

## **Maintenance Payments to Local Governments**

The Urban Maintenance Program is based on Section [33.2-319](#) 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 [33.2-366](#) of the *Code of Virginia*.

The Commonwealth Transportation Board allocated ~ \$456 million for this program in FY20.

### **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

TMPD determines the functional classification according to federal guidance that takes into account type of trips, expected volume, what systems the roadway connects and whether the proposed functional classification falls within the mileage percentage thresholds established by the Federal Highway Administration (FHWA). A statewide review of functional classifications typically occurs following the decennial census. The most recent statewide update was completed and approved by FHWA in 2014.

### **Urban System Payment Rates**

Section [33.2-319](#) of the Code established 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 are updated on an annual basis. Fiscal Year 2020 payment rates are as follows: \$21,689 for principal and minor arterial roads and \$12,735 for collector roads and local streets.

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

For the history of payments to local governments, please visit the following link: [http://www.virginiadot.org/business/resources/local\\_assistance/Payments\\_to\\_Local\\_Governments\\_-\\_History\\_of\\_Payment\\_Rates.pdf](http://www.virginiadot.org/business/resources/local_assistance/Payments_to_Local_Governments_-_History_of_Payment_Rates.pdf)

## **County Payment Rates**

Section [33.2-366](#) of the Code establishes base rates of payment per lane mile. The 2013 General Assembly established a new base amount for maintenance of \$17,218 per lane-mile for Arlington and \$12,529 per lane-mile for Henrico Counties. There is no differential in payment rates based on functional classification. Fiscal Year 2020 payment rates are as follows: \$19,125 for Arlington County and \$13,916 for Henrico County.

Current program information is available at:

<http://www.virginiadot.org/business/local-assistance-special-federal-programs-Arl%26Henrico.asp>

## **Annual Adjustment of Maintenance Budget**

The Commonwealth Transportation Board adjusts the payment rates annually based on the 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.

## **Overweight Permit Fee Revenue**

In accordance with Sections [46.2-1140.1](#), [46.2-1143](#), [46.2-1148](#), and [46.2-1149.1](#) of the Code of Virginia, (1950), as amended in 2012, beginning in FY14, overweight permit fee revenue was distributed on the basis of lane mileage to localities along with their quarterly maintenance payments.

## **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.