



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
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 DOVER, DELAWARE 19903

SHANTÉ A. HASTINGS
 SECRETARY

Delaware Task Force on Sustainable Transportation Funding Meeting #1 Minutes

Monday, October 27, 2025, at 1:00 p.m.
 800 Bay Road, Dover, DE – Delaware Conference Room and Zoom

MEMBERS	PRESENT	OTHER ATTENDEES	
Shanté Hastings, Chair	Yes	Meaghan Barna, DelDOT*	Robert Scoglietti, CGO*
Chris Baker	Yes	Anne Brown, DelDOT	Rep. Bryan Shupe*
Kendall Barbour	Yes*	Lanie Clymer, DelDOT	John Sisson, DTC
Paul Bauer	Yes	Marc Cote, Rossi Group*	Geoff Stewart, PFM*
Ken Branner	Yes	Julie Fedele, CGO*	Aimee String, DelDOT*
Robin Christiansen	Yes	Sarah Fulton*	
Rep. Rich Collins	Yes	Austin Gray, DelDOT*	
Chris Duke	Yes	Bria Greenlee*	
John Gooden	Yes	Amanda Giuttari, DelDOT*	
Sean Matthews	Yes	Stephanie Johnson, DelDOT*	
Brian Maxwell	Yes*	Tammie Kanich, Leg. Hall*	
Alex Meitzler	Yes	Mark Luszcz, DelDOT	
Rep. Ed Osienski	Yes	Matt Magarity, PFM*	
Sen. Brian Pettyjohn	Yes*	Alan Marteney, Kleinfelder*	
Nicole Pilchard	Yes*	Valerie McCartan	
Michael Smith	No	Rob McCleary, GPI*	
Sen. David Sokola	Yes	C.R. McLeod, DelDOT*	
Chris Ware	Yes	Jeff Riegner, Kittelson*	
Ted Williams	Yes	Chris Rubino, KCI*	

* Attended Virtually

I. Introduction

Sec. Hastings opened the meeting with a welcome. All task force members introduced themselves.



II. Review of EO #14 and Task Force Purpose/Responsibilities

Sec. Hastings reviewed the purpose of the task force and Executive Order Number 14. The task force is made up of 19 members and the Governor can appoint additional members. Any member that wishes to designate someone to attend in their place for one meeting or attend in their place long-term will have to submit in writing the request for the Governor to approve. DelDOT staff will be supporting this task force. Sec. Hastings stated that the Department requested that the Governor create the task force to discuss long-term sustainability of the Transportation Trust Fund (TTF).

III. Overview of 2011 TTF Task Force Report

Ted Williams, the Chair of the Council on Transportation and the chair of the previous task force gave a brief overview which included the purpose and FY12-23 TTF challenges.

IV. DelDOT 101

Sec. Hastings gave an overview of the Department.

- Safety/Safe System Approach (slides 13-14) – An update was provided on fatal crashes for 2025 as compared to 2024 and 2023. Fatalities are down roughly 16% from this time last year and down roughly 19% from 2023. However, since September fatalities have been occurring at a faster rate. The Safe System Approach, a national transportation safety initiative initiated by the Federal Highway Administration, was also reviewed. Sen. Sokola commented that as a 35-year legislator, he receives frequent requests from constituents about safety issues. He noted that there are multiple stakeholders engaged in safety elements. Sec. Hastings referred to the Safe System Approach wheel noting the section for Safer Speeds and that the department partners with law enforcement and the Office of Highway Safety for education and awareness and then Emergency Services, which is all a collective effort.
- Statistics for DelDOT, DMV and DTC (slides 15-17) – DelDOT’s assets and DMV and DTC’s operational data were reviewed with the task force.
- Staffing (slide 18) – The full-time and casual seasonal staff of DelDOT/DMV and DTC were presented. There are 1,882 full-time and 418 casual seasonal positions within DelDOT/DMV. There are 1,163 full-time and 37 casual seasonal positions within DTC.
- Organizational Structure (slide 19) – Leadership of the Department includes the Secretary and Deputy Secretary along with nine Directors. Two of the divisions, Human Resources and Technology and Innovation, have staff that report to other state agencies (Department of Human Resources and Department of Technology and Information) and the DelDOT is required to cover their salaries in its operating budget.
- Priorities (slide 20) – The Department has four overarching priorities: Safety, State of Good Repair/Asset Management, Multi-Modalism, and Resiliency.
- Roads/Bridges Federal Funding Eligibility – Roads are eligible for federal funding based on their functional classification of interstate, arterial or major collector. Bridges are eligible for federal funding if they meet the National Bridge Inventory length (greater than 20’), carry vehicular traffic, and are open to the public regardless of roadway classification. New Castle County has 75% of its roads eligible for federal funding and 57% of its bridges eligible; Kent County has 40% of its road and 47% of

its bridges eligible; and Sussex County has 35% of its roads and 30% of its bridges eligible. State funding must be used on ineligible roads and bridges. Sen. Sokola asked about railroad bridges and where they fall. Sec. Hastings stated that railroad bridges are owned and maintained by the railroads, but the Department is responsible for railroad crossings. There is rail funding from FHWA that is used to improve crossings and their approaches including signage.

- FY26 Operating and Capital Budgets (slides 24-25) – In FY26, DelDOT estimates it will bring in \$1.15B from DMV fees, tolls, motor fuel tax, federal funding, DTC fares, and several smaller sources. The Department must pay its debt service (\$91.5M), operating costs (\$229.3M) and DTC subsidy first (\$158.3). Any remaining funding (\$665.4M) is designated to the capital program.
- US 301 (slides 26-28) – The US 301 project was reviewed along with its FY26 budget. Its revenue and expenditures are tracked separately due to its financing structure. For FY26, the projected revenue is \$33M, which will be used to pay debt service (\$18.8M), operating costs (\$4.5M), and repair and replacement fund (\$4.7M). Excess revenue is anticipated to be \$2.7M and will be split between an extra payment for our TIFIA loan and the TTF. US 301 was paid for using traditional and innovative financing, including toll revenue bonds, GARVEE bond and TIFIA loan. As part of the financial plan, the Department was required to create a toll stabilization fund and repair and replacement fund to ensure that the road would not require any funding from the TTF. Sec. Hastings remarked that this is an excellent model for toll roads.
- Revenue History and Forecast FY20-FY32 (slide 29) – Historical and projected revenues were presented for FY20 through FY32. The 2025 revenue package has been implemented including toll increases in August 2025 and DMV fee increases, document fee increases and the new Alternative Fuel Vehicle fee in October 2025.
- Debt Service as a Percentage of Revenue (slide 30) – The debt service as a percentage of revenue performance measure was implemented as a result of the 2011 Task Force Report. The Department has remained below 20% since 2016 with the exception of the first year of US 301 debt.
- Operating Budget History FY20-26 (slide 31) – The Department’s operating budget has averaged a 4.4% grown between FY 20 and FY26. DelDOT’s operating costs have increased by an average of 6.7%, DTC’s operating costs have increased by an average of 3.1% and US 301 costs have increased by an average of 10.5% (mainly due to the financial plan with debt service increasing over time). DelDOT’s debt service costs have remained relatively flat with an average decrease of 0.2%.
- Capital Budget History and Projection FY19-32 (slides 32-33) – Sec. Hastings reviewed the state and federal capital actual and projected expenditures for FY19 through FY32. The Infrastructure Investment and Jobs Act (IIJA) expires at the end of federal fiscal year 2026. Congress is currently working on the next transportation bill. Due to the uncertainty of funding levels, the Department has taken a conservative approach showing \$50M less per year in federal funding starting in FY29. Projections will be adjusted once we have more certainty hopefully in the fall of 2026.

Questions & Comments

Ted Williams: If I recall correctly in the capital programs federal side some of the operating costs related to the design side of those projects can come out of those funds.

Sec. Hastings: Yes, they can but we primarily use federal funding on right of way and construction phases. We use federal funding for some preliminary engineering and construction engineering work. The Department does not use federal funding to fund staff salaries. From the federal government shutdown standpoint, we are still getting reimbursements for all the federal work we are doing, we have a few concerns on environment permit agencies as they have not been working.

Dir. Maxwell: The slide about the 301 uses of funds was very helpful. Is the maintenance and road repair spent every year or does it carry over?

Dep. Sec. Clymer: It is carried over and right now we have two projects to be funded with the current accrual amount.

Kendall Barbour: How has COVID affected DTC revenue?

John Sisson: Ridership has not recovered from COVID, but the paratransit close to 90% of pre-COVID, fixed route 70-75% of pre-COVID, and SEPTA is 55% of pre-COVID. Revenues have not caught up to pre-COVID levels and it is making the cost of each trip a bit higher since operating costs have increased over time.

V. Transportation Trust Fund Overview

Dep. Sec. Clymer reviewed the history and operations of the TTF (slides 36-49). The TTF was created in 1987 to facilitate a unified transportation system in the State; take advantage of broad financing powers; and consolidate and dedicate transportation related revenue to transportation projects. Transportation-related revenues were transferred to the Department over several years along with operating costs. She reviewed the oversight mechanisms for the TTF and explained the pledged and non-pledged revenues. Dep. Sec. Clymer reiterated how funds flow into and out of the TTF – debt service is paid first, followed by DelDOT’s operating costs, DTC’s operating costs known as the subsidy and remaining funds are used for the capital program. The TTF holds a Aaa rating from Moody’s and a AA+ rating from S&P. She reviewed the borrowing parameters/capacity and history and ended with innovative funding opportunities available to the Department. Those include GARVEE bonds, Build America bonds, and TIFIA loans.

Questions & Comments

Rep. Collins: Was the plan to borrow \$75M every three years part of the Constitutional Amendment that was passed in 2015 or is it connected to it?

Sec. Hastings: The Constitutional Amendment required TTF dollars to be spent solely on transportation.

Rep. Collins: Does that include employees and capital expenses? I thought the \$5M was supposed to increase over time, but there wasn’t an inflation adjustment.

Sec. Hastings: Yes, it includes employee expenses and capital expenses.

Ted Williams: It's important for the group to have perspective about the positive impact of keeping our debt ratio at 20% or lower versus what other states are doing. I know a lot of states in the country are well above 20% and it impacts on their program.

Dep. Sec. Clymer: Yes, we can do some analysis and pull some examples from other states if you would find that helpful. With the credit rating we have our all-in interest rate is 1.53%. The ability to borrow for our capital program at 1.5% is extremely helpful and when you look at other DOTs that may not have the credit rating that we have, they are paying a lot more.

Ted Williams: It would be helpful as the task force considers other alternatives and additional revenues to know what the gas tax is for the surrounding states and even farther states.

Rep. Collins: Delaware's gas tax is extremely low, no question. Do you happen to know off the top of your head what Maryland is? I've had to go to Kent Island quite a bit this year. I'm buying gas for 20, 30 cents less there. And diesel fuel's the same way. Do you have any perspective on why that is? Keeping in mind that we're in competition with other states and if we just raise our tax with our gas already being more expensive that could have a negative impact.

Sec. Hastings: I have opinions on it, but they're not fact-based, so I prefer not to share them. I don't know if others have thoughts that they want to share on it? I've experienced it in several of our surrounding states that all have higher gas taxes and depending on the day or time or where you go, it can be significantly cheaper than the prices that we're paying in Delaware.

Sean Matthews: line and gas is instantly 30 cents a gallon more expensive.

Ted Williams: But the same goes when you go to a station in northern Delaware, it is going to be more expensive than maybe one in the Newark area or down in Dover, because you are getting those folks coming in from Pennsylvania to buy gas, so those dealers up there, they can charge what they desire. And if their demand is such that they can increase it to be only 10-15 cents less than Pennsylvania, then people can cross the line to buy it.

Sen. Sokola: Gas stations also don't just sell gas anymore and those other products can have an impact.

Sen. Sokola: It is also important to note that the bonding rating you referenced is specific to DelDOT bonding for road projects. The bond rating for our schools and courthouses is a separate bond rating.

Dep. Sec. Clymer: That is a good point.

Sean Matthews: Is it correct to infer that what was passed in June gets you through 2028 and then levels off as far as long term expenditures?

Sec. Hastings: Correct. We believe it will sustain us for the next four to five years. It's important to note that we aren't fully funding our paving program and some of the other state of good repair programs. The task force recommendations should be a 20-year look ahead considering our \$3B+ worth of project needs, revenue projections and operating growth.

Sean Matthews: Could staff provide info on this idea for a future meeting? The state does a really good job at varying tolls by weekend versus weekday. Is it legal with our bonds to have the gas tax change based on the month? For example, say you lower it one penny nine months of the year and raise it three pennies three months of the year, so if you live in Delaware year-

round it will be neutral. Is it possible to get more revenue from travelers in peak seasons and be compliant?

Dep. Sec. Clymer: It sounds like you're talking about indexing. We've completed analysis on it in the past and we can provide information on it.

Sen. Pettyjohn: Has there been any thought of placing a surcharge fee on the public EV charging stations? Speaking to the last person that was talking about visitors coming into the area we are not capturing some of the revenue from our visitors because they are charging at our charging stations without paying any type of fuel tax versus Delaware vehicles that now pay that AFV fee or if they are a visitor filling up with fuel we're getting motor fuel tax from them.

Sec. Hastings: We have not put anything forth. We did get the authority to charge a fee for state-owned chargers a year or so ago. We are not allowed to make revenue though so the fees must be revenue neutral. We have not specifically looked at the private chargers, but it will be something the Task Force does review. We can pull together info from surrounding states on whether they are or aren't charging and what the rates are based on kilowatt hours.

Ted Williams: Two pieces of information would be helpful to the task force. What are the revenues for electric vehicles versus gas powered vehicles in terms of the new registration fee and motor fuel tax? What increases are you seeing in labor and material costs in comparison to revenue increases?

Sec. Hastings: We can provide information on both.

VI. Review Action Items

Sec. Hastings noted that the Task Force will have a website, and it should be up and running by the end of the week. Meeting materials and other pieces of information will be uploaded, and a link will be sent to everyone. She asked if anyone hasn't had a chance to read through the 2011 Task Force report that they do so prior to the next meeting. Sec. Hastings asked everyone to create a list of information that they want provided or presented. Please review the executive order and what we are tasked with, and what information would help you as we create recommendations. She noted that one task in the executive order is engaging stakeholders in the community, and she would like thoughts on how best to accomplish it. We will have public comment at all of our meetings, but there are other ways to provide engagement. One idea could be a survey.

The next meeting is scheduled for Dec. 1 at 3pm. Members were informally surveyed on whether they'd like to hold it in New Castle County. We will hold the meeting in New Castle County and see how many attend in person then we'll decide on alternating the meeting's location between Kent and New Castle County. The next meeting will include a deeper dive into the operating and capital budgets.

Questions and Comments

Chris Baker: Going back to the stakeholder question – who do we consider our stakeholders?

Sec. Hastings: Anyone who is using transportation.

Chris Baker: That's how I read it. Any certain groups you wanted to consider as far as communication?

Sec. Hastings: It's pretty broad. So many people use transportation even if you don't leave your house, you're using transportation, because you're getting mail delivered, or those packages from different places, or you might be getting medicine delivered. Everybody has a linkage to transportation. The executive order talks specifically, about priorities, values, and funding options. We can think a little bit more about what engagement might look like over the course of this next year.

Alex Meitzler: Is there a way to quantify the benefit versus the cost of not doing state of good repair projects? If you don't take care of the roads, it can lead to safety issues.

Sec. Hastings: Yes. We along with other DOTs across the country typically look at it in the context of having an asset management program and when you don't do preservation, rehabilitation or reconstruction at the right time, work will cost more. The safety linkage is interesting, and I'll need to see what information is available. For safety projects, we have the national Highway Safety Manual that provides crash modification factors for various types of improvements. We also do after action crash analysis to determine how improvements have affected crashes. We do this systematically for roundabouts, all-way stops, and curves for example.

Jeff Stewart: PFM is excited to support the Task Force. We were involved with the previous study and are ready to provide whatever support the group needs.

VII. Public Comment

Rep. Shupe: Can you review getting employee salaries back into the General Fund with a five-year phase in? This would free up capital funding in the TTF.

Adjournment

There being no further business, Sec. Hastings adjourned the meeting at 2:25 p.m.

The next meeting will be held at the DelDOT Canal Administration Building located at 250 Bear Christiana Road, Bear, DE 19701 on December 1 from 3-4:30 p.m.