



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Chairman

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Agenda item # 12

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

September 21, 2016

MOTION

**Made By: Mr. Garczynski, Seconded By: Mr. Kasproicz
Action: Motion Carried, Unanimously**

Title: Utilization of Available Federal Funds and Obligation Authority

WHEREAS, § 33.2-214 (B) of the *Code of Virginia* requires the Commonwealth Transportation Board (Board) to adopt by July 1 of each year a Six-Year Improvement Program (SYIP) of anticipated projects and programs and that the SYIP shall be based on the most recent official revenue forecasts and a debt management policy; and

WHEREAS, the Board adopted the FY 2017-2022 SYIP and the Virginia Department of Transportation (VDOT) FY 2017 Budget (Budget) on June 14, 2016; and

WHEREAS, at the end of each federal fiscal year, the Federal Highway Administration (FHWA) makes available unused obligation authority, otherwise known as August Redistribution; and

WHEREAS, it is the desire of VDOT to request and be able to utilize additional allocations and obligation authority received as a result of August Redistribution; and

WHEREAS, it is the desire of the Board to ensure the maximum use of all available federal funds; and

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NOW, THEREFORE, BE IT RESOLVED, by the Board that authority is delegated to the Secretary of Transportation to take the necessary actions to provide for the utilization of additional federal allocation/prior unused balances and obligation authority received that are not accounted for in the Budget and SYIP; and

BE IT FURTHER RESOLVED, by the Board that authority is delegated to the Secretary of Transportation to take the necessary actions for VDOT to request additional federal funds and obligation authority from the August Redistribution conducted by the FHWA and to utilize such federal funds and obligation authority received and utilize prior unused balances in compliance with Commonwealth Transportation Board policies.

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CTB Decision Brief

Utilization of Available Federal Funds and Obligation Authority

Issue: Additional federal funds and obligation authority are anticipated to be made available to the Virginia Department of Transportation (VDOT) that are not incorporated into an approved VDOT budget and Six-Year Improvement Program (SYIP), as well as unused obligation authority as part of project close out procedures.

Facts: The Commonwealth Transportation Board (CTB) must adopt a SYIP of anticipated projects and programs by July 1 of each year in accordance with § 33.2-214 (B) of the *Code of Virginia*. The SYIP shall be based on the most recent official revenue forecasts and a debt management policy. VDOT's budget and available allocations in the SYIP are in part based on estimates of federal obligation. Each year, the Federal Highway Administration makes available to the states unused obligation authority, a process known as August Redistribution. It is VDOT's desire to request and be able to utilize additional allocations and obligation authority received as a result of August Redistribution, as well as to maximize use of all available federal funds.

Recommendations: VDOT recommends the CTB delegate the necessary authority to the Secretary of Transportation to ensure the utilization of additional federal funds received under August Redistribution and unused prior year balances that were not accounted for in the VDOT budget and the SYIP.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to: 1) delegate authority to the Secretary of Transportation to take the necessary actions to utilize prior unused balances of federal funds and obligation authority and 2) delegate authority to the Secretary of Transportation to take the necessary actions for VDOT to request additional federal funds and obligation authority from August Redistribution.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None

Result, if Approved: The Secretary will have the authority to take the necessary actions to utilize the additional/prior unused balance of federal funds and obligation authority.