



NORTH CAROLINA

Department of Transportation



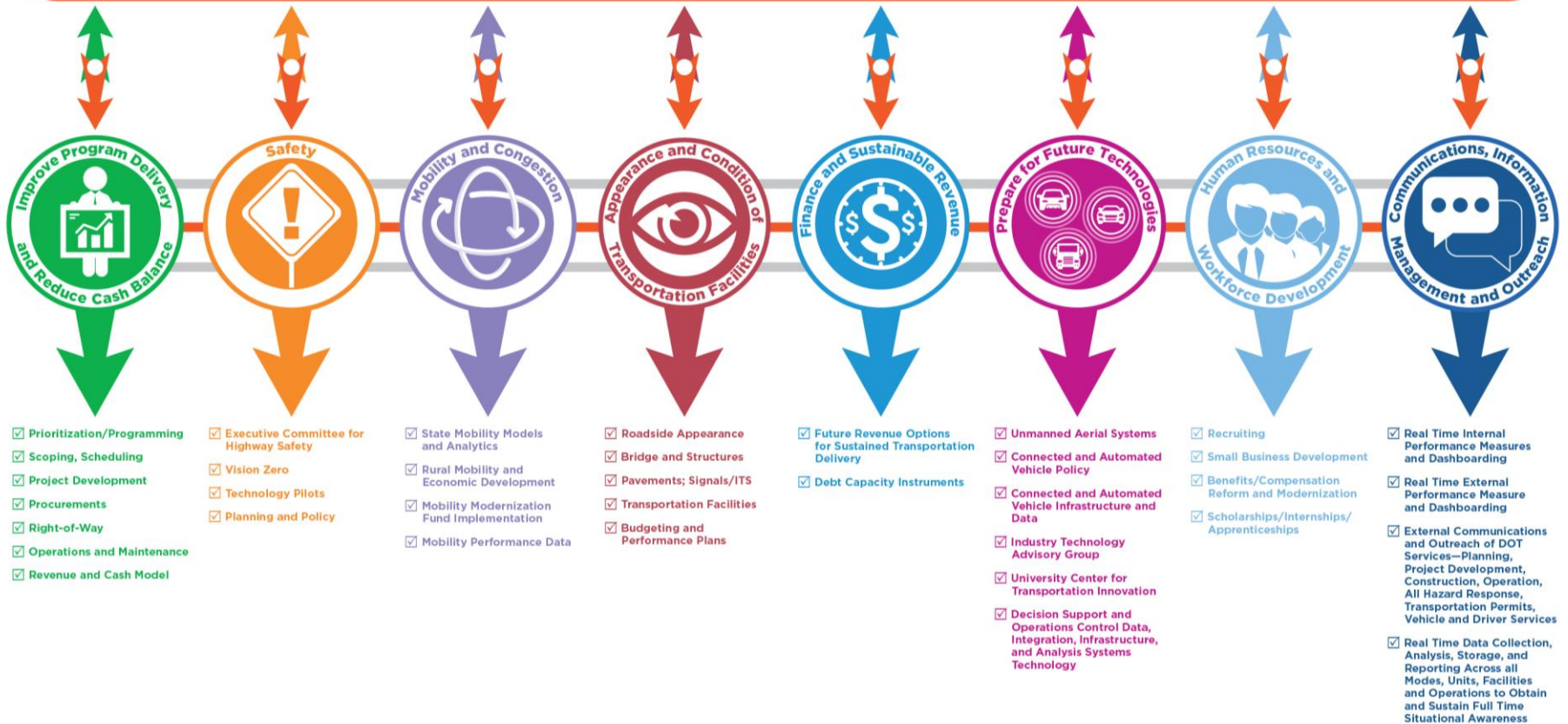
Program Delivery

Bobby Lewis, P.E., Chief Operating Officer
November 9, 2017

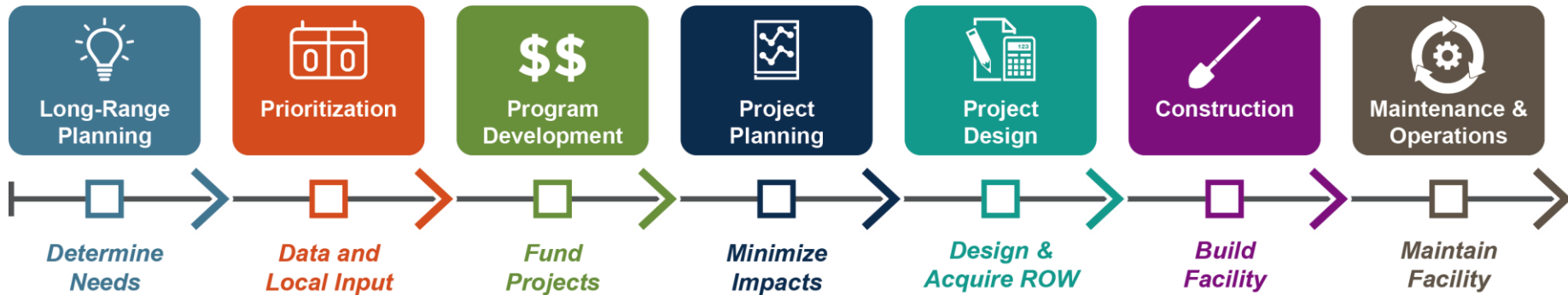
NCDOT Priorities and Work Groups

Better Transportation Service for North Carolina

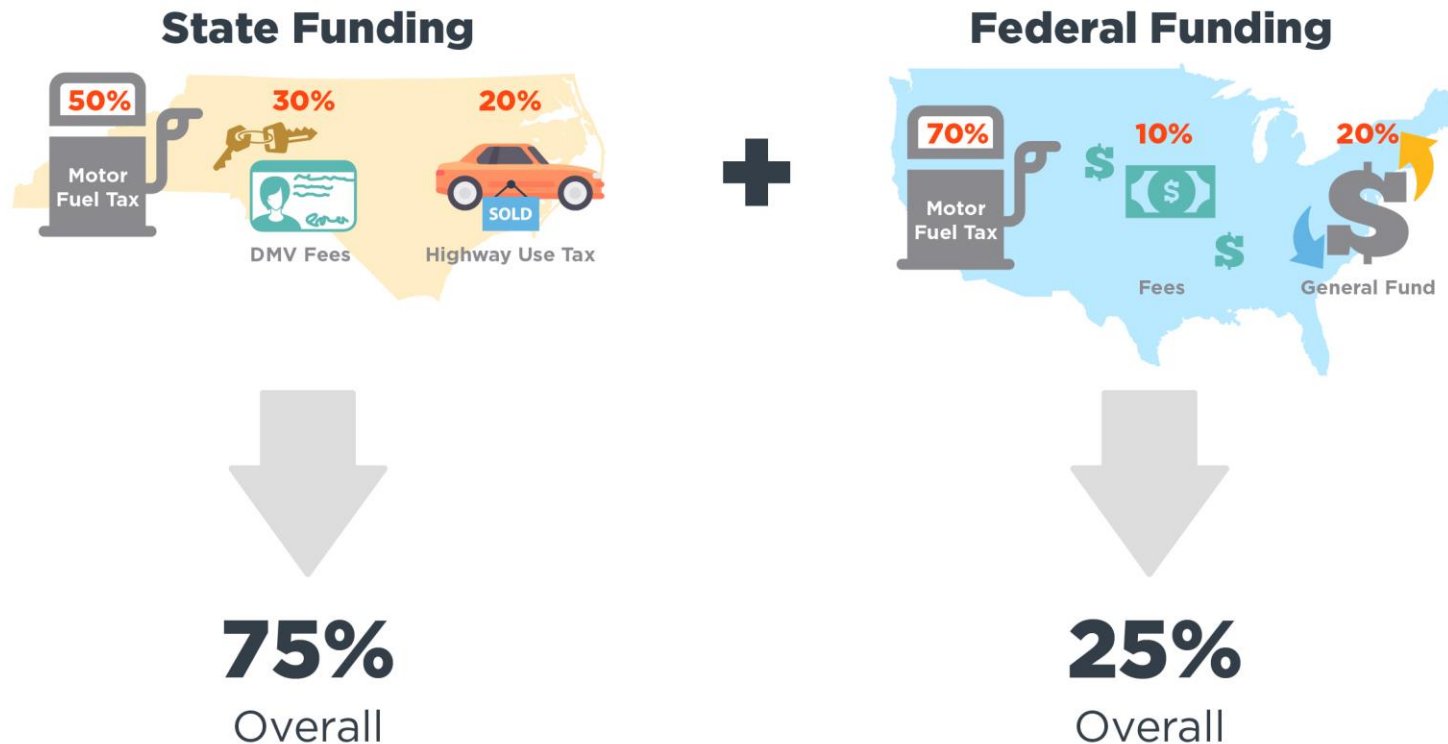
Our Mission: Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina.



NCDOT Transportation Program Life



Revenue Sources



Expenses

Trust Fund

(Capital Projects)

Construction



STIP (Highway Trust Fund and Federal Aid)

50%

Highway Fund

(Operations and Maintenance)

Maintenance



Highway Maintenance
Operations Activities

25%

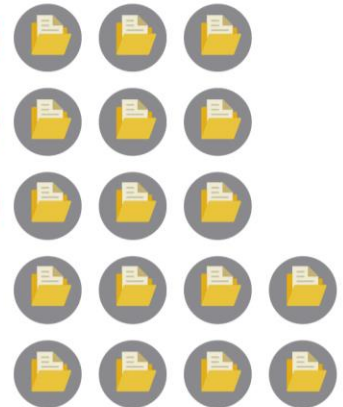
Modes



Public
Transportation
Ferry
Rail
Airports
Highway Fund

8%

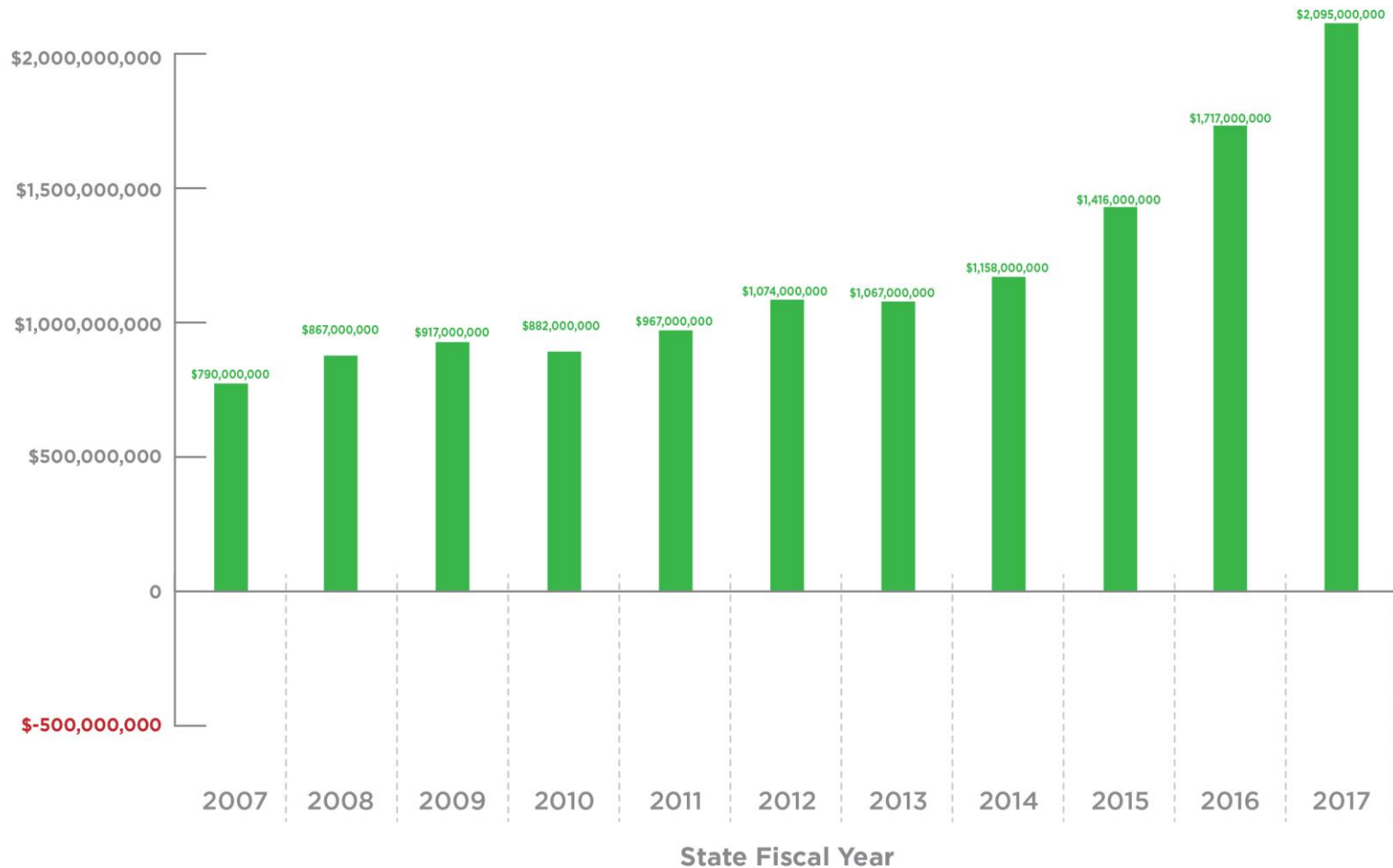
Administrative



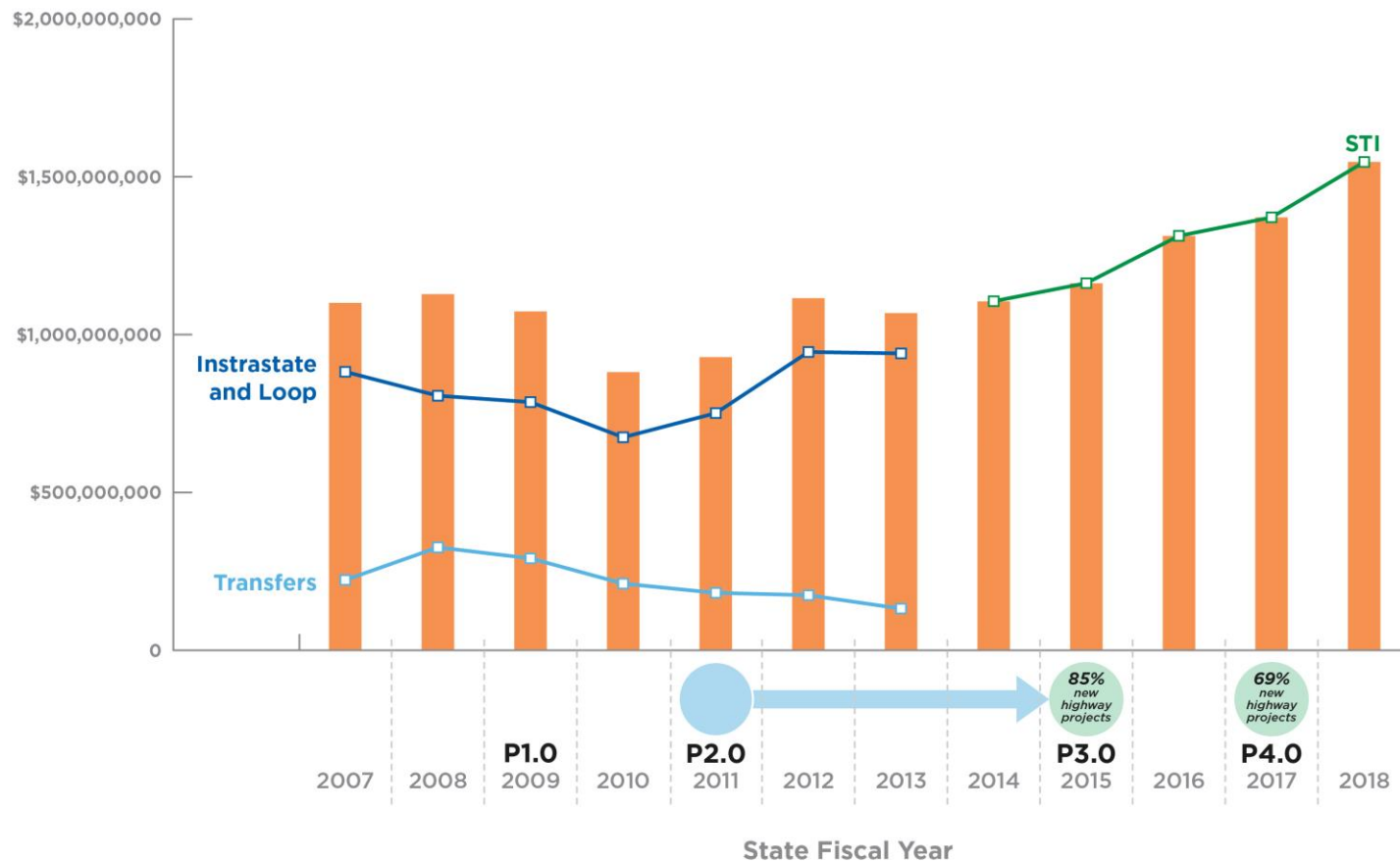
Administration
Transfers
State Aid to Municipalities
Various Programs

17%

Cash Balance: 2007–2017



Trust Fund Uses



Current Situation



**2014-2017
~\$600 million
more in revenue**

**Old practices
for inflation
and overruns**

**Old processes
for project delivery**

Discoveries and Expectations

Capital Program Delivery

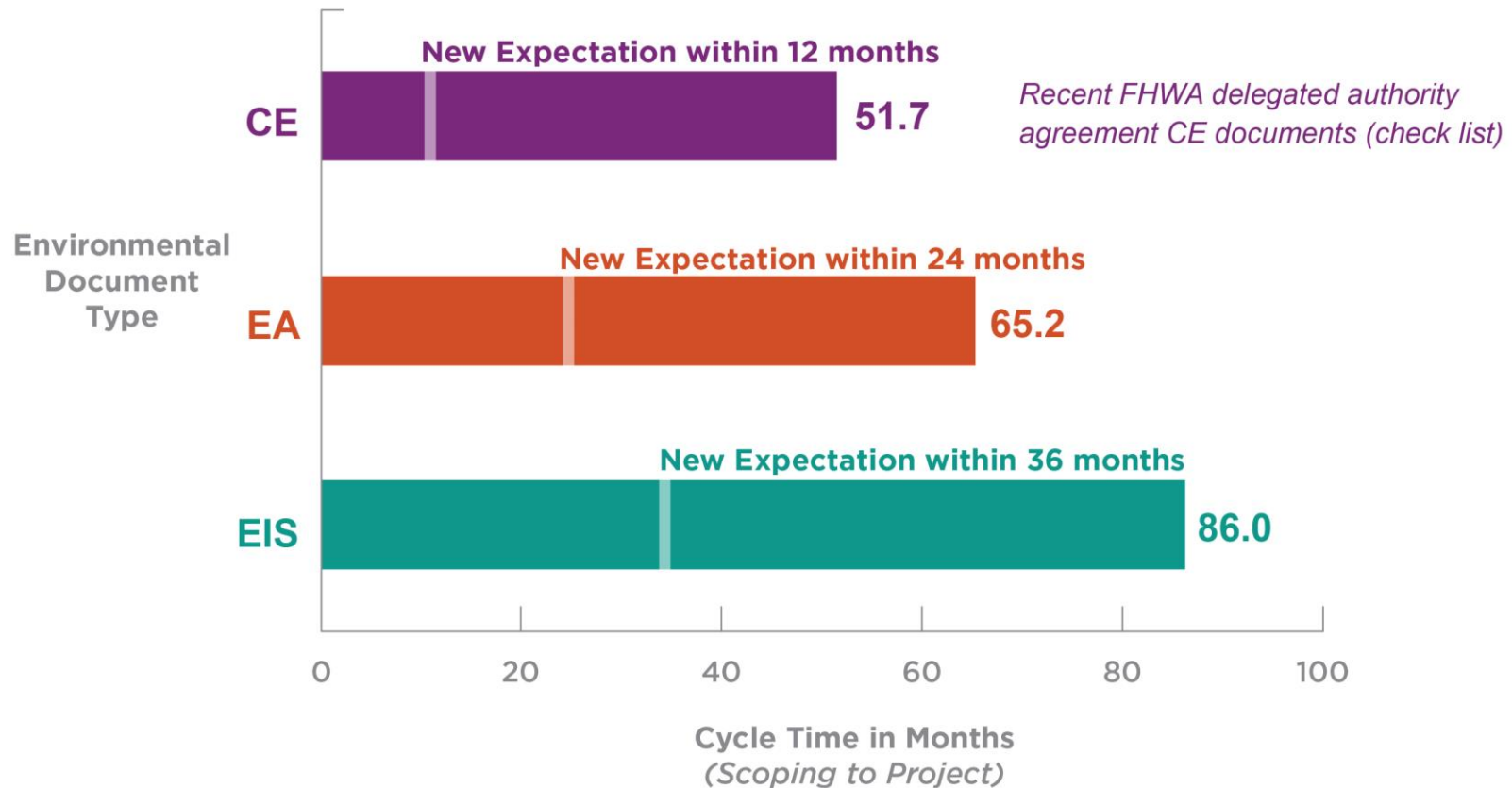
2009 to 2016	2018 Forward	
78%	First 2 years	100%
	Years 3 to 5	95%
	Years 6 to 10	85%

Discoveries and Expectations

- Project Delivery (Stove Pipes Process)
- **NEW APPROACH**
 - ***Change culture from “Project Delivery” to “Program Delivery”***
 - Project activities (Traffic Forecasts, Threatened and Endangered, Wetland & Stream Determinations, etc.) will be reviewed for production grouping
 - Right of Way and Utilities will start earlier
 - Work on all projects in the program (Year 1 through 10) – Creates an opportunity manage construction lets downstream
 - ***Manage the Program***
 - Adjust inflation and overruns to historical actuals for every STIP
 - Monthly \$100M Project reviews by Project Managers and Senior/Executive Staff

Discoveries and Expectations

Project Delivery



(CE) Categorical exclusion

(EA) Environmental assessments

(EIS) Environmental impact statement

Discoveries and Expectations

Advancement of Capital Program

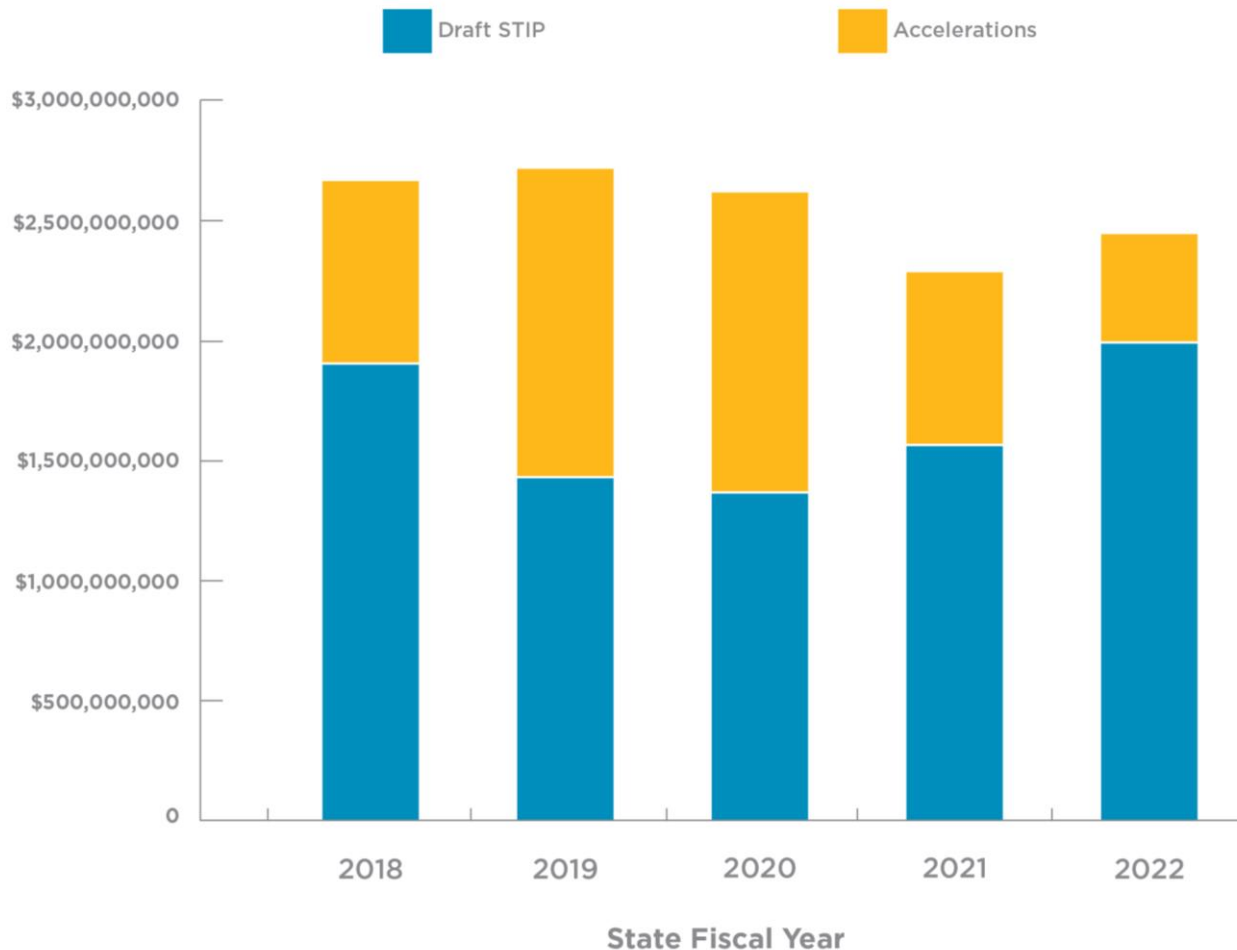
- Expedite project delivery and completion dates

	Previous*	Current*
Preliminary Engineering	\$200M	\$250M+
Right of Way	\$325M	≈\$400M
Construction Lettings	\$1.66B	\$2.55B

*Annual Amounts

Discoveries and Expectations

TIP Project Advancements



Over the 10-year STIP

Accelerated
350
Projects

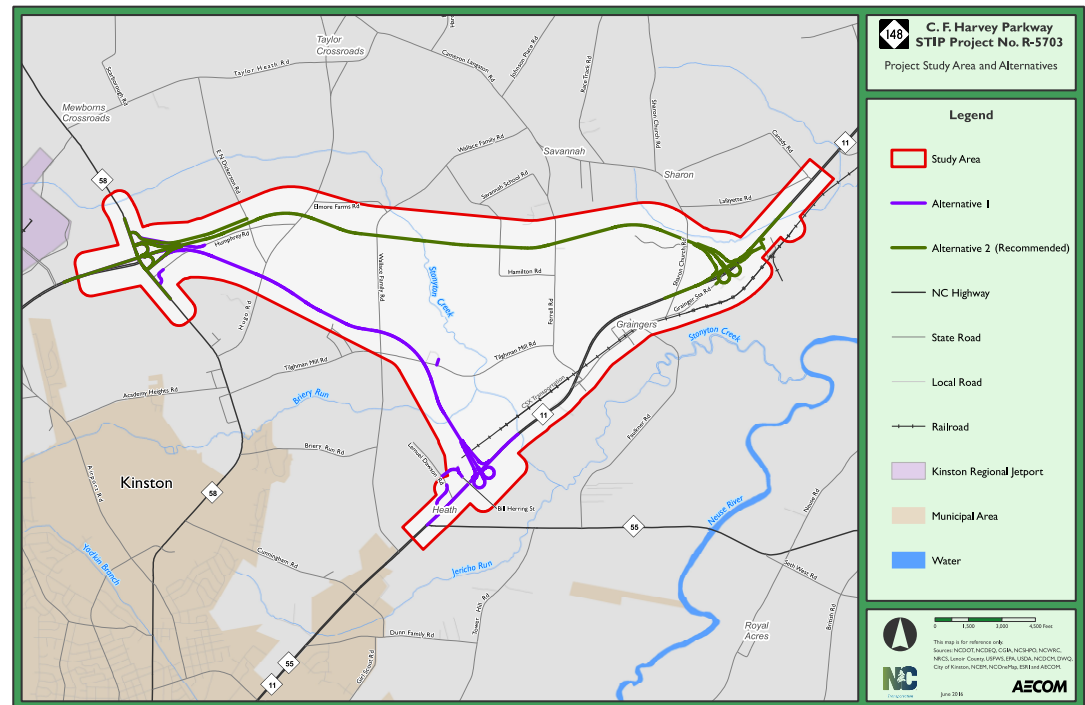


Added
144
Projects to STIP

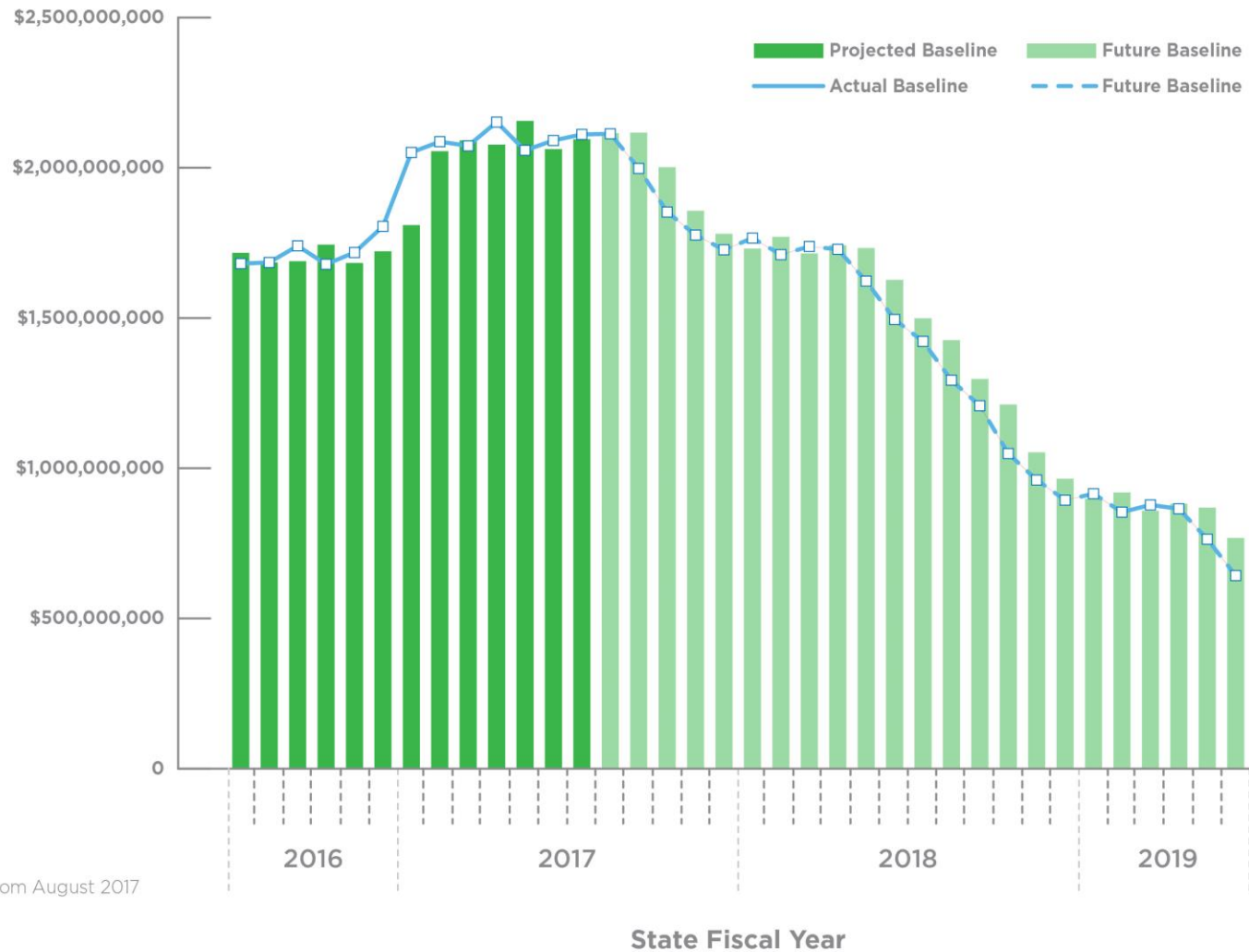


C.F. Harvey Parkway

- **6 mile new location facility (~\$80 million)**
- **Began approximately 2 years ago**
- **Bids will be open in December 2017**



Forecasted Cash Balance



5 Year Forecast

Cash Balance Thresholds

Floor of 7.5% of annual state revenues

Target of 15-20% of anticipated state revenues

Ceiling of \$1 billion, reporting required when in excess

Revenue

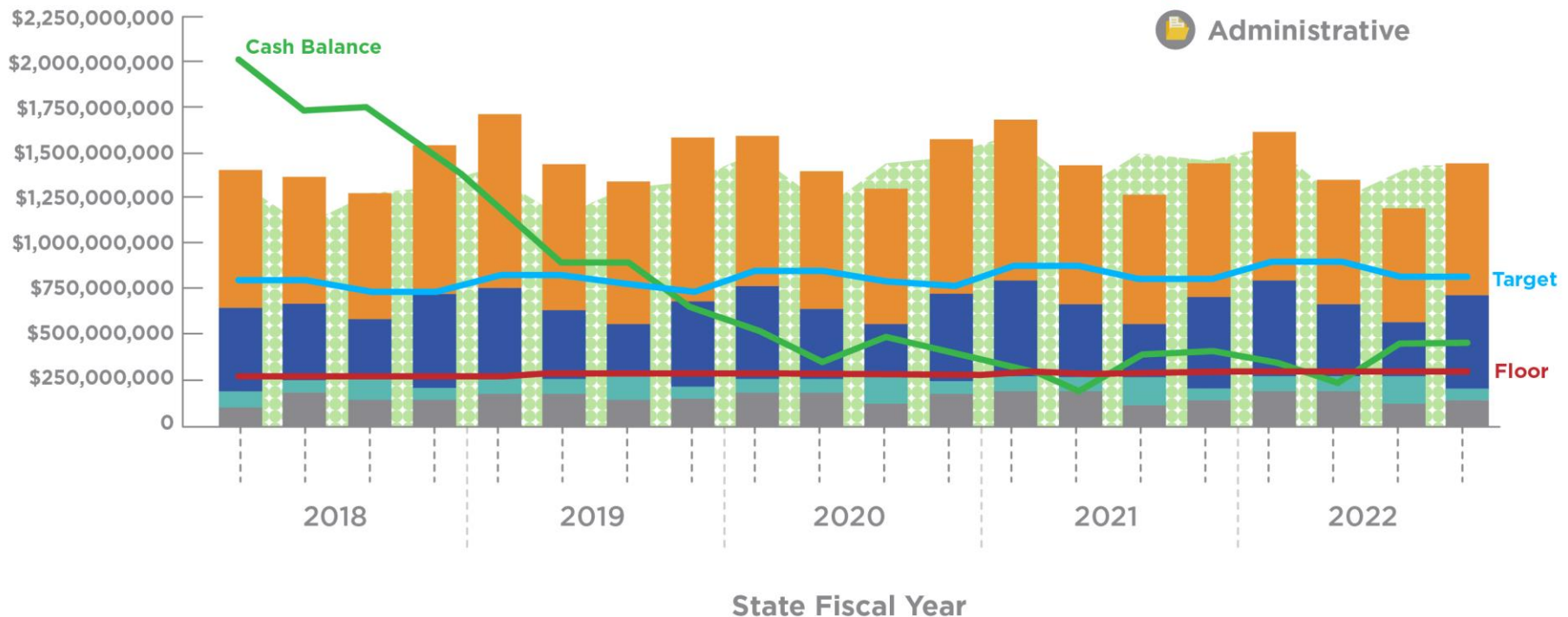
Expenses

Construction

Maintenance

Modes

Administrative



Questions?