

December 14, 2011

Memorandum #2011-211

TO: Transportation Programming Subcommittee (TPS)

BY: Camelia Ravanbakht, Deputy Executive Director

RE: Transportation Programming Subcommittee Meeting – December 21, 2011

The next Transportation Programming Subcommittee meeting will be held at **9:30 a.m., Wednesday, December 21, 2011**, in the **Regional Building Board Room, 723 Woodlake Drive, Chesapeake.**

MSK/kg

TPS Members:

Kevin Abt, VPA

Robert R. Brown, NO

Timothy C. Cross, YK

Kevan Danker, WATA

Anne Ducey-Ortiz, GL

Richard A. Hartman, P.E., PO

Steven Hennessee, DRPT

Michael S. King, NN

Robert E. Lewis, P.E., SU

Allen J. Murphy, Jr., JC

Reed T. Nester, WM

Jamie Oliver, IW

Phil Pullen, VB

Steve Rowan, VDOT

Ivan P. Rucker, FHWA

C. Earl Sorey, Jr., CH

Eric Stringfield, VDOT

Karen Waterman, HRT

Kevin Wyne, PQ

John Yorks, HA

CC:

Mike Kimbrel

Camelia Ravanbakht

Rob Case

Jessica Banks

Stephanie Shealey

Joe Paulus

**Agenda
Hampton Roads
Transportation Programming Subcommittee
December 21, 2011**

Call to Order 9:30 a.m.

The Regional Building, 723 Woodlake Drive, Chesapeake, Virginia

- 1. CALL TO ORDER**
- 2. PUBLIC COMMENT PERIOD** (Limit: 3 minutes per individual)
- 3. APPROVAL OF AGENDA**
- 4. REGIONAL PRIORITIES FOR CTB FY 2013-2018 SIX-YEAR IMPROVEMENT PROGRAM**

SUBJECT:

VDOT has requested input from Virginia metropolitan planning organizations (MPOs) on regional funding priorities for the Commonwealth Transportation Board's (CTB) FY 2013-2018 Six-Year Improvement Program (SYIP).

BACKGROUND:

In the attached letter (Attachment 4), dated November 29, 2011, Reta Busher, VDOT Chief of Planning and Programming, requested input from MPOs on regional funding priorities for the FY 2013-2018 SYIP. The list of regional priorities is to be delivered at a VDOT/DRPT meeting on the SYIP scheduled for February 8, 2012.

In developing the list of regional priorities, the following CTB priorities for SYIP development are to be taken into consideration:

- Fund deficits on underway project phases
- Maximize the use of federal funds to meet federal strategy
- Fund deficient bridges and paving projects
- Increase funding for preliminary engineering
- Support development of PPTAs
- Accelerate existing projects using additional funds
- Allocate funds consistent with how they will be obligated and expended
- Redirect inactive balances on projects

Members are encouraged to review projects included in the TIP and LRTP and be prepared to discuss projects to be included in the list of regional priorities.

Ms. Camelia Ravanbakht, Deputy Executive Director, will initiate discussion on this item.

Attachment 4

RECOMMENDED ACTION:

Provide recommended list of regional priorities for consideration by the TTAC in January 2012.

5. PUBLIC-PRIVATE TRANSPORTATION ACT CANDIDATE PROJECTS

SUBJECT:

The Virginia Office of Transportation Public Private Partnership (OTP3) has requested input from Virginia metropolitan planning organizations on identifying feasible candidate projects to advance under the Public-Private Transportation Act (PPTA).

BACKGROUND:

Included in Attachment 4 is a letter, dated November 22, 2011, by Tony Kinn, Director of OTP3, requesting input from MPOs on identifying feasible candidate projects to advance under PPTA. The candidate projects submitted must support Virginia's transportation objectives and meet the following high-level screening criteria outlined in the PPTA Implementation Manual:

- Project complexity offering ability to effectively leverage private sector innovation and expertise
- Accelerate project development via use of PPTA delivery method
- Transportation Priorities identified in appropriate transportation plans and programs
- Project efficiencies fostered through appropriate transfer of risk over project lifecycle
- Ability to transfer risk to the private sector on a long-term basis
- Funding potential through revenue generation
- Ability to raise capital

The PPTA Implementation Manual and other information may be accessed at the OTP3 website at www.vappta.org. Members are encouraged to review projects included in the TIP and LRTP and be prepared to discuss potential PPTA candidate projects.

Ms. Camelia Ravanbakht, Deputy Executive Director, will initiate discussion on this item.

RECOMMENDED ACTION:

Provide recommended PPTA candidate projects for consideration by the TTAC in January 2012.

6. FY 2012-2015 TIP – PROJECT DATA REVIEW AND UPDATE

SUBJECT:

Member localities, transit agencies, and state transportation agencies have been asked to assist in bringing the information in the Transportation Improvement Program (TIP) up-to-date by reviewing and updating project data.

BACKGROUND:

During the December TTAC meeting, HRTPO staff distributed tables showing the allocations and phase cost estimates, schedules, and expenditures for all projects in the TIP. HRTPO staff briefed the TTAC on a number of data problems that had been identified and requested member localities, transit agencies, and state transportation agencies assist in resolving the identified problems by reviewing and updating project data as appropriate.

Mr. Mike Kimbrel, Principal Transportation Engineer, will initiate discussion on this item.

RECOMMENDED ACTION:

Members are encouraged to coordinate with the appropriate state agencies to update project data in the VDOT or DRPT databases by mid-January 2012, if possible, so that the updates may be included in the data dump to be provided by the VDOT Programming Division on January 30, 2012.

7. OLD/NEW BUSINESS

ADJOURNMENT



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219 2000

Gregory A. Whirley
Commissioner

November 29, 2011

Metropolitan Planning Organization
Hampton Roads Planning District Organization
Mr. Dwight Farmer, Executive Director/Secretary
The Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

Dear Planning Partners,

The Secretary of Transportation and the Commonwealth Transportation Board (CTB) have multiple efforts underway toward developing the Fiscal Year 2013-2018 Six-Year Improvement Program (SYIP) that I would like to bring to your attention.

First, I appreciate your participation in the Fall Multi-Modal Transportation Meetings during October and November. This was the first time the modal agencies participated in a meeting with the public to discuss their transportation programs.

The next effort will be to seek your input on regional funding priorities for the FY2013-2018 SYIP. We want to meet with you again as a group on February 8, 2012 at the Marriott in downtown Richmond from 1:00-5:00 to discuss the SYIP update process, available budget information regarding VDOT and DRPT and other items of interest such as the Office of Transportation Public-Private Partnerships (OTP3) and the Virginia Transportation Infrastructure Bank. Your VDOT Construction District Planning and Investment Manager or District Planning Manager will contact you in the next few weeks to provide a format to compile regional priorities. Please plan to bring your list of regional priorities when we meet in February and take into consideration the CTB's priorities for SYIP development, they are as follows:

- ✓ Fund deficits on underway project phases
- ✓ Maximize the use of federal funds to meet federal strategy

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- ✓ Fund deficient bridges and paving projects
- ✓ Increase funding for preliminary engineering
- ✓ Support development of PPTAs
- ✓ Accelerate existing projects using additional funds
- ✓ Allocate funds consistent with how they will be obligated and expended
- ✓ Redirect inactive balances on projects

In addition, I want to share with you that Chapters 830 and 868 of the 2011 Acts of Assembly created the legal framework for the Virginia Transportation Infrastructure Bank (VTIB) Program. VTIB is a special nonreverting, revolving loan fund that is a sub-fund of the Transportation Trust Fund. VTIB was created for the purpose of making loans and other financial assistance to localities, certain private entities and other eligible borrowers, and grants to localities to finance transportation projects in Virginia.

As provided in §33.1-23.6 of the *Code of Virginia*, VTIB is intended to alleviate, in part, a critical need for additional sources of funding to finance present and future needs of the Commonwealth for the design and construction of roads and highways, including toll facilities, mass transit, freight, passenger and commuter rail, including rolling stock, port and airport and other transportation facilities. The purpose of VTIB is also to encourage the investment of both public and private funds in the development of eligible transportation projects and to provide an alternative source of financing for present and future transportation needs in the Commonwealth.

The management agreement and program guidance documents for the VTIB were approved by the CTB in October 2011. The Program Overview, Guidelines and Selection document is available via the Department of Planning and Budget's Virginia Regulatory Town Hall website (townhall.virginia.gov/) and on VDOT's website (www.virginiadot.org/). This initiative is in its beginning stages and comments relating to the document are welcome. Comments should be sent to the attention of John W. Lawson at the following address:

John W. Lawson, Chief Financial Officer
Virginia Department of Transportation
1401 E. Broad Street, Third Floor
Richmond, VA 23219
email: john.lawson@vdot.virginia.gov

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Comments will be compiled and considered. The CTB will be provided a briefing of the comments and any recommended changes to the document at the December 7, 2011 meeting that will be held before the 2011 Governor's Transportation Conference in Norfolk.

Also included with this communication is a letter from Tony Kinn the Director of the Office of Transportation Public-Private Partnerships (www.vappta.org). His letter discusses that the OTP3 Office was established to facilitate identification, development and implementation of priority transportation infrastructure projects through the Public-Private Transportation Act across all modes of transportation. Mr. Kinn has provided a summary of frequently asked questions to help better explain their mission.

Another meeting of interest is identified on the attached calendar as the Regional Forum for the VTrans2035 Update. This effort will involve validation and update of the major components of the Plan, including the goals and the priority initiatives. Input on the VTrans Update is desired throughout the process, beginning with comments on the continuation of the established VTrans goals. An opportunity for MPO and PDC Transportation Planners to discuss the Update via video conference has been scheduled for December 14, 2011 and will be accessible from multiple sites across the state. More information on the VTrans Update process may be obtained on the website: www.vtrans.org.

A draft calendar of upcoming events has been included for you to mark your calendar and I hope that you all can attend as many of the identified meetings as possible.

Sincerely,



Reta R. Busher
Chief of Planning and Programming

Attachments

cc: Marsha Fiol
Diane Mitchell
Jennifer DeBruhl
Jackie Cromwell
Tony Kinn
Jamie Motley
District Planning and Investment Managers
District Program Managers
District Planners

**2011 AND 2012 TIMELINE
DEVELOPMENT OF THE FY2013 – FY2018 SYIP**

2011

October – November	Conduct Fall Multi-Modal Transportation Meetings in the 9 Construction Districts (www.ctb.virginia.gov)
December 7-9	2011 Governor’s Transportation Conference in Norfolk (www.vatransconf.org)
December 14	Regional Forum for the Update of VTRANS 2035 (www.vtrans.org)

2012

January – April	Development of the draft SYIP
February 8	VDOT & DRPT meet with MPOs and PDCs on project priorities for the FY 2013-2018 SYIP and the latest budget information available
March 15	CMAQ and RSTP programming deadline for draft SYIP (for applicable MPOs)
April 18	CTB receives draft SYIP
April 24	Agencies’ Annual Transportation Planning Meeting including FHWA, VDOT, MPO and PDCs
April - May	Conduct SYIP Public Hearings
June 20	CTB Adopts the FY 2013-2018 YIP
July 1	SYIP FY2013-2018 effective



COMMONWEALTH of VIRGINIA

OFFICE OF TRANSPORTATION PUBLIC-PRIVATE PARTNERSHIPS
600 EAST MAIN STREET, SUITE 2120
RICHMOND, VIRGINIA 23219

Tony Kinn
Director

November 22, 2011

Dear Virginia Planning Partners:

In December 2010, the Commonwealth of Virginia established a new Office of Transportation Public Private Partnership (OTP3) to facilitate identification, development, and implementation of priority transportation infrastructure projects, via the Public-Private Transportation Act (PPTA), across all modes of transportation. Concurrently, the PPTA Implementation Manual was updated in 2010 to provide a framework for development and implementation of PPTA projects in a consistent, transparent, timely, and cost effective manner. In July 2011, I was appointed Director of the OTP3, responsible for developing and implementing a statewide program for transportation project delivery via the Virginia PPTA.

PPTA projects are an integral component of the Commonwealth's long term strategy of addressing transportation challenges. Since the legislation was enacted in 1995, Virginia has successfully implemented nearly \$1.0 billion in major transportation projects under the PPTA. Virginia currently has approximately \$2 billion worth of active PPTA construction projects and nearly \$3.0 billion under agreement advancing as public-private partnerships. Defining a pipeline of candidate PPTA projects is the next critical step.

The OTP3 is seeking your input to identify feasible candidate transportation projects to advance under the PPTA. The candidate projects submitted to the OTP3 must support the Commonwealth's transportation objectives and meet the high-level screening criteria outlined in the PPTA Implementation Manual (2010). The screening criteria include:

- Project complexity offering ability to effectively leverage private sector innovation and expertise
- Accelerate project development via use of PPTA delivery method
- Transportation Priorities identified in appropriate transportation plans and programs
- Project efficiencies fostered through appropriate transfer of risk over project lifecycle
- Ability to transfer risk to the private sector on a long-term basis
- Funding potential through revenue generation
- Ability to raise capital

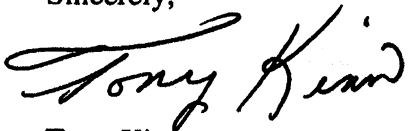


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The attached Frequently Asked Questions (FAQ) will answer questions you may have in considering your priorities and potential candidate PPTA projects. Our website (www.vappta.org) also contains information for your use. We will also be attending the Governor's Transportation in early December 2011.

We look forward to beginning a successful partnership with you as we move forward identifying and delivering the Commonwealth's priority transportation projects in a timely and cost effective manner.

Sincerely,

A handwritten signature in black ink that reads "Tony Kinn". The signature is written in a cursive style with a large, sweeping initial "T".

Tony Kinn

Enclosure

PPTA Frequently Asked Questions

1. *What is the Office of Transportation Public-Private Partnerships and what does the OTP3 do?*

The Commonwealth of Virginia's Office of Transportation Public-Private Partnerships (OTP3) is responsible for developing and implementing a statewide program for project delivery via the Virginia Public-Private Transportation Act (PPTA) of 1995.

The OTP3 works in coordination with the Secretary of Transportation, all seven Virginia transportation agencies, and focuses on the development of public-private projects across all modes of transportation. Public-private partnerships offer an important tool for delivering transportation infrastructure by leveraging relationships with the private sector.

2. *What is the PPTA and how is it different than traditionally delivered transportation projects?*

The Public-Private Transportation Act (PPTA), enacted by the General Assembly in 1995, is the legislative framework that allows private entities to enter into agreements with responsible public entities to construct, improve, maintain, and operate transportation facilities in Virginia. The PPTA encourages private sector innovation and investment in transportation projects, offers cost efficiencies through risk transfer, and expedites delivery of critical infrastructure projects.

3. *What PPTA projects has the Commonwealth of Virginia advanced?*

Since the PPTA was enacted in 1995, Virginia has successfully implemented nearly \$1.0 billion in major transportation projects under the PPTA. Virginia currently has approximately \$2 billion worth of active construction projects and nearly \$3.0 billion under agreement advancing as PPTA projects. For a complete project listing and location map see www.vappta.org/projects.

4. *Why is the OTP3 asking Transportation Agencies, MPO's, and PDC's to help identify candidate PPTA projects?*

The OTP3 is responsible for developing and implementing a statewide program for project delivery via the PPTA. However, each transportation agency, Metropolitan Planning Organization (MPO) and Virginia Planning District Commission (PDC) are best able to identify their specific priority projects and assist the OTP3 in assessing whether a project is a good candidate for procurement via the PPTA delivery method.

5. *What makes a "good" candidate PPTA project?*

The PPTA Implementation Manual identifies several high-level project screening criteria that assist in assessing whether a project is a potential candidate for procurement via the PPTA delivery method. The high-level screening criteria include whether a project is of sufficient complexity, has the potential to accelerate project development, will advance overall transportation priorities, can foster efficiencies, has the potential to transfer risks and future responsibilities to private sector, the ability to generate revenue

or otherwise meet funding requirements, and the ability to raise capital. Conversely, projects that may not be suitable for procurement via the PPTA delivery method include projects with inconsistent support from local/state elected officials.

6. How many candidate PPTA projects can be identified by each Agency, MPO or PDC?

There is no predetermined number of projects that can be advanced via the PPTA delivery method. However, only those projects that meet the high-level project screening criteria identified in the PPTA Implementation Manual will be advanced.

7. Is there a recommended minimum project dollar amount for a PPTA project, i.e. mega projects?

No. Large and/or complex projects may be more likely to offer sufficient complexity, ability to transfer risks, and ability to raise capital when delivered as PPTA projects. However, there may be smaller individual projects that, when bundled together into one PPTA contract provide a regional transportation benefit and meet the same criteria as a larger project.

8. How should the Agency, MPO's, or PDC's provide candidate PPTA project information to the OTP3?

The PPTA Candidate Project form should be used to submit project information to the OTP3. The PPTA Candidate Project form and submittal information is available at www.vappta.org/project_delivery_framework.asp.

9. How will the PPTA Candidate Project information be evaluated?

The OTP3 will review PPTA Candidate Project forms received against the high-level screening criteria in the [PPTA Implementation Manual](#) to determine feasibility of delivering a proposed project via the PPTA delivery method.

10. When will the Agency, MPO, or PDC hear if their project will be advanced?

The OTP3 will review the PPTA Candidate Project form and supporting information and provide a response to the entity originally providing the information, with a copy to the Sponsor agency as well. The Sponsor agency will be identified by transportation mode (e.g. VDOT would be the Sponsor agency for PPTA roadway project submitted by PDC). The timeframe for response from OTP3 to the submitting entity will vary depending on the level of detail provided and the complexity of the potential PPTA project being considered.

11. What background information will help to advance a project under the PPTA?

The PPTA Candidate Project form outlines the basic information necessary to consider feasibility of delivering a project via the PPTA. Any supplemental information that demonstrates why a project meets the high-level screening criteria would be beneficial.

12. Is there a value to providing letters of endorsement from localities and local officials?

The OTP3 will assess potential candidate PPTA projects against the high-level screening criteria when determining feasibility of delivering a project via the PPTA. Letters of support are not required; however, support of localities and local officials can be demonstrated via appropriate transportation plans and programs (SYIP, etc.).

13. Is there greater consideration for a project if a locality will contribute funding?

All criteria will be considered – funding is only one element. With state and federal transportation revenues increasingly challenged by needs, financial support of candidate projects by localities is encouraged.

14. If I submit a candidate PPTA project from the SYIP, and it's not advanced as a PPTA project, what is the impact to that project?

There is no impact. If a project is not feasible for delivery via the PPTA delivery method, it may still advance to construction through traditional funding mechanisms.

15. How will candidate PPTA projects compete for funding or advancement?

Candidate PPTA projects that meet the high-level screening criteria for advancement via the PPTA delivery method may be advanced to a detailed-level screening. For projects that advance through the high-level and detail-level screenings, a Steering Committee will consider all issues, including resources to prioritize projects with other potential PPTA projects. For additional information see the [PPTA Implementation Manual](#).

16. Is the OTP3 looking mostly for tolling projects?

Tolling is only one of several options used to generate revenue to pay for transportation improvements ([Capital Beltway](#)). Projects may also be funded from taxing district revenues ([Route 28](#)), or project specific synergies created through partnership with the private sector ([Coalfields Expressway](#)).

17. Do I prioritize my candidate PPTA projects?

Yes. Before submitting candidate PPTA projects, priorities already established in transportation plans should be considered. When a PPTA Candidate Project form is submitted, the OTP3 will then assess feasibility of delivering the project via the PPTA delivery method.