

FINAL FY 2021 – 2026 SIX-YEAR IMPROVEMENT PROGRAM

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Background

- **General Assembly Special Session ended November 9, 2020**
- **Governor Northam signed the Budget November 18, 2020**
 - **Approved budget includes provisions for certain flexibilities related to virtual public meetings, the Six-Year Improvement Program, and mitigating impacts of the revenue reductions resulting from the COVID-19 pandemic**
- **During this unprecedented time, we are striving to be as efficient as possible**
- **Our goal is to keep projects moving on-time and on-budget**

Background

- **Flexibility language provided by Item 430 of Chapter 56 of the 2020 Acts of Assembly (Special Session 1)**
 - **The FY2020-2025 SYIP adopted June 19, 2019, and as amended may remain in effect through June 30, 2021, or until a new SYIP is adopted that is based on the official Commonwealth Transportation Fund revenue forecast reflecting the impacts of COVID-19 Pandemic**
 - **Assistance provided for fiscal year 2021 may be maintained up to the levels allocated in the FY2020-2025 SYIP until a new SYIP is adopted**
 - **CTB may use previously allocated funds not currently needed to support project delivery to mitigate impacts from revenue reductions resulting from the COVID-19 pandemic and replace those allocations in the year needed to support current project schedules**

Background

- **Flexibility language provided by Item 430 of Chapter 56 of the 2020 Acts of Assembly (Special Session 1)**
 - **The CTB shall take all actions necessary to ensure appropriate coverage ratios for debt backed by the Transportation Trust Fund and distribute funds to the modal programs and Highway Maintenance and Operating Fund in such a manner as to protect core programs, services, and existing projects**
 - **The Secretary shall report to the Governor and Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the funding actions planned to be taken under this authority, including a listing of the programs and projects impacted as well as any deviation from the proposed plan**

FY2021-2026 SYIP COVID-19 Update Plan

- **Recommendation**

1. Build upon actions approved to date to amend and modify the FY2020-2025 SYIP
2. Execute a targeted approach focused on updating specific funding programs
3. Defer certain processes and procedures of a typical SYIP update

FY2021-2026 SYIP COVID-19 Update Plan

- 1. Build upon actions approved to date to amend and modify the FY2020-2025 SYIP based on funding levels in the FY2020-2025 SYIP**
 - ✓ Updated various federal and state funding programs through amendment and transfer actions approved by the CTB through November 2020
 - ✓ Continued to advance approved projects according existing schedules

FY2021-2026 SYIP COVID-19 Update Plan

2. Execute a targeted approach focused on updating specific funding programs based on funding levels in the FY2020-2025 SYIP

- **Current Solicitation Cycles for SGR Local and VDOT Bridges and Revenue Sharing**
 - Added new FY2021 selected Local and VDOT bridges, leaving FY2026 un-programmed
 - Added new FY2021/2022 selected Revenue Sharing projects using FY2025-2026 allocations
- **Existing Revenue Sharing Projects**
 - Implemented an allocation strategy utilizing previously allocated funds not currently needed to support project delivery to mitigate impacts from revenue reductions resulting from the COVID-19 pandemic and replace those allocations in FY2021-2024 as necessary to support current project schedules
 - No funding commitments were reduced and no projects were delayed due to the proposed allocation restructuring strategy
 - Biennial solicitation cycle will continue with awards in the last two years of the SYIP

New State of Good Repair Bridge Project Selections

District	VDOT Projects		Locality Projects		Total	
	# of Projects	Cost (millions)	# of Projects	Cost (millions)	# of Projects	Cost (millions)
Bristol	6	\$36.8	2	\$5.5	8	\$42.3
Culpeper	3	\$17.2	1	\$7.2	4	\$24.4
Fredericksburg	3	\$28.0	0	\$0	3	\$28.0
Hampton Roads	0	\$0	2	\$24.2	2	\$24.2
Lynchburg	1	\$26.4	1	\$4.3	2	\$30.6
Northern Virginia	6	\$19.8	1	\$0.9	7	\$20.8
Richmond	4	\$52.1	3	\$6.9	7	\$60.7
Salem	9	\$28.3	1	\$6.0	10	\$34.3
Staunton	2	\$11.3	0	\$0	2	\$11.3
Total	34	\$219.9	11	\$54.9	45	\$274.8

New Revenue Sharing Project Selections

District	# of Projects	Total Local and State Match (millions)
Bristol	8	\$1.7
Culpeper	22	\$18.2
Fredericksburg	8	\$18.6
Hampton Roads	29	\$95.4
Lynchburg	15	\$16.0
Northern Virginia	26	\$105.6
Richmond	41	\$69.1
Salem	29	\$45.6
Staunton	19	\$29.8
Total	197	\$400.0

Summary of Revenue Sharing Allocations Used to Mitigate COVID-19 Revenue Reductions (millions)

	<i>Planned Number of Projects</i>	<i>State Match in Previous Planned to be Provided by FY24</i>	<i>Actual Number of Projects</i>	<i>State Match in Previous Actually Provided by FY24</i>
Bristol	6	\$8.2	6	\$8.1
Culpeper	18	\$16.9	18	\$17.7
Fredericksburg	12	\$27.2	12	\$27.1
Hampton Roads	55	\$144.9	55	\$142.0
Lynchburg	14	\$10.3	14	\$10.6
Northern Virginia	65	\$142.5	65	\$141.3
Richmond	55	\$51.8	55	\$54.6
Salem	36	\$18.9	36	\$18.3
Staunton	29	\$24.3	29	\$25.1
Deallocations		\$49.9		\$50.3
Grand Total	290	\$495.0	290	\$495.0

- Adjustments to preliminary strategy reflect changes based on project activity since March 2020
- No project schedules will be delayed
- No funding commitments will be reduced
- Average change to amount was -\$1,122

FY2021-2026 SYIP COVID-19 Update Plan

3. **Defer certain processes and procedures of a typical SYIP update**

- **Retain the existing structure of the FY2020-2025 SYIP and reflect adjustments to the new transportation funding formula and distribution factors in the FY2022-2027 SYIP Update**
- **Deferred adjustments to the I-81 program to reflect adjustments to the revised tax structure and debt financing until the FY2022-2027 Update**
 - Project schedules were not be impacted by this delay
- **Defer traditional Spring and Fall Public Meetings until the FY2022-2027 Update**
 - Held a virtual public hearing November 24, 2020

FY2021-2026 SYIP COVID-19 Update Plan

Limited adjustments to FY2021 were made to support FY2021 budget posting

- **SMART SCALE Programs**
 - Reduced DGP funds by \$10.0M and replaced funds with new Supplemental DGP
 - Remaining \$82.0M of Supplemental DGP was programmed to district DGP balance entries
 - Reduced HPP funds by \$10.0M by releasing surplus allocations from the HPP balance entry
- **SGR**
 - Reduced SGR funds by \$1.3M and replaced with remaining 40/30/30 formula funds that must be transferred to the SGR program per the Appropriation Act
- **Interstate Corridor Funds**
 - Reduced I-81 Corridor Funds by \$60.7M and replaced with \$55.1M in new I-81 funds from new fuel tax for a net decrease of \$5.6M
 - Reduced I-95, I-64 and Other Interstate Corridor Funds by 0.5M by releasing unprogrammed funds from balance entries
- **Virginia Highway Safety Improvement Program**
 - Programmed \$26.0M in additional funding to the Safety balance entry

