



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 482-5818
Fax: (804) 786-2940

Agenda item # 6

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

July 16, 2024

MOTION

Made By: Ms. Sellers, **Seconded By:** Mr. Lawson

Action: Motion Carried, Unanimously

Title: Approval of the State of Good Repair Prioritization Process

WHEREAS, Chapter 415 of the 2024 Acts of the Assembly revised (Chapter 415) Va. Code § 33.2-369 to expand the eligibility for State of Good Repair funds from only bridges defined as structurally deficient to bridges with a general condition rating of no more than five for at least one major bridge component; and

WHEREAS, Chapter 415 Va. Code § 33.2-369 expands the eligibility for State of Good Repair funds from reconstruction and rehabilitation of eligible bridges to also include other improvements anticipated to extend the useful life of a bridge by at least 10 years; and

WHEREAS, Va. Code § 33.2-369 of the Code of Virginia prescribes that the Commonwealth Transportation Board (the Board) shall use funds allocated in Va. Code § 33.2-358 for state of good repair purposes for (i) reconstruction, replacement, and other improvements anticipated to extend the useful life by at least 10 years of state and locally-owned bridges with a general condition rating of no more than five for at least one major bridge component and (ii) reconstruction and rehabilitation of deteriorated pavement on the Interstate System and Primary State Highway System, including municipality-maintained primary extensions; and

WHEREAS, Va. Code § 33.2-369 (B) also requires that the State of Good Repair funds be allocated by the Board to projects in all nine construction districts based on a priority ranking system that takes into consideration (a) the number, condition, and costs of bridges with a general condition rating of no more than five for at least one major bridge component and (b) the mileage, condition, and costs to replace deteriorated pavements, and further provides that the Board shall ensure an equitable needs-based distribution of funding among the highway construction districts, with no district receiving more than 17.5 percent or less than 5.5 percent of the total funding allocated in any given year; and

WHEREAS, the Board developed and last approved, on February 21, 2021, a prioritization process methodology for the allocation of funds and selection of projects for structurally deficient bridges and deteriorated pavements that met the requirements set forth in § 33.2-369 (B) (State of Good Repair Prioritization Process); and

WHEREAS, revisions to the State of Good Repair Prioritization Process are necessary to render the process consistent with Va. Code § 33.2-369 as amended by Chapter 415 and to address other issues.

NOW THEREFORE BE IT RESOLVED, that the State of Good Repair Prioritization Process, as set forth in Attachment A, is approved; and

BE IT FURTHER RESOLVED, pursuant to § 33.2-214 (E), any project added to the Six-Year Improvement Program (SYIP) funded wholly or in part with funding from the State of Good Repair Program shall be fully funded within the six-year horizon of the SYIP.

BE IT FURTHER RESOLVED, the development and management of the State of Good Repair portion of the SYIP shall be conducted in accordance with the Board's then current Six-Year Improvement Program Development and Management Policy.

BE IT FURTHER RESOLVED, that the Board directs the Commissioner of Highways to take all actions necessary to implement and administer this policy.

BE IT FURTHER RESOLVED, that Board approval of this item replaces and supersedes the February 17, 2021 resolution titled "Approval of State of Good Repair Prioritization Process Methodology and FY 2022 State of Good Repair Percentage Fund Distribution."

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Attachment A

State of Good Repair Prioritization Process

Va. Code § 33.2-369 prescribes that the Commonwealth Transportation Board (the Board) shall use funds allocated in § 33.2-358 for state of good repair purposes for (i) reconstruction, replacement, and other improvements anticipated to extend the useful life by at least 10 years of state and locally-owned bridges with a general condition rating of no more than five for at least one major bridge component and (ii) reconstruction and rehabilitation of deteriorated pavement on the Interstate System and Primary State Highway System, including municipality-maintained primary extensions.

Va. Code § 33.2-369 (B) also requires that the State of Good Repair funds be allocated by the Board to projects in all nine construction districts based on a priority ranking system that takes into consideration (a) the number, condition, and costs of bridges with a general condition rating of no more than five for at least one major bridge component and (b) the mileage, condition, and costs to replace deteriorated pavements, and further provides that the Board shall ensure an equitable needs-based distribution of funding among the highway construction districts, with no district receiving more than 17.5 percent or less than 5.5 percent of the total funding allocated in any given year.

1. Identification of State of Good Repair Needs

- a. Condition and inventory data on the Commonwealth's bridges is derived from regular inspections performed in accordance with the National Bridge Inspection Standards. Data is collected and recorded in VDOT's Bridge Management System, which is used to determine the type of work recommended, and provides a list of bridge needs. Bridge needs for bridges with a general condition rating of no more than five for at least one major bridge component in VDOT's Bridge Management System are used to determine State of Good Repair Bridge Needs.
- b. Pavement needs are assessed and identified annually using automated data collection technology and asset management principles. Pavements are rated based on visible distresses and the data is incorporated into the Pavement Management System, which is used to assess maintenance needs using the elements of pavement distresses, traffic level, and structural condition to determine mileage, recommended treatment, and estimated costs to perform the necessary work. Deteriorated pavement needs on the Commonwealth's Interstate, Primary, and Primary Extension facilities are used to determine State of Good Repair Paving Needs.
- c. State of Good Repair Needs are the total cost of the needs for bridges with a general condition rating of 5 or less for at least one major component for VDOT-Owned and Locality-Owned bridges in VDOT's Bridge Management System and the total cost of the deteriorated pavement needs on Interstate, Primary, and Primary Extension facilities.
- d. Prioritized State of Good Repair needs are reported in the Biennial Report of the Commissioner of Highways required by § 33.2-232.
- e. A recommended list of projects, from the Prioritized State of Good Repair needs, eligible for funds under the State of Good Repair Program, is made public annually at least 150 days prior to the Board's vote to adopt a Six-Year Improvement Program (SYIP) as required by § 33.2-214.2.

2. Allocation of State of Good Repair Funds

- a. Needs are compiled and used to determine the Percentage Fund Distribution for each highway construction district.
 - i. As provided for in § 33.2-369, each construction district receives no less than 5.5% and no more than 17.5% of total funding allocated in a given year.

- ii. Individual district percentages are determined by dividing district needs by the statewide needs.
 - iii. If any district's needs are less than 5.5% then the amount provided to other districts is reduced on a pro-rata basis to ensure such district receives 5.5% of available funding.
 - iv. If any district's needs percentage would require more than 17.5% of the funding, the district's percentage of funding is reduced to 17.5% and the difference between the district's need percentage and 17.5% is distributed to the remaining districts based on their needs percentage.
 - v. The Board may waive the 17.5% allocation cap for one fiscal year, when it determines that, due to extraordinary circumstances or needs, the cap inhibits the ability of the Department to address a key pavement or bridge need. If the Board does waive the allocation cap, then an explanation must be provided in the allocation methodology submitted by the Commissioner of Highways pursuant to § 33.2-232.
- b. The State of Good Repair Needs are used to break down the percentage at the highway construction district level into four separate funding distributions – VDOT-Owned Bridges, Locality-Owned Bridges, VDOT Pavement, and municipality-maintained Primary Extensions (Locality Pavements).

3. Prioritization of State of Good Repair Bridge Needs

- a. The priority ranking system examines all bridges in the Commonwealth eligible for State of Good Repair funding to develop a final priority list of bridges. The final priority list will be developed from the recommended list of projects, which is published at least 150 days prior to the adoption of the SYIP in accordance with § 33.2-214.2, and will use finalized project estimates to calculate prioritization using a formula that is based on the following criteria:

Measure	Description
Condition	Measures overall condition of the bridge using detailed condition data compiled from the safety inspection report
Cost Effectiveness	Ratio of actual project cost to the cost for full replacement
Highway Traffic Impacts	Traffic volume, truck traffic, detour route, future traffic volume, and key route designations
Design Redundancy and Safety	Fracture-critical bridges, fatigue prone details, and scour and seismic vulnerability
Structure Capacity	Consideration of whether the bridge will be posted or has issues with clearances or waterway adequacy

- b. Recommended bridge projects for State of Good Repair funding in each district are recommended from the district's final prioritized list of needs in order.
- c. VDOT-owned bridges
- i. Bridge projects for prioritization shall include all bridges with a general condition rating of 4 or less for at least one major bridge component (i.e., poor) and any bridge with a general condition rating of 5 for at least one major bridge component

- (i.e., fair) recommended for evaluation by the State Structure and Bridge Engineer.
- ii. Recommended bridge projects are established based on the final priority ranking.
- iii. Exceptions for funding bridges out of priority order may be granted based on a request from the District Engineer submitted to the State Structure and Bridge Engineer and approved by the Chief Engineer.
- iv. Acceptable justifications for exceptions include instances where practicality, conflicting construction, contracting procurement considerations, or coordination with other highway work necessitate deviating from the established priority ranking.
- d. Locality-owned bridges
 - i. Localities shall submit Work Notification Forms for all bridges with a general condition rating of 4 or less for at least one major bridge component (i.e., poor). Additionally, localities may submit Work Notification Forms for any bridge with a general condition rating of 5 for at least one major bridge component (i.e., fair) that they request to be included in the prioritized list.
 - ii. If a locality does not want to pursue corrective action on a particular bridge with a general condition rating of 4 or less, it must provide written justification and the next locality-owned bridge within the highway construction district on the priority list is recommended to receive the State of Good Repair funding.
 - iii. Recommended bridge projects are established based on the final priority ranking.
 - iv. Acceptable justifications for funding bridges out of priority order include instances where practicality, conflicting construction, contracting procurement considerations, or coordination with other highway work necessitate deviating from the established priority ranking.
 - v. Costs associated with additional scope elements beyond the recommended repair are the responsibility of the locality.

4. Prioritization of State of Good Repair Pavement Needs

- a. The Pavement Management System takes the pavement condition data and applies an optimization process that considers factors such as available funds, performance targets, and benefit cost ratio of treatments to prepare a section by section priority list and appropriate maintenance treatment that takes into account pavement distresses, structural and subgrade strength, traffic volume, and maintenance history.
- b. VDOT Pavements
 - i. Recommended paving projects are created based on the number of lane miles of deficient pavement that qualify for State of Good Repair funding and prioritized using the following criteria:

Criteria	Description
Road System	Interstate Systems has the higher priority over the Primary System
Use or Traffic Count	Amount of traffic the lane miles carry; also considers the number of heavy trucks and buses
Condition	Severity of distress of the pavement based on the standard pavement rating system
Potential for Immediate or Near-term Further Degradation	Impact caused if the lanes miles are not repaired or treated immediately

- ii. Recommended VDOT paving projects for State of Good Repair funding in each district are recommended from the district’s prioritized list in order.
 - iii. Exceptions for funding paving projects out of priority order may be granted based on a request from the District Engineer submitted to the State Maintenance Engineer and approved by the Chief Engineer in coordination with the Chief of Maintenance and Operations.
 - iv. Acceptable justifications for exceptions include instances where practicality, conflicting construction, or coordination with other highway work necessitate deviating from the established prioritization.
- c. Locality Pavements
- i. Localities submit applications in the SMART Portal for recommended pavement overlay, rehabilitation, or construction projects.
 - ii. Projects are prioritized for funding based on a technical score that considers the following criteria:

Criteria	Description
Pavement Condition	Critical Condition Index (CCI) < 60
Traffic Volume	AADT
NHS Designation	Yes/No
Past Expenditures on Pavement by the Locality	Current level of pavement maintenance expenditures in the locality

- iii. Recommended municipality-maintained primary extension projects for State of Good Repair funding in each district are taken from the district’s prioritized list in order.
- iv. The maximum request under the program is \$1,500,000 per locality, per fiscal year, regardless of the number of eligible routes in the locality. This maximum may be increased in a district in the event the amount of funding available for distribution in that district in a fiscal year exceeds the possible allocation amount based on the number of eligible localities in that district.
- v. Exceptions may be granted if the project is the next highest scoring project within the district and the request does not exceed the \$1,500,000 limit, or applicable limit based on item 4.c.iv, for the locality for the fiscal year.
- vi. All projects funded under this program must be advertised within 12 months of allocation. Projects that receive funding and do not meet this criterion may be subject to deallocation by the Board.
- vii. As part of the application process, localities must provide certification that the funding allocated will supplement, not replace, the current level of effort on the part of the locality.

Neither the scope nor the budget of a project may be substantially modified in such a manner that the proposed improvements do not accomplish the same benefits as the original scope. Efforts must be made to review a project scope for opportunities to modify or reduce scope to bring the cost back in line with the original budget while ensuring that the improvement extends the useful life of the asset.

In cases where programmed funds are no longer needed for delivery of a project due to estimate decreases, contract award savings, schedule changes, etc., the unexpended surplus funds are State of Good Repair funds unless superseded by the terms of a signed project agreement.

- a. Surplus State of Good Repair funds no longer needed for delivery of a project will remain within the applicable Construction District and may not be used in other districts.
- b. Surplus State of Good Repair funds no longer needed for delivery of a project will remain within the applicable asset type (i.e., Bridge or Paving).
- c. Such surplus funds will be reserved to address budget adjustments on existing State of Good Repair projects or reserved for allocation in the next solicitation cycle for State of Good Repair.

CTB Decision Brief

Approval of the State of Good Repair Prioritization Process

Issue: The State of Good Repair (SGR) Prioritization Process was last adopted by the Board on February 21, 2021. Chapter 415 of the 2024 Acts of the Assembly revised (Chapter 415) Va. Code § 33.2-369 to expand the eligibility for State of Good Repair funds from only bridges defined as structurally deficient to bridges with a general condition rating of no more than five for at least one major bridge component. Chapter 415 Va. Code § 33.2-369 expands the eligibility for State of Good Repair funds from reconstruction and rehabilitation of eligible bridges to also include other improvements anticipated to extend the useful life of a bridge by at least 10 years. Revisions to the State of Good Repair Prioritization Process are necessary to render the process consistent with Va. Code § 33.2-369 as amended by Chapter 415 and to address other issues.

Facts: Va. Code § 33.2-369 prescribes that the Commonwealth Transportation Board (the Board) shall use funds allocated in § 33.2-358 for state of good repair purposes for (i) reconstruction, replacement, and other improvements anticipated to extend the useful life by at least 10 years of state and locally-owned bridges with a general condition rating of no more than five for at least one major bridge component and (ii) reconstruction and rehabilitation of deteriorated pavement on the Interstate System and Primary State Highway System, including municipality-maintained primary extensions.

Va. Code § 33.2-369 (B) also requires that the State of Good Repair funds be allocated by the Board to projects in all nine construction districts based on a priority ranking system that takes into consideration (a) the number, condition, and costs of bridges with a general condition rating of no more than five for at least one major bridge component and (b) the mileage, condition, and costs to replace deteriorated pavements, and further provides that the Board shall ensure an equitable needs-based distribution of funding among the highway construction districts, with no district receiving more than 17.5 percent or less than 5.5 percent of the total funding allocated in any given year.

The Revised State of Good Repair Prioritization Process increases the number of eligible bridges by ten-fold and aligns the SGR Program with VDOT's preservation-focused bridge management approach as permitted by the revised Code language.

The Board's current prioritization process for SGR local paving includes a cap of \$1.5M per year per locality. Available funding could exceed the total amount of possible allocations and has for several years in the Hampton Roads District. The Revised State of Good Repair Prioritization Process includes a revision to allow an increase in the cap per locality if the amount of funding available for distribution in that district in a fiscal year exceeds the amount possible to allocate.

Recommendations: VDOT recommends that the Board approve the Revised State of Good Repair Prioritization Process.

Decision Brief
Revised State of Good Repair Prioritization Process
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Action Required by CTB: The CTB will be presented with a resolution for a formal vote to approve the Revised State of Good Repair Prioritization Process and to replace and supersede the February 17, 2021 resolution titled “Approval of State of Good Repair Prioritization Process Methodology and FY 2022 State of Good Repair Percentage Fund Distribution.”

Result, if Approved: If approved, the Revised State of Good Repair Prioritization Process will replace and supersede the February 17, 2021 resolution titled “Approval of State of Good Repair Prioritization Process Methodology and FY 2022 State of Good Repair Percentage Fund Distribution.”

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None