

## Town Highway Grants (FY 2021)

The overall fiscal management and administration of the Town Highway Grant programs was transitioned to the Municipal Assistance Bureau over the course of SFY20. Municipal Assistance staff and Maintenance and Operations District staff maintain continuous communication to ensure the grants and the municipalities that they serve are well coordinated and fiscally responsible.

### **TH Structures – Tab 15**

State grants for bridges, culverts, and retaining walls on Class 1, 2, or 3 town highways. Maximum state grant is \$175,000 per project, to be matched by at least 20% of total cost with municipal funds or 10% municipal funds if town has adopted codes and standards and conducted highway infrastructure inventory. VTrans district personnel work with towns to assist in the application process and to select projects.

FY 2020 appropriation: \$6,333,500  
FY 2021 recommended: \$6,333,500

The following is a summary of demand versus actual money awarded to towns for this program for the past five years. The following table summarizes the information that we have in that regard. Please note that “demand” represents total project costs (not just State funds sought). For example, if a town had a project whose total cost estimate was for \$500,000, the maximum State funds they could receive would be \$175,000. So the “demand” for this one project would be \$500,000 and the “funded” would be \$175,000.

Structures	Funded (\$)	Demand (\$)	% Funded
FY2020	\$6,235,386.07	\$16,473,925.33	38%
FY2019	\$7,489,653.10	\$16,234,456.95	46%
FY2018	\$6,106,254.94	\$16,403,242.13	37%
FY2017	\$7,066,218.90	\$19,340,151.63	37%
FY2016	\$6,364,379.62	\$20,628,035.22	31%

### **TH Class 2 Roadway – Tab 16**

State grants for preservation of Class 2 town highways (resurfacing and reconstruction). Maximum state grant is \$175,000 per project, to be matched by at least 30% of total cost with municipal funds or 20% municipal funds if town has adopted codes and standards and conducted highway infrastructure inventory. VTrans district personnel work with towns to assist in the application process and to select projects.

FY 2020 appropriation: \$7,648,750  
FY 2021 recommended: \$7,648,750

The following is a summary of demand versus actual money awarded to towns for this program for the past five years. The following table summarizes the information that we have in that regard. Please note that “demand” represents total project costs (not just State funds sought). For example, if a town had a project whose total cost estimate was for \$500,000, the maximum State funds they could receive would be \$175,000. So the “demand” for this one project would be \$500,000 and the “funded” would be \$175,000.

Class 2	Funded (\$)	Demand (\$)	% Funded
FY2020	\$7,900,822.30	\$25,486,062.64	31%
FY2019	\$7,709,998.73	\$26,733,130.67	29%
FY2018	\$7,602,525.94	\$25,588,829.17	30%
FY2017	\$7,768,208.23	\$27,558,789.42	28%
FY2016	\$7,102,720.87	\$27,334,203.13	26%

**TH State Aid Non-Federal Disasters – Tab 17**

Annual appropriation for emergency aid in repairing, building, or reconstructing Class 1, 2, or 3 town highways and for repairing or replacing drainage structures including bridges on Class 1, 2, 3, and 4 town highways damaged by natural or man-made disasters. Secretary of Transportation shall determine that disaster is of such magnitude that state aid is both reasonable and necessary to preserve the public good. Disaster shall not qualify for assistance from FEMA or from FHWA ER programs.

Towns eligible for the greater of either:

90% of repair/replacement costs  
or

The eligible repair/replacement costs, minus an amount equal to 10% of the overall total highway budget minus the town's winter maintenance budget.

FY 2020 appropriation:           \$1,150,000  
FY 2021 recommended:       \$1,150,000

**TH State Aid Federal Disasters – Tab 18**

Towns receiving assistance under the Federal Highway Administration's emergency relief program for federal-aid highways shall be eligible for state aid when a nonfederal match is required. Eligibility for aid under this subsection shall be subject to the following criteria:

- Towns shall be responsible for up to 10 percent of the total eligible project costs.
- For towns that have adopted road and bridge standards, eligibility for reimbursement for repair or replacement of infrastructure shall be to those standards. For towns that have not adopted these standards, eligibility for reimbursement for repair or replacement of infrastructure shall be limited to the specifications of the infrastructure that preexisted the emergency event; however, the repair or replacement shall be to standards approved by the agency.

FY 2020 appropriation:           \$180,000 (\$160,000 federal / \$20,000 State)  
FY 2021 recommended:       \$180,000 (\$160,000 federal / \$20,000 State)

**TH Aid – Tab 19**

General state aid to town highways. Annual appropriation to Class 1, 2, and 3 town highways. Distribution is made quarterly, with no application required. No requirement for local match, other than a requirement that municipalities expend no less than \$300 per mile of local tax revenues on their highways. Planned use of funds must be detailed to State in an annual town plan.

6% of appropriation: Class 1 town highways  
44% of appropriation: Class 2 town highways  
50% of appropriation: Class 3 town highways

FY 2020 appropriation: \$26,017,744  
FY 2021 recommended: \$27,105,769

**TH Class 1 Supplemental – Tab 20**

Annual appropriation for supplemental aid to municipalities having Class 1 town highways with more than two lanes. Distribution based on the measurement of the additional Class 1 town highways with more than two lanes.

FY 2020 appropriation: \$128,750  
FY 2021 recommended: \$128,750