

COUNTY OF YORK

MEMORANDUM

DATE: May 27, 2020

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: County Responsibility for Virginia Department of Transportation (VDOT) Maintained Roads

SUMMARY

This report is a summary that describes how a county under Virginia law may take over the responsibility for public roads from VDOT. Included are several attachments that illustrate the formal actions a Virginia county would have to undertake to implement such a transition. Additional, more detailed documents have also been produced and are maintained by county administration for anyone interested in this topic and as a resource in the event the county would consider undertaking this devolution at some point in the future.

Over the years Board members and citizens have expressed concern about the condition of public roads maintained by the VDOT. This year one of the Board's State legislative priorities was to increase VDOT resources to reverse the decline of public road conditions. It appears that State VDOT funding will increase slightly, but not to a level that will be noticeable to the public.

The analysis undertaken in this report serves two purposes. First, it provides detailed information that the Board of Supervisors and county administration can use in future deliberations regarding its transportation infrastructure and VDOT. Secondly, in the longer term, the county organization has a complete "road map" should such action be contemplated subsequently by a future Board of Supervisors.

The County has gradually increased its responsibilities on major thoroughfares for landscaping and litter removal, but the major functions of traffic engineering, pavement management, infrastructure, planning, ditch maintenance, snow removal and grass mowing remain the responsibility of VDOT. Many of our residents and businesses do not understand this fact and frequently complain to elected officials and staff about issues mostly under VDOT's control.

This analysis leads to several conclusions. The legal glide path for a Virginia county to take over some or all responsibility for roads is spelled out. However, the practical glide path is much less clear. All of the formula and processes required by law create a series of problems. Elected leaders would have to vote to undertake an effort without really having a good idea how much it would cost or how long it would take.

One of the largest impediments is the requirement that VDOT would have to commit to bring the county's roads up to a state of "good repair" within six years as part of the turn

over process. Since VDOT usually does not have the resources to do that during normal times, why would it be reasonable to assume VDOT could find such resources as part of this devolution process? The defined transition process also requires VDOT to negotiate with a participating county to identify state owned equipment and facilities that could be made available to the county as part of its new responsibilities and that would no longer be needed by VDOT. It is hard to imagine such a negotiating process as the state would have few incentives to expedite and resolve any differences, leaving the devolution in limbo if agreements could not be reached.

Broadly speaking, about 50% of the current VDOT spending for county roads would, in theory, be turned over to the county at the point at which it took over responsibility. However, it is obvious that the current level of VDOT spending is woefully inadequate. Why would a county want to go to all of the trouble and expense to take over roads only to get the same poor results achieved by the current system? It follows that if this county wanted to take over some or all road functions it would want to do so with a sustainable level of resources. This probably means that after completing the required calculation to determine the VDOT and county share, the county share would have to be further increased to achieve the desired result of a better maintained road system.

Two Virginia counties Henrico and Arlington currently maintain their roads independent of VDOT. However, their situations predate the current devolution procedure. At least two counties, including James City and Fairfax, have previously studied the matter in detail under the new procedures and both decided the costs and the risks were too high.

THE PROCESS

In 2001, the Virginia General Assembly enacted the “Devolution Statute” which allows counties the option of maintaining all or a portion of responsibilities associated with the secondary system. In 2007, VDOT produced a Secondary Roads Final Devolution Guidebook. There are four devolution options available 1) maintenance only, 2) construction only, 3) maintenance and construction and 4) maintenance, construction and operations (all functions).

The devolution process begins with the Board adopting a resolution notifying VDOT of the County’s intention to pursue devolution. The resolution would need to be submitted no later than July 1, for potential assumption of responsibilities the following July 1. The transition and implementation would take at least one year. Negotiations with VDOT include an agreement and a memorandum of agreement/understanding (MOA/MOU) that would confirm funding, identify any payments VDOT may offer to support start-up activities and outline facilities or equipment that may be transferred, sold, leased or otherwise made available.

The annual amount of funding based on the responsibilities assumed, would be determined during the negotiations between VDOT and the County. The determination of annual funding allocations would take into consideration available current funding levels, average historical VDOT expenditures for the assumed functions and the size of the secondary road system in the county. Negotiations would include establishing a rate per

lane-mile for the first year using an amount for maintenance based on maintenance standards and unit costs used by VDOT in preparing its secondary state highway system maintenance budget. Funding for administration equal to five percent of the maintenance figure determined would also be available. The agreement would also identify the process and methodology that would be used to determine annual adjustments to funding levels. County allocations would also be adjusted due to additions or reductions in the size of the secondary road system. Please note that future legislative actions may also impact funding and payment rates.

Payments would be made on a quarterly basis, on or before September 30, December 30, March 30 and June 30. Federal funding would be provided on a reimbursable basis for qualifying project costs once eligibility for reimbursement has been determined.

Another part of the process involves communicating to the citizens. The *Code of Virginia* is silent regarding requirements for public involvement as part of the devolution process. Options range from open discussion at public meetings to formal, countywide referenda.

The following briefly describes the four devolution options:

Maintenance only:

Primary activities include vegetation control (mowing, brush cutting, etc.); removal of roadside hazards; surface repairs & resurfacing; sign repair & replacement; traffic control device maintenance & replacement (except traffic signals); shoulder maintenance; guard-rail repair/replacement; ditch & drainage cleaning; pavement marking repair/replacement; roadside cleaning (removal of dead animals & litter); snow & ice control; landscaping; bridge inspection, repair & rehabilitation; receiving & responding to customer calls and emergency/incident responses.

Construction only:

Mandatory activities include planning/six-year plan development; environmental studies & permits; public hearings; design; right-of-way acquisition, utilities & permits; project letting; general project management; environmental inspection and construction, engineering & inspection (CEI).

Optional activities include private entrance pipe installation; rural additions; traffic calming; traffic services and incidental engineering & surveying.

Maintenance & Construction:

All responsibilities listed above under maintenance only and construction only.

Maintenance, Construction & Operations (ALL functions):

Assume full responsibility for all secondary system assets, such as roadways, right-of-way & appurtenances. It does not include VDOT facilities (e.g. area headquarters & material yards), equipment or supplies. Take over all operational functions (e.g. traffic engineering, land development & permitting, subdivision street review, speed limits, traffic counts, traffic signal analyses & operations, warning signs/other regulatory signs) and control the facilities (e.g. conducting plan reviews, performing inspections & issuing access permits).

In estimating the costs for the four options, maintenance only, construction only, maintenance & construction and maintenance, construction & operations, VDOT provided a feasibility model. When using this model the costs range from \$ 1.7 million to \$ 14.2 million. Within these estimates are assumptions for items such as staffing, equipment and annual emergency costs. Another approach in estimating the costs is to compare the Sewer Utility Fund in York with the Wastewater Fund in Newport News. York has approximately 57% of the staffing and 62% of the budget of Newport News. Based on the percentage and comparisons, the budget for the Street Maintenance & Repair Division (SM&R) in Newport News was analyzed. The SM&R Division has 68 employees and a FY2020 budget of \$11.8 million. If the 57% of staffing and 62% of budget theory is put in place, York would need 39 employees and \$7.3 million annually. Newport News also has a Street Maintenance Fund and the FY2020 budget is \$17.5 million. At 62% of the budget comparison, York would need \$10.9 million annually.

CONCLUSION

Clearly it is impossible to come up with a good estimate of what the full takeover of public roads would cost. Using the analogies described above, a normalized operating cost for taking full responsibility for roads might cost \$14 million annually. Some fraction of that, perhaps \$4 to \$6 million would be provided by the state under current program rules, leaving a local cost in the range of \$8 to \$10 million. Just to put a number on it and making big assumptions that clearly might be incorrect given the existing devolution process, York County would need to raise its tax rate something on the order of 10.5 cents per \$100 of value. Given the other pressure on the operating budget which might very well require tax increases for education and public safety, moving forward with such an initiative would be extremely difficult if not impossible in the foreseeable future.

NAM:jsb

Attachments:

- A. Sample of Resolution of Intent to Resume Responsibility for the Secondary System of Highways
- B. Sample of Standard Devolution Agreement
- C. Sample of Memorandum of Agreement for Devolution of Secondary Highway System Maintenance
- D. Sample of Memorandum of Agreement for Devolution of Secondary Highway System Construction
- E. Sample of Agreement for Full Devolution of the Secondary System of State Highways
- F. Sample Checklists and Action Plans for:
 - Maintenance Devolution
 - Construction Devolution
 - Full Devolution
- G. Experiences of Other Localities

Attachment A

RESOLUTION OF INTENT TO RESUME RESPONSIBILITY FOR THE
SECONDARY SYSTEM OF HIGHWAYS

WHEREAS, Section 33.1-84.1 of the Code of Virginia permits a county to resume responsibility for any or all maintenance, construction and operations functions of the secondary system of highways within its boundaries; and

WHEREAS, Section 33.1-84.1 of the Code of Virginia also requires that the County Board of Supervisors formally express the County's intent to resume the desired responsibility by resolution; and

WHEREAS, the Virginia Department of Transportation has published a *Guide to County Assumption of Secondary Roads* which describes the options available to counties and outlines the steps in the devolution or resumption process;

NOW THEREFORE BE IT RESOLVED, that the County Board of Supervisors of _____ **County**, Virginia requests the Virginia Department of Transportation accept this Resolution as indicative of its support and intent to resume responsibility for _____ functions on the secondary system of highways within _____ County commencing with _____ functions on July 1, 200_ and _____ functions on July 1, 200_ ; and

BE IT FURTHER RESOLVED that the County requests the Virginia Department of Transportation to initiate the transition period and implementation plan for the resumption of these referenced responsibilities.

Adopted this _____ day of _____, 20--

County of _____, Virginia

By: _____

County Administrator

Attest: _____

Clerk of Board of Supervisors

Attachment B

STANDARD DEVOLUTION AGREEMENT

THIS AGREEMENT, made and executed in triplicate this ____ day of _____, 200_, by and between the **COUNTY** of _____, Virginia, hereinafter referred to as the COUNTY and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT.

WHEREAS, Section 33.1-84.1 of the Code of Virginia, as amended, provides that the Board of Supervisors of a county may, upon receipt by the Commissioner of Transportation of a resolution from said Board, enter into an agreement with the DEPARTMENT to resume responsibility for secondary highways within said COUNTY; and

WHEREAS, Section 33.1-84.1 of the Code of Virginia, as amended, also indicates that such agreement shall specify the equipment, facilities, personnel, and funding that will be provided in order to implement such agreement's provisions; and

WHEREAS, responsibility for secondary highways may include, maintenance, construction, maintenance and construction, or maintenance, construction and operations; and

WHEREAS, the COUNTY has expressed its desire to resume responsibility for certain functions as described in Appendix A attached to this agreement for the secondary highways within the county and has submitted to the DEPARTMENT a resolution indicating its desire; and

WHEREAS, for purposes of this agreement, "secondary highways" shall mean those highways generally numbered 600 and above within the COUNTY which the DEPARTMENT maintained and were included in the DEPARTMENT's Highway and Transportation Records Information System (HTRIS) on the effective date of this agreement, and include all assets considered part of the secondary system including all pedestrian and bicycle facilities maintained by the Department on the effective date of this agreement and any new secondary highways and bicycle and pedestrian systems accepted into the secondary system of highways in subsequent years by the DEPARTMENT; and

WHEREAS, the DEPARTMENT is required to meet specific requirements of the Federal Highway Administration (FHWA) on any maintenance or construction projects funded with federal transportation funds and will require the COUNTY to meet any such provisions.

NOW THEREFORE, in consideration of the mutual premises contained in the Appendices herein, the parties hereto agree as follows:

1. The COUNTY shall:
 - a. Be responsible for all activities necessary to perform the responsibilities outlined in Appendix A.

- b. Maintain accurate records of expenditures and make such information available for inspection or auditing by the DEPARTMENT and submit any information or reports identified in Appendix A.
2. The DEPARTMENT shall:
- a. Make quarterly payments to the COUNTY based on the established rate per lane mile and annual construction allocations, as identified within Attachment A to this agreement. However, where federal funds are included in the allocation, the quarterly payments made to the COUNTY shall be reduced by that amount, which shall then be reimbursed to the COUNTY in the manner as currently provided for.
 - b. If appropriate, submit invoices to the COUNTY for expenses incurred by the DEPARTMENT for work performed on behalf of the COUNTY pursuant to this agreement.
 - c. Audit the COUNTY's Project records and documentation as may be required to verify COUNTY compliance with federal and state laws and regulations.
 - d. Make available to the COUNTY guidelines and training to assist the parties in carrying out responsibilities under this Agreement.
3. Appendix A outlines the responsibilities assumed by the COUNTY. There may be additional elements that, once identified, shall be addressed by the parties hereto in writing, which may require an amendment to the Appendix A.
4. Nothing in this agreement shall be construed as a waiver of the COUNTY's or the Commonwealth of Virginia's sovereign immunity.
5. As long as the DEPARTMENT retains operational responsibility and ownership of the secondary system, the DEPARTMENT reserves the right to perform work as necessary to address a critical issue or ensure the safety of the traveling public, however, the performance of such work does not relieve the COUNTY of its responsibilities pursuant to this agreement. The COUNTY will be given notice of such a determination and given a timeframe to address the issue before VDOT takes corrective action. VDOT may seek reimbursement through billing or reduce the quarterly payments for its actual costs associated with performing such work at the discretion of the Department.
6. This agreement may be terminated by the County upon advance written notice being provided to the DEPARTMENT no later than June 30 of any year and a Termination Agreement would then be prepared and executed by both parties becoming effective July 1 of the following year. This agreement may be terminated by the Department in such cases where the COUNTY has

failed to fulfill their responsibilities as outlined in Appendix A, but only after a thorough review of those circumstances, notice and consultation with the COUNTY of those circumstances, and a final decision supporting such termination by the Commissioner of Transportation. In the case of maintenance devolution or full devolution, the agreement cannot be terminated by the COUNTY within the first 2 years of the effective date of this agreement.

7. In the event of a mandatory termination of this agreement by the DEPARTMENT due to non-performance by the COUNTY of its responsibilities pursuant to this agreement, the DEPARTMENT will establish the transition period.
8. In the event of termination, real property or other assets identified in Appendix A, transferred to the COUNTY by the DEPARTMENT as part of this agreement shall be returned to the DEPARTMENT unless otherwise agreed upon by both parties. In the case where the COUNTY made payment for said property, equipment or facilities, the DEPARTMENT shall reimburse the COUNTY for its initial expenses unless otherwise provided for in the Termination Agreement.

THE COUNTY and DEPARTMENT acknowledge and agree that this Agreement has been agreed to by the parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any party.

THIS AGREEMENT, when properly executed, shall be binding upon both parties, their successors, and assigns.

THIS AGREEMENT may be modified in writing by mutual agreement of both parties.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written.

COUNTY OF _____, VIRGINIA:

Typed or printed name of signatory

Title Date

Signature of Witness Date

NOTE: The official signing for the COUNTY must attach a certified copy of his or her authority to execute this agreement.

COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION:

Commonwealth Transportation Commissioner Date
Commonwealth of Virginia
Department of Transportation

Signature of Witness Date

Attachments

- Appendix A
 - Maintenance MOU
 - Construction MOU

Attachment C

MEMORANDUM OF AGREEMENT
For
Devolution of Secondary Highway System Maintenance

THIS MEMORANDUM OF AGREEMENT, made and executed in triplicate this ____ day of _____, 200_, by and between the **COUNTY** of _____, Virginia, hereinafter referred to as the COUNTY, and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT.

WHEREAS, Section 33.1-84.1 of the Code of Virginia, as amended, provides that the Board of Supervisors of a COUNTY may, upon receipt by the Commissioner of Transportation of a resolution from said Board, enter into an agreement with the DEPARTMENT to resume responsibility for the secondary system of state highways within said COUNTY; and

WHEREAS, the COUNTY has expressed its desire to resume responsibility for **MAINTENANCE** of the secondary system of state highways within the COUNTY's boundaries and has submitted to the DEPARTMENT a resolution indicating its desire; and

WHEREAS, Section 33.1-23.02 of the Code of Virginia provides that "*maintenance*" shall include ordinary maintenance, maintenance replacement, and any other categories of maintenance which may be designated by the Commissioner;" and

WHEREAS, Section 33.1-84.1 of the Code of Virginia, as amended, provides that such agreement entered into with a COUNTY shall specify the equipment, facilities, personnel, and funding that will be provided; and

WHEREAS, the DEPARTMENT is required to meet specific requirements of the Federal Highway Administration (FHWA) when maintenance activities are funded with federal transportation funds.

NOW THEREFORE, in consideration of the mutual premises contained herein, the parties agree as follows:

1. The COUNTY shall:
 - a. Be responsible for all activities necessary to perform maintenance of the secondary system of state highways as provided for in Section 33.1-23.02 of the Code of Virginia , to include but not limited to:
 1. Vegetation control (mowing, brush cutting, etc.);
 2. Removal of roadside hazards;
 3. Surface repairs and resurfacing (including pothole repair);
 4. Sign repair and replacement;

5. Traffic control device maintenance and replacement (**except traffic signals and traffic management systems**);
 6. Shoulder maintenance;
 7. Guardrail repair/replacement;
 8. Ditch and drainage cleaning;
 9. Storm water detention and retention basin maintenance;
 10. Pavement marking repair/replacement;
 11. Roadside cleaning (removal of dead animals and litter);
 12. Snow and ice control;
 13. Landscaping;
 14. Bridge repair, and rehabilitation;
 15. Receiving and responding to customer calls; and
 16. Emergency repair and replacement work.
- b. Perform all agreed-to inspection and maintenance activities in accordance with applicable Federal and State requirements, and , Virginia Department of Transportation and industry standards, which include but are not limited to:
1. Code of Virginia;
 2. VDOT Best Management Practices Manual;
 3. Virginia Department of Transportation Road and Bridge Specifications;
 4. COUNTY developed and DEPARTMENT approved standards;
 5. Applicable FHWA standards;
- c. Maintain accurate and complete records of all expenditures and make such information available for inspection or auditing by the DEPARTMENT. Records and documentation shall be maintained for no less than three (3) years following expenditure.
- d. Subject to appropriation, reimburse the DEPARTMENT for all expenses incurred by the DEPARTMENT due to action or inaction solely by the COUNTY. Reimbursement shall include federally funded expenditures incurred which are not reimbursed by the Federal Highway Administration (FHWA), or reimbursements that are required to be returned to the FHWA, or other applicable provisions of federal, state, or local law or regulations require such reimbursement.

- e. Provide annual certification by a COUNTY official that all COUNTY administered activities have been performed in accordance with all federal, state, or local laws and regulations. If the locality expends over \$500,000 annually in federal funding, such certification shall include a copy of the COUNTY's single program audit in accordance with Office of Management and Budget Circular A-133.
 - f. The COUNTY shall report its maintenance expenditures annually through the *Weldon-Cooper Center Financial Survey* and shall also submit to the DEPARTMENT an annual report (included in the COUNTY's annual financial audit) which shall include a summary of annual rehabilitative maintenance activities which have been performed, to include but not be necessarily limited to pavement overlays, bridge/structure rehabilitations, major drainage modifications, and all other similar activities.
2. The DEPARTMENT shall:
- a. Pay the COUNTY the state portion of its annual maintenance apportionment on a quarterly basis. Such payments shall be made on or about September, December, March, and June. In the future, should such maintenance apportionment include federal funds, such funds shall be provided to the COUNTY on a reimbursement basis.
 - b. Retain operational control and permitting authority for all portions of the secondary system of state highways within the COUNTY.
 - c. Identify any Area Headquarters (AHQ), sub-AHQ, chemical storage facilities, storage lots, equipment, and similar assets that will be conveyed to the COUNTY in accordance with the "master" Devolution Agreement executed between the DEPARTMENT and the COUNTY.
 - d. Provide notice to the COUNTY whenever it becomes necessary for it to establish roadway detours that include a secondary route in the COUNTY (to include all necessary signage and coordination), or perform work within the right-of-way for those activities not transferred to the COUNTY, but shall not include those activities related to and including traffic signal maintenance. However, when detours are established due to an emergency, notification shall be provided to the COUNTY as soon as practicable.
 - e. If appropriate, submit invoices to the COUNTY for the COUNTY's share of eligible expenses incurred by the DEPARTMENT in the performance of activities pursuant to paragraph 2.a.

- f. Audit the COUNTY's records and documentation as may be required to verify COUNTY compliance with federal and state laws and regulations.
 - g. Continue to perform highway condition assessments for roadways in the secondary system of state highways within the COUNTY as it has prior to this agreement being entered into, and include such data in the DEPARTMENT's inventory system, and shall provide the COUNTY access to the data upon request.
 - h. Make available to the COUNTY guidelines to assist the parties in carrying out responsibilities under this Agreement.
 - i. **(OPTIONAL)** Conduct inspections of bridges and qualifying drainage structures located in the COUNTY in accordance with Federal Bridge Safety Inspection Standards as administered by the FHWA. **(NOTE: This would be considered locality responsibility but both parties could agree that VDOT would perform inspections and provide reports to locality)**
3. The DEPARTMENT and the COUNTY shall:
- a. Identify primary program contacts.
 - b. Establish written operating policies and procedures governing routine and emergency coordination and communications.
 - c. Establish a schedule of coordination meetings, held no less frequently than quarterly, to review and coordinate activities and operations.
 - d. Make available to each, during normal business hours, data files on the secondary system of highways, to include, but no limited to, design drawings, sufficiency reports, condition reports, inspection data, asset inventory data, work programming information and all other similar information.
4. Nothing in this agreement shall be construed as a waiver of the COUNTY's or the Commonwealth of Virginia's sovereign immunity.

THE COUNTY and DEPARTMENT acknowledge that this Agreement has been prepared jointly by the parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any party.

THIS AGREEMENT, when properly executed, shall be binding upon both parties, their successors, and assigns.

THIS AGREEMENT may be modified in writing by mutual agreement of both parties.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written.

_____ OF _____, VIRGINIA:

Typed or printed name of signatory

Date

Title

Signature of Witness

Date

NOTE: The official signing for the COUNTY must attach a certified copy of his or her authority to execute this agreement.

**COMMONWEALTH OF VIRGINIA, DEPARTMENT OF
TRANSPORTATION:**

Commonwealth Transportation Commissioner
Commonwealth of Virginia
Department of Transportation

Date

Signature of Witness

Date

Attachment D

MEMORANDUM OF AGREEMENT
For
Devolution of Secondary Highway System Construction

THIS MEMORANDUM OF AGREEMENT, made and executed in triplicate this ____ day of _____, 200_, by and between the **COUNTY** of _____, Virginia, hereinafter referred to as the COUNTY and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT.

WHEREAS, Section 33.1-84.1 of the Code of Virginia, as amended, provides that the Board of Supervisors of a county may, upon receipt by the Commissioner of Transportation of a resolution from said Board, enter into an agreement with the DEPARTMENT to resume responsibility for secondary highways within said COUNTY; and

WHEREAS, responsibility for secondary highways may include, maintenance, construction, maintenance and construction, or maintenance, construction and operations; and

WHEREAS, the COUNTY has expressed its desire to resume responsibility for **CONSTRUCTION** of secondary highways within the county and submitted to the DEPARTMENT a resolution indicating its desire; and

WHEREAS, the DEPARTMENT is required to meet specific requirements of the Federal Highway Administration (FHWA) on any maintenance or construction projects funded with federal transportation funds and will require the COUNTY to meet any such provisions.

NOW THEREFORE, in consideration of the mutual premises contained in the Appendices herein, the parties hereto agree as follows:

- A. For projects at least partially funded by federal highway construction allocations as shown in an approved Six-Year Improvement Program:
 1. The COUNTY shall:
 - a. Be responsible for all regulatory clearances including permits, the design, right-of-way acquisition and utility relocation, inspection, and construction of projects in accordance with federal and state law and regulations, except the administrative portion of the SERP, and coordinate with the DEPARTMENT for all NEPA scoping decisions, reviews, and approvals. Projects will be designed and constructed to meet or exceed current American Association of State Highway and Transportation Officials standards or appropriate supplementary standards as may be agreed upon by the DEPARTMENT.

- b. Receive authorization from the DEPARTMENT before initiating preliminary engineering, right-of-way acquisition, and construction phases of project development.
- c. Maintain accurate records of the projects including documentation of all expenditures. Records for items upon which reimbursement will be requested shall be maintained for no less than five (5) years following FHWA acceptance of the final voucher. Project records shall be made available for inspection and/or audit by the DEPARTMENT or FHWA upon request.
- d. Submit no more frequently than monthly project level invoices with supporting documentation to the DEPARTMENT in the form prescribed by the DEPARTMENT.
- e. Reimburse the DEPARTMENT all project expenses incurred by the DEPARTMENT in the event that the COUNTY cancels a project and/or the expenditures incurred are not reimbursed by the FHWA or in the event reimbursements are required to be returned to the FHWA.

2. The DEPARTMENT shall:

- a. Perform the administrative portion of the SERP, provide the COUNTY the results of the SERP, and provide the necessary coordination with the FHWA relative to environmental study scoping, design, decisions, reviews, approvals, and financial documentation, as appropriate.
- b. Upon receipt of the COUNTY's monthly invoices submitted pursuant to paragraph A.1.d, reimburse the COUNTY an amount not to exceed the lesser of the federal portion of the actual cost of eligible items or the amount appropriated and allocated to date for each project, less eligible project costs incurred by the DEPARTMENT. Such reimbursements shall be payable by the DEPARTMENT within 30 calendar days of receipt of a complete and acceptable invoice.

B. For projects not financed by federal funds but at least partially financed by state construction funds through the quarterly payments made by the DEPARTMENT to the COUNTY:

1. The COUNTY shall:

- a. Be responsible for all regulatory clearances including permits, the design, right-of-way acquisition and utility relocation, inspection, and construction of projects, except the administrative portion of the SERP, in accordance with state law and regulations pertaining to highways.

Projects will be designed and constructed to meet or exceed current American Association of State Highway and Transportation Officials standards or appropriate supplementary standards as may be agreed upon by the DEPARTMENT.

- b. Maintain such records as necessary to show compliance with law and regulations for a period of three (3) years after the completion of each project or for five (5) years after final allocation, whichever is greater, and make such records available for audit by the DEPARTMENT upon request.
2. The DEPARTMENT shall perform the administrative portion of the SERP and provide the results to the COUNTY.
- C. For administration of the COUNTY's entire Secondary System Construction Program:
1. The COUNTY shall:
 - a. Manage its highway program in accordance with state law and regulations pertaining to highways.
 - b. Endeavor to prepare each year's six-year program of projects so that all federal funds apportioned to the COUNTY shall be obligated within three (3) years of apportionment. If federal funds are unable to be obligated within that time, the COUNTY will notify the DEPARTMENT in writing.
 - c. Provide certification in a form prescribed by the DEPARTMENT by a COUNTY official that all project activities have been performed in accordance with state and federal laws and regulations. If the locality utilizes over \$500,000 in federal funding annually, such certification shall include a copy of the COUNTY's single program audit prepared in accordance with Office of Management and Budget Circular A-133.
 - d. In cooperation with the DEPARTMENT and pursuant to paragraph C.2.b, annually conduct a joint evaluation of the COUNTY's secondary system construction program.
 2. The DEPARTMENT shall:
 - a. Pay the COUNTY the state portion of its annual construction apportionment on a quarterly basis in accordance with Section 33.1-23.5.1 of the Code of Virginia 1950, as amended. Such payments shall be made on or about September, December, March, and June.

- b. In cooperation with the COUNTY and pursuant to paragraph C.1.d, annually conduct a joint evaluation of the COUNTY's secondary system construction program.
- c. Develop, update as needed, and make available to the COUNTY guidelines to assist the COUNTY in carrying out program responsibilities under this agreement.
- d. Audit on a random basis construction program and project records as may be required to verify COUNTY compliance with federal and state laws and regulations.

D. The COUNTY and the DEPARTMENT further agree that construction shall also include the following County-Wide construction functions:

- Seeding and Fertilizing
- Private Pipe and Entrance Construction
- Traffic Calming
- Engineering and Survey, and
- Traffic Services

THIS MEMORANDUM OF AGREEMENT shall not be construed as a waiver of the COUNTY's or the Commonwealth of Virginia's sovereign immunity.

THIS MEMORANDUM OF AGREEMENT, when properly executed, shall be binding upon both parties, their successors, and assigns.

THIS MEMORANDUM OF AGREEMENT may be modified in writing by mutual agreement of both parties.

THIS MEMORANDUM OF AGREEMENT may be terminated by either party upon advance written notice being provided no later than June 30 of any year becoming effective July 1 of the following year. In either case the requesting party shall include in the written notice the reason for terminating the agreement.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed in triplicate in its name and on behalf of its duly authorized officer as of the day, month, and year first herein written.

COUNTY OF _____, VIRGINIA:

Date

Title

Printed or Typed Name of Signatory

Signature of Witness

Date

NOTE: The official signing for the COUNTY must attach a certified copy of his or her authority to execute this agreement.

COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION:

Commonwealth Transportation Commissioner
Commonwealth of Virginia

Date

Signature of Witness

ATTACHMENTS

Attachment E

**AGREEMENT FOR FULL DEVOLUTION
OF THE SECONDARY SYSTEM OF STATE HIGHWAYS**

THIS AGREEMENT, made and executed in triplicate this ____ day of _____, 200_, by and between the COUNTY of _____, Virginia, hereinafter referred to as the **COUNTY**, and the Virginia Department of Transportation, an agency of the Commonwealth of Virginia, hereinafter referred to as the **DEPARTMENT**.

WHEREAS, Section 33.1-84.1 of the Code of Virginia provides that the Commonwealth Transportation Commissioner may enter into an agreement with any county that desires to assume responsibility over all or any portion of the state secondary system of highways within such county's boundaries; and

WHEREAS, the Board of Supervisors of the COUNTY has adopted and submitted to the Commonwealth Transportation Commissioner a resolution requesting assumption of maintenance, construction and operational responsibility over all of the state secondary system of highways within the county's boundaries; and

WHEREAS, for purposes of this agreement, "secondary highways" shall mean those highways generally numbered 600 and above within the COUNTY which the DEPARTMENT maintained and were included in the DEPARTMENT's Highway and Transportation Records Information System (HTRIS) on the effective date of this agreement, and include all assets considered part of the secondary system including all pedestrian and bicycle facilities maintained by the Department on the effective date of this agreement and any new secondary highways and bicycle and pedestrian systems accepted into the secondary system of highways in subsequent years by the COUNTY in accordance with applicable DEPARTMENT requirements; and

WHEREAS, the COUNTY and the DEPARTMENT concur in the transfer of operational responsibility and liability for the state secondary system of highways within the county's boundaries to the county and agree that the county will assume all rights, privileges and liability as though the right of way were owned by the county.

NOW THEREFORE in consideration of the premises contained herein, the parties mutually agree as follows:

The DEPARTMENT and the COUNTY shall:

1. Identify primary program contacts that will be the primary point of contact for any and all matters related to the administration of this agreement.
2. Establish standard operating and communications procedures related to the administration and performance of the responsibilities enumerated herein.

The COUNTY shall:

1. Construct, maintain and operate the Secondary System of Highways in accordance with the Code of Virginia, 1950, as amended.
2. Perform all maintenance, construction and operations activities upon all portions of the secondary system of highways, to include but not limited to all rights-of-way, pedestrian and bicycle facilities, park and ride lots, bus shelters and residual parcels, including any and all required inspections, in accordance with Federal and State requirements as may be applicable in whole or in part, and Virginia Department of Transportation and industry standards, which include but are not limited to:
 - a. VDOT Best Practices Manual;
 - b. Virginia Department of Transportation Road and Bridge Specifications;
 - c. COUNTY developed and DEPARTMENT approved standards;
 - d. AASHTO and/or FHWA standards.
3. Ensure that bridge inspections are performed in accordance with the National Bridge Inspection Standards as administered by the FHWA, and VDOT directives, and submit the inspection reports to the DEPARTMENT in the manner prescribed by it. Should the DEPARTMENT determine that the COUNTY has not been performing these inspections as required and/or has failed to submit its inspection reports as required; the DEPARTMENT may withhold maintenance payments from the COUNTY.
4. Maintain accurate and complete records of all expenditures and make such information available for inspection or auditing by the DEPARTMENT. Records and documentation shall be maintained for no less than three (3) years following expenditure.
5. Reimburse the DEPARTMENT for all expenses incurred by it due to action or inaction solely by the COUNTY, or for any activities which the DEPARTMENT agrees to undertake on behalf of the COUNTY. Reimbursement shall include federally funded expenditures incurred which are not reimbursed by the Federal Highway Administration (FHWA), or reimbursements that are required to be returned to the FHWA, or other applicable provisions of federal, state, or local law or regulations that require such reimbursement.
6. Provide annual certification by a COUNTY official that all COUNTY administered activities have been performed in accordance

with all federal, state, or local laws and regulations as may be applicable in whole or in part. If the locality expends over \$500,000 annually in federal funding, such certification shall include a copy of the COUNTY's single program audit in accordance with Office of Management and Budget Circular A-133.

7. Report its expenditures and maintenance performance targets annually through the *Weldon-Cooper Center Local Finance Survey*.
8. Report on its annual maintenance performance targets in a manner prescribed by the DEPARTMENT. Submit to the DEPARTMENT an annual report (included in the COUNTY's annual financial audit) which shall include a summary of annual rehabilitative maintenance activities which have been performed, to include but not be necessarily limited to pavement overlays, bridge/structure rehabilitations, major drainage modifications, and all other similar activities.
9. Each February submit a listing of deletions and additions to the county road system, to include an electronic record of all roads eligible for maintenance payments.

The DEPARTMENT shall:

1. Ensure that the COUNTY complies with bridge inspection requirements in accordance with National Bridge Inspection Standards as administered by the FHWA. Should the DEPARTMENT determine that the COUNTY has not been performing these inspections as required and/or has failed to submit its inspection reports to the DEPARTMENT, the DEPARTMENT may withhold maintenance payments from the COUNTY.
2. Based on an annual report submitted by the county (item 9 above), review and maintain a record of all eligible secondary routes in the COUNTY.
3. Pay the COUNTY the state portion of its annual maintenance, construction and operations allocation in the same manner as prescribed in § 33.1-23.5:1 of the Code of Virginia on a quarterly basis. Such payments shall be made on or about September, December, March, and June. Should such maintenance, construction and operations allocation include federal funds, such funds shall be provided to the COUNTY on a reimbursement basis when federal requirements have been met.

4. Provide annual notice to the COUNTY advising it of the maintenance and operations payment rates that will be provided for the upcoming fiscal year.
5. At its discretion, audit the COUNTY's records and documentation as may be required to verify compliance with federal and state laws and regulations.
6. Submit invoices to the COUNTY for any work performed by it on behalf of the COUNTY as outlined in Appendix A of this agreement.
7. Provide free and unrestricted right of access to the COUNTY to and over any right-of-way, bridge, easement, stormwater management facility, bicycle and pedestrian facility, residual parcel and all appurtenances to rights-of-way located in the COUNTY, for which the Commonwealth holds title, in such manner as is customary for the Commonwealth.
8. Make available to the county data files on the secondary system of highways, to include, but not limited to, design drawings, sufficiency reports, condition reports, inspection data, asset inventory data, work programming information and other similar information needed by the county to assume full responsibility.

Optional Provision

9. On behalf of the COUNTY, conduct Bridge Safety Inspections in accordance with the National Bridge Inspection Standards as administered by the FHWA.

THE PARTIES FURTHER AGREE AS FOLLOWS:

A. Maintenance

1. The COUNTY shall:
 - a. Be responsible for all activities necessary to perform maintenance of the secondary system of state highways as provided for in Section 33.1-23.02 of the Code of Virginia.
2. The DEPARTMENT shall:
 - a. Identify any Area Headquarters (AHQ), sub-AHQ, chemical storage facilities, storage lots, equipment, and similar assets that may be leased

or conveyed to the COUNTY which shall be specifically enumerated in Appendix B of this agreement.

- b. Perform highway condition assessments for roadways in the secondary system of highways within the COUNTY consistent with current procedures in other counties, and provide the COUNTY access to the data upon request.
- c. Perform annual inspections on at least a portion of the roads in the Secondary System of Highways as prescribed by VDOT policy. Identified deficiencies will be recorded and reported to the COUNTY. Deficiencies will be re-inspected after six months. If a deficiency is not corrected within the six-month re-inspection period, the DEPARTMENT shall withhold funds from the locality's payment in accordance with existing DEPARTMENT practice.

B. Construction

- 1. The COUNTY shall:
 - a. In cooperation with the DEPARTMENT, annually conduct a joint evaluation of the COUNTY's secondary system construction program.
 - b. Prepare and adopt each year's six-year program of projects so that all federal funds apportioned to the COUNTY shall be obligated within three (3) years of apportionment. If federal funds are unable to be obligated within that time, the COUNTY will notify the DEPARTMENT in writing.
- 1. The DEPARTMENT shall:
 - a. In cooperation with the COUNTY and pursuant to paragraph B.1.a, annually conduct a joint evaluation of the COUNTY's secondary system construction program.
 - b. Develop, update as needed, and make available to the COUNTY guidelines to assist the COUNTY in carrying out program responsibilities under this agreement.

C. Operations

- 1. The COUNTY shall:
 - a. Assume all operational responsibility and liability associated with all routes, bridges, park & ride lots, bicycle and pedestrian facilities associated with the Secondary System of Highways within the County.

- b. Honor all plan reviews completed by the DEPARTMENT prior to the effective date of this agreement.
- c. Assume responsibility for all new street and subdivision plans not built under the DEPARTMENT'S management and conduct all land development/subdivision street and site plan reviews which may have an impact on the secondary roadway system. Such responsibility includes directing necessary changes which ensure that road and street minimum criteria are met for payment eligibility.
- d. Accept new streets that will receive maintenance payments in accordance with the Secondary Street Acceptance Requirements and provide VDOT with the updated eligible mileage summary by the established due date each year.
- e. Assume responsibility for the land use permit program and review and issue, as may be appropriate, permits for all work within the right of way of the secondary system to include entrances, utility work and any such other activity that others request to perform within the right of way.
- f. Conduct traffic engineering activities to include speed limits studies and the setting of speed limits, truck restrictions, traffic counts, traffic signal analyses and operations, and the determination of traffic warning or other regulatory signs in accordance with recognized VDOT or national standards as may be appropriate.

2. The DEPARTMENT shall:

- a) Transition land development activities to the county in accordance with a separate Memorandum of Agreement in order to ensure a smooth transition.

IT IS FURTHER AGREED THAT:

Nothing in this agreement shall be construed as a waiver of the COUNTY's or the Commonwealth of Virginia's sovereign immunity.

THIS AGREEMENT has been prepared jointly by the parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any party.

THIS AGREEMENT, when properly executed, shall be binding upon both parties, their successors, and assigns.

THIS AGREEMENT may be modified in writing by mutual agreement of both parties.

THIS AGREEMENT may be terminated by mutual agreement between the DEPARTMENT and the COUNTY no sooner than three years after the effective date of the agreement. Notice shall be provided, in the manner prescribed by the DEPARTMENT, by either party to the other party no later than June 30th of any given year, and provided that said termination notice includes a minimum of a one year transition period and that such transition shall not be effective prior to July 1st of the year following such notice.

In the event of termination, real property or other assets identified in Appendix B, transferred to the COUNTY by the DEPARTMENT as part of this agreement shall be returned to the DEPARTMENT unless otherwise agreed to by both parties. In the case of where the COUNTY made payment for said property, equipment or facilities, the DEPARTMENT shall reimburse the COUNTY for its initial expenses unless provided for in the Termination Agreement.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written.

_____ **OF** _____, **VIRGINIA:**

Typed or printed name of signatory

Date

Title

Signature of Witness

Date

NOTE: The official signing for the LOCALITY must attach a certified copy of his or her authority to execute this agreement.

**COMMONWEALTH OF VIRGINIA, DEPARTMENT OF
TRANSPORTATION:**

Commonwealth Transportation Commissioner
Commonwealth of Virginia
Department of Transportation

Date

Signature of Witness

Date

Appendix A

Activities performed by the DEPARTMENT on behalf of the COUNTY

Appendix B

Facilities and Equipment to be conveyed

Attachment F

MAINTENANCE DEVOLUTION

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2 YEAR PLAN FOR MAINTENANCE DEVOLUTION

First year

Prior to July 1st

- County explores devolution options and discusses with VDOT
- County expresses intent to assume maintenance responsibilities for secondary system via resolution in accordance with statute

July – September

- County and VDOT meet to discuss specifics of proposed devolution
- County and VDOT each identify the primary contact during devolution discussions/negotiations
- VDOT forms Transition Teams for different functional areas (county contact will meet with primary transition team)
- VDOT notifies all residency, district and regional employees of the intention of the county to assume maintenance responsibility.
- VDOT will validate secondary mileage within County – this includes off right of right assets such as bike trails and a listing of structures

October – December

- County holds public information meetings on devolution
- VDOT establishes website for communication with Residency employees
- VDOT begins analysis of internal organization, facilities, equipment, materials and personnel impacts associated with maintenance and operations devolution

January – March

- VDOT communicates anticipated target performance levels for maintenance and provides available information on assets and other historical data.

April – June

- VDOT review of organization and Residency Boundary is completed. VDOT communicates what resources may be available.

Second year

July 1st

- County reaffirms intent to assume responsibility for maintenance in one year by resolution

July – September

- Communiqué to residency maintenance employees confirming that county will assume maintenance responsibility
- Transition Teams expanded if necessary
- VDOT review of Facilities is completed. VDOT communicates what resources may be available.

- ❑ County indicates interest in purchasing/leasing facilities or pursues other resources as needed
- ❑ VDOT review of equipment is complete. VDOT communicates what resources may be available

October – December

- ❑ County indicates interest in acquiring available equipment by transition date and negotiates or pursues other resources as needed
- ❑ VDOT review of materials is complete. VDOT communicates what resources may be available
- ❑ County requests transfer of materials by transition date or pursues materials as needed
- ❑ County makes formal request to District Administrator as to their intentions to acquire property.
- ❑ VDOT review of personnel is complete. VDOT communicates proposed staffing changes as a result of proposed devolution

January – March

- ❑ County prepares contracts for maintenance and begins hiring process for any needed staff
- ❑ CTB considers the disposal of properties (AHQs)

April – June

- ❑ Environmental assessment is performed on property to be acquired by county
- ❑ Maintenance MOU complete and final agreement executed by May 1st to allow transition
- ❑ County attends meeting/workshop on financial and reporting requirements
- ❑ Public relations campaign advising citizens of changes
- ❑ Transition “agreed upon” resources to county

July 1st

- ❑ County assumes maintenance responsibility

ORGANIZATION ACTION PLAN

Residency Boundary Review Strategy

Utilizing the Business Decision Making or other appropriate process, the following scenarios will be evaluated:

- Current Residency will not change.
- Residency merges with adjacent residency
- Residency function absorbed at district office
- Identify Employment Resource Level (ERL) that would not be needed due to other maintenance responsibilities in the Residency being assumed by the County.

Area Headquarters (AHQ) Review Strategy

- Determine the lane miles and weighted lane miles currently maintained in county.
- Utilize these lane miles and the template used in the AHQ Study made in 2006 to determine the number of AHQ needed.

Employee Resource Level (ERL) Review Strategy

- The information utilized in the AHQ review will be used to review the field maintenance ERL to see if there is a need for any change in distribution.
- Determine how Residency office maintenance staff will be affected.

Milestones

First year

- November – begin analysis of organization
- May – Residency Boundary Review Strategy completed.

Second Year

- September–AHQ Study completed.
- November – Review field maintenance ERL distribution.
- November – Meet with county to discuss personnel that will not be needed in the Residency due to devolution.

PERSONNEL ACTION PLAN

Assumptions and Actions

- Pull statistical data on Residency
 - Residency's current staff
- Pull statistical data on employees eligible for retirement based upon age and years of service
 - Eligible employees
 - Determine if purchase service contracts make others eligible for retirement.
- Review current ERL for matches to impacted employees
 - Determine valid vacancy list statewide with proposed date of January 20xx.
- Freeze positions for placement within the District as well as statewide, effective January 20xx, where appropriate and feasible to be determined through employee survey
 - Propose effective date January 20xx
- Develop timeline of pending actions
 - Revisit and adjust as needed
- Develop website as a part of communiqué to employees for FAQ's, applicable benefits, applicable policies and procedures. Additional communiqué include:
 - HR will complete a FAQ's informational sheet for employees including benefits information.
 - Website will include FAQ's regarding downsizing as a whole as well as specifics to affected facilities, layoff policies and procedures, and benefits/ severance package information. Information will also be provided in hard copy for employees.
 - Conduct Q&A sessions for employees to be scheduled over the next twelve months (see milestones).
 - Develop questionnaire for employee interest with both VDOT and/or County (to be included as an option on the survey sheets).
 - Employee completes a State Application reflecting experience and skills for possible placement.
 - Partner with VEC for services, including but not limited to, job search assistance, career counseling, resume writing, interview techniques, and relative testing.
 - HR will also provide the above referenced services through the training department and generalist staff.
 - Training will review records regarding educational programs in which employees are currently enrolled and the impact of the terms regarding continuing education program, Learning Partnership, any options regarding release from repayment, to repayment options, if applicable. Update employee-training records.
 - Assist employees with EAP services.
 - Establish a separate communication plan for external/community outreach to include the VEC, Legislature (through letters and

emails), Media relations (through designated spokesperson(s)) with the assistance of Public Affairs. The Suffolk VEC Office will be contacted for the employees impacted at the Suffolk Residency.

- Schedule the meeting with County HR Office to discuss personnel options
 - Dialogue between VDOT and County Human Resources has occurred. County has responded to our request and meeting times are being coordinated.
 - To gather information on staffing level needed and the intent to recruit VDOT employees/establish timeline.
 - To gather information on pay structure, benefits and retirement.
- Conduct update meetings with impacted Suffolk Residency staff
 - Upon finalization of restructuring, conduct an update meeting with impacted employees to advise of status. (Anticipate no later than August 1st)
 - Thereafter, meetings will be conducted as needed or in accordance to the timeline submitted.
- Prepare an overview of the Policy 1.30 Layoff
- Announce layoff, if applicable (April 30, 20xx with an effective date of June 30, 20xx)
- Contact the VEC for employee assistance/placement, if applicable
 - See communication plan outlined above
- Incentives offered to employees to remain with VDOT during the transition period to maintain service level include:
 - Offer Retention Bonus of \$yyyy to be paid incrementally (with tenure agreement) when payment is made:
 - July 30, 20xx
 - January 30, 20xx
 - June 30, 20xx

Milestones

First Year

- May - Communicate via phone and follow up with official letter to County Human Resources office to set up face-to-face meeting with both transition teams.
- June - Coordinate with Central Office - To contact VRS to determine if an enhanced retirement option is available.
- June - Communique to residency, district and regional employees

Second Year

- August – Human Resources to meet with Residency employees
- September - Establish website for communiqué with employees.
- October - Human Resources/Benefits meet with Residency employees.
- November - Complete agreement with the County related to transfer of employees from Residency to the County (if any) and the agreement to train County employees at VDOT facilities.

- December – Human Resources involvement in the training of County personnel.
- February - Human Resources conduct further update meetings with Residency employees.
- April - Invoke Layoff-Send out written notice, if applicable.
- June - Effective date of layoff.
- June - All remaining VDOT employees (if any) transition to the County payroll.

EQUIPMENT ACTION PLAN

Assumptions and Actions

- Determine area headquarters to be affected.
- Reassign and transfer all “new” Rental equipment, spreaders and snowplows ordered for these areas to locations where they are most needed throughout the District. Replace required equipment in these three areas with existing equipment made available from reassigned equipment replacement.
- Review non-rental equipment to identify items to be transferred at no cost and high value equipment that should be sold to the County. Continue to replace low value non-rental equipment in the three effected areas as required by condition.
- Prepare plans for the effected areas to remove all Rental equipment and spreaders under three years old and swap it with equipment over three years old from other Areas or Residencies.
- Modify equipment list to fit modifications in organization or staffing as a result of Committee recommendations.
- Produce a list of available rental equipment for sale to the County.
- Produce a list of non-rental equipment for sale or transfer to the County.
- Provide technical and administrative assistance/training to County during transition period.

Negotiation Strategy

- Offer the County surplus rental equipment three years and older for purchase at Fair Market Value or calculated salvage value as required by State regulation. Surplus can be defined as that equipment that is not required for ongoing VDOT operations.
- Transfer low value non-rental equipment to the County at no cost. Sell selected high value equipment to County.
- Strongly encourage the County to recruit Residency Technicians if they need to retain special skills. Make formal offers to VDOT Technicians as early as possible but effective June 1, 2006
- During the transition period, encourage County to place mechanic(s) at the Residency & District shop for training on the equipment.
- Offer staffing and shop design/size consulting to County.
- Offer copies of existing State equipment specifications to the County for procurement of required equipment. (They have neither the time or resources to produce heavy equipment specifications in the time period required)

Milestones

Second Year

- July - Produce list of new equipment received in Richmond, on order and approved for purchase for the AHQs affected by the devolution.
- July - Produce list of existing rental and non-rental equipment at the AHQs
- September - Produce transfer plan to reassign/transfer rental equipment under 3 years old to locations where they are most needed.
- September - Produce a list of equipment to sell and transfer to the County +2 weeks from Committee Recommendations - Modify list of equipment to accommodate changes in VDOT structure caused by Organization and Personnel Committees.
- March - Complete reassignment and transfer of selected rental equipment to alternate VDOT locations.
- June - Sale and transfer of rental equipment to County.
- June – Sale or transfer of non-rental equipment to County.
- June – Transfer of VDOT Technicians (if any) to County.

MAJOR EQUIPMENT AND ROAD STOCK INVENTORY ACTION PLAN

Assumptions and Actions

- Based on the assumption the County is interested in acquiring certain AHQs, we must maintain road stock inventory until that time.
- Meetings will be held with VDOT Transportation Operations Manager (TOM) and Superintendents of affected and adjacent residencies to discuss all maintenance projects and any construction projects scheduled which will enable us to closely manage the road stock inventory.

Negotiation Strategy

- At the end of the transition, the County will be allowed to purchase remaining road stock inventory at the Fair Market Value. Non-permanent Major Equipment items will be offered at Fair Market value. We will work closely with the Facilities and Real Property Team on the Permanent Major Equipment items, which include Fuel Dispensing System and Fuel Control Terminal.

Milestones

Second Year

- August – Meetings held with TOM and Superintendents of affected and adjacent residencies
- September - review of major equipment and stock complete
- December – Meet with County Team members.
- June – The County will be allowed to purchase remaining road stock inventory at the Fair Market Value with non-permanent major equipment items being offered at Fair Market Value.

FACILITIES AND REAL PROPERTY ACTION PLAN

Assumptions and Actions - All actions take place after organizational study is complete and VDOT determines what facilities are available for lease or purchase.

- Assume the County is interested in leasing or acquiring AHQ

Negotiation Strategy

- The County submits a letter to the District Administrator requesting to acquire/purchase the properties.
- Once the District Administrator receives their request, he will submit a letter to the Assistant Director of the Capital Outlay Program, with his recommendation for disposal of the properties.

For purchase:

- A resolution will be prepared and submitted to the Commonwealth Transportation Board for their approval to dispose of the properties.
- State agencies will be notified that the properties are available for sale. State agencies have first right to acquire. If they decline, the properties can be offered for sale to the County.
- VDOT will need to prepare updated surveys of the properties, appraisals, title reports, etc. as requested by Administrative Services, at VDOT's expense.
- An Environmental Assessment of property is required. (A Phase I environmental survey investigation would have to be done for each site, which costs approx. \$3,900 per site and is normally paid by the acquiring party. Phase I survey is basically a simple visual look at the site with no subsurface investigation. If a Phase II investigation is needed, which requires soil sampling and a more in depth review of the site, it will take additional time and money.)
- The contract/deed will be prepared by the Attorney General's Office. Due to the involvement of the Attorney General's office and their heavy workload, it can take anywhere from two to four years to complete the entire conveyance.

For lease

- Assistant Director of the Capital Outlay Program will determine leasing terms and conditions.
- Central Office Administrative Services division will prepare a standard lease.
- The lease will be signed by the county administrator (or other authorized signature) and by the Administrative Services Director.

Milestones -

Second Year

- September – Meeting to determine what properties the County is interested in acquiring.
- October – The County to make a formal request to District Administrator as to their intentions of property that they wish to acquire.
- November – Upon receipt of the formal request from the County as to the properties they are interested in acquiring, the District Administrator will write a letter to the Assistant Director of the Capital Outlay Program, with his recommendation for disposal of the properties.
- January – for lease, VDOT Assistant director of the Capital outlay program will negotiate terms of lease.
- March – For purchase, a resolution will be prepared for presentation to the Commonwealth Transportation Board for consideration to approve disposal of the properties.
- March – For Lease, lease will be prepared.
- April – For Purchase, after the Commonwealth Transportation Board meeting, other State agencies will be notified the properties are available for sale. If State agencies decline, the properties can be offered for sale to the County.
- April – For Purchase, an Environmental assessment is performed and determination made if a Phase II investigation is required (soil sampling and a more in depth review of the site, it will take additional time and money.)
- May - For Lease, lease is signed by both parties.

COMMUNICATIONS ACTION PLAN

Assumptions and Actions

- Communication efforts will include internal, external and VDOT-County communications.

Internal Communications

- VDOT employees should be advised of the county's plans to assume maintenance responsibility
- VDOT employees should be kept informed of devolution status during the transition

External Communications

- Residents of the county should be informed of the county's plans to assume maintenance responsibility. They should have an opportunity to provide comments.
- Residents of the county should be reminded of the transfer of maintenance responsibility just before the transition takes place.

VDOT-County communications

- County and VDOT must meet to discuss how devolution should take place. VDOT will share secondary mileage information and asset condition data.
- VDOT and County must determine how information will be shared after county assumes maintenance responsibility

Milestones

First Year

- July – County and VDOT meet to discuss specifics of proposed devolution
- July – VDOT notifies all residency, district and regional employees of the intention of the county to assume maintenance responsibility for its secondary roads.
- August – VDOT will validate secondary mileage within the county.
- October – County holds public information meetings on devolution
- November - VDOT establishes website for communications with residency employees.

Second Year

- July – communiqué to residency maintenance employees confirming that the county will assume maintenance responsibility the following July 1.
- January – VDOT and county will determine how information will be shared.
- May – Public relations campaign advising county residents of changes.

COORDINATION AND COMMUNICATIONS –

These items should be included in standard operating procedures established between the VDOT residency and the County. These procedures will define how coordination in these areas will operate at the local level.

- Emergency coordination
 - o Define regular communication
 - o incident/event communication
 - o resource requests/ resource sharing agreements
 - o updates on progress
 - o VOIS updates

- Permitting
 - o Define regular communication (ex. weekly email of permits/issues)
 - o project coordination
 - o updates on progress
 - o Inspection coordination

- New subdivision streets
 - o Define regular communication
 - o updates on progress
 - o Inspection coordination
 - o Concurrence process for County

- Historical data share –
 - o What do we transfer
 - o How do we transfer
 - o When do we transfer
 - o How do we store retained information

- VDOT system share
 - o What systems need access
 - o How do we provide access
 - o When do we provide access

- Reporting
 - o How are accomplishments reported – what format, what system
 - o When are they reported
 - o Who is responsible for updates

CONSTRUCTION DEVOLUTION

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1 YEAR PLAN FOR CONSTRUCTION DEVOLUTION

Prior to July 1st

- County explores devolution options and discusses with VDOT
- County expresses intent to assume construction responsibilities for secondary system via resolution in accordance with statute

July – September

- Residency Administrator arranges meeting with county and VDOT staff to define areas of responsibility within 60 days of notification of intent. County and VDOT will discuss specifics about projects/work that will be performed or administered by VDOT.
- County and VDOT each identify the primary contact during devolution discussions/negotiations
- VDOT forms Transition Teams for different functional areas (county contact will meet with primary transition team)
- VDOT notifies all residency, district and regional employees of the intention of the county to assume construction responsibility.

October – December

- County holds public information meetings on devolution
- VDOT begins analysis of internal organizational impacts associated with construction devolution

January – March

- VDOT and county work out details of master agreement and programmatic responsibilities for construction
- County establishes consultant contracts for construction/begins hiring process for any needed staff
- VDOT communicates what funds will need to be retained for work performed by VDOT and works with county on six year plan update

April – June

- County attends additional meeting/workshop on financial and reporting requirements
- VDOT receives resolution indicating county will be taking over responsibility for the secondary construction program on July 1st. This resolution should be passed by May 1st to allow time for agreement approval.
- County and VDOT will execute agreement for the county to assume responsibility for secondary construction program. The agreement will provide the implementation details.

July 1st

- County will assume responsibility for its secondary construction program on July 1 one year after notice of intent.

CONSTRUCTION FUNCTIONS ACTION PLAN

VDOT and the county will determine which items in the county secondary six year plan will be performed and/or administered by VDOT and the funds that will be held by VDOT accordingly. If a county assumes responsibility for any or all of the countywide items, VDOT will still have oversight responsibilities as well as programmatic reviews. It is assumed that any project underway by VDOT will generally remain with VDOT until the end of the phase (PE, RW or Construction). If requested by the county and agreed to by VDOT, a project can be transitioned to the county within a phase. The standard 6-year plan public hearing and approval process as described in 33.1-70.1 will still apply.

Secondary Construction Allocations to a county normally will fund:

1. Projects on which construction has been completed, but they are not yet fully funded or they have deficits.
2. Projects that are fully funded, but construction is not yet complete.
3. Budget items. These must be funded and built in one fiscal year.
4. Projects that will continue in development.
5. New projects for which allocations are available to at least begin preliminary engineering.
6. Any Primary System project that is to receive Secondary allocations for construction.
7. Countywide Incidental Construction items which are described below.

<p>Description of Countywide Incidental Construction (For Use on Secondary Routes Only)</p>
<p>Traffic Services – New signs or pavement marking or guardrail</p>
<p>Rural Additions – Additions to System pursuant to Virginia Code Section 33.1-72-1 or CTB Rural Addition Policy. Roads must be accepted into the state secondary system prior to project initiation. VDOT will, as a minimum, have a review role for qualifying rural additions.</p>
<p>Pipe Installations/Private Entrances- Within limitation of VDOT operational policy. The proposed Land Use Permit Manual, currently in the APA process, eliminates pipe installation by VDOT at no cost to the property owner.</p>
<p>Preliminary Engineering & Surveys – Limited in scope and of the nature that inclusion in Six-Year Plan as specific item would be impractical. If county would like general assistance with preliminary engineering, funds can be provided in countywide item.</p>
<p>Fertilization & Seeding – Establishment of new grass – Mandatory with devolution</p>
<p>Subdivision Plan Review – Subdivision and site plan (as directly related to the Secondary System or new streets intended for inclusion into the System). VDOT would retain unless county</p>

assumes subdivision plan review.

Right of Way Engineering – To be used only when it is impractical to open regular project to charges. Limited to use for minor items, attorney fees, cost advances, acquisition costs, including time charges associated with disposal of residue and surplus property. VDOT may need to retain funds for post construction charges such as condemnations. .

Traffic Calming – The installation of traffic calming measures as indicated in the Traffic Calming Guide.

- Residency Administrator arranges meeting with county and VDOT staff to define areas of responsibility within 60 days of notification of intent. County and VDOT will discuss specifics about projects/work that will be performed or administered by VDOT.

PERSONNEL ACTION PLAN

Assumptions and Actions

- Pull statistical data on Residency
 - Residency and district current construction staff
- Determine if staff will be impacted
- Pull statistical data on employees eligible for retirement based upon age and years of service
 - Eligible employees
 - Determine if purchase service contracts make others eligible for retirement.
- Review current ERL for matches to impacted employees
 - Determine valid vacancy list statewide with proposed date of January 20xx.
- Freeze positions for placement within the District as well as statewide, effective January 20xx, where appropriate and feasible to be determined through employee survey
 - Propose effective date January 20xx
- Develop timeline of pending actions
 - Revisit and adjust as needed
- Develop website as a part of communiqué to employees for FAQ's, applicable benefits, applicable policies and procedures. Additional communiqué include:
 - HR will complete a FAQ's informational sheet for employees including benefits information.
 - Website will include FAQ's regarding downsizing as a whole as well as specifics to affected facilities, layoff policies and procedures, and benefits/ severance package information. Information will also be provided in hard copy for employees.
 - Conduct Q&A sessions for employees to be scheduled over the next twelve months (see milestones).
 - Develop questionnaire for employee interest with both VDOT and/or County (to be included as an option on the survey sheets).
 - Employee completes a State Application reflecting experience and skills for possible placement.
 - Partner with VEC for services, including but not limited to, job search assistance, career counseling, resume writing, interview techniques, and relative testing.
 - HR will also provide the above referenced services through the training department and generalist staff.
 - Training will review records regarding educational programs in which employees are currently enrolled and the impact of the terms regarding continuing education program, Learning Partnership, any options regarding release from repayment, to repayment options, if applicable. Update employee-training records.
 - Assist employees with EAP services.

- Establish a separate communication plan for external/community outreach to include the VEC, Legislature (through letters and emails), Media relations (through designated spokesperson(s)) with the assistance of Public Affairs.
- Schedule the meeting with County HR Office to discuss personnel options
 - Dialogue between VDOT and County Human Resources has occurred. County has responded to our request and meeting times are being coordinated.
 - To gather information on staffing level needed and the intent to recruit VDOT employees/establish timeline.
 - To gather information on pay structure, benefits and retirement.
- Conduct update meetings with impacted staff
 - Upon finalization of restructuring, conduct an update meeting with impacted employees to advise of status.
 - Thereafter, meetings will be conducted as needed or in accordance to the timeline submitted.
- Prepare an overview of the Policy 1.30 Layoff
- Announce layoff, if applicable (April 30, 20xx with an effective date of June 30, 20xx)
- Contact the VEC for employee assistance/placement, if applicable
 - See communication plan outlined above
- Incentives offered to employees to remain with VDOT during the transition period to maintain service level include:
 - Offer Retention Bonus of \$yyyy to be paid incrementally (with tenure agreement) when payment is made:
 - July 30, 20xx
 - January 30, 20xx
 - June 30, 20xx

COMMUNICATIONS ACTION PLAN

Assumptions and Actions

- Communication efforts will include internal, external and VDOT-County communications.

Internal Communications

- VDOT employees should be advised of the county's plans to assume construction responsibility
- VDOT employees should be kept informed of devolution status during the transition

External Communications

- Residents of the county should be informed of the county's plans to assume construction responsibility. They should have an opportunity to provide comments.

VDOT-County communications

- County and VDOT must meet to discuss how devolution should take place. VDOT will share 6 year plan information and cost center data.
- VDOT and County must determine how information will be shared after county assumes maintenance responsibility

Milestones

First Year

- July – County and VDOT meet to discuss specifics of proposed devolution
- July – VDOT notifies all residency, district and regional employees of the intention of the county to assume construction responsibility for its secondary roads.
- October – County holds public information meetings on devolution
- November - VDOT establishes website for communications with residency employees.
- January – VDOT and county will determine how information will be shared.

COORDINATION AND COMMUNICATIONS –

These items should be included in standard operating procedures established between the VDOT residency and the County. These procedures will define how coordination in these areas will operate at the local level.

- Emergency coordination
 - o Define regular communication
 - o incident/event communication
 - o resource requests/ resource sharing agreements
 - o updates on progress
 - o VOIS updates

- Historical data share –
 - o What do we transfer
 - o How do we transfer
 - o When do we transfer
 - o How do we store retained information

- VDOT system share
 - o What systems need access
 - o How do we provide access
 - o When do we provide access

- Reporting
 - o How are accomplishments reported – what format, what system
 - o When are they reported
 - o Who is responsible for updates

FULL DEVOLUTION

2 YEAR PLAN FOR DEVOLUTION ASSUMING A PHASED APPROACH 2
CONSTRUCTION FUNCTIONS ACTION PLAN 5
ORGANIZATION ACTION PLAN 7
PERSONNEL ACTION PLAN 8
EQUIPMENT ACTION PLAN 11
MAJOR EQUIPMENT AND ROAD STOCK INVENTORY ACTION PLAN 13
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COORDINATION AND COMMUNICATIONS – 17

2 YEAR PLAN FOR DEVOLUTION ASSUMING A PHASED APPROACH

First year

Prior to July 1st

- County explores devolution options and discusses with VDOT
- County expresses intent to assume certain responsibilities for secondary system via resolution in accordance with statute

July – September

- County and VDOT meet to discuss specifics of proposed devolution
- County and VDOT each identify the primary contact during devolution discussions/negotiations
- VDOT forms Transition Teams for different functional areas (county contact will meet with primary transition team) It is assumed that meetings would be held between county and VDOT on progress at least quarterly

October – December

- VDOT and County discuss “legacy” projects that VDOT has already started on and would plan to complete.
- County determines if they want to assume next phase for any legacy projects.
- County and VDOT discuss proposed accomplishment of county wide incidental construction activities and determine which optional activities will be assumed by county
- County attends workshops on project delivery requirements for federal projects (LPT workshop-depending on workshop schedules-could be later)
- County holds public information meetings on devolution
- VDOT will begin analysis of internal organization, facilities, equipment, materials and personnel impacts associated with maintenance and operations devolution

January – March

- VDOT and county work out details of master agreement and programmatic responsibilities for construction
- County establishes consultant contracts for construction/begins hiring process for any needed staff
- VDOT communicates what funds will need to be retained for work performed by VDOT and works with county on six year plan update
- VDOT communicates anticipated target performance levels for maintenance and provides available information on assets and other historical data.

April – June

- Master agreement and MOU for construction executed by May 1st to allow transition

- County attends additional meeting/workshop on financial and reporting requirements

Second year

July 1st

- County reaffirms intent to assume responsibility for maintenance and operations in one year by resolution
- County assumes construction program responsibility

July – September

- If county reaffirms intent to assume responsibility for maintenance and operations, VDOT completes review of resources that may no longer be needed
- Transition Teams for maintenance and operations expanded if necessary
- VDOT review of Facilities is completed. VDOT communicates what resources may be available.
- County indicates interest in purchasing/leasing facilities or pursues other resources as needed
- VDOT review of equipment is complete. VDOT communicates what resources may be available
- MOU to address transition of land development related activities is developed

Sept 30th

- 1st quarterly payment to county for construction-payments in Sept, (others to follow in Dec, March and June)

October – December

- County indicates interest in acquiring available equipment by transition date and negotiates or pursues other resources as needed
- VDOT review of materials is complete. VDOT communicates what resources may be available
- County requests transfer of materials by transition date or pursues materials as needed
- VDOT review of personnel is complete. VDOT communicates proposed staffing changes as a result of proposed devolution
- Begin transition of permitting and subdivision and site plan review once MOU executed

January – March

- County prepares contracts for maintenance and operations/begins hiring process for any needed staff
- County takes over land use permitting and subdivision/site plan review

April – June

- Maintenance and operations MOU complete and final agreement executed by May 1st to allow transition

- County attends meeting/workshop on financial and reporting requirements
- Public relations campaign advising citizens of changes
- Transition agreed upon resources to county

July 1st

- County assumes maintenance and operations responsibility

CONSTRUCTION FUNCTIONS ACTION PLAN

VDOT and the county will determine which items in the county secondary six year plan will be performed and/or administered by VDOT and the funds that will be held by VDOT accordingly. If a county assumes responsibility for any or all of the countywide items, VDOT will still have oversight responsibilities as well as programmatic reviews. It is assumed that any project underway by VDOT will generally remain with VDOT until the end of the phase (PE, RW or Construction). If requested by the county and agreed to by VDOT, a project can be transitioned to the county within a phase. The standard 6-year plan public hearing and approval process as described in 33.1-70.1 will still apply.

Secondary Construction Allocations to a county normally will fund:

1. Projects on which construction has been completed, but they are not yet fully funded or they have deficits.
2. Projects that are fully funded, but construction is not yet complete.
3. Budget items. These must be funded and built in one fiscal year.
4. Projects that will continue in development.
5. New projects for which allocations are available to at least begin preliminary engineering.
6. Any Primary System project that is to receive Secondary allocations for construction.
7. Countywide Incidental Construction items which are described below.

<p>Description of Countywide Incidental Construction (For Use on Secondary Routes Only)</p>
<p>Traffic Services – New signs or pavement marking or guardrail</p>
<p>Rural Additions – Additions to System pursuant to Virginia Code Section 33.1-72-1 or CTB Rural Addition Policy. Roads must be accepted into the state secondary system prior to project initiation. VDOT will, as a minimum, have a review role for qualifying rural additions.</p>
<p>Pipe Installations/Private Entrances- Within limitation of VDOT operational policy. The proposed Land Use Permit Manual, currently in the APA process, eliminates pipe installation by VDOT at no cost to the property owner.</p>
<p>Preliminary Engineering & Surveys – Limited in scope and of the nature that inclusion in Six-Year Plan as specific item would be impractical. If county would like general assistance with preliminary engineering, funds can be provided in countywide item.</p>
<p>Fertilization & Seeding – Establishment of new grass – Mandatory with devolution</p>
<p>Subdivision Plan Review – Subdivision and site plan (as directly related to the Secondary System or new streets intended for inclusion into the System). VDOT would retain unless county assumes subdivision plan review.</p>

Right of Way Engineering – To be used only when it is impractical to open regular project to charges. Limited to use for minor items, attorney fees, cost advances, acquisition costs, including time charges associated with disposal of residue and surplus property. VDOT may need to retain funds for post construction charges such as condemnations. .

Traffic Calming – The installation of traffic calming measures as indicated in the Traffic Calming Guide.

- Residency Administrator arranges meeting with county and VDOT staff to define areas of responsibility within 60 days of notification of intent. County and VDOT will discuss specifics about projects/work that will be performed or administered by VDOT.

ORGANIZATION ACTION PLAN

Residency Boundary Review Strategy

Utilizing the Business Decision Making or other appropriate process, the following scenarios will be evaluated:

- Current Residency will not change.
- Residency merges with adjacent residency
- Residency function absorbed at district office
- Identify Employment Resource Level (ERL) that would not be needed due to other maintenance responsibilities in the Residency being assumed by the County.

Area Headquarters (AHQ) Review Strategy

- Determine the lane miles and weighted lane miles currently maintained in county.
- Utilize these lane miles and the template used in the AHQ Study made in 2006 to determine the number of AHQ needed.

Employee Resource Level (ERL) Review Strategy

- The information utilized in the AHQ review will be used to review the field maintenance ERL to see if there is a need for any change in distribution.
- Determine how Residency office maintenance staff will be affected.

Milestones

First year

- November – begin analysis of organization
- May – Residency Boundary Review Strategy completed.

Second Year

- September–AHQ Study completed.
- November – Review field maintenance ERL distribution.
- November – Meet with county to discuss personnel that will not be needed in the Residency due to devolution.

PERSONNEL ACTION PLAN

Assumptions and Actions

- Pull statistical data on Residency
 - Residency's current staff
- Pull statistical data on employees eligible for retirement based upon age and years of service
 - Eligible employees
 - Determine if purchase service contracts make others eligible for retirement.
- Review current ERL for matches to impacted employees
 - Determine valid vacancy list statewide with proposed date of January 20xx.
- Freeze positions for placement within the District as well as statewide, effective January 20xx, where appropriate and feasible to be determined through employee survey
 - Propose effective date January 20xx
- Develop timeline of pending actions
 - Revisit and adjust as needed
- Develop website as a part of communiqué to employees for FAQ's, applicable benefits, applicable policies and procedures. Additional communiqué include:
 - HR will complete a FAQ's informational sheet for employees including benefits information.
 - Website will include FAQ's regarding downsizing as a whole as well as specifics to affected facilities, layoff policies and procedures, and benefits/ severance package information. Information will also be provided in hard copy for employees.
 - Conduct Q&A sessions for employees to be scheduled over the next twelve months (see milestones).
 - Develop questionnaire for employee interest with both VDOT and/or County (to be included as an option on the survey sheets).
 - Employee completes a State Application reflecting experience and skills for possible placement.
 - Partner with VEC for services, including but not limited to, job search assistance, career counseling, resume writing, interview techniques, and relative testing.
 - HR will also provide the above referenced services through the training department and generalist staff.
 - Training will review records regarding educational programs in which employees are currently enrolled and the impact of the terms regarding continuing education program, Learning Partnership, any options regarding release from repayment, to repayment options, if applicable. Update employee-training records.
 - Assist employees with EAP services.
 - Establish a separate communication plan for external/community outreach to include the VEC, Legislature (through letters and emails), Media relations (through designated spokesperson(s)) with

the assistance of Public Affairs. The Suffolk VEC Office will be contacted for the employees impacted at the Suffolk Residency.

- Schedule the meeting with County HR Office to discuss personnel options
 - Dialogue between VDOT and County Human Resources has occurred. County has responded to our request and meeting times are being coordinated.
 - To gather information on staffing level needed and the intent to recruit VDOT employees/establish timeline.
 - To gather information on pay structure, benefits and retirement.
- Conduct update meetings with impacted Suffolk Residency staff
 - Upon finalization of restructuring, conduct an update meeting with impacted employees to advise of status. (Anticipate no later than August 1st)
 - Thereafter, meetings will be conducted as needed or in accordance to the timeline submitted.

- Prepare an overview of the Policy 1.30 Layoff
- Announce layoff, if applicable (April 30, 20xx with an effective date of June 30, 20xx)
- Contact the VEC for employee assistance/placement, if applicable
 - See communication plan outlined above

- Incentives offered to employees to remain with VDOT during the transition period to maintain service level include:
 - Offer Retention Bonus of \$yyyy to be paid incrementally (with tenure agreement) when payment is made:
 - July 30, 20xx
 - January 30, 20xx
 - June 30, 20xx

Milestones

First Year

- May - Communicate via phone and follow up with official letter to County Human Resources office to set up face-to-face meeting with both transition teams.
- June - Coordinate with Central Office - To contact VRS to determine if an enhanced retirement option is available.
- June - Communique to residency, district and regional employees

Second Year

- August – Human Resources to meet with Residency employees
- September - Establish website for communiqué with employees.
- October - Human Resources/Benefits meet with Residency employees.
- November - Complete agreement with the County related to transfer of employees from Residency to the County (if any) and the agreement to train County employees at VDOT facilities.

- December – Human Resources involvement in the training of County personnel.
- February - Human Resources conduct further update meetings with Residency employees.
- April - Invoke Layoff-Send out written notice, if applicable.
- June - Effective date of layoff.
- June - All remaining VDOT employees (if any) transition to the County payroll.

EQUIPMENT ACTION PLAN

Assumptions and Actions

- Determine area headquarters to be affected.
- Reassign and transfer all “new” Rental equipment, spreaders and snowplows ordered for these areas to locations where they are most needed throughout the District. Replace required equipment in these three areas with existing equipment made available from reassigned equipment replacement.
- Review non-rental equipment to identify items to be transferred at no cost and high value equipment that should be sold to the County. Continue to replace low value non-rental equipment in the three effected areas as required by condition.
- Prepare plans for the effected areas to remove all Rental equipment and spreaders under three years old and swap it with equipment over three years old from other Areas or Residencies.
- Modify equipment list to fit modifications in organization or staffing as a result of Committee recommendations.
- Produce a list of available rental equipment for sale to the County.
- Produce a list of non-rental equipment for sale or transfer to the County.
- Provide technical and administrative assistance/training to County during transition period.

Negotiation Strategy

- Offer the County surplus rental equipment three years and older for purchase at Fair Market Value or calculated salvage value as required by State regulation. Surplus can be defined as that equipment that is not required for ongoing VDOT operations.
- Transfer low value non-rental equipment to the County at no cost. Sell selected high value equipment to County.
- Strongly encourage the County to recruit Residency Technicians if they need to retain special skills. Make formal offers to VDOT Technicians as early as possible but effective June 1, 2006
- During the transition period, encourage County to place mechanic(s) at the Residency & District shop for training on the equipment.
- Offer staffing and shop design/size consulting to County.
- Offer copies of existing State equipment specifications to the County for procurement of required equipment. (They have neither the time or resources to produce heavy equipment specifications in the time period required)

Milestones

Second Year

- July - Produce list of new equipment received in Richmond, on order and approved for purchase for the AHQs affected by the devolution.
- July - Produce list of existing rental and non-rental equipment at the AHQs
- September - Produce transfer plan to reassign/transfer rental equipment under 3 years old to locations where they are most needed.
- September - Produce a list of equipment to sell and transfer to the County +2 weeks from Committee Recommendations - Modify list of equipment to accommodate changes in VDOT structure caused by Organization and Personnel Committees.
- March - Complete reassignment and transfer of selected rental equipment to alternate VDOT locations.
- June - Sale and transfer of rental equipment to County.
- June – Sale or transfer of non-rental equipment to County.
- June – Transfer of VDOT Technicians (if any) to County.

MAJOR EQUIPMENT AND ROAD STOCK INVENTORY ACTION PLAN

Assumptions and Actions

- Based on the assumption the County is interested in acquiring certain AHQs, we must maintain road stock inventory until that time.
- Meetings will be held with VDOT Transportation Operations Manager (TOM) and Superintendents of affected and adjacent residencies to discuss all maintenance projects and any construction projects scheduled which will enable us to closely manage the road stock inventory.

Negotiation Strategy

- At the end of the transition, the County will be allowed to purchase remaining road stock inventory at the Fair Market Value. Non-permanent Major Equipment items will be offered at Fair Market value. We will work closely with the Facilities and Real Property Team on the Permanent Major Equipment items, which include Fuel Dispensing System and Fuel Control Terminal.

Milestones

Second Year

- August – Meetings held with TOM and Superintendents of affected and adjacent residencies
- September - review of major equipment and stock complete
- December – Meet with County Team members.
- June – The County will be allowed to purchase remaining road stock inventory at the Fair Market Value with non-permanent major equipment items being offered at Fair Market Value.

FACILITIES AND REAL PROPERTY ACTION PLAN

Assumptions and Actions - All actions take place after organizational study is complete and VDOT determines what facilities are available for lease or purchase.

- Assume the County is interested in leasing or acquiring AHQ

Negotiation Strategy

- The County submits a letter to the District Administrator requesting to acquire/purchase the properties.
- Once the District Administrator receives their request, he will submit a letter to the Assistant Director of the Capital Outlay Program, with his recommendation for disposal of the properties.

For purchase:

- A resolution will be prepared and submitted to the Commonwealth Transportation Board for their approval to dispose of the properties.
- State agencies will be notified that the properties are available for sale. State agencies have first right to acquire. If they decline, the properties can be offered for sale to the County.
- VDOT will need to prepare updated surveys of the properties, appraisals, title reports, etc. as requested by Administrative Services, at VDOT's expense.
- An Environmental Assessment of property is required. (A Phase I environmental survey investigation would have to be done for each site, which costs approx. \$3,900 per site and is normally paid by the acquiring party. Phase I survey is basically a simple visual look at the site with no subsurface investigation. If a Phase II investigation is needed, which requires soil sampling and a more in depth review of the site, it will take additional time and money.)
- The contract/deed will be prepared by the Attorney General's Office. Due to the involvement of the Attorney General's office and their heavy workload, it can take anywhere from two to four years to complete the entire conveyance.

For lease

- Assistant Director of the Capital Outlay Program will determine leasing terms and conditions.
- Central Office Administrative Services division will prepare a standard lease.
- The lease will be signed by the county administrator (or other authorized signature) and by the Administrative Services Director.

Milestones -

Second Year

- September – Meeting to determine what properties the County is interested in acquiring.
- October – The County to make a formal request to District Administrator as to their intentions of property that they wish to acquire.
- November – Upon receipt of the formal request from the County as to the properties they are interested in acquiring, the District Administrator will write a letter to the Assistant Director of the Capital Outlay Program, with his recommendation for disposal of the properties.
- January – for lease, VDOT Assistant director of the Capital outlay program will negotiate terms of lease.
- March – For purchase, a resolution will be prepared for presentation to the Commonwealth Transportation Board for consideration to approve disposal of the properties.
- March – For Lease, lease will be prepared.
- April – For Purchase, after the Commonwealth Transportation Board meeting, other State agencies will be notified the properties are available for sale. If State agencies decline, the properties can be offered for sale to the County.
- April – For Purchase, an Environmental assessment is performed and determination made if a Phase II investigation is required (soil sampling and a more in depth review of the site, it will take additional time and money.)
- May - For Lease, lease is signed by both parties.

COMMUNICATIONS ACTION PLAN

Assumptions and Actions

- Communication efforts will include internal, external and VDOT-County communications.

Internal Communications

- VDOT employees should be advised of the county's plans to assume maintenance responsibility
- VDOT employees should be kept informed of devolution status during the transition

External Communications

- Residents of the county should be informed of the county's plans to assume maintenance responsibility. They should have an opportunity to provide comments.
- Residents of the county should be reminded of the transfer of maintenance responsibility just before the transition takes place.

VDOT-County communications

- County and VDOT must meet to discuss how devolution should take place. VDOT will share secondary mileage information and asset condition data.
- VDOT and County must determine how information will be shared after county assumes maintenance responsibility

Milestones

First Year

- July – County and VDOT meet to discuss specifics of proposed devolution
- July – VDOT notifies all residency, district and regional employees of the intention of the county to assume maintenance responsibility for its secondary roads.
- August – VDOT will validate secondary mileage within the county.
- October – County holds public information meetings on devolution
- November - VDOT establishes website for communications with residency employees.

Second Year

- July – communiqué to residency maintenance employees confirming that the county will assume maintenance responsibility the following July 1.
- January – VDOT and county will determine how information will be shared.
- May – Public relations campaign advising county residents of changes.

COORDINATION AND COMMUNICATIONS –

These items should be included in standard operating procedures established between the VDOT residency and the County. These procedures will define how coordination in these areas will operate at the local level.

- Emergency coordination
 - o Define regular communication
 - o incident/event communication
 - o resource requests/ resource sharing agreements
 - o updates on progress
 - o VOIS updates

- Permitting
 - o Define regular communication (ex. weekly email of permits/issues)
 - o project coordination
 - o updates on progress
 - o Inspection coordination

- New subdivision streets
 - o Define regular communication
 - o updates on progress
 - o Inspection coordination
 - o Concurrence process for County

- Historical data share –
 - o What do we transfer
 - o How do we transfer
 - o When do we transfer
 - o How do we store retained information

- VDOT system share
 - o What systems need access
 - o How do we provide access
 - o When do we provide access

- Reporting
 - o How are accomplishments reported – what format, what system
 - o When are they reported
 - o Who is responsible for updates

Attachment G

Attachment - Other Locality Experiences

Within the Devolution Guidebook, a brief overview of Henrico County was provided.

- Their transportation program has developed and evolved over more than 70 years
- Henrico has a large county government and Public Works Department
 - They have 261 full time positions within 6 divisions
 - Administration – 9 staff
 - Construction – 19 staff
 - Design – 19 staff (including 3 GIS coordinators)
 - Engineering & Environmental Services – 23 staff
 - Road Maintenance – 156 staff; 8% of the Road Maintenance Division’s work is outsourced
 - Traffic Engineering – 35 staff
- They add significant funding to the transportation program (beyond the allocations the County receives from VDOT)
- Maintaining 3,248 lane miles of roadway and 57 bridges and structures, as well as several Park and Ride Lots.

Another source used for this research was a study conducted by George Mason University, School of Public Policy. The study “Policy Options for Secondary Road Construction and Management in the Commonwealth of Virginia” was prepared in June of 2011 and submitted to the Commonwealth of Virginia Secretary of Transportation. As part of the 2007 devolution study, VDOT applied case studies in partnership with Stafford and James City counties.

James City – in December 2007 the Board of Supervisors passed an initial resolution of intent to assume road control and worked to develop a transfer agreement with VDOT. At the time, the estimated costs of bringing road maintenance up to a “state of good repair” before transferring the roads was approximately \$4 million. They recognized declining road funding from the state in the coming years. They also did not view the rates provided by the model as sufficient to cover the costs of a road program. The model projected start-up costs of \$5 million and annual costs of \$4.8 million in 2009 and growing as construction costs and lane-miles increased. They suspended negotiations.

Fairfax County – in 1990, a report conducted by KPMG Peat Marwick estimated that a full-coverage secondary road maintenance division would cost around \$35 million per year and a secondary road construction program would cost between \$50 million and \$80 million per year. The recommended county road takeover program would cost \$123 million, of which an estimated \$52 million would come from the state. On top of the local revenue already invested in the road program, they would need to contribute an additional \$20 million. They declined to adopt the program after it failed to reach a satisfactory

funding agreement with VDOT and concerns were raised about property tax rate increases. They also reexamined the issue in 2010 and have not proceeded with devolution.

Findings from this report:

1. The Commonwealth secondary road system as currently configured is not appropriate for maintenance and operations of the roads it contains.
2. The condition of the secondary system is deteriorating.
3. In some years the VDOT secondary construction program has provided minimal funding support for constructing new roads in the secondary system.
4. The current budget allocation process for maintenance funds gives relatively low priority to the secondary system.
5. The current “devolution mechanisms” for construction and maintenance are not attracting county participation.
6. County officials generally agreed that state payments, as currently set under the Virginia Code, will not cover all the costs of a local road program for maintaining secondary roads.
7. Many counties have limited capacity, both fiscal and institutional in assuming maintenance responsibilities.
8. Local control over local roads and streets affords significant opportunity to integrate decision-making over transportation and land use and improve development outcomes in terms of quality and timeliness.
9. Local option transportation taxes have been successfully used throughout the United States to generate revenue for local road construction and maintenance programs. (Note – cities can issue general purpose transportation bonds without referendum, while counties are required to gain approval through a referendum).
10. Current secondary road acceptance procedures have and may continue to add roads to the secondary system in ways that exacerbate the maintenance budget shortfall.

Some options from this report for Secondary Road Policy:

1. Maintain current policy on construction and maintenance devolution.
2. Maintain current policy with enhanced budgetary priority for secondary road construction and maintenance.
3. Restructure the secondary road system.
4. Empower counties to raise revenues.
5. Impose devolution on all counties.
6. Impose devolution for select urban counties.

COUNTY OF YORK

MEMORANDUM

DATE: May 28, 2020

TO: York County Board of Supervisors

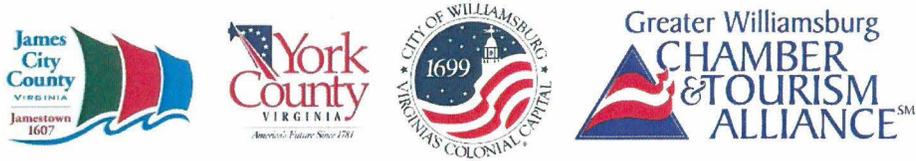
FROM: Neil A. Morgan, County Administrator 

SUBJECT: Memorandum of Understanding Local Government between CAO's and GWCTA

I am pleased to share this recently executed Memorandum of Understanding (MOU). The MOU is the culmination of several months of effort to establish some parameters with the Alliance and the three localities to provide a defined budgeted contribution while understanding the expectations for use of the funds. It is consistent with the original intent of the arrangements that were made at the time SB 942 triggered the Alliance's reorganization. Specifically, it specifies that the bulk of the maintenance of effort funds be passed through for use by the Tourism Council, while recognizing some need to plan for shared costs and some flexibility with regard to the expenditure requirements of the Business Counsel.

Attachment:

- Memorandum of Understanding



A MEMORANDUM OF UNDERSTANDING
GOVERNING THE TRANSFER AND USE OF HISTORIC TRIANGLE TOURISM
MAINTENANCE OF EFFORT FUNDS

WHEREAS, SB942 of the 2018 Session of the Virginia General Assembly enacted Section 15.2-603.2 of the Code of Virginia, which provides for an additional one percent sales tax in the City of Williamsburg, James City County, and York County (hereinafter “localities”); and

WHEREAS, fifty percent of this new sales tax is directed to establish the Historic Triangle Marketing Fund, and the remaining fifty percent of the additional sales tax is retained by the localities where it was collected (hereinafter “local tourism funds”); and

WHEREAS, the Tourism Council of the Greater Williamsburg Chamber and Tourism Alliance was established and charged with the expenditure of the Historic Triangle Marketing Fund for the development of long-term and short-term strategic plans for advertising and promoting the numerous facilities, venues, and attractions devoted to education, historic preservation, amusement, entertainment, and dining in the Historic Triangle as a cohesive and unified travel destination for local, national, and international travelers; assisting, upon request, with the coordination of cross-advertising and cross-marketing efforts between various tourism venues and destinations in the Historic Triangle region; to identifying strategies for both increasing the number of overnight visitors to the region and increasing the average length of stay of tourists in the region; and to perform any other function related to the promotion of the Historic Triangle region as may be identified by the Tourism Council; and

WHEREAS, the local tourism funds as provided in Section 15.2-603.2 are not restricted to particular expenses and are available for use at the sole discretion of the governing bodies of each of the Historic Triangle jurisdictions; and

WHEREAS, Sec. 15.2-603.2(D)(2) stipulates the local tourism funds shall not be used to reduce the amount of other revenues appropriated by such locality to or for use by the Greater Williamsburg Chamber and Tourism Alliance (hereinafter “Alliance”) below the amount provided in fiscal year 2018; and

WHEREAS, the mandated locality contributions, totaling \$1,978,600, paid to the Alliance are referred to as Maintenance of Effort (MOE) funds and include annual contributions of \$800,000 from the City of Williamsburg, \$740,000 from James City County, and \$438,600 from York County; and

WHEREAS, the Williamsburg Chamber and Tourism Alliance consists of two distinct business units, the Business Council (Chamber) and the Tourism Council (Destination Marketing Organization); and

WHEREAS, historically local funds have been appropriated and granted by the localities to the Alliance for use primarily for tourism promotion, and the parties agree that such use should continue to the extent practicable, taking into account the operational needs of the Alliance and the Business Council. The parties herein recognize that by mutual agreement of the parties, the Alliance's use of FY 2020 MOE funds have continued that practice; and

WHEREAS, in order to formally express the intent and desire of all of the parties involved with respect to the expenditure of the MOE funds and the priorities thereof, the parties agree to enter into this Memorandum of Agreement.

NOW, THEREFORE, the Williamsburg Chamber and Tourism Alliance, City of Williamsburg, and the Counties of York and James City AGREE as follows:

1. Code of Virginia §58.1-603.2(D)(2) as adopted by the General Assembly requires the localities to provide MOE money to the Alliance for the operation of both the Business Council and the Tourism Council. Annually the localities will include these MOE funds in their respective annual budgets.
2. The MOE funding shall be released from the localities quarterly to the Alliance following the localities receipt of a current invoice from the Alliance for payment. The invoice shall demonstrate the intended division of funds pursuant to (4) below.
3. Annually the Alliance shall coordinate budget requests from the Business Council and the Tourism Council consistent with their bylaws.
4. The Alliance shall annually allocate MOE funds received from the localities in the following order of priority: first for the operation of the Business Council, second to the operational costs of the shared building, third to a capital reserve fund, with the remaining balance of the MOE to be allocated to the Tourism Council's Regional Tourism Development Fund.
5. Notwithstanding the above, the Alliance shall annually allocate at least ONE MILLION FOUR HUNDRED AND FIFTY THOUSAND DOLLARS (\$1,450,000) of MOE funds to the Tourism Council. The Alliance shall not be eligible for locality payment of MOE funds until and unless all previous disbursements from the Alliance to the Tourism Council have been completed as approved by the locality Chief Administrative Officer. The parties agree that over time the Alliance, through the operation of the Business Council as a Chamber of Commerce, shall increase its reliance on generated revenues and lessen reliance on MOE funds. Acknowledging that costs escalate over time, the Chief Administrative Officers and the Alliance leadership shall be empowered to negotiate annual adjustments, documented through the amendment of this MOA. These adjustments shall decrease the required Tourism Council allocation of MOE funds to accommodate any needed replenishment of the Alliance or Foundation capital reserve funds of not more than five percent (5%) of the previous year's Tourism Council allocation.

This Memorandum shall remain in effect until otherwise amended by written agreement of the parties or a change in the Code of Virginia necessitates further amendment(s).

Greater Williamsburg Chamber and Tourism Alliance

Executed: 5/8/2020

Attest: Victoria M. Noel
Secretary

Kevin Pruey
CEO

City of Williamsburg

Executed: 5/16/2020

Attest: Jandi R. Filicko
Clerk

Ando. Vito
City Manager

James City County

Executed: 5/28/2020

Attest: Seresa Bellows
Clerk

Scott H. Hester
County Administrator

York County

Executed: 5/22/2020

Attest: Theresa M. Schott
Deputy Clerk

Phil An
County Administrator