



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Nicholas Donohue
Chairperson

1221 East Broad Street
Richmond, Virginia 23219

(804) 482-5818
Fax: (804) 786-2940

DRAFT MINUTES MEETING OF THE COMMONWEALTH TRANSPORTATION BOARD WORKSHOP MEETING

The Bristol Hotel
115 County Music Way
Bristol, Virginia 24201
July 21, 2026
8:30 a.m.

The workshop meeting of the Commonwealth Transportation Board was held in the King Conference Room of the Bristol Hotel located at 115 County Music Way, Bristol, Virginia 24201. The Chairman, Nicholas Donohue, presided and called the meeting to order at 8:32 a.m.

Present: Messrs. Davis, Fowlkes, Good, Gribbin, Minchew, Morison, Moye, Payne, Smoot, Stant, Ms. Dunlop, Ms. Green, Ms. Johnson and Ms. Radcliffe. Mr. Brich, ex officio, Commissioner of Highways and Ms. Mariia Zimmerman, ex officio, Director of the Department of Rail and Public Transportation

Absent: Messrs. None

- Agenda 1.** Local Updates
Virginia Department of Transportation
- Agenda 2.** Revised Transportation Partnership Opportunity Fund Guidelines
Carter Hutchinson, Deputy Secretary of Transportation
Referenced by attachment of presentation.
- Agenda 3.** State of Transit in Rural Virginia
Mariia Zimmerman, Virginia Department of Rail and Public Transportation
Referenced by attachment of presentation.
- Agenda 4.** Virginia Breeze Updates
Avery Dougherty, Virginia Department of Rail and Public Transportation
Referenced by attachment of presentation.
- Agenda 5.** On Time/On Budget
Bart Thrasher, Virginia Department of Transportation
Referenced by attachment of presentation.

- Agenda 6.** Revenue Sharing Program
Terry Short, Virginia Department of Transportation
Refenced by attachment of presentation.
- Agenda 7.** Revised FY2027 CTF Budget and SYIP
Kimberly Pryor, Virginia Department of Transportation
Refenced by attachment of presentation.
- Agenda 8.** 2026 I-81 TIFIA Rural Loan Plan of Finance
Kimberly Pryor, Virginia Department of Transportation
Refenced by attachment of presentation.

The Chair suspended the meeting at 12:05 p.m. on July 21, 2026, for lunch and the scheduled tours, noting that the suspended meeting would be reconvened on July 22, 2026, at 8:30 a.m.

The Chair called the suspended meeting to order at 8:35 a.m. on July 22, 2026, to take up the remaining workshop items.

- Agenda 9.** VTRANS Overview
Dr. Laura Schewel, Deputy Secretary of Transportation
Refenced by attachment of presentation.
- Agenda 10.** 2026 Maintenance and Operations Comprehensive Review Pavements and Bridges
Stephen Brich, Virginia Department of Transportation
Refenced by attachment of presentation.
- Agenda 11.** Federal Performance Measures and Targets
Margie Ray, Office of Intermodal Planning and Investment
Refenced by attachment of presentation.
- Agenda 12.** Budget Recap
Carter Hutchinson, Deputy Secretary of Transportation
Refenced by attachment of presentation.

The Chair suspended the Workshop meeting at 11:10 a.m. on July 22, 2026, to open the Action meeting for public comment with the guidance that he would reconvene the workshop at the end of the action meeting public comment period.

The Chair called the suspended meeting to order at 11:31 on July 22, 2026 to take up the remaining Workshop items.

- Agenda 13.** Director's Items
Mariia Zimmerman, Virginia Department of Rail and Public Transportation
Refenced by attachment of presentation.
- Agenda 14.** Commissioner's Items
Stephen Brich, Virginia Department of Transportation
- Agenda 15.** Secretary's Items
Nicholas Donohue, Secretary of Transportation

ADJOURNMENT:

The meeting adjourned at 11:45 a.m. on July 22, 2026.

Respectfully Submitted:

Carol Mathis,
Assistant Secretary to the Board

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COMMONWEALTH TRANSPORTATION BOARD WORKSHOP AGENDA

The Bristol Hotel
115 Country Music Way
Bristol, VA 24201
July 21, 2026
8:30 a.m.

1. Local Updates
Virginia Department of Transportation
2. Revised Transportation Partnership Opportunity Fund Guidelines *Carter Hutchinson, Deputy Secretary of Transportation*
3. State of Transit in Rural Virginia
Mariia Zimmerman, Virginia Department of Rail and Public Transportation
4. Virginia Breeze Updates
Avery Daugherty, Virginia Department of Rail and Public Transportation
5. On Time/On Budget
Bart Thrasher, Virginia Department of Transportation
6. Revenue Sharing Program
Terry Short, Virginia Department of Transportation
7. Revised FY2027 CTF Budget and SYIP
Kimberly Pryor, Virginia Department of Transportation
Zach Trogdon, Virginia Department of Rail and Public Transportation
8. 2026 I-81 TIFIA Rural Loan Plan of Finance
Kimberly Pryor, Virginia Department of Transportation
9. VTRANS Overview
Dr. Laura Schewel, Deputy Secretary of Transportation

10. 2026 Maintenance and Operations Comprehensive Review
Pavements and Bridges
Stephen Brich, Virginia Department of Transportation
11. Federal Performance Measures and Targets
Margie Ray, Office of Intermodal Planning and Investment
12. Budget Recap
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15. Secretary's Items
Nicholas Donohue, Secretary of Transportation

#



COMMONWEALTH *of* VIRGINIA

Office of the

SECRETARY *of* TRANSPORTATION

2026 Updated Guidelines & Criteria for the Transportation Partnership Opportunity Fund (TPOF)



VIRGINIA DEPARTMENT OF RAIL
AND PUBLIC TRANSPORTATION



VIRGINIA SPACEPORT
AUTHORITY

Overview

- TPOF Purpose and Act
- Capitalizations
- Recent Awards
- Previous Notification Requirements
- Revised Notification Requirements

Goal: Familiarize board with this fund and request approval in July of updated Guidelines and Criteria.

What is the Transportation Partnership Opportunity Fund (TPOF)?

- TPOF was created in 2005 (Section 33.2-1529.1) to provide funds to address the transportation aspects of economic development opportunities, including the creation of jobs, and to promote private investment and economic development
 - Initial capitalization was from the Toll Facility Revolving Account, and the General Assembly has approved multiple subsequent deposits
 - The fund currently receives one-third of all interest, dividends, and appreciation that may accrue to the Transportation Trust Fund and the Highway Maintenance and Operating Fund as well as interest earnings on the fund itself
 - The 2024 Appropriation Act provides up to \$15 million annually (up to \$90 million total) from the Commonwealth Transportation Fund through FY2029
- Monies can be provided from the Fund by the Governor as grants (up to \$5 million), revolving loans (up to \$30 million), directions to the Board (no cap), or other financing tools to an agency or political subdivision of the Commonwealth of Virginia
- The Appropriation Act includes certain additional notification requirements
- Guidelines and Criteria for grants and loans were developed in consultation with the Secretary of Commerce and Trade and approved by the Board on June 21, 2023

Previous Notification Requirements

- Section 33.2-1529.1 C.2.
 - Funds directed in excess of \$5 million require the Secretary of Transportation to submit a report on the direction to the Chairmen of the Senate Committee on Finance and Appropriation and the House Committee on Appropriations within 30 days
 - Funds directed in excess of \$35 million on any one project subject to review by the Major Employment and Investment (MEI) Project Approval Commission within 14 days; absent a response, the funds may be directed
- Item 438 K.2. of Chapter 725 of the Acts of Assembly of 2025
 - Funds directed in excess of \$20 million for any one project, and any cumulative direction of \$50 million during a biennium subject to review by the MEI Project Approval Commission within 21 days; absent a response, the funds may be directed

Revised Notification Requirements

- Section 33.2-1529.1 C.2.
 - No change
- Item 438 J.2. of Chapter 0001 of the Acts of Assembly of 2026
 - Funds directed in excess of \$10 million for any one project, and any cumulative direction of \$25 million during a biennium subject to review by the MEI Project Approval Commission within 30 days; absent a response, the funds may be directed
 - Notification from the Governor hand delivered to staff of MEI, House Appropriations, and Senate Finance and Appropriations
 - Guidelines must be revised to make additional awards

Examples of TPOF Allocations

Recipient	Project	Process	Amount	FY
County of Chesterfield EDA	Transportation Improvements in support of the LEGO Manufacturing Plant	Application	5,000,000	2024
Virginia Port Authority	Support dredging near the north end of Wallops Island	Appropriation Act (Chapter 725 Item 451 G.1)	8,000,000	2025
VDOT	I-64 at Exit 211 Interchange in support the development of New Kent City Center and Farms of New Kent	Directed to CTB	20,000,000	2025
City of Williamsburg EDA	Assist in the Colonial Williamsburg Transportation and Arrivals Center Project	Directed to CTB	5,000,000	2026
County of Albemarle	Boulders Road Improvements Project supporting Rivanna Futures Development	Directed to CTB	20,000,000	2026
County of Chesterfield	West Area Arterial Collector Project in support of the development of the Upper Magnolia site	Directed to CTB	35,000,000	2026
<i>DRPT (pending)</i>	<i>Support the demolition of a parking garage at Huntington Metrorail Station; funding is contingent on the commitment of local/regional resources to complete the demolition</i>	<i>Appropriation Act (Chapter 0001 Item 433 F)</i>	<i>10,000,000</i>	<i>2027</i>

What's Next?

- **Action item will be presented during the July action meeting for your approval**
- **Revised Guidelines will posted to Town Hall for review and comment for 30 days**
- **Governor must provide copies of revised Guidelines to the Chairs of House Committees on Appropriations, Finance, and Transportation and Senate Committees on Finance and Appropriations prior to making any new awards**



COMMONWEALTH *of* VIRGINIA
Office of the
SECRETARY *of* TRANSPORTATION

Thank you.



State of Transit in Rural Virginia

Commonwealth Transportation Board

Mariia Zimmerman, DRPT Director

July 21, 2026



State of Transit in Rural Virginia

- No CTB action
- Overview of rural transit in Virginia, Commonwealth and Federal funding, the challenges facing rural providers, and DRPT strategies to sustain rural transit

What Does Rural Transit Look Like?

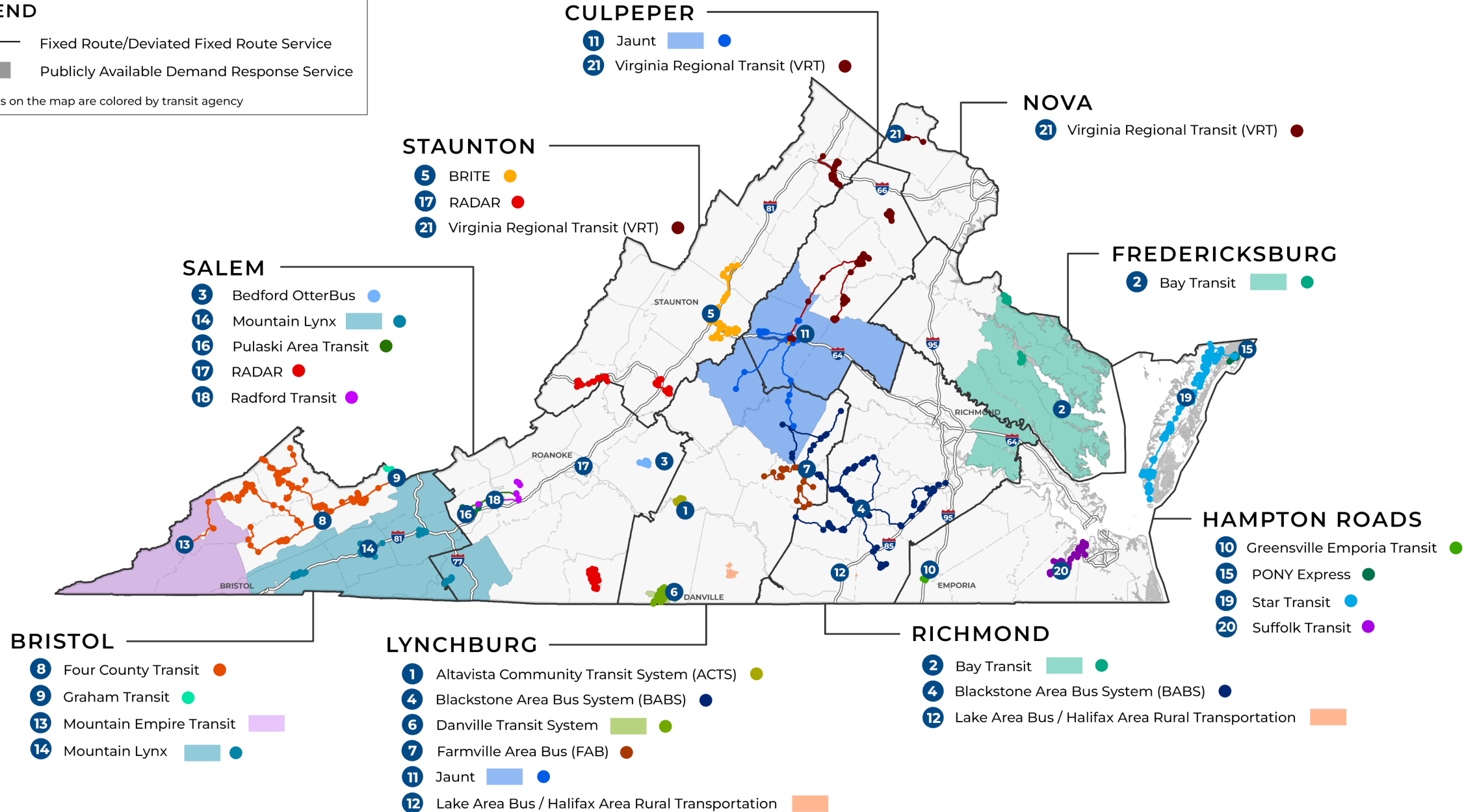
- **Public Transportation**
 - Available to the public covering large geographic areas
 - Deviated fixed-route
 - Include complementary paratransit, with some demand-response service
 - Serves as commuter service in some rural areas to major employers in nearby urban centers
 - ex: Afton Express and Jaunt Connect in Charlottesville region
- **Specialized Transportation for Individuals with Disabilities or Seniors**
 - Is a “lifeline service” and available only to eligible populations
 - Critical in rural communities where there are often few other options
 - Demand-response service often operating door-to-door



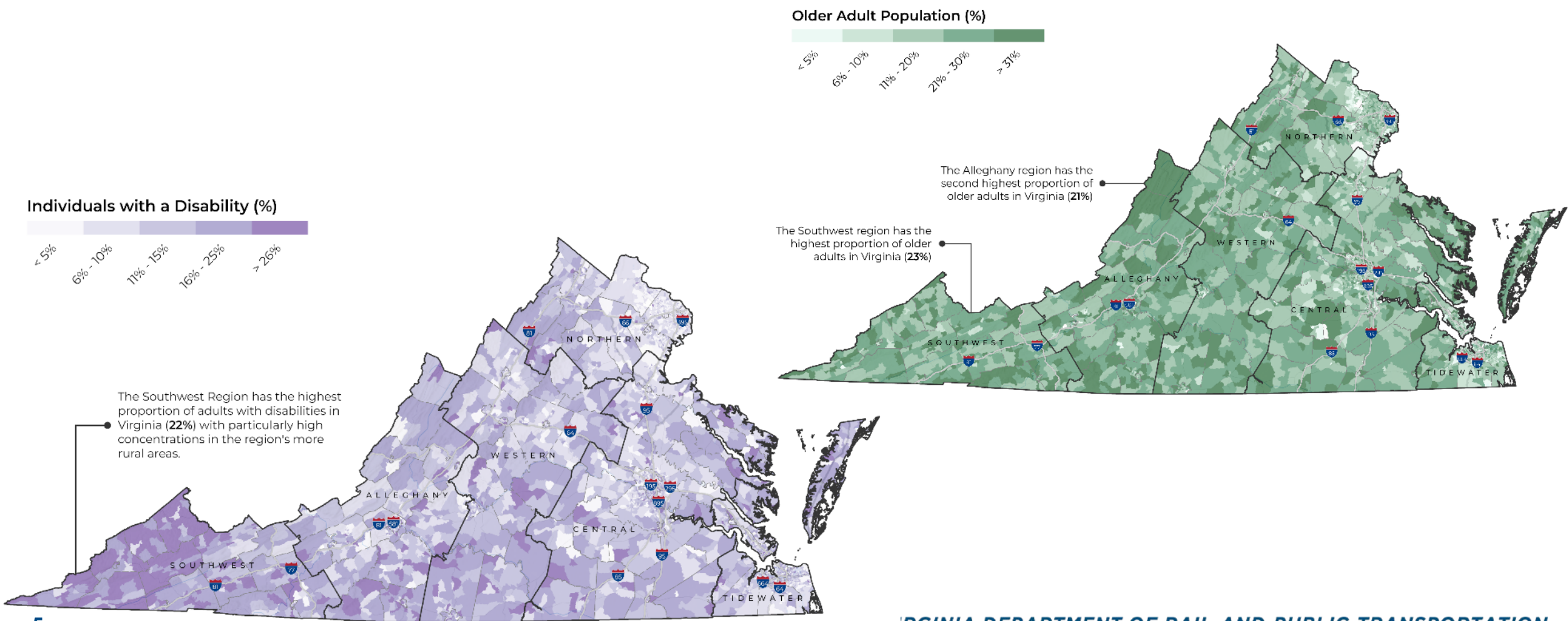
Rural Transit Agencies by VDOT District

LEGEND

- Fixed Route/Deviated Fixed Route Service
 - Publicly Available Demand Response Service
- Symbols on the map are colored by transit agency



Where Are Populations with the Greatest Transit Needs in Virginia Concentrated?



Who Provides Transit in Rural Virginia?

- Area Agencies on Aging
- Cities, Counties, and Towns
- Human Service Providers
- Non-Profit Organizations
- Planning District Commissions
- Transportation District Commissions



How Do We Fund Rural Transit?

- **Section 5311 (Federal Formula Grants for Rural Areas)** funding allocation (\$23.1M for FY26)
 - Based on non-urbanized population and land area with the remainder on amount of service offered and low-income population
 - DRPT allocates to rural transit providers – can be used for operating and capital costs
 - Operating funds require a 50% non-federal match
 - Capital funds require a 20% non-federal match
 - 15% of State's § 5311 allocation goes to Virginia Breeze
- **Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities)** provides funding to urban and non-urban areas but includes funding targeted to rural areas
 - State and local providers provide matching funds for these services
 - The rural apportionment for Virginia in FY26 is \$2.5M
- Rural agencies are eligible for **State MERIT Operating and Capital** programs, and **Transit Ridership Incentive Program** funding
- **State Demonstration funding** assists rural providers in starting new services and piloting new technology
- **State Technical Assistance** program funds rural service feasibility studies



Growth of Rural Transit

- **New Service**

- Bedford Otter Bus started service in 2023 as a demonstration project, first entered DRPT's operating assistance program in FY27
- ShenGo, Bay Transit Express, MetGo (MEOC Transit) launched microtransit services

- **Potential Future Expansion (Feasibility Studies)**

- Giles and Rockingham counties completed in 2024
- Page, New Kent, and Charles City counties completed in 2025

- **Need for connections to suburban/urban areas**

- Commuter Services (i.e. Afton Express)
- Non-Emergency Medical Transportation

- **Growing aging and disabled populations**



Challenges in Meeting Rural Transit Needs

- **Rural transit providers are generally facing:**
 - Increasing costs, additional providers, and rural service models that combine to create challenges in stretching current rural funding
 - Salaries and wages: +50%, driven by driver shortages and a competitive labor market
 - Motor fuels and lubricants: +35%, rural routes mean longer trip lengths and more deadhead miles
 - Insurance: +31%
 - Larger percentage of vehicles that are being kept in service longer creating higher maintenance and operating pressures
 - Lengthy trips with limited-service hours and vehicles
 - Administrative capacity issues for applying to grants and satisfying federal reporting requirements
- In FY27, DRPT operating projects alone will consume over 96% **of new federal formula funding that is intended for both capital and operating**
- Starting in FY29, there will be a **gap of roughly \$5.5M annually** between federal revenues and needs

How has DRPT Responded to the Challenges?

Provide Technical Assistance (i.e. planning, marketing)

Convene Peer Learning and CEO Roundtables

Improve Regional Collaboration Through Workshops

Prioritize §5311 Funding for Operating Expenses

Continue to Leverage Federal Discretionary Funding

DRPT's Rural Transit Strategies Moving Forward

Explore Additional Funding Streams for Virginia Breeze

Increase State and Local Match for Capital Projects*

Extend Minimum Useful Life of Certain Buses

Explore More Cooperative Procurements

Leverage Other State-Controlled Federal Formula Funding

Expand Eligibility to Transit Ridership Incentive Program*



Questions?



CONNECTED BY **DRPT**

VIRGINIA BREEZE

**Connecting Communities Across
the Commonwealth**

Avery Daugherty, Senior Transit Programs Manager

July 21, 2026

DRPT

VIRGINIA DEPARTMENT OF RAIL
AND PUBLIC TRANSPORTATION



Virginia Breeze

- No CTB action
- Overview of DRPT's Virginia Breeze origins, service and key connections, funding, and future planning for long-term growth and success

Overview



Operates 365 days a year with five routes connecting cities through Western and Central Virginia to Washington, D.C. and from the Shenandoah Valley to Hampton Roads.



Academy Bus and Dillon's Bus Service are contracted by DRPT to operate the service and provides drivers, vehicles, and maintenance.





Why the Virginia Breeze Was Created

- The Federal Transit Administration (FTA) requires states to use a portion of its federal funding to meet intercity bus needs.
- DRPT opted to develop service from end-to-end (branding, routes, schedules, and operator oversight managed by staff).
- Connects underserved rural communities to major destinations.
- Reliable, affordable, eco-friendly travel.



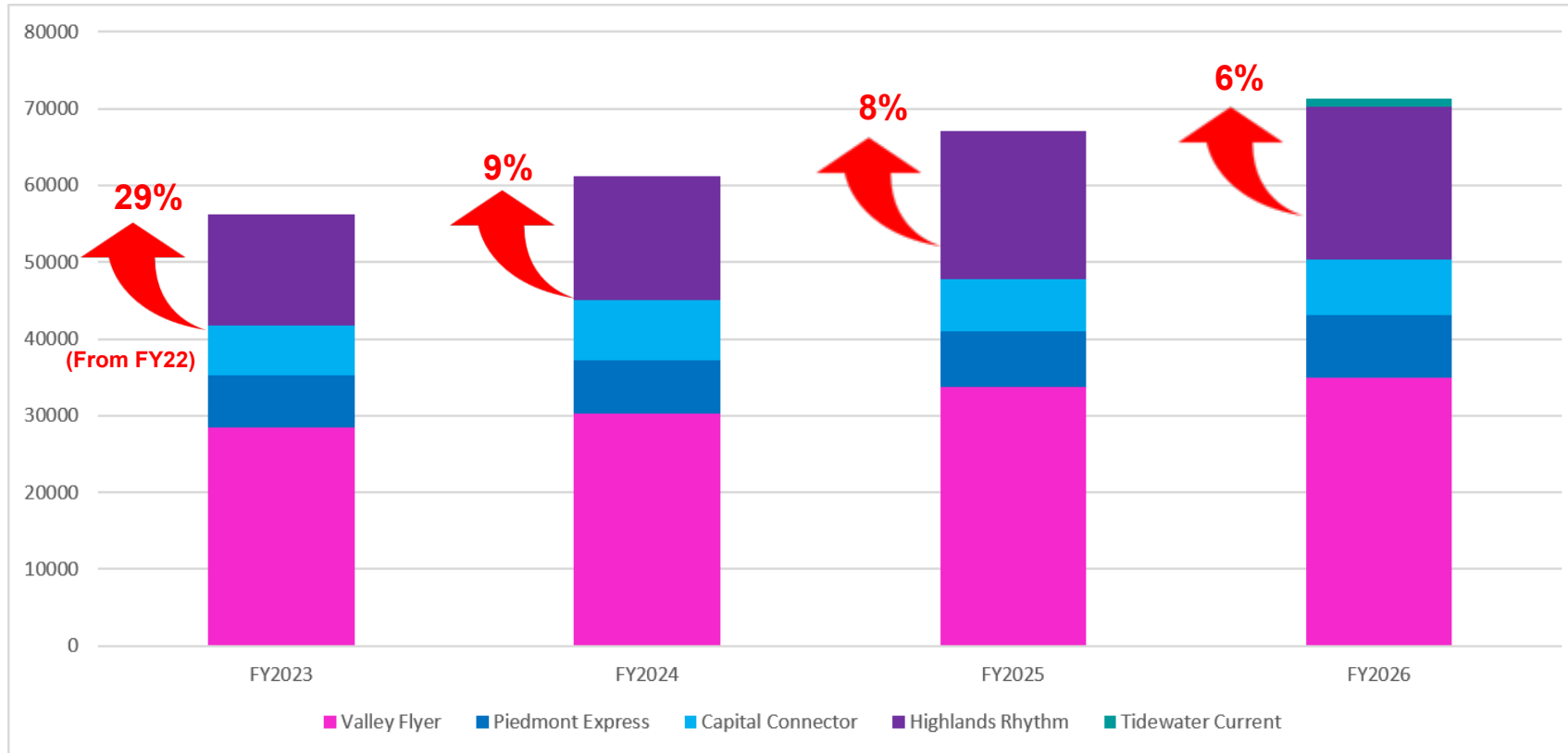
Why the Virginia Breeze Matters

- Provides critical lifeline for rural communities lacking intercity travel options.
- Supports economic development, workforce access, and educational opportunity.
- Reduces single-occupancy vehicle travel, lowering congestion and emissions.
- Ensures essential mobility where private operators no longer provide service.

How the Virginia Breeze Has Grown



Virginia Breeze Ridership



- **FY23: 56,237**
 - Valley Flyer: 28,530
 - Piedmont Express: 6,740
 - Capital Connector: 6,444
 - Highlands Rhythm: 14,523
- **FY24: 61,812**
 - Valley Flyer: 30,826
 - Piedmont Express: 6,926
 - Capital Connector: 7,823
 - Highlands Rhythm: 16,237
- **FY25: 67,127**
 - Valley Flyer: 33,741
 - Piedmont Express: 7,210
 - Capital Connector: 6,846
 - Highlands Rhythm: 19,330
- **FY26: 71,333**
 - Valley Flyer: 34,957
 - Piedmont Express: 8,110
 - Capital Connector: 7,346
 - Highlands Rhythm: 19,871
 - Tidewater Current: 1,049

Virginia Breeze: Major Destinations

Amtrak & Transit Stations:

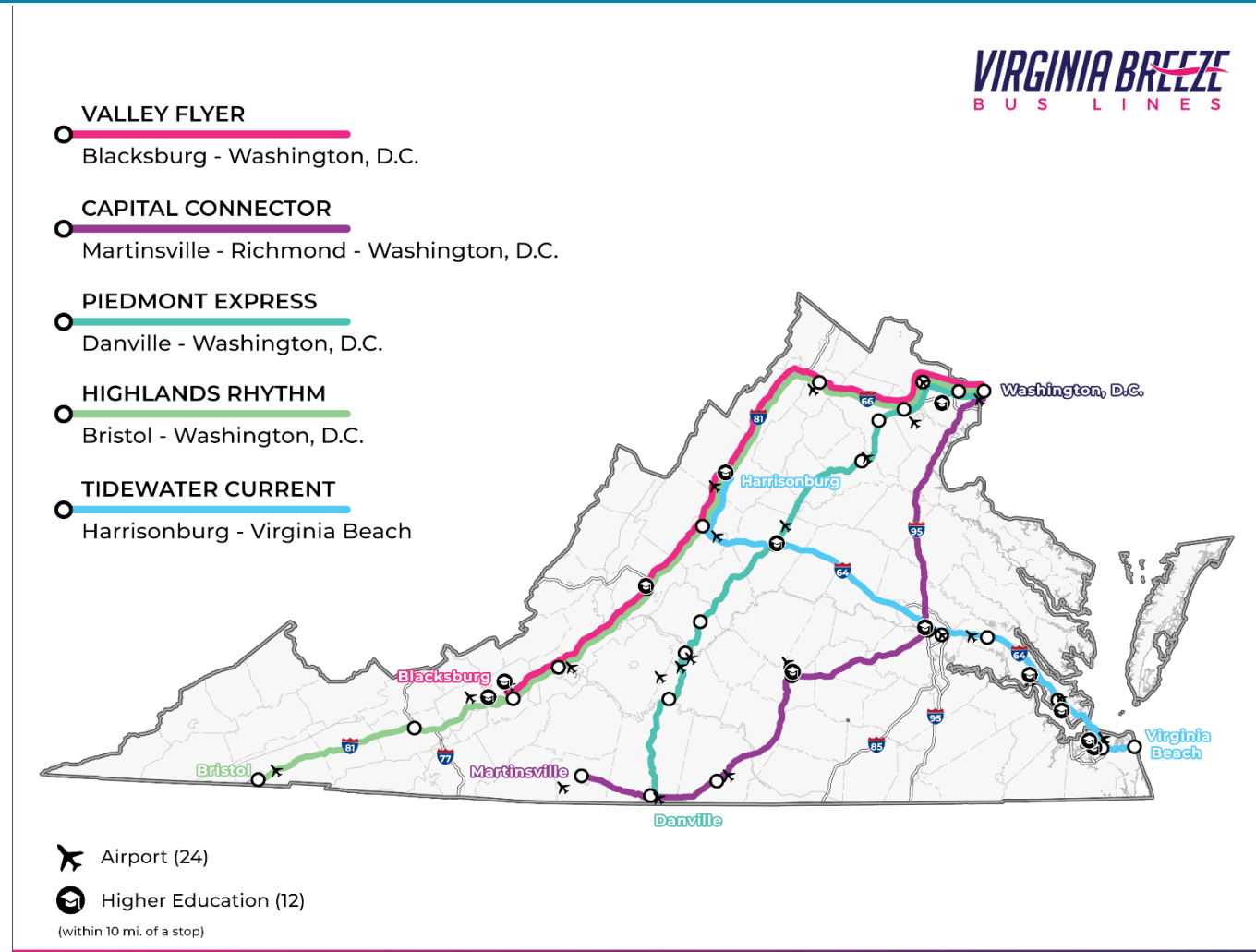
- Northeast Corridor at Union Station
- Silver Line Metrorail Via Dulles Airport
- West Falls Church Metrorail Station
- Richmond Main Street Station
- Charlottesville Station
- Lynchburg Station
- Williamsburg Station
- Newport News Station
- Norfolk Station (in future)

Airports:

- Dulles International Airport (IAD)
- Richmond International Airport (RIC)

Universities:

- Virginia Tech
- James Madison University
- Longwood University
- Radford University
- University of Virginia
- Virginia Commonwealth University
- William & Mary



A blue Virginia Breeze bus is driving on a road next to a modern building with a glass facade. The bus has "VIRGINIA BREEZE BUS LINES" and the number "84786" on its back. The building has a curved, modern design with large glass windows. The sky is blue and clear.

Highest Ridership Stops

- Dulles International Airport (IAD) - 24%
- Harrisonburg - 18%
- Washington, D.C. (Union Station) -16%
- Blacksburg – 14%
- West Falls Church – 6%
- Richmond – 4%
- Charlottesville – 4%
- Christiansburg – 3%
- Danville – 2%
- Lexington – 2%

Virginia Breeze is for Everyone

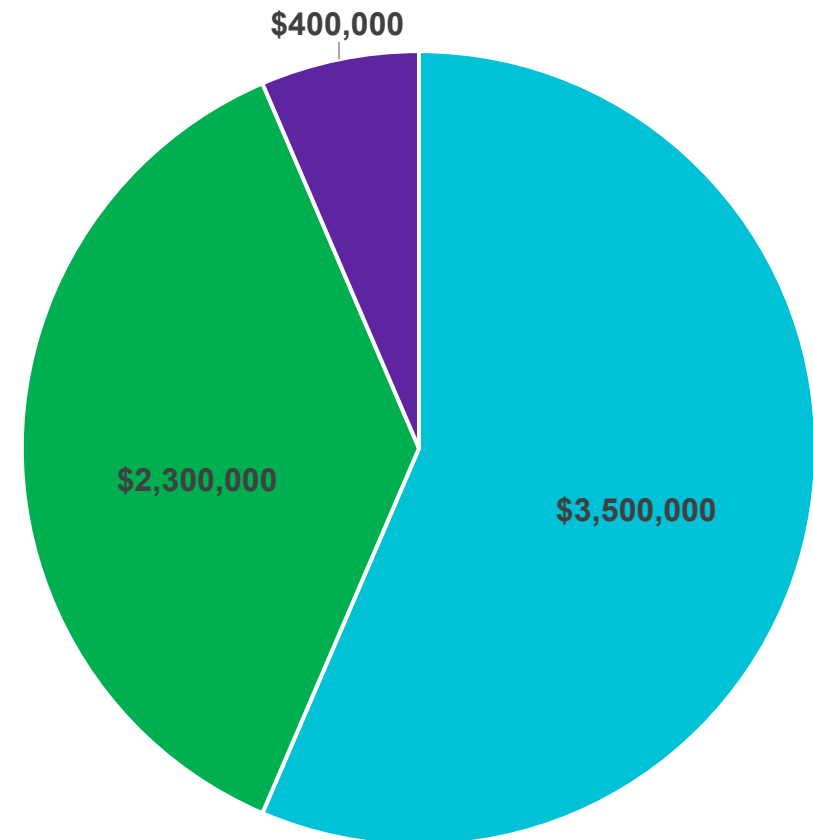
- **Age:**
 - 18-24 – 34%
 - 25-44 – 27%
 - 45-64 – 30%
- **Employment:**
 - Student – 31%
 - Employed Full-Time – 31%
 - Employed Part-Time/Retired/Unemployed – 38%
- **Income:**
 - Less than \$20K – 24%
 - \$100,000+ – 21%
- **Purpose of Trip:**
 - Social/Recreational – 71%
 - Medical/School – 20%
 - Work – 9%



How the Virginia Breeze is Funded

- Funded primarily through FTA 5311(f) Intercity Bus Program.
- Supported through the Commonwealth's Six-Year Improvement Program (SYIP).
- Farebox revenue offsets operating costs.
- DRPT monitors performance through the Performance Data Dashboard.
- No capital costs to DRPT – these are included in the turnkey operating agreement.

Annual Operating Revenue (FY26)



Virginia Breeze Net Costs (System-Wide)

- Growing demand has resulted in more trips added.
- Contracted costs have risen 7% annually.
 - Inflationary factors such driver wages, fuel, insurance, buses, parts, etc. contribute to rising costs.
- FY27 net costs are estimated to be \$4.7M.
- DRPT has launched comprehensive review of services and financial sustainability study to address rising costs.
 - To be completed in Spring 2027.





The Future of the Virginia Breeze

- Comprehensive Study to:
 - Evaluate strategic growth opportunities,
 - Opportunities to better coordinate service with intercity and regional rail,
 - Identify long-term, sustainable funding, and
 - Provide options to ensure VA Breeze remains an affordable travel option.

Hop on the Bus!

VirginiaBreeze.org

50% OFF TRAVEL

BECAUSE
FIREWORKS MAKE
YOU FEEL ALL
PATRIOTIC INSIDE.



BREEZE IT!

CONNECTED BY DRPT
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BUS LINES

50% OFF TRAVEL

LOW FARES TO
TALL SHIPS.



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BUS LINES

CODE **VASO** FOR 50% OFF

VIRGINIA BEACH
FOR THE 4TH
AS LOW AS \$12!



BREEZE IT!

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BUS LINES

**BOARD FOR
THE BEACH**



TIDEWATER CURRENT

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BUS LINES

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BUS LINES

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VIRGINIA.
NO DRIVING
REQUIRED.**

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service connecting communities
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Comfortable,
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VIRGINIA BEACH**

RIDE THE TIDEWATER CURRENT



VIRGINIA BREEZE
BUS LINES

BOOK NOW

VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION



Questions?

Avery Daugherty

Senior Transit Programs Manager

Avery.Daugherty@drpt.virginia.gov

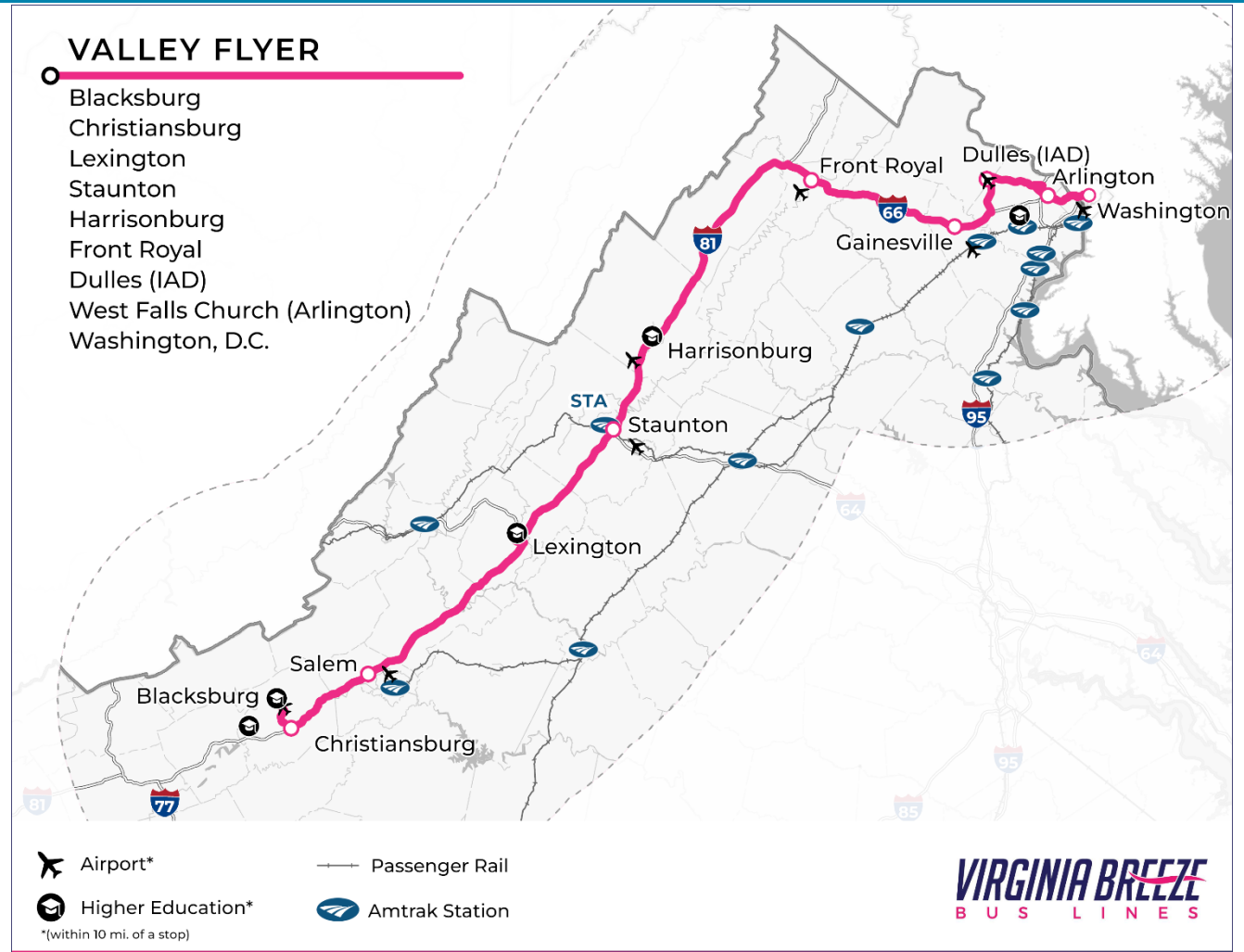
CONNECTED BY DRPT

VIRGINIA BREEZE

Appendix

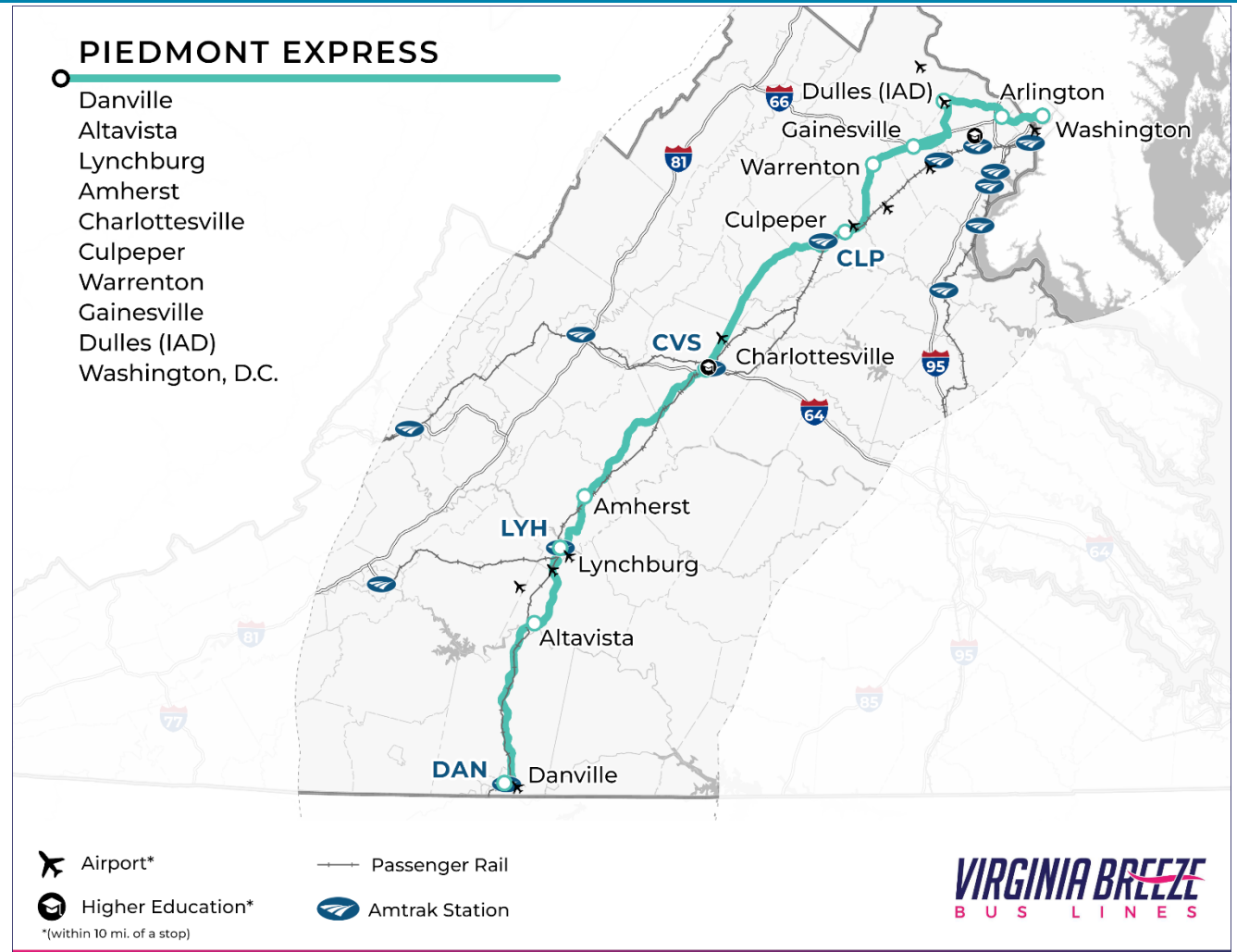
Valley Flyer

- Northbound
 - 8:00am departure from Blacksburg
 - 2:15pm arrival to Union Station
- Southbound
 - 9:35am departure from Union Station
 - 3:50pm arrival to Blacksburg



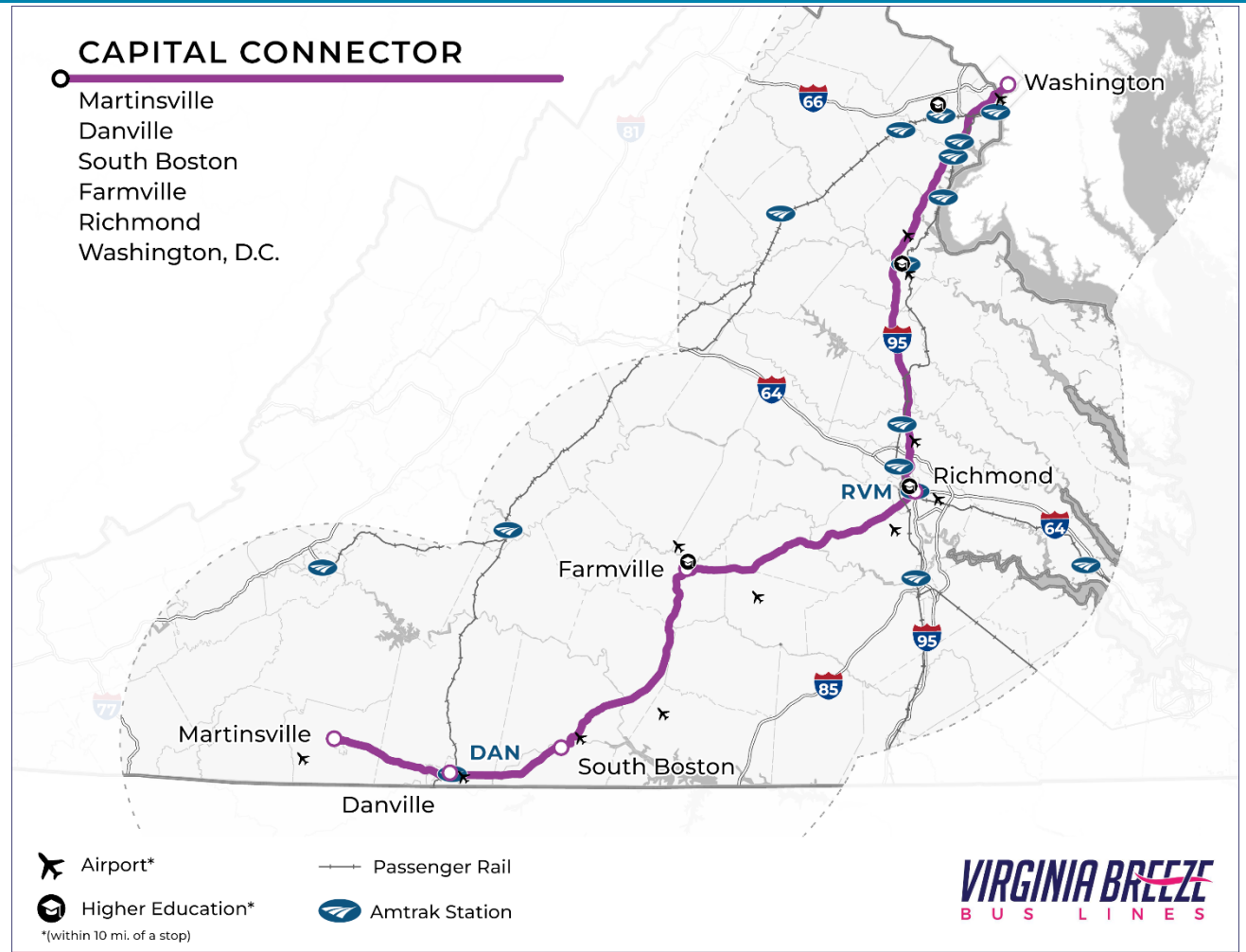
Piedmont Express

- Northbound
 - 8:00am departure from Danville
 - 2:00pm arrival to Union Station
- Southbound
 - 10:05am departure from Union Station
 - 4:15pm arrival to Danville



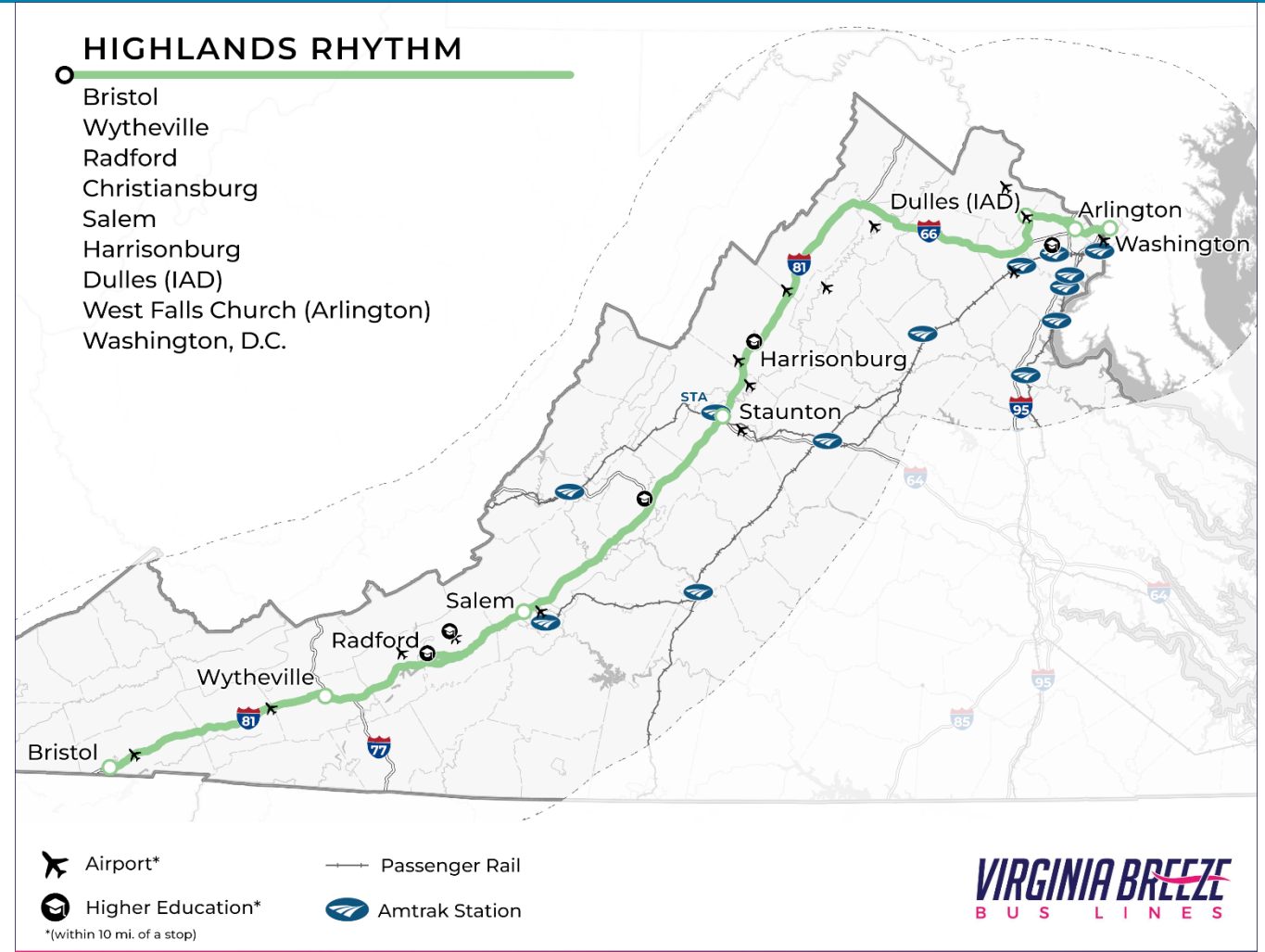
Capital Connector

- Northbound
 - 6:45am departure from Martinsville
 - 1:00pm arrival to Union Station
- Southbound
 - 1:05pm departure from Union Station
 - 7:25pm arrival to Martinsville



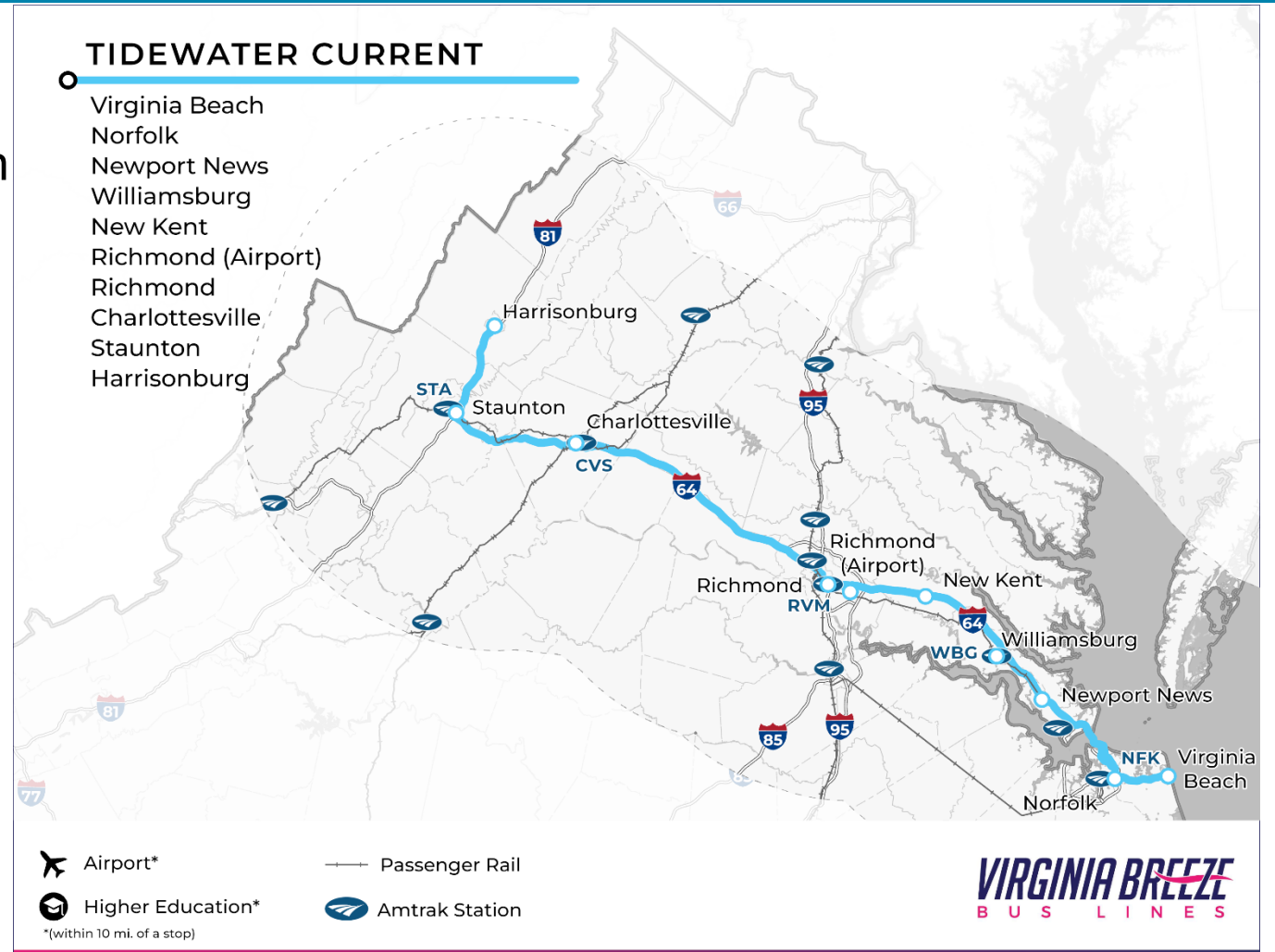
Highlands Rhythm

- Northbound
 - 11:00am departure from Bristol
 - 6:45pm arrival to Union Station
- Southbound
 - 1:15pm departure from Union Station
 - 9:20pm arrival to Bristol



Tidewater Current

- Eastbound
 - 6:20am departure from Virginia Beach
 - 12:55pm arrival to Harrisonburg
- Westbound
 - 6:50am departure from Harrisonburg
 - 1:25pm arrival to Virginia Beach





DEVELOPMENT AND DELIVERY RESULTS

PRELIMINARY FY26 Data as of 7/14/2026

 Chief Engineer: Barton A. Thrasher, P.E.

7/21/2026

Contents

Purpose and Background

What is the VDOT Dashboard?

Project Development

- FY26 Project Development Results
- FY19-26 Trends

Project Delivery

- FY26 Project Delivery Results
- FY19-26 Trends

Project Portfolio

Purpose and Background

Purpose

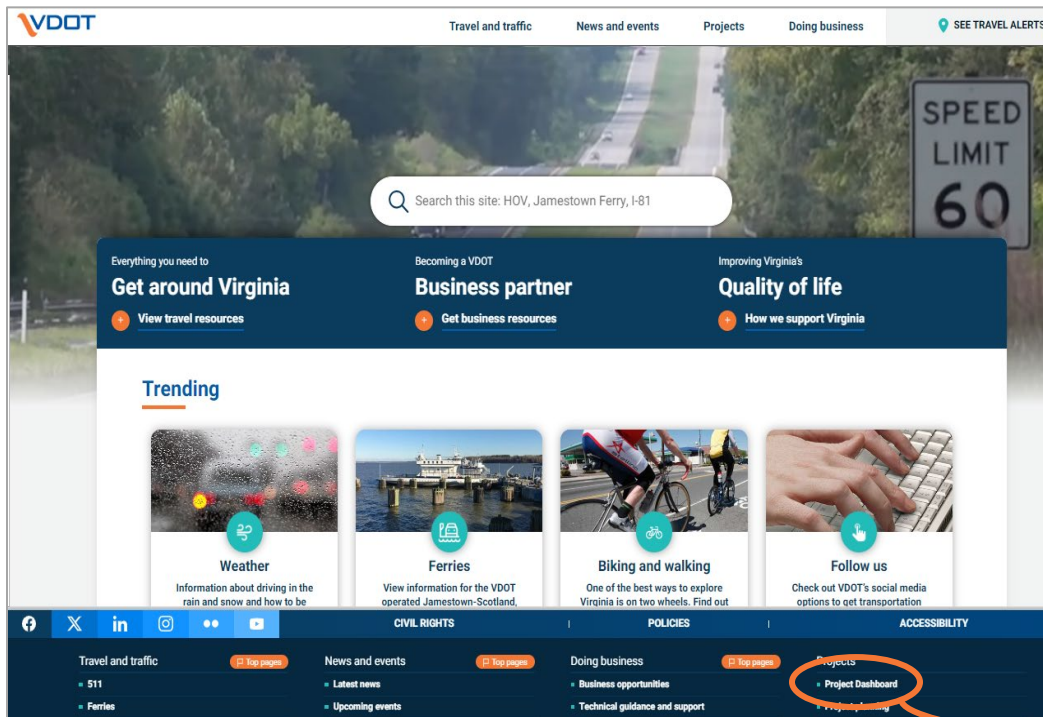
- Present results on project performance in the construction program
- No board action is required

Background

- VDOT began measuring project performance in March 2003 with the launch of the VDOT Dashboard
- Chief Engineer has been presenting these results to the board since 2021 as a part of VDOT's commitment to transparency, accountability, and continuous improvement

What is the VDOT Dashboard?

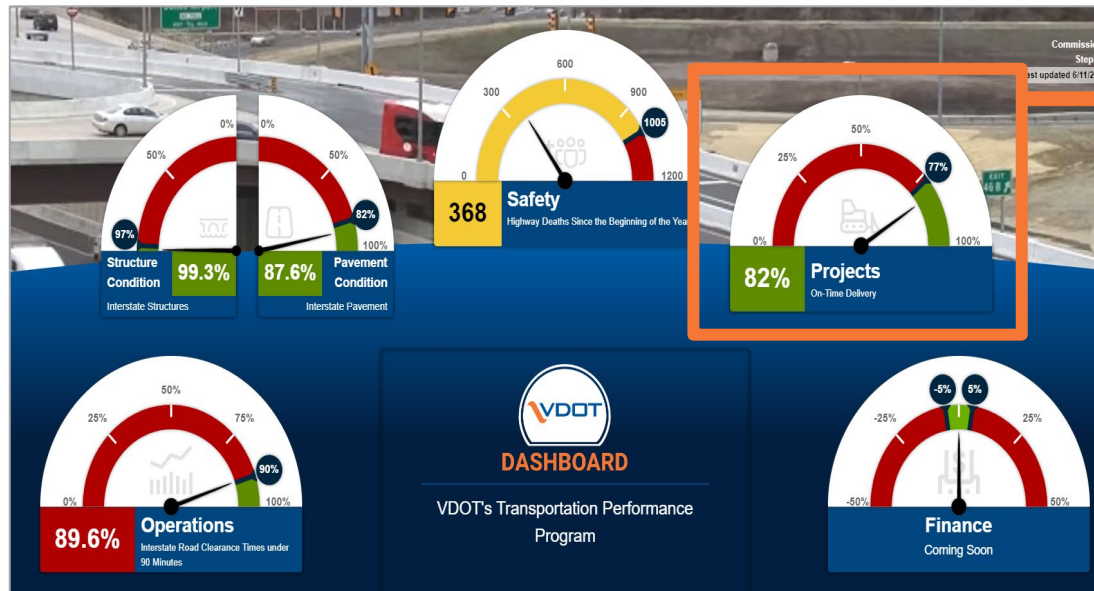
- Performance Reporting System for Projects and Programs. Provides daily updates on transportation related metrics
- Meets reporting requirements of § 33.2-233 of the Code of Virginia and CTB Resolution “Project Dashboard” (3/17/2005)



Go to <https://www.vdot.virginia.gov/> and click on 'Project Dashboard'

VDOT Dashboard Projects Dial

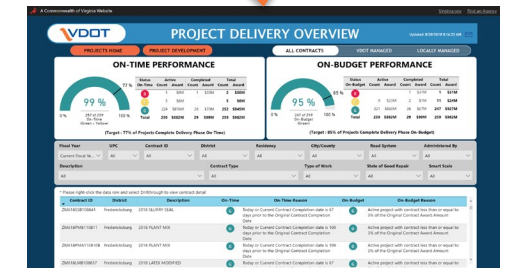
- The Projects dial provides public access to transportation projects in the Six Year Improvement Program (SYIP)
- The agency is committed to transparency in its operation and performance
- Development = Design Phase
- Delivery = Construction Phase



Interface to Project's Dial



Project Development (On-Time, On-Budget)

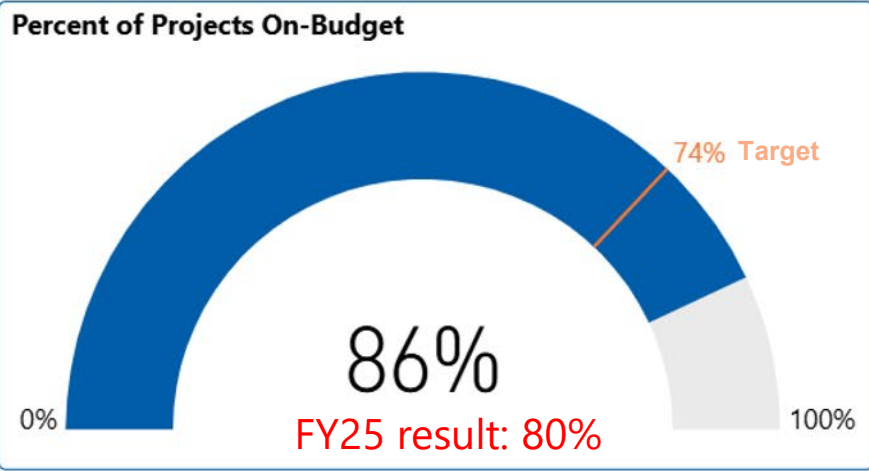
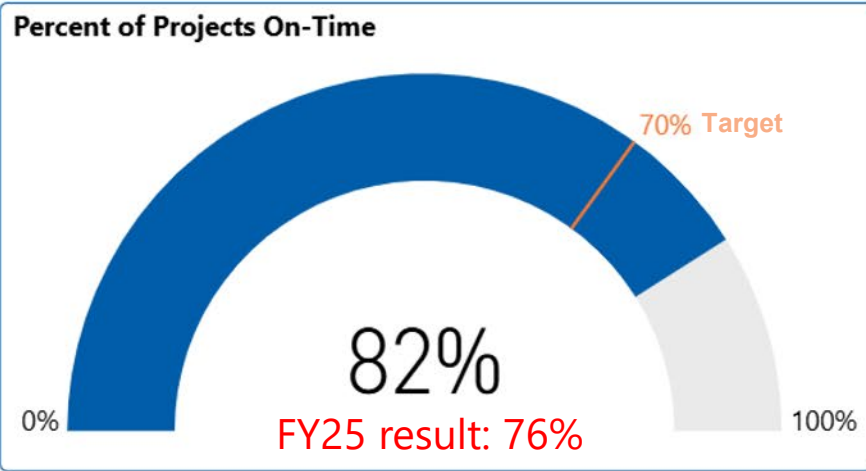


Project Delivery (On-Time, On-Budget)

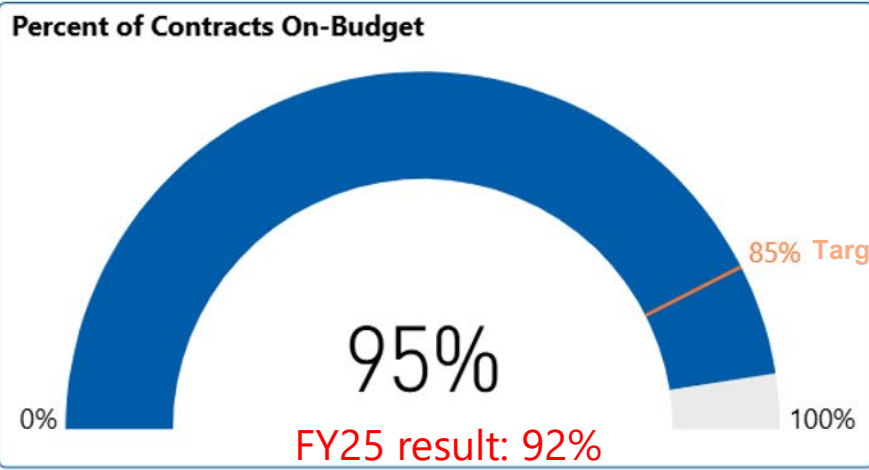
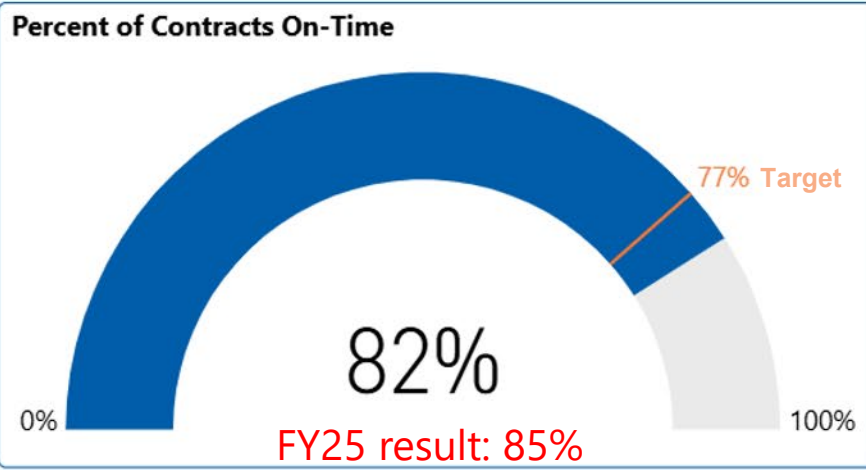
Statewide Results for FY26 Project Development and Delivery

(FY25 Results in Red)

Project Development



Project Delivery

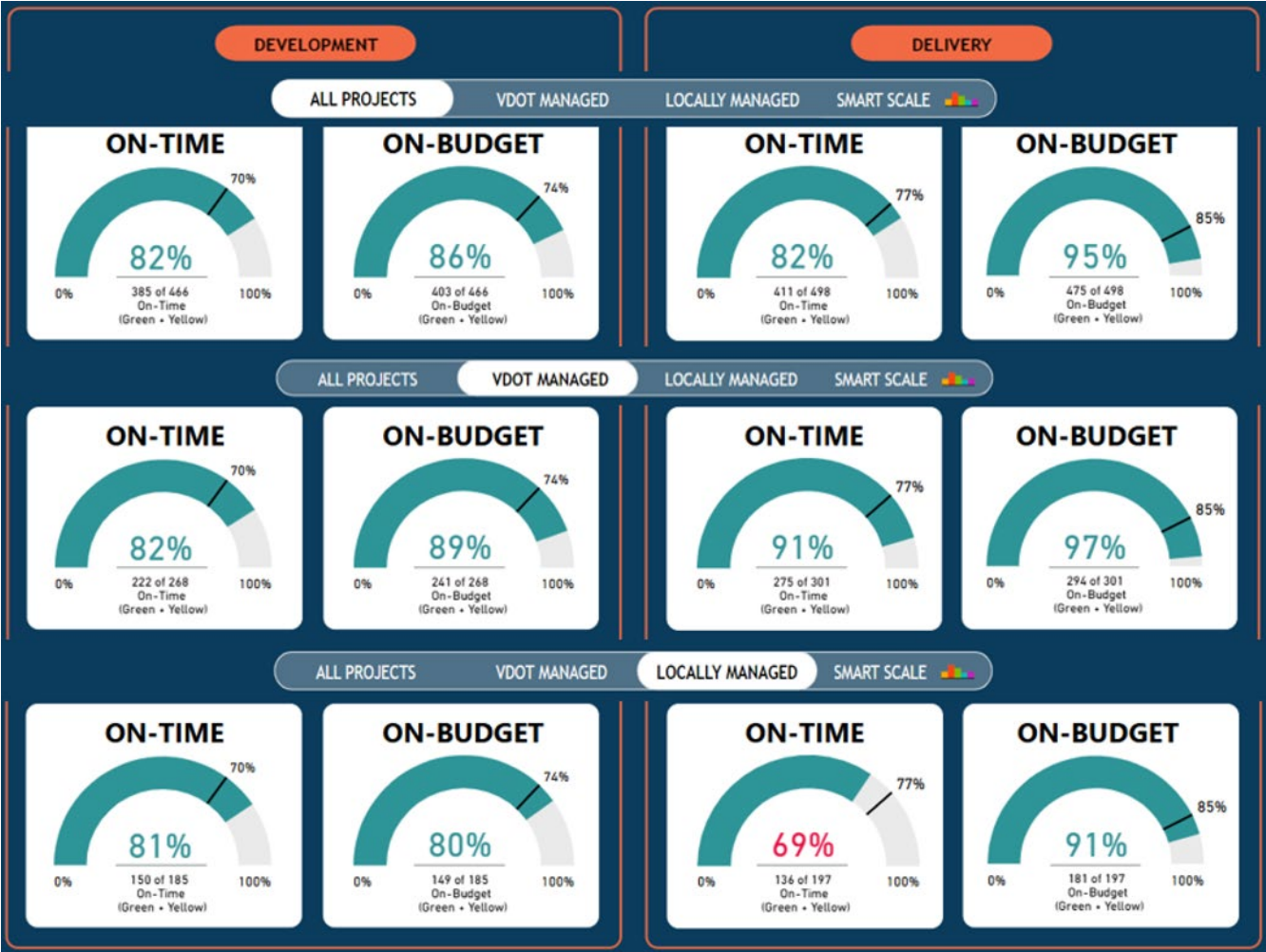


Statewide Results for FY26 – Preliminary – 7/14/26

All Projects

VDOT Projects

Local Projects



Targets in black font; results in green and red

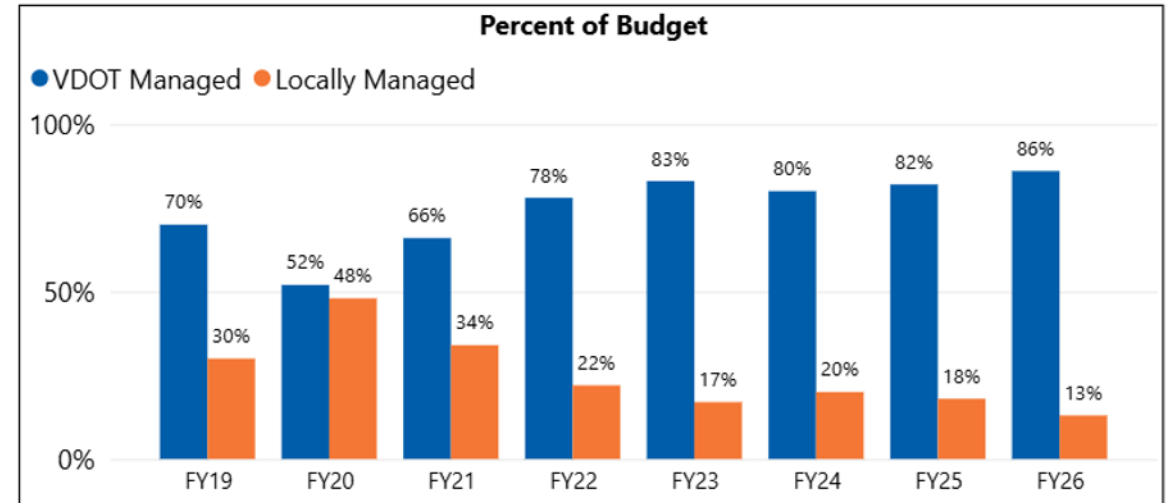
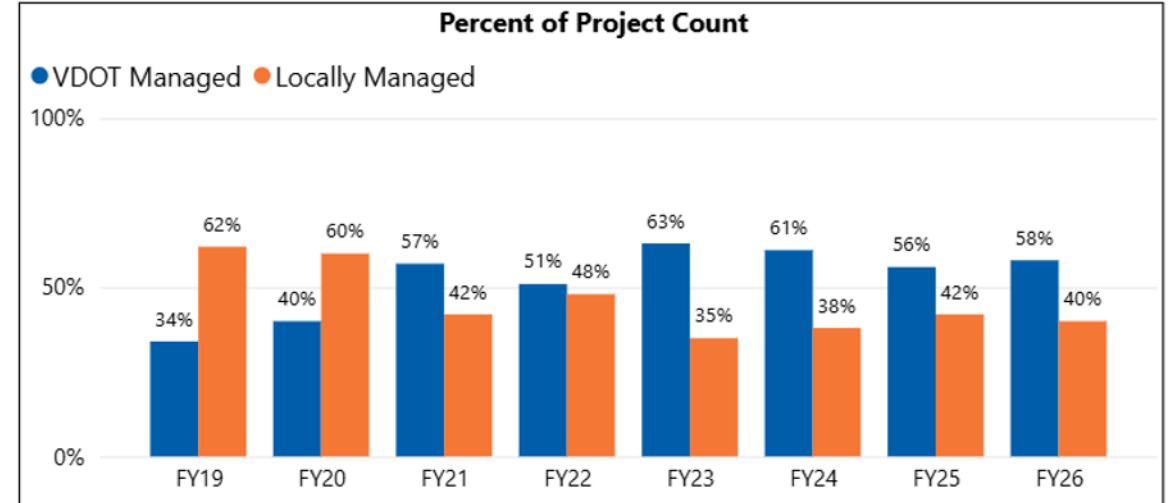
Project Development

Project Development

FY26 Project Development

Administered By	Number of Projects	Total Budget
VDOT	268	\$2,156,637,972
Locally	185	\$330,424,440
Rail	13	\$7,322,636
Total	466	\$2,494,385,048

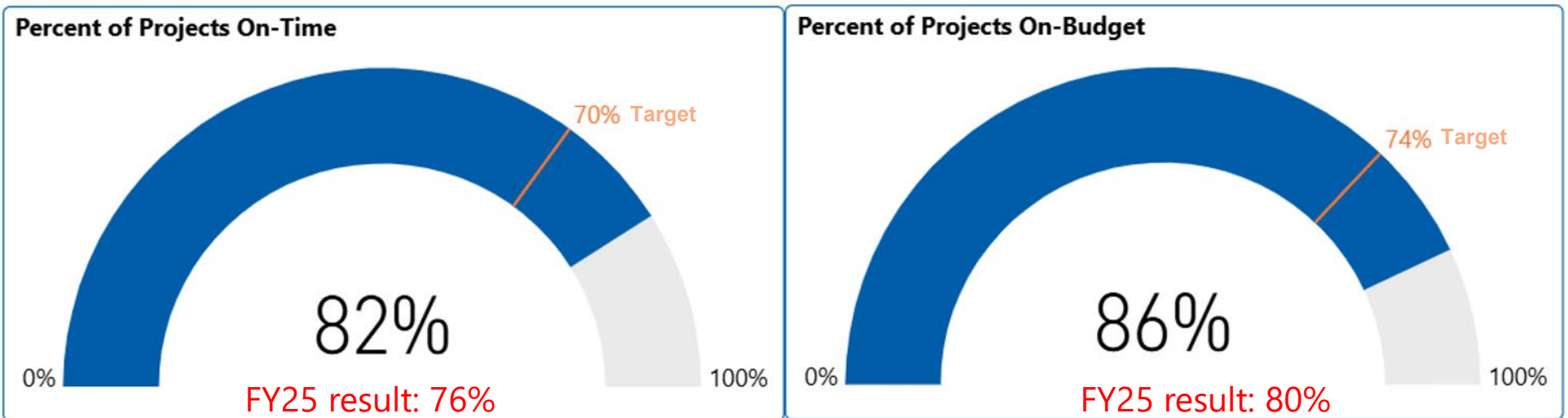
FY19 - 26 Project Development Mix



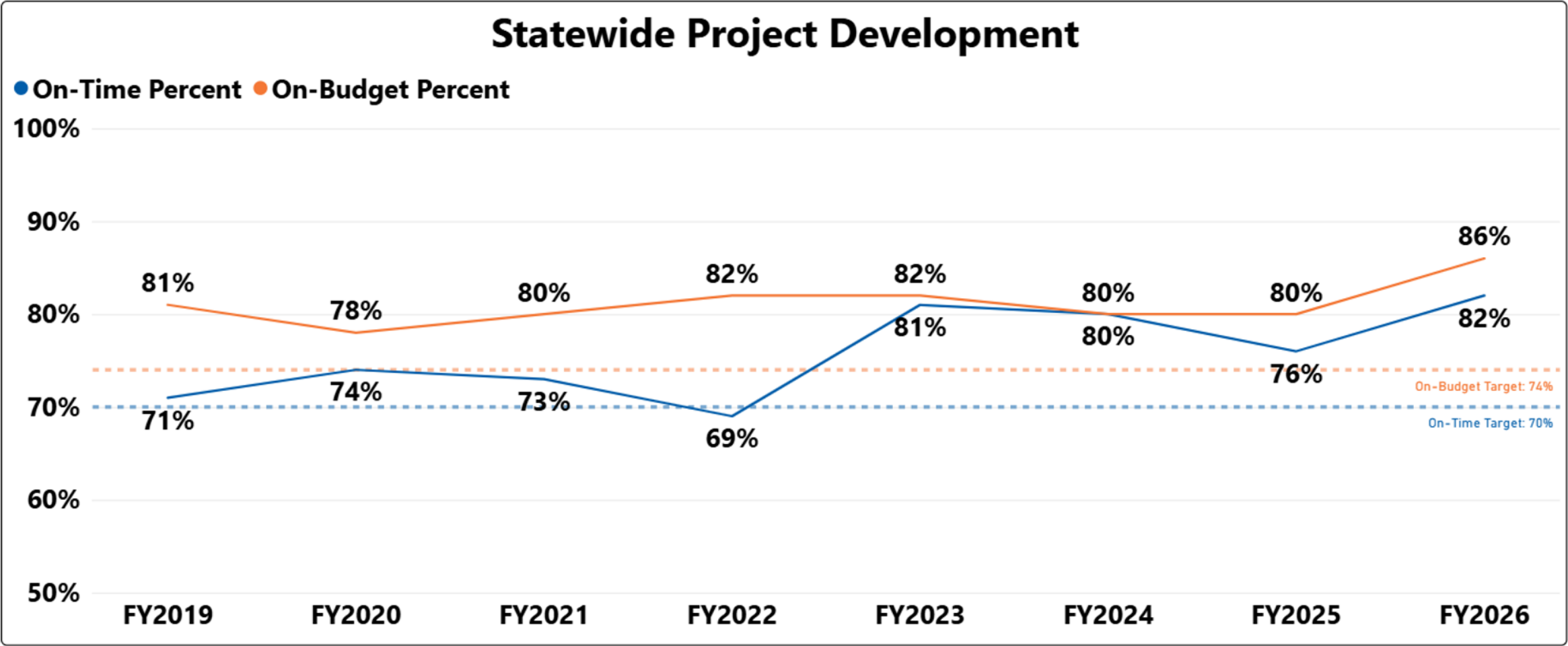
Statewide Results for FY26 Project Development

(FY25 Results in Red)

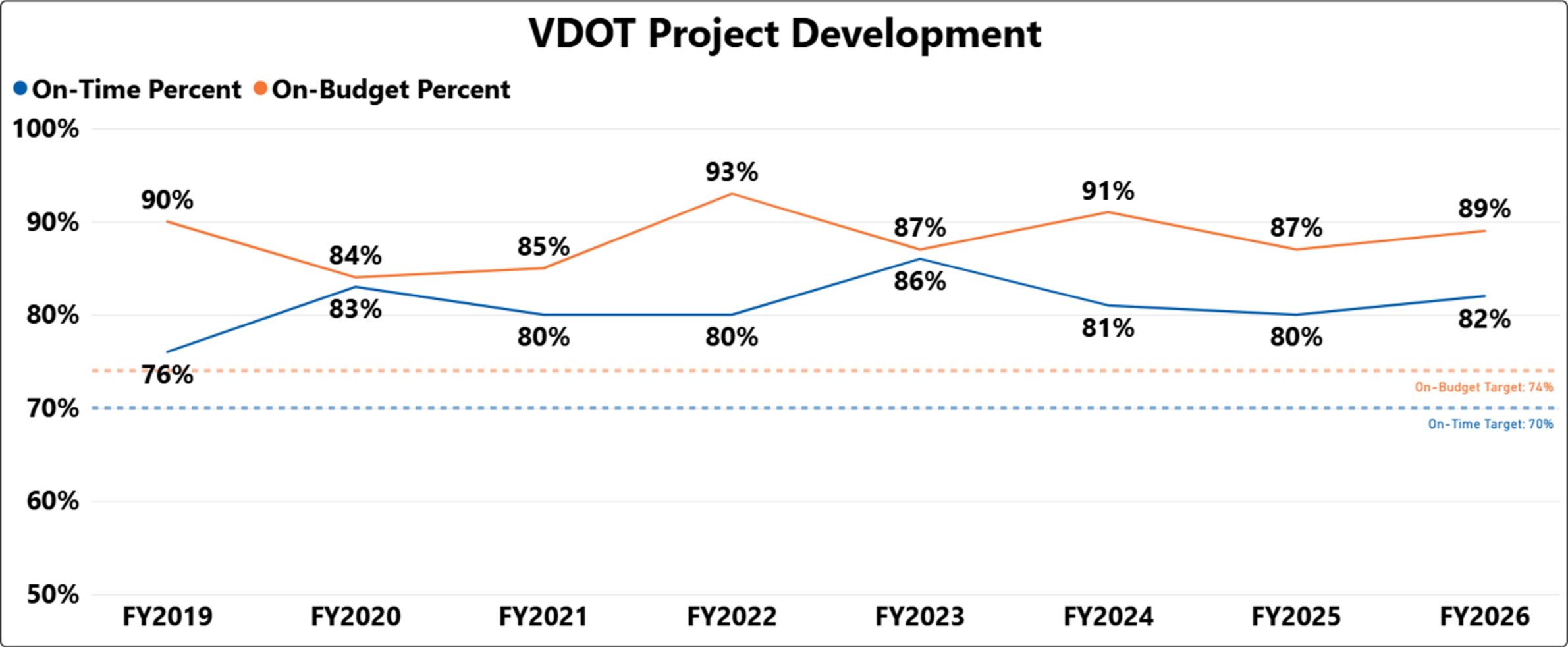
Project Development



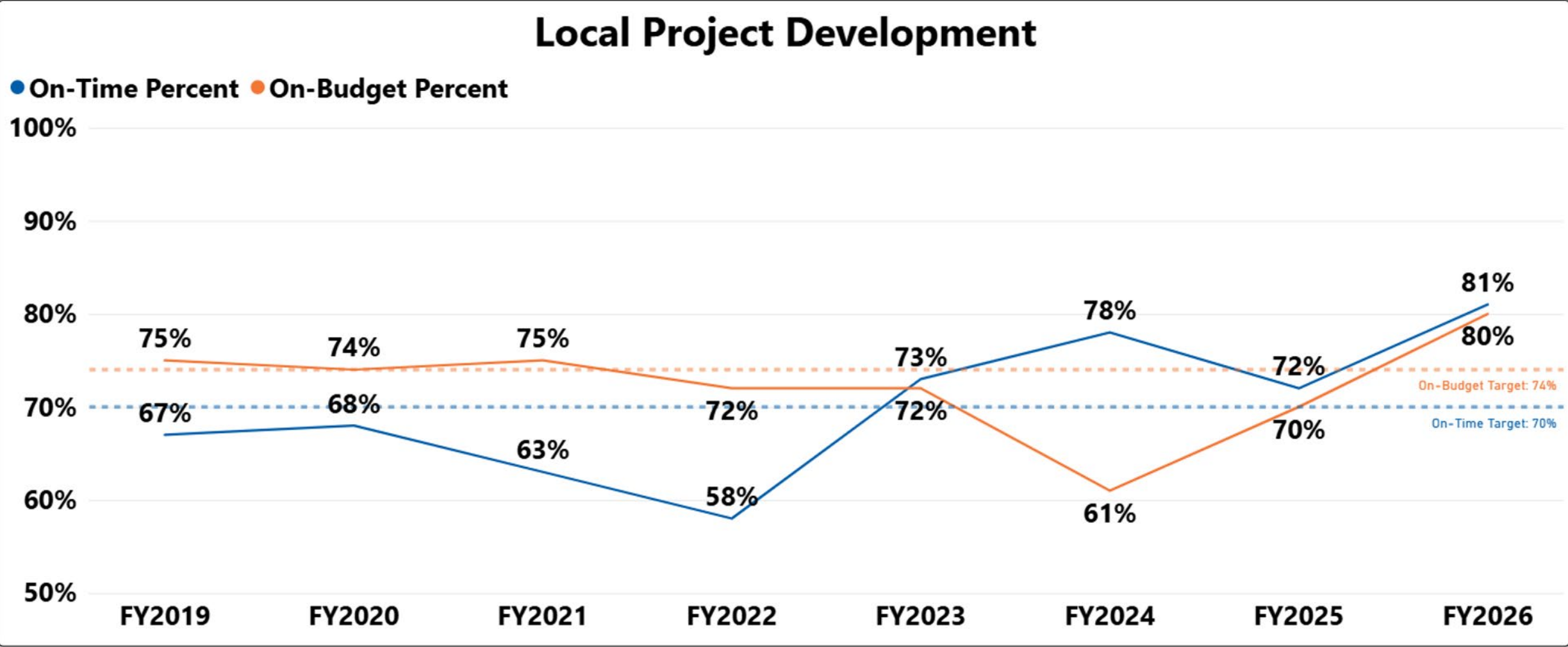
Statewide Development Performance Trends



VDOT Development Performance Trends



Local Development Performance Trends

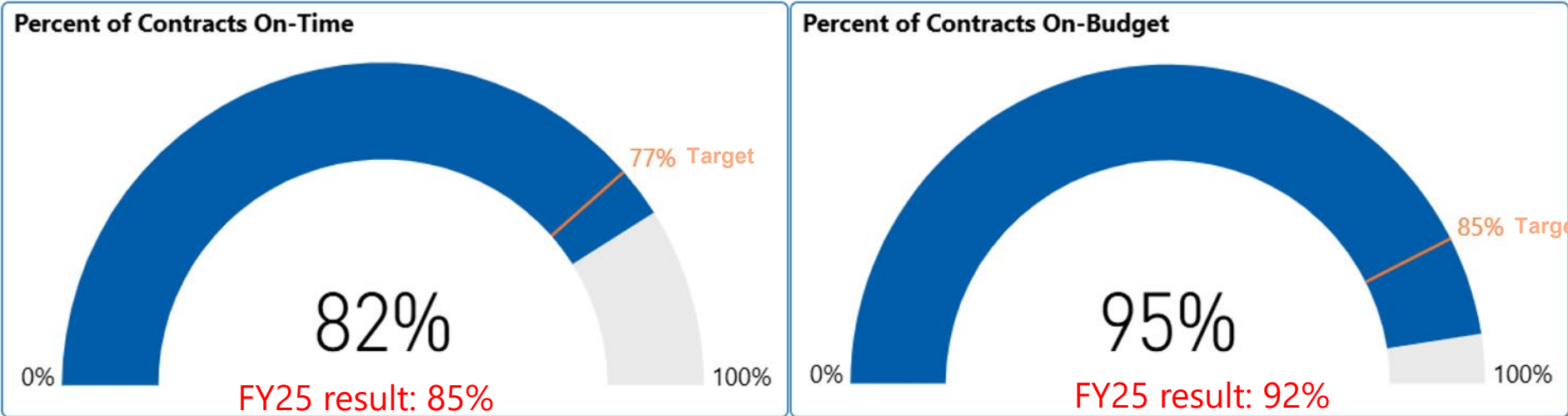


Project Delivery / Construction

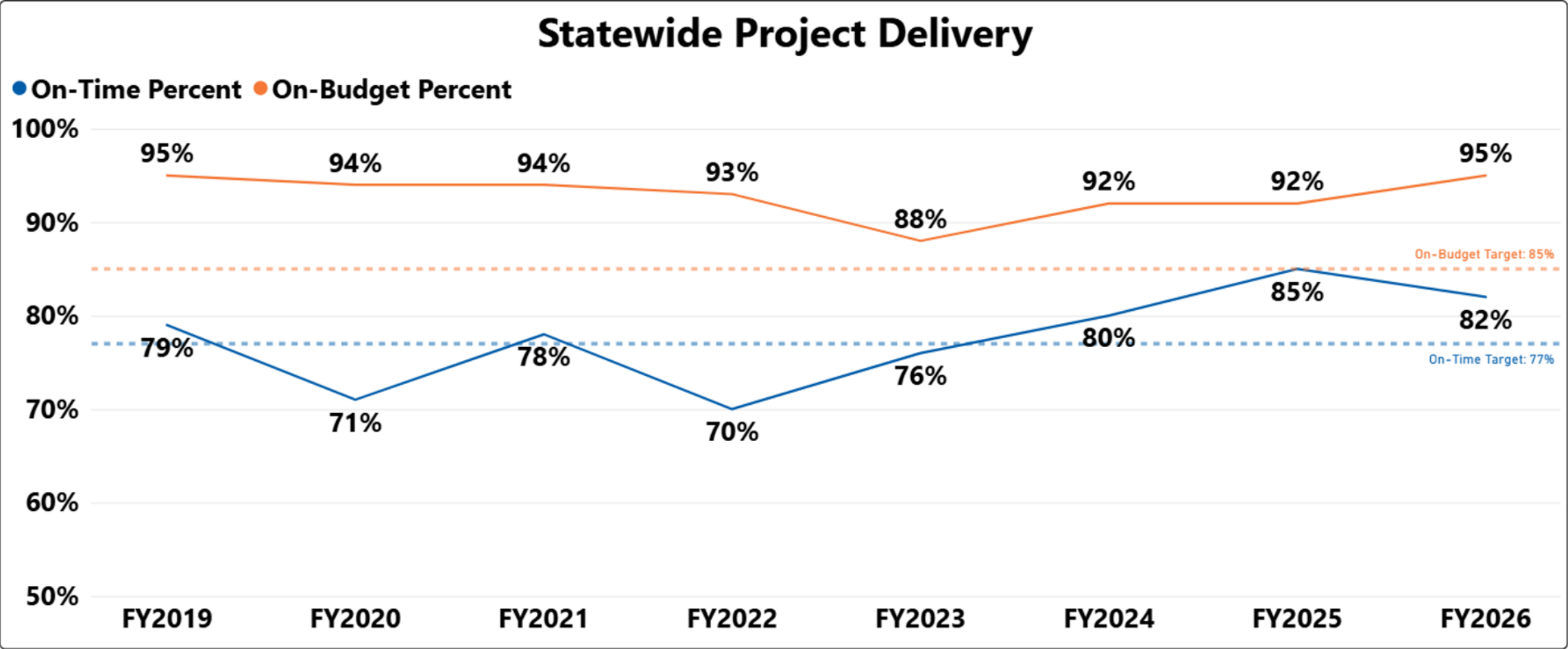
Statewide Results for FY26 Project Delivery

(FY25 Results in Red)

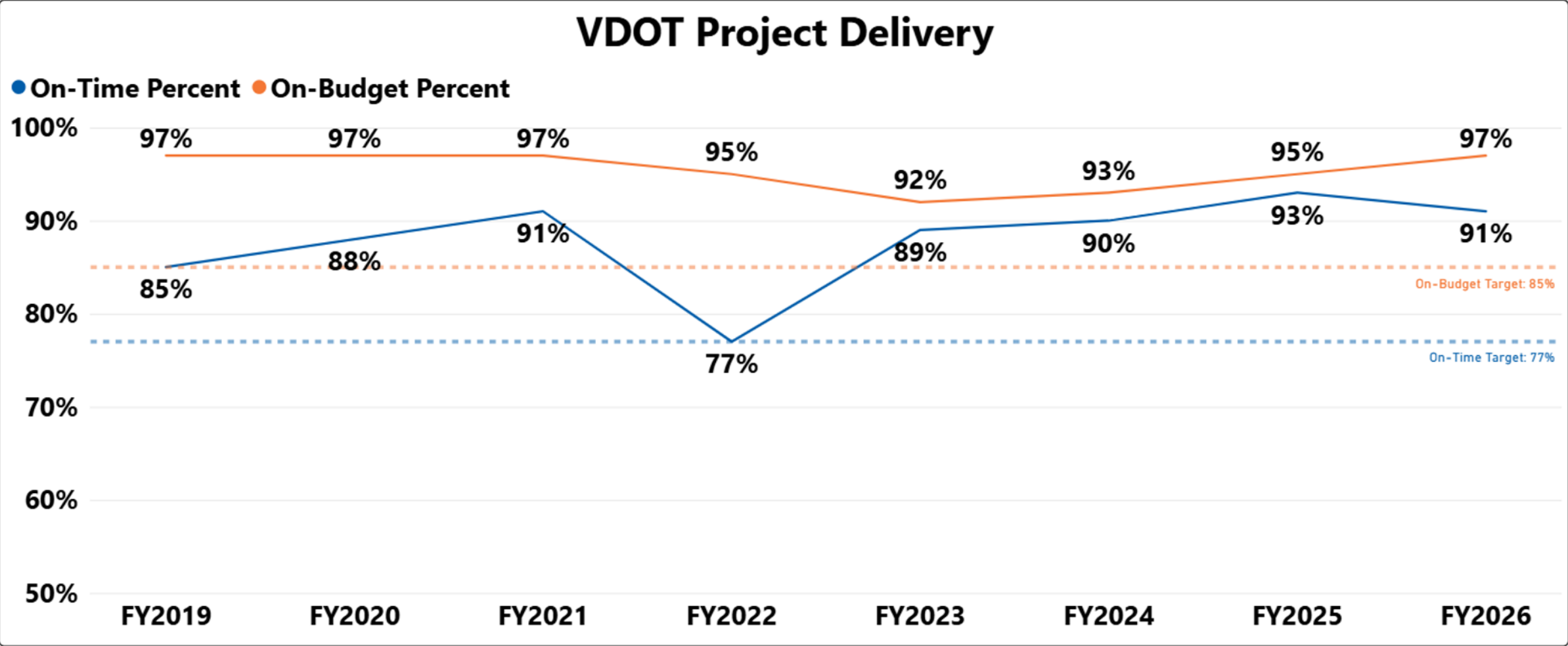
Project Delivery



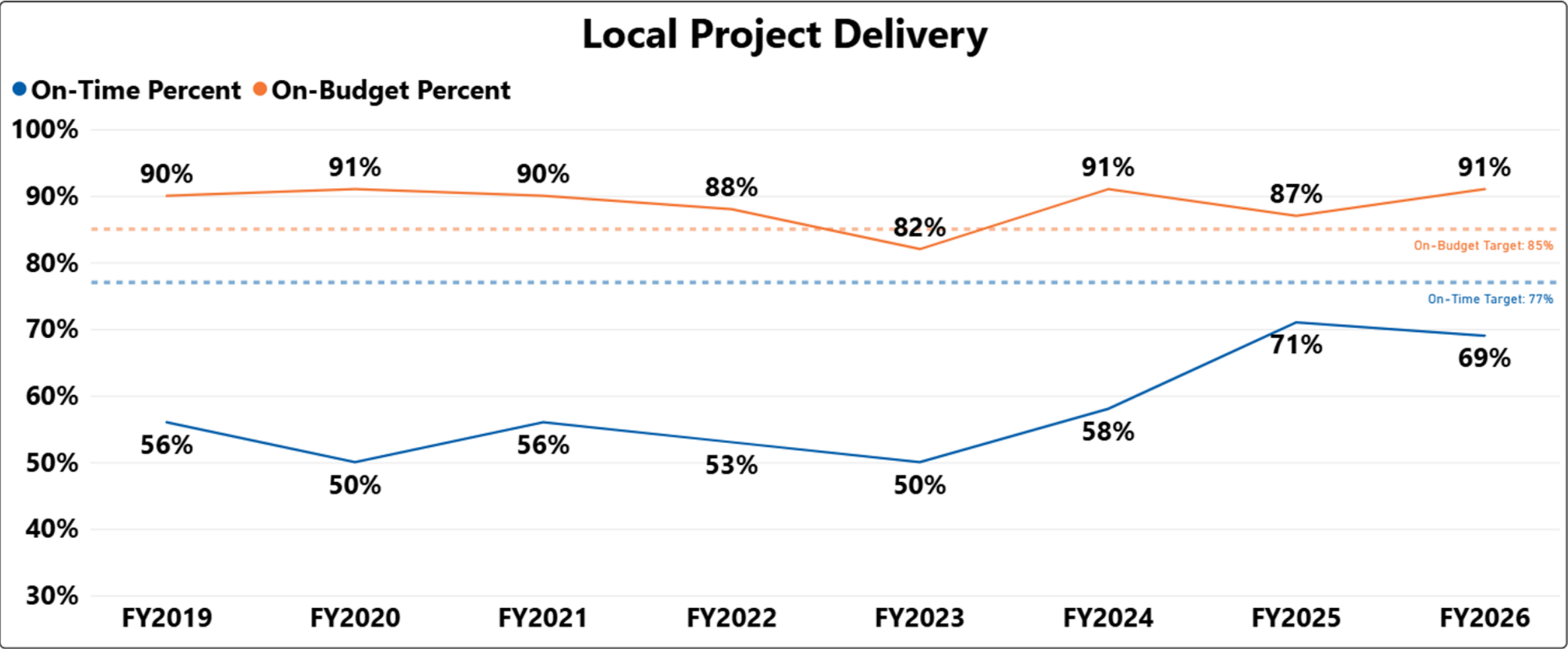
Statewide Project Delivery Performance Trends



VDOT Project Delivery Trends



Local Project Delivery Trends



SYIP Project Portfolio

Why SYIP Project Portfolio?

DASHBOARD

- Measures VDOT and Locality performance for current and prior fiscal years
- Measures success based on the percentage of projects, by project count, meeting On-Time & On-Budget targets
- Measures success on how we did rather than where we need to be



OBSERVATIONS

- 15-20% of projects do not reach construction “On-Time” annually
- Once a project goes “Red”, there has been a reduced focus on getting those projects to construction in a timely manner
- This “Backlog” of work compounds over time fighting inflation and changes in other variables impacting schedule and costs

Why SYIP Project Portfolio?

- In late FY2023, VDOT reviewed projects scheduled to go to construction in FY2023 or earlier that were late or “Red” for the On-Time metric
 - Identified 89 projects with large unexpended funding balances
 - 63 Locally Administered Projects → \$789 million total value
 - 26 VDOT Administered Projects → \$238 million total value
 - More than \$1 Billion in total value; approximately \$750 million in Construction Value
- Starting in FY2024, VDOT intentionally focused on these projects and began development of a more forward-looking approach to monitoring projects and planning our work across the entire program  Project Portfolio

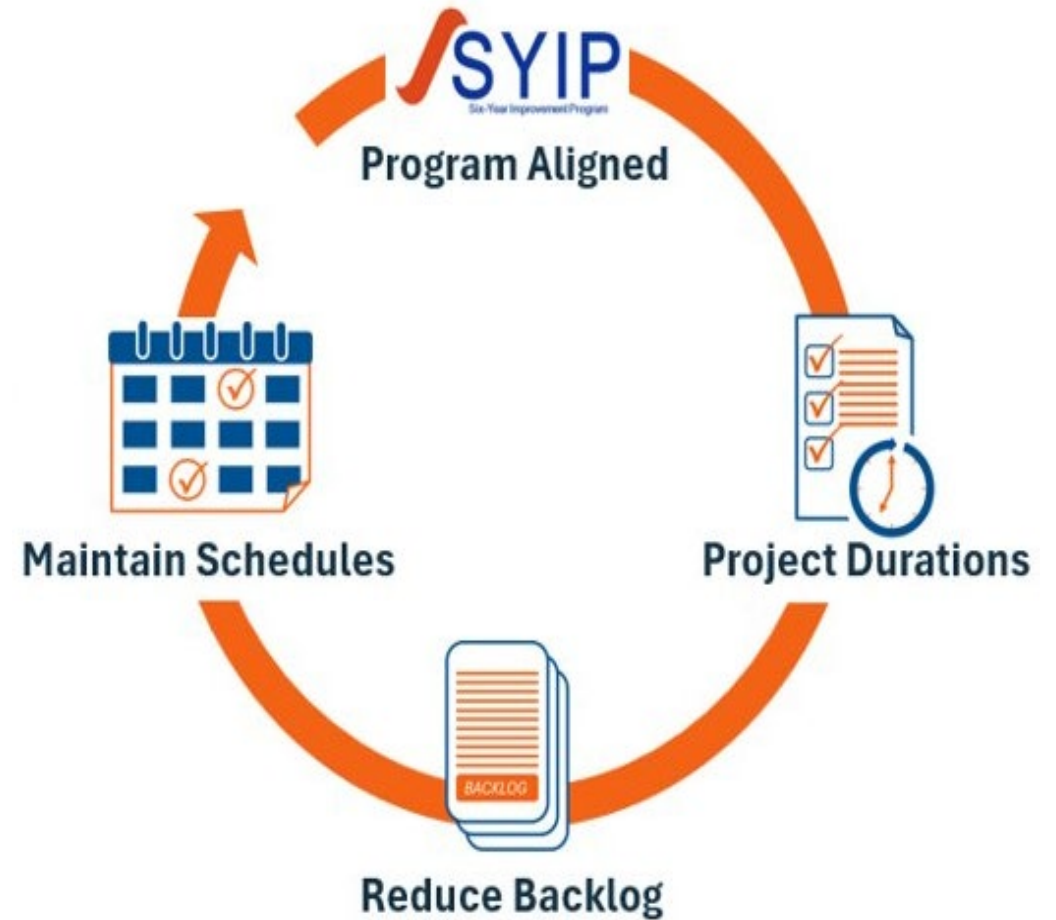
SYIP Portfolio Management Approach

- Recognizing the concurrent rapid growth in the size of the SYIP, VDOT implemented a strategic portfolio management approach
 - The strategic goal was to ensure sufficient construction throughput to fully leverage our financial resources
- VDOT's FY2024-2026 Business Plan focused on several key strategies to reach this goal:
 - Develop and implement leading key performance indicators
 - Prioritize project delivery targets based on project value and benefit rather than project count

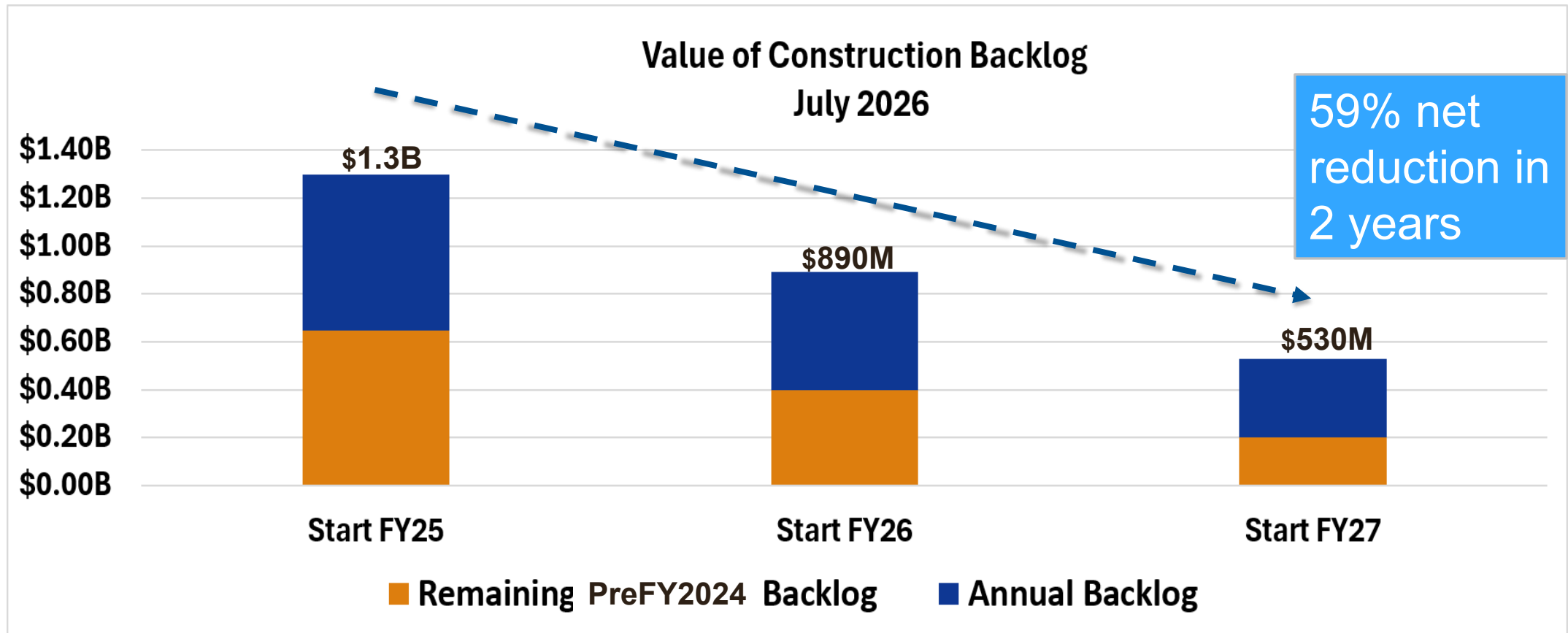
Portfolio Management – Guiding Principles

Commissioner's Executive Memorandum for Portfolio Management (January 2025):

- Focus on the timely execution of projects and set expected project development durations
- Eliminate the current and future backlog of projects
- Keep projects on schedule by making critical decisions timely
- Align guidance and direction related to project funding in the SYIP



Construction Backlog Success



- Pre-FY2024 Backlog = projects scheduled for construction before FY2024
- Annual Backlog = net addition / reduction since start of FY2025

Next Steps

- **Focus on continued reduction in project development backlog**
- **Continue to monitor annual forward-looking project performance indicators, including;**
 - **annual construction targets**
 - **monitoring projects for slow progress towards construction**

Next Steps (continued)

- **Update CTB SYIP Development Policy to institutionalize established project development duration expectations for all projects in the SYIP**
 - **ensure financial resources are fully leveraged**
 - **include consequences for not advancing projects according to these durations**



REVENUE SHARING PROGRAM

Policy Revision – Project Delivery Expectations

Terry R. Short Jr., AICP
Local Assistance Division Director

July 21, 2026

Agenda and Reason for this Presentation

- **Informational Presentation; no action today, potential for future action**
- **Follow-up from June Meeting (included in packet)**
- **Review of current project development expectations**
- **Current State of the Revenue Sharing Program**
- **Policy Update Recommendations**

Goal: Ensure Revenue Sharing-funded projects progress on schedule by setting clear project delivery expectations that strengthen state-local collaboration and Keep Virginia Moving.

Existing Project Delivery Expectations

Existing Revenue Sharing expectations established in State Code:

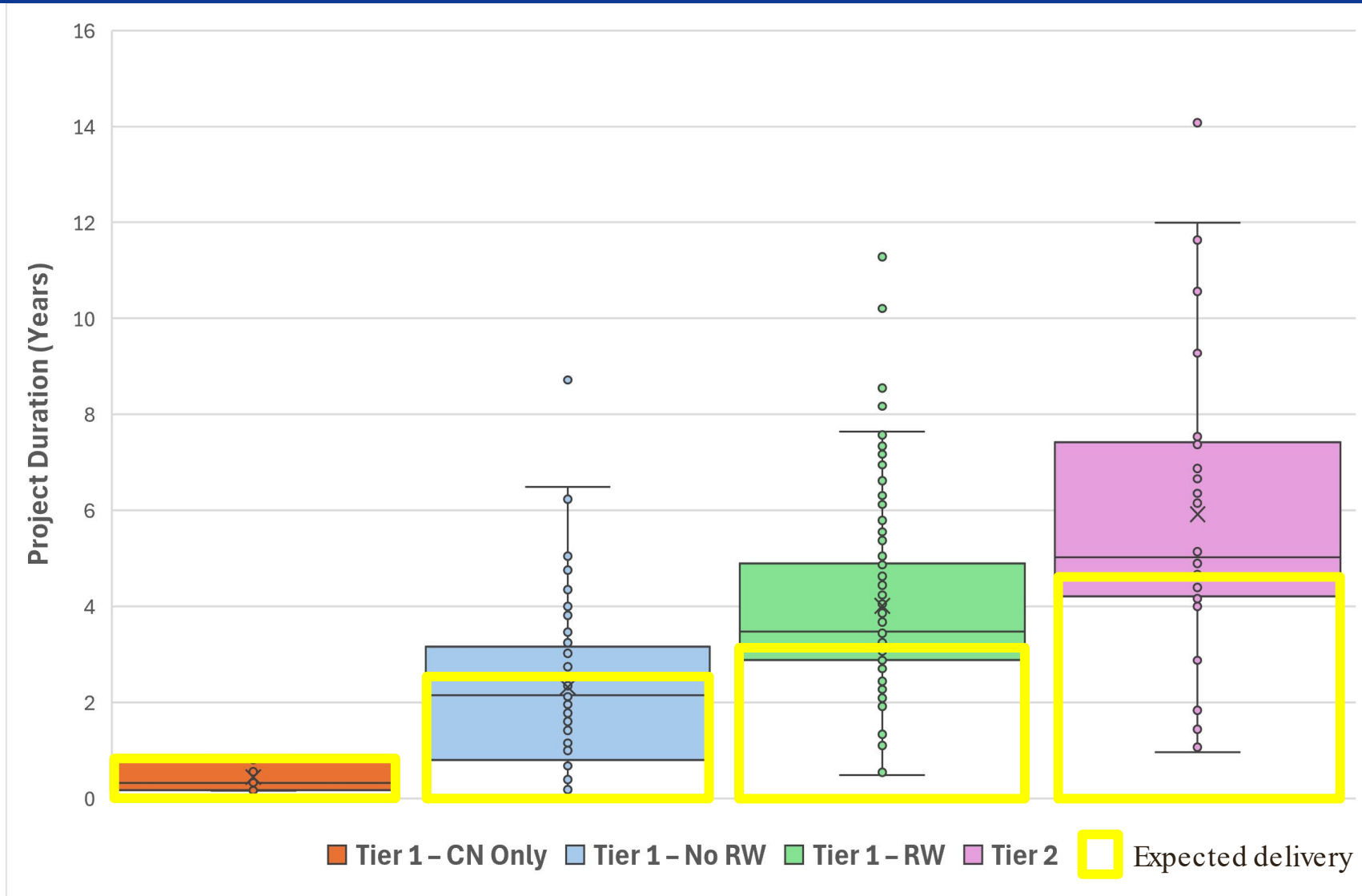
- All projects shall be initiated within one year of allocation
- All projects not initiated within two years of allocation are subject to deallocation

At issue: Revenue Sharing projects are not advancing timely

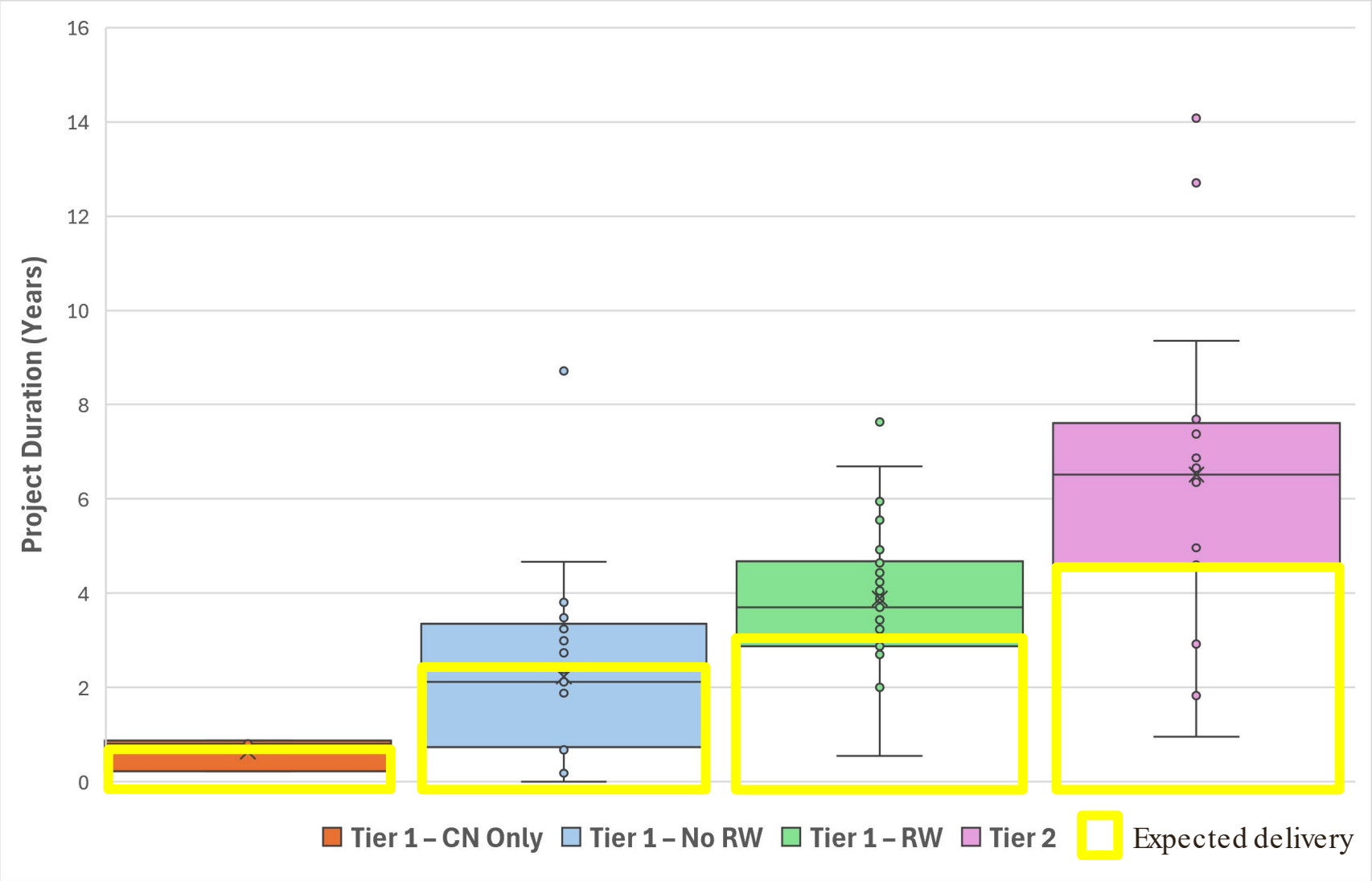
Current State of the Revenue Sharing Program

- **Revenue Sharing project delivery timeframes range drastically:**
 - **Tier 1 Construction only: a few months to 1 year**
 - Tier 1 projects are defined as those with a total construction cost of less than \$15M
 - **Tier 1 no Right-of-Way: a few months to 9 years**
 - **Tier 1 with Right-of-Way: a few months to 11 years**
 - **Tier 2: 1 to 14 years**
 - Tier 2 projects are defined as those with a total construction cost of greater than \$15M
- **Buying power of projects eroded**

Current Project Delivery Durations Far Exceed Desired Durations: Revenue Sharing Funding Only



Current Project Delivery Durations Far Exceed Desired Durations: Revenue Sharing AND Other Fund Sources (Multi-funded)



Considerations for Meeting Project Delivery Expectations

- All project applications are recommended to be supported by a technical memorandum or a regional/local study
- Define “initiation” and what is required with one and two years of allocation
- Consider project development metrics to be applied to projects
 - Proposed changes will assist with timely delivery when coupled with the June 2026 CTB proposal to fully fund projects

Next Steps

- **July/August – Survey; Continued stakeholder engagement; Detailed review of projects with each locality**
- **September – SYIP project delivery expectations**
- **October – Resolution to adopt Revenue Sharing policy changes**
 - If adopted, changes will take effect in the next Revenue Sharing application cycle, spring 2027



Appendix A

Revenue Sharing Program Overview June 2026 CTB Presentation Recap

Revenue Sharing Overview

- **Provides state matching funds to counties, cities, and towns to construct, reconstruct, improve, or maintain their highway systems**
 - **Local funds are matched dollar-for-dollar with state funds**
 - **Locality applications are limited to \$10M per application cycle**
 - **Each project is limited to a maximum total allocation of \$10M, per Commonwealth Transportation Board (CTB) policy**
- **Authorized under § 33.2-357; program is administered by VDOT with oversight from the CTB**
 - **Applications are funded based on a priority rating system established in Virginia Code**
 - **CTB approves funding, deallocations, and transfers exceeding certain thresholds**
 - **Biennial application cycle; \$100M to allocate per year; \$200M per funding cycle**



Revenue Sharing Overview

- **Funding Priorities:**
 - Priority 1: Projects that previously received RS funding
 - Priority 2: Construction projects that address a VTrans need or will accelerate a project in the locality's Capital Improvement Plan
 - Priority 3: Deficient pavement resurfacing or bridge rehabilitation
 - Priority 4: All other eligible projects
- **Applications accepted biennially:**
 - Pre-application: April-May 2027
 - Full application: August 15-September 15, 2027, for eligible pre-applications
 - Projects presented to CTB: By Spring 2028
 - CTB awards projects; adopts final SYIP: June 2028

Historical Revenue Sharing Program Updates

- **2017: Institutes a \$10M per project lifetime cap (CTB policy change)**
- **2018: Application limit decreased from \$10M to \$5M available per fiscal year (Legislative update)**
- **2018: RS program moves to a biennial application cycle (CTB policy change)**
- **2020: Restructured RS allocations to redistribute \$495M of previous RS funding to support COVID-19 revenue reductions; backfilled redistributed funds with future year funds; began funding projects in Years 3 and 4 of the Six-Year Improvement Program**
- **2023: Surplus funds are transferred back to the Statewide balance entry, project administration agreements (PAAs) must be executed within 6 months (CTB policy changes)**

Proposed Policy Changes: June CTB Review

Revenue Sharing projects are currently funded according to four priorities:

- **Priority 1: Existing Revenue Sharing projects are fully funded to the requested amount**
- **Priority 2: VTrans or locality CIP need**
 - A. Cumulative locality requests are funded up to a total of \$1M**
 - 33 Priority 2 projects were fully funded in the current round (\$12.6M)
 - B. Cumulative locality requests above \$1M and less than \$10M are funded**
 - 49 projects received partial funding (\$118.2M)
- **Priority 3 and 4 applications historically remain unfunded**

If funds are depleted prior to completely funding all projects within a priority, any remaining funds may be prorated.

Proposed Policy Changes: June CTB Review

Issues Observed:

- **Each round, a significant number of projects are partially funded:**
 - FY23: 90 partially funded
 - FY25: 52 partially funded
 - FY27: 49 partially funded
- **Partially funded Priority 2 projects (with few exceptions) don't advance until additional funding is provided in subsequent rounds, or they are cancelled entirely**
- **Local funds committed in applications are routinely replaced in future rounds with Revenue Sharing funds.**

FY27 Revenue Sharing Allocations Comparison

Current Funding Process

Step	Description	Allocated Funds
Priority 1	61 Priority 1 requests fully funded	\$108.5M
Priority 2	33 Priority 2 requests fully funded 49 Priority 2 requests partially funded	\$12.6M \$118.2M (requested \$135.6M)
Totals	143 requests receive funding	\$239.3M

Proposed New Funding Process

Step	Description	Allocated Funds
Priority 1	61 Priority 1 requests fully funded	\$108.5M
Priority 2	68 Priority 2 requests fully funded 8 Priority 2 requests partially funded 6 Priority 2 requests not funded	\$122M \$7.2M (requested \$18.4M) (Requested \$13.3M)
Totals	137 requests receive funding	\$239.3M

Proposed Policy Changes: June CTB Review

Summary

- **Fully fund applications to the maximum extent possible**
 - By fully funding applications, applicants will know at the time of application how much local funds they are committing to
 - Projects will advance sooner, improving the buying power of the investment
 - More emphasis will be put on funding existing SYIP projects and projects with a solution supported by a local or regional study
 - Localities may have multiple Priority 2 projects funded, resulting in fewer Priority 1 projects in subsequent funding rounds
- **Any remaining funds may be pro-rated within a priority at the discretion of the Board**

Proposed Policy Changes: June CTB Review

Proposed New Funding Process

Priority 1: Existing Revenue Sharing projects

- Locality requests are fully funded

Priority 2: VTrans or locality CIP need projects

- A. Locality cumulative requests up to a total of \$1M are funded
 - B. Fully fund all requests partially funded under the previous step
 - C. Fully fund all requests for projects in the existing SYIP
 - D. Fully fund all requests for projects recommended as the preferred alternative in a local or regional study
 - E. Fully fund all remaining requests
- If funds are depleted prior to completely funding all projects within a category (A-E), any remaining funds may be pro-rated





Revised FY 2027 Commonwealth Transportation Fund and DRPT Budgets

Revised FY 2027 – 2032 Six-Year Improvement Program

Kimberly Pryor, Chief Financial Officer

July 22, 2026

Overview

- **Governor's Draft Budget released December 2025**
- **Final FY2027 Commonwealth Transportation Fund (CTF) and DRPT budgets approved June 2026**
- **Final FY2027 – 2032 Six-Year Improvement Program (SYIP) approved June 16, 2026**
- **FY2027-2028 Biennial Budget approved by General Assembly and Governor June 30, 2026**
- **Action requested to approve Revised FY2027 CTF and DRPT budgets and Revised FY2027 – 2032 SYIP**

Revenue Updates Since June

- **Approved state budget includes General Fund allocations not previously included in the FY2027 CTF and DRPT budgets or the FY2027 – 2032 SYIP**
 - **Item 433 #1c provides \$300,000 General Fund allocations to support the work of the joint 13-member subcommittee established pursuant to the passage of House Joint Resolution 28 for a one-year study concerning the current status of public transit in Hampton Roads and options for the future**
 - **Item 433 #2c provides \$19.0 million General Fund allocations for one-time transit capital investments**
 - **Item 433 #6c provides \$153.0 million General Fund allocations to provide the state share of the increased operating support for the Washington Metropolitan Area Transit Authority over the two-year biennium**

Revenue Updates Since June

- **No change to transportation revenues**
- **No change to VDOT's approved FY2027 Budget or Highway Construction Portion of the SYIP**

Commonwealth Transportation Fund Revised Fiscal Years 2027 – 2032

Six-Year Financial Plan Estimated Revenues (in millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2027 - FY 2032 Total	Previous FY 2027 - FY 2032	Difference
State Transportation Revenues									
Commonwealth Transportation Fund	\$ 5,492.4	\$ 5,561.6	\$ 5,689.7	\$ 5,827.2	\$ 5,988.5	\$ 6,133.5	\$ 34,692.9	\$ 34,692.9	\$ —
General Fund	179.3	—	—	—	—	—	179.3	7.0	172.3
Prior year funding	—	—	—	—	—	—	—	—	—
Local & Regional Project Participation/Revenue	918.0	422.8	869.5	361.3	244.9	189.4	3,005.9	3,005.9	—
Other Fund Revenue	605.3	573.1	572.3	581.0	587.7	596.6	3,516.1	3,516.1	—
Total	7,194.96	6,557.57	7,131.55	6,769.53	6,821.01	6,919.52	41,394.14	41,221.84	172.30
Federal Revenues	1,638.9	1,561.8	1,591.6	1,621.9	1,653.0	1,684.6	9,752.0	9,752.0	—
Total Revenues	8,833.9	8,119.4	8,723.2	8,391.5	8,474.0	8,604.2	51,146.1	50,973.8	172.3
Other Financing Sources									
Interstate 81 Financing	334.2	—	266.9	—	—	—	601.2	601.2	—
GARVEE Bonds	100.0	—	100.0	—	100.0	—	300.0	300.0	—
Special Structures Bonds	—	66.7	148.9	180.8	141.8	98.6	636.8	636.8	—
Route 58	—	—	—	—	—	—	—	—	—
Total	434.2	66.7	515.8	180.8	241.8	98.6	1,538.0	1,538.0	0.0
Total Operating Revenues and Other Financing Sources	9,268.1	8,186.1	9,239.0	8,572.3	8,715.8	8,702.7	52,684.1	52,511.8	172.3
Revenue Supporting Transfer Payments									
Regional Transportation Funds	990.1	1,029.1	1,067.0	1,104.3	1,143.1	1,179.8	6,513.4	6,513.4	—
WMATA Capital Fund Revenue	148.9	155.4	161.7	167.3	172.5	177.7	983.6	983.6	—
Grand Total	\$ 10,407.1	\$ 9,370.6	\$ 10,467.7	\$ 9,843.9	\$ 10,031.4	\$ 10,060.3	\$ 60,181.0	\$ 60,008.7	\$ 172.3

Commonwealth Transportation Fund Final Fiscal Years 2027 – 2032

Six-Year Financial Plan Estimated Allocations (in millions)

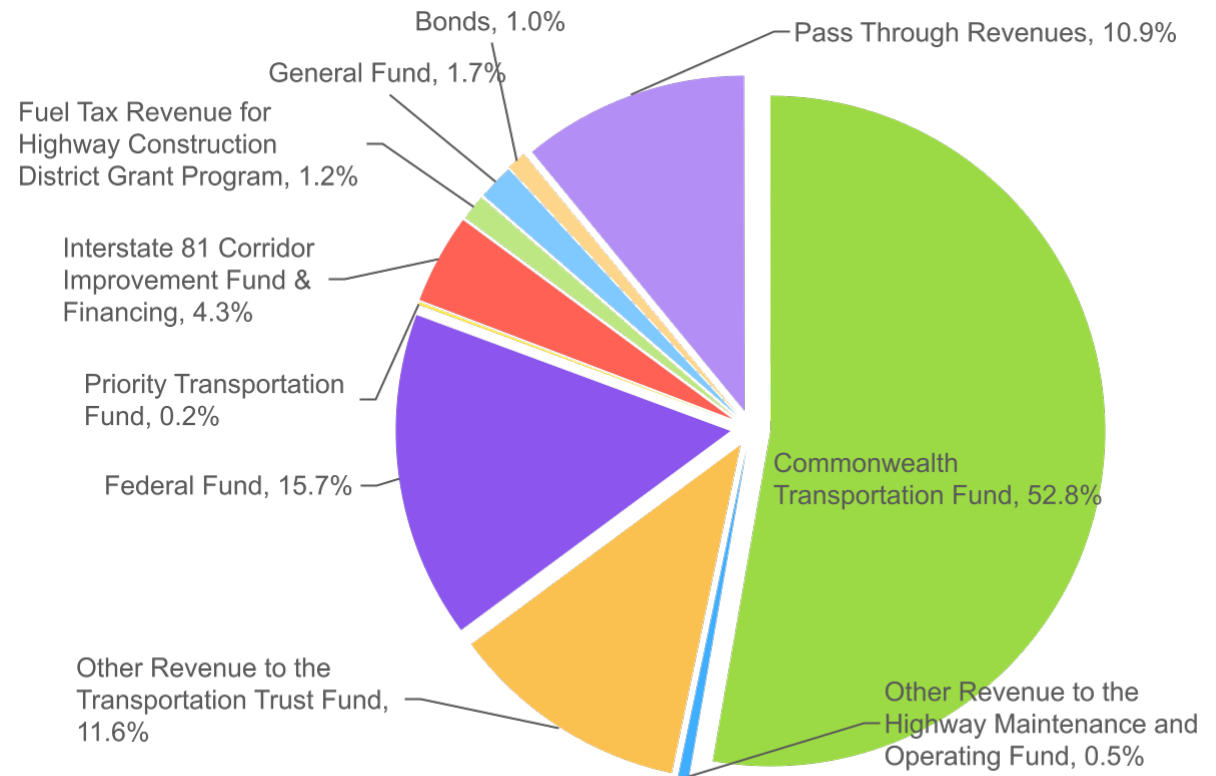
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2027 - FY 2032 Total	Previous FY 2027 - FY 2032	Difference
Debt Service	\$ 378.5	\$ 381.4	\$ 363.6	\$ 380.4	\$ 393.2	\$ 423.3	\$ 2,320.4	\$ 2,320.4	\$ —
Other Agencies & Transfers	61.3	55.0	55.0	55.0	55.0	55.0	336.1	336.1	—
Maintenance & Operations	2,919.4	2,995.6	3,070.7	3,147.7	3,226.4	3,308.5	18,668.3	18,668.3	—
Administration & Other Programs	679.0	687.5	700.4	713.6	727.1	736.0	4,243.5	4,243.5	—
Toll Programs	114.3	103.1	96.1	97.5	98.9	100.3	610.1	610.1	—
Special Structures	92.7	162.2	242.5	266.7	218.0	167.8	1,149.8	1,149.8	—
Public Transportation	738.6	727.3	743.0	768.0	774.4	798.9	4,550.2	4,531.0	19.3
Virginia Passenger Rail Authority	238.6	234.3	238.0	226.9	198.1	203.0	1,338.9	1,338.9	—
DRPT Rail Assistance	17.2	17.3	17.5	17.9	18.3	18.6	106.7	106.7	—
DRPT Administration	19.9	20.1	20.6	21.2	21.8	22.4	126.0	126.0	—
Commonwealth Port Fund	66.5	67.3	68.8	70.7	72.6	74.3	420.3	420.3	—
Commonwealth Aviation Fund	40.5	41.0	41.9	43.0	44.2	45.2	256.0	256.0	—
Commonwealth Space Flight Fund	26.0	26.3	26.9	27.6	28.4	29.1	164.4	164.4	—
Department of Motor Vehicles	26.0	26.3	26.9	27.6	28.4	29.1	164.3	164.3	—
Construction	3,657.2	2,601.5	3,487.1	2,668.4	2,770.9	2,651.2	17,836.4	17,836.4	—
Total Operating Programs	\$ 9,075.5	\$ 8,146.1	\$ 9,199.0	\$ 8,532.3	\$ 8,675.8	\$ 8,662.7	\$ 52,291.3	\$ 52,272.1	\$ 19.3
Pass Through Programs									
WMATA Capital Fund/General Fund	321.9	175.4	181.7	187.3	192.5	197.7	1,256.6	1,103.6	153.0
Central Virginia Transportation Fund	248.4	254.6	263.8	273.2	282.7	292.0	1,614.7	1,614.7	—
Northern Virginia Transportation Authority Fund	436.8	461.7	479.6	496.2	513.5	530.2	2,918.0	2,918.0	—
Hampton Roads Regional Transit Fund	37.1	38.4	39.6	40.7	41.7	42.7	240.2	240.2	—
Hampton Roads Transportation Fund	287.4	294.4	304.0	314.2	325.2	334.9	1,860.1	1,860.1	—
Subtotal	1,331.6	1,224.5	1,268.7	1,311.6	1,355.6	1,397.5	7,889.6	7,736.6	153.0
Total	\$ 10,407.0	\$ 9,370.6	\$ 10,467.7	\$ 9,843.9	\$ 10,031.4	\$ 10,060.2	\$ 60,180.9	\$ 60,008.6	\$ 172.3

Commonwealth Transportation Fund

FY 2027 Final Budget

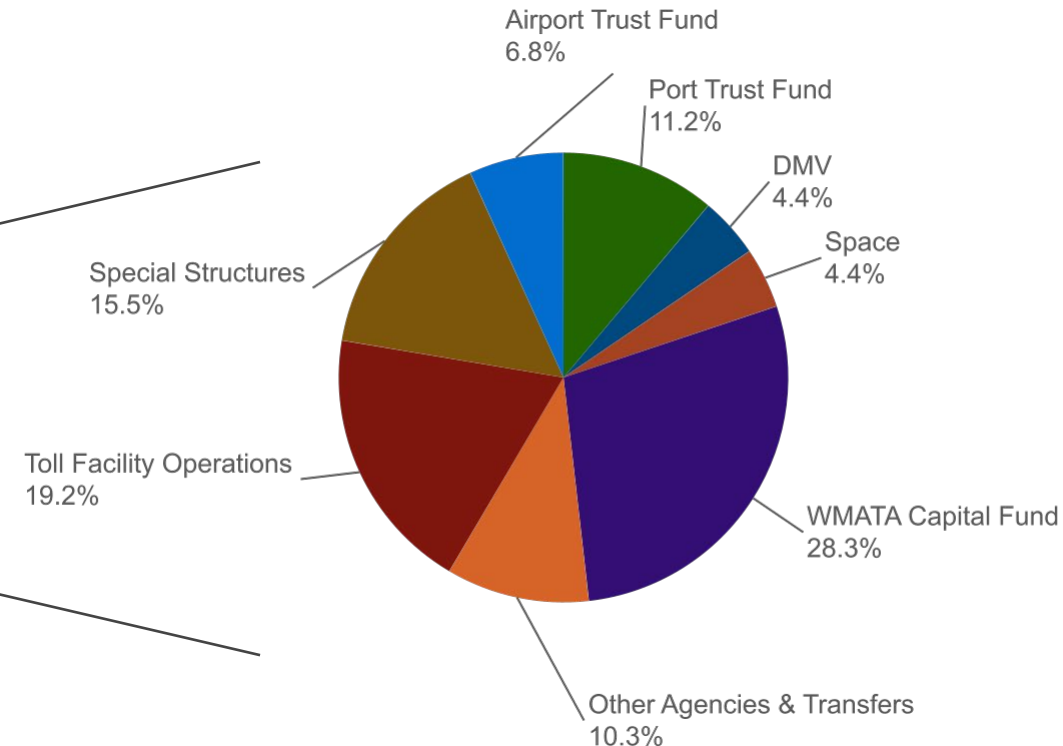
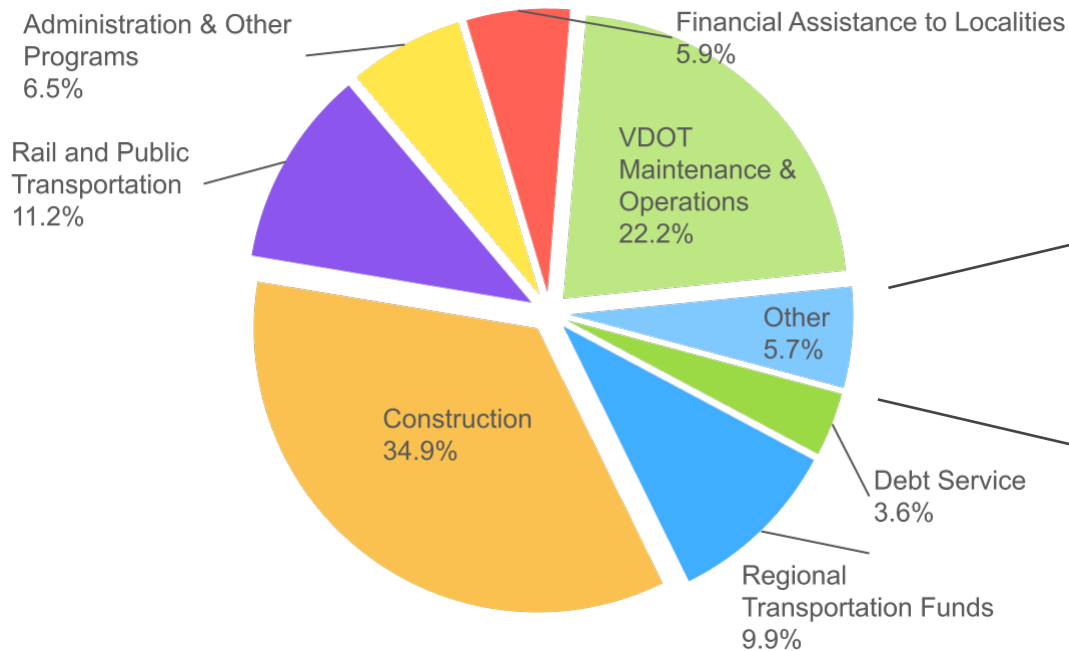
Revenue (in millions)	Total Estimate
Commonwealth Transportation Fund	\$ 5,492.4
Other Revenue to the Highway Maintenance and Operating Fund	53.7
Other Revenue to the Transportation Trust Fund	1,206.6
Federal Fund	1,638.9
Priority Transportation Fund	15.6
Interstate 81 Corridor Improvement Fund & Financing	452.1
Fuel Tax Revenue for Highway Construction District Grant Program	129.9
General Fund	179.3
Bonds	100.0
Total Operating Revenues	\$ 9,268.5
Pass Through Revenues	
WMATA Capital Fund	148.9
Central Virginia Transportation Fund	248.4
Northern Virginia Transportation Authority Fund	416.8
Hampton Roads Transportation Fund	287.4
Hampton Roads Regional Transit Fund	37.1
Subtotal	\$ 1,138.6
TOTAL	\$ 10,407.1

CTF Revenues total \$10.4 billion



FY 2027 CTF Recommended Allocations

- Highway Maintenance, including VDOT-maintained and Locality Maintained, represents 28.1 percent of budget
- Highway Construction represents 34.9 percent of the total with support of regional / local funding
- Funding for Rail and Public Transportation is 11.2 percent of budget



Next Steps

- **Approve Revised FY2027 CTF and DRPT Budgets in July**
- **Approve Revised FY2027 – 2032 SYIP in July**





I-81 Corridor TIFIA Loans Update

 Kimberly Pryor
Chief Financial Officer

July 21, 2026

Overview

- **Overview of I-81 Program Debt Structure**
- **Plan of Finance for additional Rural TIFIA Loans**
- **Next Steps**
- **Board action required in September for 2026 Rural TIFIA Loans**

Legislative Background

- **Chapters 837 and 846 (HB 2718 and SB 1716, 2019 Session)**
 - Created the Interstate 81 Corridor Improvement Program and Fund
 - Provided new transportation revenues to support the interstate highways and specifically I-81
- **Chapters 1230 and 1275 (HB 1414 and SB 890, 2020 Session)**
 - Authorized the sale and issuance of bonds with an aggregate principal amount not to exceed \$1 billion
 - Reduced the geographic footprint for collections of fuel tax revenues
 - Provided allocated funding through the Interstate Operations and Enhancement Program (IOEP)

The I-81 Program

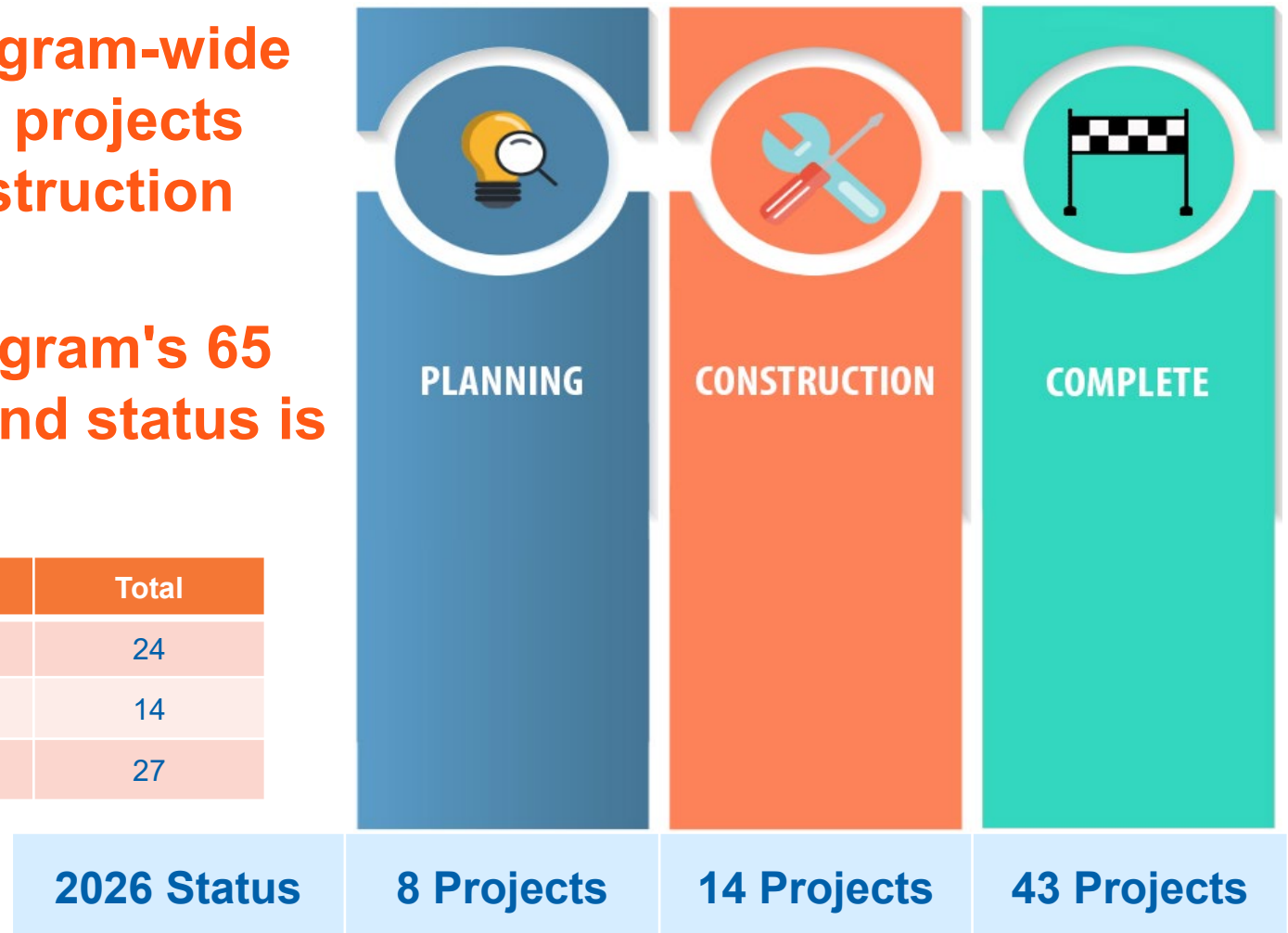
- **The 325-mile corridor and related program is divided across:**
 - Three VDOT Districts: Bristol, Salem and Staunton
 - Thirteen Counties: Augusta, Botetourt, Frederick, Montgomery, Pulaski, Roanoke, Rockbridge, Rockingham, Shenandoah, Smyth, Warren, Washington and Wythe
 - Ten Cities: Bristol, Buena Vista, Harrisonburg, Lexington, Radford, Salem, Roanoke, Staunton, Waynesboro and Winchester
- **The Program consists of Operational Improvement and Capital Improvement projects**
- **Capital Improvement projects generally include widening, acceleration/deceleration lane extensions, curve improvements, truck climbing lanes, auxiliary lanes, and shoulder widening**



I-81 Program - Development Process and Status

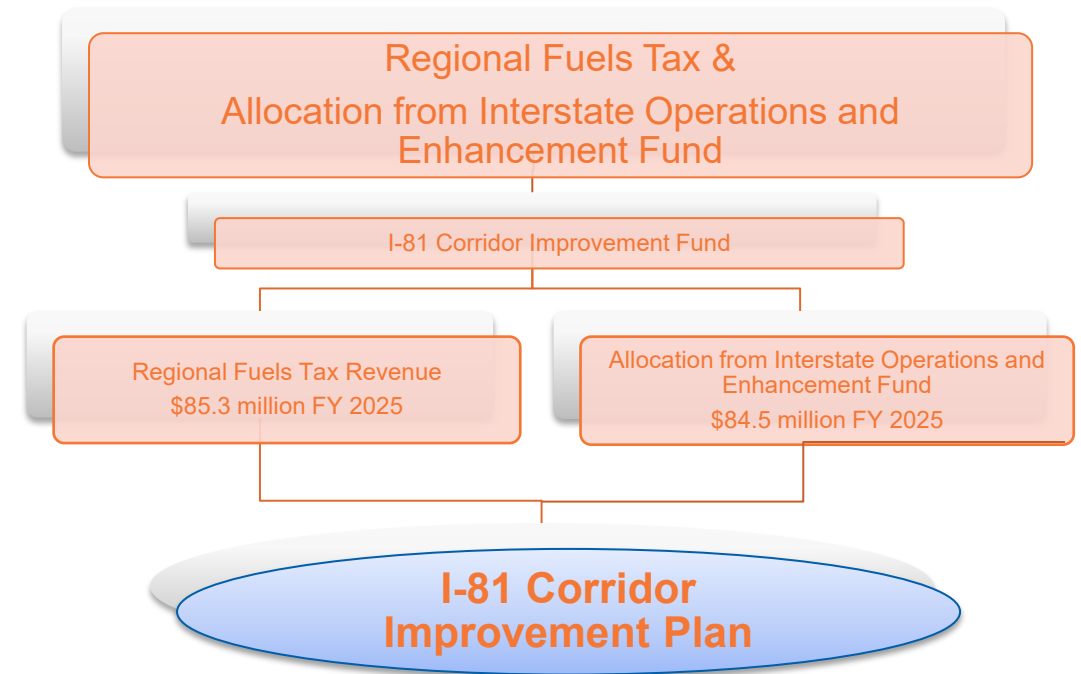
- As of June 2026, strong program-wide progress continues, with 43 projects complete and 14 under construction across the three districts
- A breakdown of the I-81 Program's 65 capital projects by district and status is provided below

Districts	Planning	Construction	Complete	Total
Staunton	6	5	13	24
Salem	2	4	8	14
Bristol	0	5	22	27



Funding Sources and Structure

- **Dedicated funding for the I-81 Program is deposited in the I-81 Corridor Improvement Fund and includes:**
 - Regional Fuels Tax along the I-81 Corridor
 - Share of statewide revenues from allocation of the IOEP
- **Regional Fuels Tax**
 - July 1, 2019 through June 30, 2020, additional 2.1% tax on gasoline and diesel sold by a distributor to a retail dealer
 - Effective July 1, 2020, changed to a per gallon rate subject to annual CPI-U adjustment
 - May be leveraged for debt service and PAYGO
- **Allocation from IOEP**
 - I-81 receives allocation equal to ratio of Vehicle Miles Traveled (VMT) on I-81 by vehicles Class 6 or higher to total VMT on all Interstate highways
 - Intended to provide funding for PAYGO



Revenue Performance and Projections

Interstate 81 Improvement Fund (in millions) - Actual Receipts for FY 2020 - 2025 and Projections for FY 2026-2032

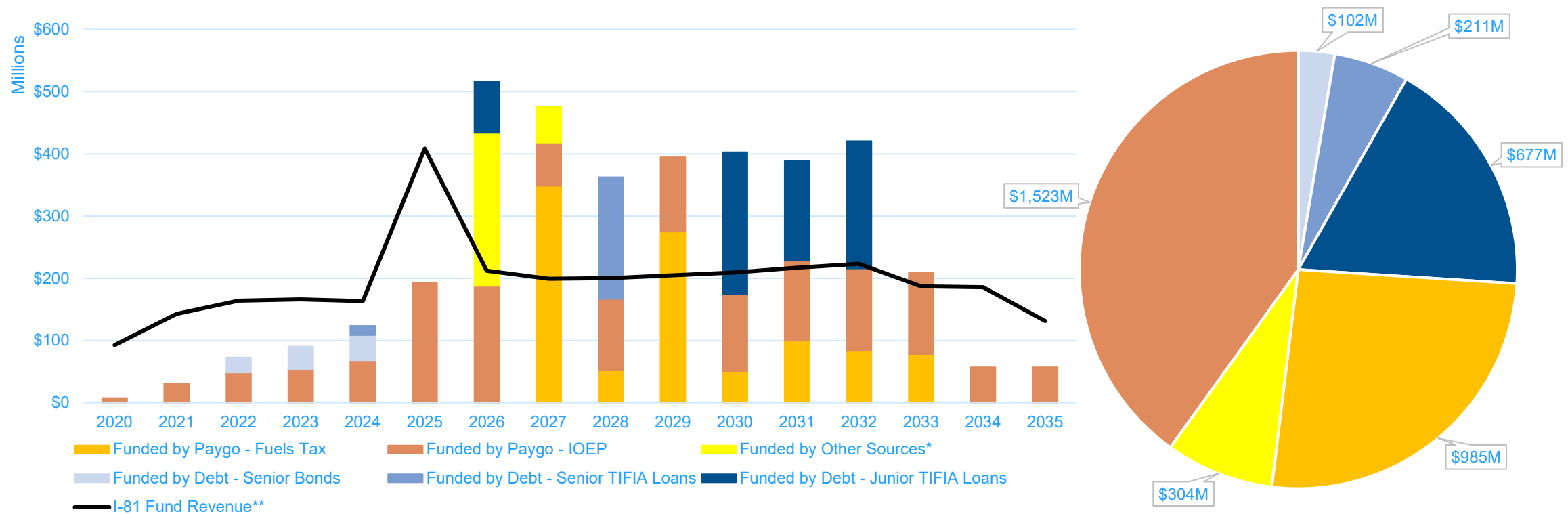
Source	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	Total
Regional Fuels Tax	\$69.8	\$71.4	\$76.1	\$79.1	\$83.8	\$85.3	\$89.0	\$92.6	\$95.9	\$99.5	\$103.0	\$106.4	\$109.7	\$1,161.7
Interstate Operations and Enhancement Program	22.8	71.3	98.5	96.2	85.8	84.5	93.8	117.7	115.2	120.0	124.2	128.5	132.4	1,290.9
Total	\$92.6	\$142.7	\$174.6	\$175.4	\$169.6	\$169.8	\$182.8	\$210.3	\$211.1	\$219.5	\$227.2	\$234.9	\$242.1	\$2,452.7

	(in millions)
Cumulative Project expenditures from FY 2021 through FY 2025	\$509.8
Fund Balance* (End of FY 2025)	\$742.7

* Fund Balance includes other revenue not shown separately in the table above.

I-81 Program - Funding by Year and Source

- The current I-81 Program of \$3.9 billion is fully funded through FY2035 by a well-balanced mix of IOEP allocations, fuels tax PAYGO, and multi-lien debt



* Other Sources include \$245 million from the Commonwealth's General Fund and \$59 million of Federal Earmarks to support the acceleration of the I-81 Program

** Net of financing payments

I-81 Program - Debt Issuance Plan

- **Strategic, multi-year plan to accelerate delivery of projects using a blend of PAYGO funds and multi-lien debt**
 - **Municipal bonds**
 - **Transportation Infrastructure Finance and Innovation Act (TIFIA) loans**
- **Apply consistent assumptions regarding the flow of funds, credit features, and loan structure**
- **The I-81 Regional Fuels Tax revenues will support all existing and planned debt**
- **Does not impact debt capacity of the Commonwealth**
 - **Additional bonds test and debt service reserve fund requirements apply**
- **Similar to bond programs implemented by NVTa and HRTAC backed by regional revenues**

Transportation Infrastructure Finance and Innovation Act (TIFIA) Loans

- **Proposed structure allows for maximized TIFIA program benefits**
 - Repayment term – 35 years after substantial completion
 - Flexible payment structure and draw period of up to one-year post substantial completion
- **TIFIA Program allows VDOT to advance projects with the use of debt financing**
- **Rural TIFIA Loan Program**
 - Allows for financing of up to 49% of project costs at one-half 30-year U.S. Treasury rate
 - Maximum of \$100 million in TIFIA eligible costs
 - Highly competitive

* Subject to change

I-81 Program - Debt Issuance Plan and Status to Date

- Issued municipal bonds in 2021
- Entered into two TIFIA loans in 2022
 - 2022 Rural TIFIA Loan projects are complete
 - 2022 Regular TIFIA Loan project is estimated to be completed by the end of CY 2026
- Currently developing applications for four Rural TIFIA (I-IV) loans in 2026
 - Anticipate closing two loans by September 2026
- Future Regular and Rural TIFIA loans planned to support project activity

<i>Funded Costs in (in millions)</i>	2021 Bonds	2022 TIFIA Loans	2026 TIFIA Loans	Future Financings	Total
<i>Issuance Status</i>	<i>Issued</i>	<i>Issued</i>	<i>Applying</i>	<i>Planned</i>	
Senior Lien Bonds	\$102				\$102
Senior Lien Rural TIFIA Loan		\$15	\$177	\$18	\$211
Subordinate Lien Regular TIFIA Loan		\$83		\$594	\$677
Total	\$102	\$98	\$177	\$612	\$988

2026 Rural TIFIA Loan Approach

- **2026 Rural TIFIA Loan Project Bundles consist of 14 projects procured under 9 contracts totaling \$360.7 million* in TIFIA eligible project costs**
 - **Will be on a senior lien and on parity with the existing 2022 Rural TIFIA Loan and Series 2021 Bonds**
- **VDOT on behalf of the CTB is requesting four 2026 Rural TIFIA Loans**

Loans	Project Bundle	Projects	Construction Completion	Project Costs*	Loan Amount*
2026 Rural Loan I	Group I	Project A-D	December 2027	\$92,438,797	\$45,295,010
2026 Rural Loan II	Group II	Project E-F	February 2027	\$96,630,748	\$47,349,066
2026 Rural Loan III	Group III	Project G	October 2027	\$85,926,120	\$42,103,798
2026 Rural Loan IV	Group IV	Project H-I	September 2028	\$85,723,713	\$42,004,619
Total				\$360,719,378	\$176,752,493

* Subject to change

2026 Rural TIFIA Loan Projects*

Individual Projects Included in Senior Lien 2026 Rural TIFIA Loans				
Contract	UPC(s)	Project Descriptions	Project Location	Project Cost (in millions)
A	116279	Add SB auxiliary lane, Exit 221 to Exit 220	Augusta County	11.77
B	116166	Extend SB decel lane at MM 81.7	Wythe County	4.78
C	116164 116168	Extend NB decel lane at MM 73; reconfigure loop Construct auxiliary lane, Exit 73 to Exit 72	Town of Wytheville	36.51
D	116170	Widen SB to 3 lanes, MM 8 to MM 10	Washington County	39.38
E	116156 116172	Add NB truck climbing lane at MM 32.4 Add SB truck climbing lane at MM 34.0	Washington County	23.31
F	122267 116163 116175	Extend accel/decel lanes MM 72.0–73.4; replace bridges Preliminary engineering for UPC 122267 Preliminary engineering for UPC 122267	Wythe County & Town of Wytheville	73.32
G	116277 116278	Add NB truck climbing lane, MM 234–237 (Weyers Cave) Add SB truck climbing lane, MM 234–237 (Weyers Cave)	Augusta County	85.93
H	116268	Widen SB to 3 lanes, MM 296–299	Shenandoah County	82.71
I	116200	Extend SB accel lane at Exit 94	Pulaski County	3.01
Total				\$360.72

* Estimates as of June 2026; subject to change

2026 Rural TIFIA Loans' Structure

- **Loan Rate (Fixed interest rates based on a U.S. Treasury Rate)**
 - Senior Lien Rural loans – at one-half 30-year U.S. Treasury Rate
- **Loan disbursement**
 - The 2026 Rural TIFIA Loans are expected to be the last funding source to be drawn
- **Amortization**
 - Substantially level annual debt service; maximum annual debt service of existing debt and 2026 Rural TIFIA Loans is estimated to be \$17.6 million
 - Principal payments start promptly after substantial completion
- **Capitalized Interest**
 - Only during the Loans' disbursement periods
- **Debt Service Reserve Fund (DSRF)**
 - No DSRF
- **Final Maturity**
 - May 15, 2061 (33-34 years after the 2026 Rural Projects' substantial completion dates)
 - The 2026 Rural Projects use the last individual project's substantial completion date
- **Payment Date**
 - Interest payments - semiannual on November 15 and May 15
 - Principal payments - annual on May 15

2026 Rural TIFIA Loans – Preliminary Schedule*

Spring/Summer 2026
to present

- TIFIA creditworthiness review meeting and due diligence
- Loan term negotiation and document draft

July 2026

- Present TIFIA plan of finance to CTB
- TIFIA Invitation to submit loan applications

Mid September 2026

- Prepare TIFIA approve loan applications
- Request CTB approval to submit loan applications and enter into TIFIA loan agreements
- Request Treasury Board approval

Late September 2026

- Request Governor approval
- TIFIA loan closing

* Subject to change



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

Overview: VTrans – Virginia's Transportation Plan

Laura Schewel, Deputy Secretary of Transportation

July 2026



VIRGINIA DEPARTMENT
of Aviation



MVDB



Office of
INTERMODAL
Planning and Investment



THE PORT OF
VIRGINIA



VIRGINIA SPACEPORT
AUTHORITY



Why are we discussing VTRANS today?

- VTRANS contains the foundational strategies that guide many of our programs. Thus – for board members, understanding VTRANS is foundational to understanding the big strategy.
- The CTB influences VTRANS as follows:
 - Approves the overall plan and submit updates to the Governor at least every four years (next requirement is December 2029) but we can update it sooner, if we choose.
 - Implements other CTB policies to support the VTRANS.
- We are giving **educational background** today. Our goal is that you understand it.
- In the future we will discuss if and how this CTB wants to consider amendments, updates, and supportive action.

In This Presentation

1. What is VTrans and how does it impact transportation in VA?
2. Current Approach to Virginia's Transportation Plan
3. How is VTrans shared with the public?
4. Next Steps

What is VTrans and How Does it Affect Transportation Choices in VA?

Statutory Requirements related to a "Statewide Transportation Plan"

- ▶ **VTrans is Virginia's "Statewide Transportation Plan" and addresses several Federal and State requirements.**
 - ▶ Key requirements: States must develop a transportation plan (23 USC 135(f) and 49 USC 5304(f)) and a freight plan (49 U.S.C. § 70202).

- ▶ **VTrans is also the Commonwealth Transportation Board's plan to "establish goals, objectives, and priorities" and "assess transportation needs and assign priorities to projects on a statewide basis".**
 - ▶ Code of Virginia Article 33.2-353, requires CTB to submit the plan document to the Governor and the General Assembly at least once every four years. Historically, most of these updates have aligned with gubernatorial terms.
 - ▶ Article 33.2-353 also requires "avoiding the production of a plan that is an aggregation of local, district, regional, or modal plans."
 - ▶ Article 2.2-229 states that the CTB may use VTrans "in the development of a comprehensive, multimodal transportation policy."
 - ▶ The Code of Virginia requirement for a Statewide Transportation Plan was first established in 2001. The first plan was completed in phases between 2003 and 2005.

How to have a Statewide Transportation Plan that's More than a Document on a Shelf → Create direct connection to decisions + actions

Vision, Objectives, and Goals (20+ Years)

- Set the big picture that agencies should use as their North Star
- **Decides what should get measured to determine our “priorities” and our “performance”**

↓
Sets the guidelines for how we do prioritization, investment, planning every day.

Mid Term Needs (~10 years)

- Designate road segments as Priority 1, 2, 3, or 4 needs based on categories IDed by Vision, Objectives, Goals.
- **This determines eligibility for Smart Scale, Pipeline Studies, core VDOT/DRPT investment, and gives projects priority in some local programs.**
 - Also –shows where there is opportunity to score well on Smart Scale.

How to have a Statewide Transportation Plan that's More than a Document on a Shelf → Create direct connection to decisions + actions

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- Set the big picture that agencies should use as their North Star
- Decides what should get measured to determine our “priorities” and our “performance”

Sets the guidelines for how we do prioritization, investment, planning every day.

Gives some space for us to work on the big risks and uncertainties that wouldn't come up in our typical day.

Mid Term Needs (~10 years)

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 - Also –shows where there is opportunity to score well on Smart Scale.

Risks, Opps, and Strategic Actions

Identifies long-term external risks (e.g. more flooding) and opportunities, guides agencies on how to approach them, assigns staff projects to prepare.

EXAMPLE: How Vision Flow to Goals/Objectives

VISION: Virginia's **best-in-class multimodal transportation system** provides safe and **reliable mobility**, connects people and commerce, **fosters economic growth** and investment, embraces environmental stewardship, and enhances quality of life



Vision used to generate goals and objectives.



Goal C: Economic Competitiveness through Travel Time

Reliability:

Encourage economic competitiveness and prosperity by improving travel time reliability by minimizing congestion and considering modal options.

Objectives:

- **C.1.** Improve travel time reliability and throughput by reducing the amount of travel that takes place in congested conditions by prioritizing performance-based investments, including operational improvements.
- **C.2.** Improve freight throughput through the implementation of the Virginia Freight Plan and 2022 Statewide Rail Plan.
- **C.3.** Improve transit efficiency and effectiveness by implementing system-wide and route-level performance standards established in Transit Strategic Plans and Transit Development Plans.

EXAMPLE: How Vision Flow to Goals/Objectives which flow to Mid Term Needs

VISION: Virginia's **best-in-class multimodal transportation system** provides safe and **reliable mobility**, connects people and commerce, **fosters economic growth** and investment, embraces environmental stewardship, and enhances quality of life

Vision used to generate
“perpetual” goals and objectives.

VTrans MidTerm process quantifies where the biggest problems for reliability lie. Level of Travel Time Reliability, a standard industry measure, is used to identify Reliability needs.



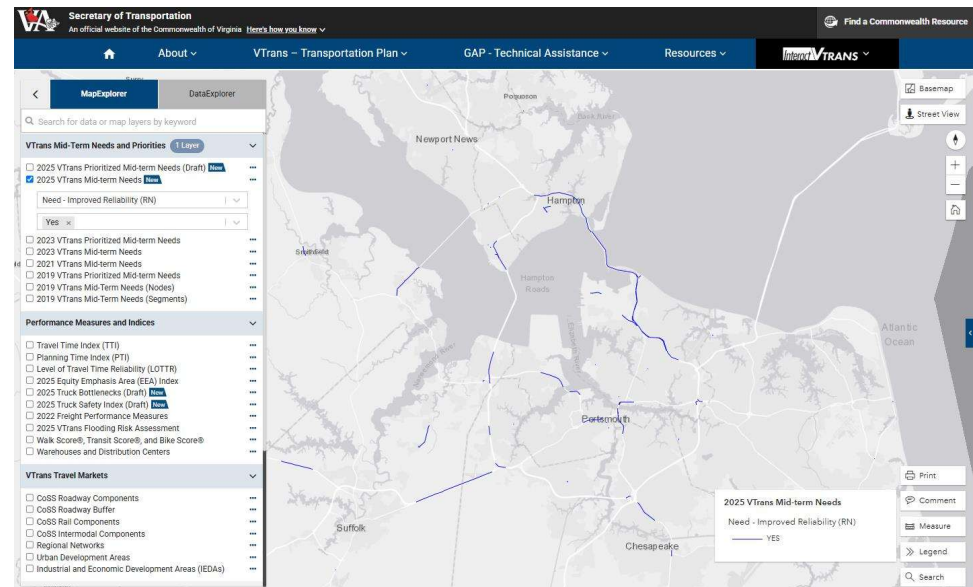
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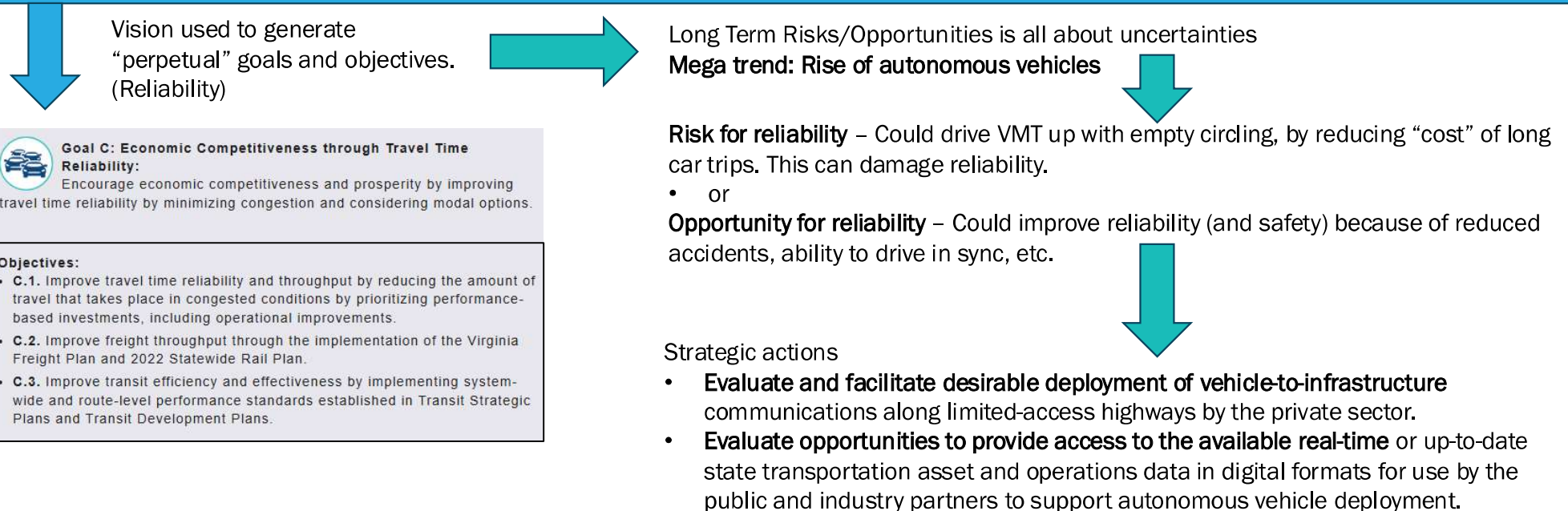
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- **C.3.** Improve transit efficiency and effectiveness by implementing system-wide and route-level performance standards established in Transit Strategic Plans and Transit Development Plans.



EXAMPLE: How Vision Flow to Goals/Objectives which flow to Risks and Strategic Mitigation Actions

VISION: Virginia's **best-in-class multimodal transportation system** provides safe and **reliable mobility**, connects people and commerce, **fosters economic growth** and investment, embraces environmental stewardship, and enhances quality of life



More Detail: Current Approach

Vision, Guiding Principals, Goals & Objectives

- **Vision:** “Virginia’s **best-in-class multimodal transportation system** provides safe and reliable mobility, connects people and commerce, fosters economic growth and investment, embraces environmental stewardship, and enhances quality of life.”
- **Updated last April 2025**
- **Impact:**
 - They help set our North star
 - They define Mid-Term Needs categories
 - They are what we measure to know if we’re doing a good job
 - They help us frame our understanding of Long Term Risks and Opportunities
- **For more info:**
 - <https://vtrans.virginia.gov/vision/our-vision>

Goals and Objectives

The VTrans Goals support the VTrans Vision. They are critical in measuring progress towards the Vision and identifying transportation needs that can help us achieve it.

Goals	Objectives
 Goal A: Transportation System Safety Reduce fatalities and serious injuries to make the transportation network safer for the traveling public	Objectives: • A.1. Reduce the number and rate of motorized fatalities and serious injuries through implementation of the Strategic Highway Safety Plan. • A.2. Reduce the number of non-motorized fatalities and serious injuries through implementation of the Strategic Highway Safety Plan. • A.3. Reduce fatalities and serious injuries by implementing annual Safety Performance Targets in Public Transportation Agency Safety Plans.
 Goal B: System Preservation Provide well-maintained and managed transportation infrastructure and services across the Commonwealth.	Objectives: • B.1. Obtain the following outcomes through the implementation of the recommendations from VDOT’s Maintenance and Operations Comprehensive Review. • Meet long-term sustainable pavement and bridge performance targets adopted by the Board. • Maintain VDOT’s special structures in accordance with the annually updated 50-year special structures plan. • Meet routine maintenance best practices performance metrics. • B.2. Ensure transit state of good repair through the prioritization of investments and implementation of performance targets in Transit Asset Management plans • B.3. Ensure transit state of good repair through the prioritization of state capital investments in public transportation. • B.4. Maximize the benefits of the Rail Preservation Fund through effective allocations to Class 2 (Shortline/Freight) and Class 3 (Passenger Rail) track improvements.
 Goal C: Economic Competitiveness through Travel Time Reliability: Encourage economic competitiveness and prosperity by improving travel time reliability by minimizing congestion and considering modal options.	Objectives: • C.1. Improve travel time reliability and throughput by reducing the amount of travel that takes place in congested conditions by prioritizing performance-based investments, including operational improvements. • C.2. Improve freight throughput through the implementation of the Virginia Freight Plan and 2022 Statewide Rail Plan. • C.3. Improve transit efficiency and effectiveness by implementing system-wide and route-level performance standards established in Transit Strategic Plans and Transit Development Plans.
 Goal D: Inter-Connected Systems and Services Provide an integrated multimodal transportation system for better accessibility and travel options.	Objectives: • D.1. Create multimodal redundancy to support network resiliency by providing alternative modes of travel where appropriate. • D.2. Increase bus ridership by improving bus stop condition and accessibility. • D.3. Enhance freight rail movements to support economic development and freight fluidity for the Port of Virginia by implementing the 2022 Statewide Rail Plan. • D.4. Support economic development initiatives through investments in site accessibility.
 Goal E: Environmental Stewardship Provide transportation solutions that enhance the quality of life while preserving agricultural, natural, historical, and cultural resources.	Objectives: • E.1. Deliver transportation solutions that consider watershed impacts, habitat preservation, and required environmental regulatory review. • E.2. Implement solutions to support the attainment of National Ambient Air Quality Standards.

Long Term Risk + Opportunity Register

- **What it is:**
 - A framework for defining which external trends we know will affect us but are hard to deal with (known unknowns).
 - Think of it as the way we decide “shouldn’t we be doing something about [flooding/AI/AVs/e-commerce]?”
- **Updated last.** Established 2021. Small updates in 2025
- **What it impacts:**
 - It is part of our state and federal required reporting.
 - It should be used to guide how other agencies incorporate thinking about these trends into their core practices, so the state has a unified approach
 - Can be used by CTB as the justification for a Strategic Action

For more info:

- <https://vtrans.virginia.gov/long-term-planning/long-term-risk-register>

2021 Risk Examples

- A large number of the state roads are at increasing risk of flooding
- Impacts of increased flooding are disproportionately high for certain geographic areas and populations.

2021 Opportunity Examples

- Improve the state’s ability to manage a transportation system with a high number of autonomous vehicles
- Utilize shared mobility services to improve accessibility

Strategic Actions

- **What is it:** Things the board tells staff to do as a result of all this.
- **What does it impact:**
 - Creates a reason for staff to do work
 - Change business plans for agencies, if so directed by CTB
 - Requires biannual reporting to inform the public and CTB
- **Last updated:** December 2021 (ditto changes suggested in 2025 but not adopted)
- **For more information:** [Strategic Actions | VTrans](#)

2021 Strategic Action Examples	Responsible Entity(s)
1. Collect data (e.g., right-of-way mapping, precipitation, roadway elevation, etc.) to accurately assess flooding risks for state- and locally maintained roadways that can be used to identify funding needs and prioritize investment.	VDOT
2. Develop policies , based on robust data collection and analysis, to ensure that flooding risks are reflected in the transportation asset life cycle and/or transportation project planning processes.	VDOT, DRPT
3. Collaborate with state/regional agencies to systematically identify solutions that facilitate consistent and systematic prioritization and support the allocation of state resources to address flooding risks.	VDOT, DRPT

Mid Year Needs and Priorities

aka the "VTrans Priority 1/2" part

- **What it is:** A process to identify where needs exist and then prioritize which road segments are the highest need (see table for need categories and weights).
- **Updated last:** April 2025 (small method and data updates to match SS policy updates). Data updated Oct 2025
- **What it impacts:**
 - **Smart Scale:** Determines if project can be submitted to SS + indicates where you could get a high score (discussion)
 - **Pipeline:** Makes a project eligible for Pipeline Studies if P1/2
 - **Revenue Sharing:** Helps projects get higher ranking in that program process.
 - **VDOT/DRPT:** “VDOT/DRPT should only spend other dollars on Priority 1 for advanced activity and project development” (waivers exist)
 - **Localities/MPOs** – many use it to inform their own processes

Board-adopted VTrans Need Category	Weighting - Statewide	Weighting*** Construction District Priority			
	COSS	Type A	Type B	Type C	Type D
Congestion Mitigation	25%	25%	15%	15%	5%
Roadway Safety**	25%	10%	15%	25%	35%
Improved Reliability (Highway)	15%	20%	10%	5%	5%
Transportation Demand Management	15%	10%	10%	10%	10%
Capacity Preservation	10%	3%	10%	15%	15%
Improved Reliability (Intercity and Commuter Rail)	10%				
Transit Access for Equity Emphasis Areas		6%	6%	4%	3%
Transit Access to Activity Centers		6%	6%	4%	3%
Pedestrian Access to Activity Centers		6%	6%	4%	3%
Bicycle Access to Activity Centers		6%	6%	4%	3%
Pedestrian Safety**		5%	5%	5%	5%
Access to Industrial and Economic Development Areas*		3%	10%	10%	15%
TOTAL	100%	100%	100%	100%	100%

* Only considered in Urban Development Areas

** Considered on all roads, regardless of COSS or RN status

*** Some rounding for presentation simplicity. I.E – 2.5% is rounded to 3%.

Mid Year Needs and Priorities - Example

Deeper Dive on Methods - Congestion

Congestion Mitigation (Limited Access COSS)

- Percent person-miles travelled in excessively congested areas
- Measure: % of travel where observed speed is 25% below posted speed limit during the 4 hours of peak.
 - If speed limit is 60mph, and 2 hours of peak is <45mph, then this segment would get a score of 50% (2 out of 4 hours)
 - Sources: INRIX for observed speed, VDOT TMS for volume, FHWA/VA Supplement for occupancy, VDOT for speed limit.
- If the outcome is >2%, then the COSS is flagged as “Needs Congestion Mitigation.” Now it’s eligible for Smart Scale. The percentage measure then feeds your overall score (see next slide) and prioritization within COSS.
- RNs have different weightings (by area type) and are ranked within each RN.



On this road segment near Chilhowie, 2.62% of travel is more than 25% below the posted speed limit.

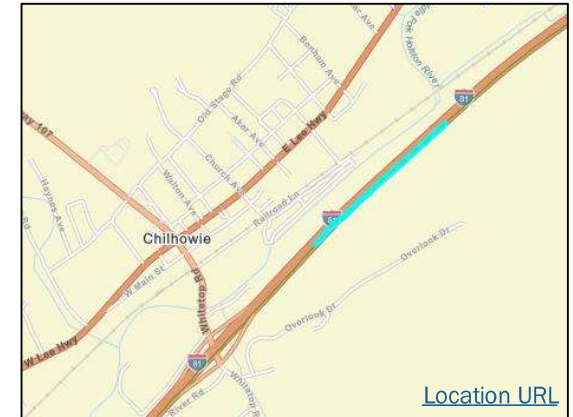
Example in Bristol District (segment of I-81 near Chilhowie)

Need Category	Raw Score (unit)	Normalized Score	COSS Priority Weight	Score
Congestion Mitigation	2.62%	1	25%	0.25
Travel Time Reliability	N/A	0	15%	
Rail On-time Performance	N/A	0	10%	
Capacity Preservation	N/A	0	10%	
Transportation Demand Management	1255 (# of intra-RN trips in a typical three-day period)	2	15%	0.30
Safety	6 (# of F/SI crashes)	2	25%	0.50
Statewide Priority Score (Unadjusted)				1.05
Adjustments				
Co-located pavement-related need	N/A			
Co-located bridge-related needs	N/A			
Exposure to flooding risk	N/A			
Economic Distressed	Medium (.035 additional pts)			
Statewide Priority Score (Adjusted)				1.087

First scores are normalized and weighted (similar to Smart Scale)

Second, bonus points are added for certain conditions to create the final score.

Third, the final score is put in its percentile bracket for its group (in this case, all CoSS statewide). This segments' score is in the bottom 85%, so it is Priority 4.



Priorities are ranked in different “markets” to allow each region to have its own priorities flagged as P1, P2

Corridors of Statewide Significance (CoSS) Example: I-64	Regional Networks (RN) Example: HRTPO	Urban Development Area (UDA) Example: Union Hall UDA in Franklin County
Designated by CTB policy. Allows state to rank priorities within this statewide group.	Per code - MPO boundaries + rest of county if one portion is in MPO. Allows ranking and prioritization within one region.	Per code, designated areas for high density, other criteria. Allows ranking and prioritization within one area.
How updated? Ad hoc based on CTB vote. Such updates have happened twice in the past.	How updated? Automatically updated following MPO boundary update.	How updated? Locally driven.

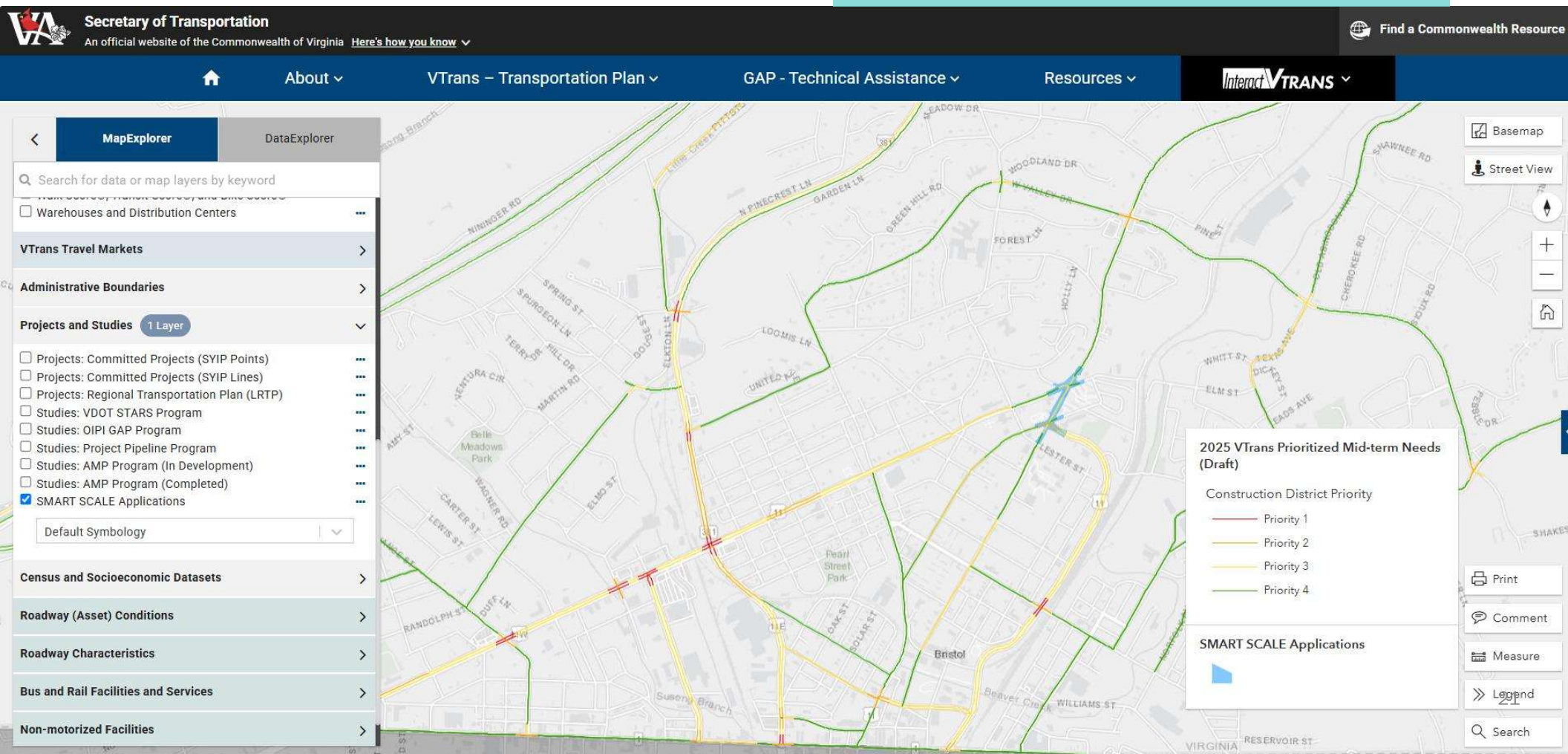
How is VTrans shared with others?

Requirements for sharing and publication

- **Share with GA/Governor** → § 33.2-353(C) – “The plan shall incorporate the measures and goals of the approved long-range plans developed by the applicable regional organizations. Each such plan shall be summarized in a public document and made available to the general public upon presentation to the Governor and General Assembly.”
- **Share with CTB** → The CTB needs to approve VTrans changes. **Thus – it is up to you what material you want to see.** There is no requirement that what is shared with you be in a certain format. **Please tell us with some lead time!**
- **Share with public** →
 - The only requirement is the same “summary” that is shared with the GA/Governor
 - For Mid Term needs – Practically, the industry need access to detailed geospatial data to understand how to use VTrans Mid Term needs in their work. Therefore, VTrans team has developed a digital portal that contains this detailed GIS data. Most users access this via our digital files and webportal (see next page)
 - The web portal also contains interactive materials that take users through the other sections of VTrans.

How can this information be accessed?

- ▶ This map, referred to as the 2025 Prioritized VTrans Mid-term Needs, shows roadways with Construction District Priorities in Bristol. Past SMART SCALE applications are also highlighted.



How can this information be accessed?

- ▶ This map, referred to as the 2025 Prioritized VTrans Mid-term Needs, shows Construction District P1 and P2 statewide (Regional Networks + UDAs + Safety).

The screenshot displays the Virginia Secretary of Transportation website. The header includes the VA logo, the title "Secretary of Transportation", and the text "An official website of the Commonwealth of Virginia" with a link "Here's how you know". A navigation bar contains links for "About", "VTrans – Transportation Plan", "GAP - Technical Assistance", "Resources", and "Intermodal VTRANS". A search bar in the top right corner says "Find a Commonwealth Resource".

The main content area features a map of Virginia with orange and red lines indicating transportation needs. On the left, a sidebar titled "MapExplorer" contains a search bar and a list of layers. The "VTrans Mid-Term Needs and Priorities" section is expanded, showing a "1 Layer" button and a list of layers. The "2025 VTrans Prioritized Mid-term Needs (Draft)" layer is selected and marked as "New". Below this, there are checkboxes for various other VTrans Mid-term Needs layers, including "2025 VTrans Mid-term Needs", "2023 VTrans Prioritized Mid-term Needs", "2023 VTrans Mid-term Needs", "2021 VTrans Mid-term Needs", "2019 VTrans Prioritized Mid-term Needs", "2019 VTrans Mid-Term Needs (Nodes)", and "2019 VTrans Mid-Term Needs (Segments)".

Other sidebar sections include "Performance Measures and Indices", "VTrans Travel Markets", "Administrative Boundaries", "Projects and Studies", "Census and Socioeconomic Datasets", "Roadway (Asset) Conditions", and "Roadway Characteristics".

On the right side of the map, there are controls for "Basemap", "Street View", a compass, zoom in/out buttons, a home button, and a search bar. At the bottom right, there are buttons for "Print", "Comment", "Measure", "Legend", and a search bar.

How can this information be accessed?

- ▶ This map, referred to as the 2025 Prioritized VTrans Mid-term Needs, shows COSS P1 and P2 statewide.

Secretary of Transportation
An official website of the Commonwealth of Virginia [Here's how you know](#) ▼

[Find a Commonwealth Resource](#)

[Home](#) [About](#) [VTrans – Transportation Plan](#) [GAP - Technical Assistance](#) [Resources](#) **Interact VTRANS**

MapExplorer DataExplorer

Search for data or map layers by keyword

VTrans Mid-Term Needs and Priorities 1 Layer ▼

☒ 2025 VTrans Prioritized Mid-term Needs (Draft) **New** ...

Statewide Priority | ▼

Multiple × | ▼

☐ 2025 VTrans Mid-term Needs **New** ...

☐ 2023 VTrans Prioritized Mid-term Needs ...

☐ 2023 VTrans Mid-term Needs ...

☐ 2021 VTrans Mid-term Needs ...

☐ 2019 VTrans Prioritized Mid-term Needs ...

☐ 2019 VTrans Mid-Term Needs (Nodes) ...

☐ 2019 VTrans Mid-Term Needs (Segments) ...

Performance Measures and Indices >

VTrans Travel Markets >

Administrative Boundaries >

Projects and Studies >

Census and Socioeconomic Datasets >

Roadway (Asset) Conditions >

Roadway Characteristics >

Basemap

Street View

Print

Comment

Measure

Legend

Find address or place

Search

What's next on VTrans?

- Deeper dive on any section of VTrans in future workshop if desired
- We will share updates on the progress of Strategic Actions in an upcoming meeting and at that time give recommendations on what changes should be considered for that list.
- Midterm bi-annual data refresh will be complete in October '27 (no CTB input necessary, but we will review outcomes for your district with you if desired)
- New report to Governor by or before December 2029. The CTB decides if there will be updates to existing VTrans policies or not, and/or if we want to do this update sooner.

Appendices

Key Policies Governing VTrans – Needs Identification and Prioritization

- ▶ **In January 2020, CTB adopted need categories and criteria to determine a transportation need.**
 - ▶ VTrans identifies the problem, not the solution. Localities propose solutions to the identified needs for evaluation in the SMART SCALE and VDOT's Revenue Sharing programs.
 - ▶ The identified needs are specific; they are not prescriptive to allow for context-sensitive solutions.

- ▶ **In March 2021, the CTB developed a policy to prioritize the needs and locations.**
 - ▶ With a recognition that the Commonwealth has limited resources to address all needs simultaneously, a policy to establish priority locations was established.
 - ▶ CTB directed VDOT and DRPT's advance planning and project development activities for capacity expansion solutions to be focused on VTrans Priority 1 locations.

- ▶ **In December 2021, CTB policy required that outputs of VTrans policies be utilized by OIPI, VDOT, and DRPT for statewide planning activities and for developing or modifying practices and Board policies.**
 - ▶ CTB directed OIPI to identify solutions for Priority 1 and 2 locations as part of the Project Pipeline program.

- ▶ **In April 2025, the CTB made a modification to the prioritization policy.**

Appendix - Goals and Objectives (Goal A)

Goals	Objectives
Goal A: Transportation System Safety Reduce fatalities and serious injuries to make the transportation network safer for the traveling public	A.1. Reduce the number and rate of motorized fatalities and serious injuries through implementation of the Strategic Highway Safety Plan. A.2. Reduce the number of non-motorized fatalities and serious injuries through implementation of the Strategic Highway Safety Plan. A.3. Reduce fatalities and serious injuries by implementing annual Safety Performance Targets in Public Transportation Agency Safety Plans.

Adopted in April 2025

Appendix - Goals and Objectives (Goal B)

Goals	Objectives
Goal B: System Preservation Provide well-maintained and managed transportation infrastructure and services across the Commonwealth.	B.1. Obtain the following outcomes through the implementation of the recommendations from VDOT’s Maintenance and Operations Comprehensive Review. - Meet long-term sustainable pavement and bridge performance targets adopted by the Board. - Maintain VDOT’s special structures in accordance with the annually updated 50-year special structures plan. - Meet routine maintenance best practices performance metrics. B.2. Ensure transit state of good repair through the prioritization of investments and implementation of performance targets in Transit Asset Management plans B.3. Ensure transit state of good repair through the prioritization of state capital investments in public transportation. B.4. Maximize the benefits of the Rail Preservation Fund through effective allocations to Class 2 (Shortline/Freight) and Class 3 (Passenger Rail) track improvements.

Adopted in April 2025

Appendix - Goals and Objectives (Goal C)

Goals	Objectives
Goal C: Economic Competitiveness through Travel Time Reliability Encourage economic competitiveness and prosperity by improving travel time reliability by minimizing congestion and considering modal options.	C.1. Improve travel time reliability and throughput by reducing the amount of travel that takes place in congested conditions by prioritizing performance-based investments, including operational improvements. C.2. Improve freight throughput through the implementation of the Virginia Freight Plan and 2022 Statewide Rail Plan. C.3. Improve transit efficiency and effectiveness by implementing system-wide and route-level performance standards established in Transit Strategic Plans and Transit Development Plans.

Adopted in April 2025

Appendix - Goals and Objectives (Goal D)

Goals	Objectives
Goal D: Inter-Connected Systems and Services Provide an integrated multimodal transportation system for better accessibility and travel options.	D.1. Create multimodal redundancy to support network resiliency by providing alternative modes of travel where appropriate. D.2. Increase bus ridership by improving bus stop condition and accessibility. D.3. Enhance freight rail movements to support economic development and freight fluidity for the Port of Virginia by implementing the 2022 Statewide Rail Plan. D.4. Support economic development initiatives through investments in site accessibility.

Adopted in April 2025

Appendix - Goals and Objectives (Goal E)

Goals	Objectives
Goal E: Environmental Stewardship Provide transportation solutions that enhance the quality of life while preserving agricultural, natural, historical, and cultural resources.	E.1. Deliver transportation solutions that consider watershed impacts, habitat preservation, and required environmental regulatory review. E.2. Implement solutions to support the attainment of National Ambient Air Quality Standards.

Adopted in April 2025

Appendix – 2021 VTrans Strategic Actions (Related to Climate Megatrend)

2021 Strategic Action	Responsible Entity(s)
1. Collect data (e.g., right-of-way mapping, precipitation, roadway elevation, etc.) to accurately assess flooding risks for state- and locally maintained roadways that can be used to identify funding needs and prioritize investment.	VDOT
2. Develop policies , based on robust data collection and analysis, to ensure that flooding risks are reflected in the transportation asset life cycle and/or transportation project planning processes.	VDOT, DRPT
3. Collaborate with state/regional agencies to systematically identify solutions that facilitate consistent and systematic prioritization and support the allocation of state resources to address flooding risks.	VDOT, DRPT

Adopted in December 2021

Adopted in April 2025

Appendix – 2021 VTrans Strategic Actions (Related to Technology Megatrend)

2021 Strategic Action	Responsible Entity(s)
4. Evaluate options to gather vehicle automation and capability data for the state’s registered vehicle fleet to develop a more complete and accurate assessment of risks and opportunities associated with automated vehicles.	VDOT
5. Develop a roadmap for implementing foundational digital practices , such as digital-as-builts and information management processes, for capturing asset information for transportation infrastructure.	VDOT, DRPT
6. Evaluate and facilitate desirable deployment of vehicle-to-infrastructure communications along limited-access highways by the private sector.	VDOT
7. Evaluate opportunities to provide access to the available real-time or up-to-date state transportation asset and operations data in digital formats for use by the public and industry partners to support autonomous vehicle deployment.	VDOT, DRPT
8. Identify and develop solutions to address barriers to the installation of electric vehicle charging infrastructure by the private sector.	OIPI
9. Evaluate and establish sidewalk and curb management best practices for state-owned roadways and promote them for locality-owned roadways.	OIPI

Adopted in December 2021

Appendix – 2021 VTrans Strategic Actions (Related to Mid-term Needs)

2021 Strategic Action	Responsible Entity(s)
10. Formalize a process for comprehensive needs identification and prioritization for the § 33.2-372: Interstate Operations and Enhancement Program, utilizing the transportation planning policies established by the CTB in VTrans.	OIPI
11. Evaluate the performance of selected construction projects from the SMART SCALE, Interstate Operations and Enhancement Program, Virginia Highway Safety Improvement Program, and DRPT's MERIT program to determine whether the selected projects are providing the anticipated benefits and to support efforts to continue to improve project evaluation criteria and methods.	OIPI
12. Establish a regular study cycle for Project Pipeline studies , as defined in the CTB Policy for the Prioritization of VTrans Mid-term Needs adopted in March 2021, to include solutions for the most up-to-date VTrans Priority 1 and Priority 2 locations.	OIPI

Adopted in December 2021

Appendix – 2021 VTrans Strategic Actions (Related to VTrans Guiding Principles)

2021 Strategic Action	Responsible Entity(s)
13. Evaluate the feasibility of and alternatives to a combined dashboard to monitor the performance and delivery of projects and programs included in the Six-Year Improvement Program).	VDOT, DRPT
14. Evaluate and, if feasible, integrate the remaining application-based highway and transit capital funding programs and transit operating funding programs administered by OIPI, VDOT, and DRPT into the SMART PORTAL to provide one-stop access to the state’s funding programs.	VDOT, DRPT, OIPI

Adopted in December 2021

Appendix – 2021 VTrans Strategic Actions (Related to Long-term Risks and Opportunities)

2021 Strategic Action	Responsible Entity(s)
15. Identify and clarify the roles and responsibilities of the state transportation agencies related to emerging areas, such as curb management, shared mobility, drones, etc., to ensure greater focus.	OIPI
16. To methodically address items in the 2021 VTrans Risk & Opportunity Register, formalize OIPI's role in supporting and advising the CTB in the conduct of CTB business, and develop a comprehensive transportation policy as required by § 2.2-229.	OIPI

Adopted in December 2021



2026 MAINTENANCE AND OPERATIONS COMPREHENSIVE REVIEW PAVEMENTS AND BRIDGES

| Stephen C. Brich, P.E., Commissioner of Highways

July 21, 2026

BLUF: 2026 Maintenance and Operations Comprehensive Review – Re-baselining

To Date:

April 2026: Overview of the 2019 Comprehensive Review

1. Pavements
2. Bridges
3. Investments (Maintenance and Operations Program/State of Good Repair Program)

May 2026: Continued the 2019 Overview of the Comprehensive Review

1. Routine Maintenance
2. Emergencies
3. Explained the tensions experienced since 2019

Today:

July 2026: Re-baselining

1. Pavements and Bridges
2. Scenarios modeled
3. Investments
 - Maintenance and Operations Program
 - State of Good Repair Program
 - other Construction Program projects
4. No CTB action required

Why are we here today?

2026 Maintenance and Operations Comprehensive Review

Business focus

Shift from short term improvements to long-term performance –
impact on future generations

Need to get back to basics

Investment Strategy – Long-Term Sustainable Performance of Assets

Re-baseline the investment strategy ensuring the performance sustainability

- Pavements
- Bridges

Investments

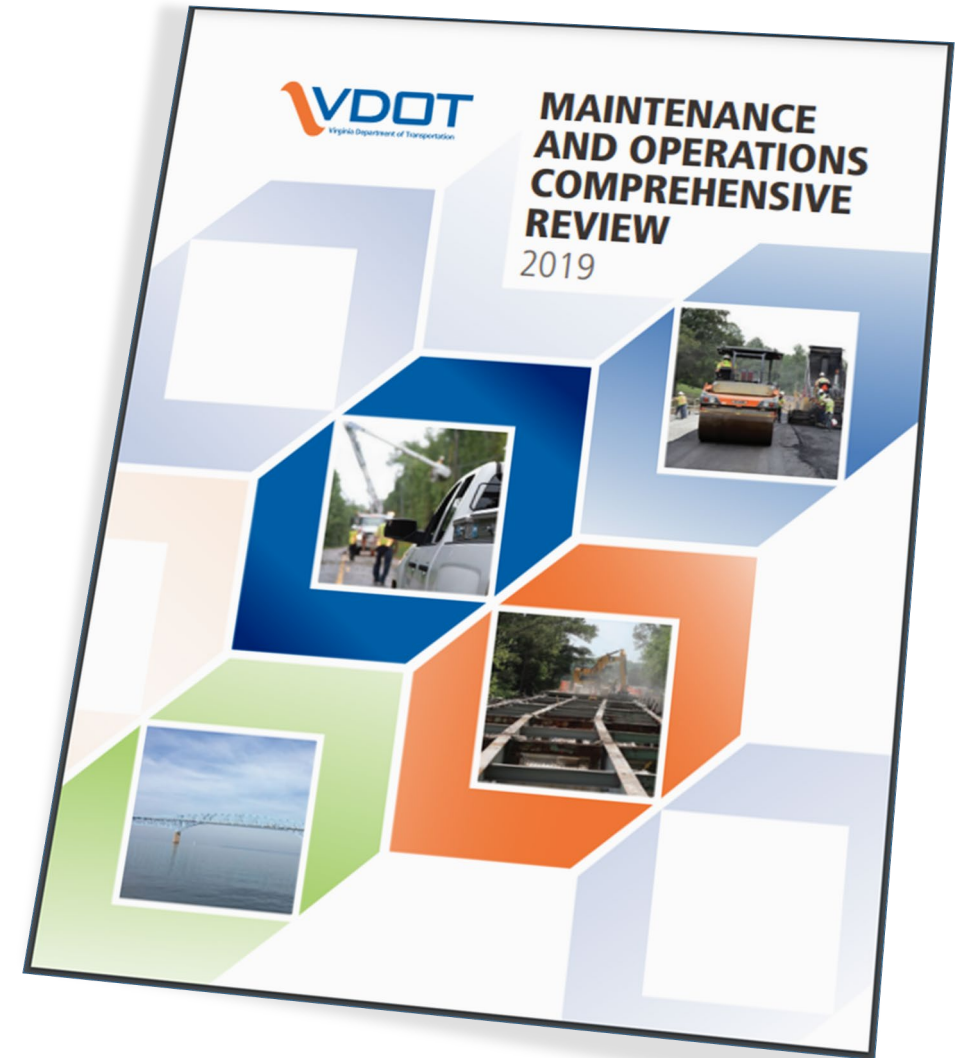
Maintenance and Operations Program

Construction Program

- State of Good Repair Program
- Other SYIP funding

Six Years of Operational Experience

Updated Investment Scenarios



Comprehensive Review

- **Network Overview**
- **Pavements**
- **Bridges**

Network Overview

Roadways in Virginia

Earliest Road Crews



Route 1 near Dumfries



1919



1930



1989



2006

Roadways in Virginia

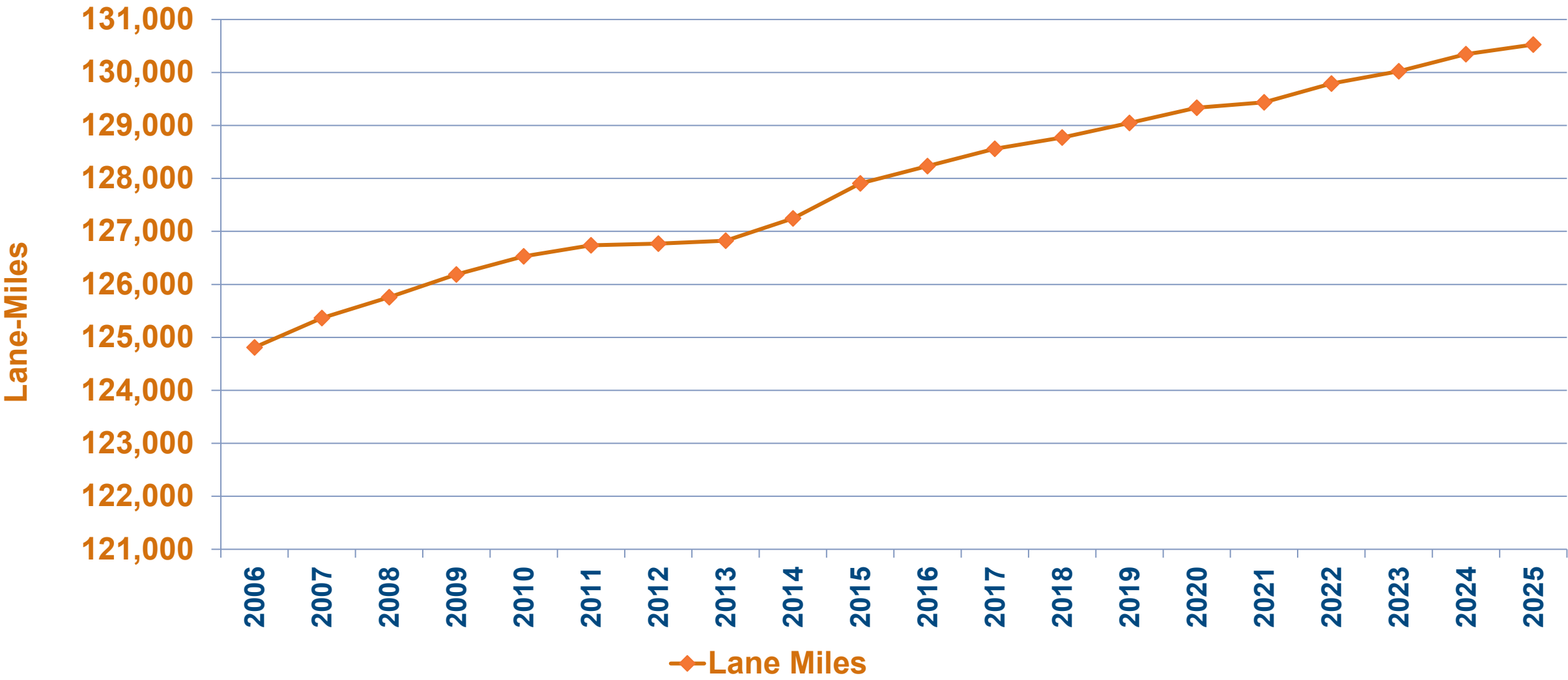


**I-81 Corridor
Interstate Construction
1964**

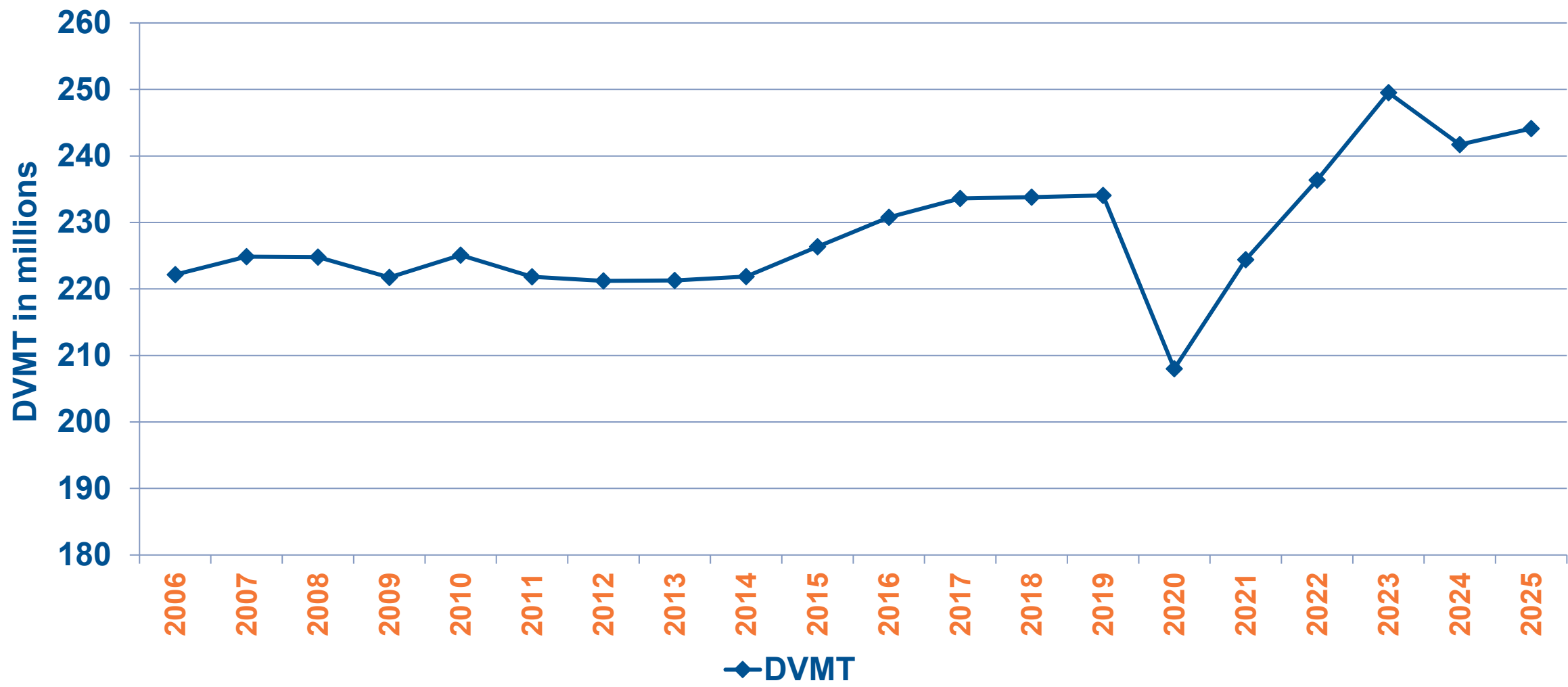
**Route 460 Giles County
Constructing 2 lane miles
1969**



Current Trends: VDOT Maintained Lane Miles (increased inventory)



Current Trends: Daily Vehicle Miles Traveled (DVMT) (increased usage)



Current Trends: Truck Loads

Trucks are getting heavier and the inventory is aging

- Many pavements and bridges were designed for 80,000 lbs. or less
- 91,000 lb. legal loads have been proposed



Vehicle Trends Impacting Structures

Community Service Vehicles

School Bus



Garbage Truck



Typical Hauling Vehicles



Emergency Vehicles



Two Axles

Three Axles



Utility Vehicles



Special Hauling Vehicles



Four Axles

Six Axles

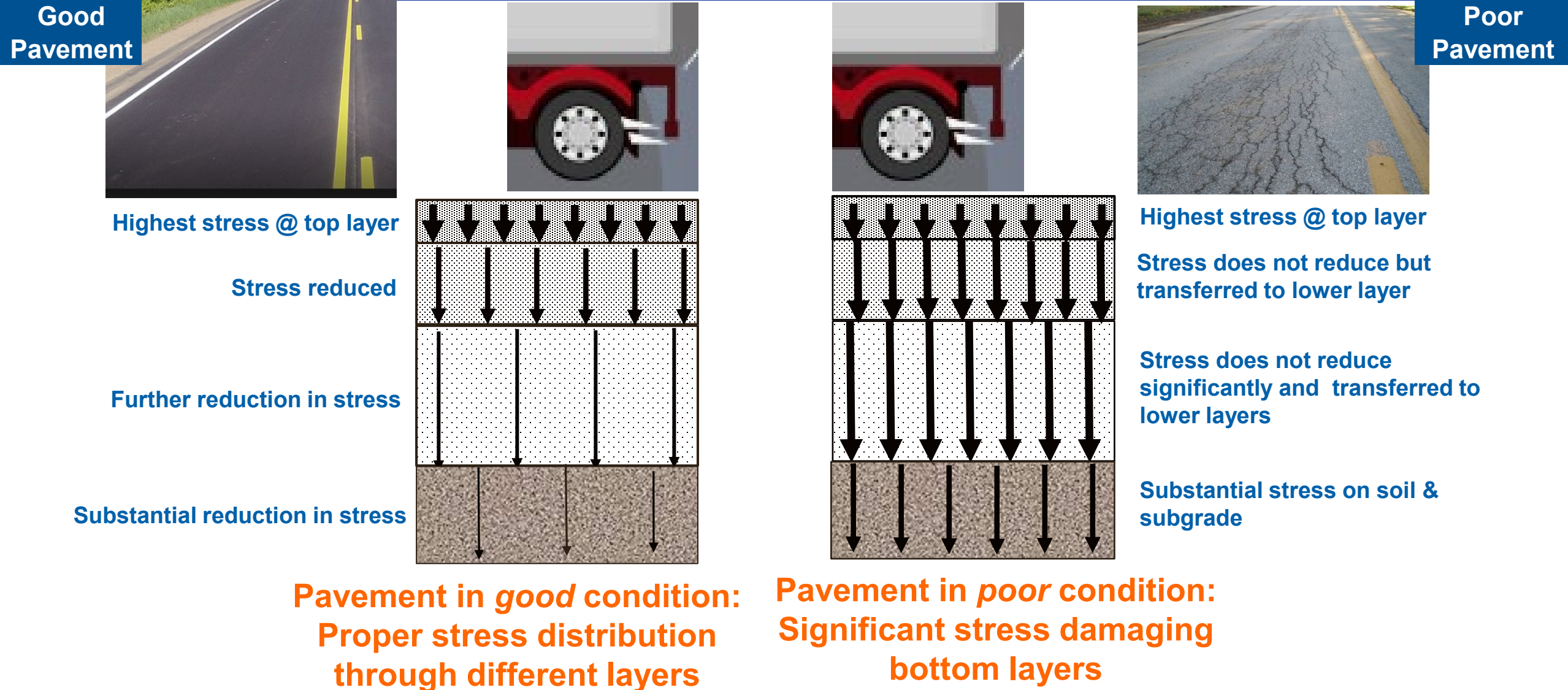


Five Axles

Seven Axles



Stress Distribution – Pavement Example

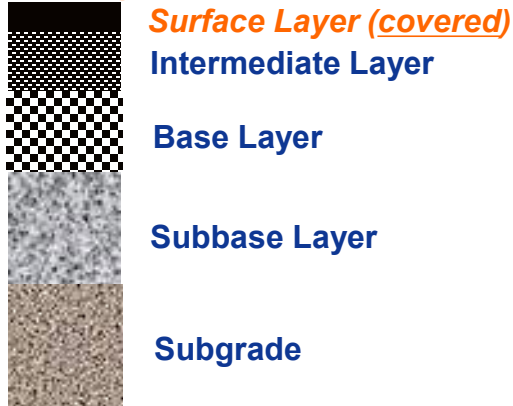


Pavement Treatment: Maintenance Activities

Preventive (PM)



Typical Range: CCI: 80-90

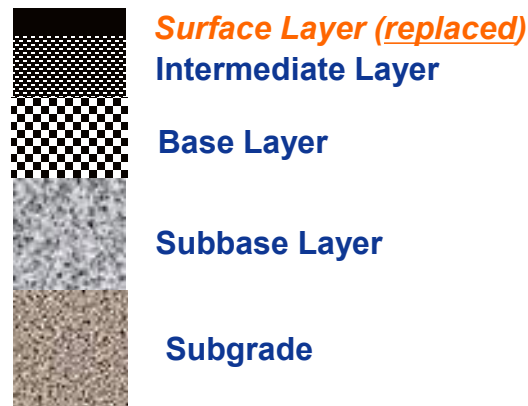


- Preserves pavements in good condition at low costs
- Addresses minor distresses on the surface
- Examples: Minor patching, crack sealing, surface treatment, and latex

Corrective (CM)



CCI: 55-65



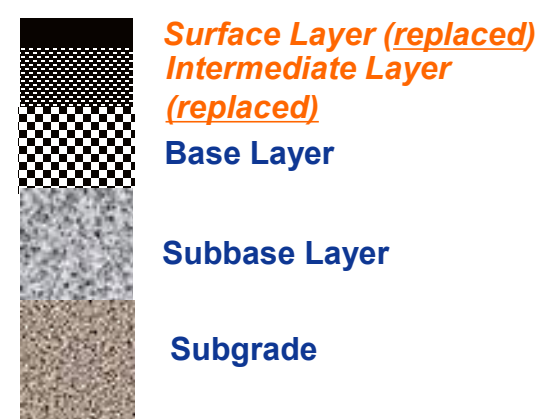
- Addresses moderate distresses
- Treatment usually replacement of the surface layer
- Examples: Moderate patching and overlay, Mill and overlay (typically 1.5" to 2")

4 x more expensive than PM

Restorative (RM)



CCI: 45-55



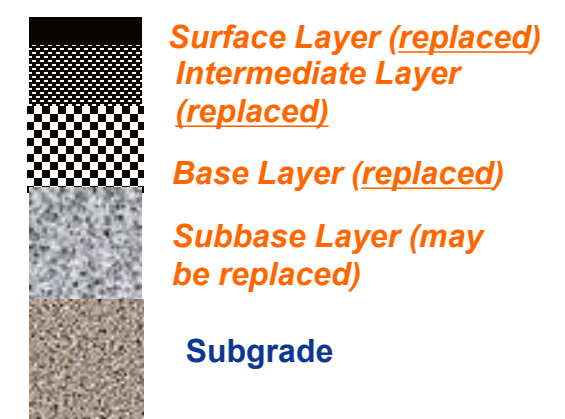
- Addresses moderate to heavy distresses
- Treatment usually replacement of two or more asphalt layers
- Examples: Full depth patching and overlay, Mill and overlay (4" or more), Cold-in-place recycling

2 x more expensive than CM

Reconstruction (RC)



CCI: < 35



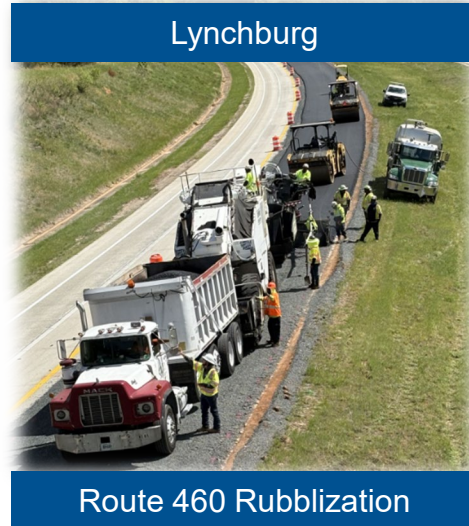
- Addresses pavements with heavy distresses or in failed condition
- Treatment includes base and/or subbase repair
- Examples: Overlay replacing base layers, Break and seat of underlying concrete, Full depth recycling

2 x more expensive than RM

Current Trends: Bridge and Pavement Increases – 2019 - 2026

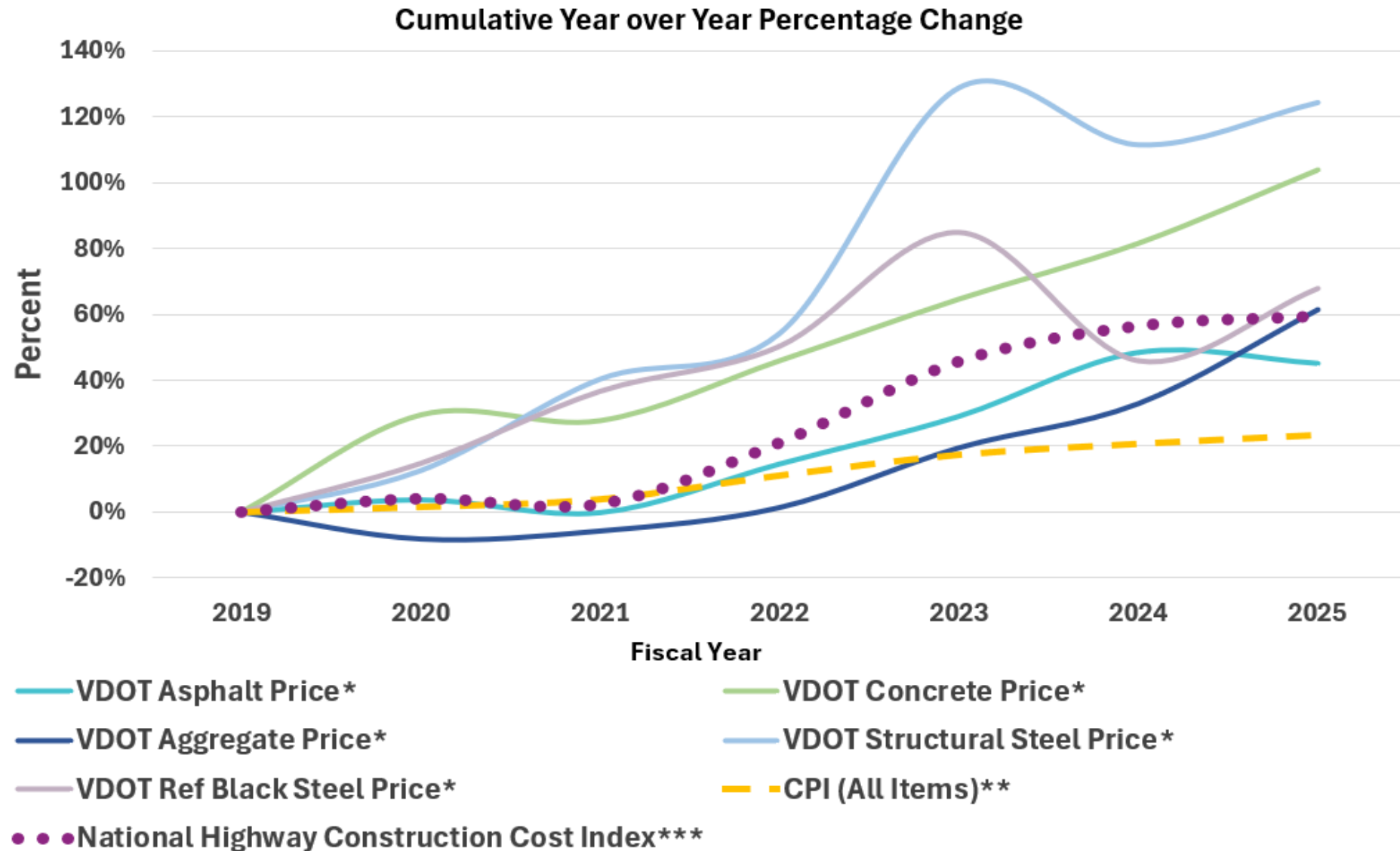


Bridge	2019 \$	2026 \$	Unit	% Increase
Concrete Slab Contract	\$129	\$236	SF	83%
Type B Patching	\$819	\$2,039	SY	149%
Overlay (Latex) - Furnish	\$1,191	\$1,878	SY	58%
Overlay (Latex) - Place	\$76	\$117	SY	55%
Cr Reinf. Steel Cl. I Spr. Struct. Const.	\$3	\$5	LB	47%
Cr Reinf. Steel Cl. Iii Spr. Struct. Const.	\$4	\$6	LB	58%
Epoxy Overlay	\$56	\$195	SY	249%
Structural Steel	\$73	\$88	LB	20%
Concrete Class A3, Substructu. Const.	\$1,159	\$2,341	CY	102%
Expansion Joint Reconstruction High Early Strength Concrete	\$385	\$744	LF	93%
High Early Strength Concrete Patching Type B	\$735	\$1,825	SY	148%



Pavement	2019 \$	2026 \$	Unit	% Increase
Base Mixes	\$81.46	\$110.18	Ton	35%
Intermediate Mixes	\$73.21	\$100.90	Ton	38%
Latex Modified - B	\$277.53	\$371.49	Ton	34%
Latex Modified - C	\$213.91	\$303.14	Ton	42%
Modified Double Seal	\$2.16	\$3.18	SY	47%
Modified Single Seal	\$1.30	\$2.21	SY	70%
Planing 0-2"	\$1.75	\$2.17	SY	24%
Planing Above 2-4"	\$2.94	\$3.47	SY	18%
Shoulder Stones	\$35.09	\$54.21	Ton	54%
Slurry Seal - A	\$2.27	\$3.51	SY	55%
Slurry Seal - B	\$2.14	\$3.12	SY	46%
Slurry Seal - C	\$2.25	\$3.29	SY	46%
SMA	\$115.19	\$158.45	Ton	38%
SMA-19.0	\$103.66	\$205.00	Ton	98%
Surface Mixes	\$74.93	\$110.35	Ton	47%
Tack	\$1.39	\$3.01	Gal	117%
Pavement marking Thermoplastic	\$0.90	\$0.99	LF	10%
Pavement marking B-6 tape	\$3.48	\$5.08	LF	46%
Pavement marking Latex	\$0.07	\$0.11	LF	57%

Current Trends: Commodities Price Change vs CPI vs NHCCI



*The Balmoral Group, based on data provided by VDOT

**U.S. Bureau of Labor Statistics (BLS)

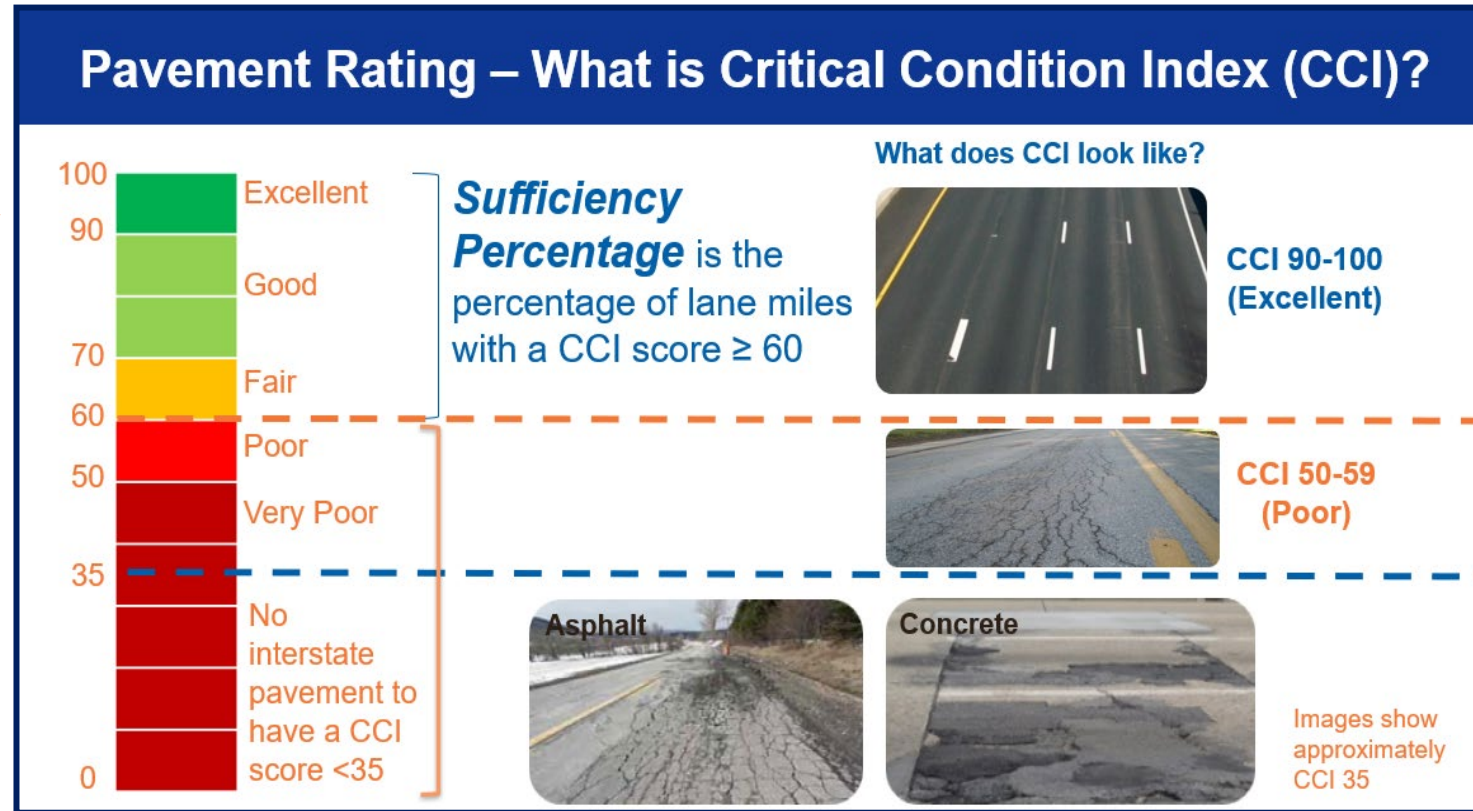
***Federal Highway Administration (FHWA)

Pavements

2019 Comprehensive Review: Summary of Findings

1. Performance targets for an acceptable level of service (20-year outlook)

- **Critical Condition Index (CCI)** to measure comprehensive pavement condition
- **Annual data collection** on all Interstate, Primary and parts of the Secondary network
- **Determination of %Sufficiency by system**
 - Interstate:**
 - %Sufficiency ≥ 82
 - No pavement section with CCI < 35
 - Primary:**
 - AADT ≥ 3500 - %Sufficiency ≥ 82
 - AADT < 3500 - %Sufficiency ≥ 75
 - Secondary:**
 - AADT $\geq 3,500$ - %Sufficiency ≥ 82
 - AADT < 3500 - %Sufficiency ≥ 60



2019 Comprehensive Review: Summary of Findings – Cont'd

2. Optimal investment strategy based on 2019 inventory & unit costs:

- \$463 M for the years 1 - 6 (in 2019 \$)
- \$499 M for the years 7 - 20 (in 2019 \$)

3. 2019 Summary - Pavement Target and Investment Recommendation

2019 Summary - Pavement Investment Options

2019 investment: \$425M per year, FY 2020

Targets, % Sufficiency			Avg. Total Cost per Year, \$ Millions					
IS	PR	SC	Years 1-6			Years 7-20		
			IS	PR	SC	IS	PR	SC
2019 Investment – Current Directive			88	171	227	111	193	203
82%	82%	65%	\$486			\$507		
			(\$61)			(\$82)		
Proposed Investment – Proposed Target			88	150	225	111	185	203
82%	82% for ≥ 3,500 75% for < 3,500	82% for ≥ 3,500 60% for < 3,500	\$463			\$499		
			(\$38)			(\$74)		

Current Directive

Proposed Targets

*All amounts in 2019 dollars

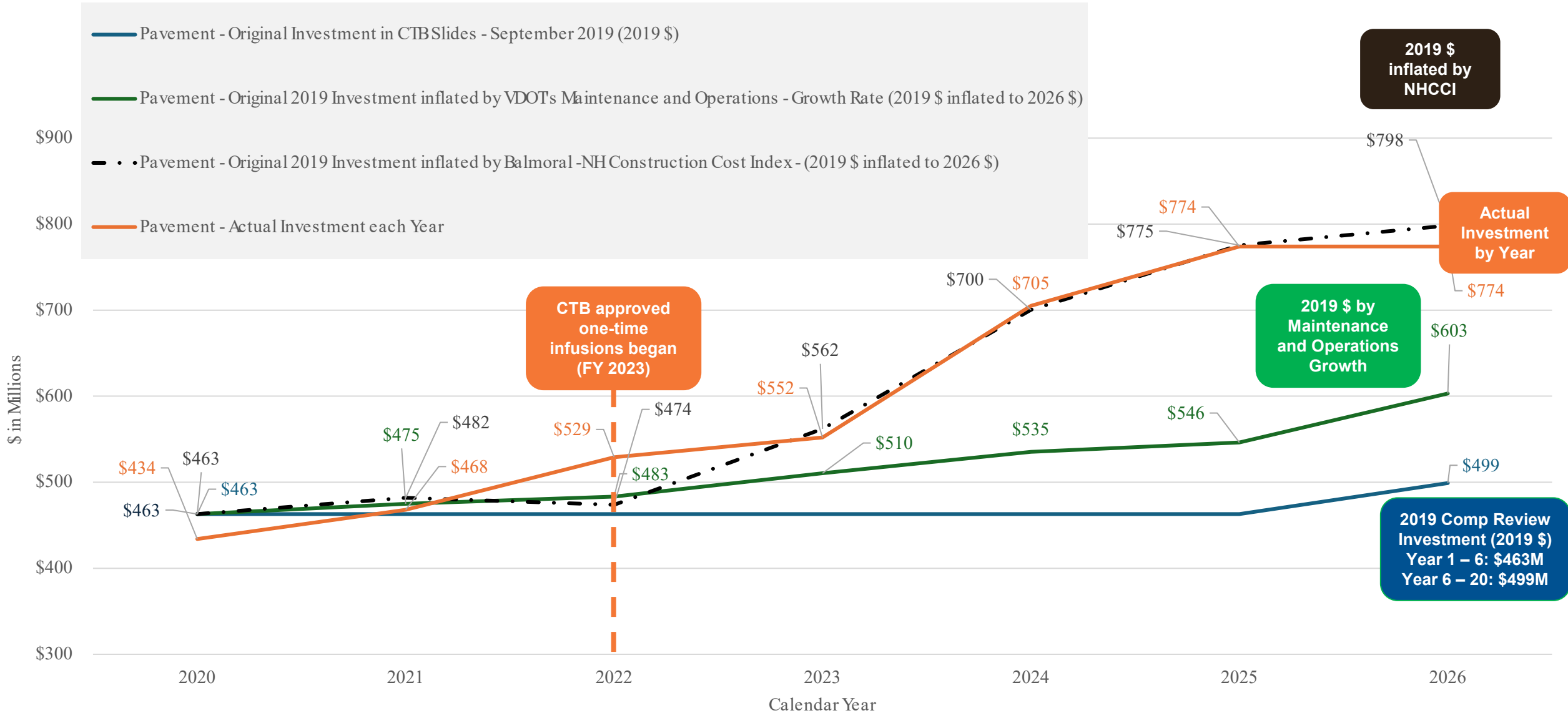
Pavement Investment Comparison 2019 to Current

1. 2019 Analysis held investment constant for comparison purposes
 - Values not meant to be held constant
2. Applying the Maintenance and Operations Growth Rate to the 2019 investment amounts (\$463M/\$499M), CTB pavement performance measures would not have been met
3. CTB approved one-time infusions beginning in FY 2023* into the Maintenance and Operations Program in order to meet CTB approved performance targets
 - These one-time infusions allowed the pavement program to keep pace with actual costs which correlates with NH Construction Cost Index
4. Maintenance and Operations Growth Rate and NH Construction Cost Index are not in alignment
 - NH Construction Cost Index is a better indicator of transportation costs

*February 2023 - CFO presentation to the CTB – pavement program crosses fiscal years

Pavement Investment since 2019 – Comparison (2020 – 2026)

2019 / Maintenance and Operations Growth Rate / NHCCI / Actual Investment



Goals of 2026 Re-Baseline

1. Are the 2019 performance metrics and targets appropriate?
2. How did the actual performance compare with the prediction?
3. Optimization of investment strategy
 - Based on current inventory, condition and unit costs
 - VDOT maintained pavements inventory – 130,527
 - Hard Surfaced pavement lane miles – 119,407
 - Interstate – 5,697
 - Primary - 22,051
 - Secondary – 91,659
 - All scenarios begin in 2028
 - See table for the four scenarios

Scenario Table

Scenarios	Description
1	Current Funding - \$600M (2026 \$) (Maintenance and Operations - \$529M and State of Good Repair Programs – avg \$70M)
2	Actual Investment - \$774M (2026 \$) – Continue current investment (Current Funding - \$600M plus CTB Approved additional funding)
3	Investment Needed to Meet Current 2019 CTB Approved Targets – Meet CTB Targets (Years 1-6: Average Annual \$825M / Years 7-20: Average Annual - \$853M / 2026 \$) Interstate: %Sufficiency: 82; No pavement section with CCI < 35 Primary: AADT ≥ 3,500; %Sufficiency: 82 AADT < 3,500; %Sufficiency: 75 Secondary: AADT ≥ 3,500; %Sufficiency: 82 AADT < 3,500; %Sufficiency: 60
4	Investment Need to Meet Current Interstate Performance and 2019 CTB Approved Targets for Primary/Secondary – Maintain Current Performance (Years 1-6: Average Annual \$833M / Years 7-20: Average Annual \$841M / 2026 \$) Interstate: %Sufficiency: 91; No pavement section with CCI < 35 Primary: AADT ≥ 3,500; %Sufficiency: 82 AADT < 3,500; %Sufficiency: 75 Secondary: AADT ≥ 3,500; %Sufficiency: 82 AADT < 3,500; %Sufficiency: 60

Changes Since 2019

1. Cost of services and goods have increased, outpaced inflation
2. Average age of the interstate system is 50 years. Aging inventory results in faster deterioration
3. Number of lane miles has increased between 2019 and 2026
 - Approximately 1500 additional lane miles – over 220 lane miles on the Interstate
4. Significant weather events in recent years have caused increased deterioration in pavements

Pavement	2019 \$	2026 \$	Unit	% Increase
Base Mixes	\$81.46	\$110.18	Ton	35%
Intermediate Mixes	\$73.21	\$100.90	Ton	38%
Latex Modified - B	\$277.53	\$371.49	Ton	34%
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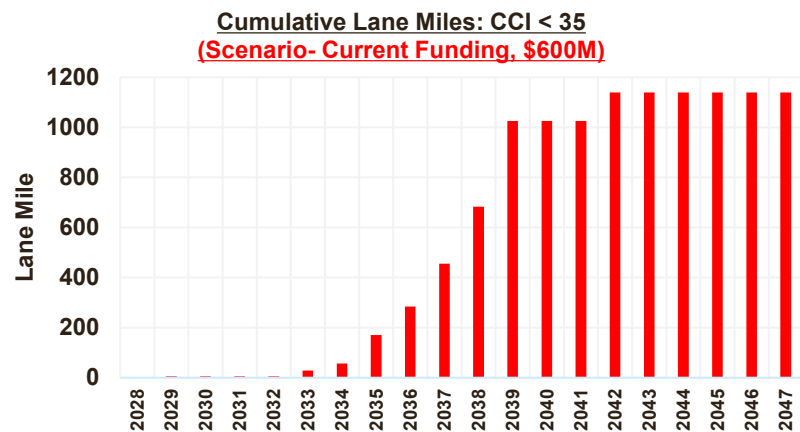
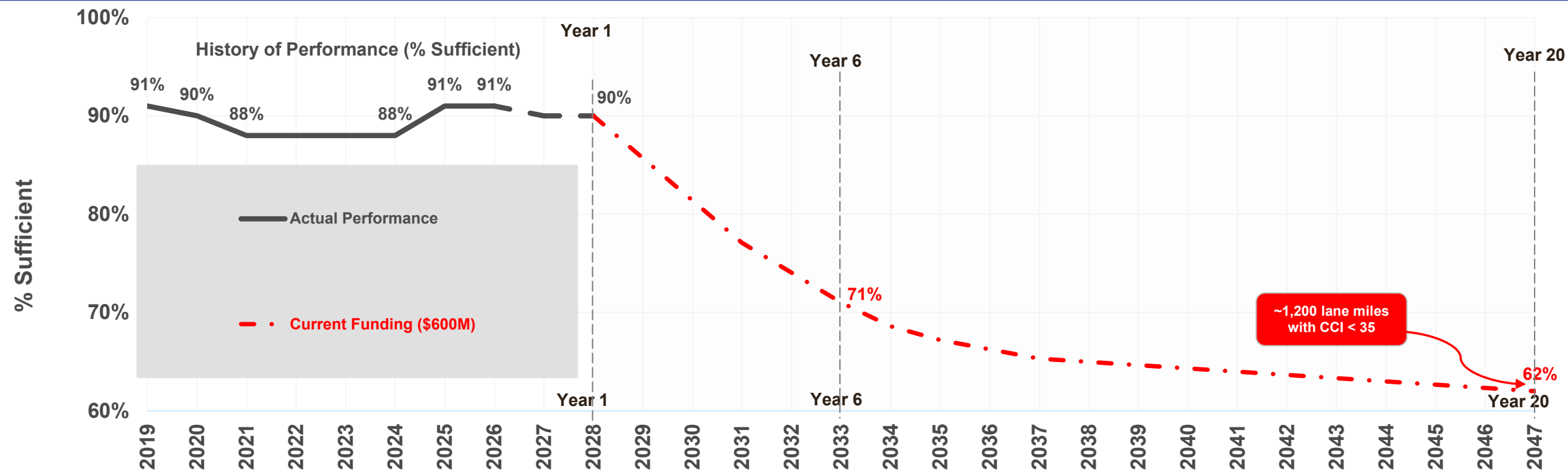
Pavement: Re-baseline Scenarios

INTERSTATE	Annually (2026 \$)		Total Average Amount over 20 Years (2026 \$)
	Average 1-6	Average 7-20	
Current Funding (\$600M)	\$118M	\$118M	\$2,360M
Actual Investment (\$774M)	\$148M	\$148M	\$2,960M
Investment Needed to Meet Current CTB Targets (\$825M/\$853M)	\$151M	\$179M	\$3,412M
Investment Needed to Maintain Current Performance (\$833M/\$841M)	\$159M	\$167M	\$3,292M

PRIMARY	Annually (2026 \$)		Total Average Amount over 20 Years (2026 \$)
	Average 1 – 20		
Current Funding (\$600M)	\$236M		\$4,720M
Actual Investment (\$774M)	\$307M		\$6,140M
Investment Needed to Maintain Current Performance (\$833M/\$841M) [Meet CTB Targets]*	\$330M		\$6,600M

SECONDARY	Annually (2026 \$)		Total Average Amount over 20 Years (2026 \$)
	Average 1 - 20		
Current Funding (\$600M)	\$246M		\$4,920M
Actual Investment (\$774M)	\$319M		\$6,380M
Investment Needed to Maintain Current Performance (\$833M/\$841M) [Meet CTB Targets]*	\$344M		\$6,880M

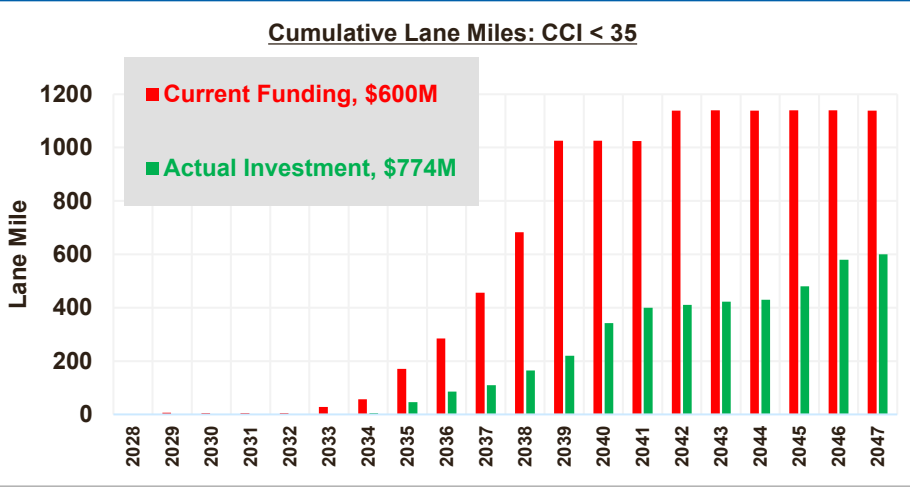
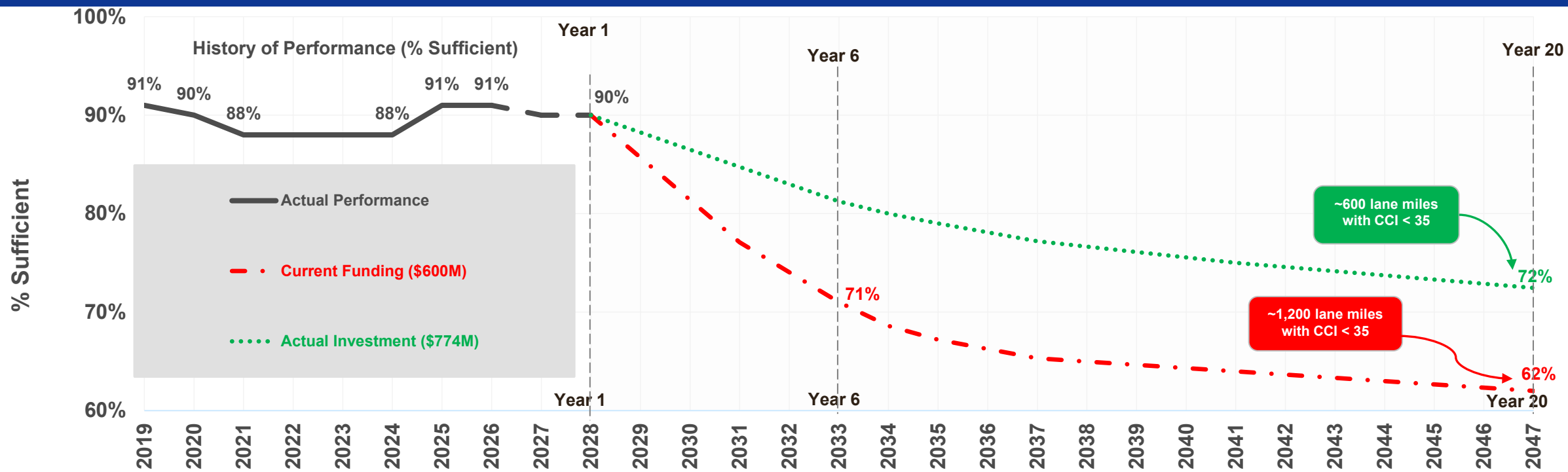
Interstate Network: 20-Year Outlook - 5,697 Lane Miles



Scenario	Annually (2026 \$)	Total 20 Years	Maintain CCI > 35 for the Analysis Period?
	Average 1-20		
Current Funding (\$600M)	\$118M	\$2,360M	No (~ 1200 lane miles accumulated CCI<35)



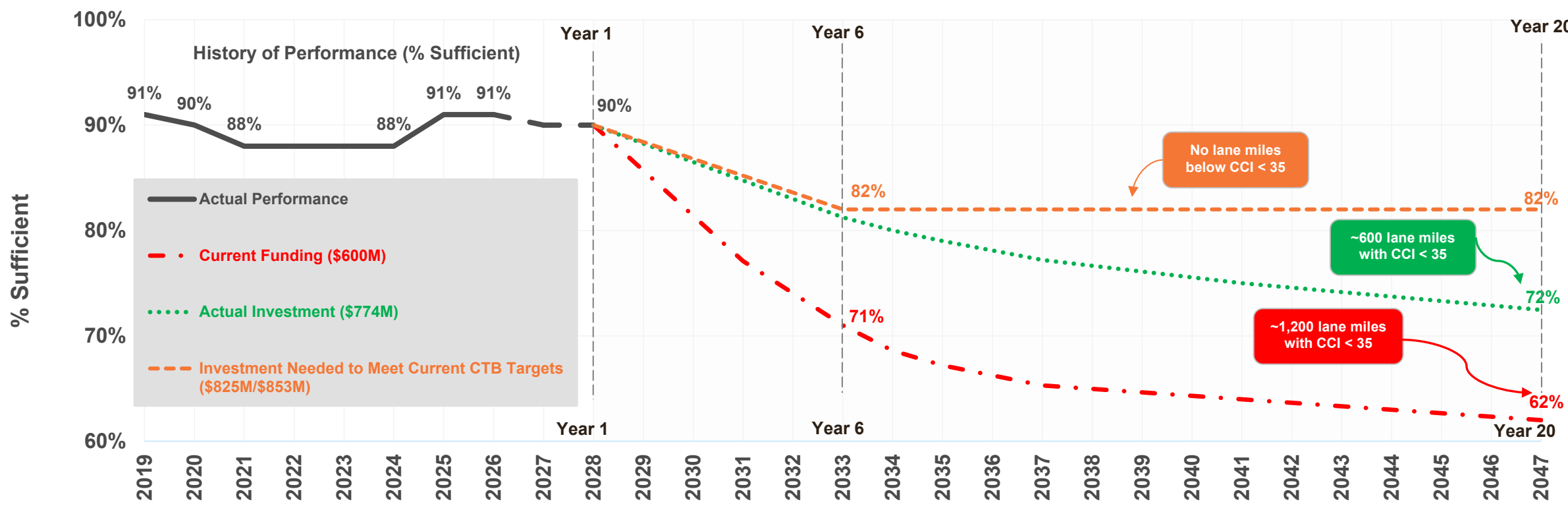
Interstate Network: 20-Year Outlook - 5,697 Lane Miles



Scenario	Annually (2026 \$)	Total 20 Years	Maintain CCI > 35 for the Analysis Period?
	Average 1-20		
Current Funding (\$600M)	\$118M	\$2,360M	No (~ 1200 lane miles accumulated CCI<35)
Actual Investment (\$774M)	\$148M	\$2,960M	No (~ 600 lane miles accumulated CCI<35)

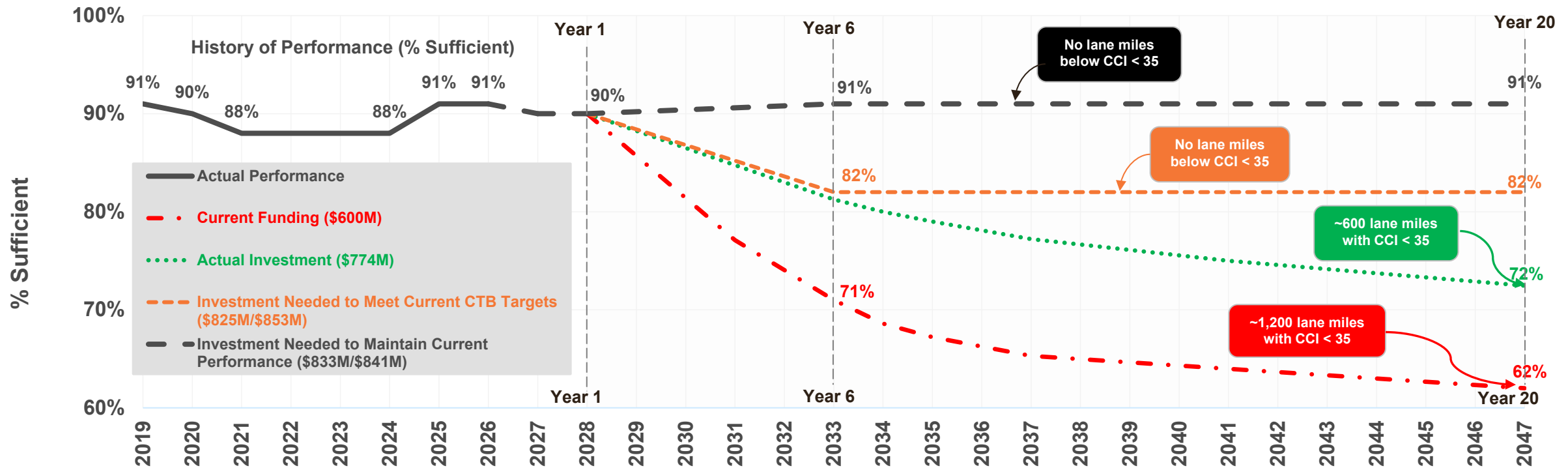


Interstate Network: 20-Year Outlook - 5,697 Lane Miles



Scenario	Annually (2026 \$)		Total 20 Years	Maintain CCI > 35 for the Analysis Period?
	Average 1-6	Average 7-20		
Current Funding (\$600M)	\$118M	\$118M	\$2,360M	No (~ 1200 lane miles accumulated CCI<35)
Actual Investment (\$774M)	\$148M	\$148M	\$2,960M	No (~ 600 lane miles accumulated CCI<35)
Investment Needed to Meet Current CTB Targets (\$825M/\$853M)	\$151M	\$179M	\$3,412M	Yes

Interstate Network: 20-Year Outlook - 5,697 Lane Miles



Scenario	Annually (2026 \$)		Total 20 Years	Maintain CCI > 35 for the Analysis Period?
	Average 1-6	Average 7-20		
Current Funding (\$600M)	\$118M	\$118M	\$2,360M	No (~ 1200 lane miles accumulated CCI<35)
Actual Investment (\$774M)	\$148M	\$148M	\$2,960M	No (~ 600 lane miles accumulated CCI<35)
Investment Needed to Meet Current CTB Targets (\$825M/\$853M)	\$151M	\$179M	\$3,412M	Yes
Investment Needed to Maintain Current Performance (\$833M/\$841M)	\$159M	\$167M	\$3,292M	Yes

Why It Costs Less to Maintain a Higher Percent Sufficiency

Higher % sufficiency is less expensive over 20-year lifecycle

- Higher targets keep more lanes miles in the PM/CM windows (higher CCI), shifting the work mix away from RM/RC and delaying heavy intervention
- Less deficient pavement, more PM/CM performed instead of the more costly RM/RC



Preventive (PM) · CCI 80 - 90

Avg \$80K per lane mile

Surface covered — crack sealing, surface treatments, minor patching



Corrective (CM) · CCI 55 - 65

Avg \$320K per lane mile
(4 x more expensive than PM)

Surface layer replaced — mill & overlay (1.5–2"), moderate patching



Restorative (RM) · CCI 45 - 55

Avg \$640K per lane mile
(2 x more expensive than CM)

Two or more asphalt layers replaced — 4"+ overlay, full-depth patching

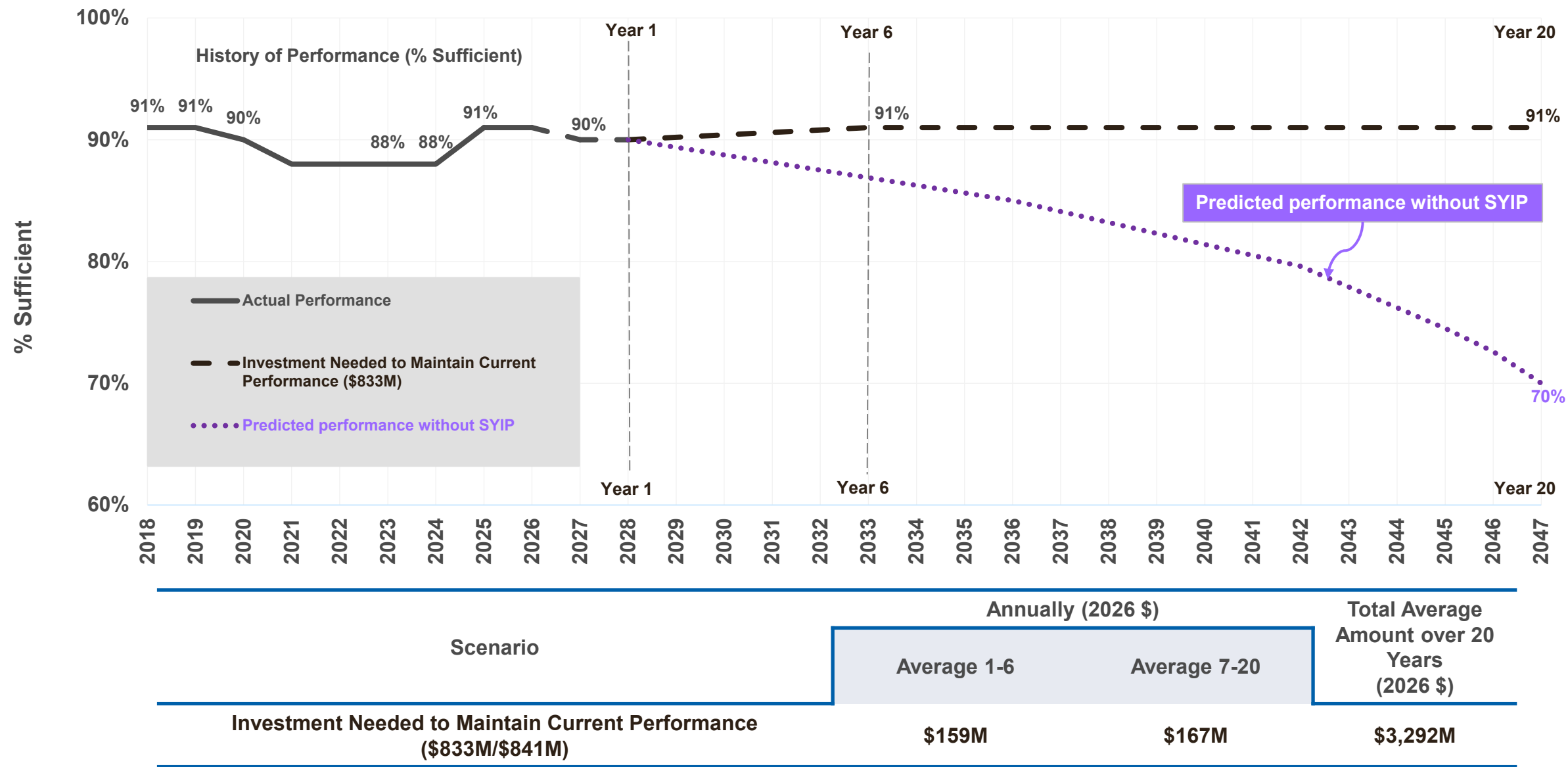


Reconstruction (RC) · CCI < 35

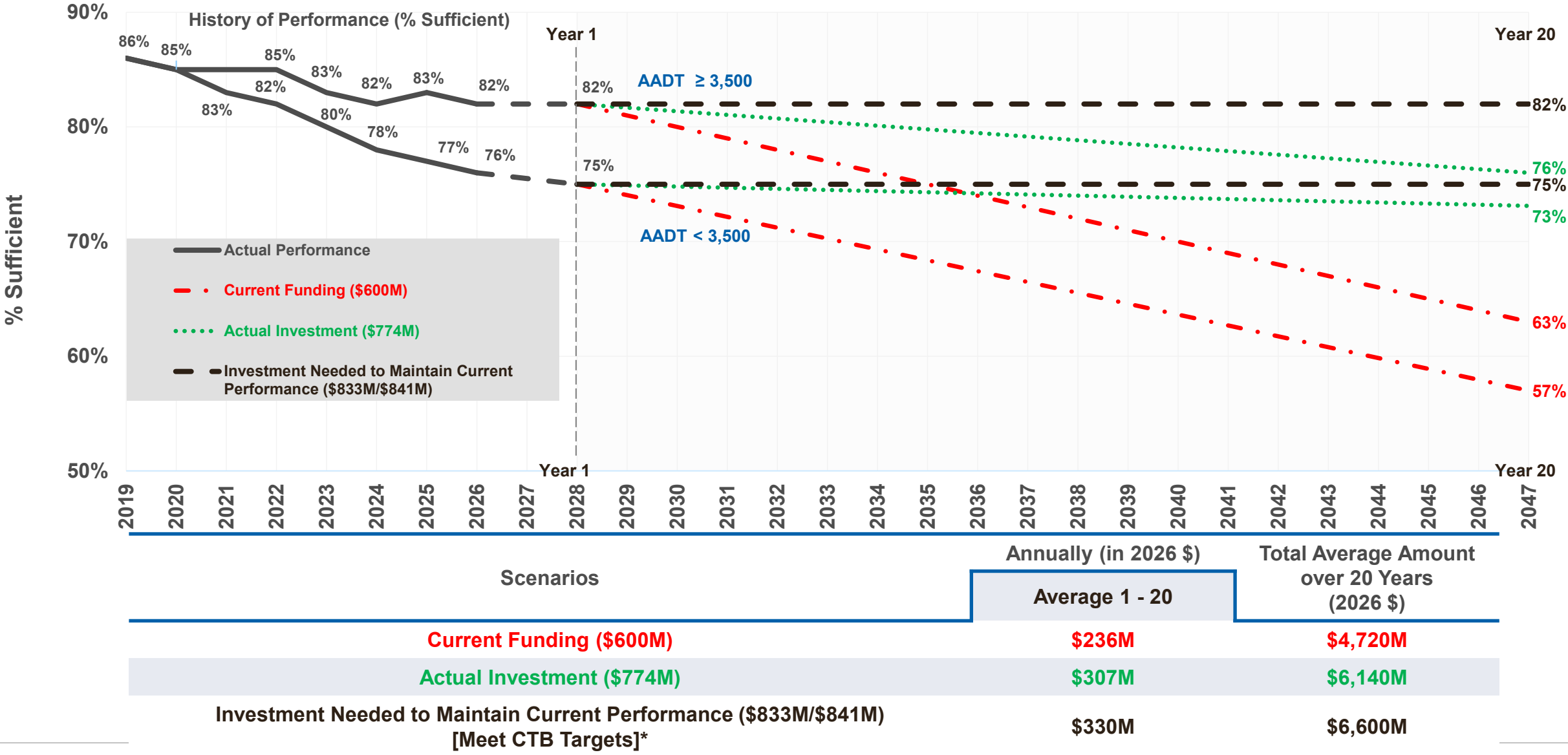
Avg \$1.28M per lane mile
(2 x more expensive than RM)

Base and/or subbase repaired — replace base layers, full-depth recycling

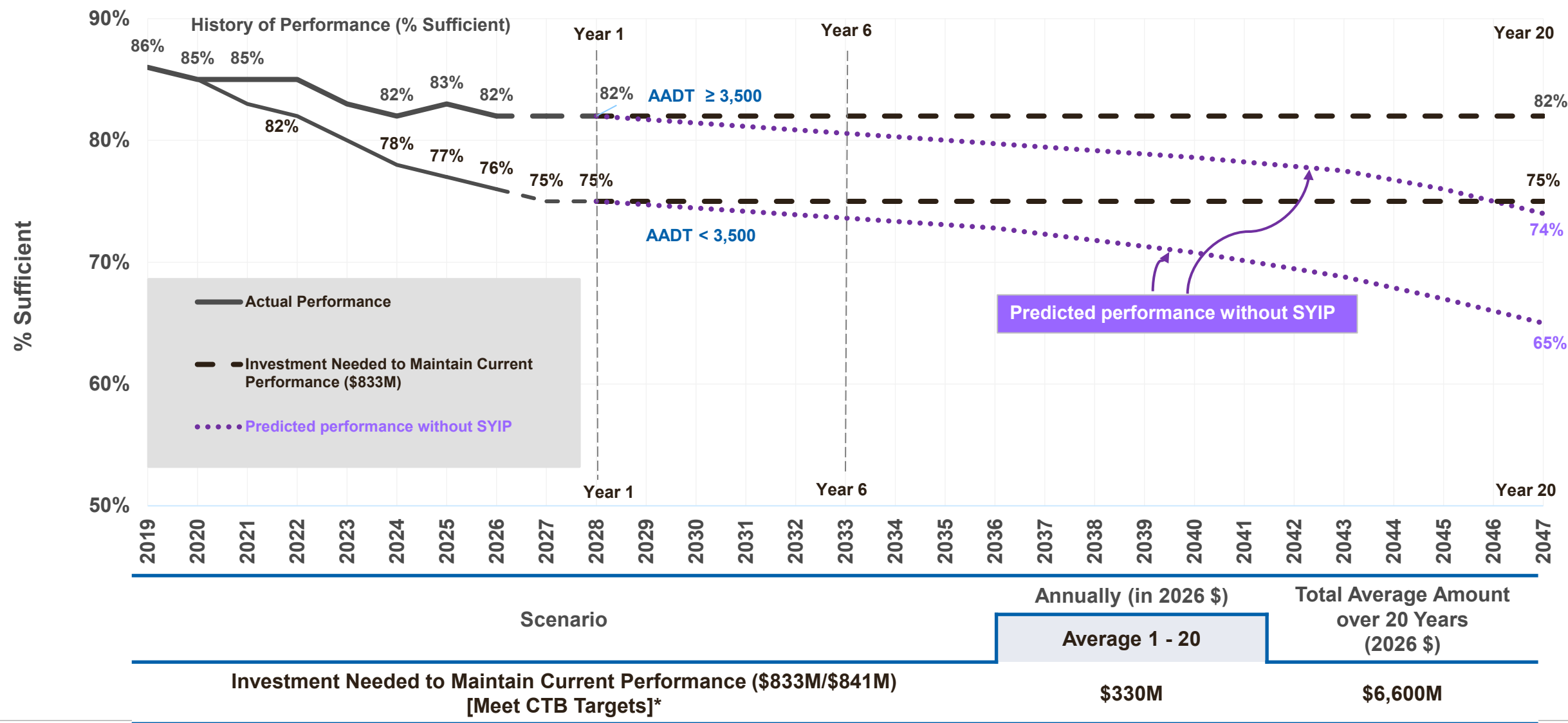
Interstate Network: 20-Year Outlook - 5,697 Lane Miles



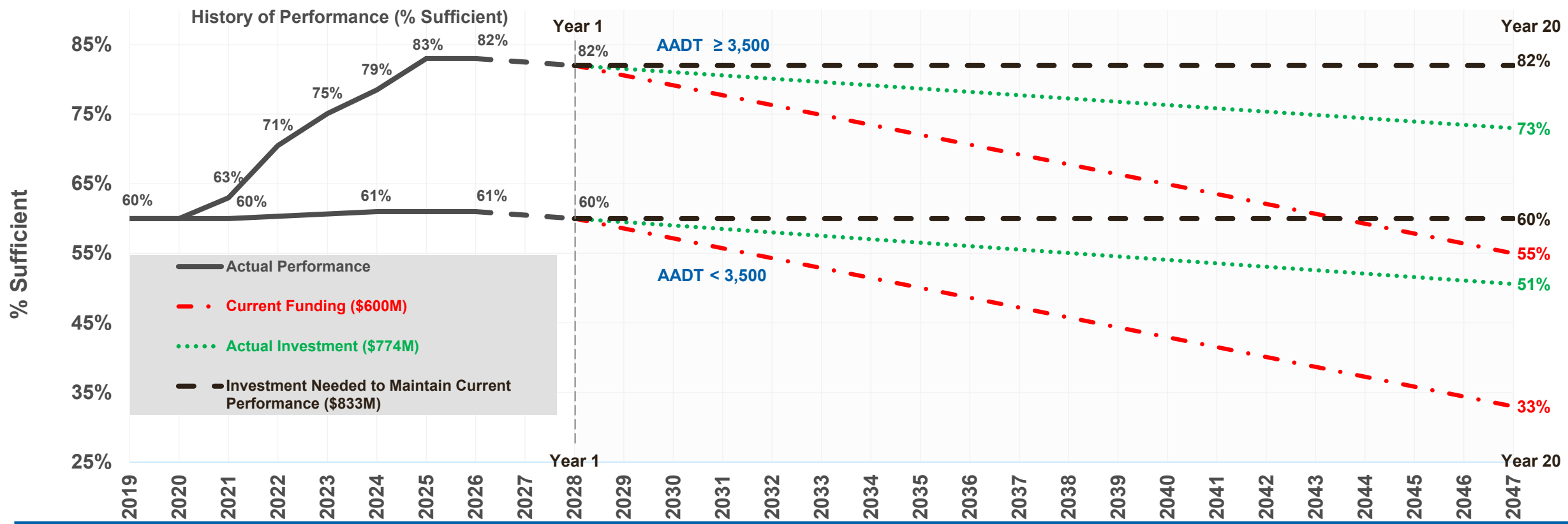
Primary Network: 20-Year Outlook - 22,051 Lane Miles



Primary Network: 20-Year Outlook - 22,051 Lane Miles



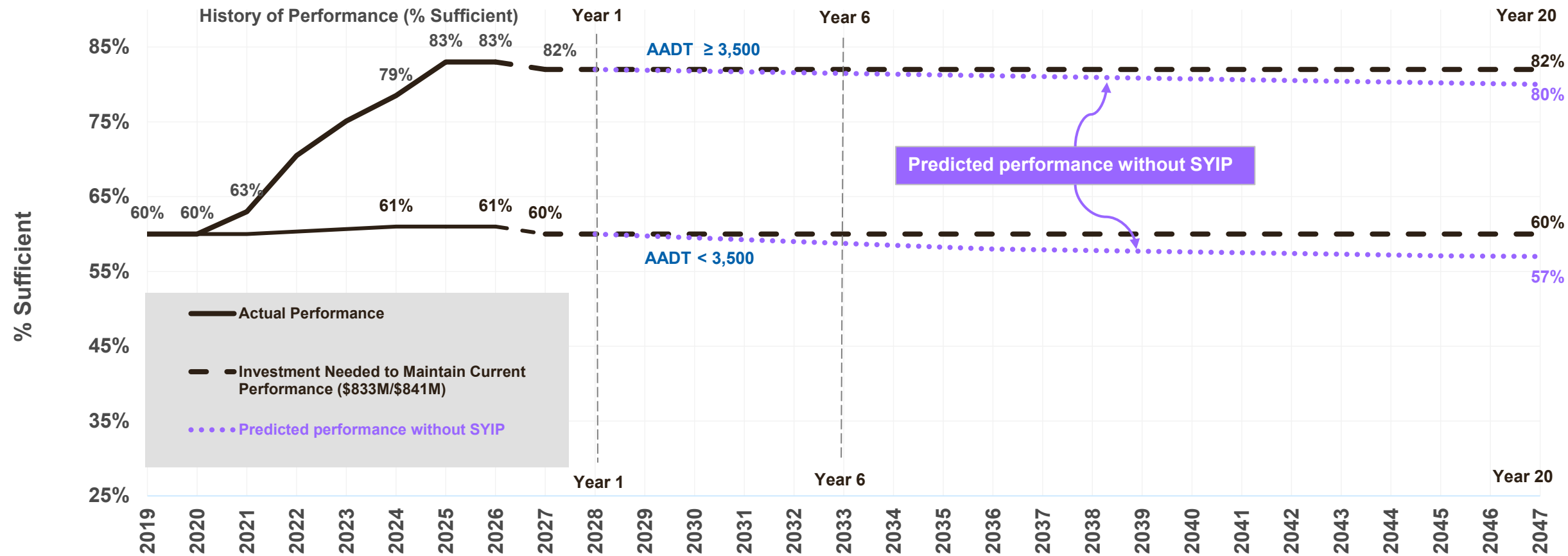
Secondary Network: 20-Year Outlook – 91,266 Lane Miles



Scenarios	Annually (in 2026 \$)	Total Average Amount over 20 Years (2026 \$)
	Average 1 - 20	
Current Funding (\$600M)	\$246M	\$4,920M
Actual Investment (\$774M)	\$319M	\$6,380M
Investment Needed to Maintain Current Performance (\$833M/\$841M) [Meet CTB Targets]*	\$344M	\$6,880M



Secondary Network: 20-Year Outlook - 102,151 Lane Miles



Scenario	Annually (in 2026 \$)	Total Average Amount over 20 Years (2026 \$)
	Average 1 - 20	
Investment Needed to Maintain Current Performance (\$833M/\$841M) [Meet CTB Targets]*	\$344M	\$6,880M

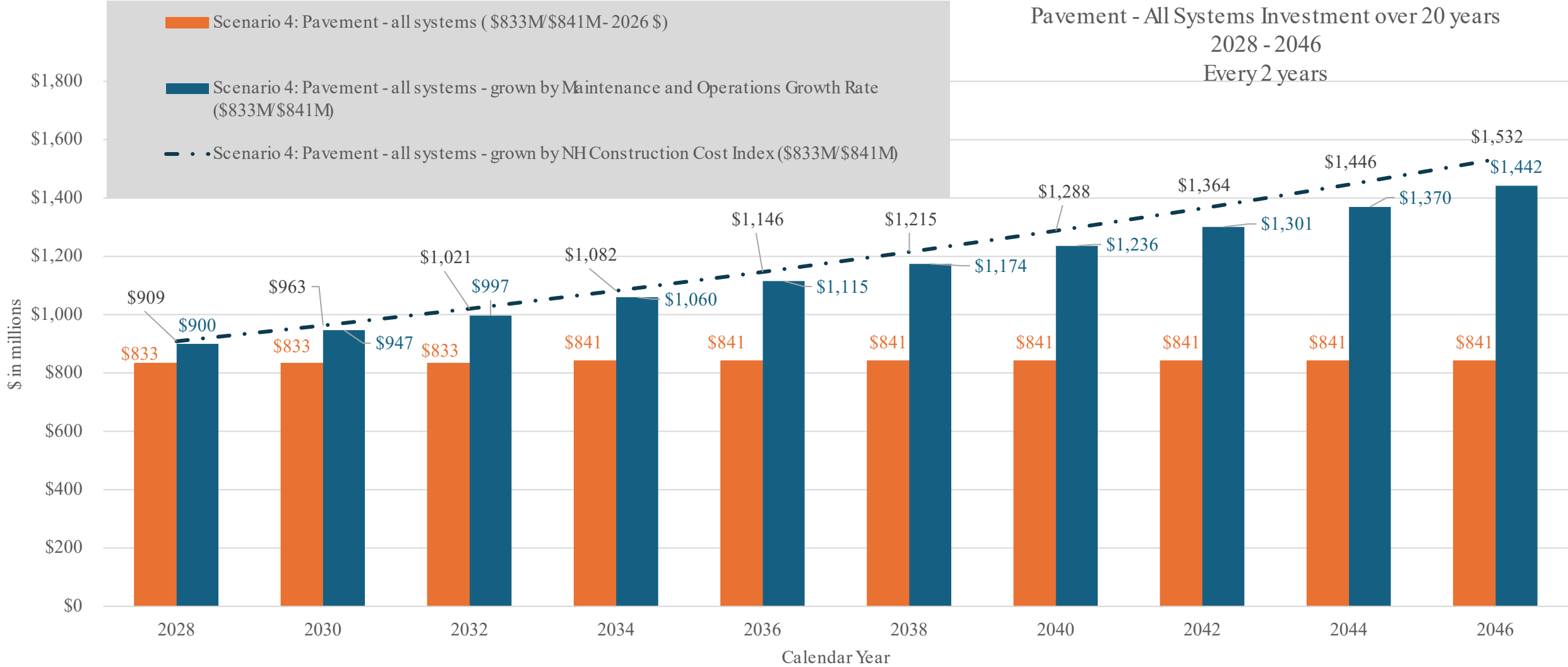
Pavement: Re-baseline Scenario Investment Summary – 2026 \$/Begin 2028

CTB Targets, % Sufficiency					Avg. Total Cost per Year, \$ Millions									
IS	PR		SC		Years 1-6					Years 7-20				
82% CCI≥35	82% for ≥ 3,500 75% for < 3,500		82% for ≥ 3,500 60% for < 3,500		IS	PR		SC		IS	PR		SC	
Scenario 1: Current Funding - \$600M					\$118									
Predicted Performance					\$236									
Additional Investment Needed for Scenario 1					\$246									
Scenario 2: Current Investment Target - \$774M					\$118									
Predicted Performance					\$236									
Additional Investment Needed for Scenario 2					\$246									
Scenario 3: Current CTB Targets					\$148									
Years 1 - 6 = \$825M / Years 7 – 20 = \$853M					\$307									
Predicted Performance					\$319									
Additional Investment Needed for Scenario 3					\$148									
Scenario 4: Interstate Current Performance (91%) and Primary and Secondary Current Performance at CTB Targets					\$307									
Years 1 - 6 = \$833M / Years 7 – 20 = \$841M					\$319									
Predicted Performance					\$148									
Additional Investment Needed for Scenario 4					\$307									

Scenario 1: Current Funding - \$600M									
Predicted Performance									
Additional Investment Needed for Scenario 1									
Scenario 2: Current Investment Target - \$774M									
Predicted Performance									
Additional Investment Needed for Scenario 2									
Scenario 3: Current CTB Targets									
Years 1 - 6 = \$825M / Years 7 – 20 = \$853M									
Predicted Performance									
Additional Investment Needed for Scenario 3									
Scenario 4: Interstate Current Performance (91%) and Primary and Secondary Current Performance at CTB Targets									
Years 1 - 6 = \$833M / Years 7 – 20 = \$841M									
Predicted Performance									
Additional Investment Needed for Scenario 4									

Proposed Pavement Investment Summary – 2028 - 2046

Inflated by Maintenance and Operations Growth Rate and NHCCI



Bridges

2019 Comprehensive Review: Summary of Findings

1. Performance targets for an acceptable level of service (50-year outlook)
 - Average general condition rating (weighted by importance) > 5.6
 - Minimum percentage of bridges not poor (good or fair condition) for each highway system
 - No posted structures on the Interstates
2. Optimal investment strategy based on 2019 inventory & unit costs
 - \$384M for bridge work and \$56M for inspection, routine maintenance (2019 Dollars)
 - Maintenance and Operations Program and State of Good Repair Program
 - Invest 25% funding in bridge replacement and 75% in bridge preservation
3. 2019 Summary - Structures Target and Investment Recommendation

Targets, % Not-Poor				Avg. Total Cost per Year, \$ Millions		
IS	PR	SC	All Systems Average GCR	Years 1-50		
Proposed Investment – Proposed Target				IS	PR	SC
97% No Postings	93%	90%	Average GCR ≥ 5.6	113	158	113
				\$384		

Goals of 2026 Re-Baseline

1. Are the 2019 performance metrics appropriate?
2. How did the actual performance compare with the prediction?
3. Optimization of investment strategy
 - Based on current funding level, current inventory condition and current unit costs
 - 21,240 highway bridges owned by VDOT or NBI localities
 - Interstate – 2,435
 - Primary – 5,753
 - Secondary – 13,052
 - Structures excluded are Special Structures, toll roads, other government agencies, federal lands
 - All scenarios begin in 2028
 - Scenario 1 Current Funding (\$415M in 2026 \$)
 - Scenario 2 Current Funding and continuation of Federal Bridge Formula funds (\$530M in 2026 \$)
 - Scenario 3 Funding needed to meet the CTB approved targets on all systems (\$639M in 2026 \$)

Changes Since 2019

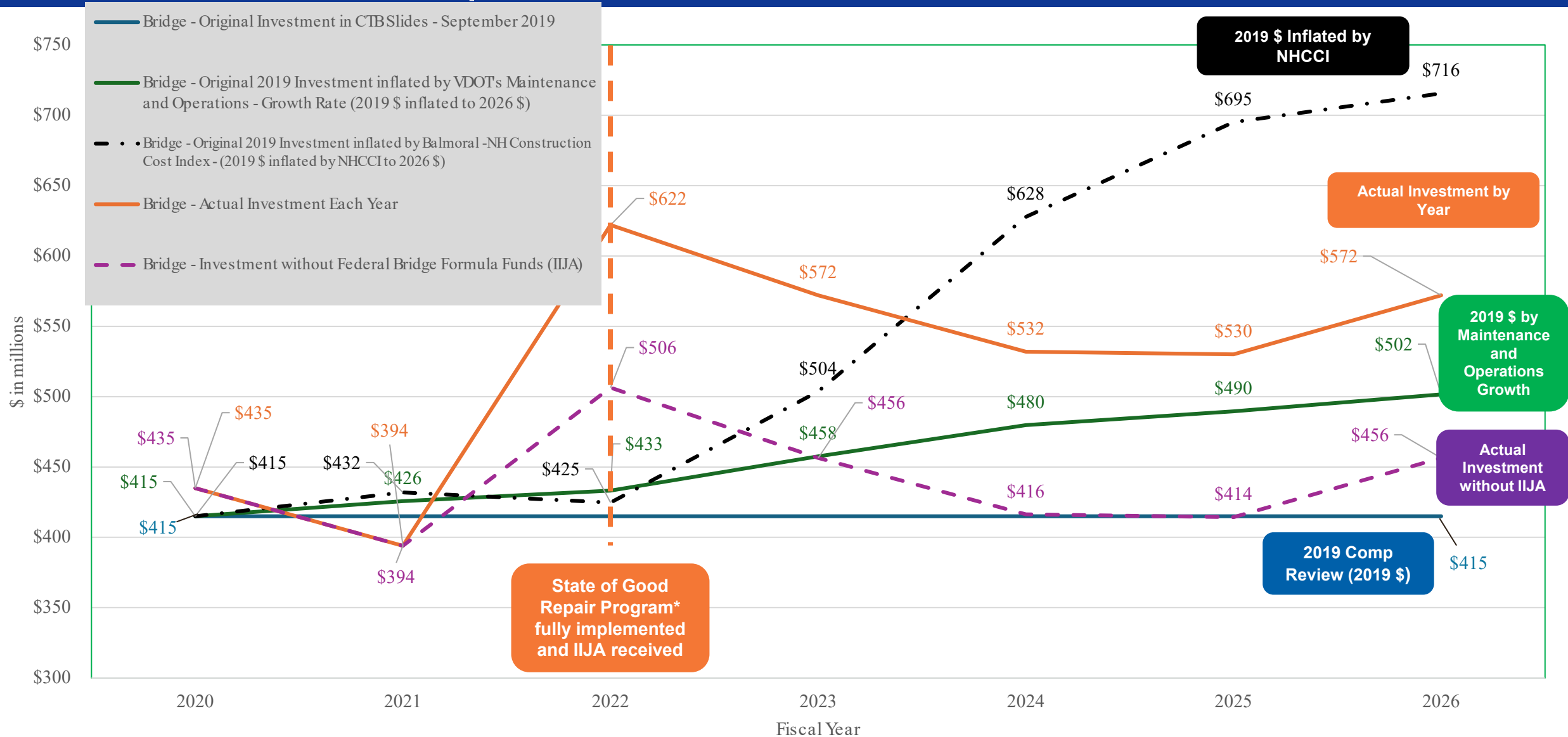
1. **Cost of services and goods have increased, outpaced inflation**
 - **New federal bridge safety inspection standards (SNBI) adopted. Approximate 25% increase in cost**
2. **Average age has increased from 50 to 55**
3. **Number of bridges in inventory of bridges has increased (2019 to 2026)**
 - **Additional 189 structures**
 - **Additional 2,300,000 square feet of deck area**
4. **IIJA (Bridge Formula) funds have supplemented funding levels through 2026 (\$578M)**
5. **New federal requirement for emergency vehicles adopted, leading to more posted bridges**

Bridge Investment Comparison 2019 to Current

1. **Bridge Program investment increased in FY 2022**
 - State of Good Repair full implementation (July 1, 2021)
 - Federal Authorization – IIJA – bridge formula funding
 - Bridge program has non-federally eligible structures on primary and secondary systems
2. **2019 Analysis held investment constant for comparison purposes**
 - Values not meant to be held constant
3. **Applying the Maintenance and Operations Growth Rate to the 2019 investment amounts (\$415M), CTB bridge performance measures would not have been met**
4. **Maintenance and Operations Growth Rate and NH Construction Cost Index are not in alignment**
 - NHCCI is a better indicator of transportation costs

Bridge Investment Since 2019 – Comparison (2020 – 2026)

2019 / Maintenance and Operations Growth Rate / NHCCI / Actual Investment



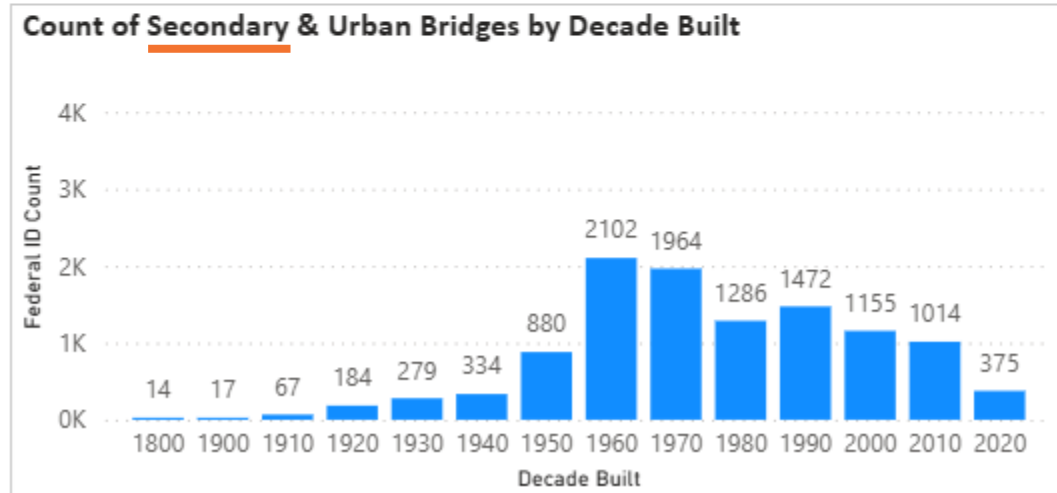
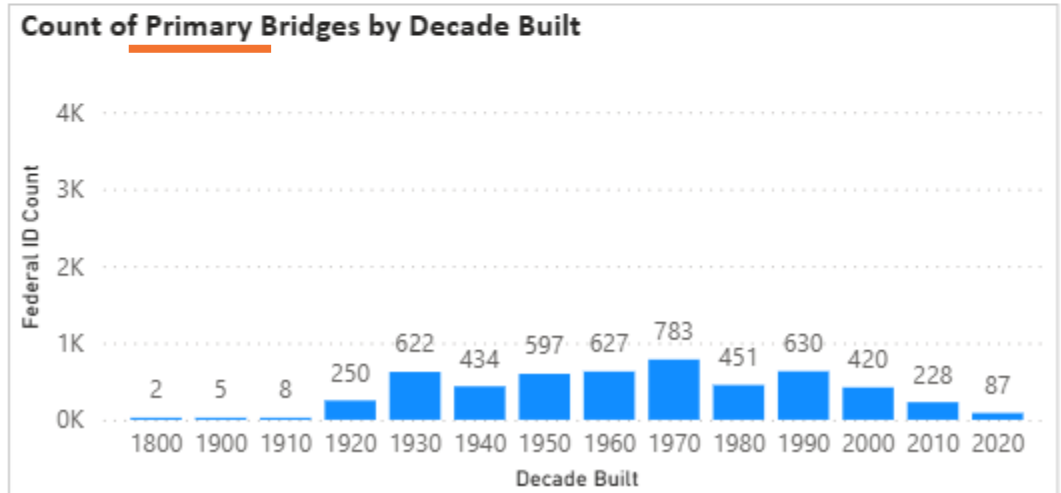
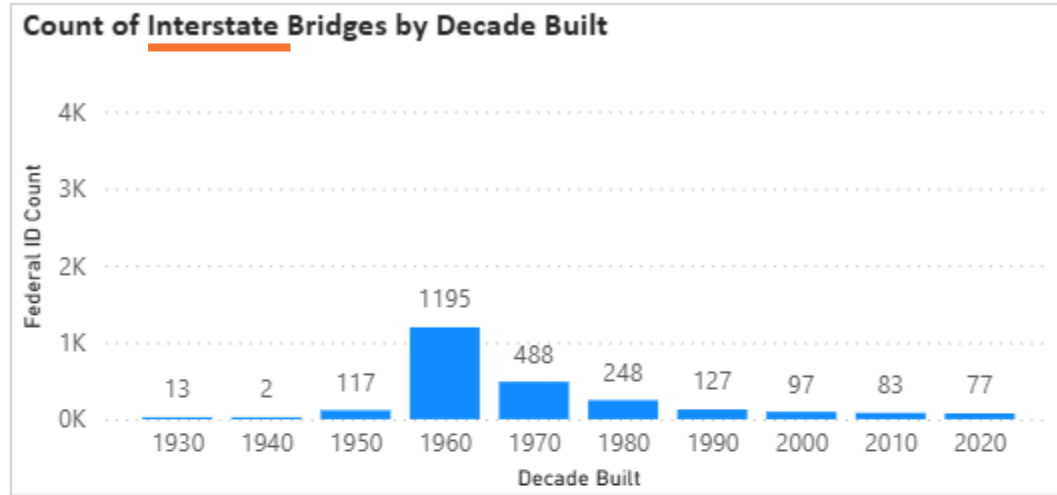
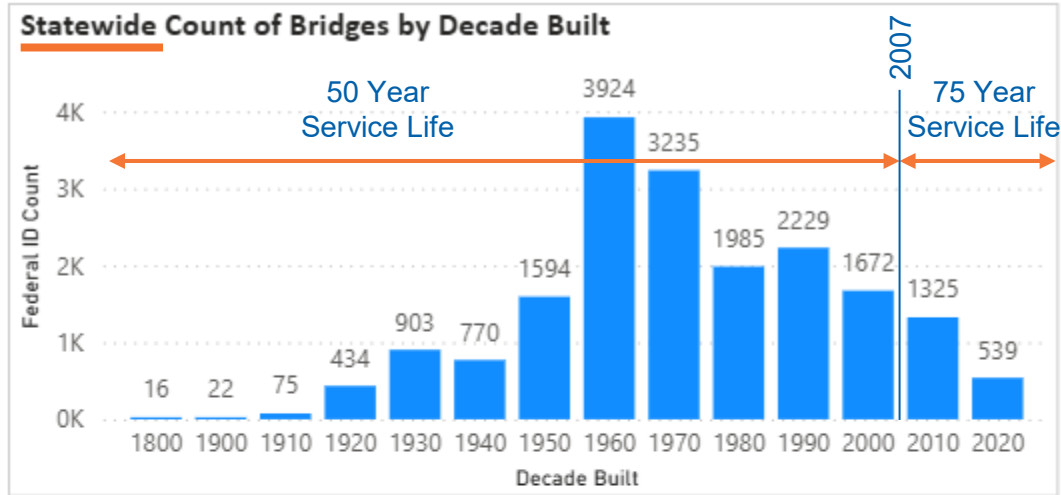
Changes Since 2019: Unit Costs

Cost increases vary by work type but exceed most major inflation indices

1. Percentage increases vary from 20% to 249% for common bridge activities
2. Bridge safety inspection cost ~25% increase due to new federal requirements

Structure Replacement (Major Items)	2019 \$	2026 \$	Unit	% Increase	Structure Repair (Major Items)	2019 \$	2026 \$	Unit	% Increase
Concrete Class A3, Substructure	\$1,200	\$2,300	CY	92%	Concrete Slab Contract	\$129	\$236	SF	83%
LOW Q (0 to 100CY)	\$1,800	\$3,200	CY	78%	Type B Patching	\$740	\$1,800	SY	143%
MID Q (100 to 500CY)	\$980	\$1,700	CY	74%	LOW Q (0 to 40SY)	\$990	\$2,400	SY	142%
HI Q (>500CY)	\$750	\$1,500	CY	100%	MID Q (40 to 100SY)	\$670	\$1,600	SY	139%
Structural Excavation	\$51	\$120	CY	135%	HI Q (>100SY)	\$620	\$980	SY	58%
Steel Pile	\$75	\$160	LF	113%	Overlay (Latex) - Furnish	\$1,191	\$1,878	SY	58%
Temporary Sheet Piling	\$65	\$120	SF	85%	Overlay (Latex) - Place	\$76	\$117	SY	55%
Concrete Class A4, Superstructure	\$1,300	\$2,900	CY	123%	Epoxy Overlay	\$56	\$195	SY	249%
LOW Q (0 to 100CY)	\$1,500	\$4,100	CY	173%	Structural Steel	\$73	\$88	LB	20%
MID Q (100 to 500CY)	\$1,200	\$2,200	CY	83%	Expansion Joint Reconstruction	\$385	\$744	LF	93%
HI Q (>500CY)	\$960	\$1,700	CY	77%	LOW Q (0 to 100LB)	\$460	\$910	LB	98%
CRR Class I Reinf. Steel	\$3	\$6	LB	100%	MID Q (40 to 100SY)	\$360	\$650	LB	81%
CRR Class III Reinf. Steel	\$4	\$6	LB	50%	HI Q (>100SY)	\$240	\$400	LB	67%
LOW Q (0 to 70K)	\$3.50	\$6.00	LB	71%	Recoat Structure	\$910	\$2020	TON	122%
MID Q (70K to 150K)	\$3.70	\$5.30	LB	43%	Bridges w/ Timber Decks (State Forces)	\$161	\$313	SF	194%
HI Q (>150K)	\$960	\$1,700	LB	58%	Culvert (Concrete / Metal)	\$170	\$425	SF	250%
Structural Steel Plate Girders G50W	\$2	\$5	LB	150%					
Prestressed Concrete Bem 61"X120'	\$38,000	\$56,000	EA	47%					

Number of Bridges Built by Decade



Bridges built by Decade: Rt. 685 (Ballpark Rd.) Over Craig Creek - Built in 1887



- VDOT owned
- Salem District
- Part of the *Historical Bridge Management Plan*
- Average Daily Traffic: 260
- Fair condition
- Botetourt County
- Pratt through truss
- 150' truss, 270' bridge
- Built by Phoenix Bridge Company to serve C&O Railroad



Bridge: Re-Baseline Scenarios

Anticipated Performances with Varying Funding Scenarios

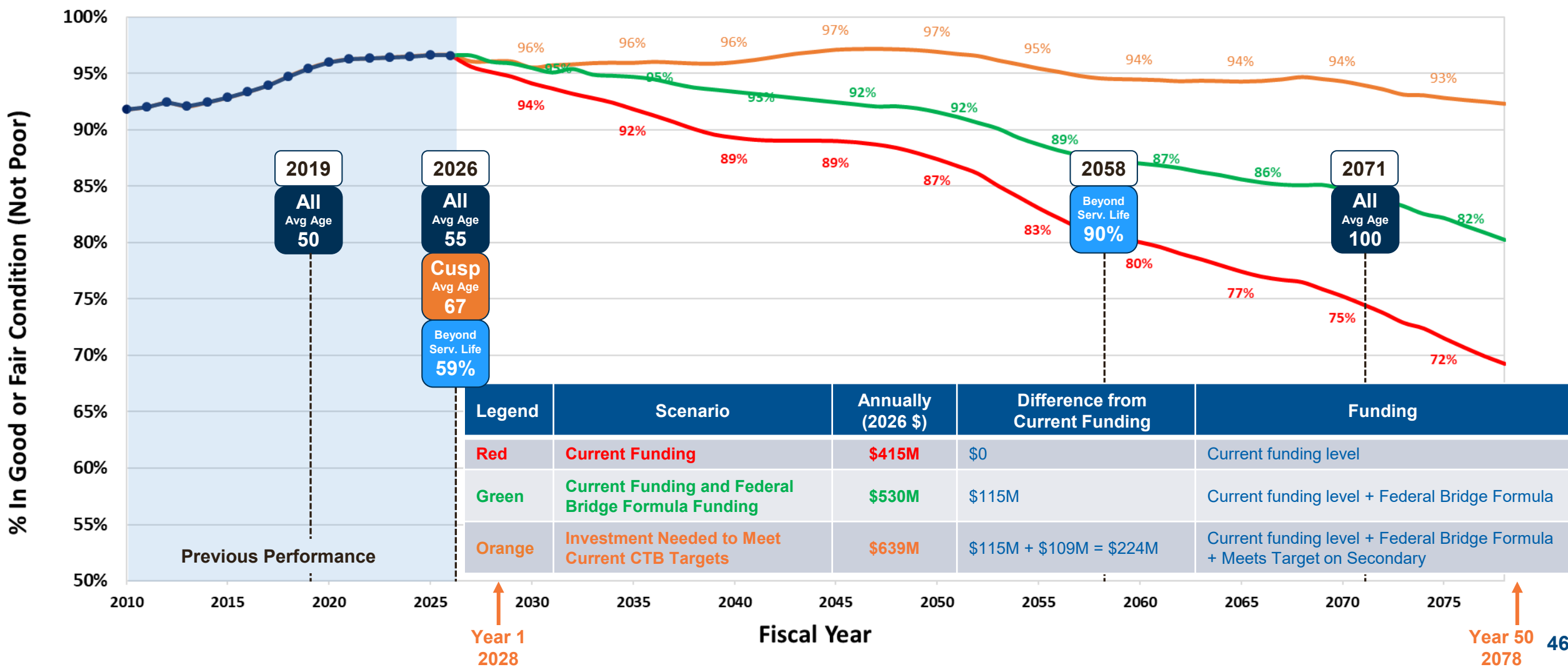
Legend	Scenario Description	Annually 2026 \$				Difference from Current Funding	Funding
		Interstate	Primary	Secondary & Urban	Total		
Red	Scenario 1: Current Funding (\$415M in 2026 \$) Funding prioritized on interstates and primaries. Performance targets not met on any system.	\$159M	\$210M	\$46M	\$415M	\$0	Current funding level (assumes federal bridge formula funding does not continue)
Green	Scenario 2: Current Funding and Federal Bridge Formula Funding* (IIJA) (\$530M in 2026 \$) Continue with Current Investment Meets targets on interstates and primaries but not secondaries	\$179M	\$261M	\$90M	\$530M	\$115M	Current funding + \$115M in federal bridge formula funding applied to interstates and primaries
Orange	Scenario 3: Investment Needed to Meet CTB Targets (\$639M in 2026 \$) Meet CTB Targets Meets targets on all systems which funds not federally eligible work	\$179M	\$261M	\$199M	\$639M	\$115M + \$109M = \$224M	Current funding + \$115M in new federal funding + \$109M per year

***NOTE:**

- VDOT received over \$578M in federal bridge formula funding over the last 6 years.
- The annual federal bridge formula funds of \$115M may continue in federal reauthorization.

All Systems: 50 Year Outlook

All Networks Combined - 50 Year Outlook - 21,240 Structures



All Systems: GCR and Structure by Decade

2028

2038

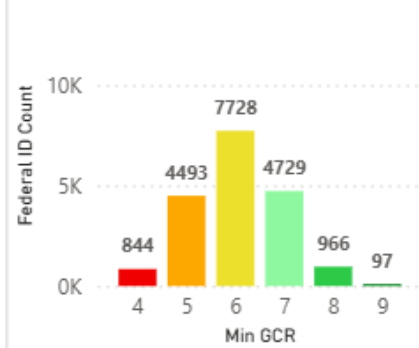
2048

2058

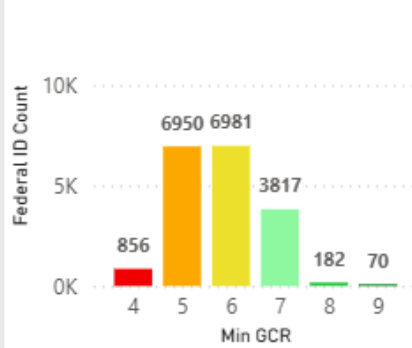
2068

2078

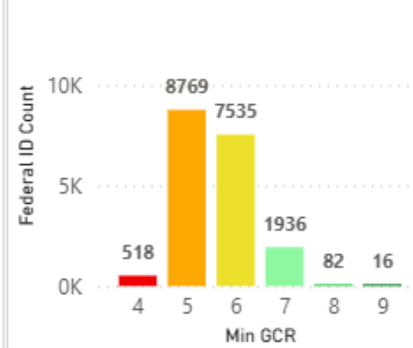
Minimum GCR Distribution



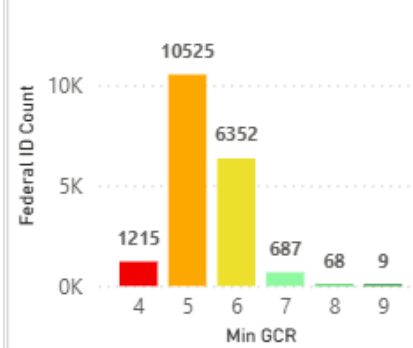
Minimum GCR Distribution



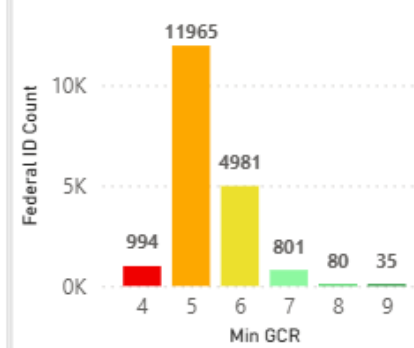
Minimum GCR Distribution



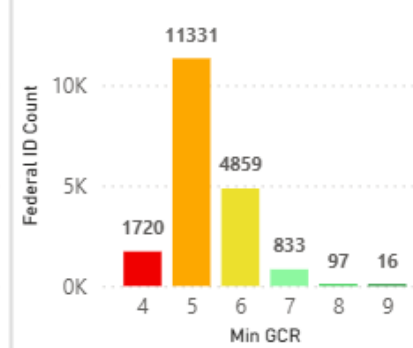
Minimum GCR Distribution



Minimum GCR Distribution



Minimum GCR Distribution



2028 X

2038 X

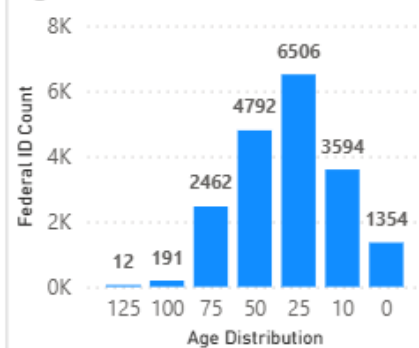
2048 X

2058 X

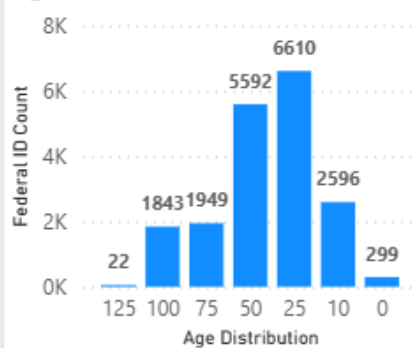
2068 X

2078 X

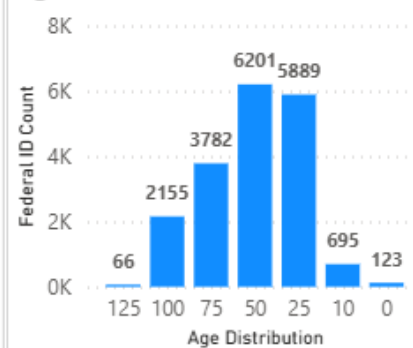
Age Distribution



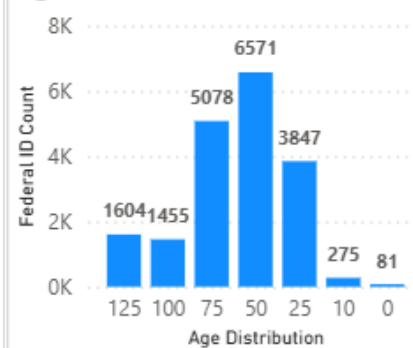
Age Distribution



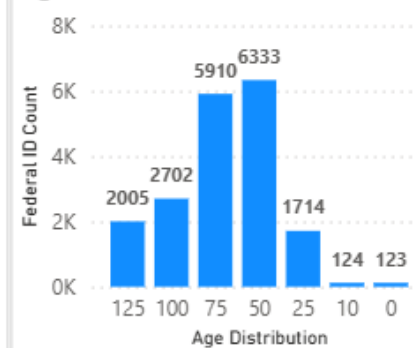
Age Distribution



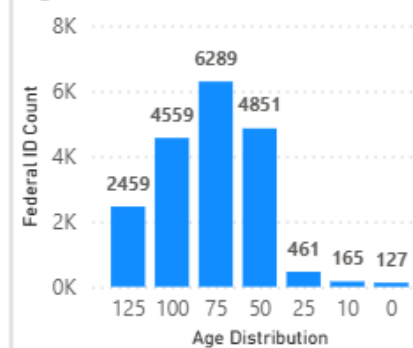
Age Distribution



Age Distribution

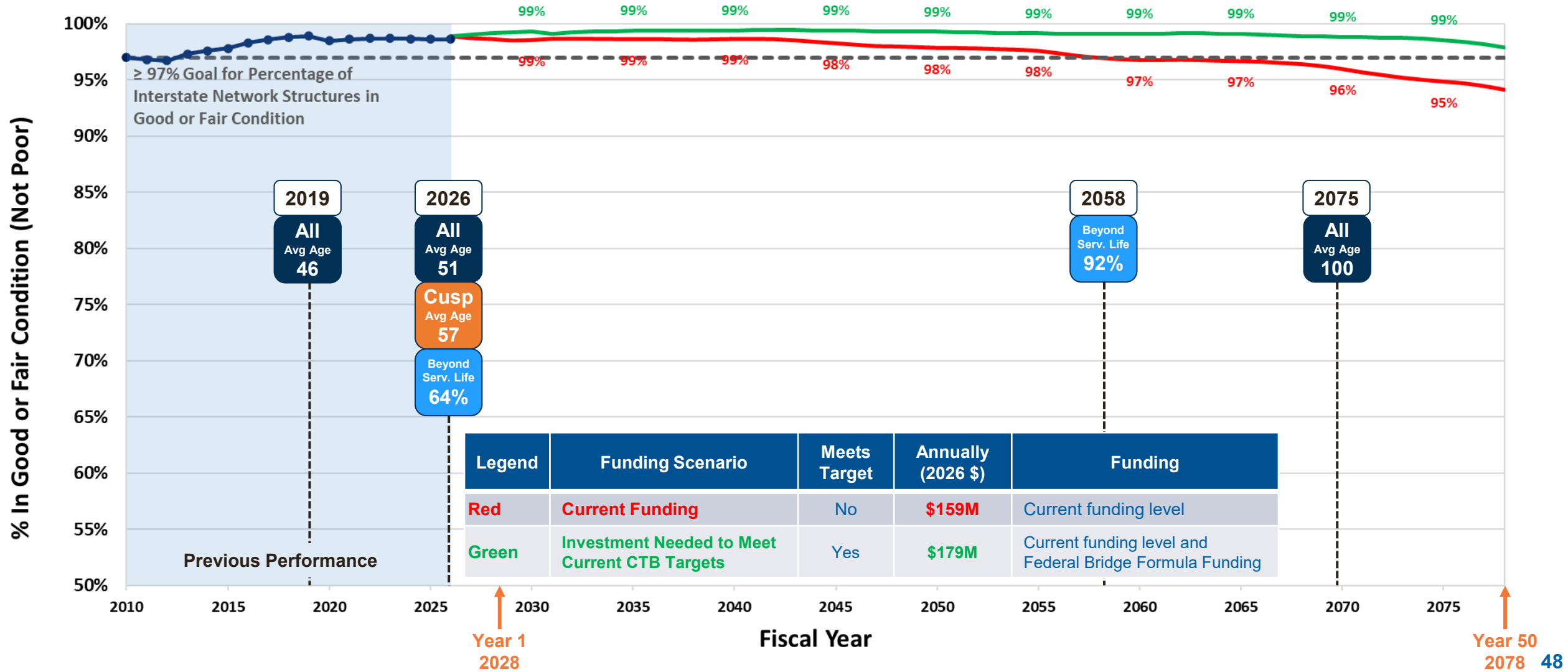


Age Distribution



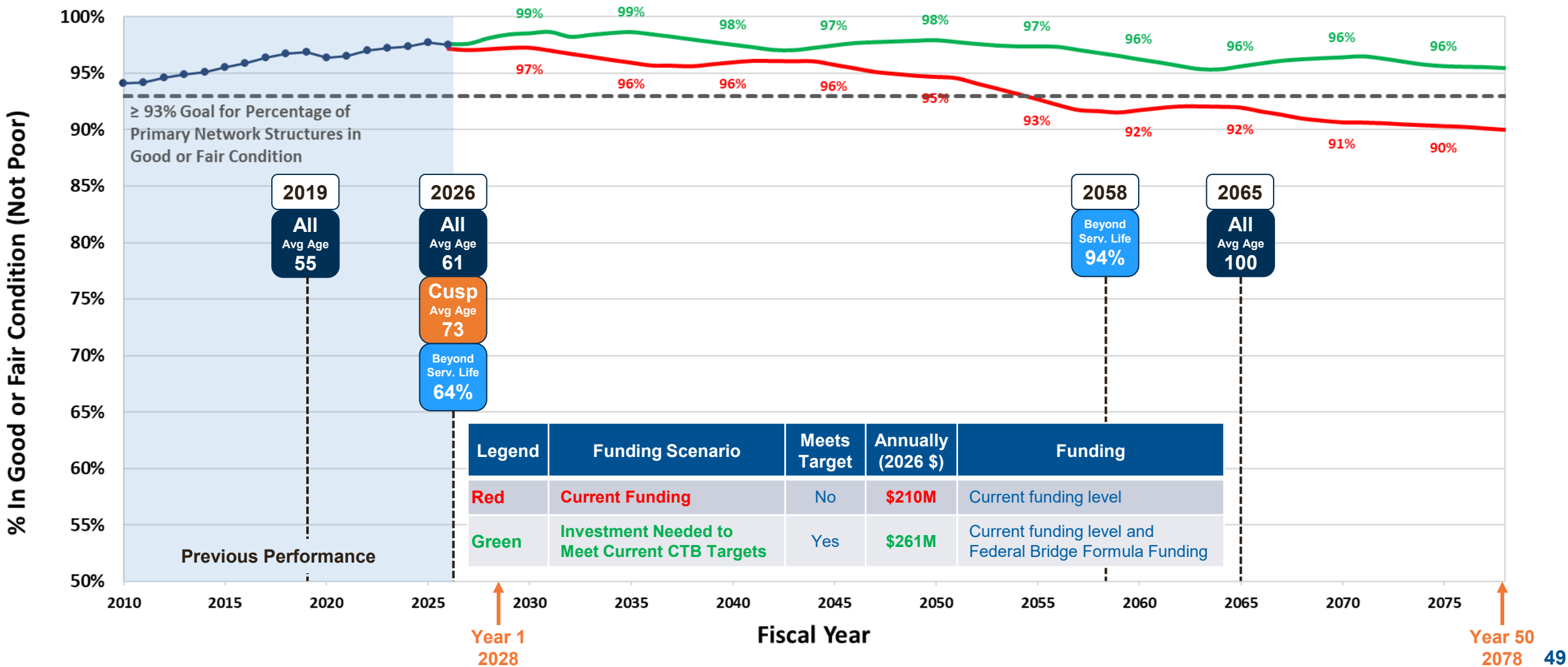
Interstate: 50 Year Outlook

Interstate Network - 50 Year Outlook - 2,435 Structures



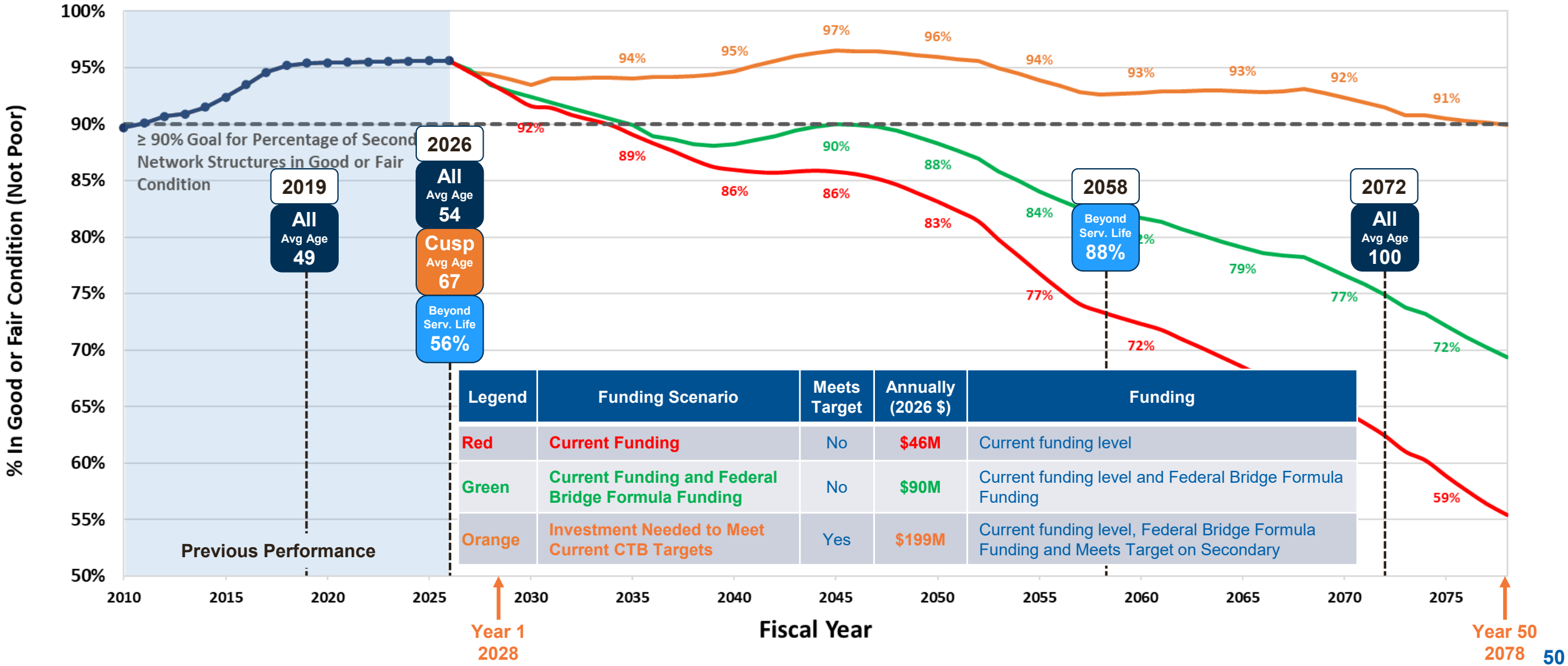
Primary: 50 Year Outlook

Primary Network - 50 Year Outlook - 5,753 Structures



Secondary and Urban: 50 Year Outlook

Secondary Network - 50 Year Outlook - 13,052 Structures

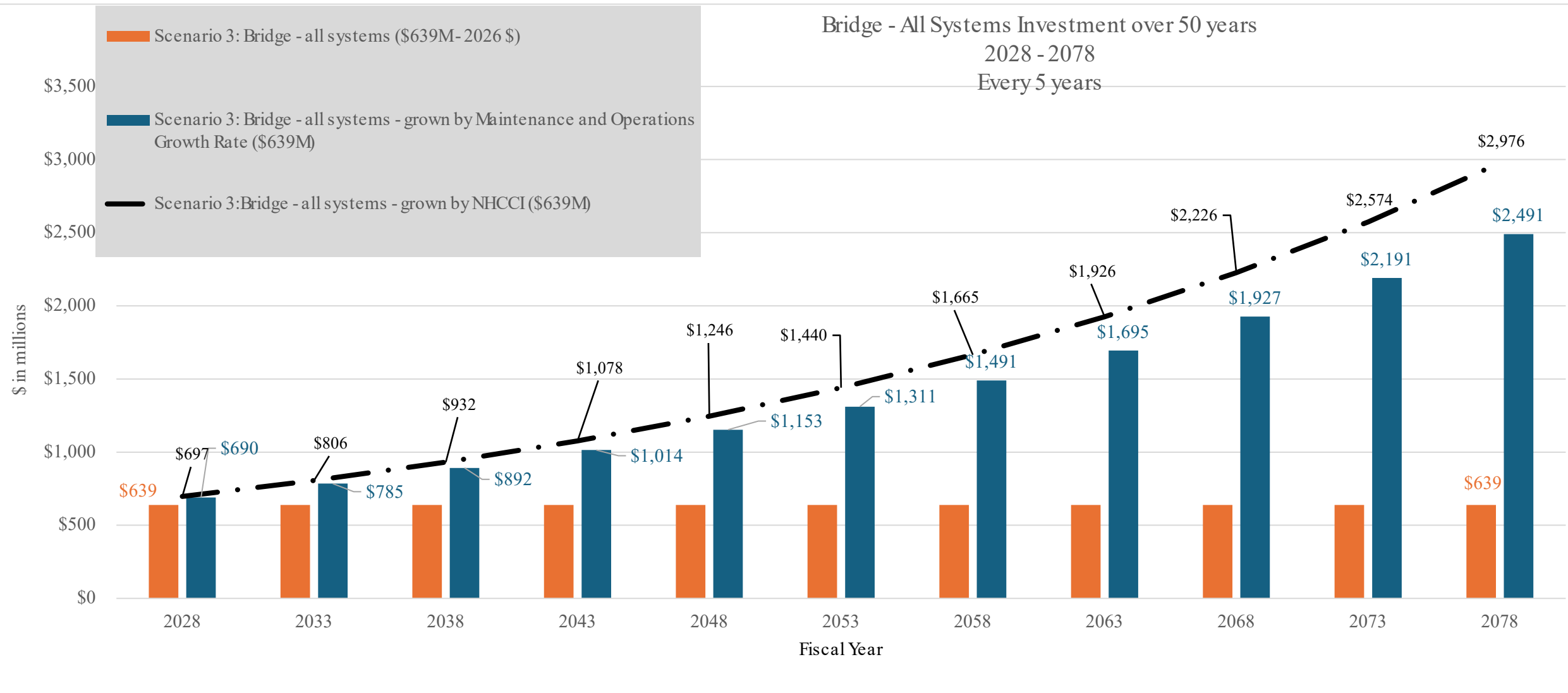


Bridge: Re-baseline Scenario Summary - 2026 \$/Begin 2028

CTB Targets, % non-Poor				Avg. Total Cost per Year, \$ Millions		
IS	PR	SC	All Systems Average GCR	1 - 50		
97% No Postings	93%	90%	Average GCR ≥ 5.6	IS	PR	SC
Scenario 1: Current Funding - \$415M				\$159	\$210	\$46
Predicted Performance				95%	90%	55%
Additional Investment Needed for Scenario 1				\$0		
Scenario 2: Current Investment - \$530M				\$179	\$261	\$90
Predicted Performance				99%	96%	69%
Additional Investment Needed for Scenario 2 (difference from the \$415M in Scenario 1)				(\$115)		
Scenario 3: Current CTB Targets				\$179	\$261	\$199
Years 1 - 50 = \$639M				99%	96%	90%
Predicted Performance				(\$224)		
Additional Investment Needed for Scenario 3 (difference from \$415M in Scenario 1)						

Proposed Bridge Investment Summary

Inflated by Maintenance and Operations Growth Rate and NHCCI



Conclusion

- **Maintenance and Operations Program growth is not keeping pace with actual costs**
- **CTB will need to consider trade-offs related to system condition and funding available for construction**
- **One-time infusions or base increase reduces the amount available in the Six-Year Improvement Program**

NEXT STEPS

Upcoming CTB Meetings

Description	CTB Meeting Date
Special Structures	September 15, 2026
Routine Maintenance Set Targets	October 14, 2026
CTB approval	December 9, 2026



COMMONWEALTH *of* VIRGINIA
Office of the
SECRETARY *of* TRANSPORTATION

Federal Transportation Performance Management

July 21, 2026

Margie Ray

Office of Intermodal Planning and Investment



Performance Management

- This presentation provides:
 - an overview of performance management – measures and targets;
 - an overview of federal requirements for target setting and performance reporting;
 - a performance summary for the performance period (2022-2025) for infrastructure condition and system performance measures;
 - an overview of the approaches used to develop targets for infrastructure condition and system performance measures for the next performance period (2026-2029); and
 - the recommended targets based on those approaches.
- The CTB will be asked to vote on the targets at the September meeting.

Performance Management - Agenda

- Performance Management Overview
- Federal Performance Management Background and Requirements
- Performance by Measure for 2022-2025, and Proposed Targets through 2029
 - Bridges
 - Pavements
 - System Performance
 - Traffic Congestion and Air Quality (Limited to National Capital Region)
- Next Steps

Federal Performance Management Background

- MAP-21 Federal Law – established performance measures for:
 - ✓ Safety - (CTB adopted targets in June 2026)
 - Infrastructure Condition (CTB to adopt in September)
 - Bridge
 - Pavement
 - System Performance (CTB to adopt in September)
 - Highway and Freight Reliability
 - Traffic Congestion
 - Emission Reduction

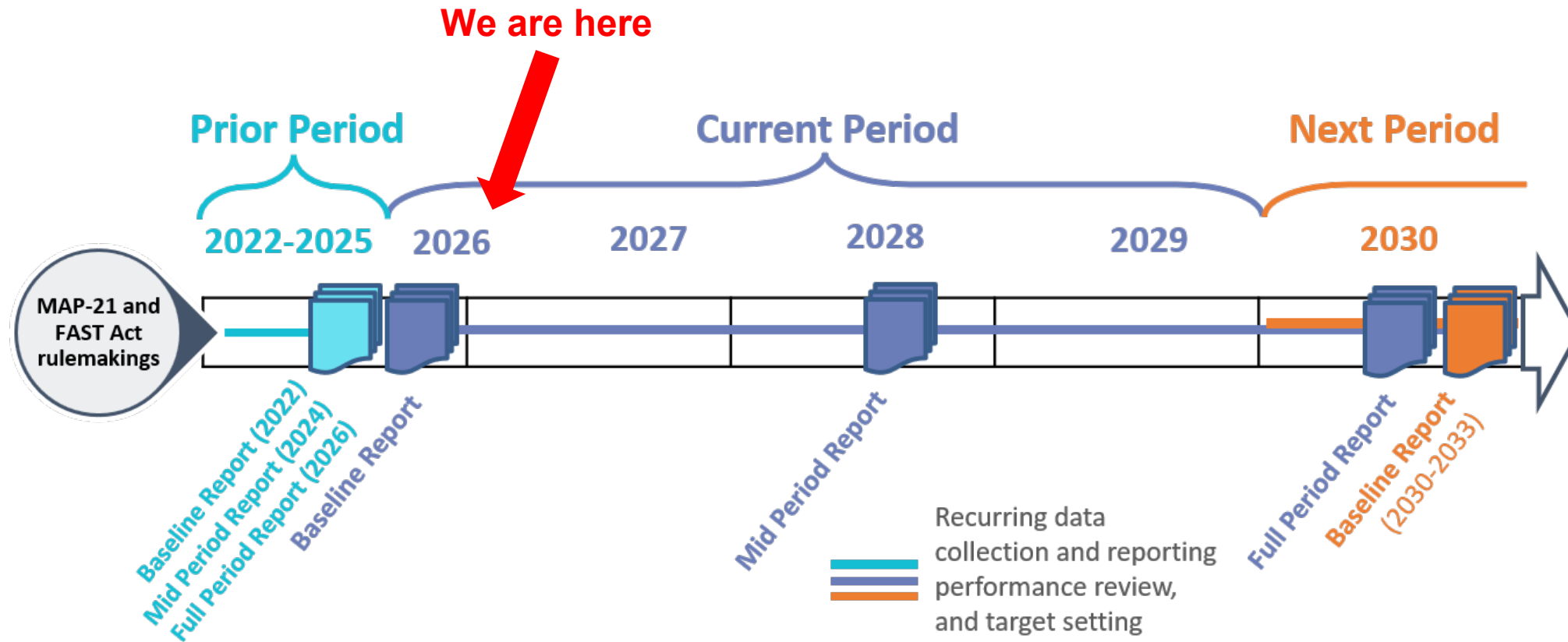
October 1 Submission Deadline

2022-2025 Performance
Period Final Report

2026-2029 Performance
Period Baseline Report

Federal Performance Management Background

Performance Period Requirements

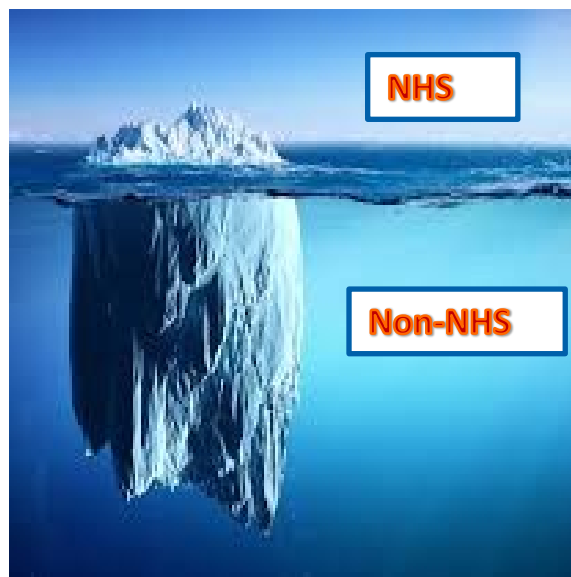


FHWA Determination of “Significant Progress”

- Biennially, FHWA makes a determination of **Significant Progress** towards meeting the 2- and 4-year targets
- **Significant Progress** determination
 - Actual performance is equal to or greater than targets OR
 - Actual performance is better than baseline performance
- If **Significant Progress** is not made, the state must:
 - Document actions to achieve targets, and
 - Depending on performance measure, may have funding and/or reporting impacts

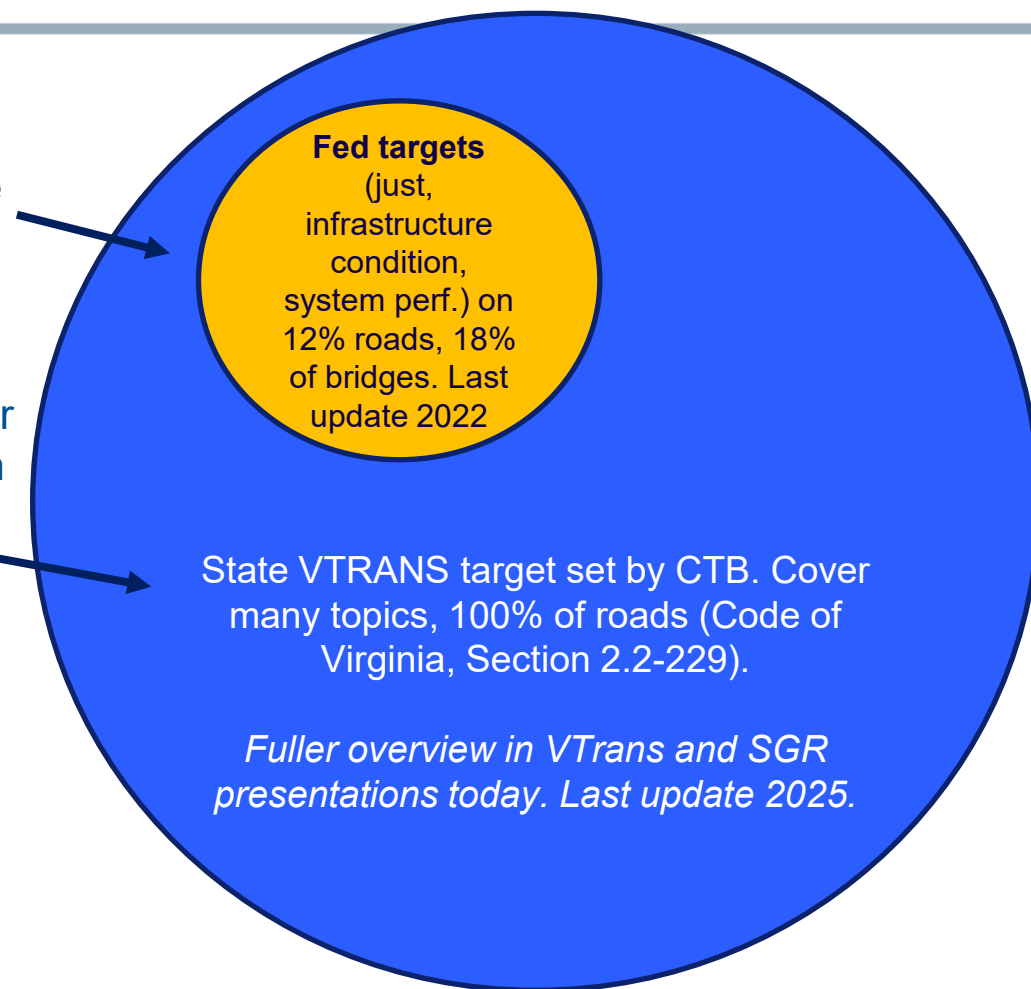
Infrastructure Condition

Federal Target Setting for Infrastructure (Pavement and Bridges)



We set our federal targets based on calculating what will be the outcome of the statewide plan on the subset of roads and bridges that are Federal.

We optimize our planning and spending for Statewide targets using our statewide plan (presented in this meeting)



Federal Performance Measure Requirements

Infrastructure Condition

Measures	Scope
- Percentage of Bridges in Good Condition - Percentage of Bridges in Poor Condition	NBI on NHS
- Percentage of Pavements in Good Condition - Percentage of Pavements in Poor Condition	Interstate
- Percentage of Pavements in Good Condition - Percentage of Pavements in Poor Condition	Non-Interstate NHS

The National Highway System (NHS) represents

- ❑ 12% of VDOT maintained roads on the Interstate, Primary and Secondary road systems (16,200 lane miles out of 130,500 lane miles)
- ❑ 18% of bridge inventory (3,750 out of 21,240 bridges)

Note: Bridge targets and performance includes bridges “owned by others” i.e. Federal, Private, and Border Bridges

NHS – National Highway System

NBI – National Bridge Inventory, Bridges over 20 feet in length

Infrastructure Condition: Bridge Performance Measures

In 2019, CTB adopted Statewide pavement and bridge performance measures and targets based on Maintenance and Operations Comprehensive Review (**Comprehensive Review**) and investment strategy

State Performance Measures	Federal Performance Measures
1. GCR (General Condition Rating) 2. Percent <u>non</u>-Poor (Sufficient) Structures	1. Percent in Good Condition 2. Percent in Poor Condition
Applicable to entire network	Applicable to National Highway System portion only
Provides an overall characterization of the general condition of the entire bridge, used on all bridges	Based only on good and poor condition
Drives maintenance decisions, emphasizes long term sustainability and preservation of fair bridges	Used for reporting as required by the FHWA

Infrastructure Condition

Pavement Performance Measures

In 2019, CTB adopted Statewide pavement and bridge performance measures and targets based on Maintenance and Operations Comprehensive Review (**Comprehensive Review**) and investment strategy

State Performance Measures	Federal Performance Measures
1. CCI (Critical Condition Index) 2. Percent Sufficient (CCI 60 or greater)	1. Percent in Good Condition 2. Percent in Poor Condition
Applicable for entire network by system	Applicable to National Highway System portion only
Based on ten or more distresses for each pavement type	Based on two or three distresses for each pavement type
Drives maintenance decisions and focuses on long term sustainability	Used only for reporting as required by the FHWA

Infrastructure Condition

Federal Bridge Performance and Targets

Green means meeting/exceeding targets. Red means failure to meet. Yellow shaded cells are proposed targets.

Desired Trend	Measure	Prior Period CTB Adopted Targets (percent)		Actual Annual Performance (percent)					Future <u>Proposed</u> Targets for CTB Vote in September (percent)	
		2-yr (2023)	4-yr (2025)	2021	2022	2023*	2024	2025*	2-yr (2027)	4-yr (2029)
↑	Percentage of NBI Bridges on the NHS in GOOD Condition	27.2	25.1	29.8	29.2	28.8	29.5	29.5	25.1	24.9
	Percentage of NBI Bridges on the NHS in FAIR Condition	n/a	n/a	67.2	68.0	68.5	67.6	67.6	n/a	n/a
↓	Percentage of NBI Bridges on the NHS in POOR Condition	3.3	3.6	3.0	2.8	2.7	2.9	2.9	3.8	3.9

*Virginia made **Significant Progress** toward its 2- and 4-year targets.

NHS – National Highway System
NBI – National Bridge Inventory

Infrastructure Condition

Federal Pavement Performance and Targets

Interstate

Desired Trend	Measure (Percentage of)	Prior Period CTB Adopted Targets (percent)		Actual Annual Performance (percent)					Future <u>Proposed</u> Targets for CTB Vote in September (percent)	
		2-yr (2023)	4-yr (2025)	2021	2022	2023*	2024	2025*	2-yr (2027)	4-yr (2029)
↑	Pavement on the Interstate in GOOD Condition	45	45	57.3	58.2	60.4	61.6	66.5	45.0	45.0
	Pavement on the Interstate in FAIR Condition	n/a	n/a	42.6	41.7	39.4	38.3	33.3	n/a	n/a
↓	Pavement on the Interstate in POOR Condition	3.0	3.0	0.1	0.1	0.2	0.1	0.2	3.0	3.0

*Virginia made **Significant Progress** toward its 2- and 4-year targets.

Infrastructure Condition

Federal Pavement Performance and Targets

Non-Interstate National Highway System

Desired Trend	Measure (Percentage of)	Prior Period CTB Adopted Targets (percent)		Actual Annual Performance (percent)					Future <u>Proposed</u> Targets for CTB Vote in September (percent)	
		2-yr (2023)	4-yr (2025)	2021	2022	2023*	2024	2025*	2-yr (2027)	4-yr (2029)
↑	Pavement on the Non-Interstate NHS in GOOD Condition	25	25	33.5	36.5	35.1	36.1	35.2	25.0	25.0
	Pavement on the Non-Interstate NHS in FAIR Condition	n/a	n/a	66.0	63.1	64.5	63.4	64.3	n/a	n/a
↓	Pavement on the Non-Interstate NHS in POOR Condition	5.0	5.0	0.5	0.4	0.4	0.5	0.5	5.0	5.0

*Virginia made **Significant Progress** toward its 2- and 4-year targets.

Reliability / System Performance

Federal Performance Measure Requirements

System Performance - Reliability

System Performance Measures*	Scope
Percentage of Person-Miles Traveled that are Reliable (PMTR)	Interstate
Percentage of Person-Miles Traveled that are Reliable (PMTR)	Non-Interstate NHS
Truck Travel Time Reliability Index (TTTR)	Interstate

Reliability: the consistency or predictability in travel times, as measured from day-to-day and/or across different times of the day

***FHWA requires a specific data set for the analysis of Travel Time Reliability – National Performance Management Research Data Set (NPMRDS).**

System Performance

Federal Reliability Performance and Targets

Desired Trend	Measure	Prior Period CTB Adopted Targets (percent)		Actual Annual Performance (percent)					Future <u>Proposed</u> Targets for CTB Vote in September (percent)	
		2-yr (2023)	4-yr (2025)	2021	2022	2023*	2024	2025*	2-yr (2027)	4-yr (2029)
↑	Person-Miles Traveled that are Reliable - Interstate (%)	85.0	85.0	86.3%	85.5%	86.0%	85.1%	83.6%*	77%	75%
↑	Person-Miles Traveled that are Reliable - Non-Interstate NHS (%)	88.0	88.0	95.0%	95.2%	93.9%	95.3%	91.3%	85%	80%
↓	Truck Travel Time Reliability Index	1.64	1.64	1.49	1.45	1.43	1.48	1.48	1.58	1.58

*Virginia did not make **Significant Progress** toward its 4-year target for Interstate PMTR. It should be noted there are year over year network inaccuracies from the Federally required data set and 2025 data was missing ALL express lanes – some of Virginia's most reliable roadway segments.

System Performance

NPMRDS Data Analysis – Interstate Only

Year	NPMRDS Mileage	NPMRDS Express Lanes Mileage	Actual Miles of Express Lanes	PMTR Based on Provided NPMRDS Network	Targets
2017	2,331	86.20	116.4	82.5%	
2018	2,395	105.8	116.4	82.6%	
2019	2,344	107.4	116.4	83.6%	82.2%
2020	2,234	0.0	116.4	93.8%	
2021	2,383	105.8	116.4	86.3%	82.0%
2022	2,283	44.3	116.4	85.5%	
2023	2,241	21.2	160.6	86.0%	85.0%
2024	2,253	10.6	180.3	85.1%	
2025	2,236	0.0	180.3	83.6%	85.0%

- 2025 Target = 85.0% Person-Miles Traveled Reliable (PMTR)
- Using FHWA data, 2025 PMTR is 83.64% - which is below the target
- Recalculating including Express Lanes is 85.19% - indicating target was achieved
- Conservative approach used to propose targets for 2027 and 2029 to account for historical network inaccuracies

Traffic Congestion and Air Quality (Capital Region Only)

Federal Performance Measure Requirements

Traffic Congestion and Air Quality – only required for Capital Region

Measures	Scope
Annual Hours of Peak Hour Excessive Delay (PHED) Per Capita	NHS
Percent of Non-Single Occupancy Vehicle (SOV) Travel (Mode Share)	Urbanized Area
Total Emission Reductions	CMAQ-funded projects

- Traffic Congestion and Air Quality Targets are set regionally
- Targets for PHED and Mode Share must be identical between the three state DOTs (Virginia, Maryland, District of Columbia) as well as the adjoining Metropolitan Planning Organizations (National Capital Region – Transportation Planning Board (TPB), Fredericksburg and Baltimore Regions)
- **Excessive delay** is travel below 60% of the posted speed limit or 20mph, whichever is greater on NHS routes.

System Performance

Federal Traffic Congestion and Air Quality

Target Setting Approach

- *Annual Hours of Peak Hour **Excessive Delay** (PHED) Per Capita
 - Utilized an average of both observed trends and modeled changes in peak congestion levels and applied a Covid-era adjustment factor.
- *Percentage of Non-SOV Travel
 - Based on trend line analysis from data in the American Community Survey and post-Covid growth rate adjustments.
- Total Emissions Reduction is the cumulative 2- and 4-year reported emission reductions for:
 - All new programmed CMAQ funded projects in Northern Virginia
 - Applicable criteria for pollutants
 - Applicable Pollutants: Volatile Organic Compounds (VOC) and Nitrogen Oxides (NOx)
 - TPB combines the Total Emissions Reduction estimates from each DOT to establish the target for the National Capital Region

*Targets for PHED and Non-SOV are developed in coordination across multiple DOTs and MPOs. TPB leads this effort.

System Performance - Federal Traffic Congestion and Air Quality Performance and Targets

Desired Trend	Measure *	Prior Period CTB Adopted Targets (percent)		Actual Annual Performance (percent)					Future <u>Proposed</u> Targets for CTB Vote in September (percent)	
		2-yr (2023)	4-yr (2025)	2021	2022	2023	2024	2025	2-yr (2027)	4-yr (2029)
↓	Annual Hours of Peak Hour Excessive Delay Per Capita (hrs/capita)	22.5	22.7	13.1	13.1	16.0	17.3	21.9	24.2	26.3
↑	Percentage of Non-SOV Travel	37.4%	37.7%	39.5%	42.2%	44.3%	46.4%	48.1%	49.4	50.3
↑	Cumulative reported emissions reductions - Volatile Organic Compounds**	0.323	3.013	7.884	1.636	2.478	3.791	4.637	0.382	0.442
↑	Cumulative reported emissions reductions - Nitrogen Oxides**	0.612	4.911	10.894	1.69	2.665	13.451	17.517	3.425	3.495

*Only required for the National Capital Region.

**Performance values are for Virginia portion and each individual year. Baseline data is cumulative for 2018-2021. Performance period data are cumulative for 2022-2025 (meaning 2022 is actual, 2023 is 2022 + 2023, etc.).

Next Steps, Q&A

Next Steps

- Today's presentation and discussion
- CTB adoption of Federal targets in September
- By October 1, 2026
 - Develop and submit 2022-2025 Performance Period Final Performance Report
 - Develop and submit 2026-2029 Performance Period Baseline Report with 2- and 4-year Targets



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

Thank you.





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Office of the
SECRETARY of TRANSPORTATION

State Budget Update

July 2026

Deputy Secretary of Transportation Carter Hutchinson



VIRGINIA DEPARTMENT
of Aviation



VIRGINIA SPACEPORT
AUTHORITY



Overview

- **This presentation is to inform the CTB about the transportation components of the Commonwealth's Fiscal Year 2027 through Fiscal Year 2028 budget. No action is needed.**
- June 22: General Assembly passed Fiscal Year 2027-Fiscal Year 2028 budget.
- June 29: Following General Assembly's adoption of Governor Spanberger's amendments, the Governor approved Commonwealth's budget for Fiscal Year 2027-2028.
- Major transportation components of FY2027-FY2028 budget include:
 - Funds for HJ28 Subcommittee to study and report on the status of transit in Hampton Roads
 - Funds to support the development of an Inland Port in Washington County
 - Support for Metro capital and operating needs
 - Flexibility to preserve the ability to offer 14 toll free trips per week for low income drivers to cross the Downtown and Midtown Tunnels between Norfolk and Portsmouth
 - Department of Rail and Public Transportation to study opportunities for Transit Oriented Development

Major Budget Components Related to Transportation

- Department of Rail and Public Transportation (DRPT) to conduct a statewide review identifying opportunities for transit-oriented development near existing and proposed transit and rail stations. *(Budget Item 435.C)*
- Evaluate options to accelerate large-scale improvements to the Interstate 81 corridor. *(Budget Item 420.M)*
- Funding (\$20M) to support the development of an inland port in Washington County, including site readiness, infrastructure, and targeted industry recruitment. *(Budget Item 450.E)*

Major Budget Components Related to Transportation

- Secretary of Transportation to examine opportunities to improve highway safety through ticket reciprocity with D.C. and Maryland. (*Budget Item 420.N*)
- Needed flexibility for VDOT to ensure low-income drivers can continue to receive 14 toll free trips per week through the Downtown and Midtown Tunnels between Norfolk and Portsmouth. (*Budget Item 441.C.8*)
- Funding for DRPT to support HJ28 Subcommittee study of transit in Hampton Roads. (*Budget Item 433*)
- One-time funding (\$19M) for DRPT to support transit capital needs. (*Budget Item 433.A.1.b*)

Meeting Virginia's Metro Funding Needs

- **Operating Expenses:** To reduce pressure on property taxes in Northern Virginia, *Budget Item 433.1* provided \$153M to address 50% of the increase in operating needs for Metro for FY2027-2028.
- **Capital and Operating Expenses:** For cities and counties within Planning District 8, *Virginia Code § 58.1-605.1 and § 58.1-606.1* authorized local option 1% sales and use tax for public transportation and/or school construction in order to address public transit needs, including Metro, in Northern Virginia.
- *Virginia Code § 33.2-3404* provides an affirmative requirement on the cities and counties that comprise the Northern Virginia Transportation Commission (NVTC) to fund their proportionate share of Metro capital costs.
- *Virginia Code § 33.2-1526.1* requires Metro to report on operating and capital costs, and to contain future cost increases to less than three percent annually.





DRPT Monthly Director's Report

July 2026



Growing Ridership & Building Connections

- **Statewide Transit**

- April 2026 Ridership was 14.4 million Statewide, up 2% over April 2025. See slide 9-10 for further details. This month was the highest month for ridership since February 2020.
- Thank you to the many transit agency and rail partners who provided additional service during June and July to help move records of number of people at special events happening around Virginia!

- **Virginia Breeze**

- April 2026 Virginia Breeze ridership was 5,658, up ~9% over April 2025. See slide 11 for further details.

- **Transit Service Delivery Advisory Committee**

- TSDAC met on July 7 to finalize recommendations for the MERIT and TRIP programs. TSDAC's recommendations are available for review on DRPT's website.

- **Industry Engagement**

- June 25: Director Zimmerman presented to the Virginia Association of Counties.
- June 28/29: Director Zimmerman and Deputy Director Fye presented at the American Public Transportation Association Rail Conference.
- July 14: Deputy Director Fye presented to the Virginia Municipal League's Infrastructure Policy Committee, providing an update on TSDAC's efforts, the Statewide Rail Plan, and ongoing studies.

Celebrating our Partners

Milestones from Across the Commonwealth

- **Hampton Roads Transit Making Huge Strides:**

- Launched its new GoMobile fare payment system.
 - Riders can now either use an app, a GoMobile card, or a credit or debit card, to pay for fares.
- Installed new modern Ticket Vending Machines at light rail stops and major transit centers.
- Saw record ridership in June during the Juneteenth weekend.
 - Nearly 51,000 riders on Juneteenth, a 58 percent increase over the same day in 2025.
 - Over 33,000 trips on the ferry system over four days, the largest number since 2012.

- **GRTC Issues Downtown Transfer Station RFP**

- On June 2, GRTC issued the Request for Proposals for its Downtown Transfer Hub project and anticipates selecting a developer by the end of the year.
- The Downtown Transfer Hub will serve as a permanent transfer station for GRTC, as well as involve the construction of a mixed-use building in downtown Richmond.

- **Bristol Trolley Feasibility Study**

- In June, the Bristol Metropolitan Planning Organization launched a public survey as part of its Bristol Trolley Feasibility Study; and is partnering with Bristol Virginia Transit, Bristol Tennessee Transit, and the respective Cities of Bristol to explore how a trolley service could connect the twin cities.

- **DASH Groundbreaking**

- On June 23, DASH held a groundbreaking ceremony for its on-route electric bus charger allowing electric buses to charge while on a service break, rather than return to DASH's main facility helping to reduce costs and save time.

State Rail Initiatives

DRPT Rail Update

- **Corridor ID Advancing**

- Step 1 of DRPT's Corridor Identification and Development (CID) projects, the east-west Commonwealth Corridor and D.C. to Bristol Corridor, have been accepted by the Federal Railroad Administration (FRA). This clears the way for the FRA to obligate grants for Step 2, which is expected later this summer.

- **Statewide Rail Plan**

- DRPT hosted three focused Virginia Statewide Rail Plan stakeholder sessions for business/economic development, localities, transit agencies, and rail industry representatives, to inform the rail plan and get input on preferences and potential strategies for rail development.
- A second Virtual Public Meeting will be scheduled for August.

- **Emergency Notification System Sign Awareness Day**

- June 24 was Emergency Notification System Sign Awareness Day, bringing attention to the importance of Emergency Notification System signs located where roadways cross railroad tracks.
- DRPT joined VPRA and the State Corporation Commission in issuing a joint press release recognizing the ENS.



Transforming Rail in Virginia

Virginia Passenger Rail Authority Project Updates

- **Long Bridge Project**

- North Package: the contractor has begun constructing key structural elements for the rail bridge over Ohio Drive SW in East Potomac Park. They are installing support-of-excavation systems, which are earth-retaining structures built to stabilize soil and prevent cave-ins. This enables the construction of the foundations for the new rail bridge.
- South Package: crews working from bulkheads and barges in the Potomac River have completed all test piles and Statnamic load tests. This data is informing the final design for the foundations of the new passenger rail bridge across the Potomac River.

- **New River Valley Passenger Rail Project**

- Concrete pouring continues for the passenger platform sidewalls and base. 375 linear feet of the platform has been poured to-date, out of 960 feet total. Crews are also constructing a major soldier pile retaining wall along Depot Street.

- **King and Commonwealth Bridges**

- At the King & Commonwealth rail bridges in Alexandria, the third and final set of jump span installations were completed on schedule in mid-June. These jump spans enable crews to begin excavating behind the existing bridge abutments and start the foundations for the replacement bridges over King St and Commonwealth Ave that will be installed in 2027.
- Learn more: [Capital Projects – VPRA](#)

- **BUILD Grants**

- On July 6, the USDOT's BUILD Grant program awarded \$25M each to the L'Enfant Station and Fourth Track Project (VRE) and the Richmond Layover Facility Project (VPRA).

CTB Oversight of WMATA

Virginia Budget Adds Additional Requirements

- **Current WMATA Requirements:**
 - Supply an annual budget and proposed capital expenditures to CTB.
 - Require WMATA General Manager and Commonwealth's WMATA Board members address CTB annually.
 - Limit alternates' participation at Board Meetings when the main Board members are present.
 - Cap operating cost growth to 3% - suspended by current biennial budget.
 - Adopt/Update its Strategic Plan every three years and holding a public hearing in NOVA - suspended by current biennial budget.
 - Adopt by July 1 a detailed CIP that covers a six-year period and hold a public hearing in NOVA.
- **New additional requirements in Biennial Budget:**
 - Report an annual 20-year capital plan, financial plan for major projects, performance report and efficiency report.
 - Report a calculation of mode-specific unit cost and growth, and cap unit growth at 3% starting in FY29.
 - Comply with DMVMoves Plan reporting requirements.
 - Report on system performance and progress update towards DMVMoves goals, to NVTC and MWCOG.
 - Publish a rail signaling automation and workforce transition plan by FY29.
 - Ensure that no employees are terminated as part of a reduction in force due to automation.

The CTB votes to certify WMATA's compliance of these requirements every Fall. If WMATA is found noncompliant, the CTB may withhold a portion of WMATA's allocation of Commonwealth Mass Transit Fund.

Ongoing Transit Studies

Monthly Study Update

- **Statewide Transit Oriented Development Study**
 - DRPT has engaged with a consultant team and will approach the report in two phases, with the first phase of the report submitted to the General Assembly by December 1, 2026.
- **Equivalent Compensation Labor Study**
 - DRPT has engaged with a consultant team on the study and outreach to work group members has begun.
- **WMATA Efficiency Reporting**
 - DRPT will submit the report by October 15, 2026.
- **HJ28 Hampton Roads Transit Regional Needs Study**
 - Hampton Roads Transit is the lead and is in the process of procuring a consultant to lead efforts.
 - *The adopted budget allocated \$300,000 to DRPT for the study.*
- **Northern Virginia Bus Transit Consolidation Study**
 - DRPT has engaged with a consultant team on the study and has started outreach to impacted providers.
- **Virginia Breeze Study***
 - DRPT has initiated a review of the Virginia Breeze to identify new opportunities, efficiencies, and improvements.

FY26 SYIP Transfers

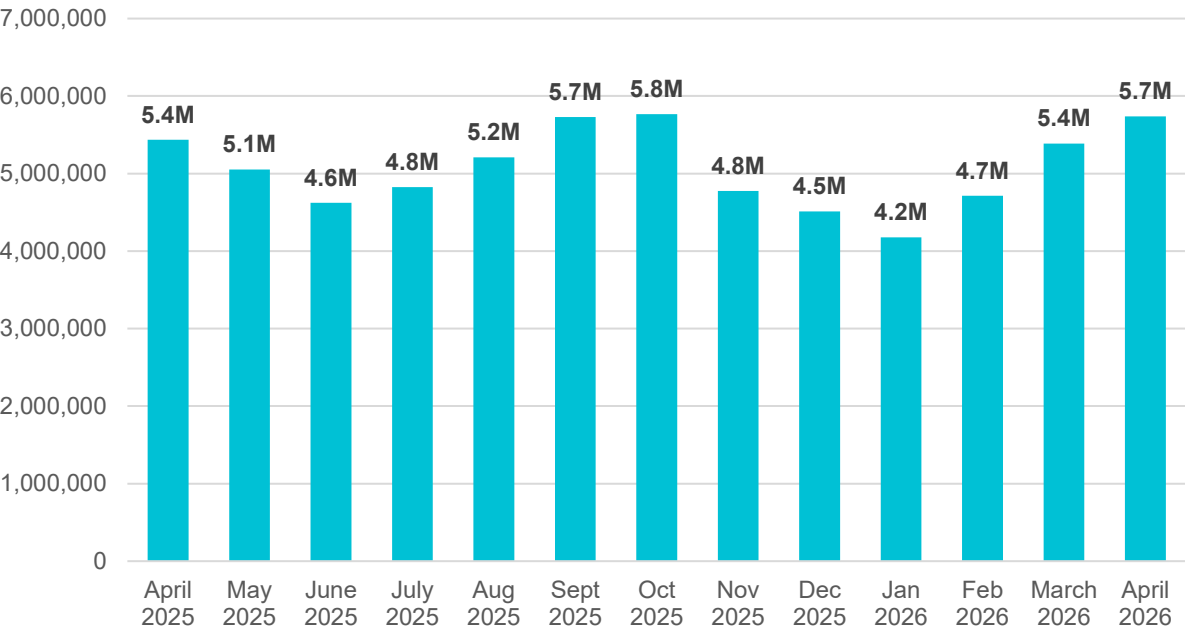
DRPT Director Approved- Under 200,000

Donor Project Number & Description	Transfer Amount	Recipient Project Number & Description	Recipient Original Allocation	Recipient New Allocation	Change	Comments
(79427-00) I-495 Tolls FY2027 - Unobligated	\$170,000	(60000-01) NVTC-Fairfax County 495 NEXT - Route 798 Operating Assistance -2025	\$2,000,000	\$2,170,000	\$170,000	DRPT Director and Transit Team recommend approval. Increased costs are for approved operating expenditures.
(42025-95) 5311 ADTAP Capital De-Programmed VA-2024-040-03 (73121-98) Capital Projects FY2021 - De-Programmed	Federal = \$11,600 State = \$2,230	(42025-38) Spare Parts/Capital Maintenance (Motors & Transmissions) - 2025	Federal = \$39,200 State = \$7,840	Federal = \$50,800 State = \$10,160	Federal = \$11,600 State = \$2,320	DRPT Program Director recommend approval. Increased costs for eligible expenditures.
(42525-09) 5311 Intercity Unobligated VA-2024-040-01	Federal = \$200,000	(42525-09) Valley Metro FY25 FTA 5311 Operating	\$580,932	\$780,932	\$200,000	DRPT Program Director recommend approval. Increased costs are for eligible operating expenditures.
(73024-11) FRED - Replacement - Medium-size, medium-duty transit bus or BOC (4)	Federal = \$51,961 State = \$10,392	(73024-12) FRED Replacement Large-size, heavy-duty transit bus (2) - 2024	Federal = \$880,000 State = \$176,000	Federal = \$931,961 State = \$186,392	Federal = \$51,961 State = \$10,392	DRPT Program Director recommend approval. Increased costs for eligible expenditures.
73222-99 Paratransit/Senior/MM FY2022 - De-Programmed	\$65,936	(73026-16) Replacement Light duty, small size transit bus or BOC (3) - 2026	\$548,914	\$614,850	\$65,936	DRPT Program Director recommend approval. Increased costs for eligible expenditures.
TOTAL SFY 2026 Transfers					\$512,209	

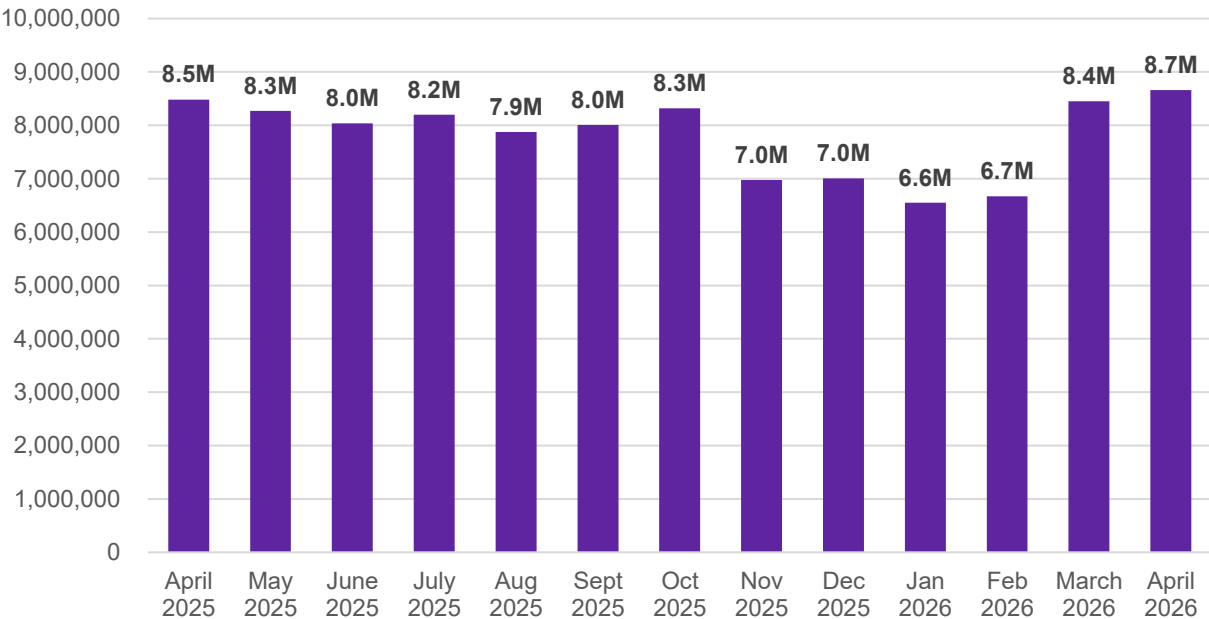
**Transfers are all below the \$200,000 threshold and do not require CTB approval. DRPT is providing the CTB with a list of all transfers approved during State Fiscal Year 2026.*

Statewide Transit Ridership

Statewide Transit Ridership – April 2025 to April 2026



Virginia Agencies (incl. VRE)

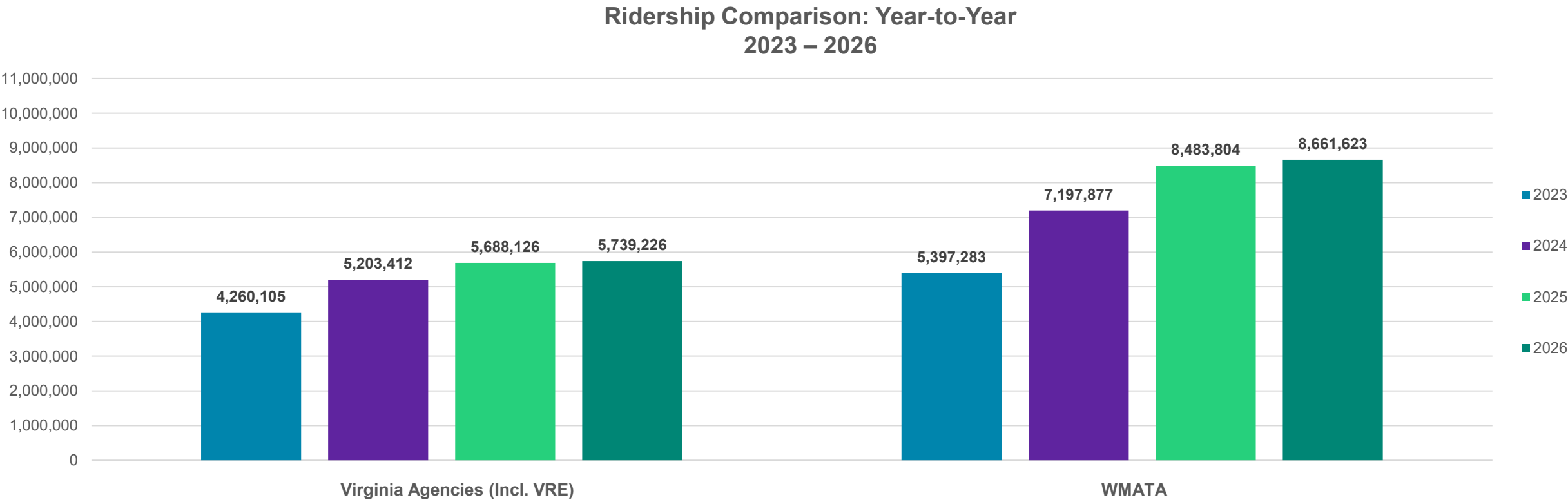


WMATA

Agencies	April 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	March 2026	April 2026	Total*
Virginia Agencies	5,437,004	5,053,320	4,624,290	4,826,487	5,208,249	5,729,123	5,765,456	4,774,932	4,513,370	4,175,539	4,715,787	5,387,585	5,739,226	60,513,364
WMATA	8,483,804	8,272,850	8,038,628	8,197,440	7,877,904	8,005,759	8,320,907	6,977,427	7,005,271	6,551,481	6,668,660	8,449,361	8,661,623	93,027,311
Total	13,920,808	13,326,170	12,662,918	13,023,927	13,086,153	13,734,882	14,086,363	11,752,359	11,518,641	10,727,020	11,384,447	13,836,946	14,400,849	153,540,675

*Last 12 Months

Statewide Ridership Comparison: April Year-to-Year



Mode	2023	2024	2025	2026	2026 vs 2023	2026 vs 2024	2026 vs 2025
Virginia Agencies	4,260,105	5,203,412	5,688,126	5,739,226	35%	10%	1%
WMATA	5,397,283	7,197,877	8,483,804	8,661,623	60%	20%	2%
Total	9,657,388	12,401,289	14,171,930	14,400,849	49%	16%	2%

Virginia Breeze Ridership – April

In April 2026, ridership on VA Breeze routes totaled 5,685 which was:

- 132% higher than original estimates, and
- 9% higher than April 2025

In April 2026, the VA Breeze contributed to a reduction of 210 metric tons of CO₂ equivalent emissions.

Valley Flyer:

- Ridership – 7% higher than April 2025
- Farebox Rev. – 4% higher than April 2025

Piedmont Express:

- Ridership – 15% higher than April 2025
- Farebox Rev. – 9% higher than April 2025

Capital Connector:

- Ridership – 31% higher than April 2025
- Farebox Rev. – 10% higher than April 2025

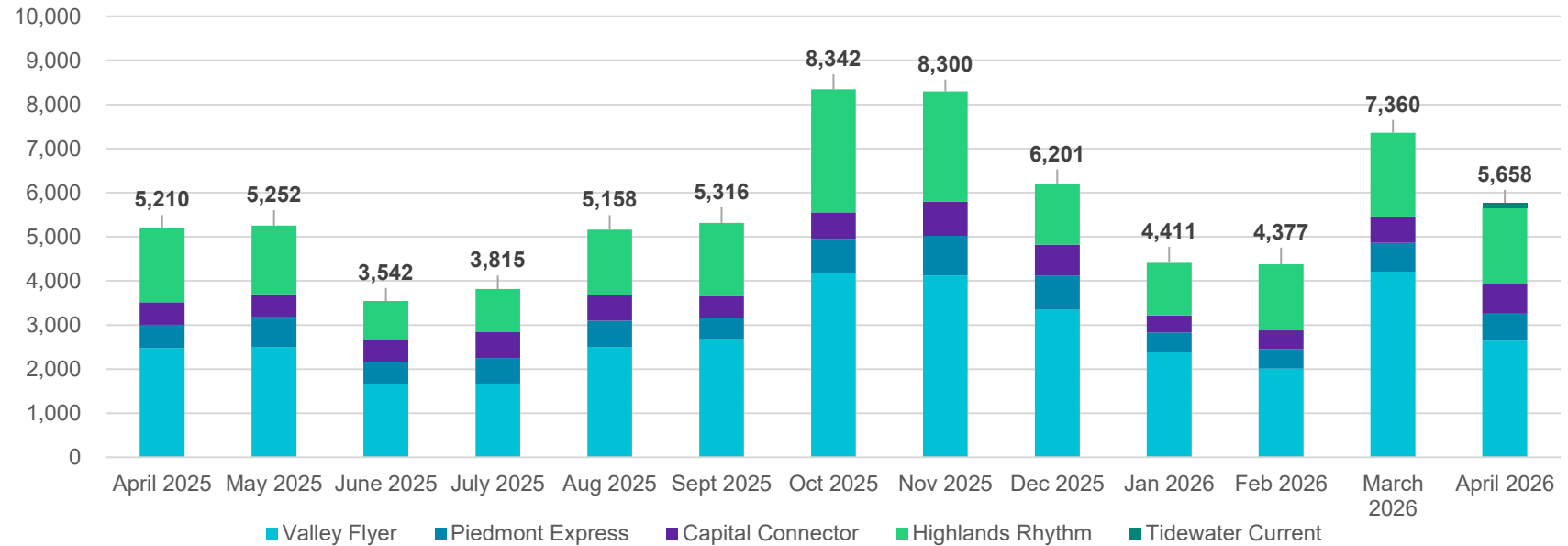
Highlands Rhythm:

- Ridership – 3% higher than April 2025
- Farebox Rev – 1% lower than April 2025

Tidewater Current:

- Ridership – N/A
- Farebox Rev – N/A

Virginia Breeze Ridership by Route – April 2025 to April 2026

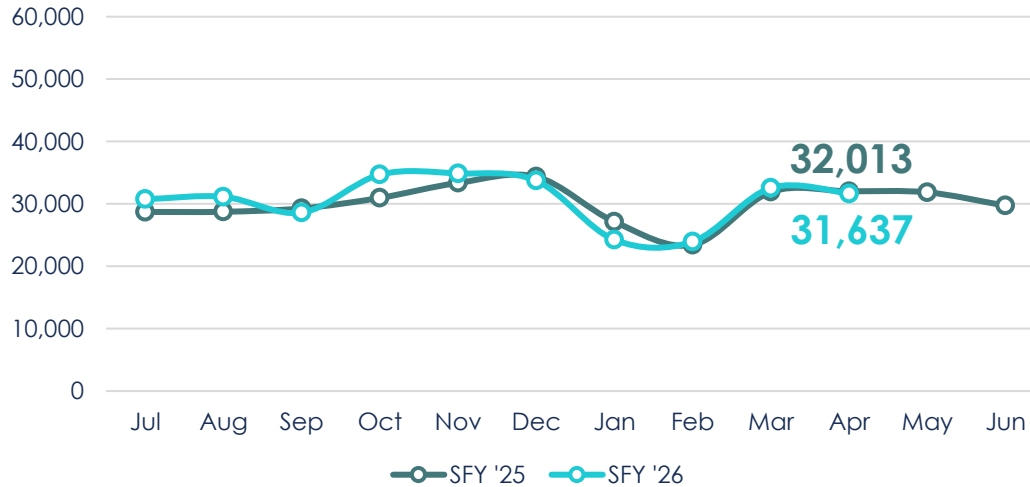


Route	April 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	March 2026	April 2026	Total*
Valley Flyer	2,475	2,489	1,655	1,675	2,493	2,676	4,189	4,124	3,344	2,377	2,012	4,211	2,645	33,890
Piedmont Express	531	702	499	577	606	490	767	895	781	451	440	650	609	7,467
Capital Connector	513	508	504	585	581	484	598	778	694	389	424	602	670	6,817
Highlands Rhythm	1,691	1,553	884	978	1,478	1,666	2,788	2,503	1,382	1,194	1,501	1,897	1,734	19,558
Tidewater Current	-	-	-	-	-	-	-	-	-	-	-	-	113	113
All Routes	5,210	5,252	3,542	3,815	5,158	5,316	8,342	8,300	6,201	4,411	4,377	7,360	5,658	67,845

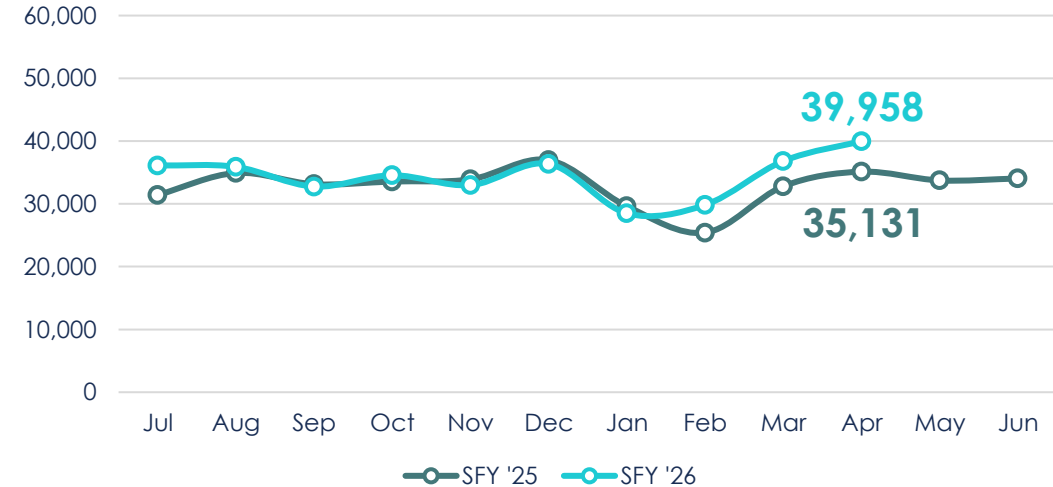
*Last 12 Months

Virginia-Supported Monthly Ridership SFY '26 vs. SFY '25

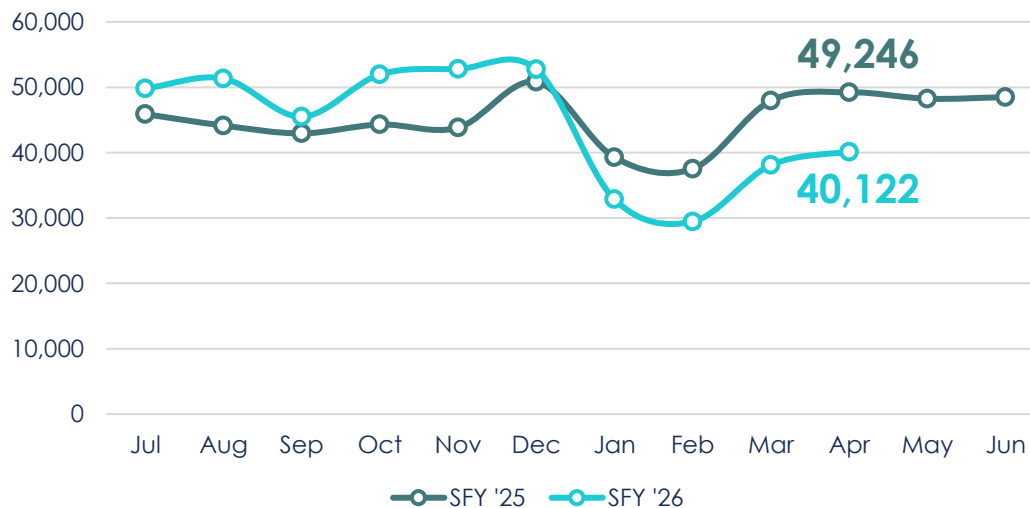
Route 46: Roanoke (-1.2%)



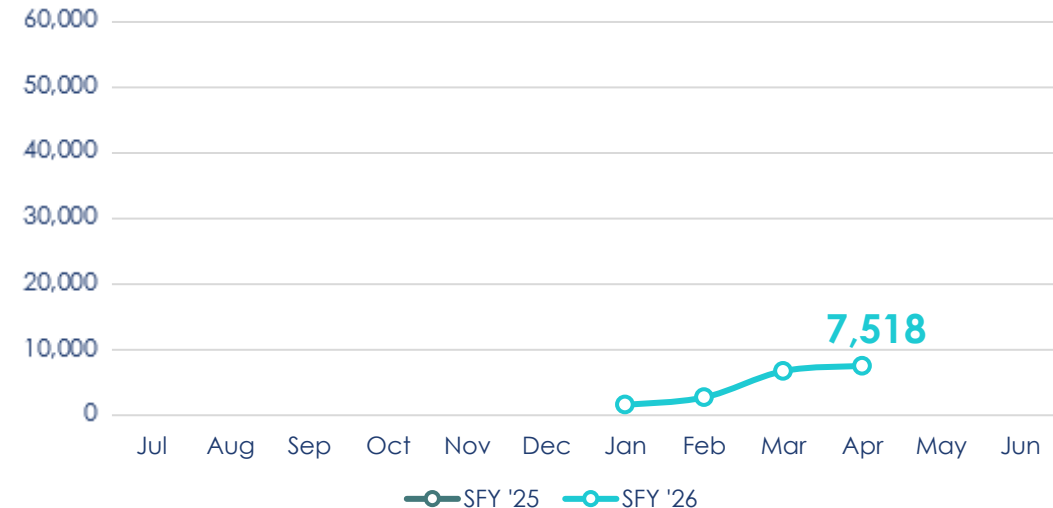
Route 47: Newport News (+13.7%)



Route 50: Norfolk (-18.5%)



D.C. Express Buses



Newport News route recorded highest monthly ridership.

Express buses chart displays both Hampton Roads and Richmond area ridership.

Express bus ridership breakout on Slide 11.

Virginia & Comparable State-Supported Service Ridership

Normalized: Monthly Ridership ÷ Daily Trains

