



SUBCOMMITTEE ON EVALUATION OF LOCAL MAINTENANCE PAYMENTS

August 31, 2011
Jennifer DeBruhl
Acting Director
Local Assistance Division

Agenda

- **Welcome, Introductions, and Committee Organization**
- **Public Comment Period**
- **Overview of Local Maintenance Programs**
- **Overview of Prior Studies/ Reviews**

CTB Resolution

- **The CTB meeting on June 15, 2011:**
 - adopted local maintenance payments for fiscal year 2011-2012
 - significant discussion regarding the distribution of maintenance funds across systems and localities
- **The CTB requested to:**
 - evaluate the issues surrounding equalization of maintenance fund allocations
 - and to consider options which could be addressed administratively and legislatively
- **Subcommittee:**
 - consists of all At-Large Members of the Board,
 - to develop recommendations for the effective and equitable distribution of maintenance funds
 - to present those recommendations to the Board on or before December 31, 2011.

Schedule

August 31 - Initial meeting of subcommittee

Review of history, current program, processes, data, etc.

Receive direction from subcommittee on approach to subcommittee recommendations

September - Subsequent meeting of subcommittee

Review possible recommendations based on input from committee

Receive direction on which recommendations to share with full Board

October - Briefing of full Board (workshop item)

November - Action by full Board



Overview of Local Maintenance Programs

August 31, 2011
Jennifer DeBruhl
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Todd Halacy, P.E.
Acting Assistant Director
Local Assistance Division

Two Distinct Programs *(Urban and County):*

- **Urban**
 - Includes 81 Cities and Towns
 - 3 more Towns being added on July 1st, 2012
(Berryville, Broadway and Colonial Beach)
 - Overall budget for the Urban Program for FY12 is approx. \$320M
- **County (Arlington and Henrico)**
 - Unique to just Arlington and Henrico
 - Overall budget for Arlington and Henrico for FY 12 is approx. \$50M

Urban

- **General Information:**
 - **Code Sections: 33.1-23.3 and 33.1-41.1**
 - **A municipality qualifies for the Urban Program by:**
 - All cities regardless of population
 - All incorporated towns of more than 3,500 population according to the latest U.S. Census or by evidence of population;
 - Six incorporated towns (Chase City, Elkton, Grottoes, Narrows, Pearisburg, and Saltville) which maintained streets under (repealed) Section 33.1-80.
 - The towns of Wise, Lebanon, and Altavista pursuant to Section 33.1-23.1.
- **Eligibility Requirements:**
 - **Urban street acceptance criteria established in Code Section 33.1-41.1**
 - **CTB approves mileage additions/ deletions**
 - **Requires annual arterial inspections**

Urban (Continued)

- **Payment - General**
 - Payments based on moving lane miles (available to peak-hour traffic)
 - CTB approves payment amounts to localities
 - Localities annual growth rate is based upon the base rate of growth for VDOT
 - Payments to localities made quarterly

- **Payment Categories – Functional Classifications**
 1. Principal and Minor Arterial Roads
 2. Collector Roads and Local Streets

- **Payment Rates**
 - Principal and Minor Arterial Roads for FY12 = \$17,819
 - Collector Roads and Local Streets for FY12 = \$10,461

County (Arlington/ Henrico)

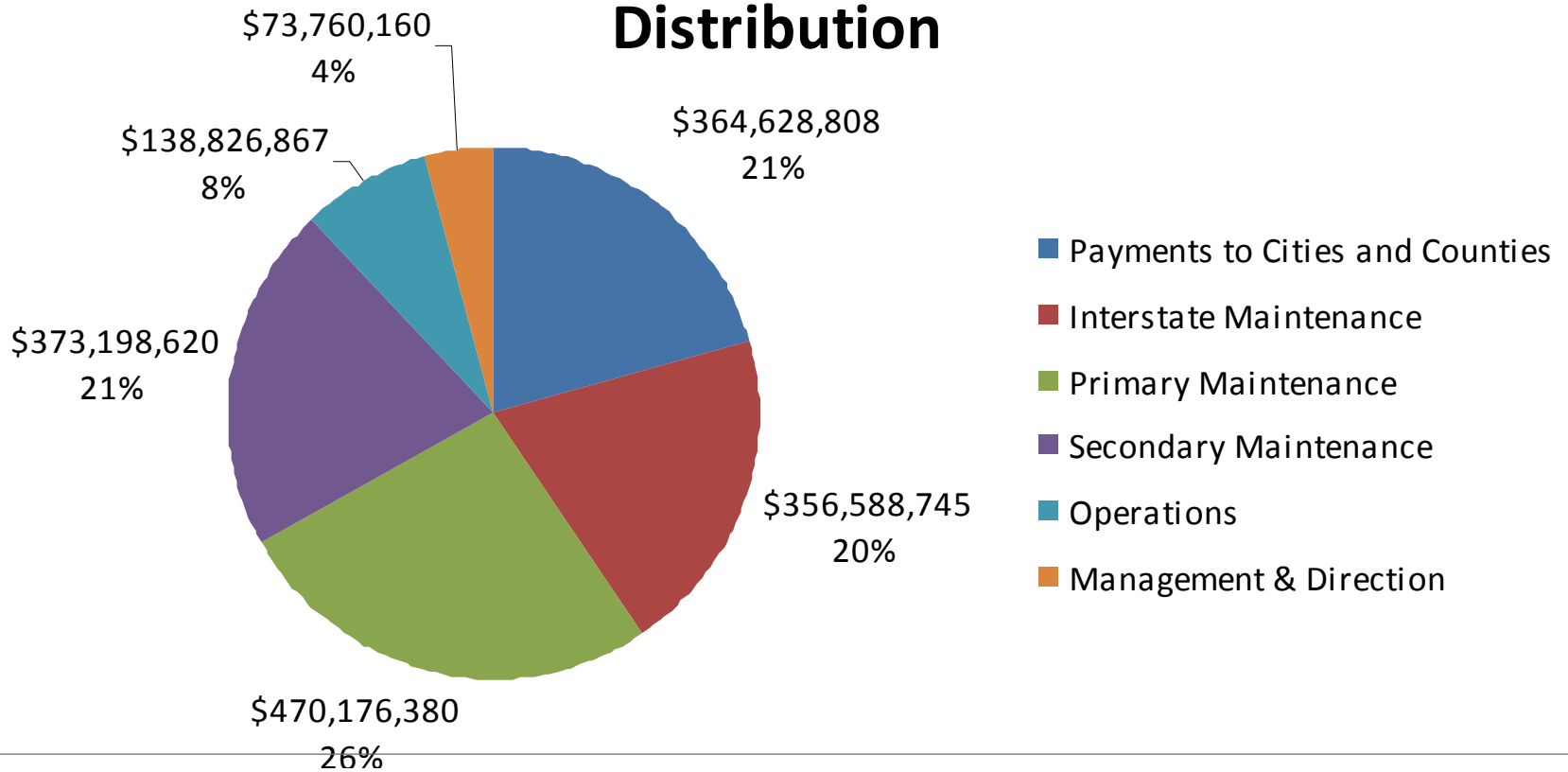
- **General Information:**
 - Code Section: 33.1-23.5:1
 - These counties maintain their own systems of local roads
- **Eligibility Requirements:**
 - Established by code
 - Approval of additions/ deletions delegated to the county
 - Annual arterial inspection not required

County (Arlington/ Henrico) - Continued

- **Payment - General**
 - Payments based on effective lane mileage (i.e. based on pavement width)
 - No differential in payment rates based on Functional Classifications
 - CTB approves payment amounts to localities
 - Annual growth rate is based upon the base rate of growth for VDOT's Maintenance Program
 - Payments to localities made quarterly
- **Payment Rates**
 - Arlington for FY12 = \$16,896
 - Henrico for FY12 = \$9,395

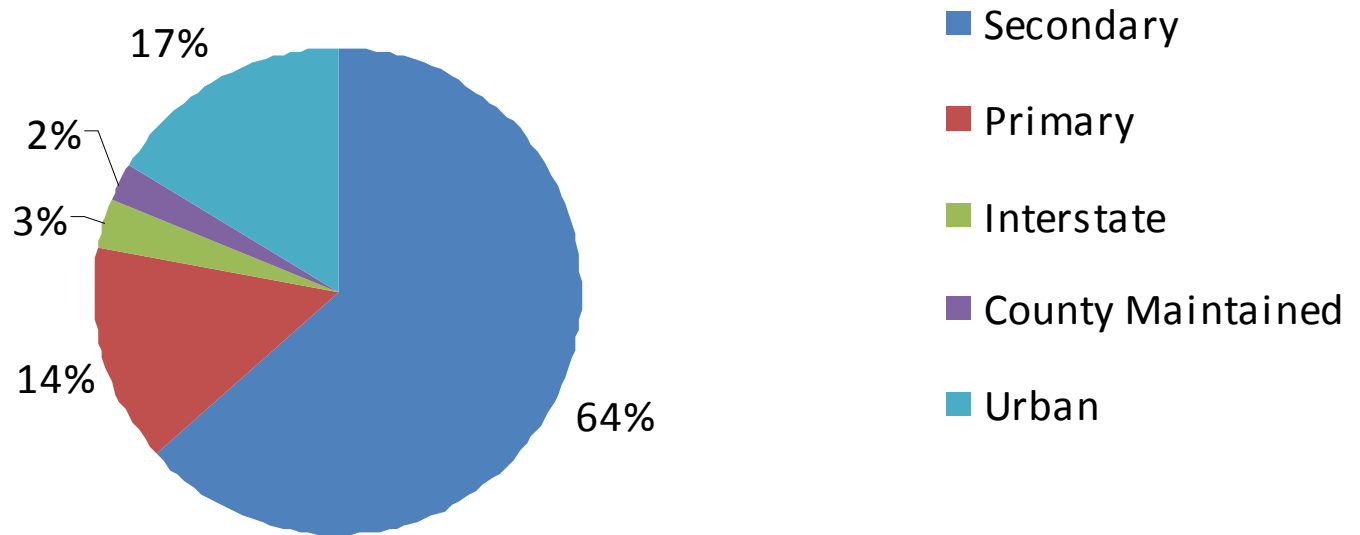
Program Comparison – FY12

FY12 Maintenance Funding Distribution



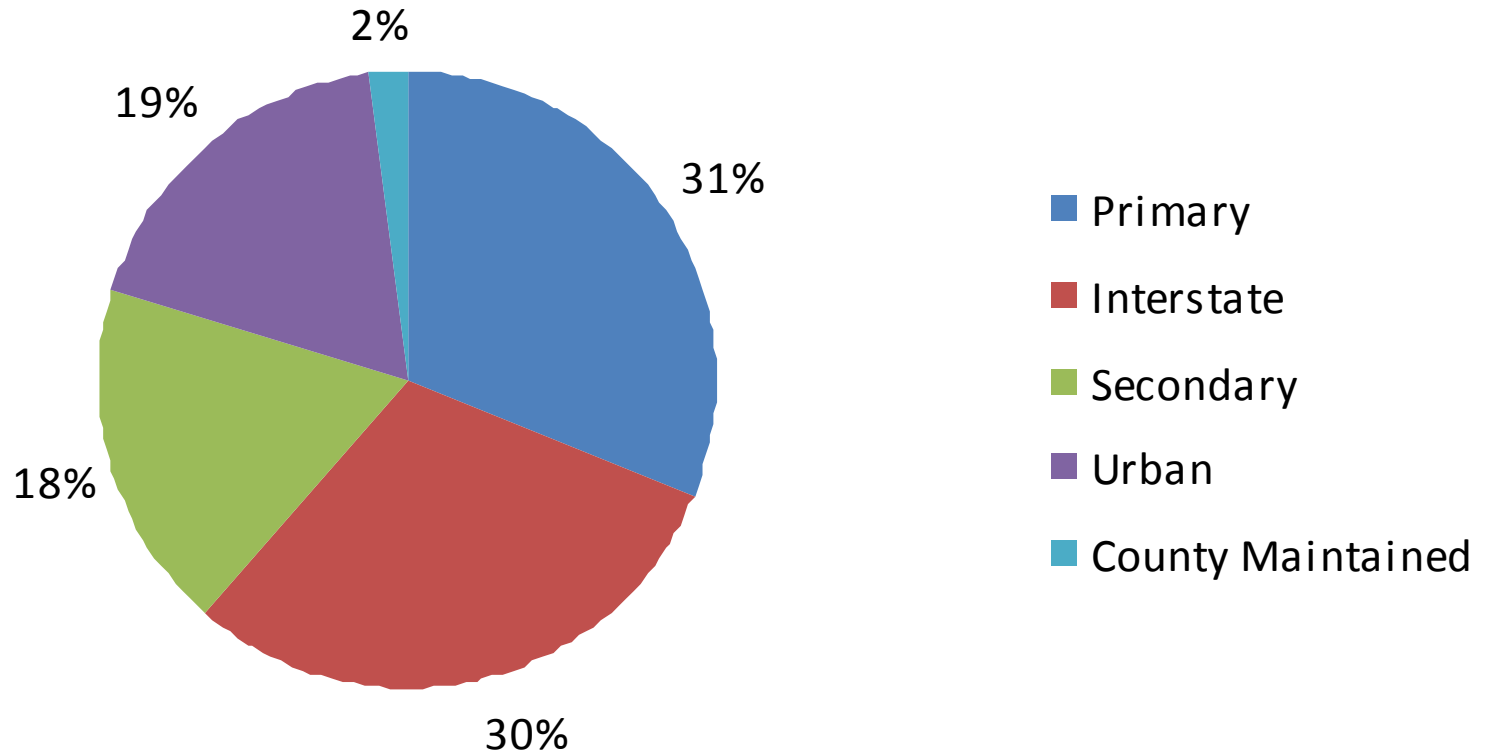
Program Comparison – FY12

Percent of Lane Miles by System - FY09



Program Comparison – FY12

Percent of VMT by System - FY09



2011 Legislative Changes

- **TRANSPORTATION AGENCY EFFICIENCIES & COST RECOVERY (OMNIBUS BILL) – HB 2233/SB 1004**
 - Amends §17.1-276, 33.1-41.1, 33.1-70.01
 - Maintenance Payments:*
 - The legislation amended the Code to be consistent with the Appropriation Act since 2003 and the practice of the CTB.
 - VDOT recommends to the CTB an annual rate of growth
 - Annual growth rate is based on the base rate of growth planned for the Departments Highway Maintenance and Operations Program
 - Deletes references to the statewide Maintenance Cost Index (MCI).

2004 Legislative Changes

- **VIRGINIA ACTS OF ASSEMBLY – 2004 SESSION – CHAPTER 118**
 - Amended Code Sections §33.1-23.5:1 and 33.1-41.1
 - Requires annual reporting of expenditures and reporting on local system performance
 - Working Group was formed to assist with the implementation of the legislative changes

2004 Legislative Changes Stakeholders Working Group

- VML
- Arlington County
- Henrico County
- Richmond
- Norfolk
- Virginia Beach
- Bristol
- Danville
- Blacksburg
- Alexandria
- Manassas
- VDOT
- UVA Weldon
Cooper Center

2004 Legislative Changes Financial Accountability

- Required annual reporting to CTB
- Report all expenditures
 - Construction
 - Maintenance
- CTB adopted Weldon Cooper Center Financial Survey as reporting mechanism
- Included in locality's annual CPA audit
- Survey shows that on average, localities are expending 40% more than their annual state maintenance payment

2004 Legislative Changes Performance Measurement

- **Utilize existing data sources and national methodology and VDOT Performance Targets**
- **Focus on Bridges and Pavement – representing the most significant infrastructure investment**
- **Bridges**
 - **Evaluate based on Federal Highway Administration National Bridge Inventory criteria**
 - **Utilize VDOT's performance measure – less than 40% of bridges in need of repair or rehabilitation**
 - **2006 – 22% of locally maintained bridges are in need of repair or rehabilitation**
 - **Individual locality data currently posted on VDOT's dashboard**

2004 Legislative Changes Performance Measurement

Virginia DOT - Dashboard 3.0 - Windows Internet Explorer provided by Virginia IT Partnership

http://dashboard3/Pages/Maintenance/Bridge.aspx

File Edit View Favorites Tools Help

Virginia DOT - Dashboard 3.0

Virginia.gov Online Services | Commonwealth Sites | Help | Governor Search Virginia.gov GO

VDOT Virginia Department of Transportation

Performance Safety Condition Projects Citizen Survey Finances Management

HOME HELP QUICK START FEEDBACK

Constance S. Sorrell Chief of System Operations Malcolm T. Kerley, P.E. Chief Engineer

Condition

District Counties Residencies Cities Road System

All Districts All Cities/Towns Urban

Pavement Condition	Bridge Condition	Ride Quality						
Target 82%	Target 92% Non-Red (Non-SD)	Target 85%						
No Data Available For This Road System	<table border="1"> <tr> <td>R</td> <td>72</td> </tr> <tr> <td>Y</td> <td>172</td> </tr> <tr> <td>G</td> <td>580</td> </tr> </table>	R	72	Y	172	G	580	No Data Available For This Road System
R	72							
Y	172							
G	580							
Current: n/a Last Year: n/a	Green and Yellow Percent: 91.3%	Current: n/a Last Year: n/a						

Details Trends Paving

No Data Available For This Road System

Done Local intranet 100%

start 4 Microsoft Office O... CTB Subcommittee 2... Subcommittee Presen... Virginia DOT - Dashbo... 1:15 PM

2004 Legislative Changes Performance Measurement

- **Pavement**
 - Evaluate based on World Bank criteria (International Roughness Index)
 - Utilize VDOT's performance measure – less than 18% of pavements deemed deficient
 - Pavement condition data on VDOT maintained roadways are collected and processed by consultant using a different methodology
 - Pilot program in late 2007/2008 to determine if same methodology could be used for a locally maintained system (piloted the City's of Norfolk and Danville)
 - Data currently being collected using this methodology for Hampton and Colonial Heights (locally funded)

CTB Urban Policy

- **Urban Maintenance and Construction Program Policy**
 - **Adopted by the CTB on December 14, 2006**
 - **Formalized policies relative to the Urban Program**
 - **Replaced the Urban Manual as the program regulation**
 - **Directed the Department to promulgate program guidance**

CTB Urban Policy (Continued)

- **Included policy guidance in the following areas:**
 - Road and Street eligibility criteria for urban maintenance payments
 - Outlined conditions in determining lane mileage eligibility
 - Mileage adjustments, including the results of annexations, mergers, or incorporations be on an annual basis as part of the CTB's approval
 - That for calculating maintenance payments, streets will be functionally classified based on the federal functional classification system
 - Requires strict compliance with the National Bridge Inspection Standards regarding the frequency of inspection and load posting requirements
 - Localities can use 1/3 of the Urban Allocations for reimbursement of debt incurred for eligible project costs
 - 3% of the construction budget for an individual urban project can be utilized for landscaping



Overview of Prior Studies/Reviews

JLARC - 1984

Equity of the Current Provisions for Allocating Highway and Transportation Funds in Virginia

- Study to determine the reasonableness, appropriateness, and equity of highway construction allocations
- Study was expanded by the General Assembly to include: urban street payments, county maintenance budgeting, public transportation assistance, and funding for Arlington and Henrico Counties
- Made significant recommendations intended to provide equity to localities that maintained their own infrastructure
- Shaped the Code language that remains in place today

JLARC - 1984

Changes to the Urban Street Program

- **Prior to 1984, rates varied by construction district and segmented between “primary extensions” and urban streets**
- **JLARC study recommended:**
 - **Establish the functional classification of roads defined by the FHWA as the basis for making urban street payments**
 - **Eliminate district based rates – establish single rate for each funding classification for use statewide**
 - **Establish expectation for level of system condition**
 - **Establish methodology for annual base rate adjustment**

JLARC - 1984

Changes to Arlington/Henrico County Payments

- **Prior to 1984, Arlington and Henrico Counties received a set percentage of revenues to support system maintenance and construction.**
- **JLARC study recommended:**
 - **Establishment of a “per lane mile” rate for maintenance allocations (based on 1984 payments)**
 - **Inclusion in the secondary system allocation for construction funding**

Research Council Studies

- **An Analysis of Secondary Road Maintenance Payments to Henrico and Arlington Counties (2001/2002)**
 - Follow-up to the 1986 Code changes and 2000 request from Henrico County for payment rate adjustment
 - Required in response to HB30 – review of appropriate maintenance allocation/expenditures in Henrico/Arlington Counties
 - Investigated different approaches to apportioning maintenance funding
 - Factors associated with secondary maintenance expenditures (population/lane mileage)
 - City street payment formula
 - Allocation in accordance with Code

Research Council Studies

- **Beyond the Byrd Road Act: VDOT's Relationship with Virginia's Urban Counties (1998)**
 - Study was a result of discussions regarding the responsibility for secondary roads
 - Study assessed the relationships between VDOT and 14 of the state's fastest growing counties
 - Made recommendations for additional study/data analysis to facilitate future discussion of road maintenance responsibility

Devolution

- **What is Devolution?**

- Virginia is one of only a few states where state government has maintenance, operational, and construction responsibilities for local roads.
- In most states, the state transportation agency assumes these responsibilities for interstate and primary routes while local governments assume them for local roads.
- Except in Arlington and Henrico counties, the Virginia Department of Transportation (VDOT) assumes all maintenance, operational, and construction responsibilities on the secondary roads in the commonwealth's counties.
- In 2001, the General Assembly enacted what is commonly known as the "Devolution Statute."

Devolution (Continued)

- **Resumption of responsibility for secondary highways by counties**
- **Code Section §33.1-84.1**
 - **Allows the Commissioner of Highways to enter into an agreement with any county to resume responsibility over all or any portion of the state secondary system of highways within such county's boundaries.**
 - **For the purposes of planning, constructing, maintaining, and operating such highways**
 - **Any county that resumes full responsibility for all of the state secondary system of highways within such county's boundaries**
 1. **shall have authority and control over the secondary system of highways within its boundaries,**
 2. **shall be deemed to have withdrawn from the state secondary system of highways, and**
 3. **will receive payments in accordance with § 33.1-23.5:1.**

Devolution Studies

- **JCC/ Stafford County Study**
 - 2006 County Assumption of Secondary System Feasibility Study
- **Fairfax County Study**
 - 2010 Alternatives for Improving Roadway Services in Fairfax County
- **George Mason University Study**
 - 2011 Policy options for Secondary Road Construction and Management in Virginia

JCC/ Stafford Study – Devolution Guidebook/ Model

- **County Assumption of Secondary System Feasibility Study**
 - In 2006, VDOT began a partnership with Stafford and James City counties to evaluate options for a county to assume responsibilities for the secondary road system within their boundaries.
 - The purpose of the study was to determine the resources needed and the financial, organizational, and logistical implications associated with a county taking over the functional activities for the secondary road system.
 - The study, completed in March 2007, resulted in:
 - A “**devolution guidebook,**” which provides necessary background information when considering devolution options,
 - A “**feasibility model for secondary system assumption,**” which provides a computer model to estimate the costs associated with various devolution options.
 - Each partner county also received a detailed analysis of their devolution options.

Fairfax County Study

- **General Information:**

- Alternatives for Improving Roadway Services in Fairfax County
- Draft released November 30, 2010
- This report provides an initial review of several possible ways in which the County might assume a greater role over the roadways system, as well as some of the major financial, legal and other implications of such actions

- **Major Points:**

- Three possible actions were analyzed in the this report as options that the Fairfax County Board could take. They are:
 1. Work with VDOT to identify additional administrative, planning, or engineering functions that the County could assume with or without additional funding
 2. Work with VDOT to enhance selected maintenance activities countywide
 3. Assume full maintenance responsibilities for identified Geographical Areas under the provisions for Urban Transportation Service Districts

George Mason University Study

- **General Information :**
 - Policy options for Secondary Road Construction and Management in Virginia
 - This report reviews Virginia's secondary road policy in order to identify options for revising policy to improve the condition and operation of the secondary system in light of continuing reductions in secondary construction and maintenance budgets.
- **Major Points:**
 - Report identifies 10 findings related to the program
 - Based on the findings, the report identified several policy options intended to assist policy makers in confronting the challenges posed by the current secondary system.

George Mason University Study (Continued)

Policy Options Identified in the Study:

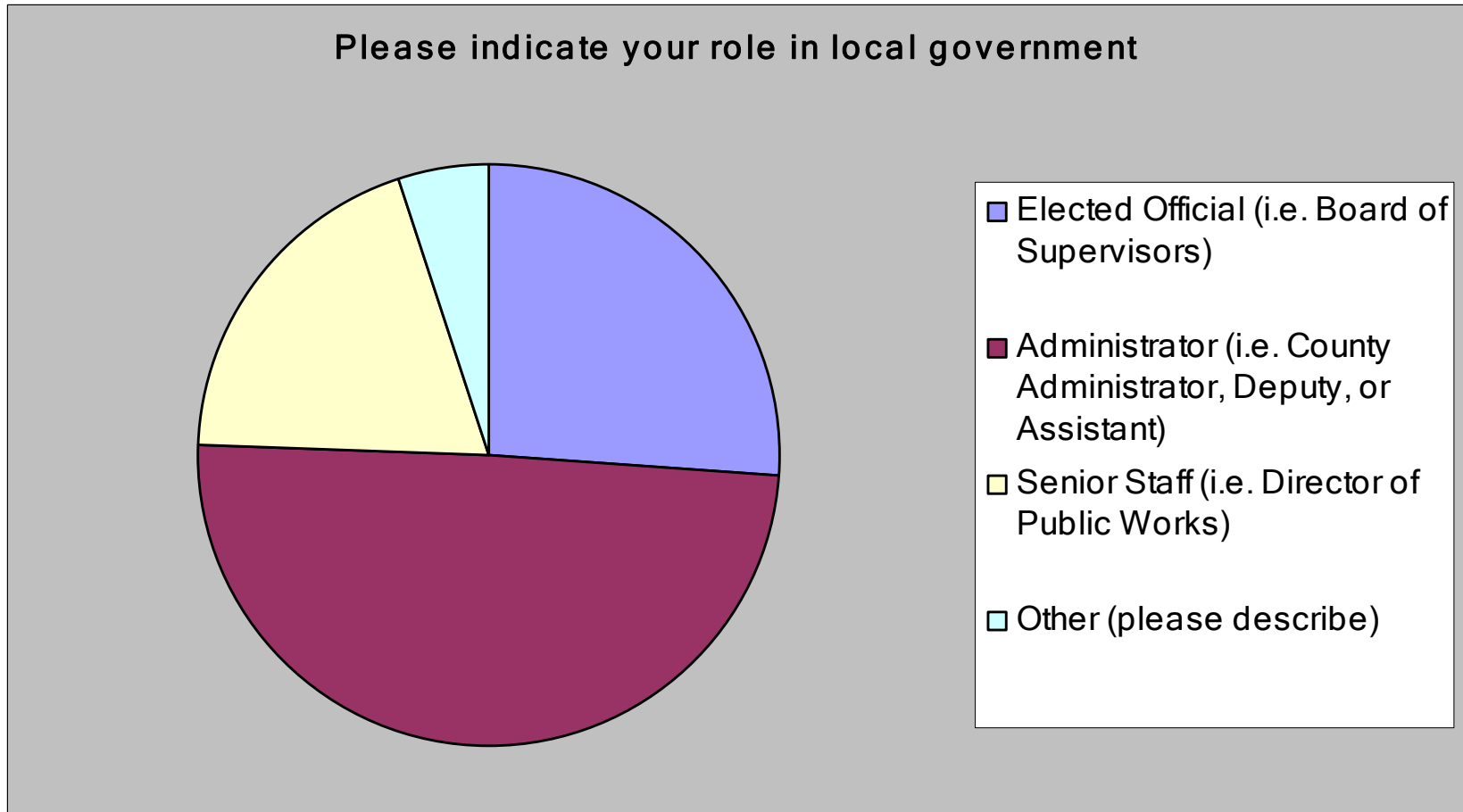
- Maintain current policy on construction and maintenance devolution
- Maintain current policy with enhanced budgetary priority for secondary roads
- Restructure the secondary system
- Consider performance-based maintenance contracting on secondaries
- Empower counties to raise revenues
- Impose devolution on all counties
- Impose devolution on select counties
- Take maximal advantage of the VDOT performance audit
- Consider possible hybrid strategies

Local Government Survey

- **General Information:**
 - 2011 Local Government Survey
 - Sent out on behalf of Secretary of Transportation, Sean T. Connaughton
 - Two versions – one for localities that maintain their own roads, one for localities where VDOT maintains the roads
- **Major Points:**
 - Intended to gauge the views of local government leaders on a variety of transportation topics
 - With the release of George Mason University's secondary road study as well as other recent dialogue regarding transportation issues at the local level, there has been a great deal of speculation as to what changes may be pursued regarding local road issues.
 - This survey will be one of many tools used by the Secretary to evaluate potential approaches to address the local transportation issues.

Local Government Survey (Continued)

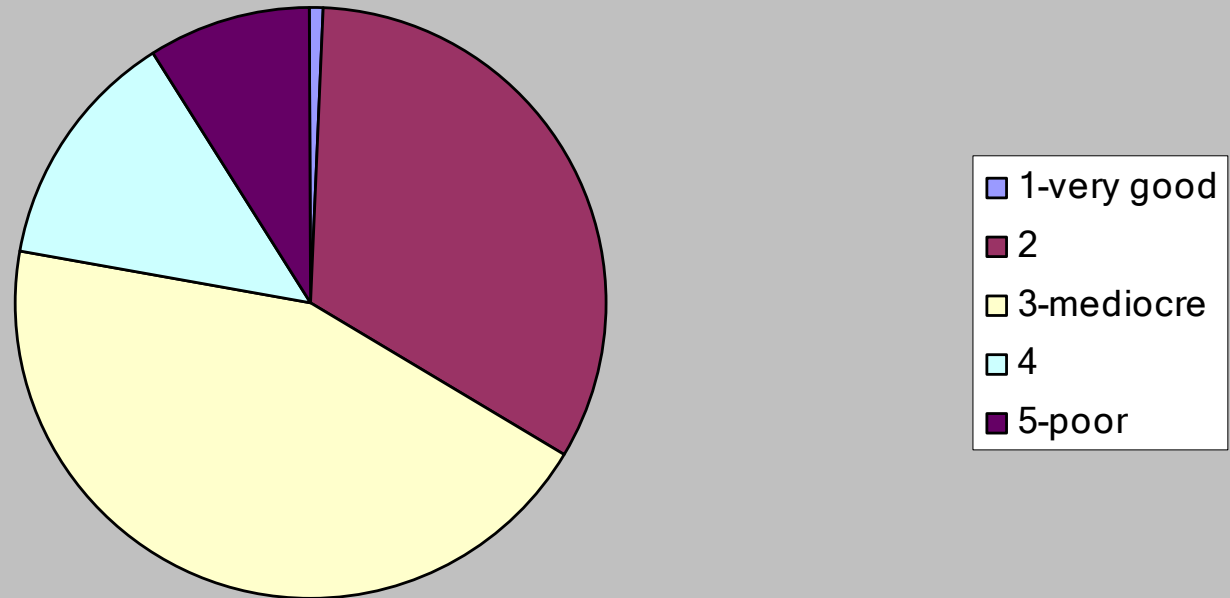
• Respondents to VDOT maintained survey:



Local Government Survey (Continued)

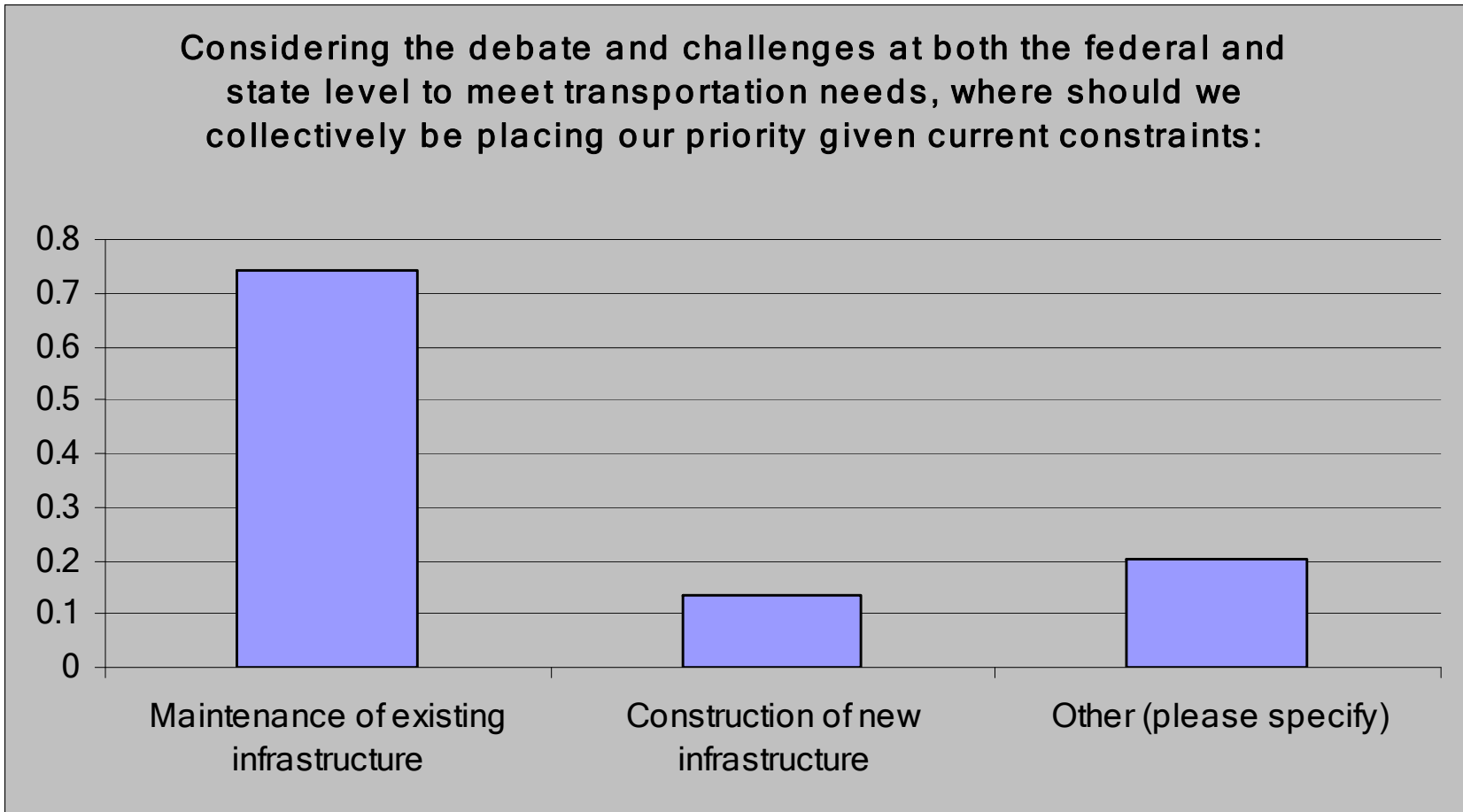
•System Condition – VDOT maintained:

Please give us your thoughts on the current condition of the local transportation network in your locality.



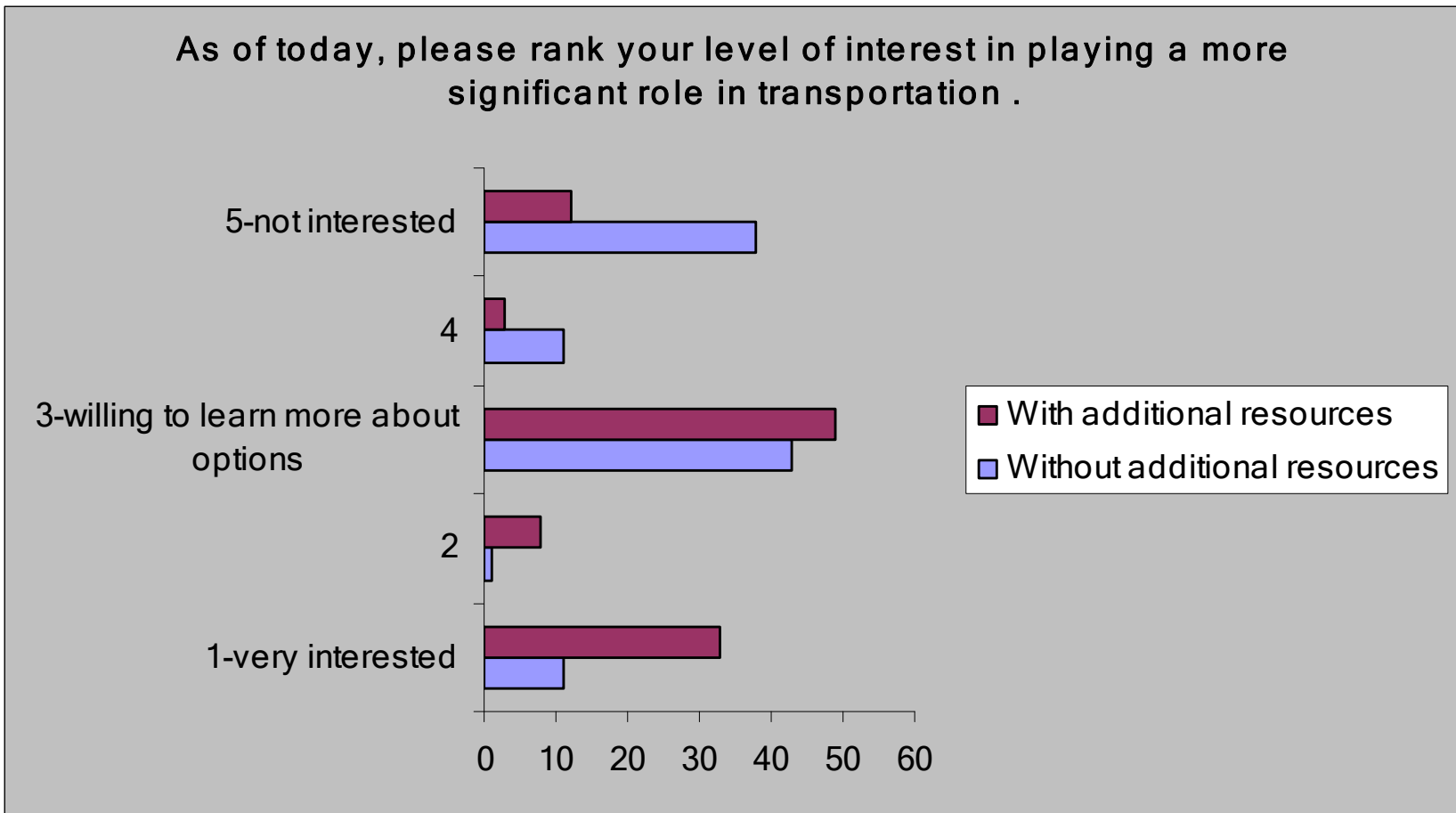
Local Government Survey (Continued)

•Priority for funding



Local Government Survey (Continued)

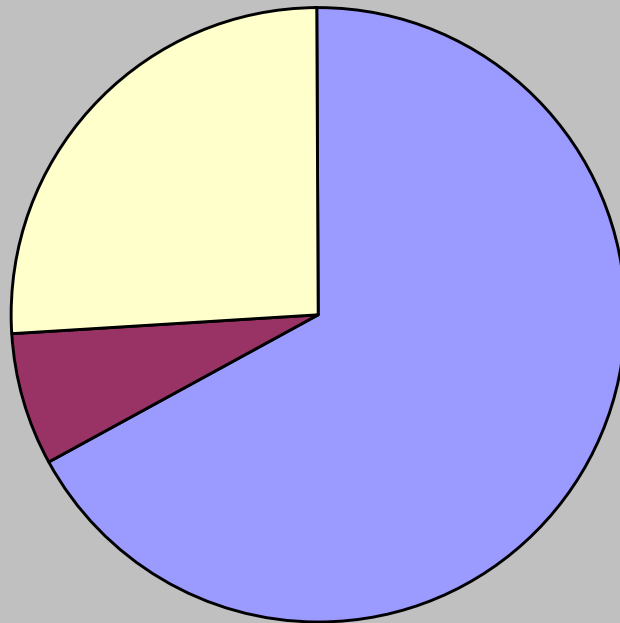
- Interest in taking on a greater role in transportation



Local Government Survey (Continued)

•Additional resources:

What do you feel would be the best way to provide additional resources to the local transportation program.

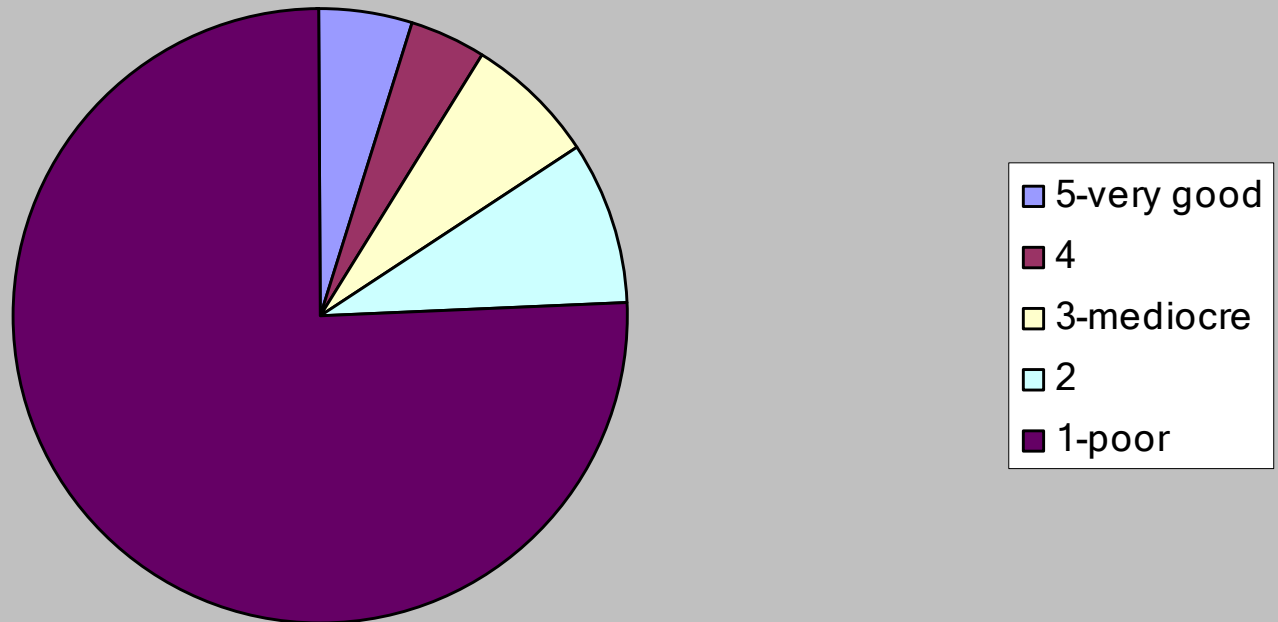


- Provide additional revenue options at the state level
- Provide additional revenue options at the regional level
- Provide additional revenue options at the local level

Local Government Survey (Continued)

•Ability to provide transportation services:

Please rank your ability to provide transportation services to your community within your current organizational structure/staffing





Subcommittee Approach/Direction

CTB Resolution

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Next Steps