

Communications:

Local Assistance Division provided five outreach sessions on the implementation of the Locally Administered Projects Manual to over 125 local government staff, their consultants, and FHWA – Virginia Division in June 2009.

LAD held four regional workshops for those interested in applying for Enhancement and Scenic Byway Program funding. In addition, five project sponsor workshops were provided for successful applicants focused on project delivery.

LAD coordinated the first Local CEO forum in July, 2008 with the Commissioner. These meetings provided a forum to discuss issues and concerns as well as an opportunity to focus on the future relationships between local government and the Department.

LAD coordinated a locality blueprint meeting in May with the Commissioner to provide local government administrators an opportunity to ask questions that may have been difficult in the larger public meetings held earlier in the spring.

The Division's external webpage was updated to reflect program and policy updates and new initiatives. Proposed revisions to the webpage which will provide clearer guidance for local governments were submitted to Public Affairs in August 2008. The revisions are anticipated at the completion of the Department's reorganization.

Urban Construction Initiative:

This Initiative has continued to grow for the fifth consecutive year as staff have worked with the City of Colonial Heights to prepare for their transition into the program. The City's programmatic agreement was executed and became effective July 1, 2009. Colonial Heights joins the cities of Virginia Beach, Hampton, Richmond, Charlottesville, Harrisonburg, and Lynchburg and the towns of Blacksburg, Bridgewater and Dumfries.

For the first time since the program was initiated in 2003, no resolution of intent to join was submitted. While several localities have expressed interest in hearing about the programs benefits and realities, there is a reluctance to take on additional responsibilities at this time.

As a result of the 2008 Satisfaction Survey and 2008 annual meeting discussions, emphasis has been directed to developing a certification program to provide UCI localities the opportunity to expand their control of program and project decision making with reduced VDOT oversight. This year, the certification workgroup, comprised of local government and VDOT staff, held 17 meetings to develop the certification program. The workgroup has defined the criteria and process by which a locality will qualify for certification, efficiencies in the project delivery process and guidance for ensuring compliance. The certification process has developed over the course of FY2009 with presentations to the UCI group at

their quarterly meetings. The Certification Process will be presented to the UCI group at the July 2009 Annual Meeting with planned implementation in the fall.

Local Performance and Accountability for Transportation Funding:

LAD produced a biennial update for local performance measurements for bridges and pavements. The report provides bridge performance data extracted from VDOT's Dashboard for 1,270 locally maintained bridges, located in 70 municipalities and 2 counties. The performance measurements update reported that, as of April 2009, 8.27% of the bridges on the locally maintained system were "code red" (need to be monitored and/or repaired). This data was also reported quarterly as part of the Virginia Performs initiative.

LAD also reported pavement performance using the International Roughness Index Ratings (IRI) based on sample data collected for the Highway Performance Monitoring System (HPMS) utilized by FHWA. The sample data was collected in 62 municipalities and 2 counties representing 75% of localities maintaining their own transportation systems. Based on the limited data collected, 17% of locally maintained pavements have an IRI of 170 or greater, indicating that those pavements have a poor quality base.

The Weldon Cooper Survey for FY2009 was completed in order to meet financial reporting requirements for localities. Since FY06, the Weldon Cooper Center for Public Service has been under contract to VDOT to conduct an annual Road, Street, and Highway Finance Survey. The Survey information is utilized to meet state and federal data requirements for reporting expenditures of maintenance and construction payments by category. This on-line survey provides data to VDOT that fulfills both the state reporting requirements and the annual Federal Highway Administration requirements.

Locally Administered Projects (LAPs):

Project Administration Agreements

LAD received and processed a total of 68 "Request to Administer" (RtA) forms, down from 93 in FY2008. RtAs are submitted by local governments to request local administration of projects with State or Federal allocations. A total of 234 Locally Administered Project Agreements were completed this year, down from 263 last year. LAD set a goal to have an agreement to localities within 30 days of having an approved RtA form. That goal was met 66% of the time, up from 56% in FY2008.

The Database used to track progress of Locally Administered Project Agreements (Agreements Database) was extensively revised to reflect business changes as well as to establish standard reports which enable staff to more easily retrieve data on agreement administration.

Locally Administered Projects Manual

The completion of the revised Locally Administered Projects Manual was the first major initiative completed to implement the Commissioner's Policy on Locally Administered Programs and Projects (DPM 8-7, effective 2/13/08). LAD led a Central Office Guide Development Team and a District Advisory Team to complete the Manual. LAD also met and consulted with various other VDOT staff, local officials, the consultant community and FHWA – Virginia Division, to ensure the new manual met the needs of all involved. FHWA – Virginia Division provided concurrence on the manual on July 2, 2009.

Dashboard and PCES for Local Governments

LAD worked to provide access to Dashboard and VDOT's Project Cost Estimating System (PCES) to a total of 27 local government staff this year. Training in the use of PCES was provided to 20 local government staff.

FHWA Process Review of Locally Administered Projects Program

LAD continued its work with FHWA to perform a Process Review of VDOT's Locally Administered Projects Program and completed work on the Process Review in November, 2008. The intent of the process review was to document current practices and procedures as they relate to FHWA regulatory and policy requirements, identify how well existing practices and procedures are working, identify any gaps VDOT has regarding LAPs and federal oversight expectations, and identify best management practices, as well as necessary improvements. Three VDOT Districts, five local governments, and seven VDOT Central Office Divisions were interviewed as part of the process. The review resulted in four key recommendations, two of which were addressed with the publication of the new Locally Administered Projects Manual.

American Reinvestment and Revitalization Act (ARRA)

In response to and in recognition that many Stimulus Projects will be administered by localities, the Local Assistance Division prepared guidance for Virginia localities on special provisions and reporting requirements for the ARRA that has been posted on its external web-page. In addition, LAD worked very closely with the Department lead in the preparation of stimulus project reporting tools that localities can easily access and use in order to meet their ARRA obligation. LAD continues to coordinate ongoing training opportunities on their use.

Local Partnership Team:

The team did not offer any courses this year due to focus on developing the new Locally Administered Projects Manual and lack of staff resources. The team began looking for innovative ways to meet local government training needs in the future. However, LAD continued to identify and promote local government training opportunities through other resources including FHWA-NHI's new on-line courses and VDOT's Project Management Training program. The provision of training and resources for local governments administering federally funded projects was a recommendation of the FHWA Locally Administered Projects Process Review in 2008.

Local Compliance:

The reorganization of the Division resulted in the establishment of a new Local Certification/Local Compliance Manager position. This year, focus has been on establishing a compliance program to support certification of localities participating in the Urban Construction Initiative. LAD staff have also researched existing review processes and compliance efforts underway within the Department, and reviewed other states programs to develop a focused effort on evaluating local compliance. The establishment of a local compliance program was a recommendation of the FHWA Locally Administered Projects Process Review in 2008.

Transportation Enhancement:

This Division work section transitioned into the Federal Programs Section with one Program Manager assigned primary responsibility for Enhancement Program policy and guidance and the District coordination responsibility split among three Program Managers due to the current workload. As

indicated in the Communications section-a total of nine applicant and sponsor regional workshops were held. The applicant outreach efforts resulted in the submittal of 148 applications, of which the CTB selected 92 projects for funding. Virginia also received \$20.8 million in ARRA funding for Enhancement projects which was applied to seven regionally significant bike/ped projects. LAD scheduled kick off meetings with the sponsors for each of the ARRA projects to increase familiarity with requirements associated with this funding.

The Local Assistance Division continued partnering with district staff on the Enhancement Program roll-out of project management responsibilities. The Division conducted three "Enhancement Day" workshops for District Coordinators and Residency personnel. The de-allocation process initiated in 2007 to close-out dormant and/or completed Enhancement projects resulted in an additional 28 projects being closed for final voucher; and \$1,626,350 in funds being reallocated to other active Enhancement Program projects.

LAD initiated discussions with the CTB on Enhancement Program policy changes to better utilize Enhancement funding. These discussions continue.

Virginia Byway Program:

The division reorganization identified a Virginia Byways Program Manager to provide oversight of this program. LAD coordinated Virginia Byway Designation for 7 roadway sections, totaling 17 miles. Three National Scenic Byway grants totaling \$1,231,955 were announced by FHWA for FY08 applications from Virginia that will provide various improvements to Virginia Byways. Four applications for FY09 funding requesting \$1,068,432 were submitted for this year's selection process. LAD initiated prioritization criteria to rank this year's applications for National Scenic Byway grants. LAD also provided assistance to the Journey Through Hallowed Ground Partnership and submitted their application for National Byway designation to FHWA. A federal grant was used to initiate a Scenic Byway inventory verification and map update.

Forest Highway Program:

LAD worked with the Eastern Federal Lands/FHWA coordinator and U.S. Forest Service to develop a funding strategy where each phase of selected projects will be fully financed in order to bring individual projects to completion. During FY2009 four projects received \$1,549,686 in funding and an additional \$758,513 was allocated to two bridge projects through ARRA funding. Also \$10,000 was allocated to assist with the VA Forest Highway Long Range Transportation Plan.

Urban Construction and Maintenance Program:

Urban Six Year Improvement Program:

During FY2009, changes in available urban allocations required an interim year update of the FY09 Program and further reductions in the FY10 Program. LAD provided oversight and assistance to District staff and local governments to establish priorities and set schedules focused on available funding. Due to drastic reductions in available funds, some localities were assisted in evaluating current project priorities and where feasible, establishing new projects more in line with current funding levels. In these instances, the requirement to payback expenditures was waived by the CTB.

Reconciliation of the urban program continues and residual allocations are being distributed in the update to the Six Year Improvement Program. Review and update of the projects in the program, their status and the information supporting each continues and is updated regularly to provide accurate and consistent data in the supporting systems and in the SYIP.

Urban Policy and District Support:

LAD conducted four Urban Day meetings in FY09 with the District Urban Program Managers. These meetings continue to be important in communicating the changing transportation program and promoting consistent and uniform application of program policy.

An update to the Urban Construction and Maintenance Program – Policies and Guidelines is underway to reflect changes in laws and Department policy.

Local Maintenance Program (Urban, Arlington & Henrico)

LAD continued working with the Steering and Technical Committees for the development and implementation of the new Roadway Network System (RNS) and on the task force for the RNS Business Process Re-engineering effort.

During FY09, urban system changes included the addition of 2.37 centerline miles of Arterials plus 80.57 centerline miles of local/collector roads for a total increase of 184.67 lane miles in the system.

LAD provided input and guidance during preparation of the ARMICS audit. No significant findings were noted. Documentation of processes is underway for payment calculations and file management. LAD also participated in the subsequent ARMICS audit conducted by Internal Audit Division. This audit process is still underway.

LAD participated with the Information Technology Division in an Urban Road Centerline Pilot project to catalog actual road mileages within the urban localities and compare with VDOT's UMIS inventory.

Devolution:

Secondary System Devolution:

Continued working with IT to have devolution model updated to reflect current financial information. Due to limited resources in IT, there has not been much progress on this update and current model data is too outdated to provide the desired financial information to interested counties.

Urban Transportation Service Districts (UTSDs):

LAD continued to assist the Secretary's Office with guidance for eligible counties regarding establishing UTSDs. LAD also responded to inquiries and provided briefings to localities interested in pursuing this option. This included significant coordination with Central Office and District staff as Stafford County pursued establishing a UTSD. Stafford officially withdrew its proposal in October 2008.

Columbia Pike:

LAD worked with District and Central Office staff to review and evaluate Arlington County's request to assume responsibility for this primary road and the options available. District and Central Office are working with Arlington County's request to transfer Columbia Pike to the County's local system.

Transportation Impact Fee Study:

LAD previously coordinated with staff from the Asset Management and Transportation and Mobility Planning Divisions to provide support to the Office of the Secretary of Transportation for the completion of a Transportation Impact Fee Study to provide assistance to localities implementing impact fees in accordance with HB3202. The study was officially concluded last year and LAD communicated information about the study and its placement on the web to Residency Administrators January 2009.

Revenue Sharing Program:

For the FY2009 Revenue Sharing Program:

- 76 localities submitted a total of 189 applications
- 189 applications received for a total of \$49.14M in state matching funds requested
 - 81 locally administered projects– \$31.88M state matching funds
 - 108 VDOT administered projects- \$17.26M state matching funds

LAD updated the Revenue Sharing Program Guide to implement the revised tier system established in 2008 legislation. The FY10 application process was delayed until confirmation of the 2010 budget that appropriated \$50 million to the program. Applications for FY10 are currently due August 14th. LAD continued to refine the automated application process established last year to reduce keying duplication. Worked with Programming and Fiscal Divisions toward reconciliation and closure of financial records of completed projects. Significant work remains to clean up Revenue Sharing allocation data in VDOT systems due to past improper postings in FMSII.

Access Programs:

LAD worked with Residency staff, local governments and other entities to successfully allocate \$1,385,000 to assist localities with projects to access four recreational areas and \$754,500 for projects to access two economic development sites across the state. Staff also continued work on financial closure items associated with completed projects. LAD presented recommendations to the CTB for Economic Development Access Program changes. New procedures were implemented that will provide rail access funding directly to DRPT upon allocation instead of LAD tracking allocations and processing payments for new projects.

General Assembly:

LAD prepared thirteen legislative proposals for consideration by the Executive team. Of those four were submitted to the Secretary of Transportation and two were considered by the General Assembly. One was approved by the General Assembly and signed by the Governor.

Represented the Department on legislative issues raised within 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 prepared legislative impact statements on thirty one proposed bills and met with legislators on issues.

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.

Staff:

The Local Assistance Division was reorganized in the fall of 2008 to better align Program/Policy Administration and Project Assistance. This shift allows all project related items (whether locally administered projects or urban projects) to be managed from the same point. Similarly, all federal and state programs and policies assigned to LAD are managed together. This shift clarifies roles within the division and provides clear delineation for our internal and external customers.

LAD continued with Project Merge, which allows an employee from Local Assistance to visit with a district or residency office for the day with two goals in mind:

- to learn a new program or gain a new perspective
- to communicate the initiatives and programs ongoing in LAD

Other Division actions:

- Staff attended a one day team-building retreat at the Richmond District Pavilion.
- Scheduled interviews for the Local Partnership Team lead; position was put on hold prior to holding interviews.
- Eva Battle from Financial Planning continues to provide administrative assistance due to admin vacancies.

Individual staff accomplishments:

- Jennifer DeBruhl served as Acting District Administrator in Hampton Roads District in July 2008 as an ELP assignment. Also, as part of her assignment, Jennifer represented VDOT at the Annual SASHTO meeting.
- During Jennifer's absence, Winky Chenault served as acting Assistant Division Administrator.
- Ciara Williams received her Master of Urban and Regional Planning degree from VCU.
- Mike Estes received his Master of Business Administration degree from VCU.

***Local Assistance Division
Vision, Mission and Goals for FY2009***

Vision

LAD will be recognized as a model for effectively establishing programs and policies that promote local partnerships and successful implementation of projects.

Mission

LAD will promote and facilitate partnerships between localities and VDOT to successfully deliver transportation programs and projects.

Organizational Objective (EWP)

The Local Assistance Division will develop and interpret policy dealing with local roads and locality issues, serve as liaison with local government organizations, manage the urban system and several special state and federal funding programs, manage localities system changes, prepare local assistance payments, provide oversight for locally administered projects, coordinate the urban construction program with urban localities and VDOT and coordinate with internal and external customers to successfully carry out our Mission.

Goals for FY 2009 to achieve Mission and Vision
How did we measure up?

- Continue to create a framework through which VDOT and local governments can successfully partner to manage programs and projects
 - *Continued the implementation of Commissioner's new Policy on Locally Administered Programs and Projects*
 - *Completed major overhaul of Guide for Locally Administered projects*
 - *Initiated the Urban Construction Initiative Certification Program, which will allow localities the opportunity to expand their control of program and project decision making*
 - *Conducted Urban Construction Initiative Program Management Workshop to provide local government and VDOT staff with better understanding of what it takes to manage the urban construction program.*
 - *Facilitated Urban Construction Initiative workgroups on Performance Measurement and Streamlining to make improvements to the implementation of this program.*

- Enhance communications and foster positive relationships with the other Divisions, the Districts and Residencies and Local Governments
 - *Held five outreach sessions on the implementation of the Locally Administered Projects Manual to over 125 local government staff, their consultants, and FHWA – Virginia Division.*
 - *Attended meetings of District Area Construction Engineers, District Material Engineers, etc. to provide information on Commissioner’s Policy for Local Programs and Projects*
 - *Conducted Transportation Enhancement Applicant and Sponsor Workshops to enhance communication and understanding of the program.*
 - *Facilitated Urban Construction Initiative Quarterly Meetings to serve as a forum for VDOT and local government leaders charged with delivery of the urban program.*
 - *Hosted Urban Days for District Urban Program Managers and Enhancement Days for District Enhancement Coordinators to facilitate effective policy development and program delivery.*
 - *Coordinated initial Local CEO forum and Local Government Blueprint meeting with the Commissioner.*

- Foster a positive work environment for Division staff
 - *Held a one day team-building retreat for LAD staff. Staff developed the agenda and facilitated the retreat.*
 - *Created the opportunity for staff members to telecommute. 13 staff members have registered as teleworkers, with 3 of those working on a regular telecommuting schedule. In addition, 4 staff members are working alternate work schedules.*
 - *Provided cross training opportunities for 3 employees through Project Merge.*
 - *Initiated an “employee event” per month in coordination with the kitty fund to promote fun activities.*