



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

September 15, 2011

MEMORANDUM TO: AGC-DOT Joint Cooperative Committee Members

FROM: Victor Barbour, PE

SUBJECT: May 19, 2011 Minutes for the Joint Cooperative Committee Meeting

The Joint Cooperative Committee of the AGC-DOT met at 10:00 a.m. on May 19, 2011 in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility, Beryl Road, Raleigh with the following in attendance:

Victor Barbour	Ricky Greene	Mike Long	Ron Shaw
Kevin Burns	Ron Hancock	Mike Manning	Trent Sherrill
Alan Cahill	Berry Jenkins	Jon Nance	Jule Smith
Ivan Clayton	Drew Johnson	Donnie Oldham	Lamar Sylvester
Susan Coward	Don Lee	Edward T. Parker	Burt Tasaico
Steve DeWitt	Bob Lofling	David Rankin	Ricky Vick
C.A. Gardner	Bryan Long	Shelton Russell	Paul Worley
R.A. Garriss	Michelle Long	Natalie Roskam	Sam Young
Terry Gibson			

AGENDA AND DISCUSSION ITEMS

Revenue and Budget Update

Burt Tasaico

Mr. Tasaico outlined the revenue sources and projections for the Department (see Attachment #1). Higher fuel prices, fuel efficiency improvements, and alternative vehicles are expected to reduce revenues in the future. Mr. Tasaico reviewed the slide titled "Transportation Revenue Sources" and noted that the spike in the bar chart in 2006 was due to DMV fees increasing for the first time since 1993. The decline in 2008 was due to the economic downturn. The projected revenue forecast anticipates revenues to return to 2007 levels in 2013, if the gas tax is not capped. Mr. Tasaico reviewed current revenues versus the forecast. He compared retail fuel prices to the motor fuel tax rate and to the fuel consumption in the state. There is no statistical correlation between retail fuel prices and the motor fuel tax rate. There is a strong correlation between the retail fuel prices and the fuel consumption in the state. He noted that 71.4% of the Department's budget is used for construction and maintenance of roads and bridges. Mr. Tasaico illustrated the correlation between crude oil prices and the N.C. Construction Index and noted a projected 4% annual increase in the N.C. Construction Index over the next decade. The graph titled "10 Year Cash Flow Forecast Comparison - Work Program vs. Gas Cap at \$32.5/gal" shows the Department's projected expenditures. Mr. Tasaico explained that at the end of state fiscal year 2014, if the gas tax is capped, the Department is projected to exceed the regulatory limit on the cash reserve. The consequence of falling below the cash balance limit is that no further contracts could be awarded.

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
TECHNICAL SERVICES DIVISION
1516 MAIL SERVICE CENTER
RALEIGH NC 27699-1516

TELEPHONE: 919-715-5663
FAX: 919-715-5361

WEBSITE: WWW.NCDOT.ORG

LOCATION:
TRANSPORTATION BUILDING
FIRST FLOOR ROOM 102
1 SOUTH WILMINGTON STREET
RALEIGH NC

Letting Projections

Victor Barbour

Mr. Barbour reviewed the draft work flow expected to be approved in June. In fiscal year 2012, the construction budget is projected to be \$805 million. In 2013, the budget increases to \$1 billion. Between 2014 and 2020, the budget is expected to hold between \$1.2 and \$1.4 billion. Projections do not include contracting services.

Mr. Barbour reviewed upcoming projects highlighting US 321 in Blowing Rock and US 29 Business in Reidsville scheduled for let in September, the Union Crossroad project in Winston Salem in December, and the I-77 and I-40 interchange project in Statesville in March.

The House has proposed increasing the funds for bridges from \$81 million to \$159 million in 2012 and \$91 million to \$171 million in 2013. These funds are drawn from other areas, including maintenance construction, to emphasis bridge projects. The amount of bridge replacement projects on the current let list is \$72 million.

Mr. Gibson discussed the ramp up concerns in spending \$330 million for bridges over a 2-year period. The language in the bill was changed from “bridge replacement” to “bridge improvement” to allow the Department to update the whole system. The Department is emphasizing the 750 bridges that are 20 feet or less in span length. Some of these bridges will be converted to pipes or culverts.

Legislative and Congressional Update

Susan Coward

Ms. Coward predicted a low possibility of change in the proposed state transportation budget which focuses on bridges, maintenance, resurfacing, and an increase in privatization. She emphasized that if a gas tax cap was passed, the Department would have to budget as though the tax would not be allowed to expire. A gas tax cap could cause a decrease in spending of \$1 billion over the 10-year forecast. Ms. Coward highlighted that the Federal Highway Trust Fund is over 20% of the Department’s revenue. If Congress aligns the fund with actual receipts, it would negatively impact the Department’s budget. A long term bill is not anticipated before 2012.

Ms. Coward noted successful progress of Senate Bill 750 which excludes bid responses from public domain until the bid is awarded.

Ms. Coward reiterated that the Department is strongly opposed to the legislature legislating engineering. In the session, the Department opposed two bills. One bill legislated median placement, and the other mandated formula changes for the lifecycle cost calculations comparing concrete and asphalt. She stated that the Department’s message is to leave the engineering to the private and public engineers.

Review of SOQ and RFP Submittals

Michael Manning

Mr. Manning asked that the Department provide guidance for public information requests. Mr. Barbour said there will be a structured process to request information. The Department will provide information that is publically available upon request. Mr. Barbour noted that if a Design Build team declines the stipend for the technical proposal, the Department returns that technical proposal to the Design-Build team and therefore, it may not be available from the Department.

DBE Program Modifications

Victor Barbour

Mr. Barbour reported on the results of a focus group which met to discuss possible improvements to the State's DBE program. The group reported that modeling the state participation banking program in the DBE program could be an improvement. The group asked if excess DBE participation could be banked in the State MB/WB programs. Several issues would need to be resolved before either idea is feasible.

The focus group identified that being held to a committed goal above the Department's established DBE goal for the project discourages reporting of participation in excess of the original DBE goal. The DBE provision is being modified to eliminate this issue.

The focus group expressed concern regarding the time needed to complete replacement procedures in cases of safety issues. The current procedures allow exceptions in the replacement procedures for safety issues.

Mr. Barbour noted that the Directory of Transportation Firms has been updated to improve the search function. He asked that users continue to supply feedback for improving the directory and the website. The focus group requested that the prime contractor be allowed to electronically send the required mailings to the DBE firms to avoid paper mailings.

The Department plans to revise the DBE provision so excess participation is listed as race-neutral participation and the committed goal is the race-conscious participation used to fulfill the DBE goal. If there is participation above the committed DBE goal, and a replacement is authorized, the excess participation can be used to replace the committed DBE without having to submit a good faith effort.

A comment was made regarding the difficulty in accurately reporting participation at bid for Design Build projects. Mr. Jenkins noted that the move towards an incentive-based program will encourage more participation.

NC Turnpike Authority Update

Steve DeWitt

Mr. DeWitt invited members to participate in the November 20th 5k Turnpike Trot being held on the Triangle Parkway. The "invisible" toll technology is being installed off of Airport Boulevard. Tours of this technology may be available upon request. The Triangle Parkway project has had its bond rating reaffirmed; it is ahead of budget and on schedule.

The ruling on the court case for the Monroe turnpike was positive. The project is preparing for the bond sale process. The financial plan is focusing on GARVEE bonds. The current letting date projection, if all goes well, could be as early as September.

The Garden Parkway submittals are unopened and will remain sealed until Senate Bill 750 is decided. The Turnpike Authority will reaffirm submittals before bids are opened. Interest rates are an issue for financing this project and could cause further delays.

NCDOT Rail Program Update

Paul Worley

Mr. Worley provided an update on the rail program (see Attachment #2). He is currently reviewing the 25% designs with railroads. The 65% designs and final designs will be reviewed as available. The handout includes an ARRA monthly report sent to FHWA and the timeline for the stations and facilities. All firms have been selected for the final designs with the exception of the Morrisville Parkway. Mr. Barbour noted that the twelve month let list will show upcoming rail projects. The railway specialty work will require additional prequalification categories; however, the roadway construction portion of the railway projects will be available to contractors prequalified in roadway construction categories.

Work Zone Supervisor

Berry Jenkins

Mr. Jenkins expressed concern regarding the July 1st deadline for training work zone supervisors. Mr. Gibson explained that work zone supervisor trainers are not required to be licensed engineers. Mr. Jenkins noted a potential change in scope for the on-site requirements of work zone supervisors and asked about the additional work zone supervision needed for the Department-defined “significant” projects. Mr. Hancock will clarify the Department’s expectations for work zone supervisors and “significant” projects.

Next Meeting Date

The next meeting is scheduled for September 21 at 10:00 a.m. at the NCDOT Transportation Building Board Room in Raleigh.

Revenue and Budget Update

Carolinas AGC/North Carolina DOT Joint Cooperative Committee

H. Tasaico, P.E.
May 19, 2011



State Transportation Revenue Sources



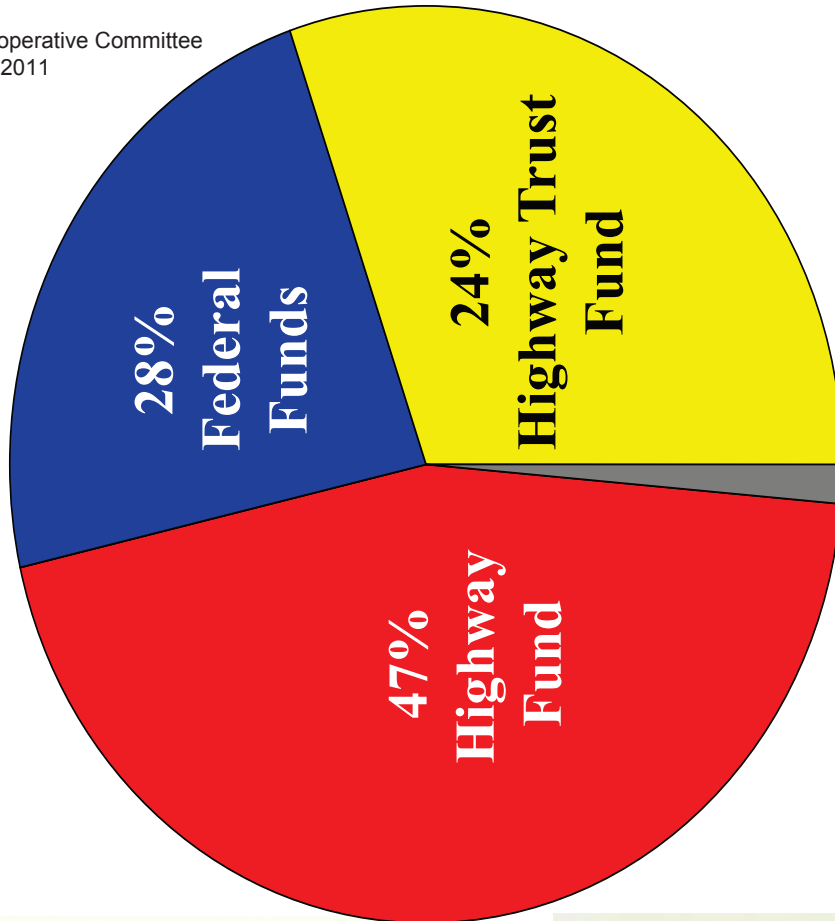
Motor Fuel Tax
55%

Highway
Use Tax
15%

Fees
30%

Motor Fuel Tax 92%

Fees
8%



1%

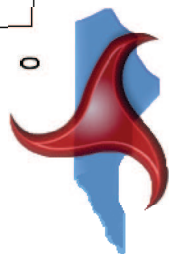
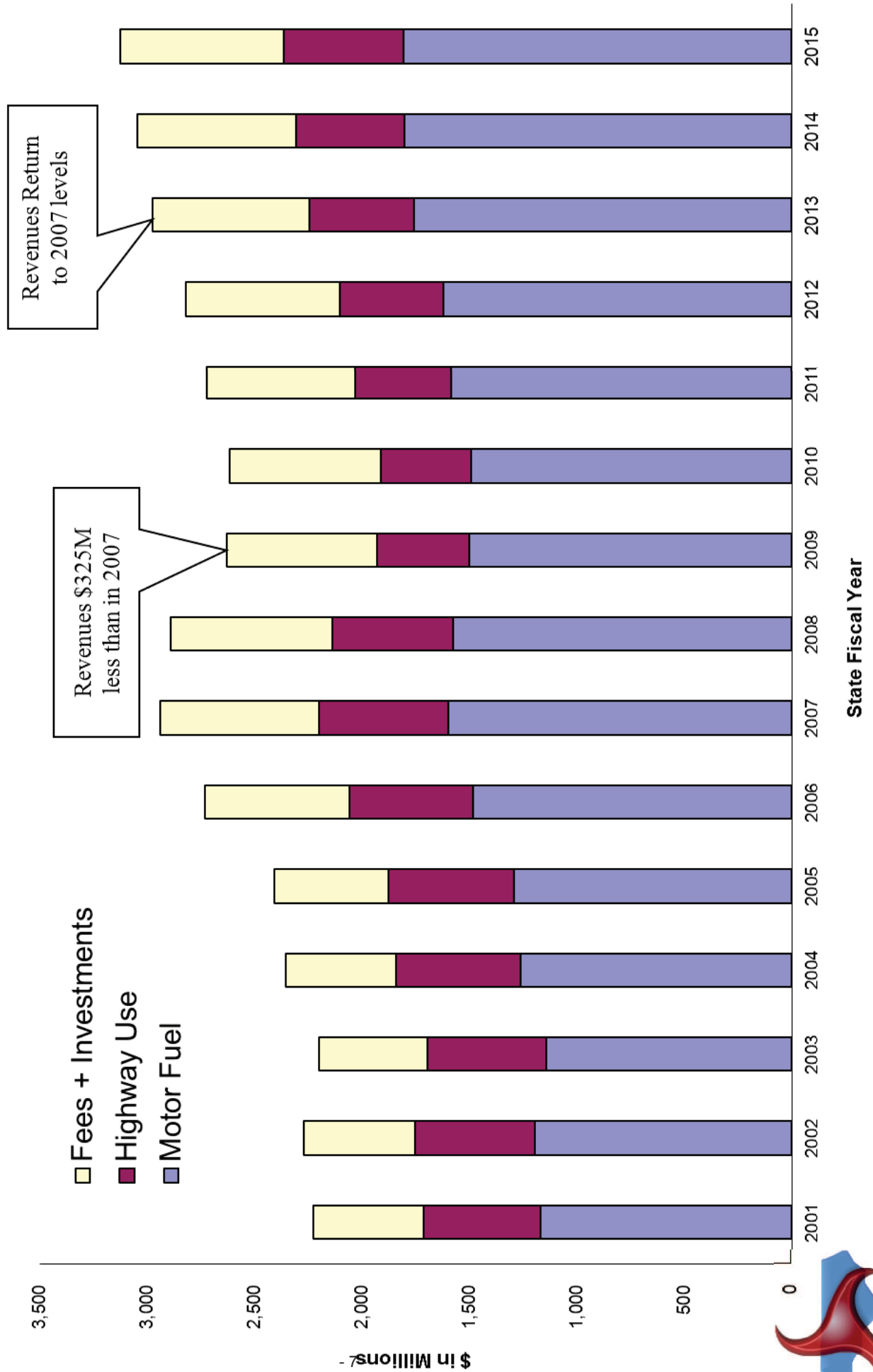
Other Federal Aid &
Department Receipts



Transportation Revenue Sources

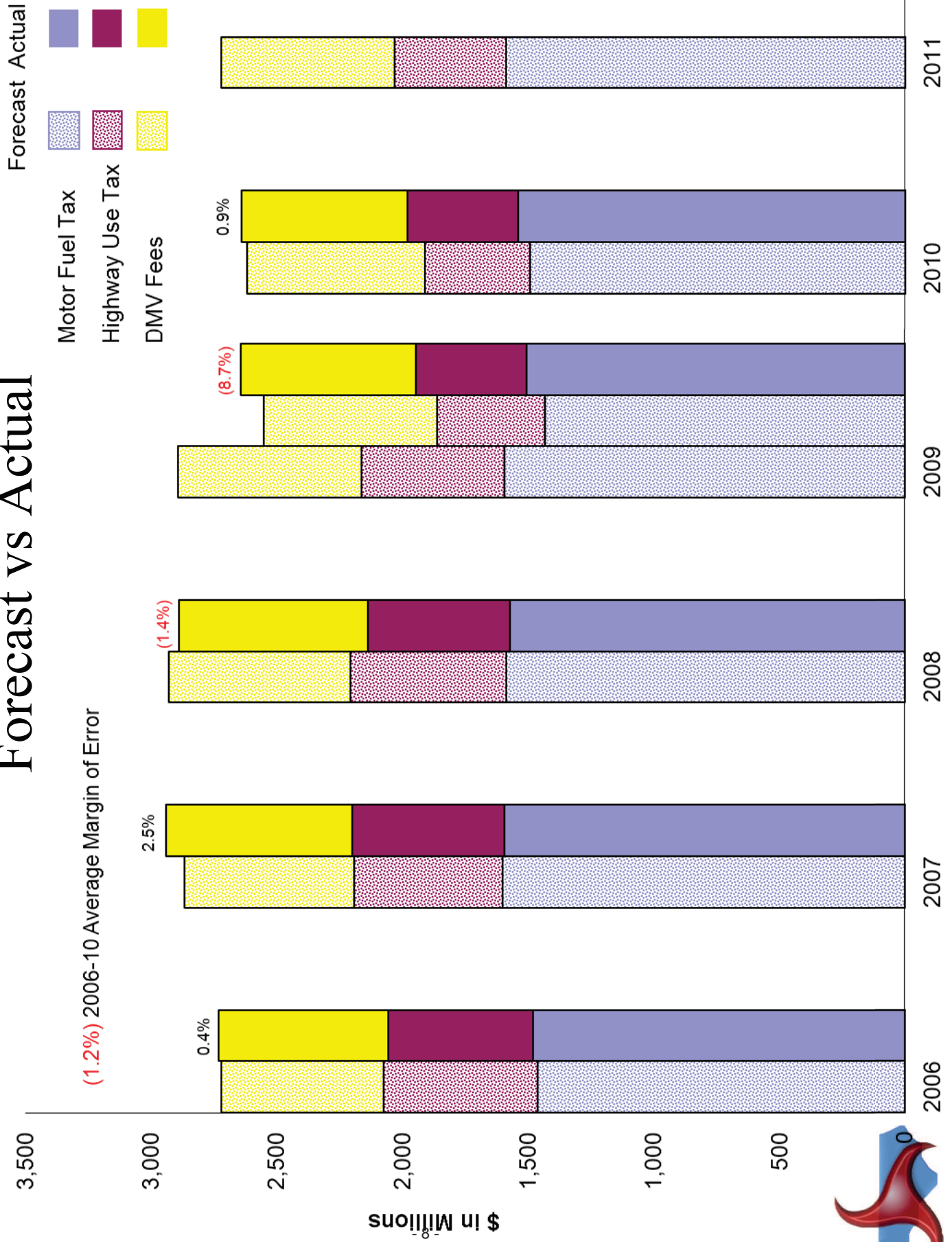
2001 to 2010 - Actual

2011 to 2015 - Forecasted



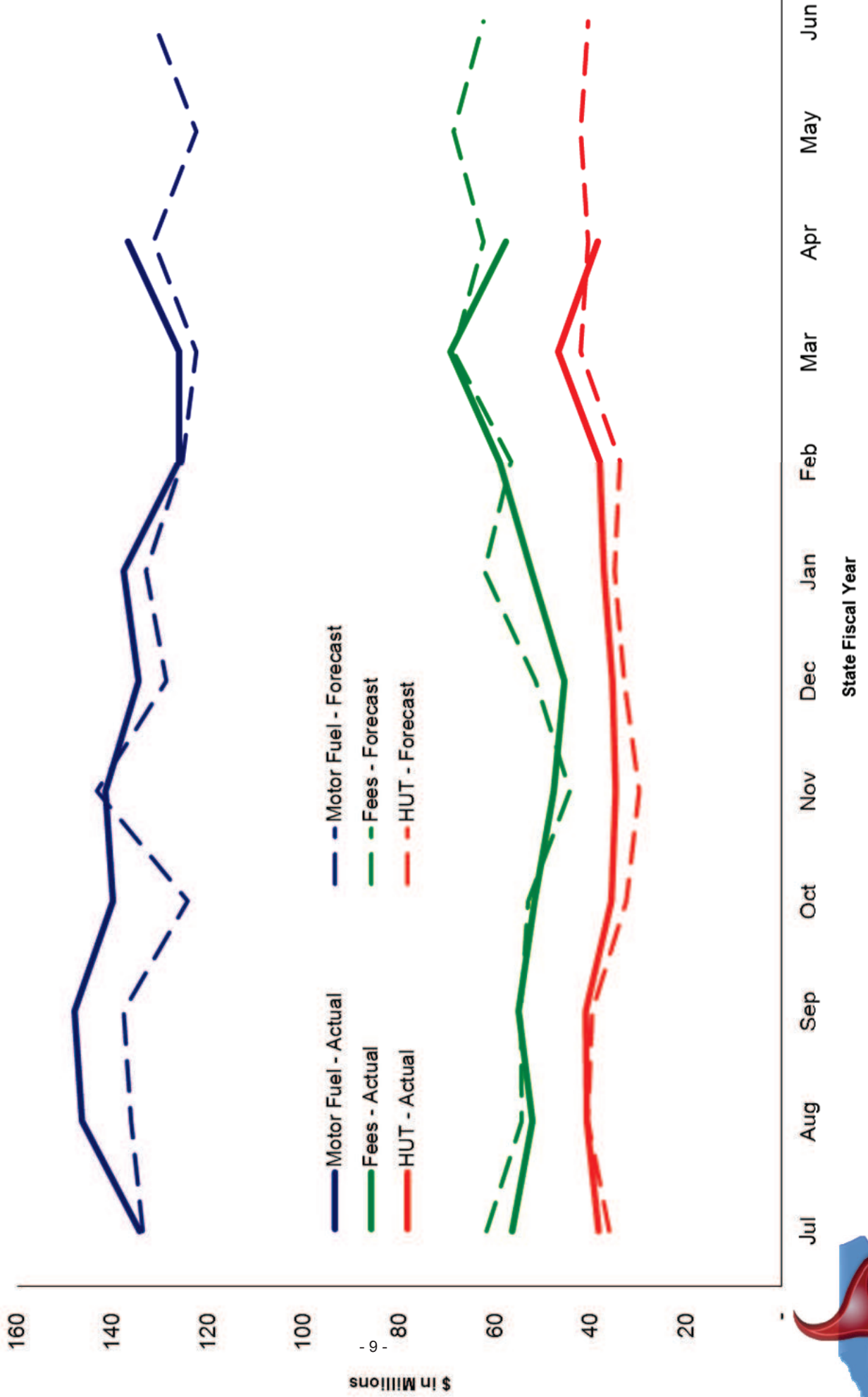
Model Performance – State Revenue Comparison

Forecast vs Actual



SFY 2011 NCDOT Revenues

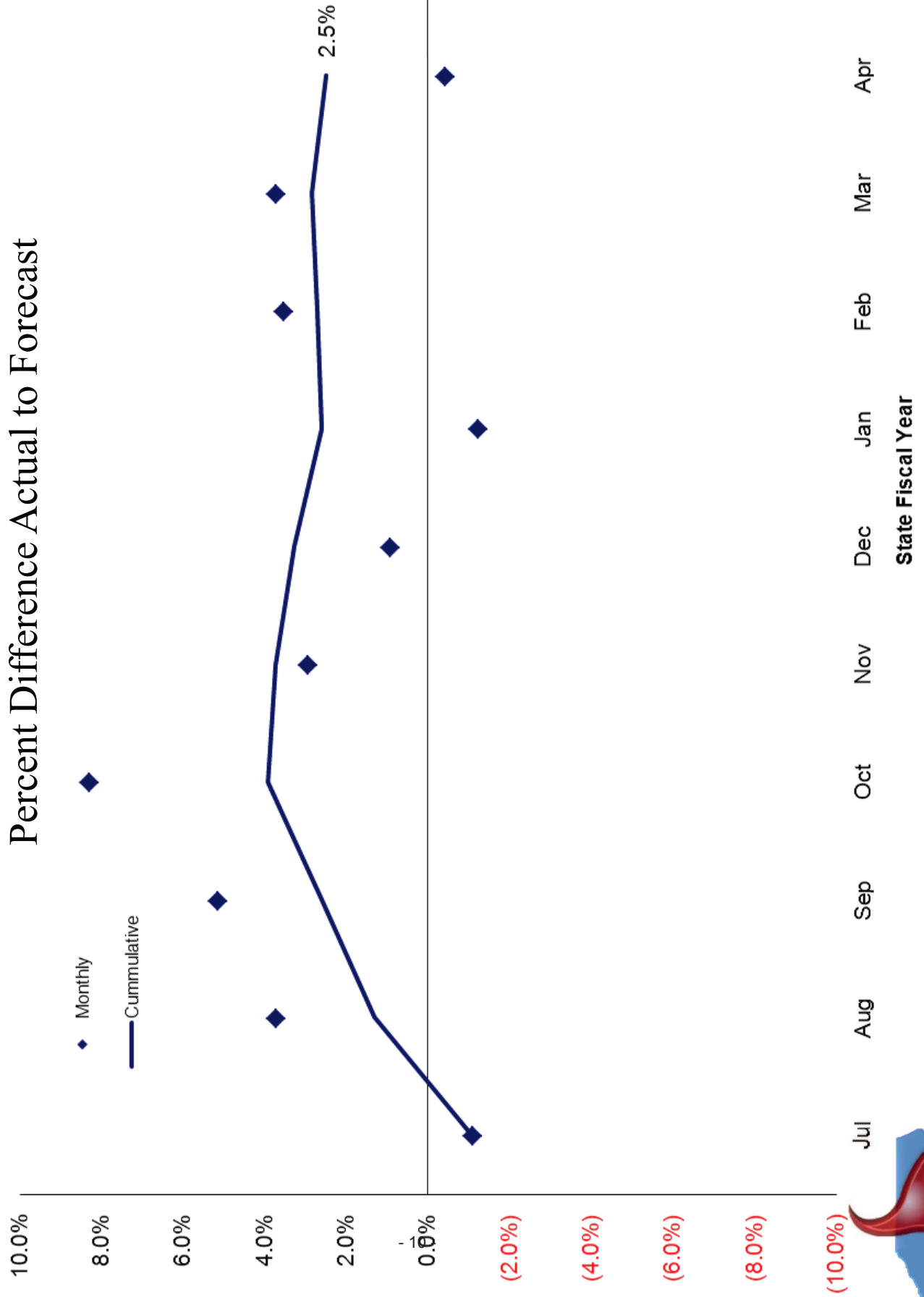
Comparison – Monthly Actual vs Forecast



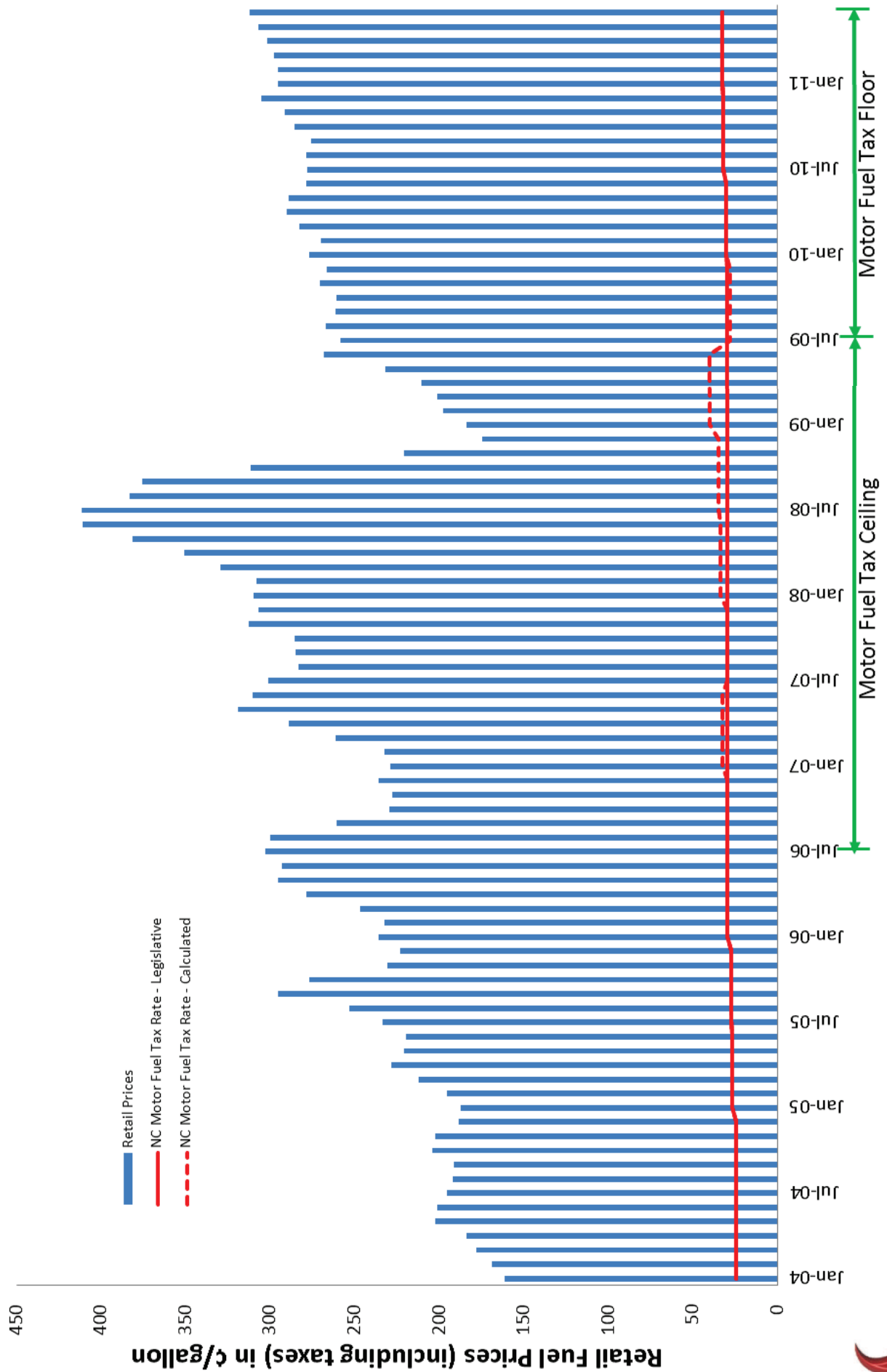
SFY 2011 NCDOT Revenues

Monthly and Cumulative All Sources

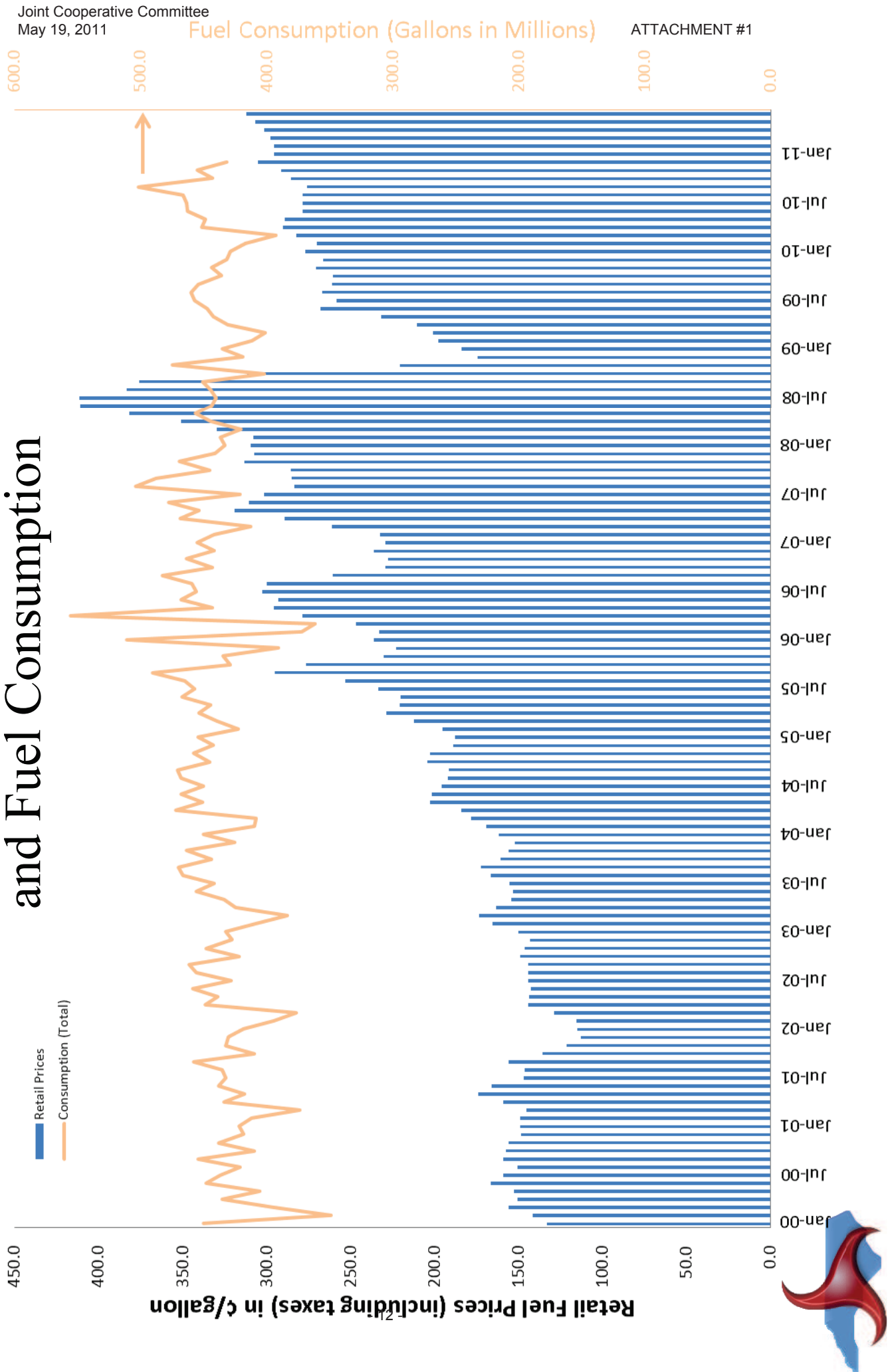
Percent Difference Actual to Forecast



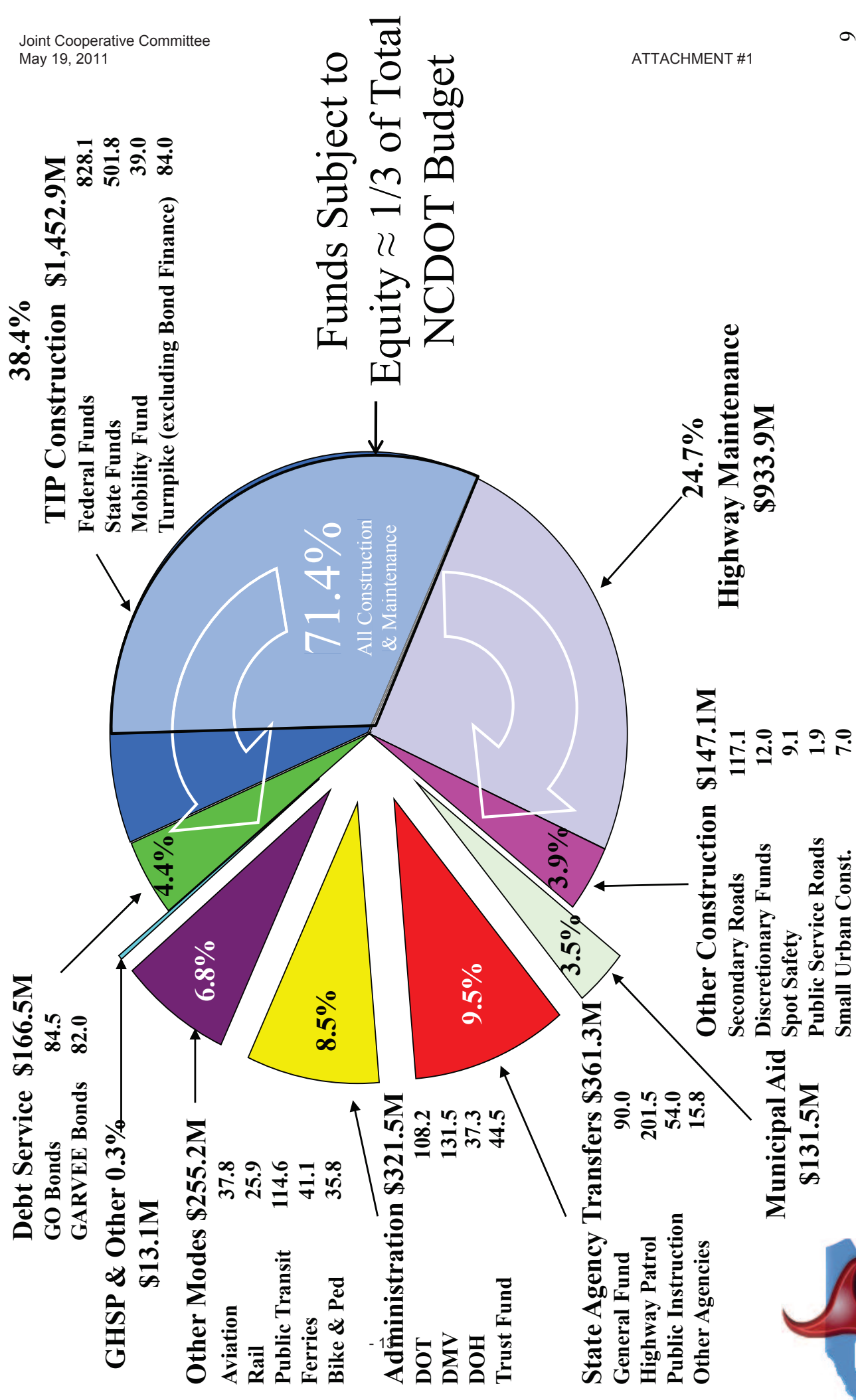
Comparison of North Carolina Retail Fuel Prices and Motor Fuel Tax Rate



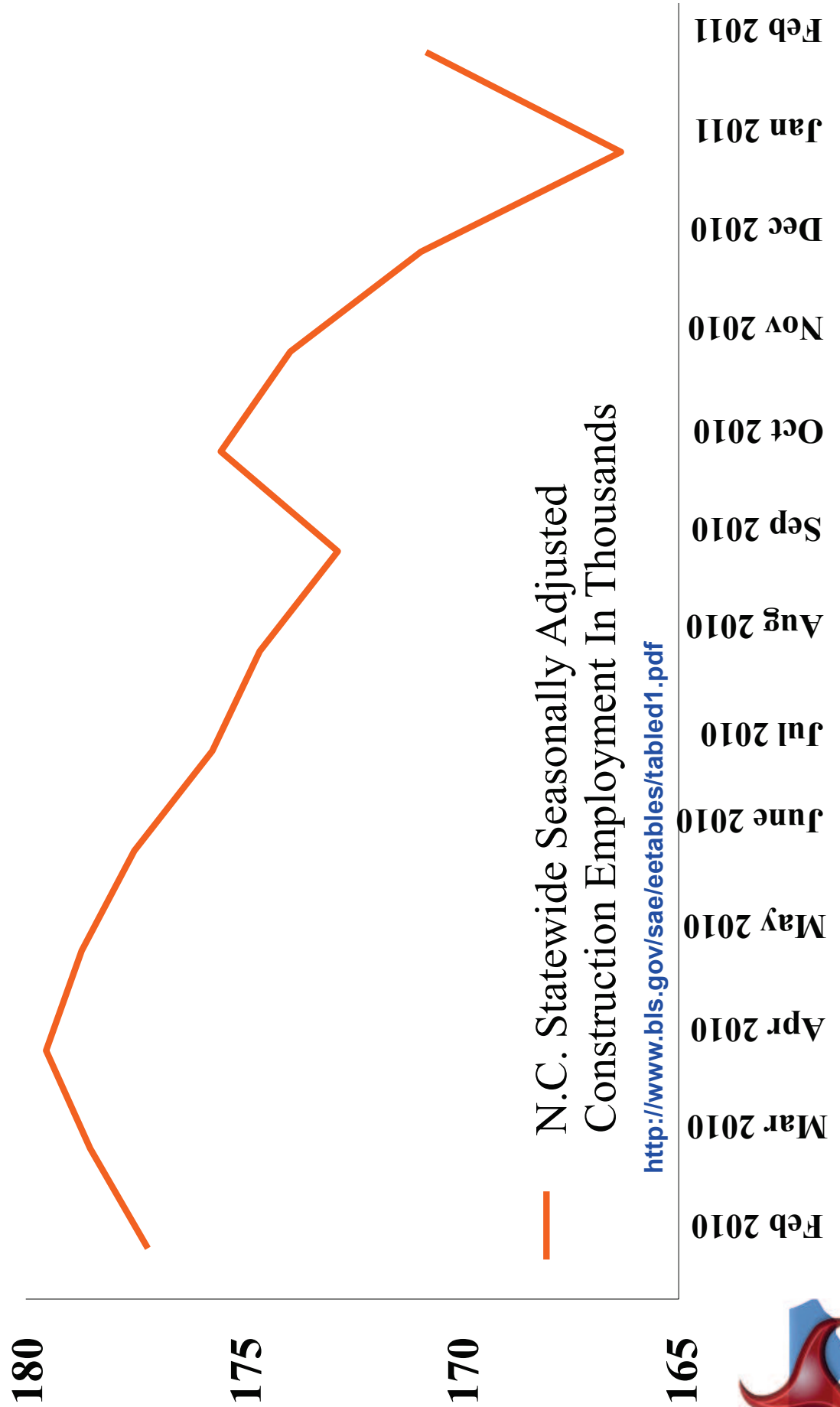
Comparison of North Carolina Retail Fuel Prices and Fuel Consumption



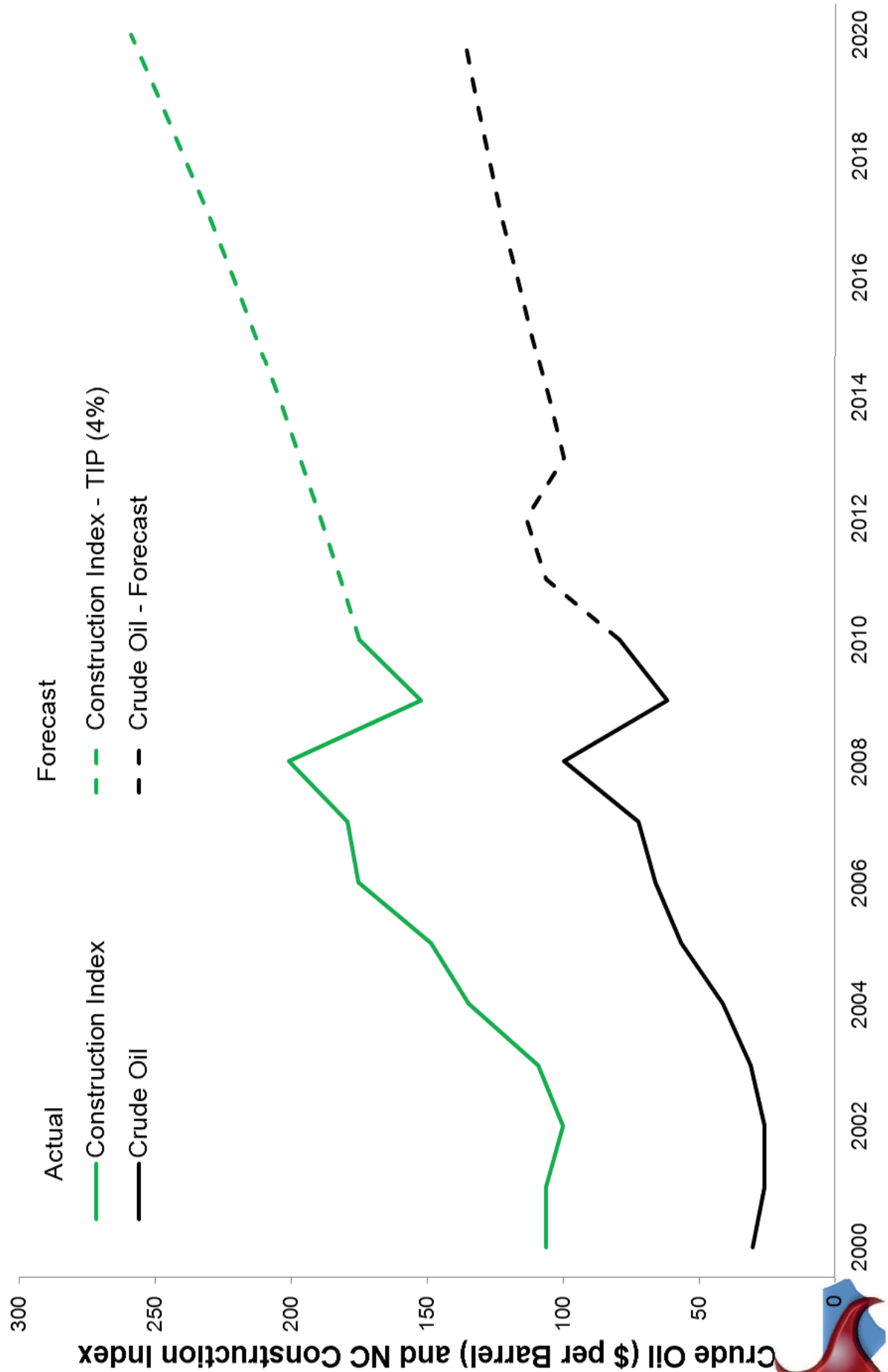
NCDOT Budget & Equity Formula



North Carolina Construction Employment Continues to Struggle

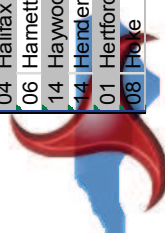


Crude Oil and NC Construction Index Comparison Actual & Forecasted



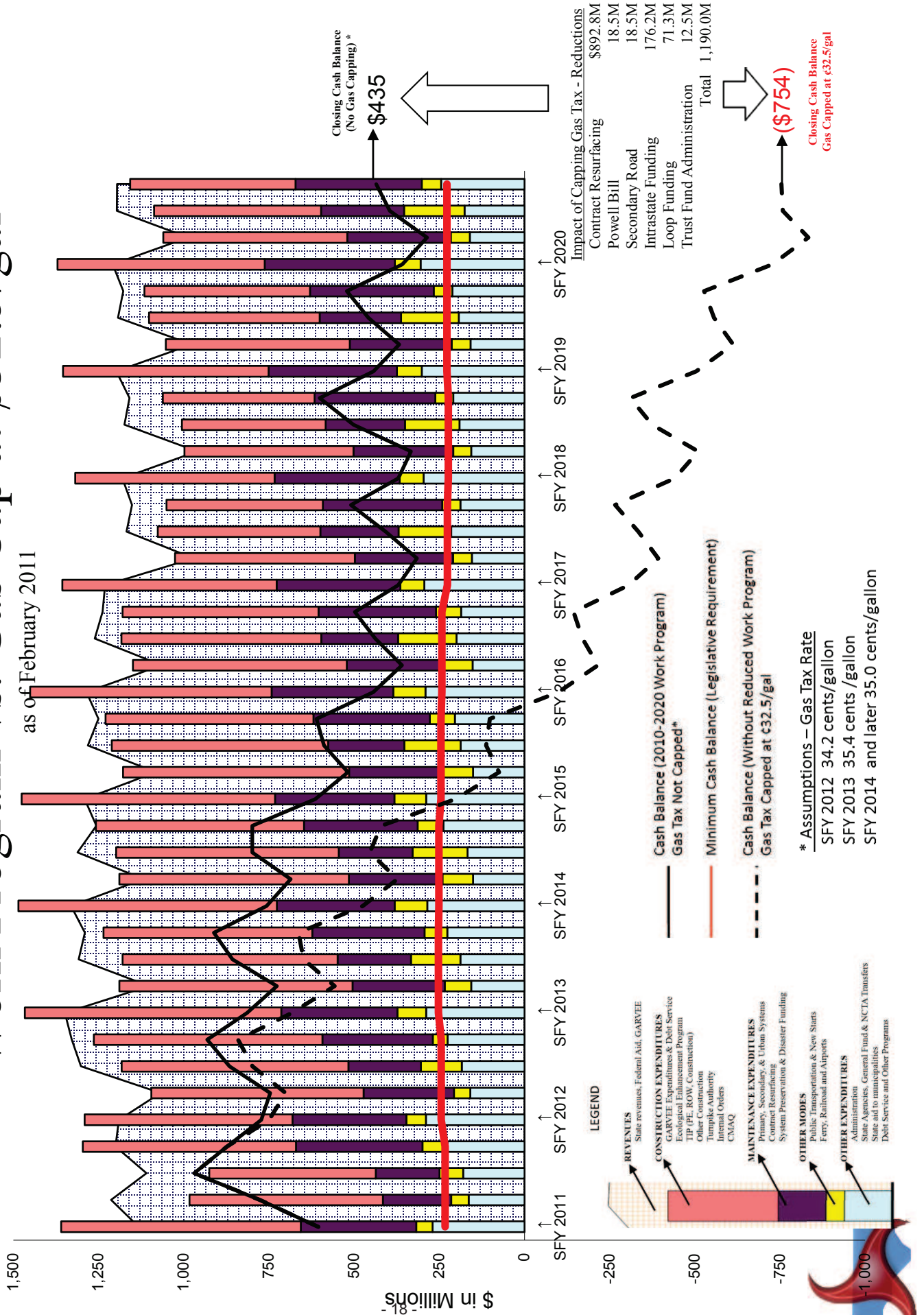
Governor's Biennium Budget Potential Reductions by Capping the Motor Fuel Tax Rate at 32.5 ¢ per gallon in SFY 2012 and 2013

		HIGHWAY FUND				HIGHWAY TRUST FUND				Grand Total	
		Contract Resurfacing		Powell Bill	Secondary Roads		(I) Intrastate and (L) Loop Projects		Description		
Div	County	\$	Mileage		\$	Mileage					
07	Alamance	(3,524,968)	88.1	(69,613)	(47,281)	0.4				(3,641,861)	
12	Alexander	(1,106,632)	27.7	(1,560)	(31,959)	0.3				(1,140,151)	
11	Allegany	(564,291)	14.1	(1,644)	(22,117)	0.2				(588,052)	
10	Anson	(1,270,111)	31.8	(9,399)	(40,851)	0.4				(1,320,361)	
11	Ashe	(1,339,496)	33.5	(2,722)	(40,877)	0.4				(1,383,095)	
11	Avery	(481,282)	12.0	(3,604)	(14,969)	0.1				(499,854)	
02	Beaufort	(1,683,832)	42.1	(12,300)	(42,049)	0.4				(1,738,182)	
01	Bertie	(2,082,223)	52.1	(4,828)	(28,962)	0.3				(2,116,013)	
06	Bladen	(1,277,259)	31.9	(6,856)	(35,131)	0.3				(1,319,246)	
03	Brunswick	(1,809,528)	45.2	(46,922)	(36,111)	0.3				(1,892,562)	
13	Buncombe	(3,064,459)	76.6	(79,145)	(59,625)	0.5				(3,203,229)	
13	Burke	(1,471,646)	36.8	(25,098)	(41,306)	0.4				(1,538,050)	
10	Cabarrus	(2,786,480)	69.7	(95,838)	(40,748)	0.4				(2,923,066)	
11	Caldwell	(1,185,777)	29.6	(29,671)	(33,869)	0.3				(1,249,316)	
01	Camden	(288,192)	7.2	(9,531)	(13,080)	0.1				(297,723)	
02	Carteret	(1,168,209)	29.2	(24,328)	(18,004)	0.2				(1,210,541)	
07	Caswell	(745,374)	18.6	(1,254)	(30,140)	0.3				(776,768)	
12	Catawba	(4,000,685)	100.0	(60,186)	(53,400)	0.5				(4,114,271)	
08	Chatham	(2,112,315)	52.8	(9,732)	(54,837)	0.5				(2,176,884)	
14	Cherokee	(857,640)	21.4	(3,159)	(29,578)	0.3				(890,377)	
01	Chowan	(497,438)	12.4	(3,957)	(11,827)	0.1				(513,222)	
14	Clay	(428,732)	10.7	(435)	(13,080)	0.1				(442,247)	
12	Cleveland	(2,898,612)	72.5	(31,876)	(61,032)	0.5		(I) US 74 Shelby Bypass, Hoyle Road to NC 226 (R-2707 B)	(33,800,000.0)	(36,791,520)	
06	Columbus	(2,341,624)	58.5	(14,009)	(58,304)	0.5				(2,413,937)	
02	Craven	(2,393,360)	59.8	(44,623)	(35,734)	0.3				(2,473,717)	
06	Cumberland	(3,493,595)	87.3	(172,050)	(54,877)	0.5				(3,720,522)	
01	Currituck	(634,694)	15.9	(12,882)	(12,882)	0.1				(647,576)	
01	Dare	(478,805)	12.0	(16,992)	(7,665)	0.1				(503,462)	
09	Davidson	(3,538,244)	88.5	(39,570)	(77,948)	0.7				(3,655,762)	
09	Dave	(1,051,458)	26.3	(4,819)	(24,926)	0.2				(1,081,203)	
03	Duplin	(3,082,711)	77.1	(12,511)	(55,775)	0.5				(3,150,997)	
05	Durham	(2,846,226)	71.2	(163,928)	(35,514)	0.3				(3,045,668)	
04	Edgecombe	(915,251)	22.9	(26,142)	(29,020)	0.3				(970,413)	
09	Forsyth	(3,849,733)	96.2	(225,362)	(50,336)	0.4				(4,125,432)	
05	Franklin	(1,225,816)	30.6	(6,224)	(39,436)	0.3				(1,271,476)	
12	Gaston	(2,231,376)	55.8	(99,190)	(46,962)	0.4				(2,377,528)	
01	Gates	(478,221)	12.0	(265)	(16,657)	0.1				(495,144)	
14	Graham	(371,103)	9.3	(808)	(10,732)	0.1				(382,643)	
05	Granville	(2,002,760)	50.1	(14,561)	(42,739)	0.4				(2,060,061)	
02	Greene	(1,377,833)	34.4	(2,026)	(22,132)	0.2				(1,401,991)	
07	Guilford	(6,662,643)	166.6	(275,498)	(92,340)	0.8		(L) Greensboro Eastern Loop, US 70 Relocation to US 29 (U-2525 B)	(38,400,000.0)	(45,430,481)	
04	Halifax	(1,526,750)	38.2	(20,017)	(40,141)	0.3				(1,586,909)	
06	Hamett	(3,838,077)	96.0	(21,017)	(55,391)	0.5				(3,914,485)	
14	Haywood	(1,138,295)	28.5	(15,290)	(26,363)	0.2				(1,179,949)	
14	Henderson	(2,597,116)	64.9	(17,544)	(45,376)	0.4				(2,660,036)	
01	Hertford	(1,232,389)	30.8	(7,706)	(19,683)	0.2				(1,259,778)	
08	Johnston	(739,614)	18.5	(3,869)	(25,173)	0.2				(768,656)	



13	McDowell	(1,676,036)	41.9	(6,489)	(27,081)	0.2	(1,709,606)
10	Mecklenburg	(8,073,727)	201.8	(602,588)	(43,156)	0.4	(8,719,471)
13	Mitchell	(567,827)	14.2	(2,539)	(14,534)	0.1	(584,906)
08	Montgomery	(648,734)	16.2	(7,475)	(31,199)	0.3	(687,408)
08	Moore	(2,509,844)	62.7	(37,793)	(53,341)	0.5	(2,600,978)
04	Nash	(3,181,294)	79.5	(41,302)	(48,985)	0.4	(3,271,581)
03	New Hanover	(2,328,131)	58.2	(83,112)	(22,075)	0.2	(2,433,317)
01	Northampton	(2,059,978)	51.5	(5,589)	(26,708)	0.2	(2,092,275)
03	Onslow	(3,503,342)	87.6	(57,291)	(38,016)	0.3	(3,598,649)
07	Orange	(2,435,754)	60.9	(57,002)	(42,455)	0.4	(2,535,211)
02	Pamlico	(660,348)	16.5	(3,237)	(13,292)	0.1	(676,877)
01	Pasquotank	(877,233)	21.9	(14,500)	(16,692)	0.1	(908,425)
03	Pender	(1,249,087)	31.2	(6,471)	(31,898)	0.3	(1,287,456)
01	Perquimans	(844,338)	21.1	(2,205)	(17,012)	0.1	(863,555)
05	Person	(1,262,210)	31.6	(6,611)	(34,351)	0.3	(1,303,172)
02	Pitt	(2,039,144)	51.0	(77,772)	(50,929)	0.4	(2,167,845)
14	Polk	(839,044)	21.0	(3,575)	(21,620)	0.2	(864,239)
08	Randolph	(3,466,034)	86.7	(40,798)	(88,868)	0.8	(3,595,700)
08	Richmond	(1,189,770)	29.7	(15,556)	(38,904)	0.3	(1,244,230)
06	Robeson	(1,913,864)	47.8	(32,791)	(85,506)	0.7	(2,032,161)
07	Rockingham	(2,676,333)	66.9	(30,754)	(58,717)	0.5	(32,165,804)
09	Rowan	(2,125,581)	53.1	(49,610)	(61,851)	0.5	(2,237,041)
13	Rutherford	(1,834,205)	47.1	(17,148)	(55,507)	0.5	(1,956,860)
03	Sampson	(2,491,553)	62.3	(11,148)	(72,397)	0.6	(2,575,098)
08	Scotland	(557,493)	13.9	(14,632)	(26,999)	0.2	(599,123)
10	Stanly	(2,019,464)	50.5	(25,980)	(42,974)	0.4	(2,088,418)
09	Stokes	(1,186,589)	29.7	(6,960)	(46,357)	0.4	(1,239,906)
11	Surry	(2,107,853)	52.7	(15,192)	(57,435)	0.5	(2,180,481)
14	Swain	(554,358)	13.9	(1,327)	(11,690)	0.1	(567,374)
14	Transylvania	(936,809)	23.4	(6,161)	(18,165)	0.2	(961,134)
01	Tyrrell	(190,114)	4.8	(678)	(8,767)	0.1	(199,560)
10	Union	(3,182,869)	79.6	(68,012)	(84,432)	0.7	(3,335,313)
05	Vance	(749,482)	18.7	(13,185)	(23,188)	0.2	(785,854)
05	Wake	(9,127,777)	228.2	(484,705)	(116,277)	1.0	(9,728,758)
05	Warren	(1,071,915)	26.8	(1,933)	(33,083)	0.3	(1,106,931)
01	Washington	(505,980)	12.6	(3,921)	(13,469)	0.1	(523,370)
11	Watauga	(1,440,277)	36.0	(14,399)	(28,787)	0.3	(1,483,463)
04	Wayne	(2,874,082)	71.9	(35,962)	(52,803)	0.5	(2,962,846)
11	Wilkes	(2,177,598)	54.4	(7,427)	(70,330)	0.6	(2,255,356)
04	Wilson	(2,596,083)	64.9	(43,010)	(34,492)	0.3	(2,673,585)
11	Yadkin	(1,142,001)	28.6	(6,110)	(37,148)	0.3	(1,185,259)
13	Yancey	(526,928)	13.2	(1,443)	(17,772)	0.2	(546,143)
State Funding:		\$ (188,000,000)	4,700	\$ (3,850,000)	\$ (3,850,000)		\$ (107,900,000)
Federal Aid Funding:							\$ (303,600,000)
NCDOT Potential Impact due to Federal Highway Trust Fund Insolvency							\$ (450,000,000)
Estimated Program Reductions							
Interstate Maintenance							(64,000,000)
National Highway System							(162,000,000)
Bridges							(80,000,000)
Congestion Mitigation and Air Quality (CMAQ)							(12,000,000)
Safety							(20,000,000)
Surface Transportation Program							(94,000,000)
Enhancement							(4,000,00

10 Year Cash Flow Forecast Comparison Work Program vs. Gas Cap at ¢32.5/gal



NCDOT Piedmont Improvement Program (PIP) (FR-HSR-0006-10-01-00)

Program Status Report

2011 - March



Major Schedule Items

2009	ARRA Signed into Law
2010	
2011	Cary, High Point, Burlington Stations Security Mgmt. Systems
2012	Capital Yard Kannapolis Station
2013	Public Information Display Systems
2014	Charlotte Maint. Facility Curve Realign at Duke Sidings at Haw River, Hopson Clegg
2015	Klumac Grade Sep.
2016	Reid to North Kannapolis
2017	Bowers to Lake, Morrisville Pkwy Haydock to Junker, Private Crossing Safety Initiative, Main Line Grade Separation

Current Month Update

127.58

Jobs Created To Date

March 2011 Summary

- 11.33 jobs created or retained
- Total ARRA expenditures \$1,349,920.82
- ARRA Payments to Vendors (9)
\$912,606.28
- New contracts this month - none



Budget



Cumulative Update

ARRA information (through the end of March 2011)

- 127.58 jobs created or retained
- ARRA expenditures total \$8,913,693.10
- ARRA Funds Reimbursed total \$7,867,835.00
- 20 open purchase orders worth \$21,079,681.91
- Payments to Vendors (14) total \$5,932,672.99



RAIL DIVISION
Hatch Mott MacDonald

- 20 -

NOTE: "Get there" for Travel Partners includes travel made to target property pursuant to negotiations.

NCDOT's Piedmont Improvement Program - Milestone Dates for Stations and Facilities Projects

ID No.	Project Description	Division	# Trains	Planning Signed FONSI	Right-of-Way Plans	Preliminary Design Complete	Final Design Complete	Let Date	Construction Complete
2	Cary Station upfit	5	P-3803	Jul. 2010			Jul. 2010	Sep. 2010	Nov. 2011
7	Train Station Security Management System	n/a	P-2918						
8	Charlotte Maintenance Facility	10	P-2918	Aug. 2011		Aug. 2011	Jun. 2012	Nov. 2012	Mar. 2014
11	Kannapolis Station canopy	10	P-4010	Jun. 2011			Jul. 2011	Dec. 2011	Sep. 2012
14	High Point Station parking	7	P-2912	Aug. 2010			Sep. 2010	Dec. 2010	Nov. 2011
16	Burlington Station platform extension	7	P-2909AA	Sep. 2010			Oct. 2010	Nov. 2010	Jul. 2011
23	Capital Yard Improvements	5	P-2918	Aug. 2010			Oct. 2010	Nov. 2010	Sep. 2011
24	PIDS	5, 7, 9, 10	P-2018	Feb. 2011			Jun. 2011	Oct. 2011	Jan. 2013

5/10/2011

Last Updated: 04/26/2011

Page 1 of 1