

# *American Recovery and Reinvestment Act*

Highway Funding

March 18, 2009

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# Recovery Act

- **CTB reduced and amended the FY 2009-2014 Six-Year Improvement Program on February 13, 2009**
- **President Signed the Recovery Act on February 17, 2009**
- **FHWA provided Apportionment numbers on March 3, 2009**
  - **120 day deadline for obligating the first 50% is June 30, 2009**

# Recovery Act Certifications

- **Governor will certify Maintenance of Effort by March 19, 2009**
- **Governor will certify that individual infrastructure investments have received the full review and vetting required by the Act and accept responsibility that the infrastructure investment is an appropriate use of taxpayer dollars**
- **Governor certified on March 3, 2009 that Virginia will request and use ARRA funds and that the ARRA funds will be used to create jobs to promote economic growth**

# Recovery Act Highway Funding

## Distribution of Virginia Highway Funding

	<b>\$694,460,823</b>
• 3% Enhancements	<b><u>\$20,833,825</u></b>
Net	<b>\$673,626,998</b>
• 30% STP Population >200,000	<b>\$117,803,558</b>
<200,000	<b><u>\$ 90,534,689</u></b>
	<b>\$208,338,247</b>
• 67% Net Discretionary	<b>\$465,288,751</b>

# Recovery Act Highway Distributions

- STP Population Formula**

<b>&gt; 200,000 3 Urban Areas</b>	<b>\$117,803,558</b>
<b>&lt; 200,000</b>	<b><u>\$ 90,534,689</u></b>
	<b>\$208,338,247</b>
  
- 3 Urban Areas/MPO Projects**

<b>Richmond</b>	<b>\$ 24,100,374</b>
<b>Hampton Roads</b>	<b>\$ 41,041,797</b>
<b>Northern Virginia</b>	<b><u>\$ 52,661,387</u></b>
	<b>\$117,803,558</b>

# Recovery Act Highway Priorities

- **Federal Priorities**
  - ✓ **Meet all federal requirements**
  - ✓ **Complete within 3 years (February 17, 2012)**
  - ✓ **In economically distressed areas**
    - **Per capita income is 80% of the national average**
    - **Unemployment rate is at least 1% higher**
- **Commonwealth Priorities**
  - ✓ **Structurally Deficient Bridges**
  - ✓ **Deficient Pavements**
  - ✓ **BRAC**
  - ✓ **Cancelled/delayed construction projects and citizen suggestions**

# Recovery Act Public Participation

- **\$466 billion in Virginia projects submitted to Governor's website**
- **\$194 billion in transportation projects submitted or 41.6% of the total value submitted**
- **9,160 total projects submitted**
- **1,800 transportation projects or 19.6% of the total projects submitted**

# State of the Industry

- **Economically fragile – Loss of hundreds of jobs**
- **Job losses across the industry**
  - **Contractors**
  - **Consultants**
  - **Suppliers**
- **Seasonal Layoffs = Permanent Layoffs**
- **Impact on Future**
  - **Permanent business loss**
  - **Relocating resources to other states**
  - **Changing work mix means less VDOT work**



# Commonwealth Priority: Structurally Deficient Bridges

- **110 to 120 small bridges and culverts candidates for design-build**
- **Structurally Deficient – General condition rating of 4 or less or Functionally Obsolete**
- **No right-of-way or environmental documentation required**
- **\$60 to \$70 million total value**

# Commonwealth Priority: Deficient Pavements

- **400 to 500 lane miles of interstate and primary highway candidates for major paving or overlay**
- **Pavement index of 53 or less for most of the segment and/or recommendation from district**
- **No right-of-way or environmental documentation required**
- **\$100 to \$150 million total value**

# Commonwealth Priority: BRAC

- **Fort Lee (Richmond) – 7,800 BRAC Jobs**
  - Route 36 - Prince George County & City of Hopewell
- **Fort Eustis (Hampton Roads) – 1,700 BRAC Jobs**
  - Fort Eustis Boulevard-York County & City of Newport News
- **Fort Belvoir (NOVA) – 11,900 BRAC Jobs**
  - Fairfax County Parkway – Fairfax County
- **Quantico (NOVA) – 2,500 BRAC Jobs**
  - Fuller Road Entrance
- **Defense Intelligence Agency – 1,000 BRAC Jobs**
  - Route 29 Entrance
- **\$80 to \$100 million total value**

# Commonwealth Priority: Enhancements

- **Timeline requires a small number of projects**
- **Ongoing construction projects and programs**
- **Major trail projects especially those with tourism or economic development potential**
- **\$20 to \$21 million total value**

# Commonwealth Priority: Cancelled or Delayed Construction Projects and Citizen Suggestions

- **\$3 billion in cancelled or delayed construction projects**
- **\$194 billion in citizen suggestions**
- **\$250 to \$350 million in stimulus funding available after deficient bridges, deficient pavements, BRAC and required set-asides are funded**
- **Ongoing coordination among:**
  - Governor
  - Congressional Delegation
  - General Assembly
  - CTB
  - MPOs
  - FHWA
  - Localities
  - Industry

# Recovery Act Implementation

## Next Steps

- **Governor certifications and decisions**
- **VDOT and DRPT budget amendments for FY 2009**
- **SYIP amendments for FY 2009-2014**
- **STIP amendments**
- **TIP amendments**
- **Obligate funding for projects**
- **Advertise projects**

# Recovery Act Implementation

## Next Steps (cont)

- **VDOT will need to report monthly on the number of newly hired contractor employees and the number of existing contractor employees. This information will include the number of employees, total hours for employees and total wages for employees (subtotal by new-hire and existing).**
- **This data will be reviewed and certified by VDOT, then provided to FHWA.**
- **No later than 10 business days after each letting, VDOT will provide FHWA with summary bid information and specific information on the projects that were awarded.**

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