



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

August 19, 2009

MEMORANDUM TO: AGC-DOT Joint Cooperative Committee Members

FROM: Victor Barbour, PE

SUBJECT: July 24, 2009 Minutes for the Joint Cooperative Committee Meeting

The Joint Cooperative Committee of the AGC-DOT met at 10:00 a.m. on July 23, 2009 in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility, Beryl Road, Raleigh with the following in attendance.

Debbie Barbour	Randy Garris	Mike Long	Ted Sherrod
Victor Barbour	Brad Goodson	Michelle Long	Norma Smith
Kevin Burns	Berry Jenkins	Art McMillan	Lamar Sylvester
Alan Cahill	Drew Johnson	Ellis Powell	Jim Trogdon
Susan Coward	Cecil Jones	Anthony Roper	Bill Tomlinson
Steve DeWitt	Don Lee	Jim Seybert	Ricky Vick
C.A Gardner	Robert Lofling	Trent Sherrill	Sim A. Wooten, Jr.
			Jim Wyngaarder

AGENDA AND DISCUSSION ITEMS

Mr. Drew introduced a new member, Brian Long, Dane Construction.

Economic Stimulus Update

Victor Barbour

Mr. Barbour distributed two handouts on the Economic Stimulus projects. The first one showed the awarded projects for January-June 2009 and some historical data. This only included projects awarded through Raleigh. The second handout - numbers in brackets shows in theory is how much money DOT has saved when awarding these projects. Mr. Barbour explained the "maintenance of effort" that is part of the ARRA requirements, which is telling them how much money DOT plans to expend NCDOT money, not ARRA money, from February 2009 until September 2010, cash out-the-door. We cannot supplant state funds for ARRA funds. The second handout shows

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how much ARRA funds and how much of our funds we have spent this year. The Department plans to spend 1.2 billion dollars in this 18-month period and we are tracking to show that we are spending that amount.

Mr. Barbour announced that all states met their obligations to spend 50 percent of their ARRA funds in the first 90 days.

Therefore, there are no funds for redistribution. Agreements are being finalized with the MPOs for the directly attributable funds. Some will be let through the Divisions and the others will be let through the MPOs. Those projects should be let in the fall and early winter.

They have an October 1st deadline to submit to the Department. Some will be let by the local entities, some by the divisions. Contractors may review those local projects on the DOT website.

TIGER Grants: NCDOT's application for the I-85 Yadkin River Bridge project for TIGER Grant funds is essentially complete and it will be submitted by the first of next week. The deadline for applications is September 15, 2009. There will not be a decision on the application until after September 15. Mr. Jenkins suggested that contractors, subcontractors and suppliers write to Congress endorsing that project. Ms. Coward asked that the Department be copied on those letters as all the letters will be posted on the DOT website.

Rail Applications: The Rail Division has sent in applications that amount to four billion dollars. It will be approximately 6-9 months before the Department is notified of the decisions for the funding.

Transit: the DOT sent in their certifications for the transit projects 2-3 weeks ago. There is a big transit facility in Boone and in Charlotte. There will be some vertical construction in those transit projects, such as bus shelters.

The DOT has a five-year workplan and is matching its projects to the funds. If a project is listed on the 12-month let list, the funds will be there for the project. Mr. Jenkins stated that is an asset for the contractors to have.

Mr. Barbour announced that 635 jobs have been created or sustained by the ARRA funds as of about 30 days ago. This has been derived from reports submitted by contractors.

Ms. Coward said the FAA is making the ARRA grant awards directly to the airports in NC for runway extensions. She will send the links to search by state to anyone interested.

2009 Legislative Update

Susan Coward

In the absence of Ms Reese, Ms Coward reported that budget-wise, the Department is in as good a shape as it was last year this time. Last fall, DOT did most of the adjusting as to the revenue that would be generated. Any extra revenue that has been forecast through June 2011 will go into activities such as maintenance instead of the Highway Patrol or other spin-off entities.

Agency bills that have passed in the General Assembly this year are:

Allowing DOT additional flexibility to use special plate money for such items as interstates beautification projects;

Division limits for maintenance contracts are 1.2 million dollars, per year for multi-year contracts, instead of 1.2 million dollars per contract. Mr. Powell explained that some of our contracts are renewable, such as tree-cutting.

The MBE program sunset has been extended until 2010. This is due to the timing of the disparity study.

Legislation to allow DOT to pay developers directly to complete smaller road improvement projects instead of waiting for DOT to do the work after the developers is finished.

Legislation that allows DOT to sell salt and stone to municipalities, thus allowing them to take advantage of lower prices, due to buying in bulk.

Legislation to bring the Turnpike Authority under the authority of the DOT;

Although not an agency bill, Senator Jenkins sponsored the bill to put a temporary floor on the motor fuels tax at the rate it was on June 30, which was 29.9 cents. That will be in place through June 30, 2011. This replaces the previous cap that sunset on the motor fuel tax rate.

There are two pieces of legislation pending:

When the Jordan Lake rules legislation passed, some of DOT's concerns were not addressed in that bill. DOT has worked with DENR, and the DOT received a draft yesterday. It is being reviewed and the DOT hopes it will be heard by next week.

There is a push to pass a bill for a pilot project of speed cameras in school zones and work zones, sponsored by the school system. There are concerns from AGC and from CAPA. One of the concerns is that the fine for violating the speed in the school zones and work zones is \$125.00 as opposed to the \$250 current fine for violating the work zone speed. That is going to be discussed with the sponsor and may become the deal breaker. Another concern is to be sure they are not just out for revenue and ticketing drivers for going over the speed limit by a mile. According to camera companies in other venues, there is a 10-15 mile per hour tolerance level before the cameras would

go into effect and take a picture. Approximately 95% of the people in work zones are speeding and if that many tickets were sent out, the public outcry would take away all restrictions in a work zone. Mr. Jenkins asked who would be funding this effort if it is passed. Ms Coward said the Governor's Highway Safety Program would provide the "seed" money for startup. This is a source that would not impact the Highway Trust Fund. After 12-18 months, the Department would be reimbursed from the camera company through revenue generated.

Revenue and Budget Update

Susan Coward

In the absence of Mr. Foster, Ms Coward reported revenues are flat. The second round of GARVEE bonds has been issued, 242 million dollars. To date, the DOT has used about 2/3 of the 900 million that was authorized under the enabling legislation. On the 12-year bonds, the interest rate was 3.36% and the Department was very pleased. To date, there have been 49 projects that have used GARVEE bonds. The Department is watching Congress very carefully in hopes that they will pass an extension of SAFETLU before their August recess.

QC Data Entry for Asphalt Test Results

Ellis Powell

Mr. Powell said this has been discussed briefly in the past. Because NCDOT has QMS programs, there must be verification. FHWA would like for NCDOT to have a better verification process for Quality Control programs. NCDOT is on the fast track to get on a system to house the data so data can be analyzed. There has been meetings with Industry, both the aggregates and the asphalt. Mr. Jones further elaborated on the process. The need exists to capture the QC data so that comparisons can be made between QC and QA data. The aggregate industry is pretty close. In the hot mix asphalt industry, the QC data is faxed to the local QA lab and it is entered into spreadsheets. The best way to do this is for the hot mix contractor to have direct acquisition into a web-based system. There are a fair amount of the physical QA labs that do not have internet access but the asphalts labs do. The intent is to have all data entered directly and be able to see all comparisons between QC and QA data. This can be a tool for all. IT has given NCDOT a December date for completion. Mr. Powell asked for questions and concerns. Industry does not want to duplicate effort. Some prefer to do it on-line now, but the QA lab wants the information faxed. The Department will keep the Industry updated on the progress.

NPDES Inspector Certifications

Ted Sherrod

Mr. Sherrod complimented the contracting industry and the Department. Since the certification program started in 2005, there have been no violations from the regulatory entities that deal with erosion and sediment control. The current NPDES permit expires in December 2009. The draft permit is posted on DOQ's website and does not contain any requirements for inspection from the standpoint of qualified personnel. Our sister states, VA, TN, SC, GA and FL all defined how a qualified inspector is to perform NPDES weekly inspections and storm events. Should we have to add a qualified inspector definition, we will ask the regulators to adopt our existing program that we already have in place. Mr. Jenkins asked Mr. Sherrod what level of

inspector did he think would qualify. Mr. Sherrod said he thought Level Two. That is where the majority of our certifications are now.

Mr. Sherrod updated the Committee on the rulemaking for turbidity effluent limits. He has been in email contact with the Washington office. The EPA has received over 500 comments from entities across the nation. Based on the uniqueness of linear construction, it would be very difficult to address turbidity control, based on one discharge point as in vertical construction. They are looking at developing a separate category for linear construction, called passive treatment systems. They are still focusing on the December implementation date that the Judge is requiring them to meet.

DBE Disparity Study

Anthony Roper

Mr. Roper said the disparity study is scheduled to be released next Tuesday, July 28. Secretary Conti will have a public forum in Durham regarding the Department's efforts to encourage the participation of DBE, MBE and WBE in transportation contracts. After recommendations are received, the Secretary will put together a group of staff and stakeholders to determine if there are any legislative adjustments that will need to be made.

NCDOT Work Plan

Jim Trogdon

Mr. Trogdon shared the NCDOT work plan for the next 12-18 months and asked for assistance for the 5 year Transportation Work Program, which will be the first five years of NCDOT's 10-year total program and resource plan. He hopes to have that approved by the BOT and that will lead into the updated draft TIP plan. The major difference is this will have the construction portion, and every other dollar that NCDOT spends. This will support the objectives that Secretary Conti and Mr. Trogdon have had to build trust and confidence with the transportation partners, General Assembly, municipalities, AGC, NC Go, and other stakeholders. Also to be as good stewards of the state's resources and build the vision of where NCDOT thinks transportation needs to go. It will be called *Policy to Projects*.

Mr. Jenkins noted Mr. Trogdon's comments should be well-received by the public. It will add a higher confidence and credibility level to the Department. It will be project-specific and program-specific.

NC Turnpike Authority Update

Steve DeWitt

Mr. Dewitt reported that the bonds were sold last week. The bond terms will be 30 years. The money will be transferred to the bank next Wednesday. The contracts will be signed next Wednesday.

RS-1-A and RS-1-D Form

Mr. Vick said that the contractors have to submit both RS-1-A and RS1-1-D. They have had to resubmit several times. He asked Mr. Jenkins to solicit comments for conversation at the next Roadway Subcommittee Meeting.

Next Meeting Date

The next meeting is scheduled for September 17, 2009 at 10:00 a.m. in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility located at Beryl Road in Raleigh.