



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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Agenda item # 3

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

MOTION

Made By: Dr. Smoot, **Seconded By:** Mr. Yates

Action: Motion carried, unanimously

Title: SMART SCALE Project Budget Increase Route 311 and Route 419 Intersection Improvements UPC 108904

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 February 19, 2020, 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:

- 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

Resolution of the Board

SMART SCALE Project budget Increase for Safety Improvements to Route 311 at Route 419 Intersection UPC 108904 in Roanoke County

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WHEREAS, on December 7, 2016, the Board adopted the Six-Year Improvement Program Development Policy that states that any project added to the SYIP with funding from the State of Good Repair Program, High Priority Projects Program, or Construction District Grants Program shall be fully funded; and

WHEREAS, section 33.2-214 of the Code of Virginia, provides that “the Board shall only include a project or program wholly or partially funded with funds from the State of Good Repair Program pursuant to § 33.2-369, the High Priority Projects Program pursuant to § 33.2-370, or the Highway Construction District Grant Programs pursuant to § 33.2-371 in the Six-Year Improvement Program if the allocation of funds from those programs and other funding committed to such project or program within the six-year horizon of the Six-Year Improvement Program is sufficient to complete the project or program”; and

WHEREAS, Safety Improvements to Route 319 at Route 419 Intersection UPC 108904 Project (the Project) was submitted for consideration and selected for \$1.96 million in funding through the Construction District Grant Program in the first round of the prioritization process pursuant to section 33.2-214.1; and

WHEREAS, the Project was ranked 12 out of 20 projects selected in Round 1 in the Salem District with a score of 5.8; and

WHEREAS, the Project is in the right of way phase, and has had a cost estimate increase due to the under-estimation of initial quantities, unit prices, and allowances for mobilization and maintenance of traffic; and

WHEREAS, on May 27, 2021 Roanoke County expressed concurrence with the proposed cost increase; and

WHEREAS, the Project is in the right of way phase and the estimated cost of the project exceeds the approved budget of \$1.96 million by approximately \$1.82 million, which exceeds the established thresholds pursuant to Item 12a of the CTB’s SMART SCALE Project Prioritization Process; and

WHEREAS, VDOT recommends Board approval of a SMART SCALE budget increase in the amount of up to \$1.82 million using surplus Construction District Grant funds in the Salem District (UPC -21767).

NOW THEREFORE BE IT RESOLVED, by the Commonwealth Transportation Board, that the SMART SCALE budget increase of up to \$1.8 million for the Project, using surplus Construction District Grant funds in the Salem District (UPC -21767), is approved.

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CTB Decision Brief
SMART SCALE Project Budget Increase
Route 311 and Route 419 Intersection Improvements UPC 108904

Issue: The Route 311 and Route 419 Intersection Safety Improvements, UPC 108904, project (Project) was selected for funding in the first round of the Commonwealth Transportation Board's (Board) SMART SCALE Prioritization Policy/Process and the current estimated cost for completion of the Project exceeds the approved budget by approximately \$1.82 million. The Virginia Department of Transportation (VDOT) recommends Board approval of a SMART SCALE budget increase in the amount of up to \$1.82 million using surplus Construction District Grant funds in the Salem District from UPC -21767. Board approval of the budget increase is required.

Facts: Item 12 of the Board's SMART SCALE Prioritization Policy/Process, adopted February 19, 2020, 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 Project was submitted for consideration and selected for \$1.96 million in funding through the Construction District Grant Program. The Project was ranked 12 out of 20 projects selected for funding in Round 1 in the Salem District with a score of 5.8.

The Project is currently in the right of way phase and has experienced a beyond threshold cost increase due to the under-estimation of initial quantities, unit prices, and allowances for mobilization and maintenance of traffic. The cost increase of \$1.82 million exceeds the 20% threshold for projects with a total cost of less than \$5 million. Roanoke County provided documentation of its concurrence with the proposed cost increase on May 27, 2021.

VDOT recommends Board approval of a SMART SCALE budget increase to support the Project in the amount of up to \$1.82 million using surplus Construction District Grant funds in the Salem District (UPC -21767).

Recommendation: Approval of a SMART SCALE budget increase in the amount of up to \$1.82 million using surplus Construction District Grant funds (UPC -21767) in the Salem District.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to approve the SMART SCALE budget increase.

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

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None