

2016 Construction Conference

February 29, 2016

NDDOT
North Dakota
Department of Transportation

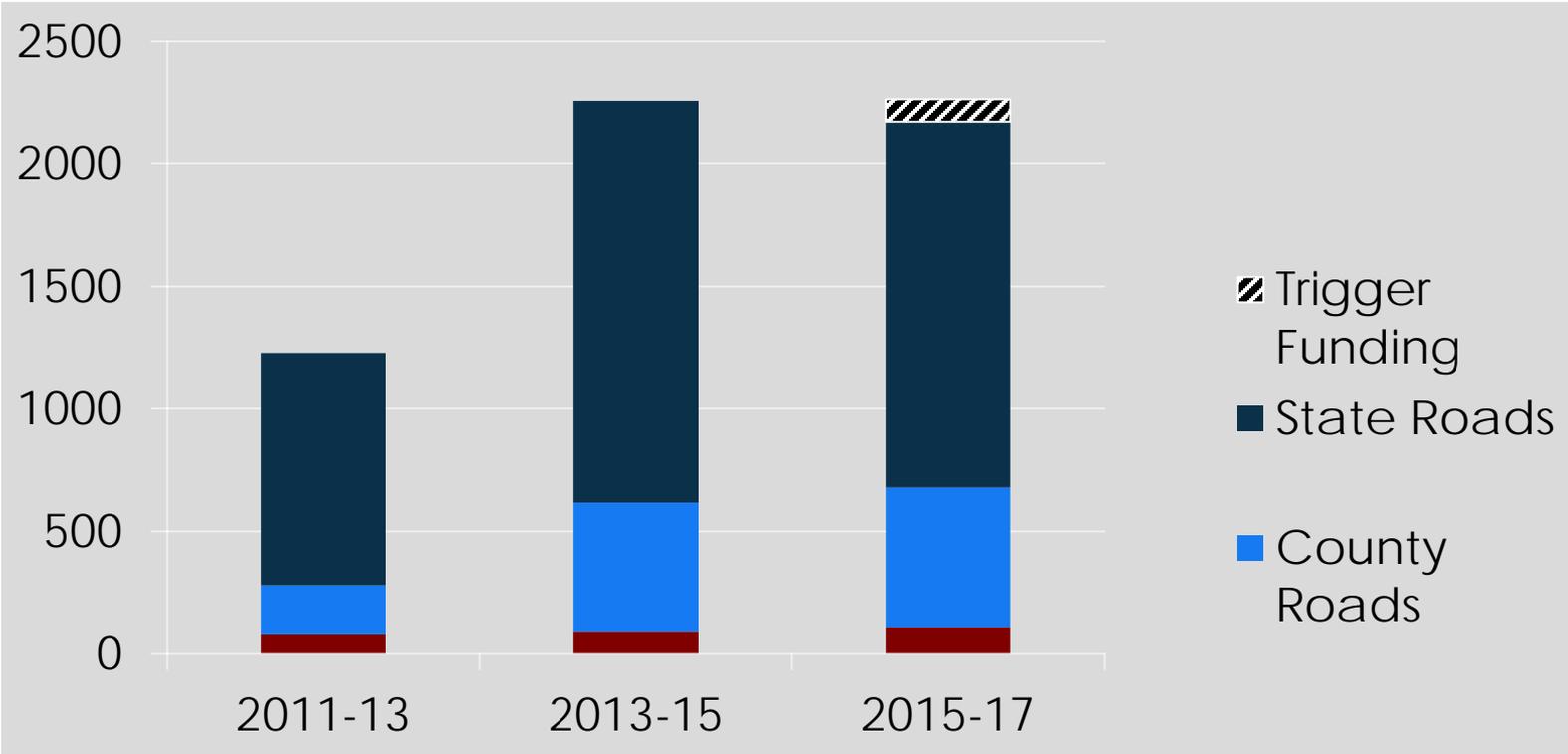
Thank YOU

Show video

[2015 Construction wrap-up video](#)

Historic Investments In Transportation

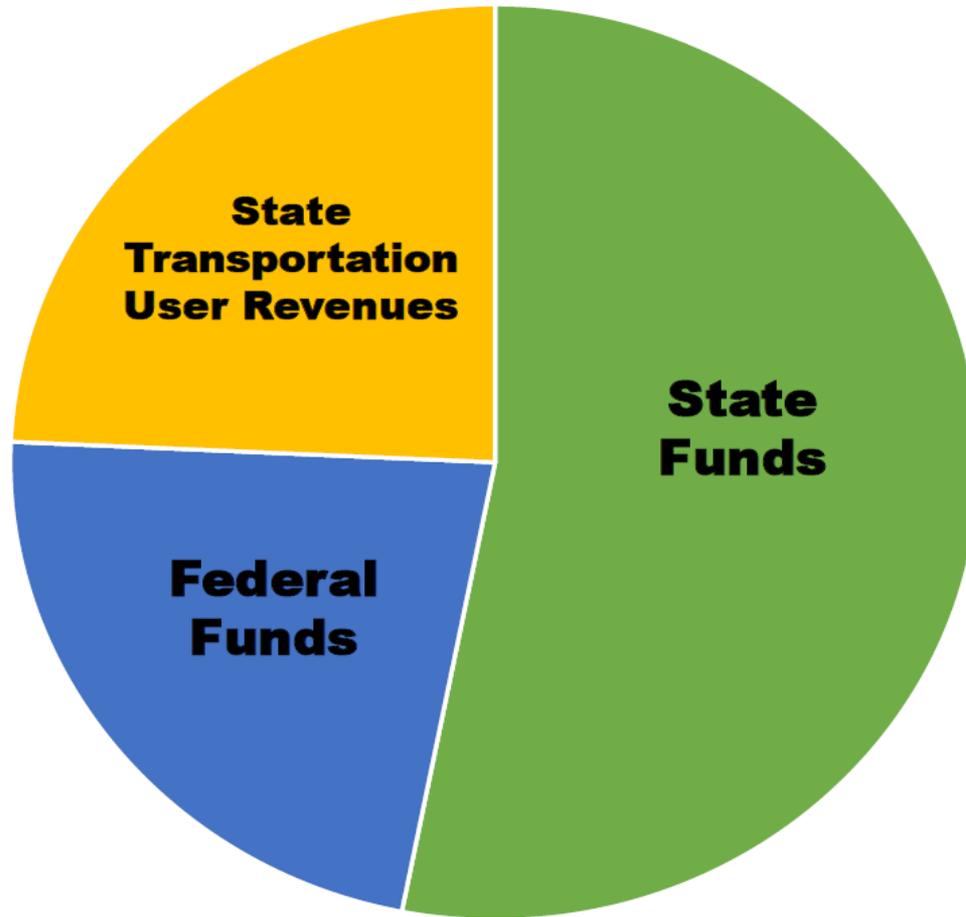
The NDDOT budget contained approximately **\$2.26*** billion for Road Projects in the 2015-17 Biennium. **Amount includes Trigger Funding.*



NDDOT Revenue Sources

- **Federal Funds** – this federal funding is utilized for federal road projects, transit and safety initiatives.
- **State Funds** – an allocation of state funds are distributed to be spent on road projects, as well as allocations to county and transit programs. These funds consist of one-time General Funds and Strategic Investment and Improvement Funds (SIIF).
- **State Transportation User Revenues** – include a portion of the state's fuel taxes and motor vehicle registrations as well as state truck regulatory fees. This is primarily used for Department operations including motor vehicle, driver's license, maintenance work, salaries and state match for federal projects.

Budget Revenue Sources for 2015-17 Biennium



Federal Funding

- On December 4, 2015, the federal transportation bill titled: Fixing America's Surface Transportation Act, or "FAST Act" was signed into law.
- It is the first law enacted in over ten years that provides long-term funding certainty for surface transportation.

Apportionment Funding	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
North Dakota	\$251.83 M	\$257.03 M	\$262.59 M	\$268.51 M	\$274.94 M
Obligational Authority	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
North Dakota	\$239 M	\$?	\$?	\$?	\$?

FAST Act Changes That Impact State

- Includes a new funding program which may affect the state's ability to distribute funds to the locals as we have in the past.
- Bill contains a \$7.569 Billion Rescission. This will mean a loss of about \$47 Million Unspent Apportionment Balances to North Dakota in 2020.

Changing North Dakota

- Commodity Prices:
 - Oil
 - Agriculture
- General Fund Revenue Adjustments

4.05% General Fund Allotment

The 4.05% reduction means we need to adjust General Fund expenditures on road construction projects, and allocations to counties and transit providers by \$26.6 million.

NDDOT State General Funds

NDDOT State General Funds		
Revenue	Dollar Amount	4.05% Reduction
SIIF Funds	\$450.0 M	\$0
General Fund – Road Projects	\$541.1 M	\$21.91 M
General Fund – Reimburse Motor Coach	\$1.0 M	\$0
General Fund – Special Road Projects	\$2.0 M	\$81,000
	Subtotal Reduction	\$21.99 M

County and Transit State Funding

County		
Revenue	Dollar Amount	4.05% Reduction
SIIF Funding	\$240.0 M	\$0
General Fund	\$112.0 M	\$4.53 M
SIIF Funding	\$112.0 M	\$0
	Subtotal Reduction	\$4.53 M

Transit		
Revenue	Dollar Amount	4.05% Reduction
General Fund	\$200,000	\$8,100
	Subtotal Reduction	\$8,100
	Total State Fund Reduction	\$26.6 M

State Fund Allotment Adjustment

- One-time state funding \$991.1 million
 - Less 4.05% General Fund \$ 21.91 million
- \$969.19 million

Budget Trigger Funding

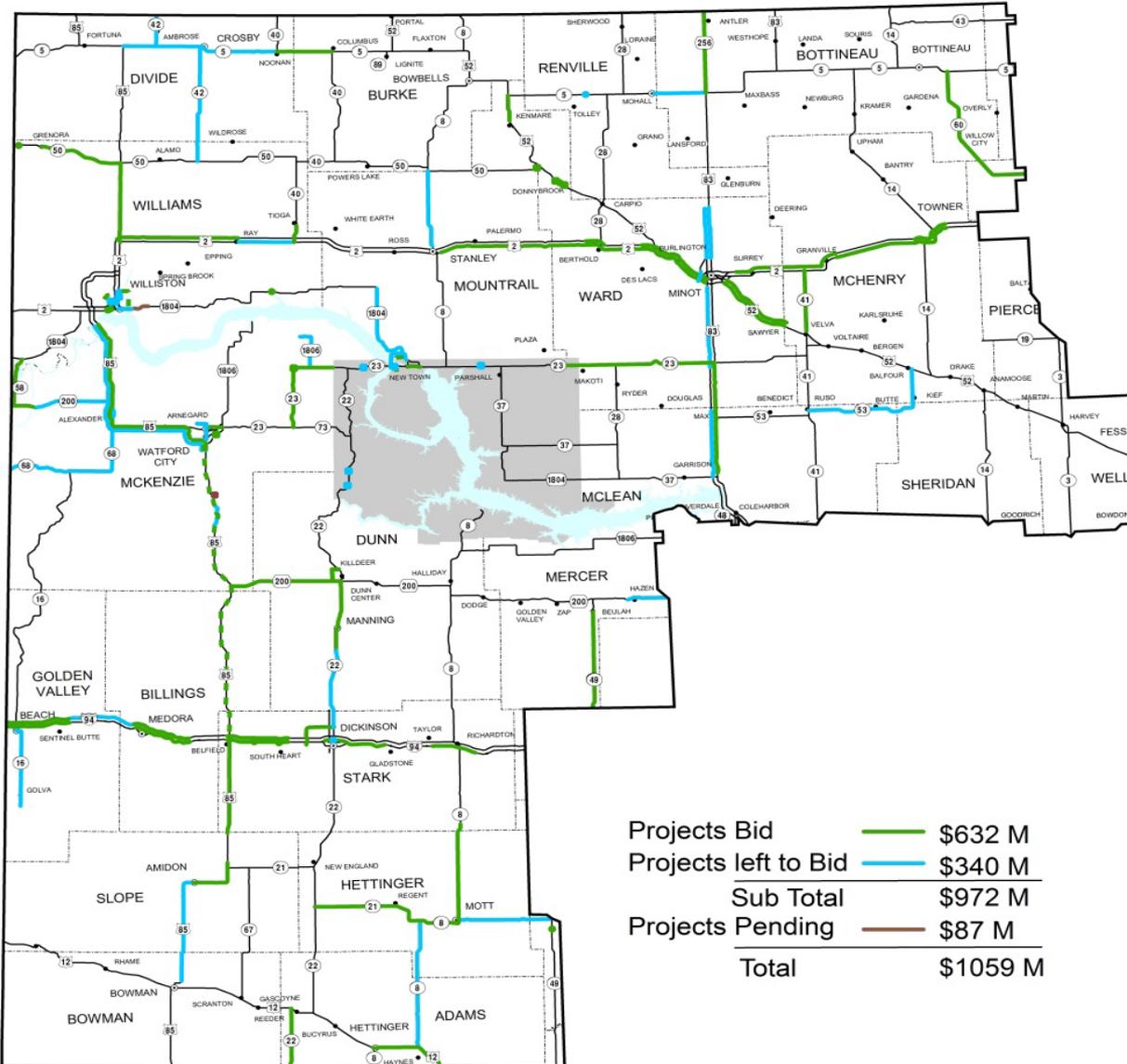
Trigger funding will not occur, which means a reduction in funding.

- NDDOT 2015-17 Biennium Budget = Approximately **\$71.85 Million** is trigger funding that is contingent upon revenue exceeding projections in the General Fund.

Effect of 4.05% General Fund Allotment

- \$4.53 million reduction in distribution of funds for non-oil producing counties.
- The majority of the needed reduction in other NDDOT programs occurred in the highway construction program as follows:
 - Cost savings achieved through receiving lower bids on projects due to lower energy prices.
 - Changed projects in western North Dakota to reduce costs, for example:
 - Changed US 85 Highway project in Watford City from concrete to asphalt.
 - Adjusted ND 42 Highway project south of Crosby from reconstruction to an overlay.
 - Adjusted project work on other urban projects in Minot and Williston areas.

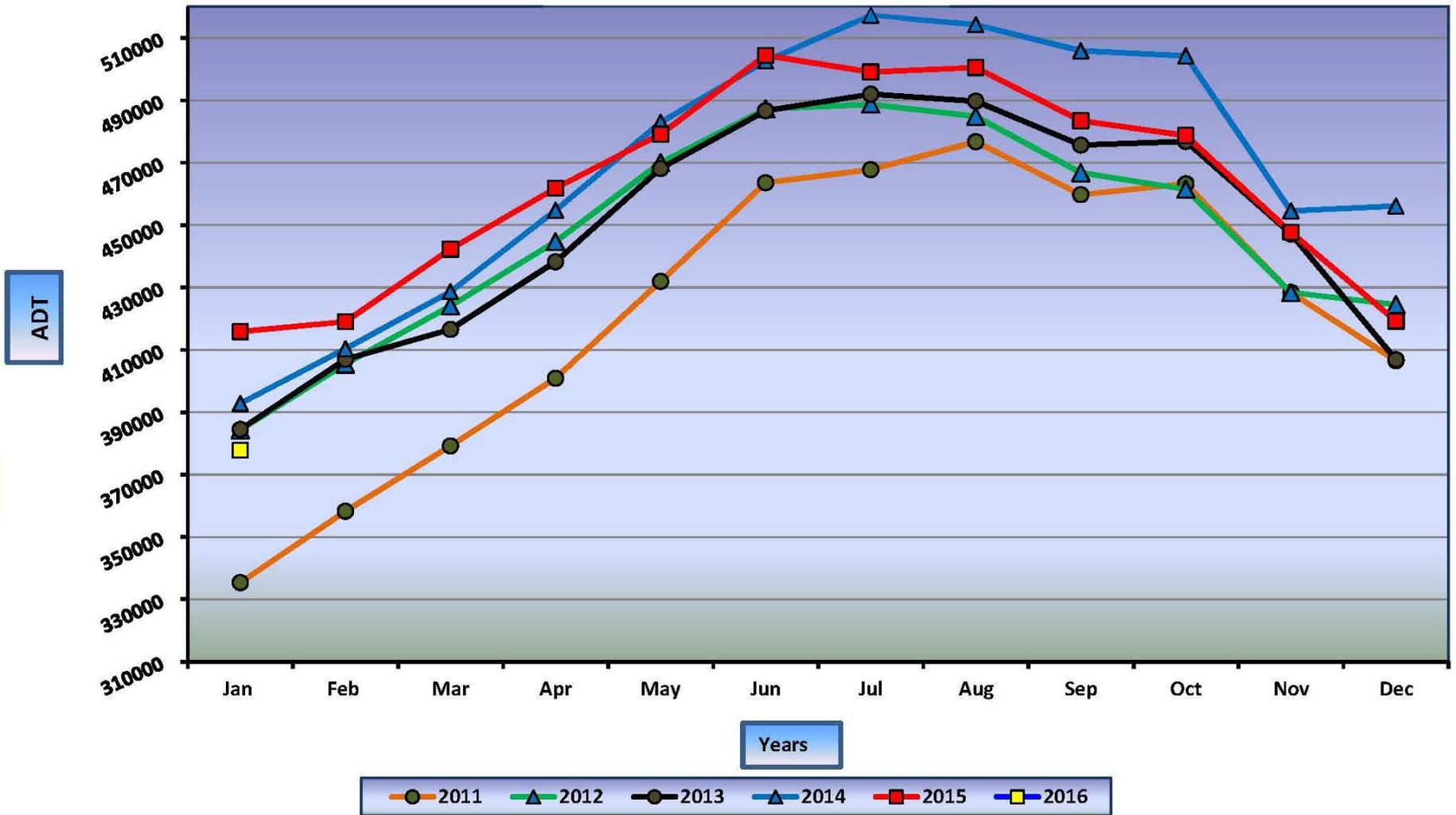
2015-2017 STATE FUNDED PROJECTS MINOT, DICKINSON and WILLISTON DISTRICTS



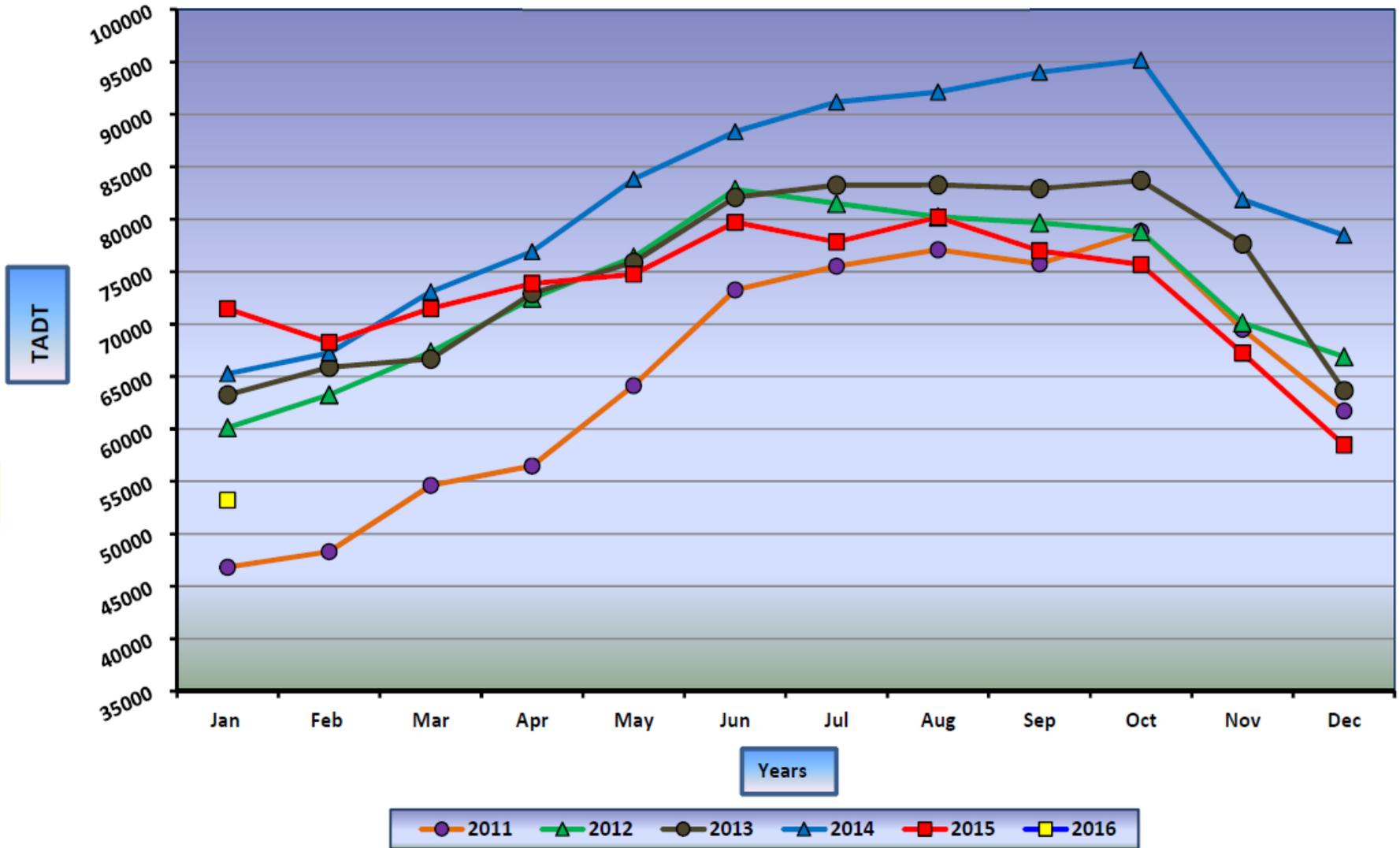
4.05%
Allotment
Adjustment

Projects Bid	\$632 M
Projects left to Bid	\$340 M
Sub Total	\$972 M
Projects Pending	\$87 M
Total	\$1059 M

Average Daily Traffic 2011-2016



Truck Traffic 2011-2016



State Transportation User Revenues

When preparing the Department budget for this biennium, state transportation user revenue numbers were projected based on several factors, including past revenue trends and anticipated economic activity in the state. Consequently, NDDOT is projecting the 2015-17 Biennium revenue to be approximately 13% below its original revenue projections. The chart below illustrate impacts as a result of revised revenue projections.

NDDOT Transportation User Revenue Changes for 2015-2017 Biennium			
Revenue Source	2015-17 Enrolled	2015-17 Revised	Difference
NDDOT Share of State Highway Tax Distribution Fund	\$ 382.4 M	\$ 332.8 M	\$ 49.6 M
Other State Highway Fund Revenues	\$ 154.8 M	\$ 135.2 M	\$ 19.6 M
TOTAL	\$ 537.2 M	\$ 468.0 M	\$ 69.2 M

State Highway Tax Distribution Fund Non-State Agency

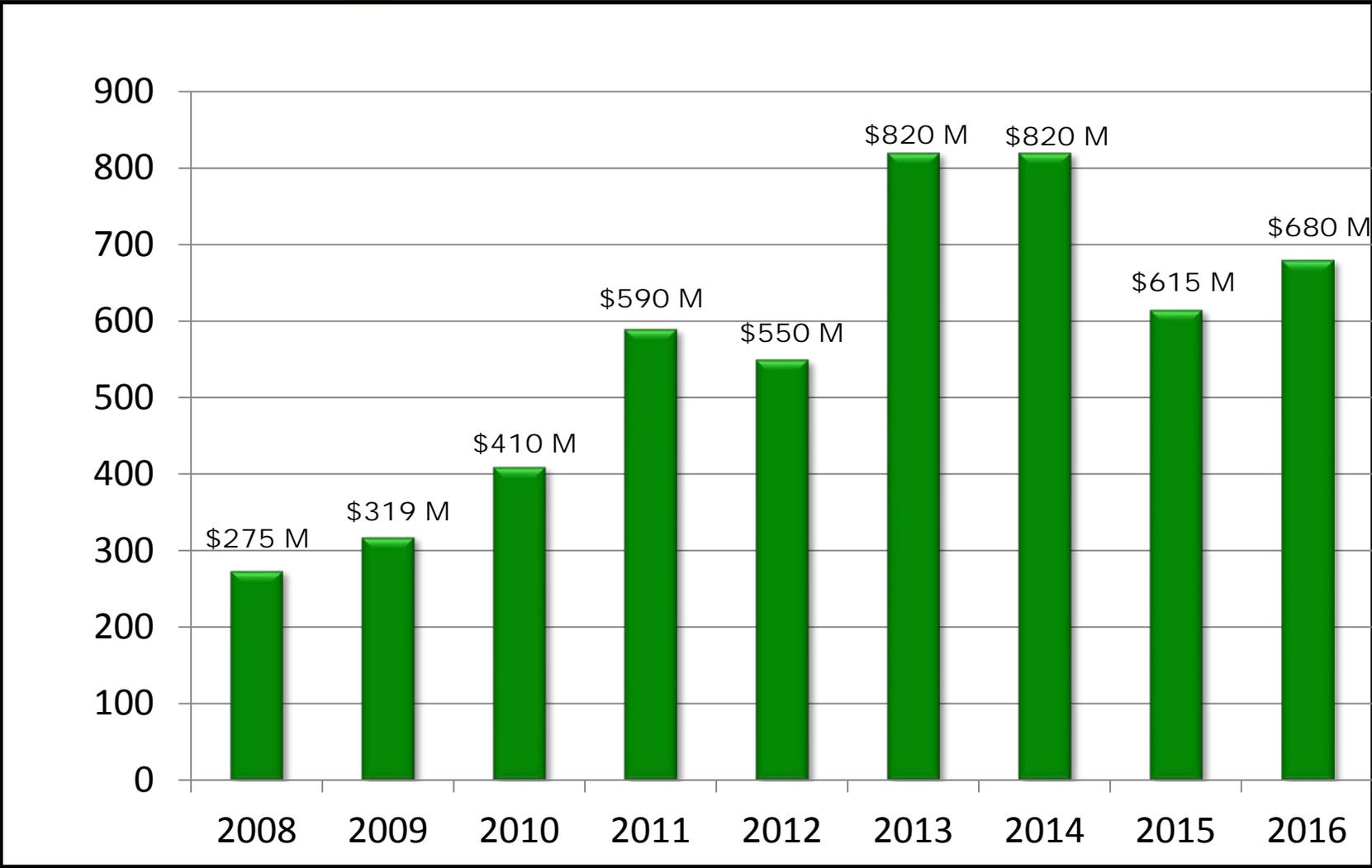
The counties, cities, townships, and transit providers also receive a portion of the state fuel taxes and motor vehicle registration fees. Just as NDDOT's state transportation user revenues are impacted by the reduced traffic volumes, so are the state transportation revenues distributed to these local entities. The following chart depicts the revenue impact to the local entities.

State Highway Tax Distribution Fund Non-State Agency Comparison			
	Enrolled 15-17	Revised 15-17	Difference
County	\$137.2 M	\$119.4 M	\$17.8 M
City	\$78 M	\$67.9 M	\$10.1 M
Township	\$16.8 M	\$14.7 M	\$2.1 M
Transit	\$9.4 M	\$8.1 M	\$1.3 M

CONSTRUCTION PROGRAM INFORMATION

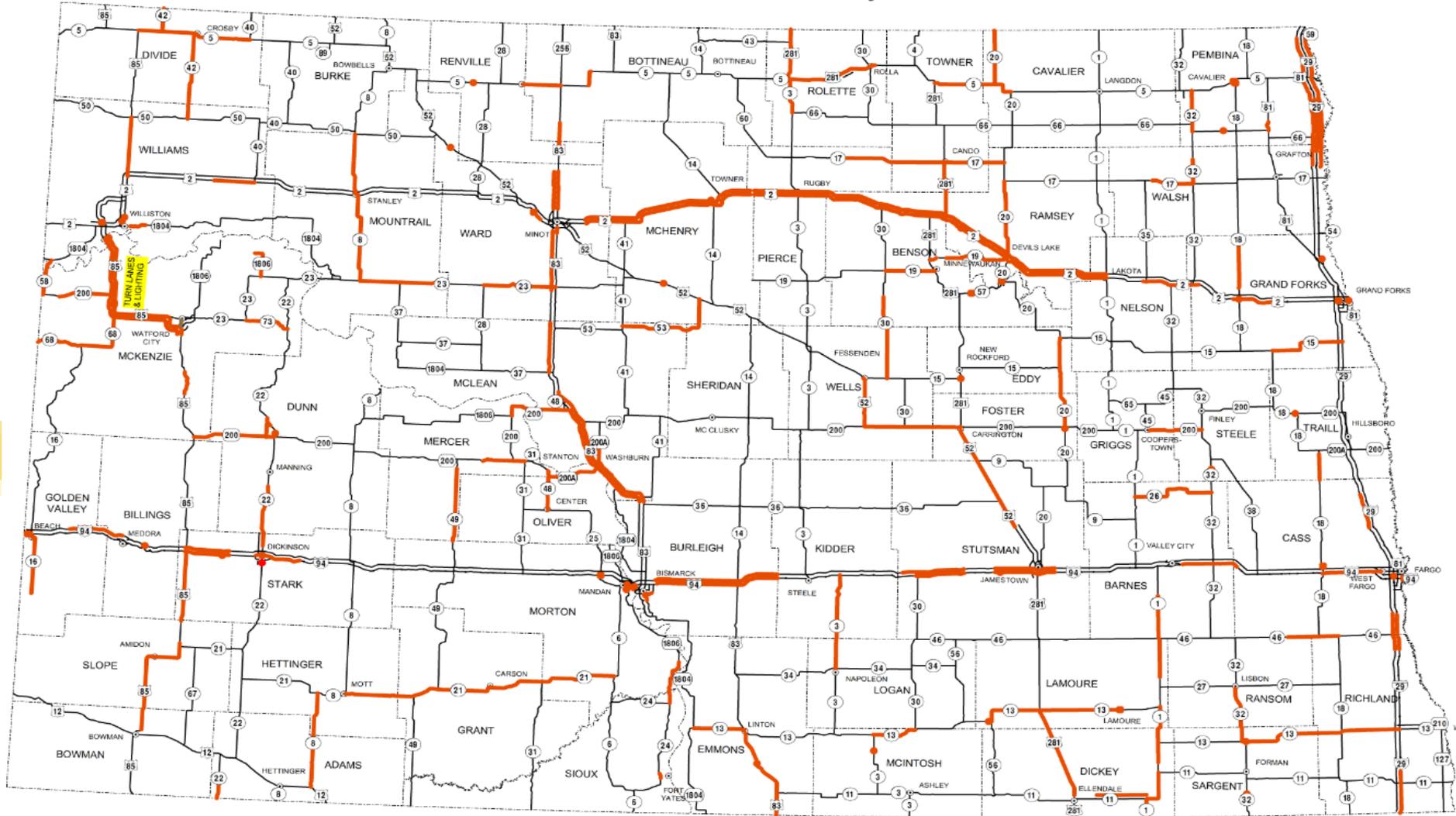


NDDOT Construction Programs



2016 Construction Season

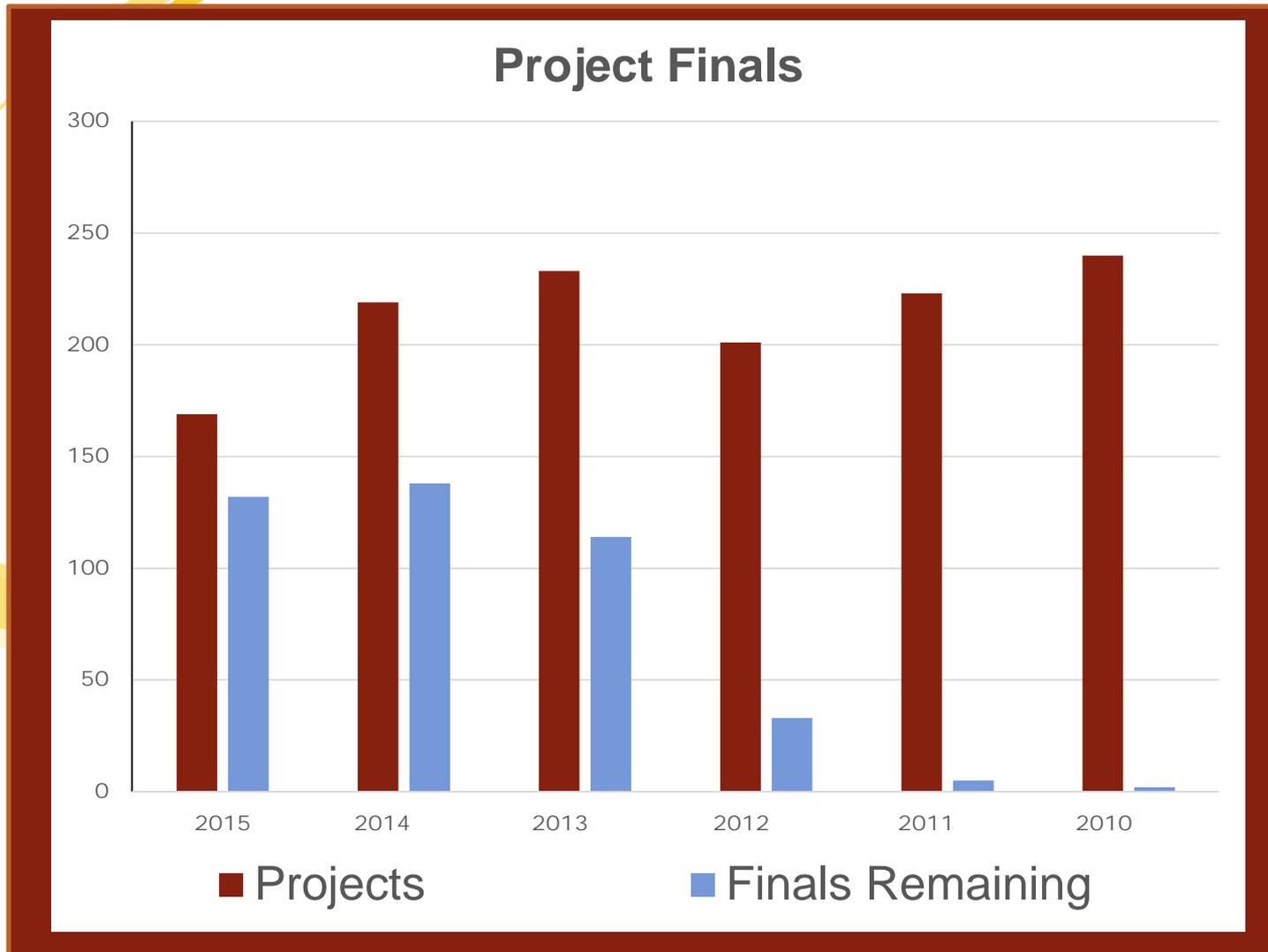
2016 CONSTRUCTION PROJECTS with 2015 Multi-Year Projects



Quality Work

- Quality of inspection
- Quality of traffic control, appropriate signage
- Prompt Payment
- Claims Process
- Quality Finals

Project Finals



Construction Engineering Project Finals

- Preventative Maintenance- January 15th
- Minor Rehabilitation and Structural Improvement- February 15th
- Major Rehabilitation and New/Reconstruction- March 15th
- IT/Traffic Signals/Landscaping/Miscellaneous- February 15th

Every Day Counts (EDC)

- E- Construction
- Innovation



E-Construction

- Finding efficiencies to complete paperwork while on project
 - Filling out quantity reports while on project
 - Filling out diaries while on project
- Finding efficiencies to complete finals sooner
 - Checking quantities while on project
- If we can't find these efficiencies, questions will need to be asked as to the need

NDDOT Innovation Program

The Transportation Innovation Program (TRIP) is an ongoing program and submissions will generally be accepted at any time. Cut-off dates are published for submittals so reviews and recommendations on those submissions can be made.



- **45 total Ideas submitted**
 - 5 were duplicate submissions
 - Resulting in 40 effective submissions through August 31, 2015
- 13 Ideas selected for advancement
 - 7 were submitted internally by NDDOT staff
 - 3 were submitted by external sources such as vendors
 - 3 were jointly submitted by internal NDDOT staff and external sources
 - No local jurisdiction ideas were selected
- Approximately **33%** of the Ideas submitted have been advanced.

Synopsis of TRip Program Selections through August 31, 2015

- Using a Texas Underseal on HBP Overlay projects
- Studying the use of Fiberglass Rebar & Dowels Bars in Bridges and Pavements
- Using Fiber Reinforced HBP
- Installing Culvert Movement Monitoring Instrumentation
- Using URETEK Deep Polymer Injection on frost heaves
- Monitoring traffic flows with Distributed Acoustic Sensing
- Using Geogrid Reinforcement under aggregate base for flexible pavement

Synopsis of TRip Program Selections through August 31, 2015

- Using a MIT Scan T2 for collecting concrete pavement thicknesses
- Using Hydrated Lime as an anti-stripping agent in new full-depth HBP pavements
- Developing a digital drivers license applications process
- Using TheSmartCone™ technology for security, work-zone safety and surveillance applications
- Using Jointbond to address longitudinal HBP joint deterioration
- Using WatershedGeo HydroTurf® for drainage way armoring

Project Management

- Important to have good communication with contractors.
- The Department is not an observer but is there to enforce specifications and oversee project.

Safety

Unfortunately, from 2012 - 2014 there have been two fatalities in construction work zones each year. In 2015 there was one fatality in a work zone.

It is important to pay attention when working or traveling in a construction work zone - your safety and the safety of others depends on it.



Questions?

**THANK
YOU**