



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

PAT MCCRORY
GOVERNOR

ANTHONY J. TATA
SECRETARY

September 25, 2013

MEMORANDUM TO: AGC-DOT Joint Cooperative Committee Members
FROM: Victor Barbour, PE
SUBJECT: September 19, 2013 Minutes

The Joint Cooperative Committee of the AGC-DOT met at 10:00 a.m. on September 19, 2013 in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility on Beryl Road in Raleigh with the following in attendance:

Victor Barbour	Randy Garris	Daniel Keel	Delbert Roddenberry
Luke Blythe	Tim Goodson	Bryon Long	Natalie Roskam
Kevin Burns	Ricky Greene	Mike Long	Ron Shaw
Terry Canales	Ron Hancock	Jim McBryde	Trent Sherrill
Greg Dean	Berry Jenkins	Jon Nance	Jim Trogdon
Mark Foster	Mark Johnnie	Donnie Oldham	Paul Worley
Tami Gabriel	Drew Johnson	Jason Orthner	Sam Young

AGENDA AND DISCUSSION ITEMS

Revenue Update and Federal Funding Issues

Mark Foster

Mr. Foster reported that the Department's revenue and expenses are within one percent of the forecast. Motor fuels tax revenue declined, but increased car sales compensated. The Department's Federal redistribution will be approximately \$45 million which is \$20 million above the forecast. The lack of viable proposed transportation funding legislation is a concern because MAP-21 expires next year. A continuing resolution is expected. If spending and revenues continue at current levels, expenditures will exceed available funds in the fall of 2014 or early 2015, and the Federal program may be reduced by 40-50%.

Mr. Jenkins noted AGC of America, American Road & Transportation Builders Association, NCGO and others are urging members to contact their Congressman to encourage them to address transportation funding.

Letting Projections

Victor Barbour/Randy Garris

Mr. Barbour commented that MAP-21 strategic plan guidance is available online. It links performance metrics to funding using nationwide pavement and bridge criteria.

Mr. Garris reviewed the 24 projects greater than \$20 million in the tentative 12-month let list including 9 Design-Build projects. Two are large bridge projects: B-2500B is a large Design-Build bridge and B-2500A will be let this year but has not appeared on the 12 month let list yet. The tentative let list shows annual spending at over \$2.7 billion. Mr. McBryde noted a discrepancy in the November let totals. Corrected charts are provided in these minutes.

The committee discussed the Design-Build selection criteria of project scheduling and the potential for innovative construction. Last year, there were over 2,000 technical proposals and 1,500 alternative technical concepts submitted.

Impacts of Position Reductions within DOT

Victor Barbour

Mr. Barbour noted that the Department will lose 100 positions this year and 300 positions next year. There is strong encouragement to increase the use of private engineering firms in designing projects. The Department plans to increase its 60% utilization rate with CEI firms.

NCDOT/CAGC Winter Training Meetings

Ron Hancock/Berry Jenkins

Mr. Jenkins announced three Winter Training Conferences in February and March 2014. The locations will be Atlantic Beach, Raleigh, and Asheville. A subcommittee will develop the training schedule. One topic for panel discussion is defining Design-Build project roles and discussing the differences between Design-Build and traditional Bid-Build projects.

Rail Program Implementation

Paul Worley/Jason Orthner

Mr. Worley provided handouts listing the latest map and schedule for the rail program. He noted that the meeting with Norfolk Southern and North Carolina Railroad highlighted the need to follow railroad safety procedures. The Federal Railroad Administration (FRA) can fine an individual and the employer for safety violations. The FRA audits safety procedures by interviewing operators in the field who may come in contact with trains. Language barriers may present an issue unless a translator is onsite. The committee discussed possibly putting safety procedures in the cab of equipment to assist with the audits. Mr. Worley reminded the committee of the budget and schedule constraints of the rail funding.

Strategic Prioritization Process for Project Selection

Don Voelker

Mr. Voelker outlined the Strategic Transportation Investment (STI) law introduced in General Assembly in March and signed into law on June 26, 2013. Funds obligated for projects scheduled for construction on or before July 1, 2015 are not subject to the STI formula and the 0-100 point STI scoring method. All capital expenditures, regardless of mode, will be funded from the Highway Trust Fund combining what was funded from

traditional Equity-eligible funds, Urban Loop funds, Mobility Funds, Powell Bill, and Secondary Roads paving. Statewide Mobility projects will be ranked using 100% data. A combination of data and local input will be used to score Regional Impact and Division Needs projects. Project caps are in place where no more than 10% of Statewide Mobility funds over 5 years, about \$300 million, may be assigned to a single project or contiguous projects in the same corridor in a single Division or adjoining Divisions and no more than 10% of Regional Impact funds shall be expended on public transportation projects. Scored projects for highways, ferries, bike/pedestrian, rail, aviation, and public transportation modes are competing for the same funding with the 0-100 point scale. The workgroup suggests assigning expenditure minimum distributions of 90% for highway projects and 4% for non-highway projects in order to maintain the historical balance of multimodal spending. The workgroup will continue to study and improve methods to compare scoring results across all six transportation modes.

Mr. Volker reported that by the end of this calendar year, the Department will review and score 1,300 highway projects and 700 non-highway projects. In January, the Divisions, metropolitan planning organizations, and rural planning organizations will be invited to submit additional projects for review. In May, local input scores will be assigned. The new TIP is scheduled to be adopted by July 1, 2015.

Mr. Trogdon noted that revenue generation will be the next topic of discussion due to the revenue decline in the motor fuels tax and potential Federal funding cuts.

Guardrail Subcontractor

Various

Mr. Jenkins discussed an industry experience of having stock material, like guardrail, which was paid for by the prime contractor but not delivered by a subcontractor that subsequently went out of business. Mr. Jenkins requested that the Department provide a specification change that explicitly allows the prime contractor to require a material bond for high dollar material supplies. Mr. Hancock noted that one solution was to require stock item material to be onsite or in control of the contractor prior to payment. The committee discussed potentially allowing the prime contractor and the Department to approve material estimates prior to payment.

DBE Proposed Rulemaking

Terry Canales

Ms. Canales noted that there will be a listening session in Washington, DC, with limited seating and phone line availability. The U.S. Department of Transportation's Office of Small and Disadvantaged Business Utilization has requested a second round of written comments due by October 30. This comment period specifically requested an analysis of the cost and benefits of requiring good faith effort at the time of the bid opening. The Department currently allows 6 days after the let for submission of good faith efforts.

The annual goal for the Department's DBE participation is 14.7%, and the participation for the first half of 2013 was 16.78%. If the Department meets this goal for three continuous years, the Department could be designated as race-neutral.

Joint Cooperative Committee
September 19, 2013

Ms. Canales reported that the disparity study is about 75% complete. She thanked the committee for their efforts; noting that due to the participation of the prime and subcontractors, the study was able to track 85% of the monies spent in the study period.

2014 Meeting Dates

Berry Jenkins

Mr. Jenkins announced the meeting schedule for the 2014 CAGC/NCDOT Joint Cooperative Committee as follows:

January 23

March 20

May 22

July 17

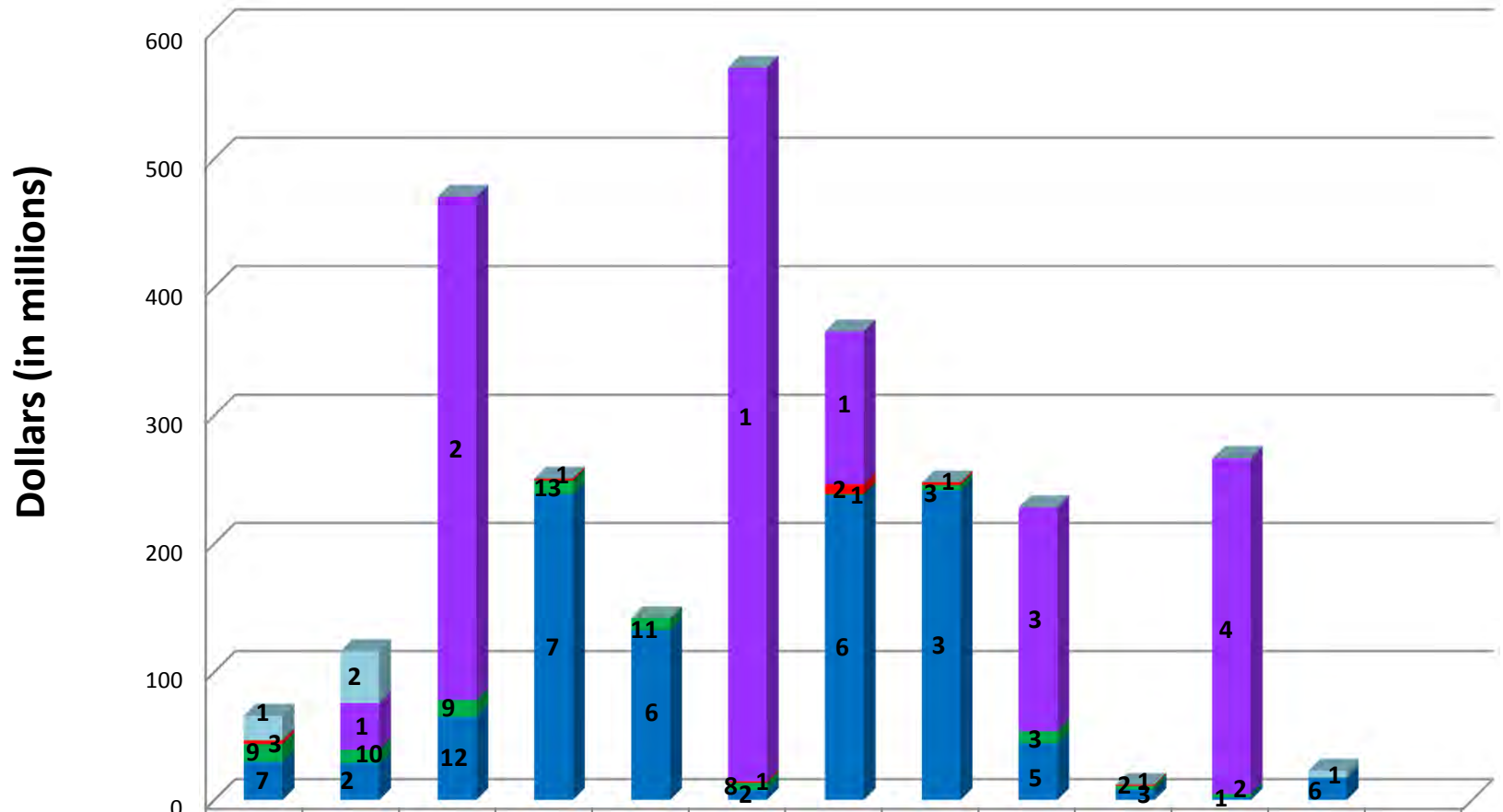
September 18

November 20

Next Meeting Date

The next meeting is scheduled for November 21, 2013 at 10:00 a.m. in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility on Beryl Road in Raleigh.

NCDOT 12 Month Let List Totals in Millions



	OCT. '13	NOV.	DEC.	JAN. '14	FEB.	MAR.	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	TOTALS
TOTAL	\$65.8	\$116.3	\$470.2	\$250.7	\$142.1	\$570.9	\$365.3	\$247.7	\$228.2	\$11.9	\$266.7	\$23.1	\$2,758.9
ARRA Rail	19.4	40.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.6	\$65.7
DB Express (0 Bridges)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	\$-
Design Build	0.0	36.3	392.3	0.0	0.0	556.5	119.0	0.0	174.5	0.0	262.1	0.0	\$1,540.7
17BP, etc. (49 Bridges)	3.0	0.0	0.0	1.5	0.0	0.9	7.6	2.1	0.0	0.9	0.0	0.0	\$15.9
TIP Bridge Replacement (76 Bridges)	13.7	10.4	13.0	10.6	9.6	6.1	1.0	4.1	9.6	2.9	2.3	0.0	\$83.0
TIP	29.8	28.9	65.0	238.7	132.5	7.5	237.8	241.6	44.1	8.1	2.3	17.5	\$1,053.6

NOTE: The number on the bar chart represents the number of projects included in each category. The number of bridges affected appears in the legend. 9/23/2013

MAJOR PROJECTS > \$20 MILLION SCHEDULED FOR OCTOBER 2013 - SEPTEMBER 2014

LET DATE	TIP#	WBS#	FA#	COUNTY	DIV.	DESCRIPTION	LATEST PRELIMINARY ESTIMATE	
11/19/2013	R-3601	38868.3.FS 2	NHS-0017(68)	BRUNSWICK	3	US 17-74-76 FROM NC 133-SR 1472 (VILLAGE ROAD) INTERCHANGE T	\$ 36,300,000	DB
11/19/2013	P-5002C	51800.3.ST R04	#	MECKLENBURG	10	CSXT DETOUR ROADBED, RETAINING WALLS, BRIDGES, FINAL ROADBED	\$ 26,750,000	
11/19/2013	U-2507A	34811.3.FD 5	STPDA- 5238(5)	MECKLENBURG	10	CHARLOTTE - SR 2467 (MALLARD CREEK RD) FROM SR 2480 (SUGAR CREEK ROAD) TO SR 2665 (HARRIS BLVD)	\$ 26,500,000	
12/17/2013	I-5110	42345.3.FS 1	#	GUILFORD	7	I-73 FROM NC 68 TO GREENSBORO WESTERN LOOP. PROJECT COMBINED	\$ 191,300,000	DB
12/17/2013	I-3802A	34429.3.S8	#	CABARRUS	10	FUTURE I-73 - FROM FOUR LANES AT SR 2011 (EDGEFIELD ROAD) TO	\$ 201,000,000	DB
1/21/2014	R-2633BA	34491.3.GV S3	NHS-0017(124)	NEW HANOVER	3	US 17 FROM US 74-76 EAST OF MALMO IN BRUNSWICK COUNTY TO SR	\$ 74,100,000	
1/21/2014	R-3307	34528.3.FR 1	HPPNHS- 0220(65)	CARTERET	2	US 70 FROM EXISTING FOUR LANES AT RADIO ISLAND TO US 70 NORTH OF SR 1429 (OLGA ROAD)	\$ 73,400,000	
1/21/2014	R-3421C	34542.3.FS 5	HPPNHS- 0220(65)	RICHMOND	8	I-73/74 FROM 0.2 MILES SOUTHWEST OF SR 1304 (HARRINGTON ROAD	\$ 59,700,000	
2/18/2014	I-4928	41188.3.FS 1	IMS-85-1(106)3	GASTON	12	I-85 WEIGH STATION CLEVELAND-GASTON COUNTIES	\$ 21,300,000	
2/18/2014	R-2519B	35609.3.S2	#	YANCEY	13	US 19 EAST FROM NC 80 IN YANCEY COUNTY TO MULTI-LANE SECTION	\$ 58,500,000	
2/18/2014	X-0002CC	35196.3.FS 22	NHF-0100(23)	CUMBERLAND	6	FROM EAST OF NC 210 (MURCHISON ROAD) TO US 401	\$ 24,100,000	
3/4/2014	I-5405	45454.3.P3 S1	CMNHF- 0771(217)	MECKLENBURG	10	I-77 FROM I-277 (BROOKSHIRE FREEWAY) TO I-485; COMBINED WITH	\$ 556,456,000	DB
4/15/2014	R-2707B	34497.3.FS 5	NHF-0074(107)	CLEVELAND	12	US 74 (SHELBY BYPASS) FROM EAST OF SR 1315 (PLATO LEE ROAD)	\$ 32,600,000	
4/15/2014	U-3615B	34962.3.FD 1	STP-1820(5)	GUILFORD	7	HIGH POINT - SR 1820 (SKEET CLUB ROAD) FROM WEST OF SR 1818	\$ 31,800,000	
4/15/2014	U-0071	34745.3.S2	#	DURHAM	5	DURHAM - EAST END CONNECTOR FROM NC 147 (BUCK DEAN FREEWAY)	\$ 140,700,000	
5/20/2014	U-2519CB	34817.3.S8	#	CUMBERLAND	6	FAYETTEVILLE OUTER LOOP (FOL) FROM SOUTH OF SR 1400 (CLIFFDA	\$ 125,600,000	
5/20/2014	U-2525B	34821.3.S6	#	GUILFORD	7	GREENSBORO EASTERN LOOP FROM NORTH OF US 70 TO US 29 NORTH O	\$ 114,100,000	
6/17/2014	R-2250A	34411.3.R2	#	PITT	2	NC 11-903 (GREENVILLE SOUTHWEST BYPASS) FROM SOUTH OF OLD NC	\$ 27,500,000	DB
6/17/2014	R-2250B	34411.3.R3	#	PITT	2	NC 11-903 (GREENVILLE SOUTHWEST BYPASS) FROM SOUTH OF NC 102	\$ 52,100,000	DB
6/17/2014	R-2250C	34411.3.R4	#	PITT	2	NC 11-903 GREENVILLE SOUTHWEST BYPASS FROM SOUTH OF SR 1126	\$ 94,900,000	DB
8/19/2014	R-2536AA	34450.3.FR 2	STPNHF- 0064(171)	RANDOLPH	8	US 64 (ASHEBORO SOUTHERN BYPASS) FROM EXISTING US 64 WEST OF	\$ 55,000,000	DB
8/19/2014	R-2536AB	34450.3.FS 3	STPNHF- 0064(172)	RANDOLPH	8	US 64 (ASHEBORO SOUTHERN BYPASS) FROM NORTH OF NC 49 TO WEST	\$ 62,400,000	DB
8/19/2014	R-2536B	34450.3.FS 4	STPNHF- 0064(107)	RANDOLPH	8	US 64 (ASHEBORO SOUTHERN BYPASS)FROM WEST OF I-73-I-74/US 22	\$ 88,700,000	
8/19/2014	R-2536C	34450.3.FS 5	NHF-0064(159)	RANDOLPH	8	US 64 (ASHEBORO SOUTHERN BYPASS) FROM NORTH OF SR 2834 (OLD	\$ 56,000,000	

TOTAL COST ESTIMATE PROJECTS > \$20 MIL \$ 2,086,106,000

LARGE BRIDGE PROJECTS > \$10 MILLION

4/15/2014	B-2500B	32635.3.FR7	BRNHF- 0012(56)	DARE	1	RODANTHE ON NC 12 LONG-TERM IMPROVEMENTS (PHASE II)	\$ 119,000,000	DB
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TOTAL COST ESTIMATE LARGE BRIDGE PROJECTS > 10 MIL \$ 119,000,000

76 - BRIDGES AFFECTED BY 71 TIP BRIDGE PROJECTS

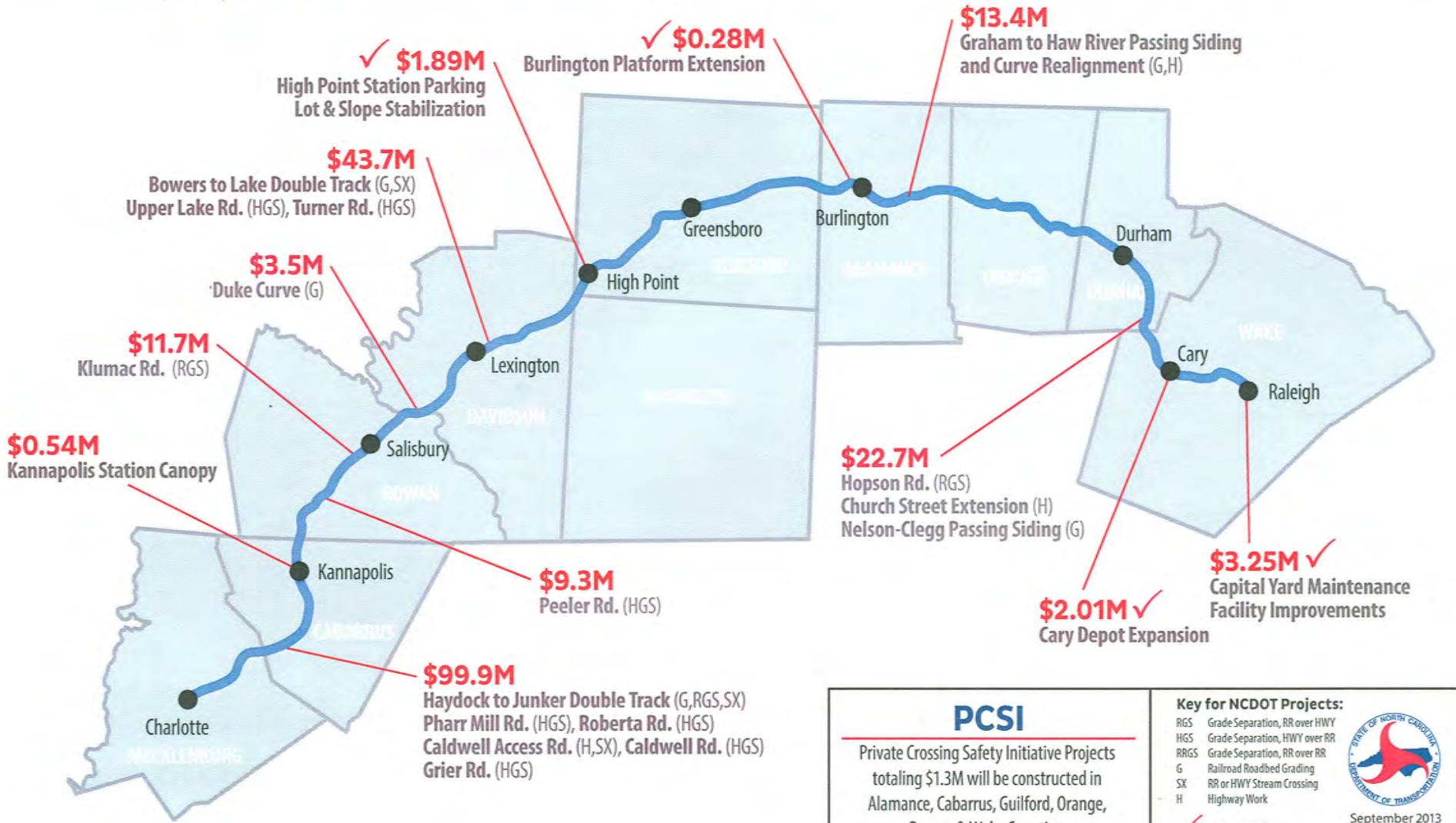
49 - BRIDGES AFFECTED BY 9 (17BP, BK, BP) BRIDGE PRESERVATION PROJECTS

12 MONTH TOTAL FOR OCTOBER 2013 - SEPTEMBER 2014 = \$ 2,758,883,000



PIP Projects—Completed or Currently Underway

Additional Projects will be contracted during the next year.



<h2>PCSI</h2> <p>Private Crossing Safety Initiative Projects totaling \$1.3M will be constructed in Alamance, Cabarrus, Guilford, Orange, Rowan & Wake Counties.</p>	<p>Key for NCDOT Projects:</p> <ul style="list-style-type: none"> RGS Grade Separation, RR over HWY HGS Grade Separation, HWY over RR RRGS Grade Separation, RR over RR G Railroad Roadbed Grading SX RR or HWY Stream Crossing H Highway Work <p>✓ Project Complete</p>
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September 2013

\$21M Piedmont Equipment

- ✓ 5 Locomotives rebuilt, 2 Lounge Cars, 2 Coaches refurbished & in service
- 7 Additional Coaches will be refurbished over next 18 months.





Strategic Transportation Investments NCDOT/CAGC Joint Cooperative Committee

September 19 2013



Strategic Transportation Investment (STI)

House Bill 817 signed into Law June 26, 2013

Overwhelming support in both House and Senate

Most significant NC transportation legislation since 1989 Highway Trust Fund

Prioritization 3.0 Workgroup charged with providing recommendations to NCDOT on weights and criteria



How the STI Works

40% of Funds = \$6B

30% of Funds = \$4.5B

30% of Funds = \$4.5B

Estimated \$15B in Funds for SFY 2016-2025

Statewide Mobility

Focus → Address Significant Congestion and Bottlenecks

Eligible Projects

- Statewide type Projects (such as Interstates)
- Selection based on 100% Data
- Projects Programmed prior to Local Input Ranking

Regional Impact

Focus → Improve Connectivity within Regions

Eligible Projects

- Projects Not Selected in Statewide Mobility Category
- Regional Projects
- Selection based on 70% Data & 30% Local Input
- Funding based on population within Region

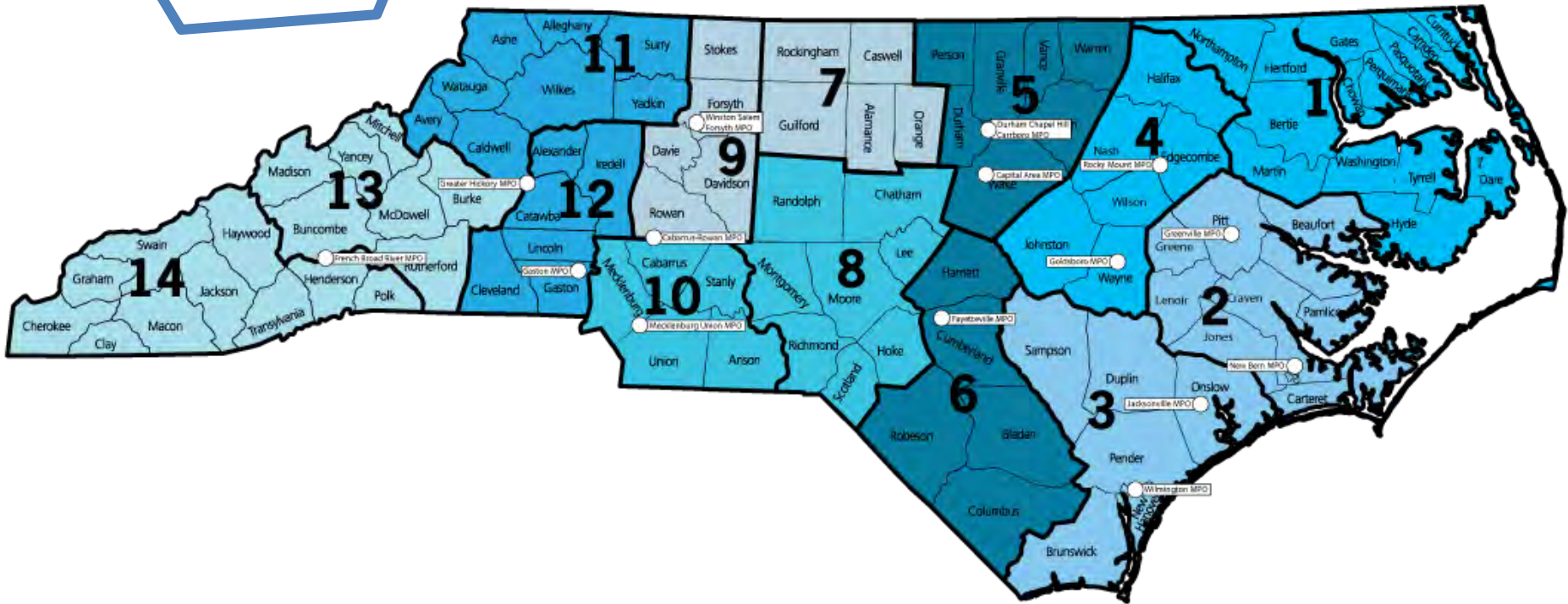
Division Needs

Focus → Address Local Needs

Eligible Projects

- Projects Not Selected in Statewide or Regional Categories
- Division Projects
- Selection based on 50% Data & 50% Local Input
- Funding based on equal share for each Division = ~\$34M per yr

regions & divisions





STI Legislation

Combines traditional Equity-eligible funds, Urban Loop funds, Mobility Funds, Powell Bill, and Secondary Roads paving

Funds obligated for projects scheduled for construction by July 1, 2015 are not subject to formula

All capital expenditures, regardless of mode, will be funded from Highway Trust Fund. All modes must compete for the same funds

Local Input will be part of the scoring criteria for all Regional Impact and Division Needs projects



STI Legislation

Projects (regardless of mode) will be scored on a 0-100 point scale

Operations and Maintenance expenditures will be funded from Highway Fund

Project Cap – No more than 10% of Statewide Mobility funds over 5 years (~\$300M) may be assigned to a single project or contiguous projects in the same corridor in a single Division or adjoining Divisions

No more than 10% of Regional Impact funds shall be expenditure on Public Transportation projects



Eligibility Definitions - Highways

	Statewide	Regional	Division
Highway	<ul style="list-style-type: none"> • Interstates and Future Interstates • Routes on the NHS as of July 1, 2012 • Routes on Department of Defense Strategic Highway Network (STRAHNET) • Appalachian Development Highway System Routes • Uncompleted Intrastate projects • Designated Toll Facilities 	<ul style="list-style-type: none"> • Other US and NC Routes 	<ul style="list-style-type: none"> • All SR Routes



Highway Scoring Criteria and Weights

Funding Category	<u>QUANTITATIVE</u> Data	<u>LOCAL INPUT</u>	
		Division Rank	MPO/RPO Rank
Statewide Mobility	[Travel Time] Benefit/Cost = 30% Congestion = 30% Economic Competitiveness = 10% Safety = 10% Multimodal [& Freight + Military] = 20% Total = 100%	--	--
Regional Impact	[Travel Time] Benefit/Cost = 30% Congestion = 30% Safety = 10% Total = 70%	15%	15%
Division Needs	[Travel Time] Benefit/Cost = 20% Congestion = 20% Safety = 10% Total = 50%	25%	25%



Local Input Points

Use in Regional Impact and Division Needs categories only

of Points = 1000 points + additional points based on population

Separate Allocation of Points for Regional Impact Category and Division Needs Category

- Point allocation is the same for each

100 point cap for any one project; points can also be donated across Regions/Divisions

MPOs/RPOs need to have a NCDOT approved process for assigning local input points based on combination of quantitative and qualitative data (per S.L. 2012-84)

- Needs to be finalized by May 1, 2014



Normalization Approach

For Prioritization 3.0 Only (Initial Implementation of STI)

- Statewide Mobility (only) – No normalization, scores are stand-alone for comparison (highway, aviation, freight rail)
- Regional Impact & Division Needs – Allocate funds to Highway and Non-Highway modes based on minimum floor or %s

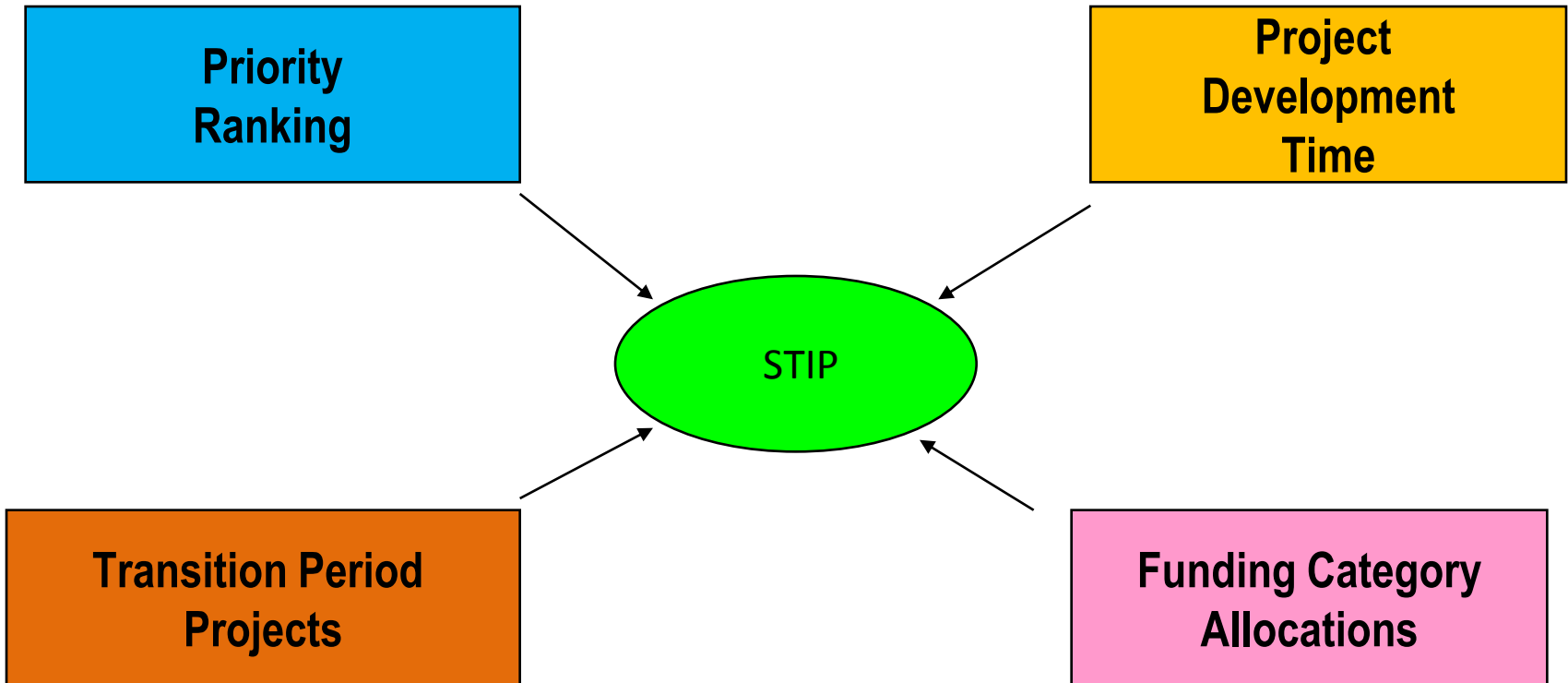
Mode	Workgroup Recommendation	Historical Budgeted	Historical Expenditures
Highway	90% (min.)	93%	96%
Non-Highway	4% (min.)	7%	4%

- Continue research with national experts
- Conduct a statistical analysis of scores by an outside agency after all quantitative scores are completed in 2014. Request a recommendation on how to normalize.
- Incorporate research and analysis findings into Prioritization 4.0

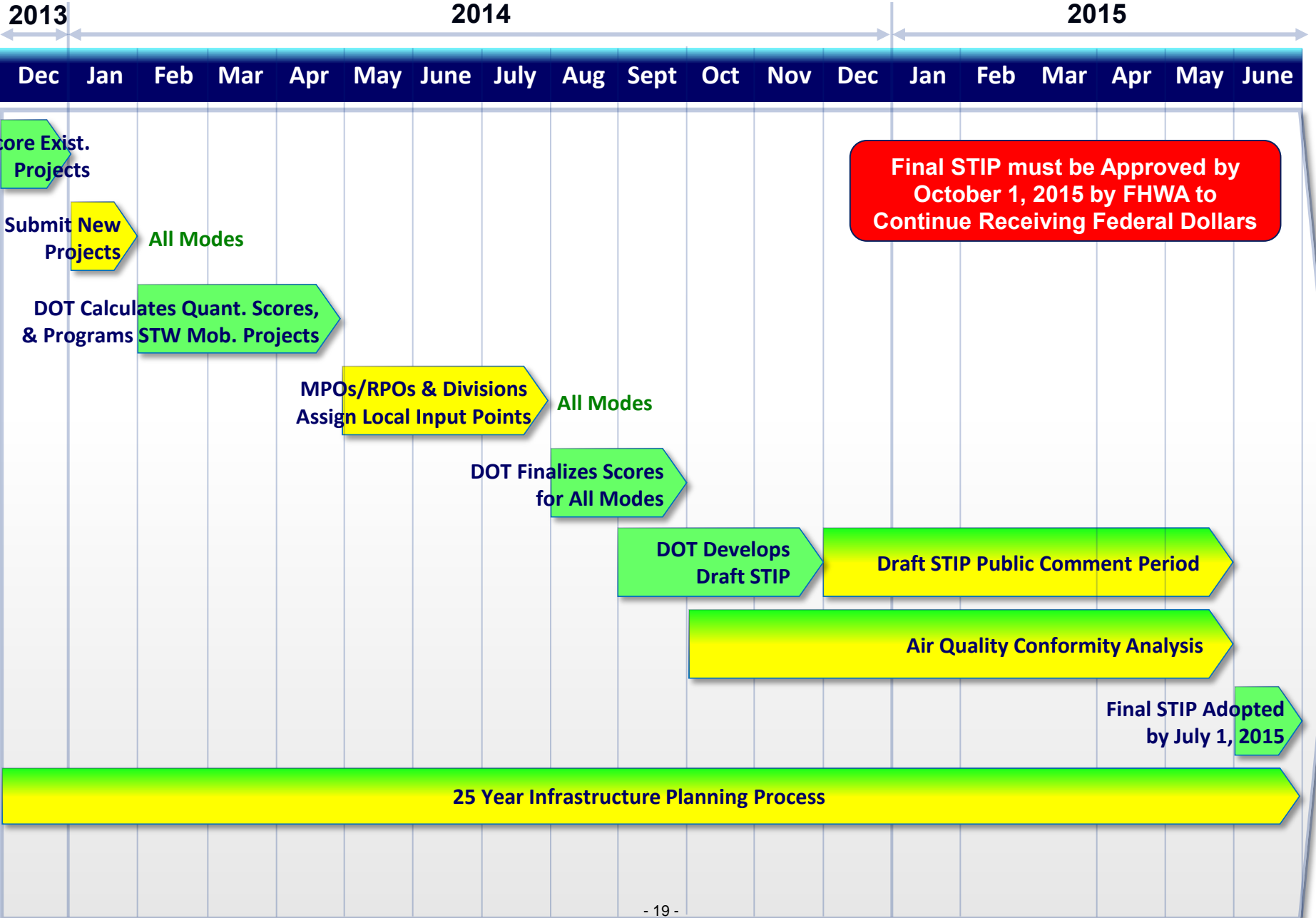


Factors Which Impact the STIP

Prioritization Does Not Equal Programming



Prioritization 3.0 Schedule



Final STIP must be Approved by October 1, 2015 by FHWA to Continue Receiving Federal Dollars

Final STIP Adopted by July 1, 2015