



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

House Bill 2 Update

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Agenda

- **Introduction and General Feedback**
- **Project Eligibility and Application Process**
- **Evaluation Measures**
- **Project Evaluation and Scoring**
- **CTB Prioritization and Programming**

House Bill 2 Update

- **Late February/Early March – Held meetings in each district to get feedback on measures/process**
- **Today: Overview of complete HB2 process**
- **March/April – Public Comment on draft**
- **May CTB – Revised process presented**
- **June CTB – Final process considered by the Board**

Stakeholder Outreach and Feedback

District Meeting Feedback included:

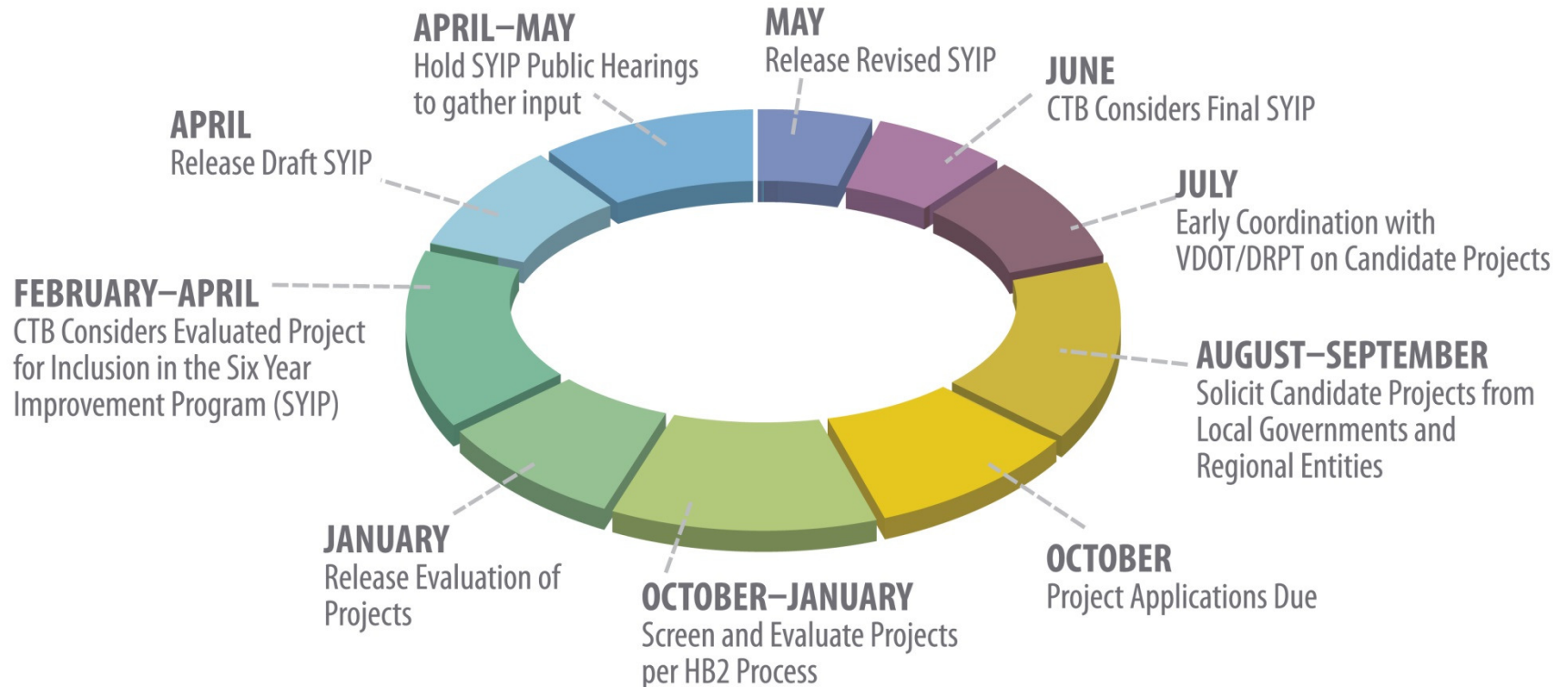
- Stakeholders showed overall/general agreement with measure concepts but expressed:
 - Concerns over rural/urban and highway/transit fairness in methodologies
 - Concern over the number of weighting frameworks
 - Highlighted need for further definition of terminology such as “corridor” “essential destination” ...“Devils are in the details”
 - Suggestions and concerns related to the definition of “essential destinations”
 - Suggestion that land use factor be applied more broadly

House Bill 1887 Requirements

- Amends and reenacts § 33.2-358 which established the highway allocation formula for the \$500 million CTB annual allocation
- Revises allocation with funds available for high priority projects and PPTA before 7/1/2020:
 - 50% for the high-priority projects and
 - 50% for the highway construction district grant programs.
- For FY beginning on/after 7/1/2020, the new allocation for remaining funds:
 - 45% state of good repair purposes
 - 27.5% high-priority projects program
 - 27.5% highway construction district grant program

Draft HB2 Process - Timeline for implementation

Anticipated HB2 Yearly Cycle



Project Eligibility and Application Process

- **Eligibility to submit projects**
- **Screening for VTrans2040 needs**
- **Application process**

Eligibility to Submit Projects

Project Type	Regional Entity (MPOs, PDCs)	Locality (Counties, Cities, Towns)	Public Transit Agencies
Corridor of Statewide Significance	Yes	Yes, with a resolution of support from relevant regional entity	Yes, with resolution of support from relevant entity
Regional Network	Yes	Yes	Yes, with resolution of support from relevant entity
Urban Development Area	No	Yes	No

Screening for Vtrans2040 Needs

- **HB2 requires that every project address a transportation need identified in VTrans2040 Multimodal Transportation Plan for one of the three travel markets analyzed:**
 - **Corridor of Statewide Significance (COSS) - Intercity travel market**
 - **Regional Networks - Intraregional travel market**
 - **Urban Development Areas (UDA) - Local activity center market**

Application Submittal

- **Simple and straightforward**
- **Does not require applicants to invest significant time and resources or require the use of consultants**
- **VDOT and DRPT staff will be available to provide support and tools for applicants in compiling data and information needed for application**
- **The application process will be electronic and map-based to facilitate automated population of key data elements**

Application Process – Project Preparation

Project sponsors are strongly encouraged to coordinate early in the process with VDOT/DRPT to ensure scope, schedule and cost are adequate for HB2 evaluation

- **Scope** - The scope should define the limits of the project, its physical and operational characteristics, and physical and/or operational footprint
- **Schedule** - The schedule should clearly define the expected process for further project development including key milestones, work activities, related activities, approvals/approval timelines
- **Cost** - Cost estimate should be consistent with the level of development of the project, project type, and project scale and complexity

Stakeholder Feedback on Measures

Safety:

- Limiting crashes to fatalities and severe injuries only
- Accounting for safety benefits of transit projects
- Sources and rules for application of crash modification factors (CMFs)

Congestion:

- Focus on LOS E conditions may exclude many areas
- Multimodal project approach and data requirements
- Consistent definition of project corridor required
- Incorporate benefits of non-recurring congestion

Stakeholder Feedback on Measures

Accessibility:

- Fairness of applying 45 minute threshold for access to jobs consistently statewide
- Definition and location of essential destinations
- Rural concern over minimal existing access to alternative modes (providing access to an alternative route is critical)

Environmental Quality:

- Consider projects that do create surface environmental benefits
- Consideration of mobility services/ridesharing modes for disadvantaged population
- Careful definition of disadvantaged populations is required

Stakeholder Feedback on Measures

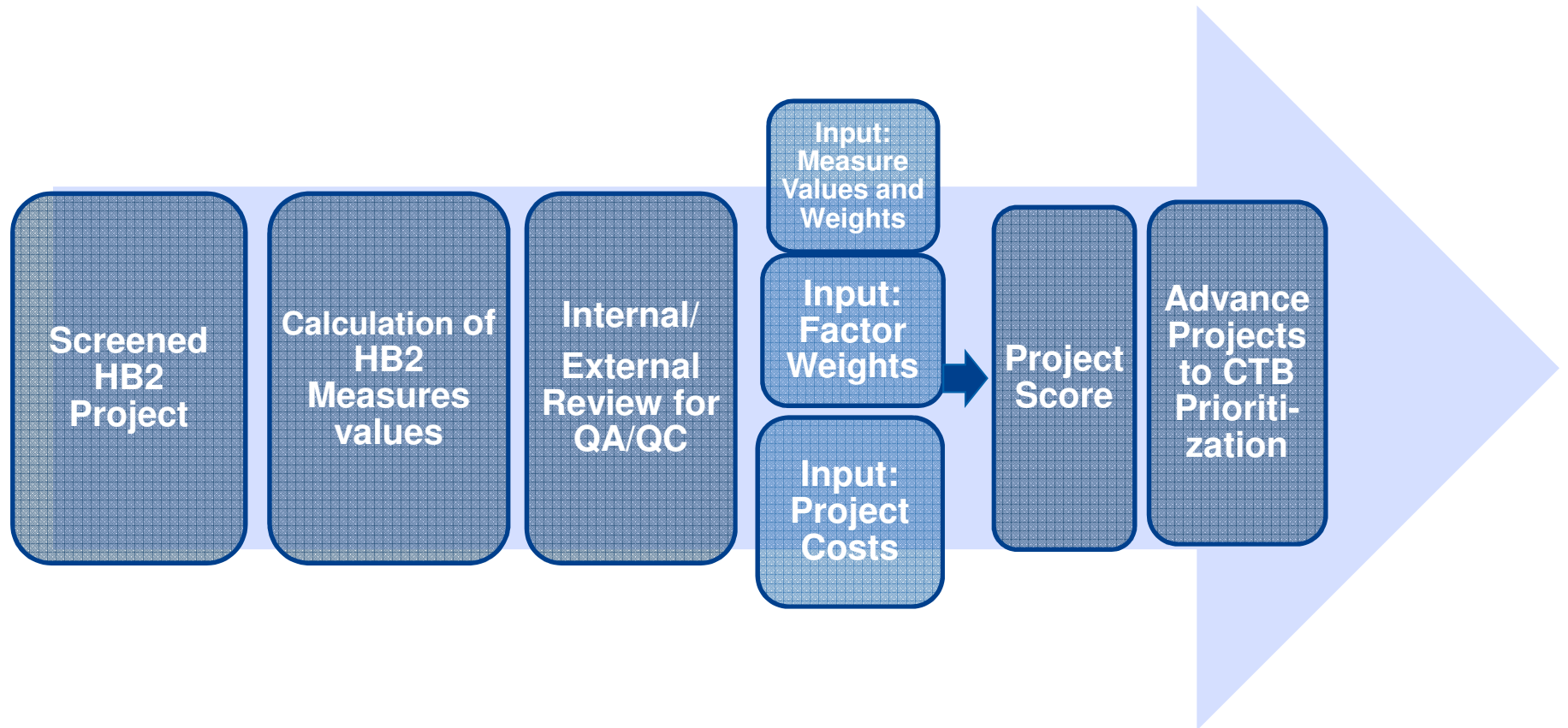
Economic Development:

- Issue with using DHCD Enterprise Zones as part of assigning points
- Should expand to include all regionally or locally adopted economic development strategies
- Awarding points based on development progress (access is needed before a development opportunity becomes real)
- Approach to scaling – total private investment, square footage, jobs, wages, property value, taxes – all of these were mentioned as a possible option

Transportation and Land Use Coordination:

- To date, the following regions have expressed interest in including this factor on a voluntary basis – Charlottesville-Albemarle, Lynchburg, Danville, Winchester-Frederick-Stephens City

HB2 Project Evaluation Process



Measure Value Calculation and Review

Technical Evaluation Team

- Screen submitted projects
- Evaluate project preparation and provide assistance to sponsors
- Calculate measure values for submitted/screened projects

External Peer Review Group

- Representatives from groups such VACO and VML
- Review calculated measures values
- Serve QA/QC function

Factor Weighting Frameworks

Factor	Congestion Mitigation	Economic Development	Accessibility	Safety	Environmental Quality	Land Use
Category A	35%**	10%	25%	10%	10%	10%*
Category B	15%	20%	25%	15%	10%	15%*
Category C	10%	20%	30%	30%	10%	
Category D	10%	30%	20%	30%	10%	

Note* – For metropolitan planning areas with a population over 200,000 (TPB, HRTPO, RRTPO, FAMPO, RVTPO), the prioritization process shall also include a factor based on the quantifiable and achievable goals in VTrans (referred to as the Transportation-Land Use Coordination factor).

Note** – For Northern Virginia and Hampton Roads construction districts, congestion mitigation is weighted highest among the factors in the prioritization process.

Stakeholder Feedback on Factor Weighting

- **Concern about rural/urban fairness**
- **Questions as to whether the land use factor will help or hurt scores (non-required areas considering use)**
- **Desire for clarity on measure detail prior to selection weighting framework**
- **Some areas would like to be able to weight measures higher/lower (would like less than 10% weighting permitted)**

Project Scoring

Step 1 – Normalization of the Measure Values

- **Measure Value** – Data calculated for the project that describes the characteristics of the project
- **Highest measure value will be given a score of 100 percent**
- **Measure values will be compared to the highest value, and the value - as a percentage of the highest value - will be used as the measure score**

Congestion Mitigation: C.2: Reduction in Person Hours of Delay			
	Project 1	Project 2	Project 3
Measure Value	10 Hrs	500 Hrs	900 Hrs
Measure Score	1.1	55.5	100

Project Scoring

Step 2 – Apply Measure Weights

- Factor Score – Sum of the measures scores within a factor area multiplied by their measure weights.

	C.1: Person Throughput		C.2: Reduction in Person Hours of Delay		Total Factor Score - Congestion
Measure Weight	50%		50%		
	<u>Value</u>	<u>Score</u>	<u>Value</u>	<u>Score</u>	
Project 1	1,200	8.0	10	1.1	4.55
Project 2	6,000	40.0	500	55.5	47.8
Project 3	15,000	100.0	900	100.0	100.0

Project Scoring

Step 3 – Apply Factor Weights

- Factor score is then multiplied by the weighting percentage for the area type category where the project is located

Project 2 (Category B Weights)	Congestion Mitigation	Economic Develop- ment	Accessibility	Safety	Environmental Quality	Land Use	Final Project Score
Weight	15%	20%	25%	15%	10%	15%	
Factor Score	47.8	76.4	49.1	58.9	81.9	68.3	
Weighted Score	7.17	15.28	12.27	8.83	8.19	10.24	62.00

Project Scoring

Step 4 – Calculate Cost-Effectiveness

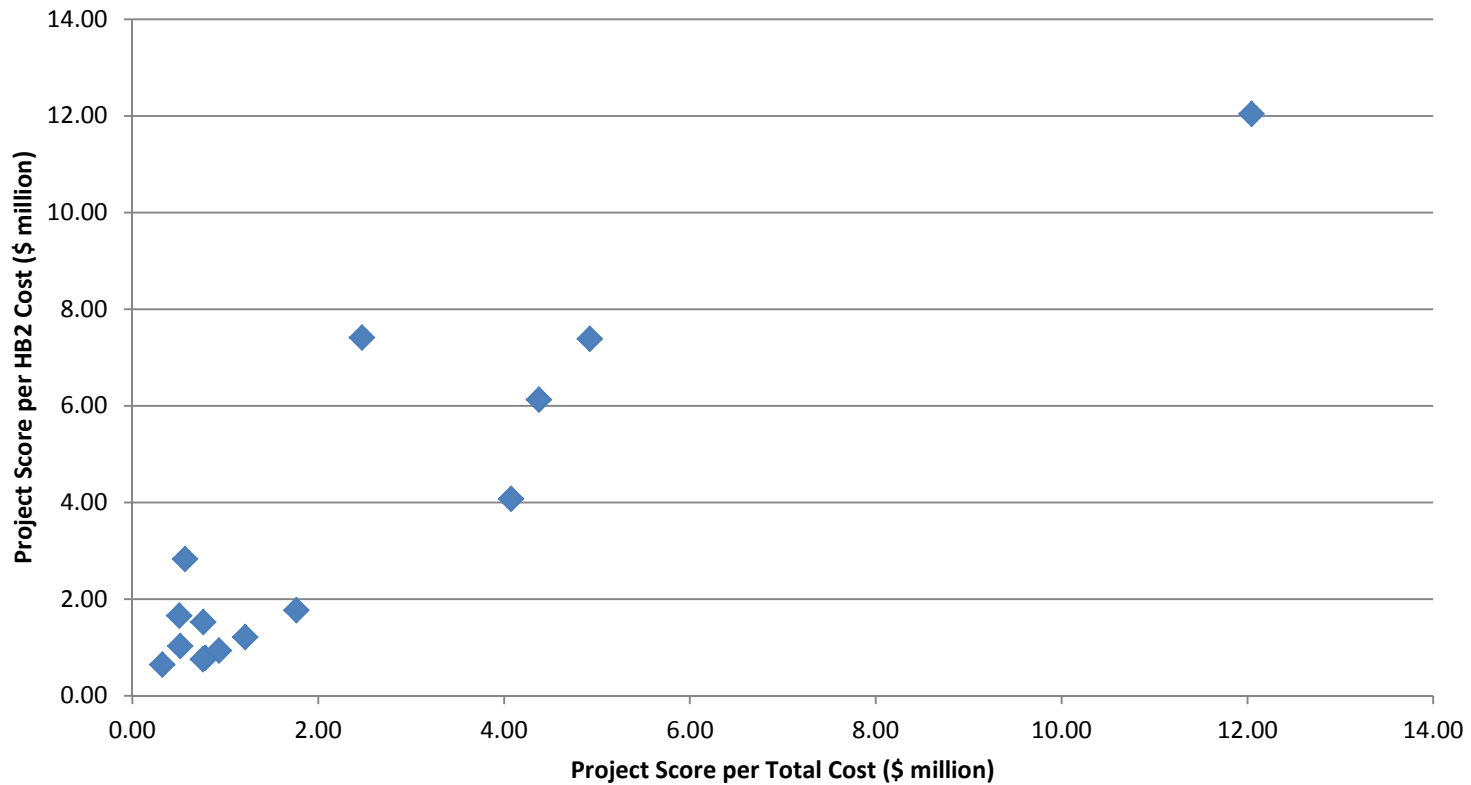
- **Project score is then divided by the HB2-funded cost of the project to determine the value of score for every dollar invested**
- **Project Example:**
 - **Total cost of project: \$30 million**
 - **HB2-funded portion of cost: \$15 million**
 - **Project score: 62.0**
 - **Cost-Effectiveness Index Based on HB2 Cost: 4.1 per \$million**

 - **As a comparison, Cost-Effectiveness Index Based on Total Cost will be provided: 2.1 per \$million**

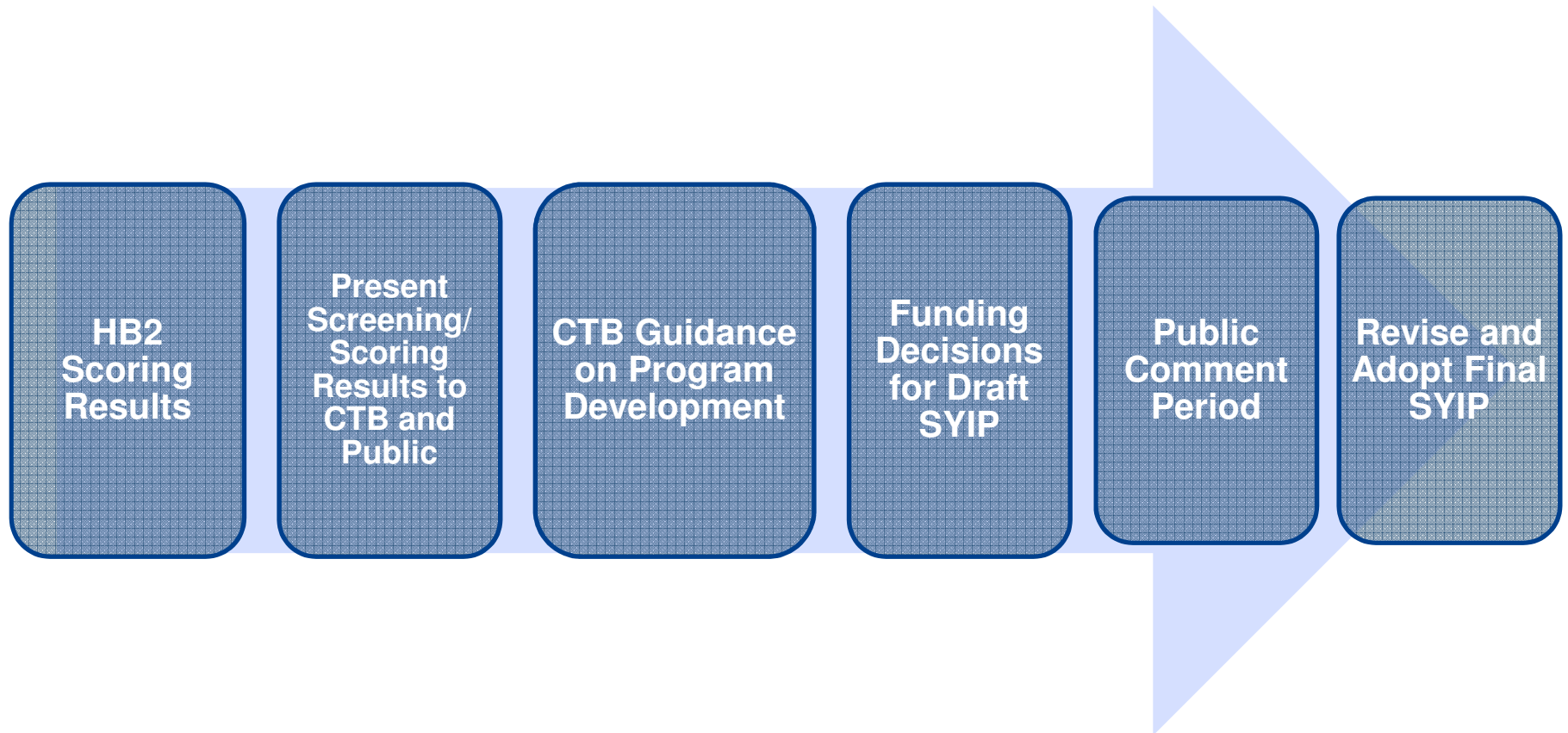
Project Scoring

Cost-Effectiveness

Cost-Effectiveness: Total Cost vs. HB2-Only Costs



CTB Prioritization & Programming Process



CTB Prioritization & Programming Process – Funding Decisions

- Board will need process to move from list of evaluated projects to program of selected projects
- Staff will develop recommendations over the coming months for the Board's consideration
- Recommendations will take into account:
 - HB2 process
 - HB1887 grant programs
 - Other programs not subject to HB2
 - Frequency of project solicitation

Annual Process Issues – Changes in Project Scope / Schedule / Cost

Project selected for funding must be re-scored if any of the following apply:

- **Change in the scope of the project that is significant enough to impact the anticipated benefits**
- **Change in cost exceeds thresholds:**
 - **Total Cost <\$5 million: 20% increase prior to award of the construction contract requires re-scoring**
 - **Total Cost >\$5 million: 10% increase prior to the award of the construction contract requires re-scoring**
 - **\$5 million maximum increase prior to the award of the construction contract regardless of total cost**

Outstanding Issues to be Resolved

- **Changes to measures and weighting based on stakeholder input**
- **CTB Process for developing programs under the HB2 process**
- **Normalization of scores and scaling of measures**

HB2 will continue to evolve and improve based on advances in technology, data collection, and reporting tools

Next Steps

- **March/April –**
 - **Public comment on draft will be solicited**
 - **Six-Year Improvement Program hearings**
- **May CTB – Revised process presented**
- **June CTB – Final process considered by Board**