

From: Edward S. Sundra
To: Oyan, Lynn C.
Cc: Deborah A.; Mitchell, Diane L.; Pryor Spence, Kimberly
Subject: RE: STIP Amd #22 - ARRA projects

Information regarding FY 2009 STIP amendment #22 has been reviewed. The request was transmitted via e-mail on September 17, 2009, and a hard copy was received in the mail on the same day. The amendment involves five projects in the Hampton Roads area to be administered by FHWA (three individual projects and two additional projects funded as grouped projects under the following two categories: 'Traffic and Safety Operation' and 'Safety/ITS/Operational Improvements) and two projects administered by FTA. None of the projects will be administered jointly by FHWA and FTA.

The information that was transmitted with STIP amendment #19 includes evidence that the MPO has taken appropriate action to account for the projects and the ARRA funding in their TIP. Further, the projects are located in an air quality maintenance area and based on a review of the projects, it appears that the projects are not regionally significant and subject to conformity or they were already accounted for in an existing conformity analysis.

The projects in question will be funded with ARRA funding with obligations planned in FY 2009 and FY 2010. With this amendment, planned obligations will exceed VDOT's projected obligation authority for ARRA funding. Based on my conversations with VDOT last week, it is my understanding that this is one of a handful of amendments that VDOT will be requesting in the coming weeks related to ARRA that will cause VDOT's planned obligations to further exceed their projected obligation authority of ARRA funding. It is further my understanding that the reason for this approach is that some of the estimates on projects previously amended to the STIP for ARRA funding are coming in too high and VDOT is considering withdrawing these projects or reducing their scope. Meanwhile, there is a need for VDOT to certify new projects for ARRA funding as quickly as possible before the March 2, 2010 redistribution of unobligated ARRA funds. Because of the time it would take for VDOT to coordinate with the MPOs to withdraw existing ARRA projects or revise their scope so that the planned obligation tied to them is released, VDOT's ability to process and certify new ARRA projects in a timely manner in lieu of those that may be withdrawn or revised has been called into question. Accordingly, VDOT has asked FHWA to approve this and future ARRA amendments prior to the MPOs taking action to withdraw or revise ARRA projects already added to their TIP that would free up planned obligations with the understanding that any ARRA projects that are withdrawn or revised will be re-coordinated with affected MPOs in accordance with existing procedures prior to March 2, 2010. VDOT has further committed that the total planned obligations will be reconciled with the projected obligation authority for ARRA funding.

Therefore, based on the foregoing and in an effort to be as flexible as possible with respect to ARRA funding, STIP amendment **FY-09 #22** is approved today, September 23, 2009. This amendment is approved with the understanding that VDOT will carry out the necessary coordination with affected MPOs to amend or modify their TIPs to withdraw or revise ARRA projects previously added to their TIPs and amended to the STIP so that planned obligations are brought in line with projected obligation authority. FHWA recommends that VDOT, if they have not done so already, alert the affected MPOs of this impending coordination and the reason for it.

Finally, this STIP amendment will not affect the FHWA/FTA Planning Finding dated September 22, 2008; accordingly, the planning finding remains valid.

Ed Sundra
Planning and Environment Program Manager
FHWA Virginia Division
(804) 775-3353
Ed.Sundra@dot.gov