



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION

1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219-2000

DAVID S. EKERN, P.E.
COMMISSIONER

December 17, 2009

To: Cities and Towns in the Urban System

Subject: Revision of the FY 10 Local Maintenance Payments

As you are well aware, the Commonwealth continues to face a decline in state transportation revenue. The Commonwealth Transportation Board (CTB) has taken a number of actions over the past year to balance the state transportation budget including elimination of the system construction allocation to the primary, urban, and secondary systems and a corresponding reduction to VDOT's maintenance budget. Historically the same rate of change has been applied to the local maintenance program as VDOT's own maintenance program. However, in February 2009, the local payments were held harmless, while VDOT absorbed all reductions in maintenance funding via VDOT's maintenance budget. Unfortunately, additional reductions are necessary and locality payments cannot be held harmless to balance the FY10 budget.

Today, the CTB reduced the overall FY10 local maintenance budget to the FY09 level. In accordance with Section 33.1-41.1 of the Code of Virginia, the **revised** payment rates per lane mile for use in **maintenance, construction** and **reconstruction** for fiscal year 2009-2010 are as follows:

Principal/Minor Arterial Roads \$16,576 per lane mile

Collector/Local Streets \$ 9,732 per lane mile

The lane mileage rate will be applied to the system inventory (additions/deletions) that the CTB approved in June. The reduction will be distributed across your next three quarterly payments. The Locality specific information is available on our webpage at:
<http://www.virginiadot.org/business/local-assistance-programs.asp>.

If you have questions or need additional information, please do not hesitate to contact me at (804) 786-2745.

Sincerely,

Michael A. Estes, P.E.
Director, Local Assistance Division

Cc: District Administrators
Residency Administrators
Urban Program Managers