’s Report* (JCR) requested that MDOT provide a report summarizing the progress made on the initial 14 corridors and identifying the next group of corridors on which smart traffic signals would be deployed.

JCR Response

MDOT indicated in its JCR response that the Smart Traffic Signals initiative had been modified to include two phases covering 28 corridors. The first phase now comprises the initial 14 corridors and two pilot studies in Harford and Howard counties. The second phase covers an additional 12 corridors. As of the date the JCR response was submitted, 13 corridors containing 85 signals had been activated. **Exhibit 13** shows the corridors by phase and by county and indicates the corridors that have been activated.

Exhibit 13

Smart Traffic Signals Initiative Corridors by Phase and County

Phase 1

Anne Arundel

MD 2: Annapolis Harbour Center to Tarragon Lane

MD 2: Hammonds Lane to 11th Avenue

MD 3: MD 450 to St. Stephens Church Road

Baltimore

MD 139: Kenilworth Avenue to I-695 Outer Loop Ramp

US 40: Coleridge Road to Nuwood Drive

Charles

MD 228: Western Parkway to US 301

MD 5 Business: Post Office Drive to US 301

US 301: Chadds Ford Drive to MD 227

Harford

MD 22: Technology Way to North Rogers Street/US 40 Ramp

MD 24: Singer Road to Boulton Road

US 1 Business: Tollgate Road to Atwood Road

Howard

MD 175: I-95 Ramp to Pocomoke Road

US 1: Montgomery Road to MD 175

Montgomery

MD 108: MD 182 to Volunteer Drive

Prince George's

MD 202: McCormick Drive to Arena Drive

US 301: Governor's Bridge Road to Pointer Ridge Drive

Phase 2

Anne Arundel

- MD 178: Bestgate Road to MD 450
- MD 2: Arnold Road to MD 10 Ramp
- MD 2: Forest Drive to MD 450
- MD 2: Motor Vehicle Administration Entrance to MD 270
- MD 450: MD 178 to MD 2
- MD 710: MD 2 to Chesapeake Center Drive

Baltimore

- MD 7: MD 588 to Rossville Boulevard*

Carroll

- MD 140: Market Street to MD 31, WMC Drive to MD 832
- MD 31: Main Street to Uniontown Road

Howard

- US 40: Normandy Center Drive to Chatham Road

Prince George's

- MD 198: Sweitzer Lane to Old Gunpowder Road¹*

Wicomico

- US 13 Business: Winner Boulevard to Center Road*

Note: Italicized items represent corridors on which smart traffic signals have been activated.

¹Partial activation.

Source: Maryland Department of Transportation

For the phase 1 corridors that have been activated, MDOT reports annual delay reduction hours total 141,250 and a calculated annual user cost savings totaling almost \$4.8 million.

Discussion

MDOT indicates that traffic volume and the level of congestion were the primary criteria used to select corridors for inclusion in the Smart Traffic Signals initiative but that it also considered proximity to major shopping areas or special event venues, corridors intersecting or parallel to a major freeway, seasonal traffic variation, evacuation routes near major government facilities, and corridors with low pedestrian crossing activity. MDOT also notes that while traffic volume and congestion are the two top criteria, the highest volume/congested corridors are not necessarily the best candidates for smart signal implementation. It would be reasonable to expect, however, that at least some of the most congested corridors in the State would have been included in the Smart Traffic Signals initiative, but this is not the case.

SHA annually publishes a Maryland Mobility Report providing a summary of performance along State roadways. These reports include a discussion of congestion that identifies the 15 most congested arterial corridors for both the morning and evening peak hours. Only one of the corridors included in the Smart Traffic Signals initiative partially addresses a corridor identified as one of the top 15 most congested corridors in the most recent Mobility Report. **Exhibit 14** lists the 15 most congested corridors during the morning and evening peak hours.

Exhibit 14
2017 Most Congested Arterial Corridors
For the Morning and Evening Peak Hours

Morning Peak Hour

Anne Arundel

MD 2 Southbound: College Parkway to US 50

MD 3 Southbound: Johns Hopkins Road to MD 450/Defense Highway

Carroll

MD 97 Southbound: Old Stone Road to MD 140

Montgomery

MD 185 Southbound: MD 586 to MD 410

MD 190 Eastbound: Luvie Lane to Piney Meetinghouse Road

MD 190 Eastbound: Seven Locks Road to MD 614

MD 28 Westbound: Bel Pre Road to MD 586

MD 355 Southbound: I-495 to MD 191

MD 410 Westbound: MD 650 to US 29

MD 97 Southbound: MD 586 to Seminary Road

US 29 Southbound: Cherry Hill Road/Randolph Road to MD 193

Prince George's

MD 201 Southbound: MD 212 to I-495/I-95

MD 210 Northbound: Ft Washington Road to Livingston Road

MD 212 Westbound: Beltsville Drive to Powder Mill Road

MD 410 Westbound: MD 295 Ramps to US 1

Evening Peak Hour

Anne Arundel

MD 2 Northbound: College Parkway to Baltimore Annapolis Boulevard/Whites Road

MD 424 Northbound: US 50 to MD 450

Anne Arundel/Prince George's

MD 3 Northbound: US 50 to Davidsonville Road/Conway Road

Baltimore

MD 45 Southbound: Ridgely Road to Joppa Road

Calvert/St. Mary's

MD 4 Northbound: MD 235 to Thomas Johnson Bridge

Harford

MD 152 Northbound: MD 7 to Singer Road

Montgomery

MD 185 Northbound: Washington, DC Line to Jones Bridge Road

MD 28 Eastbound: MD 586 to Bel Pre Road

MD 355 Northbound: MD 191 to Cedar Lane

MD 410 Eastbound: MD 355 to Grubb Road

Prince George's

MD 210 Southbound: Livingston Road to Kirby Hill Road

MD 410 Eastbound: US 1 to MD 295

MD 5 Southbound: MD 223 to US 301

US 1 Northbound: MD 193 to Montgomery Road

US 301 Southbound: Missouri Ave to McKendree Road/Cedarville Road

Source: Maryland Department of Transportation State Highway Administration, *2018 Maryland State Highway Mobility Report*; Department of Legislative Services

Although 22 of the most congested corridors are located in either Montgomery or Prince George's counties, the Smart Traffic Signals initiative includes only 1 corridor in Montgomery County and 3 in Prince George's County.

Funding

The MDOT JCR response noted that expenditures to date had been \$3.1 million and that an additional \$5.4 million would be expended in fiscal 2020 to complete phases 1 and 2. This is substantially less than the original announced cost of \$50.3 million for the original 14 corridors. The CTP includes a Project Information Form showing programmed spending of \$30.2 million for smart traffic signals and \$20.1 million that is planned for expenditure in years beyond the end of the current CTP.

MDOT should comment on why the most congested corridors in the State would not benefit from smart traffic signals or, if this technology could benefit these corridors, why they are not included in the Smart Traffic Signals initiative. MDOT should also provide clarification on how the \$50.3 million initiative funding estimate was derived and the number of corridors that will ultimately be funded through this initiative.

3. Gap Between SOGR Needed Funding and Projected Available Funding for Highway System Estimated to Be \$4.3 Billion Over 10 Years

The MDOT Fiscal 2021 Budget Overview included a discussion of the 10-year \$1 billion funding gap between programmed funding and funding needs to address the transit SOGR backlog identified in the Maryland Transit Administration Capital Needs Inventory report that was prepared

pursuant to Chapter 352 of 2018. In its testimony, MDOT indicated that the transit SOGR backlog was on par with similar transit systems throughout the United States and that a similar analysis for SHA indicated a gap between programmed funding and funding need for SOGR of \$4.1 billion over 10 years. When MDOT provided the detail, the total need was identified at \$4.3 billion. **Exhibit 15** shows the identified 10-year SOGR funding need, projected funding available, and resulting funding gap identified.

Exhibit 15
State of Good Repair
10-year Funding Needs vs. Projected Available Funding
(\$ in /Millions)

<u>Asset Category</u>	<u>10-year Funding Need</u>
Structures	\$3,090.0
Drainage	1,320.0
Intelligent Transportation Systems	235.0
Pavement	3,210.0
Safety Infrastructure	1,253.0
Facilities	447.0
Bike/Pedestrian Access	170.0
Fleet	194.7
Total Funding Need	\$9,919.7
State of Good Repair Projected Funding	\$5,599.4
State of Good Repair Funding Gap	\$4,320.3

Source: Maryland Department of Transportation; Department of Legislative Services

4. Legislative Priorities Have Little Impact on Timing and Funding of Transportation Capital Projects

The 2019 JCR included committee narrative requesting MDOT to report on several transportation capital projects identified as legislative priorities and indicate, among other things, challenges in moving each project forward and potential options to accelerate the project schedule. The narrative also expressed the intent of the budget committees that MDOT give the listed projects additional consideration when developing the CTP. **Exhibit 16** lists the challenges and options to accelerate identified by MDOT for each of the projects included in the narrative.

Exhibit 16
Challenges and Options for Accelerating
Transportation Capital Projects Identified as Legislative Priorities

Southern Maryland Rapid Transit

Challenges: Right-of-way preservation is needed.

Options to Accelerate: The Maryland Department of Transportation (MDOT) has encouraged the counties to pursue right-of-way preservation and to match \$2.5 million in State funding with \$1.25 million each from the counties to continue planning or right-of-way activities. The Charles County Board of Commissioners indicated in April 2019 that Charles County would not be providing a match to the State funding restricted in the fiscal 2020 budget for right-of-way acquisition and preliminary planning.

Addition of a New Stop on the Maryland Area Regional Commuter Camden Line at Cheverly

Challenges: CSX will not permit the construction of any additional stations along the Camden Line unless another station is decommissioned and closed.

Options to Accelerate: Identify an existing station to close and initiate planning of a station at this location including station area planning, ridership projections and community outreach.

Streetscape Improvements on MD 193 from MD 201 to US 1

Challenges: New project; second priority for Project Planning starts for Prince George's County.

Options to Accelerate: Funding from county or other stakeholders; move project higher on county priority letter.

Widening of MD 197

Challenges: Noise mitigation, right-of-way acquisition; utility relocation costs.

Options to Accelerate: Revision of alignment to reduce costs (underway); move project higher than #4 on county priority letter.

Completing Improvements to US 1 (Segment 1) in College Park by 2023

Challenges: Significant utility relocations for all phases.

Options to Accelerate: MDOT now anticipates completion of phase 1 by 2023; further phases will need to be coordinated with the needs of the #1 county priority (MD 210).

Conversion of the Arena Drive/I-495 Interchange to a Diverging Diamond Interchange

Challenges: New project; changes to access to/from I-95/I-495; National Environmental Policy Act document requirements.

Options to Accelerate: Funding from developers and/or county would help move the project into the project planning phase.

MD 202 and Arena Drive

Challenges: New project; challenges unknown.

Options to Accelerate: Prince George's County could start a feasibility study to understand the purpose and need for improvements and possible solutions.

Source: Maryland Department of Transportation; Department of Legislative Services

With the exception of the US 1 Segment 1 project in College Park, which had already begun construction, none of the listed projects have been accelerated in the 2020 CTP, and most are not even included for out-year funding. The widening of MD 197 is in the 2020 CTP, but engineering work on the project that was scheduled to be complete by fiscal 2022 in last year's CTP is now projected to extend through fiscal 2025.

Most transportation capital projects are complex and have a long timeline between project conception and completion. After the need for a project has been identified, most projects involve planning, preliminary design and environmental review, and final design and right-of-way acquisition before construction can begin. As the MDOT JCR response demonstrates, simply identifying a project as a legislative priority is generally not in and of itself effective in moving a project forward, particularly if none of the planning nor preliminary design has been started. In Maryland's strong executive budget system, there is little the General Assembly can do to move specific projects forward except to pass legislation mandating funding. The General Assembly may restrict funding to be used only for a specific project, but the Governor can decide (and has decided) not to spend restricted funds and instead allow the restricted appropriation to cancel at the end of the fiscal year.

5. Transportation Trust Fund under Stress – Recap

There have been signs for several years that the resources of the TTF are no longer adequate to carry out the purpose of the TTF, which is to provide funding for the operational and capital needs of the State's transportation program. In reviewing the fiscal 2021 budgets of MDOT's business units, additional signs of stress on the TTF have become clear. Because discussion of these issues have been scattered throughout the individual business unit analyses, the magnitude of the problem has not been clearly shown. **Exhibit 17** provides a summary of the indicators that have been identified.

Exhibit 17
Symptoms of Transportation Trust Fund Inadequacy

Reliance on Outside/Nontraditional Funding

- \$903 million general fund support for WMATA capital grant.
- \$40 million general fund support for Howard Street Tunnel.
- \$124.5 million general obligation bond support for Howard Street Tunnel.
- \$350 million in new revenue bond debt utilized for BWI Thurgood Marshall Airport.
- \$150 million in loans from the Maryland Transportation Authority for MDOT capital projects.

Capital Program

- \$889 million decline in special funds for the capital program compared to prior year CTP.
- System preservation/state of good repair backlog:
 - \$4.3 billion State Highway Administration;
 - \$1 billion MTA (additional \$1 billion gap for enhancements);
 - \$750 million Maryland Port Administration;
 - \$345 million Maryland Aviation Administration; and
 - Ceding control of State right-of-way on I-495/I-270 for 50 years for toll project.

Underfunding

- \$5 million for MTA Pension Plan.
- \$5 million for snow removal/winter maintenance expenses.

BWI: Baltimore-Washington International Thurgood Marshall Airport

CTP: *Consolidated Transportation Program*

MDOT: Maryland Department of Transportation

MTA: Maryland Transit Administration

WMATA: Washington Metropolitan Area Transit Authority

Source: Department of Legislative Services

6. A Portion of the Bay Restoration Fund Balance Could Be Used to Fund SHA Watershed Implementation Plan Projects

As discussed in the Capital Budget Fiscal Briefing, the Bay Restoration Fund is projecting fund balances of not less than \$30 million and as much as \$81.6 million between fiscal 2021 and 2030. The Department of Legislative Services is recommending that the Budget Reconciliation and Financing Act be amended to provide for a transfer of \$25 million from the Bay Restoration Fund to the TTF to help fund projects under SHA's Total Maximum Daily Load Program that helps improve the water quality of the Chesapeake Bay. This would allow for a corresponding reduction to the general fund appropriation in the Dedicated Purpose Account for the Washington Metropolitan Area Transit Authority dedicated capital grant.

Operating Budget Recommended Actions

1. Add the following language:

Further provided that \$10,500,266 in special funds is reduced and 146 vacant positions are eliminated from the operating budgets of the department’s units as follows:

<u>Unit</u>	<u>Special Funds</u>	<u>Positions</u>
<u>The Secretary’s Office</u>	<u>\$482,430</u>	<u>5</u>
<u>State Highway Administration</u>	<u>\$3,258,778</u>	<u>52</u>
<u>Maryland Port Administration</u>	<u>\$347,621</u>	<u>4</u>
<u>Motor Vehicle Administration</u>	<u>\$1,298,871</u>	<u>22</u>
<u>Maryland Transit Administration</u>	<u>\$3,788,328</u>	<u>46</u>
<u>Maryland Aviation Administration</u>	<u>\$1,324,238</u>	<u>17</u>
<u>Total</u>	<u>\$10,500,266</u>	<u>146</u>

Further provided that the Maryland Department of Transportation is authorized to increase by budget amendment the special fund capital appropriation for the Maryland Port Administration by \$10,000,000 to provide a portion of the funds needed for the Howard Street Tunnel Project.

Explanation: This language eliminates 146 vacant positions and associated funding from the operating budget that are above the number of vacancies each unit needs to maintain to meet budgeted turnover. The language also authorizes the department to increase the special fund capital appropriation by budget amendment for the Maryland Port Administration by \$10 million in support of the Howard Street Tunnel Project using the funds freed up through this reduction.

	<u>Amount Reduction</u>
2. Level fund building/road repairs and maintenance due to the mild winter lessening road repair needs.	\$ 3,607,800 SF
Total Special Fund Reductions	\$ 3,607,800

PAYGO Budget Recommended Actions

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

J00B01 – MDOT – State Highway Administration

. provided that \$28,157 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 the audit reports and the Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2017, 2018, and 2019. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: Deer Park has not submitted the required audit reports and the Uniform Financial Reports for several years. This language restricts transportation aid to Deer Park until the required documents have been submitted for all delinquent years.

Information Request	Author	Due Date
Audit reports and Uniform Financial Reports for fiscal 2017 through 2019	Deer Park	Prior to distribution of funds

Appendix 1

2019 Joint Chairmen’s Report Responses from Agency

The 2019 *Joint Chairmen’s Report* (JCR) requested that the State Highway Administration (SHA) prepare six reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Southern Maryland Rapid Transit – Report on Certification of Local Matching Funds and How Funds Will Be Expended:*** Language was added to the budget restricting \$2.5 million of SHA capital funds to be used only for purchase of right-of-way and/or preliminary engineering for the Southern Maryland Rapid Transit Project. Expenditure of the funds was contingent on Charles and Prince George’s counties each providing matching funds of \$1.25 million. By a letter dated April 3, 2019, the Charles County Board of Commissioners informed the Senate Budget and Taxation Committee that Charles County would not be providing a matching fund, which eliminated the need for SHA to submit the report.
- ***Smart Traffic Signals:*** SHA provided a progress report on phases 1 and 2 of its Smart Traffic Signals initiative indicating that 13 of the 28 corridors comprising both phases of the initiative had been activated. Further discussion of this data can be found in Issue 2.
- ***Transportation Capital Projects – Legislative Priorities:*** SHA provided information on each of the projects identified in the narrative as legislative priorities. Further discussion of this data can be found in Issue 4.
- ***Materials Technology and Construction Techniques to Reduce the Incidence of Pothole Formation:*** SHA summarized its current practices and methods for identifying and evaluating materials and techniques that are utilized to make roadways more resistant to pothole formation.
- ***Baltimore City Department of Transportation – Report on Transportation Information on Its Website:*** Budget language restricted a portion of Baltimore City’s transportation aid pending creation of a webpage on the Baltimore City Department of Transportation’s (BCDOT) website providing project scheduling information. BCDOT reported that the requested information is now being posted to its website.
- ***Baltimore City Department of Transportation – Report on Plan to Update Truck Route Signage:*** Budget language restricted a portion of Baltimore City’s transportation aid pending a report on a plan to update truck route signage in Baltimore City and a timeline for creation of a global positioning system (GPS) truck route map. BCDOT reported that the GPS information was available to mobile mapping companies for incorporation into mapping applications and also reported on its progress in updating truck route signage throughout the city.

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

<u>Object/Fund</u>	<u>FY 19</u> <u>Actual</u>	<u>FY 20</u> <u>Working</u> <u>Appropriation</u>	<u>FY 21</u> <u>Allowance</u>	<u>FY 20 - FY 21</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	1,425.50	1,420.50	1,425.50	5.00	0.4%
02 Contractual	24.53	35.45	16.00	-19.45	-54.9%
Total Positions	1,450.03	1,455.95	1,441.50	-14.45	-1.0%
Objects					
01 Salaries and Wages	\$ 119,340,259	\$ 124,678,327	\$ 125,944,921	\$ 1,266,594	1.0%
02 Technical and Spec. Fees	6,198,377	9,319,181	9,192,580	-126,601	-1.4%
03 Communication	2,611,720	2,905,719	2,647,348	-258,371	-8.9%
04 Travel	758,905	592,428	597,470	5,042	0.9%
06 Fuel and Utilities	10,626,160	11,119,267	10,937,988	-181,279	-1.6%
07 Motor Vehicles	16,751,819	15,237,246	15,155,853	-81,393	-0.5%
08 Contractual Services	125,970,602	113,698,866	118,336,464	4,637,598	4.1%
09 Supplies and Materials	25,973,390	27,987,520	27,902,573	-84,947	-0.3%
10 Equipment – Replacement	433,098	607,878	665,034	57,156	9.4%
11 Equipment – Additional	162,252	93,448	168,381	74,933	80.2%
12 Grants, Subsidies, and Contributions	1,879,165	3,173,289	2,814,510	-358,779	-11.3%
13 Fixed Charges	657,879	711,302	729,480	18,178	2.6%
Total Objects	\$ 311,363,626	\$ 310,124,471	\$ 315,092,602	\$ 4,968,131	1.6%
Funds					
03 Special Fund	\$ 298,286,835	\$ 292,110,263	\$ 298,553,957	\$ 6,443,694	2.2%
05 Federal Fund	13,076,791	18,014,208	16,538,645	-1,475,563	-8.2%
Total Funds	\$ 311,363,626	\$ 310,124,471	\$ 315,092,602	\$ 4,968,131	1.6%

MDOT: Maryland Department of Transportation

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.

Appendix 3
Fiscal Summary
MDOT – State Highway Administration

<u>Program/Unit</u>	<u>FY 19 Actual</u>	<u>FY 20 Wrk Approp</u>	<u>FY 21 Allowance</u>	<u>Change</u>	<u>FY 20 - FY 21 % Change</u>
01 State System Construction and Equipment	\$ 1,308,125,644	\$ 1,427,849,000	\$ 1,238,816,000	-\$ 189,033,000	-13.2%
02 State System Maintenance	297,776,306	294,677,078	299,555,385	4,878,307	1.7%
03 County and Municipality Capital Funds	69,161,188	71,800,000	71,800,000	0	0%
04 Highway Safety Operating Program	13,587,320	15,447,393	15,537,217	89,824	0.6%
05 County and Municipality Funds	183,348,097	259,016,000	264,193,664	5,177,664	2.0%
08 Major IT Development Projects	5,007,426	6,219,000	4,912,000	-1,307,000	-21.0%
Total Expenditures	\$ 1,877,005,981	\$ 2,075,008,471	\$ 1,894,814,266	-\$ 180,194,205	-8.7%
Special Fund	\$ 1,305,155,822	\$ 1,328,855,263	\$ 1,190,862,621	-\$ 137,992,642	-10.4%
Federal Fund	571,850,159	746,153,208	703,951,645	-42,201,563	-5.7%
Total Appropriations	\$ 1,877,005,981	\$ 2,075,008,471	\$ 1,894,814,266	-\$ 180,194,205	-8.7%

IT: information technology

MDOT: Maryland Department of Transportation

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.

Appendix 4
Budget Amendments for Fiscal 2020
Maryland Department of Transportation
State Highway Administration – Operating

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Approved	\$2,744,034	Special	Funding for the 3% general salary increase effective July 1, 2019, and the annualization of the April 2018 general salary increase of 0.5%.
	175,149	Federal	
Total	\$2,919,183		
Approved	-\$119,495	Federal	Technical amendment fixing allocation of reductions in health insurance contribution funding required by Section 44 of the fiscal 2020 Budget Bill.

Source: Maryland Department of Transportation

Appendix 5
Budget Amendments for Fiscal 2020
Maryland Department of Transportation
State Highway Administration – Capital

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Approved	\$3,725,700	Special	Funding for the 3% general salary increase effective July 1, 2019, and the annualization of the April 2018 general salary increase of 0.5%.
	556,713	Federal	
Total	\$4,282,413		
Approved	-\$140,661	Federal	Technical amendment fixing allocation of reductions in health insurance contribution funding required by Section 44 of the fiscal 2020 Budget Bill.
Projected	\$34,801,139	Special	Adjusts the amended appropriation to agree with the final fiscal 2020 to 2025 <i>Consolidated Transportation Program</i> .
	37,586,948	Federal	
Total	\$72,388,087		

Source: Maryland Department of Transportation