

Capital Program Committee FY 18 Q2 Capital Spending Update

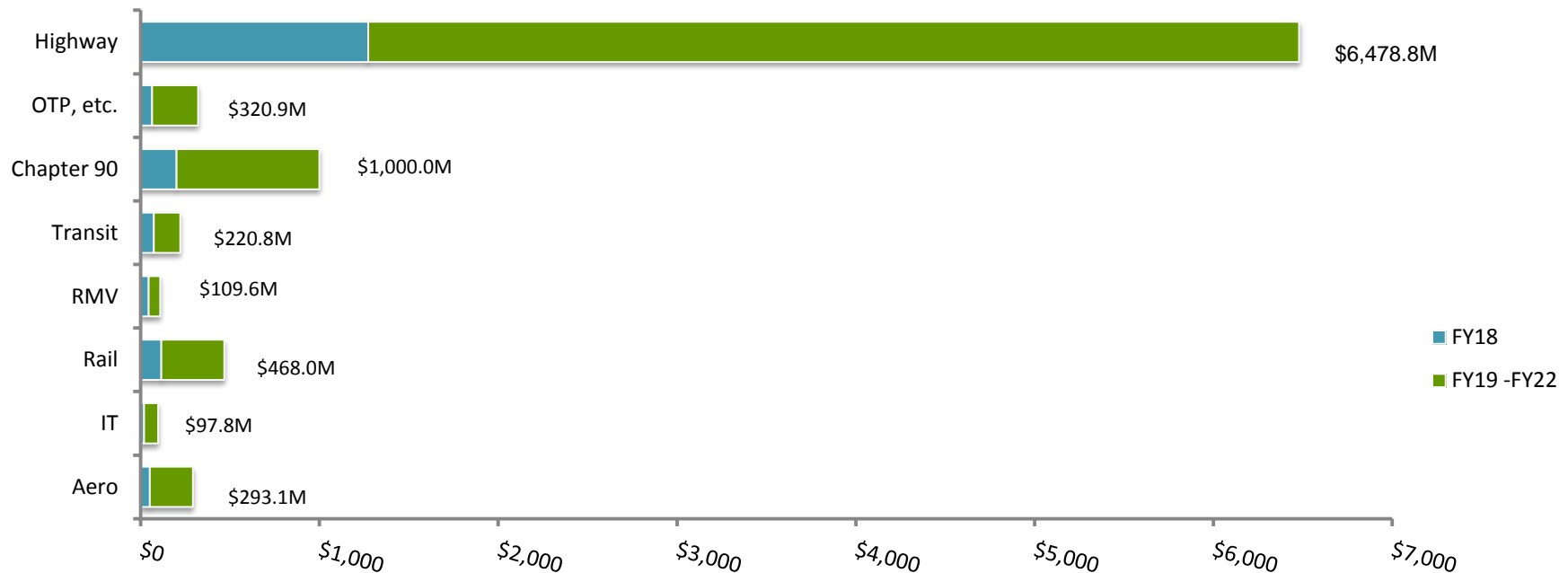
February 6, 2018

FY 2018 Q2 Capital Program Overview

- Summary Overview
- FY 18 Q2 Actuals Compared to Plan
- Capital Planning Improvement Project
- Questions
- Appendix: FY 18 Capital Spending by Division

Summary Overview

MassDOT FY18 – FY22 Capital Investment Plan forecasts \$9.0B in capital spending (excluding MBTA) over the next five years

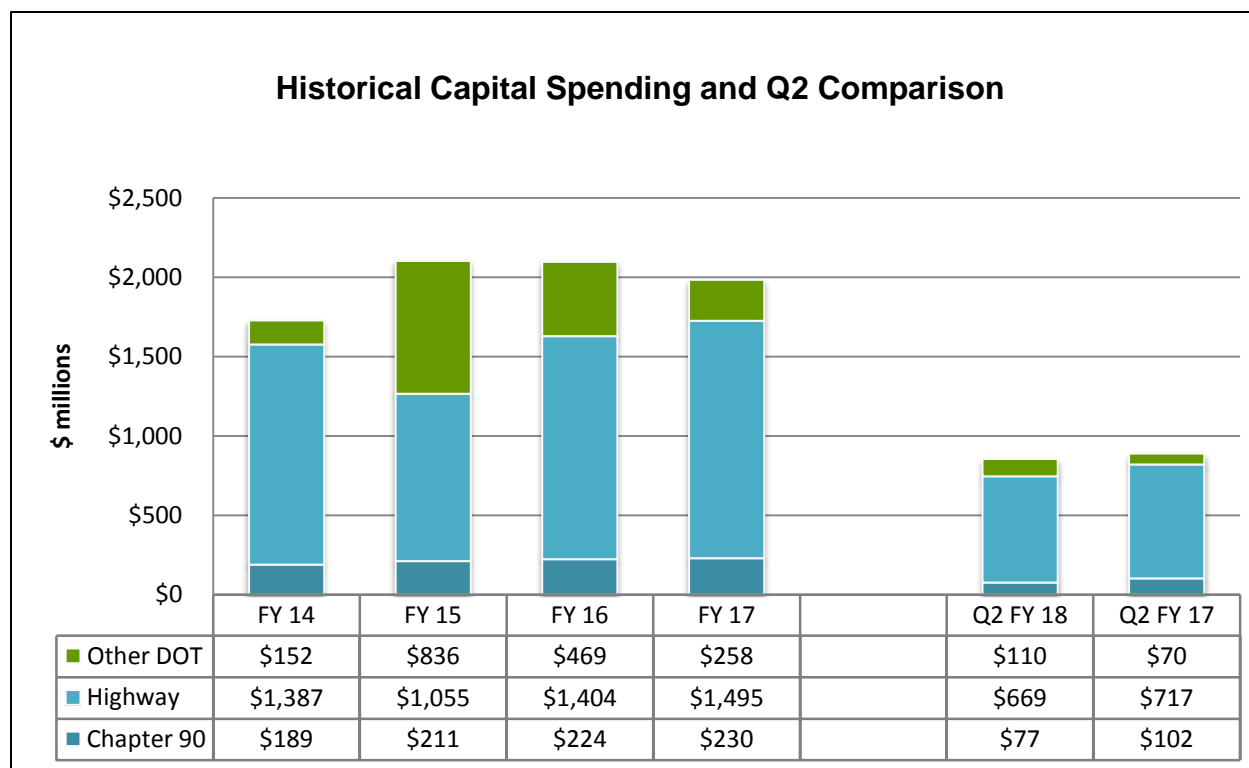


	Aero	IT	Rail	RMV	Transit	Chapter 90	OTP, etc.	Highway
FY18	\$51.0	\$18.4	\$115.4	\$44.2	\$73.2	\$200.0	\$64.5	\$1,272.4
FY19 -FY22	\$242.1	\$79.4	\$352.6	\$65.4	\$147.6	\$800.0	\$256.4	\$5,206.4

\$ millions

MassDOT Capital Spending¹ FY 2014 – FY 2017 and Q2 Comparison

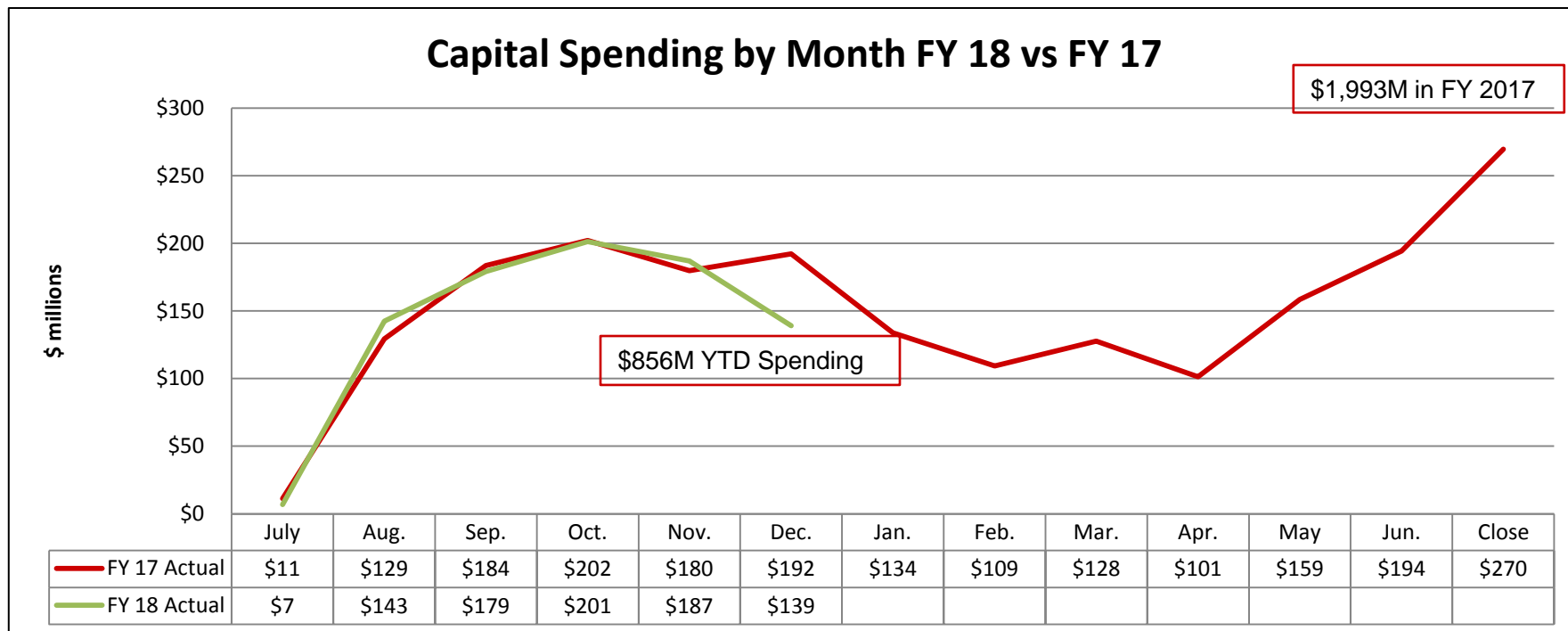
- Overall capital spending slightly behind FY 17 Q2 spending (<4%)
 - FY 18 Chapter 90 spending is less than same period spending in FY 17
 - ABP program is nearing completion with fewer active projects and associated spending



¹Excludes spending related to REP funds for MBTA projects and pass through spending (UMass Boston and Harbor Dredging).

MassDOT Capital Monthly Spending Trend¹ for FY 2018 compared to FY 2017

- Capital spending closely tracked FY 17 spending trend through November; slightly behind in December
 - Chapter 90 spending was slow to start as compared to FY 17
 - New 10 year Chapter 90 contract with each City and Town executed in Fall

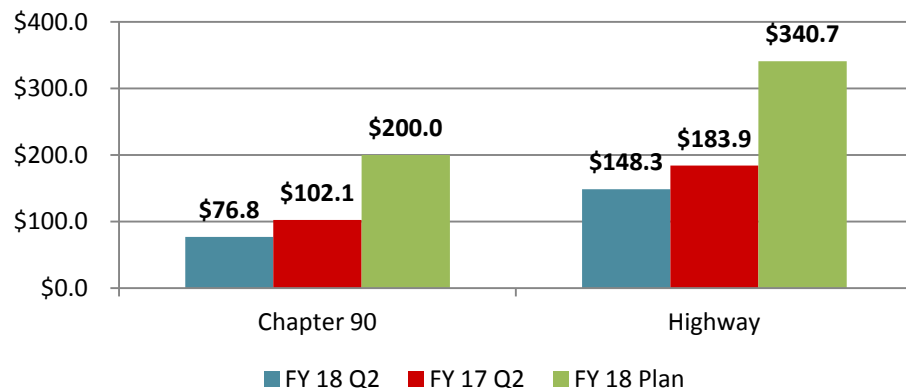


¹Excludes spending related to REP funds for MBTA projects and pass through projects.

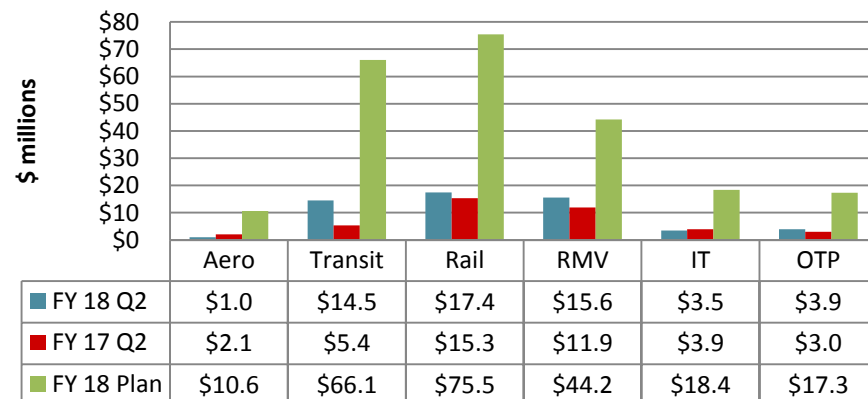
FY 2018 bond cap spending is on track with prior year same period spending

- Bond cap spending for Chapter 90 continues to reflect delay in set up of new contracts in MMARs; projected spending anticipated to be close to plan
- Highway construction spending <2% behind FY 17 Q2; mix of non-bond cap project-related spending sources is reflected in YTD bond cap spending compared to FY 17 (e.g. pay-go capital (tolls), ABP funds)
- Rail and Transit spending focused on existing projects including new PVTa maintenance facility in Springfield and SGR projects; ahead of FY 17 Q2 spending
- RMV, IT, Aeronautics, and Planning & Enterprise Services all on track with prior year Q2 spending

**State Bond Cap FY 18 Q2 vs FY 17 Q2 Actuals
and FY 18 Plan (\$000's)**



**State Bond Cap FY 18 Q2 vs FY 17 Q2 Actuals
and FY 18 Plan**



**Enterprise-Wide PMIS
Implementation**

MassDOT-wide Capital planning improvement discovery process completed

- Completed discovery stage of our capital improvement process across MassDOT and MBTA utilizing a team from Aurigo in December
- Aurigo currently working with both the Aeronautics Division and MassDOT's Federal Aid Programming and Reimbursement Office (FAPRO)
 - Aeronautics scope is focused on implementing the project management module of the Aurigo Masterworks platform to improve project controls and manage delivery of their capital program
 - FAPRO scopes involves automation of the federal aid programming and reimbursement processes
 - Integration with the development of the STIP will be incorporated into the CIP Planning scope
- Discovery for capital planning process for three month effort focused on:
 - Documentation of the “as is” capital planning processes undertaken by MassDOT and MBTA
 - Deep dive of the capital planning and STIP development process in the highway division
- Key deliverable is a business requirement document for the implementation of Aurigo's capital planning module for MassDOT and the MBTA
 - Requirements include interfaces required to align/link with the MBTA's e-builder implementation, MMARS, and highway's existing data management systems (Project Info, etc.)

-
- Questions?

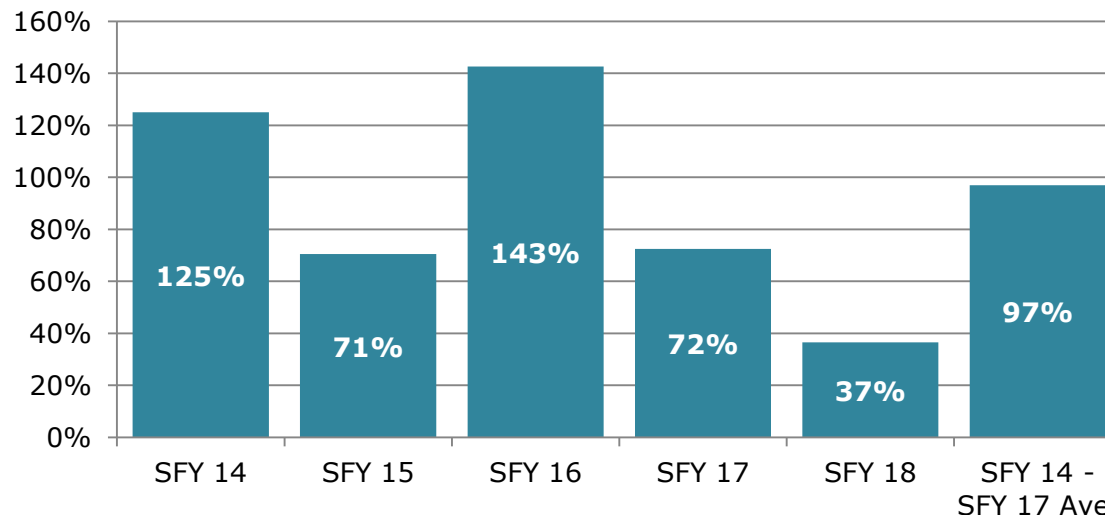
**Appendix
FY 2018 Capital Spending by
Division**

**Aeronautics Division
FY 2018 Capital Spending Report**

FY 2018 Q2 for Aeronautics is ahead of FY 2017 Q2 Actuals

- Q2 spending is significantly ahead due to a lag in FAA flow through payments from FY 2017
- FAA grant awards are estimated during the CIP process and not known until May 1st of any given year; FAA holds final payments until 90% of project completed
 - FAA has 4 years to close out a project and make final payments
 - Spending through Q2 includes FAA payments related to closeout of Lawrence Airport runway project (completed in FY 2017)
 - FAA grants issued in Q2 with minimal construction spending prior to winter shutdown
- Q2 includes spending for the design phase of airport infrastructure projects

Percentage Actual FY 18 Spending YTD vs Plan/Previous Years Actuals/Plan Aeronautics Division



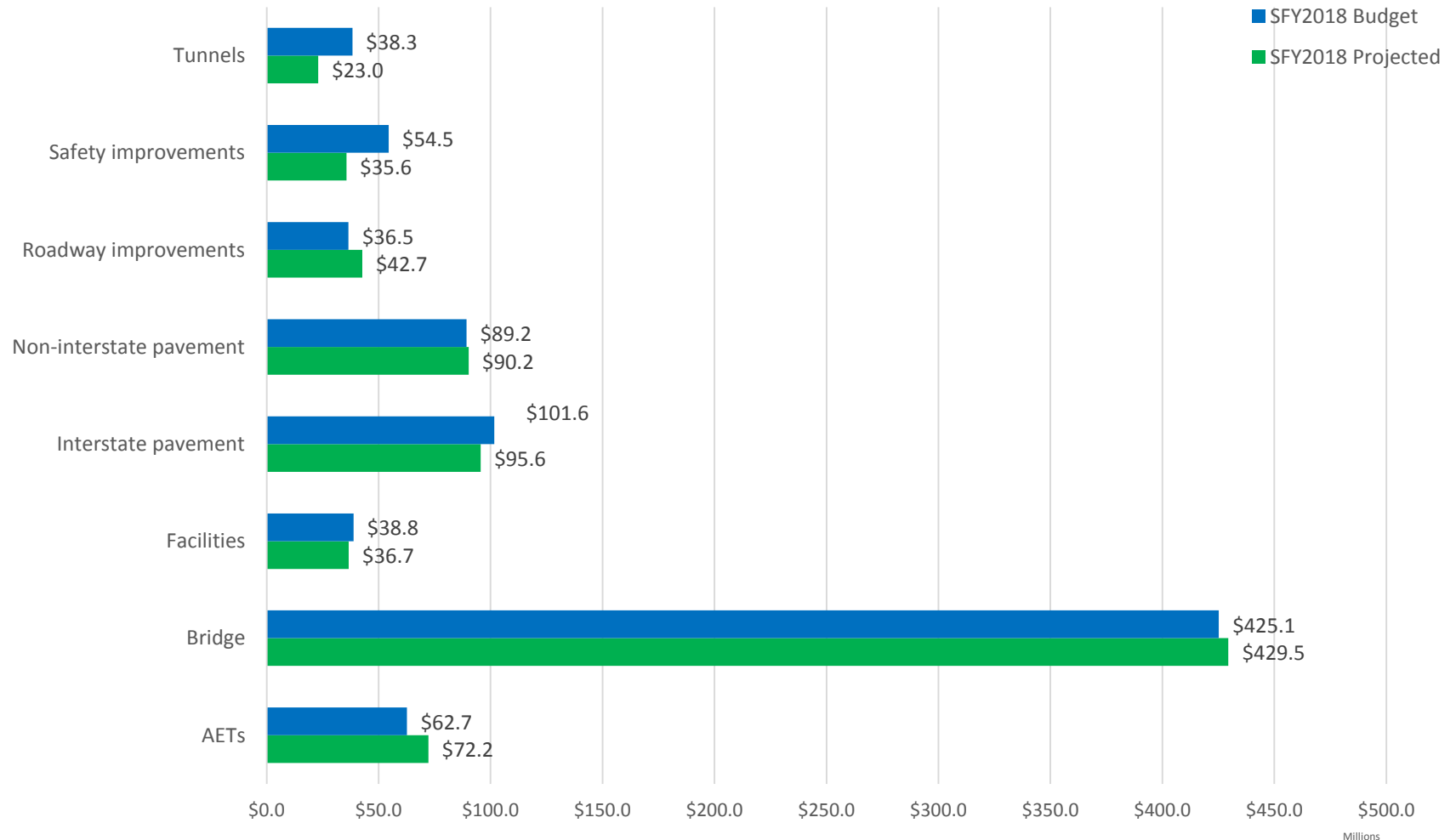
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**Highway Division
FY 2018 Capital Spending Report**

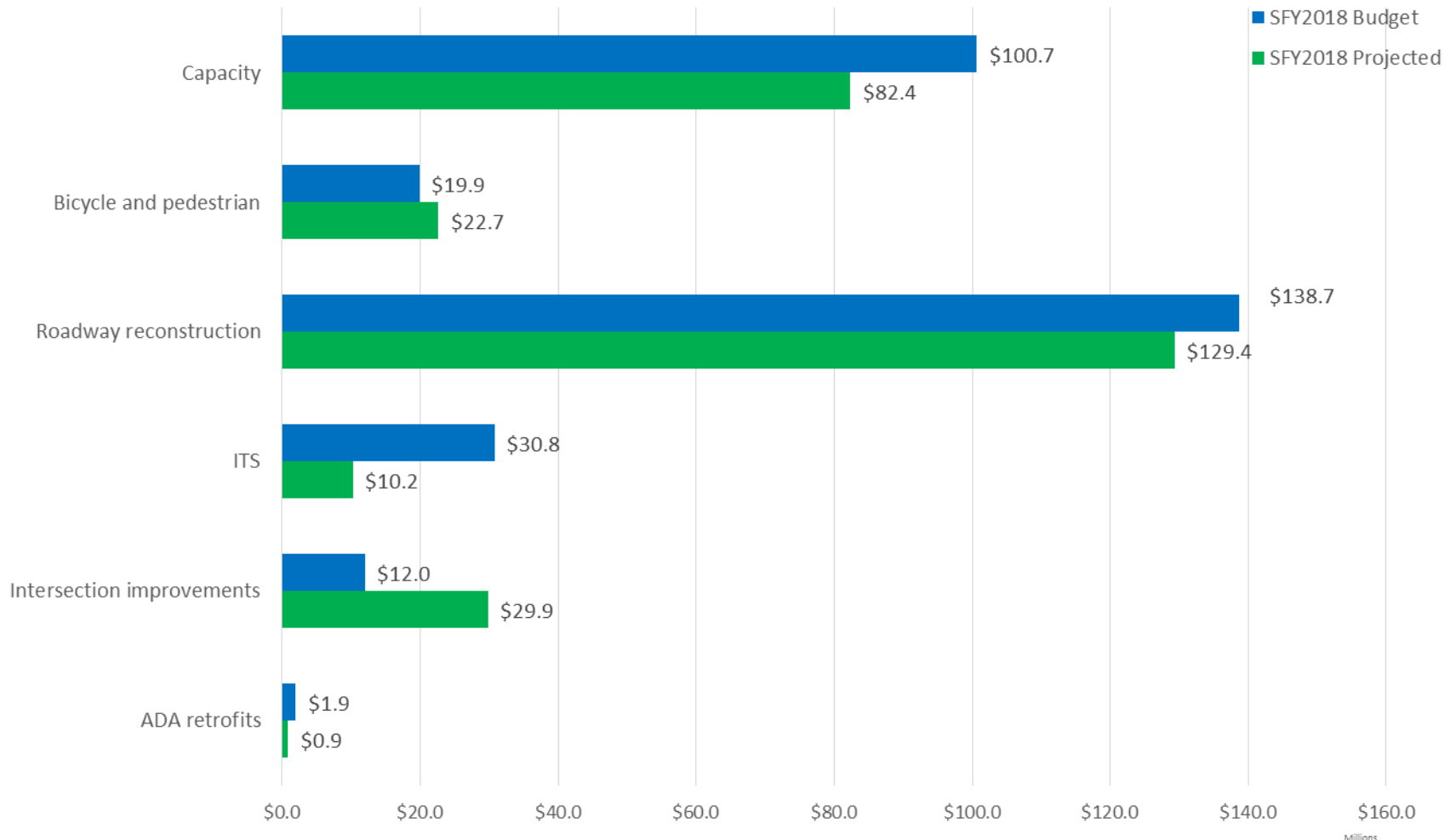
FY 2018 Q2 capital spending

- Highway achieved 51.1% of its total capital plan through Q2
- Expenditures on construction phase activities achieved 50% of the total budget for Q2
- All-electronic tolling completion achieved full beneficial use; contract closeout is ongoing
- Bridge program spending is 53% of plan through Q2
 - Significant spending on major ABP projects (e.g. Whittier, Fore River, Longfellow, Woods Memorial bridges)
- Construction spending is trending similar to FY 2017
- Highway is projected to spend 95% of the FY 2018 capital plan

Budget compared to projections for all reliability programs a/o December 2017



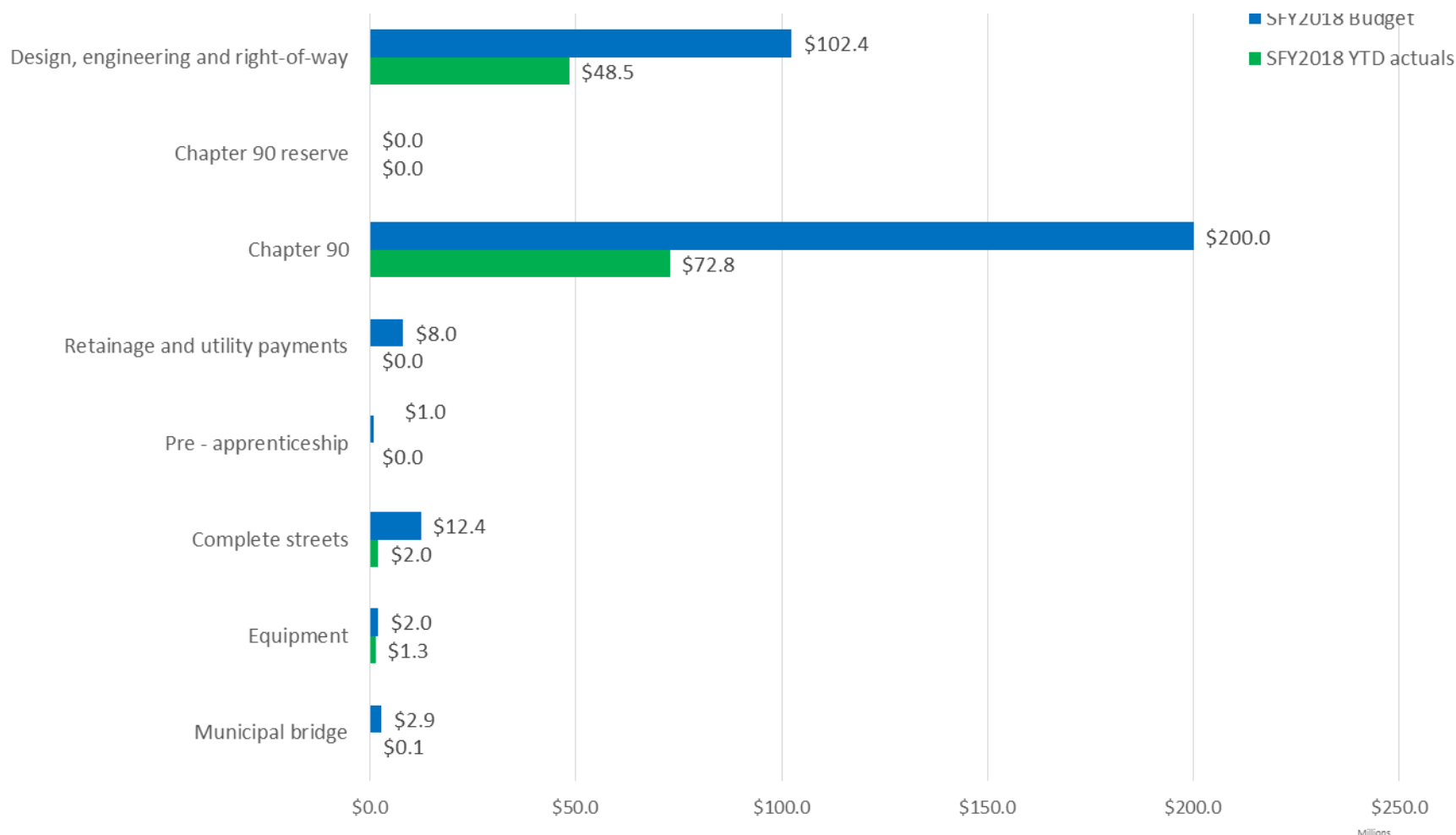
Budget compared to projections for all modernization and expansion programs a/o December 2017



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FY 2018 Highway Division Capital Program

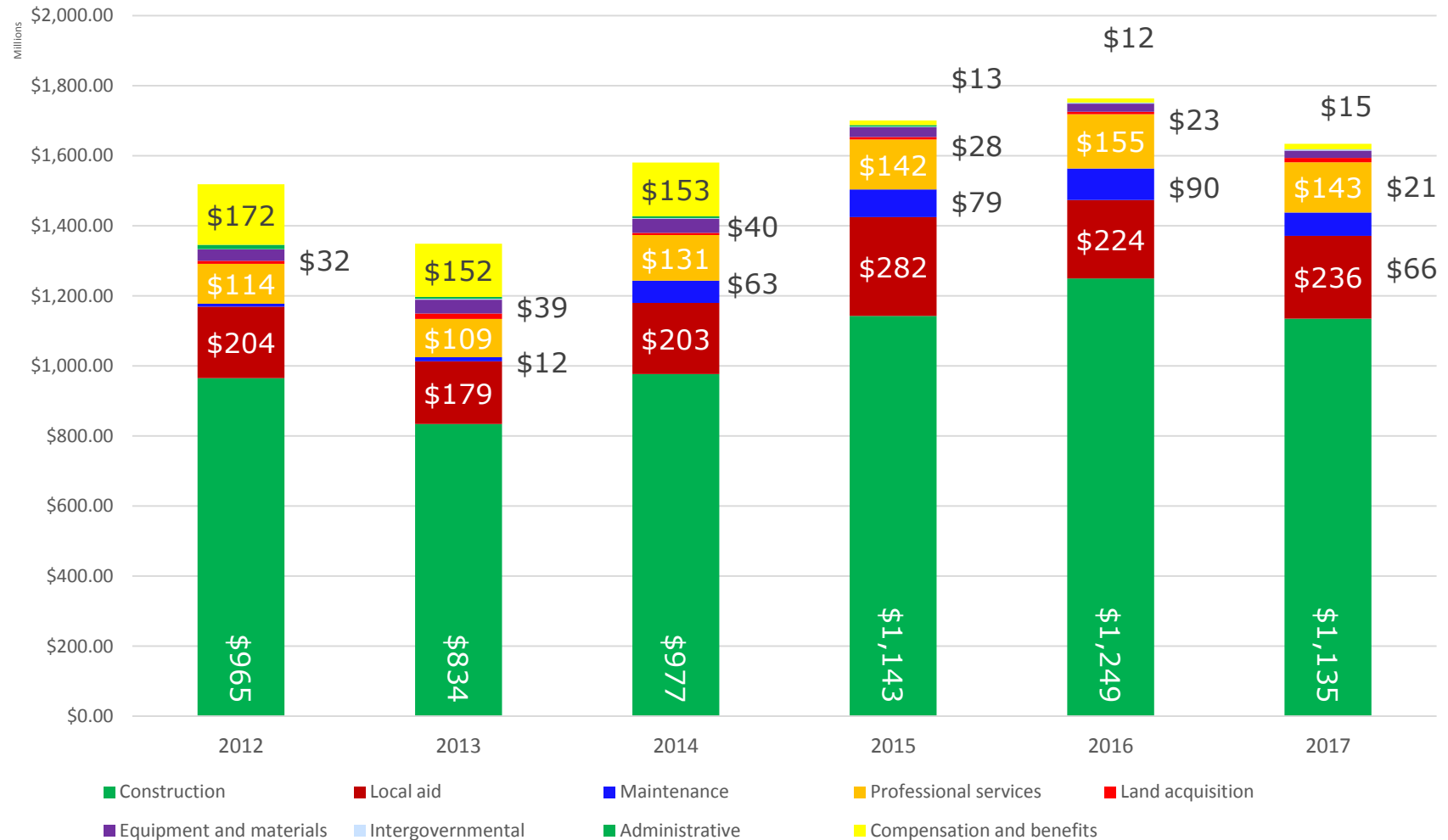
Budget compared to actuals for other CIP programs through Q2. These programs do not project spending; actuals year to date are provided for reference.



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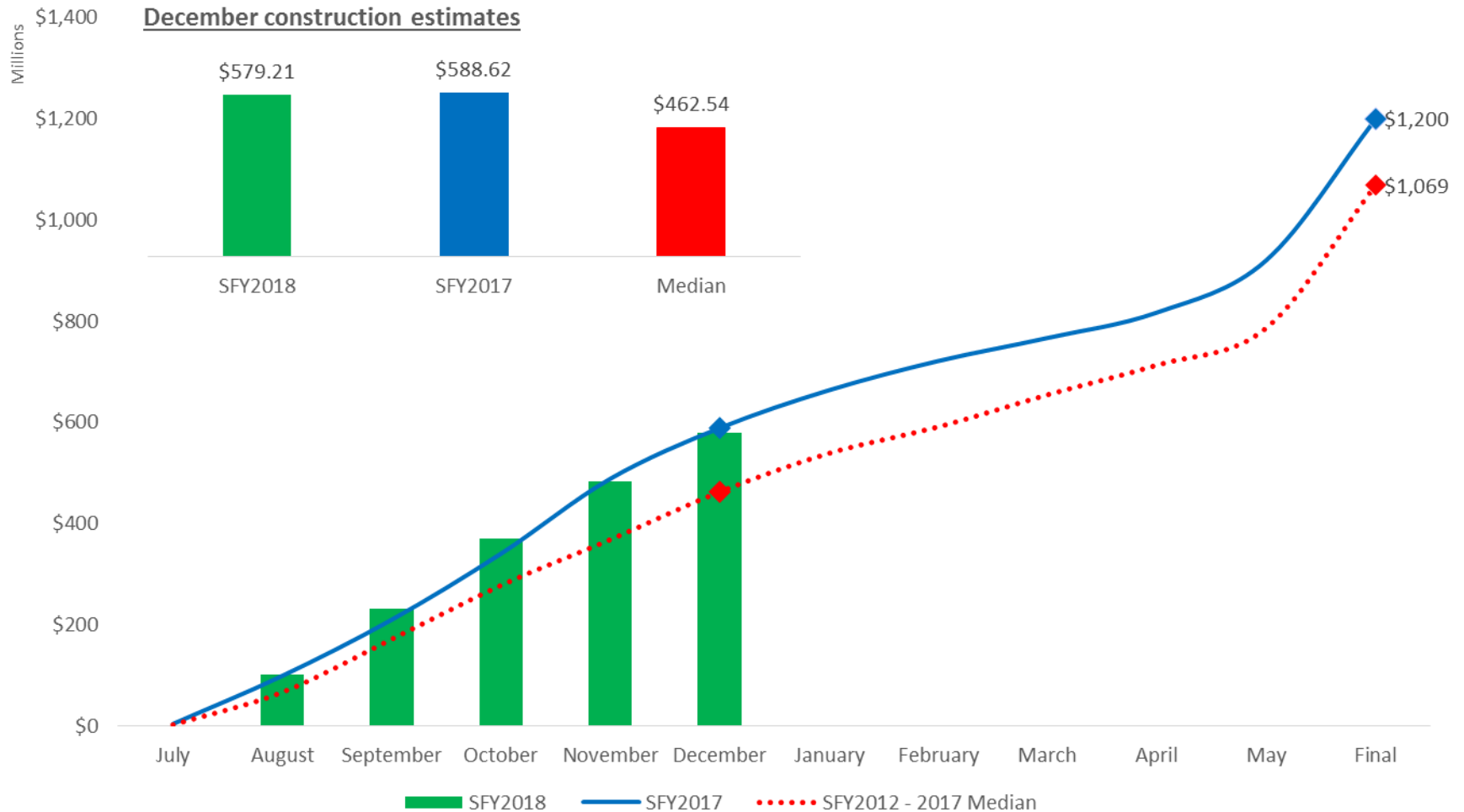
FY 2018 Highway Division Capital Program

Fiscal and Highway Division are piloting new expense categories that provide additional detail on capital and operating expenditures within the division.



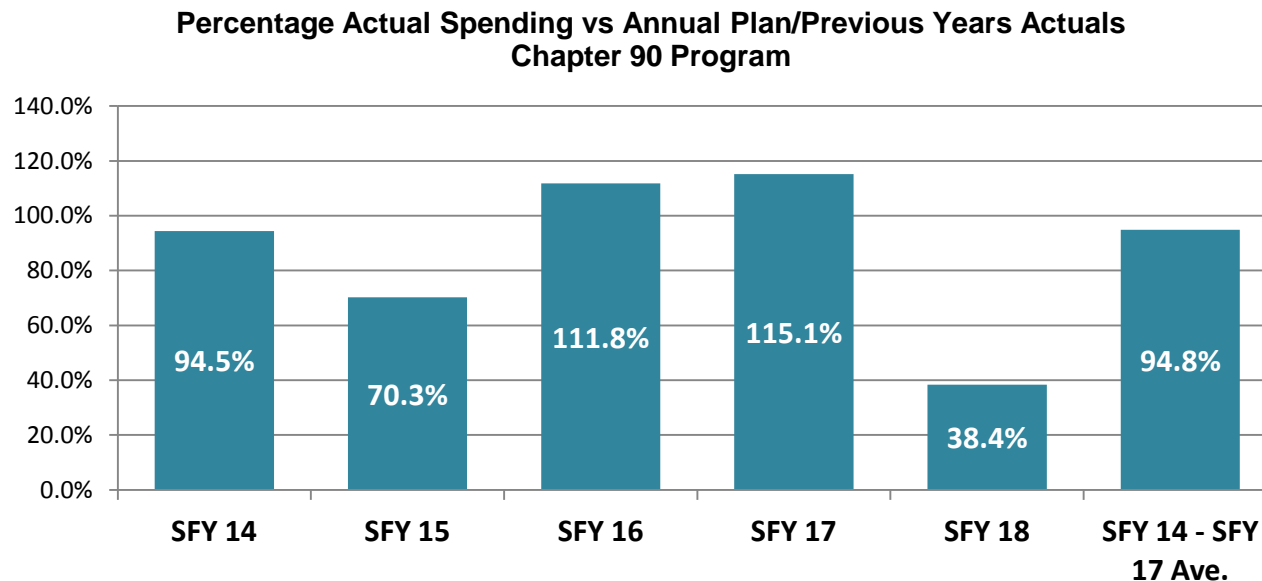
FY 2018 Highway Division Capital Program

Cumulative construction expenditures are trending similar to last year. There is less than a 2% difference between SFY 2018 and SFY 2017 expenditures year to date.



FY 18 Q2 capital spending comparison for Chapter 90

- Chapter 90 is on target to spend the \$200 million authorized by the Legislature for FY 2018
- Spending through Q2 is behind SYF 16 and SFY 17 primarily due to slower ramp up in contract spending and implementation of new 10 year contracts for each City and/or town

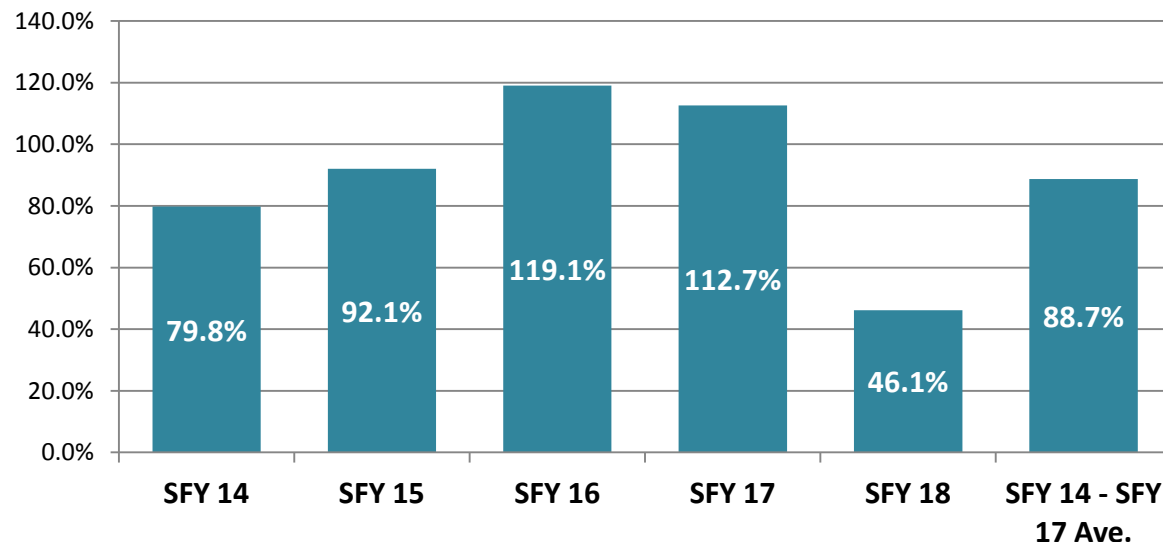


**Planning & Enterprise Services
FY 2018 Capital Spending Report**

FY 18 Q2 capital spending comparison – 46.1% of Plan

- FY 18 includes spending for statewide transportation projects, Metropolitan Planning Organizations, interagency agreements, security, facilities and shared services related to capital
- Spending reflects work on studies highlighted in the CIP such as:
 - MA Freight Plan which will be completed by end of Q3; plan is compliant with FAST Act
 - Draft Statewide Rail Plan released for public comment (January 2018); is expected to be complete mid-March
 - Statewide Climate Adaptation and Vulnerability Assessment
 - Focus40: 25-year capital investment plan for the MBTA to meet needs of Greater Boston Region in 2040

**Percentage Actual FY 18 Spending YTD vs Previous Years Actuals/
Plan**



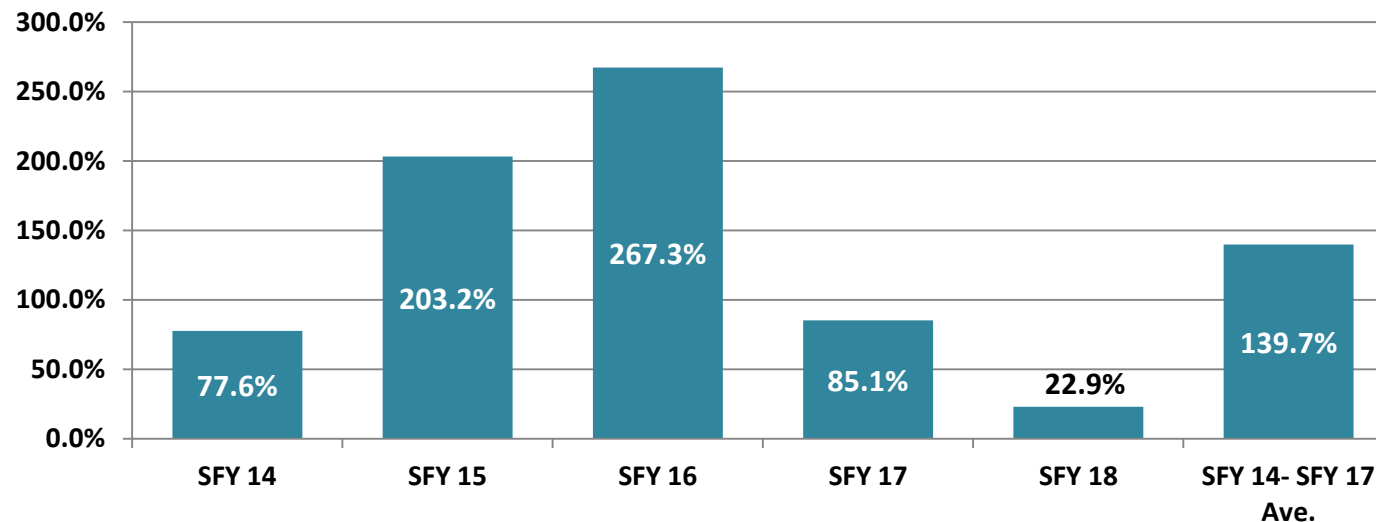
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**Rail and Transit Division
FY 2018 Capital Spending Report**

FY 2018 Q2 capital spending comparison 22.9% of Plan

- Rail achieved 32.7% of its FY 18 plan (excluding SCR) which reflects increased capital maintenance costs related to reimbursements to private railroads for costs incurred
- IRAP program spending spent 24% of the plan through Q2
- \$4.4 million in FHWA reimbursements for Section 130 grade crossings through Q2 (61% of plan)
- Project management costs related to South Coast Rail Project totaled \$4.6 million through Q2

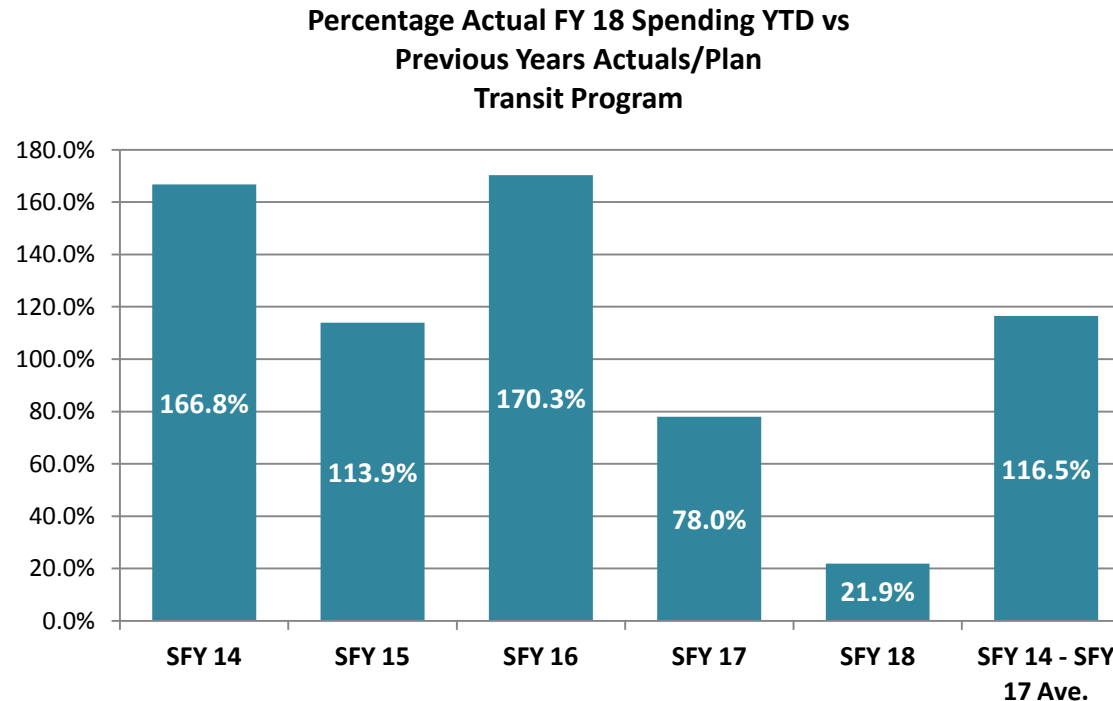
**Percentage Actual FY 18 Spending YTD vs Previous Year Actuals/Plan
Rail Program**



FY 2018 Transit Capital Program

FY 2018 Q2 capital spending comparison – 21.9% of overall Plan

- FY 18 Q2 spending reflects reimbursements to the RTAs (state match); does not include any federal grant spending for RTAs; majority of plan spending occurs in Q3 and Q4 related to long lead equipment purchases
- Spending for the PVRTA maintenance facility totaled \$13.4 million through Q2



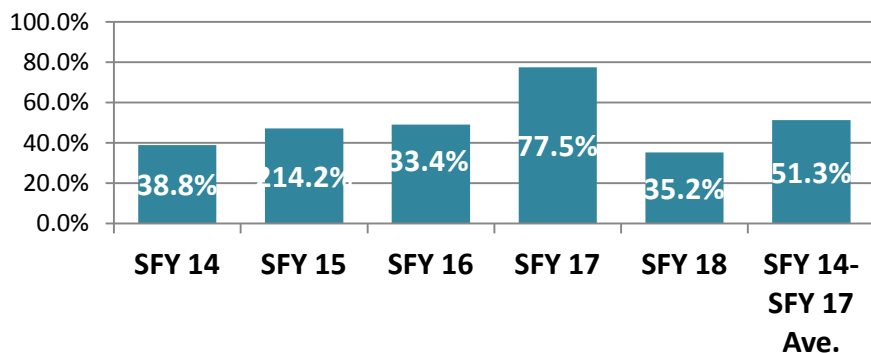
*FY 16 spending reflects additional support provided by MassDOT to meet a \$2,672,724 increase in environmental remediation costs associated with WRTA's Maintenance Facility (40 Quinsigamond Avenue).

**RMV and IT
FY 2018 Capital Spending Report**

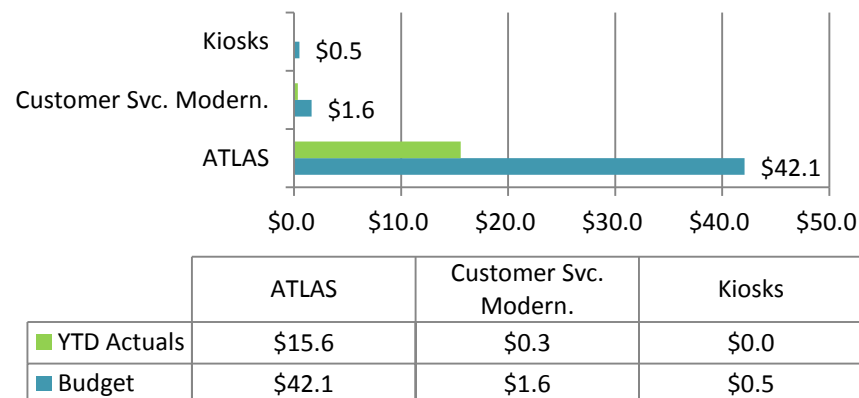
FY 2018 Q2 capital spending comparison – 35.2% of Plan

- RMV spending reflects planned expenditures related to refurbishments at RMV facilities expansion of service alternatives (kiosks), AAA licensing stations and ATLAS
 - Work underway at Leominster, Wilmington, & Plymouth RMV facilities
 - RMV services now offered at 33 AAA locations
- FY 18 plan includes \$42.1 million related to FAST enterprises for ATLAS (core system replacement and Real ID)
 - Q2 spending for ATLAS was 37% of plan
 - Ability to comply with federal Real ID requirements included in Release 1 (March 2018)

Percentage Actual FY 18 Spending YTD vs Previous Years Actuals/Plan



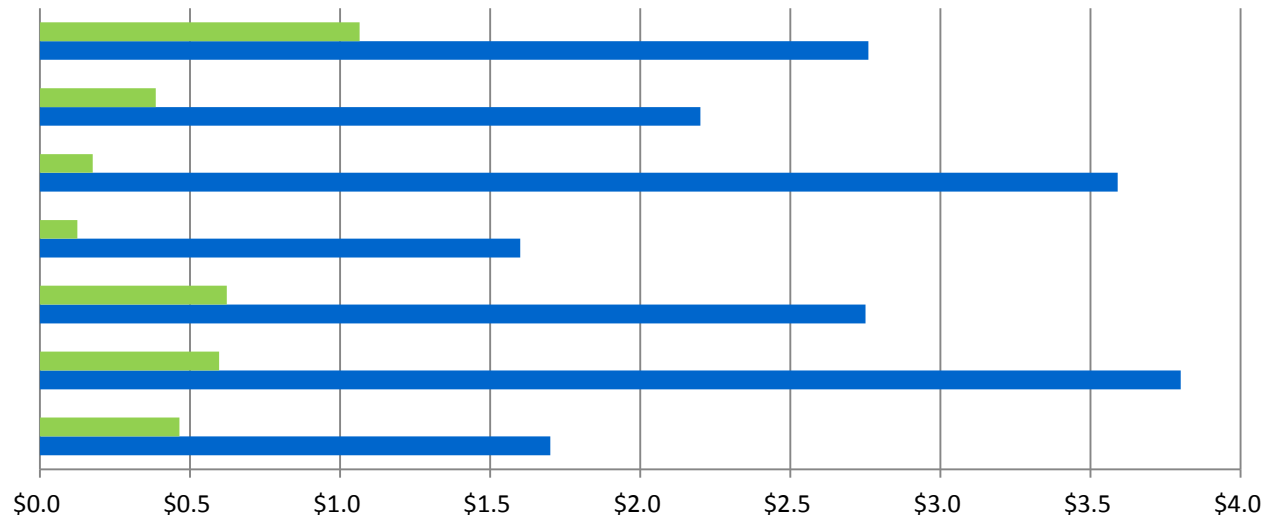
FY 2018: Modernization Program YTD Actuals vs Budget (\$ millions)



FY 2018 Q2 capital spending comparison – 18.9% of Plan

- IT capital spending programs continue to focus on efficiencies in how we do business, process improvements and investments that generate operational savings
- IT spent \$3.5 million through Q2 in FY 2018; comparable spending for FY 2017 was \$3.7 million

FY 2018: Reliability and Modernization programs actuals YTD vs budget



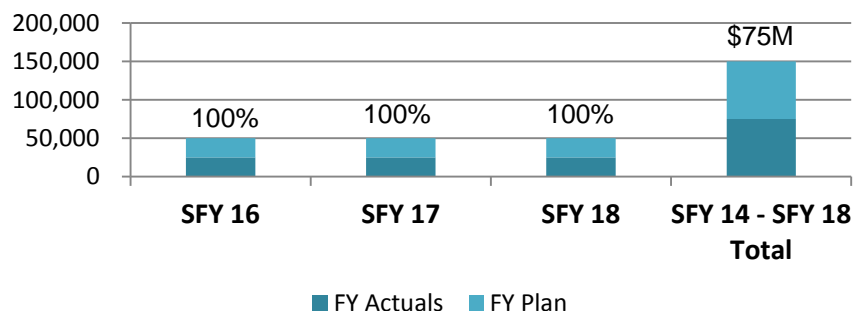
	Reliability				Modernization		
	Desktop Experience	Digital Infrastructure	Asset Management	Cyber/Info. Security	Enterprise, BPR & Auto.	Customer Digital Exp.	Workforce Productivity
■ YTD Actuals	\$0.5	\$0.6	\$0.6	\$0.1	\$0.2	\$0.4	\$1.1
■ Budget	\$1.7	\$3.8	\$2.8	\$1.6	\$3.6	\$2.2	\$2.8

**Commonwealth Projects
FY 2018 Capital Spending Report**

UMass Boston & Harbor Dredging both achieved FY 2018 planned spending

- UMass Boston expenditures have achieved 100% of the five year plan (\$75 million)
- Harbor Dredging project received approval from the Army Corp of Engineers and Massport has drawn down the planned Commonwealth funds for FY 2018

**FY Plan vs FY Actual Spending (\$000's)
for Commonwealth Project
- UMass Boston**



**FY Plan vs FY Actual Spending (000's) for
Commonwealth Project - Harbor Dredging**

