LOCAL ASSISTANCE DIVISION
FY2014 ANNUAL REPORT

Virginia Department of Transportation

Fiscal Year 2014 Annual Report
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The Local Assistance Division develops and interprets policy dealing with local roads and serves as liaison with local government organizations, manages several special funding programs, manages urban system changes, prepares local assistance payments, provides oversight for locally administered projects and facilitates the delivery of the statewide urban program.

I. COMMUNICATIONS/OUTREACH

LAD continues to publish the Local Assistance Division Newsletter tri-annually. The newsletter serves as an outreach avenue for the Department to provide general information, updates, and changes about locally administered projects and programs and their affects on local governments. The Division’s external webpage is updated regularly to include mass communications to local governments as well as to reflect program and policy changes and new initiatives.

The Local Programs Workshop was held on September 25 & 26, 2013 in Richmond. The theme of the workshop was “Network for Success” and brought together over 350 local government, VDOT, and private sector staff to discuss delivery of the local transportation program. In addition to four plenary sessions, the workshop featured 20 breakout sessions, scheduled in four concurrent tracks, over the two-days. The four tracks were: federal program requirements, project development and financials, funding programs, and project delivery. The Workshop was highly successful and has been included in VDOT’s Business Plan as an annual event.

LAD in partnership with the Learning Center and FHWA scheduled and held a series of NHI Courses for local government participants. Courses included Introduction to NEPA, Project Development, and Historic Preservation in Transportation Project Development. Courses were offered at no cost or reduced pricing to local governments.

The 2014 Transportation Project Management Institute (TPMI) was attended by VDOT, Industry, and local government project managers. LAD, the Learning Center, and the Project Management Office worked together to offer scholarships to local government participants to help offset the cost to local governments. Due to the increase in local project administration and management, UVA added a Local Transportation Program session to the 2014 institute. The session was developed and presented by LAD, Staunton District and City of Harrisonburg staff.

Throughout FY2014, a number of LAP topics were communicated to District Project Coordinators through the LAD monthly videoconferences. Items included Compliance Assessments, LAP Manual updates, Industry Commitments List, Agreement process streamlining, Final Bill Appendix A’s, Plan sheet reviews and title sheet requirements.

Supporting the division’s strategic goals, LAD implemented the Local Government Stakeholders Group and facilitated the first meeting on July 23, 2013. Goals of the stakeholders group are to provide a venue for LAD’s external customers to provide input into the outreach efforts of the LAP Program and to help facilitate and provide input to any major initiatives of the LAP Program. The stakeholders group met three times during FY2014 and developed three primary focus areas of streamlining, consistency, and training/guidance.
II. LOCAL SYSTEMS

A. URBAN CONSTRUCTION INITIATIVE

The Urban Construction Initiative (UCI) has fourteen (14) localities under agreement to administer their entire construction program. This year, several localities have shown interest in joining the UCI program. The UCI Certification Program, approved by the Federal Highway Administration for implementation in 2009, is an opportunity for qualified UCI participating localities to proceed with project administration and development with streamlined VDOT oversight on federal and state funded projects, similar to FHWA’s oversight of VDOT. In 2012, the City of Virginia Beach successfully demonstrated their ability to deliver state and federally funded projects and has become the first locality to qualify under the certification process. This year, VDOT conducted a compliance assessment and re-certified the City of Virginia Beach as outlined in the UCI Guidance Document. The City of Virginia, VDOT and the FHWA continue to collectively work together to further document and streamline the certification program.

B. SECONDARY POLICY

Staff continued to support the field by providing policy guidance on the Secondary system. LAD is currently working to create a Secondary Roads Policy Manual. This tool will assist VDOT and Local Staff on policies and guidance in relation to the Secondary Road programs.

C. URBAN PROGRAM

There are currently 84 municipalities in the urban system as defined under Sections 33.1-23.3 and 33.1-41.1 of the Code of Virginia. The Local Assistance Division (LAD) is responsible for statewide urban policy and continues to provide program oversight and guidance for the urban maintenance and construction programs.

D. URBAN SIX YEAR IMPROVEMENT PLAN

On a biannual basis, LAD continues providing Districts with an assessment of the urban program comparing allocations to project estimates and current expenditures. This tool was provided to District Staff with guidance and priority on areas needing delivery improvement. Areas of focus include: continued consolidation of projects (financially feasible alternatives) and expenditure of funds on fully funded phases (for federal obligation). Reconciliation of the urban program continues on a rolling basis and residual allocations are being distributed in the annual update to the Six Year Improvement Program. Each district is provided with a list of action items based on the rolling reconciliation/program review.

Due to statewide funding reductions, the FY2015-2020 Six-Year Improvement Program (SYIP) shows the removal of the urban formula allocations that were planned to begin in FY2017. Detailed SYIP project information can be found at the following link: http://syip.virginiadot.org/Pages/allProjects.aspx

E. URBAN POLICY AND DISTRICT SUPPORT

LAD has completed and posted an update of the Urban Manual which reflects the latest in legislative, policy and procedural changes. Revisions to the Urban Manual were necessary to ensure that both VDOT and Local staff have a single reference for information relating to
the Urban Construction and Maintenance Programs. This revision of the Urban Manual also includes the program development and policy requirements of the UCI Guidance Document.

**F. LOCAL MAINTENANCE PROGRAM (URBAN, ARLINGTON & HENRICO)**

Urban Maintenance Program: During FY14, LAD reviewed and processed 634 urban system changes to include the addition of 1.44 centerline miles of arterials and 69.48 centerline miles of local/collector roads for a total increase of 70.92 centerline miles (or 147 lane miles) in the urban system in FY15. The urban maintenance program budget has increased by 3.50% this year. LAD has worked with District and Residency offices to adjust the roadway inventory and lane mileage summaries based on eligible mileage additions/deletions as submitted by municipalities over the past fiscal year. Detailed information regarding the urban municipal mileage and payments can be found at


Urban Conversion Project (UCP): LAD has worked with IT and consultants on a project to merge the Urban Maintenance Inventory System (UMIS) data into VDOT’s new Roadway Network System (RNS). This project, called the Urban Conversion Project (UCP), is almost complete and is in the final stage to reconcile errors and omissions within the UMIS data. In order to effectively address over 2,000 of those errors and omissions, LAD has hired a part time employee to work exclusively on this project. To complete this stage, LAD continues to reach out to each individual municipality with questions or confirmations of our findings, which may result in changes to UMIS and local maintenance payments. The project is scheduled for completion in the summer of 2015.

Arlington & Henrico Counties: Arlington and Henrico are eligible to receive funds from the CTB for their local road construction and maintenance programs. These funds are authorized by Section 33.1-23.5:1 of the Code of Virginia and were allocated by the CTB at their June meeting. The Arlington & Henrico Secondary Construction and Maintenance payments can be found at:


LAD has developed a manual to document policy and program information for maintenance and construction in Arlington and Henrico Counties. This manual simply documents, in one consolidated location, the policies and processes that have applied to VDOT’s interactions with these counties for many years. The Arlington-Henrico Guide is available on the LAD webpage at: [http://www.virginiadot.org/business/resources/local_assistance/ArlingtonHenrico.pdf](http://www.virginiadot.org/business/resources/local_assistance/ArlingtonHenrico.pdf)

Overweight Permit Fee Revenue: Sections 46.2-1140.1, 46.2-1143, 46.2-1148, and 46.2-1149.1 of the Code of Virginia, (1950), as amended in 2012 provide that a percentage of collected overweight permit fees are to be paid to localities based on the lane miles in the locality eligible for maintenance payments. The revenue will be distributed to the localities in their quarterly maintenance payment. The fees distributed to the urban localities can be found at: [http://www.ctb.virginia.gov/resources/2014/june/reso/Resolution_Agenda_Item_7_Attachment_C.xlsx](http://www.ctb.virginia.gov/resources/2014/june/reso/Resolution_Agenda_Item_7_Attachment_C.xlsx) and the fees distributed to Arlington and Henrico Counties can be found at: [http://www.ctb.virginia.gov/resources/2014/june/reso/Resolution_Agenda_Item_8_Attachment_B.xlsx](http://www.ctb.virginia.gov/resources/2014/june/reso/Resolution_Agenda_Item_8_Attachment_B.xlsx)
G. LOCAL PERFORMANCE AND ACCOUNTABILITY

LAD continues to report local bridge conditions (from dashboard) on a quarterly basis through “Virginia Performs”. As of June 30, 2014, 95.45% of the bridges on the county maintained system and 91.34% of the bridges on the city/town maintained system were rated in “fair or better” condition. The bridge performance target is that 92% of structures are rated in “fair or better” condition. Also, The Weldon Cooper Financial Survey data for FY2013 has been summarized and posted on the LAD webpage.

III. LOCALLY ADMINISTERED PROJECTS (LAP)

A. PROJECT ADMINISTRATION AGREEMENTS

A total of 203 Locally Administered Project Agreements were executed during FY2014, a decrease from the 225 agreements executed during FY2013. Additionally, 69 supplemental agreements were completed. The implementation of programmatic agreements for Revenue Sharing projects accounted for 111 projects included in 46 programmatic agreements.

B. LOCALLY ADMINISTERED PROJECTS MANUAL

LAD continues to update and improve the Locally Administered Projects Manual. Significant updates this year included: expanded guidance for locally administered design-build projects, updated guidance for determination of sound wall requirements, clarification for Right-of-Way authorization and notice to proceed, and construction plan submission requirements.

Initiated in FY2014, one of the division’s strategic goals is a comprehensive update of the LAP Manual that will touch all chapters, and targeted for completion by the end of CY2016. The update will focus on modifying outdated or inconsistent information, updates to processes, links, references, etc., and necessary new additions.

C. LAP PERFORMANCE INITIATIVE

During FY2014, LAD maintained three metrics for assessing the performance of locally administered projects. These tools consist of a Federal Strategy Obligations report, Dashboard Advertisement Date trend report, and a Scoping Date performance report. A fourth metric was added to track local government project commitments for Construction advertisements. Additional areas are being reviewed to establish a complete toolkit for District and local staff use in order to provide consistent and meaningful assessment of locality performance.

D. LOCAL COMPLIANCE

Early in FY2014, LAD concluded assessments of preliminary engineering documentation on seven (7) locally administered projects (LAPs) selected in conjunction with FHWA-Virginia Division’s process reviews. Findings of noncompliance on these assessments were reported to the local government, project coordinator and managers allowing for corrective actions and to aid in the development of future training needs.

In addition to assessments conducted on LAPs, three project level reviews were conducted on projects for the City of Virginia Beach in accordance with the Urban Construction Initiative (UCI) Certification Program guidance.
In the second half of FY2014, eight (8) projects from various locations throughout the state with various fund types were selected for the FY2014 assessments. “Desktop” reviews will be conducted by VDOT function area experts on documentation requested for Preliminary Engineering, Right-of-Way and Construction activities.

All compliance assessments are conducted to assess how well localities have met their compliance obligations and in accordance with the Compliance Assessment Program outlined in Chapter 7 of the Locally Administered Projects Manual. A summary of results and recommendations for these assessments can be found at http://www.virginiadot.org/business/local-assistance-locally%20administered.asp

IV. FEDERAL PROGRAMS

A. TRANSPORTATION ALTERNATIVES

MAP-21 transportation legislation was signed into law in 2012 establishing a new “Transportation Alternatives” program which combined the Transportation Enhancement, Safe Routes to School, and Recreational Trails programs. An interim selection policy was passed by the CTB in 2012 to address the immediate round of applications. On July 17, 2013, after the first round of TAP awards, the CTB passed a resolution rescinding the “interim” policy and adopting a new policy governing the selection of Transportation Alternatives projects in the future. Full implementation of the Transportation Alternatives Program required developing several new documents and the new Transportation Alternatives Program Guide, comprehensive application as well as revised scoring criteria were rolled out at the Applicant workshops held in August. LAD coordinated this effort with the Metropolitan Planning Organizations (MPOs) that will be selecting projects within the four regional Transportation Management Areas (TMAs).

Applicant outreach efforts for FY2015 allocations resulted in the receipt of 75 applications requesting approximately $27M in federal funding. Of the 75 applications received, 74 were for bicycle and pedestrian improvements. A total of 64 projects were selected for funding of which 44 were new projects. Included in the 64 projects selected for funding were 22 awards made by the MPOs in TMA areas. In total, over $19.6 in federal funding was allocated.

B. SCENIC BYWAYS PROGRAMS

The Byway Program Manager coordinated with the Department of Conservation and Recreation on the evaluation of one roadway section for Virginia Byway designation. A segment of Route 729 in Rappahannock County was designated a Virginia Byway by the Commonwealth Transportation Board in December 2013. As of June 30, 2014, approximately 3,460 miles of roadway are designated Virginia Byways. In addition, presentations were made to governing bodies and civic groups promoting the program. LAD worked with Public Affairs to update the Map of Scenic Roads in Virginia.

C. FEDERAL LANDS ACCESS PROGRAM

MAP-21 combined the previous Forest Highway and Public Lands Access Programs into the new Federal Lands Access Program while also redefining and widening its potential application pool. LAD has worked with FHWA—Eastern Federal Lands to develop a new selection process that will include a standardized project application. FHWA announced a call for applications in September 2013. The Programming Decision Committee selected 12 of the
13 applications for funding with the intent to program Virginia’s FY 2013 and FY 2014 Federal Lands Access funds through this call for projects. Total funding available is approximately $3,013,711.00 annually. LAD has continuously worked with EFLHD to maximize utilization of available funding. FY13 and FY14 funding is scheduled to be programmed by the end of the fiscal year.

V. STATE PROGRAMS

A. REVENUE SHARING PROGRAM

Localities were notified in August 2013 of the opening of the application period for the FY 2015 Revenue Sharing Program allocation. Following the November 1, 2013 termination of the application period and LAD’s review of applications, 212 projects totaling $180,753,471 were recommended for funding and approved by the CTB at its June 2014 action meeting.

Also, LAD completed its 3rd annual Revenue Sharing Program de-allocation process as prescribed in the CTB’s Revenue Sharing Program Guidelines. At its January 2014 meeting, the CTB approved the de-allocation of a total of $4,600,957 from 24 projects. These funds were used to supplement available funding for the FY 2015 Revenue Sharing Program allocation requests. LAD staff has initiated its fourth annual review of candidate projects for de-allocation and continues to coordinate with localities and respective District staff to determine the list of projects to be recommended for de-allocation at the January 2015 CTB meeting. It is anticipated that any de-allocation amount to be considered for approval by the CTB will be utilized to finance applications for the FY 2016 program allocation scheduled to be approved in June 2015.

B. ACCESS PROGRAMS

LAD worked with local governments, VDOT staff, and other entities across the state to successfully allocate $3,053,000 to access six (6) economic development sites. Although LAD coordinated with several localities and the Department of Conservation and Recreation on possible developments, this year was not an active year for new projects receiving allocations under the Recreational Access Program.

In October 2013, LAD held a focus group meeting attended by local and regional economic development professionals and staff from the Virginia Economic Development Partnership to discuss the performance of the Economic Development Access Program and recent changes in the administration of the Program.

In consideration of the effects of continuing unfavorable economic conditions across the state, the CTB passed a resolution in February that extended the bond moratorium for Economic Development Access Program projects that effectively granted additional time, until July of 2016, for localities to establish qualifying investment on projects with original bonded periods terminating between July 1, 2010 and July 1, 2014.

LAD continued to assist localities and District staff in development of approved projects ensuring adherence to Program requirements. LAD staff also continued work on financial closure of completed projects.
C. RURAL RUSTIC ROADS PROGRAM

The Rural Rustic Roads concept, first enacted by the 2002 Session of the General Assembly of Virginia, is a practical approach to paving Virginia's Low Volume Unpaved Roads. This year, LAD staff led an effort to develop statewide guidance for the unpaved road program. VDOT's Departmental Memorandum 13-2, Administration of the Unpaved Road Program, effective December 11, 2013, emphasizes that the Rural Rustic Road Program offers the most flexible alternative to hard-surfacing unpaved roads and encourages use of this flexible alternative to paving VDOT's unpaved roads.

The Local Assistance Division maintains the Rural Rustic Road Program Manual and compiles information annually on completed projects. Since the program's inception, 850 hard-surfacing projects, traversing about 788 centerline miles, have been completed using the Rural Rustic Roads concept, at a cost of approximately $114 million. This represents a savings of about $276 million if traditional reconstruction methods had been used to hard-surface a road. For projects completed in 2011 through 2013, the average cost was approximately $200,000 per centerline mile.

D. CTB FORMULA FUND LOCAL APPLICATION PROGRAMS

The General Assembly modified Section 33.1-23.1 during the 2014 session to allow a portion of the funding set aside for paving roadways with the designated CTB formula funds to also include municipality maintained primary extension and lowered the traffic volume threshold for qualifying unpaved roads under this code section. The Local Assistance Division developed 2 proposals for CTB consideration to implement application based programs to accommodate this Code change. Several presentations and guidance documents were developed to aid in implementation of these initiatives. The CTB adopted resolutions to implement the Primary Extension Paving Program and the High Volume Unpaved Road Program at their June 2014 CTB meeting.

VI. GENERAL ASSEMBLY

During the 2014 Legislative Session LAD worked closely with members of the General Assembly, VACO and VML on key programs and issues including Devolution, Revenue Sharing Program, unpaved rural roads and the taking of certain streets into the secondary system.

LAD represented the Department at the Senate Local Government Committee and the House Counties, Cities and Towns Committee, and worked with other Department representatives to assist them with legislation pertaining to their assignments. LAD tracked thirty-seven (37) proposed bills, prepared legislative impact statements on six proposed bills, and met with legislators on issues.

VII. VIRGINIA ASSOCIATION OF COUNTIES/ VIRGINIA MUNICIPAL LEAGUE

LAD represented the Department at annual conferences as well as at the Transportation Steering Committees for these organizations. LAD staff made presentations on current VDOT initiatives, etc. to VACO and VML members.
VIII. STAFF DEVELOPMENT AND ACCOMPLISHMENTS

LAD continues to hold monthly cross training sessions for staff. This program was revamped in FY14 with a combination of program overviews, presentations from other divisions and staff development.

A two day staff retreat, held at the Hotel Roanoke, focused on developing the Local Programs Workshop to be held in Roanoke in September.

Local Assistance added two wage positions this year. Sandy deLamorton joined the Division in December 2013 as a financial analyst. Sandy retired from the Fredericksburg District and provides invaluable assistance in reconciliation and project closeout efforts.

Robin Palm joined the division in April 2014 to assist with the Urban conversion project. Robin received his masters in Urban Planning from Virginia Commonwealth University in May 2014.

Jenny Epes, a wage support staff member, left the division in March 2014. She was replaced by Cindy Mitchell. Cindy is also a retiree from the Fredericksburg District.