



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

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Agenda item # 12

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 25, 2022

MOTION

Made By: Mr. Byers **Seconded By:** Mr. Yates

Action: Motion carried, unanimously

**Title: SMART SCALE Project Budget Increase for Fontaine Avenue Streetscape
Improvements UPC 109484 in the City of Charlottesville**

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:

- 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

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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 Fontaine Avenue Streetscape Improvements UPC 109484 Project (the Project) was submitted for consideration by the City of Charlottesville and selected for \$11,700,000 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 has had a cost estimate increase due to design modifications to improve bicycle and pedestrian accommodations and reduce right of way impacts, updated unit prices, and inflation; and

WHEREAS, the Project has not yet started and the estimated cost of the project exceeds the approved budget of \$11,700,000 by \$6,226,896; and,

WHEREAS, the City of Charlottesville has committed \$750,523 towards the shortfall; and

WHEREAS, VDOT recommends Board approval of a SMART SCALE budget increase in the amount of up to \$5,476,373 using surplus Construction District Grant funds in the Culpeper District (UPC -21761).

NOW THEREFORE BE IT RESOLVED, by the Commonwealth Transportation Board, that the SMART SCALE budget increase of \$5,476,373 for the Project, using surplus Construction District Grant funds in the Culpeper District (UPC -21761), is approved.

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CTB Decision Brief
SMART SCALE Project Budget Increase for Fontaine Avenue Streetscape Improvements
(UPC 109484)

Issue: The Fontaine Avenue Streetscape Improvements UPC 109484 project (Project) was submitted by the City of Charlottesville and selected for funding in the first round of the Commonwealth Transportation Board's (Board's) SMART SCALE Prioritization Process and the current estimated cost for completion of the Project exceeds the approved budget by \$6,226,896. The City of Charlottesville has committed \$750,523 towards the shortfall. The Virginia Department of Transportation (VDOT) recommends Board approval of a SMART SCALE budget increase in the amount of up to \$5,476,373 using surplus Construction District Grant Program funds in the Culpeper District from UPC -21761. Board approval of the budget increase is required.

Facts: Item 12 of the Board's SMART SCALE Prioritization 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 Fontaine Avenue Streetscape Improvements UPC 109484 project (Project) was submitted by the City of Charlottesville for consideration and selected for \$11,700,000 in funding through the Construction District Grant Program in the first round of the prioritization process pursuant to section 33.2-214.1. The current estimated cost for completion of the Project exceeds the approved budget by \$6,226,896.

The Project is locally administered and ready to begin the right-of-way phase.

Major factors driving the increase include design modifications to improve bicycle and pedestrian accommodations and reduce right of way impacts, updated unit prices, and inflation. The City of Charlottesville has committed \$750,523 towards the shortfall.

VDOT recommends Board approval of a SMART SCALE budget increase to address the remaining shortfall of \$5,476,373 using surplus Construction District Grant funds in the Culpeper District (UPC -21761).

Recommendation: Approval of a SMART SCALE budget increase in the amount of up to \$5,476,373 using surplus Construction District Grant funds (UPC -21761) in the Culpeper 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