



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

Agenda item # 16

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

June 23, 2021

MOTION

Made By: Mr. Rucker, **Seconded By:** Mr. Kasprovicz

Action: Motion carried, unanimously

Title: Adoption of the Interstate Operations and Enhancement Program Policy

WHEREAS, pursuant to Chapters 1230 and 1275 of the 2020 *Virginia Acts of Assembly* and as codified in §§ 33.2-372 and through amendments to §§ 33.2-232 and 33.2-358 of the *Code of Virginia*, the General Assembly of Virginia has directed the Commonwealth Transportation Board (Board) to establish the Interstate Operations and Enhancement Program (Program) to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth; and

WHEREAS, pursuant to §33.2-214 of the *Code of Virginia*, the Board shall only include a project or program wholly or partially funded with funds from the Program in the Six-Year Improvement Program (SYIP) if the allocation of funds from those programs and other funding committed to such project or program within the six-year horizon of the SYIP is sufficient to complete the project or program; and

WHEREAS, pursuant to §33.2-232, the Commissioner of Highways (Commissioner) must provide to the Governor, the General Assembly, and the Board by November 1 of each even-numbered year, a report that includes, among other things, the status of the Program, including the allocation of revenues for the Program, the current and projected performance of each interstate highway corridor, and the anticipated benefits of funded strategies, capital improvements, and services by the interstate highway; and

WHEREAS, §33.2-358, provides for allocation to the Program twenty percent of funds available for construction after allocations for highway maintenance and other specified allocations; and

WHEREAS, §33.2-372, permits the Board to use funds in the Program to address identified needs in the Statewide Transportation Plan pursuant to §33.2-353 or an interstate corridor plan approved by the Board through operational and transportation demand management strategies and other transportation improvements, strategies, or services; and

WHEREAS, §33.2-372, requires the Board, with the assistance of the Office of Intermodal Planning and Investment, to establish a process to evaluate and prioritize potential strategies and improvements, with priority given first to operational and transportation demand management strategies that improve reliability and safety of travel; and

WHEREAS, §33.2-372, prohibits the Board from using funds in the Program to supplant existing levels of support as of July 1, 2019, for existing operational and transportation demand management strategies; and

WHEREAS, §33.2-372, requires the Board to distribute to the Interstate 81 Corridor Improvement Fund established pursuant to §33.2-3601, an amount equal to the revenues provided to the Program multiplied by the ratio of the vehicle miles traveled on Interstate 81 by vehicles classified as Class 6 or higher by the Federal Highway Administration (FHWA) to the total vehicle miles traveled on all interstate highways in the Commonwealth by vehicles classified as Class 6 or higher; and

WHEREAS, §33.2-372, requires the Board to distribute to the Northern Virginia Transportation Authority Fund established pursuant to §33.2-2509 an amount equal to the revenues provided to the Program multiplied by the ratio of vehicle miles traveled on interstate highways in Planning District 8 by vehicles classified as Class 6 or higher by the FHWA to the total vehicles miles traveled on all interstate highways in the Commonwealth by vehicles classified as Class 6 or higher; and

WHEREAS, §33.2-372 requires the Board to ensure, for any interstate highway with more than 10 percent of total vehicle miles traveled by vehicles classified as Class 6 or higher by the FHWA, that the total long-term expenditure for each interstate highway be approximately equal to the proportion of the total revenue deposited in the Fund attributable to each interstate highway based on such interstate highway's proportional share of interstate vehicle-miles traveled by vehicles classified as Class 6 or higher; and

WHEREAS, §33.2-372 does not provide explicit direction relating to the funds available in the Program that exceed the required distributions to the Interstate 81 Corridor Improvement Fund, the Northern Virginia Transportation Authority Fund, and any interstate highway with more than 10 percent of total vehicle miles traveled by vehicles classified as Class 6 or higher by the FHWA, but rather, provides that such funds shall be allocated at the discretion of the Board for strategies and improvements that improve safety, reliability and travel flow along any interstate corridor in the Commonwealth; and.

WHEREAS, the Board, at its May 2021 Workshop, was presented with a proposed Interstate Operations and Enhancement Program Policy (Policy), developed by a study team, comprised of representatives of OIPI, the Virginia Department of Transportation, Department of Motor Vehicles, Department of State Police, Department of Rail and Public Transportation, and Virginia Port Authority, (IOEP Study Team) which is attached hereto as Attachment A; and

WHEREAS, the proposed Interstate Operations and Enhancement Program Policy is consistent with the Interstate Operations and Enhancement Program requirements set forth in §33.2-372; and

WHEREAS, the IOEP Study Team has also made recommendations relating to funding operation, maintenance and transit service operating costs associated with the IOEP improvements and Program as well as Board consideration of multimodal and express lane options when evaluating expansion of interstate highways.

NOW, THEREFORE, BE IT RESOLVED, the Board hereby approves the Interstate Operations and Enhancement Program Policy, attached hereto as Attachment A, for use in developing and funding interstate improvement plans under the Interstate Operations and Enhancement Program and in accord with §33.2-372.

BE IT FURTHER RESOLVED, operating and maintenance costs for the initial operational improvements identified for the Interstate Operations and Enhancement Program may be covered for a period not to exceed six years, at which point the Highway Maintenance and Operations Program will assume those costs.

BE IT FURTHER RESOLVED, transit service operating costs will be covered for a period of three years, with the Board having the discretion at the end of the three-year period to provide operating assistance for three additional years on high performing routes where the anticipated funding for this service is unavailable to enable the service to continue.

BE IT FURTHER RESOLVED, operating and maintenance costs for new operations improvements and transit operating costs for new transit capital projects will be covered for a period of three years in subsequent interstate corridor improvement plans.

BE IT FURTHER RESOLVED, when considering the expansion of interstate highways, the Board shall evaluate the extent and time period for which new lanes will provide improved travel flow and if such new general purpose lanes are expected to remain or become congested within a period of 30 years, then implementation of multimodal options or express lanes should be given priority over new general purpose lanes.

BE IT FURTHER RESOLVED, within twelve months of this adoption of this resolution that the Office of Intermodal Planning and Investment, in coordination with the Department of Transportation and the Department of Rail and Public Transportation, shall develop a methodology to evaluate the implications of proposed improvements for achieving the Commonwealth's objectives related to greenhouse gas reductions from the transportation sector.

BE IT FURTHER RESOLVED, that upon the development of the measure by the Office of Intermodal Planning and Investment, in coordination with the Department of Transportation and the Department of Rail and Public Transportation, the Interstate Operations and Enhancement Policy shall be revised to include such measure in the prioritization process included in the Policy.

Resolution of the Board

Adoption of the Interstate Operations and Enhancement Program Policy

June 23, 2021

Page 4 of 4

BE IT FURTHER RESOLVED, the Board hereby authorizes the Secretary of Transportation to make such modifications to the Interstate Operations and Enhancement Program Policy as provided in Attachment A as deemed appropriate, provided any such modifications shall not conflict with §33.2-372 nor this resolution, and further, to take all actions necessary to finalize and implement the Program.

###

CTB Decision Brief

Adoption of the Interstate Operations and Enhancement Program Policy

Issue: Section 33.2-372 of the *Code of Virginia*, enacted by the Virginia General Assembly pursuant to Chapters 1230 and 1275 of the 2020 Session directs the Commonwealth Transportation Board (Board) to establish the Interstate Operations and Enhancement Program (Program) to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth. Board approval of the proposed Policy to govern development and funding of interstate corridor improvement plans under the Program is sought.

Facts:

- Pursuant to §33.2-214, the Board shall only include a project or program wholly or partially funded with funds from the Program in the Six-Year Improvement Program (SYIP) if the allocation of funds from those programs and other funding committed to such project or program within the six-year horizon of the SYIP is sufficient to complete the project or program.
- Pursuant to §33.2-232, the Commissioner of Highways (Commissioner) must provide to the Governor, the General Assembly, and the Board, by November 1 of each even-numbered year, a report that includes, among other things, the status of the Program, including the allocation of revenues for the Program, the current and projected performance of each interstate highway corridor, and the anticipated benefits of funded strategies, capital improvements, and services by the interstate highway.
- Section 33.2-358 provides for allocation to the Program twenty percent of funds available for construction after allocations for highway maintenance and other specified allocations.
- Section 33.2-372:
 - permits the Board to use funds in the Program to address identified needs in the Statewide Transportation Plan pursuant to §33.2-353, or an interstate corridor plan approved by the Board through operational and transportation demand management strategies and other transportation improvements, strategies, or services;
 - requires the Board, with the assistance of the Office of Intermodal Planning and Investment (OIPI), to establish a process to evaluate and prioritize potential strategies and improvements, with priority given first to operational and transportation demand management strategies that improve reliability and safety of travel;
 - prohibits the Board from using funds in the Program to supplant existing levels of support as of July 1, 2019, for existing operational and transportation demand management strategies;
 - requires the Board to distribute to the Interstate 81 Corridor Improvement Fund established pursuant to §33.2-3601, an amount equal to the revenues provided to the Program multiplied by the ratio of the vehicle miles traveled on Interstate 81 by vehicles classified as Class 6 or higher by the Federal Highway Administration

(FHWA) to the total vehicle miles traveled on all interstate highways in the Commonwealth by vehicles classified as Class 6 or higher;

- requires the Board to distribute to the Northern Virginia Transportation Authority Fund established pursuant to §33.2-2509 an amount equal to the revenues provided to the Program multiplied by the ratio of vehicle miles traveled on interstate highways in Planning District 8 by vehicles classified as Class 6 or higher by the FHWA to the total vehicles miles traveled on all interstate highways in the Commonwealth by vehicles classified as Class 6 or higher; and
 - requires the Board to ensure, for any interstate highway with more than 10 percent of total vehicle miles traveled by vehicles classified as Class 6 or higher by the FHWA, that the total long-term expenditure for each interstate highway be approximately equal to the proportion of the total revenue deposited in the Fund attributable to each interstate highway based on such interstate highway's proportional share of interstate vehicle-miles traveled by vehicles classified as Class 6 or higher.
- A study team, comprised of representatives of OIPI, the Virginia Department of Transportation, Department of Motor Vehicles, Department of State Police, Department of Rail and Public Transportation, and Virginia Port Authority (IOEP Study Team), developed interstate corridor improvement plans for those interstate corridors with more than 10 percent of total vehicle miles traveled by FHWA class 6 vehicles and above, utilizing performance measures and a prioritization methodology for funding that is now proposed for adoption as a policy by the Board.
 - These corridors (I-81, I-95 and I-64) receive dedicated funding from the Interstate Operations and Enhancement Program.
 - The remaining interstate corridors have also been analyzed using the same performance measures and methodology for developing targeted solutions.
 - The Policy set forth in Attachment A memorializes and sets out the proposed performance measures and prioritization methodology for developing and funding interstate corridor improvement plans for the Interstate Operations and Enhancement Program that comport with the requirements set forth in §33.2-372.
 - In developing the Policy, the IOEP Study Team also made the following determinations:
 - IOEP funding should be used to cover operations and maintenance costs for the interstate operational improvements identified- this will ensure that ongoing operational improvements such as the Safety Service Patrol and towing programs are able establish operations and demonstrate benefits to travel reliability. The initial operations and maintenance costs for operational improvements should be covered for a period not to exceed six years, at which point the Highway Maintenance and Operations Program should assume these costs. This will enable the Highway Maintenance and Operations Fund revenues to recover. In subsequent updates of interstate plans, the operations and maintenance costs should be covered for a period of three years.
 - IOEP funding should be used to cover transit service operating costs for a period of three years. This will enable transit service to become established and to

demonstrate anticipated benefits to delay reduction and travel reliability. It is anticipated that transit providers will be able to assume the transit operating costs following the initial three year period. The Board should have the discretion at the end of the three-year period to provide operating assistance for three additional years on high performing routes where the anticipated funding for this service is unavailable to enable the service to continue.

- When considering the expansion of interstate highways, the Board should evaluate the extent and time period for which new lanes will provide improved traffic flow and if such new general purpose lanes are expected to remain or become congested within a period of 30 years, then implementation of multimodal options or express lanes should be given priority over new general purpose lanes. For segments of the interstate system that experience high demand and capacity issues, multimodal options in combination with express lanes would provide reliable travel options for the public.
- It has also been recommended that OIPI, in coordination with VDOT and DRPT, develop a methodology to evaluate the implications of proposed improvements for achieving the Commonwealth's objectives related to greenhouse gas reductions from the transportation sector for use in future prioritization of potential strategies and improvements.

Recommendations: The study team recommends approval of the Interstate Operations and Enhancement Program Policy attached hereto as Attachment A.

The IOEP Study Team also recommends:

--Use of IOEP funding to cover operations and maintenance costs for the interstate operational improvements for an initial period not to exceed six years. In subsequent updates of interstate plans, the operations and maintenance costs should be covered for a period of three years.

--Use of IOEP funding to cover transit service operating costs for a period of three years, with Board discretion at the end of the three year period to provide operating assistance for three additional years on high performing routes where the anticipated funding for this service is unavailable to enable the service to continue.

--When considering the expansion of interstate highways, the Board should evaluate the extent and time period for which new lanes will provide improved traffic flow, and if such new general purpose lanes are expected to remain or become congested within a period of 30 years, then implementation of multimodal options or express lanes should be given priority over new general purpose lanes.

It has also been recommended that OIPI, in coordination with VDOT and DRPT, develop a methodology to evaluate the implications of proposed improvements for achieving the Commonwealth's objectives related to greenhouse gas reductions from the transportation sector for use in future prioritization of potential strategies and improvements.

Action Required by the CTB: The Board will be presented with a resolution for a formal vote to approve the Interstate Operations and Enhancement Program Policy and the additional recommendations of the IOEP Study Team.

Result, if Approved: If approved, the Policy will be used to develop a recommended improvements package for the Interstate Operations and Enhancement Program to be included in the VDOT Fiscal Year 2022 to Fiscal Year 2027 Six-Year Improvement Program.

Options: Approve, Deny, or Defer

Public Comments/Reactions: None

Attachment A

Interstate Operations and Enhancement Program Policy

Program Overview

In Chapters 1230 and 1275 of the 2020 *Virginia Acts of Assembly*, as codified in §33.2-372 and through amendments to §§ 33.2-232 and 33.2-358 of the Code of Virginia, the General Assembly of Virginia directed the Commonwealth Transportation Board (Board) to establish the Interstate Operations and Enhancement Program (Program) to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth.

Funding Allocation

Section § 33.2-358 of the Code of Virginia provide for the allocation of twenty percent of funds available for construction after Revenue Sharing take-down to the Program.

The Board will use funds in the Program to address identified needs in the Statewide Transportation Plan pursuant to § 33.2-353 of the *Code of Virginia* or an interstate corridor plan approved by the Board for the following:

1. Operational and transportation demand management (TDM) strategies and
2. Other transportation improvements, strategies, or services.

The Board may not use funds in the Program to supplant existing levels of support as of July 1, 2019, for existing operational and transportation demand management strategies.

The funds available in the Program that exceed the required distributions to the Interstate 81 Corridor Improvement Fund, the Northern Virginia Transportation Authority Fund, and interstate highways with more than 10 percent of total vehicle miles traveled by vehicles classified as Class 6 or higher by the FHWA, shall be allocated at the discretion of the Board for eligible activities that improve safety, reliability and travel flow along any interstate in the Commonwealth.

Planning Process

A corridor improvement plan will be developed for each interstate with more than 10 percent of total vehicle miles traveled by vehicles classified as Class 6 or higher by the FHWA, as they receive dedicated funding (I-81, I-95, and I-64). The remaining interstate corridors will be analyzed for operational upgrades and to determine where there are transportation demand management and other transportation improvement needs that either meet a VTrans need, or rise to the level of need on those interstate corridors receiving dedicated funding.

The Office of Intermodal Planning and Investment shall develop corridor improvement plans for each corridor with dedicated funding and analyze performance for all other interstates. Initial plans shall be updated no later than 2025 and every four years thereafter. At a minimum, the corridor improvement plans will analyze each corridor to identify areas with congestion, safety and reliability issues. Plans will focus on the areas with the most significant issues, up to the top 25% of locations, and include the development of operational strategies, transportation demand management strategies (including multimodal improvements), and other improvements. The operational strategies will be evaluated using a return on investment (ROI) methodology. The transportation demand management strategies and other transportation improvements will be evaluated using a

methodology that employs some of the elements of SMART SCALE, including consideration of benefits relative to cost.

Prioritization of Strategies and Improvements

The Board, with assistance from OIPI, is required to establish a process to evaluate and prioritize potential strategies and improvements, with first priority given to operational strategies, followed by transportation demand management strategies (including multimodal improvements), and then other transportation improvements, all of which improve reliability and safety of travel.

Operations projects tied to top 25% performance measure locations will be prioritized using ROI and regional input and are funded first. The SMARTSCALE-like evaluation of TDM strategies and other transportation improvements will follow the methodology that what was used for the Interstate 81 Corridor Improvement Plan. The following weights will be used for scoring:

- 40% for Person Hours of Delay Reduction
- 40% for Reduction of Fatal and Severe Injury Crashes
- 20% for Accessibility to Jobs

These measures are a subset of those used in SMART SCALE, and represent the measures that correlate with the Interstate Operations and Enhancement Program goals defined in §33.2-372 of improving the safety, reliability and travel flow along interstate corridors. This scoring methodology will result in lists of projects, by interstate (for those interstates with dedicated funding) and for all interstates combined, that are prioritized based on their benefits and costs. Available funding will be allocated to the projects based on the prioritization ranking, subject to the Board's discretion. The timing of such allocation will take into consideration constructability, environmental impacts and other potential project risks, and the Board's discretion.

Example Funding Scenario

An example funding scenario for the Program in Fiscal Year (FY) 2022 to FY 2027 is provided below.

1. Fund I-81 Corridor Improvement Fund and NVTAFund at prescribed levels (gray rows in **Table 1**)
2. Fund operational improvements on I-95, and I-64 from each corridor's dedicated funding, and then fund operational improvements on I-664, I-66, I-77, I-85, and I-295 from the discretionary funds (orange row in **Table 1**) out of their respective funding categories.
3. Fund TDM and then other transportation improvements on I-95 and I-64 using each corridor's dedicated funding (blue and green rows in **Table 1**). Fund according to priority until a recommendation is reached that cannot be fully funded. At that point, stop and set aside the remaining balance on each corridor.
4. Fund TDM and then other transportation improvements along all interstates using remaining funds (yellow row in **Table 1**). Fund according to priority until a recommendation is reached that cannot be fully funded. At that point, stop and set aside the remaining balance.
5. Remaining balances from steps 3 and 4 above will be for use in accounting for inflation (based on year of expenditure) and funding additional priorities identified in the interstate corridor improvement plans at the Board's discretion.

TABLE 1. EXAMPLE FUNDING SCENARIO

Total Available Funding	\$1,303,874,567		
I-81 Corridor Improvement Fund (43.7%)	\$640,069,147		
NVTA Fund (8.4%)	\$98,710,762		
Interstate Operations and Enhancement Program Remaining Funds	\$565,094,658		
Operational Improvements (I-95)	\$98,933,441		
Operational Improvements (I-64)	\$14,965,604		
Operational Improvements (All interstates)	\$13,146,726		
	Available	Allocated	Remaining
Interstate 95 Fund	\$95,268,445	\$88,871,324	\$6,397,121
Interstate 64 Fund	\$122,951,380	\$95,473,982	\$27,477,398
All Interstate Improvements Fund	\$219,829,062	\$216,578,427	\$3,250,635
Total	\$438,048,888	\$400,923,733	\$37,125,155