



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Agenda item # 12

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 12, 2022

MOTION

Made By: Mr. Johnsen Seconded By: Ms. Hynes

Action: Motion carried, unanimously

Title: Revised Six-Year Improvement Program and Rail and Public Transportation
Allocations For Fiscal Years 2022 – 2027

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

WHEREAS, the Appropriations Act authorizes the Secretary and all agencies within the Transportation Secretariat to take all actions necessary to ensure that federal transportation funds are allocated and utilized for the maximum benefit of the Commonwealth; and

WHEREAS, the Board is required by Section 33.2-214 (B) and 33.2-221 (C) of the *Code of Virginia* to administer and allocate funds in the Transportation Trust Fund based on the most recent official Commonwealth Transportation Fund revenue forecast; and

WHEREAS, the Board adopted the Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 on June 23, 2021; and

WHEREAS, the update to the official revenue forecast released by the Department of Taxation on December 16, 2021 represents a significant increase in anticipated state revenues for transportation; and

WHEREAS, the federal Infrastructure Investment and Jobs Act (IIJA) signed into law November 15, 2021 provides the largest long-term federal investment in infrastructure in history; and

WHEREAS, there are significant transportation needs across the Commonwealth that stand to benefit from the increased investment in transportation at the state and federal levels; and

WHEREAS, the Revised Six-Year Improvement Program for Fiscal Years 2022 through 2027 accounts for and includes allocations to existing and new programs based on the revised official revenue forecast and IJA; and

WHEREAS, it is the intent of the Board to apply the increase in state and federal allocations for existing programs according to the Board's existing project selection processes in the upcoming solicitation cycle for each program; and

WHEREAS, it is the intent of the Board to apply the increase in the Commonwealth Mass Transit Fund in accordance with Section 33.2-1526.1 of the *Code of Virginia*, addressing FY22 capital projects as prioritized through the MERIT process and operating assistance at an amount not to exceed 35% of agency operating expenses; and

WHEREAS, it is the intent of the Board to apply allocations for new programs to projects following development of required guidance, plans and policies; and

WHEREAS, it is the intent of the Board to allocate the first year of funds for Bridge Rehabilitation and Replacement, as eligible under IJA, to facilitate work being staged for completion; and,

NOW, THEREFORE, BE IT RESOLVED, by the Commonwealth Transportation Board that the allocations of construction funds provided by Section 33.2-358, Maintenance and Operations funds, and Rail and Public Transportation funds in the Revised Six-Year Improvement Program for Fiscal Years 2022 through 2027 are approved.

BE IT FURTHER RESOLVED, by the Commonwealth Transportation Board that the revised Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 for Interstate, Primary and Urban Highway Systems, and Rail and Public Transportation is approved.

BE IT FURTHER RESOLVED, by the Commonwealth Transportation Board that the Commissioner of Highways and the Director of the Department of Rail and Public Transportation are authorized to enter into agreements for respective programmed projects for Fiscal Year 2022 and prior within the Six-Year Improvement Program satisfactory to the Commissioner and the Director.

BE IT FURTHER RESOLVED, by the Commonwealth Transportation Board that the transfers of previous allocations necessary to maximize the use of federal transportation funds as reflected in the Revised Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027, are approved.

BE IT FURTHER RESOLVED, by the Commonwealth Transportation Board that the Commissioner and Director, or their designees, are granted the authority to make transfers of allocations programmed to projects in the approved Revised Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 to release funds no longer needed for

the delivery of the projects and to provide additional allocations to support the delivery of eligible projects in the Revised Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 consistent with Commonwealth Transportation Board priorities for programming funds, federal/state eligibility requirements, and according to the following thresholds based on the recipient project:

Total Cost Estimate	Threshold
<\$5 million	up to a 20% increase in total allocations
\$5 million to \$10 million	up to a \$1 million increase in total allocations
>\$10 million	up to a 10% increase in total allocations up to a maximum of \$5 million increase in total allocations

BE IT FURTHER RESOLVED, that the Commissioner and Director shall notify the Board on a monthly basis should such transfers or allocations be made.

BE IT FURTHER RESOLVED, that if such request for transfer of allocation exceeds the thresholds established herein, the Commissioner and Director shall bring such request to the Board on a monthly basis for their approval prior to taking any action to record or award such action.

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CTB Decision Brief

Revised Six-Year Improvement Program and Rail and Public Transportation Allocations For Fiscal Years 2022 – 2027

Issue: Each year the Commonwealth Transportation Board (CTB) must adopt a Six-Year Improvement Program (Program or SYIP) and allocations for anticipated projects and programs based on the most recent official revenue forecasts and debt management policy, and other funds available as set forth in the Final Fiscal Years 2022-2027 Six-Year Improvement Program in accordance with policy or statutory formula.

The Appropriations Act authorizes the Secretary and all agencies within the Transportation Secretariat to take all actions necessary to ensure that federal transportation funds are allocated and utilized for the maximum benefit of the Commonwealth. The Board is required to administer and allocate funds in the Transportation Trust Fund based on the most recent official Commonwealth Transportation Fund revenue forecast.

Facts:

The Board adopted the Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 on June 23, 2021. Since then, the update to the official revenue forecast released by the Department of Taxation on December 16, 2021 represents a significant increase in anticipated state revenues for transportation. The federal Infrastructure Investment and Jobs Act (IIJA) signed into law November 15, 2021 provides the largest long-term federal investment in infrastructure in history.

The Revised Six-Year Improvement Program for Fiscal Years 2022 through 2027 accounts for and includes allocations to existing and new programs based on the revised official revenue forecast. The increase in state and federal allocations for existing programs will be applied according to the Board's existing project selection processes in the upcoming solicitation cycle for each program. The allocations for new programs will be applied to projects following development of required guidance, plans and policies.

The increase in the Commonwealth Mass Transit Fund will be applied to FY22 capital projects as prioritized through the MERIT process and operating assistance at an amount not to exceed 35% of agency operating expenses.

The first year of funds for Bridge Rehabilitation and Replacement, as eligible under IIJA, has been programmed to projects, as presented to the Board at its December meeting, in order to facilitate work being staged for completion.

Recommendations: VDOT and DRPT recommend the adoption of the Revised Program and that authority be granted to the Commissioner and Director, or their designees, to make transfers of allocations programmed to projects in the approved Program to release funds no longer needed for the delivery of the projects and to provide additional allocations to support the delivery of eligible projects in the approved Program consistent with Commonwealth

Transportation Board priorities for programming funds, federal/state eligibility requirements, and according to the following thresholds based on the recipient project:

Total Cost Estimate	Threshold
<\$5 million	up to a 20% increase in total allocations
\$5 million to \$10 million	up to a \$1 million increase in total allocations
>\$10 million	up to a 10% increase in total allocations up to a maximum of \$5 million increase in total allocations

The CTB shall receive a report on a monthly basis regarding any such transfers.

If a request for a transfer of allocation exceeds the thresholds above, the Commissioner and Director shall bring such request to the Board on a monthly basis for their approval prior to taking any action to record or award such action.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to adopt the Revised Six-Year Improvement Program of Construction funds, Maintenance and Operations funds, and Rail and Public Transportation funds for Fiscal Years 2022 through 2027, including approval of the transfers of previous allocations completed as part of the revision. The resolution will include authorization for the Commissioner and Director or their designees to make transfers of allocations programmed to projects in the Revised Six-Year Improvement Program of projects and programs for Fiscal Years 2022 through 2027 necessary to release funds no longer needed for the delivery of the projects and to apply said funds to projects in the approved program needing funds, consistent with Commonwealth Transportation Board priorities for programming funds, federal/state eligibility requirements, and according to the thresholds identified above.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: Given the need to have allocations available to continue and/or initiate projects and programs in the Program and Rail and Public Transportation allocations, the public expects the CTB to fulfill its statutory duty by approving the Revised Six-Year Improvement Program and Rail and Public Transportation allocations for Fiscal Years 2022 through 2027.