



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

PAT MCCRORY
GOVERNOR

ANTHONY J. TATA
SECRETARY

February 17, 2015

MEMORANDUM TO: AGC-DOT Joint Cooperative Committee Members
FROM: Rodger Rochelle, PE
SUBJECT: January 22, 2015 Minutes

The Joint Cooperative committee of the AGC – DOT met at 10:00 a.m. on January 22, 2015 in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility on Beryl Road in Raleigh with the following in attendance:

Alison Black	Jennifer Brandenburg	Kevin Burns	Alan Cahill
Terry Canales	Randy Garriss	Ricky Greene	Ron Hancock
Adam Holcomb	Mike Holder	Ryan Holloway	Berry Jenkins
Don Lee	Mike Long	Donnie Oldham	Greg Perfetti
Ellis Powell	Rodger Rochelle	Ron Shaw	Trent Sherrill
Burt Tasaico	Nick Tennyson	David Tyeryar	Ricky Vick
Paul Worley			

AGENDA AND DISCUSSION ITEMS

Revenue Update and Federal Funding Issues

Burt Tasaico

Mr. Tasaico reported that the FFY 2015 appropriations and obligation authority have been approved. NCDOT is to receive two-thirds of their obligation authority. This is what is available for reimbursement until May 31, 2015. AASHTO has been submitting information on the next reauthorization bill.

A question was asked when or if projects would be delayed since NCDOT only has 2/3rds of its obligation authority. Per the NCDOT CFO, David Tyeryar, there is currently no delaying of projects. Of our total revenue, about 25% is federal funds for construction. Most of this is from the gas tax. We are not sure as of yet what the impact may be to maintenance projects.

A hand out was provided by Mr. Tasaico. Based on the crude oil prices, the forecast is predicting a sharp decrease in motor fuel tax revenue based on the low prices. Roughly

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RALEIGH NC

75% of the motor fuel tax goes to maintenance of our transportation system. This could have a “catastrophic” impact on our maintenance budget.

NCDOT Legislative Agenda for 2015

Nick Tennyson

Mr. Tennyson talked about the variable motor fuel tax and how NCDOT cannot run a program on a fluctuating revenue base like we have seen. Approximately 75% of the tax goes to maintenance activities. NCDOT will be talking about these issues to the legislature in February. Currently there is not a floor for the variable motor fuel tax.

The gas tax cap expires June 30, 2015. If nothing is done we revert back to the formula in the General Statute. NCDOT and their partners need to show the public of the pain they will feel from the lack of funds for maintenance unless the variable tax is addressed.

North Carolina must find a way to change the revenue streams and address new construction and maintenance to keep the level of quality we have. This includes spending where the demand is.

Congressional Update from ARTBA

Dr. Alison Premo Black

Congress is fully aware of the funding concerns and are trying to address the hole in the Highway Trust Fund. There is a need for some sort of sustainable long-term revenue. In the past Congress has not cut the program for transportation even though they have had the opportunities. The reauthorization however is another issue. There is still a big dependency on federal funds across the nation.

ARTBA is open to any and all options. Transportation is important and is very well documented as such. Change in transportation has become a political issue where it used to not be. Overall, people value their mobility. ARTBA has even shown the public that funding transportation is a fraction to what you pay for cable, cell phone plans, etc.

Letting Projections

Randy Garris

Mr. Garris provided a handout outlining the proposed Letting Projection Chart and the Let Summary Projection. From January 2015 through December 2015, \$1.545 billion in projects are currently scheduled including ARRA Rail projects, Design Build, TIP and TIP Bridge Replacement. One change to the handout is the one Bridge Preservation project has been removed.

Mr. Garris reviewed the 15 projects greater than \$20 million in the tentative 12-month let list, including three Design-Build projects, totally \$971 million. In the same 12 months, there are currently six bridge projects greater than \$10 million including one Design Build. These six projects have an estimated cost of \$267 million. Most of the projects are in the first 6 months of the calendar year. July 2015 will start showing the STI impact to the projects.

Rail Program Updates

Paul Worley

Mr. Worley provided handouts listing the latest map and schedule for the rail program, as well as project pictures. The report noted that the ARRA funds spent to date (effective December 31, 2014) were at \$218,677,239 which is more than half of the total scheduled. Reimbursement must be done by September 30, 2017. The Rail Division is trying to close out all the projects by late 2016, early 2017 to meet this requirement.

Trinity Guard Rail End Section Status

Ron Hancock

The testing as started, but is taking longer than anticipated. Results are expected in late February or early March.

On another note, there is nothing more on the long-eared bat. Divisions 1-8 are doing a programmatic biological assessment through Fish and Wildlife.

Davis Bacon Wage Study Update

Ron Hancock

All started in late 2011 when the DOL released the wages. In 2012 NCDOT performed a survey and in June of 2013 submitted the information which was denied by DOL. In December of 2013 NCDOT asked DOL to look at the information again and in 2014 DOL approved the wage rate decisions. There are some corrections that need to be made and the information will be reposted.

Coal Ash Utilization

Ron Hancock

A decision was made not to require the utilization of fly ash, but to increase the amount used from 20% to 30% and monitor its use. This should start showing up on contracts in May 2015.

Special Provision SP02 R70 was revised for Coal ash use in embankments. This is also proposed to be in contracts starting in May 2015 as an option. The draft is available for comment. Note that the amount of CCPs allowed to be used for less than 8,000 tons per acre or 80,000 tons total, came directly from the bill.

Question was asked if NCDOT tests fly ash from their approved sources and the answer was yes. NCDOT is requiring testing as well as shadow testing through our Materials and Tests Unit. From a liability perspective there is nothing that would totally limit the liability for anyone but we think that the risk is low. Also, if the class stays the same, NCDOT will not be requiring a change in the mix design.

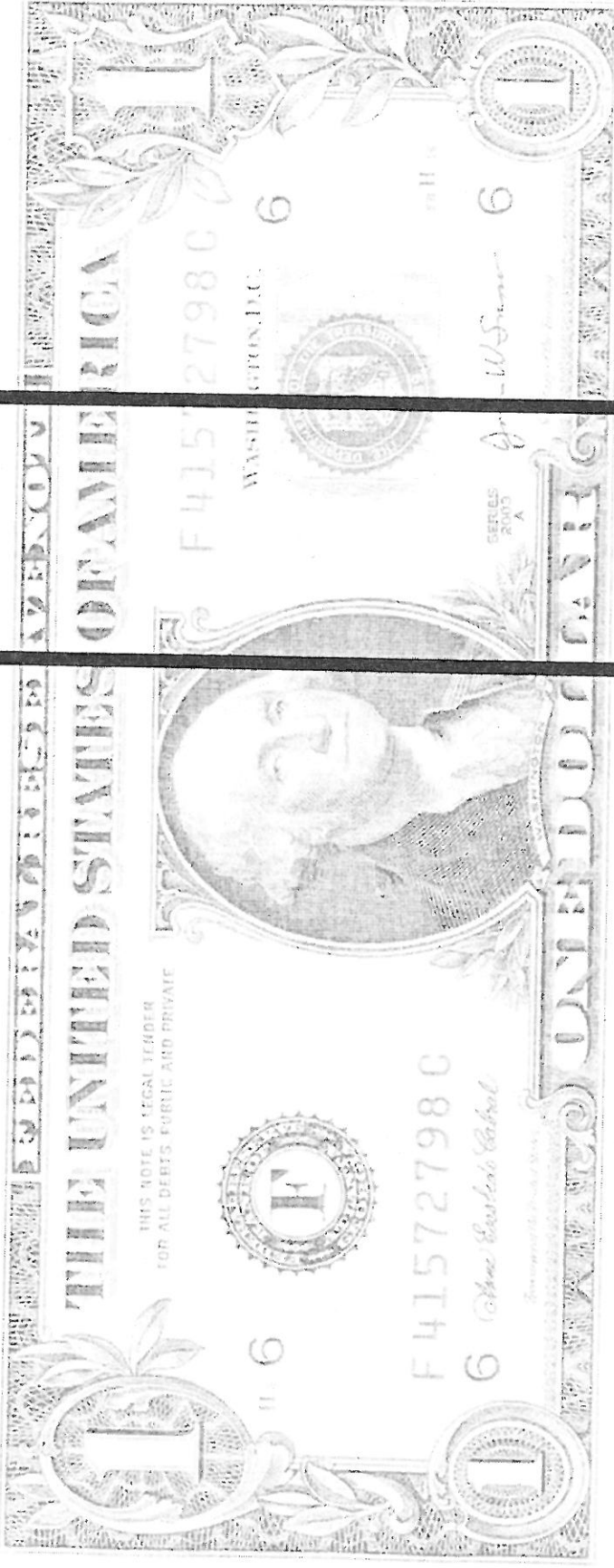
CAPA Ethics Training Handout**Berry Jenkins**

Mr. Jenkins provided a handout on Antitrust Prevention Rules that was from a training hosted a few weeks ago. CAPA has the presentation on their web site that also includes some questions and answers. It is good to know how the OIG looks at fraud on a project.

Next Meeting Date

The next meeting is scheduled for March 19, 2015 at 10:00 a.m. in the Chief Engineer's Conference Room at the NCDOT Equipment and Maintenance Facility on Beryl Road in Raleigh.

State Revenue Sources

	Motor Fuel Tax	Fees
	60%	25%
	Highway Use	Vehicle Prices,
	Tax 15%	Units Sold & Rate

MFT Rate & Fuel Consumption Fee Rates & Transactions

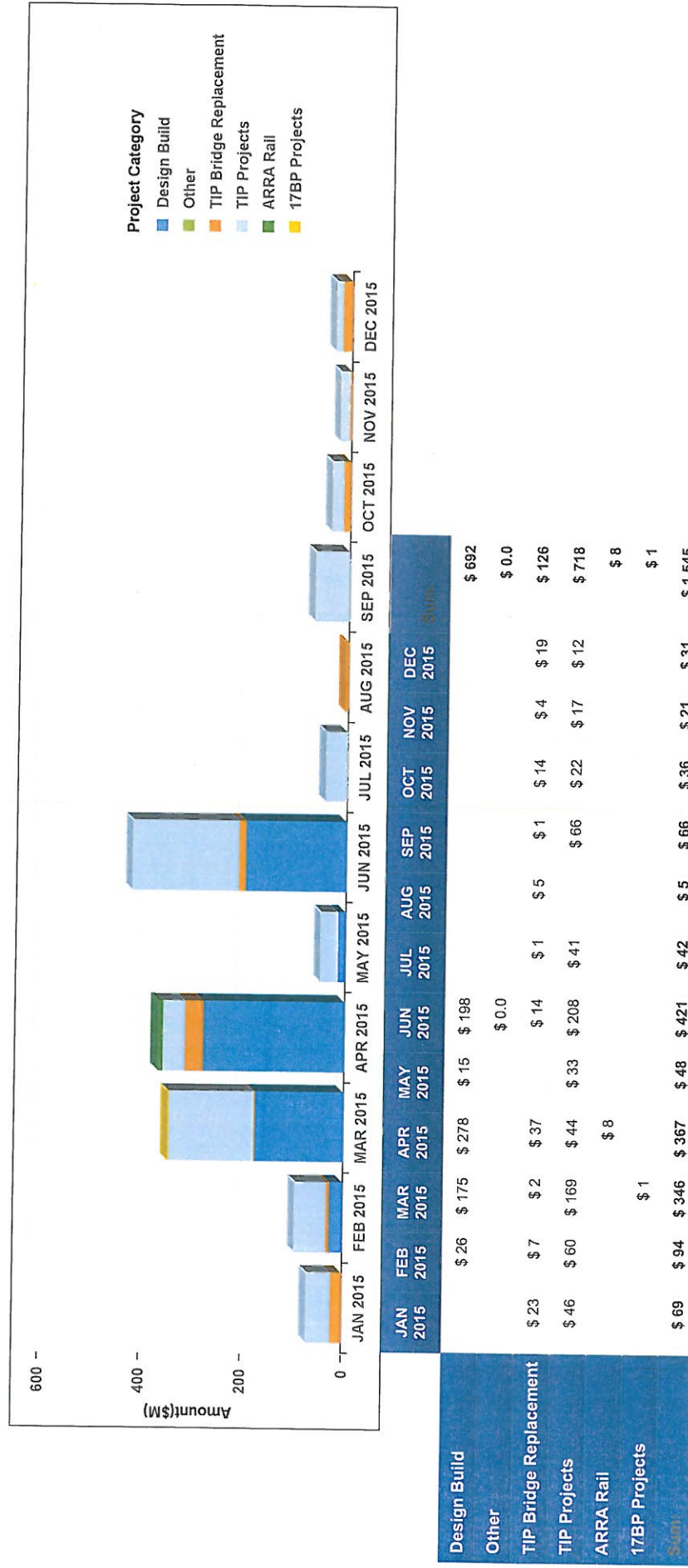
Let Summary Projection

As of: 1/20/15

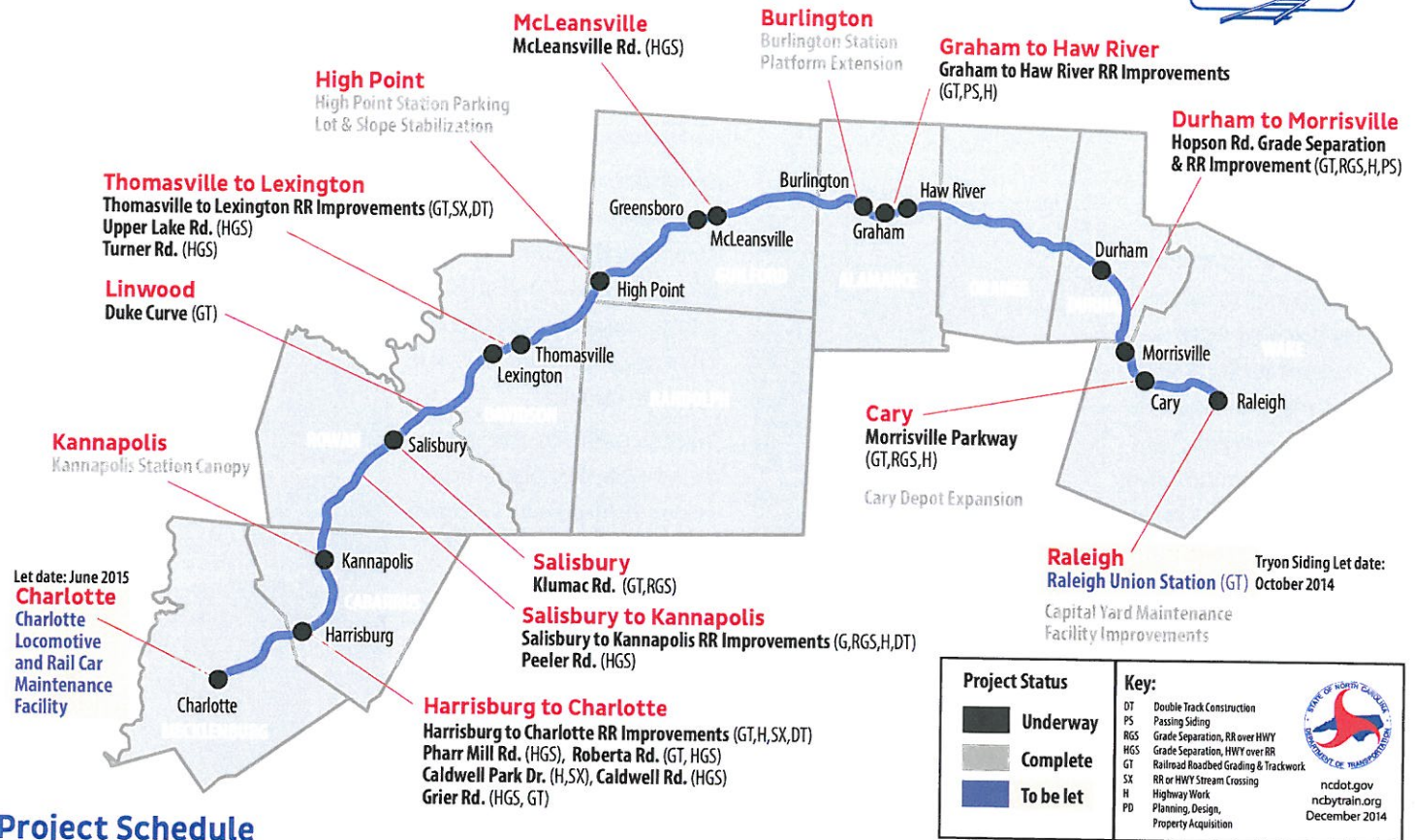
MAJOR PROJECTS > \$20 MILLION SCHEDULED FOR January 2015 To December 2015									
LET DATE	Contract ID	TIP#	WBS#	FA#	County	DIV. Description	Latest Estimate	DB Flag	
1/20/15	C203256	U-3615B	34962.3.FD1	STP-1820(5)	GUILFORD	7 HIGH POINT - SR 1820 (SKEET CLUB ROAD) FROM WEST OF SR 1818 (JOHNSON STREET) TO NC 68 (EASTCHESTER DRIVE)	\$32,600,000		
2/17/15	C203536	R-2915D	34518.3.FR4	STP-0221(42)	WATAUGA	11 US 221 FROM SOUTH OF NC 194 TO US 221 BYP	\$26,600,000		
2/17/15	C203575	U-3391	34909.2.FR2	STP-031(1)	BUNCOMBE	13 NC 63 (EASTCHESTER HIGHWAY) NW ASHEVILLE, FROM SR 1871 (DALE STREET) TO WEST OF SR 1004 (NEWFOUND ROAD)	\$26,000,000	DB	
3/17/15	#	I-0914BA	38688.3.GVS6B	IMS-085-4(116)215	WARREN	5 I-85 FROM FROM NORTH OF SR 1162 (DABNEY DRIVE) IN VANCE COUNTY TO NORTH OF SR 1237 (MANSON DREWRY ROAD) IN WARREN COUNTY	\$91,199,000		
3/17/15		I-0914BB	38688.3.GVS6B	IMS-085-4(117)224	WARREN	5 I-85 FROM NORTH OF SR 1237 (MANSON DREWRY ROAD) TO THE VIRGINIA STATE LINE	\$62,244,000		
3/17/15	R-2250		34413.3.R7	#	PITT	2 NC 11-803 (GREENVILLE BYPASS FOUR LANE DIVIDED FACILITY ON NEW LOCATION WITH BYPASS OF WINTERVILLE, NC 11 TO US 304 (GREENVILLE BYPASS))	\$174,500,000	DB	
4/21/15	C203617	R-2538	34460.3.S1	#	RANDOLPH	6 US 64 (ASHBORO SOUTH-WESTERN BYPASS) FROM US 64 WEST OF ASHEBORO TO EXISTING US 64 EAST OF ASHEBORO AND 2250 CONNECTOR FROM EAST OF SR 2039 (STALEY'S FARM ROAD) TO EXISTING 159.2500 ENTRANCE	\$273,000,000	DB	
5/19/15	C203580	R-2603	36001.3.FR1	STP-0268(17)	WILKES	11 NC 288 FROM MULTI-LANES EAST OF NC 18 TO SR 1966 (AIRPORT ROAD)	\$25,200,000		
6/16/15	#	R-2514C	34442.3.S5	#	JONES	2 US 17 FROM NORTH OF MAYSVILLE TO SOUTH OF NC 58 NEAR POLLOCKSVILLE (COMB W/ R-2514B & R-2514D) 8-WEEK ADVERTISEMENT	\$32,300,000		
6/16/15	C203592	R-2514D	34442.3.S6	#	JONES	2 US 17 FROM NORTH OF NC 58 TO THE NEW BERN BYPASS (COMB W/ R-2514B & R-2514C) 8-WEEK ADVERTISEMENT	\$75,100,000		
6/16/15	C203591	R-2514B	34442.3.S4	#	ONslow	3 US 17 SOUTH OF BELGRADE TO NORTH OF MAYSVILLE (COMB W/ R-2514C & R-2514D) 8-WEEK ADVERTISEMENT	\$40,700,000		
6/16/15	C203513	U-3315	35781.3.FD1	STP-0220(72)	PITT	2 GREENVILLE - STANTONSBURG RD - TENTH STREET CONNECTOR FROM IUS 13/NC 11 (MEMORIAL DRIVE) TO SR 1702 (EVANS STREET)	\$26,300,000		
7/21/15	C203567	U-3308	34915.3.FR1	STP-0055(20)	DURHAM	5 DURHAM - NC 55 (ALSTON AVENUE) FROM NC 147 (I. L. "BUCK" DEAN FREEWAY) TO NORTH OF US 70 BUSINESS - NC 98 (HOLLOWAY STREET)	\$30,900,000		
9/15/15	C203593	R-2915A	34518.3.FR1	STP-0221(39)	WATAUGA	11 US 221 FROM US 421 IN WATAUGA COUNTY TO SR 1003 (IDLEWILD RD) IN ASHE COUNTY	\$26,300,000		
9/15/15	C203594	R-2915B	34518.3.FR2	STP-0221(40)	WATAUGA	11 US 221 FROM SR 1003 (IDLEWILD RD) TO NORTH OF SOUTH FORK NEW RIVER	\$23,100,000		

Letting Projection Chart

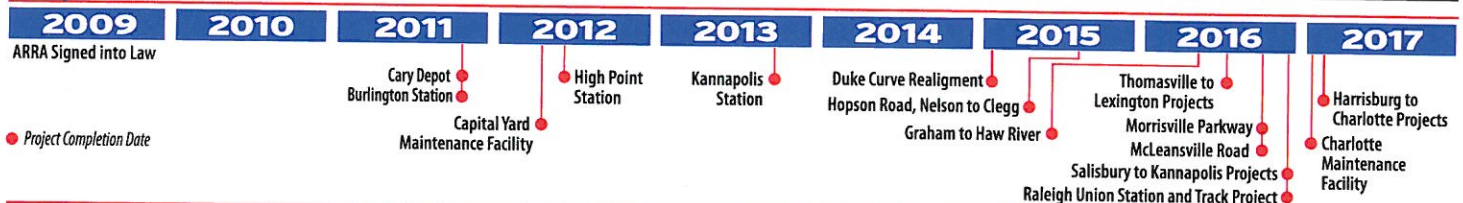
As of: 1/20/15



Piedmont Improvement Program – December 2014 Status Report



Project Schedule



ARRA Funds Spent to Date (effective 12/31/2014)

Component	Expenditure
PD&A/ROW	\$43,701,833.14
Equipment Procurement & Rebuild	\$26,156,375.38
Stations & Facilities	\$11,116,721.63
Track & Structures	\$127,603,159.30
CRISP	\$2,180,376.32
Program Totals	\$218,677,239.39 of \$520M awarded FRA Grant Funds
New ARRA Contracts Awarded in December: 10 contracts worth \$4,272,965	



P-5204 Clearing and grading for McLeansville Road bridge



P-5205 Graham to Haw River Grading

Piedmont Improvement Program Project Photos – December 2014



C-4901 Bowers to Lake - View of grading for double track from newly-completed Upper Lake Road Bridge



C-4901 Bowers to Lake - Abbotts Creek Bridge construction



U-3459 Klumac Road pier construction



P-5206 Haydock to Junker - track construction, CP Shamrock



P-5208 Haydock to Junker - Pharr Mill Road Bridge



P-5208 Haydock to Junker - Construction of retaining walls

Antitrust Prevention Rules

1. Do not agree to divide customers, markets, or territories.
2. Do not agree to require uniform terms of sale, warranties, or contract provisions.
3. Do not discuss prices or features which can impact prices such as discounts, costs of common inputs, inventory and output levels, salaries, terms and conditions of sale, warranties, or profit margins. A price-fixing violation may be inferred from price-related discussions, even in the absence of an oral or written agreement on prices.
4. Do not share data concerning fees, prices, production, sales, bids, costs, salaries, customer credit, or other business practices with competitors or industry organizations unless the exchange is made pursuant to a well-considered plan that has been approved by legal counsel.
5. Do not discuss customers with competitors.
6. Do not agree to any industry-related association membership restrictions, standard-setting, certification, accreditation, or self-regulation programs without consultation and approval by legal counsel.
7. Do not agree to refuse to deal with certain suppliers, customers, or others.
8. Always ask for an agenda for any meeting, including trade association meetings, where other competitors will be present.
9. Always request counsel be present at any discussion involving potentially competitively sensitive information.
10. Attend only those meetings serving legitimate business interests.
11. Apply these rules to both formal and informal meetings or discussions with competitors.

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MEETING SIGN-IN SHEET

CAGC/NCDOT Joint Cooperative Committee

Meeting Date: January 22, 2015

Place/Room: Chief Engineer's Conference Room (Beryl Road)

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✓ <i>Rodger Richelle</i>	<i>NCDOT</i>	<i>919.707.2900</i>	<i>rrodger@ncdot.gov</i>
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✓ <i>Ricky CRENE</i>	<i>NCDOT</i>	<i>919 707 2500</i>	<i>rcrene@ncdot.gov</i>
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✓ <i>GREG PERETTI</i>	<i>NCDOT</i>	<i>919-707-2531</i>	<i>gperetti@ncdot.gov</i>
✓ <i>MIKE LONG</i>	<i>BUCKEYE BRIDGE, LLC</i>	<i>828-226-3989</i>	<i>mike@buckeyebdridge.com</i>
✓ <i>TRENT SHERRILL</i>	<i>WAKE STONE</i>	<i>919-210-2594</i>	<i>TSHERRILL@WAKESTONECORP.COM</i>
✓ <i>RON SHAW</i>	<i>LEE CONST. CO OF THE CAROLINAS, INC.</i>	<i>704-588-5272</i>	<i>RPSHAW@LEECONCARINAS.COM</i>
✓ <i>Ellis Powell</i>	<i>CAPA</i>	<i>919-838-8004</i>	<i>epowell@carolinaasphalt.org</i>

CAGC/NCDOT Joint Cooperative Committee

Place/Room: **Chief Engineer's Conference Room (Beryl Road)**[illegible]

CAGC/NCDOT Joint Cooperative Committee

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