



State of Delaware

Department of Transportation

Joint Finance Committee Hearing

February 13, 2012

TEAM DeIDOT

- **T**ransparent

- Real Estate Acquisition Safeguards

- **E**fficient

- Natural Disaster Response
- Highway-Speed EZ Pass Lanes



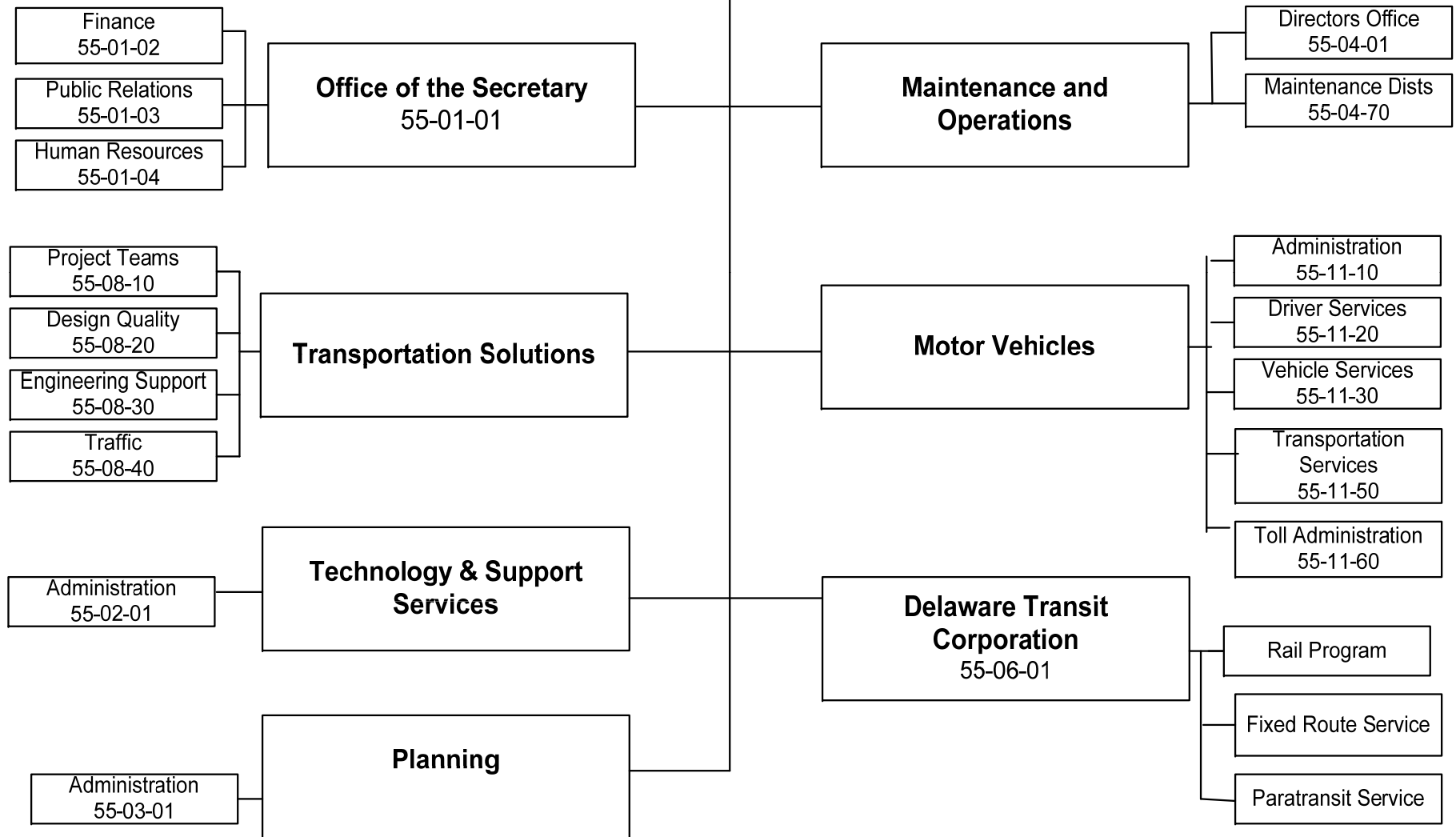
- **A**ccountable

- Dashboard (performance measures, service levels, customer satisfaction)

- **M**easured

- Improved Customer Service
 - DMV (wait time improvements, 8 year driver license)
 - DTC (arrival times, electronic route information)
- Performance Measures

Department of Transportation



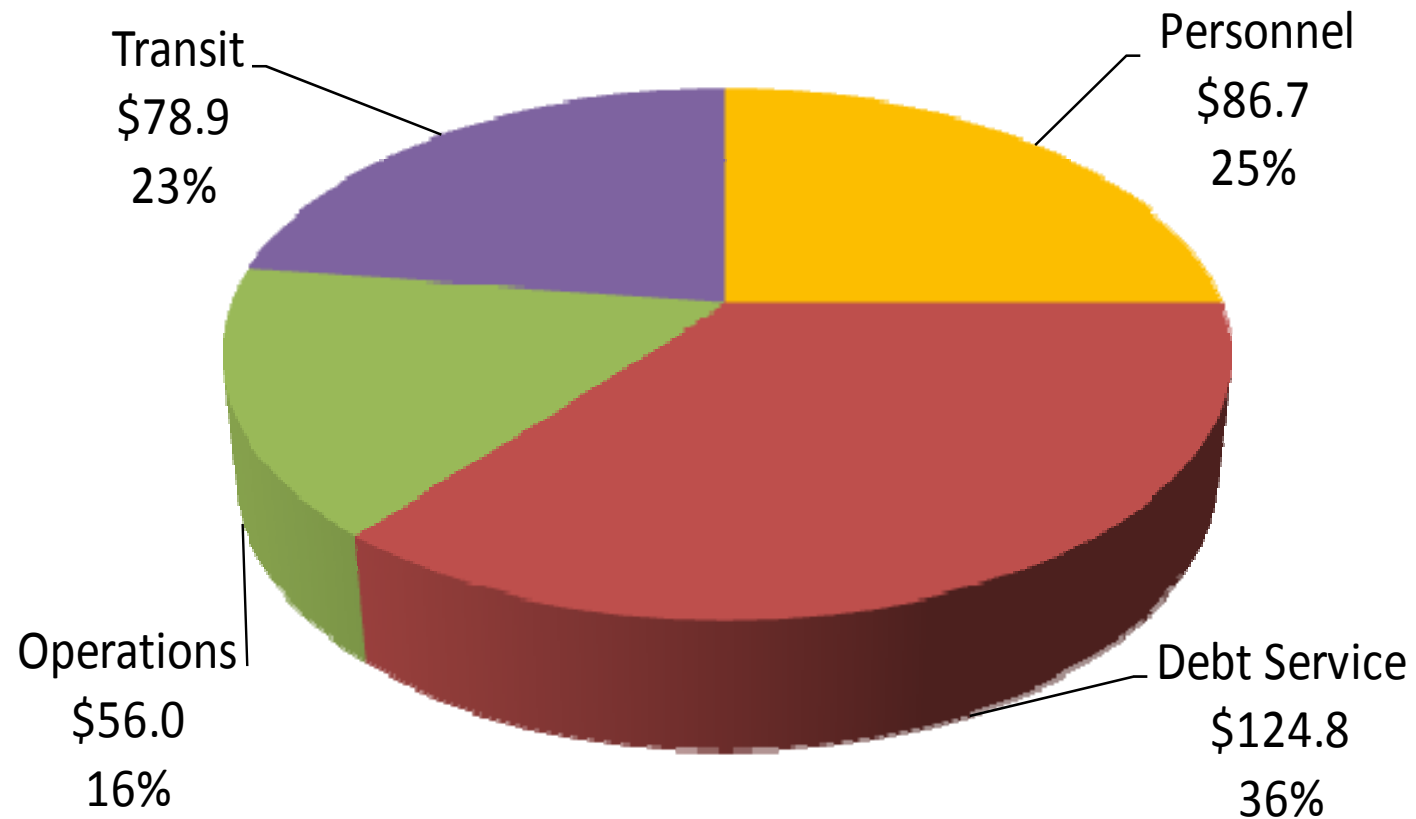
DelDOT's Budget Goals

A New Way of Doing Business

- **Robust**
 - **Maintaining a robust capital plan that will create jobs, while meeting the growing transportation needs of the state**
- **Realistic**
 - **More closely aligning agency staff and financial resources with our capital program and operational needs**
- **Responsible**
 - **Managing the agency's future indebtedness, while achieving savings in our borrowing costs**

FY13 Recommended Operating Budget

Total Operating Budget:
\$346.4 million



FY13 Operating Budget Comparison

(in Millions)

	FY12 Budget	FY13 REQUEST	FY13 RECOMMENDED	FY12 TO FY13 RECOMMENDED
OPERATING	55.2	56.9	56.0	0.8
PERSONNEL	86.6	87.0	86.7	0.1
DTC	77.5	79.8	78.9	1.4
DEBT SERVICE	134.6	132.9	124.8	-9.8
TOTAL	353.9	356.6	346.4	-7.5

FY13 Operating Budget Division Breakdown

(in Millions)

Division	FY12 Base	FY13 Recommended
Office of the Secretary	\$ 1.227	\$ 1.227
Finance	\$ 3.388	\$ 3.349
Public Relations	\$ 1.171	\$ 1.171
Human Resources	\$ 1.896	\$ 1.849
Tech & Support Services	\$ 19.415	\$ 19.286
Planning	\$ 6.325	\$ 6.282
Maintenance & Operations	\$ 58.073	\$ 57.740
Transit Corporation	\$ 77.515	\$ 78.957
Debt Service	\$134.647	\$124.753
Transportation Solutions	\$ 15.072	\$ 15.375
Motor Vehicles	\$ 35.245	\$ 36.451
TOTAL:	\$353.980	\$346.440

FY13 Operating Budget

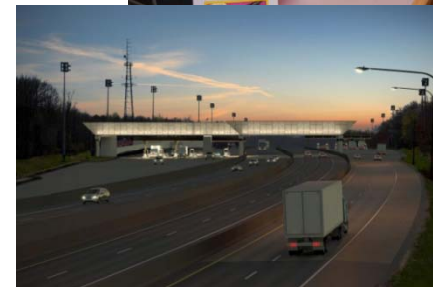
- Highlights:
 - Maintains FY 2012 service levels
 - Strategic review and usage of staffing levels (with no FTE growth)
 - Realistic focus on debt service
 - Compliance with contractual requirements
 - Comprehensive budget request process

TTF Revenue Sources

- Revenue Projections

(In millions based on December DEFAC):

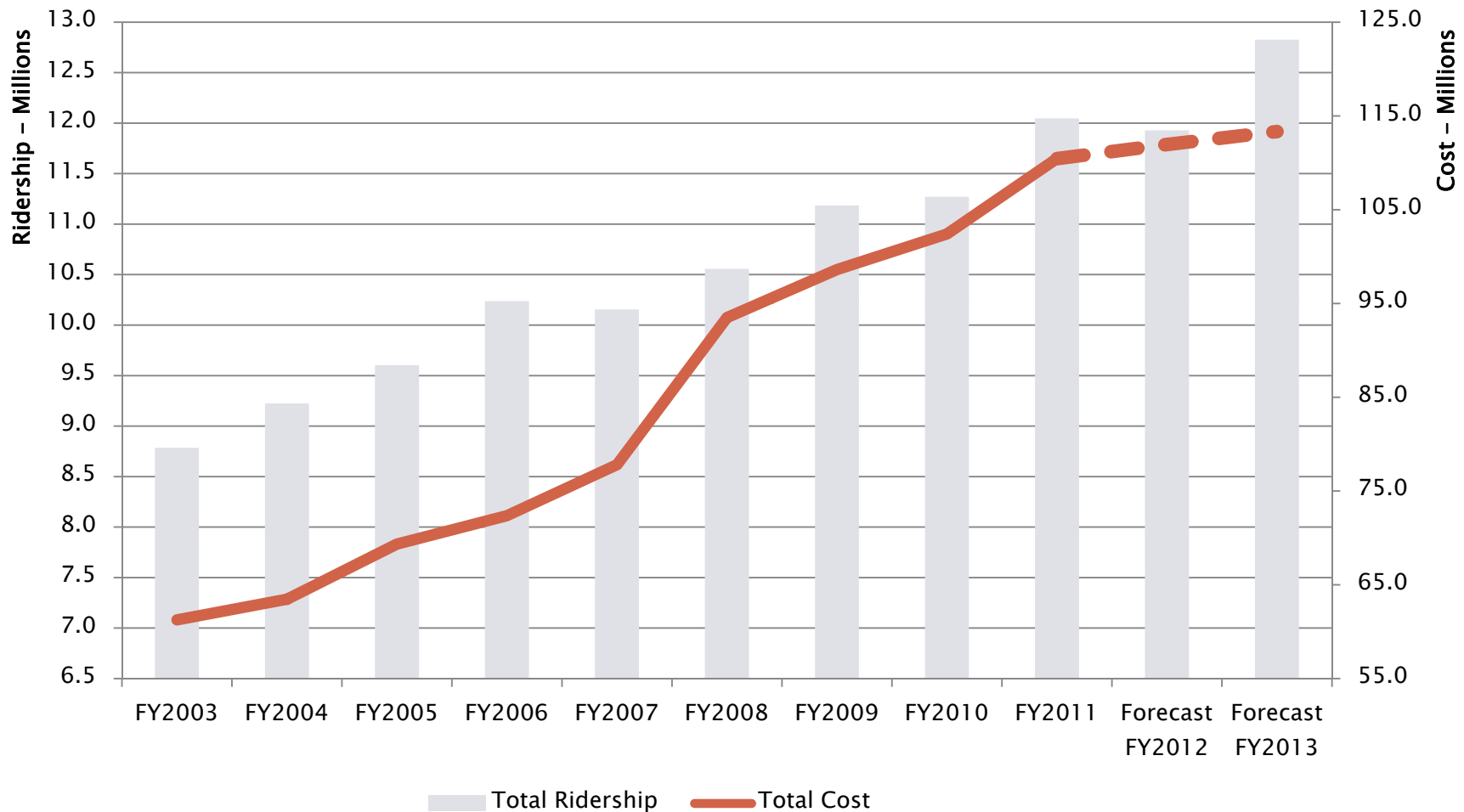
	<u>FY 12</u>	<u>FY13</u>
Tolls (I-95, SR1)	\$160.6	\$162.6
DMV Fees (License, Registration, Titles)	\$139.2	\$143.3
Motor Fuel Tax	\$113.2	\$115.5
Transit	\$17.7	\$18.8
<u>Other</u>	<u>\$18.6</u>	<u>\$19.1</u>
Total	\$449.3	\$459.3
Projected Additional Revenues:		
Escheat	\$40.0	\$20.0
Bond Proceeds	\$0	\$30.0



Operating Budget Challenges

- Energy Costs (Facility/Fuel)
- Emergency Situations/Weather events
- Agency Reform
- Federal Activity
- DTC Operations
 - Increase in Paratransit Service
 - Increase in Rail Service

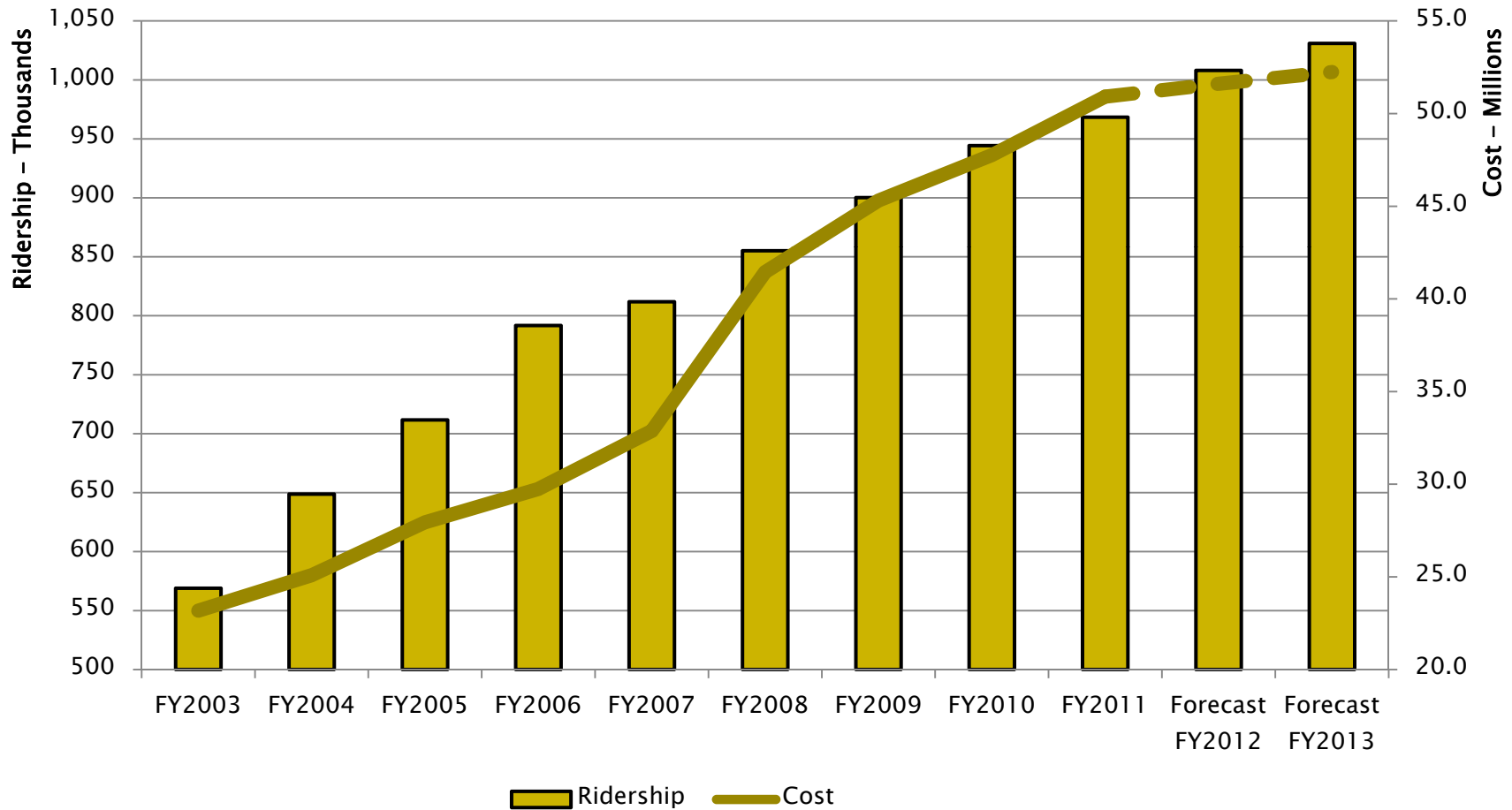
Total Transit Ridership & Cost Growth



Actual Ridership has increased by 3,261,872 trips (37%) since FY2003

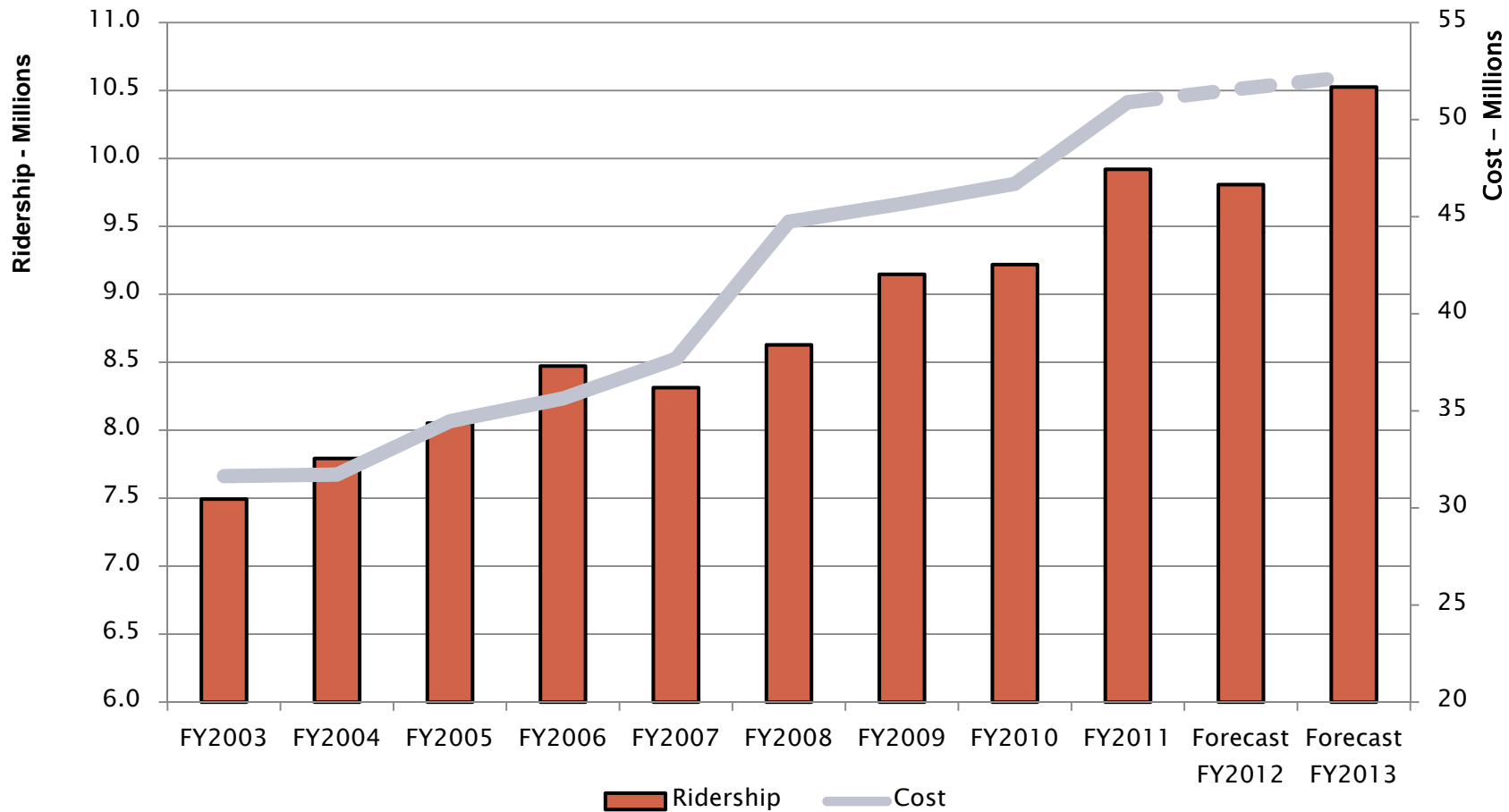
Actual Cost has increased by \$49,193,819 (80.3%) since FY2003

Paratransit Ridership & Cost Trends



Actual Ridership has increased by 399,433 trips (70%) since FY2003
 Actual Cost has increased by \$27,739,892 (119.7%) since FY2003

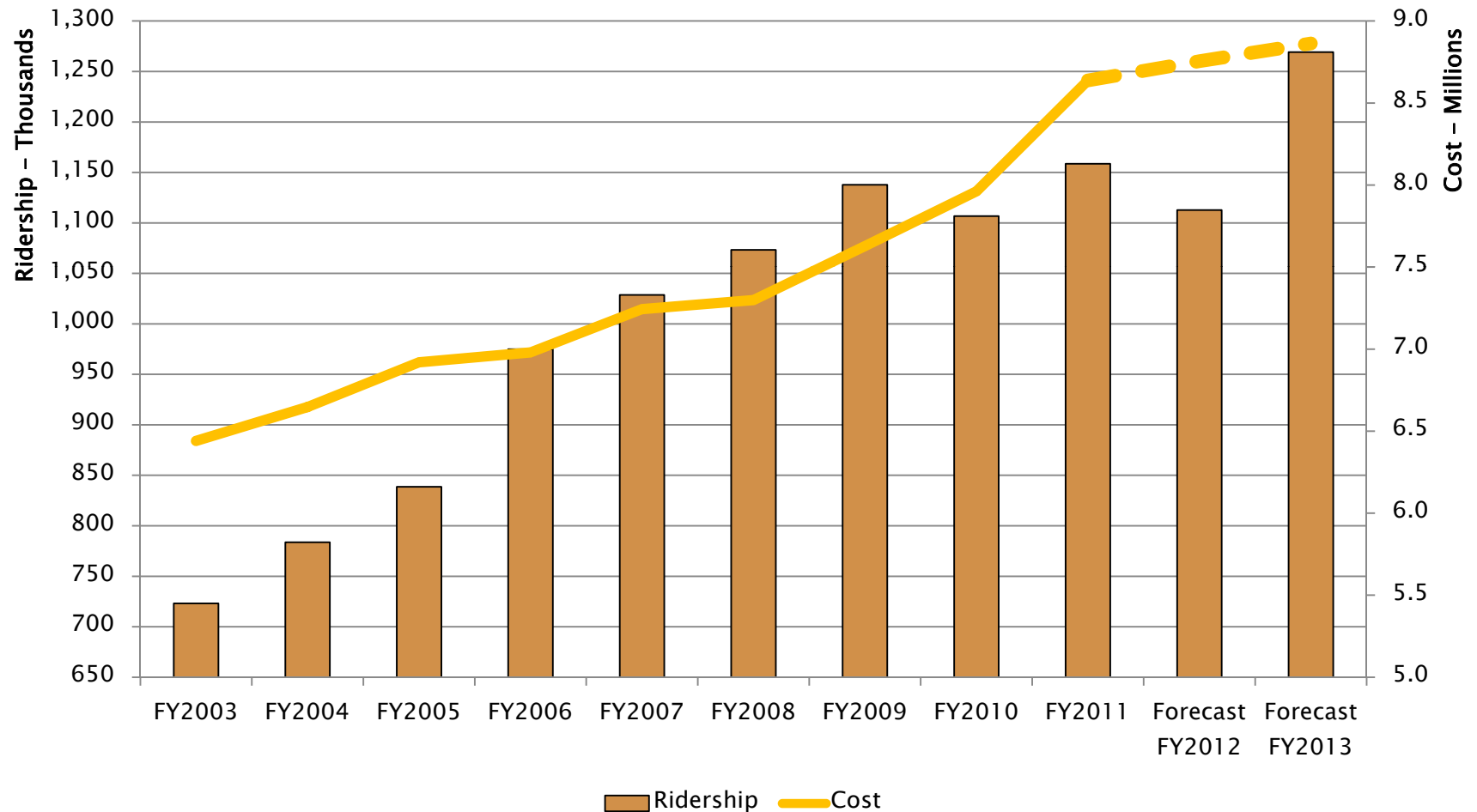
Fixed Route Ridership & Cost Trends



Actual Ridership has increased by 2,426,999 trips (33%) since FY2003

Actual Cost has increased by \$19,256,746 (60.9%) since FY2003

Rail Ridership & Cost Trends



Actual Ridership has increased by 435,440 trips (60%) since FY2003

Actual Cost has increased by \$2,197,181 (34.1%) since FY2003

DelDOT's Budget Goals

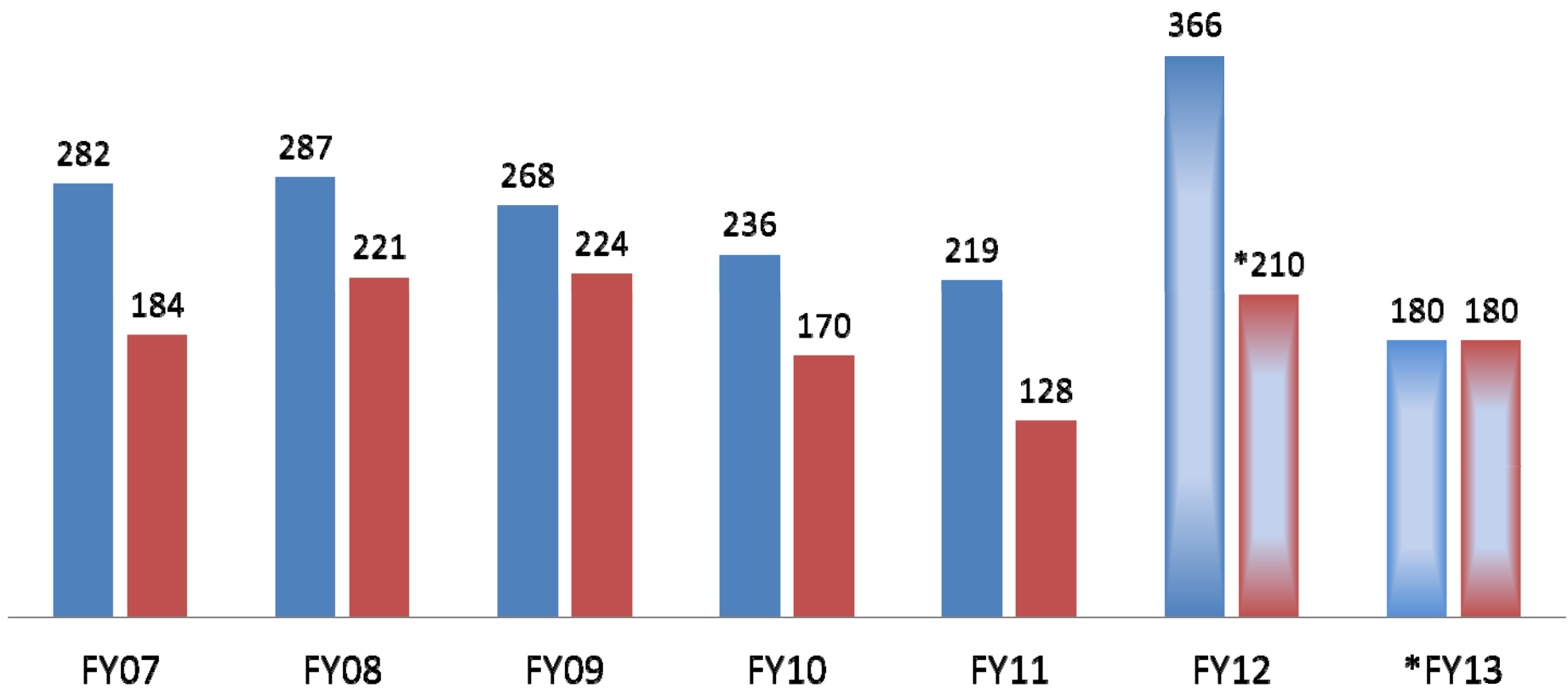
A New Way of Doing Business

- **Management of Core Infrastructure** (maintain state of good repair)
 - Pavement and Rehabilitation**
 - *Pavements – 89% Fair or better condition Statewide (99.8% on Interstate)*
 - Bridge Maintenance & Preservation**
 - *Bridges – 94% in Fair or better condition Statewide (100% on Interstate)*
 - Vehicles, Equipment & Facilities**
 - *Maintain vehicle and equipment to extend useful life.*
 - *(96.4% Good Condition, 88% within useful Life Cycle, 12%-15% average annual replacement)*
- **Prioritization Process for Capital Projects**
 - **Investing tax dollars wisely**
 - **Creating a matrix to evaluate projects on:**
 - Safety
 - Economic Development
 - Capacity/Congestion
 - Environmental Impact
 - Asset Preservation
 - Quality of Life

DelDOT's State Capital Spend

■ Projected ■ Actual

In millions



*Anticipated

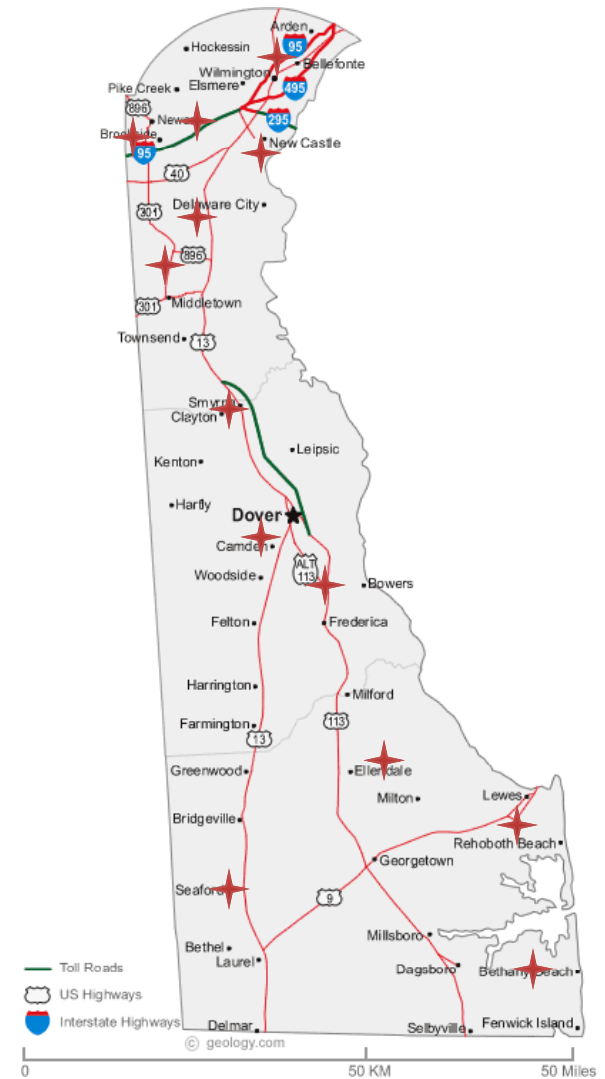
Transportation Trust Fund (TTF) 2011 Task Force Report

- **Task Force Report**
 - Explored revenue and capital cost assumptions for the TTF
 - TTF could not meet the unfunded demand for future projects
 - Recommendations included:
 - Increase existing revenue and find new sources of revenue
 - Shift costs of operations to the General Fund
 - TTF was headed for a crisis if DelDOT continued to do business as usual
- **Path Forward – A New Way of Doing Business**
 - Determine want vs. need
 - Delaware's infrastructure is in good condition
 - Measured approach needed to evaluate all projects
 - Managing debt service, while maintaining a state of good repair
 - Work with Bond Bill Committee and other key stakeholders

Example of Major Projects

(State and Federal Funding)

- **I-95 & US 202**
- **SR1 & I-95 Interchange**
- **Elkton Road, Newark**
- **US 301 Maryland State Line to SR 1 (ROW)**
- **Washington Street, New Castle**
- **West Dover Connector (Design)**
- **Carter Road, Smyrna**
- **SR 1/SR 30 Grade Separation**
- **US 13, Seaford Intersection Improvements**
- **SR 26, Atlantic Avenue**
- **Safety Projects Statewide**
- **Bike/Ped paths Statewide**



Questions/Comments