

**Urban Construction Initiative  
Tri-Annual Meeting Minutes  
VDOT Richmond District Auditorium  
November 17, 2011**

The Urban Construction Initiative Tri-Annual Meeting was hosted by VDOT and held at the VDOT Richmond District Auditorium in the City of Colonial Heights.

***I. Welcome - Opening Remarks:***

**Todd Halacy**, VDOT Local Assistance Division, welcomed everyone to the Richmond District. He introduced Ms. Jennifer DeBruhl as VDOT's new Director of Local Assistance Division. Since there were several new people in attendance at the meeting, he asked that everyone go around the room and introduce themselves. He also asked that one representative from each locality share an item from their municipality for the good of the group.

**Jennifer DeBruhl** announced that the City of Virginia Beach has successfully become the first locality to be certified under the UCI Certification Program. She announced that a press release will be coming out shortly and that there will be a presentation regarding the certification process later in this meeting.

**Jennifer** discussed the VDOT Local Assistance Division email notification sign up request. This will enable you to receive emails when LAD updates our website or posts revised guidance documents, letters to local governments, or training opportunities. To sign up:

1. Send email to [vdot\\_local\\_assistance-request@virginiainteractive.org](mailto:vdot_local_assistance-request@virginiainteractive.org)
2. Type Subscribe in the body of the message and click send. No subject is needed for the email. Please remove any automatic signature.
3. You will receive an email asking you to confirm that you want to subscribe. Click the link in the email and then click subscribe. Done!

***II. Business Items:***

***A. VDOT Update:***

***a. CTB Subcommittee on Local Maintenance Funding:***

**Jennifer DeBruhl** briefed the group on the findings of the subcommittee on evaluation of equitable distribution of road maintenance payments. At their July 20<sup>th</sup>, 2011 meeting, the Commonwealth Transportation Board (CTB) passed a resolution forming a subcommittee of At-Large Members of the board to evaluate the issues surrounding equalization of maintenance fund allocations

between those allocated to localities and those budgeted to VDOT and to consider options which could be addressed administratively and legislatively. The purpose of these meetings were to continue discussions for developing recommendations for the effective and equitable distribution of VDOT maintenance funds in preparation of presenting those recommendations to the Board on or before December 31, 2011.

The subcommittee reached a general consensus which was presented at the October CTB Worksession and will be presented by resolution at the December 7<sup>th</sup> CTB meeting. The recommendations are as follows:

- An analysis and comparison of needs across systems is desired before recommending legislative changes.
  - Lack of available data on local system condition and performance limits further analysis
- The most equitable approach to distribution of scarce maintenance funding may be a formula that incorporates a prioritized needs-based factor along with a commitment to maintain our statewide assets, regardless of maintenance responsibility.
- Reconvene the local government working group (in partnership with the Virginia Municipal League and Virginia First Cities Coalition) to advance the collection and analysis of system condition and performance data on the locally maintained system.
- To report back to the CTB regarding the Subcommittee's findings and recommendations on their continued examination regarding the equitable distribution of road maintenance funds across all statewide transportation systems and localities.

(See presentation in pdf labeled 'DeBruhl UCI Nov 17\_2011')

**b. Local Government Survey's (LAD and Secretary Connaughton's):**

**Ms. DeBruhl** briefed the group on the various surveys that have been recently conducted by VDOT's Local Assistance Division. **The Local Government Survey** was sent out by LAD on behalf of Secretary Connaughton. There were two versions sent out; one for localities that maintain their own roads, and another for localities where VDOT maintains the roads. The survey was intended to gauge the views of local government leaders on a variety of transportation topics. With the release of the George Mason University's secondary road study as well as other recent dialogue regarding transportation issues at the local level, there has been a great deal of speculation as to what changes may be pursued regarding local road issues. This survey will be one of many tools used by the Secretary to evaluate potential approaches to address the local transportation issues. Various results were shared with the group, which included the interest of local governments to take on a greater role in

transportation with additional resources and the resources should be applied at the local level.

**The Local Assistance Division Survey** was intended to provide feedback to VDOT on the effectiveness of Local Programs, to determine training needs, and to assess preferred methods for effective delivery of information and training. Some of the major findings from the survey include; that localities prefer email or email alerts for the dissemination of policy and guidance updates, LAD's web page continues to be a primary source of program specific information, additional training is needed, and localities indicate preference for face to face training through workshops and seminars.

**Revenue Sharing Program Update: Ms. DeBruhl** gave an update of some of the details of the R/S Program. The program allocation is up to \$200m, with a maximum allocation of \$10m per locality. For FY12, the applications received total \$131.5m. The CTB allocated \$103m state matching funds (funded over two years). For FY13, the applications were due on November 1<sup>st</sup>. We received requests for over \$135m in state matching funds from 58 localities. We anticipate CTB action in the spring.

(See presentation in pdf labeled 'DeBruhl UCI Nov 17\_2011')

#### **B. UCI Workgroup Update:**

**Todd Halacy** discussed the projects that the UCI Workgroup currently have under development and opened up the floor to discuss the recommendations for moving the workgroup forward. He discussed the workgroups goal to create standardized contract templates for RFP's for professional and non-professional services, the purchase of goods, and equipment. He announced that the workgroup is continuing to use the free message board secured service that is accessible by UCI Municipalities to share information and he encouraged folks to start using the message board. Another item currently under development include eliminating the UCI Guide by incorporating policy and program information into the Urban Manual and project development information into the LAP Manual. The group discussed the future role of the workgroup and outlined several potential topics for the workgroup to consider. The UCI Workgroup is scheduled to meet beginning at 2pm after the UCI Tri-Annual meeting.

(See presentation in pdf labeled 'UCI Workgroup Update for Nov 17 Mtg')

### **III. Technical Items:**

#### **A. OIG Action Plan:**

**Russ Dudley**, VDOT Local Assistance Division, outlined the most recent US DOT OIG Audit that was conducted by in July 2011. The objectives of this audit were to; assess the effectiveness of FHWA's process to improve state oversight of LPA projects, and to determine whether FHWA has taken actions to reduce risks identified with locally administered projects. They reviewed 59 projects in 29 localities across 4 states (Virginia not being one of them). The audit found that

LPA's had a high level of noncompliance with federal requirements with the most prevalent shortcomings being related to construction management requirements. VDOT is being proactive and has created an action plan to address the findings. (See presentation in pdf labeled 'Dudley Presentations UCI\_Nov17')

**B. Partnership with LTAP:**

**Russ Dudley** discussed the Local Assistance Division 18 month goal that is to increase outreach and training for local governments. LAD is planning to continue to emphasize local government core curriculum on-line training, develop short topic-specific on-line modules, and to work more closely with TTA (LTAP) to bring more training to localities. He presented a proposed 2012 training schedule for courses that LAP's could take advantage of. (See presentation in pdf labeled 'Dudley Presentations UCI\_Nov17')

**C. UCI Certification Program Update:**

**Todd Halacy** gave an update of occurrences in the certification process with the City of Virginia Beach since the update at the July UCI Annual Meeting. He discussed the review process of the City's application from VDOT's perspective and outlined the internal challenges and opportunities that have transpired with this new certification program. VDOT has had the opportunity to review the City's application, provide scoring results back to the City and to facilitate the panel interview with City staff. LAD spent a great deal of time meeting with the two districts regarding the scoring and compiling the panel results. The panel made a recommendation to approve the City of Virginia Beach as the first certified locality under this program, which was shared with VDOT's Chief Engineer who concurred with the recommendation.

**David Jarman**, City of Virginia Beach, presented the challenges and opportunities that they have faced internally through the process. David outlined the process that the City went through in submitting the application, analyzing and addressing the comments from VDOT and preparation for the panel interview. (See presentation in pdf file labeled 'VA Beach UCI Cert Update').

**IV. General Discussion/ Next Meeting Topic:**

**Todd Halacy** talked to the group about the potential business and technical items for our next UCI Tri-Annual meeting to be held in March. He asked that the group submit recommendations to him by the end of the month of December.

**Jennifer DeBruhl** discussed the implementation of VDOT's new financial management system (Cardinal) and the changes to our processes that may impact the ways we conduct business with our customers. Some of the changes include:

- a. **Locally Administered Project Billings:** VDOT is improving its process for collecting the locality's share for locally administered projects, eliminating the need for both entities to bill each other. The new process no longer requires the locality to submit a payment to VDOT for its contribution after billing and receiving payment from VDOT for project costs. Under the new process, we will reduce the payment to the locality for project costs by deducting an amount equal to the required local match contribution in addition to a deduction for the local match for any VDOT costs incurred on the project for the same period. We encourage all localities to send their project billings to VDOT every 30 days, and no less frequently than 90 days. Your VDOT local representative will work with you to review and revise existing project agreements as needed.
- b. **VDOT Administered Project Billings:** VDOT is simplifying its billing processes for projects administered by VDOT. The new process is designed to bill for the project's anticipated billable costs over the estimated life of the project. The billings will be for a set amount each month or quarter, allowing localities to better plan their cash outlays for the project and simplify payment processing. At the completion of the project, a reconciliation will be done to compare the actual project billable costs to the total billed amount. The final project costs and actual amount due from the locality will be shared, and upon concurrence by both parties, VDOT will either bill for the balance amount due or remit payment of any overpayment. Your VDOT local representative will work with you to review and revise existing project agreements as needed

V. **Wrap Up/ Close:**

**Todd Halacy** closed the meeting with a special thank you to the presenters.

The *next meeting will be held on Thursday, March 15<sup>th</sup>, 2011*. Location still to be determined.