

QUARTERLY REPORT

THIRD QUARTER FY 2017 JANUARY - MARCH 2017



First Stream Restoration Project Has Big Impact

In an effort to help clean up the Chesapeake Bay Watershed, VDOT embarked on its first nutrient focused stream restoration project with Dry Fork Run, a tributary to the Potomac River and the Bay.

It's estimated this project has reduced nitrogen pollution by 12 percent and phosphorus pollution by 29 percent, bringing VDOT closer to meeting federal and state nutrient reduction requirements for the Potomac River.

In late 2014, the National Fish and Wildlife Foundation provided partial grant funding for the project, which also created a 1.6 acre riparian buffer and converted nearly 20 acres of unmanaged grasslands to forest. The project was fully completed in January.

COMMISSIONER'S MESSAGE

Continuing with efforts to increase transparency and accountability, VDOT and the Virginia Department of Rail and Public Transportation introduced a mobile-friendly SMART SCALE Dashboard in mid-January that tracks on-time and on-budget progress in a way that is accessible to the public.

This coincided with the Commonwealth Transportation Board releasing the second round of projects scored under the SMART SCALE prioritization process. More than 400 project applications submitted by localities, metropolitan organizations and other regional entities have been scored.

On the topic of toll relief, Gov. Terry McAuliffe in February announced that more than 2,000 Norfolk and Portsmouth residents signed up for a pilot program that will provide financial assistance for Elizabeth River Tunnels tolls. The following month, the governor proposed a budget amendment to alleviate the financial burden of those affected by the Macquarie-Skanska partnership's toll violation collections process.

The commonwealth on Feb. 28 accepted a private sector proposal by Transurban to deliver an eight-mile extension of the Interstate 395 Express

Lanes from Turkeycock Run near Edsall Road in Alexandria to the Washington, D.C., line. The agreement will increase options for travelers on the congested I-95/395 corridor.

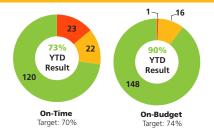
In March, more than 300 people attended the 2017 Virginia Disadvantaged Business Enterprise (DBE) Transportation Training Symposium, "Road Work Ahead," hosted by VDOT and the Transportation DBE Advisory Committee. The event, held in Richmond, offered educational workshops and networking opportunities that will lead to future work on highway-related contracts.

This quarter we are providing an overview of statewide bridge condition on the front page of this report, along with SMART SCALE project development and delivery progress. We plan to use this area of the report to provide updates on core performance. Last quarter we focused on traffic safety and this quarter we present bridge condition. The back page will continue to provide on-time and on-budget project delivery performance progress.

Charlie Kilpatrick, P.E. VDOT Commissioner

SMART SCALE PROJECTS

FISCAL YEAR 2017 PROJECT DEVELOPMENT



There are 165 SMART SCALE projects in the SMART SCALE system; 120 (72.7 percent) are progressing on schedule and 148 (89.7 percent) are tracking on-budget.

22 of the 165 projects are scheduled to be awarded within fiscal year 2017, and 14 of those 22 projects have been awarded to date. Source: SMART SCALE Dashboard

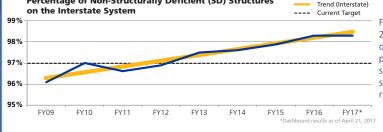
FISCAL YEAR 2017 PROJECT DELIVERY



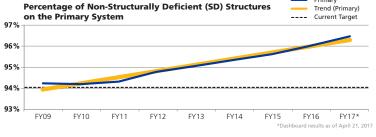
There are eight SMART SCALE projects currently scheduled for delivery within FY2017. All eight projects are scheduled to be accepted later in the year, and are progressing within budget. Source: SMART SCALE Dashboard

Percentage of Non-Structurally Deficient (SD) Structures Interstate Trend (Interstate)

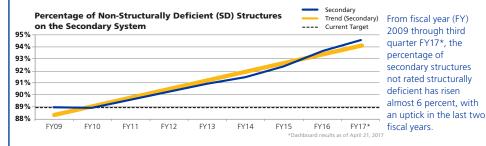
THE BIG PICTURE ON BRIDGE CONDITION



From fiscal year (FY) 2009 through third quarter FY17*, the percentage of interstate structures not rated structurally deficient has risen over 2 percent.



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Sources: VDOT Dashboard and State of the Structures Report for Fiscal Year 2016

As of April 20, 2017

VDOT NOTES

■ Major Projects

Gantries for I-66 Inside the Beltway Tolling: The first of eight gantries was lifted east of Ballston overnight on Jan. 17 for the Interstate 66 inside the Beltway Rush Hour Toll Lanes project. The remaining seven gantries were lifted into place each week starting in the first half of February.

Diverging Diamond Interchange: Northern Virginia's first Diverging Diamond Interchange at Interstate 66 and Route 15 in Prince William County opened to traffic on Jan. 28.

Safety Rest Area Openings: The new Interstate 95 Northbound Safety Rest Area and Welcome Center at Ladysmith in Caroline County opened in late February. It was followed in March by the opening of the new Skippers Safety Rest Area and Welcome Center on I-95 North in Greensville County. They were among three new rest areas and welcome centers that recently opened ahead of schedule.

Wytheville Connector: The second and final phase of the Wytheville Connector from Peppers Ferry Road to Lithia Road in Wythe County began in early March. In addition to offering an alternative route to Route 11 through the center of Wytheville, the \$3.2 million project will provide an additional entrance to Wytheville Community College.

Route 29-Hydraulic Road Study: A land use and transportation planning study of the Route 29-Hydraulic Road and Hillsdale Drive-Hydraulic Road intersections and surrounding areas began in March. An advisory panel is tasked with developing the land use and transportation improvement plans over 18 months.

Awards and Honors

Association of Asphalt Paving Technologists: A paper by Stacey Diefenderfer, Ben Bowers and Harikrishnan Nair of the Virginia Transportation Research Council titled "Investigation of Binder Aging and Mixture Performance for In-Service RAP Mixtures" won the Walter J. Emmons Award for Best Paper of 2016 from the Association of Asphalt Paving Technologists (AAPT). The award was presented at the 2017 AAPT meeting in Newport Beach, California, in March.

Dulles Area Transportation Association:

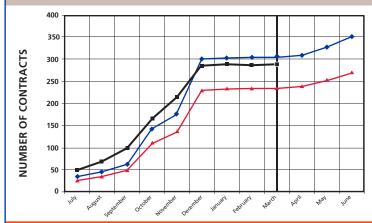
Fatemeh Allahdoust, manager for the Northern Virginia District's Transportation Demand Management Programs, received the Dulles Area Transportation Association (DATA) Outstanding Transportation Professional annual award for her leadership in promoting multimodal transportation solutions and fostering cooperation among jurisdictions. She was honored at DATA's 31st anniversary celebration and award ceremony held March 31.

Association of Equipment Management

Professionals: Bruce Satterwhite of the Hampton Roads District's Accomack Residency was named "Technician of the Year for Public Fleets" by the Association of Equipment Management Professionals (AEMP). Trevor Dearstine, an equipment repair technician at the Northern Virginia District's Camp 30 Shop, was a finalist. They were recognized at AEMP's 35th Management Conference and Annual Meeting in Las Vegas in March.

THIRD OUARTER FISCAL YEAR 2017 PERFORMANCE

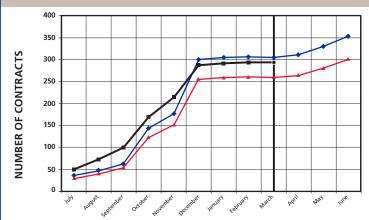
YEAR-TO-DATE CONTRACTS COMPLETED ON-TIME





352 contracts are currently planned for completion within FY 2017. At least 272 of those 352 contracts need to be delivered on time to meet the target of 77 percent.

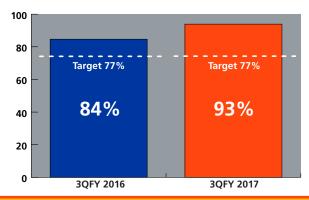
YEAR-TO-DATE CONTRACTS COMPLETED WITHIN BUDGET





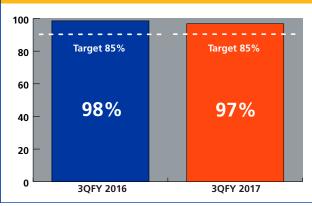
352 contracts are currently planned for completion within FY 2017. At least 300 of those 352 contracts need to be delivered within budget to meet the target of 85 percent.

CONTRACTS COMPLETED ON-TIME



Of the 304 FY 2017 contracts scheduled for completion by the end the third quarter, a total of 282 (92.8 percent) were completed on-time.

CONTRACTS COMPLETED WITHIN BUDGET



Of the 301 FY 2017 contracts actually completed by the end of the third quarter, a total of 293 (97.3 percent) have been completed within budget to date.