

**MINUTES
OF
MEETING OF THE COMMONWEALTH TRANSPORTATION BOARD**

Central Office Auditorium
1221 East Broad Street
Richmond, Virginia

April 21, 2005
9:00 a.m.

The meeting of the Commonwealth Transportation Board was held in the Central Auditorium of the Department of Transportation in Richmond, Virginia on April 21, 2005. The Chairman, Pierce R. Homer presided and called the meeting to order at 9:02 a.m.

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Present: Messrs. Bowie, Davies, Keen, Martin, McCarthy, Sevila, Watson, White and Ms. Hanley; Vice Chairman Shucet, Ms. Rae, ex officio, Director of the Department of Rail and Public Transportation.

Absent: Mr. Bailey, Ms. Connally and Ms. Dragas

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Public Comment Period:

Mr. Philip Emerson of the Jamestown Foundation expressed his appreciation for the support the Foundation has received from the Virginia Department of Transportation.

Secretary Homer thanked Mr. Emerson for his comments and indicated that a resolution would be forthcoming under new business regarding Jamestown, which would be distributed shortly.

Mr. Lee Stevens of SpotsFain Consulting, representing WaWa food stores. Mr. Stevens stated he wanted to underscore one aspect of the Senate Bill 813, dealing with Logo Signs, which Ms. Connie Sorrell reviewed with the Board during the workshop on April 20, 2005. That aspect deals with the fact that people are driving down the highways around the clock, and Mr. Stevens feels it is very important for the public to be aware of facilities that are available 24 hours a day. Mr. Stevens referred to a letter sent by his company to all of the Board Members, but choose not

to read the letter out loud in deference to the Board's time. However, he did quote the outside of the VDOT building, which has an inscription reading *Dedicated to the Comfort and Safety of the Those Who Travel the Highways of the Commonwealth of Virginia*. Mr. Stevens indicated that the availability of a 24 hour facility to the public fits in with that statement.

Mr. Jim Lancaster was scheduled to speak first, but did not appear until the end of the meeting. At that time, he was allowed to speak.

Mr. Lancaster indicated he lives in a little village west of Blacksburg, Prices Fork. Mr. Lancaster stated that his community lost Route 114 after the state came through and bought the right of way for Radford Arsenal. Mr. Lancaster briefed the Board on the history of Route 114 over the past several years. Mr. Lancaster then asked the Board to accept their local road into the state system.

Commissioner Shucet told Mr. Lancaster that he needed to speak with Mr. Richard Caywood, the District Administrator in his area, to address his request.

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Approval of Minutes of Prior Meeting:

Action on Approval of the Minutes of the Meeting of March 17, 2005. Copy of approved minutes on file with the Virginia Department of Transportation (VDOT) Commissioner's Office and posted on the VDOT Internet website: www.virginiadot.org and the Virginia Regulatory Town Hall.

Moved by Mr. Keen, seconded by Mr. Davies, Motion Carried, minutes approved

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MOBILITY MANAGEMENT:

Agenda Item 1: Action (by single motion) on Abandonments and Discontinuances, changes in the Primary System due to Relocation and Construction, specifically (A) Route 301 - Caroline County, Project: 6301-016-116, C-501; (B) Old Route 5 - James City County, Project No.: 5000-047-166, C-501; (C) Old Route 359 - James City County, Project No.: 0359-047-101, C-501; (D) Old Route 14 - King and Queen County, Project No.: 0014-049-109, C-501; (E) Old Route 14 - King and Queen County, Project No.: 0014-049-110, M-501; (F) Route 33 - Middlesex County, Project No.: 0033-059-106, C-502; (G) Route 340 - Paige County, Project No.: 0340-069-122, C-501, B-609. Referenced by attachment of Resolutions and Decision Briefs.

Moved by Mr. Bowie, seconded by Dr. Stone. Motion carried, resolutions approved.

Prior to approval Ms. Hanley questioned why VDOT would abandon the right of way as described in item 1(F), Route 33, which is in the center of the road. Would VDOT need that right of way if they chose to widen the road?

Mr. Khoury responded that VDOT would continue to own the right of way, but since VDOT has changed the road slightly, the old right of way was no longer needed.

Ms. Hanley indicated that Mr. Khoury's response did not answer her question. She then asked if we are abandoning the right of way in the middle of the road. What would happen if VDOT ever needed the right of way for another project? Would VDOT have to reacquire the right of way?

Mr. Khoury indicated VDOT would retain the right of way in the center of the road. The abandonment does not give up the right of way.

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Action on Bridge Designation specifically, (H) Route 755- Lee County Designation of Route 755 from Route 612 to the dead end of Route 755 in Lee County be named as the "Johnny L. Martin, Sr. Road". Referenced by attachment of Resolution and Decision Brief

Moved by Mr. Keen, seconded by Mr. White. Motion carried, resolution approved.

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Action on Through Truck Restrictions: (I) Routes 22 & 231, Albemarle County Albemarle County Board of Supervisors, by resolution, requested Routes 22 and 231, a total distance of 17.17 miles be restricted to through trucks. This resolution calls for a denial of the restriction as requested by the Albemarle Board of Supervisors.

Moved by Mr. Davies, seconded by Ms. Hanley. Motion carried, resolution approved

Prior to approval Mr. Davies spoke about the impact on the local jurisdictions, which would shift the burden to other jurisdictions.

Ms. Hanley indicated that she felt part of the rules for rerouting truck traffic should include the concurrence of the jurisdiction into which traffic will be routed. Mr. Hanley indicated that VDOT staff should look at making this part of the requirement to avoid a jurisdiction not knowing traffic was routed into their area.

Dr. Stone referenced a speaker who spoke at the Public Hearings on April 19th regarding the Gordonsville truck traffic. He asked if Mr. Davies or someone else had suggestions that may help Gordonsville.

Mr. Davies responded that there is a request to fund a preliminary study for a Gordonsville Bypass. There is an indication that Gordonsville residents may donate right of way to help expedite the process. The Gordonsville Bypass is now in the Orange County Comprehensive Plan and Louisa County is looking at the Bypass as a small part would run through Louisa.

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ADMINISTRATIVE SERVICES DIVISION:

Agenda Item 2: Action on Land Disposal, specifically Linville Storage Lot, Rockingham County, Virginia. The transfer of a 0.810 acre site located on Route 948, approximately 0.75 mile north of Route 721 in Rockingham County to the Virginia Department of Corrections.

Moved by Dr. Stone, seconded by Mr. Bowie. Motion carried, resolution approved.

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RIGHT OF WAY AND UTILITIES DIVISION:

Agenda Item 3: Action on Land Conveyances, specifically (A) Routes 1 and 661- Hanover County, Project No.: 0001-042-V10, RW-201; (B) Route 58- Mecklenburg County, Project No.: 0058-058-113, RW-202.

Moved by Mr. McCarthy, seconded by Mr. Bowie. Motion carried, resolutions approved.

Prior to approval Mr. McCarthy renewed his requests that the Board be provided maps for these actions. Mr. McCarthy has a slight reservation that as a result of this conveyance there would be a 200 foot frontage on Route 1, the price seems to be a little low. Mr. McCarthy asked VDOT to follow the project to see what the land is eventually worth.

Mr. Taylor indicated that the price was based on recommendations of the district. That many times when the Right of Way and Utilities Division makes a motion of this sort, they already have a contract in hand to.

Mr. McCarthy indicated he never knew a contract was ready to sign before an item was presented to the Board.

Mr. Taylor indicated that VDOT bases the price on an appraisal of fair market value.

Mr. McCarthy indicated he did not doubt the process, but he would like Right of Way to track this transaction, so VDOT knows what happens to the value of this property.

Mr. Waymack indicated that he would personally track this project.

Ms. Hanley questioned the process of a contract already existing on these sort of projects. Specifically, how Board Members would know if they have conflict of interest with the proposed buyer.

Secretary Homer indicated if there were concerns of this nature, this was something that could be addressed by a CTB Policy Resolution.

Mr. Taylor indicted that VDOT was walking a fine line when it came to it's appraisal process and exposing names and amounts versus confidentiality of the parties.

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POLICY DIVISION:

Agenda Item 4: Action on policy items specifically, (A) Designation of Secretary for the Commonwealth Transportation Board; (B) VDOT Quarterly Report Card; (C) Cash Forecasting; (D) Integrated Six-Year Improvement Program Process.

(A) Moved by Dr. Stone, seconded by Mr. McCarthy. Motion carried, resolution approved.

(B) Moved by Mr. Lester, seconded by Mr. Martin. Motion carried, resolution approved.

(C) Moved by Mr. White, seconded by Mr. Keen. Motion carried, resolution approved.

(D) Moved by Mr. Watson, seconded by Mr. Keen. Motion carried, resolution approved.

Prior to approval Mr. Watson asked if this was an effort to encourage the good business practices that had been put in place by this administration.

Mr. Shucet indicted that was a good description of the resolutions and their purpose. That it would be nice to see someone have to have an open discussion before these policies were changed.

Mr. McCarthy asked if these policies would be added to the policy notebook.

Mr. Shucet responded yes.

Secretary Homer indicated that because of the work that went into resolutions 4B, 4C and 4D and their importance, he would rather vote on them separately versus a block.

In regards to item 4B Mr. Martin commented that if not the CTB, someone should have been responsible for measuring the performance previously. He wished the resolution could be worded stronger stating directs rather than encourages.

In regards to item 4B, Secretary Homer, spoke about the January 2002 Board meeting when Governor Warner addressed the Board with some very simple questions. What does it cost? Secretary Homer remembers that there were three or four databases to answer the question, with a different answer from each one. The Secretary then stated the importance of this resolution is that there is now one set of numbers, which is a significant milestone.

Mr. Lester agreed with Mr. Martin.

Mr. Shucet indicated there was a long discussion about the language of item 4B and that he valued the advice of his Council. Perhaps it would be appropriate to draft a broader resolution that speaks to the issue of continuing to set goals and measure performance. Whether it is a quarterly, monthly or weekly report. If that is something the Board would like to see, VDOT can certainly add it to our list of sustainable resolutions to bring before the Board

Mr. Bowie suggested that direct rather than encourage be used and that periodic reporting be used no less than quarterly.

Mr. Shucet responded that he appreciated the Boards encouragement to continue with quarterly reports. Mr. Shucet also stated that a resolution would be drafted directing VDOT to maintain a performance management system. The reason for changing the word from direct to encourage is simply because a quarterly report card, may or may not, be the best measurement tool going forward. However, VDOT did feel it was very important for the Board to acknowledge the purpose of the quarterly report.

Secretary Homer stated that in the 2003 session of the General Assembly there was a large reform package passed that mandated the use of periodic reports. So it is in statue to measure the progress of every construction project. Discretion is left up to the agency on whether it is quarterly, monthly, internet, etc.

Dr. Stone asked Mr. Shucet if he understood that if the resolutions the Board requests are made and passed, VDOT would have to come before the Board to change those policies.

Mr. Shucet responded that he did.

Secretary Homer responded that was the value of the Policy Notebook.

Secretary Homer asked for any comments regarding Item 4C.

Ms. Hanley requested that the word "be" should be inserted in the end of the first paragraph of the resolution.

Secretary Homer responded that unless there was an objection, the change would be made to Item 4C.

Mr. McCarthy stated that he remembered the first Board Meeting this Board attended was the July 2002 Board meeting, where the Auditor of Public Accounts made a presentation to the Board, recommending 62 changes in VDOT's practices. Mr. McCarthy stated he would never forget that the Commissioner stood up stating a third of those recommendations were already underway. Mr. McCarthy stated that placing this resolution in place was important, so that never again would an auditor stand up and castigate the CTB for bad business practices.

Secretary Homer responded that during the January 2002 Board meeting there were 252 million dollars in advertised contracts that removed from the agenda because there was no money to fund them.

Secretary Homer asked for comments on Item 4D.

Secretary Homer stated that during the first six months of 2002, there were so many different databases with different answers for the same questions. Now there is only one set of books, with one answer. Secretary Homer indicated that the level of detail provided by Item 4D is phenomenal.

Ms. Hanley indicated that not only was it important to VDOT, but it is also important to the public so they can see and understand as well as receive consistent information that they can have confidence in.

Ms. Rae indicated that the Department of Rail and Public Transportation is now integrated in the VDOT Six Year Plan. The importance of transit programs in the Six Year Plan is something, which DRPT may want to highlight coming out of their agency.

Secretary Homer indicated that might be an item for which a policy resolution should be made.

Mr. Shucet indicated that even though more policy resolutions were forthcoming at future meeting, he feels that philosophically the Board and VDOT are on the same page. Mr. Shucet indicated that VDOT staff had discussed these resolutions, the role of the Board and their ability to act as a Board of Directors for the agency. The insistence of the Board that VDOT measure and report progress has greatly contributed to VDOT's ability to turn this agency around.

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LOCAL ASSISTANCE DIVISION:

Agenda Item 5: Action on Revenue Sharing Re-Allocation from the County Primary and Secondary Road Fund specifically, (A) Action on Revenue Sharing Re-Allocation from the County Primary and Secondary Road Fund, Russell County, Reallocation of funds from Fiscal

Year, 2003-2004, Original Project No.: Rural Additions, New Project No.: 0653-083-xxx, N501 (UPC tba); (B) Action on Industrial Access: Washington County - Highlands Business Park, Project No.: 0877-095-290, N501 (C) Action on Industrial Access, Town of Pulaski- James Hardie Building Products, Inc., Project No.: 0846-962-210, M501

(A) Moved by Mr. White, seconded by Mr. Bowie. Motion carried, resolution approved.

(B) Moved by Mr. Bowie, seconded by Mr. Keen. Motion carried, resolution approved.

Prior to approval Mr. Keen indicated that he had the opportunity to visit the counties affected by this resolution. Mr. Keen indicated he was impressed by this project and felt it was a good use of funds.

(C) Moved by Mr. Martin, seconded by Mr. Bowie. Motion carried, resolution approved.

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DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION:

Agenda Item 6: Action on Rail Industrial Access Projects specifically, (A) De-Allocation of Funds: Greensville County - American Plastics, Inc. Action item to de-allocate funds from expired Agreements or funds allocated that did not move forward to the Agreement phase of the Rail Industrial Access Program; (B) Allocation of Funds: City of Roanoke – FreightCar Roanoke, Inc. Reconstruction of 5,930 +/- track feet associated with the development of a railroad car manufacturing facility. (C) Allocation of Funds: King George County – Gerdau Ameristeel Construction of 4,000 +/- track feet including two in plant switches associated with the development of a steel fabrication facility. (D) Allocation of Funds: Town of Pulaski – James Hardie Building Products, Inc. Construction of 3,500 +/- track feet including two in plant switches associated with the development of a building products manufacturing facility.

(A) Moved by Mr. White, seconded by Mr. Lester. Motion carried, resolution approved

Prior to approval Ms. Hanley asked if there are time limits placed on these projects to begin with.

Mr. Page responded yes, that there is a 24 month period within which a grantee has to construct a project once the Board allocates the fund.

Ms. Hanley asked about the time frame to go to agreement.

Mr. Page responded that there is not a time frame to go to agreement, but that none of these projects were constructed.

Ms. Hanley indicated she understood that, but she wanted a clearer picture of the rules.
Ms. Hanley asked if this was the first time the Board had ever made an action of this type.

Secretary Homer indicated that this resolution was in line with the policy resolutions.

Ms. Rae indicated that next month the Board would be presented with a report from DRPT indicating those projects that would expire soon. Ms. Rae stated that funds should be allocated to projects that are ready to go.

(B- D) Moved by Mr. Martin, seconded by Mr. Keen. Motion carried, resolution approved

Prior to approval Mr. Watson asked if the Counties involved were making a financial contribution towards these projects.

Mr. Page indicated there were some financial considerations given by the Counties, but he did not have the exact financial information.

Ms. Rae stated that this past Fall season, Virginia was unable to move grain to market due to a lack of rail cars in Virginia and nationwide. Not only is this good for the local counties, but for rail nationwide to promote economic development.

Secretary Homer indicated this was a key component of the Governor's emphasis on rural economic development.

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SCHEDULING AND CONTRACT DIVISION

Agenda Item 7: Action on Bids for Interstate, Primary, Secondary, Urban and Miscellaneous Projects Received in February and March 2005, for projects in excess of \$2 million for award and authorized execution of contracts by the Commissioner, or Chief Engineer. Referenced by attachment of Bid Results Report.

Moved by Mr. Watson, seconded by Mr. Keen. Motion carried, report approved.

Prior to approval Ms. Hanley asked Mr. Silies to go back to his opening comments.

Mr. Silies indicated that this was the first time in his memory that he was not asking the Board to award a contract.

Mr. Kerley indicated that the law had changed and the Board only awards those contracts over two million dollars.

Ms. Hanley asked if more money were available in the transportation system, where VDOT could actually go to construction, would VDOT be in this position.

Secretary Homer responded there would be more items on the Agenda, if more funds were available.

Ms. Hanley responded that we are in a situation where we are beginning to see things slow down as a result of not enough funds in the transportation system for VDOT to build new roads, or projects, we are just slowing down as we run out of reoccurring revenue. Ms. Hanley asked if this was a fair assessment.

Secretary Homer responded that if there were more money in the system, there would be more items on the bid list.

Ms. Hanley responded that there would then be less congestion on the roads.

Mr. Keen responded that this reflects comments made previously by Commissioner Shucet. Many construction businesses are going out of business in light of the fact that by 2014 there will not be any money to fund any projects and until a someone comes up with a solution to that problem, more business will continue to phase out.

Ms. Hanley responded that we are in slow motion.

Commissioner Shucet stated that as discussed previously the resultant effect is that VDOT as an owner is becoming less attractive to the industry. Year to date, on the Commissioner's ballot, those under \$2 million, I have rejected 34 projects, that in total were 39% above our engineers estimate. That represented about \$33 million dollars in worth of work. In total those projects, plus the actions the Board has taken, have resulted in the rejection of 48 projects through the end of the 3rd Quarter. These 48 projects were 55% above the engineers estimate at a value of \$192 million. As Mr. Silies pointed out, as the market declines, VDOT is trying to adjust the engineers estimating system as rapidly as it can to stay current with market conditions. But in urban area where competition is declining precipitously, it has become increasingly difficult to prepare our own engineers estimate. This has a broad impact.

Ms. Hanley responded that a cynic may say to VDOT, that we are just estimating wrong. So, for the public that pays attention, that is not the problem. The problem is we do not have competition for road building anymore, because we are not doing enough to keep companies in business particularly in urban areas. While we may have to adjust our cost estimating system, this still is a sign that there is not enough money in the system to do what we have to do.

Mr. Lester stated that Commissioner Shucet had explained to the Board previously that VDOT would perform less work at a higher cost.

Secretary Homer responded that this was truly a hidden cost.

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NEW BUSINESS

Agenda Item 8: Action on Limited Access Change and Conveyance, specifically Route 31/359, James City County, Projects 2847-03 and 0359-047-101,W-201,C-501.

Moved by Mr. Lester, seconded by Mr. Keen. Motion carried, resolution approved.

Prior to approval Secretary Homer asked Mr. Philip Emerson to explain to the Board how the property would be used and how it fits in with the Jamestown Celebrations.

Mr. Philip Emerson responded that it would be used to provide better access points as well as visually improve the buffering of the interpretive areas that are on the other side of the access points. Specifically, the Powhattan village and ships are very close to the access points.

Dr. Stone asked how VDOT determined that no additional monetary compensation was required.

Mr. Art Taylor responded that the consideration here is that we are dealing with a sister agency. This would also be for continuing public use, which is what this is based on.

Dr. Stone asked if there was precedence for this.

Mr. Taylor responded yes.

Mr. Lester responded that he felt this is an accommodation to make the operation work smoother.

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Ms. Hanley indicated that she had an announcement regarding the Dulles Rail Project. The FAA, which is involved because of the right of way, has issued its Record of Decision on this project. This is very exciting because it is another move forward on the way to Dulles.

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Dr. Stone would like for the Board to have a chance to review as a group the current procedure on the Six-Year Plan.

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Mr. Bowie referenced a letter he distributed to all the Board Members during the workshop on April 20, 2005, disclosing a financial interest he has in UPC 76503 and 76702. Mr. Bowie indicated he represents a client who is a party who would benefit from these projects, as well as several other businesses. Mr. Bowie would ask those projects be separated from the six year plan and voted on separately, at which time he would abstain from voting on those projects. Mr. Bowie indicated he lodged a copy of the letter with Carol Mathis and asks that it be made part of the minutes.

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ADJOURNMENT

The meeting adjourned at 10:35. The next workshop and meeting will be held on Thursday, May 19, 2005, beginning at 9:00 a.m. in the VDOT Central Auditorium, 1221 East Broad Street, Richmond, VA

Approved:

Chairman

Attested:

Secretary