December 14, 2012

TO: District Administrators, Division Administrators

FROM: Malcolm T. Kerley, P.E.

SUBJECT: Moving Ahead for the 21st Century (MAP-21) & the Virginia Department of Transportation/Federal Highway Administration Stewardship & Oversight Agreement

VDOT began an initiative during the winter of 2012 to update the Virginia Department of Transportation (VDOT)/Federal Highway Administration (FHWA) Stewardship & Oversight Agreement (Stewardship Agreement). This document sets up a framework for how VDOT and FHWA will handle the development and administration of projects as they pertain to the Federal Aid Highway Program.

Prior to initiation of this update, the most recent update to the Stewardship Agreement occurred in 2007 and was based on the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991; the Transportation Equity Act for the 21st century (TEA-21) of 1998; and the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005.

Moving Ahead for the 21st Century (MAP-21) was signed into law on July 6, 2012. The purpose of the new legislation is to create a streamlined, performance based multi-modal transportation program. As a result of the updates associated with this new legislation, VDOT and FHWA reviewed the recent Stewardship Agreement update to determine what, if any, language updates and programmatic clarification was required in order to formalize revisions to the Stewardship Agreement update and obtain the requisite signatures.

The key components of the document update include the following:

- Updates the Full Oversight vs. Delegated projects (NHS updated from $25M to $35M, VDOT responsible for Preventative Maintenance and System Preservation Projects)

- Update to Dispute Resolution Process/Durations (Elevation to Various Levels of Leadership)

- Local Project Administration Updates (Funds Distribution/Oversight Processes)

- Provisions Regarding Emergency Relief (Action Readiness Prior to FHWA Approval)

The provisions of the update, that require further assessment and will entail periodic review include, but are not limited to, the following:

- Expansion of the National Highway Program (NHS) to incorporate principal arterials not previously included
Establishment of a performance based program, with the goal of increasing accountability and transparency

Streamlines the Federal Highway Transportation Program through the consolidation and restructuring of core programs

Accelerates project delivery and promotes innovation

In regard to the aforementioned list, performance management is the critical area that will require further review and assessment as we move forward with the Agreement’s update and subsequent iterations. National Performance Goals have been set forth. They are as follows:

- Safety – to achieve a significant reduction in fatalities (traffic related) and serious injuries on all public roads
- Infrastructure Condition – Maintenance of a state of good repair with respect to the Highway Infrastructure asset system
- Congestion Reduction – Significantly reduce congestion on the NHS
- System Reliability – Improve Efficiency of the Surface Transportation System
- Freight Movement and Economic Vitality – Improve the National Freight Network allowing the strengthening of rural communities and supporting regional growth development
- Environmental Sustainability – Enhance Transportation System performance while enhancing the environment
- Reduce project delivery delays – This includes reduction of project costs, job and economic promotion, expedited movement of people and goods, reduced regulatory burdens and improved practices

VDOT and FHWA have agreed to incorporate performance measures into the 2012 Agreement update as a means of achieving the goals detailed in MAP-21.

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<td><strong>Area of Focus</strong></td>
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<td>(2) Local Project Administration</td>
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<td>(3) Financial Management</td>
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Final signature of the attached document occurred on December 11, 2012. As we move forward, VDOT and FHWA will work closely to ensure the indicators and focus areas correlate with MAP-21 and any clarifications that may occur as the legislation is moved into reality. Further, we anticipate aligning updates to the agreement with the election cycle. Therefore, we anticipate a November 2016 goal for the next document update. Updates and process improvements that occur in the interim will be coordinated with the appropriate personnel in VDOT and FHWA.

A special thank you goes out to the following individuals involved with this process: Kerry Bates (Construction Division), Tracy Sell (Construction Division), Emmett Heltzel (Maintenance Division), Ken Walus (Structure and Bridge Division), Russ Dudley (Local Assistance Division), Bart Thrasher (Location and Design Division), Diane Mitchell (Programming Division), Shailendra Patel (Alternate Project Delivery Office), Ben Mannell (Transportation and Mobility Planning Division), Richard Caywood (Salem District Administration), Wayne Fedora (FHWA), Tom Jennings (FHWA), Ed Sundra (FHWA), Barbara Middleton (FHWA).

All updates mentioned above are effective as of December 14, 2012.

Further questions can be directed to Mr. Kerry A. Bates, P.E at (804) 371-4312.

Cc: Gregory A. Whirley - Commissioner  
    Charles A. Kilpatrick, P.E. – Chief Deputy Commissioner  
    Reta R. Busher – Chief of Planning & Programming  
    John W. Lawson – Chief Financial Officer  
    Richard L. Walton, Jr. – Chief of Policy & the Environment  
    Grindly R. Johnson – Chief of Administration