

NDDOT 2013 CONSTRUCTION CONFERENCE



Accomplishments - NDDOT

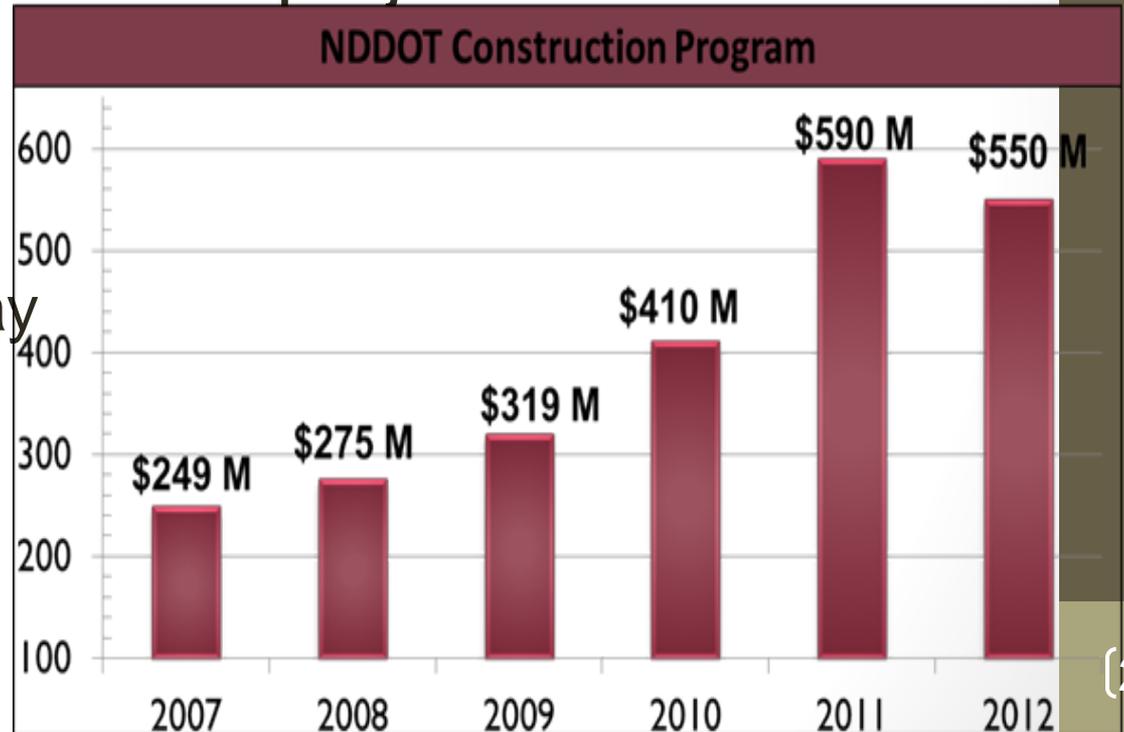
- Working with our partners – county, city, township and tribal agencies - the Department had the two largest road construction programs in state history, delivering over \$1 billion in projects.

- **Road Construction**

- NDDOT bid out 444 contracts for highway construction.

- **Emergency Work**

- \$316.74 million in federal Emergency Relief funding.



Federal Funding MAP-21 Bill

- Map 21 is a two-year bill signed into law July 6, 2012.
- The bill states North Dakota has an apportionment of:
 - \$240.5 million in 2012 and 2013.
 - \$242.5 million in 2014.
- Bill provides an obligational authority of \$234.5 million for 2012.
- Currently operating under a Continuing Resolution that funds us through the end of the year. The DOT anticipates receiving between \$234 and \$240 million in federal funds for the year.
- Over the past five years, DOT received an average of approximately \$245 million in obligational authority a year.

Senate Bill 2176 Funding

- Senate Bill 2176 provides \$720 million immediately for statewide highway and road improvement projects.
 - \$620 million of General Fund money for state highway projects.
 - \$100 million in General Fund money to the treasurer to be used by the cities, counties, and townships in the non-oil producing counties.
- The bill moves ahead a portion of the proposed \$2.7 billion DOT budget appropriation. An emergency clause is in the bill to expedite projects.
- Some key road projects would have been delayed until the following year.
- We started bidding roadway projects in February.



Comparison of Appropriation Highlights

2011-2013 Biennium vs. 2013-2015 Proposal

2011-2013 Approp. Highlights

- \$1.67 billion total appropriation.
- \$228.6 million one time for extraordinary state highway maintenance.
- \$142.0 million one time for county and township road reconstruction program.
- Nine new FTEs
- \$15.6 million increase for roadway maintenance safety items such as lighting, snow and ice removal, pothole patching, and pavement marking.
- \$2.5 million in one-time authority for asbestos abatement in the central office building.
- \$530,886 to convert the agency's entire radio network to digital.

2013-2015 Approp. Highlights (Governor's Budget)

- \$2.7 billion total appropriation to NDDOT.
 - SB2012 - \$2.1 billion
 - SB2176 - \$620 million
 - \$2.7 billion includes \$1.16 billion one time for enhanced state highway investments.
 - SB2012 - \$541.6 million
 - SB2176 - \$620 million
- SB2176 - \$100 million for non-oil-producing counties, cities and townships (state treasurer distributes)
- SB2012 provides \$142 million one time funding for county & township road reconstruction program and provides that these funds can be used for construction costs as well as engineering and design costs effective January 1, 2013.
- SB2012 provides \$10 million to match a federal TIGER III grant to rebuild a 20-mile segment of railroad track & 2 bridges near Churchs Ferry.
- SB2012 provides \$9.7 million for a motor vehicle registration/ titling info technology project.
- SB2012 provides \$6.0 million in one-time funding for the final phase of asbestos abatement.
- SB2012 provides 16.0 new FTEs.

State Funding

SB 2012 – Transportation Program Appropriations

\$1.16 billion in one-time funding from the general fund for enhanced state highway investments:

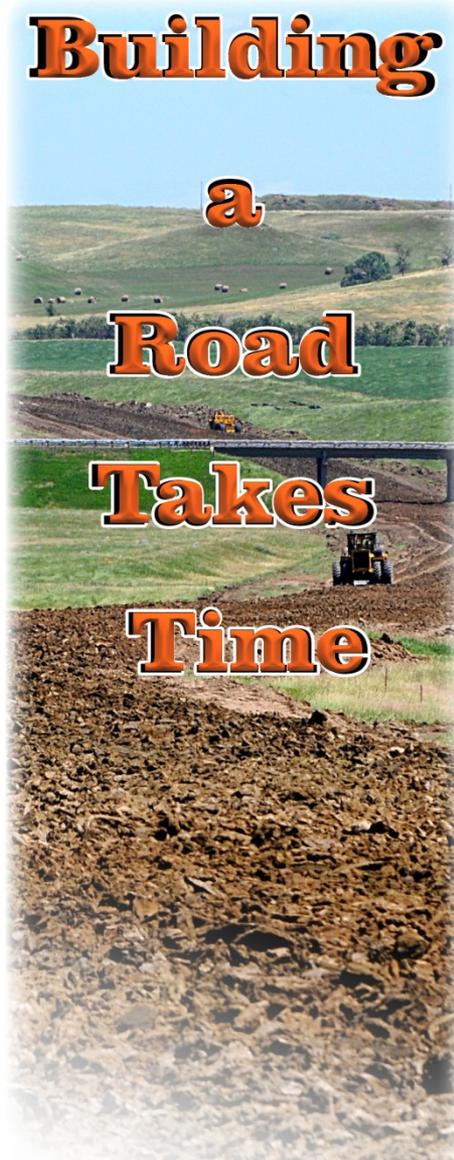
- \$146.8 million - Projects moved from 2011-13 biennium.
- \$300 million - upgrading two-lane highways to four-lane highways, and constructing underpasses.
- \$324.7 million - truck reliever routes around cities.
- \$390.1 million - extraordinary state highway maintenance and repair.

Highway Investments

Eastern and western roadway investments utilizing state and federal funding.

Funding	Oil Impact Area (Minot, Williston & Dickinson Districts) (\$ Millions)	Bismarck, Valley City, Devils Lake, Grand Forks, & Fargo Districts (\$ Millions)	Statewide (\$ Millions)	Total (\$ Millions)
2011 – 2013 BIENNIUM				
Oil Impact Funds for State Highways	\$228.6 M	---		\$228.6 M
Oil Impact Funds for County Roads	\$142.0 M	---		\$142.0 M
Bid Openings (2011 – 2012) (Fed funds, state & local match)	\$316.7 M	\$347.6 M		\$664.3 M
Emergency Relief (ER)	\$86.4 M	\$197.7 M		\$284.1 M
Total 2011- 2013 Biennium	\$773.7 M	\$545.3 M		\$1,319.0 M
2013 – 2015 BIENNIUM (SB 2012 & SB 2176)				
Projected Oil Impact Funds for State Highways	\$1,161.6 M	---		\$1,161.6 M
Projected Oil Impact Funds for County Roads	\$142.0 M	---		\$142.0 M
SB2012 Amendment - County & Township Bridge Program			\$27.0 M	\$27.0 M
STIP (2013 -2014) (Fed funds, state & local match)	\$148.8 M	\$450.0 M		\$598.8 M
ER Carryover (from 2011-2013 biennium)	\$31.1 M	\$77.0 M		\$108.1 M
Total 2013- 2015 Biennium	\$1,483.5 M	\$527.0 M	\$27.0 M	\$2,037.5 M
Grand Total 2011 – 2015	\$2,257.2 M	\$1,072.3 M	\$27.0 M	\$3,356.5 M

Time to deliver a project



Work Zone Safety

In 2011 and 2012 there were 11 work zone fatalities in WASHTO member states.





**THANK
YOU**

Ron Henke

Office of Operations Director



Accomplishments

Roundabout Project on ND 22 near Killdeer – to enhance traffic movement.

- Won the 2012 Gold Star Award in the Paving Category from North Dakota Ready Mix.
- Traffic can be viewed on our website on the Travel Information Map camera at <http://www.dot.nd.gov/travel-info-v2/>

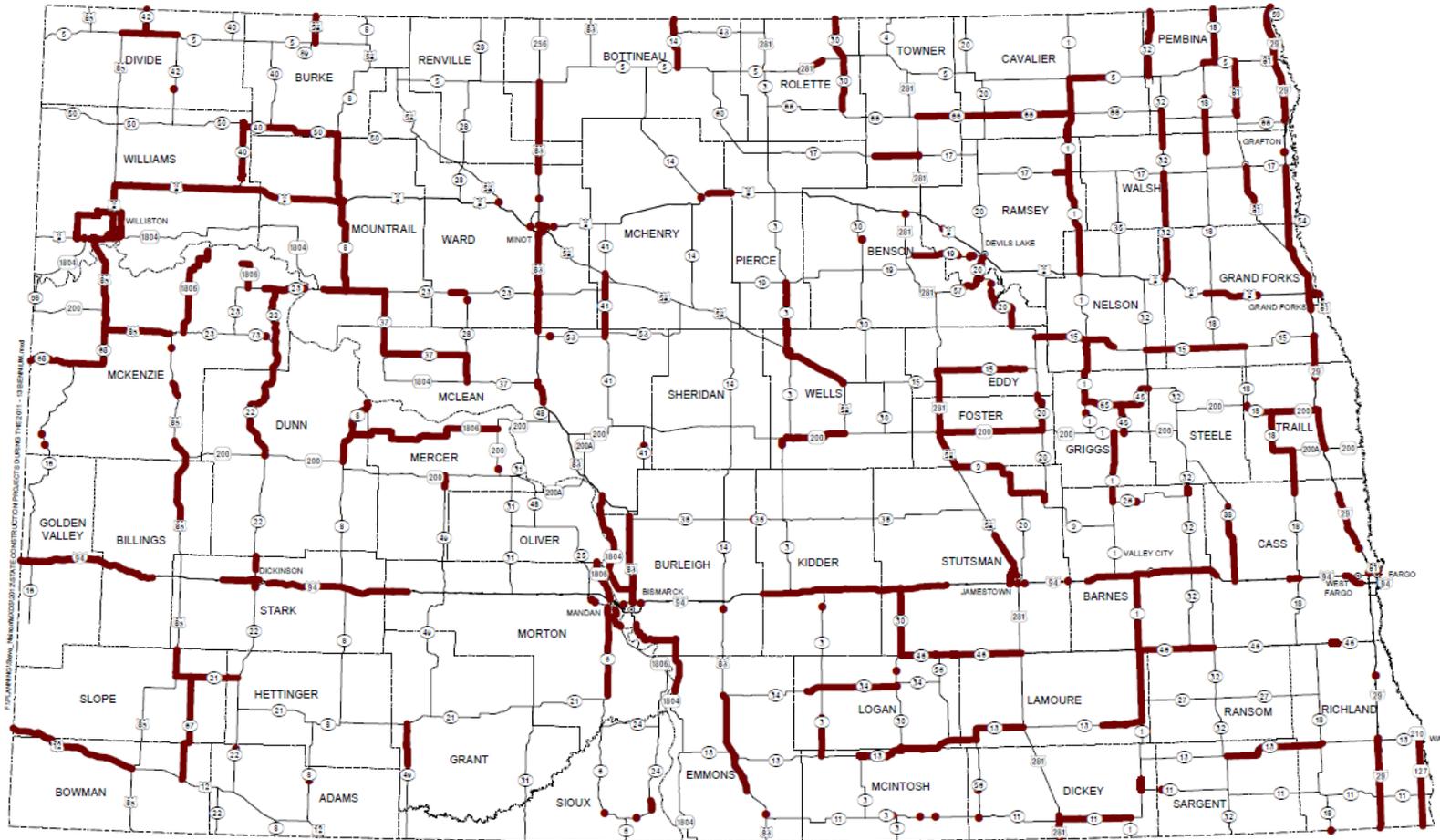


Accomplishments

Devils Lake Grade Raise Projects



Accomplishments - Transportation



2011-13 Biennium Projects

Accomplishments

Work progressed on several projects including:

- West Fargo Main Avenue
- ND 57 east of Fort Totten
- US 2 north of Williston
- ND 20 near Devils Lake
- US 85 west of Watford City
- US 281 near Carrington
- US 8 near Bowbells
- ND 200 east of Mayville
- I-94 near Dawson
- ND 18 south of Cavalier
- ND 23 east of New Town
- US 83 in Bismarck and south of Minot
- Williston temporary bypasses.

Challenges - Traffic

- **Increases in traffic:**

- Increased traffic volumes (particularly heavy trucks), accelerated the deterioration of county, township, tribal roads and state highways in the oil impact areas.
- From 2010-2012 North Dakota saw a 22% increase in traffic statewide, and a 53% increase in traffic in western N.D. on all state highways.
- I-94 near Fargo averaged 68,000 vehicles a day in 2012.
- US 85 west of Watford City averaged 11,051 vehicles a day in 2012 compared to 2,322 in 2006.



Interstate 94 Traffic near Fargo

Challenges - System Condition



ND Highway 1806 on September 2, 2010

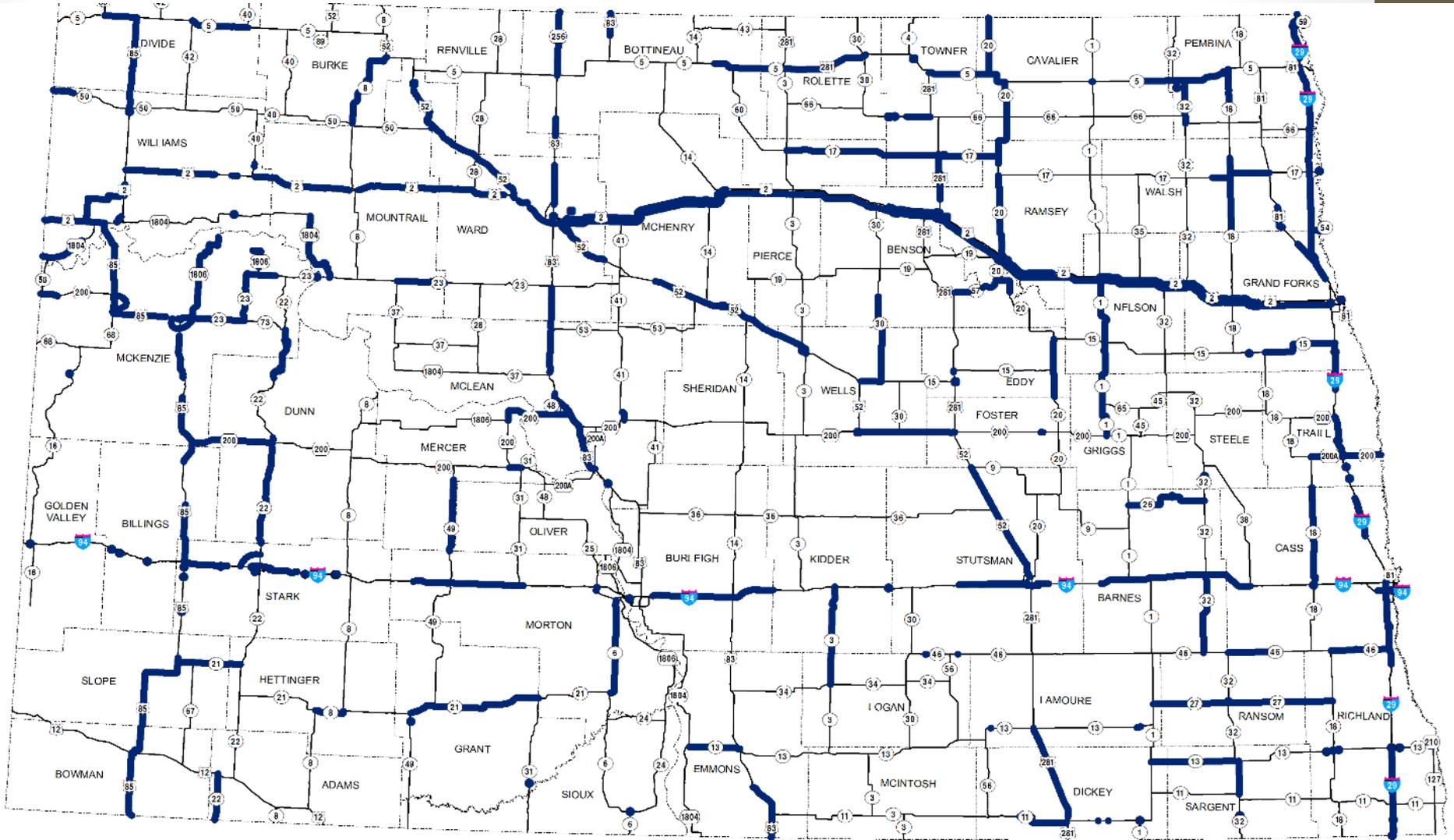


ND Highway 1806 on April 28, 2011-After 7 months of traffic

Looking Ahead to the Future



STIP Projects 2013-16



Machine Control

- HWY 85 from the East Jct 5 West to West Jct 5).
- HWY 22 from Near Stark County Line to Near RP 91).



2013 Construction Program

- Approximately \$800 million (October 2012-July 2013 Bid Openings.)
- Contingent upon current legislation in ND, and the outlook of federal funds based on a surface transportation continuing resolution or bill.
 - Includes federal, state, and local dollars



Traffic flow through construction project

- Design changes where we build a road to allow for traffic flow during a construction project.
- Examples of projects:
 - Hwy 23 reconstruction project
 - Hwy 22 reconstruction projects



Project Finals

- Close out of projects
- Filing projects – deobligate and reobligate funds.



What does “Inactive Project” really mean?

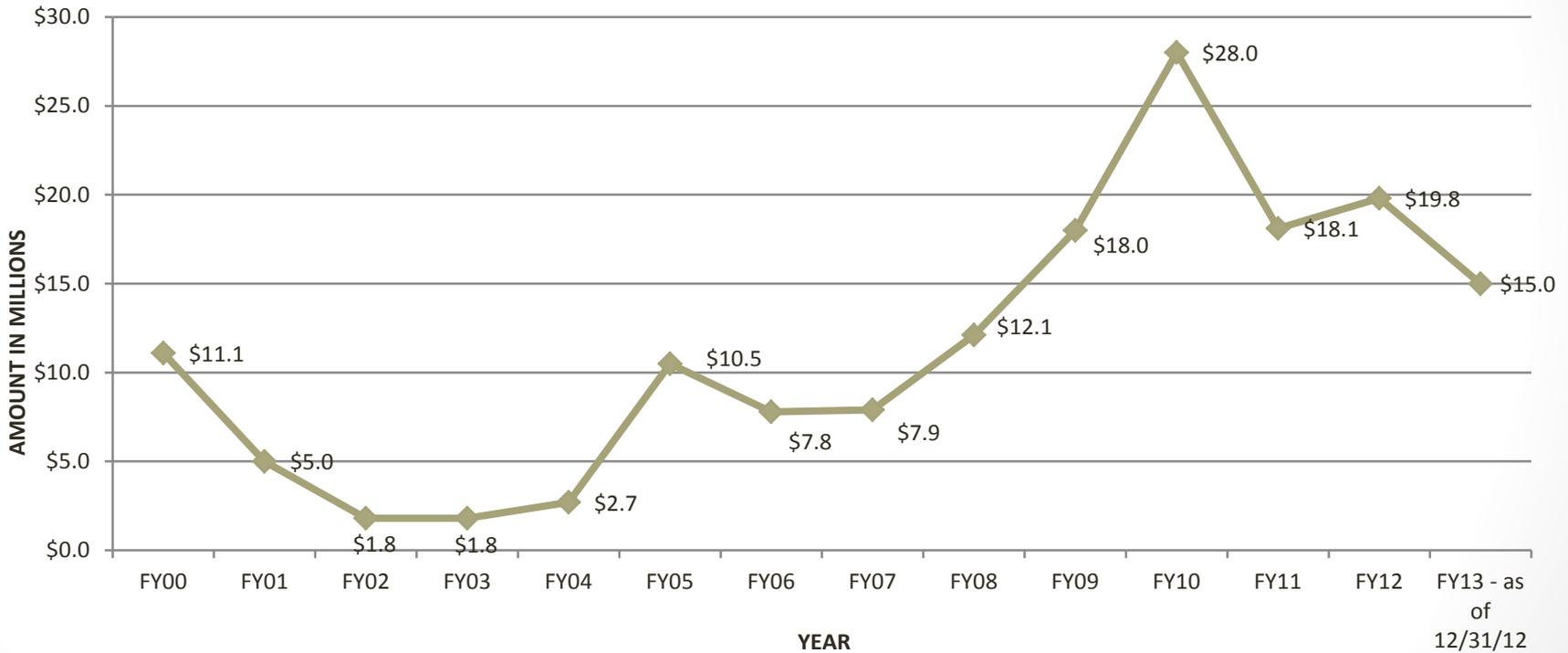
- The goal of the review is to ensure all obligations on FHWA’s books are valid and necessary
 - Looking at Undelivered Order.
 - That is the difference between what’s obligated and what has been expended.
 - Or what is referred to as Unexpended Obligations
- Obligation equals commitment to pay by Feds (liability on financial statements)
- Definition of inactive by CFR: 12 months or more with no activity (23 CFR 630.106(a)5)

Why does it matter?

- One of OIG's Top 5 Priorities
 - OIG's quote about FHWA and the Federal-aid Program "Persistent and Systemic problem w/ unexpended obligations"
 - i.e. lack of progress as noted above
- Loss of Buying power
 - If funds are obligated but not needed or not being expended now, they could be used on another project until the original project is ready to expend.
 - But everything obligated is needed.

North Dakota Project Value

DOLLAR VALUE OF PROJECTS



Final Vouchers - 2012

Number of Projects/Final Vouchers Processed: **407**

Total Amount of Funds Adjusted: **(\$12,124,468.97)**

Average per Voucher: **(\$29,789.85)**

Number of FV with Decrease: **225** (A=\$63.7k)

Number of FV with NO Change: **125**

Number of FV with Increase: **57**

Number of FV w/Decrease >\$100k = **44** (10%)

Construction Project Details

- Change Order and Process
 - What all needs to be in a change order
- Construction limitations due to erosion control – Section 106 Spec Book
- Trucking on projects
- Timely response on project issues
- Spec book update

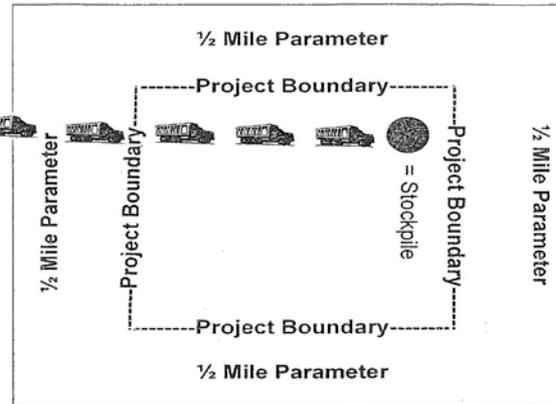
Specification Book Update

- A 90% complete draft of the rewritten book will be made available in early fall 2013 so that stakeholders (NDDOT, contractors, FHWA, local government entities, etc) can begin familiarizing themselves with the new way that the language has been written .
- A final draft will be approved and printed in the late spring/early summer of 2014.
- The rewritten Standard Specifications will be implemented for the fall 2014 bid openings for use beginning during the 2015 construction season (currently there is only a November 2014 bid opening scheduled, but if an October bid is added, it would be effective for that as well)

Bona Fide Material Supplier = 

Scenario 1:

A contractor (prime or sub) is purchasing aggregate from a borrow pit located 10 miles from the federal-aid project in question. The borrow pit has been open and selling to the public for several years. The aggregate will be stockpiled on the project site, and the contractor will be doing the laydown.



1. Would a *Prime Contractor's Request to Sublet* and subcontract agreement between the prime contractor and the supplier be required?
Answer: Yes No
2. If the prime contractor hires a trucking firm to deliver the aggregate to the stockpile site, would a *Prime Contractor's Request to Sublet* and subcontract agreement between the prime contractor and the trucking firm be required?
Answer: Yes No
3. If the supplier hires a trucking firm to deliver the aggregate to the stockpile site, would a *Prime Contractor's Request to Sublet* and subcontract agreement between the supplier and the trucking firm be required?
Answer: Yes No
4. Under what circumstances would the supplier's own truck drivers delivering the aggregate to the stockpile site be due Davis-Bacon wages?
Answer: **None.**
5. Under what circumstances would the prime contractor's own truck drivers delivering the aggregate to the stockpile site be due Davis-Bacon wages?
Answer: **Only for the amount of time spent on the project site that is more than de minimis.**
6. Under what circumstances would a trucking firm hired by the prime contractor to deliver the aggregate to the stockpile site be required to pay its drivers Davis-Bacon wages?
Answer: **Only for the amount of time spent on the project site that is more than de minimis.**
7. Under what circumstances would a trucking firm hired by the supplier to deliver the aggregate to the stockpile site be required to pay its drivers Davis-Bacon wages?
Answer: **None.**

Quality



You represent the DOT

Public perception

- Eyes and ears are everywhere



VALUES

PROFESSIONALISM

Our employees strive to improve themselves and the products and services they deliver.

RESPECT

Our employees treat others courteously and are treated with courtesy by the Department.

INTEGRITY

Our employees deal honestly with coworkers and with contacts outside the Department.

DEDICATION

Our employees assume responsibility for their work and do the job right the first time.

EXCELLENCE

Our employees continually exceed and raise the high standards they set for themselves.

PRIDE

EX0112

NDDOT
North Dakota
Department of Transportation

Questions?

Thank You!