



**SMART
SCALE**

*Funding the Right
Transportation Projects
in Virginia*

SMART SCALE Project Change Guide

December 21, 2017
Version 1.2

The SMART SCALE Technical Guide and associated CTB policy includes language regarding when a SMART SCALE project is to be rescored. A project that has been selected for funding must be assessed and the funding decision re-visited 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.***

As with any project, depending on where a project is in development, change can be expected prior to award, as part of the design process, as well as through public involvement, etc. The following guidance has been developed to assist VDOT, DRPT, and applicants to understand when reevaluation and rescoring is needed. This guidance applies to all SMART SCALE projects regardless of who is administering the project. It is not intended to cover every type of issue. Rather, it is intended to be a resource to identify when and how a project may require reevaluation and rescoring. Nor is this guidance intended to limit flexibility and adjustments in project design that may result from common sense engineering or value engineering. If a particular situation is not covered in the guidance below, and the Project Manager is unsure, a request for review by the Reevaluation Team should be submitted through SMARTPORTAL@CTB.Virginia.gov, which is monitored on a daily basis.

Reevaluation is a step-wise process consisting of a qualitative and quantitative assessment of scope and/or budget changes to determine if rescoring is required. The qualitative and quantitative assessments will be conducted by a cross-functional Reevaluation Team with representatives from the Office of Intermodal Planning and Investment, Infrastructure Investment Division, Transportation Mobility and Planning Division, Location and Design, Traffic Engineering Division, DRPT and the Districts. DRPT staff will be engaged in reevaluation and rescoring efforts related to rail, transit, or TDM projects. In all cases an initial qualitative assessment will be conducted to determine if the project change will impact the SMART SCALE benefits. If there is no impact, no further action is needed. If the SMART SCALE benefits may be impacted, then a quantitative assessment will be conducted to determine the level of impact. If warranted, the Reevaluation Team may recommend the project be rescored. In such cases, the project assessments will be presented to the SMART SCALE Executive Workgroup, comprised of executive leadership from VDOT, DRPT, and the Secretary of Transportation's office for concurrence prior to rescoring.

Rescoring consists of calculating a new benefit/SMART SCALE cost value to determine if CTB action is required to approve the revised scope and/or budget increase.



If a decision is made during project scoping and design to add significant project features not originally included in the SMART SCALE project description or project features, then the applicant is responsible for the additional cost regardless of budget impact.

A project agreement will be required to document the funding commitment.

Summary of Triggers for Reevaluation, Rescoring, and CTB Action

Budget	Scope	Action
Change in Budget	No Change in Scope	
Increase	NA	<ul style="list-style-type: none"> • If applicant covers the budget increase, no further action. • If budget increase is within thresholds, SMART SCALE funds may be provided once contingency is exhausted. • If budget increase is above thresholds, CTB action is required to approve the budget increase beyond available contingency.
Decrease	NA	<ul style="list-style-type: none"> • Surplus funds will be reallocated after award of the construction contract.
No Change in Budget	Change in Scope	
NA	Increase	Reevaluate to determine revised benefits: <ul style="list-style-type: none"> • If benefits are the same or better, no further action. • If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope. • The applicant is responsible for the cost of any additional scope, regardless of budget impact. • Surplus SMART SCALE funds will be reallocated after award.
NA	Decrease	Reevaluate to determine revised benefits: <ul style="list-style-type: none"> • If benefits are the same or better, no further action. • If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope.
Change in Budget	Change in Scope	
Increase	Increase	Reevaluate to determine revised benefits:



Budget	Scope	Action
		<ul style="list-style-type: none"> ● If benefits are the same or better, no further action by the CTB related to the scope change is required. The cost increase is the responsibility of the applicant. ● If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope. The budget increase is the responsibility of the applicant.
Increase	Decrease	<p>Reevaluate to determine revised benefits:</p> <ul style="list-style-type: none"> ● If benefits are the same or better, no further action by the CTB related to the scope change is required. ● If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope. ● If applicant covers the budget increase, no further action by the CTB is required related to the budget change is required. ● If increase is within thresholds, SMART SCALE funds may be provided once contingency is exhausted. ● If increase is above thresholds, CTB action is required to approve the budget increase beyond available contingency.
Decrease	Increase	<p>Reevaluate to determine revised benefits:</p> <ul style="list-style-type: none"> ● If benefits are the same or better, no further action by the CTB related to the scope change is required. ● If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope. ● Surplus funds will be reallocated after award.
Decrease	Decrease	<p>Reevaluate to determine revised benefits:</p> <ul style="list-style-type: none"> ● If benefits are the same or better, no further action by the CTB related to the scope change is required. ● If the benefits are reduced such that the revised score is less than the lowest ranked funded project in the district for that cohort of projects, CTB action is required to approve the change in scope.



Budget	Scope	Action
		<ul style="list-style-type: none"> Surplus funds will be reallocated after award.
No Change in Budget	No Change in Scope	None

MONITORING PROGRESS

Projects selected for funding must be reviewed periodically to determine if the project scope or cost has been modified such that the project may need to be rescored.

PROJECT BUDGET

Project budgets may change as a result of project development or scope change. Infrastructure Investment Division (IID) will monitor budget increases on a monthly/quarterly basis. In the event the budget has increased, IID will coordinate with the district or DRPT to determine if other funding sources will be used to cover the cost increases or if CTB action is necessary.

In the event the project budget has been reduced, projects will be reviewed and surplus funds will be transferred to a balance entry line item after award of the project. Surplus funds should not be used to add scope. After receipt of bids, scope increases are only allowed if covered by the applicant. In many cases, other funds should be expended first such that the surplus remaining is SMART SCALE funds. Surplus District Grant funds remain within the district and may not be used in another district. Surplus High Priority Project funds will be transferred to a statewide balance entry account and may be used on a statewide basis on other High Priority projects. Funds no longer needed for delivery of the selected project cannot be used to add scope to the project but will be reserved to address budget adjustments on existing SMART SCALE projects or reserved for allocation in the next solicitation cycle for SMART SCALE.

If a budget increase is identified during project development, Project Managers shall review the project scope to identify opportunities to remain within the original budget while maintaining substantially the same project benefits. If the project scope cannot be reduced and maintain substantially the same benefits, the project contingency budget will be used to address budget increases prior to seeking additional SMART SCALE funding.

If a budget increases ***prior to project advertisement or contract award exceeding the following thresholds and the applicant is not covering the increased cost with other funds,*** Commonwealth Transportation Board (CTB) action is required to approve the budget increase.

Total Project Budget	Change from Original SMART SCALE Requested Amount
-----------------------------	--



Less than \$5,000,000	20% increase in funding requested
From \$5,000,000 to \$10,000,000	\$1,000,000 or greater increase in funding requested
Greater than \$10,000,000	10% increase in funding requested; \$5,000,000 maximum increase in funding

Note that approval of additional SMART SCALE funds to cover a budget increase will be based on availability and must be consistent with the type of SMART SCALE funds approved for the project. If no surplus funds are available, funds will be used from the next round of SMART SCALE. Funds reserved for the next round of SMART SCALE will be available in the last one or two fiscal years of the Six-Year Improvement Program. Reliance on SMART SCALE funds from a future round to cover budget increases on underway projects may result in project delays due to funding availability.

PROJECT SCOPE

During project development, it may be necessary to modify the scope of a project. Scope changes may trigger actions related to budget changes and could impact the benefit calculation associated with the project’s SMART SCALE score. The scope of a project may not be modified in such a manner that the proposed improvements do not accomplish substantially the same benefits as the original scope. In addition, changes to project scope must continue to solve the VTrans need identified in the original project application.

For VDOT projects, scope changes will be monitored at two key milestones during project development: Scoping and Advertisement.

Scoping – The Project Manager will be responsible for reviewing the project for scope additions or changes that would significantly impact the project benefits. When scoping is complete, the Project Manager will attest that no additions or changes have been made that will substantially impact the project benefit or confirm that changes did occur and that the project was reevaluated and rescored if necessary. For VDOT administered projects this will be documented on the Scoping Form (PM-100) and for locally administered projects this will be documented in the Scoping Report.

Advertisement – The Project Manager will be responsible for reviewing the project for scope additions or changes that would substantially impact the project benefits. Prior to advertisement, the Project Manager will attest that no additions or changes have been made that will substantially impact the project benefit or confirm that changes did



occur and that the project was reevaluated and rescored if necessary. For VDOT administered projects, this will be documented on the Certification of Plan Correctness (LD-406). For locally administered projects, this will be documented in the plan submission.

For DRPT projects, the DRPT program manager will meet with the applicants (grantees) on a quarterly basis to obtain an update on progress and to monitor changes.

While these project milestones and quarterly meetings will be used to document scope changes, once there is the possibility of change, Project Managers are encouraged to coordinate with the Reevaluation Team and obtain feedback on the proposed change before progressing in project development.

As stated previously, if a decision is made during project scoping and design to add significant project features not originally included in the SMART SCALE project description or project features, then the applicant is responsible for the additional cost regardless of budget impact.

The following examples of project changes and design refinements are meant to be illustrative only and should not be considered an exhaustive list of all scope changes that will or will not impact the project benefit calculation. The table includes when a reevaluation is needed and how it may impact the project benefits or the SMART SCALE Score. The information provided below is intended to provide direction during the scoping process and should not be interpreted as CTB Policy. Budget increases, not covered by the applicant, associated with the scope changes below may trigger additional Board action as described in the Project Budget Section above.

Illustrative List of Scope Changes and their Anticipated Impact to Benefits

Description of Items		Affected Measure	Trigger Re-evaluation?
Additional Project Scope			
	Required Roadway Signage	None	No
	Guardrail	None	No
	Required Stormwater Management/Sound Barriers	None	No
	Landscaping/Streetscaping*	None	Yes



Description of Items		Affected Measure	Trigger Re-evaluation?
	Non-standard materials*	None	Yes
	New through lanes, turn lanes, or ramps	Congestion ED-Reliability	Yes
	Extension of project termini	Safety Congestion Accessibility ED-Reliability	Yes
	Addition or Upgrade to intersection improvement (signal to roundabout, at grade to grade separated, etc.)	Safety Congestion Accessibility ED-Reliability	Yes
Changes in Intersection/Interchange Treatments			
	Elimination of or significant modification to Alternative Intersection treatment: <ul style="list-style-type: none"> ● Addition of lanes ● Modification to allow full movement ● Increasing # of signal phases (example - go from 2 to 4 phase) ● Eliminating proposed RCUT or Quadrant Roadway intersection ● Elimination of intersection improvement 	Safety Congestion	Yes
	Changing grade separated interchange to an at-grade intersection	Safety Congestion Econ Dev	Yes
	Grade separated interchange - changing the number of ramp lanes and/or traffic control at the ramp terminal	Safety Congestion Econ Dev	Yes
	Elimination of flyover ramps	Safety Congestion	Yes
	Adjusting the length of proposed turn lanes	None	No



Description of Items		Affected Measure	Trigger Re-evaluation?
	Addition of RIRO entrance that does not trigger an access management waiver	None	No
Changes to Roadway Segments			
	Reduction in number of through or auxiliary lanes	Safety Congestion Accessibility ED-Reliability	Yes
	RCUT to traditional divided facility	Safety Congestion ED-Reliability	Yes
	Reduction in length of improvement/project termini	Safety Congestion Accessibility ED-Reliability	Yes
	Elimination of access management features - increase in number of full movement access points or inclusion of access point that would require an access management waiver	Safety Congestion	Yes
	Reduction in travel lane width or shoulder width greater than 2 ft.	Safety Congestion	Yes
	Adjusting the travel lane or shoulder width 2 feet or less - example 8 foot shoulder to 6 foot shoulder, or 12 foot lane to 11 foot lane	Safety Congestion	No
Multimodal Features			
	Addition or Elimination of bike/pedestrian components	Accessibility Land Use Environment Safety (if only improvement of project)	Yes



Description of Items		Affected Measure	Trigger Re-evaluation?
	Elimination of TDM (park and ride) or transit components or 15% or greater reduction in # of spaces or transit capacity	Safety Congestion Accessibility Land Use Environment ED-Reliability	Yes
	Reduction in transit (bus or rail) service frequency during peak hour (For example: 3 trains in peak hour to 2 or 3 buses in peak hour to 2) - before implementation	Safety Congestion, Accessibility ED-Reliability	Yes
	Reduction in rolling stock capacity (For example 8 car train to 6 car train)	Safety Congestion Accessibility ED-Reliability	Yes
	Greater than 20% reduction in forecasted ridership during peak hour	Safety Congestion Accessibility ED-Reliability	Yes
	Conversion of sidewalk and bike lane to shared use path	None	No
	Change in location for proposed bus stop	None	No
	Less than a 20% reduction in forecasted ridership during peak hour	None	No
	Less than a 20% reduction in forecasted daily ridership	None	No

*If not accounted for in the original project description or project features and budget then items such as these are not allowed unless the cost associated with the scope change is covered by the applicant.

PROCESS FOR REQUESTING A REVIEW

Members of the Reevaluation team can provide informal guidance related to the impacts associated with potential scope and/or budget changes. A flow chart (Attachment A) has been provided documenting the submission and review process.

To ensure consistency in the reevaluation process, the following process must be followed:

1. Project Manager or VDOT Project Coordinator must contact their District Project Development Engineer/DRPT Grant Manager and District/DRPT SMART SCALE point of contact to gain concurrence for the proposed change(s). Note: for locally administered projects, the locality Project Manager should coordinate with the VDOT Project Coordinator on potential scope and/or budget changes.
2. Project Manager or VDOT Project Coordinator must obtain concurrence for the proposed change(s) from the District Administrator/District Engineer. For DRPT, the Chief of Public Transportation or the Chief of Rail must review changes to transit or rail projects.
3. Once the district review is complete and concurrence obtained, the request must be submitted via the online form on the SMART SCALE Outside VDOT Site for a reevaluation ([Project Change Request Form](#)). Attachment B includes a sample of the Project Change Request Form and instructions on how access to and use of the form.
4. Once an application has been reevaluated and/or rescored, the District Administrator/District Engineer/DRPT Chief will notify the applicant of the results. The Reevaluation team will provide assistance in developing a letter to the applicant. A copy of the letter sent to the applicants regarding the rescoring results will be posted on the [SMART SCALE website](#).

Locally administered projects must also follow the process outlined above and will require VDOT/DRPT approval of changes and should be coordinated through the VDOT Project Coordinator or DRPT Grant Manager.

REEVALUATION PROCESS

Once a request has been submitted by the District through the SMART SCALE Outside VDOT Site, the following process will be followed:

1. Utilizing the Outside VDOT SMART SCALE Administration site, the Reevaluation Team will identify requests with a status of “submitted” and conduct a qualitative assessment review of each request. The Reevaluation Team may coordinate with the District to discuss the project and/or to obtain additional information.
 2. If it is determined that the proposed changes would not substantially impact the project benefits or trigger CTB action then rescoring is not required and no further action is needed. This will be documented on the Project Change Request Form.
 3. If it is determined that the proposed changes would substantially impact the project benefits or trigger CTB action, then the Reevaluation Team will complete the
-

quantitative analysis and brief the EWG and obtain concurrence to recalculate the SMART SCALE score. Additional project information may be needed to complete the rescoring. The PM and district staff will be responsible for providing documentation as requested.

4. When a decision for rescoring is made, TMPD will recalculate the SMART SCALE score.
5. Once an application has been rescored, the district (or DRPT for transit/rail projects) will be notified of the results and the District Administrator/District Engineer/DRPT Chief will notify the CTB member of the results.
6. When necessary, IID will present the results of the rescoring to the CTB and request required Board action for scope changes and budget increases. If the revised score is less than the lowest ranked funded project in the district for that cohort of project, the CTB must approve the scope change. If additional funding is needed above the established thresholds from one of the SMART SCALE programs, the CTB must approve the budget increase.

The reevaluation process only reviews the changes in scope. For the purposes of reevaluation and rescoring, not all factors will be reviewed and the same planning assumptions will apply as when the project was originally scored (e.g., economic development sites). Rescoring will also utilize the same methodology for the round in which the project was originally selected.

Results of the reevaluation/rescoring will be documented on the Project Change Request Form.

TIMEFRAMES FOR REEVALUATION AND RESCORING

A qualitative assessment can generally be completed within 5 business days. If a decision is made that a quantitative assessment is necessary, depending on the complexity of the changes and the analysis, the quantitative assessment can generally be completed within 10 business days. However, if additional information is needed for the quantitative assessment more time may be needed. The Reevaluation Team will notify the PM/District if additional time is needed.

Project Managers/Coordinators are encouraged to contact the Reevaluation Team as soon as potential scope or budget changes have been identified to avoid potential delays to the project.

If it is determined that CTB action is required, either as a result of an increase in budget above the threshold or the rescoring results, the information will be presented at the next scheduled CTB meeting.

CANCELLING A SMART SCALE PROJECT

Once selected for funding, a project may only be cancelled by action of the CTB. A project may be recommended for cancellation for several reasons, including lack of public support, inability



to obtain required permits, inability of the applicant to provide previously committed funds, failure of the applicant to advance the project, etc. A project may be recommended for cancellation by the applicant, VDOT, or DRPT.

If a SMART SCALE project is under consideration for cancellation the following steps should be followed:

- Project Manager or Coordinator must document the reasons/justification for recommendation of cancellation, including concurrence from the applicant if available.
- If the District Administrator/District Engineer/DRPT Chief concurs with the recommendation to cancel the project, the District Administrator/District Engineer/DRPT Chief will communicate with the CTB member for concurrence.
- If the District Administrator/District Engineer/DRPT Chief does not concur with the recommendation to cancel the project, the project will remain in the SYIP.
- If the CTB member concurs with the recommendation to cancel the project, the request must be sent to the Chief Engineer and Chief Financial Officer for review and concurrence.
- If the Chief Engineer and Chief Financial Officer concur with the recommendation to cancel the project, IID will prepare and present a resolution for cancellation at the next CTB meeting.

Funding from a cancelled project may be utilized to fund projects included in the next round of SMART SCALE applications or to fund increases on existing SMART SCALE projects.

TRANSPARENCY IN THE PROCESS

Transparency with SMART SCALE projects remains critical to the success of the prioritization process. Project Managers must continue to update schedules and budgets in accordance with required policies and procedures. Additionally, after a project has been rescored, the SMART SCALE website will be updated to document the changes and the results of the rescoring. The SMART SCALE Dashboard will also reflect any changes to a project that impacts the on-time on-budget metrics.

ATTACHMENTS

Attachment A - Reevaluation Process Diagram

Attachment B - Project Change Request Form Sample and Project Change Request Form Guidance