



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Agenda item # 20

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 25, 2022

MOTION

Made By: Ms. Hynes **Seconded By:** Ms. Sellers

Action: Motion carried, unanimously

Title: Policy for the Implementation of State Transit Capital Prioritization (2022 Update)

WHEREAS, Section 33.2-214.4 of the Code of Virginia provides that the Commonwealth Transportation Board shall develop a prioritization process for capital projects funded pursuant to subdivision C of 33.2-1526.1 of the Code of Virginia; and

WHEREAS, the Department of Rail and Public Transportation has consulted with the Transit Service Delivery Advisory Committee in the development of this prioritization process; and

WHEREAS, the Department of Rail and Public Transportation has solicited input from localities, metropolitan planning organizations, transit authorities, and other stakeholders in the development of the prioritization process; and

WHEREAS, the Board's priority for transit capital investment is to allocate funds in order to attain and maintain a state of good repair for transit assets, while also supporting needs beyond state of good repair that would enhance transit utilization, efficiency, and reduce congestion; and

NOW THEREFORE BE IT RESOLVED, the Commonwealth Transportation Board hereby adopts the following policy and process to govern the structure, scoring, and prioritization of projects for capital funding pursuant to subdivision C of 33.2-1526.1 of the Code of Virginia:

BE IT FURTHER RESOLVED, the Board hereby directs the Director of the Department of Rail and Public Transportation to take all actions necessary to implement and administer this policy and process, including, but not limited to preparation of technical guidance and outreach consistent with this resolution.

1. For the purposes of review and prioritization, transit capital projects will be classified into three categories:
 - State of Good Repair – Capital projects or programs to replace or rehabilitate an existing asset, excluding major capital construction projects with a total cost over \$3 million;
 - Minor Enhancement – Capital projects or programs that add capacity or include the purchase of new assets meeting the following criteria: Total project cost of less than \$3 million, or for expansion vehicles, an increase of 5 vehicles or less or 5% or less of the fleet size, whichever is greater, or all projects for engineering and design;
 - Major Expansion – Capital projects or programs to add, expand, or improve transit services or facilities, with a total cost exceeding \$3 million, or for expansion vehicles, an increase of greater than 5 vehicles or 5% of fleet size, whichever is greater, or all projects that include the replacement of an entire existing facility;
 - In the rare instance that a project submitted for DRPT funding fits the definition of a Major Expansion project based solely on total project cost, but does not add, expand, or improve transit services or facilities, the DRPT Director shall determine the appropriate project category for project evaluation.
2. The Transit Capital Program will be structured to provide a minimum of 80% of the annual allocation to State of Good Repair and Minor Enhancement projects with a maximum of 20% available for Major Expansion projects. This structure reflects program trends and the availability of other funding sources to support major expansion projects. The Board retains the discretion to shift funding from Major Expansion to State of Good Repair, based on program needs. The Board also retains the discretion to direct any carryover balances appropriated prior to FY2020, based on program needs.
3. In order to provide predictability and to ensure projects are funded at a level sufficient to move forward, State of Good Repair and Minor Enhancement projects will be matched at a maximum state match rate of 68% of total project cost. Major expansion projects will be funded at a maximum state match rate of 50% of total project cost, providing applicants with funding that can be leveraged against other state and federal funding programs. Local matching funds, at a minimum of 4% of total project cost, are required for all transit capital projects except those that have been awarded federal discretionary grant funding. DRPT may allow for a lower local match for a capital project that has been awarded funding through a federal discretionary grant program.

4. DRPT may recommend to the Board an allocation of capital funding reserved to provide matching funds for projects awarded federal discretionary grants throughout the fiscal year. Projects will be evaluated using the MERIT prioritization methodology and allocations reported to the Board when the reserve funds are utilized.

5. State of Good Repair projects will be evaluated considering asset condition (up to 60 points), service impact (up to 40 points), and incentive scoring (up to 10 points). The asset condition score depends upon the asset’s age at the time of application. For vehicles, the asset condition score is the average of the age and mileage-based scoring tables. For non-vehicle assets, only the age score is used.

Age of Asset Relative to Service Life	Points	Mileage of Vehicle Relative to Service Life	Points
< 80% of ESL Age	0	< 80% of ESL Mileage	0
80-89.9% of ESL Age	25	80-89.9% of ESL Mileage	25
90-99.9% of ESL Age	30	90-99.9% of ESL Mileage	30
0-9.9% > ESL Age	35	0-9.9% > ESL Mileage	35
10-19.9% > ESL Age	40	10-19.9% > ESL Mileage	40
20-29.9% > ESL Age	45	20-29.9% > ESL Mileage	45
30-39.9% > ESL Age	50	30-39.9% > ESL Mileage	50
40-49.9% > ESL Age	55	40-49.9% > ESL Mileage	55
50% or more > ESL Age	60	50% or more > ESL Mileage	60

Service impact considers the asset impact on service (direct or indirect), and to what extent an asset affects the rider experience and system efficiency. Points for service impact will be awarded in four categories, with up to 10 points awarded per category:

- Service Frequency, Travel Time and/or Reliability – Speeds up transit routes or allows for increased frequency. Significant impact on reliability either through preventing breakdowns or removing vehicles from mixed traffic.
- Operating Efficiency – Provides for a significantly more cost-effective service.
- Service Accessibility and/or Customer Experience – Implements a significant improvement in a customer’s ability to access the system or a significant improvement in the ease of use of the system.
- Safety and Security – Provides a significant improvement in safety or security.

Service impact scoring is primarily qualitative based on project type and takes into consideration specific project features and characteristics. Projects will automatically receive the minimum score for the criteria based on the default values with high = 10, medium = 6, and low = 3.

Primary Project Types	Secondary Project Types	Operating Efficiency	Frequency, Travel Time and/or Reliability	Accessibility and/or Customer Experience	Safety and Security	Total Default Score
Admin/Maintenance Facilities	Supports Operations	High Impact	Medium Impact	Low Impact	Medium Impact	25
Admin/Maintenance Facilities	Non-Operational	Low Impact	Low Impact	Low Impact	Medium Impact	15
Customer Facilities	Transit Centers/Stations	Medium Impact	Medium Impact	High Impact	Medium Impact	28
Customer Facilities	Bus Stop/ Shelter Improvements	Low Impact	No Impact	High Impact	High Impact	23
Capital Finance Strategies	All	High Impact	High Impact	High Impact	Medium Impact	36
Maintenance Equipment & Parts	Vehicle and Vehicle Support Equipment	High Impact	High Impact	Medium Impact	Medium Impact	32
Maintenance Equipment & Parts	Property and Facilities	Medium Impact	Low Impact	Low Impact	High Impact	22
System Infrastructure	All	High Impact	Medium Impact	Medium Impact	Medium Impact	28
Technology/Equipment	Onboard Systems—ITS/Communications	Medium Impact	Medium Impact	High Impact	Medium Impact	28
Technology/Equipment	Operations Support	Medium Impact	Medium Impact	Medium Impact	Medium Impact	24
Technology/Equipment	Onboard Systems—Safety	No Impact	No Impact	Medium Impact	High Impact	16
Technology/Equipment	Administrative	Low Impact	Low Impact	Low Impact	Low Impact	12
Vehicles	Revenue Vehicles	High Impact	High Impact	High Impact	High Impact	40
Vehicles	Overhaul/Rebuild	High Impact	High Impact	Medium Impact	High Impact	36
Vehicles	Support Vehicles	Medium Impact	Medium Impact	Low Impact	Low Impact	18

Incentive scoring prioritizes specific statewide goals and program requirements, and allows for further differentiation in project scores. Incentive points are awarded within four criteria areas: Zero-Emissions Technology, Innovation, Safety and Comfort around Customer Facilities, and Agency Accountability. The maximum score in each criteria area will be 5 points not to exceed a maximum of 10 points total.

DRPT Incentive Points: SGR and MIN Projects

*Incentives for projects that satisfy DRPT Goals
 (Not to exceed 10 points total per project)*

Criteria	Points	
Zero - Emissions Technology	5 Points, if project includes one of the following:	<ul style="list-style-type: none"> · Procurement of Zero-Emissions Vehicles, or · Installation of Zero-Emissions Infrastructure
Innovation	5 Points, if project includes one of the following:	<ul style="list-style-type: none"> · Installation of Real-Time Departure/ Arrival Information, or · Automated Data Collection, Scheduling and Dispatch technology acquisition, or · Utilization of Transit Signal Priority, or · Installation of safety technology, or · Mobile Ticketing
Safety and Comfort Around Customer Facilities	5 Points, if project includes one of the following:	<ul style="list-style-type: none"> · Enhanced Lighting at Transit Stations or Stops, or · Enhancements for Pedestrians/ Accessibility connecting passengers to Transit, or · Projects that include benches or shelters
		<ul style="list-style-type: none"> · Compliance with State Asset Management Requirements (TransAM Updates on time)

Agency Accountability	5 point, if all requirements are met:	<ul style="list-style-type: none"> · Compliance with State Strategic Planning Requirements (TSP/TDP Up to Date) · Compliance with State Capital Planning Requirements (5-year Capital Budgets) · Compliance with State Performance Reporting (On-time reporting in OLGA)
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6. Minor Enhancement projects will be evaluated considering the same service impact and incentive scoring methodology that is applied to State of Good Repair projects.
7. Major Expansion projects will be evaluated based upon the following factor areas identified in 33.2-214.4 of the Code of Virginia: congestion mitigation, economic development, accessibility, safety, environmental quality, and land use.
8. The factors specified in 33.2-214.4 of the Code of Virginia will be measured and weighted according to the following metrics:

Category	Measure	Measure Weight
Congestion Mitigation	Change in peak period transit system ridership attributed to the project	100%
Economic Development	Project consistency with regional and local economic development plans and policies, and support for local development activity	100%
Accessibility	Project improvement in accessibility to jobs	50%
	Disadvantaged population (low-income, minority, or limited English proficiency) within walking distance of project	50%
Safety	Project contribution to improving safety and security, reducing risk of fatalities or injuries	100%
Environmental Quality	Reduction in daily vehicle miles traveled resulting from project	100%
Land Use	Transit supportive land use served by the project	100%

9. Candidate Major Expansion projects will be scored based on the factors and weights identified above, the cost of the project, and based on the information included in the project application.
10. The final score for Major Expansion projects will be determined by calculating the anticipated benefits relative to the amount of funding requested pursuant to 33.2-1526.1 of the Code of Virginia.

11. A project that has been selected for transit capital funding (state of good repair, minor enhancement, or major expansion) must be rescored and the funding decision reevaluated if there are significant changes to either the scope or cost of the project.

BE IT FURTHER RESOLVED, the methodology may continue to evolve and improve based upon advances in technology, data collection, and reporting tools, and to the extent that any such improvements modify or affect the policy and process set forth herein, they shall be brought to the Board for review and approval.

BE IT FURTHER RESOLVED, the Board hereby directs the Director of the Department of Rail and Public Transportation to take all actions necessary to implement and administer this policy and process, including, but not limited to preparation of program guidance and outreach consistent with this resolution.

BE IT FURTHER RESOLVED, the Board hereby directs the Director of the Department of Rail and Public Transportation analyze the outcomes of this process on an annual basis and to revisit the process at least every three years, in consultation with the Transit Service Delivery Advisory Committee, transit agencies, metropolitan planning organizations, and local government prior to making recommendations to the Commonwealth Transportation Board.

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CTB Decision Brief

Policy for the Implementation of State Transit Capital Prioritization

Issue:

The 2018 General Assembly passed HB 1539 that provided dedicated funding for WMATA Capital, restructured the Commonwealth Mass Transit Fund, and enacted a slate of reforms for the statewide transit program. The Policy for the Implementation of State Transit Capital Prioritization provides the policy framework for the implementation of a formal prioritization process used by DRPT to make capital funding recommendations to the CTB.

Facts:

Section 33.2-214.4 of the *Code of Virginia* provides that the Commonwealth Transportation Board shall develop a prioritization process for capital projects funded pursuant to subdivision C of 33.2-1526.1 of the *Code of Virginia*. This process was first implemented in FY2020 with the creation of MERIT (Making Efficient-Responsible Investments in Transit).

Section 33.2-214.4 of the *Code of Virginia* provides that the Commonwealth Transportation Board shall revisit this policy at least every three years, in consultation with the Transit Service Delivery Advisory Committee (TSDAC).

Beginning in March 2022, DRPT engaged TSDAC to prepare a set of recommended updates to the policy. In June 2022, TSDAC unanimously approved these recommendations.

The CTB was briefed on this effort in September 2022 and the attached policy has been open for public comment for a period of 45 days.

Recommendation: DRPT recommends that the CTB approves changes to the Policy for the Implementation of State Transit Capital Prioritization.

Action Required by CTB: Approve the updated Policy for the Implementation of State Transit Capital Prioritization.

Options: Approve, Deny, or Defer.