



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

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Agenda item # 12

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 17, 2023

MOTION

Made By: Mr. Dodson, **Seconded By:** Ms. Sellers

Action: Motion Carried, Unanimously

**Title: SMART SCALE Project Budget Increase for Route 15 and Route 360 Roundabout
(UPC 110767) in Charlotte County**

WHEREAS, section 33.2-214.1 of the Code of Virginia, provides that the Commonwealth Transportation Board (Board) shall develop a statewide prioritization process for certain projects funded by the Board, including those projects allocated funds pursuant to sections 33.2-358, 33.2-370 and 33.2-371 of the Code of Virginia, and

WHEREAS, on December 8, 2021, the Board adopted a revised SMART SCALE Prioritization Process to govern screening, scoring and selecting projects for funding pursuant to section 33.2-214.1; and

WHEREAS, Item 12 of the Board's SMART SCALE Prioritization Process provides that a project that has been selected for funding must be re-scored and the funding decision reevaluated if there are significant changes to either the scope or cost of the project, such that the anticipated benefits relative to funding requested would have substantially changed; and

WHEREAS, Item 12.a. of the Board's SMART SCALE Prioritization Process further provides that if an estimate increases prior to project advertisement or contract award that exceeds the following thresholds, and the applicant is not covering the increased cost with other funds, Board action is required to approve the budget increase:

Resolution of the Board

SMART SCALE Project Budget Increase for Route 15 and Route 360 Roundabout (UPC 110767) in Charlotte County

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- i. Total Cost Estimate <\$5 million: 20% increase in funding requested
- ii. Total Cost Estimate \$5 million to \$10 million: \$1 million or greater increase in funding requested
- iii. Total Cost Estimate > \$10 million: 10% increase in funding requested; \$5 million maximum increase in funding requested; and

WHEREAS, section 33.2-214 requires projects funded wholly or partially with funds from the State of Good Repair Program pursuant to section 33.2-369, the High Priority Projects Program pursuant to section 33.2-370, or the Highway Construction District Grant Programs pursuant to section 33.2-371, or the Interstate Operations and Enhancement Program pursuant to section 33.2-372, or capital projects funded through the Virginia Highway Safety Improvement Program pursuant to section 33.2-373 in the Six-Year Improvement Program to be fully funded within the six-year horizon of the Six-Year Improvement Program; and

WHEREAS, the Route 15 and Route 360 Roundabout (UPC 110767) in Charlotte County (Project) was submitted for consideration and funded to a reduced amount of \$5,217,268 due to anticipated cost savings in design through the Lynchburg Construction District Grant Program in the second round of the prioritization process pursuant to section 33.2-214.1; and

WHEREAS, the Project was ranked 4 out of 10 projects selected in Round 2 in the Lynchburg District with a score of 12.57; and

WHEREAS, The Route 15 and Route 360 Roundabout UPC 110767 (Project) was approved by the Board in October 2022 for an inflation-based adjustment of \$1,238,467; and

WHEREAS, the District estimates that the project needs an additional \$1,217,620 ahead of project advertisement for the revised total cost of \$7,673,355; and

WHEREAS, VDOT recommends Board approval of a SMART SCALE budget increase of \$1,217,620 using surplus Lynchburg Construction District Grant Program funds (UPC - 21764); and

WHEREAS, taking into consideration the proposed SMART SCALE budget increase, the Project was re-scored resulting in a revised score of 8.55, which reduced the project's rank one place to 5 out of 10; and

WHEREAS, as of December 9, 2022, the Project has incurred expenditures of \$963,958.
NOW THEREFORE BE IT RESOLVED, by the Commonwealth Transportation Board, that the SMART SCALE budget increase of \$1,217,620 for the Project, using surplus Lynchburg Construction District Grant Program funds (UPC -21764), is approved.

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CTB Decision Brief
SMART SCALE Project Budget Increase for Route 15 and Route 360 Roundabout
(UPC 110767) in Charlotte County

Issue: The Route 15 and Route 360 Roundabout UPC 110767 (Project) was selected for funding in the second round of the Commonwealth Transportation Board's (Board) SMART SCALE Prioritization Process and the current estimated cost of the Project exceeds the approved budget by \$1,217,620. The Virginia Department of Transportation (VDOT) recommends Board approval of a SMART SCALE budget increase in the amount of \$1,217,620 using surplus Lynchburg Construction District Grant Program funds from UPC -21764. Board approval of the budget increase is required.

Facts: Item 12 of the Board's SMART SCALE Prioritization Policy/Process, adopted December 8, 2021, provides that a project that has been selected for funding must be re-scored and the funding decision reevaluated if there are significant changes to either the scope or cost of the project, such that the anticipated benefits relative to funding requested would have substantially changed.

Item 12.a. of the Board's SMART SCALE Prioritization Process states that if an estimate increases prior to project advertisement or contract award that exceeds the following thresholds, and the applicant is not covering the increased cost with other funds, Board action is required to approve the budget increase:

- i. Total Cost Estimate <\$5 million: 20% increase in funding requested
- ii. Total Cost Estimate \$5 million to \$10 million: \$1 million or greater increase in funding requested
- iii. Total Cost Estimate > \$10 million: 10% increase in funding requested; \$5 million maximum increase in funding requested

The Route 15 and Route 360 Roundabout UPC 110767 (Project) was submitted for consideration and selected for \$5,217,268 in funding through the Lynchburg Construction District Grant Program. The Project was ranked 4 out of 10 projects selected for funding in Round 2 in the Lynchburg District with a score of 12.57. The project was funded at a reduced amount due to anticipated cost savings in design.

The Route 15 and Route 360 Roundabout UPC 110767 (Project) was approved by the Board in October 2022 for an inflation-based adjustment of \$1,238,467.

The District estimates that the project needs an additional \$1,217,620 ahead of project advertisement for a revised total cost of \$7,673,355.

The Project was rescored based on the increased budget, resulting in a score of 8.55, which reduced the project's rank one place to 5 out of 10.

As of December 9, 2022, the Project has incurred expenditures of \$963,958.

Based on the foregoing, VDOT recommends Board approval of a SMART SCALE budget increase for the Project in the amount of \$1,217,620 using surplus Lynchburg Construction District Grant Program funds (UPC -21764) to fund the budget increase.

Recommendation: Approval of a SMART SCALE budget increase in the amount of \$1,217,620 using surplus Lynchburg Construction District Grant Program funds (UPC -21764).

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to approve the SMART SCALE budget increase for the Route 15 and Route 360 Roundabout UPC 110767 and to provide for the Board's intent and direction to fund the increase with surplus Lynchburg Construction District Grant Program funds (UPC -21764).

Result, if Approved: If approved, funds will be transferred so that the project can be awarded.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None