



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

PROJECT IMPLEMENTATION WORKING GROUP

Wednesday, October 7, 2015, 10:30 am

Northern Virginia Transportation Authority

3040 Williams Drive, Suite 200

Fairfax, Virginia 22031

SUMMARY NOTES

I. Call to Order/Welcome

Chairman Nohe

- Ms. Backmon called the meeting to order at 10:43 am.
- Attendees:
 - **PIWG Members:** Chairman Nohe; Chairman Bulova (Fairfax County); Chair Hynes (Arlington County); Council Member Rishell (City of Manassas Park); Rick Canizales, James Davenport (Prince William County); Tom Biesiadny, Karyn Moreland, Noelle Dominguez (Fairfax County); Joe Kroboth, Bob Brown (Loudoun County); Andrew D’huyvetter (Arlington County); Jim Maslanka (City of Alexandria); Paul Stoddard (City of Falls Church); Wendy Block Sanford (City of Fairfax); Patrick Moore (City of Manassas); Mark Duceman (Town of Herndon); Maria Sinner, Valerie Pardo (VDOT); Dan Goldfarb (NVTC); Elena Constantine (TPB); Christine Hoeffner (VRE); Mark Phillips (WMATA).
 - **NVTA Staff:** Monica Backmon (Executive Director); Mike Longhi (CFO); Sree Nampoothiri (Program Coordinator), Keith Jasper (Program Coordinator).
 - **Other Staff:** Mark Thomas (Fairfax County), Kimberly Bibbee (Prince William County).
 - **Other:** Nancy Smith (Northern Virginia Transportation Alliance).

II. Meeting Summary of September 16, 2015, Meeting

- Approved, subject to the following change requested by Mr. Kroboth.
 - The group agreed that, for the FY2017 Program, funding will not be provided for preliminary studies/feasibility studies. *Interchange justification reports are considered part of preliminary engineering and, therefore, would be eligible for funding.*

Discussion/Information

III. FY2017 Program

Mr. Jasper

- Mr. Jasper informed the group of the two topics for consideration from the previous meeting: estimation of congestion reduction relative to cost methodology and the weighting/definition of project selection criteria.
- Mr. Jasper provided an overview of what was agreed at the previous PIWG meeting, including the following:
 - Continued use of TRANSIMS for the HB 599 evaluation.
 - Studies will be ineligible for funding for the FY2017 Program
 - NVTAs staff will propose a draft policy at a future PIWG meeting regarding when projects approved as part of the FY 2017 Program will be required to start drawing down regional revenues. The NVTAs policy that requires completion of SPA approval within 6 months of NVTAs program approval is in place for the approved FY2015-16 Program and the FY2017 Program. Based on a tentative approval date of July 2016, SPAs will need to be approved by January 2017.
 - The seven HB 599 performance measures used for the FY2015-16 Two Year Program evaluation will again be used for the FY2017 Program, rather than using the HB 2 measures.

Congestion Reduction Relative to Cost Methodology

- Mr. Jasper explained that the intention is to use a methodology that builds on the FY2015-16 Two Year Program project selection process, complements the NVTAs quantitative score, and enhances the overall decision-making process.
- Mr. Jasper navigated the tables and numbers provided to the group, which demonstrate several options for calculating congestion reduction relative to cost. The first table showed these ratios for 2020 and 2040 for the highway projects that were approved in the FY2015-16 Two Year Program. He noted that the scores take the HB 599 output for a single year and combine it with the cost component, for both the funds allocated by NVTAs and for the total project cost. Congestion reduction used the selected measure of person hours of delay for 2020 and 2040.
- Mr. Jasper cautioned that calculations were based on a single year (2020 or 2040) regardless of whether the project would be completed in that year; thus, the methodology did not take into account project readiness.
- Mr. Jasper explained how this led to an alternative option, using Examples 1 and 2 provided in the packet. This option calculates congestion reduction relative to cost over a period of time, by extrapolating between 2020 and 2040 using the same measure of person hours of delay used in the previous option. Examples 1 and 2 represent two hypothetical projects; the first is for a lower cost/smaller impact project and the second for a higher cost/higher impact project.
- Mr. Jasper recommended continuing to use the year 2020, as opposed to 2025 or 2030, in conjunction with 2040. This approach minimizes backward extrapolation of

the intermediate numbers. He stated that this approach provides a better understanding of project readiness.

- Mr. Jasper explained that the annual vehicle travel time savings number has been multiplied by \$15 per hour to take the calculation from hours to dollars on an annual basis as a global average of the value of travel time savings.
- Mr. Jasper summarized that this analysis shows that while the bigger projects, which cost more and take more time to implement, result in large reductions in delays the smaller projects may generate more congestion reduction relative to cost. This methodology will provide to the Authority the congestion reduction relative to cost ratio to evaluate alongside with the NVT A score.
- Mr. Canizales voiced concern that this methodology could disadvantage larger projects because of their cost relative to smaller projects. Mr. Jasper responded that there would not be a disadvantage; it would actually provide more data to develop a recommendation to the Authority.
- Ms. Backmon reminded the group that there are other performance measures being reviewed by the Authority when assessing and making project funding recommendations. She also reminded the group of the need to further define project readiness and that using this methodology will give the group a better idea of when the project is ready and when the project is providing benefits to the network. Ms. Backmon added that the FY2017 Program is a one year program and, based on non-binding project submissions, there are \$750 million in requests for an estimated \$220 million available in PayGo revenue.
- Ms. Hynes pointed out that this methodology has the potential to not only help understand how a project moves people and how that relates to cost, but to also help people understand the relative impact of projects, big and small, in a transparent way.
- Mr. Biesiadny emphasized the importance of presenting the methodology in a way that the public can understand and many PIWG members concurred.
- In response to questions regarding the significance of the final number score determined for congestion reduction relative to cost, Mr. Jasper clarified that the higher the end result number is (the monetized value of the congestion rate divided by the cost), the better the project performs.
- Mr. Biesiadny expressed concern over monetizing fairly; using \$15 per hour, versus \$100 per hour for example, could lead to the debate of what is the value of a person's time, while what is important is the actual hours saved.
- Mr. Kroboth agreed with Mr. Biesiadny and questioned using 2040 as the cutoff date instead of using the project's anticipated lifecycle as the cutoff, considering the project's impact and savings may continue beyond 2040. Mr. Jasper explained that 2040 is the modeling horizon and there is no data beyond that year. Ms. Backmon reminded the group that this is a one year program and funding requests for some projects may be better suited for subsequent programs rather than the FY2017 Program.
- Ms. Backmon informed the group that the information presented at the meeting will be taken to the JACC meeting on October 8, 2015, to address further questions or comments. She asked that the PIWG recommend that the Authority adopt this

congestion reduction methodology along with the weighting criteria at the November 12th Authority meeting so that the methodology and criteria is adopted prior to the project submission deadline, informing applicants of what kind of methodology and criteria weightings will be used.

Quantitative Score Criteria Weighting

- Mr. Jasper reviewed weightings used for the FY2015-16 Two Year Program. He explored options to redefine the project readiness criteria, consideration of the weighting used for the congestion reduction criterion, and how to distribute weightings accordingly.
- Mr. Jasper provided the results of sensitivity testing to demonstrate how modest changes to the congestion reduction weighting would have affected NVTA quantitative scores and project rankings of the candidate highway projects for the FY2015-16 Program.
- For Tests A, B, and C, the quantitative scores were recalculated for each highway project based upon different weightings. Test A increased the congestion weighting from 35% to 45%, kept one Project Readiness criteria at 15%, with the other Project Readiness at 0%; while Test B calculated 55% Congestion Relief/5% Project in Advanced Phase/0% Project Able to Be Implemented; and Test C was a variation of Test A with 45% Congestion Relief/15% Project in Advanced Phase/0% Project Able to Be Implemented and, in addition, eliminated the Urgency criteria and transferred those 5 points to the Improved Bike/Ped criteria for a new weighting of 10%.
- The tests resulted in the top three projects and bottom four projects remaining unchanged, albeit with minor shuffling in the rankings. Mr. Jasper pointed out that the three tests mostly affected rankings in the middle of the table. In particular, the Herndon East Elden Street Improvements and Widening project (ranked 15) and the Fairfax Braddock Road HOV Widening (ranked 19) flipped rankings in Test B so that the Braddock Road project moved into competitive range while the Herndon East Eldon Street project moved out of competitive range. He added that if a different group of projects were evaluated, especially if there were not as many projects, the changes in the scores might have been more dramatic.
- Chairman Nohe reminded the group that, because the Commonwealth Transportation Board (CTB) established a higher Congestion Relief weighting for the HB 2 process, it is important to re-evaluate this weighting for the FY2017 Program. He cautioned against making a decision about whether the process is sufficiently robust based on the test examples provided because the projects tested were from the previously approved FY2015-16 Two Year Program. For the FY2017 Program, it will be a mostly different group of projects. Chairman Nohe did not think the examples determine whether there is benefit to big or small projects, highway versus transit, inside the beltway versus outside the beltway, etc.
- Mr. Biesiadny also pointed out that the top 10 and bottom 10 projects remained top and bottom 10 with only a few exceptions. Mr. Canizales cautioned that there will be more disparity between the numbers once the criteria weightings are redefined.
- Ms. Hynes asked the group to consider the importance of land use. She pointed out that, while there are places in the region where throughput of people and vehicles is the priority, those inside the Beltway where costs are higher and there is limited land

use such as Arlington, Alexandria, and Falls Church, have very different challenges for moving more people on streets that are more difficult to expand, in places with limited room for bus bays, and with the added need to fund and operate transit services. Council Member Rishell agreed with Ms. Hynes and echoed the importance of emphasizing connectivity and congestion relief.

Redefinition of Project Readiness

- Mr. Jasper presented the proposed redefinition of Project Readiness and the associated High, Medium, and Low criteria. He specified that a High score would be given to projects that, as a result of the FY17 Program, will be fully operational once the money has been spent; the Medium score would be given to projects still in a phase of construction or right of way acquisition; and the Low score would be given to projects advancing to preliminary engineering or design activities.
- Mr. Canizales pointed out that the right-of-way phase and the construction phase could mean years of differential and that, if a project is in the construction phase, it is usually set up for completion within 2 years and should be given a High score. The group discussed alternative definitions of High versus Medium scores for entering the construction phase. Chairman Nohe reminded the group that, in the context of a one-year program, there will not be partial funding of construction as construction of the project will be fully-funded.
- It was determined by the group that if the project can qualify for construction, it will be scored High. Mr. Canizales suggested rewording the High category to say: “Project will be fully open/operational as a result of FY2017 Program funding or allow project to be advertised for construction” and he suggested possibly specifying “...partial-year construction funding” in the Medium category.
- Mr. Canizales recommended that Congestion Reduction be weighted at 50% and Project Readiness stay at 10%. Ms. Backmon responded that the JACC will discuss the information presented and the PIWG will meet to discuss recommendations from the JACC to determine final recommendations prior to the November 12th NVTA meeting.
- Ms. Maria Sinner notified the group that, for the HB 2 process, 46 applications have been received from Northern Virginia, five of which are transit projects worth \$2 billion; and \$7 billion in statewide applications have been received, not including I-66 inside the Beltway.

IV. Finance Committee Report

Mr. Longhi

- Mr. Longhi informed the group that requests will be sent to jurisdictions for updates to the Appendix B component of the executed SPAs for cash-flow and project analysis purposes along with requests for insurance certifications for project insurance policies; jurisdictions will have through November 30, 2015, to submit this information.

V. NVTA Update

Ms. Backmon

- Ms. Backmon informed the group that the October 22 NVTA meeting has been canceled and the next NVTA meeting is scheduled for November 12, 2015. The NVTA will be asked to adopt resolutions regarding HB2 project submissions at this meeting.
- Ms. Backmon announced that the I-66 Outside the Beltway Committee has endorsed the resolution for considering projects within the I-66 Outside the Beltway Corridor after these projects undergo the Authority's process. Adoption of this resolution will be recommended at the November 12th Authority meeting.
- Due to the NVTA meeting cancellation, the 6-month deadline for signed and approved SPAs will now be November 12, 2015. There are 12 outstanding SPAs for which localities and agencies need to contact Ms. Backmon to provide updates if they are unable to meet the deadline.

Adjournment

VI. Adjourn

- The meeting adjourned at 12:28 p.m.
- The next PIWG meeting was scheduled for 1:00 p.m. on Friday, November 6, 2015 at NVTA