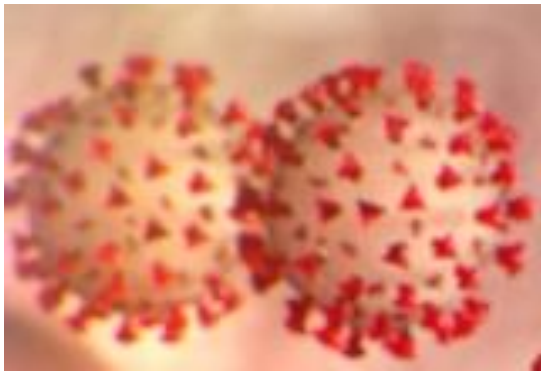




"One angry man  
with a laptop"

Welcome to 2020, the 2<sup>nd</sup> quarter of year twenty of the controversial \$100 million I-395/Route 9 connector boondoggle; the annual shortfall in the road and bridge maintenance budget is now \$232 million with 142 projects cancelled in the DOT Work Plan—along comes a pandemic and in April, the DOT projects a loss in the Highway Fund of \$125 million over the next 18 months. We can't afford this project, but that does not deter the MaineDOT—nothing ever does...

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No one can predict how this pandemic will affect Maine's fiscal environment, especially if continued for months as many now suggest. The duration of the pandemic will adversely affect all critical services provided by the state and seriously harm local communities.

Maine is essentially closed until at least the end of April as Governor Mills has issued just today a [stay-at-home order](#); businesses are shuttered and many people are out of work; the traffic count is down as evidenced by the MTA and even though the price of gas is cheaper - there's no place to go - we have to stay home - thus **gas revenues will also be decreasing resulting in a shrinking of the State Highway Fund that the DOT depends on.**

At such a time of upheaval – at the start of a pandemic, with an unknown financial outcome - does it make any sense to go ahead with this controversial \$100 million connector project when many other transportation projects, in addition to the 142 projects already cancelled in January due to rising construction costs, may have to be cancelled due to the loss of revenues during the pandemic? **It can't be business as usual as Mainers are suffering.**

According to a March 25th [Bangor Daily News article](#): “Traffic on the Maine Turnpike has fallen drastically — by about half — in recent days...Nonetheless, construction work is continuing. Mills said this week the authority is likely to approve the first phase of a widening project in Greater Portland. It will add a third lane in each direction from the Interstate 295 exit in Scarborough into South Portland. Mills said decisions can be made this fall and winter on the second and third phases of the widening project.”

One may argue that the first phase of the turnpike project should also be delayed, however the Maine Turnpike Authority is at least cognizant that decisions on the next two phases will need to be made this fall because of the effects of the ongoing pandemic.

Once again, an article from the Turnpike Authority explaining an upcoming project while the DOT remains silent on the I-395 connector project.

I'm not sure there's anyone that can tell us what this pandemic will do to Maine coffers, especially if it continues for months as some think. The length of the pandemic will adversely affect all services provided by our state government and seriously hurt local communities. Maine is essentially closed until at least the end of April as Governor Mills has issued just today a [stay-at-home order](#); businesses are shuttered and many people are out of work; the traffic count is down as evidenced by the MTA and even though the price of gas is cheaper - there's no place to go - we have to stay home - thus gas revenues will also be decreasing resulting in a shrinking of the State Highway Fund that the DOT depends on.

From page iii of the 2020-2021-2022 Work Plan: “State Highway Fund revenue sources, shown as the two green wedges in Figure 1, are derived largely from state per-gallon fuel fees and motor vehicle fees. Those total an estimated \$875 million and represent about 33% of the total value of Work Plan items. These revenue levels are based upon projections by the Revenue Forecasting Committee created pursuant to 5 MRSA §1710-E.

Highway Fund revenues are still a primary funding source of MaineDOT work plans. Article IX, Section 19 of the Maine Constitution requires that Highway Fund revenues be used for specified highway- and bridge-related activities. Even so, these revenues provide some of MaineDOT's most flexible funding, allowing us to fund almost all of our maintenance and operations activities and other work without federal or bond-related restrictions."

The first stage of the I-395/Route 9 connector project – the \$13.45 million Wilson Street/I-395 bridge – is scheduled to go out to bid on May 6th.

At such a time of upheaval – at the start of a pandemic, with an unknown financial outcome – does it make any sense to go ahead with this controversial \$100 million connector project when many other transportation projects, in addition to the 142 projects already cancelled in January due to rising construction costs, may have to be cancelled due to the loss of revenues during the pandemic?

It can't be business as usual with the DOT as Mainers are suffering.

Hope you and your families are healthy and remain so.

Larry Adams

## Pandemic crimps Maine's construction industry at start of busy season



Chris Bouchard | Aroostook Republican

In this 2019 file photo, Construction crews with the Maine Department of Transportation work on reconstructing the storm drains on High Street in Caribou as flaggers guide traffic at the roadway's Main Street intersection.

By Fred Bever, Maine Public • April 7, 2020 | [Click here to view online.](#)

Maine's construction industry ordinarily would be gearing up for its busy season right now. But the COVID-19 pandemic is forcing new assessments of how to protect the health of workers.

One of the state's largest firms will take at least a two-week hiatus on some major projects.



Jack Reed, of Reed & Reed in Woolwich, which employs more than 250, said he and his crews are rightly concerned about how to continue normal operations and stay 100 percent safe at the same time.

“You know how it is: You get a crew of construction workers together and one guy has a cough, and next thing you know, everybody’s gun-shy. And I don’t blame them,” Reed said. “So it’s really hard.”

Reed & Reed, which has major contracts across Northern New England, plans to shut down operations for at least two weeks. Vermont has already put all its road projects on hold, he notes, while it’s become increasingly difficult to secure protective gear for workers.

“Friday of this week will be our last day of work for at least two weeks. During that time we hope that the crest of new infections of COVID-19 occurs, and as the incidence of infections goes on the downhill side of that slope, that’s when we hope to resume work,” Reed said. “We’ll monitor infections, we’ll monitor the data.”

Reed adds that for at least that two-week period, the company will continue to pay its employees full salary and benefits. And the company’s hiatus means that its work on some big projects will be delayed. Those projects include a wind farm in Aurora, bridges in Gardiner and Boothbay, reconstruction of Route 302 in Fryeburg, and the revamped York toll plaza.

**The state Department of Transportation, meanwhile, does plan to move ahead with its other summer construction plans,** where possible, says DOT spokesman Paul Merrill.

“Right now the vast majority of the contractors we’re working with are still working right now — as you and I are talking, on Monday, April 6. Things are changing every day but our goal is to keep our people working, keep our people producing and making sure everything is done safely so there’s minimal disruption to the essential work we do around the state,” Merrill said.

**Merrill notes that under an executive order Gov. Janet Mills issued last week, DOT construction work is considered “essential,” and so workers on road projects are exempted from her mandatory quarantine for most travelers from out of state, as long as they are not showing any symptoms,**

haven't been in direct contact with anyone who's tested positive or come from a so-called COVID "hot spot."

It's an issue that the industry is acutely aware of.

"We've had clarification that construction is considered essential, regardless of the type," Matt Marks, executive director of the Associated General Contractors of Maine, said.

Marks says that fast-moving governmental actions are under constant scrutiny to make sure companies can respond appropriately — particularly when workers may be needed for projects directly related to the pandemic response.

And he says that regardless of whatever the latest government order might be, industry practices have quickly evolved. Worker car-pooling, for instance, is not an optimal travel strategy anymore, and many companies are leasing new vehicles to help prevent potential virus transmission. Some are considering a pull-back such as Reed & Reed is instituting. It will vary from project to project.

"If you have a highway project where you can easily spread out people and equipment, they're not going to have a lot of interaction during the day with each other," Marks says. "I can tell you that job site meetings in the morning, for example — people are spread out. They're no longer huddled around, they're spread out probably more than six feet. And then they're not having lunch together. Those are really big things."

Marks adds, though, that so far it does not look like a major construction industry contraction is under way. But as the Department of Transportation's Paul Merrill notes, there is another issue on the horizon that could affect the sector's fate: with traffic on Maine roads down 50 percent or more since February, gas taxes are down as well, and that could put at least a temporary squeeze on the state's road-building budget.

*This article appears through a media partnership with [Maine Public](#).*

# Highway Fund

The [Highway Fund](#) is used to account for revenue derived from excise taxes and license and other fees relating to the registration, operation, and use of vehicles on public highways and from fuel used for the propulsion of these vehicles, with **fuel taxes representing roughly two-thirds of Highway Fund revenue**. Pursuant to the Constitution of Maine, Article IX, Section 19, this revenue must be used for highway related activities. This revenue is expended primarily within the Departments of Transportation, Public Safety and the Secretary of State (Bureau of Motor Vehicles).

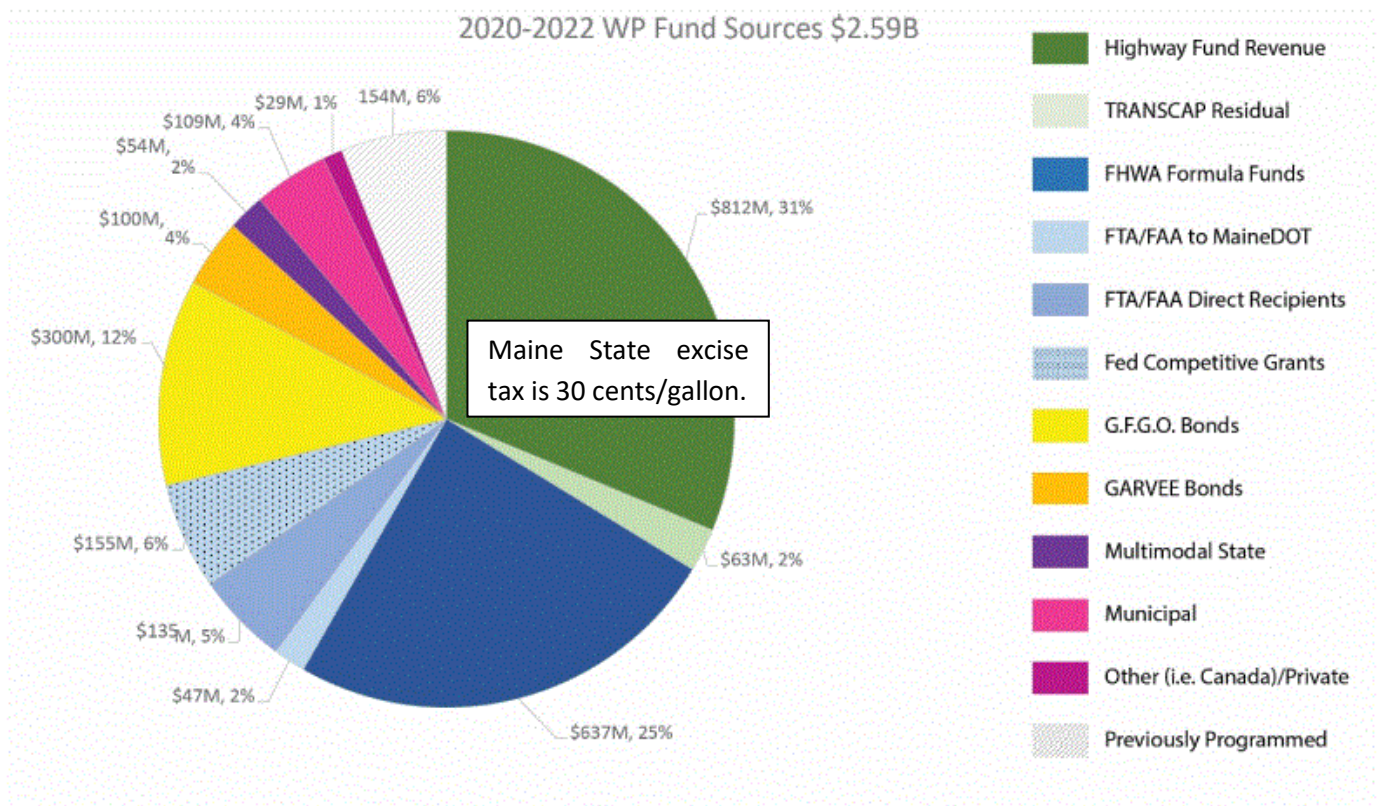


Figure 1

**State Highway Fund revenue sources**, shown as the two green wedges in Figure 1, are derived largely from state per-gallon fuel fees and motor vehicle fees. Those total an estimated \$875 million and **represent about 33% of the total value of Work Plan items**.

## Less traffic on Maine roads gives crews more flexibility for repairs



Gabor Degre | BDN

Steam rises as Bangor Public Works employees work on patching road potholes in this March 2019 file photo. The vast majority of state road and bridge projects scheduled for work this spring are moving ahead, even though some contractors are temporarily suspending work due to coronavirus concerns, according to a state transportation official.

By [Bill Trotter](#), BDN Staff • April 11, 2020 | [Click here to view online.](#)

ELLSWORTH, Maine — Due to a coronavirus-related drop in the number of cars and trucks on Maine roads, re-paving and bridge rehab crews now have more flexibility with when they can work, according to a state transportation official.

Some projects might benefit from that, Paul Merrill, spokesman for Maine Department of Transportation, said. But others are facing delays because a couple of contractors are suspending work due to coronavirus concerns. Still, most of the state's springtime projects aimed at repaving roads and rehabbing bridges are continuing as planned, he said.

Woolwich-based Reed & Reed Inc., which is contracted on three projects, is on a two-week hiatus beginning Friday, Merrill said. The company posted on its website that it is pausing work "to provide for maximum protection" of its workers during what's projected to be the peak level of infections. All employees will receive full pay and benefits during the shutdown, and no employees will be laid off or furloughed, the company said.



An additional out-of-state contractor also is suspending work, Merrill said, but all other planned road work this spring is advancing.

“Right now, the vast majority of our work is moving ahead as scheduled. We are facing unique challenges and we know there will likely be more down the road,” Merrill said. “The work we do at MaineDOT is essential, and we are fortunate to be able to continue doing this work in the current environment. Safety is always our top priority, and we are in constant communication with the Maine CDC to make sure we are keeping our employees as safe as possible.”



Linda Coan O'Kresik | BDN

The vast majority of state road and bridge projects scheduled for work this spring are moving ahead, even though some contractors are temporarily suspending work due to coronavirus concerns, according to a state transportation official.

The department's usually heavy workload in the spring of picking bidders for projects has not changed, he said. Over the past month or so, MDOT has received 137 bids for 51 projects that have a total projected construction value of almost \$98 million.

Statewide, there is a drop in traffic of roughly 50 percent, Merrill said, while in the Portland area and at the Piscataqua River Bridge where Interstate 95 crosses the Maine-New Hampshire border, there has been a decrease of more than 60 percent. The reduction in traffic allows more work to be done during the day, when workers might benefit from better visibility but also when traffic volume typically is higher, he said.

“The ability to do work during daytime hours as opposed to overnight certainly makes that work safer,” Merrill said. “In some cases, this flexibility may result in projects being finished faster, but there are too many other variables at play” to say whether specific project timeframes might benefit from more daylight work.

Merrill said road crews are meeting in smaller groups. The department is limiting the number of employees who have contact with each other in MDOT vehicles, either by only allowing one person in a pickup truck, for example, or by spacing them out or erecting barriers in larger vehicles such as vans or buses.

“A lot of the work we do is outside, where it’s easier to maintain 6-foot distances than it is in the office,” he said, adding that office employees who can work from home are doing so.

There will be lane and ramp closures associated with a repaving project on Route 1 between Brunswick and the Sagadahoc Bridge between Bath and Woolwich, but the contractor will be allowed to work 24 hours a day, six days a week, according to MDOT. There will be single lanes of traffic open in either direction from April 5 through May 22, and ramps at New Meadows Road and Congress Avenue may be closed from 9 p.m. to 6 a.m. from Sunday nights through Friday mornings. Closure notices will be posted 72 hours ahead of time on highway message boards and no two ramps will be closed simultaneously.

“Because of low traffic volume, we expect there will be minimal traffic impacts during this paving work,” MDOT officials said in a release. “We will continue to monitor traffic data and may revert to original contract language regarding traffic management if vehicle numbers increase.”

Two state bridge rehabilitation road projects in the Bangor area — where Kelley Road crosses I-95 in Orono and the Ohio Street bridge project over the interstate in Bangor — are proceeding as planned, which include periodic lane closures on the interstate highway.



Linda Coan O'Kresik | BDN

The vast majority of state road and bridge projects scheduled for work this spring are moving ahead, even though some contractors are temporarily suspending work due to coronavirus concerns, according to a state transportation official.

Merrill said the decision by Reed & Reed to halt construction for two weeks will mostly affect the Maine Avenue Bridge replacement project in Gardiner. Another Reed & Reed project, on Route 302 in Fryeburg, likely will not be affected because the current work there is being done by a subcontractor, Merrill said.

Reed & Reed also is the general contractor on an \$8.2 million project to rehabilitate the Barters Island Bridge in Boothbay, but Merrill said he is unsure how that project might be affected by the company’s suspension of work.

## Lighter traffic in Maine expected to make road work faster, safer

Traffic is down about 50%, allowing crews to close off more lanes and do more work during daylight hours.

By [Edward D. Murphy](#) Staff Writer | April 14, 2020 | [Click here to view online.](#)



A construction worker with Shaw Brothers pulls barrier barrels across the on-ramp at the northbound Maine Turnpike service plaza in Kennebunk on Tuesday. Because of a sharp drop in traffic, road construction projects throughout the state are moving along faster than scheduled. Gregory Rec/Staff Photographer

**Traffic in Maine is down to about half its normal volume,** meaning road crews can speed up repair projects and shift more of the work to daylight hours, which is less costly and safer.

The Maine Turnpike Authority, for instance, will allow crews to shut down two lanes of traffic in Kennebunk for about 18 hours a day this week to install a culvert under the highway. The initial plan had been for the lanes to be closed for about seven hours a day, all overnight, to avoid worsening rush hour traffic.

“We wouldn’t do this during normal situations because traffic would be so bad,” said Erin Courtney, spokeswoman for the turnpike authority. Because of the work, traffic will be down to one lane in both directions near the Kennebunk service plazas at least part of the time, she said.

Turnpike traffic has been running at about 50 percent of its normal volume this spring, Courtney said. That means the lane closures, which had been expected to run from 10 p.m. to 5 a.m., will now go from 7 p.m. to 2 p.m. without as many worries about tying up traffic.

The longer work days and accelerated schedule also mean crews will be able to install new pavement as part of the project. That work had been expected to take place in July,



she said, with crews returning to the site this summer to put down the new surface over a temporary patch.

The state also is accelerating some roadwork. For instance, the replacement of the Grist Mill Bridge in Hampden, which carries traffic from Route 1A and Route 9 over the Souadabscook Stream, is getting underway about two months ahead of schedule because statewide traffic is down on par with the turnpike – about half its normal volume, said Paul Merrill, spokesman for the Maine Department of Transportation.

Merrill said the work had been planned for early summer, after schools let out for the year, to avoid disrupting local traffic. But with schools closed, he said, the work began Monday.

“With school out now and traffic volumes down about 50 percent statewide, they decided to start now,” Merrill said.



A car and a truck move along a detour into the northbound Maine Turnpike service plaza in Kennebunk after the on-ramp was closed for construction on Tuesday. With lighter traffic, construction crews have been able to extend lane closures. *Gregory Rec/Staff Photographer*

He said other repair projects, including on the Falmouth spur, the Interstate 95 bridge in Kittery and Route 1 in Bath and Brunswick, can be shifted to daylight work. The department is evaluating other projects to see if they can be accelerated or shifted to daytime hours, he said.

Work done during daylight is typically more efficient and also cheaper, Merrill said. Contractors typically charge a 20 percent to 25 percent premium if forced to work at night.

Merrill declined to say how the state is handling the lower cost of projects with contracts that already have been issued.

“The work will be done faster, cheaper and safer – that’s the hope,” he said.

Courtney said the turnpike also benefits from lower costs if the work is done quicker. For instance, because the permanent paving will be installed this month instead of later, the turnpike won’t have to pay for additional inspections this summer.



She said turnpike travelers also will benefit from less disruption in travel, and the contractor's costs may be lower, helping offset the extra costs that come with implementing social distancing work practices to discourage the spread of coronavirus.

**Merrill also said there's a financial downside to the falloff in traffic. Most road projects in the state are funded by a tax on gasoline. With travel down because of stay-at-home orders, gasoline use – and those tax collections – are also off, he said. The state expects revenue from the tax will drop by 40 percent, from \$182 million to \$108 million, over the next six months.**

## The first phase of the I-395/Route 9 Connector Project:

The \$13.5 million replacement of the Wilson Street/I-395 Bridge, the 1st phase of the \$100 million I-395/Rte. 9 connector necessitated by the dubious selection of 2B-2 as the preferred alternative, is scheduled for a May 6<sup>th</sup> bid. Cancelled last spring when it cost \$11.9 million, it is estimated now to cost \$1.6 million more...

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It's fiscally irresponsible to spend \$13.5 million of our state's limited transportation dollars to demolish a [good/good/satisfactory](#) rated bridge when the annual shortfall has ballooned to -\$232 million and 142 projects had to be cancelled. Now the gas tax revenue shortfall is \$74 million over the next six months!!



---

45 of the 79 (57%) studied routes—NOT 2B-2—met the original system linkage need that mandated a [Route 9 EAST of Route 46](#) connection. 2B-2 connects to Route 9 [4.2 miles WEST](#) of that specific system linkage need connection point requiring the \$13.5 million replacement of bridge #1564. 45 other routes did not!!

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- [Bridge #1564 was built in 1984](#) and is a relatively new bridge at 35 when compared to the average age of Maine's bridges at 52+ years old.
- Maine's overall infrastructure—[4<sup>th</sup> worst in the nation](#) (CNBC).
- 14% of our bridges are rated structurally deficient—[7<sup>th</sup> worst in the nation](#).
- 43% of our roads are in poor/ mediocre condition—[9<sup>th</sup> worst in the nation](#).
- Driving on roads in need of repair [costs every Maine motorist \\$529 a year](#).

## **Maine's roads and bridges as of April 2020 per [TRIP](#):**

- **A total of 43 percent of Maine's major roads are in poor or mediocre condition.**
- **Driving on deteriorated roads costs Maine motorists \$560.8 million a year – \$543 per motorist – in the form of additional repairs, accelerated vehicle depreciation, and increased fuel consumption and tire wear.**
- **A total of 13 percent of Maine's bridges are rated in poor/structurally deficient condition, meaning there is significant deterioration to the major components of the bridge.**
- **A total of 59 percent of the state's bridges are at least 50 years old, an age when many bridges require significant rehabilitation or replacement.**

**The above are the latest facts as presented by**



**At the same time: the annual \$232 million shortfall in the DOT's road and bridge program has caused the cancellation of 142 projects in the current 3 year Work Plan and the downgrading of paving best practices, and the stay-at-home policy will result in a \$74 million shortfall in gas revenues over the next six months. How does the DOT reconcile endorsing the controversial \$100 million I-395/Rte. 9 Connector when so many other unmet transportation needs exist?**

**Nothing stops this connector—not poor/structurally deficient bridges—not poor or mediocre roads—not record shortfalls—not project cancellations—not a shortfall in gas tax revenues—not the added cost to Maine motorists—not even covid-19.**

## Maine could lose \$1B by next year due to coronavirus



Photos/collage by Bill Trotter  
| BDN

Businesses in downtown Ellsworth post closed notices to customers in their front windows in response to the coronavirus pandemic.

**Maine could lose \$200 million by the end of June and up to \$1 billion by mid-2021, according to dire projections concerning the economy.**

By [Caitlin Andrews](#), BDN Staff,  
and [Jessica Piper](#), BDN Staff • April 17, 2020  
[Click here to view online.](#)

**Maine could lose \$200 million by the end of June and up to \$1 billion by mid-2021, according to dire projections showing that nearly a quarter of state revenue could be in danger due to the coronavirus.**

Most states, including Maine, have ordered business closures and social distancing to slow the spread of the new virus. It led to a month-long economic dive in which [1 in 10 workers in the state filed for unemployment](#) accompanied by [steep drops in national retail sales](#).

**It has been clear that the economic crisis would threaten key state revenue streams, but warnings from Maine officials [have so far lacked specifics](#).** The projections made this week by the state and Moody's Analytics are among the first attempts to quantify the effect of the coronavirus on state finances.



“There are some factors we can’t account for,” said State Treasurer Henry Beck, a Democrat. “It’s all speculation at this point. But if someone like Moody’s is going to tell me a revenue projection, I believe it.”

The Moody’s estimates were conducted for all 50 states and are based on projected declines in sales and income tax revenue as well as increased Medicaid spending on Medicaid under different scenarios through June 2021.

**The forecast for Maine aligns with a 2018 state analysis suggesting that the rainy day fund is not equipped to offset a moderate recession.**

Under the baseline scenario, which assumed a peak-to-trough reduction in U.S. gross domestic product of 10 percent, Maine was expected to see a \$865 million fiscal shock. Under a more severe scenario, assuming a 14 percent reduction in GDP, that figure hit \$1.1 billion. Those scenarios included [federal funding provided to the states](#) through two coronavirus relief bills.

The forecasted shortfalls suggest Maine could be worse off than most states. Under the baseline scenario, the fiscal shock is forecasted to be 22.6 percent of state revenue. Only 10 states were expected to see a greater shock as a share of revenue.

**Maine is already seeing drops in revenue**, although economic officials think the impact of the virus will not be apparent until later. **February revenues were down \$4.7 million or 2.2 percent**, according to a Friday memo from Maine’s budget commissioner. That’s about \$2 million less of a decrease than [what the state saw in January](#).

That is a drop in the bucket compared to what Maine may lose between now and the end of the fiscal year. Department of Administrative and Financial Services Commissioner Kirsten Figueroa said in a Wednesday email that the state may be able to cover the \$200 million revenue it is expected to lose between now and the end of the fiscal year.

She said “one of the easiest ways” to pay down the shortfall would be to use \$95 million in money the state planned to spend in prior fiscal quarters but did not. Figueroa also referenced [a \\$193 million fund balance](#) projected by the time books close on the fiscal year on June 30.

Maine ended the 2019 fiscal year with another \$240 million in its budget stabilization fund, known as the rainy day fund. Gov. Janet Mills' [\\$8 billion two-year budget](#) — which was proposed at an [11 percent increase](#) over the previous budget — added [another \\$20 million](#) to the fund. Lawmakers [added another \\$17.4 million to the fund](#) in a spending bill signed last month.

That total is still short of what state economists said would be necessary for the state to weather a moderate recession. A [2018 stress test](#) conducted by a forecasting committee suggested that the rainy day fund should be 18 percent of the general fund, or around \$646 million.

**The Moody's analysis suggests that even when accounting for the rainy day fund, the state is still expected to face a budget shortfall of between 11 percent and 17 percent of revenue.** Beck said the state's revenue forecasting committee is expected to meet in June to make projections.

Members of the Legislature's budget committee said the lag time in revenue data made it difficult to say now how the virus would affect the state. Rep. Amy Arata, R-New Gloucester, said "so much is unknown," but that she expected lawmakers would have to "work together and prioritize" when they eventually return to Augusta and assess the damage.

"It's unfortunate that we don't have more in the rainy day fund," she said. "When we go back and have to adjust the budget, we'll have to make some tough decisions."

Democrats were more optimistic. Rep. Erik Jorgensen of Portland pointed to the state's record-high levels in its rainy day fund and the "strong fund balance" left when lawmakers adjourned early. Still, he said he is watching the economic slowdown's effect on the state's hospitality industry, which [has been hit particularly hard](#), for signs of trouble.

"Things seem to be changing by the day," he said. "It's hard. We're operating a little in the dark."

# Lack of traffic allows MaineDOT to make progress on road repairs



Apr 15, 2020



[Click here to view article and video online.](#)

**PORTLAND, Maine —**

The drop in traffic due to the state's coronavirus state at home order has allowed the Maine Department of Transportation to make progress on road projects.

They are of I-295 that starts at Tukey's bridge and extends to the Fore River will have some lane closures as crews repair bridge joints.

The lack of traffic is allowing crews to work during the day instead of overnight.

"That lets us work through this stuff a little bit quicker, because day work does go faster than night work because of visibility, and it will hopefully save taxpayers some money in the long run," MaineDOT spokesman Paul Merrill said.

**The drop in traffic is having a negative effect on the department's budget. MaineDOT is forecasting a 40% reduction in revenue over the next six months.**

**The department is also anticipating losing \$125 million in gas tax revenue over the next year and a half.**

**The gas tax funds most road projects in the state.**

## An email on 4.20—the news keeps getting worse...

Maine has no money now and our money woes will only get worse in the future - yet - the DOT continues spending as if nothing is wrong.

“The Moody’s analysis suggests that even when accounting for the rainy day fund, the state is still expected to face a budget shortfall of between 11 percent and 17 percent of revenue...**Maine could lose \$200 million by the end of June and up to \$1 billion by mid-2021,** according to dire projections showing that **nearly a quarter of state revenue could be in danger due to the coronavirus.**” [BDN on 4.17.2020](#)

“The drop in traffic is having a negative effect on the department's budget. **MaineDOT is forecasting a 40% reduction in revenue over the next six months [\$74 million] .The department is also anticipating losing \$125 million in gas tax revenue over the next year and a half.**” [WMTW on 4.15.2020](#)

A ballooning annual \$232 million shortfall in the current 3 year work plan forced the cancellation of 142 projects in January; how many more road and bridge projects will need to be cancelled due to the covid-19 projected \$125 million loss in gas tax revenues?

The DOT continues to move ahead — seemingly unchecked — with the \$100 million I-395 connector project when they should be suspending all new projects and re-appropriating those limited resources to the unmet transportation needs of our state. The MaineDOT’s preferred alternative (2B-2) meets the system linkage need only in the near-term (20 years) per the DEIS; the I-395 connector project is nothing more than a short-term, ribbon-cutting, photo-op with questionable long term benefits.



## Maine Turnpike anticipates many more people on the road by summer

After seeing half its traffic volume vanish since mid-March, highway officials anticipate they'll be down 10% per month from July through December.

By [Steve Collins](#) | Sun Journal | April 23, 2020 | [Click here to view online.](#)



The toll plaza on the Maine Turnpike in West Gardiner.  
*Joe Phelan/Kennebec Journal*

Highway traffic projections aren't typically the type of data that anyone beyond the confines of the Maine Turnpike Authority would care much about.

But this year, they may tell us something about what to expect from the economy in the coming months.

The turnpike's best guess, after consulting a range of experts, is that by July, things may appear considerably better.

Because of the shutdowns related to the coronavirus pandemic, the turnpike expects to see its normal April revenue cut in half. In May, it is eyeing a 30% decrease. In June, it anticipates a 25% reduction.

**From July through the end of the year, it anticipates highway use to be down about 10% monthly, with perhaps a bit worse showing as the holidays approach.**

The authority's treasurer, Doug Davidson, said Thursday that he came up with the estimates after canvassing the views of eight banks, bond underwriters and others about what to plan for. He said he took a more conservative approach than most of those providing advice.

The number of vehicles going up and down the highway is one indicator of economic activity. The more trucks and cars are on the road, the more things are hopping. Fewer of them, of course, means business is slower.

**The turnpike anticipates that less traffic and higher costs will sock its bottom line for the year by as much as \$20 million.**

Despite the expected loss, though, the authority is not worried about its finances. It has \$132 million in cash to help it ride out any turmoil.

In his report to the authority's board, Davidson said the highway was cruising along normally until March 16 when ["it kind of went off a cliff."](#)

Since then, he said, **traffic has been off an average of about 56% daily.**

## Advertisement

Revenues haven't taken quite as big a hit, however, because there has been "a surge in trucks" using the road, Davidson said.

"Heavy trucks have been amazing," he said, with their volume actually up as much as 8% as companies struggle to fill shelves at Walmart and the Amazon warehouse in Lewiston. Poland Spring Water Co. also has a lot of trucks on the road, he said.

What's missing from the highway is mostly commuters.

The average toll paid on the turnpike has risen by a third since mid-March to about \$2.10, Davidson said.

There is some indication that a turnaround is already underway since the worst moments of the pandemic shutdown.

“We’re starting to see passenger cars coming back,” Davidson said.

Davidson said the experts he consulted in preparing his projections, which are part of a 30-year plan, told him that businesses are going to have to start opening one way or another to supply the food and necessities people need.

By May, many more big plants will have to open, he was told.

Davidson said the experts also told him they anticipate that by June there will be many more passenger cars on the road as people head away from large cities for traditional summer getaways in places such as Maine.

Peter Mills, the turnpike’s executive director, said he’s glad to work for “one of the few organizations in the free world that still has a 30-year plan in place” that hasn’t been thrown into turmoil by the spread of COVID-19.

It appears the impact of the revenue losses are likely to mean nothing worse than pushing back a few nonessential construction projects by six months or a year. The 18 contracts underway, Mills said, are already funded so they will continue.

One headache for turnpike officials is prodding a concession operator to make sure that rest stops remain functional, with bathrooms cleaned and at least one food provider open, something Mills said truckers are especially concerned about.



## Forecasting Commission, Revenue Forecasting Committee to Convene Early to Assess Economic Ramifications of COVID-19 on State Revenues

April 27, 2020 | [Click here to view inline.](#)

***Governor also freezes non-emergency spending & hiring by State government and renews calls on Federal government to provide states with flexibility to use Federal funding***

Governor Janet Mills today announced that the Consensus Economic Forecasting Commission (CEFC) and the Revenue Forecasting Committee (RFC) will convene off cycle to examine the economic ramifications of COVID-19 on State government's revenues. The committees will meet in July 2020 and August 2020, in advance of and in addition to the statutory dates currently set for November 2020 and December 2020, respectively. The CEFC and RFC are responsible for projecting revenues that the Administration and Legislature then use to determine the State's budget.

Additionally, **Governor Mills has instructed all departments of State government to freeze all non-emergency spending and hiring** and she is renewing her calls for the federal government to provide flexibility for states to use federal funding for expected revenue shortfalls.

"There is no question that the virus is impacting state revenues; the real question ultimately is by how much?" said Governor Mills. "The Legislature and I have taken steps to safeguard Maine's economy, but federal partnership will be important moving forward. As a member of the National Governors Association, I am urging Congress and the Administration to provide additional direct support to states as well as flexibility with funding already authorized. All states are going to face reductions in revenue as a result of this virus. We need flexibility with funding in order to continue to protect the public health and safety and to spearhead an economic recovery."



Department of Administrative and Financial Services (DAFS) Commissioner Kirsten Figueroa, Maine State Economist Amanda Rector, and DAFS Associate Commissioner for Tax Policy Mike Allen believe that the July and August timeframe will allow for the CEFC and RFC to more accurately understand the economic ramifications of COVID-19 on Maine's economy and the State budget, rather than attempting to gauge it earlier and obtaining a partial and inaccurate picture. Once that information is in hand, the Governor will work with the Legislature to determine the best path forward.

**Additionally, Governor Mills instructed all departments to apply an emergency basis scrutiny to spending and hiring. This includes freezing unencumbered balances for Fiscal Year 2019 and certain reserves in Fiscal Year 2020, as well as reviewing contractual obligations through the remainder of the Fiscal Year, which ends June 30th. The Governor has also prohibited state employees from traveling out of state on state business.**

"Similar to the mid-course adjustment we made in the supplemental, it makes sense to reconsider all expenditures and reserves knowing future revenues will be drastically lower," said DAFS Commissioner Kirsten Figueroa. "Saving now will minimize future disruptions to services Maine citizens rely on from us."

Governor Mills, through the bipartisan National Governors Association, continues to press Congress and the Trump Administration to provide robust and flexible federal relief to offset expected revenue shortfalls that every state is confronting.

These actions come in the wake of other steps the Mills Administration and the Legislature have taken to prepare the State for the economic ramifications of COVID-19, including working in a bipartisan manner to revise and enact the supplemental budget. The [\\$73 million revised proposal](#), which was \$52 million less than originally proposed, prioritized initiatives related to COVID-19. The current projected balance of unappropriated surplus is \$113 million over the biennium. The Budget Stabilization Fund, or Rainy Day Fund, through the enacted supplemental, stands at \$257 million, which is an increase of more than \$50 million since the Governor took office.

Email sent out on 4.27.2020:

Attached is today's press release from the Governor's office. I have pulled out a couple of remarks below, highlighting some key words:

"Additionally, Governor Mills has instructed **all departments** of State government to **freeze all non-emergency spending** and hiring and she is renewing her calls for the federal government to provide flexibility for states to use federal funding for **expected revenue shortfalls**."

"Additionally, Governor Mills instructed all departments to **apply an emergency basis scrutiny to spending** and hiring. This includes freezing unencumbered balances for Fiscal Year 2019 and certain reserves in Fiscal Year 2020, as well as reviewing contractual obligations through the remainder of the Fiscal Year, which ends June 30th. The Governor has also prohibited state employees from traveling out of state on state business."

No one knows what our state and local communities will look like at the end of this mess; anyone that thinks our fiscal woes will immediately be cured have not been paying attention. Businesses and jobs may not come back as hoped.

According to the Bangor Daily, the City of Brewer is conservatively budgeting for state revenue sharing to be 35 percent lower than the city had projected before the pandemic. –AND - Maine could lose \$200 million by the end of June and up to \$1 billion by mid-2021, according to dire projections, made by Moody Analytics, showing that nearly a quarter of state revenue could be in danger due to the coronavirus.

The DOT anticipates a \$125 million loss in Highway Fund revenues over the next 18 months adding to the annual \$232 million shortfall that cancelled 142 projects at the start of the year.

The \$13.45 million replacement of the Wilson Street/I-395 Bridge – the first phase of the I-395 connector project - will be advertised on May 27th.

Is the connector going to now be considered an emergency? I would offer that the connector isn't even essential, let alone an emergency.

The connector needs to be on the same chopping block as every other program during this fiscal crisis.



"One angry man  
with a laptop"

Welcome to 2020, the 20<sup>th</sup> year of the I-395/Route 9 connector boondoggle:

Amidst the failure of the blue-ribbon funding commission to reach consensus, and a 46% increase in project costs from a March 2019 estimate that bloated the annual road and bridge maintenance shortfall to an annual \$232 million by October 2019 cancelling 142 projects in the DOT's 2020-2021-2022 Work Plan:

- TRIP reports that driving on the 43% of Maine's major roads rated as poor or mediocre condition and the 13% of poor/structurally deficient rated bridges costs each Maine motorist \$543 annually.
- The October 2017 \$79.25 million connector cost, per the INFRA grant application, has increased by \$20.75 million (+26.2%) to \$100 million—a 64.0% increase in the March 2012 DEIS connector cost of \$61 million.
- As of April 2020, the MaineDOT is anticipating a \$125 million drop in Highway Fund revenues over the next 18 months and the State may lose \$1 billion (25%) in revenues by mid-2021 due to covid-19.
- MaineDOT will bid the \$13.45 million replacement of the Wilson Street/I-395 Bridge on May 27 to start the first phase of the I-395/Rte. 9 connector boondoggle...

What's wrong with you MAINE—we have no money!!

## Maine DOT facing big revenues drop from coronavirus health crisis

The DOT depends on dedicated revenue from the fuel tax to pay many of the bills, including salaries.

Author: Don Carrigan

Published: April 30, 2020 | [Click here to view online.](#)

AUGUSTA, Maine — Nearly two months of battling the [COVID-19](#) virus is taking a toll on Maine's economy. Thousands of businesses have been closed or cut back, more than 100,000 people are out of work, but a serious side effect is a loss of tax revenue that pays for state government.

Few parts of the government have felt the hit from the economic shutdown more directly than the Maine Department of Transportation. The DOT depends on dedicated revenue from the fuel tax to pay many of the bills, including salaries. And Transportation Commissioner Bruce Van Note says the money has stopped flowing.

"Our revenue sources are pretty limited and simple," the Commissioner said. "Fuel taxes. If people don't drive, they don't burn gas so revenue is down."

Van Note says the DOT is projecting that for the six month period from April 1 to September 30, the Highway Fund, created by the fuel tax money, will be down by as much as 40% - \$74 million.

This at the same time the DOT is starting its annual construction season. Van Note says there is money from bonds approved by voters last year, so **most of the work will go on**, but he says the DOT needs help.

"We did assume from the get-go a month ago that there would be extraordinary funding from the federal government available to deal with huge revenue losses caused by or COVID-19 and as of this moment, it hasn't materialized."

The money Maine and other states have gotten from the federal government for COVID-19 relief is not allowed to be used to replace lost tax revenue. Van Note says Maine's Congressional delegation is aware of the problem, and Sen. Susan Collins told reporters this week the policy needs to be changed.

The Highway Fund isn't the only casualty of the virus. Income taxes and sales taxes are also being delayed and reduced by the health crisis. Governor Mills said this week she is calling state revenue analysts to meet in June—much earlier than usual—to determine how much of a financial hole state government will be in, and begin planning for ways to get out.



In September 2019, Commissioner Van Note made the following statement: **"We are cutting it too damn close – it's just too close."**

My question is if we are indeed "cutting it too damn close" – why are we wasting \$100 million on the I-395 connector when there are other unmet needs that obviously worry the commissioner?



<https://www.youtube.com/watch?v=LeuaoxDp174>

From [Channel 2 news](#) on April 30: Commissioner Van Note discusses the fuel tax: "That money has stopped flowing." **The DOT is projecting a 40%, \$74 million loss in Highway Fund revenues from April to the end of September.** He also stated that most work will go on as planned and that they thought Federal monies would be available to make up for the covid losses, but that hasn't materialized. Money that the state has already received cannot be used to make up for revenue losses. **Van Note also stated (disturbingly) that they could take some money out of the transportation bond that will be voted on in June, even though that money was for projects planned next year.**

Remember the old Popeye cartoons where Wimpy says "I'll gladly pay you Tuesday for a hamburger today." The DOT cannot operate in this fashion – hoping that next "Tuesday" will take care of itself or the feds will dump them some more money to spend.



<https://www.youtube.com/watch?v=MYEsOw0651k>

From: **Sylvester, Amy**  
Date: Tue, May 5, 2020, 10:58 AM  
Subject: **MDOT 395 connector response**  
To: Kevin O'Connell

Hi, Kevin - I passed along the latest concerns about the 395 connector, particularly in regards to the ongoing situation and fiscal implications. Here is the response from MDOT that the administration asked me to share with you:

*"Thank you for your inquiry and we appreciate the question. For the reasons below, MaineDOT currently plans to move forward with the I-395 connector project. The most important reason is the long-standing need to improve this section of Maine's transportation system. The I-395 connector, once built, will serve as a vital link for freight transportation from the Bangor area to points east and north of Bangor.*

*In addition, the State of Maine received discretionary funding for the I-395 connector project. Any delay or suspension of work is apt to have serious financial implications. MaineDOT received a \$25 million INFRA grant for this project. This grant is funding specifically for this project, and the funds need to be obligated by September 2021. We are currently on schedule to meet that timeframe, however, any suspension of the project would jeopardize that schedule and the \$25 million. Not only are these funds at stake if we don't proceed, but future discretionary funding applications could be jeopardized. One of the reasons why Maine has remained so successful with discretionary funding applications is because we have the reputation of delivering on the projects in our applications. Should anything jeopardize this reputation it could put future MaineDOT applications for federal discretionary funding at risk.*

*We believe that now is the time to continue investing federal and state dollars into Maine's transportation infrastructure. Due to the COVID-19 pandemic, more Mainers now than ever need reliable employment, and construction, since being deemed an essential activity, is reliable employment. The contracting community has created best practices for working in accordance with CDC COVID-19 guidelines, so that construction work can be done in a way that minimizes the risk of spread of the virus. Due to traffic being temporarily decreased, contractors will be able to work more freely and at less cost. After the pandemic is over, normal levels of traffic will return to I-395 and this major freight corridor will benefit greatly by this by-pass, which has been sorely needed."*

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My thoughts to this email: *"any suspension of the project would jeopardize that schedule and the \$25 million"* Didn't we hear that same excuse last year with LD 783? The vote was ONTP on April 11, 2019; the bill required a non-governmental entity to report out on the 2B-2 selection NLT April 29, 2019. The DOT claimed they could not suspend the project for 18 days for a report that would have cost a mere .025% of the current \$100 million cost, without jeopardizing the project.

**The \$25 million INFRA grant is only 25% of the current \$100 million estimated cost of the connector, so at least \$75 million will have to be taken away from other projects; add that to the annual \$232 shortfall in the roads and bridge budget, the 142 projects that had to be cancelled in January, the anticipated \$125 million loss in the Highway fund over the next 18 months and the billion loss in state revenues by mid-2021, and you have a fiscal disaster. We recognize that, yet our state government insists on spending money that we don't have on a project we don't need. The optics of earthmovers will not look good next year if the state is teetering on bankruptcy...**

They need to come up with better excuses or maybe they can tell us the truth for once – that would be refreshing.

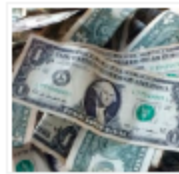


Back when J. Wellington Wimpy was featured alongside Popeye, the idea of receiving something today and paying for it later was completely absurd.

Waiting for next Tuesday is no way to pay for Maine's unmet transportation needs, exacerbated by record budget shortfalls carried forward into 2020, and current and projected losses in Highway Fund revenues from the ongoing covid-19 pandemic. The \$100 million I-395/Rt. 9 connector, a controversial project, lacking local support, is moving forward even though:

- an annual \$232 million shortfall exists in the MaineDOT current 3 year work plan and 142 projects had to be cancelled in January;
- MaineDOT forecast a 40% reduction (\$74 million) in revenue from April to September and anticipate a \$125 million loss in critical Highway Fund revenues over the next 18 months;
- Moody's Analytics forecasts Maine could lose \$200 million by the end of June and \$1.0 billion in revenues by mid-2021. The Center on Budget and Policy Priorities projects the loss will reach roughly \$1.2 billion by June 30, 2021 based on Maine Center for Economic Policy analysis;
- Commissioner Van Note may remove funds from the yet-to-be approved \$105 million bond for use this year; worrying about 2021 projects later;
- 43% of our major roads are rated poor or mediocre; 13% of our bridges are rated poor/structurally deficient costing each Mainer \$543 per year.

There's no money for unmet transportation needs today and our fiscal woes will only worsen as the DOT waits for Tuesday to come!



BUSINESS

## Think tank projects \$1.2 billion budget shortfall for Maine

The nonpartisan Center on Budget and Policy Priorities said Maine faces a huge shortfall by the end of the next fiscal year.

BY [J. CRAIG ANDERSON](#) | STAFF WRITER | MAY 6, 2020 | [CLICK HERE TO VIEW ONLINE.](#)

Nonpartisan research and policy institute the Center on Budget and Policy Priorities is projecting a huge budget shortfall for Maine by the end of the next fiscal year.

In Maine, revenue losses will reach roughly \$1.2 billion by June 30, 2021, the institute projects. Maine will likely face further losses in subsequent years, it said. The projection is based on an analysis by the liberal Maine Center for Economic Policy, it said.

Nationally, state budget shortfalls could total \$650 billion over three years, it estimated, based on new economic projections from the nonpartisan Congressional Budget Office and updated projections from Goldman Sachs.

The new figures – significantly higher than estimates the center issued based on economic projections a month ago – increase the urgency that policymakers enact additional federal fiscal relief and continue it as long as economic conditions warrant, it said.

“Without fiscal relief, states will be forced to lay off teachers and other workers, cut important services like health care and education, and take other actions that will ultimately make the recession and its recovery longer and more painful,” the center said in a statement.



Thursday, May 7, 2020 18:55

## DOT construction ahead of schedule

Written by **John Wagoner** | [Click here to view online.](#)



**BANGOR** – The stay-at-home order means there are less cars on state highways, which makes construction work easier for Maine Department of Transportation.

A spokesperson for Maine DOT said compared to the same time frame in 2019, **traffic on state highways dropped around 53 percent in the last few weeks of March.**

The numbers have started to increase with the governor's phased reopening of the state economy, but the number of cars on the road is **still down 40 percent for late April and early May.**

Decreased traffic has allowed for construction on a number of bridges on Interstate 95 and Route 1A in the Hampden area to move ahead of schedule, allowing crews to work during the day instead of overnight.

Traffic volume will continue to be monitored to ensure the crews safety and flow of cars through those areas.

“We’re talking about how long we’re going to be able to do this without significant traffic impacts, first of June is the point where we’re thinking we’re going to wrap it up, or if we still see traffic numbers down we can continue,” DOT spokesman Paul Merrill said. “Just like everyone else we’re taking it day by day, week by week.”

**Merrill said Thursday there are concerns from the dot about future construction projects with a projected loss in gas tax revenue due to COVID-19.**

- 
- **Apparently the DOT is not concerned with the future I-395/Route 9 connector as they have said recently that they intend to go forward with that \$100 million project – no matter what the fiscal environment looks like.**



## REPORT: Maine needs fiscal relief now to address revenue shortfall of at least \$1.2 billion

*May 5, 2020*

Just two months after the pandemic's first ripples were felt in the economy, forecasters say unprecedented state revenue shortfalls jeopardize state and local budgets. **In Maine, revenue losses will total roughly \$1.2 billion in the fiscal year ending on June 30, 2021.** Maine will likely face further losses in the subsequent budget cycle, as state revenue shortfalls nationwide are projected to total \$650 billion by the end of fiscal year 2022.

Those projections represent the steepest revenue drop on record. Without fiscal relief, states will be forced to lay off teachers and other workers, cut important services like health care and education, and take other actions that will ultimately make the recession and its recovery longer and more painful.

The best solution lies with the federal government, which has unparalleled power to backfill state budget shortfalls, thereby protecting jobs, essential services, and other public investments when they are needed most.

Congress has created a Coronavirus Relief Fund that provided some relief to states. Those funds are a start, but more is needed to prevent an unprecedented state budget catastrophe, that would harm Mainers' health and economic security. Congress and the President must increase and extend the Fund and give states more flexibility in using relief funds to cover rising costs and make up for lost revenues.

[Click here to read the full report.](#)

## Maine Department of Transportation braces for big revenue loss

A drop in revenue from fuel taxes and motor vehicle fees because of the coronavirus means less money for local towns and cities to spend on road projects.

BY [GILLIAN GRAHAM](#) | STAFF WRITER | MAY 11, 2020  
[CLICK HERE TO VIEW ONLINE.](#)



A gas station on Congress Street in Portland was quiet on Friday. *Shawn Patrick Ouellette/Staff Photographer*

The Maine Department of Transportation is bracing for a massive drop in revenues from fuel tax and motor vehicle fees that fund a large share of the state's road repair budget as both residents and tourists stay home and buy less gas during the coronavirus pandemic.

The department is preparing for a revenue drop of \$125 million, or 24 percent, over the next 18 months for the state's Highway Fund, which is derived largely

from per-gallon fuel sales and motor vehicles fees. That loss comes at a time when Maine's \$675 million annual highway budget is already roughly \$232 million lower than it should be to meet the backlog of maintenance, repair and replacement projects, according to Maine DOT.

The impact also will ripple through the municipal budgets in Maine cities and towns, where officials are being warned that the amount of Highway Fund money they receive for local road maintenance will be significantly reduced. That funding is one of many revenue sources expected to decline as local officials try to set annual budgets for the fiscal year beginning July 1.

The state transportation department is "bracing" for a \$74 million, or 40 percent, drop in revenue in the next six months, said spokesman Paul Merrill. The projected revenue drop of \$125 million over the next 18 months represents a 24 percent decline and includes the \$74 million decrease anticipated over the next six months.

"We were already in dire straits with funding," Merrill said. "Things were not good and COVID is making things worse."

The department received \$17 million from the federal CARES Act, but that money cannot be used to cover revenue shortfalls, Merrill said. Of that money, \$2 million went to the Maine State Ferry Service and the rest is earmarked for transit. Commissioner Bruce Van Note is working with Maine's congressional delegation to see if there is any flexibility, Merrill said.

"The analogy that gets thrown around the office is it's like your roof caves in and you get a pot of money, but you can only use it to put an addition on the house and not replace the roof," Merrill said.

The revenue loss means there will also be a drop in payments to local municipalities from the Local Road Assistance Program, which is used to pay for capital improvements to local roads.

Each year, 9 percent of the state Highway Fund goes to the Local Road Assistance Program, which is distributed to each municipality based on how many miles of roads it maintains. After the Legislature determines the highway



budget, towns and cities are notified by July each year what their LRAP allocation will total.



The state's Department of Transportation is "bracing" for a \$74 million, or 40 percent, drop in revenue in the next six months, says spokesman Paul Merrill. *Shawn Patrick Ouellette/Staff Photographer*

The department recently issued a notice of a possible reduction in funds for the Local Road Assistance Program, which is usually received by towns in late November. The Maine Municipal Association warned its members that the impacts to LRAP will not be known until after many municipal budget adoption deadlines.

"The state fuel tax, which provides the bulk of the revenue for transportation purposes, was already inadequate to meet MEDOT projected needs due to lower receipts caused by increasing vehicle fuel efficiency," the Maine Municipal Association said in a notice to its members. "The COVID-19 health emergency has brought fuel tax revenue collections to a near halt, and with tourism season in question, there are likely to be re-adjustments to final allocations."

For fiscal year 2021, the Local Road Assistance Program was set to receive more than \$21.3 million, down 1.4 percent from the previous year. The department expects to know how big of a hit the program will take after state



forecasts for revenue losses are released, possibly in July, said Peter Coughlin, a Maine DOT engineer.

“What this is going to have for an impact, we simply don’t yet know,” he said.

Many southern Maine towns and cities receive \$200,000 or more from LRAP annually. In fiscal year 2020, Biddeford received about \$202,000, South Portland took in \$270,000 and Scarborough received \$331,000. Portland received more than \$522,000.

James Bennett, the city manager in Biddeford, said local roads are one of several revenue streams municipalities are looking at as they anticipate revenue losses that will impact spending and potentially property taxes. For many communities, the largest source of revenue that could take a hit is municipal revenue sharing, a share of state sales and income tax revenue that goes to communities and fluctuates with the economy. Revenue from excise taxes is also likely to be down, he said.

“There are only two choices for communities when that happens: Either you don’t spend the money on a project or you raise property taxes to make up for it,” Bennett said. “Where people are right now, particularly given everything that’s going on, I think there’s going to be a real reluctance to do much, if any, increase in property taxes. I think most municipal officials will try to do everything they can to minimize or eliminate additional financial pressure on taxpayers.”



## Maine DOT bracing for major drop in revenue due to coronavirus outbreak

By WMTW  
May 12, 2020

AUGUSTA, Maine (WMTW) - The Maine Department of Transportation is bracing for a massive drop in revenue due to the coronavirus outbreak.



[Click here to view video and article online.](#)

Maine DOT is expecting to lose \$125 million in revenue over the next 18 months, which is about 24% of the state's highway fund.

Officials said the revenue decline is tied directly to the gas tax and fewer people driving.

The gas tax accounts for a large share of the state's road repair budget. For every gallon of gas, 30 cents go to the state highway fund.

"We were already facing an unmet need every year of about \$232 million dollars and that's after we bond \$100 million do we were in dire straits before and COVID-19 just makes the problem even worse," said Paul Merrill of the Maine DOT.

Officials said traffic is down about 53% statewide since the outbreak began.

They are warning that the impact will also ripple through the municipal budgets in cities and towns around Maine.



## News Release: Maine's Rural Roads & Bridges Have Significant Deficiencies & High Fatality Rates

### FOR IMMEDIATE RELEASE

Tuesday, May 12, 2020

#### Contact:

Rocky Moretti (202) 262-0714

Carolyn Bonifas Kelly (703) 801-9212

**MAINE'S RURAL ROADS & BRIDGES HAVE SIGNIFICANT DEFICIENCIES & HIGH FATALITY RATES;** ADDRESSING NATION'S ANTICIPATED \$50 BILLION DECREASE IN STATE TRANSPORTATION REVENUES DUE TO COVID-19 SEEN AS VITAL TO FUNDING NEEDED REPAIRS & MODERNIZATION TO IMPROVE RURAL CONDITIONS, SUPPORT ECONOMIC RECOVERY AND BOOST SAFETY

*Eds: This report contains data for all 50 states for the percentage of rural roads in poor condition, the percent of deficient rural bridges, rural traffic fatality rates and the number of rural traffic fatalities.*

Washington, D.C. –America's rural transportation system is in need of repairs and modernization to support economic growth and improve traffic safety in the nation's Heartland, but the US faces a \$211 billion backlog in funding for needed repairs and improvements to the rural transportation system. This is according to a new report released today by TRIP, a national transportation research nonprofit. The report, *Rural Connections: Challenges and Opportunities in America's Heartland*, evaluates the safety and condition of the nation's rural roads and bridges and finds that America's rural transportation system is in need of immediate improvements to address deficient roads and bridges, high crash rates, and inadequate connectivity and capacity.

The importance of the rural transportation system as the backbone of the nation's energy, food and fiber supply chain has been heightened during the response to the COVID-19 pandemic. Addressing the nation's rural

transportation challenges will require a significant increase in investment, but the tremendous decrease in vehicle travel that has occurred due to the COVID-19 pandemic is estimated to reduce state transportation revenues by at least 30 percent – approximately \$50 billion – over the next 18 months.

The chart below ranks states based on their rate of rural pavements in poor condition, share of rural bridges that are rated poor/structurally deficient, and fatality rates on non-Interstate, rural roads.

	State	Rural Pavements in Poor Condition	State	Rural Bridges Poor/Structurally Deficient	State	Fatality Rate per 100M VMT on Rural Non-Interstate Roads	Fatality Rate per 100M VMT on All Other Roads
1	Rhode Island	41%	Rhode Island	22%	South Carolina	3.44	1.12
2	Oklahoma	36%	West Virginia	21%	Oregon	2.92	0.76
3	Hawaii	32%	Iowa	20%	Kentucky	2.55	0.83
4	West Virginia	29%	South Dakota	18%	Tennessee	2.42	0.97
5	New Mexico	28%	Pennsylvania	17%	Arizona	2.36	1.39
6	Arkansas	26%	Louisiana	15%	Rhode Island	2.35	0.61
7	Mississippi	24%	<b>Maine</b>	<b>13%</b>	Kansas	2.31	0.66
8	Connecticut	24%	New York	12%	Oklahoma	2.29	0.95
9	Alaska	23%	Michigan	12%	North Carolina	2.28	0.75
10	<b>Maine</b>	<b>21%</b>	North Dakota	11%	Florida	2.27	1.30
11	California	21%	Oklahoma	11%	Texas	2.26	1.04
12	Washington	21%	North Carolina	11%	New York	2.24	0.49
13	Missouri	21%	Mississippi	9%	California	2.22	0.86
14	New Hampshire	20%	Missouri	9%	South Dakota	2.22	0.52
15	Louisiana	19%	Alaska	9%	Delaware	2.19	0.74
16	Pennsylvania	19%	Nebraska	9%	Alabama	2.16	0.97
17	Vermont	17%	Hawaii	9%	Indiana	2.15	0.65
18	Massachusetts	16%	New Hampshire	9%	West Virginia	2.10	1.15
19	Michigan	16%	South Carolina	9%	Louisiana	2.10	1.33
20	South Carolina	15%	California	9%	Nevada	2.10	1.04
	<b>US AVERAGE</b>	<b>13%</b>	<b>US AVERAGE</b>	<b>8%</b>	<b>US AVERAGE</b>	<b>2.00</b>	<b>0.88</b>

The report finds that Maine's rural roads and bridges have significant deficiencies. **Twenty-one percent of Maine's rural roads are rated in poor condition – the tenth highest rate in the nation-**



and 21 percent are in mediocre condition. Thirteen percent of Maine's rural bridges are rated in poor/structurally deficient condition, the seventh highest rate in the nation.

Bridges rated poor/structurally deficient have significant deterioration to the major components of the bridge and are often posted for lower weight or closed to traffic, restricting or redirecting large vehicles, including agricultural equipment, commercial trucks, school buses and emergency services vehicles. There were 112 fatalities on Maine's non-Interstate, rural roads in 2018. The rate of traffic fatalities on Maine's non-Interstate, rural roads is significantly higher than the fatality rate on all other roads in the state – 1.39 fatalities per 100 million vehicle miles of travel vs. 0.37. Rural roads are more likely to have narrow lanes, limited shoulders, sharp curves, exposed hazards, pavement drop-offs, steep slopes and limited clear zones along roadsides.

"This report reinforces what many rural Americans already know – our country's rural infrastructure is crumbling. The competitiveness of our farmers and ranchers relies on an aging network of roads, bridges, waterways and railways that need an immediate infusion of investment dollars," said Todd Van Hoose, president and CEO of the Farm Credit Council. "That's why we have partnered with more than 250 national, state and local organizations through the Rebuild Rural Coalition. Previous funding opportunities have overlooked our rural infrastructure in the past. We must invest in the transportation network that drives the base of our economy. We must invest in all aspects of rural infrastructure. And we must do it before we lose our competitive advantage."

"Farmers and ranchers depend on rural roads, highways, and bridges to move their products to market. So does the integrity of our food supply chain," said Zippy Duvall, president of the American Farm Bureau Federation. "Unfortunately, due primarily to lack of investment over several decades, America's infrastructure is in a dire state of rapid deterioration, and recent events show even more the importance of guaranteeing food arrives where it needs to be. Investment in rural infrastructure going forward is paramount to ensure farmers and ranchers can continue to reliably supply the safe and wholesome food Americans need into the future."

“The transportation construction industry in Maine stands ready to safely continue work on needed projects to improve our roads and bridges and keep our state’s economy moving,” said Maria Fuentes, executive director of the Maine Better Transportation Association. “With reduced traffic counts, these projects can be completed at an accelerated rate while our workers continue to take all necessary precautions to stay safe and keep working, while making needed safety improvements for the traveling public.”

The TRIP report found that America’s rural population, which had declined slightly from 2010 to 2016, has since increased, adding an additional 54,000 people from 2016 to 2018. The modest rebound in rural population is likely a result of increased employment and declining poverty, the report found. The rural poverty rate, which is the percentage of people who are making below the amount of money deemed necessary to have a basic standard of living, decreased from 18.5 percent in 2013 to 16.1 percent in 2018, the TRIP report noted.

“You cannot stock grocery stores, resupply medical facilities and rebuild our economy on the backs of broken roads and aging bridges,” said Stephen E. Sandherr, the chief executive officer of the [Associated General Contractors of America](#). “Without new federal funding, we will miss this unique opportunity, with traffic at record lows, to repair our rural roads, protect countless construction jobs and restart our stalled economy.”

An analysis of the [Status of the Nation’s Highways, Bridges and Transit, 23<sup>rd</sup> Edition](#), submitted by the United States Department of Transportation (USDOT) to Congress in 2019, indicates that the nation’s annual \$28 billion investment by all levels of government in rural road, highway and bridge rehabilitation and enhancements should be increased by 28 percent, to approximately \$36 billion annually, to improve their condition, reliability and safety.

America’s rural transportation system provides the first and last link in the supply chain from farm to market, connects manufacturers to their customers, supports the tourism industry, and enables the production of energy, food and fiber. Rural Americans are more reliant on the quality of their transportation system than their urban counterparts.

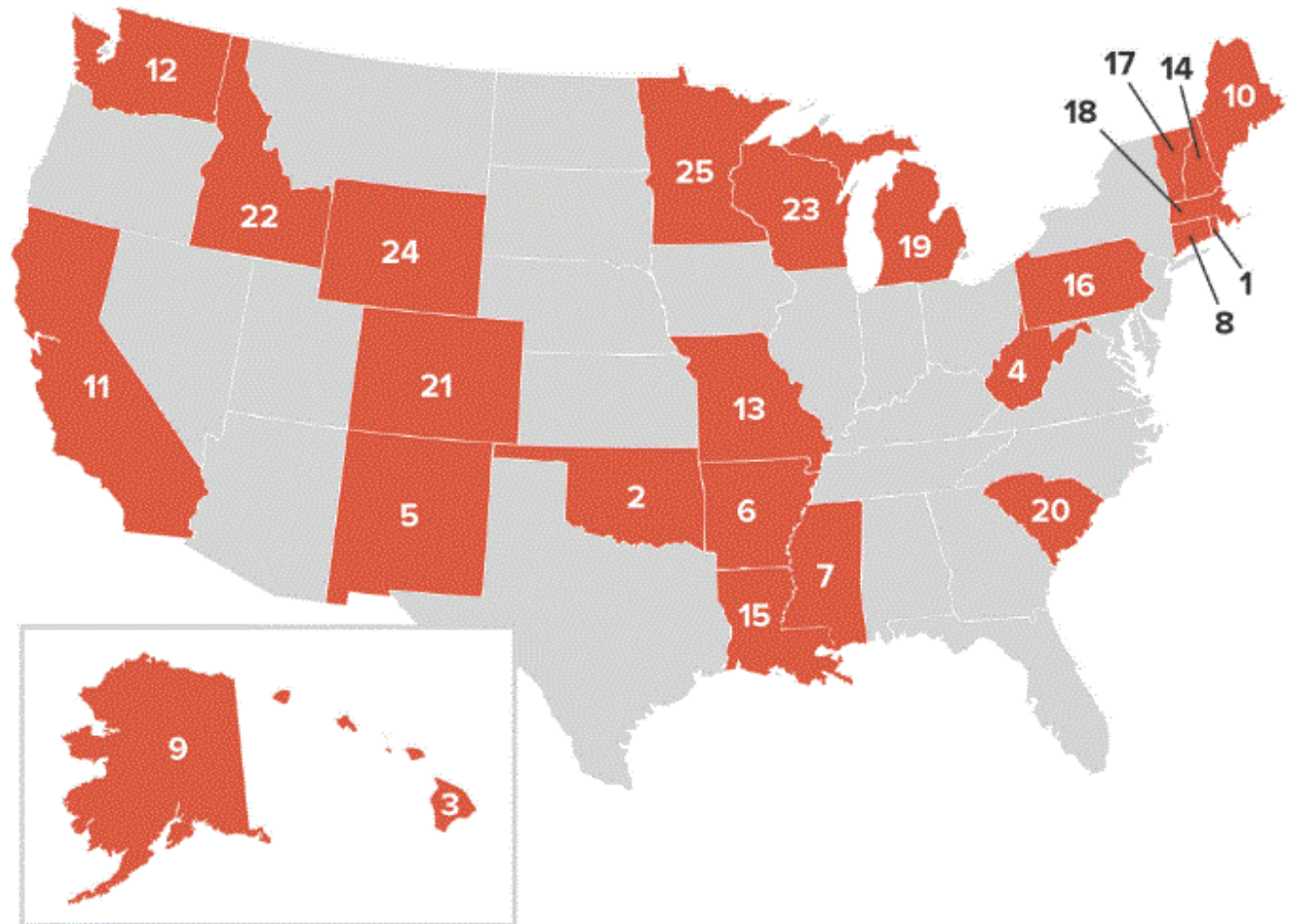
“This report shows infrastructure investment must go beyond our nation’s major cities, and be made in America’s rural communities where our food, fiber, and fuel is produced and much of our equipment is manufactured,” said Dennis Slater, president of the [Association of Equipment Manufacturers](#). “Manufacturers depend on the roads, bridges, and highways in rural America to supply the equipment our economy relies on and that infrastructure is in desperate need of repair and modernization. This is especially true today as our nation fights the COVID-19 pandemic and hopefully looks to rebuild the economy in the weeks ahead. That’s why we need our lawmakers to prioritize policies that support the movement of essential people and goods now more than ever.”

Improving and modernizing the nation’s rural transportation system will require addressing the significant reduction in state transportation revenues, including motor fuel taxes and tolls, as a result of a significant reduction in travel caused by the COVID-19 pandemic and ensuring that the current federal surface transportation program, which expires on September 30, be reauthorized at funding levels that are adequate and reliable.

“The health of the nation’s economy and the safety and quality of life in America’s small communities and rural areas ride on our rural transportation system. The nation’s rural roads and bridges already faced a significant funding shortfall, and that will only be exacerbated by the looming reduction in state transportation revenues as a result of decreased vehicle travel due to the COVID-19 pandemic,” said Dave Kearby, executive director of TRIP. “The economic recovery from the pandemic could be hastened by significant investments in our nation’s transportation system to support job creation while making needed improvements to our roads and bridges that will serve our economy and enhance quality of life for all Americans for decades to come.”

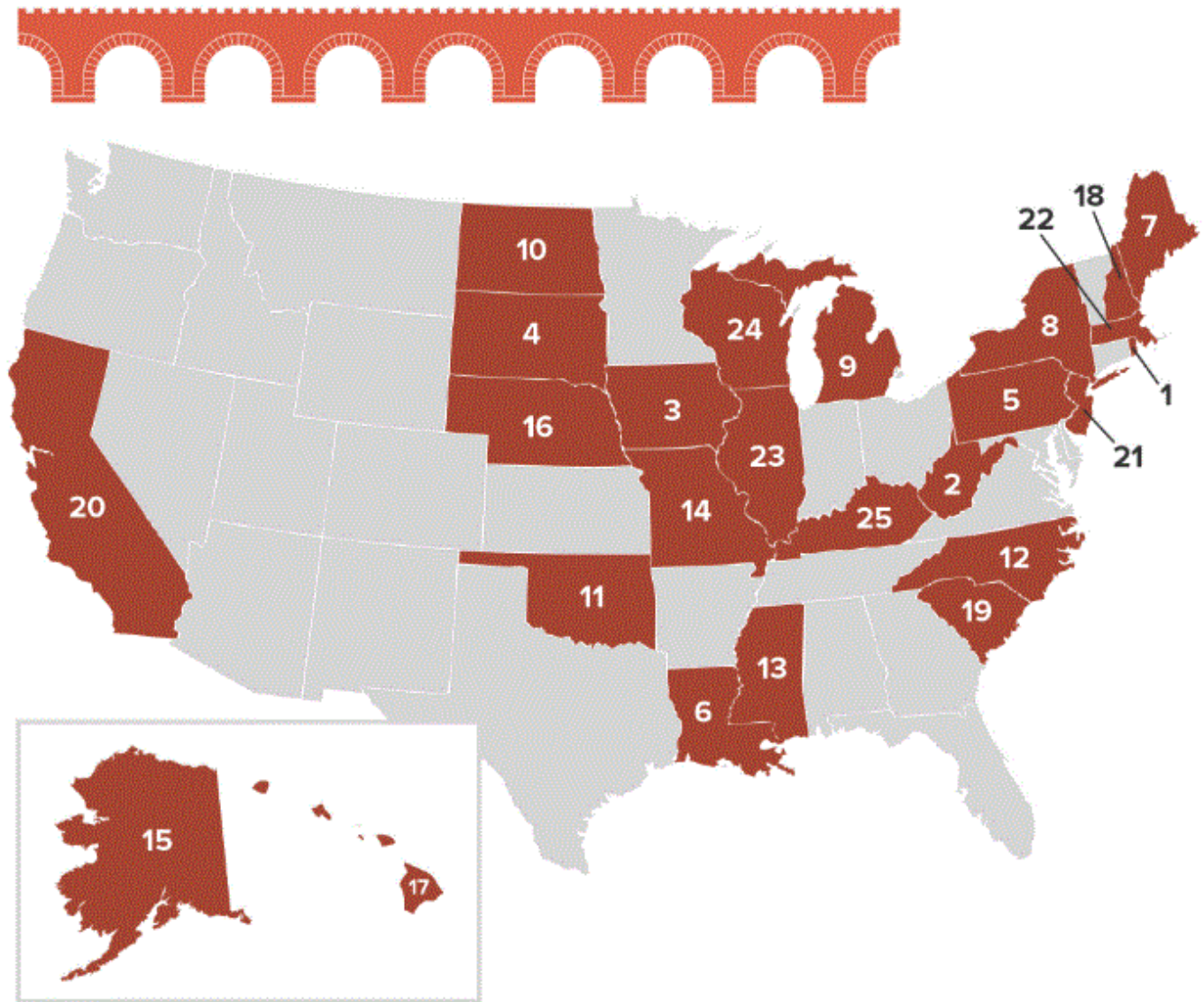


# TOP 25 STATES WITH HIGHEST PERCENTAGE OF MAJOR RURAL ROADS IN POOR CONDITION





# TOP 25 STATES WITH HIGHEST PERCENTAGE OF POOR/STRUCTURALLY DEFICIENT RURAL BRIDGES



## Janet Mills estimates pandemic's impact on state at \$3B — and that's a low-ball estimate



Robert F. Bukaty | AP  
Maine Gov. Janet Mills talks about social distancing at a news conference where she announced new plans for the stay-at-home order and other measures to help combat the coronavirus pandemic, Tuesday, April 28, in Augusta.

By [Caitlin Andrews](#), BDN Staff • May 18, 2020 | [Click here to view online.](#)

The state of Maine could need at least \$3 billion to make up for the revenue it expects to lose from the coronavirus pandemic and to cover the costs of fighting it, according to estimates released by Democratic Gov. Janet Mills' office as [the state advocates for more federal aid](#).

And that estimate is low, the governor wrote in a letter to members of Maine's congressional delegation.

The list of effects from the pandemic includes a **projected \$725 million loss in state revenues through next June and \$125 million in lost highway fund revenues through next September.** The \$725 million figure is [unlikely to encompass](#) the full scale of the pandemic's effects, Mills noted in the May 14 letter. Rather, it's a figure the state has used to account for a severe, yet conventional recession.

Although the expenses related to COVID-19 for personal protective equipment, cleaning, testing and other services are "significant," Mills said they will "pale in comparison to the impacts for loss of state revenues and increases in state costs of countercyclical programs like Medicaid."

The list of expenses includes estimates of what it could take to combat the virus in terms of additional testing, reconfiguring the state's primary education system and providing unemployment benefits. The combined revenue losses and costs of adapting to the pandemic add up to more than double the funding Maine has received so far under the \$2.2 trillion CARES Act.

Estimates include \$325 million in costs for staffing the unemployment benefits system and providing an average of \$22 million per week in payouts for 16 weeks; \$14 million to reconfigure the state's judicial system and expedite electronic filing; and \$28 million in overtime, hazard pay and public safety costs. It also includes the \$1.2 million [expanded testing partnership with IDEXX](#).

The list of cost estimates does not include the costs related to covering the state's uninsured or increased need for [state assistance programs](#). The Mills administration said it was still developing those estimates.

Without federal aid, Mills wrote, a \$725 million loss in revenue would require budget reductions of more than 17 percent across state government.

[Some of the losses to state and local governments](#) are already visible. **Mills pointed specifically in the letter to the Department of Transportation, which could lose \$125 million in revenue over the next 18 months as fuel tax revenue drops as a result of decreased traffic.** She also said municipalities have had to renegotiate their contracts for solid waste and recycling at substantially higher costs, resulting in \$90 million more in costs collectively.

The \$1.25 billion Maine expects to receive under the CARES Act is supposed to be used only to [cover the costs of responding to the pandemic](#). It provides no wiggle room for the state or local governments to offset revenue shortfalls, and no Maine cities are large enough to qualify for other federal dollars.

A U.S. Senate bill co-sponsored by Maine Sen. Susan Collins, a Republican, could provide at least [\\$2 billion in aid to state and local governments](#) and more flexibility for CARES Act money. It's an alternative to the \$3 trillion bill put forward by House Democrats, support for which was [split](#) among Maine's House representatives.



## Maine sees half of expected April revenue, saying recession 'will be one for the record books'



Linda Coan O'Kresik | BDN  
Main Street in Ellsworth.

By [Caitlin Andrews](#), BDN Staff • May 19, 2020 | [Click here to view online.](#)

The state collected barely half of the revenue it had projected last month as the economic effects of the coronavirus pandemic set in, pointing to the budget challenges the state can expect in the coming months as an economic downturn continues.

The state saw less coming in as sales in hard-hit sectors such as restaurants, lodging and auto sales declined. But most of the revenue plunge was because of the delay in the state's income tax filing deadline to July 15, according to the state's revenue report for April, which projected the state's unemployment rate for the month would be 14.7 percent.

Financial experts have projected Maine could see revenues **plunge by \$1 billion** through the middle of 2021, when the state's current two-year budget of about \$8 billion expires. **Gov. Janet Mills' administration this week projected that the result of substantial revenue losses and the costs of**

responding to the coronavirus pandemic could add up to a more than \$3 billion price tag for the state through mid-2021.

Income tax receipts usually boost state revenues in April, but Mills extended the filing deadline to July 15 in line with the federal government's current deadline due to the pandemic. That delay in individual and corporate income tax revenue translated to \$264 million less than projected in those categories. When balanced out with revenues that came in above projections, the state's revenue shortfall for April was \$248 million.

That drop was expected, and income receipts should rebound in July, Administrative and Financial Services Commissioner Kirsten Figueroa wrote in a May 18 memo to Mills and lawmakers.

Even accounting for that, Figueroa said, "it's becoming apparent that the swift and deep COVID-19 related recession will be one for the record books," pointing to high unemployment nationally and falling sales. And even if state's reopening leads to a rebound, "recovery is expected to be slow," she said.

Overall, revenues for April were 47.8 percent below the state's previous forecasts for the month and off 8 percent so far for the year.

Because sales tax figures for April reflect sales that happened in March, Figueroa wrote that the more serious effects of the pandemic are likely to show up in April data released next month.

The state's sales and use tax collections were off only \$16.2 million — down 13.3 percent from projections. Those figures reflect sales that happened in the first two weeks of March before the state's economy started to shut down in response to the coronavirus pandemic.

Some categories of sales saw double-digit bumps, such as online shopping and food and building supply stores. Meanwhile, other sectors suffered sizable losses. Lodging and restaurant sales, among the hardest-hit industries of the pandemic, decreased by 45.5 and 33 percent respectively compared to a year ago. Auto sales also dropped 27 percent after a strong winter.



State officials have said they expect to have enough cash to cover this year's expenses through various channels including the rainy day fund and the [general fund balance](#). Mills has also asked state departments to [freeze spending and hiring except in emergencies](#), which could save up to \$250 million.

Even as things appear grim, state Rep. Drew Gattine, D-Westbrook, who co-chairs the Legislature's budget committee, said it is too early to get a sense of the size of the loss the state will weather.

The report "doesn't give us a clear picture" because of its focus on March — and the state may not have a better idea of longer-term effects until its revenue and economic forecasting commissions meet this summer.

"In the meantime, all we can do is monitor and watch," he said.

Back when J. Wellington Wimpy was featured alongside Popeye, the idea of receiving something today and paying for it later was completely absurd.



Waiting for next Tuesday is no way to pay for Maine's unmet transportation needs, exacerbated by record budget shortfalls carried forward into 2020, and current and projected losses in Highway Fund revenues from the ongoing covid-19 pandemic. The \$100 million I-395/Rt. 9 connector, a controversial project, lacking local support, is moving forward even though:

- an annual \$232 million shortfall exists in the MaineDOT current 3 year work plan and 142 projects had to be cancelled in January;
- MaineDOT forecast a 40% reduction (\$74 million) in revenue from April to September and anticipate a \$125 million loss in critical Highway Fund revenues over the next 18 months;
- Moody's Analytics forecasts Maine could lose \$200 million by the end of June and \$1.0 billion in revenues by mid-2021. The Center on Budget and Policy Priorities projects the loss will reach roughly \$1.2 billion by June 30, 2021 based on Maine Center for Economic Policy analysis. "The state of Maine could need at least \$3 billion to make up for the revenue it expects to lose from the coronavirus pandemic and to cover the costs of fighting it...and that estimate is low the governor wrote in a letter...";
- Commissioner Van Note may remove funds from the yet-to-be approved \$105 million bond for use this year; worrying about 2021 projects later;
- 43% of our major roads are rated poor or mediocre; 13% of our bridges are rated poor/structurally deficient costing each Mainer \$543 per year.

**There's no money for unmet transportation needs today and our fiscal woes will only worsen as the DOT waits for Tuesday to come!**

## At construction sites, work continues under a new normal



Linda Coan O'Kresik | BDN

Construction progress on the Ohio Street bridge in Bangor.

By [Eesha Pendharkar](#), BDN Staff • May 25, 2020 | [Click here to view online.](#)

On Friday morning, as Peter Garrett sat in his truck next to a construction site in the middle of the Maine Turnpike, he noticed that 80 percent of northbound cars had out-of-state plates.

That, to Garrett, was more concerning than returning to his construction site, where he supervises about 50 workers as they replace the existing Maine Turnpike toll plaza in York, just a few miles from the New Hampshire border.

"In York, with the huge amount of out-of-state traffic, the guys would be much more concerned going to the local convenience store or gas station where they're just completely exposed to those with out-of-state license plates than working in our group of Maine construction workers here," he said.

As construction has been deemed an essential business during Maine's coronavirus-related economic shutdown, work has continued more or less as usual for thousands of workers, but with added safety measures, personal protective equipment and social distancing.



Linda Coan O'Kresik | BDN  
Construction along Rt.1A in Hampden.

While about one in seven construction workers nationwide have been laid off, Maine has lost construction jobs since February at only about half that rate. Some construction firms are still hiring, but Maine contractors are starting to see the effects of the coronavirus-related economic slowdown.

"We're on the tail end of it, because our clients and customers are all feeling it right now," Matt Marks, CEO of Associated General Contractors of Maine, said. "We're probably going to find out more mid to late summer what those impacts are going to be, but you can see the writing on the wall. Nobody's going to come out of this without having significant impacts."

The **Maine Department of Transportation**, which employs contractors for infrastructure improvement work across the state, **estimates that gas tax revenue — which is used to fund road work — will come in at least \$125 million under budget over the next 18 months.** That drop represents about 24 percent of total gas tax revenue the department expected to collect from **this April to next September**, according to department spokesman Paul Merrill.





Linda Coan O'Kresik | BDN

Construction progress on the Ohio Street bridge in Bangor.

Over the next six months, though, the anticipated losses are much steeper. The department expects to take in about \$74 million less than initially projected — a 40 percent dropoff for that period.

In January, before the pandemic, the department had already planned to complete its two-year construction plan over three years due to an unmet funding need of \$232 million. The coronavirus has made things worse.

“Fewer people driving means fewer people gassing up, and that means far less expected gas tax revenue,” Merrill said. “We were already in rough shape, and the hit we’re taking because of COVID-19 just further exacerbates an already gargantuan problem.”

The department is now hoping the federal government will help fill in the funding gap.

### Workers' safety

The more immediate concern for those who oversee and work on construction sites, however, is workers' safety, especially since the first construction site-related outbreak [was reported this week at a site in Augusta](#).

As of Thursday, 26 workers connected to the site, where crews are building a new Maine Veterans' Homes facility, had tested positive for the virus. The workers came from at least four states in addition to Maine, and Maine



Center for Disease Control and Prevention epidemiologists were looking into whether out-of-state workers brought the virus in or whether they contracted the virus while in Maine.



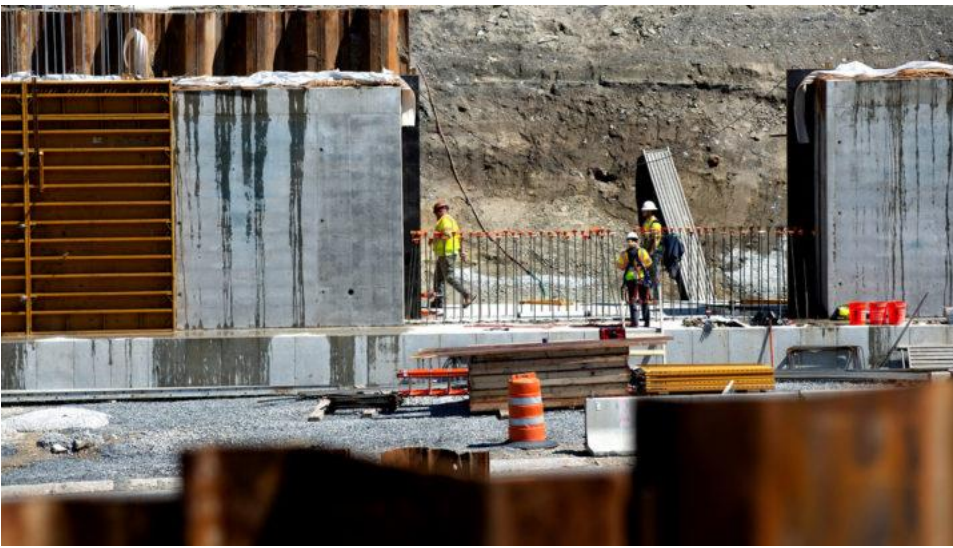
Linda Coan O'Kresik | BDN

Construction progress on the Ohio Street bridge in Bangor.

“There are Maine men and women on the unemployment line who can do these jobs and Maine’s COVID-19 numbers are lower than many other states,” Jason Shedlock, executive director of the [Maine State Building and Construction Trades Council](#), said. “It would stand to reason that perhaps you would look to Maine first for your workforce, rather than bringing in workers from other jurisdictions with a higher infection rate.”

The trades council and AGC Maine are both providing their members with guidelines on safety precautions for work sites, including daily temperature checks, personal protective equipment and social distancing between workers.

“Construction workers sometimes are not used to wearing masks. They’re not used to washing their hands so often,” Shedlock said. “It’s a new normal that folks have to get used to, but it’s something that we’re making sure that our members are aware of. It’s important that we don’t let our guard down when it comes to employee safety. We can’t pretend that this is just going to go away.”



Linda Coan O'Kresik | BDN

Construction progress on the Ohio Street bridge in Bangor.

Some contractors are taking safety measures a step further. Woolwich-based Reed and Reed Inc. shut down operations at all 12 of its project sites in Maine, New Hampshire and Vermont from April 10 to April 27. (Vermont didn't allow construction work to resume [until May 11.](#))

"Neither we nor anyone had visibility as to when the peak might occur," chairman and CEO Jack Parker said. "So we just decided that it was a good time to make sure that our employees were safe by sending them home for two weeks. The predictions were that the peak of the curve would have been reached about the time we planned to come back."

Although they were paid during the two-week closure, Reed and Reed employees working on the York toll plaza were happy to be back, according to their supervisor, Garrett.

"I was very curious to see how anxious everybody was going to be after two weeks off," he said. "My crew arrived earlier that first morning than they have all spring. They were really ready to come back to work."

The worst part for crews, he said, will be wearing masks outdoors in the summer heat. He starts every morning doing temperature checks for his team and then the day goes on more or less the same as it did before COVID-19, he said.

"No one even notices it," he said. "It's becoming the norm."

## In Summary:

- The Maine Department of Transportation estimates that gas tax revenue will come in [at least \\$125 million](#) under budget over the next 18 months. That drop represents about 24 percent of total gas tax revenue the department expected to collect from this April to next September, according to department spokesman Paul Merrill.
- Over the next six months, though, the anticipated losses are much steeper. The department expects to take in about \$74 million less than initially projected — a 40 percent drop-off for that period.
- In January, before the pandemic, the department had already planned to complete its two-year construction plan over three years due to an unmet funding need of \$232 million. [142 projects were cancelled in January.] The coronavirus has made things worse.
- “Fewer people driving means fewer people gassing up, and that means far less expected gas tax revenue,” Merrill said. “We were already in rough shape, and the hit we’re taking because of COVID-19 just further exacerbates an already gargantuan problem.”

## Maine projects \$525M budget shortfall by mid-2021 due to coronavirus

By [Caitlin Andrews](#), BDN Staff • May 29, 2020 | [Click here to view online.](#)

AUGUSTA, Maine — Maine could lose up to \$525 million in revenue by mid-2021 in the coronavirus-related economic slowdown, the state's top budget official said Friday, a sum that is staggering but only about half of a potential loss projected by a credit rating agency.

Maine Department of Administrative and Financial Services Commissioner Kirsten Figueroa told the Legislature's budget panel that the estimate is based on a worst-case scenario in a 2018 stress test modeled after the 2007-2009 recession. She said a recent projection by [Moody's Analytics finding Maine could lose up to \\$1.2 billion](#) did not consider individual factors.

The committee met Friday as the state begins to wrestle publicly with the fiscal toll the coronavirus pandemic will take on the state. Maine budget officials have been [confident](#) the state has enough money to cover its expenses through the end of June, even as [tax revenues plummeted by \\$248 million](#) in April, largely in part due to Gov. Janet Mills delaying the tax filing deadline to July. [Local budgets are also struggling.](#)

Figueroa did not dismiss the challenges the state will face, noting the recession spurred by the pandemic is "not normal for a number of reasons." But she said the state was put in a better position for this fiscal year by altering its supplemental budget as the virus reached the state.

That gave the state [\\$193 million](#) remaining this fiscal year to pull from. Recently, Gov. Janet Mills froze state department spending and hiring except for emergencies, which could save up to \$252 million. The state's rainy day fund stands at \$257 million. Maine's credit rating was also [reaffirmed this week](#), showing investors believe the state will be able to pay off its debts.

Some of that money could be used to shore up a \$200 million revenue shortfall this fiscal year based on that stress test, Figueroa said. But it is also too early to see the total fallout from the pandemic, she said.

Full revenues for May will not be available until mid-month, but Associate Commissioner of Tax Policy Mike Allen said overall sales tax revenue is projected to be down 22 percent. However, he said the state may have moved past the worst of the revenue loss, adding that the state's economic reopening may lead to a rebound.



## STATE OF MAINE DEPARTMENT OF TRANSPORTATION NOTICE TO CONTRACTORS

Sealed Bids addressed to the Maine Department of Transportation, Augusta, Maine 04333 and endorsed on the wrapper "Bids for Wilson Street/ I-395 Bridge Replacement in the city of **BREWER**" will be received from contractors at the Reception Desk, MaineDOT Building, Capitol Street, Augusta, Maine, until 11:00 o'clock A.M. (prevailing time) on June 17, 2020 and at that time and place, publicly opened and read. Bids will be accepted from all bidders. The lowest responsive bidder must have completed, or successfully complete, a bridge, or project specific prequalification to be considered for the award of this contract. **We now accept electronic bids for bid packages posted on the bidx.com website. Electronic bids do not have to be accompanied by paper bids. Please note: The Department will accept a facsimile of the bid bond; however, the original bid bond must then be received at the MDOT Contract Section within 72 hours of the bid opening.** Until further notice, dual bids (one paper, one electronic) will be accepted, with the paper copy taking precedence.

Description: Maine Federal Aid Project No. STP-1891(500) WIN 018915.20

Location: In Penobscot County, Wilson Street/ I-395 bridge is located on Route 1A over Interstate 395 approximately 0.35 of a mile easterly of Dirigo Drive.

Scope of Work: Wilson Street/ I-395 bridge replacement plus other incidental work.

For general information regarding Bidding and Contracting procedures, contact George Macdougall at (207) 624-3410. Our webpage at <http://www.maine.gov/mdot/contractors/> contains a copy of the Schedule of Items, Plan Holders List, written portions of bid amendments, drawings, bid results and an electronic form for RFI submittal. For Project-specific information fax all questions to **Project Manager Mike Wight** at (207) 624-3431, use electronic RFI form or email questions to [RFI-Contracts.MDOT@maine.gov](mailto:RFI-Contracts.MDOT@maine.gov), project name and identification number should be in the subject line. Questions received after 12:00 noon of Monday (or if that Monday is a state holiday, Friday) prior to bid date will not be answered. Bidders shall not contact any other Departmental staff for clarification of Contract provisions, and the Department will not be responsible for any interpretations so obtained. TTY users call Maine Relay 711.

Plans, specifications and bid forms may be seen at the MaineDOT Building in Augusta, Maine, and at the Department of Transportation's Regional Office in Bangor. They may be purchased from the Department between the hours of 8:00 a.m. to 4:30 p.m. by cash, credit card (Visa/Mastercard) or check payable to Treasurer, State of Maine sent to Maine Department of Transportation, Attn.: Mailroom, 16 State House Station, Augusta, Maine 04333-0016. They also may be purchased by telephone at (207) 624-3536 between the hours of 8:00 a.m. to 4:30 p.m. Full size plans \$138.00 (\$146.00 by mail). Half size plans \$69.00 (\$73.00 by mail), Bid Book \$10 (\$13 by mail), Single Sheets \$2, payment in advance, all non-refundable.

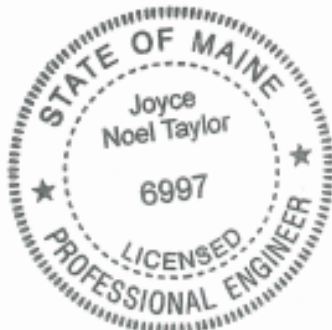
Each Bid must be made upon blank forms provided by the Department and must be accompanied by a bid bond at 5% of the bid amount or an official bank check, cashier's check, certified check, certificate of deposit, or United States postal money order in the amount of \$340,000.00 payable to Treasurer, State of Maine as a Bid guarantee. A Contract Performance Surety Bond and a Contract Payment Surety Bond, each in the amount of 100 percent of the Contract price, will be required of the successful Bidder.

This Contract is subject to all applicable Federal Laws. This contract is subject to compliance with the Disadvantaged Business Enterprise program requirements as set forth by the Maine Department of Transportation.

All work shall be governed by *State of Maine, Department of Transportation, Standard Specifications, March 2020 Edition*, price \$10 [\$15 by mail], and *Standard Details, March 2020 Edition*, price \$10 [\$15 by mail]. They also may be purchased by telephone at (207) 624-3536 between the hours of 8:00 a.m. to 4:30 p.m. *Standard Detail* updates can be found at <http://www.maine.gov/mdot/contractors/publications/>.

The right is hereby reserved to the MaineDOT to reject any or all bids.

Augusta, Maine  
May 27, 2020



A handwritten signature in blue ink that reads "Joyce Noel Taylor".

JOYCE NOEL TAYLOR, P. E.  
CHIEF ENGINEER

## DOT installs temporary fixes at intersection where Caribou teen recently died

Christopher Bouchard | June 18, 2020 | [Click here to view online.](#)



Roadside signs were recently installed before the Van Buren Road connector urging motorists to use caution when approaching the intersection. Earlier this month, a fatal accident and another non-fatal accident occurred at the connector. Credit: Chris Bouchard / BDN

CARIBOU, Maine — The Maine Department of Transportation will evaluate the Van Buren connector in Caribou in response to community concern about the rising number of crashes in that area, and has installed temporary fixes in the interim.

Two crashes this month that were just three days apart at the same intersection are the latest of seven that have occurred since the Van Buren connector road was built in 2012. The connector allows large trucks to bypass downtown Caribou. Two of the crashes resulted in fatalities.

The DOT evaluation that will begin the week of July 13 will determine how to make the intersection safer, Robert Watson, Maine DOT Region 5 director, said.

Aroostook EMA Director Darren Woods credited Aroostook EMA Deputy Director John Gibson and his wife Christina Kane-Gibson with contacting Maine DOT shortly after the most recent fatal accident occurred.

“They live right by that intersection and they are very interested in making sure safety precautions are put into place as soon as possible,” he said. “They called Maine DOT and offered to do whatever they can, including providing a piece of their land on their side of the intersection if it can help.”

Watson said that short-term fixes are in the works, even while the DOT is obtaining accident reports and talking with state and local officials about the intersection prior to the audit.

“We had a paint crew come in this week and redo all the striping and do stop bars, and we’re looking at changing the speed limit through that intersection from 50 to 45,” he said.

DOT also will install three-and-a-half-foot-tall tubular markers to alert motorists merging into the intersection, and Caribou police have placed a speed sign next to the road urging motorists to slow down.

“Once it’s time to look at the audit and we get everyone together with our traffic engineer, we’ll look at what’s taking place and what improvements need to be made,” Watson said.

Watson said the intersection’s structure requires motorists to be cautious when merging, but that it does not outright obstruct visibility.

“I went through that intersection [June 16] and the visibility is adequate,” he said. “It’s one of those intersections that you can’t just roll through — you have to stop and pay attention.”

Caribou Police Chief Michael Gahagan said he’s noted that the connector is particularly dangerous for motorists merging onto Van Buren Road and turning back toward Caribou, which involves crossing the northbound lane to get into the southbound lane.

Caribou City Councilor Doug Morrell suggested the city be proactive when the council discussed the intersection during its meeting on June 15.

“It’s not just because I knew the young lady or her family,” said Morrell. “Whether I knew them or not, we’re losing community members and it’s a tragedy. I’d like to see the council be proactive, and send a letter off to see if we can maybe bring the speed down.”