

## **Maintenance Payments to Local Government**

The Urban Maintenance Program is based on Section [33.1-41.1](#) of the *Code of Virginia* which authorizes the Commonwealth Transportation Board (CTB) to make payments to cities and towns in the urban system for maintenance, construction and reconstruction of roads and streets meeting specific criteria and under certain conditions. Maintenance payments made to support maintenance activities for eligible streets are based on the number of moving lane-miles available to peak hour traffic, multiplied by a specific rate of payment. Processing these payments involves calculation of each locality's payments, monitoring urban street conditions, maintaining an inventory of eligible urban streets, preparation of CTB resolutions authorizing the payments, and initiating and processing the payments.

A similar program provides maintenance funding to Arlington and Henrico Counties, Virginia's only two counties that maintain their own local systems. This program is based on Section 33.1-23.5:1 of the *Code of Virginia*.

The Commonwealth Transportation Board allocated ~ \$350 million for this program in FY11.

### **Urban System Payment Categories**

Urban street payments are made for two highway categories based on Functional Classifications as follows:

1. Principal and Minor Arterial Roads
2. Collector Roads and Local Streets

The State Functional Classification System is distinct from, but is based on the Federal Classification of highways established by the Federal Highway Administration (FHWA). In general, the Functional Classifications are parallel; however for municipalities with a population of less than 5,000 State Functional Classification must be used.

### **Urban System Payment Rates**

[Section 33.1-41.1](#) of the Code establishes base rates of payment per the number of moving-lane miles of highways available to peak-hour traffic for Fiscal Year 1986 of \$7,787 for principal and minor arterial roads and \$4,572 for collector roads and local streets. Payment rates for Fiscal Year 2011 are: \$17,180 for principal and minor arterial roads and \$10,087 for collector roads and local streets.

Current program information is available at: <http://www.virginiadot.org/business/local-assistance-programs.asp#Urban%20Highways>

## **County Payment Rates**

[Section 33.1-23.5:1](#) of the Code establishes base rates of payment per lane mile for Fiscal Year 1986 of \$7,201 per lane-mile in Arlington County and \$3,616 per lane-mile in Henrico County. Payment rates for Fiscal Year 2011 are: \$16,121 for Arlington County and \$9,101 for Henrico County. There is no differential in payment rates based on functional classification.

Current program information is available at: <http://www.virginiadot.org/business/local-assistance-special-federal-programs-Arl&Henrico.asp>

## **Annual Adjustment of Maintenance Budget**

The Code also required that the Department establish a statewide Maintenance Cost Index (MCI) to determine annual adjustments to the payment rates. The MCI has not been used since 2002. The Code language was modified in 2011 to allow the Commonwealth Transportation Board to establish an annual growth rate for the local maintenance program based upon the base rate of growth planned for the Department's Highway Maintenance and Operations program. The change codifies the practice of the CTB based on Appropriations Act language since 2003.

## **Quarterly Payments**

The total payment for each locality is determined no later than July 1, of each fiscal year using the adjusted payment rates multiplied by the number of approved moving lane miles for each category and the yearly calculated payments will be approved by the Board.

Payments are made on a quarterly basis: on or before September 30, December 30, March 30, and June 30.

## **Local Performance and Accountability**

The Code requires that municipalities report their maintenance expenditures to VDOT on an annual basis. Prior to modifying the reporting requirements, VDOT worked with a stakeholders group to identify the best method for reporting. Based on input from our stakeholders and approval by the CTB, this reporting is done on the [Weldon Cooper Center Public Finance Survey](#). A summary of this data is available at: <http://www.virginiadot.org/business/local-assistance-programs.asp#Urban%20Highways>

The Code also requires reporting on asset condition and performance. Reporting is done on a biennial basis for bridge and pavement condition as part of [VDOT's Biennial Needs Assessment](#). Local system bridge condition is also available in real-time on VDOT's Dashboard.