

ACEC-NC Transportation Committee – February 18, 2021

Meeting Minutes taken by Greg Purvis, PE – Wetherill Engineering, Inc.

➤ Welcome and Introductions

- Lisa Samples welcomed everyone to the online meeting.

➤ Ronnie Keeter, NCDOT Chief Engineer was the featured speaker for the meeting. Items covered included:

- He gave an overview of NCDOT's current outlook.
- The Department is turning the corner from the effects of past storms, the MAP act and the COVID-19 pandemic.
- Finances have stabilized and the cash balance stands at \$1.11 billion as of this date.
- Build NC Bonds – issuance of the bonds was completed on November 12 and helps ensure active projects continue. The sale was well received and obtained an interest rate of 1.55 % and was a total of \$748 million.
- COVID relief – the Department received a total of \$260 million from the CARES act with \$30 million going to municipalities over 200,000 in population. The remainder will go towards helping to pay for advance construction and the federal overdraft. It will also help generate cash. They are also evaluating using the money towards Interstate Maintenance projects and bridge replacement projects.
- CEI – They are currently conducting a workload assessment on the 12 month Let list. They are currently expecting 100-120 additional CEI. They are currently several project on the anticipated advertisement list and more are expected.
- PE – Central Let projects are turned on thru FY 2025. Division Let projects are turned on thru FY 2023. Federal Safety W projects are being turned back on along with LAP projects. Bridge replacement projects are turned on thru FY 2023.
- Goals – Maintain a minimum of 5 years of centrally let STIP projects. Maintain 4 years of bridge projects. Release Federal Safety W projects. Maintain a minimum of 3 years of bridge replacement projects. Maintain a list of complex and critical projects. Updates will happen in July at the start of the FY.
- Maintenance -
 - Bridge Program - \$225 million spend target for FY 2021. Anticipate over \$350 million in lettings in CY 2021. Potential federal relief could increase lettings. This includes Central and Division managed.
 - Bridge Preservation - \$60 million spend target for FY 2021. Anticipate several large preservation project lettings in 2021/2022. These will be centrally managed.
 - Spot Safety Program - \$30 million spend target for FY 2021. Projects will be of various sizes/scope and are in stages of development. These will be Division managed.
 - Contingency Fund - \$30 million spend target in FY 2021. Projects will be of various sizes/scope. These will be Division managed.
 - Mobility/Modernization Fund - 30 million spend target in FY 2021. Projects will be of various sizes/scope. These will be Division managed. Appropriations must be re-instituted for FY 2022.
 - Disasters - \$50 million spend target for FY 2021. All projects have been released for completion/in various stages of development. This includes some bridge/large culvert replacements. These projects are Division managed.
- He mentioned that he appreciates the Industry's partnership through this difficult time.
- Questions for Ronnie
 - Any update on Design Build?

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- There are currently several DB projects in the 12 month Let list. The Department is constantly reviewing this with the improving revenue situation.
- Any comment on the NC First report?
 - It will take a combination of solutions to address the challenges in the report.
- Question about project restart list.
 - The Department tried to simplify the list. If firms has a question about a particular project they should reach out the PM's. It's taking time to get the projects restarted and the Divisions are working thru that.
- Are the 100-120 CEI going to be project specific or thru the On Call.
 - They will be both.
- Question about ROW/Utilities being turned back on.
 - The Department is constantly reviewing this and trying to evaluate on a project by project basis. The list was recently updated. They are looking at risk projects and comparing to the spend plan.
- Is the format of the upcoming Western On Call changing?
 - The advertisement will be changed to March 15. The selections will be regional based instead of Division based. The Department hopes to better promote teaming arrangements with the format of the RFP. They are also looking to change the scoring system for selection.
- Will there be a page limit increase?
 - Probably not.
- Will the same format be used for the next Eastern On Call?
 - Yes, that is the plan.
- Will this change in format limit the number of firms selected?
 - No, it should not.
- Was the Eastern On Call extended 1 year?
 - Yes
- Can the anticipated workload for CEI by Division be shared with the Industry?
 - Yes, the Department will get this out when it is available.
- Chris Werner shared that the Department is evaluating tracking the utilization shown on the RS-2 forms in SOQ's versus what was actually utilized.
- How will suspended projects be affected by the new format of the Western On Call?
 - It is anticipated that those projects will continue thru the existing On Call when they restart.
- Will there be MB/WB/DB/SPSF goals in the Western On Call?
 - No this is not anticipated.

Subcommittee reports were given for Project Delivery, Construction & Materials Testing, Design Build and the Joint Conference.

Jim Smith provided a Federal/State Legislative update. This included the following:

- Congress is debating the next Stimulus package. Democrats want \$2 trillion and Republicans want \$700 billion. The House is expected to vote next week. There is no money expected for roads/bridges.
- Once they get past the next Stimulus package they are expected to take up a Infrastructure package. This is expected to include transportation/water/wastewater/broadband.

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- PPP loans – FHWA has issued guidance that the PPP loans must be credited in the FAR Oh rate calculation for 2020. This is being challenged by National ACEC and has support from several members of Congress.
- NC First Commission – Revenue generating items are still under consideration by the Governor. Among the items expected to be considered by the Governor are: Eliminating the \$300 million cap on Build NC bonds. Also changing the \$1 Billion cash threshold to \$1.3 or \$1.4 billion. Also considering asking for the Transportation Emergency Reserve Fund to be used for state declared disasters. The Turnpike Authority will also look to use tolling in more regions.

David Ferrell gave a Legislative update as well. The Legislature will return on September 2nd for a two-day session.

- The Legislature is currently working on COVID-19 related issues and funding.
- They are beginning to start work on the State Budget.
- The Governor will be submitting his budget in the next month.
- There is new leadership in both the House and the Senate for Transportation. Tom McInnis and Vickie Sawyer in the Senate. Brendan Jones in the House.
- David and Jim have been holding meetings with the House and Senate leadership.
- The Legislature will also look at redistricting this year.
- There is expected to be a follow up to the Audit conducted by the State Auditor on NCDOT.
- He noted that there has been a general acknowledgement that something will happen this year regarding transportation funding.
- There was a question asking there has been any feedback regarding the local sales tax option recommendation from the NC First Commission report. David said that there has not been any feedback on that. He has heard concern over the Vehicle Miles Traveled option. He also noted that the alternative vehicle option is something that might gain traction.

The next meeting is scheduled for May. The TAB meeting scheduled for this month has been moved to March.

Meeting was adjourned.