COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Nicholas Donohue
Chairperson

1221 East Broad Street
Richmond, Virginia 23219

(804) 482-5818

Agenda item # 4

RESOLUTION
OF THE
COMMONWEALTH TRANSPORTATION BOARD

June 16, 2026

MOTION

Made By: Mr. Good**, Seconded By:** Mr. Lawson

Action: Motion Carried, Unanimously

Title: SMART SCALE Project Budget Increase for Exit 317 Diverging Diamond Interchange (UPC 124012) in Frederick County

WHEREAS, the Board's SMART SCALE Project Prioritization Process last approved December 4, 2023 and as revised January 16, 2024, provides that a project that has been selected for funding must be re-scored and the funding decision reevaluated if there are significant changes to either the scope or cost of the project, such that the anticipated benefits relative to funding requested would have substantially changed; and

WHEREAS, the Board's SMART SCALE Project Prioritization Process further provides that if an estimate increases prior to project advertisement or contract award that exceeds the following thresholds, and the applicant is not covering the increased cost with other funds, Board action is required to approve the budget increase:

i. Total Cost Estimate <$5 million: 20% increase in funding requested
ii. Total Cost Estimate $5 million to $10 million: $1 million or greater increase in funding requested
iii. Total Cost Estimate > $10 million: 10% increase in funding requested; $5 million maximum increase in funding requested; and

WHEREAS, section 33.2-214 requires projects funded wholly or partially with funds from the State of Good Repair Program pursuant to section 33.2-369, the High Priority Projects Program pursuant to section 33.2-370, the Highway Construction District Grant Programs pursuant to section 33.2-371, the Interstate Operations and Enhancement Program pursuant to

section 33.2-372, or capital projects funded through the Virginia Highway Safety Improvement Program pursuant to section 33.2-373 in the Six-Year Improvement Program to be fully funded within the six-year horizon of the Six-Year Improvement Program; and

WHEREAS, the Exit 317 Diverging Diamond Interchange (UPC 124012) project (the Project) was submitted for consideration by Win-Fred Metropolitan Planning Organization and selected for $31,063,840 in funding through the High Priority Projects Program in the third round of the prioritization process pursuant to section 33.2-214.1; and

WHEREAS, Frederick County committed $6,525,894 in local funds as part of the application and to support delivery of the project; and

WHEREAS, at application, the Project had a total cost of $37,589,734; and

WHEREAS, the Project demonstrated benefits related to safety, environmental, and economic development and received a score of 7.52 resulting in a rank of 12 out of 19 projects selected for funding in the Staunton District;

WHEREAS, the Project is being administered by the Virginia Department of Transportation (VDOT), has thus far incurred expenditures of approximately $1,451,358 and is preparing for design-build procurement; and

WHEREAS, since the Project was selected for funding through SMART SCALE, estimated Project costs have increased due to completion of an interchange access report (IAR) as part of development wherein costs across all phases have increased primarily due to the operational refinements and extended termini required by the IAR; and

WHEREAS, the Project's cost estimate is currently $46,980,883 resulting in a shortfall of $9,391,149; and

WHEREAS, VDOT recommends Board approval of a SMART SCALE budget increase of $9,391,149 using surplus High Priority Projects Program funds (UPC -21770); and

WHEREAS, taking into consideration the proposed SMART SCALE budget increase, the Project was re-scored resulting in a revised score of 5.78 and a reduction in rank from 12/19 to 13/19.

NOW THEREFORE BE IT RESOLVED, by the Commonwealth Transportation Board, that the SMART SCALE budget increase for the Project of $9,391,149 using surplus High Priority Projects Program funds (UPC -21770), is approved.

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CTB Decision Brief
SMART SCALE Project Budget Increase for the Exit 317 Diverging Diamond Interchange (UPC 124012) in Frederick County

Issue: The Exit 317 Diverging Diamond Interchange (UPC 124012) (the "Project") was screened in for meeting a VTrans need and selected for funding. For reasons stated herein, the Department is recommending a budget increase pursuant to the Policy for Implementation of the SMART SCALE Project Prioritization Process last approved by the Board December 4, 2023, and as revised January 16, 2024 (the "Policy").

Facts: The Board's SMART SCALE Prioritization Process, last approved December 4, 2023 and as revised January 16, 2024, provides that a project that has been selected for funding must be re-scored and the funding decision reevaluated if there are significant changes to either the scope or cost of the project, such that the anticipated benefits relative to funding requested would have substantially changed.

Item VI.2 of the Board's SMART SCALE Prioritization Process states that if an estimate increases prior to project advertisement or contract award that exceeds the following thresholds, and the applicant is not covering the increased cost with other funds, Board action is required to approve the budget increase:

i. Total Cost Estimate <$5 million: 20% increase in funding requested
ii. Total Cost Estimate $5 million to $10 million: $1 million or greater increase in funding requested
iii. Total Cost Estimate > $10 million: 10% increase in funding requested; $5 million maximum increase in funding requested

The Project was submitted for consideration by Win-Fred MPO for $31,063,840 in funding through the High Priority Projects Program in the fifth round of the Commonwealth Transportation Board's (Board) SMART SCALE Prioritization Process. Frederick County committed local funds in the amount of $6,525,894 as part of the application and to support delivery of the project.

The Project demonstrated benefits related to safety, economic development, and environment and received a score of 7.52 resulting in a rank of 12 out of 19 projects selected for funding in the Staunton District.

The Project is administered by the Virginia Department of Transportation (VDOT) and is ready for design-build procurement. Thus far, the Project has incurred an estimated $1,451,358 in expenditures.

Since the Project was selected for funding through SMART SCALE, due to scope and location of the project, an interchange access report (IAR) was required to be completed concurrent with design as part of Federal Highway Administration (FHWA) requirements. Based on the IAR, operational issues were identified at two intersections adjacent to the new interchange and it was determined the termini needed to be extended to meet the operational and safety benefits assumed in the original SMART SCALE application.

The proposed park and ride lot included as part of the original scope was reduced to accommodate the extended termini.

Project has experienced increased costs across all phases to accommodate the revised design of the DDI and extended termini.

The Project's cost estimate is currently $46,980,883, resulting in a shortfall of $9,391,149.

Taking into consideration the proposed SMART SCALE budget increase, the Project was re-scored resulting in a revised score of 5.78 and a reduction in rank from 12/19 to 13/19.

On May 19th, 2026, VDOT fully briefed the Board on this matter and recommends Board approval of a SMART SCALE budget increase of $9,391,149 using surplus High Priority Projects Program funds (UPC -21770).

Recommendation: Approval of a SMART SCALE budget increase of $9,391,149 using surplus High Priority Projects Program funds (UPC -21770).

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to approve the SMART SCALE budget increase.

Result, if Approved: If approved, funds will be transferred so that the project can advance.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None