

16

Financial Constraint



2016 Regional Transportation Plan

16 Financial Constraints

It is important to provide a financial context to transportation planning so that projects can be prioritized based on the projected availability of future funding. This plan is financially constrained based on financial information provided by MassDOT for 2016 to 2040.

Funding Available

Funding Available for Highway and Bridge Projects

The Federal Highway Administration funds and State Highway and Bridge funds were projected statewide for five year timeframes for the following funding categories:

- Regional Discretionary Funding;
- Interstate Maintenance (IM);
- National Highway System (NHS)
- Statewide Bridge Projects;
- Statewide Infrastructure;
- Remaining Statewide Programs; and
- Non-Federal Aid Preservation.

Local aid funding sources such as Chapter 90 and the MassWorks Programs are not included in the MassDOT funding projections. The MassDOT projections were based on the assumption that funding levels would increase by a 4 percent annual inflation rate after the year 2016.

Based on these funding projects, a total of \$794,241,050 is anticipated to be available to Franklin County for highway-related transportation improvements between 2016 and 2040. The forecasted funding levels for the Franklin Region were based on the projected amount available to Metropolitan Planning Organizations statewide, and the following factors:

- **Funds for Regional Discretionary:** Projected regional funding for Regional Discretionary projects are based on the regional share formula for the Statewide Highway Funds developed by the Massachusetts Association of Regional Planning Agencies (MARPA). Under the MARPA formula, the Franklin Region is allotted 2.54% of the statewide funds distributed to the regions.
- **Funds for Bridges:** Projected regional funding for bridge improvements and repairs is based on each region's percentage of federal-aid eligible bridges. The Franklin Region's percentage is 6.83%.

- **Funds for Interstate Maintenance:** Projected regional funding for interstate maintenance projects is based on the regional share of Interstate lane mileage, excluding the Massachusetts Turnpike. The Franklin Region's percentage is 3.78%.

Funding Available for Transit Projects

As with highway and bridge funding, the estimated costs of transit recommendations and projected revenue also needs to be reviewed to ensure financial constraint. Estimates of available transit funding were provided by the MassDOT Rail and Transit Division. Federal funds must be used for capital projects. Capital funds may only be spent on tangible items such as equipment, preventative maintenance of vehicles, facilities and equipment, ADA services, facility improvements and the purchase of vehicles. Operating expenses must come from grants, state and local funding and farebox revenue. Operating expenses cover salaries, benefits, advertising and marketing expenses and other cash needs. A summary of the projected transit funding for the Franklin Regional Transit Authority from 2016 to 2040 is in Table 16-2 at the end of this chapter.

The transit funds were projected on a statewide basis by MassDOT Rail and Transit Division, and are broken down in this Plan by the same five time periods as the highway and bridge funds, into the following federal funding categories:

- Urbanized Area Formula Funding (5307 Program);
- Non-Urbanized Area Formula Funding (5311 Program);
- State of Good Repair Grants (5337 Program); and
- Bus and Bus Facilities Funding (5539 Program).

A total of \$34,880,520 is anticipated to be available to Franklin County for transit-related transportation projects between 2016 and 2040. Projects formerly funded under JARC, a SAFETEA-LU program, are now eligible activities under Section 5311. The forecasted funding levels assume a 1.5% annual inflationary increase beyond the year 2016.

For funding under the 5310 Program, regional funding estimates were based on the past distribution of Mobility Assistance Program (MAP). Using this approach, the Franklin Region receives 5.73% of the statewide 5310 Program funds. This approach was agreed to by the MassDOT Rail and Transit Division and the Massachusetts Association of Regional Transit Agencies (MARTA), and varies from a previous approach that based each region's funding on its percentage of the statewide elderly and disabled population. The projected State Capital Investment and State Assistance for Operations funds for each region were estimated based on current funding levels for these programs.

Project Cost Estimates

Cost estimates are included for construction/implementation related projects. Cost estimates were gathered from a variety of sources including the Franklin Regional Transit Authority, FRCOG, towns' Departments of Public Works, and MassDOT. Costs for projects that are expected to extend beyond 2016 include an inflation factor of 4% per year.

Financially Constrained Plan

For financial planning purposes, Regional Transportation Plans are required to show that there is sufficient funding projected to be available to cover the costs of major projects (those projects that are estimated to cost greater than \$20 million). The Franklin Region has only two future recommended projects that are estimated to exceed \$20 million and each of these are bridge projects, which is funded by the Statewide Bridge Program. MassDOT has estimated that between 2016 and 2040 there is \$301,955,482 available for bridge projects for the Franklin Region. Over the same time frame, the Franklin Regional Transportation Plan recommends that MassDOT prioritize \$48,618,311 in major bridge projects. Because this amount does not exceed the projected available funds, this Plan is financially constrained.

Tables 16-1 and 16-3 show the available highway and transit funding for the Franklin Region between 2016 and 2040. Table 16-2 shows that there is sufficient funding for the five-year timeframes and for the 2016 - 2040 period overall should MassDOT prioritize the recommended bridge projects for repair.

Funding	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040	Total
Total Funding Available for Programming in the Franklin Region RTP	\$130,307,571	\$130,686,091	\$160,279,208	\$179,948,074	\$193,020,106	\$794,241,050
Regional Discretionary Funding	\$26,104,941	\$27,477,455	\$34,335,940	\$38,879,486	\$41,884,248	\$168,682,070
Interstate Maintenance Projects	\$13,304,221	\$12,591,809	\$15,734,776	\$17,816,899	\$19,193,861	\$78,641,565
National Highway System Projects	\$4,530,507	\$4,387,742	\$5,482,940	\$6,208,477	\$6,688,293	\$27,297,960
Statewide Bridge Projects	\$50,114,059	\$48,534,863	\$60,649,636	\$68,674,864	\$73,982,333	\$301,955,482
Statewide Infrastructure Projects	\$991,301	\$960,063	\$1,199,698	\$1,358,450	\$1,463,436	\$5,972,948
Remaining Statewide Programs	\$31,625,375	\$33,420,997	\$41,763,015	\$47,289,357	\$50,944,068	\$205,042,813
Non-Federal Aid Preservation Projects	\$12,698,500	\$12,888,978	\$13,079,455	\$13,269,933	\$13,460,410	\$65,397,275

Table 16-2 Bridges

Costs	Amount of Funding per Timeframe					
	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040	Total
Current Estimate	\$22,316,344	\$26,301,967	\$0	\$0	\$0	\$48,618,311
Funds Available	\$50,114,059	\$48,534,863	\$60,649,636	\$68,674,864	\$73,982,333	\$301,955,482
Reserve	\$27,797,715	\$22,232,896	\$60,649,636	\$68,674,864	\$73,982,333	\$253,337,171

Table 16-3: Estimated Massachusetts Transit Program Funding Forecasts 2016-2040						
Timeframe	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040	Total
Total Funding Available for Programming in the Franklin Region RTP	\$6,895,036	\$6,235,546	\$6,717,454	\$7,236,605	\$7,795,879	\$34,880,520
Section 5307	----	----	----	----	----	----
Section 5311	\$6,895,036	\$6,235,546	\$6,717,454	\$7,236,605	\$7,795,879	\$34,880,520
Section 5337	----	----	----	----	----	----
Section 5339	----	----	----	----	----	----

