



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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Agenda item # 6

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

May 20, 2020

MOTION

Made By: Mr. Rucker, Seconded By: Mr. Malbon
Action: Motion Carried, Unanimously

Title: Revenue Sharing De-allocation of Project Funds
UPC 108871, Western Perimeter Road – Montgomery County

WHEREAS, § 33.2-357 of the *Code of Virginia* (1950), as amended (“*Va. Code*”), prescribes that from funds made available by the General Assembly, the Commonwealth Transportation Board (“Board”) may make an equivalent matching allocation to any locality for the improvement, construction, or reconstruction of the highway systems within such locality; and

WHEREAS, §33.2-357 of the *Va. Code* stipulates that the funds allocated by the Board under this section “shall be distributed and administered in accordance with the revenue-sharing program guidelines established by the Board”; and

WHEREAS, at its December 5, 2018 meeting, the Board adopted its revision of the Revenue Sharing Program Policy and Guidelines, and the process for de-allocation of revenue-sharing program funds for projects not initiated after two subsequent fiscal years of the allocation or are cancelled at the request of the locality is described within these guidelines; and

WHEREAS, in accordance with the approved de-allocation process, surplus state Revenue Sharing funds on a project that has been cancelled at the request of the locality, must be deallocated and returned to the statewide Revenue Sharing program account; and

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NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the deallocation of funding from the project as indicated herein below:

County of Montgomery			
Revenue Sharing Allocation fiscal years	State Match	Project Number (UPC)	Project Scope/Description
2017, 2018	\$13,074,249	108871	Construct new 2-lane road to connect Prices Fork Road to Southgate Drive

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CTB Decision Brief

Revenue Sharing De-Allocation of Project Funds - UPC 108871, Western Perimeter Road

Issue: As stipulated in § 33.2-357 of the *Code of Virginia*, any project having funds allocated under the revenue sharing program shall be initiated within two subsequent years of the allocation or those funds may be reallocated at the discretion of the Commonwealth Transportation Board (CTB). The Revenue Sharing Program Guidelines (Guidelines), as approved by the CTB, establish circumstances when project funds may be de-allocated due to cancellation of projects, project inactivity, or surplus allocations on completed projects. Accordingly, the Virginia Department of Transportation (Department) has a project which meets de-allocation/reallocation conditions set forth in § 33.2-357 and in the Guidelines and recommends that the funding previously allocated to this project be de-allocated by the CTB and made available in the Revenue Sharing account for reallocation statewide.

Facts: The de-allocation process is described within the Revenue Sharing Program Guidelines, revised and adopted by the CTB at its December 5, 2018 meeting. Montgomery County, by letter of October 23, 2019, has requested the Western Perimeter Road project (UPC 108871) to be cancelled.

Recommendation: The Department recommends that the allocations/funding on UPC 108871, Western Perimeter Road, be de-allocated from the project and returned to the statewide Revenue Sharing account so that they are available for reallocation. This will allow \$13,074,249 to be re-allocated through the current Revenue Sharing Application process.

Action Required by CTB: The *Code of Virginia* and the CTB's Revenue Sharing Program Guidelines specify that the CTB shall approve the de-allocation of identified funds that meet the criteria set forth in the de-allocation process. A resolution is provided for a formal vote.

Result, if Approved: Funds allocated to UPC 108871, Western Perimeter Road, totaling \$13,074,249, will be de-allocated and returned to the statewide Revenue Sharing account rendering them available for reallocation at the discretion of the CTB.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None

MONTGOMERY COUNTY

F. CRAIG MEADOWS, COUNTY ADMINISTRATOR
OFFICE OF COUNTY ADMINISTRATION
MONTGOMERY COUNTY • VIRGINIA



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October 23, 2019

Ken King, P.E
Virginia Department of Transportation
731 Harrison Avenue
Salem, VA 24153

RE: Wester Perimeter Road Revenue Sharing Project UPC#108871

Dear Ken:

Based on the desire of Virginia Tech to end the current project known as Western Perimeter Road, Montgomery County is notifying VDOT that we are cancelling the project at this time. Montgomery County sincerely appreciates the efforts from everyone that was a part of this multi-faceted project. Additionally, we want to ensure that all of those associated with the Revenue Sharing Program at VDOT understand that this was an unforeseen circumstance beyond our control. We have great respect for the Revenue Sharing Program and the valuable tool it is for localities.

It is our understanding that final invoices with VDOT and the consultant are being prepared and once all payments are taken care of, VDOT will formally close out the project. Upon this closeout on VDOT's side, we ask that we be provided with a detailed accounting record for funding expenditures in order for adequate processing of the remaining funds being returned to the County.

Thank you again for all of VDOT's assistance with this project. Should you have any questions, please do not hesitate to contact me or Emily Gibson, the County's contact for Western Perimeter Road.

Sincerely,

F. Craig Meadows
County Administrator

CC: David Clarke, P.E., Christiansburg Resident Engineer
Paul Brown, P.E., Christiansburg Assistant Resident Engineer
Chris Price, Christiansburg Assistant Residency Administrator
Dwayne L. Pinkney, Virginia Tech
Mike Dunn, Virginia Tech