

ACEC/NCDOT Transportation Delivery Subcommittee  
August 6, 2020 Meeting Minutes  
Conference Call

Phone:

Brandon Jones (Co-Chair)	NCDOT Division 8
Mike Lindgren (Co-Chair)	Stantec
Robert Stroup	NCDOT PSMU
Tom Payne	NCDOT PSMU
Michelle Long	NCDOT Chief Engineer's Office
Brenda Moore	NCDOT Roadway Design
Chris Werner	NCDOT Technical Services
Chris Peoples	Deputy Chief Engineer
Ronnie Keeter	NCDOT Eastern Deputy Chief Engineer
Louis Mitchell	NCDOT Western Deputy Chief Engineer
Greg Burns	NCDOT Division 6
Brett Abernathy	NCDOT Division 9
Jackie McSwain	NCDOT Division 12
Addison Gainey	NCDOT Division 4
Phillip Rogers	HDR
David Keiser	CDM Smith
Doug Taylor	Stewart Engineering
Keith Garry	So Deep   SAM
Charlie Flowe	KCI
Ed Edens	AECOM
Mike Fendrick	ATCSPLC
Paul Garrett	Vaughn Melton

### **Welcome and Introductions**

- Brandon Jones welcomed the group to the Quarterly Transportation Delivery Subcommittee Meeting and introductions were made. Mike Lindgren is the new co-chair. Ed Edens, Mike Fendrick, and Paul Garrett are new representatives for ACEC.

### **Review of the 05/07/2020 Transportation Delivery Subcommittee Meeting Minutes**

- No comments were provided/recorded
- Meeting minutes were approved/accepted

### **Legislative Update / Chief Engineer's Comments**

- **Cash Balance** – Currently the cash balance is over \$400M and not expected to go below this amount in the foreseeable future. Goal is to build the cash balance over the next 6-12 months to reach the \$600-\$700M level and maintain that range moving forward.
- HB 77 allows for Build NC Bonds in FY 20 and FY 21 to be combined for a total sale of \$700M. The goal is to sale these bonds in September 2020 and the request has already been submitted

to the NC Treasurer's office. The bond sale could be as high as \$800M. The bond proceeds will be applied to active projects.

- HB 77 also allows the FY 2019 bond proceeds to be applied to active projects which benefitted the cash balance by \$141M. An additional \$130M was gained by the reducing the GARVEE Reserve which was also part of HB 77.
- Legislation also allows an increase in GARVEE bond sales next year. Typical sale is \$600M with projections for next year in the \$700-\$800M range.
- Motor Fuels revenue for the past month is greater than expected due to "catch up" payments from deferred taxes that were allowed by a previous executive order. Vehicle Miles Traveled (VMT) have moved closer to expected levels.
- We are still awaiting a change in federal law that would allow CARES Act dollars to be used for revenue replacement. This law is anticipated to be changed and this would allow \$300M to go toward our General Maintenance Reserves, improving our overall cash situation and providing funding to respond to storms.
- Federal August redistribution is expected to be around \$150M. We should have confirmation by August 30<sup>th</sup>.
- The 12-month let list is being revised with significant modifications.
- Our projected cash balance would be negatively impacted without the sale of the FY 2020 and FY 2021 Build NC bonds and/or major storm expenses.
- NCDOT Operations/Maintenance spend plans for FY 2021 have been developed and will allow for some bridge replacements and other maintenance activities.
- There remain a significant number of Map Act claims to settle on projects in Hampstead, Shelby, Winston-Salem, and Fayetteville. A recent court action may accelerate some of the settlements. Legislation limited Map Act expenses to \$150M per fiscal year but that does not include NC Turnpike Authority projects.

#### **Technical Services**

- Final FY 2020 PE expenditures will be close to the projected amount of \$375M pending final closeout. The \$375M budget is not inclusive of all NCDOT PE expenditures, such as the bridge program, NC Turnpike Authority projects, nor non-highway mode projects as they have their own spend plan.
- PE budget for FY 2021 is being finalized.
- Cost projections will be required for all projects and programs. This is not a commitment to activate projects. The requests will come through the specific project manager.
- The plan is to produce a new list of projects with tentative turn on dates. Projects will be turn on in phases depending on cash balance stability.
- No firm should begin work on a project, without a PO, without approval from Technical Services or the Chief Engineer's office. This has been relayed to all project managers.
- Limited NTPs have been suspended due to the risk with the current cash situation, as well as the recent awareness of LNTPs being issued longer than the 30-day time limit and beyond the \$50K limit.
- When LNTPs are resumed, firms and project managers shall pay close attention to not extend work beyond 30 days or the \$50K limit. If your firm is being direction to work beyond these limits, then you should contact Technical Services or the Chief's office.
- The department continues to have project move forward lists for PE, utilities, and right of way. A firm should only work on the specific item they have received approval to work.
- For the STIP to be fiscally constrained, the entire STIP is being reprogrammed. Proposed changes will be presented to the Board of Transportation as an Item N handout for informational purposes in September with proposed Board approval in October. New projects

could replace non-committed projects. Some project schedules may be pushed back several years.

- To normalize lettings moving forward, a list of “shovel ready” projects is being developed. These projects may fill letting gaps as other projects schedules change.
- Any Federal stimulus package could improve positioning and moving forward of projects. This is dependent on the specifics on any such package.
- Re-starting of projects will depend on how the project is impacted with the reprogramming of the STIP. Firms should work with Project Managers to adjust tasks, schedules, and scopes of work if needed. The goal is to keep the same firm assigned to projects with the understanding that changes may occur if the firm no longer can continue based on staff changes.
- Once reprogrammed STIP is approved, focus will be on FY 2021 project expenses for projects within the first 3 years.
- NCDOT will begin turning on most critical programs such as project scoping reports, etc. and utilize same cost projection approach for projects.
- Project Managers must continue to focus on scope/schedule/risks and managing or limiting scope creep.
- The goal is to create a project scoping report for each project to identify, through coordination with the Divisions, Planning Organizations, and municipalities, project vision, need, purpose, potential alternatives, conceptual sketches of potential alternatives, potential issues that may be encountered, what type of environmental documentation may be required, and improve accuracy of construction and right of way costs for the STIP prioritization process and used as a baseline for managing scope creep.
- NCDOT will have a STI Committee for Reprioritization (STICR) to review project estimate increases due to scope creep. There could be side effects for allowing increased costs within a fiscally constrained STIP.

### **Consultant Rate Schedule**

- 150 firms have entered data with 81 firms approved.
- Original system was setup for annual updates, but modifications have been made to allow quarterly updates if needed for staffing changes and/or rate changes.
- There are still issues with accounts being locked. This is an IT policy issue. If an account is inactive for 6 months, it goes into a delete status. This does not remove the account from the system but does require unlocking the account.
- When in the system only hit the display application button. The edit application button will take a user back through the approval process.
- Take your time going through the system and remember to press the submit button.

### **Professional Services Management**

- Project Management Unit contracts have come back through DocuSign and are in the final approval process.
- LOI submittal management system is working well, and IT continues to update to improve the system.
- Western Division contracts should be advertised in February 2021.
- Next units to advertise are Photogrammetry and Bike/Ped.
- Please continue to view the website as the master schedule is up to date.
- Feasibility Studies contracts should be advertised in September and may allow for use of subconsultants on certain work codes.

### **Consultant Evaluation Process**

- Piloting phase continuing with IT enhancing the process to include distinguishing GEC work. The second phase should be completed this month and then a roll out date can be established.
- Evaluations will be done by DocuSign and maintained on the PSMU connect site.

### **Open Roads**

- Internal staff began piloting 20 projects and internal work group of 100 employees has been developed to learn and fine tune the system.
- ORD expected to be adopted by NCDOT for use some time in 2021.
- Below is a link to the website.

ORD Link: <https://connect.ncdot.gov/resources/CADD/Pages/OpenRoadsDesigner.aspx>

### **Division Comments and Open Discussion**

- None

### **Industry Comments and Open Discussion**

- None
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### **Next Meeting**

- Thursday, November 5, 2020 at 1:30pm