

A Partnership With:



Introduction

In 2003, the General Assembly modified section 33.1-23.3 of the Code of Virginia to enable cities and towns in the Urban System to manage their entire construction program. The legislation established a 12-month period during which VDOT and the municipality would work together to prepare for the transition and introduce the first changes in the Six Year Improvement Program. The Cities of Hampton, Newport News, Richmond, and Virginia Beach were the first to express interest in this new initiative. Over the course of FY 2004, those cities worked with VDOT to develop guidelines and a framework for the program that would become the Urban Construction Initiative. On July 1, 2004, three of those four cities had executed agreements to become the first cities managing their construction program. Those cities were Hampton, Richmond, and Virginia Beach.

At the close of the first year of the initiative, it is important to review our collective actions, accomplishments, and lessons learned to continue moving forward.

Staffing

Transition of program level responsibilities meant major changes in staffing for the cities in the program. Each city has taken a different approach to providing the necessary resources to manage their construction program.

- The City of Hampton has hired a project manager to coordinate all activities with VDOT.
- The City of Richmond has added a total of seven positions for their urban program including project managers, inspectors, accounting/finance, and contract administrators.
- The City of Virginia Beach is also adding seven positions including project managers, inspectors, right-of-way agents, and contract administrators.

VDOT has also made modifications in terms of staffing to help ensure the success of the initiative. The Local Assistance Division has named a Local Program Manager to coordinate the policy/program level processes for the initiative. The District Offices are also adjusting their staff resources to better serve the cities by naming key staff to serve on Local Project Teams with participating cities. These teams provide the cities with a consistent single point of contact for coordination of their projects.

Implementation

The focus of most of this first year was on implementation of the financial aspects of the initiative. Process and procedures had to be established to calculate quarterly payments, coordinate programming of projects, and educate local finance staff on accounting and audit procedures. A significant amount of time

and effort was also placed on reconciling the urban construction program for the participating jurisdictions.

FY 2005 URBAN CONSTRUCTION INITIATIVE FINANCIAL SUMMARY										
CITY / TOWN	FY 05 PROGRAM		PREVIOUS FUNDING on ACTIVE PROJECTS		PAST PROJECT RECONCILIATION		LOCALITY TOTALS			
	FEDERAL FUNDS (for Reimbursement)	STATE FUNDS (Quarterly payment)	FEDERAL FUNDS (for Reimbursement)	STATE FUNDS (Paid To Locality)	FEDERAL FUNDS (for Reimbursement)	STATE FUNDS (Paid To Locality)	FEDERAL FUNDS (for Reimbursement)	STATE FUNDS (Paid To Locality)		
HAMPTON	\$1,035	\$559	\$3,132	\$7,692	\$930	\$0	\$5,097	\$8,251		
RICHMOND	\$127	\$1,304	\$16,333	\$13,217	\$1,970	\$8,057	\$18,430	\$22,578		
VIRGINIA BEACH	\$1,619	\$405	\$34,812	\$8,703	\$3,453	\$18,506	\$39,884	\$27,614		
TOTAL	\$2,781	\$2,268	\$54,277	\$29,612	\$6,353	\$26,563	\$63,411	\$58,443		
					TOTAL FIRST CITIES COMMITMENT			\$121,854		

NOTES:
1. Figures in 1,000
2. Figures shown for FY05 Program and for Previous Funding on Active Projects are based on allocation commitments made to projects in the FY04 Program.
3. Federal funds are held by VDOT and paid to localities on a reimbursable basis.
4. State Funds provided to localities as Quarterly Payments and are to be used for state funded projects and/or for local match on federally funded projects.

With the execution of programmatic agreements, existing locally administered projects became part of the initiative. Not only did each city still have “legacy” VDOT administered projects in the Six Year Improvement Program, but the projects that were now considered part of the initiative were in various stages of project development. Some of the major project level activities accomplished this year were:

- Armistead Avenue Phase 1A – completed right of way acquisition and prepared for construction advertisement in July 2005. (City of Hampton)
- Indian River Road & Elbow Road – held public hearing, expect to begin right-of-way acquisition in September 2005. (City of Virginia Beach)
- Kempsville/Princess Anne/Witchduck – prepared environmental document and held citizen’s information meeting. Plan to hold design public hearing in October 2005. (City of Virginia Beach)
- City of Richmond – spent much of the year recovering from the effects of Tropical Storm Gaston in September 2004

Accomplishments

The accomplishments of year one are not found in concrete, asphalt, or steel. Those accomplishments will come, but the true accomplishments of the first year are found in the relationships fostered between the participating localities and VDOT. These relationships have grown through establishment of new processes, cooperative development of program guidelines, and establishment of common goals. Both the cities and VDOT have provided resources to ensure a seamless transition from project management to program management. Additionally, VDOT training resources, including the Maintenance Academy and project management training have been opened to local government participation. The establishment of

local project teams, provision of “boot camp” workshops, and regular quarterly meetings have also enhanced this year’s accomplishments and have provided the necessary foundation for continued success.

The City of Charlottesville executed the programmatic agreement and joined the initiative on July 1, 2005. Two additional resolutions of intent were submitted to join on July 1, 2006 from the Town of Bridgewater and the City of Harrisonburg. Additionally, staff continues to meet with interested municipalities and provide presentations at regional and statewide conferences to promote the opportunities provided by the initiative.

Lessons Learned

With a year behind us, the cities and VDOT met to evaluate what had been learned in the first year of the initiative. All acknowledge that much work still remains ahead of us not only in terms of delivering projects, but also in the establishment of workable processes. The cities and VDOT continue to struggle with the complexity of the federal process. There continues to be a need to work collectively to identify streamlining measures and to continue the education process of how to work within the federal system. There is also a need to document expectations in terms of stewardship, oversight, and audit in the form of procedures. This includes the need to develop more detailed guidance for the construction process. Additional consideration also needs to be given to expanding the program to include all funding sources available to municipalities, not just urban system construction dollars.

Goals for Fiscal Year 2006

- Complete development of comprehensive oversight and audit procedures
- Develop comprehensive construction guidance
- Continue to communicate the advantages of the initiative and growth in the program
- Maintain strong communication between cities and VDOT
 - Growth of Local Project Teams
 - Establish standards for responsiveness
- Continue to provide workshops and training sessions to build local competencies

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