2005-2006

JOINT APPROPRIATIONS – TRANSPORTATION

COMMITTEE MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

2005-2006 SESSION

CO-CHAIRS

REPRESENTATIVE NELSON COLE
REPRESENTATIVE LORENE COATES
SENATOR CLARK JENKINS

VICE-CHAIRS

REPRESENTATIVE MARY McALLISTER
REPRESENTATIVE BONNER STILLER
SENATOR R. C. SOLES

STAFF

KEN LEVENBOOK
GILES PERRY
EVAN RODEWALD
BOB WEISS

COMMITTEE ASSISTANTS

SUZANNE SMITH
MELISSA LENNON
CAROLYN GOODEN

HOUSE AND SENATE APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION MEETING INDEX

The following meetings were held jointly;

February 22, 2005
March 2, 2005
March 3, 2005
March 9, 2005 A.M.
March 9, 2005 P.M.
March 10, 2005
March 15, 2005
March 16, 2005
March 17, 2005
March 22, 2005
March 23, 2005
March 31, 2005

The following meetings were held with House members only:

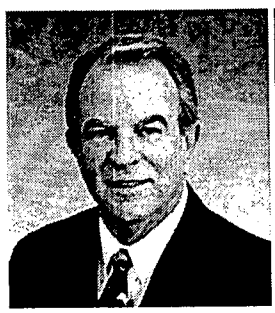
May 11, 2005
May 19, 2005
June 9, 2005
August 23, 2005

The following meeting was held with Senate members only:

May 3, 2005

NORTH CAROLINA GENERAL ASSEMBLY

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION
2005 – 2006 SESSION



Representative Cole, Chair



Representative Coates, Chair



Representative McAllister Vice Chair



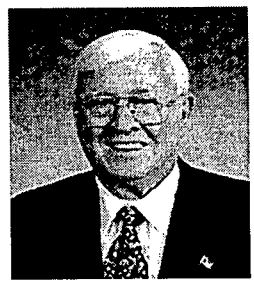
Representative Stiller Vice Chair



Representative Almond



Representative Brown



Representative Church



Representative Coleman



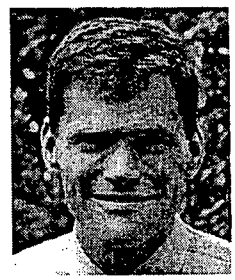
Representative Dickson



Representative Gulley



Representative Holmes



Representative Martin



Representative McMahan



Representative Moore



Representative Saunders



Representative Steen



Representative Williams



Representative Culpepper

Ex-Officio Member



Representative Cunningham

Ex-Officio Member



Representative Eddins

Ex-Officio Member



Representative Hackney

Ex-Officio Member

HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION

MEMBER	ASSISTANT	PHONE	OFFICE	SEAT
REP. COATES	MELISSA LENNON	733-5784	633	19
REP. COLE	SUZANNE SMITH	733-5779	1218	45
REP. McAllister	JOHNNA SMITH	733-5959	638	58
REP. STILLER	CARLA FARMER	733-5974	508	52
REP. ALMOND	ALICE FALCONE	733-5908	1315	107
REP. BROWN	DELORES LEDFORD	733-5607	609	105
REP. CHURCH	JOYCE FULLER	733-5805	1311	33
REP. COLEMAN	TERESA SAUNDERS	733-5934	1013	92
REP. DICKSON	SUE BUEHLMANN	733-5776	1219	42
REP. GULLEY	SUZANNE GULLEY	733-5800	1319	114
REP. HOLMES	GLENDA JACOBS	733-5654	1211	102
REP. MARTIN	CHARLOTTE GRAHAM	733-5758	2123	95
REP. McMAHAN	JENNIFER LOFTIS	733-5602	1426	111
REP. MOORE	NANCY GARRISS	733-4838	502	85
REP. SAUNDERS	RUTH FISH	733-5606	2217	48
REP. STEEN	CHRIS FLOYD	733-5881	514	64
REP. WILLIAMS	LINDA UZZLE	733-5906	637	22
EX-OFFICIO				
REP. CULPEPPER	DOT CROCKER	715-3028	404	36
REP. CUNNINGHAM	VALERIE RUSTIN	733-5778	541	7
REP. EDDINS	SUSAN PHILLIPS	733-5828	1002	26
REP. HACKNEY	EMILY REYNOLDS	733-5752	2207	69

SENATE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION
2005 - 2006 SESSION

MEMBER	ASSISTANT	PHONE	OFFICE
Clark Jenkins, Chairman	Carolyn Gooden	715-3040	409
R. C. Soles, Vice Chair	Janet Blablock; Joan Leatherman	733-5963	2022
Phil Berger, Ranking Minority Member	Barbara Eldridge	733-5708	1121
Julia Boseman	Dot Waugaman	715-2525	2117
Harry Brown	Surena Henderson	715-3034	620
Robert Holloman	Irma-Avent Hurst	715-3032	623
Neal Hunt	Kathy Davis	733-5850	1026
Larry Shaw	Barbara Lee	733-9349	621

STAFF

Wendy Graf	733-2578	545
Giles Perry	733-2578	545
Evan Rodewald	733-4910	619
Bob Weiss	733-4910	619

ATTENDANCE

APPROPRIATIONS Subcommittee on Transportation

2005-2006 Session

DATES	3/2	3/9 AM	3/9 PM	3/15	3/17	3/23	5/11	5/19	6/9	8/23					
Cole, Co-Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Coates, Co-Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
McAllister, Vice-Chair		✓	✓		✓	✓		✓	✓	✓					
Stiller, Vice-Chair	✓	✓	✓	✓	✓	✓	✓		✓						
Almond, Jr.	✓	✓	✓	✓	✓			✓	✓	✓					
Brown	✓	✓	✓	✓	✓	✓		✓	✓	✓					
Church	✓			✓	✓	✓	✓	✓	✓						
Coleman	✓		✓	✓	✓	✓	✓		✓	✓					
Dickson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Gulley	✓	✓	✓	✓	✓	✓	✓	✓		✓					
Holmes										✓					
Martin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
McMahan	✓	✓	✓			✓		✓							
Moore	✓		✓		✓	✓	✓	✓							
Saunders	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					
Steen		✓	✓	✓	✓		✓	✓		✓					
Williams		✓	✓	✓	✓	✓		✓	✓	✓					
Ex Officio Members:															
Culpepper															
Hackney															
Cunningham															
Eddins															

ATTENDANCE

APPROPRIATIONS Subcommittee on Transportation

2005-2006 Session

Wed. Tues. Thurs.

DATES	2/22	3/3	3/10	3/16	3/22	3/31									
Cole, Co-Chair	✓	✓	✓	✓	✓	✓									
Coates, Co-Chair	✓	✓	✓	✓	✓	✓									
McAllister, Vice-Chair	✓	✓	✓	✓		✓									
Stiller, Vice-Chair	✓	✓	✓	✓	✓	✓									
Almond, Jr.	✓		✓	✓	✓	✓									
Brown	✓	✓	✓	✓	✓	✓									
Church		✓		✓		✓									
Coleman	✓	✓	✓	✓		✓									
Dickson	✓	✓	✓	✓	✓	✓									
Gulley	✓	✓	✓	✓	✓	✓									
Holmes	✓				✓										
Martin	✓	✓	✓	✓		✓									
McMahan		✓			✓	✓									
Moore	✓	✓				✓									
Saunders	✓	✓	✓	✓	✓										
Steen	✓	✓	✓	✓	✓	✓									
Williams	✓	✓	✓	✓		✓									
Ex Officio Members:															
Culpepper															
Hackney															
Cunningham															
Eddins															

Joint Subcommittee on Transportation Appropriations

Agenda

February 22, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, presiding

- Welcome and Introductions
  - Committee Chairs
- Transportation Funding Issues
  - Bob Weiss, Fiscal Research Division
- Charting a New Direction for NCDOT: North Carolina's Long-Range Statewide Multimodal Transportation Plan
  - Laura Cove, NCDOT

Future Meetings

The Subcommittee will generally meet Tuesdays, Wednesdays, and Thursdays from 8:30 am until 9:50 am. There will not be a meeting on Wednesday, February 23. The meeting on Thursday, February 24 is tentative – that time may be used for a briefing of the Full Appropriations Committee on the Governor's Budget.

Additional meetings on Tuesday and Wednesday afternoons may be required in March.

Tentative Agenda for Next Meeting

Financial Overview, Mark Foster, DOT
Transportation Improvement Program, Calvin Leggett, DOT
Overview of Governor's Budget, Mark Foster

Joint Appropriations Subcommittee on Transportation
Tuesday, February 22, 2005
8:30am
Room 1228, Legislative Building
MINUTES

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Tuesday, February 22, 2005 in Room 1228 of the Legislative Building. Five Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Almond, Brown, Coleman, Dickson, Gulley, Holmes, Martin, Moore, Saunders, Steen and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, introduced Laura Cove, NC DOT. who spoke on charting a new direction for North Carolina. See attachment A of these minutes. Ms. Cove spoke about DOT's recently adopted statewide transportation plan. This initiative has been worked on for the past four years. Handouts have been provided, including slides. DOT has been meeting with citizens around the state, and engaging our local planning partners, such as MPO's, which are Metropolitan Planning Organizations. The most eye opening fact is that we have over $84 billion worth of need, with only $55 billion in revenue. We are falling behind by over a billion dollars per year. The department has limited decision authority to address some of the pressing needs. The data tells us that there is an $11 billion dollar maintenance need. Our population has increased by 20% between 1990 and 2000. In summary, the Statewide Transportation Plan is a "living document" which is updated every four years. Implementation is the key! See attachment B of these minutes for Ms. Cove's remarks.

The next presenter was Mr. Evan Rodewald, Fiscal Analyst, who presented the Transportation Funding Issues of 2005. This is attachment C of these minutes. He gave an over view of the Transportation Budget, which includes the following: Sources and Uses of Funds, Highway Fund and Highway Trust Fund, Major Fiscal Issues, Highway Trust Fund, Project Delivery Study and Gas Tax. The total budget is $3.3 billion, which are federal and state funds combined. The total state transportation budget is $2.4 billion. The gap between resources and needs over the next 25 years are $30 billion dollars.

The meeting adjourned at 9:35 am.

S. Clark Jenkins/Chairman

Carolyn M. Gooden, Committee Clerk

ATTACHMENT A

Charting a New Direction for North Carolina

NCDOT
Statewide Transportation Plan



North Carolina General Assembly
February 2005

Caretakers of the System

- NCDOT supports 74 publicly owned airports
  - Over 19 million passengers boarded airplanes in 2000
- NCDOT supports almost 100 transit operations in 100 counties
  - Over 40 million passengers transported annually
- NCDOT sponsors 2 passenger train routes in NC - Piedmont & Carolinian
  - Over 500,000 passengers accommodated in 2000

Caretakers of the System

- NCDOT maintains the 2nd largest ferry system in the country
  - 25 Ferries transport 2.5 million passengers annually
- NCDOT maintains over 78,000 miles of roadway
  - Ownership of 80% of the system, 2nd only to Texas
  - Average ownership of other State DOTs ~ 20%
- NCDOT houses the Nation's oldest bicycle and pedestrian program

Statewide Transportation Plan
- Background & Purpose -

- Develop Policy Guidance & Strategic Direction for NCDOT
- Federally Mandated (ISTEA & TEA-21)
- 2000 Transportation Finance Commission recommendation -- Efficiency Study # 8
- Inventory 25-year Needs
- Forecast Available Revenues
- Solicit Public & Stakeholder Interest
- Determine long-term Investment Priorities

Statewide Transportation Plan
- Who has been involved? -

- Board of Transportation
  - Statewide Plan Committee
- Senior NCDOT Management
- Technical Steering Committee (all modes)
- Division Engineers
- Stakeholder Groups / Citizens
- Transportation Planning Branch Staff

Charting a New Direction for NC

Statewide Transportation Plan
- Key Issues -

- $84 Billion in Needs vs. $55 Billion in Revenue
- Limited ability to address *pressing* needs
  - spending restrictions on state/federal dollars
  - flexibility is essential
- Maintenance Backlog
  - 4K miles of state highways & 260 bridges added each yr
- Demographic/Travel Trends
  - 1990-2000 - population increased 21%; VMT increased nearly 40%
  - By 2020 population increases additional 25%

Statewide Transportation Plan
- Key Issues con't-

- Regional Differences and Needs
- Quality of life goals
  - air quality, environmental & community enhancement
- Lack of Performance Measuring
  - need goals, tracking systems, reporting mechanisms
- Department must Prioritize w/ Limited Resources

Charting a New Direction for NC

Statewide Transportation Plan
- How was the public engaged? -

- Stakeholder Outreach > 40 distinct groups
- Regional Forums - 2 Rounds (April 01 & Oct. 02)
  - 14 urban & rural communities
- Newsletters
- Summit - May 2002
- Website
  - comment form/updates/technical reports

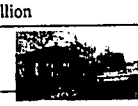
Charting a New Direction for NC

Statewide Transportation Plan
- Needs estimate by mode -

$84 Billion (all modes; $2001)

- 25-year "snapshot"
  - Highways & Bridges - $66.6 billion
  - ITS (Intelligent Transportation Systems) - $1.1 billion
  - Public Transportation - $10.6 billion
  - Rail (Passenger & Freight) - $4 billion
  - Ferry - $1.1 billion
  - Bicycle / Pedestrian - $300 million
  - Aviation - $1 billion*







**funding is self-contained; not in final scenario*

Statewide Transportation Plan
- How were the needs illustrated? -

Improvement/Investment Categories

- **Maintenance / Preservation** - routine treatments that *restore* to adequate level or *sustain* the condition of an asset & activities / treatments that *protect* the infrastructure and *extend* service life
- **Modernization** - *upgrades* to system safety, functionality, & operational efficiency w/o adding physical capacity
- **Expansion** - *new* construction/*new* services (beyond existing) and/or physically expanding capacity to an existing facility

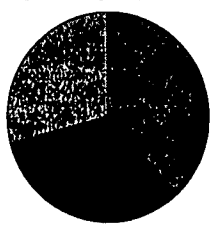
Statewide Transportation Plan
- What do the needs tell us? -

- 32,000 miles of deficient pavement (40% of the system)
- 7,000 state bridges structurally deficient
- 8,800 miles--narrow lanes & shoulders; sharp curves
- Outdated public transportation equipment
- Future needs almost uniformly split b/w: Expansion Maintenance/Pres. & Modernization
  - Future maintenance/preservation needs (over the next 25 year) expected to be almost $25 billion
  - Future modernization needs (over the next 25 years) expected to be almost $20 billion
- Passenger/freight mobility along key corridors is critical

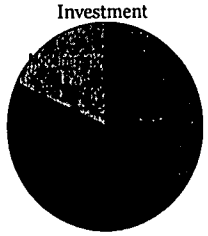
Charting a New Direction for NC

How Do NC Highway Needs Compare with Recent Highway Investment?

25-Year Highway Needs



1995-2000 Highway Investment



Charting a New Direction for NC

Statewide Transportation Plan
- Revenue Forecast -

- **$55 Billion**
- Assumptions made:
  - **No new** revenue sources over 25-years
  - Con't growth of state user fee "transfers"
  - Increases in fed/state funding at a conservative rate
  - Based on historical patterns; input from Office of State Budget and Management
  - Inflation assumed but discounted back to 2001 $

Charting a New Direction for NC

Statewide Transportation Plan
- Revenue Forecast -

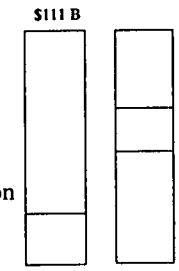
Federal = $24 Billion

State = $87 Billion

Less Expenses = - $33 Billion

Lost Buying Power = - $23 Billion

Net Value = $55 Billion

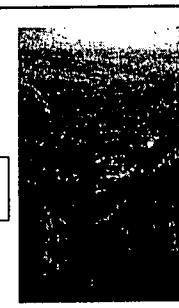


Charting a New Direction for NC

Statewide Transportation Plan
- Determining a Direction -

Revenue = $55 Billion

Needs = $84 Billion



Charting a New Direction for NC

Statewide Transportation Plan
- What is an Investment Scenario? -

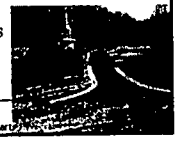
- Long-range Statewide Investment Strategy
  - program / capital goals
  - allocation of expected $ within categories
  - financial framework; points to emphasis areas
- Fiscally constrained
- Independent of funding restrictions
- Investments reflect priorities
- Trade-offs (can retire only 2/3 of needs)

Charting a New Direction for NC

Statewide Transportation Plan
- Recommended Scenario -

A new Investment Direction:

- Underscores importance of Safety in all investments
- Creates a focus on preserving/upgrading the existing transportation system
  - Extends intent & emphases of *Moving Ahead!*
- Targets investment in statewide mobility
- Only addresses 2/3 of all projected needs



Statewide Transportation Plan
- Recommended Scenario -

Specifics - page 20 & 21 in Plan Report

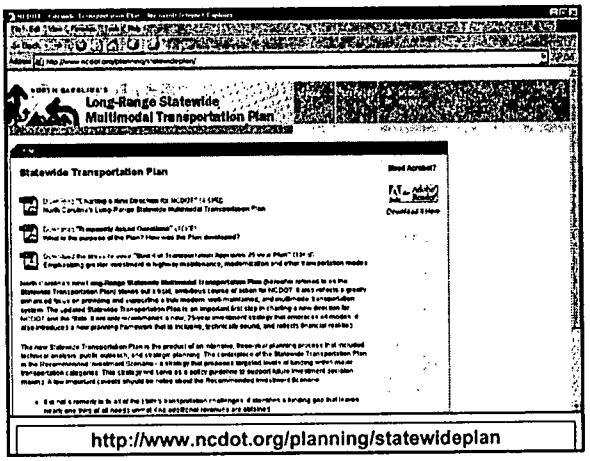


- 75% of Maintenance & Preservation needs met
  - represents **10% increase from past**
- Major Modernization emphasis (2/3 of needs met)
  - represents nearly **25% increase from past**
- 2/3 of Highway Expansion needs met
- Increases investment in non-hwy modes

Charting a New Direction for NC

Statewide Transportation Plan
- Implementation -

- Implementation Team (Technical Oversight)
- BOT Statewide Plan Committee (Policy Oversight)
- Pursue Greater Flexibility in Transportation Funding
- Improve Project Selection Process
- Monitor & Report Progress
- Establish Revision Cycles
- Implement Strategic Highway Corridors Concept
  - First tangible Action Item



http://www.ncdot.org/planning/statewideplan

Statewide Transportation Plan
- Summary -

- Plan is a long-term Investment Blueprint
  - visionary; overarching policy for capital investment
- Only meets 2/3 of all projected needs
- Underscores the need for investment flexibility & maximizing the use of existing resources
- Plan is a "living document" -- updated every 4 years
- Implementation is the KEY!
  - Series of Action items must be sustained to achieve goals

Attachment B Remarks — for slide show

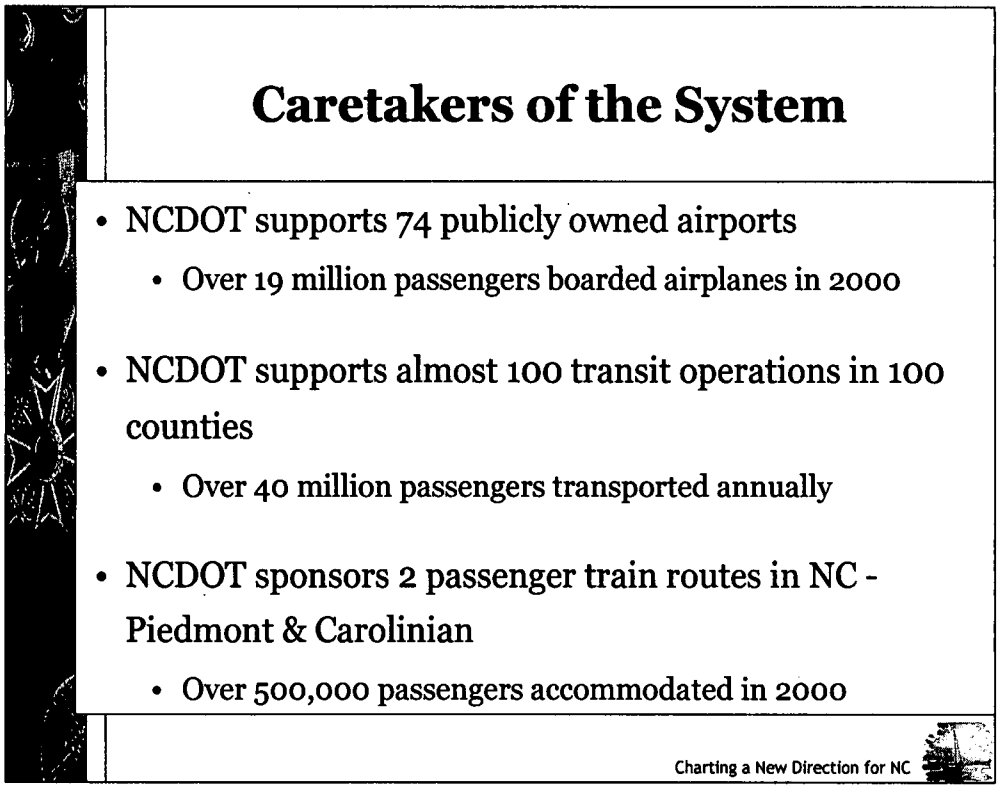
Charting a New Direction for North Carolina

NCDOT
Statewide Transportation Plan



North Carolina General Assembly
February 2005

- Good Morning, thank you Mr. Chairman, it's a pleasure to be here and discuss with you and this Committee NCDOT's recently adopted State Transportation Plan. I've provided you with a handout of my slides.
- As some of you may be aware, we've been working on this Planning effort for 4 years and it has been quite an undertaking to say the least.
- But the process has been valuable…we've been able to meet with citizens around the state, engage our local planning partners such as MPOs and RPOs, engage our top management and all the Board Members..and the end result has lead to a Plan which is technically sound, built on broad public input, supported by staff and management and truly charts a new long term investment direction for NCDOT.
- The culmination of this work has led to this document (the Plan). If you don't already have one, I'll show you how to get one at the end of my presentation.
- I'd like to talk with you about some of the details in the Plan and many of you have heard me speak about the Plan in the past. I first want to share with you why this Plan is so important to the Department and to North Carolinians.



- Preparing a Plan of this magnitude requires us to truly consider how best to manage, support and provide the transportation services our citizens will need. Our Dept., has historically taken on the role of being Caretakers of a enormous system, that reaches far into NC's communities. I want to give you some sense of the size of system.

- NCDOT supports 74 publicly owned airports

Over 19 million passengers boarded airplanes in 2000

The Aviation industry contributes 9 billion dollars to our economy and generates over 180,000 jobs

- NCDOT supports almost 100 transit operations in 100 counties

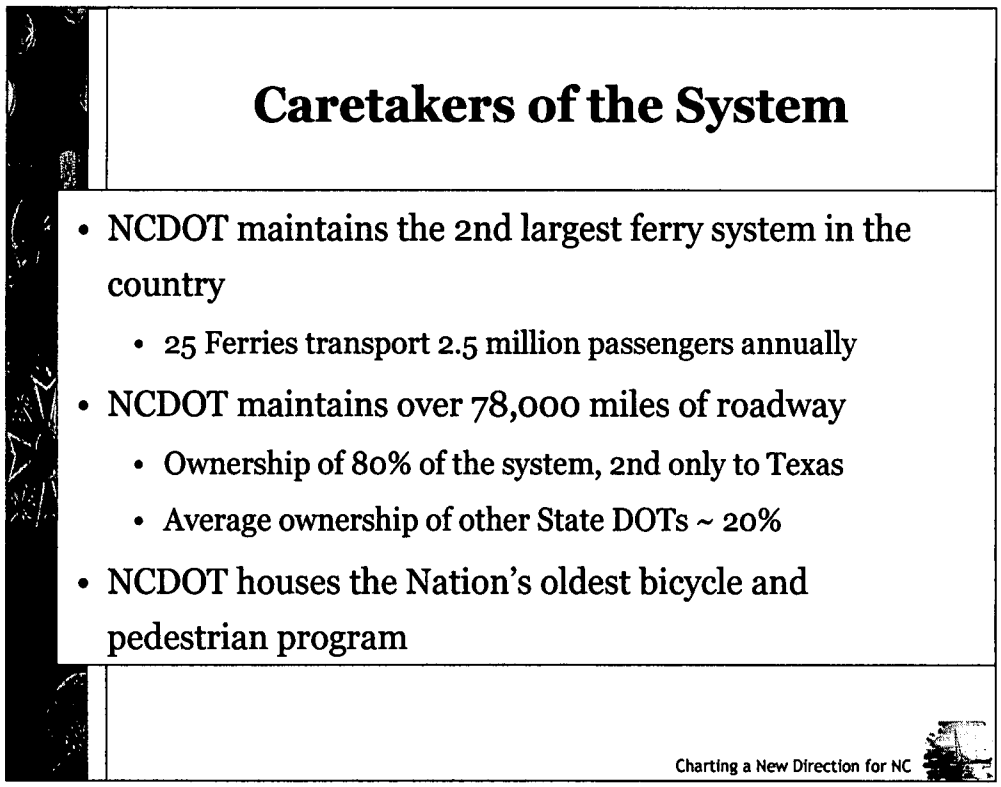
Over 40 million passengers transported annually across public transportation which ranges from urban bus systems to rural demand-response services

- NCDOT sponsors 2 passenger train routes in NC - Piedmont & Carolinian

Over 500,000 passengers accommodated in 2000

there is over 3000 miles of rail track in NC

From a Freight perspective, 1 in 4 of NC's top 200 manufacturers ship materials by rail



- Also, NCDOT maintains the 2nd largest ferry system in the country
  - 25 Ferries transport 2.5 million passengers annually

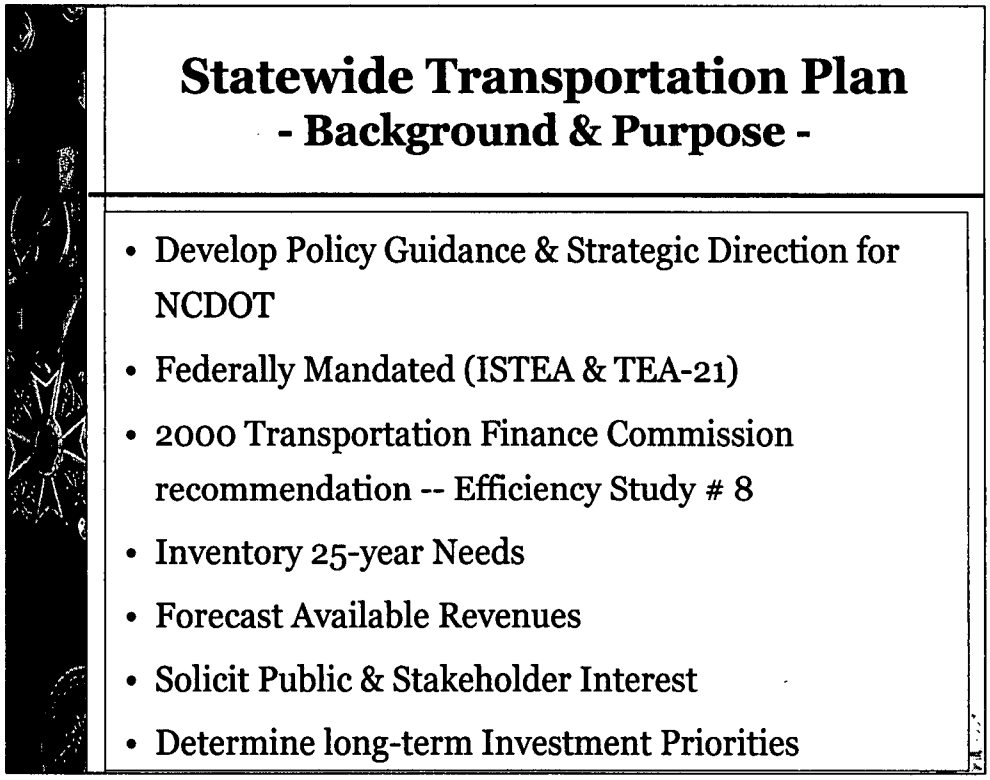
- - NCDOT maintains over 78,000 miles of the 99, 000 miles of public roadway in NC

  - **This amounts to ownership of about 80%** of the entire roadway system which carries **87%** of all traffic

  - **We spend on average over $31,000 / mile** to maintain our roadway system

  - **However, most DOTs across the country shoulder much less of the ownership & maintenance than we do**....in fact the average level of ownership across State DOTs in the US is closer to 20%

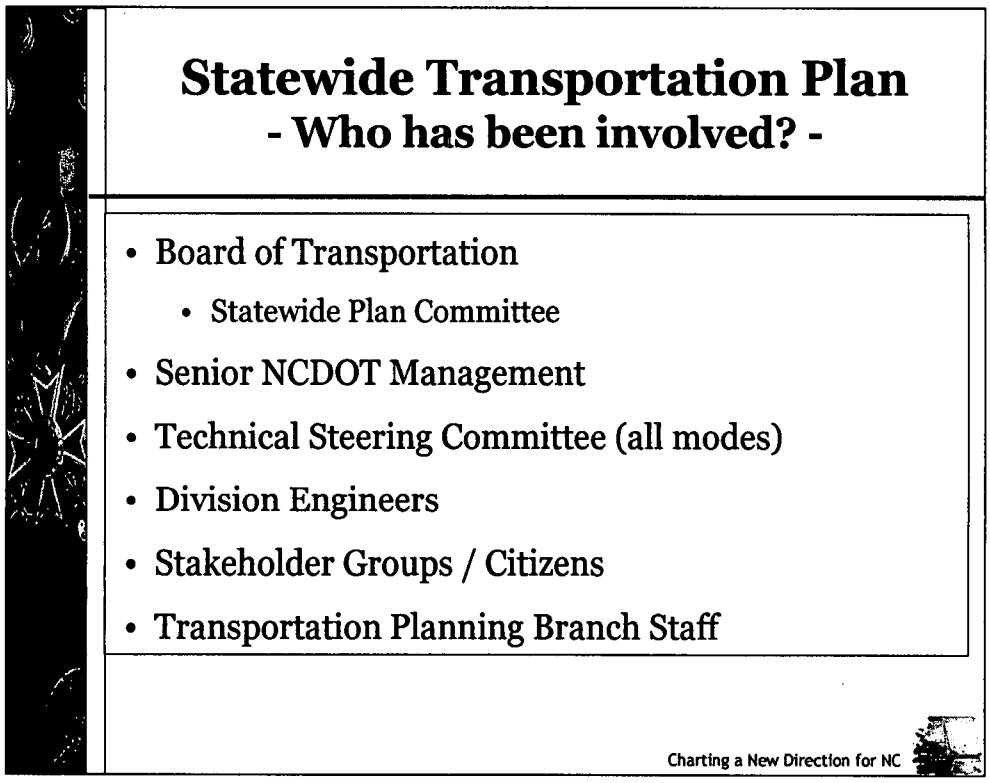
- **Bicycling and Pedestrian planning has been established since the early 70s in NC**
- - Our Bike/Ped division is responsible for everything from the planning and engineering of off-road bicycle facility projects to providing Bike Safety education to almost 300 communities in the State
- - The sum total of local, county, and regional mapped / signed bike routes cover 3000 miles in NC



- So, all that being said, why should we produce a Statewide Transportation Plan?
- First and foremost, a Plan of this level offers **overarching Policy guidance** and **strategic direction** for NCDOT - - it is truly a business plan for DOT
    - Opportunity to assess where we are as a Dept and were we would like to go--a strategic direction, gives us the ability to proactively plan for the future
- It is also federally mandated process dating back to Federal legislation from the 90s (ISTEA in 1991 and supported in TEA-21)---Feds don't prescribe how it needs to be done, just that it needs to be done
- Plan also addresses a need that the General Assembly recognized in 2000 The Transportation Finance Study Commission---Efficiency study # 8 stated that DOT should:

    "Investigate & Recommend a framework for commissioning a 20-year long range study by a qualified consultant of the State's transportation needs"
- The STP is a means to inventory major infrastructure need (multimodal) and associate dollar values to them
- Opportunity to consider how much money will be available to meet those needs - Essentially what it will take to fix the problem
- Opportunity to understand public sentiment on priorities and what the DOT should be focused on

- **BOTTOM LINE** - this Plan outlines long-term investment priorities over 25 years BUT -- it is a first step on a long road



- The development of this Plan has been very inclusive and is supported by a variety of areas within DOT and outside of the Department. In fact, the Plan received the endorsement of Department of Commerce and the Department of Environment and Natural Resources

- This is the first time that we've engaged the entire BOT in such an overwhelming policy level discussion that's allowed us to "look at the big picture". We were also very fortunate that ~~over 2 years~~ several ago, Senator Jenkins realized that the Plan could not be staff driven and he was instrumental in creating a BOT committee that focused on the development of the Plan ~~and~~ is still meeting to this day to help implement the Plan.

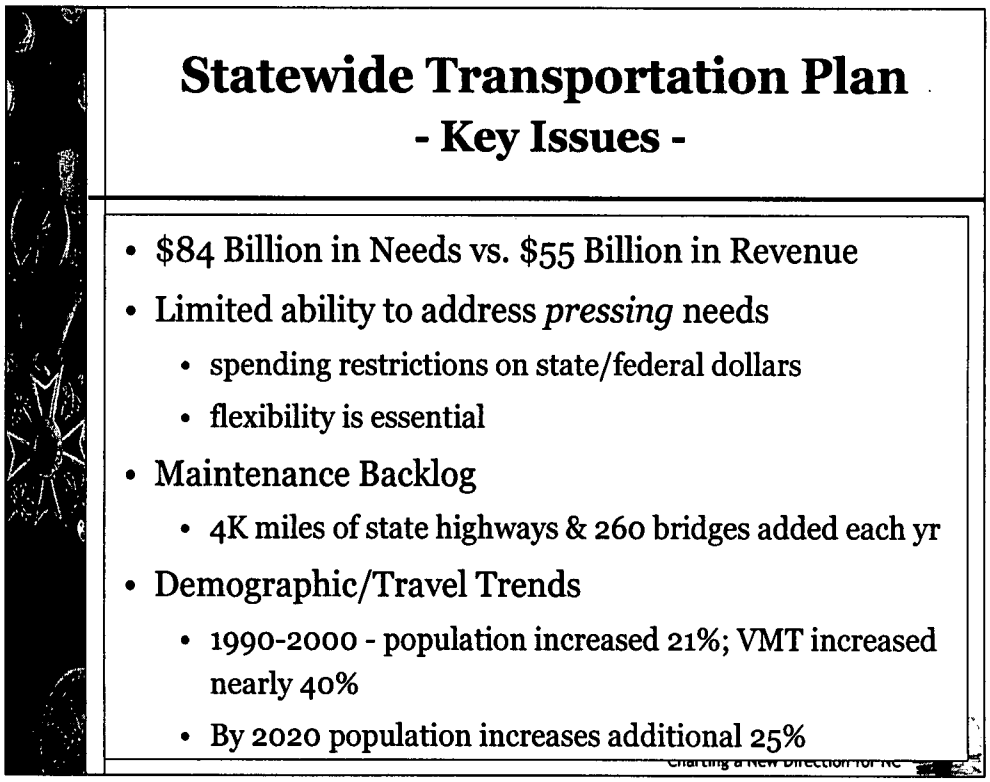
when he was a NCDOT BOT member

The Board Committee

- The input has included our 14 Division Engineers(key field staff)who haven't traditionally had a role in long range planning

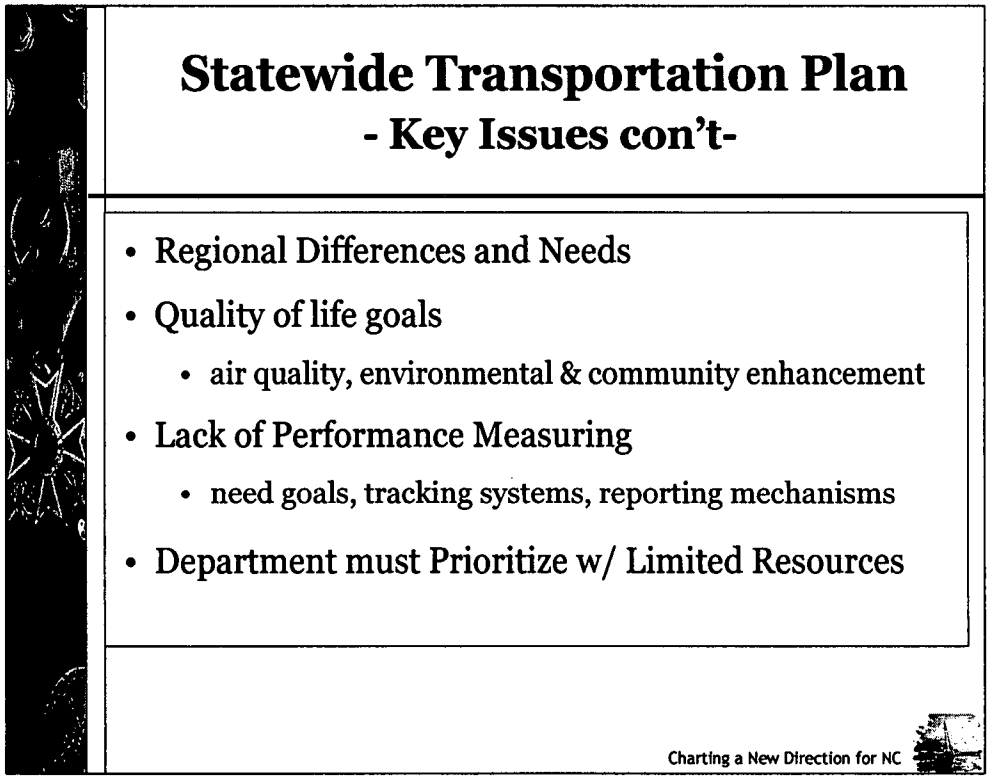
- The public outreach included meeting with 40 plus Stakeholder groups; our Plan database consisted of over 2500 citizens

- Transportation Planning staff were primarily involved at a day-to-day level

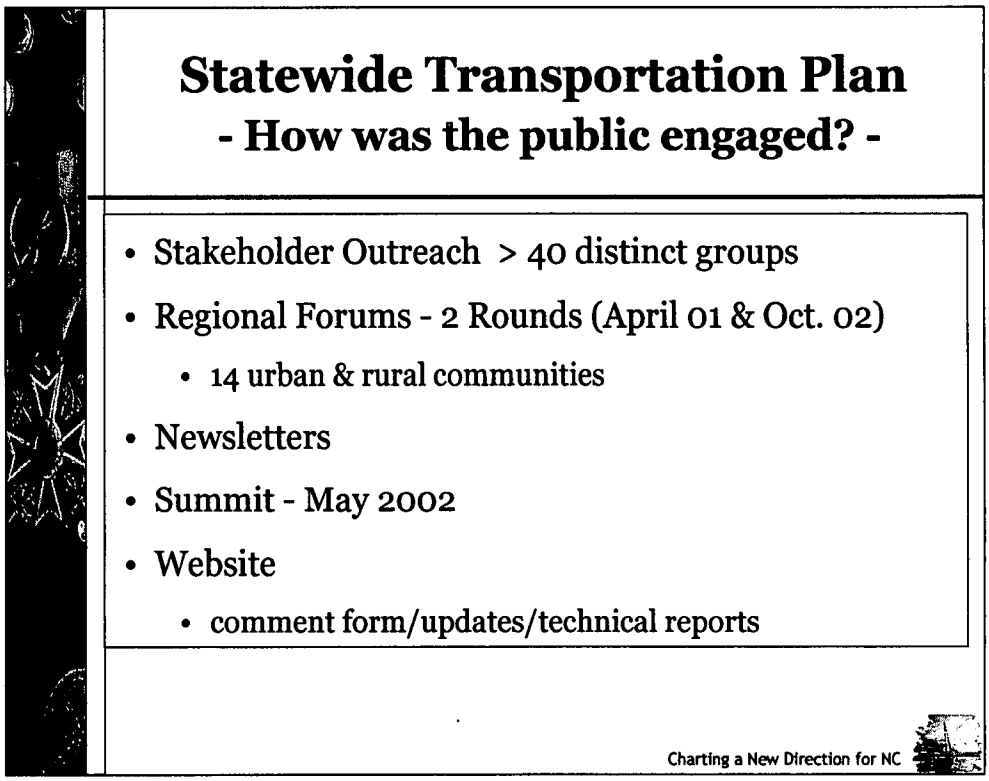


- So let's get right to it. What are some of the key issues.

- The most "eye-opening" fact is that we've got $84 BILLION in needs (including all modes) and only $55 Billion in revenue - **leaving a $29 Billion gap over the next 25 years. We are essentially falling behind by about a billion a year.**
- Dept has limited decision-making authority to address pressing needs
    - our funding comes to us in many different "pots" for lack of a technical term that can only be used in certain ways
    - Last decade has seen substantial expansion of our highway system which is much needed but maintenance backlog is growing, with NO exclusive, dedicated funding source to support improvements--data tells us that there is $11 BILLION of routine highway/bridge maintenance needs alone
- **Legislative flexibility** is crucial to this issue...this Plan is a platform to engage in this dialogue and consider changes
- Another key issue that I think that we all recognize is that NC is a great place to live and work....b/w 1990-2000 population increased 21%, at the same time VMT increased nearly 40%---VMT currently growing at a rate 7X our budget
    - population expected to expand an additional 25% by 2020



- Plan has taken a system-wide approach, looking at the highway system as a whole, not individual projects....within this context we also recognize that there are regional differences in NC - one Plan cannot meet all unique regional needs, however, the Plan lays out a long term direction with year to year flexibility
- Quality of life -- transportation and transpo investment plays a crucial role in a community's economy, the state's air quality, safety, etc Public demands we consider these types of goals as a criteria in our decision-making so we kept these issues on the forefront as we developed the Plan.
- Dept currently lacks the ability to truly track and periodically reports its system's performance...need to invest in enterprise-wide tools and build databases to chart progress be more accountable to ourselves and the public
- A "realistic" plan is fiscally constrained and forces the Dept and its stakeholders to PRIORITIZE!
    - Given the limited resources and in lieu of new revenue sources, the Department must find a way to prioritize and make the most of its current dollars

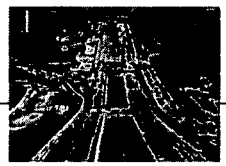


- As I mentioned earlier, I believe that we have been successful in engaging internal and external people on the Plan --even when most people don't want to talk about something so far into the future.
- We conducted an extensive public involvement program to solicit opinions of stakeholders and citizens across NC
- Comprehensive, broad, reached out to economic development officials, civic organizations, environmental advocates, business leaders in urban/rural areas
- Held a series of regional forums
- produced newsletters,
- Held a Summit with 100 plus leaders from around NC in May 2002
- started a website, had > 2600 individuals in the database
- solicited opinions through surveys, comments forms, priorities
- Its worth noting that wherever we went, urban or rural areas, 2 messages were heard consistently from the public were:
    - 1) put a greater emphasis on having a modern, well maintained system
    - 2) we are willing to pay for smart, efficient, effective transportation improvements

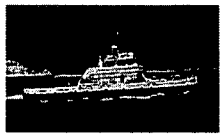
Statewide Transportation Plan
- Needs estimate by mode -

$84 Billion (all modes; $2001)

- 25-year "snapshot"
  - Highways & Bridges - $66.6 billion
  - ITS (Intelligent Transportation Systems) - $1.1 billion
  - Public Transportation - $10.6 billion
  - Rail (Passenger & Freight) - $4 billion
  - Ferry - $1.1 billion
  - Bicycle / Pedestrian - $300 million
  - Aviation - $1 billion*



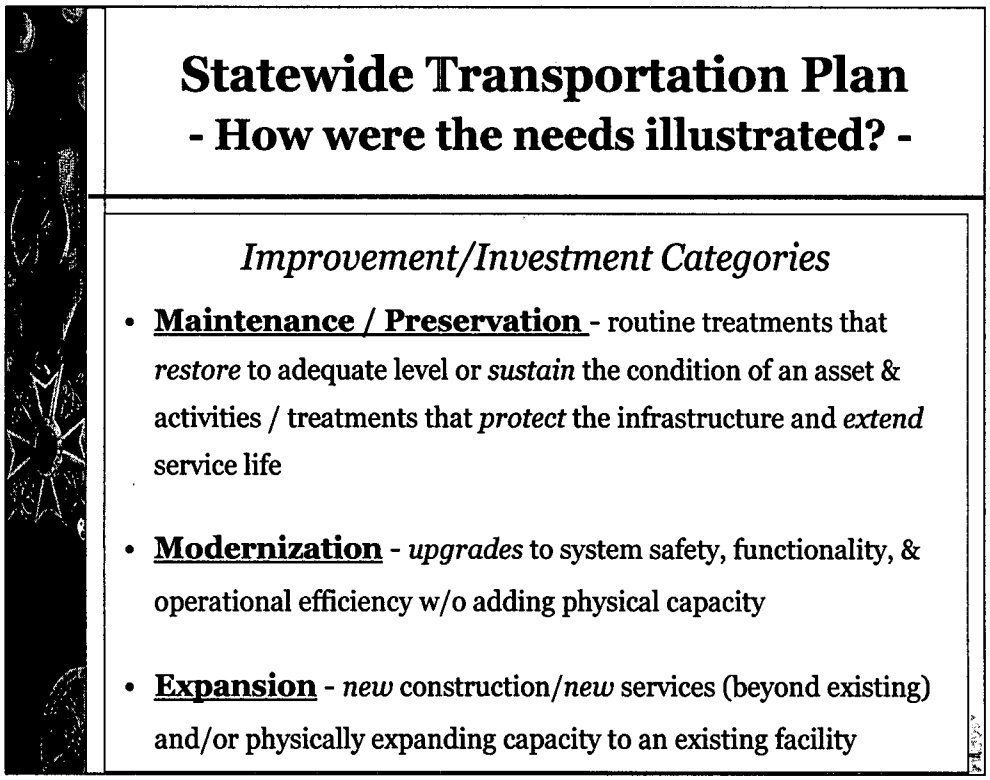




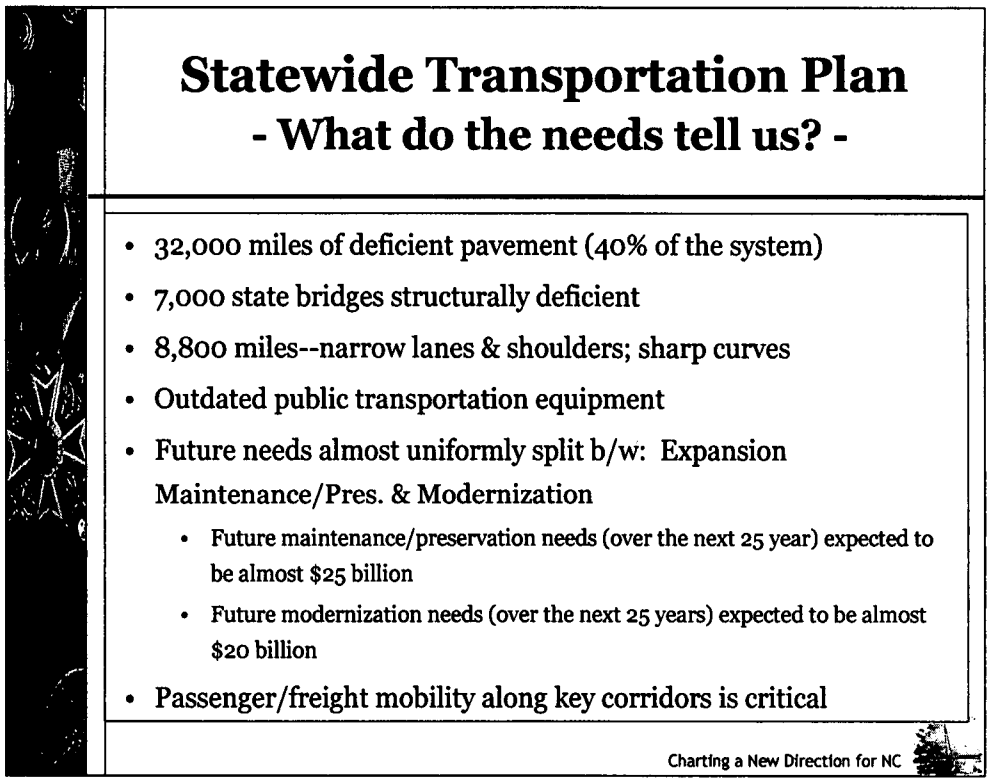
** funding is self-contained; not in final scenario*

- With all that as background, let's take a look at the numbers...

- Infrastructure needs over a 25-year horizon total to **$84 B** (in 2001 dollars)
- This is just a snapshot - each time we pave a road, improve a railroad grade crossing , the data can change but we needed a benchmark.
- Analysis was system specific--i.e., it tells you (for ex) a general number of miles of highways needed for resurfacing NOT which specific routes...total mileage was then multiplied by unit cost to express needs in dollars!
- Includes:
  - almost $67B worth of highway/bridge needs and Intelligent Transportation Needs (such as cameras and changeable message signs) to move vehicles more efficiently
  - $10.6B public transportation needs
  - $4B in rail
  - $1.1 B ferry needs
  - $300 M of bike and ped (PLUS ones along highway)
  - Aviation - special case - funding is self contained, aviation is not directly included in the Plan recommendations.



- Once we calculated the needs we organized them into 3 CATEGORIES--this made it easier to compare / contrast choices when we developed our final investment scenario
- The categories are:
- **Maintenance/preservation** refers to regular, routine treatments that sustain highway condition. **Highway Examples include:** mowing, ditch cleaning, rest area operations, signal maintenance, etc.
- **Modernization** refers to upgrading system safety, functionality, and overall operational efficiency, without adding major physical capacity. **Highway Examples** include: minor widening, resurfacing and shoulder improvements, alignment corrections, etc.
- **Expansion** refers to *new* construction or *new* services (beyond existing) and/or expanding capacity to an existing facility. **Highway Examples** include: new loop or bypass projects, major widening



- What does the data tell us?
- declining safety features and poor pavement conditions are costing North Carolina motorists $5.3 billion annually in the form of traffic accidents, additional vehicle operating costs and delays.
- Almost 7,000 of the State's 17,000 bridges are currently deemed "deficient", i.e., considered in either poor condition and/or lacking adequate load carrying capacity
- there are a lot of narrow lanes and outdated equipment
- Future needs almost uniformly split between maint/pres, moder and expansion
- future m/p needs are almost $25 B
- future moder almost $20 B
- to remain competitive in a changing global and national economy it is imperative that we maintain a high level of mobility on our most critical highway corridors---not just interstates moving people through the state, but facilities that connect smaller places to others and our Ports to manufacturing centers, etc.

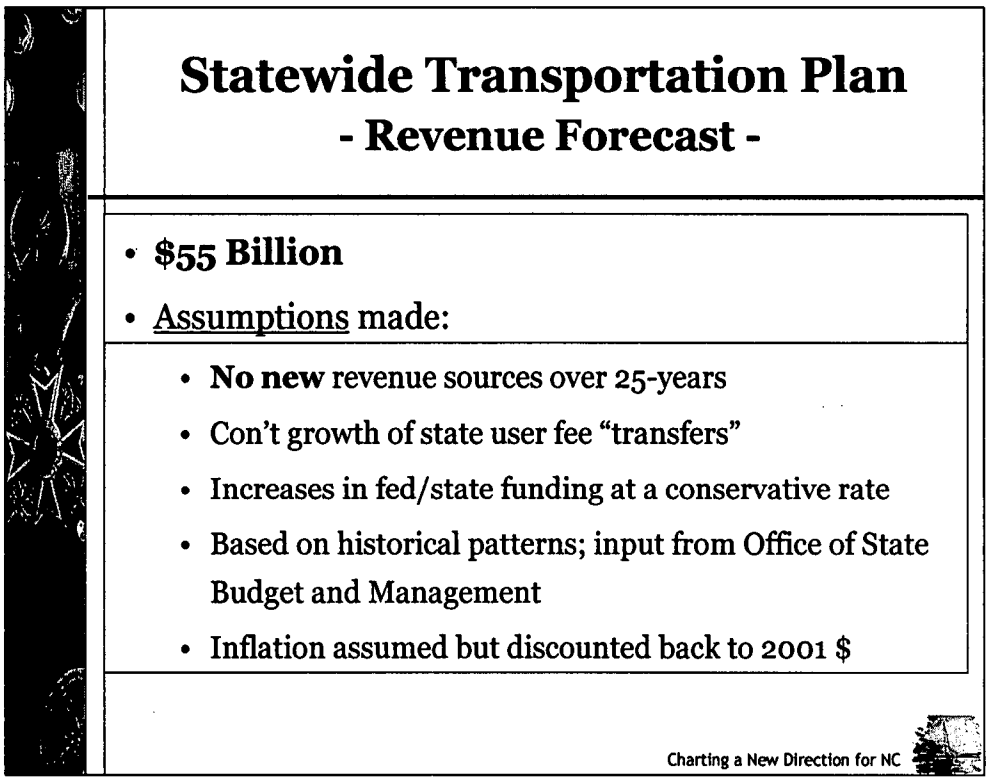


- Focusing for just a moment on **highways**, lets consider the data reflected in these two pie charts
- The chart on the left suggests FUTURE needs will be broken out by the percentages reflected:
    - Maint/Pres = 38%; Mod = 29%; Exp = 33%

** *These are simply the needs over 25-yr period, they do not reflect the Priorities, & we already know we can't meet them all*

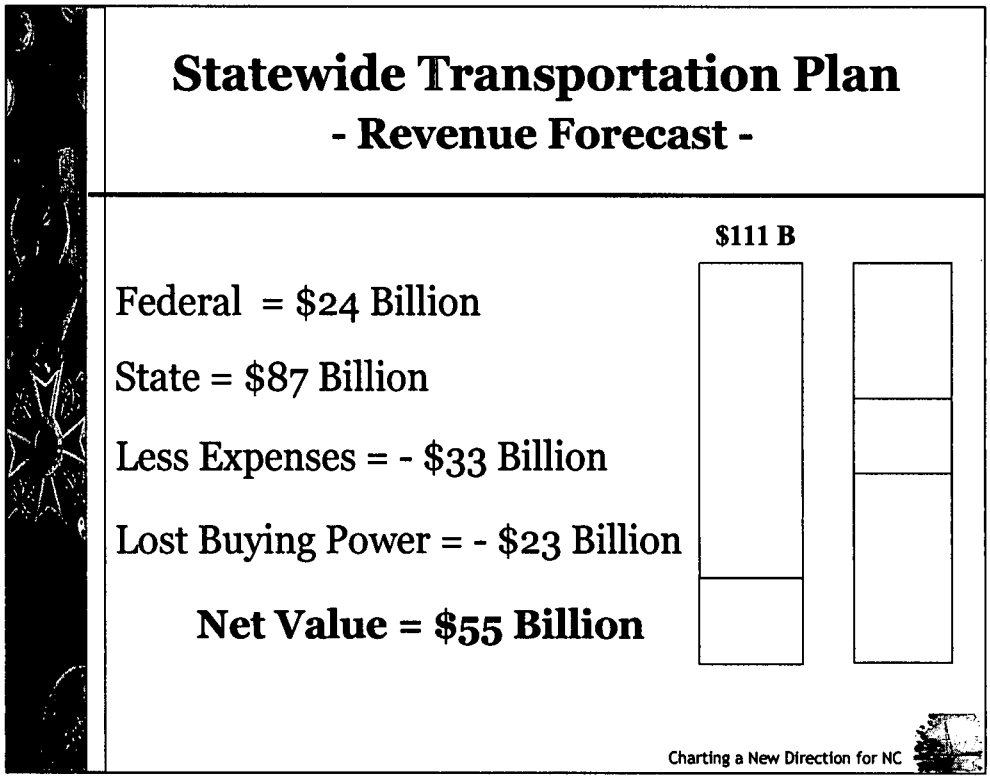
- Compare this to the pie chart on the right (which is a 6-year snapshot of how we've been spending our money)---the expenditure pattern, IF continued in the future will NOT match the expected needs!
- **What gets short changed?** Maint/Pres and Modernization needs
- In the past few years, there have been some initiatives at the legislative level to help us chip away at the maint/pres and some moderinzation needs, in particular:
    - SB 1005
    - NC Moving Ahead
    - flexibility with intrastate system in HTF

have helped infuse some need cash towards better maintaining our system and chipping away at the backlog...however more flexibility is required to address needs the state is expected to face

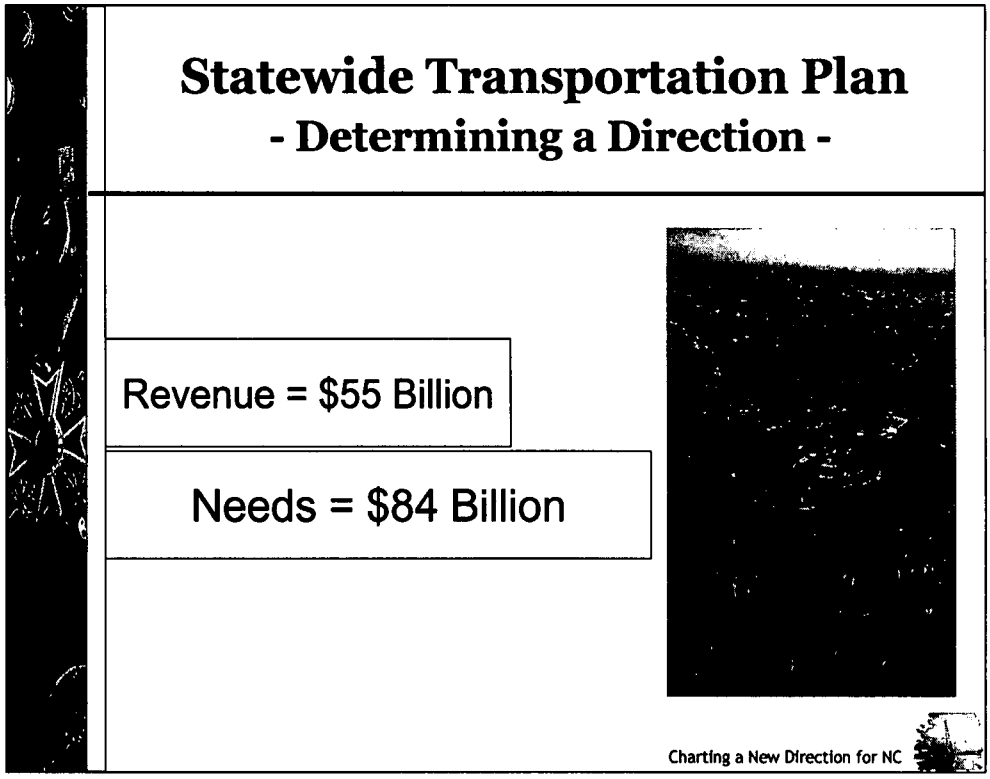


- So that's the 25 year needs picture
- As I stated in the beginning, we also conducted a revenue forecast to give us a sense of fiscal reality and to use as a basis for comparison to Needs
- Forecast totals to $55 B in expected revenue over the 25-year period
- Key to this dollar value are the assumptions that went into creating it

- READ

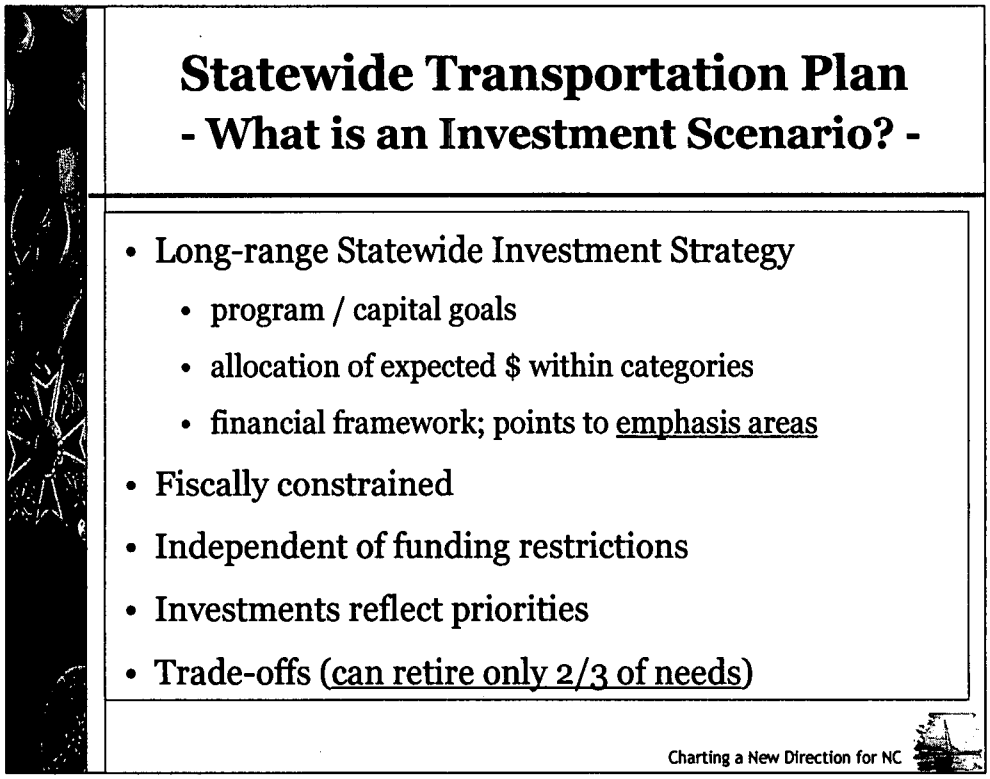


- Let's look at that number in more detail
- By growing the federal and state dollars we come to the total of $111 Billion Gross Revenues
- However, assuming statutory transfers that take place today stay put for the future, we must subtract **$33 B**
    - **Those Expenses** include: support for DMV & highway patrol ($9.2B), General Revenue fund transfer ($7.1B), Powell Bill ($4.9B), Debt Service ($1.3B), DOT Admin ($6.3B), Non-highway modes ($2.95B), Drivers Ed ($1.1B)
- **Lost Buying Power** is inflation, which reduces the buying power of future revenues, thus subtracting another **$23 B**, leaving a **Net Present Value ($2001) of $55 B**
- This forecast DOES NOT assume any NEW revenue sources, simply forecasts existing ones

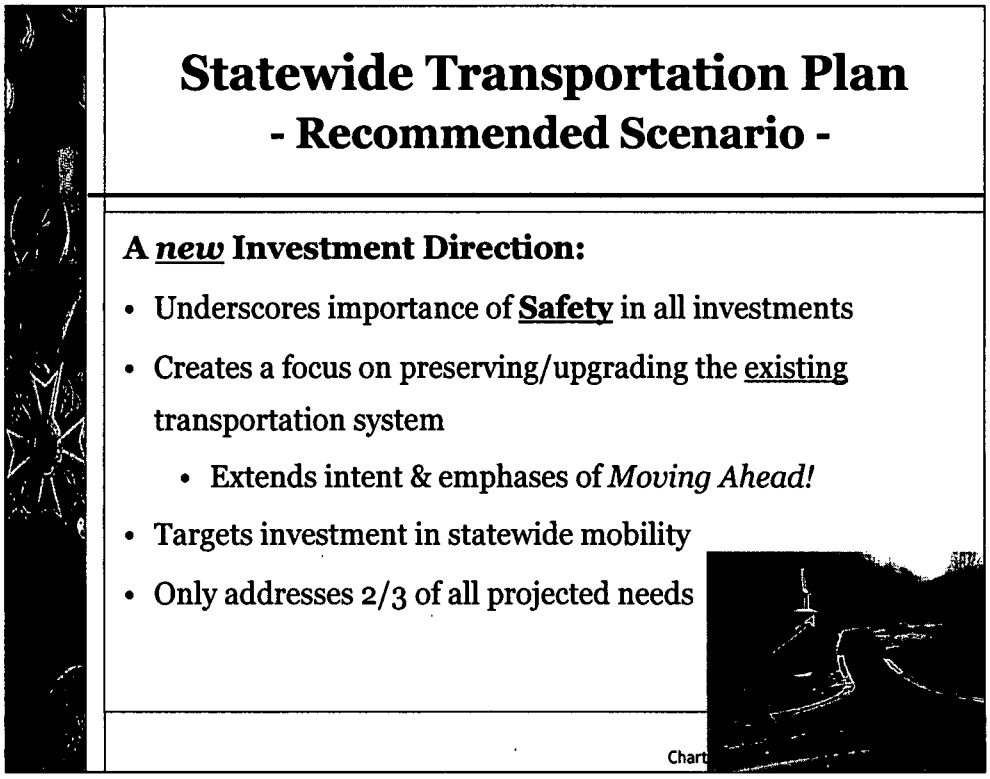


- Faced with this large amount of Needs$84B and limited Revenue $55 B, we began to consider a series of choices for the future
- This was not a path for staff to determine alone, the Board is charged with making these types of Policy decisions
- We really had three options
- 1)change your goals
- 2)get new $
- 3)set priorities

- The NC BOT wanted to be realistic and therefore chose option 3. The priorities that the BOT set are identified in the Plan's recommended investment scenario.



- So what is this investment scenario
- an Investment Scenario proposes targeted levels of investment within definitive improvement categories over the long term - remember this is a 25 year plan
- It's a a starting point -- not meant to be prescriptive, but offers opportunities to prioritize and direct spending towards critical, pressing needs---points to emphasis areas
- Done at a **macro level**-- independent of current legislative mandates and earmarks - remember the funding constraints - those pots of money I referred to earlier
- However the biggest challenge -- available dollars can only meet 2/3 of needs, which still leaves the question of how to address the $29B gap



- The Recommended Investment Scenario is the cornerstone of the Plan and represents the course which Implementation will follow.

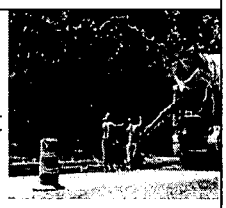
- The Scenario does the following:

- Underscores importance of **Safety** in all investments
- Creates a focus on preserving/upgrading the existing transportation system
  - Extends intent & emphases of *Moving Ahead!*
- Targets investment in statewide mobility

- BUT again...addresses only 2/3 of all projected needs.

Statewide Transportation Plan
- Recommended Scenario -

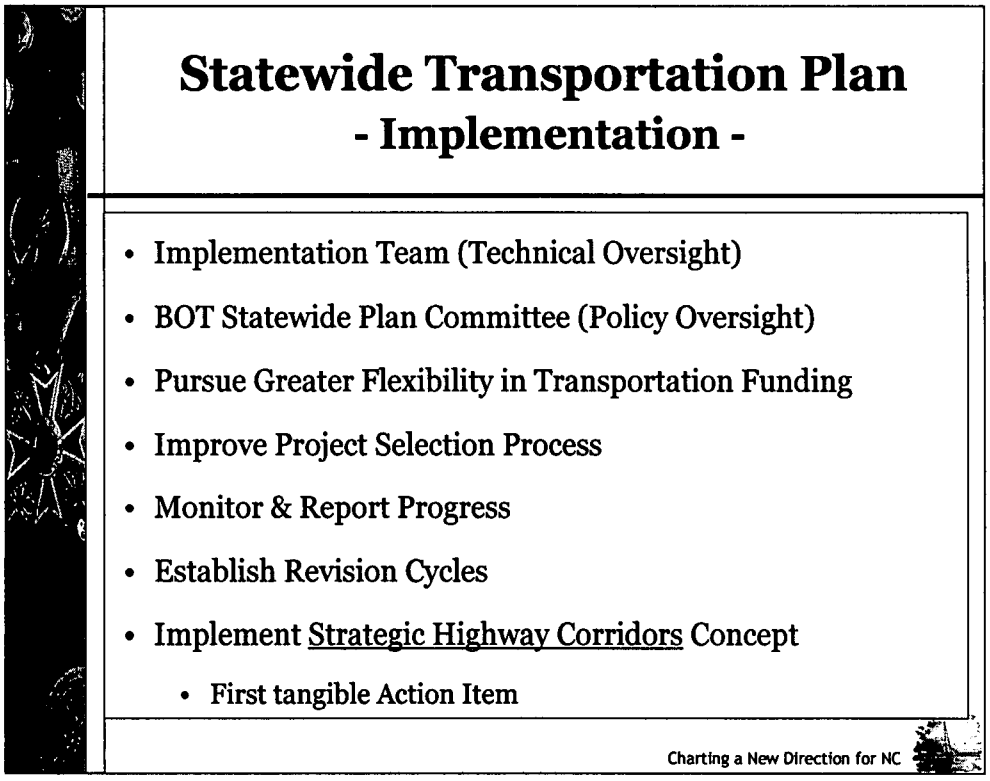
Specifics - page 20 & 21 in Plan Report



- 75% of Maintenance & Preservation needs met
  - represents **10% increase from past**
- Major Modernization emphasis (2/3 of needs met)
  - represents nearly **25% increase from past**
- 2/3 of Highway Expansion needs met
- Increases investment in non-hwy modes

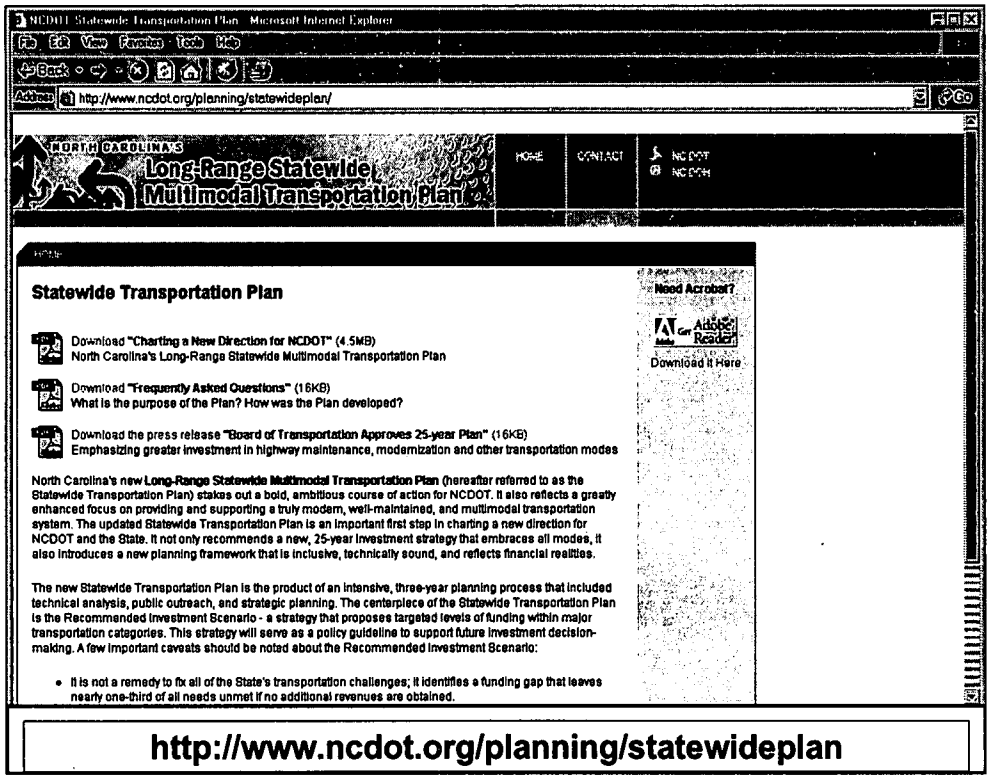
Charting a New Direction for NC

- Specifically the Scenario recommends investment levels that:
- **Meets 75% of the Maintenance and Preservation needs** - what does this mean for NC?--patching more potholes, doing guardrail repair, replacing outdated signs, more signal maintenance, resurfacing
  - This is a 10% increase from the past
- **Meets 2/3 of the Modernization needs** - what does this mean for NC?--more widening narrow lanes and shoulders, building turn lanes and improving intersections for safer travel flow, replacing structurally deficient bridges, making other OPERATIONAL improvements which have a positive affect on capacity and improve travel efficiency
- We can do this while still addressing almost 2/3 of the future highway expansion needs
- Plan Scenario also increases investment in non-highway modes as compared to the past.
- Our BOT adopted this investment scenario as policy and feels as though it is the best path for the future without additional resources.



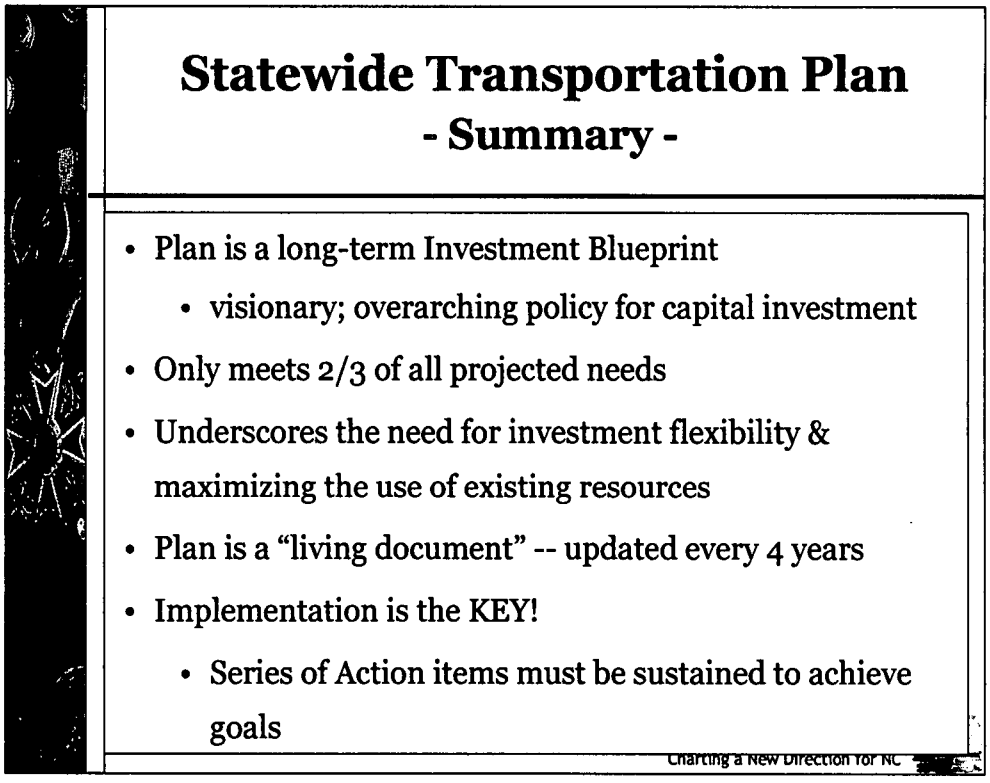
- So you may be wondering how will we carry this Plan forward? The answer is through a series of strategies including:

- implementation team which is a cross section of management staff
- create a permanent BOT committee to focus on implementing the Plan
- We'd like to continue working with you to consider innovative ways to "flex" our transportation dollars and build more flexibility into our funding/allocation process
- We recognize that priorities may change and issues may come up that we need to address so we will monitor and report progress 2 & 4 yr revision cycles - will keep data "fresh" & matches legislative biennium
- As I have discussed, the cornerstone of the Plan is a new investment scenario which places an increased emphasis on maintenance, preservation and modernization of our multimodal transportation system. As a first step towards implementing one aspect of this investment scenario, the Board of Transportation also adopted the Strategic Highway Corridor concept (SHC). Includes:
    - the SHC vision map,
    - definitions of facility types and control of access types.
    - SHC policy statement



- You can get more information on the Plan at this web page.

- You can also download your own personal copy.



- I'd like to leave you with these FIVE items about the Statewide Transportation Plan and the key messages that are conveyed

- This is a big picture analysis resulting in a long term visionary document - a blueprint for the Department to follow, which offers
- Without additional resources, we can only meet 2/3 of the needs
- Department must have greater investment flexibility
- Plan is a "living document" data refreshed every 2 years; full plan update every 4 years
- To be successful in achieving targets set forth will require a strong focus on **Implementation** - a long, incremental process.
- And we're already started with implementation

- I'd be happy to try to answer any questions that you may have.

Transportation Funding Issues
2005

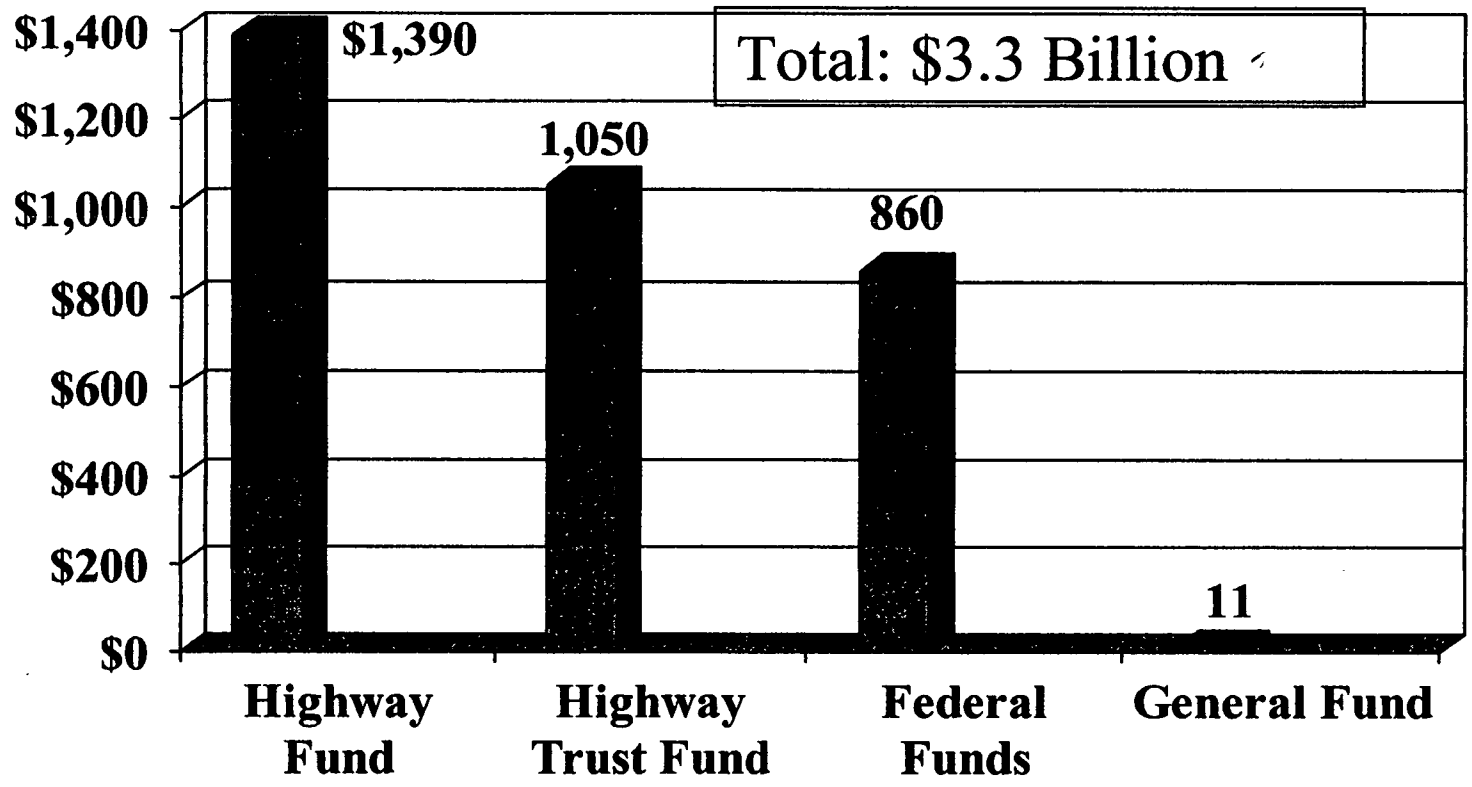
Fiscal Research Division
North Carolina General Assembly
February 2005

Attachment C

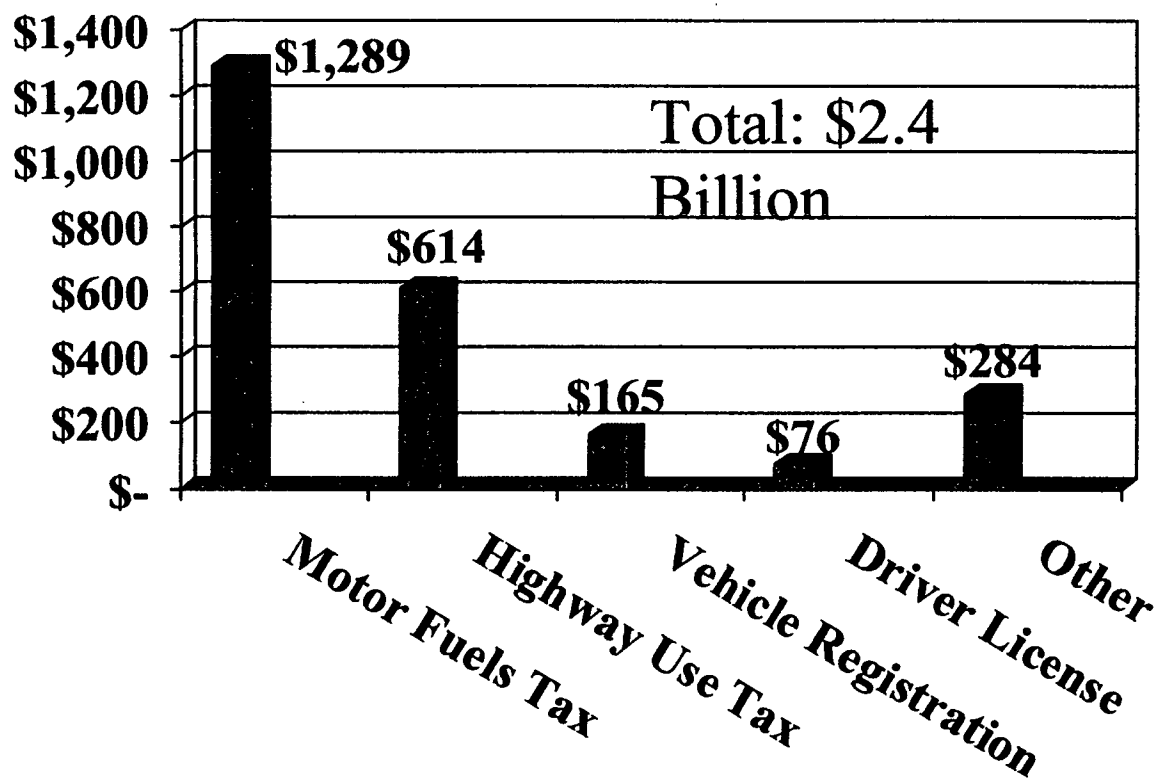
Transportation Funding Issues

- Sources and Uses of Funds
- Highway Fund and Highway Trust Fund
- Major Fiscal Issues
  - Maintenance
  - Transit
  - State Highway Patrol
  - Division of Motor Vehicles
- Highway Trust Fund/Cash Management/Moving Ahead
- Project Delivery Study
- Gas Tax (and Leaking Underground Storage Tank Fund)

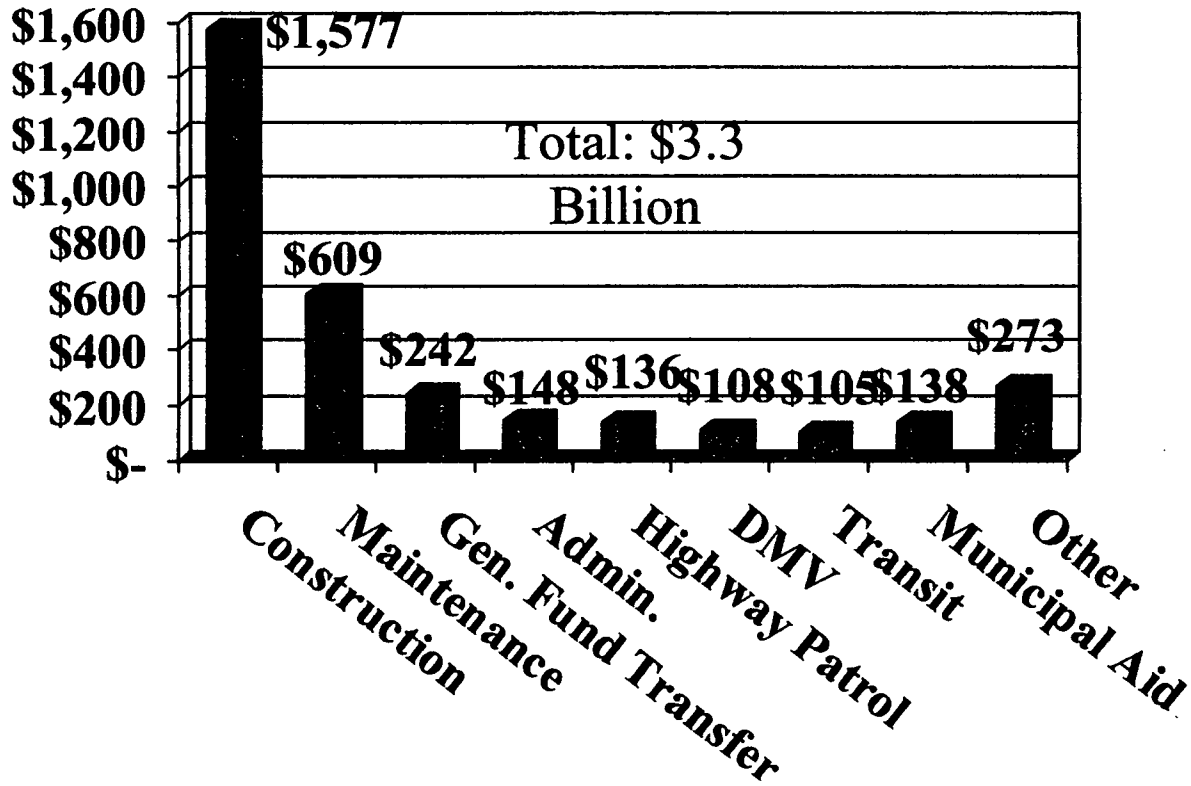
Transportation Revenues
(2004-2005 Budget, millions)



State Transportation Revenue Sources
(2004-2005 Budget, millions)



Transportation Budget
(2004-2005 budget, millions)



Statewide Transportation Plan
Board of Transportation 2004

- Gap between needs and resources over next 25 years:

  $30 billion

- Recommends greater emphasis on **upgrading and preserving the existing transportation system** by increasing investment in highway modernization, as well as maintenance/preservation activities for all modes.

Highway Fund and Highway Trust Fund

	Highway Fund	Highway Trust Fund
Method of Allocation	Appropriation; about 14% by statutory formula	Statutory formula; individual projects by Board of Transportation
Budget 2004-2005	$1.390 billion	$1.05 billion
Major Sources of Funds	Motor Fuels Tax 70% Licenses, Fees 30%	Highway Use Tax 60% Motor Fuels Tax 31%
Major Programs	Maintenance 43% Construction 10% State Highway Patrol 10% Administration 8% DMV 7% Public Transit and Rail 7%	Construction 73% Transfer to General Fund 23%

Maintenance

- DOT maintains over 78,000 miles of roadway (second in the nation) and over 17,000 structures (bridges, etc.)
- Since 1989
  - Vehicle Miles Traveled up 54%
  - Paved lane miles up 24%
- Results: Greater congestion and need for maintenance
- DOT estimate of annual maintenance funding needed is $912 million while the Highway Fund maintenance budget is about $600 million, leaving a gap each year of $300+ million.

Transit

- Two major New Starts projects underway
  - Charlotte Area Transit System South Corridor Light Rail Project
    - Capital Cost: $400 million total, $100+ million State share
    - Start of Service: 2007
    - Expected Ridership: 18,000 weekday
    - Additional corridors planned with total capital costs over $1.5 billion
  - Triangle Transit Authority Regional Rail Initial Segment
    - Capital Cost: $700 million total, $140 million State share
    - Start of Service: 2008
    - Expected Ridership: 14,400 weekday
  - Total State Funding Required: **$250 million** (does not include additional corridors or segments)

State Highway Patrol

- Current budget: $136 million
- Additional troopers
  - First year cost per trooper about $100,000.
- VIPER (Voice Interoperability Plan for Emergency Responders)
  - Would allow voice communication among emergency responders during natural and manmade disasters
  - Total cost estimated at $156 million, apportionment among funds to be determined

Division of Motor Vehicles

- Current Budget: $108 million
- In recent years the Driver License section has received funds for new examiners and new queuing systems and automated test equipment.
- Federal legislation being considered would impact the state's driver license procedures and costs.

Highway Trust Fund – Cash Balances and Transfers

- 1989-2001
  - Statute specified $170 million annual transfer from Highway Trust Fund (HTF) to General Fund
- 2001 – High cash balances (almost $1 billion) and unused bonding authority ($700 million) led to Transportation Oversight Committee Cash Management Study
- 2002-2005 – **$1.8 billion of HTF cash balances used for:**
  - Maintenance/small construction: $1,145 million (SB 1005 and Moving Ahead)
  - Transit (includes some rail, etc.): $190 million
  - Other transportation: $52 million
  - Additional transfers to General Fund *(in addition to statutory $170 million)*: $442 million
- 2005 Excess cash balances gone

Project Delivery Study - 2004

- Concerns about project delivery
  - Complaints by constituents, legislators, construction industry
  - High cash balances; unused bonding authority of $700 million
  - 12 years to complete some projects
- Study by Transportation Oversight Committee
  - Findings
    - Project delivery has become more complex, requiring systems, processes and project management experience that DOT lacks.
    - DOT has difficulty recruiting and retaining the appropriate people to do these tasks.
    - DOT has made excellent progress in working with the resource agencies.
  - Recommendations
    - Institute culture of program-level management, control, and oversight from the top down.
    - Set strategic department wide objectives for program and project delivery performance
    - Apply project management principles.
    - Establish project control system to provide management reporting and accountability mechanisms.

Motor Fuels Tax

Base	17.0 cents per gallon
Leaking Underground Storage Tank Funds*	.5 cents per gallon
Variable Rate**	9.1 cents per gallon (effective Jan-Jun, 2005)
Total	**26.6 cents per gallon**

*For cleanup of leaking underground petroleum storage tanks. In fiscal year 2004-2005 these funds are receiving an additional $32 million from the Motor Fuels tax.

**The Variable Rate is 7% of the weighted wholesale price of gasoline and diesel fuel and is changed every six months. There is a floor of 3.5 cents per gallon.

Rates in surrounding states:

Virginia: 18.1 cents (gasoline), 16.6 cents (diesel) plus 2% sales tax in certain localities

South Carolina: 16.5 cents per gallon

Georgia: 7.5 cents per gallon plus 4% sales tax

§ 136-17.2A. Distribution formula for funds expended on Intrastate System and Transportation Improvement Program.

(a) Funds expended for the Intrastate System projects listed in G.S. 136-179 and both State and federal-aid funds expended under the Transportation Improvement Program, other than federal congestion mitigation and air quality improvement program funds appropriated to the State by the United States pursuant to 23 U.S.C. § 104(b)(2) and 23 U.S.C. § 149, funds expended on an urban loop project listed in G.S. 136-180 and funds received through competitive awards or discretionary grants through federal appropriations either for local governments, transportation authorities, transit authorities, or the Department, shall be distributed throughout the State in accordance with this section.

(1) Distribution Region A consists of the following counties: Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates, Halifax, Hertford, Hyde, Johnston, Martin, Nash, Northampton, Pasquotank, Perquimans, Tyrrell, Washington, Wayne, and Wilson.

(2) Distribution Region B consists of the following counties: Beaufort, Brunswick, Carteret, Craven, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Pitt, and Sampson.

(3) Distribution Region C consists of the following counties: Bladen, Columbus, Cumberland, Durham, Franklin, Granville, Harnett, Person, Robeson, Vance, Wake, and Warren.

(4) Distribution Region D consists of the following counties: Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Orange, Rockingham, Rowan, and Stokes.

(5) Distribution Region E consists of the following counties: Anson, Cabarrus, Chatham, Hoke, Lee, Mecklenburg, Montgomery, Moore, Randolph, Richmond, Scotland, Stanly, and Union.

(6) Distribution Region F consists of the following counties: Alexander, Alleghany, Ashe, Avery, Caldwell, Catawba, Cleveland, Gaston, Iredell, Lincoln, Surry, Watauga, Wilkes, and Yadkin.

Equity Formula

(7) Distribution Region G consists of the following counties: Buncombe, Burke, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, and Yancey.

(b) Until ninety percent (90%) of the mileage of the Intrastate System projects listed in G.S. 136-179 is completed, the Secretary of Transportation shall, on or before October 1 of each year, calculate the estimated amount of funds subject to this section that will be available for the next seven program years beginning that October 1. The Secretary shall then calculate a tentative percentage share for each distribution region by multiplying the total estimated amount by a factor that is based:

(1) Twenty-five percent (25%) on the estimated number of miles to complete the Intrastate System projects in that distribution region

compared to the estimated number of miles to complete the total Intrastate System;

(2) **Fifty percent (50%) on the estimated population of the distribution region compared to the total estimated population of the State; and**

(3) **Twenty-five percent (25%) on the fraction one-seventh, which provides an equal share based on the number of distribution regions.**

(c) When ninety percent (90%) of the mileage of the Intrastate System projects listed in G.S. 136-179 is completed, the Secretary of Transportation shall, on or before October 1 of each year, calculate the estimated amount of funds subject to this section that will be available for the next seven program years beginning that October 1. The Secretary shall then calculate a tentative percentage share for each distribution region by multiplying the total estimated amount by a factor that is based:

(1) Sixty-six percent (66%) on the estimated population of the distribution region compared to the total estimated population of the State; and

(2) Thirty-four percent (34%) on the fraction one-seventh, which provides an equal share based on the number of distribution regions.

(d) In each fiscal year, the Department shall, as nearly as practicable, expend in a distribution region an amount equal to that region's tentative percentage share of the funds that are subject to this section and are available for that fiscal year. In any consecutive seven-year period, the amount expended in a distribution region must be between ninety percent (90%) and one hundred ten percent (110%) of the sum of the amounts established under this subsection as the target amounts to be expended in the region for those seven years.

(e) In making the calculation under this section, the Secretary shall use the most recent estimates of population certified by the State Budget Officer.

(f) In developing the schedules of improvements to be funded from the Trust Fund and of improvements to be made under the Transportation Improvement Program, the Board of Transportation shall consider the highway needs of every county in a distribution region and shall make every reasonable effort to schedule the construction of highway improvements in a manner that addresses the needs of every county in the region in an equitable and timely manner.

(g) On or before December 1, 1999, the Secretary shall submit to the General Assembly a report of allocations, obligations, and actual yearly expenditures for each distribution region, covering fiscal years 1989-90 through 1997-98. On or before December 1, 2000, and every two years thereafter, the Secretary shall submit to the General Assembly a report of allocations and actual expenditures for the preceding two fiscal years. At any time in which the report indicates that allocations and expenditures by distribution region do not comply with the provisions of subsection (d) of this section, the Secretary shall also submit a plan to correct the imbalance.

(h) Each year, the Secretary shall calculate the amount of funds allocated in that year to each division, the amount of funds obligated, and the amount the obligations exceeded or were below the allocation. The target amounts obtained

Lyndo Law

according to subsection (b) of this section shall be adjusted to account for any differences between allocations and obligations reported for the previous year. The new target amounts shall be used to fulfill the requirements of subsection (d) of this section for the next update of the Transportation Improvement Program. The adjustment to the target amount shall be allocated by division. (1989, c. 692, s. 1.4; c. 770, s. 74.7; 1999-237, ss. 27.19, 27.20(a); 1999-422, s. 2; 2000-134, s. 22.)

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE TRANSPORTATION 2-22-05

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Patrick Clancy	Speaker Black's Office
Mary Thomsen	REBIC
Stephanie Dorko	Charlotte Chamber
Quennard Langhorne	NS
Portia Manley	NCDOT / DMV
Susan Conrad	UCDOT
Lee Hodge	KCLH
Kevin Leonard	WCSR
Kim Crawford	TTA
Betsy Bailey	NC Public Transportation Assn.
Sandra Long	Martin Marietta

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE TRANSPORTATION 2-22-05

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Milton Alford	OSBM
Beau Mills	NC Metropolitan Coalition / NCLM
Christie Barbee	CAPA
Faye Gattis	NC State Ports Authority
Paul Fuller	NCATL
Jim Lowry	NC Utility Contractors Assn
John Cyrus	NC State Employees
Sandy Sands	NCSP

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Thursday, February 24, 2005 12:51 PM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: COMMITTEE MEETING NOTICE
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2003-2004 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAY: Wednesday March 2, 2005

TIME: 8:30 a.m.

Room: 1228 LB

Transportation Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 12:50 p.m. on **February 24, 2005.**

___Principal Clerk
___Reading Clerk - House Chamber

2/24/2005

Joint Subcommittee on Transportation Appropriations

Agenda

March 2, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole, presiding
Senator Clark Jenkins

- DOT Financial Overview
  - Revenues
  - Expenditures
  - Cash Management
  - Introduction to Governor's Recommended Budget

  Mark L. Foster, Chief Financial Officer, DOT

Future Meetings (tentative until placed on the Calendar)

Thursday, March 3, 8:30 am
- Transportation Improvement Program
- Powell Bill Funding

Wednesday, March 9, 8:30 am
- Maintenance
- Secondary Roads
- Small Urban and Contingency Programs
- Moving Ahead

Wednesday, March 9, 2:00 pm (Joint Meeting with Justice and Public Safety Appropriations Subcommittee)
- State Highway Patrol Budget

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

March 2, 2005

8:30 a.m.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on March 2, 2005 at 8:30 a.m. in room 1228 of the Legislative Building. Representative Nelson Cole presided and called the meeting to order. Five members of the Senate committee were present. A visitor registration sheet is attached and made part of these minutes. The following members of the House Committee were in attendance:

Rep. Nelson Cole
Rep. Lorene Coates
Rep. Bonner Stiller
Rep. David Almond
Rep. Larry Brown
Rep. Walter Church
Rep. Linda Coleman
Rep. Margaret Dickson
Rep. Jim Gulley
Rep. Grier Martin
Rep. Ed McMahan
Rep. Tim Moore
Rep. Drew Saunders

Representative Cole opened the meeting and acknowledged the Pages and Sergeant at Arms. He then introduced Mr. Mark Foster, Chief Financial Officer with the Department of Transportation. See Handout #1, Financial Overview to Joint Appropriations Subcommittee on Transportation.

Mr. Foster began his presentation by saying that the Governor's Budget, which is the Appropriated Spending, is approximately $3.3 billion. The Non-Appropriated Spending is made up of Cash Management Initiatives, which consist of SB 1005 Special Authority Projects at $687 million and NC Moving Ahead at $700 million. The Governor's Budget for DOT is made up of the Highway Fund at 42%; Highway Trust Fund at 33% and Federal Funds reimbursement at 27%. The Departments receipts and General Fund is less than 1%. Half of DOT's $3.3 billion spending is spent for construction of highway type projects with maintenance at 18%.

The two main funds for DOT are the Highway Fund and the Highway Trust Fund. The major source of revenue for the Highway Fund is from the Motor Fuels Taxes at 69% and the biggest program is Maintenance at 44%. The major source of revenue for the Highway Trust Fund is the Highway Use Tax at 59% with their biggest program being Construction at 94%.

On page seven, Mr. Foster talked about the Cash Balances for the Transportation Funds of January 2005 compared to January 2004, which are down $165 million. The average cash balance for the last three months have stayed consistent around $544 million. This is broken out between the Highway Fund at 20% and the Highway Trust Fund at 25%,

which is the area where the bond money is put. The cash balances are on target at 12% of revenues.

After page ten of Mr. Foster's presentation, a question and answer period followed. Rep. McMahan asked DOT to provide the committee members with a current list of the Moving Ahead projects for the state. It will be provided at the next meeting.

Mr. Foster continued on page 12 with the Governor's Budget Recommendations. The total recommended recurring expansion amount for 2005-06 is $83 million and $45 million for nonrecurring expansion items. The total recommended recurring expansion amount for 2006-07 is $99 million and $16 million for nonrecurring expansion items. A brief question and answer period followed.

Representative Cole then asked all House Committee Members to introduce themselves and with time being a factor, Senator Jenkins will have the Senate Committee Members introduce themselves at the next meeting, Thursday, March 3, 2005 at 8:30 a.m.

The meeting was adjourned at 9:50 a.m.

Respectfully submitted:

Representative Nelson Cole, Presiding
Co-Chair, House Committee

Suzanne Smith
House Legislative Committee Assist.

Handout #1

North Carolina Department
of Transportation

Financial Overview to Joint Appropriations
Subcommittee on Transportation

Mark Foster, Chief Financial Officer
March 2, 2005

North Carolina Department
of Transportation

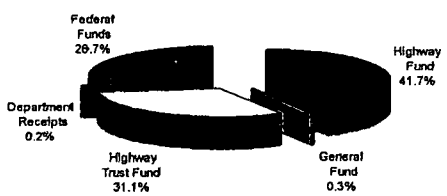
- Overview of Revenues & Expenditures
- Cash Management Update
- Governor's Budget Recommendations

NC Department of Transportation Operations Summary

- Appropriated Spending - $3.3 billion
  (Governor's Budget Recommendations)

- Non-Appropriated Spending:
  - Cash Management Initiatives:
    - -SB 1005 Special Authority Projects - $687 million
      (Beginning FY '02 - Finish FY '06)
    - -NC Moving Ahead! - $700 million
      (Beginning FY '04 - Finish FY '07)

NCDOT Appropriations
2004-05

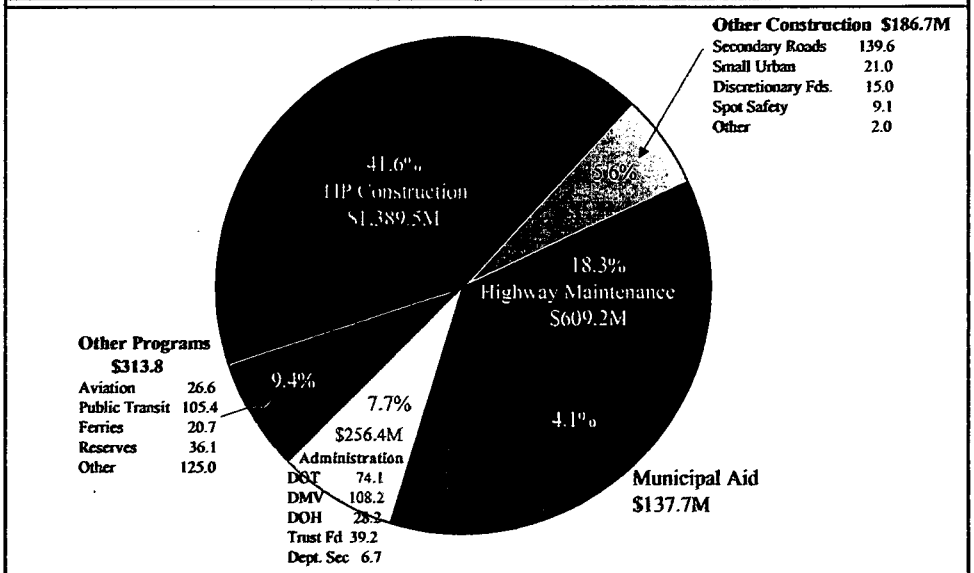


North Carolina Transportation Program Revenues 2003-05
Dollars in Millions

	Authorized 2004-05	% Change	Governor's Budget 2005-06	% Change	Governor's Budget 2006-07	% Change
Highway Fund	$ 1,390.9	2.2%	$ 1,525.9	9.7%	$ 1,516.6	-0.6%
Highway Trust Fund	1,037.5	4.4%	1,076.2	3.7%	1,100.3	2.2%
Federal Funds	890.1	-10.7%	890.1	0.0%	890.1	0.0%
Department Receipts/General Fund	17.9	-1.1%	17.0	-5.0%	18.0	5.9%
Total Revenues	$ 3,336.4	-1.0%	$ 3,509.2	5.2%	$ 3,525.0	0.5%

2001-02

Projected Uses of NCDOT Appropriations 2004-05
Total Funding = $3.3 Billion



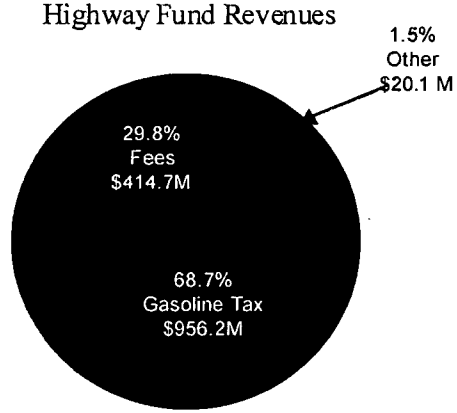
Principle Differences Between Highway Fund and Highway Trust Fund

	Highway Fund	Highway Trust Fund
Major State Revenue Source	Motor Fuels Taxes 69%	Highway Use Tax 59%
Biggest Program	Maintenance 44%	Construction 94%
Primary Method of Allocation	Appropriation	Statutory Formulas

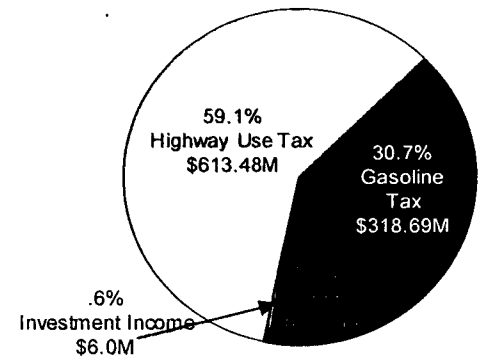
Highway Fund & Highway Trust Fund

2004-05 Fund Sources

Highway Fund Revenues

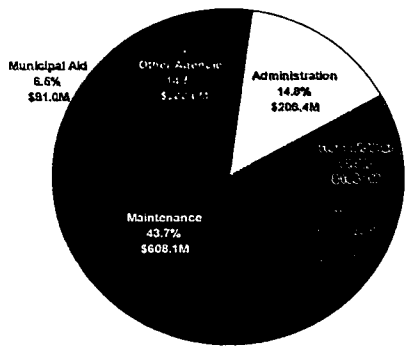


Highway Trust Fund Revenues

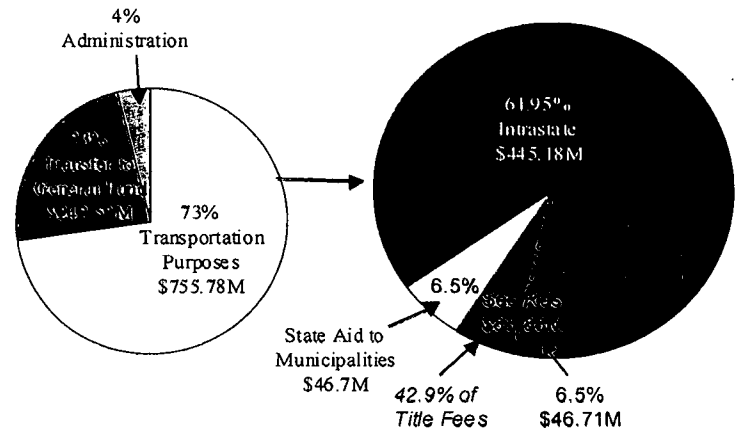


2004-05 Fund Uses

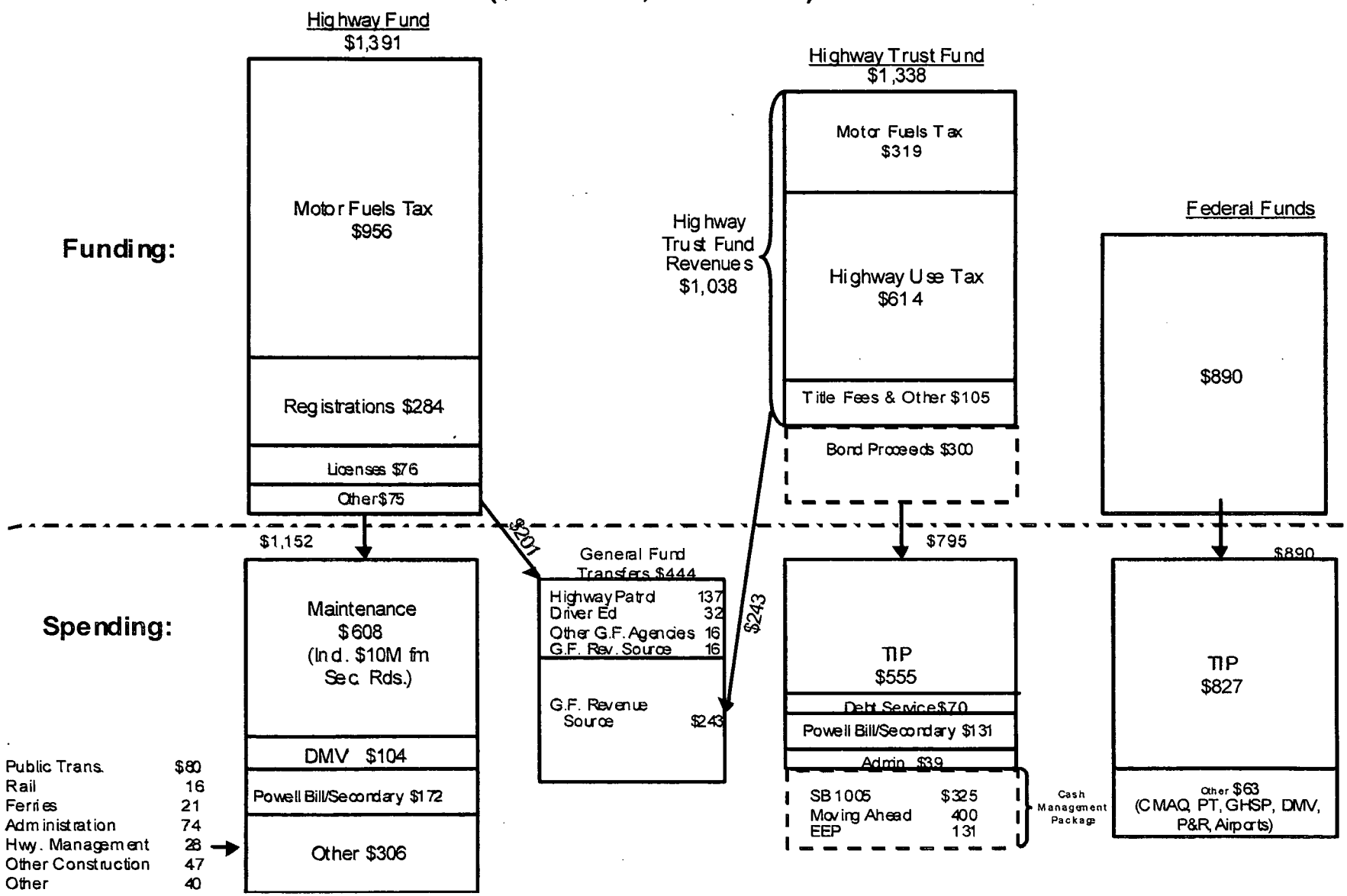
Highway Fund Uses



Highway Trust Fund Uses



Highway Fund, Highway Trust Fund & Federal Funds
($ Millions, 2004-2005)



5

1996 Highway Bond Funds For Replenishment of Highway Trust Fund

Amount Sold	$250,000,000	$400,000,000	$300,000,000
Interest Rate	4.7643%	3.8298%	3.5837%
Premium	$ 177,819	$ 31,130,256	$ 23,519,799
Refunding:			
Interest Rate	2.9429%		
Total Savings	$ 5,279,165		

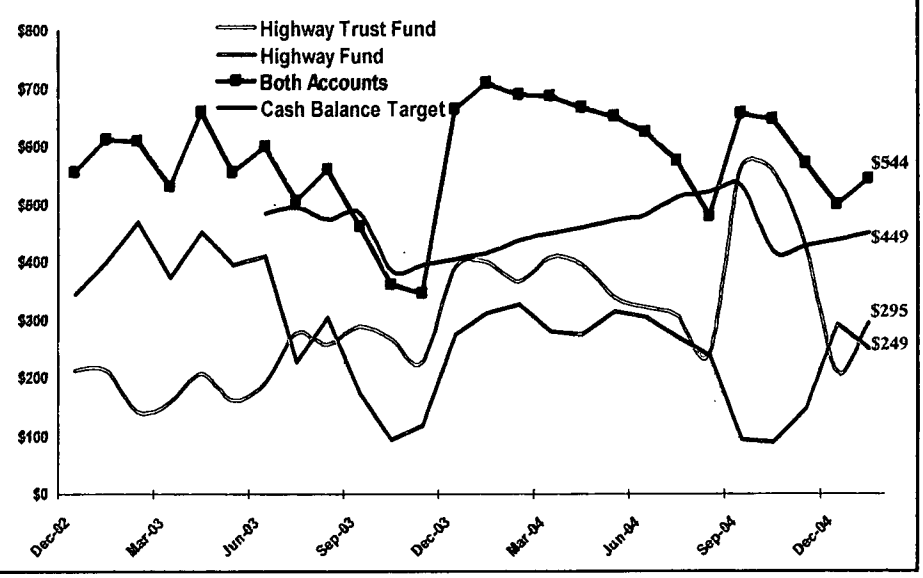
Cash Initiatives as of January 2005

	Appropriation	Obligated	Spent
Senate Bill 1005:			
Pavement Rehabilitation	$ 470	$ 460	$ 392
Preliminary Engineering	45	26	3
Traffic Signalization	45	39	31
Small Urban	7	5	2
Public Transportation	120	60	43
Totals	$ 687	$ 590	$ 471
Moving Ahead:			
Construction	$ 630	$ 570	$ 216
Public Transportation	70	55	1
Totals	$ 700	$ 625	$ 217

Transportation Funds
Cash Balances - January 2005

$ in Millions	January 2005	January 2004	3 Month Average to January 2005	3 Month Average to January 2004
Highway Fund % change from 12 months ago	$249 -20%	$310	$228 -3%	$234
Highway Trust Fund % change from 12 months ago	$295 -26%	$399	$310 -9%	$339
Total	$544	$709	$538	$573

Transportation Funds
January 05 Balances and Target



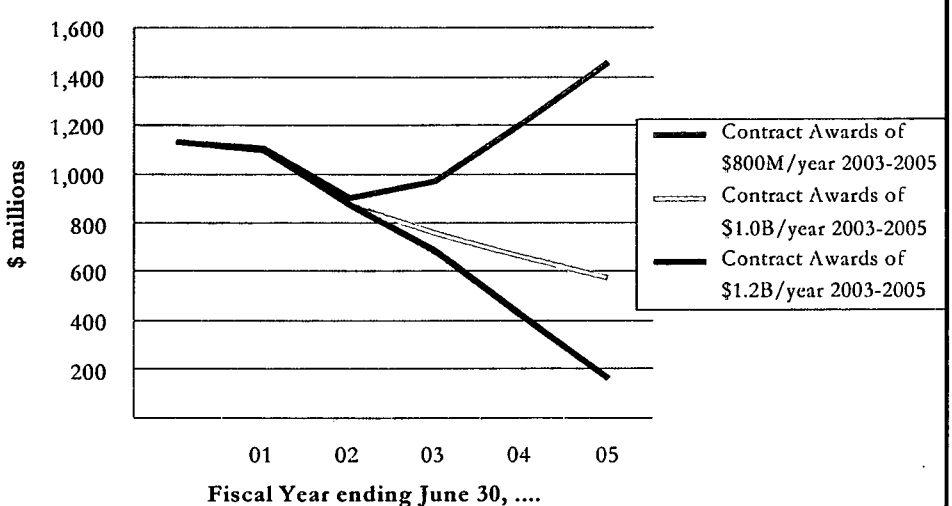
NCDOT Requirements
Senate Bill 1005 Implementation

DOT's Response to Cash Management Legislative Mandate

Management Controls and Tools

- Financial Planning Committee
- Cash Management Unit
- Forecasting Models

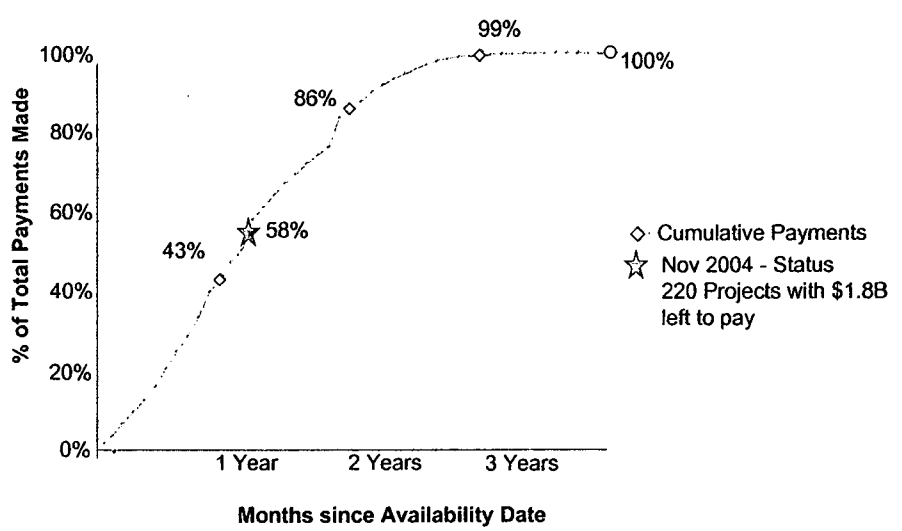
Medium Term Forecast of Highway Trust Fund and Highway Fund Combined Cash Balances*



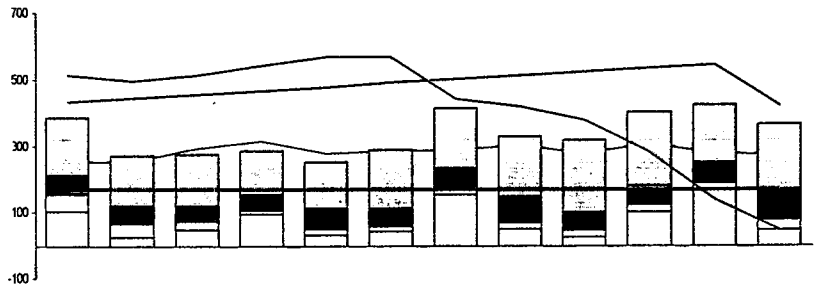
1998 -2003 Contract Awards
2004 -2007 Projected TIP Contract Values

Year	TIP - Total $ Amount	Resurfacing - Total $ Amount	Senate Bill - Total $ Amount	NC Moving Ahead - Total $ Amount	Accum. $ Totals
1998	626,112,555	109,001,124	NA	NA	735,113,679
1999	1,144,389,100	67,359,805	NA	NA	1,211,748,904
2000	958,923,159	75,386,661	NA	NA	1,034,309,819
2001	741,239,356	138,461,933	115,812,351	NA	995,513,641
2002	608,924,983	181,600,238	133,770,268	NA	924,295,489
2003	1,145,900,000	131,000,000	73,300,000	28,900,000	1,378,000,000
2004	1,041,576,802	105,875,337	34,825,563	143,270,978	1,325,548,680
2005	1,455,950,000				
2006	893,617,000				
2007	811,020,000				

Contract Payout Curve



Projected 12 Month Revenue and Expenditure Summary Nov/2005 to Oct/2005



	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05
Revenues	255	253	295	315	279	288	291	307	280	307	283	275
Other Expenditures	104	27	49	96	35	46	155	54	29	104	172	51
Other Modes	52	40	26	11	17	14	19	19	19	22	21	30
Maintenance Expenditures	59	55	49	48	62	54	64	78	55	60	60	94
Construction Expenditures	172	150	152	131	139	176	178	180	218	216	171	192
Cash Balance Target	434	445	456	468	479	490	501	513	524	535	547	423
Closing Cash Balance	515	497	515	543	570	567	442	419	377	282	141	49
Cash Balance Floor	171	171	171	171	171	171	171	171	171	171	171	171

Highway Fund & Highway Trust Fund OSBM Revenue Forecast

	2000-01 Actual	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Forecast	2005-06 Forecast	2006-07 Forecast
Highway Fund							
Motor Fuels	880.76	901.27	861.95	949.58	1,016.82	1,091.93	1,071.10
DMV Licenses & Fees	364.31	379.67	379.81	402.36	414.27	425.96	437.51
Investment Income	15.43	17.22	18.81	11.52	8.60	8.00	8.00
Total HF Revenue	**1,260.50**	**1,298.16**	**1,260.57**	**1,363.46**	**1,439.69**	**1,525.89**	**1,516.61**
% change	**8.2%**	**3.0%**	**-2.9%**	**8.2%**	**5.6%**	**6.0%**	**-0.6%**
			Memo: Jan '05 Actual YTD		2.2%		
Highway Trust Fund							
Motor Fuels	289.59	296.26	283.06	310.77	334.02	358.92	351.83
Highway Use Tax	545.17	555.32	552.76	578.35	587.02	611.09	639.81
DMV Titles, Reg. & Fees	90.65	90.73	90.85	95.91	97.16	99.68	102.19
Investment Income	41.39	31.53	11.73	8.93	6.82	6.50	6.50
Total HTF Revenue	**966.80**	**973.84**	**938.40**	**993.96**	**1,025.02**	**1,076.19**	**1,100.33**
% change	**3.2%**	**0.7%**	**-3.6%**	**5.9%**	**3.1%**	**5.0%**	**2.2%**
			Memo: Jan '05 Actual YTD		0.9%		

Table 18
Recommended Highway Fund Appropriation
2005-07

	2004-05 Authorized	2005-06 Recommended	2006-07 Recommended
DOT-General Administration	$ 79,709,154	$ 82,604,119	$ 83,455,914
Highway Division Administration	30,542,111	30,621,612	30,632,164
Federal Aid Match - Planning and Research	4,280,000	4,280,000	4,280,000
Construction Program			
State Secondary System	91,000,000	93,370,000	95,980,000
State Urban System	14,000,000	14,000,000	14,000,000
Discretionary Funds	15,000,000	15,000,000	15,000,000
Spot Safety Improvements	9,100,000	9,100,000	9,100,000
Access and Public Service Roads	2,000,000	2,000,000	2,000,000
Small Urban Construction	7,000,000	-	-
Total Construction Program	$ 138,100,000	$ 133,470,000	$ 136,080,000
Maintenance Program			
Primary System	124,750,498	124,750,498	124,750,498
Secondary System	214,243,652	214,243,652	214,243,652
Urban System	40,079,682	40,079,682	40,079,682
Contract Resurfacing	157,208,316	157,208,316	157,208,316
General Maintenance Reserve	78,511,140	153,398,161	129,440,063
Total Maintenance Program	$ 614,793,288	$ 689,680,309	$ 665,722,211
Ferry Operations	21,264,811	20,264,811	20,264,811
State Aid to Municipalities	91,000,000	93,370,000	95,980,000
State Aid to Railroads	15,531,153	17,781,153	20,299,903
State Aid for Public Transportation	79,866,447	89,866,447	89,866,447
Airports	-	-	-
Asphalt Plant Cleanup	425,000	425,000	425,000
Governor's Highway Safety Program	293,118	293,118	293,118
Division of Motor Vehicles	91,611,358	96,047,914	95,468,137
Total Department of Transportation	$ 1,167,416,440	$ 1,258,704,483	$ 1,242,767,705
Transfers to Other State Agencies			
Agriculture	3,897,946	4,115,930	4,234,921
Revenue	4,318,518	4,873,784	4,877,766
State Treasurer	16,166,400	16,166,400	16,166,400
DPI - Driver Education	31,870,484	32,604,129	32,800,569
CCPS - Highway Patrol	156,340,038	184,495,510	188,275,171
DENR - LUST Trust Fund	5,853,536	6,010,286	6,337,313
DHHS - Chemical Test	541,886	546,826	547,503
Global Transpark	1,600,000	1,600,000	1,600,000
Total Transfers to Other State Agencies	$ 220,588,808	$ 250,412,865	$ 254,839,643
Reserves			
Salary Adjustment	650,000	650,000	650,000
Minority Contractor Development	150,000	150,000	150,000
State Fire Protection Grant	150,000	150,000	150,000
Stormwater Discharge Permit	500,000	500,000	500,000
Visitor Centers	375,000	375,000	375,000
State Infrastructure Bank	750,000	-	750,000
Reserve for Legislative Increase	-	7,600,000	7,600,000
Reserve for Retirement Adjustment	-	1,709,900	1,709,900
Reserve for Health Insurance Adjustment	-	4,000,000	5,500,000
Reserve for File Server Consolidation	-	1,000,000	1,000,000
State Employee Reserve	842,658	842,658	842,658
Employer's Contribution to Retirement	66,094	354,094	354,094
Employer's Contribution to Death Benefit	(589,000)	(589,000)	(589,000)
Total Reserves	$ 2,894,752	$ 16,742,652	$ 18,992,652
Total Current Operations	1,390,900,000	1,525,860,000	1,516,600,000
Capital Improvements	-	-	-
Total Highway Fund Appropriation	**$ 1,390,900,000**	**$ 1,525,860,000**	**$ 1,516,600,000**

Highway Fund Budget Changes (84210)

Recommended Budget and Positions

	2005-06	2006-07
Budget		
Worksheet I Continuation	$1,398,569,973	$1,401,351,921
Reductions	-	-
Expansion	$127,290,027	$115,248,079
RECOMMENDED BUDGET	$1,525,860,000	$1,516,600,000
Positions		
Worksheet I Continuation	14,460.000	14,460.000
Reductions	-	-
Expansion	-	-
RECOMMENDED POSITIONS	14,460.000	14,460.000

Appropriation Items -- Recommended Adjustments

Expansion

	2005-06	2006-07
Maintenance		
1. **Maintenance Reserve Funding**		
Highway Fund appropriations are recommended to be placed in a reserve to provide flexible funding that can be allocated by system (Primary, Secondary and Urban) based on needs for specific maintenance activities that will preserve and/or improve the overall condition of the transportation system.		
Appropriation	**$50,928,923**	**$50,928,923**
Appropriation - Nonrecurring	**$23,958,098**	**-**

Mandated Adjustments

1. **To Adjust Leaking Underground Storage Tank Fund**

In accordance with G.S. 105-449.125, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current revenue projections.

Appropriation	**$156,750**	**$483,777**

2. **To Adjust State Aid to Municipalities Allocation**

In accordance with G.S. 136-41.1, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Aid to Municipalities allocation in line with current revenue projections.

Appropriation $2,370,000 $4,980,000

3. **To Adjust Secondary Roads Construction Allocation**

In accordance with G.S. 136-444-2A, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Secondary Roads Construction allocation in line with current revenue projections.

Appropriation $2,370,000 $4,980,000

Information Technology

1. **Department of Transportation Information Technology Requests**

Senate Bill 1005 of the 2001 session of the General Assembly required that any department desiring financial aid of $100,000 or greater for the purpose of acquiring or maintaining technology submit to the State Chief Information Officer a statement of needs. The State CIO shall review the statements, perform analyses as necessary and make a recommendation to the Governor regarding the merits of the submitted requests. Senate Bill 991 also spoke to information technology by further requiring the State CIO review all new information technology projects that exceed $500,000 in lifecycle costs for quality assurance. The legislation also stated that no agency shall proceed with an information technology project until the State CIO has approved the proposal. Listed below are information technology projects submitted by the Department of Transportation for consideration for implementation during the 2005-07 biennium. The projects have been reviewed and approved by the State CIO, some with stipulations that will show if appropriate. It is recommended that these projects be funded from Highway Fund appropriations.

1. Verification of Customer Identification System

Funding is recommended to implement infrastructure at local offices and capabilities to access national databases for validating identification for persons applying for drivers licenses. The application will be outsourced through a competitive bidding process under the auspices of the State IT Purchasing Office. The department must follow the State CIO's project approval and reporting process, including procurement review and approval. Also the department must coordinate with applicable new and emerging homeland security initiatives and requirements. - 300,000

2. Automated Driver License Testing Systems

The Driver License section has installed automated testing systems in 45 of its busiest offices and will have additional systems installed in 23 more offices by spring of 2005. Additional funds are recommended to install the system in 34 more sites that are small to medium in customer volume. This will provide automated testing systems for every office that has two or more examiners. 185,100 287,100

3. System to Stagger Commercial and Dealer Plates (Senate Bill 1083)

Senate Bill 1083, ratified in 2004, mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer licenses. Currently all commercial and motor vehicle dealer plates expire on the same date, December 31 for commercial plates and June 30 for dealer plates. The mandated change goes into effect January 1, 2006, and Highway Fund appropriations are recommended to accommodate the changes. The department must follow the State CIO's project approval and reporting process. Accordingly, the department must receive approval of a planning project and must also receive a "gate" approval before proceeding to the implementation phase.

	-	150,000

4. Online Dealer Registration Enhancement

Funding is recommended to enhance the existing Online Dealer Registration System to allow motor vehicle dealers the option of performing titling and registration services on-site. The enhancement would allow the department to write its own client-server/internet application to interface with the mainframe and replace the present outsourced application resulting in savings and service level improvements. The State SCIO has approved $200,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.

	-	200,000

5. Email Replacement

Funding is recommended to replace the Department of Transportation's aging and obsolete email system. The current vendor, Netscape, has stopped supporting the email system, the operating system behind it, and the application software. The State CIO has approved $300,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.

	550,000	550,000

6. Desktop Computer Replacement

The Information Technology Division provides technology support for approximately 8,000 computers within the department. Because of the large number of existing computers, a four year rotation is planned, resulting in one fourth of all computers being replaced each year. This request was approved by the State CIO and funding is recommended.

	1,000,000	1,000,000

7. Document Management System

Document management is a term used in referring to the storage, retrieval, tracking and administration of documents within an organization. The term applies to electronic documents and paper-based documents that have been converted to electronic form. Funding is recommended for a feasibility study and pre-implementation preparation for a document management system to improve and streamline information access throughout the entire department. The State CIO has approved $500,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.

	-	1,300,000
Appropriation	**$1,735,100**	**$3,787,100**

1. Verification of Customer Identification System	1,272,000	-
2. Automated Driver License Testing Systems	811,760	-
3. System to Stagger Commercial and Dealer Plates (Senate Bill 1083)	1,280,000	-
4. Online Dealer Registration Enhancement	600,000	-
5. Document Management System	500,000	-
Appropriation - Nonrecurring	**$4,463,760**	-

Reserves and Transfers

1. **Salary Increase**

A 2.0% recurring salary increase is recommended for all positions whose salaries are paid from the Highway Fund.

Appropriation	**$7,600,000**	**$7,600,000**

2. **Retirement Contribution - Death Benefit / Disability Plan**

Funding is recommended to provide an increase in contributions to the Teachers' and State Employees' Retirement System.

Appropriation	**$902,400**	**$902,400**

3. **State Health Plan**

An increase in the appropriation to the Teachers' and State Employees' Comprehensive Major Medical Plan is recommended. The appropriation will be used to support an increase in premiums paid for both active and retired employees.

Appropriation	**$4,000,000**	**$5,500,000**

4. **Global Transpark**

Continued state funding for the 2005-07 biennium is recommended as the Global Transpark transitions from a revenue base of primarily state funding to a private sector supported facility.

Appropriation	**$1,600,000**	**$1,600,000**

5. **State Highway Patrol**

It is recommended that the following expansion requests from the North Carolina State Highway Patrol be funded from Highway Fund appropriations:

1. VIPER (Voice Interoperable Communications Plan for Emergency Responders)

Additional funding is recommended to continue the deployment of the VIPER Strategic 800 MHZ statewide system for all of North Carolina's public safety agencies. This request includes the funding required to continue the rollout of the VIPER project. The SHP represents 15% of the CJIN-MDN users; other state agencies make up 3% of the users, and the remaining balance of the users are local public safety agencies.

	1,500,000	2,000,000

	Highway Fund Department of Transportation	
2. Motor Carrier Positions Upgrade Highway Fund appropriations are recommended to provide 243 Motor Carrier Enforcement Officers, formerly DMV Enforcement Officers, with the required training to get to the same level of arrest authority and pay as their trooper counterparts.	2,209,291	3,797,916
3. Additional Troopers It is recommended that Highway Fund appropriations be provided to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. A total of 25 new troopers is recommended for Fiscal Year 2005-06 with 25 additional troopers for Fiscal Year 2006-07, for an increase of 50 for the biennium.	1,375,000	2,750,000
4. Additional Sergeant Positions It is recommended that Highway Fund appropriations be provided to increase the number of Sergeant (supervisory) positions for the North Carolina Highway Patrol by upgrading existing Master Troopers to the rank of Sergeant. A total of three new Sergeant positions is recommended for Fiscal Year 2005-06 with two additional Sergeant positions for Fiscal year 2006-07, for an increase of five for the biennium.	21,300	35,500
Appropriation	**$5,105,591**	**$8,583,416**
1. VIPER (Voice Interoperable Communications Plan for Emergency Responders)	15,000,000	15,000,000
2. Additional Troopers	1,125,000	1,125,000
Appropriation - Nonrecurring	**$16,125,000**	**$16,125,000**

6. Retirement - Cost of Living Allowance (COLA)

Highway Funds are recommended to provide a cost of living allowance (COLA) to retirees.

Appropriation	**$807,500**	**$807,500**

7. Reserve for File Server Consolidation

Funding is recommended for a reserve to provide for the refreshment and consolidation of existing Department of Transportation applications and file servers into a more manageable number of servers. The consolidation of file servers will reduce the annual IT operating expenses as well providing a reduction in power requirements.

Appropriation	**$1,000,000**	**$1,000,000**

8. **Increase Driver Education Funding**

An increase in funding for the Driver Education Program is recommended to support an increase in the Average Daily Membership (ADM) of students who will become eligible to take driver education during the biennium.

Appropriation	**$126,213**	**$126,213**
Appropriation - Nonrecurring	**$3,192**	

Aeronautics

1. **Airline Recruitment Program**

Airline passenger traffic levels at North Carolina's eleven non-hub airports have been declining in recent years, especially since 9/11, due to major air carriers' financial instability. Highway Funds are recommended to support an incentive program directed at attracting and retaining improved airline services.

Appropriation	**$350,000**	**$350,000**

Rail Program

1. **Piedmont and Carolinian Operations**

Funds are recommended to cover operational costs for the state sponsored Piedmont and Carolinian passenger trains. The Piedmont provides daily passenger service from Raleigh to Charlotte and the Carolinian provides daily passenger service from Charlotte to New York.

Appropriation	**$1,250,000**	**$2,768,750**

2. **Grants to Short Line Railroads**

In North Carolina there are 22 railroad companies referred to as "short line" railroads that serve as feeder lines to Norfolk Southern and CSX. Short lines often serve rural or small communities and are critical to the economic competitiveness of many manufacturing and processing companies, particularly in the eastern part of the state. Highway Fund appropriations are recommended to create a state grant program for rehabilitation projects that will strengthen North Carolina's short line infrastructure.

Appropriation	**$1,000,000**	**$2,000,000**

State Infrastructure Bank

1. **Expand State Infrastructure Bank**

The 2004 General Assembly appropriated $750,000 in non-recurring funding to the State Infrastructure Bank program. After a successful first year, it has been determined that there is a need to continue the program in order to allow other entities and municipalities to advance high priority transportation needs. The appropriation of Highway Funds to meet this need is recommended.

Appropriation	-	**$750,000**

General Services

1. **Mail Room Expenses**

The General Services Division administers the mail room services for the Division of Motor Vehicles. All driver license renewal notifications, vehicle registration renewals, and all other DMV related correspondence are processed by this division. The current appropriation is inadequate to support expenditures at current levels, and additional funds are recommended to bring funding in line with expenditures.

Appropriation	**$900,000**	**$900,000**

2. **Division of Motor Vehicles Printing Contract**

The department's printing and finishing operations are managed by the General Services Division, with the exception of the contract printing and limited finishing services located at the DMV headquarters. The contract for the printing and finishing services expired at the end of 2004. Bids are being solicited for renewal of the existing contractual services in addition to new and expanded services. Additional funding is recommended to fully fund the services, including the expanded requirements for additional printing and finishing.

Appropriation	**$537,500**	**$1,075,000**

Total Recommended Expansion

	2005-06	2006-07
Recurring		
Requirements	$82,739,977	$99,123,079
Receipts	-	-
Appropriation	$82,739,977	$99,123,079
Number of Positions	-	-
Nonrecurring		
Requirements	$44,550,050	$16,125,000
Receipts	-	-
Appropriation	$44,550,050	$16,125,000
Number of Positions	-	-

Highway Trust Fund Revenue and Expenditure Projection: 2004-05 through 2009-10
In Millions of $
Revised Revenue Forecast - 12/7/04

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
AVAILABILITY:						
REVENUE:						
GASOLINE TAX	334,020,000	358,920,000	351,830,000	346,466,000	362,177,000	377,029,000
USE TAX	587,020,000	611,090,000	639,810,000	708,829,000	741,435,000	775,541,000
TITLE FEES	84,800,000	87,010,000	89,180,000	93,504,000	95,842,000	98,238,000
MISC REG	10,190,000	10,460,000	10,760,000	11,241,000	11,522,000	11,810,000
LIEN RECORD	2,170,000	2,210,000	2,250,000	2,346,000	2,393,000	2,442,000
INVESTMENT INCOME	6,820,000	6,500,000	6,500,000	6,525,000	6,811,000	7,101,000
TOTAL REVENUE	1,025,020,000	1,076,190,000	1,100,330,000	1,168,911,000	1,220,180,000	1,272,161,000
% Change from Prior Year	3.1%	5.0%	2.2%	6.2%	4.4%	4.3%
ALLOCATIONS:						
INTRASTATE	438,274,707	474,037,474	494,349,510	540,593,681	575,737,219	575,364,152
URBAN LOOPS	177,220,039	191,681,013	199,894,353	218,593,570	232,804,154	232,653,301
MUNICIPAL STREETS	45,985,240	49,737,588	51,868,794	56,720,886	60,408,263	60,369,120
SECONDARY ROADS	82,328,097	87,027,588	90,088,794	96,794,029	101,483,406	102,471,120
PROGRAM ADMIN	38,691,600	40,648,220	41,565,540	44,170,669	46,108,022	48,072,280
GENERAL FUND	242,520,317	233,058,117	222,563,009	212,038,165	203,638,936	253,231,027
TOTAL ALLOCATION	1,025,020,000	1,076,190,000	1,100,330,000	1,168,911,000	1,220,180,000	1,272,161,000

NOTES:

THE ALLOCATIONS TO THE GENERAL FUND FOR FY 2005-06 AND BEYOND INCLUDE THE REPAYMENT OF THE $125,000,000 LOAN MADE TO THE GENERAL FUND IN FY 2002-03.

THE ALLOCATION TO THE GENERAL FUND FOR FY 2006 AND BEYOND INCLUDES AN EXTENSTION OF THE $80 MILLION AUTHORIZED BY A SPECIAL PROVISION BY THE GENERAL ASSEMBLY FOR FY 2002-2005.

STATUTORY FORMULA ALLOCATIONS: (G.S. 136-176 (b))

INTRASTATE	61.95% of remaining revenue after deduction of $15 title fee direct appropriation for Secondary Roads.
URBAN LOOPS	25.05% of remaining revenue after deduction of $15 title fee direct appropriation for Secondary Roads.
MUNICIPAL STREETS	6.5% of remaining revenue after deduction of $15 title fee direct appropriation for Secondary Roads.
SECONDARY ROADS	6.5 % of revenue plus direct appropriation of $15 of each $35 title fee.
PROGRAM ADMIN	3.8% of remaining revenue after deductions for revenue generated from investments and $15 title fee direct appropriation for Secondary Roads.

Calculation of Transfers to the General Fund from the Highway Trust Fund State Fiscal Years 2003/04 through 2009/10

Component of Transfer	FY2003-04	FY2004-05	FY2005-06	FY2006-07	FY2007-08	FY2008-09	FY2009-10
Original Base Transfer	170,000,000	170,000,000	170,000,000	170,000,000	170,000,000	170,000,000	170,000,000
Non-Recurring Inflationary Adjustment	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000
Additional Funds from Elimination of Cap on Highway Use Tax for Luxury Vehicles	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Increase on add'l funds from elimination of luxury tax based on annual increase in revenue estimate of highway use tax	22,125	120,317	273,442	404,442	536,252	688,936	831,027
Principal Repayment on $125,000,000 Loan		(8,750,000)	(16,250,000)	(25,000,000)	(33,750,000)	(41,250,000)	
Interest Repayment on $125,000,000 Loan		(1,250,000)	(3,250,000)	(5,100,000)	(7,000,000)	(8,200,000)	
	252,422,125	242,520,317	233,173,442	222,704,442	212,186,252	203,638,936	253,231,027

Notes:
The allocation to the General Fund for FY 2006 and beyond includes an extension of the $80 million authorized by a special provision by the General Assembly for FY 2002 - 2005

~~House~~ Pages

House

1. Name: Allison Gilliam
   County: Alamance
   Sponsor: Doug Vinson
2. Name: lynnsey trotter
   County: Guilford
   Sponsor: Doug Vinson

Senate

3. Name: Cameron Peters
   County: Gaston
   Sponsor: David Hoyle
4. Name: John Hunter Houser
   County: Gaston
   Sponsor: David Hoyle
5. Name:
   County:
   Sponsor:

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: Fred Hines
3. Name: George Robinson
4. Name: Curtis Dowd

/

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 2-3- , 2005

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Beau Mills	NC Metropolitan Coalition / NCCM
Portia Mankey	NCDOT/DMV
Gordon McAdie	NC Conservation Network.
Sandra Long	Martin Marietta
Milton Alford	OSBM
Warren Plonk	OSBM
Betsy Bailey	NCPTA
STEVE VARNEDOE	NCDOT
Calvin Leggett	NCDOT
Susan Conard	NCDOT
Elmer LAM	NCMT
Chuck Hatchell	NCTA
Stephanie Dorko	Charlotte Chamber
Lee Hodge	KCLH
BERRY JENKINS	CAROLINAS AGC
Lucy Isenhour	Intern P. Berger
Jane Ley	AAA Carolinas
Drew MORETZ	GREATER RALEIGH C.C
Raymond Lankford	NS
Kathy Hawkins	Progress Energy
John Melton 2	Consulting
Lisa Martin	NC Home Builders Assoc.
JK Koontz	GA

Joint Subcommittee on Transportation Appropriations

Agenda

March 3, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, *presiding*

- Transportation Improvement Program

  Calvin Leggett, Manager, Program Development Branch, DOT

- Powell Bill Funding *(Governor's Budget, page 157, "To Adjust State Aid to Municipalities")*

Future Meetings (tentative until placed on the Calendar)

Wednesday, March 9, 8:30 am
- Maintenance
- Secondary Roads
- Small Urban and Contingency Programs
- Moving Ahead

Wednesday, March 9, 2:00 pm (Joint Meeting with Justice and Public Safety Appropriations Subcommittee)
- State Highway Patrol Budget

Joint Appropriations Subcommittee on Transportation
Thursday, March 3, 2005
8:30am
Room 1228, Legislative Building

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Thursday, March 10, 2005 in Room 1228 of the Legislative Building. Five Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Brown, Church, Coleman, Dickson, Gulley, Martin, McMahan, Moore, Saunders, Steen, and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, introduced the pages and the Sergeant-at –Arms. Mr. Calvin Leggett, Manager, Program Development Branch, Department of Transportation was the first presenter. His handout was the TIP Funding Development Process, which is Attachment A of these minutes. He stated that there are three big funding sources, which fund DOT; The Highway Fund, which was established in the 1950's, the Highway Trust Fund, which is a state fund that was enacted in 1989, and Federal Aid. Over 40% of the state budget comes from the Highway Fund. The state revenue sources that feed these big pots of money come from the Highway Fund, which are 70% motor fuels tax and 30% fees. The other monies come from the Highway Trust Fund, with 60% use tax, 30% motor fuels tax and 10% fees. Mr. Leggett said the TIP development must meet two legal tests. The first is the equity formula, which establishes a target value for each region over a seven-year period. Funds must be allocated to within +/- 10% of the target. The second test is fiscal constraint program, which means you can't spend more money than we can reasonably expect to have available.

Betsy Williams, Powell Bill Manager, with DOT was the next presenter. Ms. Williams gave a brief overview of the Powell Bill Program. Her remarks and the overview slide presentation are Attachment B of these minutes.

The meeting adjourned at 9:30 am.

S. Clark Jenkins, Chairman

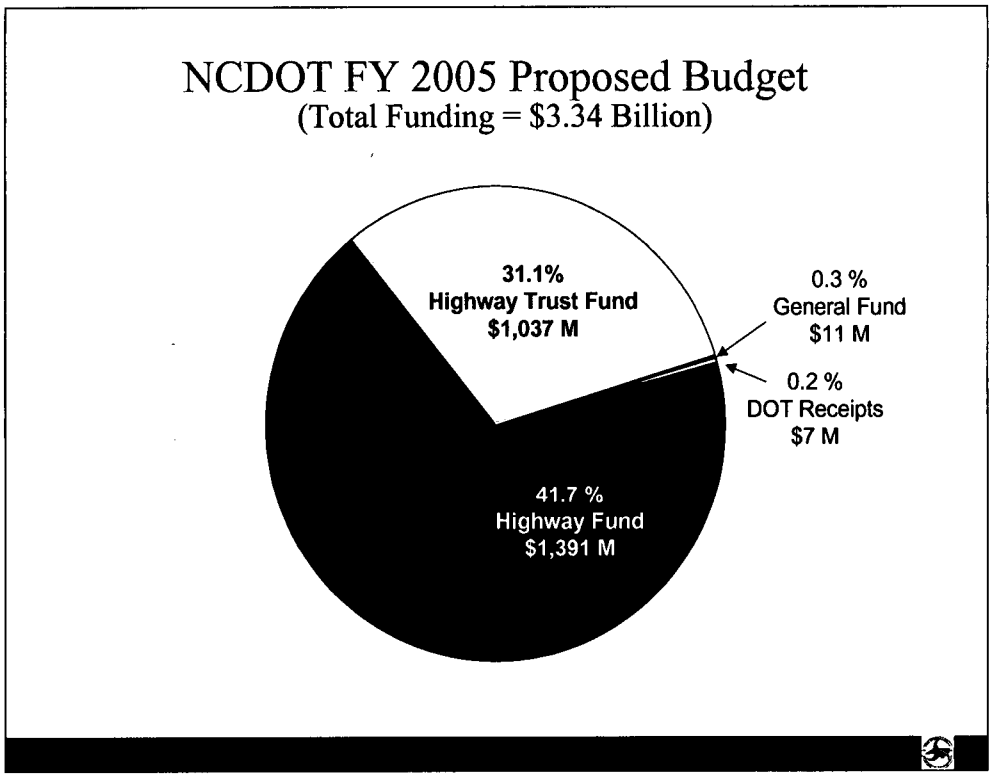
Carolyn M. Gooden, Committee Assistant

Attachment A

TIP Funding and Development Process

Calvin Leggett, Manager
Program Development Branch
North Carolina Department of Transportation

Note: some of this presentation will cover same material as Mark Foster on Wednesday

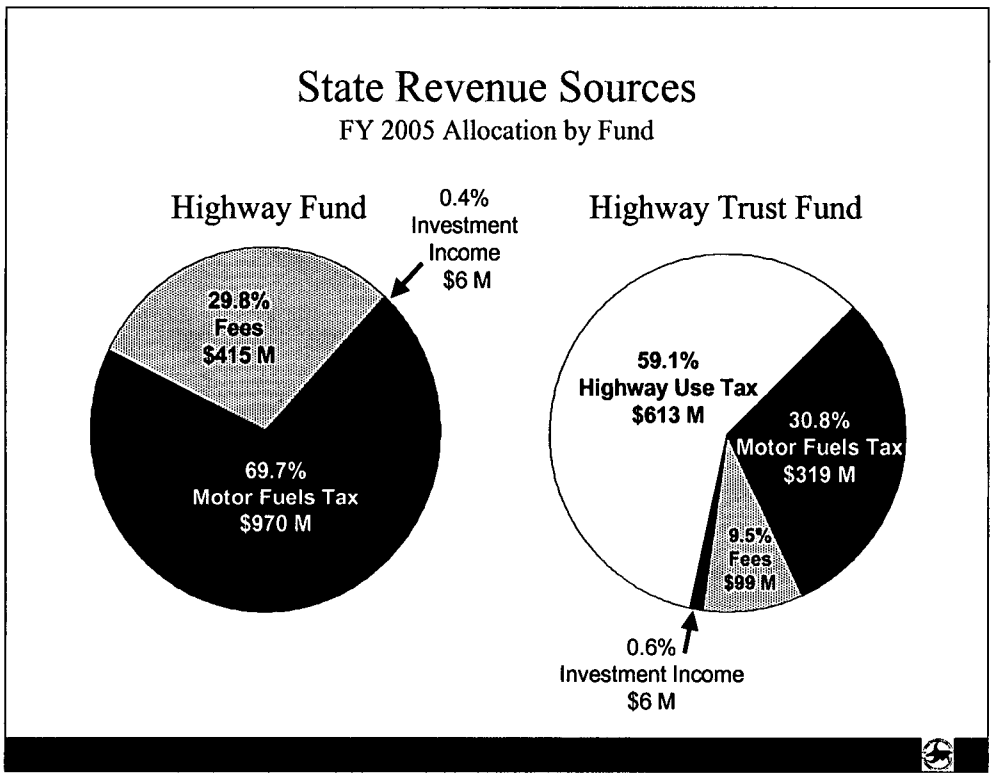


Basically funded through 3 programs

State Highway Fund

State Highway Trust Fund

Federal-aid



Highway Fund is almost 70% fuels tax

30% fees

Highway Trust Fund is roughly 60%
Use Tax

30% Motor Fuels

10% Fees

Key components of taxes and fees

- **State motor fuels tax: currently 26.6¢ per gallon (through 6/30/05)**
  - ⇨ Based on 17.5¢ / gallon fixed rate + 7% average wholesale price
  - ⇨ In addition to above, a 0.25¢ / gallon tax is levied for pump inspection
  - ⇨ State motor fuels tax adjusted every six months
  - ⇨ *Base rate last adjusted for transportation purposes in 1989*
- **Highway Use Tax**
  - ⇨ 3% of retail value of a motor vehicle (up to $1,000 for trucks and $1,500 for recreational vehicles)
  - ⇨ *Base 3% rate unadjusted since inception*
- **Fees / Other**
  - ⇨ Licenses, Registrations, Inspections, Permits
  - ⇨ Penalties, Interest
  - ⇨ *Base vehicle registration fee of $20 in effect since 1983*

Other examples regarding most recent fee increases:

Certificate of Title: 1996

Other registration fees-

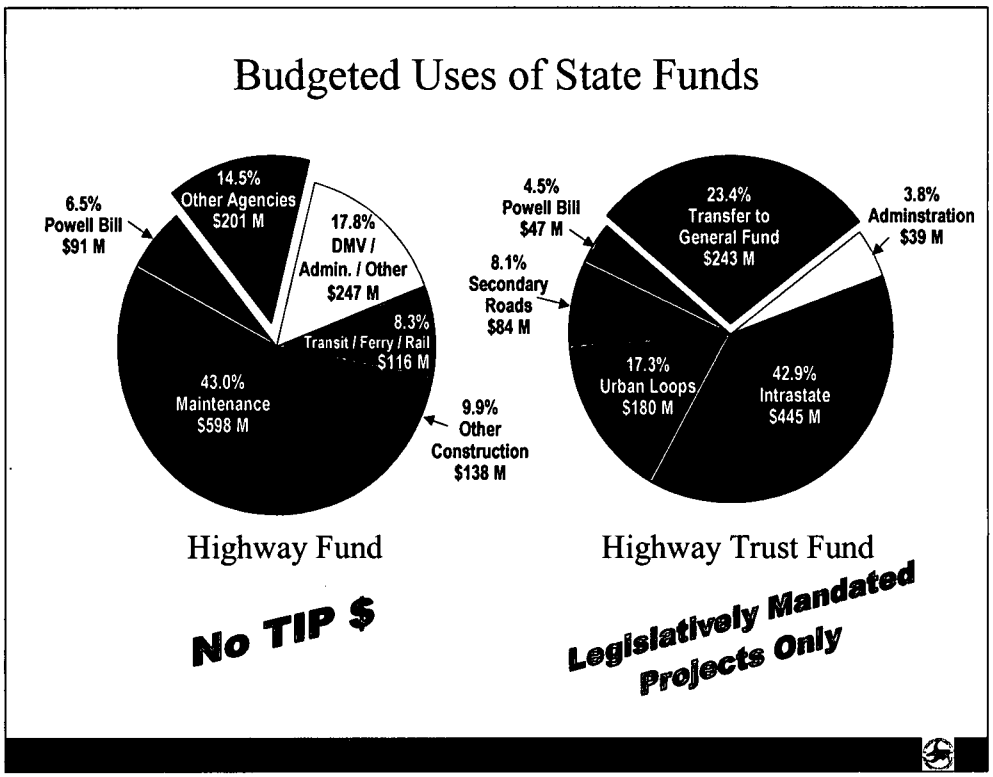
duplicate, transfer: 1989

plate restoration: 1985

Driver licensefees-

duplicate, learner's permit: 1991

restoration of revoked license.: 1981



Highway Fund

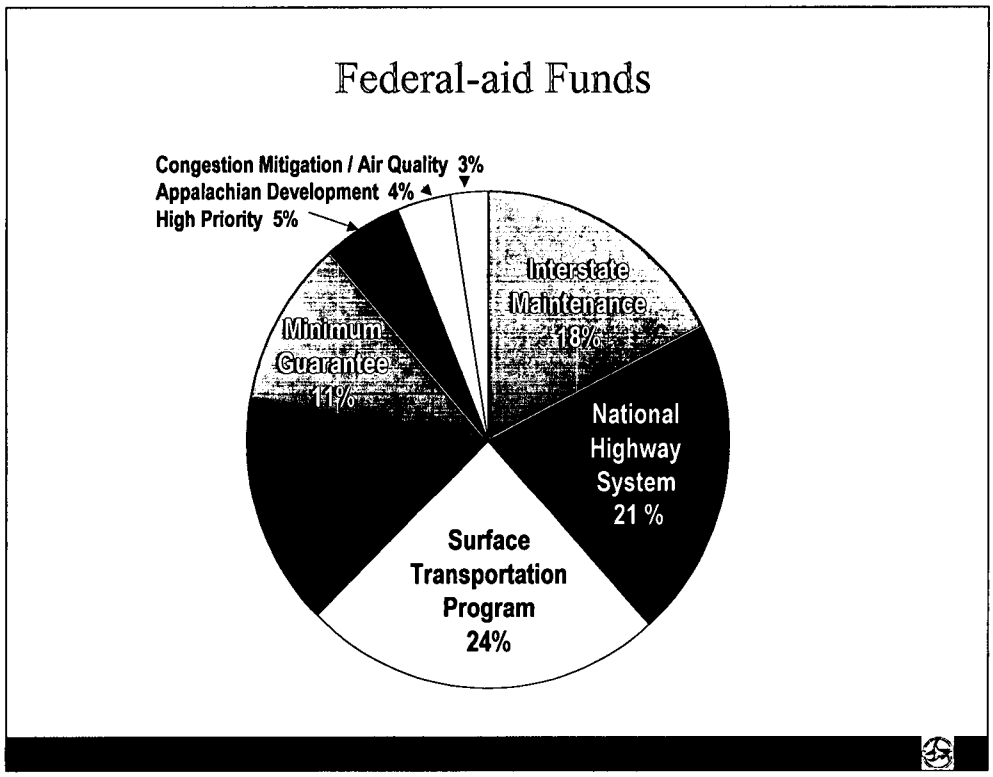
Other Agencies: Highway Patrol: $133 M
Public Instruction: $30 M

Other Construction is primarily paving of unpaved secondary roads; also includes spot safety, small urban, discretionary, access and public service program

Highway Trust Fund

Secondary roads: portion of funding is by formula; remainder is from portion of fee for certificate of title

Urban loop & Intrastate budgets are then reduced by Federal-aid match requirements, debt service, and DOT facility maint/repair to net values of ~~$280~~ M- intrastate & $85 M loop-



Pie does not represent all Federal-aid funds, just those covering Federal-aid "core" program - this is the funding available for TIP projects

"core" programs - formula based; some also system-based

STP suballocations

Transportation Improvement Program (TIP)

Statutory Requirements

Federal

- Spans a minimum 3-year period
- Fiscally constrained by year
- Submitted for FHWA approval at least every 2 years
- Public has opportunity to comment on TIP document
- Includes all capital and non-capital projects using Title 23 USC or Title 49 USC funds, other than certain safety, planning, and research funds.
- Includes metropolitan TIPs from MPOs

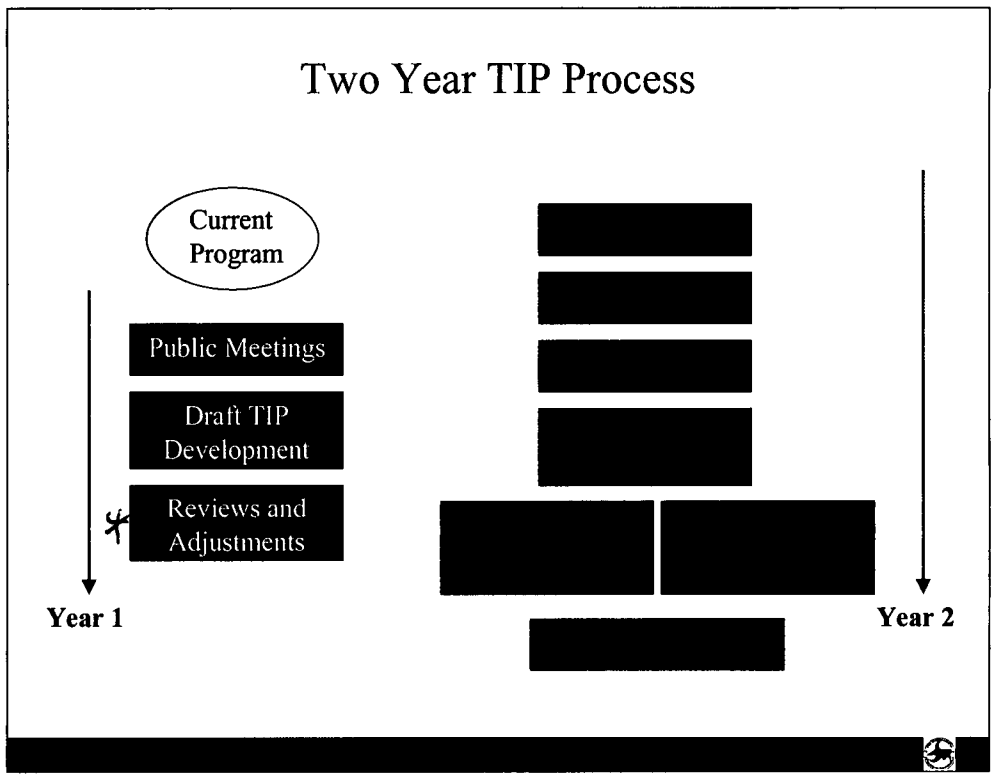
State

- Board of Transportation function
- Spans 7-year period
- TIP funds subject to equity formula, except:
  * urban loops
  * Federal-aid CMAQ
  * Federal competitive and discretionary grants
- NCDOT may receive loans from local government & non-profit entities to advance construction

Other Federal requirements--------

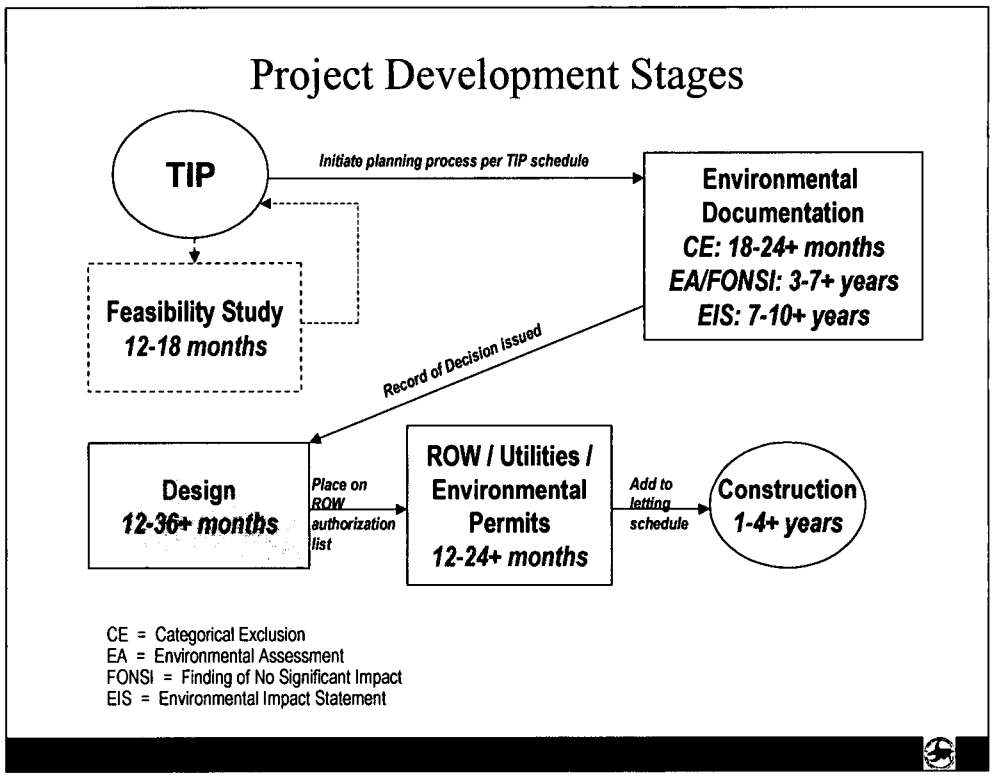
A STIP shall:

- Contain only projects consistent with Statewide Plan
- Contain only projects in non-attainment and maintenance areas that have met air quality conformity in 40 CFR. FHWA/FTA conformity determination must be made prior to projects listing in the STIP.
- Contain all regionally significant projects requiring FHWA/FTA action
- Include the following for each project listing:
  - sufficient descriptive material (i.e., type of work, termini, length, etc.) to identify the project or phase;
  - estimated total cost;
  - the amount of Federal funds proposed to be obligated during each program year;
  - the proposed category of Federal funds and source(s) of non-Federal funds for the 1st year;
  - the likely category or possible categories of Federal funds and sources of non-Federal funds for the 2nd and 3rd years;
  - Identification of the agencies responsible for carrying out the project;
- For non-metropolitan areas, include in the first year only those projects which have been selected in accordance with the project selection requirements in §450.222(c)



Used to be a one-year cycle; went to a biennial TIP in 1998

PROPOSED TIP UPDATE SCHEDULE	
Draft 2006 – 2012 Document	~~Winter~~ Spring 2005
Final 2006 - 2012 Document	Summer 2005
Draft 2007 – 2013 Document	Fall 2005
Final 2007 – 2013 Document	Summer 2006



Project development time - highly correlated to the scope and magnitude of the project - this affects the timing of projects in the TIP

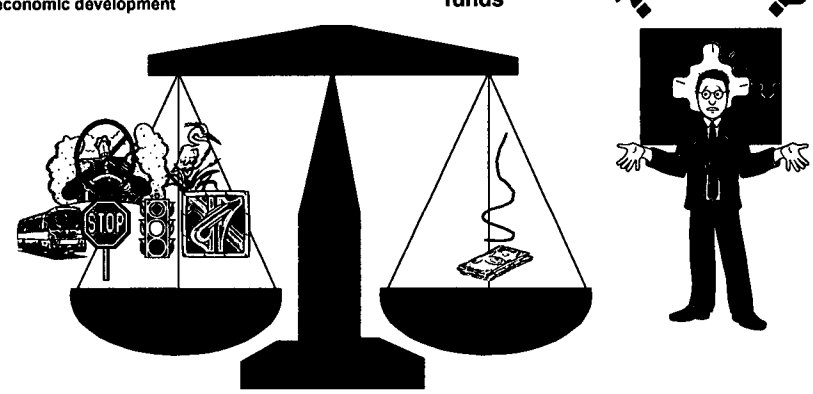
Simplest projects (simple bridge replacements w/ low environmental impacts) can run 3-4 years from start of planning to completion of construction.

Highly complex projects (new freeway w/ significant environmental impacts) can last 20 years or longer from start of planning to opening to traffic.

The Programming Process

Needs
* reduce congestion
* improve safety
* protect environment
* enhance mobility
* equity
* economic development

Cost vs. available funds

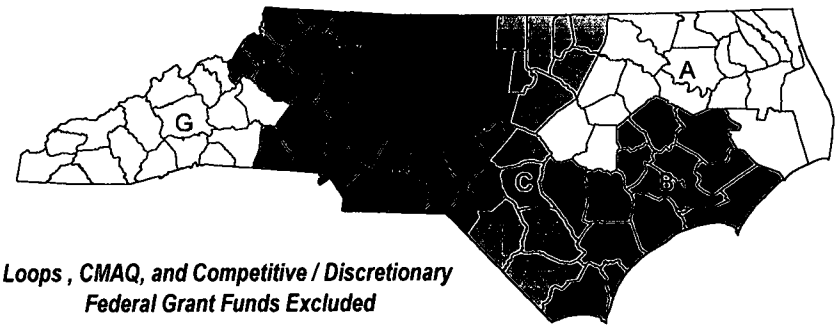




Bang - travel services, congestion, safety
economic development
finances

1989 Equity Formula

50% POPULATION OF REGION AS PERCENT OF STATE	25% REMAINING INTRASTATE SYSTEM MILES	25% EQUAL SHARE



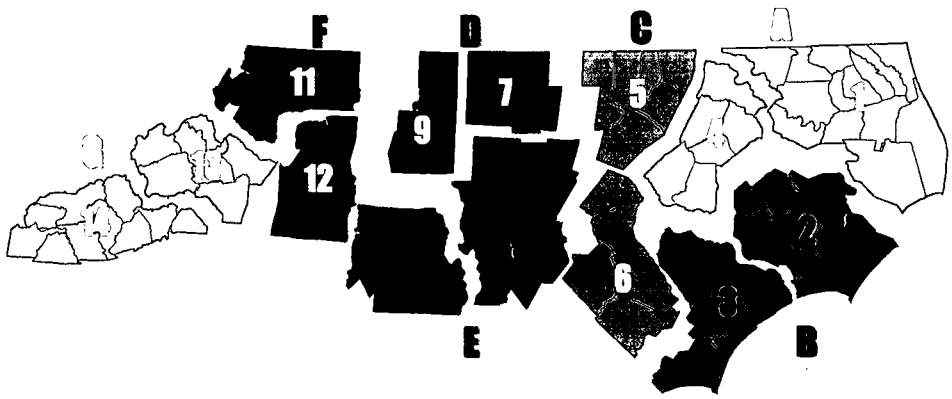
Loops , CMAQ, and Competitive / Discretionary Federal Grant Funds Excluded

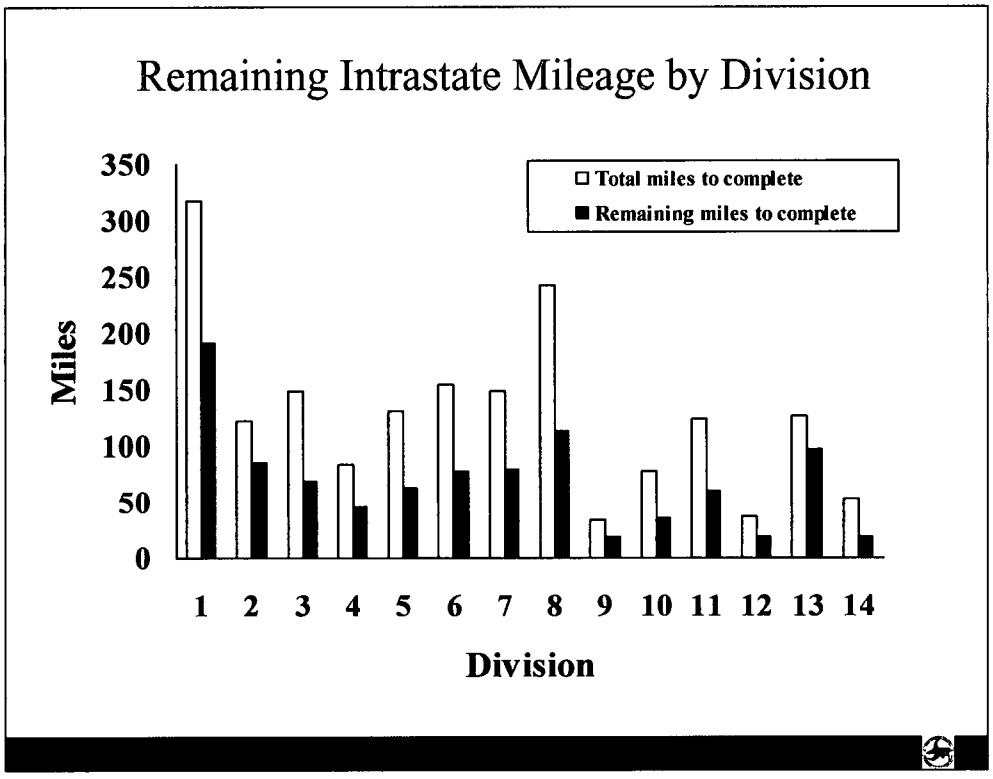
Enacted in 1989; applies to all TIP funding except the 7 urban loops, Federal CMAQ funds, and Federal discretionary grants

Legislative intent is to insure that funds are distributed widely across the state

handout showing miles to complete

Relationship Between Divisions and Funding Regions



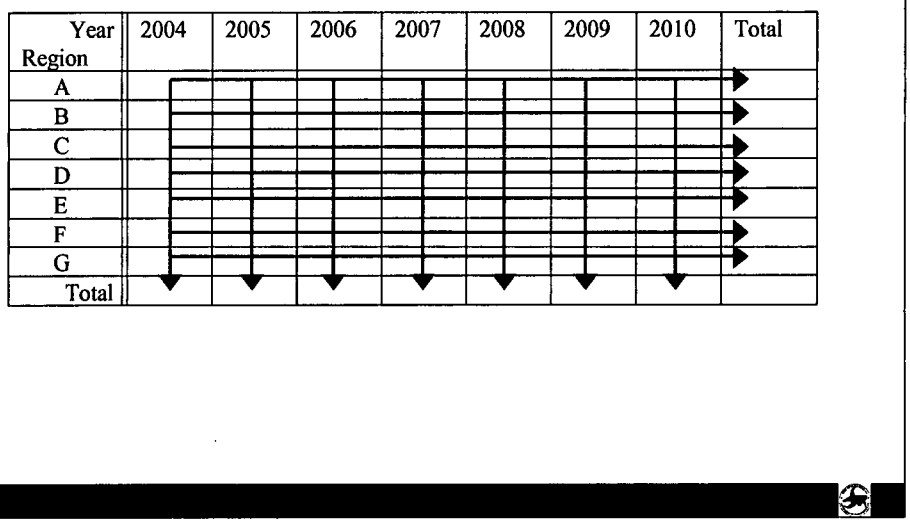


Blue bars correspond to 25% remaining-miles-to-complete component of equity formula

Map handout - segments shown in red = mileage represented in blue bars

Blue mileages are shown in red on the maps

Annual Funding Balance

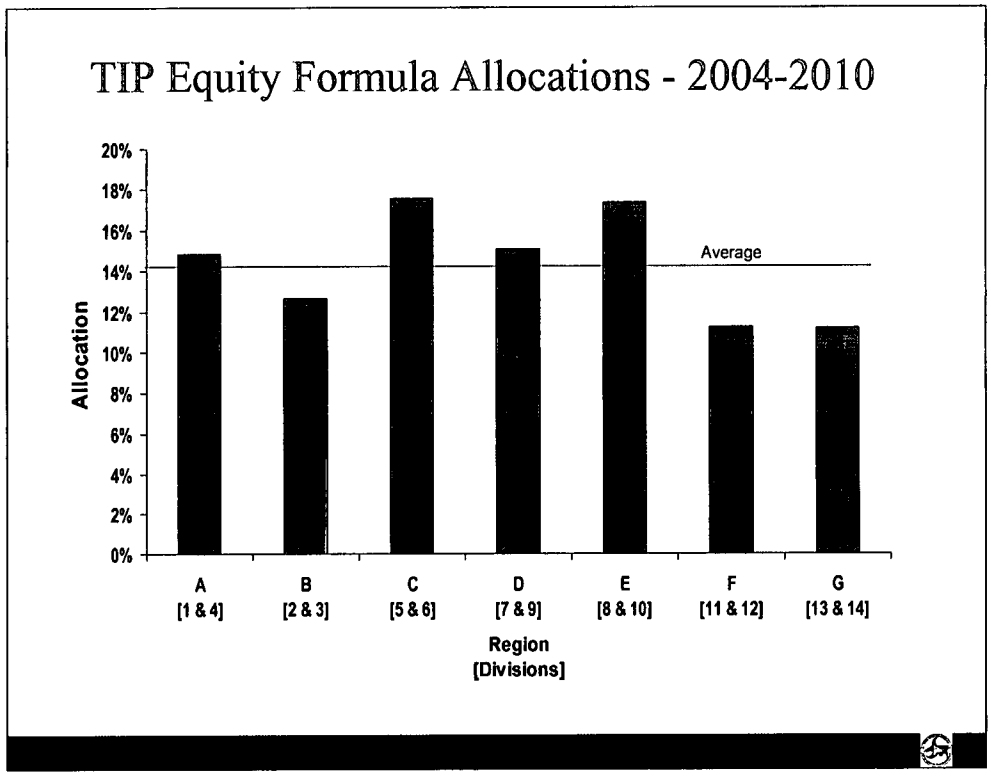


TIP development must meet 2 legal tests

1) equity formula - establishes a target value for each region over a 7-year period; funds must be allocated to within +/- 10% of the target

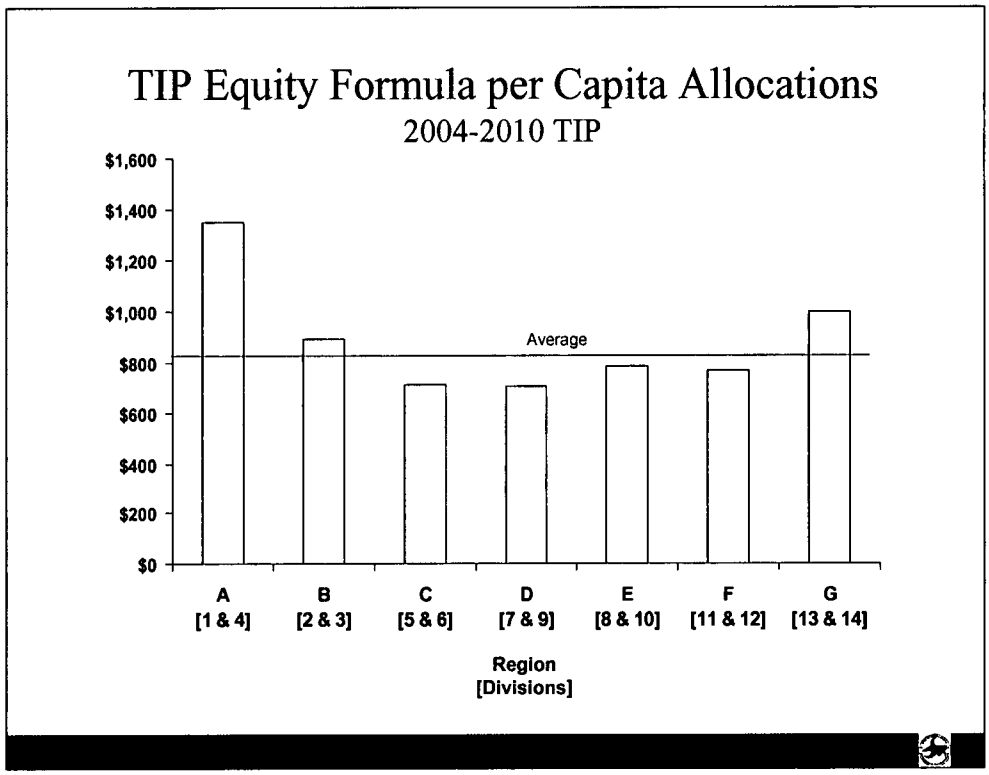
2) fiscal constraint - program must be fiscally constrained; I.e. we can't promise to spend more money in any given year than we can reasonably expect to have available

time element



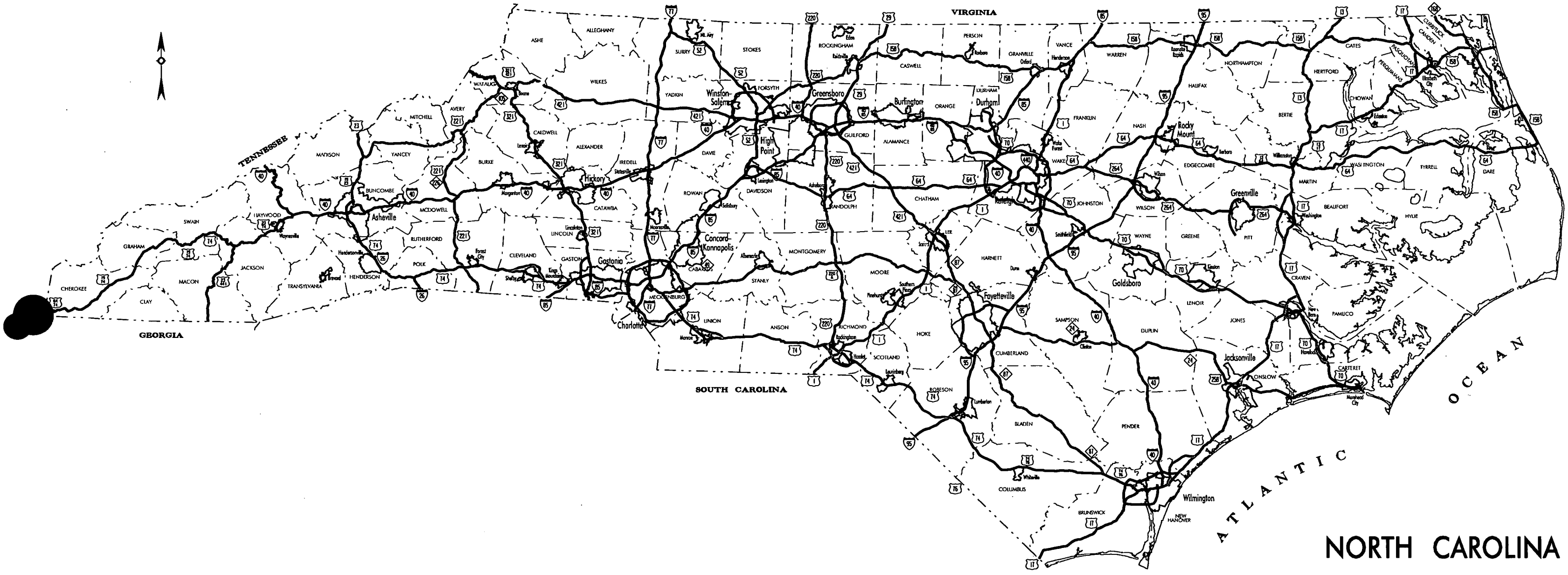
Allocation for last approved TIP (04-10)

% for regions C, D, E reflect influence of population component



Another way of looking at the same distribution

in this instance the trend is somewhat reversed; with the exception of region A



NORTH CAROLINA
Intrastate System

FULLY FUNDED
TRUST FUND ELIGIBLE INTRASTATE
TRUST FUND ELIGIBLE URBAN LOOPS

Attachment B

Powell Bill Presentation 2005

In 1949 Legislation enacted to provide financial assistance to incorporated municipalities to maintain their street systems forming State Street-Aid better known as (Powell Bill) named after J. K. Powell who was a key Legislator in starting the program.

The Department of Transportation has the responsibility of administering the Powell Bill allocation. Each municipality establishes its eligibility annually by provided a certified statement, certified map and expenditures report and meeting deadlines as provide by G. S. (136-41.1-136-41.3).

The Powell Bill funds shall be expended only for the purpose of maintaining, repairing, constructing, reconstructing, or widening of local streets within the corporate limits, that are the responsibility of the municipalities.

In 1994 amendments in the statutes now provide for the use of Powell Bill funds for the planning, construction and maintenance of bikeways and sidewalks located within the right- of- ways of public streets and highway within the corporate limits.

Annually appropriated from the State Highway Fund is an amount equal to the sum produced during the fiscal year by a 1-3/4 cents tax on each gallon of motor fuel. Beginning with the 1990's allocation, revenue was also allocated from the Highway Trust Fund at (6.5%).

In 1951 the first allocation was $4.5 million dollars distributed to 386 municipalities. The 2004 allocation was $135.3 million dollars distributed to 503 municipalities, as you can see the program has grown.

For an example of range of fund distributed, the Town of Spencer Mountain in Gaston County received $1,635 dollars; the City of Charlotte in Mecklenburg County received $17.6 dollars. I know you are asking what can they do with $1,600 dollar, not much but in the G S states that they can accumulate fund up to 10 years, so a lot of the small towns have to save funds in order to spend.

Of the amount available for allocation, 75% of funds are based on annual estimated population certified from the Secretary of Revenue by the Office of State Planning. The total population for 2004 was 4,331,622, an increase of 1.66% from previous year.

25% of funds allocated are based on certified miles maintained by the municipality, for 2004 a total of 19,680.22 miles were maintained by the municipality, with a 1.43% increase from the previous year.

Over the past 5 years there has been a 10.02% increase in population and a 7.39% increase in mileage maintained by municipalities. ~~The 2004 allocation of $135.3 million was a 11.94% increase from the previous year~~.

At this time there are 503 municipalities in the program, and 46 incorporated municipalities not in the program due to not meeting the requirements or being gated communities. Each year there are newly incorporated municipalities, with this, the number of qualifying municipalities may increase, also increasing the total population and mileage.

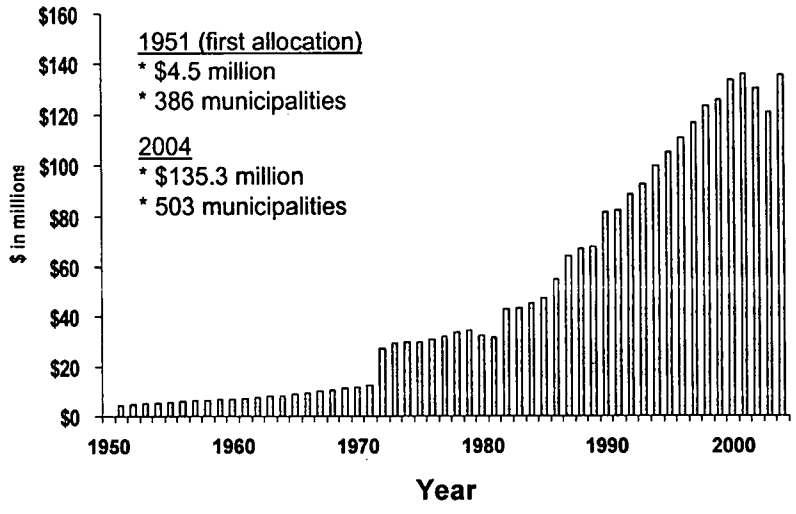
Each year on May 1st a qualifying package is mailed to each participating municipality and an informational package is mailed to each non-participating incorporated municipalities.

Once each municipality establishes its eligibility, the allocation will be issued by check or electronic transfer by October 1of each year.

Powell Bill Program Overview

- Established in 1949 by General Assembly
- Administered by the NCDOT
- Eligible activities
  - * *construction*
  - * *maintenance*
  - * *sidewalks*
  - * *bike lanes*
- Revenue allocated from both Highway Fund and Highway Trust Fund

Powell Bill Program Growth



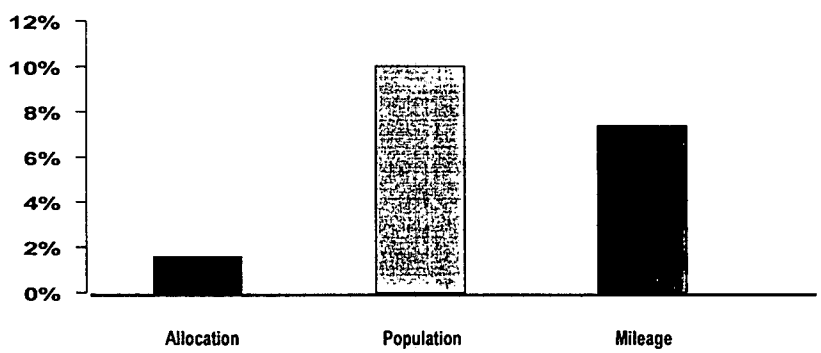
Powell Bill Program - 2005 Update
Betsy Williams - NCDOT

Joint Appropriations Transportation Subcommittee
Raleigh, NC
March 2005

Powell Bill Program Allocation and Trends

- Allocation formula
  - ** 75% on estimated population*
  - ** 25% based on certified mileage*

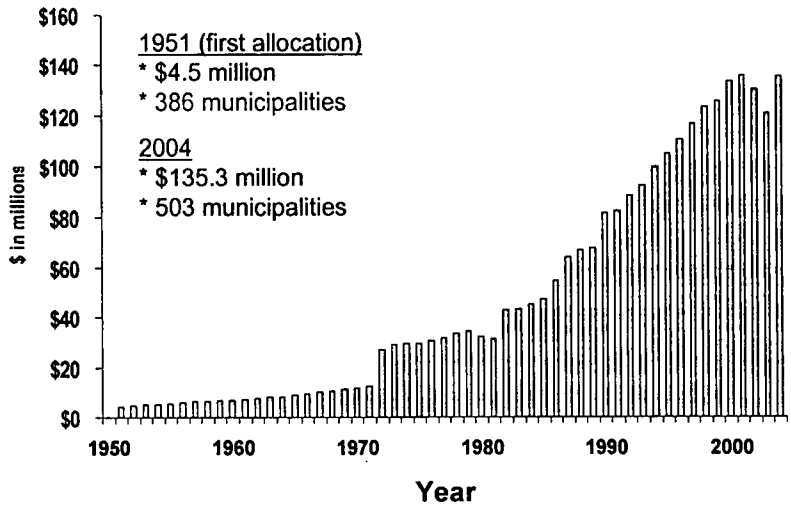
Trends - 2000-2004



Powell Bill Program Overview

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Powell Bill Program Growth



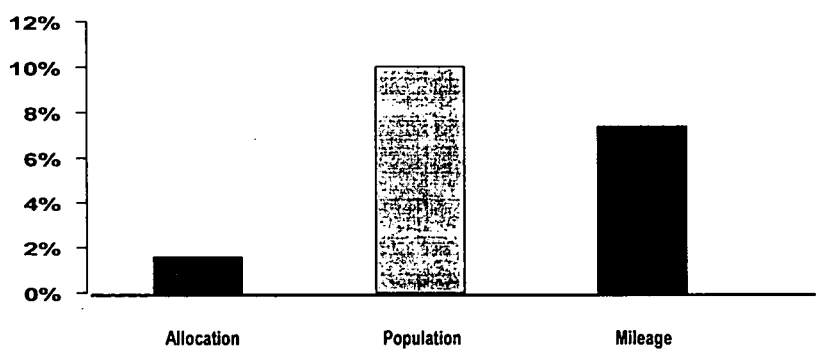
Powell Bill Program - 2005 Update
Betsy Williams - NCDOT

Joint Appropriations Transportation Subcommittee
Raleigh, NC
March 2005

Powell Bill Program Allocation and Trends

- Allocation formula
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Trends - 2000-2004



Introduction of Senate Members -

~~House~~ Pages

Senate

1. Name: Ben Abele
   County: Caswell
   Sponsor: Webster
2. Name: Ali Conerly
   County: Wake
   Sponsor: Garwood

House

3. Name: Katherine Carlton
   County: Wake
   Sponsor: Black
4. Name: Hattie Walter
   County: Wake
   Sponsor: Black
5. Name:
   County:
   Sponsor:

Sgt-At-Arms

House

1. Name: Hattie Wright
2. Name: Cynthia Dodd
3. Name: George Robertson
4. Name:

Dusty Rhodes
Fred Hines
Toussaint L. Avent

VISITOR REGISTRATION SHEET

Appr. Transportation — 3/3/05

Name of Committee — Date

VISITORS:. PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Stephanie Dorko	Charlotte Chamber
Lisa Martin	NC Home Builders Assoc.
Sandra Long	Martin Marietta
Greg Abbott	N.C. Conservation Network
Kim Crawford	TTA
Beau Mills	NC Metropolitan Coalitions / NC League of Munis
Berry Jenkins	Carolinas AGC
Kevin Leonard	WCSR
Susan Coward	NCDOT
Joe Milazzo II	RTA
Milton Alford	OSBM
Thomas Lloyd	OSBM
Betsy Williams	NCDOT
J Pinney	AAA Carolinas
Gary Isenhour	Inton - P. Berger
Betsy Bailey	NCPTA
Angie Harris	Maupin Taylor

Division of Highways
Operations Managed Programs

Joint Transportation Appropriations Committee

Steve Varnedoe, P.E.

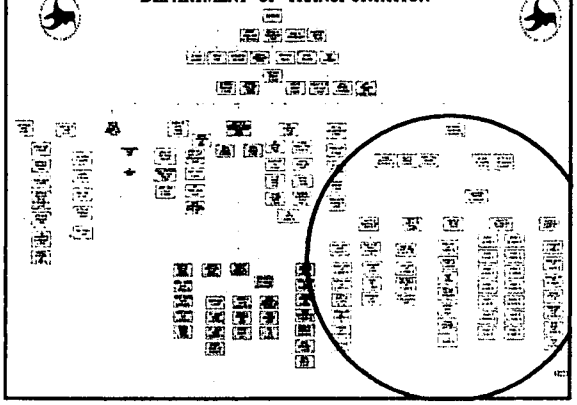
March 9, 2005

Agenda

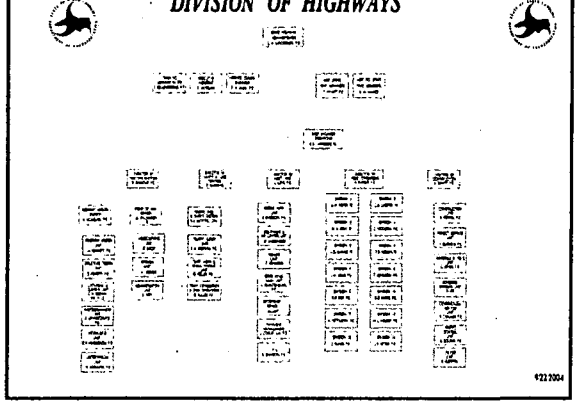
Overview of Operations

- System Responsibility
- Programs & Budget
- Highway System Condition & Maintenance Funding Needs
- Benefits of Recent Non-recurring Programs
  - SB 1005 & NCMA
- Governor's Proposed Budget
- Challenges
- Initiatives & Efficiencies

DEPARTMENT OF TRANSPORTATION



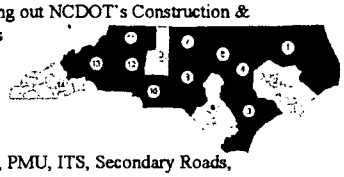
DIVISION OF HIGHWAYS



Overview of DOH-Operations

Field Operations

- 14 Highway Divisions
- Responsible for carrying out NCDOT's Construction & Maintenance Programs
- 8,872 Positions



Asset Management

- 7 Central Units (BMU, PMU, ITS, Secondary Roads, Overweight Permits, SRMU, Equipment & Inventory)
- Technical support, Program Management in support of the Divisions
- 363 Positions

System Responsibility

1989	2004
• 76,808 road miles	• 78,615 road miles
• 127,809 paved lane miles	• 158,592 paved lane miles
• 16,104 miles of unpaved roads	• 6,644 miles of unpaved roads
• 16,900 structures	• 17,756 structures
• 61.1 M sf bridge deck area	• 78.8 M sf bridge deck area

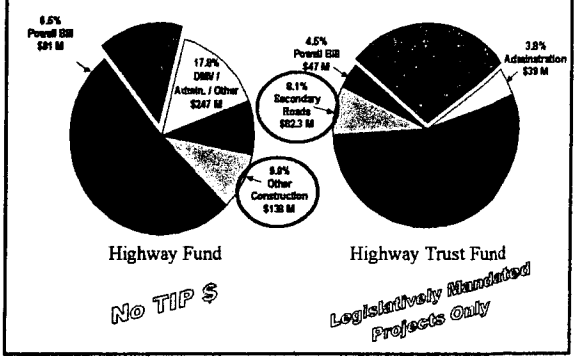
North Carolina State Highway System

(Handout #1)

Other States

State	Centerline Miles	# Maintenance Employees	Ratio (# of Miles/# of Employees)	MD Rank
FL	12,051	1,800	6.7	1
GA	18,027	2,633	6.8	2
PA	39,905	5,400	7.4	3
SC	41,528	3,504	11.9	4
NC	78,615	6,400	12.3	5
WV	35,863	2,640	13.6	6
VA*	53,206	3,700	14.4	7
Average	39,885	3,725	10.7	

Programs & Budget



Highway Fund

No TIP $

Highway Trust Fund

Legislatively Mandated Projects Only

Programs & Budget

Maintenance and Construction Programs

- Highway Maintenance
- Contract Resurfacing
- Small Construction
- Contingency
- Spot Safety
- Access and Public Service
- Secondary Road Construction

Programs & Budget

Highway Maintenance Program

- Revenue Source - Highway Fund
- Appropriation - $441 Million (FY 04-05)
  - Funds appropriated to DOT by primary, urban and secondary systems, & reserve for highway maintenance
  - Serves as primary funding source for all routine highway maintenance operations such as mowing, patching, drainage, snow removal, operation of rest area and welcome centers, and bridge maintenance
  - Funds allocated to Highway Divisions in accordance with Board Of Transportation approved formulas

Programs & Budget

Highway Maintenance Program

- Review and Approval Process
  - Maintenance program managed by Divisions with overall responsibility and oversight by Chief Engineer - Operations

Programs & Budget

Contract Resurfacing

- Revenue Source - Highway Fund
- Appropriation - $157 Million (FY 04-05)
  - Statewide appropriation to DOT for asphalt overlays on all systems
  - Allocated to highway divisions in accordance with Board Of Transportation approved formula
  - Formula considers pavement needs, lane mileage and population

Programs & Budget

Contract Resurfacing

- Review and Approval Process
  - Divisions select roads to be included in resurfacing contracts
  - Projects identified through biennial pavement condition survey and field engineering analysis
  - Contracts awarded through Raleigh (central) monthly letting or purchase order contracts (up to $1.2 Million) at division level
  - Resurfacing program managed by divisions with overall responsibility and oversight by Chief Engineer - Operations

Programs & Budget

Small Construction

- Revenue Source - Highway Fund
- Appropriation - $21 Million
  - $1.5 Million allocated to each of the 14 highway divisions for small construction projects
  - Typical projects address intersection, drainage, roadway, & safety needs.
- Review and Approval Process
  - Project requests considered from local governments & public
  - Projects recommended by Board Member and Division Engineer
  - Board policy limits funding to $250 K/Project/Yr
  - Projects approved by Secretary of Transportation
  - Board of Transportation approves each project

Programs & Budget

Contingency Fund

- Revenue Source - Highway Fund
- Appropriation - $15 Million
  - Fund administered by Secretary of Transportation
  - Funds used statewide for rural or small urban highway improvements and related transportation enhancements to public roads and public facilities, industrial access roads and spot safety projects
- Review and Approval Process
  - Projects approved by Secretary
  - Board of Transportation approves each project
  - Quarterly reporting required by DOT to Joint Legislative Transportation Oversight Committee and Fiscal Research Division

Programs & Budget

Spot Safety Fund

- Revenue Source - Highway Fund
- Appropriation - $9.1 Million
  - Funds used statewide on all systems to provide safety and operational improvements
  - Typical projects include traffic signals, turn lanes, guardrail and signing
  - Program administered by Traffic Engineering Branch and Chief Engineer - Operations
- Review and Approval Process
  - Projects considered based on accident history and severity, traffic volumes and signal warrants
  - List of projects developed and prioritized by Divisions and Traffic Engineering Branch
  - Projects selected by Oversight Committee
  - Board of Transportation approves each project

Programs & Budget

Access & Public Service Fund

- Revenue Source - Highway Fund
- Appropriation - $2.0 Million
  - Funds used statewide to construct access roads to new schools or industries or improve existing access through turn lanes or widening
  - Program administered by Chief Engineer - Operations
  - Funds may be used on any system
- Review and Approval Process
  - Project requests received from school systems, counties, Department of Commerce and industries
  - Projects approved by Secretary of Transportation
  - Board Of Transportation approves each project

Programs & Budget

Secondary Road Construction

- Revenue Source - Highway Fund
- Appropriation
  - Funds allocated to each county in accordance with G.S. 136-44.2a and G.S. 136-44.5
- Allocation Formula:

$$\text{County allocation} = \text{Statewide Appro. For Sec. Const. \$68,670,000} \times \frac{\text{Miles unpaved state maint. Secondary Rds. in county}}{\text{Total miles unpaved state maint. sec. road miles}}$$

(Initial $68,670,000 of available funds)

Programs & Budget

Secondary Road Construction

- Allocation Formula - Highway Fund
  - For available funds exceeding $68,670,000

$$\text{County allocation} = \text{Statewide Appro. For Sec. Const. > \$68,670,000} \times \frac{\text{Miles unpaved state maint. Secondary rds. With > 50 ADT}}{\text{Total miles state maint. Sec. Road > 50 ADT}}$$

Programs & Budget

Secondary Road Construction Trust Fund

- Revenue Source - Highway Trust Fund
- Appropriation
  - Funds allocated to each county in accordance with G.S. 136-44.5

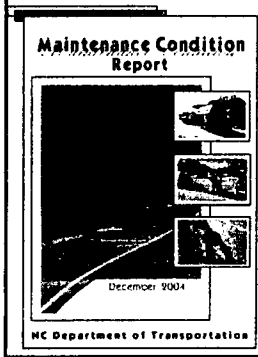
$$\text{County allocation} = \text{Statewide Hwy. Trust Fund Sec. Rd. Const. Program Appropriations} \times \frac{\text{\# Miles unpaved Secondary rds. With > 50 ADT in county}}{\text{Statewide total miles sec. Unpaved rds. With > 50 ADT}}$$

Programs & Budget

Secondary Road Construction

- Funds used to pave unpaved roads and provide other minor maintenance improvements
- Total $ Funding
  - Highway Fund - $92 Million
  - Trust Fund - $82.3 Million
  - Total (FY04-05) - $174.3 Million
- Review and Approval Process
  - Program developed for each county at Division level based on paving priority
  - Joint public hearing held with County Board of Commissioners
  - Concurring resolution requested from county
  - Each project in county program approved by Board of Transportation

Highway System Condition & Funding Needs



Presented to

Joint Legislative Transportation Oversight Committee

January 2005

Highway System Condition & Funding Needs

Biennial Report on Maintenance Requirements.
G.S. 136-44.3

- The annual cost of routine maintenance
- The cost of eliminating maintenance backlog
- Annual resurfacing cost based on a 12-year cycle for primary roads and a 15-year cycle for other systems
- The cost of eliminating any resurfacing backlog

Highway System Condition & Funding Needs

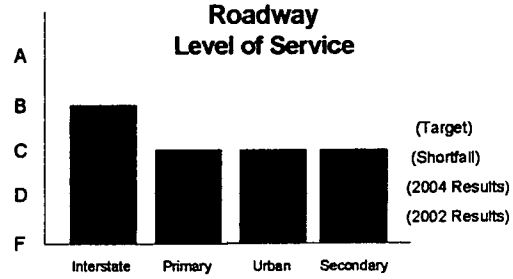
Rating the Condition of the Highway System

- Bridge Condition Survey
- Pavement Condition Survey
- Maintenance Condition Survey



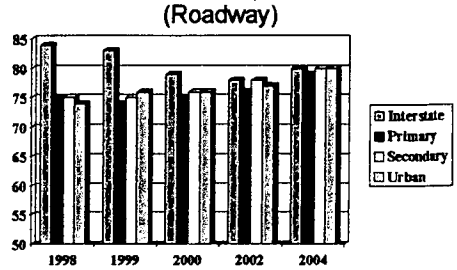


Highway System Condition & Funding Needs



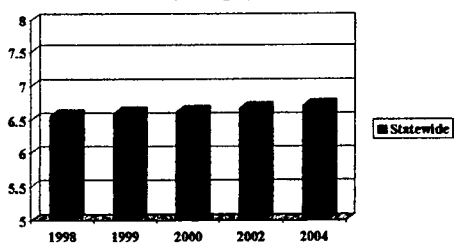
Highway System Condition & Funding Needs

Performance Measure Trends
(Roadway)



Highway System Condition & Funding Needs

Performance Measure Trends
(Bridge)

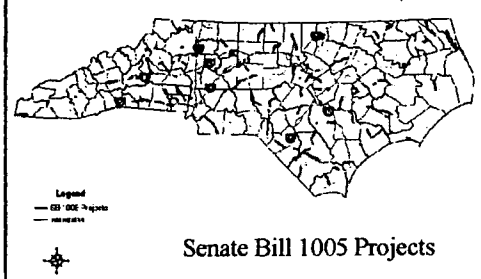


Highway System Condition & Funding Needs

Statewide Annual Maintenance Funding Plan

	Fiscal Year ($ Millions)				
Maintenance Programs	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Disasters/Emergencies	30.00	30.00	35.00	35.00	35.00
Total Maintenance Needs	655.31	689.54	724.09	759.51	798.37
Total Resurfacing Needs	270.98	284.08	297.83	312.25	327.36
Total Maint. Funding Needed	956.29	1003.62	1,056.92	1,106.76	1,158.73
Supplemental Maint. Funds	(44.84)	(48.00)	(51.88)	(54.38)	(56.89)
Adj. Total Maint. Fund. Need	911.65	955.62	1005.04	1,052.38	1,101.84
Estimated Maint. Fund Alloc.	598.11	598.11	598.11	598.11	598.11
Shortfall	*(313.54)*	*(357.51)*	*(406.93)*	*(454.27)*	*(503.73)*

Non-recurring Programs



Senate Bill 1005 Projects

Non-recurring Programs

Senate Bill 1005

- $515 Million
  - $45 Million for signal improvements
  - $470 Million for pavement improvements
  - up to 10% for economic development

Senate Bill 1005 Projects

Non-recurring Programs

SB 1005 Maintenance Benefits

- Authorized use of Highway Trust Fund cash balances (2001)
- Targeted major primary system corridors
- Resurfaced & rehabilitated 5,500 lane miles of NC and US Routes
- Has helped eliminate resurfacing backlog & reduce pavement needs
- Improved highway safety

Non-recurring Programs



Non-recurring Programs

North Carolina: *Moving Ahead!*

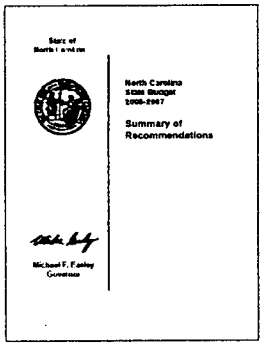
- $630 Million *Revised Delivery Schedule
  - $400 Million by end of 2005
  - $230 Million from 2006-2007
  - Budget adjustments impact only delivery time, not number of projects

Non-recurring Programs

NCMA Maintenance Benefits

- Reduces resurfacing backlog
- Reduces patching costs
- Reduces shoulder maintenance
- Improves pavement markings and markers
- Replaces bridges with high maintenance costs
- Improves traffic flow
- Enhances safety

Governor's Budget



Governor's Budget

	2004-05 Authorized	2005-06 Recommended	2006-07 Recommended
Construction Program			
State Secondary System	91,000,000	83,270,000	86,880,000
State Urban System	14,000,000	14,000,000	14,000,000
Discretionary Funds	15,000,000	15,000,000	15,000,000
Spot Safety Improvements	9,100,000	9,100,000	9,100,000
Access and Public Service Roads	2,000,000	2,000,000	2,000,000
Small Urban Construction	7,000,000		
Total Construction Program	$ 138,100,000	$ 133,470,000	$ 136,980,000
Maintenance Program			
Primary System	124,780,436	124,780,436	124,780,436
Secondary System	214,243,682	214,243,682	214,243,682
Urban System	40,679,682	40,679,682	40,679,682
Contract Resurfacing	157,208,316	157,208,316	157,208,316
General Maintenance Reserve	78,811,140	153,268,161	129,440,063
Total Maintenance Program	$ 614,793,256	$ 689,980,308	$ 665,722,211

Governor's Budget

Appropriation Items – Recommended Adjustments

Expansion

	2005-06	2006-07
Maintenance		
1 **Maintenance Reserve Funding**		
Highway Fund appropriations are recommended to be placed in a reserve to provide flexible funding that can be allocated by system (Primary, Secondary and Urban) based on needs for specific maintenance activities that will preserve and or improve the overall condition of the transportation system.		
Appropriation	**$50,928,923**	**$50,928,923**
Appropriation - Nonrecurring	**$23,958,098**	
Mandated Adjustments		
1. **To Adjust Leaking Underground Storage Tank Fund**		
In accordance with G.S. 105-449.125, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current revenue projections		
Appropriation	**$156,750**	**$483,777**

Governor's Budget

2 **To Adjust State Aid to Municipalities Allocation**

In accordance with G.S. 136-41.1, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Aid to Municipalities allocation in line with current revenue projections

Appropriation $2,370,000 $4,980,000

3 **To Adjust Secondary Roads Construction Allocation**

In accordance with G.S. 136-44.2A, an adjustment, based on estimated gallons of motor fuel sold, is necessary to bring the Secondary Roads Construction allocation in line with current revenue projections

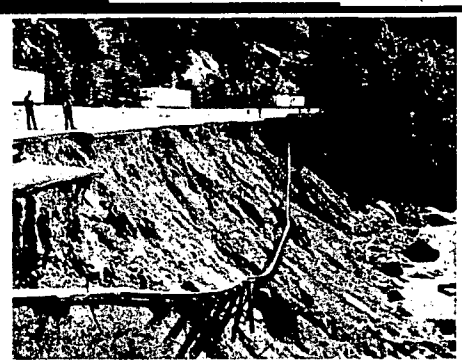
Appropriation $2,370,000 $4,980,000

Governor's Budget

Table 21
Recommended Highway Trust Fund Appropriation
2005-07

	2004-05 Authorized	2005-06 Recommended	2006-07 Recommended
Secondary Roads	82,224,097	87,027,588	90,058,794

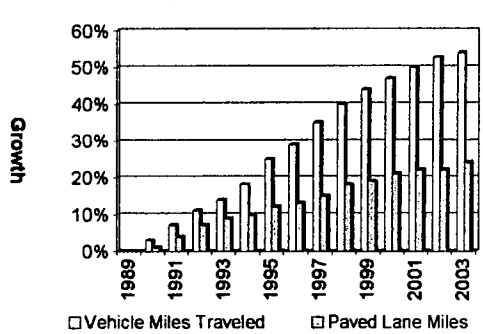
Challenges



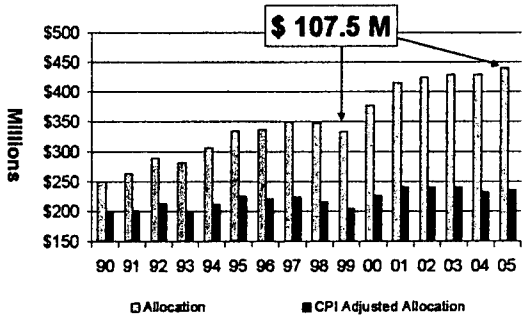
Challenges

- High number of fatalities
- High growth
  - Increases in VMT (vehicle miles traveled)
  - Freight growth
- Substandard Bridges
- Disasters
- Inflation Costs

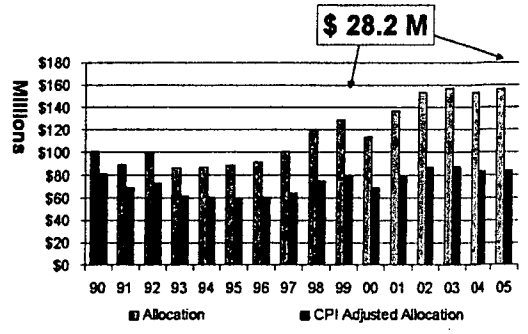
Highway System Usage
(Vehicle Miles Traveled)



History of Routine Maintenance Funding

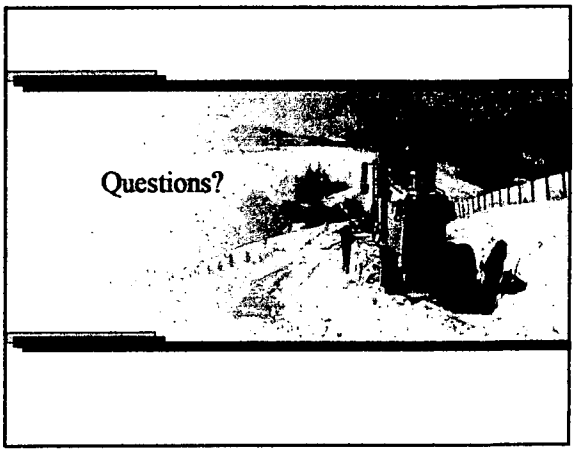


History of Resurfacing Funding



Initiatives and Efficiencies

- Safety & Pavement Improvements - SB 1005 & NCMA
- Signal PM program & LED Replacements
- ITS Initiatives
- DOT/DOC Litter Pickup Program
- Pilot Incentive Pay Programs
  - Road Oil & Bridge Incentive Programs
- Pavement Preservation Initiative
- Proposed Restructuring of Secondary Road Construction Program



NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the **JOINT** House and Senate Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAY: Wednesday, March 9, 2005

Time: 8:30 a.m. Appropriations/Transportation Committee
2:00 p.m. Joint with Justice & Public Safety Committee

Room: 1228 LB for the 8:30 a.m. meeting

Room: 544 for the 2:00 p.m. meeting

To be discussed:

Governor's Budget continued at the 8:30 a.m. meeting and

VIPER and State Highway Patrol Expansion at the 2:00 p.m. meeting

Respectfully,

Representatives Cole and Coates
Chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 2:30 p.m. on **March 3, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Suzanne Smith (Committee Assistant)

2005-2006

JOINT APPROPRIATIONS – TRANSPORTATION

COMMITTEE MINUTES

Joint Subcommittee on Transportation Appropriations

Agenda

March 9, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates, *presiding*
Representative Nelson Cole
Senator Clark Jenkins

- Maintenance
- Secondary Roads
- Small Urban and Contingency Programs
- Moving Ahead Program

Steve Varnedoe, Chief Engineer – Operations, DOT

The Maintenance and Secondary Road Adjustments are on pages 156 and 157 of the Governor's Budget, Summary of Recommendations.

Future Meetings

Wednesday, March 9, 2:00 pm (Joint Meeting with Justice and Public Safety Appropriations Subcommittee) **ROOM 544 LB**

- State Highway Patrol Budget
  - VIPER Program
  - Other Budget Items

Thursday, March 10, 8:30 am

- DOT Report on Project Delivery
- Presentation by Martin Marietta
- DOT Administration Budget

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

March 9, 2005

8:30 A.M.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on March 9, 2005 at 8:30 a.m. in room 1228 of the Legislative Building. Representative Lorene Coates presided. Six members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee were in attendance:

Rep. Lorene Coates
Rep. Nelson Cole
Rep. Mary McAllister
Rep. Bonner Stiller
Rep. David Almond
Rep. Larry Brown
Rep. Margaret Dickson
Rep. Jim Gulley
Rep. Greer Martin
Rep. Ed McMahan
Rep. Drew Saunders
Rep. Fred Steen
Rep. Arthur Williams

Representative Lorene Coates opened the meeting and introduced the Pages and Sergeant-at-Arms. She welcomed everyone and reminded the committee about the joint meeting with Justice and Public Safety at 2:00 p.m. that afternoon, in room 544. Then she introduced Steve Varnedoe, Chief Engineer of Operations for DOT who spoke to the committee about the overall operations of the department.

Steve introduced Lacey Love, Director of Asset Management DOT Operations; Bill Rosser, Director of Field Operations, and Jeff Cox who assisted with the slide presentation. They gave an overview of DOT operations, their mission, roles and responsibilities. The handout included a chart showing NC's Highway System size and how we compare to other States, along with the DOT budget and programs, as well as, current conditions and funding. Steve spoke about recent legislative initiatives that were non-recurring and the impact they have had on the DOT budget. He finished with an overview of the Governor's proposed budget, the challenges DOT faces and initiatives they are trying to implement to maximize dollars. See (Handout #1) attached as a part of the minutes. Questions and answers followed.

With no further business to conduct, Representative Coates announced that the next meeting would be that afternoon at 2:00 p.m. in room 544 with the Justice and Public Safety Committee. The meeting was adjourned at 9:50 a.m.

Respectfully submitted:

Representative Lorene Coates, Presiding
Co-Chair, House Committee

Melissa Lennon
House Legislative Committee Asst.

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
1	Bertie	MA01002B	SR 1301	Bridge #40 on SR 1301	Bridge Replacement	0	$538,000.00
1	Bertie	MA01003B	SR 1301	Bridge #39 on SR 1301	Bridge Replacement	0	$738,000.00
1	Bertie	MA01004B	SR 1112	Bridge #15 on SR 1112	Bridge Replacement	0	$538,000.00
1	Bertie	MA01010R	NC 308	NC 308 from SCL Kelford to NC 11	Pavement Strengthening, Widening and Resurfacing	5.18	$1,300,000.00
1	Bertie	MA01011R	NC 45	NC 45 from US 17 to NC 308	Resurfacing and Widening from 24' to 28'. Drainage improvements to be made as needed.	7.2	$1,215,000.00
1	Bertie	MA01042R	NC42	NC 42 from Hertford Co. Line to NC 45	Pavement Strengthening, Widening and Resurfacing	10.6	$2,900,000.00
1	Camden	MA01001B	SR 1107	Bridge #8 on SR 1107	Bridge Replacement	0	$443,000.00
1	Camden	MA01001R	NC 34	NC 34 from US 158 to Currituck Co. Line	Pavement Strengthening, Widening and Resurfacing	2.7	$750,000.00
1	Camden	MA01004R	NC 343	NC 343 from US 158 to US 17 Business	Milling, Resurfacing and Widening of existing pavement from 20' to 24'.	12.6	$2,900,000.00
1	Chowan	MA01017R	SR 1226	SR 1226 from SR 1231 to SR 1222	Widening and Resurfacing to increase service life and provide a safer facility.	3.2	$500,000.00
1	Chowan	MA01018R	US 17 Business	US 17 Business from SR 1132 to US 17 Bypass	Widening, Milling and Resurfacing - Proposed treatment will increase service life and improve declining pavement condition. Half inside Edenton CL (Urban) - Half outside Edenton CL (Primary)	1.5	$355,000.00
1	Chowan	MA01080R	NC 32	NC 32 from End C&G (near NCL Edenton) to SR 1224	Widening, Milling and Resurfacing.	8.9	$5,400,000.00
1	Currituck	MA01005R	NC 34	NC 34 from Camden Co. Line to NC 168	Widening, Milling and Resurfacing	5.7	$1,540,000.00
1	Dare	MA01006R	US 158/NC 12	US 158/NC 12 in Dare County and US 158 in Currituck and Dare Counties from NC 168 at Barco to NC 12 in Kitty Hawk	Upgrade Closed Loop Signal System from Wright Memorial Bridge to Southern Shores NCL and Installation of Traffic Monitoring Cameras.	28.6	$1,350,000.00
1	Dare	MA01031R	SR 1243	SR 1243 from NC 12 to NC 12 (Old NC 12)	Widening and Resurfacing	4.68	$1,400,000.00
1	Gates	MA01007R	NC 137	NC 137 from US 13 to SR 1111	Pavement Strengthening and Resurfacing	8.4	$1,700,000.00
1	Hertford	MA01012R	NC 461	NC 461 from US 13 to NC 45	Pavement Strengthening, Widening and Resurfacing	1.5	$350,000.00
1	Hertford	MA01013R	NC 45	NC 45 from NC 461 to Hertford Co. Line	Pavement Strengthening, Widening and Resurfacing	15.2	$3,300,000.00
1	Hyde	MA01008B	NC 12	Bridge #42 on NC 12	Bridge Replacement	0	$738,000.00
1	Hyde	MA01009B	NC 12	Bridge #39 on NC 12	Bridge Replacement	0	$938,000.00
1	Hyde	MA01010B	NC 12	Bridge #31 on NC 12	Bridge Replacement	0	$538,000.00
1	Hyde	MA01011B	NC 12	Bridge #10 on NC 12	Bridge Replacement	0	$638,000.00
1	Hyde	MA01019R	NC 45	NC 45 from US 264 to Beaufort Co. Line	Pavement Strengthening, Widening and Resurfacing - Pavement strengthening to accomodate proposed industrial facility that will generate high truck volumes. Note: R/W varies from 50' to 100' some is recorded, some claimed by maintenace limts.	9.5	$1,800,000.00
1	Martin	MA01021R	NC 125	NC 125 from US 17 Business to NCL Williamston	Milling and Resurfacing to correct declining pavement condition. Curb and gutter: Two sections - 32' pavement and 40' pavement R/W: Two sections: 60' recorded and 80' recorded	0.88	$210,000.00
1	Martin	MA01022R	NC 903	NC 903 from NC 11 to Halifax Co. Line	Pavement Strengthening, Widening and Resurfacing - Project needed to correct declining pavement condition. Widening will provide safer facility. High % truck traffic. Note: R/W varies 40'-60' maintenance limits	7.8	$1,200,000.00
1	Martin	MA01061R	NC903	NC 903 from Pitt Co. Line to NC 125	Pavement Strengthening and Resurfacing	11.6	$2,800,000.00
1	Northampton	MA01016R	US 301	US 301 from US 158 to Virginia State Line	Milling, Resurfacing and Widening from 24' to 28'.	7.37	$2,000,000.00
1	Pasquotank	MA01008R	SR 1100	SR 1100 from NC 34 to SR 1121	Widening and Resurfacing	3	$500,000.00
1	Pasquotank	MA01034R	US 17 Bus./NC 34	US 17 Bus./NC 34 from US 17 to SR 1164	Closed Loop Signal System	2.1	$1,000,000.00
1	Perquimans	MA01006B	SR 1341	Bridge #13 on SR 1341	Bridge Replacement	0	$438,000.00

This Candidate Project List is subject to funding, availability of right-of-way, or environmental issues. Projects may added or deleted.

3/9/2005

(Handout #1A)

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
1	Perquimans	MA01007B	SR 1367	Bridge #78 on SR 1367	Bridge Replacement	0	$538,000.00
1	Perquimans	MA01035R	SR 1347	SR 1347 from SR 1339 to SR 1429	Widening and Resurfacing	4.6	$500,000.00
1	Tyrrell	MA01023R	SR 1214	SR 1214 from SR 1216 to SR 1209	Widening and Resurfacing	0.7	$100,000.00
1	Tyrrell	MA01069R	SR1202	SR 1202 from SR 1200 to Dead End	Widening and Resurfacing	0.75	$200,000.00
1	Tyrrell	MA01070R	SR1200	SR 1200 from US 64 to SR 1202	Widening and Resurfacing	3.3	$550,000.00
1	Washington	MA01024R	SR 1183	SR 1183 from SR 1126 to End Pavement	Leveling and Resurfacing	6.7	$1,100,000.00
1	Washington	MA01025R	NC45/NC99	NC 45/NC 99 from NC 32 to Hyde Co. Line	Pavement Strengthening, Widening and Resurfacing.	7.96	$2,600,000.00
1	Washington	MA01026R	NC 45	NC 45 from US 64 to Roanoke River Bridge	Resurfacing and Widening from 24' to 28'.	3.3	$750,000.00
1	Washington	MA01027R	SR 1126	SR 1126 from US 64 to SR 1155	Widening and Resurfacing	12.41	$2,250,000.00
1	Washington	MA01029R	NC 308	NC 308 from US 64 to NC 45	Widening and Resurfacing	7.1	$1,540,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
2	Beaufort	MA02001R	SR 1136	SR 1136, Gray Road from NC 33 to Chocowinity Elementary School	Widening to 24 feet typical section, construct turn lane at elementary school driveways, resurface. Improvements will lessen shoulder dropoffs and provide safer access to school.	0.8	$185,000.00
2	Beaufort	MA02010B	NC 32	Pipe crossing on NC 32 0.2 mile west of SR 1352 (Hudson Street)at Jack's Creek	Replace pipe crossing at Jack's Creek under NC 32 with a weir flood control system through a municipal agreement with the Town of Washington. Construction to be let and administered by the Town of Washington. The existing is a non-inventory structure, but the replacement box culvert will be on NCDOT Bridge Maintenance inventory due to its size.	0.25	$635,000.00
2	Beaufort	MA02010R	NC 32	NC 32 from US 264(Douglas Crossroads) to SR 1507 (4.4 miles)	Widening, repair joints, intersection improvement and resurfacing	4.4	$1,000,000.00
2	Beaufort	MA02011R	NC 33	NC 33 from Pitt County to US 17 in Chocowinity	Widening, turnlane additions at SR 1161/SR 1174, improvements at SR 1158, crack sealing, patching and resurfacing. Large culvert on route will need extending.	3.6	$1,500,000.00
2	Beaufort	MA02013R	US 17	US 17 from the Craven County Line to SR 1127	Widening existing roadway and resurfacing	4	$915,000.00
2	Beaufort	MA02018R	NC 32	NC 32 from SR 1507 to Washington County Line (12.3 miles)	Widen and repair joints. Potential intersection improvements include SR 1526/1528 and SR 1612/1532	12.3	$1,500,000.00
2	Carteret	MA02007R	NC 58	NC 58 from 0.25 miles south of SR 1259 to Jones County Line	Widening, patching, intersection improvements and resurfacing	8	$2,000,000.00
2	Carteret	MA02024R	NC 58	NC 58 from Coast Guard Road to Bogue Inlet Drive	Install closed loop signal system on NC 58 with metal poles, mast arms and turn lane improvements at intersections with Coast Guard, Loon, Mangrove and Bogue Inlet.	1.4	$1,400,000.00
2	Craven	MA02001B	SR 1630	Bridge No. 27 on SR 1630 approx. 0.8 mile North of intersection of SR 1630 and SR 1628	Replace Bridge No. 27 over Beaverdam Swamp	0.25	$370,000.00
2	Craven	MA02004R	NC 43	NC 43 from End of Curb and Gutter in Vanceboro to the Pitt County Line	Widening and resurfacing with possible turn lane additions at SR 1478 and SR 1646. Turn lane additions are based on ADT and accident history.	7	$2,085,000.00
2	Craven	MA02008R	NC 55	NC 55 from SR 1005 to SR 1480	Widening and resurfacing roadway. Improve intersections by adding turn lanes at SR 1243, SR 1243 and SR 1005.	10.8	$2,330,000.00
2	Craven	MA02012B	NC 43	Bridge No. 35 over Palmetto Swamp 0.3 mile north of SR 1646.	Replace Bridge No. 35 over Palmetto Swamp.	0.25	$415,000.00
2	Craven	MA02013B	NC 43	Bridge No. 50 on NC 43 located at the Pitt / Craven County Line.	Replace Existing Structure over Clayroot Swamp	0.25	$415,000.00
2	Craven	MA02014R	US 17	US 17 from the Vanceboro Bypass to the Beaufort County Line	Widening existing roadway and resurfacing. No turn Lanes are to be constructed.	4.3	$1,115,000.00
2	Craven	MA02019R	NC 55	NC 55 from SR 1480 to pavement change 3.25 miles east of Lenoir County Line	Widening and resurfacing with Intersection improvements. Turn lanes will added at SR 1272 (Fort Barnwell), SR 1272, and SR 1249.	10.5	$2,150,000.00
2	Greene	MA02005R	NC 91	NC 91 from US 13 to US 264 Alternate, 10.8 miles	Widening, resurfacing, and intersection improvements including turn lanes at Lenoir Community College Greene County Unit, SR 1330 to Greene Middle School, US 264A, and at SR 1225-SR 1303/ NC 91 intersection.	10.8	$1,725,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
2	Greene	MA02017B	SR 1225	Bridge No. 1 over the Contentnea Creek on SR 1225	Class 1, Class 2, and Class 3 Rehabilitation of the existing concrete bridge deck. Repair activities will be phased to occur under traffic due to no off-detour being available	0.25	$250,000.00
2	Jones	MA02006R	NC 58	NC 58 from Carteret County Line to the end of current widening project	Widening, patching and resurfacing	4.8	$1,000,000.00
2	Jones	MA02021R	US 258	US 258 from Onslow County Line to Lenoir County Line	Widening and resurfacing, and intersection improvements	5	$1,000,000.00
2	Lenoir	MA02020R	US 258	US 258 from Jones County Line to south of SR 1341	Widening, resurfacing, and intersection improvements	13.5	$2,860,000.00
2	Pamlico	MA02002B	NC 304	Bridge No. 24 on NC 304 approx. 2 miles west of intersection with SR 1203	Replace Bridge No. 24 over the North Prong of the Bay River. This project will be part of the Pamlico Bridge Design-Build Package.	0.25	$450,000.00
2	Pamlico	MA02002R	NC 55	NC 55 at Stonewall Elementary School	Turnlane improvements	0.2	$265,000.00
2	Pamlico	MA02003B	NC 304	Bridge No. 31 on NC 304 approx. 1.0 mile N of the intersection of SR 1221 and NC 304	Replace Bridge No. 31. This project will be part of the Pamlico Bridge Design-Build Package.	0.25	$425,000.00
2	Pamlico	MA02004B	NC 304	Bridge No. 35 on NC 304 approx. 0.2 mile west of intersection of SR 1222 and NC 304	Replace Bridge No. 35 over Tidal Creek. This project will be part of the Pamlico Bridge Design-Build Package.	0.25	$400,000.00
2	Pamlico	MA02005B	NC 304	Bridge No. 40 on NC 304 over Bear Creek, approx. 0.1 mile south of the intersection of the southern end of SR 1224 and NC 304	Replace Bridge No. 40 over Bear Creek. This project will be part of the Pamlico Bridge Design-Build Package.	0.25	$400,000.00
2	Pamlico	MA02006B	NC 304	Bridge No. 42 on NC 304 approx. 0.1 mile north of intersection of northern end of SR 1224 and NC 304	Replace Bridge No. 42 over Gale Creek. This project will be part of the Pamlico Bridge Design-Build Package.	0.25	$460,000.00
2	Pamlico	MA02015R	NC 306	NC 306 from the Minnesott Ferry to NC 55	Widen and resurface NC 306 from NC 55 to Minnesott Ferry. Intersection improvements: left turn lanes at SR 1005, Arapahoe Charter School, NCDOT Co. Maintenance Yard, and Pamlico CC	12	$2,800,000.00
2	Pitt	MA02003R	NC 43	NC 43 from Craven County to the Beginning of Curb and Gutter	Widening and resurfacing with possible turn lane additions at NC 102, SR 1774/SR 1711 and SR 2241. Intersection improvements are based on ADT and accident history. In addition turn lane improvements at SR 1711 serve an area high school.	14	$4,220,000.00
2	Pitt	MA02008B	SR 1724	Bridge No. 37 on SR 1724 approx. 0.8 mile west of intersection of SR 1724 and SR 1725	Replace Bridge No. 37 over east branch of Swift Creek	0.25	$315,000.00
2	Pitt	MA02009R	NC 33	NC 33 from the West City Limits of Grimesland eastward to SR 1568 (Calvert Street)	Widening existing 22' wide pavement to extend existing 44' wide curb and gutter to city limits on west end of town and to SR 1568 (Calvert Street) on the east end of town. Milling and resurfacing throughout project. Install center turn lane at SR 1565 (Grimesland Bridge Road).	1.4	$750,000.00
2	Pitt	MA02012R	NC 33	NC 33 from end of 5 lane section to WCL Grimesland and from Calvert St in Grimesland to Beaufort Co Line	Widening, right turnlane additions at SR 1759, SR 1851 and left turnlanes at SR 1762. Large culvert extension will be required on this project. Road will receive crack seal treatment and resurfacing.	7.8	$2,800,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
2	Pitt	MA02017R	SR 1203	SR 1203, Allen Road, from SR 1202 to US 13	Widen existing pavement from 22 ft to 36 feet for left turn lane from Woodridge Commercial Park to SR 1276 (0.80 miles). Install large structural plate culvert to replace undersized and dilapadated pipe. Widen shoulders and flatten roadway ditch slopes where roadway was previously widened from US 13 to Woodridge Commercial Park (0.85 miles) and from SR 1467 to SR 1276 (0.60 miles). Resurface along entire length (2.25 miles).	2.25	$950,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
3	Brunswick	MA03001B	SR 1115	0.4 Mile north of the intersection of SR 1125 (Cedar Grove Road) and SR 1115 (Stone Chimney Road).	Replace Bridge 58 over branch of Lockwood Folly River. There is a high crash history at this site.	0.1	$260,000.00
3	Brunswick	MA03002B	SR 1115	0.1 mile south of the intersection of SR 1129 (Turnpike Road) and SR 1115 (Stone Chimney Road).	Replace Bridge 59 over branch of Lockwood Folly River. There is a high crash history at this site.	0.1	$260,000.00
3	Brunswick	MA03003B	SR 1115	0.1 mile north of the intersection of SR 1129 (Turnpike Road) and SR 1115 (Stone Chimney Road).	Replace Bridge 49 over branch of Lockwood Folly River. There is a high crash history at this site.	0.1	$410,000.00
3	Brunswick	MA03004R	SR 1130	SR 1130 (Mt. Pisgah Road) from US 17 to NC 130. This is not a bicycle route. There are not any railroad crossings. Design will be performed by the Division.	Widen 2' to 3' each side and construct one right turn lane at US 17 and resurface.	4	$540,000.00
3	Brunswick	MA03005R	NC 904	NC 904 from 0.2 mile southeast of Columbus County line to SR 1321. This is not a bicycle route. There are not any railroad crossings. The pavement design will be performed by Division.	Widen and resurface to a 24' section with 2-11' lanes and 2 1' paved shoulders.	5.2	$1,500,000.00
3	Brunswick	MA03018R	NC 211	NC 211 from St. James entrance to NC 133 (Dosher Cutoff).	Widen the existing roadway to a 3-Lane section and resurface.	3.3	$2,000,000.00
3	Brunswick	MA03025R	SR 1303	SR 1303 (Hickman Road) from South Carolina state line to US 17.	Widen to a 24' section, turn lanes located at Indigo Farms, Crow Creek, SR 1300 (Calabash Rd) & SR 1302 (Shingletree Rd) and resurface.	1.2	$700,000.00
3	Brunswick	MA03029R	NC 130	NC 130 @ SR 1120 (Sabbath Home)	Install left turn lanes	0.2	$100,000.00
3	Brunswick	MA03034R	NC 130	NC 130 @ SR 1139 (Seashore Road)	Install left turn lanes on NC 130 @ the intersection with SR 1139 (Seashore Road)	0.2	$100,000.00
3	Brunswick	MA03035R	NC 130	NC 130 @ SR 1137 (Boones Neck Road)	Install left turn lanes on NC 130	0.2	$100,000.00
3	Brunswick	MA03036R	NC 130	NC 130 @ SR 1140 (Oxpen Road)	Install left turn lanes on NC 130	0.2	$100,000.00
3	Brunswick	MA03037R	SR 1349	SR 1349 (Bridgers Street) from Mulberry Creek to SR 1348 (Mulberry Street)	Widen 3' to each side to obtain a 24' typical section, patch and resurface.	0.6	$150,000.00
3	Brunswick	MA03038R	SR 1234	SR 1234 (Sellars Road) from US 17 Bus. to NC 179 for approximately 0.32 mile.	Patching & resurfacing 2-lanes, 18' typical section, for 0.32 mile.	0.4	$50,000.00
3	Brunswick	MA03039R	NC 87	NC 87 from southern city limits of Boiling Springs to NC 133	Resurfacing	1.4	$125,000.00
3	Brunswick	MA03040R	SR 1524	SR 1524 (Chappell Loop Road) from SR 1551 (Blackwell Road) to SR 1551.	Resurfacing and patching 2-lanes for a 20' typical section. Improve pavement thickness to strengthen pavement to industrial strength.	1.6	$100,000.00
3	Brunswick	MA03041R	SR 1566	SR 1566 (Ploof Road) from US 17 to SR 1524 (Chapel Loop Road)	Resurfacing and patching 2-lanes, 22' typical section. Improve pavement thickness to strengthen pavement to industrial strength.	0.68	$50,000.00
3	Brunswick	MA03042R	SR 1443	SR 1443 (Broadway Street) from SR 1434 (Main Street) to SR 1435 (N. Navassa Road).	Patching & resurfacing, 18' typical section. Using Small Urban Funding ($60,000.00), widen the roadway to 26' for bike paths.	0.36	$40,000.00
3	Duplin	MA03004B	SR 1301	1.1 miles north of the intersection of SR 1300 (Wards Bridge Road) and SR 1301 (Warren Road).	Replace bridge 309, over Nahunga Creek, due to low posting (SV 15 TONS/TTST 22 TONS). This is a school bus route.	0.1	$400,000.00
3	Duplin	MA03006B	SR 1141	0.4 mile south of the intersection of NC 50 and SR 1141 (East Ridge Street)	Replace bridge 196, over Stocking Head Creek, due to low posting (SV 16 TONS/TTST 24 TONS) and a high crash history. This is a school bus route.	0.1	$305,000.00
3	Duplin	MA03012R	US 117 & SR 1102	The intersection of SR 1102 (E. Charity Road) and US 117 in Rose Hill	Construct right turn lane on US 117 and widen SR 1102 to a 3 lane section. Upgrade the signal.	0.1	$200,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
3	Duplin	MA03021R	NC 41	NC 41 from Sampson County Line to NC 50	Install 2' paved shoulders each side and resurface.	22	$5,500,000.00
3	New Hanover	MA03007R	SR 1322	SR 1322 (Murraysville Road) from NC 132 to SR 1361 (Clewis Ave.). This is not a bicycle route. There are not any railroad crossings. Design will performed by the Division.	Widen 3' each side to a 24' typical section, with 2-11' lanes and 2-1' paved shoulders, and resurface.	1.9	$405,000.00
3	New Hanover	MA03008R	SR 1402	SR 1402 (Edgewater Club Road) from SR 1491 (Futch Creek Road) to end of state maintained system. This is not a bicycle route. There are not any railroad crossings. Designed will be performed by the Division.	Widen 2' each side to create a 22' typical section. No resurfacing involved.	1.54	$138,000.00
3	New Hanover	MA03020R	SR 2048	SR 2048 (Gordon Road) from SR 2270 (Wood Sorrell Road) to I-40.	Widen existing 2-lane sections to 3-lane section. Tie existing 3-lane sections together. There is a severe crash history.	2.17	$1,270,000.00
3	New Hanover	MA03022R	US 117	NC 133 and US 117/NC 132 intersection at Castle Hayne.	Redesign intersection to a 'T' type configuration with full signal control. Large crash history and severe injury rate.	0.2	$2,000,000.00
3	New Hanover	MA03031R	SR 1492	SR 1492 (Pine Grove Drive) & Holly Tree (City of Wilmington Street)	Redesign intersection with signal upgrade.	0.1	$200,000.00
3	New Hanover	MA03032R	NC 132	NC 132 @ SR 1272 (New Center)	Install dual lefts on NC 132 northbound and upgrade the signal.	0.1	$100,000.00
3	Onslow	MA03009R	SR 1406	SR 1406 (Piney Green Road) from US 17 to NC 24. There is an at grade RxR crossing approximately 0.3 miles north of the intersection with NC 24, Camp Lejeune Marine Corps Base maintains the tracks.	Widen 2 each side, patch, install left turn lanes at 7 locations and install signal at SR 1411(Old 30). Resurfacing the areas where the widening and turn lanes are located.	6.1	$2,630,000.00
3	Onslow	MA03010R	SR 1308	SR 1308 (Gum Branch Road) from SR 1322 (Summersill School Road) to 7786 lf to Timber Creek Subdivision. This is not a bicycle route. There are not any railroad crossings. Design will be performed by the Division.	Widen existing two-lane roadway to 3-lane section with center left turn lane and resurface.	1.2	$700,000.00
3	Onslow	MA03014R	SR 1509	SR 1509 (Queens Creek Road) from .04 mile south of intersection of NC 24 and SR 1509 to intersection with SR 1503 (Sandridge Road). This project does not include the limits of the bridge replacement project B-3358. This is not a bicycle route. There are not any railroad crossings. Design will be performed by the Division.	Mill patch existing pavement and resurface.	3.6	$875,000.00
3	Onslow	MA03015R	SR 1434	SR 1434 (Swansboro-Belgrade Road) from NC 24 to US 17. There is an at grade RxR crossing approximately 3.5 miles north of the intersection with NC 24, the RxR is maintained by the Camp Lejeune Marine Crops Base.	Widen 2' each side, mill patch and partial resurfacing.	13.5	$2,125,000.00
3	Onslow	MA03016R	NC 50	NC 50 from Holly Ridge city limits to the Pender County line. This is not a bicycle route. There are not any railroad crossings.	Widen and resurface to a 26' typical section with 2-12' lanes and 2-1' paved shoulders.	1.3	$330,000.00
3	Onslow	MA03024R	SR 1403	SR 1403 (Country Club Road) from SR 1406 (Piney Green Road) to Ashely Park Subdivision.	Widen to a 3-lane section	1.3	$500,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
3	Pender	MA03002R	SR 1569	SR 1569 (Hoover Road) 1.7 miles from intersection with US 17. This is not a bicycle route. There are not any RxR crossings. Desing will be performed by the Division.	Widening for left turn into entrance of school and right turn lane.	1.7	$135,000.00
3	Pender	MA03003R	SR 1563	SR 1563 (Sloop Point Road) from US 17 to Topsail Elementary School. This is not a bicycle route. There are not any railroad crossings. The pavement design will be performed by the Division.	Widen 2' each side to achieve a 24' typical section with 2-11' lanes and a 1' paved shoulder, mill patch and resurface. Add turn lane at school.	1	$200,000.00
3	Pender	MA03011R	SR 1120	SR 1120 (Malpass Corner Road) from US 421 to Malpass Corner Elementary School. This is not a bicycle route. There are not any RxR crossings. Desing will be performed by the Division.	Widen SR 1120 to 3-lane section with right turn lanes at school bus entrance & main entrance to school.	0.42	$240,000.00
3	Pender	MA03017R	NC 50	NC 50 from Onslow County Line to NC 210. This is not a bicycle route. There are not any railroad crossings.	Widen and resurface to a 26' typical section with 2-12' lanes and 2-1' paved shoulders.	1.3	$300,000.00
3	Pender	MA03026R	NC 210	NC 210 from US 17 to NC 50	Install 2' paved shoulders and resurface	2.8	$600,000.00
3	Pender	MA03027R	NC 133	NC 133 from NC 210 to US 117	Install 2' paved shoulders and resurface.	4.9	$1,000,000.00
3	Pender	MA03028R	US 421	US 421 from NC 210 to Sampson County line.	Patch and resurface	16	$3,000,000.00
3	Pender	MA03045R	NC 53	NC 53 from Northern City Limits of Atkinson to Southern City Limits of Atkinson	Mill Patch approximately 1.5". Full Depth Patch & Resurface	1	$200,000.00
3	Pender	MA03046R	SR 1510	SR 1510 (Wilmington Street) from US 117 Bypass to US 117 Business	Mill & Resurface	0.64	$125,000.00
3	Sampson	MA03001R	NC 242	NC 242 from NC 24 to northern Salemburg city limits. This is not a bicycle route. There are not any railroad crossings. The pavement design will be performed by the Division.	Widen 2' each side and resurface.	4.5	$1,200,000.00
3	Sampson	MA03005B	SR 1002	0.1 mile north of the intersection of SR 1615 (Hawley Road) and SR 1002 (Mingo Church Road).	Replace bridge 282, over branch of Mingo Swamp, due to low posting (SV 16 TONS/TTST 21 TONS) and high crash history. This is a school bus route.	0.1	$210,000.00
3	Sampson	MA03013R	NC 55	NC 55 from Harnett County to Wayne County. This is not a bicycle route. There are not any railroad crossings.	Widen to a 24' typical section with 2-11' lanes and 2-1' paved shoulders and resurface.	17.1	$4,000,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
4	Edgecombe	MA04002R	NC 111	From NC 142 to Martin CL.	Pvmt widen and resurface NC 111 from NC 142 to Martin CL, replace 1-60" CMPA.	1.6	$230,000.00
4	Edgecombe	MA04004R	US 258	From NC 97 to NC 111.	Wedging and resurface US 258.	9.9	$900,000.00
4	Edgecombe	MA04006R	NC 111	From NC 124 to Wilson CL	Pvmt widen and resurface NC 111 from NC 124 to Wilson CL, replace 2-60" CMP 1-60" RCBC.	2.4	$390,000.00
4	Edgecombe	MA04007R	NC 42	Intersection of NC 42, NC 43 and NC 124, 0.3 miles.	Add left turn lane on NC 42, realign intersection.	0.3	$170,000.00
4	Edgecombe	MA04008R	NC 97	At intersection of SR 1252.	Left turns on NC 97 at SR 1252.	0.3	$225,000.00
4	Edgecombe	MA04009R	NC 97	From west of SR 1400 to SR 1442.	Widen NC 97 to 3 lane section from west of SR 1400 to SR 1442 with right turn lanes at asphalt plant and rock quarry. Install traffic signal at SR 1400.	1.2	$1,000,000.00
4	Edgecombe	MA04010R	SR 1006	At driveway entrances of Bullock School.	Left turn lane and resurface on SR 1006 at Bullock School.	0.25	$156,000.00
4	Edgecombe	MA04011R	NC 122	From SCL of Pinetops to NCL of Macclesfield	Pvmt widen and resurface NC 122 from SCL of Pinetops to NCL of Macclesfield, replace 1-78" RCBC and 1-60" RCBC.	2	$300,000.00
4	Edgecombe	MA04012R	NC 43	From NC 42 to Pitt CL.	Pvmt Widen and resurface NC 43 from NC 42 to Pitt CL.	3.2	$240,000.00
4	Edgecombe	MA04014R	NC 111	At intersection of SR 1003.	Left turn lane on NC 111 at SR 1003 (Wiggins X-Roads).	0.3	$150,000.00
4	Edgecombe	MA04015R	SR 1253	From NC 97 to NC 33	Strengthen low tonnage road by widening and resurfacing SR 1253 from NC 97 to NC 33.	3.4	$275,000.00
4	Edgecombe	MA04016R	NC97	At driveway entrances of North Edgecombe High School.	Left turn lane on NC 97 at North Edgecombe School	0.3	$192,000.00
4	Edgecombe	MA04017R	SR 1400	From SR 1407 to NC 97.	Pvmt widen and resurface SR 1400 from SR 1407 to NC 97.	4.8	$310,000.00
4	Edgecombe	MA04018B	SR 1141	0.3 miles south of SR 1142	Replace existing structually deficient bridge with a new cored slab structure.	0.25	$450,000.00
4	Edgecombe	MA04019R	SR 1225	From US 64A to US 64.	Pvmt widen and resurface SR 1225 from US 64 ALT to US 64.	0.25	$35,000.00
4	Edgecombe	MA04020R	NC111	From NC 122 to Edgecombe Community College.	Widen to three lane from NC 122 to Edgecombe Community College.	0.8	$190,000.00
4	Edgecombe	MA04021R	NC 111	From US 64A to US 64 overpass bridge.	Widen to three lane curb and gutter.	1.25	$990,000.00
4	Edgecombe	MA04023R	SR 1250	From SR 1243 to NC 97	Pvmt widen and resurface SR 1250.	1.07	$110,000.00
4	Edgecombe	MA04223R	SR 1157	SR 1157 (Sutton Rd.) from SR 1152 (Vance St.) to SR 1002.	Widen to 3 lanes w/ curb and gutter.	0.84	$1,563,000.00
4	Halifax	MA04026R	NC48	At driveway entrance of Aurelian Springs Elementary School along NC 48 and SR 1001.	Add turn lanes on NC 48 and SR 1001 at Aurelian Springs Elementary School.	0.3	$175,000.00
4	Halifax	MA04027R	US 158	From SR 1426 to SR 1424.	Roadway widen to three lanes and resurface US 158 from SR 1426 to 1424 (WR Davie School).	3.53	$600,000.00
4	Halifax	MA04028R	SR 1627	At driveway entrances of Halifax Academy along SR 1627.	Left turn lane on SR 1627 at Halifax Academy.	0.3	$150,000.00
4	Halifax	MA04030R	SR1400	From WCL of Roanoke Rapids to SR 1426	Widen SR 1400 to three lane curb and gutter.	4	$965,000.00
4	Halifax	MA04032R	SR 1629	From NC 125 to NC 48.	Widen SR 1629 to three lane curb and gutter.	1.24	$1,200,000.00
4	Halifax	MA04033R	SR 1627	SR 1627, From NC 903 to SR 1626	Pvmt widen and resurface SR 1627 from SR 1626 to NC 903.	2.03	$143,000.00
4	Halifax	MA04034B	SR 1602	0.8 miles north of NC 561.	Replace existing functional obsolete bridge with a new structure.	0.25	$450,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
4	Halifax	MA04036R	NC 561	At intersection of NC 561/NC 43 and SR 1329/SR 1333.	Left turn lanes at Essex on NC 561/NC 43 and SR 1329/SR 1333.	0.3	$100,000.00
4	Halifax	MA04038R	US 158	From NC 48 to SR 1426.	Roadway Widen US 158 from two to three lanes with ditches and resurface.	1.64	$280,000.00
4	Halifax	MA04039R	SR 1002	From NC 561 to SR 1322.	Pvmt widen and resurface SR 1002.	2.51	$200,000.00
4	Halifax	MA04041R	SR 1225	From SR 1222 to SR 1224	Roadway widen and resurface SR 1225.	2.9	$225,000.00
4	Halifax	MA04043R	NC 125	Intersection of NC 125 and SR 1600.	Left turn lane and cut crest of vertical curve down on NC 125 at SR 1600.	0.3	$200,000.00
4	Halifax	MA04044R	US 301	On US 301 just south of NC 561.	Left turn lane on US 301 south.	0.3	$150,000.00
4	Halifax	MA04046R	SR 1224	From NC 481 to railroad tracks.	Widen and resurface SR 1224 and raise eleveation of roadway at pipe crossing.	1	$200,000.00
4	Halifax	MA04047R	US 158	From Littleton ECL to SR 1424.	Pvmt resurface US 158 from Littleton ECL to SR 1424.	9.4	$615,000.00
4	Halifax	MA04052R	SR 1407	From US 158 to SR 1406.	Roadway widen and resurface SR 1407 from US 158 to SR 1406.	2.3	$175,000.00
4	Halifax	MA04053R	US 301	Intersection of US 301 and US 158.	Horizontal realignment of US 301 at US 158 with a left turn on US 301.	0.5	$200,000.00
4	Halifax	MA04054R	NC 561	Intersection of NC 561 and US 301.	Improve intersection at NC 561 and US 301 on the northern side.	0	$150,000.00
4	Halifax	MA04055R	NC 48	From SCL Roanoke Rapids to SR 1494.	Widen NC 48 to three lanes.	4.1	$625,000.00
4	Johnston	MA04056R	SR 1714	From 0.5 MI west of SR 1700 to Wake CL.	Strengthen low tonnage road by resurfacing and widening SR 1714.	1.9	$150,000.00
4	Johnston	MA04058R	SR 1723	From just west of Nash CL to Wake CL.	Widen and resurface SR 1723.	3.6	$390,000.00
4	Johnston	MA04062R	SR 1010	At intersection of SR 1501.	Left turn lanes on SR 1010 at 1501.	0.3	$100,000.00
4	Johnston	MA04063R	SR 1003	The intersection of SR 1003 and SR 1908.	Left turn lane on SR 1003 at SR 1908.	0.3	$125,000.00
4	Johnston	MA04066R	NC 210	Intersection of NC 210 and SR 1309.	Left turn lanes on NC 210 at SR 1309, lower grade on SR 1309.	0.3	$200,000.00
4	Johnston	MA04067R	NC 96	At intersection of NC 96 and NC 231.	Left turn lanes on NC 96 and NC 231.	0.3	$200,000.00
4	Johnston	MA04068R	NC39	At intersection of NC 231.	Left turn lanes on NC 39 at NC 231.	0.3	$100,000.00
4	Johnston	MA04069R	NC 50	The intersection of NC 50 and SR 1308.	Left turn lanes on NC 50 at SR 1308.	0.3	$75,000.00
4	Johnston	MA04070R	NC 42	At intersection of NC 39.	Realign intersection on NC 39 at NC 42, provide left and right turn lanes on NC 42.	0.3	$250,000.00
4	Johnston	MA04071B	NC 39	0.6 miles south of NC 42.	Replace existing functional obsolete (narrow) bridge with a new structure.	0.25	$675,000.00
4	Johnston	MA04072B	NC 39	4.4 miles south of NC 42.	Replace the existing functional obsolete (narrow) bridge with a new structure.	0.25	$675,000.00
4	Johnston	MA04074R	1330	At intersection of NC 210.	Left turn lanes and signal on SR 1330 at NC 210.	0.3	$200,000.00
4	Johnston	MA04076R	SR 1173	From US 301 to NCL Benson.	Pvmt widen and resurface SR 1173.	1.1	$86,000.00
4	Johnston	MA04077R	SR 1528	From NC 50 to SR 1530	Widen and resurface SR 1528.	1.2	$92,000.00
4	Johnston	MA04078R	SR 1548	From SR 1525 to Wake CL	Pvmt widen and resurface SR 1548.	1.8	$168,000.00
4	Johnston	MA04079B	SR 1173	1.1 miles north of NC 50.	Replace existing functionally obselete (narrow) bridge with a new structure.	0.25	$275,000.00
4	Johnston	MA04080R	NC 210	On NC 210 at SR 1501.	Left turn lane on NC 210 at SR 1501.	0.3	$150,000.00
4	Johnston	MA04081R	US 70	At intersections of SR 1901 on US 70 and SR 1553 on US 70.	Extend right deceleration lane on US 70 WBL at SR 1901 and extend left turn lane on US 70 EBL at SR 1553.	0.3	$50,000.00
4	Johnston	MA04087R	SR 1331	From SR 1355 to SR 1330	Pvmt widen and resurface SR 1331.	3.8	$275,000.00
4	Johnston	MA04088R	US 50	The intersection of SR 1533 and NC 50	Realign SR 1533 at NC 50 and left turn lane on SR 1533.	0.3	$250,000.00
4	Johnston	MA04089R	NC 42	Intersection of NC 42 and SR 1556.	Realign SR 1556 at NC 42 with left turn lane on NC 42.	0.3	$175,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
4	Johnston	MA04095R	SR 2130	From NCL Micro to SR 1934.	Widen and resurface SR 2130.	0.8	$125,000.00
4	Johnston	MA04096R	SR 1929	From NCL Selma to SR 1928.	Widen and resurface SR 1929.	0.35	$95,000.00
4	Johnston	MA04102R	SR 1003	At the intersection of SR 1700 and SR 1003.	Install right turn lane on SR 1700 at SR 1003 and traffic signal.	0.3	$90,000.00
4	Johnston	MA04103R	SR 1003	At SR 1003 and install signal (Oil Terminals).	Left turn lanes on SR 1929 at SR 1003 and install signal.	0.3	$250,000.00
4	Johnston	MA04104R	NC 210	On NC 210 North of SR 1532.	Vertical realignment on NC 210 north of SR 1532.	0.2	$200,000.00
4	Johnston	MA04219R	US 301	Intersection of US 301 and SR 2141.	Vertical realignment on US 301.	0.3	$250,000.00
4	Johnston	MA04220R	SR 2112	From SR 2110 to Wilson County Line.	Widen and resurface SR 2112.	1.2	$69,000.00
4	Nash	MA04105R	SR 1603	From south of SR 1770 to railroad crossing.	Extend three-lane section with curb and gutter.	0.6	$425,000.00
4	Nash	MA04107B	SR 1425	0.3 miles east of SR 1426.	Bridge #120 on SR 1425.	0.25	$450,000.00
4	Nash	MA04108R	SR 1604	Intersection of SR 1544 and SR 1604.	Left turn lanes on all approaches on SR 1604 and SR 1544, install signal.	0.3	$200,000.00
4	Nash	MA04109R	SR 1544	South of SR 1700 intersection.	Vertical Realignment (Cut down Crest) south of SR 1700 on SR 1544.	0	$50,000.00
4	Nash	MA04112R	SR 1603	From Nash Central HS to SR 1700.	Pvmt widen and resurface SR 1603 from Nash Central HS to SR 1700 and install guardrail at cross line, replace 1-60" CMP and 1-54" CMP. Left turn lane on SR 1603 at intersection of SR 1700.	1	$275,000.00
4	Nash	MA04113R	NC 43	NC 43	Pvmt widen and resurface NC 43 from SR 1500 to SR 1507.	2.2	$234,000.00
4	Nash	MA04114R	SR 1609	SR 1609 at Northern Nash High School	Left turn lanes on SR 1609 and SR 1646 at Northern Nash HS	0.3	$60,000.00
4	Nash	MA04115R	US 64 BUS	At intersection of SR 1900 and Cross Street.	Horizontal realignment of US 64 BUS in Nashville.	0	$250,000.00
4	Nash	MA04116R	SR 1004	From SR 1310 to NC 58	Pvmt widen and resurface SR 1004.	6.9	$539,000.00
4	Nash	MA04117R	NC 231	From NC 97 to US 64 bypass	Widen and resurface NC 231.	4	$424,000.00
4	Nash	MA04118R	SR 1717	From NC 581 to SR 1930.	Pvmt Widen and resurface SR 1717.	9	$702,000.00
4	Nash	MA04119R	SR 1001	From SR 1900 to Nashville CL	Pvmt widen and resurface SR 1001 fro SR 1900 to Nashville CL, replace 1-60" CMP and 2-72" CMP .	4.2	$468,000.00
4	Nash	MA04120R	SR 1145	From SR 1001 to SR 1770.	Widen and resurface SR 1145, replace 3-60" RCP.	4.54	$635,000.00
4	Nash	MA04121R	SR 1003	From SR 1670 to NC 43	Pvmt widen and resurface SR 1003.	3.71	$290,000.00
4	Nash	MA04123R	SR 1700	Intersection of SR 1700 and SR 1603	Turn lanes on SR 1700 at SR 1603.	0.3	$120,000.00
4	Nash	MA04124B	NC 231	0.4 miles north of NC 97.	Replace existing structually deficient bridge with a new cored slab structure.	0	$450,000.00
4	Nash	MA04125R	SR 1770	Intersection of SR 1770 and SR 1603	Add turn lanes at all approaches to SR 1770 and SR 1603 to accommodate left turning movements to increase level of service at intersection and decrease crash rate.	0.3	$400,000.00
4	Nash	MA04127R	SR 1306	From SR 1145 to NC 581.	Strengthen low tonnage road by resurfacing SR 1306 and replace existing structure and install new headwall.	6.21	$497,000.00
4	Nash	MA04129R	SR 1004	From SR 1401 to NC 561	Strengthen low tonnage road by resurfacing SR 1004.	3.4	$266,000.00
4	Nash	MA04132R	NC 97	At intersection of NC 58.	Provide left turn lanes on all approaches and construct an exclusive right turn lane on northbound NC 97. Intersection will also need signal revision.	0.3	$160,000.00
4	Nash	MA04133R	SR 1952	At Southern Nash High School.	Left turn lane on SR 1952 at S. Nash High School.	0.3	$60,000.00
4	Nash	MA04134R	NC 58	At intersection of SR 1302.	Left turn lane on NC 58 at SR 1302.	0.3	$75,000.00
4	Nash	MA04137R	SR 1524	At Maude B. Hubbard School	Left turn lane on SR 1524 at Maude B Hubbard School.	0.3	$30,000.00
4	Nash	MA04138R	NC 58	From SCL Nashville to SR 1145.	Widen NC 58 to three lane ditch section.	1.3	$450,000.00
4	Nash	MA04139R	SR 1770	From SR 1603 to SR 1544.	Widen SR 1770 to 3 lanes w/ curb and gutter.	1.4	$1,000,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
4	Nash	MA04140R	US 64	On ramps of US 64 Bypass at the SR 1603 interchange.	Horizontal realignment of US 64 ramps at SR 1603.	0	$100,000.00
4	Nash	MA04141R	US 64B	Intersection of US 64B westbound and SR 1003 southbound.	Extend slip ramp beyond the median crossover of US 64B. Also add right turn lane on SR 1003 and modify signal.	0.3	$100,000.00
4	Nash	MA04142R	NC 43	Intersection of SR 1604	Extend left turn lane from NB NC 43/48 onto West SR 1604 (old Lowes).	0	$25,000.00
4	Nash	MA04146R	NC 58	From SR 1717 to SR 1745.	Resurface NC 58.	2.3	$150,000.00
4	Nash	MA04147R	NC 43	At intersection of SR 1603.	Left turn lane on NC 43 at SR 1603. Horizontal realignment of SR 1603 at NC 43.	0.3	$100,000.00
4	Nash	MA04148R	US 64 Alt	At Nashville Business Center just south of US 64.	Left turn lane and vertical realignment on US 64 Alt at Nashville Business Center.	0.3	$100,000.00
4	Nash	MA04218R	SR 1603	From SR 1700 to SR 1717.	Widen and resurface SR 1603.	3.2	$250,000.00
4	Nash	MA04221R	NC 4	From US 301 to NC 48.	Mill and resurface NC 4 and extend acceleration lane at merge of US 301 Southbound.	3.2	$1,500,000.00
4	Nash	MA04222R	SR 1727	SR 1727 (Kingston Ave.) from NC 97 (Raleigh Rd.) to US 301 Business (Church St.).	Widen roadway to 3 lanes w/ curb and gutter.	1	$2,317,000.00
4	Wayne	MA04150R	SR 1560	At the intersection of SR 1560 and SR 1587.	Left turn lane on SR 1560 at SR 1587 and install signal.	0.3	$275,000.00
4	Wayne	MA04151R	NC 111	At intersection of SR 1744.	Left turn lane and right deceleration lane on SB NC 111 at SR 1744.	0.3	$200,000.00
4	Wayne	MA04152R	SR 1945	From SR 1947 to end of curb and gutter.	Widen and resurface SR 1945 from SR 1947 to end of curb and gutter.	0.75	$60,000.00
4	Wayne	MA04153R	SR 1942	From pavement change to SR 1969.	Pavement widen and resurface SR 1942.	1.08	$125,000.00
4	Wayne	MA04154B	SR 1317	0.2 miles east of SR 1318.	Replace existing funtionally obsolete bridge with a new structure.	0.25	$450,000.00
4	Wayne	MA04155B	SR 1915	0.2 miles north of SR 1914	Replace existing funtionally obsolete bridge with a new structure.	0.25	$450,000.00
4	Wayne	MA04156R	SR 1744	From SR 1969 to ECL Mt Olive.	Widen and resurface SR 1744 from SR 1969 to ECL Mt Olive.	0.43	$30,000.00
4	Wayne	MA04157R	SR 1705	From Greene CL to SR 1700	Pvmt widen and resurface SR 1705.	1	$65,000.00
4	Wayne	MA04158R	SR 1306	From US 117 to SR 1300.	Pvmt widen and resurface SR 1306.	0.9	$74,000.00
4	Wayne	MA04161R	NC 581	At the intersection of NC 581 and SR 1002.	Turn lane on NC 581 at SR 1002 and revise flasher.	0	$100,000.00
4	Wayne	MA04162R	SR 1570	From SR 1556 to SR 1571.	Pvmt widen and resurface SR 1570 from SR 1556 to SR 1571.	1.06	$80,000.00
4	Wayne	MA04163R	SR 1242	From SR 1236 to SR 1243	Widen and resurface SR 1242.	0.8	$130,000.00
4	Wayne	MA04169R	SR 1105	From SR 1008 to US 13.	Widen and resurface SR 1105 from SR 1008 to US 13.	3.3	$390,000.00
4	Wayne	MA04174R	NC 581	Intersection of NC 222.	Left turn lanes on NC 581.	0.3	$150,000.00
4	Wayne	MA04175R	US 13	Intersection of SR 1709 and SR 1705.	Left turn lanes at SR 1709 and SR 1705.	0.3	$300,000.00
4	Wayne	MA04176R	US 581	From SR 1317 to SR 1324.	Left turn lane on NC 581 from SR 1317 to SR 1324.	0.3	$100,000.00
4	Wayne	MA04177R	NC 581	Intersection of US 70.	Extend turn lane on NC 581 on the north side at US 70.	0.3	$100,000.00
4	Wayne	MA04178R	SR 1235	At the intersection of SR 1235 and SR 1236.	Turn lanes at intersection SR 1235 and SR 1236	0.3	$150,000.00
4	Wayne	MA04179R	US 117	At the intersection of SR 1002 and US 117.	Widen SR 1002 at US 117 in Pikeville and revise signal.	0.3	$150,000.00
4	Wayne	MA04180R	NC 581	At the intersection of NC 581 and SR 1919.	Left turn lane on NC 581 at SR 1919 with right and left turn lane on SR 1919, install signal.	0.3	$200,000.00
4	Wayne	MA04182R	SR 1702	At the intersection of SR 1702 and SR 1705.	Horizontal re-alignment and left turn lane on SR 1702 at SR 1705.	0.3	$150,000.00
4	Wayne	MA04183R	SR 1003	From SR 1567 to US 13.	Widen SR 1003 to 3 lanes with curb and gutter from SR 1567 to US 13.	0.41	$375,000.00
4	Wilson	MA04184R	SR 1122	At intersection with SR NC 42.	Intersection improvement on SR 1122 at NC 42.	0	$50,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
4	Wilson	MA04185R	SR 1327	At intersection of SR 1332 and SR 1327.	Turn lanes on all approaches at SR 1332 and SR 1327 install signal (Dunn X-Roads).	0	$200,000.00
4	Wilson	MA04186R	SR 1001	At Hunt High School to SR 1136. At Hunt High School to NC 42.	Left turn lane on SR 1001 at Hunt High School and extend to SR 1136. Pvmt widen SR 1001 from Hunt High School to NC 42.	0.8	$100,000.00
4	Wilson	MA04188R	SR 1151	From SR 1136 to US 264-A.	Strengthen low tonnage road by resurfacing SR 1151.	1.6	$128,000.00
4	Wilson	MA04189R	SR 1154	From NC 42 to US 264-A.	Strengthen low tonnage road by resurfacing SR 1154	5.7	$456,000.00
4	Wilson	MA04191R	SR 42	At SR 1507 and Gardner's School.	Left turn lanes on NC 42 at SR 1507 and Gardner's School.	0.3	$75,000.00
4	Wilson	MA04192R	SR 1526	From US 264A to NC 222.	Strengthen low tonnage road by resurfacing SR 1526 from US 264 A to NC 222.	2.2	$176,000.00
4	Wilson	MA04197R	NC 111	From NC 222 to the Edgecombe CL.	Pvmt widen and resurface NC 111 from NC 222 to the Edgecombe CL.	6	$636,000.00
4	Wilson	MA04199R	SR 1332	From NC 58 to creek.	Widen SR 1332 to three lanes with curb and gutter from NC 58 to creek.	0.5	$400,000.00
4	Wilson	MA04201R	SR 1516	Intersection of US 301 and SR 1516, and intersection of US 301 and SR 1516.	Dead end SR 1516 and add dual lefts on Us 301 N at SR 1515.	0	$100,000.00
4	Wilson	MA04202R	US 264	Off ramp at US 264 A.	Extend concrete island on US 264 A for ramp "C" at US 264.	0	$25,000.00
4	Wilson	MA04203B	SR 1629	0.2 miles west of SR 1633.	Replace existing structually deficient bridge with a new cored slab structure.	0.25	$450,000.00
4	Wilson	MA04204R	SR 1332	From Lake Wilson Culvert to SR 1327.	Widen and resurface SR 1332, replace 1-60" CMP.	1	$130,000.00
4	Wilson	MA04206B	SR 1002	0.2 miles north of SR 1404.	Replace existing structually deficient bridge with a new cored slab structure.	0.25	$450,000.00
4	Wilson	MA04208R	SR 1001	From SR 1136 to Nash CL.	Pvmt widen and resurface on SR 1001 from SR 1136 to Nash CL.	2.9	$227,000.00
4	Wilson	MA04211R	SR 1613	From US 117 to Wayne CL	Widen and resurface SR 1613.	6.5	$655,000.00
4	Wilson	MA04213R	SR 1332	From Lake Wilson Culvert west to creek.	Curb and gutter SR 1332 on the south side from Lake Wilson Culvert west to creek.	1	$400,000.00
4	Wilson	MA04214R	SR 1162	From US 264 project to SR 1103.	Pvmt widen and resurface SR 1162.	1.4	$110,000.00
4	Wilson	MA04215R	SR 1309	From US 264 A to SR 1001.	Pvmt widen and resurface SR 1309 from US 264 A to SR 1001.	2.5	$195,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
5	Durham	MA05001R	SR 2028	TW Alexander Dr from US 70 (Wake Co.) to Miami Blvd. Durham Co.	Mill, strengthen thru lanes, overlay, upgrade guardrail end units & pavement markings	3.25	$1,400,000.00
5	Durham	MA05002R	NC 147	From SR 2028 T W Alexander to end asphalt section .25+/- mile North of T W Alexander.	Mill, strengthen thru lanes, overlay, upgrade guardrail end units, improve drainage & pavement markings.	2.79	$2,000,000.00
5	Durham	MA05013R	SR 1121	Cornwallis Rd From SR 1118 (Fayetteville Rd) to SR 1959 (Miami Blvd.)	Mill,wideing, pavement strengthening, resurfacing, upgrade guardrail end units, improve drainage & pavement markings.	4.2	$1,438,000.00
5	Durham	MA05024R	NC 55	SR 1121 (Cornwallis Rd) north to 5 lane section.	Pavement widening, strengthen pavement, & pavement markings	1.1	$460,000.00
5	Durham	MA05047R	NC 98	0.4 miles east of SR 1815 (Mineral Springs Rd) in Durham to the Falls Lake bridge in Wake	Pavement strengthening, resurfacing, pavement markings, 3-lane section between Peed Road and Ghoston Road, upgrade guardrail end sections.	9	$3,000,000.00
5	Franklin	MA05002B	SR 1600	Bridge 76 - East River Rd. over Sycamore Creek	Replace Bridge	0.02	$438,000.00
5	Franklin	MA05003B	SR 1109	Bridge 17 - Timberlake Rd. over Cedar Creek	Replace Bridge	0.03	$800,000.00
5	Franklin	MA05004B	SR 1451	Bridge 61 - Leonard Rd. over Sandy Creek	Replace Bridge	0.03	$820,000.00
5	Franklin	MA05012B	SR 1239	Bridge 38 - Rocky Ford Rd. over Lynch Creek	Replace Bridge	0.02	$440,000.00
5	Franklin	MA05022R	NC 96	From US 1 in Franklin Co. to the Johnston Co. line in Wake Co.	Pavement Widening, pavement strengthening, pavement resurfacing, & pavement markings; left turn lanes at US 401, turn lane and new metal signal poles at Tarboro Rd.	24.41	$5,204,000.00
5	Granville	MA05004R	US 158	From Oxford City Limits in Granville Co. to Henderson City Limits in Vance Co.	Pavement widening, mill, resurfacing, & pavement markings.	7.7	$690,000.00
5	Granville	MA05005B	SR 1431	Bridge 142 - Grassy Creek Rd. over Grassy Creek	Replace Bridge	0.03	$1,000,000.00
5	Granville	MA05019R	NC 96	NC 49 to US 158 Bypass	widening, strenghtening, resurfacing, & pavement markings	17.4	$5,000,000.00
5	Granville	MA05021R	NC 96	At the intersection of NC 56	Intersection realignment at NC 56	0.1	$374,000.00
5	Granville / Wake	MA05011R	Granville Co. SR 1174, SR 1103, SR 2839, and Wake Co. SR 1901	SR 1174 (Westbrook Rd.), SR 1103 (Gate 2 Rd.), SR 1728 (Cash Rd.), SR 1901 (Old Weaver Tr.) (Wake), to NC 50 in Wake Co.	Pavement widening, pavement strengthening, resurfacing, & pavement markings, add turn lanes at Will Suitt Rd, Lyon Station Rd, US 15 and NC 50.	6.65	$2,300,000.00
5	Person	MA05012R	1340, 1336, 1322	SR 1340 (1.3 miles), SR 1336 (4.2 miles), SR 1322 (7.4 miles)	NC 57 to US 501 - pavement widening, pavement strengthening, resurfacing, & pavement markings	12.9	$3,910,000.00
5	Person	MA05013B	SR 1536	Bridge 93	SR 1536, (Depot St.) over Branch	0.01	$300,000.00
5	Person	MA05017R	US 501	US 501	Safety improvements at 3 intersections: offset existing lefts on US 501 to allow better sight distance 1)US 501 at Hellina-Moriah Rd 2)US 501 at Roby Barton Rd 3)US 501 at Antioch Church Rd /Palace Pointe - also widen Antioch Church Rd to provide exclusive left turn lane	8.3	$500,000.00
5	Vance	MA05008B	SR 1110	Bridge 5	SR 1110, (Watkins Rd.) over Tabbs Creek	0.02	$550,000.00
5	Vance	MA05014R	US-1B, US-1B/US	(US-1B, US-1B/US-158) SR-1267 to NC HWY 39: 1.26 miles total. SR 1267 to US-1B/US-158: 0.37 mile. US-1B to NC HWY 39: 0.89mile.	Milling, resurfacing, pavement markings.	1.26	$920,000.00
5	Vance	MA05016R	SR 1533, SR 1524	SR 1533 and SR 1524 (Vickboro Rd), from NC 39 to Warren County Line	Widening, Strengthening, turn lane and signal at SR 1519 (Rock Mill Rd)	6.15	$1,150,000.00
5	Wake	MA05001B	SR 1930	Bridge 133	SR 1930, (Stadium Rd.) over Richland Creek	0.01	$500,000.00
5	Wake	MA05003R	SR 3060	SR 3060 (Morrisville Pkwy.)- Crabtree Crossing Pky. to SR 1613 Davis Drive	Pavement Reconstruction, pavement resurfacing, & Pavement Markings	1.88	$2,875,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
5	Wake	MA05005R	US 64	US 64 from I-440 to Neuse River	Drainage Improvements; pavement rehabilitation, strengthening, pavement resurfacing, and markings; safety improvements including closing crossover at Kmart, lengthen turn lanes, upgrading signing, guardrail and signals	2.53	$2,300,000.00
5	Wake	MA05006R	US 401	US 401 from NC 55/NC42 to Harnett Co.	Pavement widening, pavement rehabilitation, pavement strengthening, pavement resurfacing, & pavement markings, part in conjunction with Town of Fuquay-Varina Streetscape project	2.53	$1,725,000.00
5	Wake	MA05008R	US 1A	US 1A from US 1 to Franklin Co.	Pavement widening, pavement rehabilitation, drainage improvements, pavement resurfacing, & pavement markings, signal at Ligon Mill Rd	5.26	$2,185,000.00
5	Wake	MA05009R	SR 1010	SR 1010 from US 401 to SR 1011	Pavement widening, lengthen right turn lanes on US 401 at SR 1010, Penny Rd intersection realignment, pavement resurfacing & pavement markings	9.15	$2,645,000.00
5	Wake	MA05010R	US 401	US 401 (McDowell/Dawson/South Saunders St) from I-40 to Lane St.	Pavement rehabilitation, pavement strengthening, resurfacing, & pavement markings.	2.3	$1,610,000.00
5	Wake	MA05015B	SR 1154	Bridge 460	SR 1154, (Woods Creek Rd.) over Big Branch	0.01	$235,000.00
5	Wake	MA05023R	NC 55	NC 55 from US 401 to Harnett Co.	Pavement widening, pavement strengthening, pavement resurfacing, & pavement markings, realign Kennebec Rd intersection	5.33	$1,495,000.00
5	Wake	MA05025R	NC 39	NC 39 Johnston/Wake County line to the Lousburg City Limits, and from the US 401/NC 39 split north of Louisburg to beginning C&G Henderson, Vance County.	Widening, pavement strengthening, resurfacing, pavement markings. Turn lanes and signal at NC HWY 39/SR-1519 intersection.	33.89	$4,500,000.00
5	Wake	MA05045R	NC 98	NC 98 from Jones Dairy Road in Wake County to US 401 in Franklin County	Widening, pavement strengthening, resurfacing, pavement markings	4.99	$1,000,000.00
5	Wake	MA05046R	US 1	US 1 from Homestead Road north of I-540 to the Franklin County Line	Pavement strengthening, resurfacing, pavement markings	9.8	$6,200,000.00
5	Warren	MA05011B	SR 1532	Bridge 71	SR 1532, (Brown Rd.) over Little Fishing Creek	0.01	$425,000.00
5	Warren	MA05015R	NC HWY 58	(NC HWY 58) US-158B to Nash County line: 23.86 miles total. US-158B to Franklin/Warren County line: 15.56 miles. Franklin/Warren County line to Franklin/Nash County line: 8.3 miles.	Widening, pavement strengthening, resurfacing, pavement markings. Intersection improvements at US-158B & NC HWY 58	23.86	$3,623,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
6	Bladen	MA06001B	SR 1320	SR 1320 Bridge #122	Replace existing bridge with new bridge and guardrail.	0.1	$400,000.00
6	Bladen	MA06001R	NC 87 Bypass	NC 87 Bypass at SR 1150	Construct Michigan lefts at intersection of NC 87 Bypass and SR 1150.	0.2	$300,000.00
6	Bladen	MA06002B	SR 1708	SR 1708 Bridge #33	Replace existing bridge with new bridge and guardrail.	0.1	$600,000.00
6	Bladen	MA06002R	SR 1300	SR 1300 from SR 1004 to Cumberland Co	Widen 2' each side, resurface, and drainage improvements as necessary.	9.5	$1,300,000.00
6	Bladen	MA06003B	SR 1710	SR 1710 Bridge #39	Replace existing bridge with new bridge and guardrail. Note: This project is to be constructed at same time MA06004B, Bridge #41-Bladen is constructed.	0.1	$550,000.00
6	Bladen	MA06004B	SR 1710	SR 1710 Bridge #41	Replace existing bridge with new bridge and guardrail. Note: This project is to be constructed at same time MA06004B, Bridge #41-Bladen is constructed.	0.1	$250,000.00
6	Bladen	MA06004R	NC 53	NC 53 from US 701 to Pender Co	Provide paved shoulders (only) on NC 53 from SR 1515 to NC 11 (excludes section congruent with NC 210 that was previously widened), and resurface (only) from US 701 to SR 1515.	25.3	$1,400,000.00
6	Bladen	MA06005B	SR 1760	SR 1760 Bridge #49	Replace existing bridge with new bridge and guardrail. Note: This project is to be constructed at same time Bridge #50-Bladen, TIP B-3812 is constructed.	0.1	$350,000.00
6	Bladen	MA06005R	NC 53	NC 53 from US 701 to Cumberland County Line	Resurfacing (includes 2' widening from Boy Scout Camp to White Oak).	14	$1,510,000.00
6	Bladen	MA06006R	SR 1002	SR 1002 from NC 210 to Cumberland Co	Widen 2' each side and resurface with necessary drainage improvements.	12.8	$1,500,000.00
6	Bladen	MA06007R	SR 1005	SR 1005 from NC 87 to Robeson Co	Widen and resurface SR 1005 from NC 87 to Robeson County.	3.8	$439,000.00
6	Bladen	MA06008R	SR 1336	SR 1336 from NC 87 to NC 41	Widen SR 1336 from 18 feet to 22 feet between NC 87 and SR 1338 (4.4 miles) and resurface. Widen inside of curves only on existing 20 foot section from SR 1338 to NC 41/NC 87 Business (no overlay).	6.2	$689,000.00
6	Bladen	MA06009R	SR 1712	SR 1712 from NC 87 to SR 1700	Widen SR 1712 from 18 feet to 22 feet from SR 1710 to SR 1713 (4.4 miles) and overlay entire project lenght from SR 1700 to NC 87, Document Number 31370	10.7	$900,000.00
6	Columbus	MA06008B	SR 1173	SR 1173 Bridge #97	Replace existing bridge with new bridge and guardrail. Note: This bridge is to be constructed at same time MA06009B, Bridge #98-Columbus is constructed.	0.1	$450,000.00
6	Columbus	MA06009B	SR 1173	SR 1173 Bridge #98	Replace existing bridge with new bridge and guardrail. Note: This bridge is to be constructed at same time MA06008B, Bridge #97-Columbus is construct	0.1	$350,000.00
6	Columbus	MA06012R	NC 130	NC 130 Realignment of intersection at US 701 Byp and US 701 Bus	Widen existing roadway, construction of connector on new location, construction of concrete islands, construction of turn lanes, installation of new signals and resurfacing.	0.3	$1,500,000.00
6	Columbus	MA06013R	NC 905	NC 905 from NC 130 to SC State Line	Resurfacing, turn lanes and intersection realignment (includes some 2' widening).	20.8	$2,100,000.00
6	Columbus	MA06014R	US 76	US 76 from Cerro Gordo Elementary School to West Columbus High School	Widen US 76 from existing 2-lane section to a 3-lane section with center turn lane though the length of the Town of Cerro Gordo.	1	$540,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
6	Columbus	MA06015R	US 74/76	US 74/76 from construction joint at US 76 interchange to construction joint at SR 1700	Rutfilling and resurfacing of US 74/76 from the construction joint at the US 76 interchange to the construction joint at SR 1700.	8.2	$1,760,000.00
6	Columbus	MA06016R	NC 904	NC 904 from SR 1134 to Brunswick Co	Widen 2' each side, resurface and construct turn lanes with necessary drainage improvements.	12	$1,600,000.00
6	Columbus	MA06018R	SR 1006	SR 1006 from NC 905 to SR 1931	Widen 2' each side and resurface.	3.7	$550,000.00
6	Columbus	MA06019R	SR 1001	SR 1001 from US 74 to Bladen Co	Widen 2' each side and resurface.	7.6	$1,000,000.00
6	Columbus	MA06020R	US 74/76 Bus	US 74/76 Bus from US 701 Bus to construction joint at SR 1700	Milling, leveling, resurfacing and installation of guardrail on US 74/76 Business from US 701 Bypass to the construction joint at SR 1700. Document Number 31380.	3.3	$750,000.00
6	Columbus	MA06021R	SR 1740	SR 1740 from NC 11 to NC 87	Resurface to strengthen SR 1740 from NC 11 to NC 87.	3	$430,000.00
6	Columbus	MA06022R	US 701 Business	US 701 Bus from US 701 Bypass to Railroad crossing	Mill and resurface US 701 Business from US 701 Bypass to Railroad crossing.	1.7	$640,000.00
6	Cumberland	MA06011B	SR 1402	SR 1402 Bridge #74	Replace existing bridge with new bridge and guardrail.	0.1	$350,000.00
6	Cumberland	MA06012B	SR 2008	SR 2008 Bridge #11	Replace existing bridge with new bridge and guardrail. Note: This project is located within project limits of MA06034R.	0.1	$350,000.00
6	Cumberland	MA06024R	SR 2299	SR 2299 (Russell St) from bridge to SR 3828 (Robeson St)	Drainage improvements, milling and resurfacing.	0.98	$1,900,000.00
6	Cumberland	MA06025R	SR 1149	SR 1149 (Boone Trail) from SR 1007 (Owen Dr) to SR 1141 (Cumberland Rd)	Widen to 3-lanes.	1	$800,000.00
6	Cumberland	MA06026R	SR 2252	SR 2252 from SR 2233 to Bladen Co	2' widening and resurfacing and turn lanes.	8	$1,000,000.00
6	Cumberland	MA06027R	NC 210	NC 210 at entrance to Fayetteville State University	Construct left turn lane into Fayetteville State University and install traffic signal.	0.2	$400,000.00
6	Cumberland	MA06028R	SR 1007	SR 1007 (Owen Dr) from US 301 to beginning median at All American Fwy	Milling, repair of rutting at Village Drive intersection, and resurfacing.	3.1	$1,330,000.00
6	Cumberland	MA06029R	SR 2233	SR 2233 0.4 miles south of Blossom	Realignment of roadway at S-curve.	0.2	$400,000.00
6	Cumberland	MA06030R	SR 1714	SR 1714 from Fayetteville Outer Loop to SR 1728	This project will consist of right-of-way acquisition, 4' widening, resurfacing and construction of turn lanes.	5.8	$2,000,000.00
6	Cumberland	MA06031R	SR 1102	SR 1102 from US 401 to Hoke Co	Widen SR 1102 2' each side and resurface from US 401 to the Hoke County Line with a turn lane and stop light at Stoney Point Road.	2.1	$360,000.00
6	Cumberland	MA06033R	NC 217	NC 217 from US 401 to Harnett Co	Widen 2' each side and resurface with drainage improvements as necessary.	3.3	$600,000.00
6	Cumberland	MA06034R	SR 2008	SR 2008 from NC 53/210 to SR 2000	Widen 2' each side and resurface.	1.7	$300,000.00
6	Harnett	MA06035R	US 301	US 301 from SCL Dunn to Cumberland Co	Widen and resurface US 301 from 20 feet to 24 feet from SCL Dunn to the Cumberland County Line.	2.9	$470,000.00
6	Harnett	MA06036R	NC 55	NC 55 from US 421 to Sampson Co	Widen and resurface NC 55 from 20 feet to 24 feet from US 421 to the Sampson County Line.	1.5	$350,000.00
6	Harnett	MA06037R	NC 210	NC 210 at Old Stage Road.	Construct turn lanes at Old Stage Road.	2.8	$800,000.00
6	Harnett	MA06038R	NC 217	NC 217 from SCL Erwin to Cumberland Co	Widen 2' each side, replace crossline pipes and install guardrail.	4.7	$450,000.00
6	Harnett	MA06039R	SR 1121	SR 1121 from SR 1117 to SR 1120	Widen and resurface SR 1121 from 22 feet to 26 feet from SR 1117 to SR 1120.	2.1	$320,000.00
6	Harnett	MA06040R	NC 210	NC 210 from NCL Lillington to SCL Angier	2' widening, resurfacing, and turn lane.	6.3	$1,400,000.00
6	Harnett	MA06041R	SR 1500	SR 1500 from NC 55 to SR 1551	Widen and resurface SR 1500 from 18 feet to 22 feet from NC 55 to SR 1551.	5.3	$650,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
6	Harnett	MA06042R	SR 1441	SR 1441 from US 401 to NC 55	Widen and resurface SR 1441 from 18 feet to 22 feet from US 401 to NC 55.	4.1	$600,000.00
6	Harnett	MA06047R	SR 1002	SR 1002 from US 301 to Sampson Co	Widen 2' each side and resurface.	2.1	$300,000.00
6	Harnett	MA06048R	SR 1793	SR 1793 from I-95 to SR 1002	Widen 2' each side and resurface.	2.4	$350,000.00
6	Harnett	MA06049R	US 421	US 421 from NC 55 to SR 1718	Widen 2 feet in median only and resurface with intermediate and surface course from NC 55 to SR 1718.	3.3	$2,100,000.00
6	Robeson	MA06016B	SR 1183	SR 1183 Bridge #380	Replace existing bridge with new bridge and guardrail.	0.1	$350,000.00
6	Robeson	MA06052R	NC 711	NC 711 from ECL Pembroke to construction joint at I-95 interchange.	Widen from 2-lane to 3-lane section from existing 3-lane section at I-95 interchange west for 0.3 miles; widen from 2-lane to 3-lane section from SR 1553 to SR 1571; construct turn lanes at SR 1549, and SR 1550, overlay for entire length, and drainage improvements as necessary.	7.7	$2,300,000.00
6	Robeson	MA06053R	US 301	US 301 from NCL Lumberton to SR 1752.	Widening to 3-lanes and resurface from I-95 to SR 1752 (Rennert Road)and turn lanes at school.	2.8	$1,000,000.00
6	Robeson	MA06054R	NC 211	NC 211 from NC 72 to SR 2110	Widen to 3-lanes and resurface.	1.3	$1,000,000.00
6	Robeson	MA06056R	NC 41	NC 41 from SR 2033 to SR 1004	Widen 2' each side, resurface, and construct turn lane.	3.8	$1,000,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
7	Alamance	MA07100R	SR 1928	SR 1928(Jimmy Kerr Rd./Trollingwood Rd./Wilkins Rd.) from 250' South of I-85/40 to 320' South of NC 49/SR 1927	Add 1.5' paved shoulders on each side and resurface.Total pavement width will be 28'.Mill bridge approaches at I-40/85;in 3-lane section North of I-40/85; and at US 70. Lengthen one and add two turn lanes at areas with high turning movements. Realign existing intersection at SR 1940 and replace existing grass islands with monolithic concrete.EARLY SUBMITTAL	2.35	$1,350,000.00
7	Alamance	MA07101R	US 70	US 70 from NC 49 to Orange Co.	Widen existing pavement to 24', add a 2' paved shoulder on each side,upgrade guardrail anchor units at Back Creek Bridge and widen radius at NC 119N to improve safety. Total width will be 28'.Mill existing gutters and install new curb and gutter on north side from Wilba St. to WCL of Mebane to improve drainage.	5.51	$1,900,000.00
7	Alamance	MA07102R	NC 87	NC 87 from SR 2116 to SR 2120(3.42 mi.)Year 1=$1,500,000 * NC 87 from SR 2120 to SR 1005(7.67 mi.)Year 2=$3,000,000	Widen existing pavement to 24', add a 2' paved shoulder on each side and resurface to improve safety. Revise intersection and vertical alignment at SR 2327/2324; upgrade guardrail anchor units at bridge and add turn lanes at SR 2119/2321(Year 1) Widen existing pavement to 24', add a 2' paved shoulder on each side and resurface to improve safety. Revise intersection and vertical alignment and add turn lanes at SR 2327/2324.Revise intersections at SR 1004,SR 1003,SR 2172/2171 and add turn lanes SR 1005(Year 2)	11.09	$4,500,000.00
7	Alamance	MA07103R	SR 1146	SR 1146(Kirkpatrick Rd.) at SR 1158 and SR 1216-Phase I,Year 1(PE & R/W)=$500,000 *Phase II,=$500,000	Realign SR 1146 to intersect SR 1158 at 90 degrees across from SR 1216. Provide 24' pavement with 2' paved shoulders on each side and widen for turn lane and signal at SR 1158 to improve safety, reduce congestion, and maintain traffic flow.	0.12	$1,000,000.00
7	Alamance	MA07104R	SR 1940	SR 1940(Gibson Rd.) from US 70 to SR 1981.	Add 2' paved shoulders on each side, install guardrail at culverts, and resurface to improve safety. Total width will be 24'.	2	$700,000.00
7	Alamance	MA07105R	US 70/NC 119	US 70 from NC 119S to NC 119N.	Install a closed loop signal system in CBD of Mebane (4 signals) to improve safety, reduce congestion, and maintain traffic flow.	0.34	$250,000.00
7	Caswell	MA07300B	SR 1104	SR 1104(Stadler Rd.)-Bridge # 29; 0.2 mi. North of SR 1100	Replace existing bridge # 29 with a 150' cored slab bridge due to a sufficiency rating of 36.3 and narrow bridge width.	0.1	$588,000.00
7	Caswell	MA07300R	SR 1360	SR 1360 (Shady Grove Rd.) from NC 86 to joint east of US 29.	Widen existing pavement from 20' to 24', add a 1' paved shoulder on each side and resurface to improve safety. Finished pavement width will be 26'.	5.27	$1,350,000.00
7	Caswell	MA07301B	SR 1106	SR 1106-Milesville Rd.(Bridge # 31)1.2 Miles North of Junction SR 1100	Replace existing bridge #31 with a 120' cored slab bridge due to a sufficiency rating of 16.3 and narrow bridge width.	0.1	$538,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
7	Caswell	MA07301R	NC 62	NC 62 from NC 62 at Bartlett Yancey High School to 292' west of US 158/NC 86/NC 62	Repair concrete pavement joints and widen to 24'.Add 2' paved shoulders on each side and overlay to improve ride quality and improve safety.Total width will be 28'. Improve intersection at NC 62/Main St. and revise driveway entrances at Bartlett Yancey High School on NC 62 South to improve traffic flow.	0.42	$300,000.00
7	Caswell	MA07303B	SR 1543	SR 1543(Snatchburg Rd.)- 100 Ft. West of SR 1544	Replace existing bridge #2 with a 120' cored slab bridge due to a sufficiency rating of 28.7, narrow bridge width and crash history.	0.1	$495,453.00
7	Caswell	MA07304B	SR 1103	SR 1103(Pagetown Rd.)-0.45 miles South of SR 1136	Replace existing bridge #27 with a 150' cored slab bridge due to a sufficiency rating of 48 and narrow bridge width.	0.1	$588,000.00
7	Caswell	MA07304R	US158	US 158 from NC 150 to Rockingham Co.	Add 2' paved shoulder on each side of existing 24' pavement,improve vertical alignment at SR 1300 (Park Springs) in Casville and resurface to improve safety. Total width will be 28'.	5.8	$2,100,000.00
7	Guilford	MA07200B	NC 62	NC 62-Bridge #72 (.9 miles East Junction SR 1007)	Replace existing bridge # 72 with a 130' cored slab bridge due to a sufficiency rating of 43.6, narrow bridge width, and crash history.	0.1	$645,477.00
7	Guilford	MA07200R	SR 2752/2930	SR 2752/2930(Bethel Church Rd.) from NC 61 to SR 2819	Widen existing pavement to 24' with a 1' paved shoulder on each side and resurface. Finished pavement width will be 26'.Provide turn lanes at intersections with high turning movements. Revise 1 vertical curve (School Bus Drive) and 2 horizontal curves to improve safety and sight distance.	8.45	$2,500,000.00
7	Guilford	MA07201B	SR 3433	SR 3433(Davis Mill Rd.)-Bridge # 23 (0.35 Miles North Junction NC 62)	Replace existing bridge #23 with a 120' cored slab bridge due to a sufficiency rating of 43.6, narrow bridge width and crash history.	0.1	$495,447.00
7	Guilford	MA07201R	US 220	US 220 (Battleground Ave.)from Cone Blvd.(N/S) to joint south of Cotswald Ave.(N/S)	Mill and resurface to restore ride quality and improve safety.	2.35	$1,350,000.00
7	Guilford	MA07202B	SR 3121	SR 3121(Ferguson Rd.)0.6 miles North of SR 3118	Replace existing bridge #320 with a 130'cored slab bridge due to a sufficiency rating of 27.8 and narrow bridge width.	0.1	$538,000.00
7	Guilford	MA07202R	SR 1008	SR 1008(West Market St.) at Holden Road(n/s)	Add turn lanes to improve safety, reduce congestion, and maintain traffic flow.	0.2	$300,000.00
7	Guilford	MA07203R	NC 6	NC 6 from I-40 to SR 4121 (High Point Rd). Part 2-NC 6 from Merritt Drive to I-40	Repair concrete slabs, mill gutters, install 4' paved shoulders in sections without curb and gutter and resurface to restore ride quality and improve safety.	2.12	$1,400,000.00
7	Guilford	MA07204R	NC68	NC 68 at SR 1820(Skeet Club Rd.)	Widen NC 68 SBL for right turn lane at SR 1820 with curb and gutter (0.1) to improve safety, reduce congestion, and maintain traffic flow.	0.1	$200,000.00
7	Guilford	MA07205R	SR 1541 WB	SR 1541(Wendover Ave.) at NC 68	Widen SR 1541 WBL for an additional through lane with curb and gutter from SR 1536 to NC 68 to improve safety, reduce congestion, and maintain traffic flow.	0.25	$400,000.00
7	Guilford	MA07206R	NC 68	NC 68 at SR 1768(W. Lexington Ave.)	Widen to provide right turn lane on NC 68 Southbound with curb and gutter to improve safety, reduce congestion, and maintain traffic flow.	0.1	$150,000.00
7	Guilford	MA07207R	US 311	US 311(N. Main St.) from north of Oxford Pl.(n/s) to south of Hartley Dr. n/s)	Widen and install curb and gutter to improve safety and drainage.	0.52	$400,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
7	Guilford	MA07208R	NC 61	NC 61 from US 70 to NC 100	Widen existing 18' pavement to 22' with a 1' paved shoulder on each side and resurface to improve safety. Finished pavement width will be 24'.	0.8	$300,000.00
7	Guilford	MA07209R	SR 2565	SR 2565(Hicone Rd.) from SR 2526 to SR 2819	Widen existing 22' pavement to 24' with a 2' paved shoulder on each side. Mill and resurface to improve safety and maintain traffic flow. Finished pavement width will be 28'.	3.9	$1,350,000.00
7	Guilford	MA07210R	NC 150	NC 150 from SR 2526 to Rockingham Co.	Widen existing 20' pavement to 24' with a 1' paved shoulder on each side and resurface to improve safety. Finished pavement width will be 26'.	5.64	$1,750,000.00
7	Guilford	MA07211R	SR 2755	SR 2755(Minneola) from Woodlawn (N/S)to NC 61	Widen exsiting 20' pavement to 24' with a 1' paved shoulder on each side and resurface. Revise 2 vertical curves to improve pedestrian safety and sight distance at Municipal Park and Maintenance Facility. Revise drainage and sidewalk. Total width will be 26'.	0.33	$500,000.00
7	Guilford	MA07212R	SR 1007	SR 1007(Randleman Rd.) from Ritters Lake Rd. (SR 3325)to Randolph Co.	Add 2' paved shoulder on each side and resurface to improve safety. Finished pavement width will be 28'.	5.9	$2,000,000.00
7	Guilford	MA07213R	SR 2565	SR 2565(Hicone Rd.) from SR 2819 to SR 2770	Widen existing 22' pavement to 24' with a 2' paved shoulder to improve safety. Finished pavement width will be 28'.	2.2	$750,000.00
7	Guilford	MA07215R	NC 61	NC 61 from SR 3224 to NC 62; Part 2- NC 61 from 935' North of NC 62 to NC 62	Widen existing 20' pavement to 24'; add a 1' paved shoulder on each side and resurface; upgrade guardrail at bridges and realign intersection at NC 62 to improve safety. Finished pavement width will be 26'.	6.2	$2,300,000.00
7	Guilford	MA07217R	SR 2755	SR 2755(Carmon Rd.) from SR 2746 to Woodlawn (N/S)in Gibsonville	Widen existing 20' pavement to 24' with a 1' paved shoulder, resurface and upgrade bridge rail to improve safety.Finished pavement width will be 26'.	5.28	$1,200,000.00
7	Orange	MA07101B	SR 1346	SR 1346(Saddle Club Rd.)-1.7 miles South of SR 1340	Replace existing bridge #216 with a 100' cored slab bridge due to a sufficiency rating of 40.2, narrow bridge width and crash history.	0.1	$388,000.00
7	Orange	MA07112R	US 70	US 70 from SR 1562(Palmers Grove Ch. Rd.) to NC 86	Widen existing pavement with the addition of 2' paved shoulders on each side and resurface.Total pavement width will increase to 28'.Widen for turn lanes at SR 1588 and NC 86 and to improve radii at SR 1555 and SR 1002. EARLY SUBMITTAL	3.86	$1,750,000.00
7	Orange	MA07113R	US 70	US 70 from NC 86 to Alamance Co.	Widen existing pavement to 24', add a 2' paved shoulder on each side, and resurface to improve safety. Total width will be 28'. Provide turn lanes at SR 1312 and 1004. Add guardrail to bridge over SR 1239 (I-85 connector). Upgrade guardrail anchor units at Eno River bridge. Revise turnaround on west end of divided section.	9.24	$3,400,000.00
7	Orange	MA07114R	SR 1777	SR 1777(Homestead Rd.) from SR 1009 to begin curb and gutter 0.11 miles west of NC 86	Add a 2' paved shoulder on each side and resurface to improve safety. Total width will be 26'. Upgrade guardrail anchor units at bridge. Add left turn lanes at SR 1834(High School Road), SR 1843(Seawell School Road), and SR 1729 (Rogers Road). Install a traffic signal at SR 1834 and make signal adjustments at SR 1843.	3.18	$1,550,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
7	Orange	MA07115R	SR 1006	SR 1006(Orange Grove Rd.) from SR 1009 to SR 1129.	Widen existing pavement to 22', add a 2' paved shoulder on each side, and resurface to improve safety. Total pavement width will be 26'. Upgrade guardrail anchor units at bridge.	4	$1,500,000.00
7	Orange	MA07116R	Multiple; TBD	Town of Chapel Hill/Carrboro (various routes)	Upgrade software and revise existing Chapel Hill/Carrboro Traffic Signal System timing plans to provide better optimization, reduce delay, and enhance safety. Upgrade signal heads and upgrade pedestrian signals at selected intersections to improve safety.	1	$450,000.00
7	Orange	MA07117R	US 15-501/NC 54	US 15-501/NC 54 at SR 1902(Manning Dr.)	Extend right turn lane on US 15-501 Northbound/NC 54 Westbound at SR 1902 and upgrade traffic signal to improve safety, reduce congestion, and maintain traffic flow.	0.1	$250,000.00
7	Orange	MA07120R	SR 1942/1005	SR 1942(Jones Ferry Rd.) from SR 1005 to Chatham Co.; SR 1005(Jones Ferry Rd.) from SR 1937 to SR 1942.	Add 2' paved shoulders on each side and resurface to improve safety. Total width will be 26'. Upgrade guardrail anchor units at bridges and install guardrail at fill section approximately 0.25 west of SR 1005.	4.84	$1,700,000.00
7	Orange	MA07128R	SR 1780	SR 1780 (Estes Drive Ext.) from SR 1843 (Seawell School Road) to NC 86 (Airport Road)in Chapel Hill.	Widen existing pavement to provide a 4' paved bicycle lane on each shoulder.	0.77	$325,000.00
7	Rockingham	MA07308B	SR 2571	SR 2571(Grooms Rd.)-Bridge #96 (1.3 miles South US 158)	Replace existing bridge #96 with a 150' cored slab bridge due to sufficiency rating of 50, narrow bridge width, and crash history.	0.1	$596,296.00
7	Rockingham	MA07309B	SR 2359	SR 2359(Huffines Mill Rd.)-Bridge # 33 (0.6 miles East Junction SR2316)	Replace existing bridge # 33 with a 120' cored slab bridge due to a sufficiency rating of 41.1, narrow bridge width and crash history.	0.1	$446,296.00
7	Rockingham	MA07309R	NC 14/87	NC 14/87 from end of radius South of SR 2066 to NC 87/SR 1605;NC 87 from NC 14/SR 1605 to Virginia State Line.	Mill and resurface. Replace damaged sections of guardrail and upgrade existing guardrail and end treatments to meet current standards. Add paved shoulder on each side of NC 87 as necessary to provide minimum pavement width of 32' to improve safety. Repair drainage in curb and gutter section north of SR 2066. Construct a continuous center turn lane from SR 1605(Oakland Ave.) to North of SR 1799 and improve two intersections. Remove and replace concrete islands.	5.76	$2,350,000.00
7	Rockingham	MA07310B	SR 1546	SR 1546(Beck Rd.)-1.05 miles North of SR 1535	Replace existing bridge # 180 with a 100' cored slab bridge due to sufficiency rating of 27.7, narrow bridge width and crash history.	0.1	$388,000.00
7	Rockingham	MA07310R	NC 150	NC 150 from NC 87 to Guilford Co.	Widen existing 20' pavement to 24' with a 1' paved shoulder on each side and resurface to improve safety. Total finished pavement width will be 26'.	3	$950,000.00
7	Rockingham	MA07311B	SR 1759	SR 1759(Gravel Hill Rd.)-0.2 miles East of SR 1761	Replace existing bridge # 99 with a 100' cored slab bridge due to a sufficiency rating of 40.2, narrow bridge width and crash history.	0.1	$388,000.00
7	Rockingham	MA07311R	NC 87	NC 87 from the intersection of NC 150 West/SR 2619 at Williamsburg to the intersection of NC 150 East.	Widen existing pavement to minimum of 24' with a 1' paved shoulder on each side and resurface. Total width will be 26'. Improve intersection alignment at both intersections and add turn lane on NC 87 at NC 150 East to improve safety and maintain traffic flow.	1	$600,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
7	Rockingham	MA07312R	SR 1001	SR 1001 (Church St.) from US 158 to Guilford Co.	Widen existing 20' pavement to 22' with a 1' paved shoulder on each side and resurface to improve safety. Total width will be 26'.	1.9	$650,000.00
7	Rockingham	MA07313R	SR 2525	SR 2525 (Vance St.) from the end of curb and gutter at Cedar St.(N/S) to SR 2687 (Harrison St.)	Widen existing 22' pavement to 24' and resurface. Total width will be 24'. Provide turn lanes at intersections with high turning movements and extend 1 turn lane to improve safety, reduce congestion, and maintain traffic flow.	0.9	$800,000.00
7	Rockingham	MA07318R	US 158	US 158 from joint at SR 2579 East of US 29 to Caswell Co.	Add 2' paved shoulders on each side of existing 24' pavement, upgrade guardrail anchor units at the bridge, improve the intersection alignment at SR 2571,SR 2565, and SR 2552 and resurface to improve safety. Total finished pavement width wil be 28'.	6.7	$2,700,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
8	Chatham	MA08002R	SR 1532	SR 1532 from US 15-501 to SR 1525	Widen for 2' paved shoulders and turn lanes and resurface.	5.25	$1,150,000.00
8	Chatham	MA08007B	SR 2189	2 miles north of Goldston on SR 2189	Structure replacement of #172	0.02	$500,000.00
8	Chatham	MA08021R	SR 1012	SR 1012 from US 15-501 to SR 1011	Widen to 24' and rehabilitate.	8.4	$2,000,000.00
8	Chatham	MA08022R	SR 1916	SR 1916 from SR 1011 to NC 42	Rehabilitate 2 Railroad crossings and resurface.	3.6	$400,000.00
8	Chatham	MA08050R	SR 1008/SR 1972	Near Intersection of SR 1008 and SR 1972	Replace wooden guardrail posts with steel posts and upgrade existing guardrail end treatments.	0.25	$275,000.00
8	Hoke	MA08004R	US 401	US 401 from Scotland County to SR 1244 and from construction joint north of SR 1210 to US 401 Bus.	Widen to 28' and resurface entire section.	12.08	$2,500,000.00
8	Hoke	MA08024R	SR 1244, SR 1149	SR 1244/SR 1149 from NC 211 to NC 211	Widen to 28', replace Railroad crossing, construct turn lanes and resurface.	2.14	$586,500.00
8	Lee	MA08001B	SR 1144	3.5 miles east of Lemon Springs on SR 1144	Structure replacement of #35	0.01	$650,000.00
8	Lee	MA08005R	US 1	US 1 from construction joint south of SCL Sanford to construction joint of R-2417 north of US 421/NC 87.	Mill and resurface both NBL and SBL.	4.5	$750,000.00
8	Lee	MA08026R	SR 1403	SR 1403 from SR 1444 to SR 1400	Widen to 24' and resurface.	3.75	$843,750.00
8	Lee	MA08027R	SR 1002	SR 1002 from Charlotte Avenue to SR 1466	Widen to 24', replace Railroad crossing and resurface.	11.76	$2,940,000.00
8	Montgomery	MA08006B	SR 1565	7 miles east of Mt. Gilead on SR 1565	Structure replacement of #74	0.01	$400,000.00
8	Montgomery	MA08006R	SR 1110	SR 1110 from NC 731 to SR 1111	Widen to 24', pipe extensions and resurface.	3.4	$1,250,000.00
8	Montgomery	MA08007R	SR 1111	SR 1111 from SR 1110 to NC 73	Widen to 24', pipe extensions and resurface.	3.7	$1,300,000.00
8	Montgomery	MA08008R	SR 1162	SR 1162 from Davidson County to end state maintenance	Widen to 24' and resurface.	2.6	$450,000.00
8	Montgomery	MA08009R	NC 109	NC 109 from NC 731 to Richmond County	Widen to 24', pipe extensions and resurface.	5.5	$850,000.00
8	Montgomery	MA08028R	NC 24/27	NC 24/27 from NC 109 to Stanly County	Widen to 28', construct turn lanes, widen to 4 lanes at NC 73 to provide an exclusive right turn lane for eastbound NC 24/27, replace a portion of the planted median at NC 73 with concrete islands to improve sight distance for westbound NC 24/27 and resurface.	7.9	$1,750,000.00
8	Moore	MA08005B	SR 1805	3 miles east of Carthage on SR 1805	Structure replacement of #31	0.02	$500,000.00
8	Moore	MA08009B	SR 1419	4 miles north of Robbins on SR 1419	Structure replacement #77	0.02	$350,000.00
8	Moore	MA08010R	NC 24/27	NC 24/27 from US 15-501 to WCL Cameron	Widen to 28'and resurface.	5.94	$1,300,000.00
8	Moore	MA08011R	NC 73	NC 73 from Montgomery County to NC 211	Widen 2 feet on each side and resurface.	6.13	$1,100,000.00
8	Moore	MA08012R	US 1	US 1 from SCL Aberdeen to SR 2053	Mill and resurface.	2.65	$1,200,000.00
8	Moore	MA08032R	US 15-501	US 15-501 from NC 2/211 to NC 24/27	Widen 2' on each side, realign SR 1285, construct turn lanes at SR 1216, SR 1224, SR 1833, and at the new Moore County Social Services Office, northbound right turn lane at SR 1838 and resurface.	10.47	$2,550,000.00
8	Moore	MA08035R	NC 5	NC 5 from 0.1 mile south of Saunders Avenue to SCL Pinehurst	Widen to 3 lanes on southeastern side (opposite railroad track) from 0.1 mile south of Saunders Avenue to The Pit Golf Course, and from north of Sandpit Road to SCL Pinehurst and resurface entire length of project.	3.75	$2,000,000.00
8	Randolph	MA08002B	SR 1005	4 miles east of Coleridge on SR 1005	Structure replacement of #304	0.02	$750,000.00
8	Randolph	MA08004B	SR 2866	6 miles east of Seagrove on SR 2866	Structure replacement of #209	0.02	$650,000.00
8	Randolph	MA08008B	SR 2657	4 miles north of Coleridge on SR 2657	Structure replacement of #188	0.03	$600,000.00
8	Randolph	MA08013R	US 64	US 64 from NC 49 to Davidson County	Rehabilitate pavement and build turn lanes at 10 locations.	10.2	$4,500,000.00
8	Randolph	MA08014R	US 64/NC 49	US 64/NC 49 from NC 159 to ECL Asheboro	Rehabilitate pavement and resurface.	1.92	$1,400,000.00
8	Randolph	MA08036R	SR 1462	SR 1462 from US 220 Bus. to end curb and gutter just west of N. McCrary St.	Mill and resurface.	1.13	$90,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
8	Randolph	MA08037R	SR 1442	SR 1442 from SR 1451 to US 220.	Mill, replace concrete islands and resurface.	0.76	$400,000.00
8	Randolph	MA08039R	SR 2116	SR 2116 from US 220 Bus. to NC 22	Widen to 24' and resurface.	7.28	$1,400,000.00
8	Randolph	MA08040R	SR 1007	SR 1007 from US 220 Bus. to Guilford County	Rehabilitate pavement, mill reflective cracking and resurface.	1.54	$240,000.00
8	Randolph	MA08042R	NC 42	NC 42 from Church Street to Elm Street	Mill and resurface.	0.54	$300,000.00
8	Randolph	MA08043R	NC 42	NC 42 from CJ west of Westwood to Church Street and from Elm Street to SR 2237	Replace/remove concrete islands and resurface.	1.5	$300,000.00
8	Richmond	MA08001R	NC 38	NC 38 from SR 1615 to SC state line	Widening to a 26' typical section, construct turn lanes at 3 intersections and resurface.	5.3	$1,125,000.00
8	Richmond	MA08016R	NC 73	NC 73 from US 220 to Moore County	Widen to 24', pipe extensions and resurface.	5	$670,000.00
8	Richmond	MA08017R	SR 1003	SR 1003 from SR 1469 to SR 1475	Widen to 22' and resurface.	11.4	$1,700,000.00
8	Richmond	MA08018R	SR 1640	SR 1640 from SR 1639 to US 1	Widen to 26' and resurface.	4.3	$675,000.00
8	Richmond	MA08019R	NC 109	NC 109 from Montgomery County to Anson County	Widen to 24' and resurface.	4.3	$750,000.00
8	Richmond	MA08052R	SR 1643	SR 1643 from SR 1646 to SR 1640	Widen to 24' typical section, construct left turn lane at high school entrance and resurface.	2.89	$500,000.00
8	Scotland	MA08003R	SR 1674	SR 1674 from US 15/401 Bus. to US 501 Bypass	Widening to 40' face-to-face, storm drainage and resurfacing.	1.25	$2,000,000.00
8	Scotland	MA08020R	US 401	US 401 from US 15/401 Bypass to Hoke County	Widen to 28', pipe extensions, construct turn lanes and resurface.	8.4	$1,750,000.00
8	Scotland	MA08048R	US 74	US 74 from Richmond County to US 74 Bypass of Laurinburg	Widen 2' inside and 4' outside, possible culvert extensions and resurface.	8.3	$3,000,000.00
8	Scotland	MA08049R	NC 144	NC 144 from US 74 to US 401	Widen to 26' and resurface.	12	$2,000,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
9	Davidson	MA09101B	SR 1231	SR 1231	Replace Bridge #79 with Pipe	0.1	$60,000.00
9	Davidson	MA09101R	NC 8/US 29/I-85	NC 8 at I-85 Bus	Remove Substandard entrance and exit loops and signalize intersections. Project has been reviewed with State and Regional TEB offices and has their concurrence.	0.2	$750,000.00
9	Davidson	MA09102R	US 64	US 64 from NC 109 to end of four-lane section	Widen to 32' with turn lanes and resurface	4.8	$1,200,000.00
9	Davidson	MA09103B	SR 2123	SR 2123	Replace Bridge # 412 with new bridge	0.2	$504,000.00
9	Davidson	MA09103R	SR 2097	SR 2097 Noahtown Road from SR 2162 to Randolph County Line	Widen from 16' to 22' and resurface	3.06	$712,000.00
9	Davidson	MA09104B	SR 2325	SR 2325	Replace Bridge # 244 with new bridge	0.2	$300,000.00
9	Davidson	MA09104R	SR 2060	SR 2060 Emanuel Church Road From SR 2032 to SR 2085	Re-align and resurface R/W to be dedicated	1.36	$200,200.00
9	Davidson	MA09105B	SR 1454	SR 1454	Replace Bridge # 447 with pipe	0.1	$80,000.00
9	Davidson	MA09105R	NC 109	NC 109 at SR 2097	Provide turn lanes near Proposed new school construction and resurface	0.1	$150,000.00
9	Davidson	MA09106R	SR 1254	SR 1254 Brown road From NC 8 to SR 1104	Widen from 18' to 22' and resurface	0.77	$367,200.00
9	Davidson	MA09107R	SR 1194	SR 1194 Yadkin College Road from SR 1192 to SR 1186	Widen from 16' to 22' and resurface	2.23	$446,100.00
9	Davidson	MA09108R	SR 2066	SR 2066 Kennedy Road from SR 2093 to Randolph County Line	Widen from 18' to 22' and resurface	2.1	$454,900.00
9	Davidson	MA09109R	SR 1237	SR 1237 Forest Hill Road from SR 1192 to SR 1242	Widen from 18' to 22' and resurface	1.46	$297,800.00
9	Davidson	MA09110R	SR 1505	SR 1505 Payne Road from SR 1499 to SR 1511	Widen from 18' to 22' and resurface	2.08	$459,000.00
9	Davidson	MA09111R	SR 2227	SR 2227 New Bowers Road from SR 2205 to end BST	Widen from 18' to 22' and resurface	1.74	$354,900.00
9	Davidson	MA09112R	SR 2227	SR 2227 New Bowers Road from end BST to US 64	Widen from 20' to 22' and resurface	0.7	$86,600.00
9	Davidson	MA09113R	SR 2247	SR 2247 Rhodes Road from SR 2248 to SR 2205	Widen from 18' to 22' add turn lane and resurface	2.36	$631,400.00
9	Davidson	MA09114R	SR 2248	SR 2248 Allred Road from NC 47 to SR 2205	Widen from 18' to 22' and resurface	3.37	$687,400.00
9	Davidson	MA09119R	SR 2380	SR 2380 Bethany Road from NC 47 to SR 2034	Widen from 18' to 22' and resurface	1.44	$293,800.00
9	Davidson	MA09120R	US 64	US 64 At Randolph County Line	Add turn lanes @ SR 2098.	2.71	$150,000.00
9	Davie	MA09201B	SR 1624	SR 1624	Replace Bridge # 112 with new bridge	0.2	$250,000.00
9	Davie	MA09201R	NC 801	NC 801 from SR 1617 to SR 1616	Widen from 20' to 24' and resurface	2.1	$442,900.00
9	Davie	MA09202R	NC 801	NC 801 fro SR 1814 to US 64	Widen from 20' to 24'and resurface. Add turn lanes on US 64. NC 801 is not a bicycle route but the wider typical section will be safer for bicycle traffic	1.34	$628,600.00
9	Davie	MA09203R	US 158	US 158 From SR 1442 to SR 1410	Pavement Rehabilitation and turn lanes at SR 1442 and SR 1632	4.7	$880,000.00
9	Davie	MA09204R	SR 1801	SR 1801 Deadmon Road from US 601 to NC 801	Widen from 18' to 22' and resurface. SR 1802 is not a bicycle route and does not involve any rail crossings.	4.18	$852,600.00
9	Davie	MA09206R	US 158	US 158 at SR 1626	Add turn lane-Safety Problem	0.1	$160,000.00
9	Davie	MA09208R	US 64	US 64 at SR 1691	Add turn lanes-Safety Problem	0.2	$150,000.00
9	Davie	MA09209R	SR 1320	SR 1320 Bear Creek Church Road from SR 1002 to Iredell County Line	Widen from 18' to 22' and resurface	3.7	$754,700.00
9	Davie	MA09210R	US 64	US 64 at SR 1811	Add turn lanes-Safety Problem, also realigning SR 1811 to function better with SR 1611	0.2	$275,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
9	Forsyth	MA09301R	NC 67	NC 67 from SR 1434 to Yadkin County Line	Widen to 28', add turn lanes and resurface. NC 67 is a bicycle route (SR 1470 to SR 1600) and the wider typical section should be safer for bicycle traffic. This project does not involve any rail crossings	5.82	$1,177,500.00
9	Forsyth	MA09302B	SR 1950	SR 1950	Replace Bridge # 155 with pipe.	0.1	$120,000.00
9	Forsyth	MA09302R	NC 66	NC 66 at Old US 52	Intersection Improvements- Safety Problem	0.5	$250,000.00
9	Forsyth	MA09303B	SR 1920	SR 1920	Replace Bridge # 38 with pipe.	0.1	$80,000.00
9	Forsyth	MA09303R	NC 150	NC 150 at SR 2017 Bethel Church Road	Intersection Improvements-Construct turn lane on NC 150 Safety problem	0.3	$150,000.00
9	Forsyth	MA09304R	NC 66	NC 66 at Deere-Hitachi Road YMCA	Add left turn lanes	0.5	$380,000.00
9	Forsyth	MA09305B	SR 2008	SR 2008	Replace Bridge # 57 with new bridge	0.2	$240,000.00
9	Forsyth	MA09305R	SR 1100	SR 1100 Lasater Road/Styers Ferry Road from SR 1101 to SR 1103	Widen from 18' to 22' and resurface. SR1100 is a bicycle route and the wider typical section should be safer for bicycle traffic. SR 1100 does not involve any rail crossings.	5.98	$1,200,000.00
9	Forsyth	MA09306B	SR 1470	SR 1470	Replace Bridge # 1 with Aluminum Box Culvert	0.1	$150,000.00
9	Forsyth	MA09306R	NC 109	NC 109 from I-40 to Davidson County Line	Widen to 28' and resurface Extend 2 culverts	3.53	$952,300.00
9	Forsyth	MA09307R	SR 1173	SR 1173 Williams Road from Lewisville City Limits to SR 1176	Widen from 18' to 22' and resurface	3.03	$618,000.00
9	Forsyth	MA09308R	SR 2211	SR 2211 Baux Mountain Road from Stokes County Line to SR 1917	Widen from 18' to 22' and resurface	4.8	$979,000.00
9	Forsyth	MA09309R	SR 2632	SR 2632 Sedge Garden Road from SR 2667 to SR 2643	Widen from 18' to 22' and resurface; Drainage improvements	3.67	$809,000.00
9	Forsyth	MA09310R	SR 2030	SR 2030 Linville Springs Road from SR 1696 to SR 2021	Widen from 20' to 24' and resurface	0.69	$143,500.00
9	Forsyth	MA09311R	NC 66	NC 66 at Talley's Crossroads	Intersection Improvements	0.5	$850,000.00
9	Forsyth	MA09313R	NC 66	NC 66(SR 2775) at SR 1003 High Point Road (Horneytown)	Realign Intersection- Safety Problem	0.5	$250,000.00
9	Forsyth	MA09314R	SR 1711	SR 1711 Concord Church Road at US 421	Roundabout was originally constructed without a raised truck apron. Traffic is cutting through the center of the circle and not following the prescribed flow. We are going to install a modified valley gutter to raise the truck apron and force traffic to stay in the circle. Due to excessive AM right turns onto US 421 South, we are going to add a slip right turn lane to the roundabout.	0.5	$400,000.00
9	Forsyth	MA09315R	SR 2902	SR 2902 Ebert Street at Silas Creek Parkway	Add dual left turn lanes on Ebert Street to Silas Creek Parkway	0.2	$300,000.00
9	Forsyth	MA09316R	SR 1528	SR 1528 Silas Creek Parkway at Forsyth Tech.	Add left-over from Silas Creek Parkway to Forsyth Tech.	0.2	$200,000.00
9	Rowan	MA09401B	SR 1337	SR 1737	Replace Bridge # 18 with new bridge	0.2	$240,000.00
9	Rowan	MA09401R	SR 1505	SR 1505 Mt. Hope Church Road from SR 1002 to SR 1006	Widen from 16' to 22'and resurface (3.28 miles) SR 1505 is a bicycle route and the wider typical section would be safer for bicycle traffic. This project does not involve a rail crossing	3.28	$916,010.00
9	Rowan	MA09402B	SR 2114	SR 2114	Replace Bridge # 95 with new bridge	0.2	$264,000.00
9	Rowan	MA09402R	SR 1945	SR 1945 Gheen Road from SR 2048 to US 601	Widen from 16' to 22' and resurface. SR 1945 is a bicycle route and the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing	3	$752,140.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
9	Rowan	MA09403B	SR 1506	SR 1506	Replace Bridge # 210 with new bridge	0.2	$240,000.00
9	Rowan	MA09403R	SR 1912	SR 1912 Hawkinstown Road from SR 1910 to SR 1914	Widen from 16' to 22' and resurface. SR 1912 is not a bicycle route but the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing	1.2	$278,900.00
9	Rowan	MA09404B	Sr 2343	SR 2343	Replace Bridge # 163 with new bridge	0.2	$192,000.00
9	Rowan	MA09404R	SR 2375	SR 2375 Gold Knob Road from SR 2344 to SR 2370	Widen from 16' to 22' and resurface. SR 2375 is a bicycle route and the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing.	2.64	$613,500.00
9	Rowan	MA09405R	SR 2739	SR 2739 Old 29A/ Main Street from Kimball Street to Rice Street	Widen to 36' C&G Section. SR 2739 is not a bicycle route but the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing.	0.9	$750,000.00
9	Rowan	MA09406R	SR 1221	SR 1221 Old Beatty Ford Road at SR 2335	Correct sight distance problem -Safety problem SR 1221 is not a bicycle route and no rail crossings are involved on this project.	0.2	$350,000.00
9	Rowan	MA09407R	SR 1743	SR 1743 Bear Poplar Road from US 70 to NC 801	Widen from 18' to 22' and resurface	3.33	$676,800.00
9	Rowan	MA09408R	SR 2319	SR 2319 Cresant Road from US 52 to SR 1006	Widen from 18' to 22' and resurface	2.39	$451,600.00
9	Rowan	MA09409R	SR 1210	SR 1210 Old Beatty Ford Road from SR 1221 to Landis (eastern) City Limits (Typical Section changes at city limits)	Widen from 18' to 22' and resurface	0.8	$151,200.00
9	Rowan	MA09410R	SR 1221	SR 1221 Old Beatty Ford Road from SR 1210 to I-85	Widen from 18' to 22' and resurface	1.17	$238,700.00
9	Rowan	MA09411R	SR 1211	SR 1211 Brown Road from NC 152 to SR 1350	Widen from 18' to 22' and resurface	2.99	$609,900.00
9	Rowan	MA09412R	SR 2131	SR 2131 Dunn's Mountain Road from US 52 to SR 1004	Widen from 18' to 22' and resurface	1.44	$239,800.00
9	Rowan	MA09413R	SR 1353	SR 1353 Deal Street from NC 152 to Iredell County Line	Widen from 18' to 22' and resurface	4.33	$721,100.00
9	Rowan	MA09414R	SR 2553	SR 2553 Menius Road from NC 152 to SR 1505	Widen from 18' to 22' and resurface;add turn lane at NC 152	0.75	$303,000.00
9	Rowan	MA09415R	SR 2126	SR 2126 Dunn's Mountain Church Road from US 52 to SR 1004	Widen from 16' to 22' and resurface	0.91	$211,300.00
9	Rowan	MA09416R	NC 152	NC 152 from SR 1353 to Iredell County Line	Widen from 24' to 28' and resurface	4.27	$921,500.00
9	Rowan	MA09417R	SR 2739	SR 2739 Old 29A/Main Street from SR 1220 south to existing C&G section in Landis	Widen from 22' to 36' C&G section	0.8	$750,000.00
9	Rowan	MA09419R	SR 2164	SR 2164 Clark Road from SR 1002 to SR 2211	Widen from 16' to 22' and resurface	1.14	$264,900.00
9	Stokes	MA09501B	SR 1653	SR 1653	Replace Bridge # 90 with Aluminum Box Culvert	0.1	$120,000.00
9	Stokes	MA09501R	US 311	US 311 at school in Walnut Cove	Widen to 36' and resurface. US 311 is not a bicycle route and does not involve a rail crossing	0.4	$300,000.00
9	Stokes	MA09502B	SR 2108	SR 2108	Replace Bridge # 254 with new bridge	0.2	$240,000.00
9	Stokes	MA09502R	SR 1759	SR 1759 Bethesda Church Road from SR 1729 to SR 1686	Widen from 18' to 22'and resurface. SR 1759 is not a bicycle route but the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing.	3.1	$585,900.00
9	Stokes	MA09503B	SR 1127	SR 1127	Replace Bridge # 242	0.1	$1,453,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
9	Stokes	MA09503R	NC 704	NC 704 from NC 772 to Rockingham County Line	Widen from 20' to 24' and resurface. NC 704 is a bicycle route (NC772 - NC 770)and the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing.	5.7	$1,091,900.00
9	Stokes	MA09504R	NC 89	NC 89 from NC 66 to Surry County Line	Widen from 20' to 24'and resurface. NC 89 is not a bicycle route but the wider typical section will be safer for bicycle traffic. This project does not involve a rail crossing.	2.9	$555,600.00
9	Stokes	MA09505R	US 311	US 311 at NC 65 intersection and Ingles Shopping Center	Widen to 36' and resurface	0.8	$700,000.00
9	Stokes	MA09506R	NC 8	NC 8 at SR 1975	Add turn lanes on NC 8	0.2	$200,000.00
9	Stokes	MA09507R	SR 1949	SR 1949 Baux Mountain Road from NC 65 to Forsyth County Line	Widen from 20' to 22' and resurface (Also being widened in Forsyth)	0.9	$97,900.00
9	Stokes	MA09508R	SR 1147	SR 1147 Perch Road at Old 52	Add turn lanes and improve rail crossing	0.3	$225,000.00
9	Stokes	MA09510R	SR 1236	SR 1236 Old US 52 from SR 1147 to SR 1157	Widen to 3 lane section and resurface	0.3	$300,000.00
9	Stokes	MA09511R	NC 772	NC 772 from SR 1695 to NC 704	Widen from 20' to 24' and resurface	1.7	$325,700.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
10	Anson	MA10001R	US 52 & SR 1645	US 52 from pavement joint at SR 1641 (Brown Creek Church-Cox Rd) to pavement joint at Grassy Island Road in Ansonville; SR 1645 (Airport Rd) from US 52 to Entrance to Anson County Airport.	Resurface US 52 and add Airport Road turn lanes. Also reconstruct SR 1645 (Airport Rd.)for 0.4 miles to airport entrance.	7.31	$590,000.00
10	Anson	MA10004R	NC 109	NC 109 N from SR 1715 to Richmond County Line	Widen to 24' and resurface. This will match the improvements that Division 8 is doing.	8.75	$1,500,000.00
10	Anson	MA10009B	NC 742	Bridge 030022 carring NC 742 South at North of SR 1126 (L. D. Robinson Rd) over N.Fork of Jones Creek.	Replace existing 61' long x 22' wide concrete and steel bridge constructed in 1937.	0.2	$915,911.00
10	Anson	MA10010B	SR 1829	Bridge 030058 Caring SR 1829 (Sneedsboro Rd) North of SR 1830 (Nivens Rd)	Replace existing 43' long x 19.2' wide timber and steel structure.	0.6	$336,649.00
10	Cabarrus	MA10015B	SR 1304	Bridge 120191 carring SR 1304 (Roberta Rd) West of US 601 Bypass over Wolf Meadow Creek	Replace existing 61' long x 24.2' wide timber & steel structure to provide left turn lane.	2.7	$814,460.00
10	Cabarrus	MA10015R	SR 1139	SR 1139 (Rocky River Road)From Mecklenburg Co. Line to SR 1157 (Old Charlotte Road)	Widen existing pavement to 24' & add turn lanes at Lower Rocky River Rd. (SR 1136)(MA10030R), Pharr Mill Rd. (SR 1158)(MA10031R), Stallings Rd. (SR 1161)(MA10029R), Hickory Ridge Rd. (SR 1138)(MA10028R), & Robinson Church Rd. (SR 1168).	8.07	$2,779,291.00
10	Cabarrus	MA10018B	SR 1139	Non Inventory RCBC carries SR 1139 (Rocky River Rd) South of NC 49 over tributary of Coddle Creek	Replace existing 10' tall x 14' wide single barrel bottomless RCBC structure with a culvert.	0.9	$298,720.00
10	Cabarrus	MA10018R	SR 1442	SR 1442 (Odell School Rd)From SR 1394 (Poplar Tent Rd) to NC 3	Widen, add shoulder, rehabilitate, and overlay. Add turn lanes.	6.88	$1,777,000.00
10	Cabarrus	MA10021R	SR 1449	SR 1449 (Harris Road)from SR 1394 (Poplar Tent Road) to SR 1442 (Odell School Road).	Widen to 22', rehabilitate, and overlay with surface course.	1.69	$500,000.00
10	Cabarrus	MA10022B	SR 1449	Bridge 120009 on SR 1449 (Harris Rd.) over Rocky River and located 0.4 miles N. of Junction with SR 1394 (Poplar Tent Rd.) in Cabarrus County.	Replace existing 91 ft. x 20 ft. timber and steel bridge with a newly constructed 120. x 40 ft. cored slab bridge on drill shaft construction.	95	$350,000.00
10	Cabarrus	MA10023R	SR 1006	SR 1006 (Mt. Pleasant Rd) From US 601 to NC 200	Widen to 22', strengthen roadway with Intermediate Asphalt Course, and resurface. Reconfigure curve design speed to 30 mph at US 601.	3.78	$1,100,000.00
10	Cabarrus	MA10028R	SR 1139	SR 1139 (Rocky River Rd) Intersection with SR 1138 (Hickory Ridge Road)	Construct two left turn lanes on Rocky River Rd. (SR.1139).	0.25	$287,500.00
10	Cabarrus	MA10029R	SR 1139	SR 1139 (Rocky River Rd) Intersection with SR 1161 (Stallings Road)	Construct turn lane.	0.25	$110,285.00
10	Cabarrus	MA10030R	SR 1139	SR 1139 (Rocky River Rd) Intersection with SR 1136 (Lower Rocky River Rd)	Construct Left turn lane.	0.25	$133,285.00
10	Cabarrus	MA10031R	SR 1139	SR 1139 (Rocky River Rd)Intersection with 1158 (Pharr Mill Rd)	Construct turn lane.	0.25	$98,785.00
10	Cabarrus	MA10033R	SR 1132	SR 1132 (Miami Church Rd) Intersection with SR 1006 (Mt. Pleasant Hwy)	Cut down hills on either side of the intersection and install turn lanes.	0.51	$350,000.00
10	Cabarrus	MA10038R	SR 1304	SR 1304 (Roberta Rd) Intersection with SR 1309 (Stough Rd)	Construct turn lane in all intersection quadrants.	0.25	$140,000.00
10	Cabarrus	MA10039R	SR 1304	SR 1304 (Roberta Rd) Intersection with SR 1307 (Blackwelder Rd)	Reconfigure intersection improve sight distance.	0.25	$250,000.00
10	Cabarrus	MA10047R	NC 73	NC 73 From Davidson Drive NE to Gibson St. in Concord	Rehabilitate and overlay. Repair curb and gutter, mono. islands - provide access management.	1.93	$345,960.00
10	Cabarrus	MA10057R	SR 1394	SR 1394 (Poplar Tent Rd.) at SR 1420 (Groff Street)	Construct left turn lane on Poplar Tent Rd at Groff Street.	0.25	$102,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
10	Cabarrus	MA10074R	SR 1305	SR 1305 (Pitt School Rd) at SR 1394 (Poplar Tent Rd). Intersection realignment.	Relocate intersection of Pitt School Road at Poplar Tent Road.	0.25	$580,000.00
10	Cabarrus	MA10075R	SR 1394	NC 73 at SR 1394 (Poplar Tent Rd).	Relocate Poplar Tent Rd at NC 73, add left turn lanes on NC 73, and install traffic signal.	0.25	$740,000.00
10	Cabarrus	MA10076R	NC 200	NC 200 From SR 1006 (Mt. Pleasant Hwy) to US 601	Realign curve on NC 200 at Ray Linker Rd. Realign NC 200 at US 601, improve roadway profile at existing Nursing Home to prevent flooding.	2.62	$1,625,000.00
10	Cabarrus	MA10077R	SR 1304	SR 1304 (Roberta Rd)at SR 1305 (Pitts School Rd.)	Left turn lane on Roberta Road at Pitt School Road.	0.25	$310,000.00
10	Cabarrus	MA10106R	SR 1100	SR 1100 (Reed Gold Mine Rd) From NC 24/27 to entrance to Reed Gold Mine.	Widen narrow section of SR 1100 from NC 24/27 to entrance to Reed Gold Mine.	3	$610,000.00
10	Cabarrus	MA10124R	US 601	US 601 From NC 24/27 to 1500' south of Barberry Avenue in Midland	Milling, resurfacing, widening 1300' section for center turn lane.	1.67	$630,000.00
10	Cabarrus	MA10319R	SR 1132	SR 1132 (Flowes Store Rd) From SR 1151 (Simplicity Rd)to SR 1147 (Flowes Store Rd)	Widen 2' on each side and overlay with 2 1/2" of binder and 1 1/2" surface.	2.23	$695,000.00
10	Mecklenburg	MA10002B	SR 2808	Bridge 590061 Carring SR 2808 (Camp Stewart Rd) East of SR 2805 (Harrisburg Rd) over McKee Creek	Replace existing 461' long x 19.2' wide timber & steel structure.	0.8	$479,431.00
10	Mecklenburg	MA10181R	SR 3468	SR 3468 (Weddington Road) From I-485 to SR 3448 (Pleasant Plains Rd)	Widen pavement symmetricaly to 44' for 3 lane roadway and resurface. Construct bicycle path on each side of roadway.	0.94	$1,307,200.00
10	Mecklenburg	MA10183R	SR 3626	Intersection of SR 3626 (Providence Rd West) and SR 3630 (Community House Rd)	Relocate intersection to eliminate the -Y- intersection.	0.25	$835,000.00
10	Mecklenburg	MA10185R	Sugar Creek Rd	Sugar Creek Road from I-85 to south of I-85 Service Road.	Construct concrete median to prohibit left turns and improve safety.	0.3	$172,500.00
10	Mecklenburg	MA10191R	SR 2976-SR 2828	SR 2976 (Grier)/SR 2828/2803 (Rocky River Rd) from NC 24 (W.T.Harris Blvd) to I-485.	Rehabilitate & reconstruct. Improve pavement width, surface, and add left turn lanes at developments. Realign two curves near Baucom's Nursery.	2.8	$1,380,000.00
10	Mecklenburg	MA10195R	NC 27	NC 27 (Freedom Drive) at Thrift Road Intersection	Intersection realignment.	0.25	$862,000.00
10	Mecklenburg	MA10196R	SR 2442	SR 2442 (Asbury Chapel Rd.) & SR 2459 (Eastfield Rd.) SR 2480 (Browne Rd.) & SR 2459 (Eastfield Rd.)	Combines two offset T-intersections with overlapping left turns into one 4-leg intersection; install traffic signal.	0.5	$395,000.00
10	Mecklenburg	MA10199R	SR 2074	SR 2074 (Beatties Ford Road) from SR 2050 (Capps Hill Mine Rd.)to I-485 Construction(4.07 mi.) including paved shoulders for bikes.	Rehabilitate & reconstruct. Improve pavement width, surface, and add left turn lanes at developments.	4.07	$1,400,000.00
10	Mecklenburg	MA10201R	NC 160	NC 160 (Steele Creek Rd) @ SR 1410 (Westinghouse Blvd) Intersection Improvements	Construction of left turn lanes on Steele Creek Rd to improve safety and reduce congestion.	0.25	$575,000.00
10	Mecklenburg	MA10202R	SR 2480	SR 2480 (Sugar Creek Rd / Browne Rd) From SR 2485 (David Cox Rd) to Hunter Downs Rd	Widen roadway to 22' and resurface.Add turn lane.	2.27	$590,000.00
10	Mecklenburg	MA10204R	SR 2805	SR 2805 (Harrisburg Rd) from NC 24/27 (Albemarle Rd) to Cabarrus Co. Line.	Widen to 24', strengthen with Intermediate Asphalt Course and add turn lanes at Camp Stewart Rd. and Harrisburg Rd.	2.4	$632,500.00
10	Mecklenburg	MA10211R	NC 51	NC 51 From SR 3356 (Sardis Rd) to SR 3655 (Johnston Rd)	Rehabilitate & reconstruct. Upgrade pavement design to carry increase in truck size & volume from original design.	7.2	$2,875,000.00
10	Mecklenburg	MA10242R	SR 1625	SR 1625 (Sam Wilson Rd) From SR 1601 (Moores Chapel Rd) to US 74 (Wilkinson Blvd.)	Widen to 24' & install turn lane at US 74. Widen shoulders to 6'.	2.02	$1,000,000.00
10	Mecklenburg	MA10268R	NC 115	NC 115 - North Mecklenburg High School area	Add three lane section for turn lanes.	0.4	$477,250.00
10	Mecklenburg	MA10271R	SR 3998	SR 3998 (South Blvd) from SR 3814 (Woodlawn Rd) to I-277.	Rehabilitate and reconstruct.	3.2	$930,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
10	Mecklenburg	MA10289R	SR 2426	SR 2426 (Hiawassee Road) from.SR 2439 (Ramah Church Rd) to SR 2448 (Huntersville-Concord Road).	Widen pavement 3 ft. each side, construct shoulders and ditches, surface full width.	0.9	$357,855.00
10	Mecklenburg	MA10292R	SR 2448	SR 2448 (Huntersville Concord Rd) From NC 115 to SR 2426 (Hiwassee Rd).	Milling, widen, ditch and shoulder surface, improve radius at SR 2426; install pedestrian signal at NC 115.	3.48	$775,000.00
10	Mecklenburg	MA10303R	US 21 & NC 73	US 21 & NC 73 (Sam Furr Rd) Intersection Improvements; US 21 (Statesville Road) from SR 2136 (Gilead Road) to NC 73.	Construct double left turn lanes at US 21 and NC 73; resurface US 21 from SR 2136 to NC 73.	0.25	$850,000.00
10	Mecklenburg	MA10307R	US 21	US 21 and SR 2136 (Gilead Road) Intersection Improvements	Add double left turn lanes on US 21 at Gilead Road.	0.25	$240,000.00
10	Mecklenburg	MA10318R	NC 51 & NC 16	NC 16 & NC 51 Intersection - Rehabilitate & Reconstruct	Upgrade pavement design to carry increase in truck size and volume from original design.	0.25	$347,000.00
10	Mecklenburg	MA10351R	SR 1116	SR 1116 (Shopton Road) 0.6 miles west of the NC 160 (Steele Creek Rd.)intersection.	Project will consist of realigning Shopton Road (SR 1116) 0.6 miles west of NC 160. In addition a developer has proposed a new road to intersect at this location. He has proposed a roundabout to be constructed at this location. The developer is to pay for the roundabout and the Division is to improve the horizontal alignment.	0.5	$200,000.00
10	Stanly	MA10012B	SR 1103	Bridge 820258 Carring SR 1103 (Rocky River Rd) South of SR 1104 (Branch Rd) over Cold Water Creek.	Replace existing 31' long x 16.6' wide timber & steel structure.	0.2	$118,826.00
10	Stanly	MA10014B	SR 1433	Bridge 830034 Carring SR 1433 (Ridenhour Rd) North of SR 1434 (Rogers Rd) over Branch of Big Bear Creek.	Replace existing 51' long x 19.2' wide timber & steel structure.	0.1	$347,490.00
10	Stanly	MA10082R	SR 1115	Liberty Hill Church Rd (SR 1115) From NC 205 to NC 24/27	Widen 1' each side due to existing shoulder width, provide safety improvements, & overlay. Intersections improvements at Liberty Hill Church Rd and NC 205.	2.4	$617,000.00
10	Stanly	MA10084R	SR 1963 Etc.	SR 1963, SR 1968, & SR 1975 (St. Martin Rd) From CL Oakboro to NC 24/27	Provide safety improvements & overlay at various locations.	9.9	$1,565,000.00
10	Stanly	MA10090R	SR 1222/1219	Newsome Rd (SR 1222& 1219) from NC 24/27 to SR 1214 (Austin Rd)	Widen to 20'& resurface.	1.6	$494,500.00
10	Stanly	MA10092R	SR 1969	Efird Road (SR 1969) From NC 24/27 to SR 1968 (St. Martin Rd)	Widen, add shoulder, & overlay.	2.6	$575,000.00
10	Stanly	MA10093R	SR 1970	Hazard Rd (SR 1970) From NC 138 to SR 1221 (Frog Pond Rd)	Widen, add shoulder, & overlay.	4.15	$760,000.00
10	Stanly	MA10097R	SR 1400	Old Salisbury Rd (SR 1400) Intersection with SR 1421 (Bethany Rd)	Construct turn lanes and cut hill down.	0.25	$280,000.00
10	Stanly	MA10099R	NC 73	NC 73 Intersection with SR 1134 (Millingport Rd)	Construct turn lanes on NC 73 and provide access management.	0.25	$250,000.00
10	Stanly	MA10108R	SR 1918/1923	SR 1918 (South Stanly School Rd) at SR 1923 (Cottonville Rd) Intersection Improvements	Construct roundabout and cut down hill.	0.25	$590,000.00
10	Stanly	MA10320R	SR 1549	SR 1549 (Airport Rd) From Airport entrance to NC 740	Install 3 lane section for turn lanes at Stanly Correctional Facility and Air National Guard and reconfigure intersection at NC 740.	1.61	$400,000.00
10	Union	MA10001B	NC 16	Bridge 890033 over Twelve Mile Creek. Carries NC 16 and is located 0.3 Miles S. of SR 1321 (Cuthbertson Rd) In Union County	Replace existing 190' long x 21' wide 4-span bridge built in 1930.	0.3	$1,700,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
10	Union	MA10116R	SR 1002-SR 1751	Intersection of SR 1751 (Monroe-Ansonville Rd & Austin Grove Church Rd), SR 1002 (Ansonville Rd), and SR 1645 (Mills Harris Rd); curve on SR 1002 at SR 1749 (Thomas Helms Rd).	Intersection improvements by constructing roundabout; realign curve.	0.25	$707,000.00
10	Union	MA10117R	SR 1008 & SR 13	SR 1008 (Waxhaw-Indian Trail Rd) Intersection at SR 1357 (Potters Rd)	Cut hill on Waxhaw-Indian Trail Rd just south of Beulah Church Rd. Construct roundabout at Indian Trail-Waxhaw Rd and Potters Rd.	0.25	$520,000.00
10	Union	MA10119R	SR 1377	SR 1377 (Wesley Chapel-Stouts Rd) at SR 1162 (Goldmine Rd)	Realign Wesley Chapel-Stouts Rd at Goldmine Rd.and add left turn lanes on Goldmine Road.	0.15	$319,000.00
10	Union	MA10120R	SR 1162	SR 1162 (Goldmine Rd) at SR 1355 (Tanyard Rd)	Intersection realignment. Straighten curve.	0.23	$294,000.00
10	Union	MA10121R	SR 1501 & 1582	SR 1501 (Secrest Shortcut) / SR 1582 (Idlewild Rd) From US 74 to Mecklenburg Co. Line	Widen to 26', resurface, and install turn lanes at Indian Trail-Fairview Rd., Indian Trail-Unionville Rd., Rocky River Rd., and Sevens Mill Rd. Increase shoulder width to 6'.	10.49	$4,200,000.00
10	Union	MA10130R	NC 75	NC Hwy 75 at 100-600 feet west of NcNeely Rd (SR 1325)	Improve sight distance - cut down hill on roadway.	0.25	$184,000.00
10	Union	MA10136R	SR 1514/1007	SR 1514/1007(Rocky River Rd) from NC 200 to SR 1004 (Lawyers Rd)	Widen to 22',add turn lanes,widen shoulders and resurface.	15.8	$3,500,000.00
10	Union	MA10138R	SR 1520	SR 1520 (Indian Trail-Fairview Rd) from SR 1522 (Stinson Hardis Rd) to SR 1501 (Secrest Shortcut Rd).	Widen and resurface.	1.5	$506,000.00
10	Union	MA10142R	SR 1162	SR 1162 (Goldmine Rd) From Dover St. to Price Short Cut Rd.	Widen to 24'and resurface.	3.56	$680,000.00
10	Union	MA10147R	SR 1524	SR 1524 (Stevens Mill Rd) from SR 1004 (Lawyers Rd) - Mecklenburg Co. Line	Widen and resurface.	4.3	$772,000.00
10	Union	MA10151R	SR 1004	SR 1004 (Lawyers Rd) From US 601 N - Mecklenburg Co. Line	Widen and resurface.	6.1	$2,070,000.00
10	Union	MA10161R	SR 1111	SR 1111 (Old Waxhaw-Monroe) From NC 75 to SR 1117 (Providence Rd South)	Resurface and widen 1' on each side. Install turn lane at NC 75& SR 1111 and SR 1111 & SR 1117.	1.75	$345,000.00
10	Union	MA10166R	NC 218	NC 218 From US 601 to NC 205	Widen and resurface. Add turning lanes at US 601, SR 1606 (Sikes Mill Rd.), SR 1663 (Love Mill Rd.), NC 200 and NC 205.	10.8	$2,300,000.00
10	Union	MA10172R	SR 1315	SR 1315 (New Town Rd) From Lancaster Co. Line to SR 1341 (Twelve Mile Creek Rd)	Widening two-lane road and improve shoulders.	5.91	$1,098,250.00
10	Union	MA10176R	NC 84/SR 1007	NC 84 Intersection with SR 1007 (Rocky River Rd)	Add turn lanes at SR 1007 (Rocky River Rd). Upgrade Traffic Signal.	0.25	$250,000.00
10	Union	MA10177R	NC 84 & SR 1162	NC 84 at Potters Rd (SR 1162)	Improve intersection by adding left turn lane at all four legs of intersection.Will upgrade traffic signal.	0.3	$270,000.00
10	Union	MA10315R	SR 1758	Intersection of SR 1758 (N. Main Street) and Camden Street in Wingate near Wingate football stadium	Reconfigure intersection with SR 1758 and Camden Street.	0.25	$270,000.00
10	Union	MA10350R	SR 1606 etc.	SR 1001 (Love Mill Rd.), SR 1606 (Sikes Mill Rd.), SR 1618 (Tom Helms Rd.), SR 1637 (Lawyers Rd.), SR 1681 (Old Camden Rd.)	Reconfigure intersection and add turn lanes on Sikes Mill Rd.	0.25	$425,000.00
10	Union	MA10355R	NC 84	NC 84 from SR 1339 (Lester Davis Rd.) to SR 2574 (Shannon Woods Lane)	Install a 3 lane section (36' width)	0.37	$300,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
11	Alleghany	MA11006R		NC 18 S from SR 1206 to SR 1173.	Widen pavement to 26' with paved shoulders/ditches, guardrail, resurfacing, pavement markings and markers and improve intersection with SR 1138.	1.4	$500,000.00
11	Alleghany	MA11014B	SR 1105	50' WEST OF US 21 ON SR 1105 OVER BRUSH CREEK	Replace Bridge # 1.	0.05	$175,000.00
11	Ashe	MA11007R	NC 163	NC 163 - From US 221 to NC 16.	Widen pavement to 26' with paved shoulders, guardrail, resurfacing, thermoplastic pavement markings, snowplowable markers.	9.22	$3,000,000.00
11	Ashe	MA11016B	SR 1599	1.1 MILES SOUTH OF SR 1604 ON SR 1599 OVER PEAK CREEK	Replace Bridge # 169.	0.05	$175,000.00
11	Ashe	MA11026B	SR 1599	0.50 miles South of SR 1604 on SR 1599 over Peak Creek.	Replace Bridge # 37	0.05	$175,000.00
11	Ashe	MA11037R	NC 194	NC 194 FROM EAST CITY LIMITS OF LANSING TO 0.10 MILES NORTH OF SR 1353 AND SR 1353 FROM NC 194 TO SR 1324	REHABILITATION INCLUDING MILLING, RESURFACING, GUARDRAIL, SIDEWALK, CURB AND GUTTER, DRAINAGE IMPROVEMENTS, SIGNAL UPGRADE.	1.3	$250,000.00
11	Ashe	MA11038R	sr 1573	SR 1573 from NC 88 to SR 1511 in Jefferson.	Rehabilitation including curb and gutter, drainage improvements, sidewalk, guardrail and resurfacing.	0.87	$250,000.00
11	Avery	MA11002B	SR 1166	25' WEST OF JUNCTION OF US 19E OVER HORSE CREEK	Replace Bridge # 16 ON NEW LOCATION	0.05	$300,000.00
11	Avery	MA11008R	SR 1370/SR 1500	SR 1370 - From NC 181 to SR 1500 and SR 1500 from SR 1370 to NC 194.	Widen pavement to 24' with paved shoulders and construct turn lane on NC 194 at SR 1500.	0.95	$500,000.00
11	Avery	MA11011R	US 221	US 221 at SR 1143.	Construct turn lane on US 221 at SR 1143.	0.1	$300,000.00
11	Caldwell	MA11001R	US 321	US 321 - Various crossovers from Burke County Line to NC 18 in Lenoir	Construct directional leftovers and close other crossovers	13.85	$2,500,000.00
11	Caldwell	MA11006B	SR 1325	0.10 MILES WEST OF SR 1328 ON SR 1325 OVER CELIA CREEK.	Replace Bridge # 208.	0.05	$350,000.00
11	Caldwell	MA11012R	SR 1178	SR 1178 - Hibriten Drive - From NC 18 to New Mclean Drive.	Widen Pavement to 24' with paved shoulders/ditches and safety improvements. Traffic is expected to increase considerably upon completion of project U-3813 - McLean Drive which will connect US 321 and US64/NC18.	0.7	$400,000.00
11	Caldwell	MA11015R	SR 1002	SR 1002 at intersection of SR 1751 and SR 1752.	Realign Intersections.	0.1	$500,000.00
11	Caldwell	MA11019R	NC 90	NC 90 North of Collettsville.	Improve typical section in rock cuts north of Collettsville.	0.2	$500,000.00
11	Caldwell	MA11023R	SR 1109	SR 1109 - Pinewood Drive - From US 321 A to East of SR 1252.	Widen pavement with turn lanes at US 321 A and SR 1252 and install signals at SR 1109 and US 321 A and Sr 1109 and SR 1252.	0.69	$500,000.00
11	Surry	MA11002R	US 21	US 21 - From I-77 to End of Concrete North of SR 1161	Reconstruct AST shoulders with full depth paved shoulders and guardrail upgrades.	2.9	$1,500,000.00
11	Surry	MA11004R	US 21	US 21 - From End of Concrete (US 21 Bypass) to Wilkes County Line.	Widen pavement to 28' with paved shoulders, construct turn lanes and intersection improvements. Realign intersections, removed grassed/concrete islands, resurface, pavement markings and markers to improve safety of travelling public.	4.89	$2,100,000.00
11	Surry	MA11007B	SR 1397	1.5 MILES WEST OF SR 1396 ON SR 1397 OVER LITTLE FISHER RIVER.	Replace Bridge # 60.	0.05	$250,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
11	Surry	MA11016R	US 52	US 52 from US 52 Bus to Stokes County Line.	Upgrade median shoulders to 4'paved, improve median drainage to allow 1 line of median guiderail and seal joints in concrete pavement section. To be partially funded from year 1 ($2.32)and year 2($1.48).	9.1	$3,800,000.00
11	Surry	MA11034R	SR 1149	SR1149/SR2300 ELK SPUR STREET FROM BRIDGE OVER BIG ELKIN CREEK TO NC 268 BUSINESS.	MILLING, RESURFACING, CURB AND GUTTER, DRAINAGE AND SIDEWALK.	1.6	$500,000.00
11	Surry	MA11036R	US 601	US 601 AT THE INTERSECTION OF SR 2221 AND US 601 BUSINESS SOUTH IN DOBSON	RELOCATE INTERSECTION WITH SR 2221, CONSTRUCT TURN LANES ON US 601 AND US 601 BUSINESS, AND TRAFFIC SIGNAL	0.6	$500,000.00
11	Watauga	MA11008B	SR 1109	0.20 MILES NORTH OF SR 1108 ON SR 1109 OVER UNNAMED CREEK.	Replace Bridge # 71.	0.05	$300,000.00
11	Watauga	MA11009R	SR 1514	SR 1514 from US 421 to SR 1523 and SR 1523 from SR 1514 to SR 1522.	Resurfacing, guardrail, intersection improvment, and pavement markings.	1.91	$1,000,000.00
11	Watauga	MA11011B	SR 1225	0.25 miles North of SR 1224 on SR 1225 over creek.	Replace Bridge # 25.	0.05	$175,000.00
11	Watauga	MA11012B	SR 1221	75' North of Sr 1225 on SR 1221 over creek.	Replace Bridge # 201.	0.05	$175,000.00
11	Watauga	MA11035R	NC 105	NC 105 AT SR 1113 - BAIRD'S CREEK ROAD WEST OF BOONE.	SHIFT ALIGNMENT OF NC 105 TO SOUTH TO CONSTRUCT TURN LANES ONTO SR 1113.	0.3	$1,000,000.00
11	Wilkes	MA11003R	US 21	US 21 - From Surry County Line to SR 1733	Widen pavement to 28' with paved shoulders, construct turn lanes and intersection improvements. Realign intersections, remove grassed/concrete islands, resurface, guardrail, pavement markings and markers to improve safety of travelling public.	4.27	$2,100,000.00
11	Wilkes	MA11010R	NC 115	NC 115 - From Iredell County Line to US 421.	Widen pavement to 26' with paved shoulders/ditches, guardrail, thermoplastic pavement markings, snowplowable markers.	10.35	$3,000,000.00
11	Wilkes	MA11022R	SR 2467	SR 2467 - Country Club Road - From NC 16 to SR 1001.	Improve horizontal alignment, widen pavement to 24', and replace Bridge # 28. This project to be in conjunction with NCMA11028B in Wilkes County.	2.5	$600,000.00
11	Wilkes	MA11028B	SR 2467	Replace Bridge #28 over Cub Creek on SR 2467 0.1 miles West of SR 2542.	Replace Bridge # 28 and improve horizontal alignment in conjunction with MA11022R.	0.05	$300,000.00
11	Wilkes	MA11033R	US 421	US 421 FROM SOUTH OF SR 1001 TO NORTH OF NC 16/18	CONSTRUCT FULL DEPTH PAVED 4' MEDIAN SHOULDERS. EXTEND ACCELERATION LANES FROM SR 1001 AND NC16/18. PAVEMENT MARKINGS AND MARKERS.	1.74	$1,400,000.00
11	Yadkin	MA11005R	SR 1150	SR 1150 - Hoots Road - From US 601 to US 421 Project Limits.	Widen pavement to 24' with paved shoulders and alignment improvements. Resurfacing, pavement markings to improve safety of travelling public.	2.3	$750,000.00
11	Yadkin	MA11009B	SR 1597	0.40 miles North of SR 1593 on SR 1597 over West Prong of Forbush Creek.	Replace Bridge # 108.	0.05	$200,000.00
11	Yadkin	MA11013R	SR 1002	SR 1002 - Lone Hickory Road - From US 601 to US 21.	Widen Pavement to 24' with paved shoulders/ditches and safety improvements.	6.3	$2,000,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
12	Alexander	MA12028R	US 64 / NC 90	US 64 / NC 90, From Lower Little River To Caldwell Co.	Widen 2' each side, add turn lanes at NC 127 and at school near SR 1340 and SR 1167, and replace Guard Rail. Resurfacing cost is approximately $850,000.00	7.2	$550,000.00
12	Alexander	MA12029R	SR1608/SR1607	NC 16 / SR 1111 & SR 1607 Scope of work has changed. Location now is SR 1607 & 1608	Realign intersection of SR 1111 w/ NC 16, and put turn lanes on NC 16 and SR 1607. Note: The scope of this project has changed due to R/W problem at SR 1111. The scope now, is to install Traffic Signal at NC 16 and SR 1607 and to widen SR 1607 and SR 1608.	0.4	$500,000.00
12	Alexander	MA12030R	SR 1001	SR 1001, From NC90 To Hiddenite School	Widen to 24' w/ Curb & Gutter. Signal at intersection of NC 90	0.4	$500,000.00
12	Alexander	MA12031R	SR1156/SR1157	SR 1156 / 1157, From NC 127 To Caldwell Co.	Widen to 22' and overlay	2.12	$200,000.00
12	Alexander	MA12032R	NC 90	NC 90, From SR 1656 To 1600	Widen to 3 lanes	1.4	$800,000.00
12	Alexander	MA12033R	NC 127	NC 127, From SR 1181 To SR 1156	Widen to 3 lanes, add signal at school. Add Left turn lane at SR 1150	1.7	$640,000.00
12	Alexander	MA12034R	NC 16	NC 16, From SR 1100 To NC 90	Widen to 3 lanes from 3rd Ave. To 5th and resurface from 3rd to NC 90	0.4	$304,000.00
12	Alexander	MA12060B	SR 1637	Bridge # 126; SR 1637	Repalce w 2 @ 10'x10' RCBC	0	$200,000.00
12	Alexander	MA12061B	SR 1001	Bridge # 48; SR 1001 (Sulphur Springs)	Replace w/ 1@50'	0	$200,000.00
12	Catawba	MA12036R	NC 10	NC 10, From I-40 To US 70	Widen to 24' and overlay. Project is complete	1.67	$240,000.00
12	Catawba	MA12037R	NC 10	NC 10, From US 70 to SR 1004	Widen to 26' between the two bridges and overlay from US 70 to SR 1004. Signal at US 70	1	$275,000.00
12	Catawba	MA12038R	SR 1848	SR 1848 (Sherrils Ford), From NC 150 to SR 1837	Widen to 26' and overlay. Place guardrail at RR bridge. Improve intersections at SR 1844 & 1837	3	$650,000.00
12	Catawba	MA12039R	NC 10	NC 10, From NC 127 to Lincoln Co.	Widen to 24' and overlay. Improve intersections at SR 1146, 2032, and NC 127	8.24	$900,000.00
12	Catawba	MA12040R	SR 1008	SR 1008, From NC10 to Lincoln Co.	Widen to 22' from Lincoln to SR 2019 and overlay from Lincoln Co. to NC 10	3.9	$600,000.00
12	Catawba	MA12041R	SR 1709	SR 1709, From US 70 to SR 1006. Scope has changed. Project now goes from US 70 to I-40.	Widen to 22' and overlay between I-40 and SR 1006. Overlay and strenghten between SR 2437 and I-40. Improve intersections at SR 1783, 1715, 1006, and Golf Rd. Install guardrail at various locations. Scope has changed. Widen from Us 70 to I -40.	5.8	$850,000.00
12	Catawba	MA12042R	NC 10	NC 10, From WCL Newton to NC 127	Widen to 24' and overlay. Improve intersection of SR 2046	6.49	$800,000.00
12	Catawba	MA12043R	SR 1154	SR 1154, From Bus. 321 to SR 1149	Widen to 20' and overlay w/ guardrail improvements	1.16	$130,000.00
12	Catawba	MA12044R	SR 1848	SR 1848, From SR 1837 to SR 1003	Widen to 22' and overlay. Improve intersections at SR 1833, 1813, and 1003	6.15	$700,000.00
12	Catawba	MA12045R	SR 1810	SR 1810, From NC 16 to NC 10	Widen to 22' and overlay	4.73	$400,000.00
12	Catawba	MA12046R	SR 1833	SR 1833, From SR 1831 to EOM	Widen to 20' and overlay with guardrail improvements at RR bridge. Improve intersection at SR 1832	3	$230,000.00
12	Catawba	MA12047R	SR 1885	SR 1885, From Long Island to SR 1844	Widen to 26', overlay and restripe w/ 2' paved shoulders	0.5	$150,000.00
12	Catawba	MA12058B	SR 1111	Bridge # 70; On SR 1111 (Jacobs Fork)	Replace w/ 3 30' spans	0	$350,000.00
12	Catawba	MA12067B	SR 1491	Bridge # 25; SR 1491 (section House)	Replace w/ 3@35'	0	$500,000.00
12	Cleveland	MA12001R	US 74 Busniness	From US74 To Castle Wood Dr.	Install turn lanes at various locations, add 2' paved shoulders on median and outside shoulders, and to upgrade drop inlet covers at various locations	2.75	$750,000.00
12	Cleveland	MA12002R	US 74	US 74 Bypass	Add 2' paved shouldeson median and outside shoulder, with a right turn lane at Longbranch and Bethlehem Road. Resurface	3	$1,021,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
12	Cleveland	MA12003R	SR 1001	SR 1001; Appr. 1000' each direction of SR 1908 and Appr. 1000' each direction of SR 1905	Realign and widen roadway to eliminate sharp curve at Cedar Lake Farm Road. Also to realign and improve grade at intersection of SR 1908 to gain site distance.	1	$450,000.00
12	Cleveland	MA12004R	SR 1337	SR 1337	Realign and improve site distance at intersection of SR 1005 (Possible Roundabout), SR 1832, and add turn lanes at NC 226 (w/ signal). Also, widen 1' on each side and resurface.	1.73	$605,000.00
12	Cleveland	MA12005R	SR 1001	SR 1001	Widen 3' to provide two 11' lanes w/ 2' paved shoulder. Realign curve near SR 2122 to reduce the degree of curve. Also, regrade shoulders and ditches to obtain 4' unpaved shoulders.	9	$1,500,000.00
12	Cleveland	MA12006R	SR 2050	SR 2050	Widen to 36' w/ Curb & Gutter	1.53	$850,000.00
12	Cleveland	MA12056B	SR 1148	SR 1148, Bridge # 100	Replace w/ 2 sapns @ a lenght of 210'	0	$700,000.00
12	Cleveland	MA12059B	SR 1619	Bridge # 187; SR 1619	Replace w/ 3@30'	0	$350,000.00
12	Cleveland	MA12068B	SR 2235	Bridge # 63; SR 2235	Replace w/ 2@10'10' RCBC	0	$120,000.00
12	Gaston	MA12008R	NC 274	NC 274 From SR 2416 to SR 2444	Widen from 2 lanes to 3 lanes w/ Curb & Gutter	1.04	$1,000,000.00
12	Gaston	MA12009R	US 74	US 74 From I-85 To SR 1136 (Mrytle School Road)	Add 2' paved shoulders on median and outside. Install Guardrail at various locations. Install turn lanes w/ "W" money and overlay w/ SB 1005	3.9	$450,000.00
12	Gaston	MA12010R	SR 2444	SR 2444; Basically from SR 2446 and 2445	Widen 6' w/ partial Curb & Gutter	0.7	$500,000.00
12	Gaston	MA12011R	NC 273	NC 273; From SR 2534 to SR 2525. Will resurface with resurfacing funds	Install turn lanes at South Point High School and add 2' paved shoulders	3.24	$250,000.00
12	Gaston	MA12012R	NC 279	NC 275 & NC 279	Realign NC 275 to make T intersection. Extend 3 lanes to Summey on NC 279. Signal. Possibly extend 3 lanes back to college w/ small urban funds	0.3	$850,000.00
12	Gaston	MA12013R	US 321	US 321	Add 12' lane w/ C&G south bound. Also, add 12' lane w/ C&G from I-85 bridge to just before Rankin Dr. on north bound side, and rework off ramp to allow three left turn lnaes.	0.3	$850,000.00
12	Gaston	MA12014R	NC 274	NC 274	Widen 4' and overlay. Reset shoulders and ditches. Possible roundabout at intersection of NC 216	6.9	$900,000.00
12	Gaston	MA12015R	SR 2478	SR 2478	Widen 2' and add C&G	0.57	$250,000.00
12	Gaston	MA12016R	SR 2003	SR 2003 From NC 7 to Mitchem Road	Rebuild Typical section to 24' w/ C&G from NC 7 to Mitchem road. Possibly widen 4' from NC 275 to Mitchem Road w/ resurfacing funds	0.6	$550,000.00
12	Gaston	MA12017R	SR 2412	SR 2412	Widen 4' and overlay. Reset shoulders and ditches. Install Guardrail at bridge.	2.51	$375,000.00
12	Gaston	MA12018R	SR 2416	SR 2416 From Nc 274 to Nc 321	Widen 4' and overlay. Reset shoulders and ditches. Install Guardrail at bridges	1.88	$250,000.00
12	Gaston	MA12063B	SR 2424	Bridge # 27; SR 2424 (Osborn)	Replace w/ 3@30'	0	$200,000.00
12	Gaston	MA12066B	SR 1802	Bridge # 170; SR 1802 (Colt Thornburg)	Replace w/ 2'@10'x10' RCBC	0	$160,000.00
12	Gaston	MA12093B	SR 2416	Bridge # 28 on SR 2416	Replace Existing 3 span bridge with a 2 span 100' Bridge.	0	$400,000.00
12	Iredell	MA12050R	NC 115	NC 115 From Meckenburg Co. To SR 1102 (Langtree Rd.)	Widen 3' each side and overlay. Restripe w/ 2' paved shoulders	2.12	$974,000.00
12	Iredell	MA12051R	NC 150	NC 150 From SR 1303(Perth Road) to Catawba Co. Scope has been narrowed to just widening to 3 lanes from just east of SR 1303 to just west of Big Daddy's resturant.	Widen to 3 lanes from SR 1303 to just past Big Daddy's and overlay from SR 1303 to Catawba Co. Restripe w/ 2' paved shoulders	2.8	$1,300,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
12	Iredell	MA12052R	NC 115	NC 115 From Wilkes Co. to NC 901	Widen 6' and overlay. Restripe w/ 1' paved shoulder	2.1	$860,000.00
12	Iredell	MA12053R	NC 115	NC 115 From NC 901 to SR 1861 (Pospect Ch. Rd.)	Widen 4' and overlay	2.7	$808,000.00
12	Iredell	MA12054R	SR 1109	SR 1109 (Williamson Rd.) From SR 1206(Alcove) to SR 1100 (Brawley School Rd.)	Widen 4' and overlay. Restripe w/ 2' paved shoulders	2.28	$803,000.00
12	Iredell	MA12055R	US 21 / NC 115	US 21 / NC 115 From just south of I-77 to split on NC 115 and US 21	Widen 6' and overlay. Restripe w/ 2' paved shoulders. Includes turn lanes at Sperherds School	4.17	$1,610,000.00
12	Iredell	MA12057B	SR 2168	SR 2168, Bridge # 318	Replace w/ 3 30' spans	0	$350,000.00
12	Iredell	MA12064B	SR 2120	Bridge # 350; SR 2120 (Powell Dr.)	Replace w/ 2@10'x10' RCBC	0	$200,000.00
12	Iredell	MA12090R	SR 1004	SR 1004, From Catawba County Line to SR 1332	Widen 6' and overlay. To provide 3' paved shoulders	1.57	$440,000.00
12	Lincoln	MA12021R	NC 16	NC 16, From NC 73 To SR 1393 Haggers Ferry Scope of work has increased. Project now goes from NC 73 to SR 1439 Unity Church Road	Widen NC 16 to 3 lanes (12')and overlay. On NC 73 add right turn lane on east & west bound. Place Curb & Gutter at intersection	1.2	$600,000.00
12	Lincoln	MA12022R	NC 16	NC 16, From SR 1439 Unity Ch. To Hager's Hollow.	Widen to 3 lanes (12') and overlay	1.96	$568,000.00
12	Lincoln	MA12023R	NC 16	NC 16, From Railroad Bridge To beginning of 3 lane section in Denver Scope of work has increased. Project now goes from Hagger's Hollow to 3 lane section in Denver	Widen to 3 lanes (12') and overlay	0.77	$374,000.00
12	Lincoln	MA12024R	NC 150	NC 150, From NC 27 to Catawba Co. Line	Widen 1' each side, and add turn lanes at SR 1366 (Lee Lawing Road. Insatll Guard Rail at various locations. Overlay with Resurfacing funds.	8.88	$440,000.00
12	Lincoln	MA12025R	HWY 73	Hwy 73, From SR 1395 To Catawba River bridge	Add 2' paved shoulders and overlay. Replace Guardrail various locations	1.16	$300,000.00
12	Lincoln	MA12026R	SR 1008	SR 1008, From SR 1113 To Bridge at Clark's Creek	Widen to 24' and overlay	3.11	$777,000.00
12	Lincoln	MA12062B	NC 182	Bridge # 29; NC 182	Replace w/ 1@60'	0	$250,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
13	Buncombe	MA13001R	SR 3446	SR 3446 (Bennett Road), from NC 112 to SR 3437(Case Cove Road)	Widen existing pavement from 18' to 22', resurface, upgrade drainage, add Guardrail & turn lanes.	0.93	$470,000.00
13	Buncombe	MA13005B	SR 2173	SR 2173 (Dillingham Road), Approx. 0.70 Mi. from the intersection of SR 2165 (Town Branch Road)	Replace Bridge number 100148 over Dillingham Creek	0.01	$537,480.00
13	Buncombe	MA13007R	NC 112	NC 112 (Sardis Road) From NC 191(Brevard Road) to SR 3412 (Sand Hill Road)	Widen from 24' to 28', resurface, install guardrail, and upgrade drainage	2.07	$660,000.00
13	Buncombe	MA13008R	SR 3116	SR 3116 (Mills Gap Road)From US 25A (Sweeten Creek Road) to Henderson County Line	Widen from 20' to 24' resurface, install guardrail, and upgrade drainage	4.84	$940,000.00
13	Buncombe	MA13010B	NC 251	NC 251 at intersection of SR 1742(Flat Creek Road)	Bridge # 100193 will be replaced to accomodate the proposed typical section of a NCMA roadway project. The new structure will also improve sight distance due to the high bridge railing at the existing bridge.	0.01	$548,600.00
13	Buncombe	MA13013B	NC 9	NC 9, North West of SR 2791 (Old US 64)	Replace a functionally obsolete structure with a RCBC. This should allow for much needed horizontal alignment improvements.	0.01	$639,600.00
13	Buncombe	MA13014R	SR 3503	SR 3503 (Overlook Road) from Asheville City Limits to NC 146 (Long Shoals Road)	Widen from 18' to 22' resurface, replace drainage, and install guardrail on SR 3503 Overlook Road. There are two schools on this section of roadway, and a heavily used shortcut between two primary routes.	0.98	$575,000.00
13	Buncombe	MA13016R	SR 1369	SR 1369 (Mt. Carmel Road) from SR 1002 (Old Leicester Road) to Beg. C&G Section	Widen from 18' to 22', resurface, and replace drainage on SR 1369 (Mt. Carmel Road)	1.53	$310,000.00
13	Buncombe	MA13019R	SR 1234	SR 1234 (Asbury Road)from US 19/23 to Enka Middle School.	Upgrade signal at US 19/23, and add turn lane at Enka Middle School.	0.5	$710,000.00
13	Buncombe	MA13021R	SR 1220	SR 1220 (Dogwood Road)From US 19/23 to SR 1210 (Fairmont Road) for a distance of 2.31 miles	Widen from 20' to 24' and resurface with channelization and a new turn lane at the intersection of US 19/23 on Dogwood Road. Upgrade drainage and guardrail with new end treatments.	2.31	$760,000.00
13	Buncombe	MA13026R	NC 112	Intersection of NC 112 (Sardis Road) and SR 3412 (Sand Hill Road).	Realignment of intersection to allow for primary route to have the primary movement, and allow for traffic to move safer and smoother.	0.1	$510,000.00
13	Buncombe	MA13028R	NC 112	NC 112 from Int. of SR 3412(Sand Hill Road) to SR 3437 (Case Cove Road) for a length of 1.04 miles.	From Int. of SR 3412 to SR 3437 for a length of 1.04 miles. Widen to a three lane section with curb and gutter. Project will also include bike lanes and sidewalk.	1.04	$755,000.00
13	Buncombe	MA13032R	NC 191	NC 191 From SR 3486 (Avery's Creek Road) to SR 3501 (Clayton Road) for a length of 1.46 miles.	Widen, resurface , replace drainage and put turn lanes at SR3501 (Clayton Rd.) and NC 146 (Long Shoals Rd.).	1.46	$625,000.00
13	Buncombe	MA13041R	SR 3116	SR 3116 (Mills Gap Road) From US 25 to US 25A for a length of 0.20 miles.	Widen to three lanes and upgrade intersection on both ends.	0.2	$760,000.00
13	Buncombe	MA13043R	NC 251	From the Madison County Line to SR 1684 (Elk Mountain Road) for a distance of 9.72 miles	Widen, resurface, replace drainage, and upgrade guardrail. One structure will be replaced under NCMA Bridge program. Construction of extra wide paved shoulders for bicycle lanes.	9.72	$1,796,000.00
13	Buncombe	MA13045R	SR 3116	Intersection of SR 3116 (Mills Gap Road) and SR 3121(Pinners Cove Road).	Realignment of intersection.	0	$150,000.00
13	Burke	MA13001B	SR 1924	SR 1924(Old NC 18), North West of Pleasant Grove	Replace structurally deficient bridge.	0.01	$480,480.00
13	Burke	MA13006B	SR 1907	SR 1907 (Rhoney Road), South West of the intersection of SR 1908 (Persimmon Rd.)	Replace Bridge number 110035	0.01	$601,600.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
13	Burke	MA13006R	SR 1142	SR 1142(Jamestown Road) From I-40 to SR 1149 (Conley Road)	Widen from 22' to 24', Resurface, and upgrade drainage	0.7	$200,000.00
13	Burke	MA13013R	SR 1149	SR 1149(Conley Road) from SR 1142(Jamestown Road) to SR 1118 (Hayes Waters Road)	Widen 2' each side, overlay, and drainage improvements, install G/R where it is warranted.	3.1	$405,000.00
13	Burke	MA13015R	SR 1142	SR 1142 (Jamestown Road) from SR 1149 (Conley Road) to SR 1129 (Dysartsville Road) - 5.08 miles	Widen 2' each side, overlay, and drainage improvements change alignment at SR 1129 (Dysartsville Road) intersection	5.08	$820,000.00
13	Burke	MA13020R	SR 1138	SR 1138 from US 70 to SR 1142 - 0.90 miles	Widen 2' each side, overlay, and drainage improvements, add turn lane at US 70	0.9	$172,000.00
13	Burke	MA13022R	SR 1419	SR 1419 (Bost Road) from NC 181 to entrance to Camelot Sub. - 0.80 miles	Widen to 3 lanes with curb and gutter, upgrade drainage and resurface.	0.8	$660,000.00
13	Burke	MA13027R	SR 1761	SR 1761 (Old NC 10) from US 70 @ SR 1618 (Icard School Road) to US 70 - 4.23 miles	Add 2' shoulders, overlay, upgrade drainage	4.23	$825,000.00
13	Burke	MA13035R	SR 1618	SR 1618 (Icard School Road) from US 70 to SR 1621 (Icard -Rhodhiss Road) - 0.12 miles	Widen 1' each side, overlay, upgrade drainage	0.12	$72,000.00
13	Burke	MA13044R	SR 1621	SR 1621 (Icard-Rhodhiss Road) from SR 1618(Icard School Road) to SR 1611 (Rhodhiss Road) - 3.15 miles	Widen 2' each side, overlay, upgrade drainage	3.15	$578,000.00
13	Burke	MA13048R	US 70	US 70 from ECL of Morganton to Catawba County Line -13.52 miles	Widen pavement 2' each side with paved shoulders, improve drainage, upgrade guardrail at various locations and overlay, add turn lanes at various locations, and closed loop signal system in Valdese.	13.52	$2,966,000.00
13	Burke	MA13049R	SR 1708	SR 1708 (East Parker Road) from NC 18 to SR 1712 (Drexel Road) - 1.38 miles	Widen 1.5 feet each side, overlay, Improve drainage	1.38	$200,000.00
13	Madison	MA13002B	SR 1185	SR 1185 (Church Rd.), 200'North west of intersection of SR 1185 and SR 1183	Replace Bridge number 560490	0.01	$347,480.00
13	Madison	MA13004B	SR 1533	SR 1533 (Hamburg Road),just North West of SR 1598	Replace Bridge number 560264	0.01	$393,080.00
13	Madison	MA13005R	NC 213	NC 213 From US 25/70 to US 19/23	Build climbing lanes and update guardrail	2.3	$1,000,000.00
13	Madison	MA13010R	SR 1609	SR 1609 from Mars Hill Eastern City Limits to Mars Hill Western City Limits	Widen from 18' to 20' in shoulder sections, and mill and resurface in the existing curb and gutter section, upgrade drainage and guardrail.	2.4	$510,000.00
13	Madison	MA13030R	NC 208	US 25/70 to the Tenn. State line for a distance of 9.23 miles	Widen, resurface, replace drainage, and upgrade guardrail	9.23	$1,655,000.00
13	McDowell	MA13017R	US 70	US 70 from SR 1197(Roby Conley Road) to NC 80 for 1.18 mi.	Widen Existing pavement to 36' and install curb and gutter, replace existing pipes and resurface.	0.83	$860,000.00
13	McDowell	MA13025R	NC 226	From RR Overpass to SR 1794 (Old Glenwood Road), for 1.34 miles	Widen Existing pavement to 36' and install curb and gutter, replace existing pipes and resurface add TBC signal system.	1.34	$1,420,000.00
13	McDowell	MA13038R	US 70	US 70 from NC 80 to SR 1422 (Clear Creek Road) for 1.05 mi.	Widen Existing pavement to 36' and install curb and gutter, replace existing pipes and resurface. Extend culvert number 58-2109 to accomodate for widening of roadway.	1.05	$1,426,000.00
13	McDowell	MA13063R	NC 226	From the RR underpass to beginning of four lane section at US 221 Bypass, 0.55 mile.	Widen existing pavement to 3 lanes with curb and gutter. Extend culvert.	0.55	$2,000,000.00
13	Mitchell	MA13004R	NC 261	NC 261, From SR 1228 to SR 1223	Widen, resurface, and upgrade drainage	2.9	$677,000.00
13	Mitchell	MA13011R	NC 226	NC 226 from NC 261 to NC 226A for 2.00 miles	Widen existing pavement to 22', make shoulder improvements, replace existing pipes and resurface	2	$520,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
13	Mitchell	MA13015B	SR 1189	SR 1189(Minnie Lane), just West of Bakersville City Limits	Replace Bridge # 600177	0.01	$639,600.00
13	Mitchell	MA13029R	NC 226A	NC 226 to NC 226 for 3.74 mi.	Widen Existing pavement to 22', make shoulder improvements, replace existing pipes and resurface.	3.74	$871,000.00
13	Mitchell	MA13040R	SR 1121	US 19E to Blue Ridge Parkway for 5.02 mi.	Widen Existing pavement, make shoulder improvements, replace existing pipes and resurface.	5.02	$1,185,000.00
13	Rutherford	MA13003R	SR 2241	SR 2241 (Oak St.) from TIP R-2711 to SR 2169 (Piney Ridge Rd.)	Widen from 22' to 38', Add center turn lane, resurface, and upgrade drainage	0.42	$510,000.00
13	Rutherford	MA13009R	SR 2159	SR 2159 (Piney Ridge Road) From SR 2169 (Oakland Road) to SR 2213 (Church Street)	Widen from 20' to 24', resurface, upgrade drainage and add turn lanes at SR 2169 (Oakland Road) and SR 2213 (Church Street).	2.68	$487,000.00
13	Rutherford	MA13018R	US 64	US 64 from US 74-A to SR 1510 (Hudlow Road) for approximately 2.51 miles	Widen to 26' typical section, replace pipe, improve drainage, make shoulder improvements and resurface	2.51	$510,000.00
13	Rutherford	MA13024R	US 74 east bound	Intersection of US 74 east bound off Ramp and US 221-A.	Install Additional Turn Lane at Ramp and make improvements to traffic signals.	0.01	$135,000.00
13	Rutherford	MA13033R	US 64	US 64 From SR 1510 (Hudlow Road) to SR 1701 (Cane Creek Road) for approximately 3.65 miles.	Widen from 22'to 26' including 2' paved shoulders, improve drainage, install guardrail and resurface.	3.65	$720,000.00
13	Rutherford	MA13042R	SR 1510	SR 1510 (Hudlow Road) from US 221 to US 64 for approximately 7.36 miles.	Widen existing pavement from 18' to 22', construct turn-lane at SR 1504 (Hollar Road), make shoulder improvements, replace pipes and resurface.	7.36	$1,210,000.00
13	Yancey	MA13002R	NC 197	From US 19 E to Mitchell County line for 10.57 miles.	Widen from 22' to 24', resurface, replace drainage and upgrade guardrail.	10.57	$1,980,000.00
13	Yancey	MA13003B	SR 1121	SR 1121 (Prices Creek Road),just South of the Intersection with SR 1120	Replace Bridge number 990162	0.01	$347,480.00
13	Yancey	MA13007B	SR 1395	SR 1395 (Bald Mtn. Road), just South West of intersection of SR 1457 (Hoot Owl Hollow Rd.)	Bridge number 990119	0.01	$216,900.00
13	Yancey	MA13012R	NC 80	From US 19E to SR 1205 for a length of 12.59 miles	Widen, resurface, replace drainage and upgrade guardrail, upgrade intersection with SR 1186 (Old US 19).	12.59	$2,710,000.00
13	Yancey	MA13034R	NC 197/SR 1416	Intersection of NC 197 N. and SR 1416, (Clearmont School Road)	Culvert extention and realign intersection with a turn lane on SR 1416 (Clearmont School Road)	0	$552,000.00
13	Yancey	MA13039R	NC 197/ SR 1445	Intersection of NC 197 N. and SR 1445 (Moonshine Mtn. Rd)	Improve site distance at intersection of NC 197 and SR 1445 (Moonshine Mountain Rd).	0	$152,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
14	Cherokee	MA14006B	SR 1556	SR 1556 bridge #173 over Martin's Creek	Replace existing RC deck slab bridge with a cored slab bridge on concrete abutments.	0	$238,400.00
14	Cherokee	MA14024R	US 74	US 74 at SR 1393 near the Town of Andrews	Re-construct taper at end of divided highway near the eastern limits of the Town of Andrews, re-surface, add 4' paved shoulders and guardrail. No bike lanes and no railroad crossings are affected.	0.2	$700,000.00
14	Clay	MA14004B	SR 1100	SR 1100 bridge 100 over Trout Cove Creek	Replace existing RC deck slab bridge with a cored slab bridge on concrete abutments	0	$120,100.00
14	Clay	MA14023R	US 64	US 64 from SR 1100 in Clay County to R-0977 in Cherokee County (approx. 0.25 mi. east of SR 1547)	Widen for 4' paved shoulders, install guardrail, construct left turn lane at SR 1544 in Cherokee county. Project is not a Bike route but would provide improved access to "Mountains to Sea" route. There are no RR crossings. Pavement design by Division.	7.15	$1,976,950.00
14	Clay	MA14183R	US 64	US 64 from bridge #13 to one mile west of Macon County line - 7.8 miles	Symetrical Widening for 4' paved shoulders.	7.8	$800,000.00
14	Graham	MA14016R	US 129	US 129 - from SR 1260 to Cherokee County line	Widening for paved shoulders, shoulder re-construction, patching, re-surfacing in selected locations, installation of guardrail in selected locations. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	10.19	$2,200,000.00
14	Haywood	MA14009B	US 276	US 276 bridge 172 over Shelton Branch	Replace existing RC deck slab bridge with a cored slab bridge on RC abutments.	0	$314,904.00
14	Haywood	MA14074R	NC 110	NC 110 at Substation Road in Canton	Construct a left turn lane on NC 110 for northbound traffic to turn onto Substation Road for access to Pisgah High School. There are no railroad crossings or bicycle routes involved.	0.4	$300,000.00
14	Haywood	MA14083R	US 23 Business	US 23 Business from R-2210 to Westbound ramp of US 74, SR 1929 from US 23 Bus. to SR 1390, SR 1390 from SR 1929 to Tuscola HS - total 1.38 miles	Widening for RTL, milling, strengthening, and re-surfacing on US 23 Bus. Upgrade two signals. Right turn lane onto SR 1929 up to SR 1390, and reversable lane on SR 1930 from SR 1929 up to Tuscola HS. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	1.38	$2,000,000.00
14	Haywood	MA14176R	SR 1173	SR 1173 - Plott Creek, from 0.12 mi. west of SR 1175 to EOM, 0.40 miles	Widening for curb and gutter and construction of left turn lane into Hazelwood Elementary School. Install drainage improvements. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.4	$600,000.00
14	Henderson	MA14005B	SR 1764	SR 1764 (Old Spartenburg Highway) bridge 206 over Creek	Replace existing timber floor and I-beam bridge with a cored slab bridge on concrete abutments	0	$243,400.00
14	Henderson	MA14012B	SR 1006	Henderson County SR 1006 bridge # 40 over Clear Creek	Replace existing timber floor on I-beam bridge with cored slab bridge on RC abutments	0.01	$371,766.00
14	Henderson	MA14013B	SR 1764	SR 1764 bridge # 205 over Mud Creek	Replace existing steel plank floor on I-beam bridge with a cored slab bridge on RC abutments.	0.01	$734,700.00
14	Henderson	MA14181R	SR 1006	SR 1006 - Howard Gap, From SR 1528 to US 64 - 3.44 miles	This project will entail widening SR 1006 1' on both sides, building shoulders on both sides, and improving vertical and horizontal alignment.	3.44	$2,400,000.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
14	Henderson	MA14185R	US 64	US 64 - from Transylvania County line to SR 1314 (Banner Farm Rd.)	Widening for 4' paved shoulders and turn lanes, guardrail, turnlane. Project is not a bike route. There is a RR crossing near Etowah. Pavement design by Division.	4.6	$1,300,000.00
14	Jackson	MA14029R	NC 107	NC 107 - from SR 1145 to SR 1142	Widen NC 107 from 20' to 24'. Improve sight distance, install drainage improvements , and widen to 36' for left turn lane onto SR 1145. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.6	$300,000.00
14	Jackson	MA14032R	SR 1443	SR 1443 - Monteith Branch, from SR 1432, 0.30 miles north to US 74 overpass - 0.30 miles	Widen pavement by 4' , improve drainage, and construct curb and gutter. There are no bike lanes affected by this project. No RR crossings. Pavement design by Division.	0.3	$400,000.00
14	Jackson	MA14034R	SR 1449	SR 1449 - Cope Creek, from NC 107 to East Cope Creek Road	Re-align and widen typical to improve safety and sight distance. This route serves as a major local route between Sylva and US 74. This road is part of the "Mountains to the Sea" bike route between NC 107 and US 74. Re-alignment will greatly improve safety for bicyclists choosing to use this route. No RR crossings. Pavement design by Division.	1.05	$1,800,000.00
14	Jackson	MA14068R	NC 107	NC 107: Left turn lanes at SR 1002, SR 1737, and NC 281	Widen NC 107 for the construction of left turn lanes at 1)SR 1002, 2)SR 1737, and 3)NC 281. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.15	$400,000.00
14	Jackson	MA14078R	NC 116	NC 116 at the intersection of SR 1360	Revise intersection to make NC 116 the through movement. Eliminate stop condition by improving a very poor horizontal alignment. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.1	$250,000.00
14	Jackson	MA14085R	US 74	US 74 from Mile marker 94 at Balsam to Mile marker 74 at Whittier	Right turn lanes and sight distance improvements at selected intersections, improve exit #83. This road is part of the "Mountains to the Sea" bicycle route between Balsam and Sylva. The project should have no significant effect on the bicycle route. No RR crossings. Pavement design by Division.	20	$900,000.00
14	Macon	MA14003B	SR 1122	SR 1122 Bridge # 313 over Skeenah Creek.	Replace existing RC deck slab bridge with a cored slab bridge on concrete abutments.	0	$238,300.00
14	Macon	MA14018R	NC 106	NC 106 at SR 1622, Buck Knob Road	Construct left turn lane at the intersection of NC 106 and SR 1622. Clear and grade south side of roadway to provide a shoulder and ditch section. Widen north side of roadway to accomodate new left turn lane. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.05	$400,000.00
14	Polk	MA14002B	SR 1138	SR 1138 Bridge # 143 over Panther Creek.	Replace existing timber floor on I-beam bridge with cored slab bridge on concrete abutments.	0.01	$286,300.00

Candidate Projects for North Carolina: *Moving Ahead!*

Division	County	ID NO	Route	Location Desc	Project Desc	Length	Est. Cost
14	Polk	MA14094R	NC 108	NC 108 - from US 74 to NC 9	Widening for 2' paved shoulders, signal upgrade and sight distance improvement at intersection with NC 9 at Mill Springs. No bike routes are affected by this project. Widened area will recieve a 2" surface course. The existing roadway will not be re-surfaced. No RR crossings. Pavement design by Division.	3.5	$750,000.00
14	Swain	MA14040R	US 19	US 19 at SR 1195	Construct Left turn lane and improve sight distance at SR 1195 intersection. The "Mountains to the Sea" bike route utilizes this intersection but the project will have no significant impact on the route. No RR crossings. Pavement design by Division.	0.1	$200,000.00
14	Swain	MA14050R	SR 1323	SR 1323 - Slope Street, from SR 1321 to SR 1328	Widen SR 1323 from SR 1321 to SR 1328 for curb and gutter and drainage structures. The town may possibly add sidewalks at some point in the future. No bike routes are affected by this project. No RR crossings. Pavement design by Division.	0.63	$300,000.00
14	Transylvania	MA14001B	SR 1504	SR 1504 bridge 195 over Lyday Creek	Replace existing RC deck slab bridge with a cored slab bridge on RC abutments.	0	$260,000.00
14	Transylvania	MA14007B	SR 1504	SR 1504 bridge 194 over Glade Creek	Replace existing RC deck slab bridge with a cored slab bridge on RC abutments.	0	$260,800.00
14	Transylvania	MA14184R	US 64	US 64 - from SR 1511 (Deaver Rd.) to Henderson Co. line	Widening for 4' paved shoulders and turn lanes, guardrail. The project is not a bike route but will provide improved access to designated bike routes within the county. No RR crossings. Pavement design by Division.	4.46	$1,400,000.00

House Pages

1. Name: Brogan Thomas
   County: Wake
   Sponsor: Weiss
2. Name: Amber A. Hall
   County: Watauga
   Sponsor: Gene Wilson
3. Name: Crystal East
   County: Pasquotank
   Sponsor: Basnight
4. Name:
   County:
   Sponsor:
5. Name:
   County:
   Sponsor:

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: Fred Hines
3. Name: George Robinson
4. Name: Curtis Dowd

VISITOR REGISTRATION SHEET

3-9-05

Name of Committee | Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
[signature]	NCDOT
[signature]	NCDOT
Lee Hedgepeth	ICCLT
Crosby M'Eldin	NC Conservation Network
Milton Alford	OSBM
Warren Stanford	OSBM
BERRY JENKINS	CAROLINAS AGC
Portia Manley	NCDOT/DMV
SUSAN COBBARD	NCDOT
Kerry Isenhour	Intern - P. Berger
John Long	Martin Marietta Materials
Sandra Long	Martin Marietta
Jane Pinckney	AAA / Carolinas
Bill "Rossel"	NCDOT
Jean Mills	NC Metropolitan Coalitions / NCCOM
Lisa Martin	NC Home Builders Assoc.
Ted Mount	Town
Mary Thomsen	REBIC
[signature]	CAPPA
Betsy Bailey	NCPIRG
Jim Lowry	NCDOT / CLICK
[signature]	[illegible]
[signature]	[illegible]
Lee Sanders	NCDOT
James Wang	NC DCC

Suzanne Smith (Rep. Cole)

From: Suzanne Smith (Rep. Cole)
Sent: Thursday, March 03, 2005 2:25 PM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice; Bob Weiss (Fiscal Research); Evan Rodewald (Fiscal Research); Giles Perry (Research); Ken Levenbook (Bill Drafting)
Subject: COMMITTEE MEETING NOTICE
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the **JOINT** House and Senate Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAY: Wednesday, March 9, 2005

Time: 8:30 a.m. Appropriations/Transportation Committee
2:00 p.m. Joint with Justice & Public Safety Committee

Room: 1228 LB for the 8:30 a.m. meeting

Room: 544 for the 2:00 p.m. meeting

To be discussed:

Governor's Budget continued at the 8:30 a.m. meeting and

VIPER and State Highway Patrol Expansion at the 2:00 p.m. meeting

Respectfully,

Representatives Cole and Coates
Chairs

JOINT MEETING
JOINT TRANSPORTATION APPROPRIATIONS SUBCOMMITTEE
JOINT JUSTICE AND PUBLIC SAFETY APPROPRIATIONS SUBCOMMITTEE
Room 544 Legislative Office Building
March 9, 2005, 2:00 P.M.

I. CALL TO ORDER

Chairs:	Sen. Scott Thomas, Presiding	Sen. Clark Jenkins
	Rep. Phillip Haire	Rep. Lorene Coates, Presiding
	Rep. Joe Kiser	Rep. Nelson Cole

II. PRESENTATIONS

Opening Remarks by Chairs

Voice Interoperability Plan for Emergency Responders (VIPER)

Denise Thomas, Fiscal Research

Bryan Beatty, Secretary
Department of Crime Control and Public Safety

Bob Brinson, Chairman,
Criminal Justice Information Network Governing Board

Maj. Woody Sandy,
State Highway Patrol Division

Rebecca Troutman, Dir. Research and Public Technology
NC Association of County Commissioners

Charles Archer, Assoc. Dir. for Operations and Federal Relations
NC League of Municipalities

Randy Thompson, Vice President
NC Emergency Manager' Association

Eddie Caldwell, Executive Director
NC Sheriffs' Association

State Highway Patrol FY 2005-07 Expansion Requests

Col. Fletcher Clay, Commander
NC State Highway Patrol

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

March 9, 2005

2:00 P.M.

Room 544 LOB

The Joint Appropriations Subcommittee on Transportation met jointly with the Justice and Public Safety Committee on March 9, 2005 at 2:00 p.m. in room 544 of the Legislative Office Building. Representative Lorene Coates and Senator Scott Thomas presided. Seven members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee were in attendance:

Rep. Lorene Coates	
Rep. Nelson Cole	Rep. Jim Gulley
Rep. Mary McAllister	Rep. Greer Martin
Rep. Bonner Stiller	Rep. Ed McMahan
Rep. David Almond	Rep. Tim Moore
Rep. Larry Brown	Rep. Drew Saunders
Rep. Linda Coleman	Rep. Fred Steen
Rep. Margaret Dickson	Rep. Arthur Williams

Representative Lorene Coates opened the meeting and introduced the Pages and Sergeant-at-Arms present. She welcomed everyone and introduced her Co-Chair for the meeting, Senator Scott Thomas, Chair of the Senate Justice and Public Safety Committee.

Representative Coates then recognized Denise Thomas, of the Legislative Fiscal Research Division to explain the current funding situation for the VIPER Program. She stated that the Voice Interoperability Plan for Emergency Responders the (VIPER System) cost an estimated 350 million with less than 20 million in funds spent to date. The Study Committee recommendation called for funding from the General Fund, the Highway Fund, fees and debt financing as possible ways to finance the project.

She went on to explain that the General Assembly established the Criminal Justice Information Network in 1996, from recommendations made by the Criminal Justice Study Committee in 1995. The Study identified some critical weaknesses in information and communications in the Criminal Justice Network. Including: it was taking too long to properly identify persons and there was no single way to check a person's criminal history or to check for warrants. A lot of redundancy among departments and there is no statewide interagency, mobile voice or mobile communications system. So the Study recommended the VIPER System, which is outlined in the handout. Its purpose is to allow First Responders to communicate effectively in the time of an emergency. The Highway Patrol is the lead agency but it is a statewide program for all agencies involved in emergency preparedness.

The estimated cost for the VIPER System is 350 million and to date approximately 20 million has been spent towards developing the program. This is the same 800megahertz system that was started with a Federal Grant in the late 1980's.
See (Handout #1 and #1A) attached as a part of the minutes.
Questions and answers followed.

Representative Coates welcomed Bryan Beatty, Secretary of Crime Control and Public Safety for remarks. Secretary Beatty thanked the Committee for the opportunity to discuss this important issue for our State and he appreciated the fine job that Denise Thomas did on giving the Committee an overview of the background on the VIPER System. He told about how he started in law enforcement over 23 years ago and while working undercover he had no communications with backup or a cover team. Just another example of how critical it is for those who need to respond to be able to communicate to save lives when lives are at risk. That is the purpose of what VIPER is. Currently in our State almost all Public Safety Officials are on different radio communication systems. The City Police Officer cannot communicate with the Fire Fighter or the Sheriff's Office, or the neighboring Police Departments or the State Highway Patrol, or the State Bureau of Investigation. All those agencies and most communities across our State are on different systems and cannot communicate with each other. That means they have to call their dispatcher to call another dispatcher, then they have to figure out which agency is the closest to respond to the situation. All of these are inefficient ways of operating. The lack of inoperability makes the work of all of these agencies not only inefficient but it leaves the men and women who do these jobs, as well as, all the people who they have sworn to protect and serve more vulnerable. This is a day-to-day problem but it is even more important when we have major events. All reports have indicated that an inability to communicate is a critical issue.

Secretary Beatty gave additional examples of problems that exist when agencies are not able to communicate during major situations. It has been recommended that the Federal Government and the Homeland Security Agency put this as a top priority, to fund Voice Interoperability Plans for Emergency Responders. After every disaster, in fact after every exercise the number one problem that is always identified is the inability of the agencies to communicate because of incompatible communications systems. In our State, the State Emergency Response Commission, the Governors Crime Commission, the Criminal Justice Information Network and the Metropolitan Commission have all concluded that funding VIPER is the number one priority for use of the Homeland Security funds that our State is receiving. We have attempted to direct much of the funding we have been receiving from the Federal Government to this program. Now I know that some of you have heard complaints for using this Federal money for this important system. I do not think we have to apologize because we are using this money for what has been identified not only nationally but right here in our State as a number one priority.

However Governor Easley and I are asking for your help in providing the State funding that is needed for this critical project. We cannot continue to rely on Federal funds to pay for this system. The Federal funds are limited and they will probably decrease every year as they have over the last few years. Many people have expressed concerns, will VIPER work and I ask you to talk with counties that are already using the 800megahertz system and how well it is working, even in the mountains. They understand how important this system is and it is completely voluntary. No one is being forced to participate and those who don't wish too participate don't have to spend one dime. Only those who want to participate and are ready to so and understand the importance of it will join us. They will save money if we can fund the infrastructure for them. He ended with an appeal on behalf of all of the Troopers, Public Safety Officers and those other Law Enforcement Officers who I send out everyday to risk their lives to save and protect the people of this State. On behalf of the Sheriff's and others who couldn't be here, we ask for your help in funding this critical public safety project here in our State. The time is now we can't wait until lives are lost to start funding it.

Then Representative Coates recognized Bob Brinson, Chairman of the Criminal Justice Information Network Governing Board. He talked about FEMA's involvement with VIPER. He also spoke about why the State Highway Patrol was chosen as the lead agency since they have a successful statewide communications network in operation. It is recommended that the funding be done in a short time frame no more than five years or the technology changes and you are always chasing the end result. Funding for a project this size is problematic and can be done by appropriations, fees, debt or bond financing. All which have there own problems and the Committee is better equipped to decide this question but the funding should be done so the project can be completed in a five year time period so the technology is current. Which means you have to commit rather significant money to it every year. He went on to detail some funding options in the report. This is an example of the State Highway Patrol taking the lead for all the agencies involved and while you may not like the price tag. I would submit to you that if all the agencies start coming to you individually seeking a new radio system the cost will be even greater and the system less efficient. Funding VIPER would be a better cost effective way to fund a statewide radio network.

Representative Coates recognized Senator Scott Thomas to conduct the reminder of the meeting. Senator Thomas called on Major Woody Sandy of the State Highway Patrol to explain a slide show presentation about the need and cost of the VIPER System.
See (Handout #2) attached as a part of the minutes.

Then Senator Thomas recognized Rebecca Troutman, NC Association of County Commissioners. She called on some of the County Responders to speak about their experiences and the serious need for VIPER across the State, especially those who are already using the 800megahertz technology and know how well it works.

Senator Thomas called on Charles Archer, NC League of Municipalities to discuss the VIPER advantage versus the old VHF system, which would never have given us the true interoperability system that we need statewide. The League went on record that they support the development of a statewide interoperability voice network system that will allow First Responder Personnel to communicate via a two-way radio system. He stated how important it is for Responders not affected by a disaster to be able to communicate and respond to areas affected directly by the disaster. The only way to do this is a statewide network that ties together and maximizes all levels of Responders in one network that will ultimately benefit the citizens that we serve.

With the Chairs permission Charles Archer called on Chief Gambia, Chief of the Manteo Police Department. He spoke about the need for this important tool during the 911 eras not to mention that we have one of the most hurricane prone coastlines in the world. With our sounds and the Outer Banks we have one of the third longest coastlines in the United States. He stated the importance of being able to speak to other agencies in the time of an emergency. Several other Responders were recognized to talk about the need to communicate effectively with each other.

Then Senator Thomas called on Randy Thompson, NC Emergency Managers Association. He read a position statement from the North Carolina Emergency Management Association that was approved on March 7, 2005. "It is the position of the North Carolina Emergency Management Association that the State Legislature should adequately fund the radio interoperable system known as VIPER with sources other than Homeland Security funding designated for projects that meet identified strategies in accordance with DHS guidelines." Then Senator Thomas called on several Emergency Managers present to speak about the counties needs for VIPER.

Senator Thomas then recognized Eddie Caldwell, NC Sheriff's Association. He spoke about how important this issue is to the NC Sheriff's Association and the need to have adequate funding for the VIPER system. The leadership voted last year to support this vital program and they voted again this year to support the VIPER system. He called on Sheriff Bane Masterson, a twenty-six year veteran from Wilkes County to speak about his personal experiences without adequate communications. He has been a deputy, now a Sheriff. Someone who has been out there on the road at three o'clock in the morning in those situations where you needed to talk to a State Trooper, Volunteer Fire Fighter, a City Police Officer. Now as the Sheriff he is responsible for managing that operation. Yet he is in a County where he is still out there at three o'clock in the morning sometimes without that communication and he is here to speak on behalf of all of the Sheriff's in North Carolina.

Sheriff Masterson talked about his personal experiences out at night without communication and how hard it was to give and receive help with other Responders without interoperability voice communications and the critical importance of making VIPER a reality across the State of North Carolina. He ask that the State, Local Governments and Homeland Security all help fund it because we will all be served by it.

Senator Thomas noted that the Committee's time was up and he knew there were many questions on the member's minds. Today we only scratched the surface of this issue; it is a major expenditure of State dollars and a major change for our Counties and municipalities who will have to use some of their Homeland Security funding for this project. We will end up having another meeting and we will try to get some these presenters back when we can ask more questions and have some dialog on this issue. He encouraged the presenters to contact members of the Committee about the program and he requested a county-by-county breakdown from Major Sandy on the true cost of the program.

With no further business to conduct, Senator Thomas adjourned the meeting at 2:55 p.m.

Respectfully submitted:

Lorene Coates

Representative Lorene Coates, Presiding
Co-Chair, House Committee

Melissa Lennon

Melissa Lennon
House Legislative Committee Asst.

CRIMINAL JUSTICE INFORMATION NETWORK (CJIN)
Voice Interoperability Plan for Emergency Responders (VIPER)

1. The General Assembly established the Criminal Justice Information Network (CJIN) Board in 1996 to implement the recommendations from a 1995 Price Waterhouse study. The study identified some critical weaknesses in the information systems available to law enforcement agencies and the courts:

- Takes too long to positively identify persons
- No single, comprehensive criminal history
- No single source of outstanding warrants
- Excessive redundant data entry
- No statewide, interagency mobile voice and data communications

2. The study recommended a number of statewide systems, including the following, and most of them have been fully implemented:

- An automated fingerprint system
- A magistrate system
- Upgrading end user technology
- Warrant repository system
- Courtroom automation
- Mobile data system
- Voice communication system

3. The total cost to implement all of the recommended systems was estimated at that time to be about $350 million. However, to date, less than $20 million in state funds have been appropriated to develop the CJIN projects. Most of the work has been supported using one-time federal funding.

4. The VIPER System is one of the last CJIN components to be developed. Its purpose is to allow state, local, and other first responders to speak to each other during emergencies and natural disasters. The Highway Patrol has assumed the role of the lead state agency to design and implement this system. However, it is not a " Highway Patrol" system. Similar to the Mobile Data Network, its users will include local police departments, county sheriff's departments, fire fighters, emergency services, etc.

5. In 2003, the CJIN Board contracted with the Gartner Group to independently assess the need for a statewide voice communication system and to determine if the original technology was still the most appropriate. Gartner determined that this system is still needed and that the original recommendation, an 800 MHZ radio system, is still the most appropriate technological approach.

 (Handout #1)

6. The 2004 Budget Bill included a provision, see below, directing the CJIN Board and the Department of Crime Control and Public Safety to report to the both the Transportation and the Correction, Crime Control and Juvenile Justice Oversight Committees on the plan and cost for this system. That report was submitted in December 2004 and includes several options to fund VIPER using several sources, i.e. General Fund, Highway Fund, fees, and debt financing. The Governor's budget includes a request for $15,000,000 R from the Highway Fund to continue developing the system.

REPORT ON VIPER SYSTEM

SECTION 18.4. The Criminal Justice Information Network (CJIN) Governing Board and the Department of Crime Control and Public Safety shall report to the Joint Legislative Transportation Oversight Committee and to the Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee on the Voice Interoperability Plan for Emergency Responders (VIPER) system. The report shall include a detailed project plan for the VIPER system, the projected costs to the State for the system, the revenue sources to fund the system, and the amount of total State funding, including Highway Fund support, recommended by the CJIN Board and the Department. The report shall also address the potential cost to, and any other impact on, county and local governments. The Department and the CJIN Board shall report pursuant to this section on or before December 1, 2004.

VIPER (Voice Interoperability Plan for Emergency Responders)

Interoperable communications is the ability of public safety agencies to communicate with one another on a single radio.

Need

- There exists a need in North Carolina for public safety officials, regardless of discipline to communicate with one another without having to relay the message through a communications center.
- Interoperable communications helps make public safety agencies more efficient and effective and thereby better serving the citizens of North Carolina.
- Interoperable communications is a benefit for all public safety agencies whether dealing with daily emergency calls or large scale disasters.
- Interoperable communications was identified in the 911 Commission report and the NC Legislative CJIN report of 1995 as a critical need for public safety agencies when responding to emergencies.
- Most public safety officials in North Carolina cannot talk directly with other public safety officials.

Current efforts and plans

- The Highway Patrol has been charged with developing and implementing two communications strategies; a short-term (Tactical) and long-term (Strategic) plan.
- Tactical communications solution is the implementation of 17 communications gateways across North Carolina to link disparate radio systems together as a temporary solution until the statewide Strategic plan can be implemented.
- Strategic communications solution is the construction of a statewide 800 MHz radio system that will provide interoperable communications for all public safety agencies in North Carolina.

Cost

- Statewide infrastructure is estimated at $189m. These estimates are hard numbers compiled by members of the State Highway Patrol during their planning efforts. 238 transmitter sites statewide.
- In an effort to reduce the overall cost of construction, the State Highway Patrol is acting as prime contractor and will manage the subcontractors.
- Approximately $33m has been provided for VIPER through partnerships with local agencies using Homeland Security and other grants leaving a balance of $156m.

(Handout 1A)

Cost avoidance opportunities for local agencies

As an example of opportunities for local agencies to upgrade their communications without major outlay for infrastructure; Granville County had obtained quotes to build a new county 800 MHz communications system prior to participating in VIPER. The estimate was $3.2m for the infrastructure alone. Now, by partnering with VIPER, they only need to purchase the radios. **Cost savings $3.2m**.

VIPER Partnerships

The following localities have partnered with VIPER:

Granville County
Chowan County
City of Asheville
Lincoln County
City of Mooresville
Cleveland County
Duplin County
Harnett County
Craven County
Carteret County
Pitt County
Orange County
City of Chapel Hill
Cherokee County
Sampson County
Wake County
Lenoir County
Surry County
Charlotte/Mecklenburg

These localities have recently contacted us expressing interest in participating in VIPER:

Rockingham County
Lee County
Caswell County
Hoke County
Union County
Halifax County
Bladen County
Catawba County
Alamance County
Davie County
Pender County

Possible Alternatives

Leased commercially owned private radio system

This involves a vendor building a statewide radio system for public safety and charging a user fee for each and every user. Too expensive. The estimated fee for each radio on the network would exceed $75.00 per month.

Public Radio Systems

Another alternative is Nextel. However, the estimated number of towers needed to cover ALL NC could exceed 600. Return on investment for vendors would not be reasonably realized for rural areas. Not compliant with public safety APCO 25 Standards.

Satellite

Satellite technology does have one advantage over typical trunked radio systems in that it is not terrestrial based. However, the primary drawback to satellite systems is that the radio must be in constant view of the sky. This would eliminate operation inside buildings or in areas of dense foliage or during heavy rainfall or intense cloud cover.

VIPER Frequently Asked Questions

There have been several questions asked and concerns expressed about using 800 MHz as our radio frequencies for the VIPER network, and about the VIPER Network in general. Below are listed some of the most common.

- **800 MHz will not work in the mountains.**

  800 MHz radios have been proven to work in mountainous areas across the United States, and in fact the current CJIN mobile data network is operating on 800 MHz frequencies. The states of Utah, Colorado, West Virginia and Pennsylvania are using 800 MHz radios for their radio systems.

- **This radio network is simply a new radio system for the State Highway Patrol.**

  The State Highway Patrol was identified by the Legislative CJIN Report to be the managing agency of the 800 MHz statewide voice and the statewide data system. The Secretary of Crime Control and Public Safety through the Division of the State Highway Patrol is statutorily required to maintain a statewide radio system. The State Highway Patrol, as with the Mobile Data Network, will be a small user in comparison to the number of local users on the network.

- **The cost of construction will be expensive.**

  As with all new technologies, there is an expense to implement and maintain this new statewide network. However, when compared to modern radio systems installed in the states of Michigan, Pennsylvania and Ohio our estimates for North Carolina are not unreasonable. It should be noted that the state of New York has recently received a bid for a statewide radio system that is estimated to cost one billion dollars.

- **Will there be voice and text pager capabilities with VIPER?**

  No. Unfortunately, the technology used for 800 MHz trunked radio systems does not allow for a paging solution. Agencies requiring paging will have to continue to support their existing paging system. However, where available, tower space will be offered to VIPER participants on State Highway Patrol owned towers for local agency paging antennas.

- **What about satellite communications?**

  Satellite technology does have one advantage over typical trunked radio systems in that it is not terrestrial based. This essentially means that a satellite based communications system would be relatively free from harm as related to most natural or manmade disasters. However, the primary drawback to satellite based systems is that in order to function, the subscriber handset or radio unit must be in constant view of the sky. This would eliminate operation inside buildings or in areas of dense foliage or during heavy rainfall or intense cloud cover. Satellite communications often don't work well in "urban canyons" (in streets and alleyways between tall buildings) because there is no line of sight to the satellites on the horizon. All of these detractions far outweigh the benefit of the system being somewhat impervious to being dependant on easily damaged infrastructure on earth. Satellite systems also suffer from lengthy delays as the conversation is routed up into the sky many hundreds of miles and back down again to the receiving radio or handset. Furthermore, satellite based technology will have to be refreshed as the orbit of the satellite can only be sustained for a finite number of years. However, satellite communications would be a viable option in areas where terrestrial infrastructure would be too costly to serve the population; such as the desert southwest of the US or the Middle East.

- **Do I have to buy a certain brand of radio to operate on the VIPER network?**

  No. VIPER is the expansion of an existing Motorola radio system owned by the State, so obviously Motorola radios will work on the network. We have demonstrated the successful operation of EF Johnson radios on the VIPER network. So if a user prefers to use radios other than Motorola, they have the option of using EF Johnson radios.

- **Will there be a cost to use the VIPER network?**

  The success of VIPER depends on our partnerships with state and local agencies, and the sharing of existing resources which may range from property to build the towers on to re-use of existing towers. These in-kind contributions will help keep the overall cost of construction lower than if we had to buy property and build new towers where state owned towers are not available. It was those partnerships that allowed the state to build the statewide mobile data network for less that $20m as compared to the estimate in 1993 of more than $100m for the state to build the infrastructure. Our goal is not to ask the locals for free use of their land and/or towers and then require them to pay to use the system. We don't want to find ourselves in a situation where all our partners demand that we pay them for their resources so they can pay a users' fee. Additionally, there are many rural area departments that would not be able to pay a user fee and therefore would not be able to participate in VIPER at all.

- **Will local agencies continue to dispatch their own personnel or will that be taken over by the Highway Patrol?**

  Local agencies will continue to dispatch and control their personnel as they do today. However, they will need to incorporate 800 MHz radios into their dispatch center consoles so they can communicate with their personnel.

- **This project will be awarded to a single vendor!**

  This is an expensive project and there will be large amounts of funds spent. However, with the Patrol acting as prime contractor, there is not a single vendor profiting from the total project funds. There are many products that will be purchased from different vendors who will be required to compete in the competitive bid process and many pieces purchased of the State's standing convenience contracts. However, there may be circumstances such as product integration with existing infrastructure and compatibility where a single or fewer vendors may be selected, but those vendors will not profit from other infrastructure equipment. These products include, but are not limited to, equipment buildings, towers and tower work, generators, microwave equipment, intellirepeaters and network routers.

- **Can VIPER use cell towers?**

  Most cell towers are not high enough to get the desired coverage for the each site. However, in cases where cellular companies have erected tall towers we will take them into consideration if offered access. In an effort to keep the annual recurring operating cost at a minimum, we seek tower space that does not require us to pay monthly lease fees.

- **Wouldn't the Tactical Solution be sufficient?**

  No. Unfortunately the Tactical solution is a temporary measure that should only be used during emergencies. The Tactical Solution will connect existing radio systems together to allow agencies to talk with one another. It does not increase radio capacity, but rather increases radio traffic on existing channels. A comparison is much like the old party-line phone system where there were many users trying to use a single phone line or channel. The Tactical solution is a measure to provide basic interoperable communications until the Strategic Solution is constructed.

- **Will local agencies be mandated to use VIPER?**

  No, there are no mandates to participate in VIPER. The VIPER project is an effort to assist in the efficiency and effectiveness of state and local public safety agencies by using a common interoperable communications system. Optimally it would be more effective if all agencies were on VIPER, however we realize that some agencies have recently invested in their own systems and have not realized a return on that investment. And we understand that there are agencies that have no desire to be a part of VIPER at all.

- **VIPER Radios will cost $5000 each.**

  Like almost all technology products, radio prices vary depending upon the number and cost of options purchased regardless of the radio system they will be used on. Radios used to access VIPER can vary in price from $1500 to $4000.



Voice Interoperability Plan for Emergency Responders

A CJIN Module

Voice Communications System

Legislative Report

December 2004

(Handout #2)

Table of Contents

Executive Summary 1
- Background 1
- Goals 3
- Project Approach 4
- Summary of Findings 5
- Recommendations 6

Introduction 7
- Goals 11
- Existing Systems 11

The VIPER Plan 15
- Tactical Solution 15
- Strategic Solution 16
- Network Monitoring 19
- Microwave Network 20
- Local Agency Communications Center 21
- Frequency Plan 21
- System Coverage 22
- Secure Communications 22
- Support Analog and Digital Communications 24
- Support Additional Spectrum / 700 MHz 25
- Narrow Banding 27
- Alternative Communications Solutions 29
- Assumptions 31
- Constraints 31
- Milestones 32
- Acceptance Criteria 33
- Quality Assurance Review 33

Interoperable Communications 37

APCO Standards 41
- Radios (subscriber units) 42

VIPER Organizational Structures 44
- Roles & Responsibilities 45

Maintenance and Support Personnel 47
Technical Support Team 47
Power Distribution Technicians 47
HVAC Mechanics 48
Grounds Maintenance 48
Depot Technicians 49
Tower Maintenance Crews 49
Network Monitoring 50
Administrative Support 50
Network Engineer 51
Network Control Facility and Depot 51
Land Acquisition Team 52
User Training Team 52
Governance Committee 53
Network Costs 55
Federal Funding 55
State Funding 56
Other Funding 56
Recurring Costs 58
CJIN-DCC&PS/VIPER Legislative Subcommittee Report 59
Potential Cost to Counties & Local Governments and VIPER Infrastructure Funding 59
Potential Cost to Counties & Local Governments 60
Examples of Radio Deployments 61
VIPER Frequently Asked Questions 63
Tone & Voice Paging 67
Potential VIPER Revenues Sources 69
Funding Streams 69
Proposed Funding Sources for VIPER Recurring Operational Costs 74
Endnotes 77
Appendix 1 Motorola R56 Compliance Audit
Appendix 2 Cooperative Agreement
Appendix 3 Risk Management Plan

Executive Summary

This Legislative Report is being prepared as mandated in North Carolina General Statute House Bill 1414 Part XVIII, Section 18.4

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

SESSION LAW 2004-124
HOUSE BILL 1414

PART XVIII. DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

REPORT ON VIPER SYSTEM
SECTION 18.4. The Criminal Justice Information Network (CJIN) Governing Board and the Department of Crime Control and Public Safety shall report to the Joint Legislative Transportation Oversight Committee and to the Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee on the Voice Interoperability Plan for Emergency Responders (VIPER) system. The report shall include a detailed project plan for the VIPER system, the projected costs to the State for the system, the revenue sources to fund the system, and the amount of total State funding, including Highway Fund support, recommended by the CJIN Board and the Department. The report shall also address the potential cost to, and any other impact on, county and local governments. The Department and the CJIN Board shall report pursuant to this section on or before December 1, 2004.

Background

Wireless radio communications is the life line for public safety officials and is a critical need that is essential to the protection of life and property. Yet, our state's public safety personnel often rely on outdated wireless technologies and radio systems that have surpassed their service life. The age of existing systems, combined with technological advances in wireless communications, changing mission requirements of public safety agencies and FCC regulations, are compelling agencies to look at replacing their radio systems. The problems associated with aging systems include excessive maintenance and repair costs, inadequate vendor support,

unavailable replacement parts, and system failures, not to mention that these systems do not allow interoperable communications.

A robust and expandable communications system is paramount to support the changing mission requirements of public safety operations in our state. Police, fire and emergency medical operations are more complex today than ever before. With the introduction of new mission responsibilities such as community oriented policing, anti-terrorism and advanced life support emergency medical services, public safety personnel are taking on new responsibilities and placing diverse requirements on their communications systems.

The need for interoperable communications has been an issue for many years. In 1994, then Attorney General Rufus Edmisten commissioned a study group to report on the need for a statewide common radio system for public safety. This study group, referred to as the Statewide Interagency Public Safety Radio Communications (SWIPS) group was made up of representatives from multiple state agencies that relied on radio communications on a daily basis. This group produced a document outlining the need for statewide, interoperable communications.

This need for a statewide interoperable communications system was further demonstrated during the 1994 Special Crime Session of the General Assembly. The Criminal Justice Information Network (CJIN) Study examined communications needs, as well as other data sharing requirements of criminal justice agencies in North Carolina. This study, which was delivered in 1995, confirmed the immediate need for a statewide 800 MHz radio system and recommended that construction of the network begin within two years. In an effort to continually address technology trends, the CJIN Board contracted with The Gartner Group in 2002 to refresh the findings of the 1995 study.

In both cases, the studies identified an immediate need for a statewide interoperable communications system and as stated in the CJIN Governing Board study, the State Highway Patrol was recommended to perform the function of developing and managing a new, statewide voice radio system.

In light of continued natural and manmade disasters that occur inside North Carolina and with the increase in terrorist activity nationwide, it is imperative that our state move forward with the implementation of a statewide, interoperable public safety voice radio system accessible to all emergency responders.

The very nature of providing emergency services to the citizens of North Carolina requires reliable, robust interoperable communications. During house fires, auto accidents and even during snow and ice storms, emergency response involves multi-disciplined agencies providing fire fighting, emergency medical treatment and law enforcement services. These responses could be more efficient and effective if these agencies could talk to one another using a single common radio network.

Goals

Current radio systems and technology in use by state agencies in North Carolina along with a majority of smaller local jurisdictions statewide is such that significant dollars need to be invested to solve such problems as overcrowding of channels, antiquated or unserviceable equipment, and federal mandates towards narrower bandwidth to conserve and better use available frequency spectrum.

In addition, incompatibility of equipment amongst agencies, at all levels of government, greatly hampers collaborative efforts and inhibits interagency communications.

The goal of the Voice Interoperability Plan for Emergency Responders (VIPER) project is to move forward with the construction of a statewide voice radio communications system to ensure that emergency responder users can communicate quickly and effectively, each and every time they call for assistance, and to provide a communications system that promotes interoperability between public safety agencies.

Project Approach

Both the 1995 CJIN Governing Board study and the re-validation study in 2002, recognized that a statewide voice radio communications system should be constructed using the 800 MHz frequency spectrum, due in part to the availability of 800 MHz frequencies for public safety, but also because of the widespread use of 800 MHz by most of North Carolina's major metropolitan areas and the commencement of 800 MHz system development by the State Highway Patrol in 1999.

In addition to a statewide 800 MHz voice radio communications system, Crime Control and Public Safety Secretary, Bryan E. Beatty, asked the State Highway Patrol to develop and implement a short term solution to address interoperable communications across North Carolina to assist agencies while development of a long term system was being performed. This short term solution simply serves to connect many of the antiquated and disparate communications systems in use today, but offers no long term replacement for these systems and requires operator intervention to establish connections between agencies. The short term and long term VIPER projects are referred to as the Tactical and Strategic solutions, respectively.

Construction of the VIPER Tactical solution is underway now, funded in its entirety by 2003 Department of Homeland Security funds directed to North Carolina. The construction of the VIPER Strategic solution has been hampered in past years by the lack of significant funding, although

continual efforts to use Congressional Earmarks and Hazard Mitigation funds from FEMA have allowed the project to move forward. The State Highway Patrol has been successful in forging partnerships with counties to also grow the implementation of the VIPER Strategic solution and is poised to continue this approach in 2004 with the recent awards of Homeland Security Law Enforcement Terrorism Prevention Program (LETPP) and State Homeland Security Grant Program (SHSGP) funding towards expanding VIPER.

Aside from influxes of Homeland Security funding, the State Highway Patrol proposes to continue the implementation of the VIPER Strategic solution, using a multi-year phased approach that is anticipated to take up to five years to deploy, assuming available funding.

Summary of Findings

The State Highway Patrol currently operates a Motorola SmartZone 800 MHz system with over forty remote voice radio transmitter sites across North Carolina and it is upon this system that the VIPER Strategic solution will be expanded. The State Highway Patrol has access to a considerable number of radio tower locations and jointly operates a statewide digital microwave radio system with the University of North Carolina Public Television system. These components have formed the basis for a project that has involved careful examination of all of the potential resources needed to construct a statewide voice radio system of this magnitude. The State Highway Patrol has conducted on site surveys of all radio tower sites used by the State Highway Patrol and CJIN for its present voice and data communications systems and developed a matrix to determine the suitability for reuse and the associated costs for doing so. Many local counties and municipalities have contributed to the success of the CJIN Mobile Data Network (CJIN-MDN), yet current tower structures are not capable of additional weight and wind loading necessary to support

additional VIPER infrastructure. In almost every instance that a partnership already exists with a local government, efforts have been made to improve the present radio tower site environment, not only to support the VIPER Strategic project, but to also afford in kind improvements to local agencies as well.

Recommendations

The goal of VIPER is to provide interoperable communications for public safety agencies in North Carolina. Interoperable communications as intended for the VIPER Network is the ability for public safety agencies to communicate with each other using a single, common radio system. With the assessments of available resources complete, the VIPER team recommends that deployment of the 800 MHz SmartZone system and the associated digital microwave system continue, with a suitable funding package in place to produce statewide coverage within five years. This will involve significant upgrades to existing radio tower sites and infrastructure, the development and construction of new radio tower sites where identified and the addition of support staff members to the State Highway Patrol's present Technical Services Unit to provide support for construction, on going maintenance and management of the final VIPER Strategic solution product. Based upon the State Highway Patrol's findings, it is estimated that the total cost of system construction, including capital costs, will total $190M. The re-occurring costs, including system maintenance, utilities and salaries and benefits for support personnel will approach $12M when the project reaches maximum deployment.

Introduction

Wireless radio communications is the life line for public safety officials and is a critical need that is essential to the protection of life and property. Yet, our state's public safety personnel often rely on outdated wireless technologies and radio systems that have surpassed their service life. The age of existing systems, combined with technological advances in wireless communications, changing mission requirements of public safety agencies and FCC regulations, are compelling agencies to look at replacing their radio systems. The problems associated with aging systems include excessive maintenance and repair costs, inadequate vendor support, unavailable replacement parts, and system failures, not to mention that these systems do not allow interoperable communications. As an example, a lightning strike at one of the State Highway Patrol's communications sites in June of 2004 knocked out the radio transmitter. When the technician called the vendor to get a replacement part, the vendor reported that because the parts were so old, they only had 2 of those parts left in inventory.

A robust and expandable communications system is paramount to support the changing mission requirements of public safety operations in our state. Police, fire and emergency medical operations are more complex today than ever before. With the introduction of new mission responsibilities such as community oriented policing, anti-terrorism and advanced life support emergency medical services, public safety personnel are taking on new responsibilities and placing diverse requirements on their communications systems.

There have been several high profile events nationally where interoperable communications hindered the efforts of public safety. The Columbine High School attack in 1999, the Murrah Federal Building bombing in Oklahoma City in 1995, and the terrorist attack on the Twin

Towers and the Pentagon in 2001. Additionally, there have been major events in North Carolina where interoperable communications hampered the efficiency and effectiveness of emergency responders including, but not limited to, the air crash at Raleigh-Durham Airport in 1994, Hurricane Fran in 1996, and Hurricane Floyd and the subsequent flooding in 1999. Most recently, in 2003, Hurricane Isabel knocked out all public safety communications in Perquimans County and flooded communications equipment in Hyde County, thus rendering those counties helpless when trying to respond to emergencies.

The need for interoperable communications has been an issue for many years. In 1994, then Attorney General Rufus Edmisten commissioned a study group to report on the need for a statewide common radio system for public safety. This study group, referred to as the Statewide Interagency Public Safety Radio Communications (SWIPS) group was made up of representatives from the Department of Insurance, the Department of Transportation, State Telecommunications Services, Wildlife Resources, Emergency Management, the State Highway Patrol, the State Bureau of Investigation, Emergency Medical Services and Emergency Management. This group produced a document outlining the need for interoperable communications. As stated in the document "*The myriad of governmental wireless communications systems currently operating within the geographic boundaries of North Carolina for public safety and public services have been evolving over the years in a piecemeal, uncoordinated and fragmented manner. Because of the narrow focus only on the singular needs and desires of a particular organization, without consideration for communications with other entities, the opportunities for the interlocking and the coordination of networks were foregone. As a result, many incompatibilities among the communications systems of federal, state and local agencies and institutions have been created. Because of the widespread proliferation and use of many different and irreconcilable technologies, the vast majority of these entities can* ***NOT***

communicate with each other, either by voice or data. Equally important, many of the current radio systems are old, obsolete and unable to meet present requirements and future needs. The ability to access and react promptly and efficiently to emergency situations is influenced greatly by being able to establish direct communications among the responding and responsible agencies."[1] .

During the 1994 Special Crime Session of the General Assembly, the legislature commissioned the Criminal Justice Information Network (CJIN) study. Price Waterhouse was awarded a contract to compile the findings of the Legislative Blue Ribbon panel. This study included a component to examine the feasibility of a statewide 800 MHz mobile data and a statewide voice radio system. The following excerpt from the Executive Summary report further indicates the need for a statewide interoperable communications system. *"We have noted repeated frustration with the inability of most law enforcement / public safety agencies to communicate through incompatible mobile radios while participating in a joint response. In addition, there is a growing need for mobile data access for all law enforcement and public safety agencies, ranging from simple vehicle and driver's license checks, to full criminal history searches, photo imaging, and remote entry of incident, arrest, accident, and citation information from the field. Due to the lack of statewide standards and definitions, considerable funds are being spent in an effort to address this problem in an uncoordinated fashion. The result is multiple pockets of expensive implementations throughout the state, based on differing technology, without the ability to interconnect adjoining sites."*[2]

The study addressed the need for a managing organization and identified the requirements for that organization. *"The managing organization should have the following attributes:*

- *Be a large stakeholder in a statewide mobile voice and data*
- *Have experience in the implementation of statewide radio systems*

- *Demonstrate a willingness to support and an ability to understand a variety of user requirements*
- *Be willing to work with local agencies to support their initiatives*
- *Be capable and willing to work with all levels of government, including the Governor's Office and the General Assembly to build support for mobile voice and data systems*
- *Understand the dependencies of law enforcement and public safety of radio systems.*

Based on these requirements, it is recommended that the State Highway Patrol perform this function. They currently maintain a statewide radio system which supports numerous agencies. They have already played a leadership role in directing attention to the need for statewide mobile voice and data. And they have also demonstrated a concern for supporting the needs of other agencies outside the criminal justice and public safety arena."[3] Additionally, the State Highway Patrol is statutorily authorized and directed under general statute 20-196 to setup and maintain a statewide radio system.

Most recently, the 9/11 Commission hearings have revealed that the lack of interoperable communications hindered the rescue efforts at the twin towers in New York and the Pentagon. As reported in a May 2004 article by the American National Standards Institute (ANSI) *"Interoperability in communications technology such as radio equipment used by first responders proved to be a critical topic of discussion during the hearing. Based on evidence that first responders in the New York fire and police departments had tremendous difficulty communicating among themselves and between agencies on 9/11, a strong call for standardization in this area of technology was made."*[4]

It is imperative that North Carolina pursue the implementation of a statewide interoperable public safety communications system to

better equip our emergency responders so that they may serve and protect the citizens of our state.

Goals

Ultimately, the goal of VIPER is to construct a statewide mixed – mode voice radio communications system to insure that our users can communicate quickly and easily each and every time they use their radio and to provide a communications system that allows interoperable communications between public safety agencies.

It is well established that for public safety providers, radio communications is often the single lifeline that provides access to help and support in life threatening situations. The reliable operation, coverage, security and ease of use of the radio system are major factors that can positively or negatively affect user safety. One of the highest priorities that VIPER has identified for the State's voice communications system users is the need to improve the safety of our public safety officials and the general public.

Existing Systems

Current Situation

Radio technology is a fundamental tool of law enforcement and public safety; therefore it goes without saying that every public safety agency has some sort of radio communications. According to the 1995 CJIN report, estimates set the number of radios in use in public safety statewide as high as 75,000 units. The study also reported, "*Incompatible radio equipment is inhibiting interagency communications in routine and emergency situations. A lack of statewide guidance and standards in radio communication technology fosters discordance and escalates the cost of providing communications statewide. In addition, FCC frequency refarming proposals may inevitably force the state to replace most of its transmitters and radios.*"[5]

As a prime example of the state of communications in North Carolina, the existing State Highway Patrol's statewide radio communications infrastructure is based on technology which is over forty years old and is extremely limited in capability compared to present technology. Maintenance and support has become a burdensome task as this equipment is so old that replacement parts are no longer stocked by the vendors. Many local governments are facing the same issues.

Current Radio Systems do not allow for state officials to communicate with local agencies and often local agencies can't effectively communicate with officials in neighboring counties. Unfortunately, current and planned investments in incompatible technologies will exacerbate the above problems well into the next century unless statewide action is taken now. Smaller agencies lack the technical and financial resources to effectively procure and manage the 800 MHz trunking technology infrastructure.

The state-of-the-art approach to large scale voice radio communications systems today is based on 800 MHz trunking technology. Trunking enables many users to share fewer channels by using technology which is more efficient use of radio spectrum. When a user makes a call, a frequency is assigned to that user for the duration of the call. At the completion of the call, the frequency is released for the next call. In this architecture, user capacity only becomes a problem when the number of users who want to make calls at any one instance exceeds the number of available frequencies at any given trunked radio transmitter site.

A rule of thumb used in the industry today supports that, based upon the number of radio calls made by public safety officials during a normal day, each channel of a 5 channel trunked radio transmitter site can support the routine radio traffic of 100 users.

In 2002, the CJIN Board commissioned a "refresh" study of the Voice Trunking Network (CJIN-VTN) study completed in 1995. This study, conducted by Gartner Consulting, included a user survey of potential users, two regional meetings held in Greensboro and New Bern, and survey data analysis. 700 surveys were mailed with a 28% return rate that according to Gartner was within reasonable expectations for such a survey. Some of the findings of the survey were:

- *80% of county representation that represented 95% of the state's population.*
- *Existing radio systems used by respondents*
  - *69% low band or high band*
  - *40% UHF*
  - *21% 800 MHz*
- *83% of 800 MHz responders use Motorola infrastructure*
- *30% of respondents were dissatisfied with the ability to inter-operate with agencies within their county*
- *62% of responders were dissatisfied with the ability to inter-operate with other state agencies*
- *Almost one third of survey responders were dissatisfied with the performance of their current radio system.*

Interest in Statewide Partnership

Most respondents agreed that a statewide CJIN-VTN would provide the following benefits:

- *Seamless statewide voice communications*
- *Seamless interagency communications*
- *Unobstructed flow of criminal information across agencies*

- *Improved officer safety*
- *Better public safety service to the citizens of North Carolina*

80% of respondents expressed an interest in statewide partnership, with 50% expressing a very strong interest.[6]

State and local agencies have already invested more than $270 million in 800 MHz technologies for their public safety officials. Those that have invested in Motorola SmartNet or SmartZone based systems in the state include:

- Asheville
- Charlotte
- Concord
- Durham
- Fayetteville
- Greensboro
- High Point
- Jacksonville
- Kernersville
- Lenoir County
- New Bern
- New Hanover County
- Rocky Mount
- Salisbury
- Shelby
- Tarboro
- Winston-Salem
- Raleigh Durham Airport Authority
- Cary
- Wake County
- East Carolina Univ.

There are currently four non-Motorola 800 MHz Systems in North Carolina.

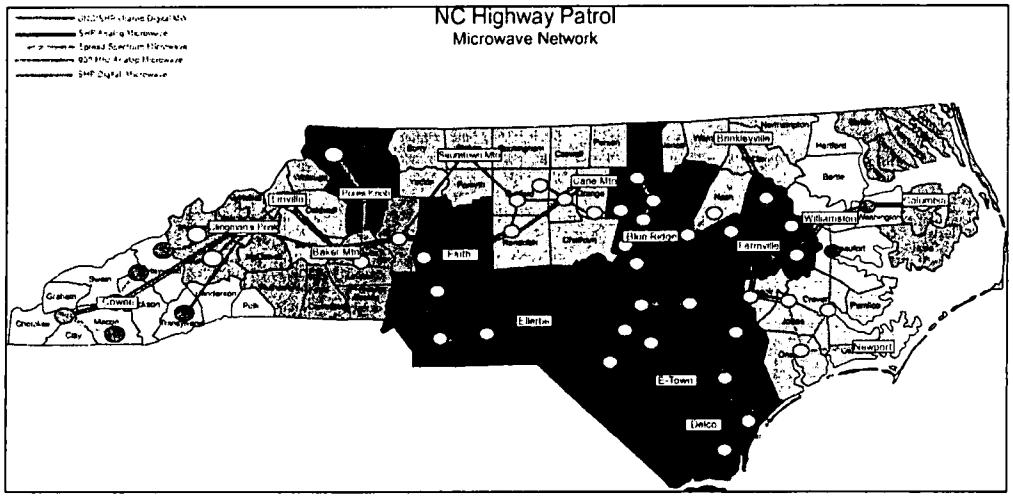
- Harnett County
- Hickory
- Johnston County
- Wilson

The VIPER Plan

The Voice Interoperability Plan for Emergency Responders (VIPER) is a phased solution to the lack of interoperable communication among public safety officials in North Carolina. The first phase is an immediate, short term solution that is referred to as the Tactical Solution and the second is a long term, Strategic Solution.

Tactical Solution

The Tactical solution is already under construction at the time of this document and consists of 17 remotely installed Raytheon JPS ACU 1000 communications gateways that will serve anywhere from four to seven counties depending on the geography of the areas surrounding the sites as illustrated in the accompanying graphic. Each of these sites will be interconnected via the State Highway Patrol's microwave network and will be controlled at each of the State Highway Patrol's eight Communications Centers across the state, the Emergency Operations Center (EOC), the State Highway Patrol's Technical Services Unit and Emergency Management's Disaster Recovery Operations Center (DROC).



VIPER Tactical remote communications gateways.

There will be three portable communications trailers with 100 foot telescoping towers placed across the state to support any long term (more than 4 hours) manmade or natural disaster or emergency requiring interoperable communications among the public safety responders. The plan calls for these units to be placed in locations that allow for deployment anywhere in the state within three hours.

Funding in the amount of $3.2m has been made available from the State's portion of the 2003 Part II Department of Homeland Security funding. Current plans call for the project to be completed by 31 December 2004.

Strategic Solution

The Strategic Solution consists of building a statewide trunked 800 MHz radio system by expanding on the existing investment made by the State Highway Patrol and Wake County. The State Highway Patrol purchased the communications equipment loaned to the US Special Olympics Committee to support the Special Olympics hosted in North Carolina in 1999. This equipment was installed in the Wake County area and began supporting limited communications for the State Highway Patrol. In 2000, as a result of Hurricane Floyd, the State Highway Patrol realized a need to help facilitate the evacuation of the heavily populated southern beaches surrounding the Wilmington area. This evacuation route would require the reversal of all traffic lanes of Interstate 40 west bound for nearly 100 miles to intersect with Interstate 95.

The State Highway Patrol received a Federal Emergency Management Agency (FEMA) Hazardous Mitigation Grant and a federal grant through Senator John Edwards to provide communications infrastructure equipment to cover this portion of Interstate 40 to coordinate the movement of traffic and to secure all the highway access points. This was

achieved by adding eleven new sites to the Motorola SmartZone 3.0 system purchased from the Special Olympics.

The State Highway Patrol partnered with Wake County in 1999 to upgrade the State Highway Patrol's existing SmartZone 3.0 system to a mixed mode Motorola SmartZone 4.1 system and support the additional sites needed to provide countywide coverage. This partnership has allowed the State Highway Patrol to upgrade its older system and position itself to support digital communications and expand the coverage in the Wake and surrounding areas.

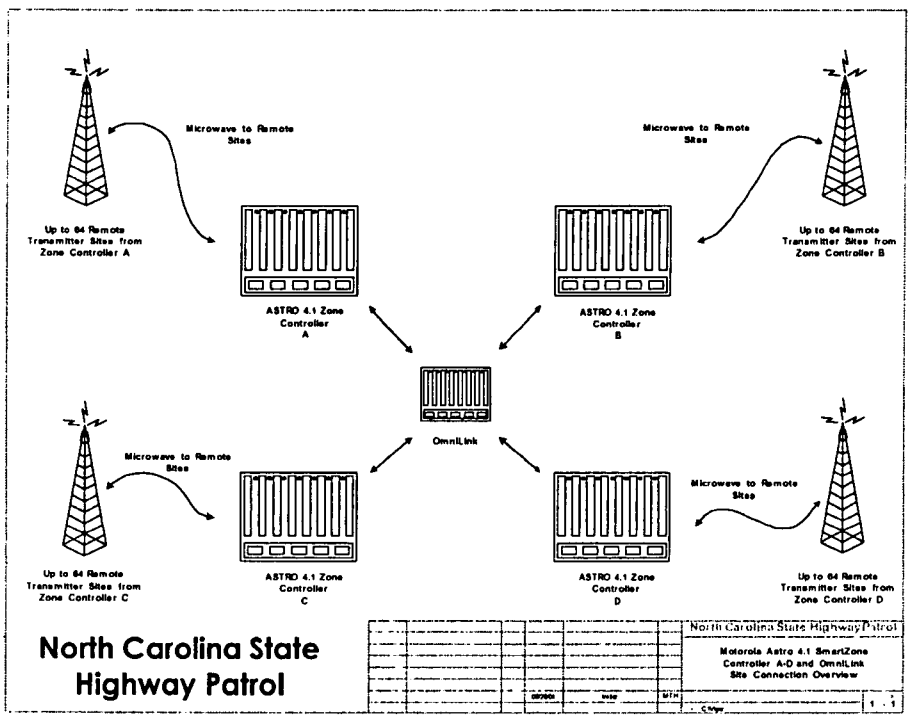
Senator Edwards and Congressman Price were successful in securing a federal grant of nearly $1m in 2003 to expand the radio system. These funds are being used to expand the currently named VIPER network along the Interstate 95 and Interstate 85 corridors.

The State's Homeland Security Strategy in 2003, identified interoperable communications for public safety agencies and emergency responders as the most important project for North Carolina's preparation to combat and respond to terrorist attacks. With that came the prioritization of grants for VIPER communications in the solicitation for Law Enforcement Terrorism Prevention Program and State Homeland Security grants. These funds have been awarded to be spent on the installation of VIPER infrastructure.

The statewide VIPER Network will be based upon the expansion of the existing Motorola SmartZone 4.1 mixed-mode system. The use of the 4.1 mixed-mode system allows for the support of digital communications as well as backward compatible support of analog communications. As mentioned in the previous section concerning existing systems, many

agencies that have already invested in 800 MHz technology have analog systems. It is the intent of the VIPER Network to have interoperable communications between VIPER and those existing 800 MHz systems.

SmartZone 4.1 systems are based on the use of SmartZone Controllers that act as routers. These controllers can support up to 64 transmitters sites and can be linked together using a device called Omni Link when multiple zone controllers are needed to support additional sites. It is estimated that the statewide VIPER network will necessitate 238 remote transmitter sites which will require four SmartZone controllers. These zone controllers will be decentralized with one being installed in western North Carolina, one in eastern North Carolina and two in the Raleigh area. As designed, the 4.1 system can support up to 64,000 radios with more than 4,000 talk groups.



VIPER Network

Each agency on VIPER will have its own autonomous talk group and handle their own call taking and dispatching as is their normal practice today. VIPER will simply be the radio system that they use for communications that has more features and wider coverage. Wider coverage allows officials from that agency to travel across the state and continue to communicate with their dispatchers. With most local systems, they can only communicate when in the coverage area of their communications system which generally covers their city or county. With the VIPER Network, they will be able to travel across the state and communicate as if they were still in their area.

When needed, public safety officials will be able to switch, or change channels, to a mutual aid talk group that will allow them to have interoperable communications with other public safety agencies.

Network Monitoring

The VIPER 800 MHz Network and the digital microwave network that provides the connections for each of the remote radio sites are part of a complex communications network crossing all of North Carolina. In order to be able to perform accurate and real time network monitoring and management of both the Motorola 800 MHz Astro voice radio communications system and the Alcatel MDR8000 digital microwave, the State Highway Patrol utilizes a comprehensive network fault management (NFM) system referred to as "MOSCAD". MOSCAD provides the ability to customize both inputs and outputs at each of the remote site locations and provides critical site monitoring of functions such as; building temperature, generator operation, building access and entry alarms, as well as electrical power from utility, generator or battery back up. In addition, MOSCAD is designed to directly interface to each of the critical radio and microwave site components individually to provide network monitoring

staff with the ability to remotely troubleshoot system alarms, alternate between redundant systems, initiate test procedures and enable and disable infrastructure components for various other purposes. MOSCAD's central monitoring software can be specifically tailored to provide network monitoring personnel with exact, front panel like views of the equipment being monitored such that when technicians arrive on site, together the technical staff can directly see the result of changes made during the repair process. This feature and others also available all contribute to the State Highway Patrol's ability to achieve maximum efficiency in managing this complex system and minimizing system downtime, greatly enhancing officer safety and the delivery of services to the citizens of North Carolina

Microwave Network

The State Highway Patrol has been using microwave communications to link transmitter sites and transport voice communications since the early 1970's. Over the years, the State Highway Patrol has partnered with UNC-TV to share the microwave backbone they use to transport TV signals. The State Highway Patrol builds spurs off the main microwave backbone out to remote transmitter sites to allow for system connectivity and data transfer.

In 2002, UNC-TV and the State Highway Patrol began upgrading many of the analog microwave paths to new, more efficient digital technology. These microwave communications provide a laser like beam or path of narrowly focused radio waves that transports voice and data wirelessly from point to point. This means of communications, mostly in the 6.6 - 6.9 GHz range is more secure for public safety agencies since it's not open to outside networks, is supported by public safety employees and eliminates the risks associated with buried and pole mounted wired communications.

There exists an opportunity for savings for the Department Of Justice in the form of collocating present CJIN mobile data sites with VIPER sites to eliminate the need to have wired telephone, point-to-point data circuits that produce a recurring cost by using new digital microwave.

Local Agency Communications Center access to the VIPER network

Connections to the VIPER network from local communications centers can be accomplished in several different ways. If the local communications center is already using Gold Elite Console technology, a direct connection to the SmartZone Embassy switch (AEB) could be made via microwave or fiber optic connection, or through the use of radio control stations connected to the Gold Elite Central Electronics Bank (CEB). If consoles other than Gold Elite Consoles are being used, connection through the use of radio control stations is the only available option. With the deployment of ACU-1000's across the state as part of the VIPER Tactical solution, a potential for reuse of this equipment exists as counties migrate to the VIPER Strategic system. Utilizing the ACU-1000's, dedicated connections could be made to support planned conversions from the current, locally operated radio system to the VIPER Strategic solution during transition.

Frequency Plan

VIPER will be constructed based on the plan adopted by the National Public Safety Planning Advisory Committee (NPSPAC) – NPSPAC is an open membership committee which enables the public safety community and the public to participate in spectrum management through recommendations on policy, technical standards, and procedures to satisfy long-term public requirements. Based on NPSPAC's report, the FCC allocated the 821-824/866-869 MHz bands (often called the NPSPAC channels) for public safety use, and adopted policies, procedures and rules that constitute a national plan for public safety

services. Additionally, the national plan specified that regional plans would be developed before frequencies would be allocated.

This process is now closed with the adoption of the plan by the FCC. North Carolina's plan falls in the Region 31 of the NPSPAC plan, and its 800 MHz plan was filed with the FCC in 1997.

System Coverage

The intent of the VIPER Team is to construct a statewide 800 MHz trunked radio system that provides 95% in the street coverage with a 3 watt portable radio. However, the possibility exists that this coverage will not provide the building penetration desired by some local agencies. In those cases, it is the responsibility of the local agency to conduct the building penetration coverage analysis, secure the necessary additional tower location(s), purchase and install the transmitter(s) and required microwave equipment and to provide the necessary network connectivity to link it/them to the VIPER network.

Secure Communications

It is anticipated that some of the VIPER users will require the transmission of secure information. For operations such as surveillance operations, drug task force operations and anti-terrorist activities, it is imperative that the safety of the system users not be compromised by non-secure communications. This makes it a priority for the system to support both digital and secure encrypted voice communications.

The Motorola ASTRO 4.1 Trunked solution is intended to support several encryption methods. These are of varying vintages and capabilities.

DES (Digital Encryption Standard) Developed by the National Bureau of Standards in the 1970's. DES is not authorized to encrypt communications deemed to be in the interest of national security. DES is an analog, 56 bit

encryption format that has a maximum number of 7.2 x 1016 different key combinations. It will pass over an analog ASTRO 4.1 mixed mode channel.

DES-XL (Digital Encryption Standard – Enhanced) Developed by and proprietary to Motorola as an improvement to the original DES 56 bit format. The original DES key suffered from up to a 30% range reduction and the "XL" variant eliminated the range loss problem. This too will pass over an analog ASTRO 4.1 mixed mode channel.

DES-OFB (Digital Encryption Standard – Output Feedback) Developed as a 64 bit encryption format as part of the APCO Project 25 suite of standards. DES-OFB is the recommended encryption for digital operation and will pass over an ASTRO 4.1 digital channel.

AES (Advanced Encryption Standard) Approved by the US Secretary of Commerce as the official US government standard, effective May 26, 2002. AES is the Federal Information Processing Standard (FIPS) that specifies a cryptographic algorithm for use by US government organizations to protect sensitive, unclassified information. AES is a 256 bit algorithm and will pass over an ASTRO 4.1 digital channel.

KVL (key Variable Loader) A handheld user level device required to "load" a secure key into an encryption equipped subscriber radio.

OTAR (Over the Air Re-Keying) a method in which a secure key can be directed to a subscriber radio or radios without having to individually load an encryption key with the KVL. OTAR requires the presence of a Key Management Computer (KMC) that controls the flow of the keys over the systems radio channels and directs the new secure keys to the intended radios in the field. The KMC can also be used to "wipe" keys from radios. OTAR is a very expensive and somewhat cumbersome device since it is recommended that there be only one on a system. This would require the State Highway Patrol to perform this function for others. OTAR is not an

acceptable solution to the federal government, nor is it one that is currently recommended for VIPER.

Support Analog and Digital Communications

Clearly the trend in any communications network, whether wired or wireless, voice or data, is the movement of information via digital transport rather than analog. The advantages of digital communications is well documented and includes improved audio quality (especially with encrypted communications), increased capacity through more efficient use of available frequency spectrum, enhanced features contributing to ease of use, and the opportunity to move to a non-proprietary standards based system and multiple subscriber choices.

With this in mind, it is a given that a long-term goal of the statewide VIPER radio system is to support digital only operation, compliant or compatible with user and industry standards. Thus any improvements or upgrades considered should be made that support this upgrade to meet the long-term goal.

At the same time, there are 38 existing Motorola 800 MHz radio systems in North Carolina, the majority of which only support analog voice communications. These systems represent a major investment by local agencies, and most of these radios have a good bit of useful life remaining. Therefore, one of the short term goals for the statewide radio system is to continue to support analog communications using the existing trunked radios, and add support for digital communications (ideally compliant with standards, i.e. Project 25) in order to establish a migration to a future all digital system. It will be required that all radios purchased in the future to access VIPER be digital capable to support a system conversion to digital when it occurs; eliminating the need to replace radios that may not have met or exceeded their service life cycle.

Support Additional Spectrum / 700 MHz

Existing trunked radio systems have limited ability to support additional frequency spectrum. While additional spectrum is critical to enable the needed coverage and capacity improvements (short and long-term), the existing systems are severely limited in their ability to expand using new spectrum. This report has also noted that the best source for the frequencies to allow expansion will come from the 700 MHz band as the TV broadcast stations relinquish it and possibly additional 800 MHz spectrum should the FCC approve the Nextel consensus plan.

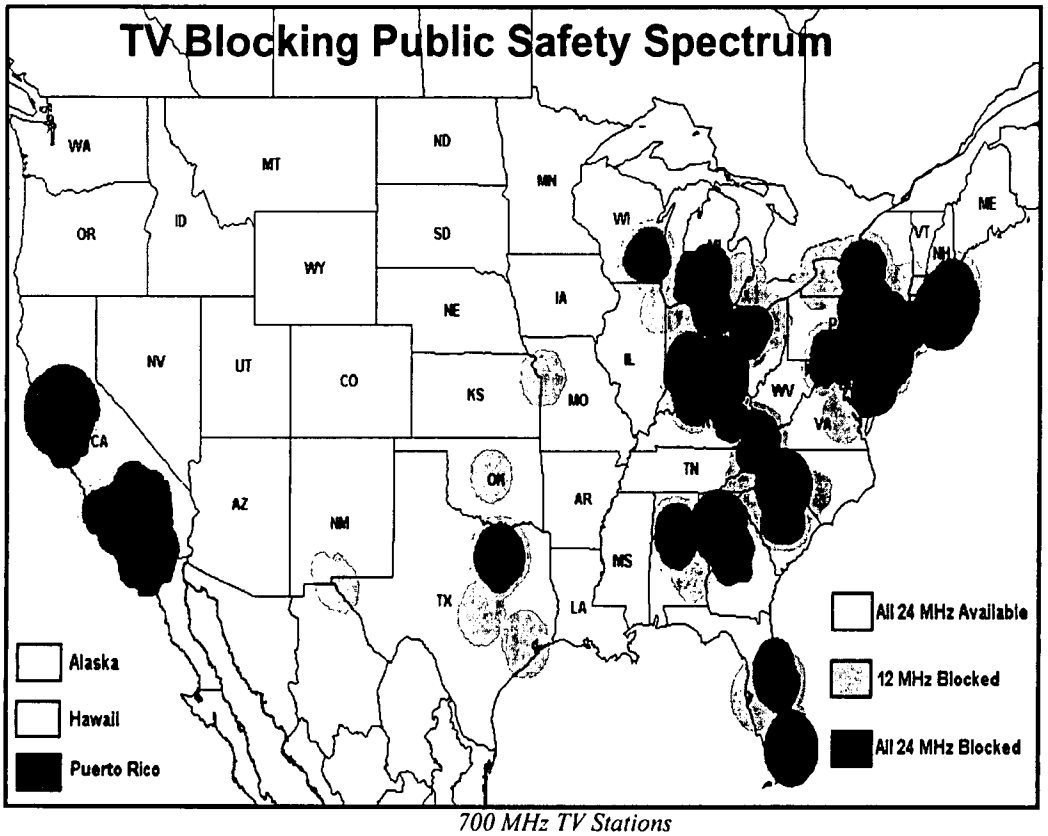
TV channels 63-64 and 68-69 have been identified by the FCC as public safety spectrum. However, there are two things that must take place before this spectrum can be used. First, each state must compile, and the FCC must approve, a plan to use these frequencies. This plan is filed as the NPSPAC plan for each region of the country. North Carolina's plan will be filed as the Region 31 Plan. National Public Safety Planning Advisory Committee (NPSPAC) – NPSPAC is an open membership committee which enables the public safety community and the public to participate in spectrum management through recommendations on policy, technical standards, and procedures to satisfy long-term public requirements. Second, and most important, the spectrum must be vacated by the currently licensed TV stations. The FCC has set a date of 2006 for these frequencies to be available to public safety. At the time of this document there has been no indication that this deadline will be met.

The need to support 700 MHz spectrum in order to allow expansion of the systems coverage and capacity is a notable concern. However, it is established as a long-term goal only in recognition that the 700 MHz channels are unlikely to be available for use for at least 5 or more years, and the benefit of migrating to 700 MHz may not justify the cost of the migration.

Similarly, VIPER has, as a long-term goal, the ability to implement new digital technologies that support "narrowband" channels of 12.5 KHz bandwidth. This technology could provide a means to create more usable channels using current VIPER licensed spectrum by using less bandwidth for each channel. Taking advantage of this technology requires a system that only uses digital and does not support analog traffic.

This would require a complete replacement of all existing infrastructure equipment and those subscribers units not capable of 700 MHz operation. Therefore, it is encouraged that consideration be given to purchasing subscriber units that support 700 MHz operation.

The accompanying chart shows where 700 MHz spectrum is currently in use by TV stations.



700 MHz TV Stations

An option that exists for the future use of 700 MHz spectrum could be to use the wideband channels for the Data Network and reuse the 800 MHz data channels in the voice network. Wideband data channels will increase bandwidth and throughput which would allow for wireless transmission of photographs, large reports and even video in some cases. However, the option to use 700 MHz channels should be evaluated when they become available to determine if the benefits are worth the expense.

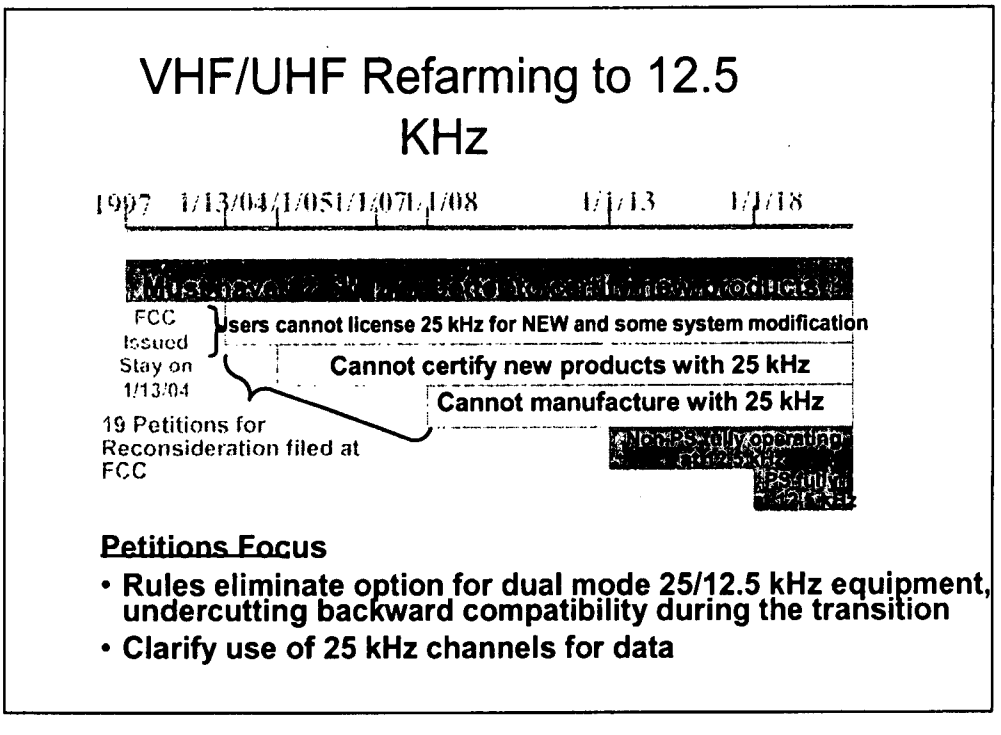
Narrow Banding

In 1997, the FCC implemented a plan to make more efficient use of public safety radio spectrum. It was determined that wide band, 25 KHz channels currently below 512 MHz, would be reduced in two stages. The first stage from 25 KHz to 12.5 KHz, and the second reducing to 6.25 KHz to create additional radio channels. This plan is referred to as narrow banding and commonly called re-farming. The original plan to reduce channel spacing from 25 KHz to 12.5 KHz would be mandatory by 2018 giving agencies time to budget and plan for radio equipment replacement. This plan also required that radio manufacturers build dual band radios beginning in 1997. Additionally, the rules required that any system changes or upgrades to existing radio system after January 13, 2004, must be narrow band.

Obviously, this requirement would create havoc on existing systems where older wideband subscriber units would not work on a mixed mode network. APCO, on behalf of Public Safety agencies, filed a petition with the FCC, a reconsideration of the narrowband requirements, and requested a stay of those requirements until a decision was rendered by the FCC. The FCC granted the "stay" until a ruling is made on the reconsideration. A concession offered in the request for reconsideration was that the narrow banding date for 12.5 KHz be rolled back from 2018

to 2013. A date for 6.25 KHz narrow banding has not been determined; however, narrow banding to the 6.25 KHz level will require that radios operate in a digital mode.

The FCC narrow band rules also require that manufacturers no longer produce wideband capable radios beginning in 2008. This too was included in the APCO request for reconsideration and stay due to agencies not being able to buy replacement radios for existing wideband systems.



Alternative Communications Solutions

In researching the VIPER strategic plan, the team examined commercially available solutions to determine if there were any avenues available that would address the needs of a statewide system with the level of coverage required for both state and local emergency responders. South Carolina has a Motorola SmartZone 4.1 infrastructure available to emergency responders; yet they do not own the system. Motorola, Inc., owns, controls and maintains the entire infrastructure and backbone in South Carolina. This system approach began as a partnership between the State of South Carolina and South Carolina Natural Gas (SCANA); however, due to the state's inability to continue to fund support or expand the system beyond its original, limited coverage; a privatization of the system was sought as a solution. The immediate problem of providing capital for system expansion and ongoing funding for maintenance and operation was addressed; regrettably with the inordinately high user fees ($75 per subscriber radio), they have experienced only a limited adoption of the system by potential users.

Another alternative being offered to public safety has been one provided by Nextel. This involves the prioritization of public safety users, equipped with a commercial handset (radio/phone combination), on a public, commercial radio system. The Nextel solution presently does not provide a statewide communications platform and discussions with Nextel as part of our research does not lead us to believe that this will occur anytime in the near future. In addition, the IDEN technology utilized by Nextel, although it is a trunked radio method, is not APCO certified, nor a recognized public safety communications standard in any area of the world. Nextel handsets are made by only one vendor and require an ongoing, monthly financial commitment with no guarantee of service.

The VIPER team also examined satellite based technologies to determine if they were suitable for a statewide communications system. Satellite technology does have one advantage over typical trunked radio systems in that it is not terrestrial based. This essentially means that a satellite based communications system would be relatively free from harm as related to most natural or manmade disasters. However, the primary drawback to satellite based systems is that in order to function, the subscriber handset or radio unit must be in constant view of the sky. This would eliminate operation inside buildings or in areas of dense foliage or during heavy rainfall or intense cloud cover. All of these detractions far outweigh the benefit of the system being somewhat impervious to being dependant on easily damaged infrastructure on earth. Satellite systems also suffer from lengthy delays as the conversation is routed up into the sky many hundreds of miles and back down again to the receiving radio or handset. Furthermore, satellite based technology will have to be refreshed as the orbit of the satellite can only be sustained for a finite number of years. North Carolina is facing this challenge at the present with the Satellite based system that it uses for pre and post disaster responses within Emergency Management. The present satellite provider has informed the state that within a five year time frame, a wholesale change-out of the current equipment will be required to work in conjunction with a new satellite, soon to be launched. Satellite based systems are often most beneficial in areas where no terrestrial based infrastructure exists or would be vastly cost prohibitive to build. Examples of this might be the areas of the United States in the southern desert and southwestern states and overseas in the desert areas of Africa, Australia and the Middle East.

The Following sections are considered part of the VIPER Strategic detailed project plan.

The following Assumptions and Constraints were taken into consideration in the compilation of the VIPER project plan:

Assumptions

- Project fully funded
- Will be able to purchase land in areas where we do not have tower sites
- Vendor material availability through the life cycle of construction
- VIPER will provide statewide interoperable communications for all public safety agencies in North Carolina.
- Implementation and construction will be achieved through a phased five year plan.
- The General Assembly will approve the support and maintenance positions requested in the VIPER plan.
- VIPER has the sponsorship of the leadership of the State Highway Patrol, Secretary of Crime Control and Public Safety and the Governor's Office.
- High participation from local and state public safety agencies
- Technology deployed will be backward compatible with majority of existing 800 MHz radio systems in North Carolina.
- State or local agency property can be used for tower sites where no tower exists

Constraints

- FAA approval of tower sites selected
- FCC spectrum availability at time of license
- Funding must be available for each phase of the five-phased project to be completed in a timely manner.

- VIPER is dependent upon the support and maintenance personnel positions being approved by the General Assembly.
- VIPER is dependent upon radio spectrum availability in the 800 MHz range of frequencies.
- Timelines for tower work and installations may be impacted by inclement weather.

Milestones

The major milestones for the VIPER Project are as follows:

- ***Milestone 1***
  Successful completion on Phase Zero — 4th Quarter 2006
- ***Milestone 2***
  Successful completion of Phase One — 4th Quarter 2007*
- ***Milestone 3***
  Successful completion of Phase Two — 4th Quarter 2008*
- ***Milestone 4***
  Successful completion of Phase Three — 4th Quarter 2009*
- **Milestone 5**
  Successful completion of Phase Four — 4th Quarter 2010*

** Completion dates are based on project full funding being available beginning in 2005.*

Acceptance Criteria

The following criteria will used to determine when a newly constructed VIPER site is declared accepted and operational for use by public safety agencies:

- All major components of a VIPER transmitter site must operate for 30 continuous days with 100% reliability.
- Digital microwave links must pass a 5 day bit error rate test (BERT).
- New tower construction sites must pass an independent tower inspection.
- Emergency power sources must operate all major communications components for a continuous 8 hour period.
- Where new buildings are installed, buildings must meet or exceed state or local building codes as determined by building location.
- Successful demonstration of two-way communications from a newly constructed site to any or all of the constructed operational sites in the VIPER network.

Quality Assurance Review

Internal

The State Highway Patrol has developed two Work Breakdown Structures, (WBS) for the implementation of the VIPER infrastructure during the anticipated five year implementation process. These two WBS represent both VIPER remote site implementation at a location in which a new radio tower must first be constructed prior to the installation of the VIPER equipment, and at locations where a radio tower is existing, yet improvements must be made to accommodate the installation of the VIPER equipment. Upon completion of the installation of equipment in either of the WBS, a quality assurance process has been included. This

quality assurance review consists of several steps and includes several audits and tests that follow industry standards or manufacturer recommended tests.

Motorola, Incorporated, as part of its internal review process for site implementation, and submitted as part of the company's Six Sigma certification, developed a standardized site implementation and measuring protocol referred to by the communications industry as the Motorola R56 standard. This standard addresses a wide area of topics directly related to sound technical practices in the communications industry and it is against these standards that the State Highway Patrol intends to compare work performed. This will include work performed by both internal staff and external contractors related to site construction. A sample copy of the Motorola R56 audit is attached as Appendix 1.

There are several commercially available automated test procedure (ATP) packages available and almost all seem to have been used and tested by agencies constructing similar systems to that proposed for VIPER. The State Highway Patrol is continuing to evaluate which of the commercial products it will procure and utilize for the ATP.

To complete the internal quality assurance review, the State Highway Patrol has derived the following tasks that will be part of the WBS and consists of the following steps:

1. Conduct R56 Compliance at site (2 day duration)
2. Develop punch list of items needed to bring site into compliance. (1 day duration)
3. Engineering group to address shortfalls or necessary modifications (1 week duration)
4. Perform audit of documentation and required submittals of regulatory items to include but not limited to: Construction Permit

sign offs, FCC licensing documentation, FAA documentation (2 day duration)

5. Perform ATP to ensure site functionality per design. (1 day duration)
6. Perform ATP to ensure appropriate radio coverage has met or exceeded 95% portable in the street coverage on a per site basis. (2 day duration)

Quality Assurance Review

Independent Verification & Validation (IV & V)

The Information Technology Services (ITS) will provide the external Quality Assurance Review through their Independent Verification & Validation (IV & V) process. Using ITS to provide this service will save the project approximately 5% of the overall project cost as compared to hiring an outside vendor.

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Interoperable Communications

The National Task Force on Interoperability published a document titled "Why Can't We Talk" and it defines interoperability as "*...the ability of public safety agencies to talk to one another via radio communication systems – to exchange voice and/or data with one another on demand, in real time, when needed.*"[7] In the publication, "*Statement of Requirements for Public Safety Wireless Communications & Interoperability*" published by the Department of Homeland Security's SAFCOM Program opens the section on "Public Safety Requirements and Roles" by stating, "*Public safety operations require effective command, control, coordination, communication, and sharing of information with numerous criminal justice and public safety agencies, as well as public utilities, transportation companies, and private industry. Thousands of incidents that require mutual aid and coordinated response occur every day. High-profile incidents, such as bombings or plane crashes, test the ability of public safety service organizations to mount well-coordinated responses. In an era where technology can bring news, current events, and entertainment to the farthest reaches of the world, many law enforcement officers, firefighters, and emergency medical service (EMS) personnel cannot communicate with each other during routine operations let alone during major emergencies, such as the Oklahoma City Bombing.*"[8]

There are more than 18,000 law enforcement agencies in the United States. Approximately 95 percent of these agencies employ fewer than 100 sworn officers. Additionally, there are over 32,000 fire and EMS agencies across the Nation. Due to the fragmented nature of this community, most public safety communications systems are stovepipe, or individual systems that do not communicate with one another or facilitate interoperability. Just as the public safety community is fragmented, so is radio spectrum. Public safety radio frequencies are distributed across four isolated frequency bands from lowband VHF (25-50 MHz) to 800 MHz (806-869 MHz).

Voice communications are critical, but voice communication requirements are not the only issue. Because of advances in technology, public safety operations are increasingly dependent on the sharing of data, images, and video. New technologies promote the convergence of information and communication systems with the result that mobile units are increasingly being viewed as merely wireless nodes within information networks.

The public safety community requires interoperable communications-the ability to communicate and share information as authorized when it is needed, where it is needed, and in a mode or form that allows the practitioners to effectively use it. Broadly defined, the public safety community performs emergency first response missions to protect and preserve life, property, and natural resources and to serve the public welfare. Public safety support includes those elements of the public safety community whose primary mission might not fall within the classic public safety definition, but whose mission may provide vital support to the general public and/or the public safety official. Law enforcement, fire, and emergency medical services fit the first category, while transportation or public utility workers fit the second".

SAFCOM defines interactive voice communications as "*...communications between public safety practitioners and their supervisors, dispatchers, members of the task force, etc., require immediate and high quality response, with much higher performance demands than those required by commercial users of wireless communications. Commands, instructions, advice, and information are exchanged that often result in life and death situations for public safety practitioners, as well as for the public.*"[9]

In North Carolina we've had several high profile incidents that interoperable communications would have enhanced the efficiency and effectiveness of public safety responders. They include, but are not limited to, Hurricanes Fran, Floyd and Isabel and the air crash at RDU.

Most recently, the hurricanes and tropical storms impact on North Carolina has brought to light the need for interoperable communications. Unfortunately, the public safety responders from fire, emergency medical services, and state, local and county law enforcement agencies couldn't communicate with each other on a single radio.

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APCO Standards

In the mid-1970's, as trunked radio systems were being developed, the Association of Public Safety Communications Officials (APCO) recognized the need for standards in new radio communications systems. From this realization, came a set of minimum standards for trunked radio systems, known as APCO Project 16. This standard, defined a series of technical requirements that included emergency notification from portable and mobile radios and the ability to identify and disable radios to prevent unauthorized use. APCO Project 16 did not however set forth a uniform standard to which all manufacturers of trunked radio systems and subscriber units would adhere to and therefore did not produce across the board interoperability amongst manufacturers. With these shortcomings recognized, APCO set about to champion a new effort to ensure communications interoperability, Project 25.

Project 25 (P25) is now the recognized standard within the United States to define an interoperable two-way, wireless, digital communications platform. It was developed with input from all levels of government and was directed by the Telecommunications Industry Association (TIA). Project 25 strived to produce four clearly defined results for public safety communications; 1) effective, efficient and reliable communications amongst agency responders and to also afford the ability to communicate with other responding public safety disciplines; 2) to ensure competition in system life cycle procurement; 3) to provide user friendly equipment; and 4) to improve radio spectrum efficiency.

Project 25 applies not only to 800 MHz systems, but also to systems in the VHF and UHF bands as well. Indeed, Project 25 has been so successful in demonstrating a commitment from both users and manufacturers, that the Federal Communications Commission (FCC) has

gone on record by stating that Project 25 will be the standard to which systems operating in the new 700 MHz public safety spectrum will be required to adhere to.

Project 25 has two distinct phases; Phase 1 specifies the Common Air Interface (CAI) and Improved Multi Band Excitation (IMBE) vocoder requirements for operation within a 12.5 KHz bandwidth. The VIPER system will begin by meeting the 12.5 KHz bandwidth and CAI requirements, while maintaining a transition for analog users, by continuing with a 3600 baud control channel, while at the same time providing an infrastructure capable of migration to 9600 baud and full Project 25 Phase 1 digital only operation. Phase 2 is still under development. This level will ultimately attempt to further improve spectrum efficiency by reducing system bandwidth down to 6.25KHz operation, yet remaining compatible with all of the four original goals and Phase 1 system operation.

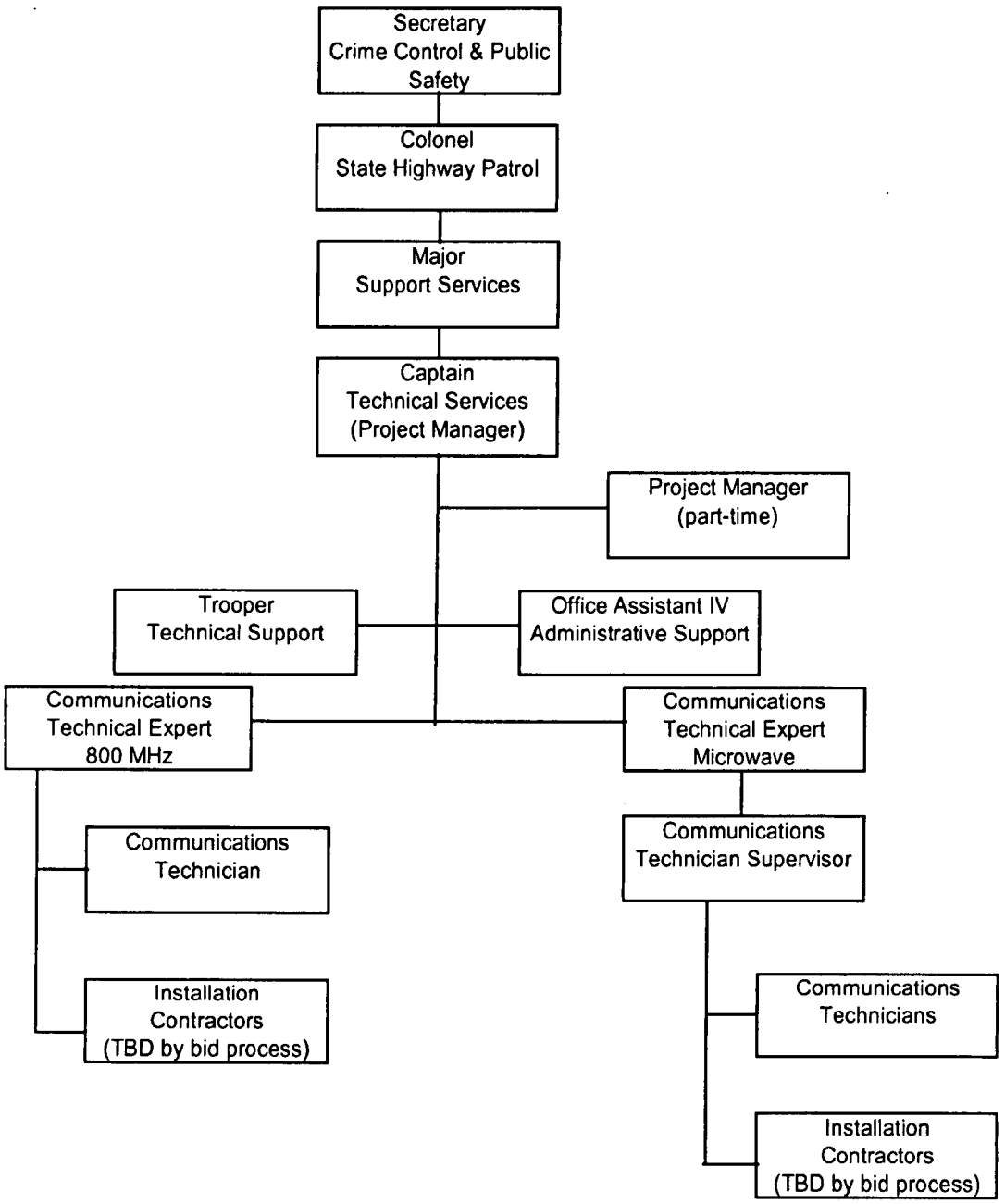
Radios (subscriber units)

As mentioned previously in this document, it is the intent of the VIPER Plan to be backward compatible with the majority of existing analog 800 MHz radio systems and still provide digital communications to those possessing the necessary equipment. With that said, it is our recommendation that no analog only radios be purchased to access VIPER, we strongly recommend that only digital radios be placed into service on VIPER. The reason for this recommendation is to prevent agencies from having to purchase new radios when the VIPER Network goes to digital only operations when that system transition occurs. This would eliminate the need for agencies to seek funding to have their entire stock of radios replaced.

Further, these radios must be configured for, or upgradeable to, OmniLink. SmartZone is the trunking method used by VIPER and OmniLink is the protocol that supports multiple SmartZone controllers, as is the configuration of VIPER's anticipated four Zones.

A separate table in this document outlines the basic needs and cost of upgrading radios to the VIPER minimum requirements. It should be noted that these prices are good only as of the date of publication of this document and do not represent any programming or labor charges agencies may encounter from their vendor when upgrading radios. The State's Information Technology Services Section maintains a state convenience contract for radios that contains current pricing.

VIPER Organizational Structure



In order to effectively enable each group that will be a part of the overall *VIPER Project*, roles and responsibilities are clearly defined and are as follows:

Project Role	Description	DCC&PS Resource	Other Agency Resource	Dependencies
Sponsor	• Sustain executive and organizational commitment and support for the VIPER project. • Communicate business direction changes to senior management.	Secretary Beatty and Colonel Clay		
Project Manager	• Initial POC • Hold initial meeting to explain concept, approach, roles, and timeline. • Maintain open communication with all groups. • Utilize standards and procedures. • Coordinate activities among multiple parties. • Publish documents to respective parties. • Overall project status reporting.	Captain W. F. Sandy and Part-time Project Manager		
Technical Expert/ System Manager	• Provide engineering support • Provides system design and architectural concepts • Provides feedback to Project Manager on project progress • Maintains a database of all site equipment and user equipment on the network • Maintains a database of all fleet mapping	Mike Hodgson		
Infrastructure Vendors	• Provide vendor specific network components • Provides support of equipment purchased • Responsible for delivering infrastructure needed to support environments	Mike Hodgson and Harold Meacombs		
Infrastructure Installation Contractors	• Responsible for individual job site construction, equipment installation and optimization	Dick Wooten and Mike Hardy		

Project Role	Description	DCC&PS Resource	Other Agency Resource	Dependencies
Construction Manager	• Responsible for the oversight of new transmitter site construction • Responsible for the oversight of existing site reconfiguration • Provides progress reports to Project Manager • Coordinates with construction contractors to maintain project timelines	Harold Meacombs		
Technical Support Personnel	• Responsible for supporting construction manager and the Technical Expert in the oversight of contractual services • Provides feedback to the construction manager and Technical Expert on issues concerning the network construction	Dick Wooten Joe Allison Thomas Hunsinger Ken Fountaine		
Procurement	• Procures equipment and services in compliance with state rules and regulations • Enters procurement requests in the state ITS procurement system	Robert Lukaszewski		
Administrative Support	• Maintains database of procured items • Monitors equipment delivery • Files/maintains/monitors service contracts • Files regulatory paperwork (FCC, FAA, EPA) • Monitors financial expenditures • Assist with project reporting	Diane Bumgardner Robert Lukaszewski		
Network Monitoring Manager	• Responsible for monitoring the health of the network to maintain uninterrupted service provided from those sites on-line • Reports network troubles to the technical support personnel • Network Management • Responsible for scheduling network staff to monitor the network	Rodney Spell		
Facilities	• Responsible for power generators • Responsible for HVAC • Grounds maintenance	Dick Wooten and New Requested Positions		

Maintenance and Support Personnel

As with any large project, the VIPER Network will require support personnel to keep it operating at optimal levels 24 hours per day 7 days per week. As a primary communication system, there is the need to strive for zero down time. With this requirement comes the need to strategically place support personnel, some with multiple roles and others with specific roles to keep the system operational.

Technical Support Team

There will be a need for two technical support teams, one in the east and one assigned to the west. These technicians will be responsible for maintaining the 800 MHz intellirepeaters (minimum of five at each site) the microwave communications equipment and all system monitoring equipment at each of the 238 sites across the state. Not only will this group be responsible for repairing broken or out of service equipment, but they will be required to visit each site every six months to perform preventative maintenance in an effort to reduce the amount of out of service equipment. It is estimated that there will be a need for 25 technicians classified as Telecommunications Equipment Technician II and 2 supervisors, one east and one west, classified as Telecommunications Maintenance Supervisor II. The salary cost of these employees and the associated tools, equipment and vehicles are identified in a spreadsheet in this document.

Power Distribution Technicians

As identified in the blackout of the August 2003 in the Northeastern United States, the need for auxiliary power for critical communications is absolutely necessary. With this in mind, each VIPER site will be equipped with an auxiliary generator and an Uninterruptible Power Supply (UPS) to maintain public safety communications in the event of a power outage.

Additionally, the microwave system is powered by 48 volt battery power and the necessary charging equipment. This equipment will need to be serviced and maintained on a regular basis to ensure its uninterrupted operation. To support this equipment, we recommend that 10 Power Distribution Technician II personnel be hired to support all the electrical support and distribution at each of the 238 remote sites. These technicians will also be assigned to eastern and western teams.

HVAC Mechanics

As with any sensitive electronic components, the radio and microwave equipment used in the VIPER Network must be operated in a controlled temperature environment. This electronic equipment is extremely sensitive to overheating and due to security needs at each transmitter site there exist minimal or no ventilation. Because of this, each site will be equipped with air conditioning and in some cases on high mountain tops, heat will be installed. We recommend that 2 HVAC Mechanics be hired to support, service, and maintain the heating and air conditioning equipment at these 238 sites, and be assigned east and west areas of responsibilities.

Grounds Maintenance

The property of the transmitter sites will need to be maintained. Grass and brush will need to be kept cut for security and operational issues as there will also be a need to maintain the access roads, some of which are very remote and need constant repairs. It has been speculated, that a tower in eastern North Carolina fell during Hurricane Isabel because trees hadn't been trimmed away from the guy wire paths. It is thought that trees fell on the guy wires starting a fatal oscillation of the tower. We want to insure that doesn't happen to any of the 238 VIPER sites. It is recommended that 2 Facility Management Coordinator II positions be

hired as crew supervisors and 8 Facility Management Coordinator I positions be hired and divided up into east and western teams to support the VIPER sites.

Depot Technicians

A centralized service shop will be maintained by nine Telecommunication Equipment Technician I positions. These personnel will maintain a stock of spare parts, tools and support equipment, and coordinate the shipping and receiving of vendor repaired parts and equipment. They will maintain a database of all site repairs, individual base station repairs and failures, generator and microwave repairs and other system equipment so that quality control can be monitored and tracked to ensure vendors are providing service at the contracted level and to identify network components that need replacing because of abnormal service issues.

Tower Maintenance Crews

With antennas, transmission lines and microwave dishes mounted on more than 238 towers, there is the need for 2 tower crews to climb these towers and perform annual inspections of the transmission line tie-downs, antennas and microwave dishes. They will also replace antennas damaged by lightning and ice storms. Additionally, these personnel will be responsible for painting towers and changing and maintaining the lighting systems required by the Federal Aviation Administration (FAA). It is recommended that two crews be employed with one supervisor at a salary grade 69, two supervisors at salary grade 65, and four tower workers at salary grade 63. There does not exist job classifications for tower workers in the current NC Office of State Personnel (OSP) Salary Plan. It is recommended that the VIPER team consult with OSP to create these job classifications.

Network Monitoring

It will be necessary to monitor the VIPER Network to ensure the entire network is working properly. To achieve this will require 6 Network Control Technician I positions and 1 Network Control Supervisor. Currently there are 3 Network Control Technicians and a Network Control Supervisor on staff with the State Highway Patrol monitoring the Criminal Justice Information Network – Mobile Data Network (CJIN-MDN). The Network Control Technicians are funded through a Byrne Grant and the Network Control Supervisor is a permanent full time position with the State Highway Patrol. It is recommended that permanent funding be provided for the Technicians and the number be increased to 6 to provide around the clock coverage. These positions can provide network monitoring for both the Mobile Data Network and the VIPER voice network.

Administrative Support

There are several positions that will be needed to ensure the effective flow of information and the processing of administrative requirements. They are identified as:

One **Safety Consultant I** position will be needed to evaluate and monitor all the VIPER sites and process to ensure compliance with OSHA rules and regulations. This person will also be responsible for maintaining safety training classes and training records for those all the VIPER personnel.

One **Electrical Inspector Supervisor** to inspect all the work done on VIPER sites to ensure that electrical work is performed in a safe and electrical code compliant manner.

One **Contract Supervisor** will be required to compose and consult with legal staff on service contracts and leases, and to monitor those recurring contracts for tower space or services. This position will be responsible

with working the Information Technology Services purchasing and contracts group to ensure that all VIPER contracts are conducted within the rules and guidelines set forth by ITS for these services. Additionally, this person will monitor all renewable contracts and take the necessary steps to renew and/or re-bid contracts on a timely basis.

One **Administrative Assistant III** will be responsible for maintaining, filing and renewing the more than 1100 Federal Communication Commission (FCC) licenses for all the VIPER radio transmitters. It is imperative that VIPER FCC licenses be filed and renewed in a timely manner to avoid losing our licensed frequencies.

There will be a need for 2 **Office Assistant IV** positions to handle phone calls, process paper work and other administrative needs for the VIPER support staff.

Network Engineer

A Telecommunications Engineer will be needed to be responsible for the oversight during construction, and the continued operation and management of this large and complex network. This person will be responsible for advising State Highway Patrol management and the VIPER Governance Committee on issues affecting the network. This position is already on staff with the State Highway Patrol in a full time permanent position.

Network Control Facility and Depot

A new building is needed to safely and securely house two of the VIPER Network SmartZone Controllers and the network operations and monitoring equipment and personnel. This building will also house the depot staff, parts and equipment to keep supplied the field technicians and to coordinate the shipping and receiving of vendor repaired parts and

equipment. Additionally, this building will house the network control and management personnel and equipment for the Mobile Data Network. This modern building will provide the necessary security and environmental controls needed to protect this sensitive electronic equipment that will provide critical data and voice communications to public safety officials across the state. There should be room in this facility for equipment to be assembled and tested before being deployed to remote radio transmitter sites. It is recommended that this building be built on the State Highway Patrol Training Academy campus, existing state property and near the termination point of the Mobile Data Network's current control equipment.

Land Acquisition Team

Following the suggestion of the Michigan State Police, who built a statewide interoperable voice network in 1984, we recommend creating a Land Requisition Team to scout, research, and work closely with the State Property Office to purchase property needed to build VIPER Network towers where no existing tower resources are available. This team should consist of four uniformed members of the State Highway Patrol and one staff attorney.

This team should be assembled upon approval of the plan and remain active until the final parcel of land is acquired. After the completion of these tasks, these members will return to their normal duties within the State Highway Patrol and the Department of Crime Control and Public Safety.

User Training Team

The Michigan State Police also informed us that most of the initial problems perceived by new system users were due to the lack of user understanding of systems features and operation and could be mitigated through new user training. They implemented a training program and

recommend that we assign two teams of two trainers each to provide end user and departmental train-the-trainer training to ensure that all new users be properly trained and be capable of using the radios in times of emergencies.

Governance Committee

It is recommended that a governing committee be composed to guide and recommend management of the VIPER Network. The public safety community will provide input to decisions that affect VIPER through the Governance Committee. This Governance Committee approach has been adopted as a best practices model in other states and at the federal level. This committee should be made up of no more than 15 members representing all public safety disciplines. Each member should represent an agency that is an active participant on the VIPER Network. It is recommended that the Governance Committee have the following representation:

- NC Fire Chief's Assn.
- Emergency Medical Services
- State Highway Patrol
- State Bureau of Investigation
- NC Emergency Management
- NC Sheriff's Assn.
- NC Police Chief's Assn.
- CJIN Board
- Wake County Representative
- NCSUN
- Local EM Coordinator
- Local Fire Chief
- Local Sheriff
- Local EMS Coordinator
- US Marshall's Service

The State Highway Patrol Commander shall serve as chairman of the Governance Committee for the first year. After the first year, the chairman would be voted on by the committee members.

In identifying members of the VIPER Governance Committee, Wake County has been selected as part of the first years committee due in part to them being the first agency to partner with the Highway Patrol in the construction of VIPER, and the significant investment in the upgrade and expansion of the Highway Patrols 800 MHz radio system.

Additionally, it is recommended that the Governance Committee create a technical sub-committee to provide technical advice on issues that could have statewide impact on the network. Membership of the technical sub-committee should come from agencies participating on the network.

It is further recommended that the Secretary of the NC Department of Crime Control and Public Safety make the initial appointments to the committee. After one year, the original committee members will be replaced by nominations from VIPER participating agencies and serve on a staggered 1 or 2 year term to be determined by original committee.

A nominal budget has been recommended to pay for "official travel" for committee members to attend meetings.

Network Costs

An extensive survey and analysis has been conducted on sites currently owned and those leased by the State Highway Patrol to determine their reuse potential. Additionally, contact has been made with the major utility companies operating in North Carolina to determine if any of their tower sites are available for re-use. Our goal has been to reuse as many existing sites as possible to reduce the overall cost of building the network and it should be noted that we expect the overall cost to be reduced by building partnerships with utility companies and others as we gain funding to construct the network. However, this report uses estimates that are known at the time of publication. With this in mind, it is anticipated that VIPER will require 238 tower sites across the state to provide 95% in the street coverage. Of these 238 sites, 120 sites will require construction of a new tower (59 of the 120 sites will require the rebuilding of existing, overloaded towers and 61 of the 120 sites will require constructing new towers where no tower exists), 118 sites have existing, ready-to-use towers.

There are many equipment and service parts to the VIPER plan that will be bid separately and/or purchased off existing State Convenience Contracts. There is not a single vendor or a prime contractor. In an effort to reduce the project cost, the State Highway Patrol's technical staff will act as the prime contract and manage subcontractors to perform individual tasks that cannot be done by Patrol personnel.

Federal Funding

To date, there has been $31,327,789 in federal funds awarded towards the construction of the VIPER network. $8,829,032 was awarded through the 2004 Homeland Security Law Enforcement Terrorism Prevention Program grants, $21,453,757 in 2004 State Homeland Security Grant Program grants and $1,045,000 awarded through the 2004 Homeland

Security Urban Area Strategic Initiative Grant program. Nearly all of this funding was awarded to local agencies that passed the funds through to the state for construction of VIPER in their areas. In addition to the Homeland Security funds the Patrol received a 2003 Congressional Earmark in the amount of $1.5m for VIPER expansion that is already underway.

State Funding

In the 2004 Legislative Session an appropriation was approved in the amount of $500,000 to support the expansion of VIPER in Cleveland County.

Other Funding

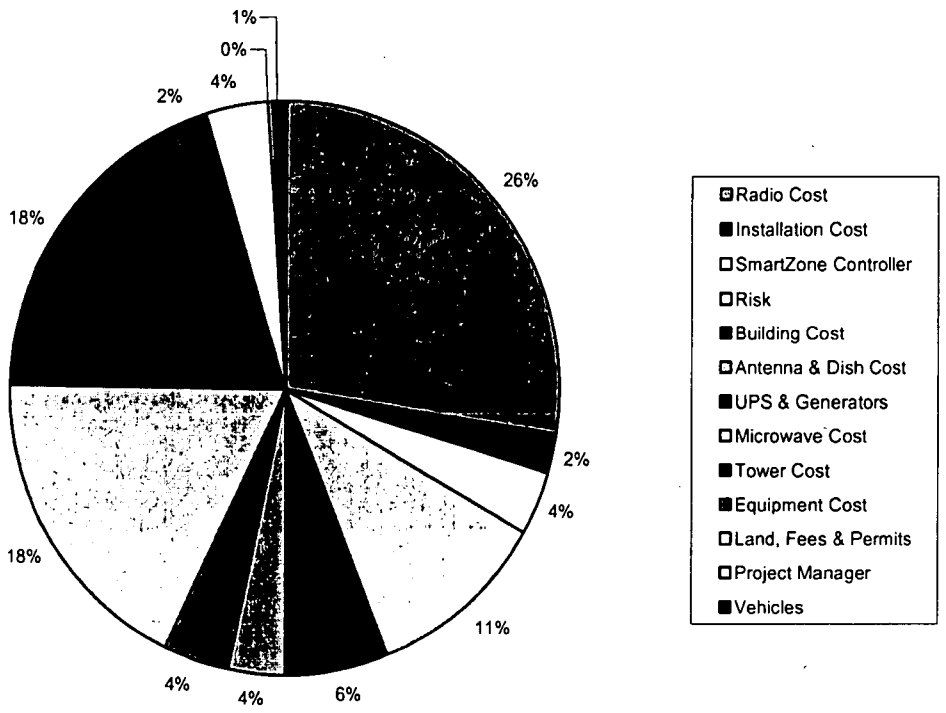
In addition to federal and state funding, appropriations from Patrol funds and county funds have provided an additional $164,671 in support of the VIPER Network.

It is our recommendation that a four year construction funding plan be provided as identified in the spreadsheet below.

VIPER One-Time / Construction Cost Summary

	Total Project Cost	Less 2004 LETPP	Less 2004 SHSGP	Less 2004 UASI grant	Less 2004 Legislative Appropriations	Less 2004 Other Available Funds	Total Remaining Project Cost
Infrastructure	$ 156,610,460	$ 8,829,032	$ 21,453,757	$ 1,045,000	$ 500,000	$ 1,664,671	$ 123,118,000
Network Building	$ 6,500,000						$ 6,500,000
Risk Mitigation	$ 20,000,000						$ 20,000,000
Tools and Equipment	$ 4,396,671						$ 4,396,671
Project Manager for Project	$ 400,000						$ 400,000
Vehicles	$ 1,605,000						$ 1,605,000
Total	189,512,131						$ 156,019,671

VIPER - One-Time / Construction Cost Breakdown



Recurring Costs

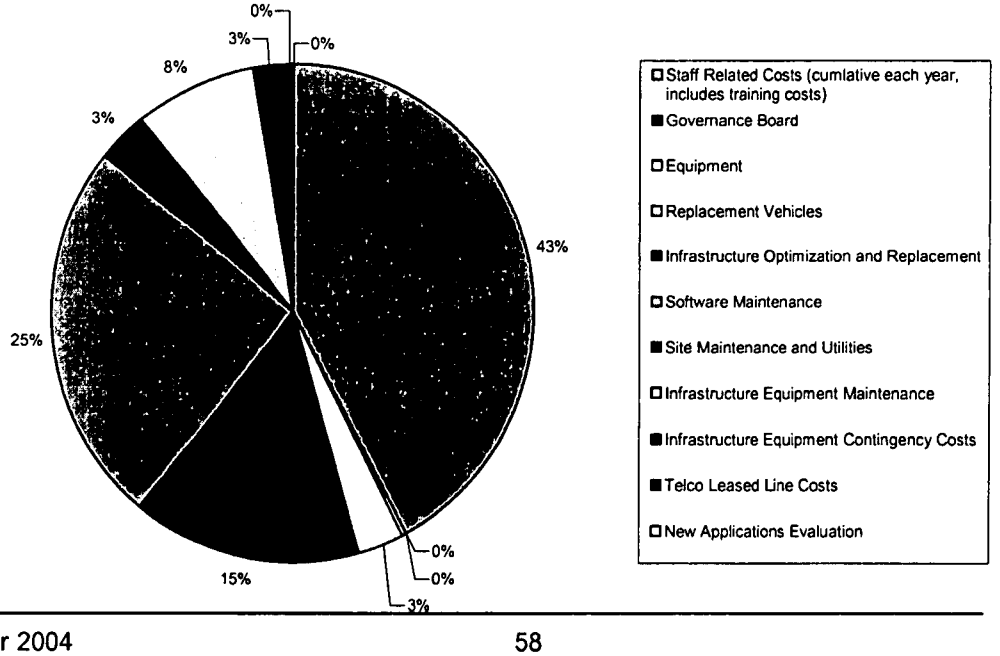
As with any large complex communications network, there is a significant amount of funding needed to operate and maintain the network. These costs include support staff, vehicles and equipment, maintenance agreements on equipment and software, equipment replacement and site utility and maintenance costs which are also identified on the VIPER Cost Summary spreadsheet.

This network will provide lifeline communications for public safety agencies and must be maintained and supported at 100% at all times. We believe the personnel, equipment and maintenance identified will provide the resources to do that. The recurring cost will increase proportionally each year during the construction phases.

VIPER Recurring Costs Summary

Infrastructure Recurring cost	Year Zero	First Year	Second Year	Third Year	Fourth Year	Annual Recurring
Staff Related Costs (*cumlative each year, includes training costs*)		$ 2,118,897	$ 3,209,870	$ 4,239,666	$ 4,858,024	$ 4,858,024
Governance Board		$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Equipment		$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Replacement Vehicles					$ 348,000	$ 348,000
Infrastructure Optimization and Replacement		$ 825,000	$ 1,045,500	$ 1,326,510	$ 1,750,993	$ 1,750,993
Software Maintenance		$ 2,813,762	$ 2,841,700	$ 2,869,917	$ 2,898,416	$ 2,898,416
Site Maintenance and		$ 88,500	$ 178,770	$ 270,837	$ 364,727	$ 364,727
Infrastructure Equipment Maintenance		$ 173,900	$ 334,290	$ 869,771	$ 946,668	$ 946,668
Infrastructure Equipment Contingency Costs		$ 67,850	$ 138,414	$ 211,773	$ 288,012	$ 288,012
Telco Leased Line Costs		$ 12,006	$ 12,012	$ 12,018	$ 12,024	$ 12,024
New Applications Evaluation		$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,612
Total Phase Recurring Cost		$ 6,144,915	$ 7,805,756	$ 9,845,896	$ 11,512,476	$ 11,512,476

VIPER Recurring Costs



CJIN – Department of Crime Control & Public Safety/VIPER Legislative Subcommittee Report

Potential cost to counties and local governments and VIPER infrastructure funding

In compliance with legislative requirements, the Department of Crime Control and Public Safety and the Criminal Justice Information Network (CJIN) assembled a VIPER Subcommittee to address the legislative issues that included; cost of the network, potential cost to counties and local governments to participate on VIPER, requested funding from the Highway Fund, and possible revenue sources to fund VIPER. This committee's membership included representatives from state and local law enforcement, state and local emergency management, state and local fire service and emergency medical services agencies.

The VIPER Subcommittee has made the following recommendations based on the assumptions listed below:

- The estimated number of radios needed to equip first responders in the State is approximately 21,900. First responders are defined as Law Enforcement and Emergency Services personnel. We determined this by surveying Granville, Iredell, and Lenoir Counties to determine the number of first responders and the number of shifts for each category of first responders. The data from these three moderate sized counties was averaged together and produced a 'multiplier' that represents one hundred NC counties. It should be noted that we have no way of knowing how many of these personnel are permanently assigned a radio (take home) or how many are issued a radio at the beginning of their shift and return them at the end of their shift.
- A general obligation bond would take one year from its inception to being passed and funds were available.

- Revenues generated would come directly to the VIPER fund for use on the VIPER project and be considered carry-forward funds.
- The VIPER Governance Committee would have oversight on the revenue fund expenditures.
- Any fee increase or surcharge would be in addition to what's already out there today.
- All recommendations made here are merely proposals on ways to generate funding, and not necessarily supported by the individual groups being affected.

Potential cost to counties and local governments

There are many benefits to counties and local governments' participation. Naming a few of the most important issues include; counties and local governments will have autonomous talk groups, much like they have their own channels now, and will have common talk groups where they can communicate with other agencies during routine assignments and emergencies. If funded as identified in this report, counties and local governments will not have to maintain the network as they do now with their standalone radio systems, and county and local governments will not have to worry about improving their own system to comply with the Federal Communications Commission's regulation requiring narrow banding of radio spectrum.

The most obvious cost to counties and local governments when they choose to access the VIPER network will be the purchase of radios. As mentioned previously in this document, the exact number of radios used by counties and local governments is unknown. However, we've estimated the number of radios in three average counties and used that as a multiplier for the 100 counties. We do not know what extra features would be desired by counties and local governments, nor how many of

which type of radio, portable (handheld) or mobile (vehicle mounted), would be needed. Many of the more populated counties and local governments already use 800 MHz radios and will not need to purchase new radios to access VIPER.

The following chart gives pricing for basic configurations for each tier of both portable and mobile radios. These radios are available for purchase on the State convenience contract.

Examples of Radio Deployments

For the purpose of illustration, the following are examples of radio deployments within the three primary disciplines of public safety agencies. These examples are not to be taken as exact deployments by every agency; they are simply examples of radio deployments.

A typical radio deployment for **law enforcement** agencies is to install into each enforcement vehicle a mobile radio and to provide a portable radio to each on-duty member of that agency. The feature set of options for radios is up to the discretion of the agency, however the higher tier with more features are usually assigned to supervisors and command staff personnel.

For **fire department** personnel, a typical radio assignment would include mobile radios installed in each of the fire fighting apparatus and a complement of portable radios assigned to each apparatus directed by the departments Insurance Service Organization (ISO) classification. Other radios may be required as desired by the agency's command staff as determined by each agency.

For **emergency medical services** personnel, a typical radio deployment might include installation of one radio in each ambulance with operator

controls in the driver's compartment and the patient transport and treatment area, and a portable radio assigned to the vehicle supervisor.

Portable Radio Cost Estimates			
Potential number of radios	**Low Tier Portable radio price**	**Mid Tier Portable radio price**	**High Tier Portable radio price**
per unit	$ 1,568	$ 3,100	$ 4,200
21,900	$ 34,339,200	$ 67,890,000	$ 91,980,000
Mobile Radio Cost Estimates			
Potential number of radios	**Low Tier Mobile radio price**	**Mid Tier Portable radio price**	**High Tier Mobile radio price**
per unit	$ 1,700	$ 3,100	$ 4,500
21,900	$ 37,230,000	$ 67,890,000	$ 98,550,000
Note: These prices are estimates based on average configurations. Actual pricing will vary based on feature options purchased.			

A potential cost to counties and local governments when they elect to participate could concern additional system coverage. The basic VIPER Network's goal is to provide 95% in the street coverage using a 3 watt portable radio. However, the possibility exists that this coverage will not provide the building penetration desired by some local agencies. In those cases, it is the responsibility of the local agency to conduct the building penetration coverage analysis, secure the necessary additional tower location(s), purchase and install the transmitter(s) and required microwave equipment and to provide the necessary network connectivity to link it/them to the VIPER network.

The accompanying spreadsheet on page 66 offers radio pricing for different tiers and options at the time of this document.

VIPER Frequently Asked Questions

There have been several questions asked and concerns expressed about using 800 MHz as our radio frequencies for the VIPER network, an about the VIPER Network in general. Below are listed some of the most common.

- 800 MHz will not work in the mountains.

  800 MHz radios have been proven to work in mountainous areas across the United States, and in fact the current CJIN mobile data network is operating on 800 MHz frequencies. The states of Utah, Colorado, West Virginia and Pennsylvania are using 800 MHz radios for their radio systems.

- This radio network is simply a new radio system for the State Highway Patrol.

  The State Highway Patrol was identified by the CJIN Legislative Report to be the managing agency of the 800 MHz statewide voice and the statewide data system. The Secretary of Crime Control and Public Safety through the Division of the State Highway Patrol is statutorily required to maintain a statewide radio system. The State Highway Patrol, as with the Mobile Data Network, will be a small user in comparison to the number of local users on the network.

- The cost of construction will be expensive.

  As with all new technologies, there comes an expense to implement and maintain this new statewide network. However, when compared to modern radio systems installed in the states of Michigan, Pennsylvania and Ohio our estimates for North Carolina are not unreasonable. It should be noted that the state of New York has recently received a bid for a statewide radio system that is estimated to cost one billion dollars.

- Will there be voice and text pager capabilities with VIPER?

  No. Unfortunately, the technology used for 800 MHz trunked radio systems does not allow for a paging solution. Agencies requiring paging will have to continue to support their existing paging system. However, where available, tower space will be offered to VIPER participants on State Highway Patrol owned towers for local agency paging antennas.

- What about satellite communications?

Satellite technology does have one advantage over typical trunked radio systems in that it is not terrestrial based. This essentially means that a satellite based communications system would be relatively free from harm as related to most natural or manmade disasters. However, the primary drawback to satellite based systems is that in order to function, the subscriber handset or radio unit must be in constant view of the sky. This would eliminate operation inside buildings or in areas of dense foliage or during heavy rainfall or intense cloud cover. Satellite communications often don't work well in "urban canyons" (in streets and alleyways between tall buildings) because there is not line of sight to the satellites on the horizon. All of these detractions far outweigh the benefit of the system being somewhat impervious to being dependant on easily damaged infrastructure on earth. Satellite systems also suffer from lengthy delays as the conversation is routed up into the sky many hundreds of miles and back down again to the receiving radio or handset. Furthermore, satellite based technology will have to be refreshed as the orbit of the satellite can only be sustained for a finite number of years. However, satellite communications would be a viable option in areas where terrestrial infrastructure would be too costly to serve the population; such as the desert southwest of the US or the Middle East.

- Do I have to buy a certain brand of radio to operate on the VIPER network?

No. VIPER is the expansion of an existing Motorola radio system, obviously Motorola radios will work on the network. We have demonstrated the successful operation of EF Johnson radios on the VIPER network. So if a user prefers to use radios other than Motorola, they have the option of using EF Johnson radios.

- Will there be a cost to use the VIPER network?

The success of VIPER depends on our partnerships with state and local agencies, and the sharing of existing resources which may range from land to build towers on to re-use of existing towers. These in-kind contributions will help keep the overall cost of construction lower than if we had to buy property and build new towers everywhere a state owned tower was not available. It was those partnerships that allowed the state to build the statewide mobile data network for less that $20m as compared to the estimate in 1993 of more than $100m for the state to build the infrastructure.

- Will local agencies continue to dispatch their own personnel or will that be taken over by the Highway Patrol?

Local agencies will continue to dispatch and control their personnel as they do today. However, they will need to incorporate 800 MHz radios into their dispatch center consoles so they can communicate with their personnel.

- This project will be awarded to a single vendor!

We've heard this complaint from several sources. This is an expensive project and there will be large amounts of funds spent. However, with the Patrol acting as prime contractor, there is not a single vendor profiting from the total project funds. There are many products that will be purchased from different vendors who will be required to compete in the competitive bid process. However, there may be circumstances such as product integration with existing infrastructure and compatibility where a single or fewer vendors may be selected, but those vendors will not profit from other infrastructure equipment. These products include, but are not limited to, equipment buildings, towers and tower work, generators, microwave equipment, intellirepeaters, network routers and quality assurance.

Eligibility Requirements for 800 MHz Portable Radios:

Any existing Motorola or EF Johnson radios may be utilized on the VIPER system as long as they meet the following criteria Any existing ANALOG LTS2000/LCS2000, MTS2000/MCS2000 or EF Johnson analog series radios MUST be capable of at least SMARTZONE operation and SHOULD be capable of OMNILINK operation as well Any existing DIGITAL ready or DIGITAL capable AstroSaber/XTS3000/Astro Spectra or XTS2500/XTS5000/XTL5000 series radios MUST be capable of SMARTZONE operation and SHOULD be capable of OMNILINK operation as well ALL DIGITAL ready or DIGITAL capable radios MUST be configured to operate on a DIGITAL talkgroup to access the VIPER network NO NEW ANALOG radios will be permitted on the system Analog talkgroups will be assigned only to customers with existing analog only radios that are capable of a minimum of SMARTZONE operation New VIPER users who do not currently operate 800 MHz VIPER compatible radios MUST purchase radios capable of DIGITAL operation with SMARTZONE or SMARTZONE OMNILINK.

Motorola 800 MHz Portable Radios (Analog) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Rapid Desk Charger	Rapid Vehicular Charger	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
LTS2000 Model III, Front Display (H10UCH6DC5AN/BN)	N/A	N/A	N/A	N/A		$100 00	N/A	Available only at time of original order	N/A	N/A	
MTS2000 Model I, Top Display (Model Number H01UCD6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$523 00	$200 00	N/A	
MTS2000 Model II, Front Display, Limited Keypad (Model Number H01UCF6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$523 00	$200 00	N/A	
MTS2000 Model III, Front Display, Full Keypad (Model Number H01UCH6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$523.00	$200.00	N/A	

Motorola 800 MHz Mobile Radios (Analog) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Rapid Desk Charger	Rapid Vehicular Charger	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
LCS2000 Model III, Front Display (M10UCH6DC5AN/BN)	N/A	N/A	N/A	N/A		$100 00	N/A	Available only at time of original order	N/A	N/A	
MCS2000 Model I, Limited Display, No Keypad (Model Number M01UCD6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$475 00	$200 00	N/A	
MCS2000 Model II, Single Line Display, Limited Keypad (Model Number M01UCF6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$475 00	$200 00	N/A	
MCS2000 Model III, Dual Line Display, Full Keypad (Model Number M01UCH6PW1AN/BN)	N/A	N/A	N/A	N/A		$100 00	$385 00	$475 00	$200 00	N/A	

Motorola 800 MHz Portable Radios (Digital) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Rapid Desk Charger	Rapid Vehicular Charger	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
Astro Saber Model II, Front Display, Limited Keypad (Model Number H04UCF9PW7AN/BN)	N/A	N/A	N/A	$0 00	$64 00	$100 00	N/A	$440 00	$200 00	$770 00	$75 00
Astro Saber Model III, Front Display, Full Keypad (Model Number H04UCH9PW7AN/BN)	N/A	N/A	N/A	$0 00	$64 00	$100 00	N/A	$440 00	$200 00	$770 00	$75 00
XTS3000 Model I, Top Display, No Keypad (Model Number H09UCC9PW7AN/BN)	$1,637.00	$1,275 00	$170.00	$438 00	$64.00	$100 00	$385.00	$475 00	$200 00	$700 00	$75 00
XTS3000 Model II, Front Display, Limited Keypad (Model Number H09UCF9PW7AN/BN)	$1,926 00	$1,275 00	$170 00	$438 00	$64 00	$100 00	$385.00	$475 00	$200 00	$700.00	$75.00
XTS3000 Model III, Front Display, Limited Keypad (Model Number H09UCH9PW7AN/BN)	$2,215.00	$1,275 00	$170.00	$438.00	$64 00	$100 00	$385 00	$475 00	$200 00	$700 00	$75 00
XTS1500 Model I, No Display, No Keypad (Model Number H66UCC9PW5BN)	$638 00	$830 00	Incl.	Incl	Incl	$100 00	N/A	$490 00	Incl	Incl	Incl
XTS2500 Model I, Front Display, Limited Keypad (Model Number H46UCC9PW5AN/BN)	$807 00	$1,675.00	Incl.	Incl	Incl.	$100.00	N/A	$490 00	Incl.	Incl	Incl.
XTS2500 Model II, Front Display, Limited Keypad (Model Number H46UCF9PW6 AN/BN)	$1,318.00	$1,675 00	Incl.	Incl.	Incl.	$100 00	N/A	$490.00	Incl.	Incl	Incl
XTS2500 Model III, Front Display, Limited Keypad (Model Number H46UCH9PW7AN/BN)	$1,658 00	$1,675 00	Incl	Incl	Incl	$100 00	N/A	$490 00	Incl	Incl	Incl
XTS5000 Model I, Top Display, No Keypad (Model Number H18UCC9PW5AN/BN)	$1,388 00	$1,275.00	$170.00	$438 00	$64 00	$100 00	$385 00	$475 00	$200 00	$700 00	$75 00
XTS5000 Model II, Front Display, Limited Keypad (Model Number H18UCF9PW6AN/BN)	$1,834.00	$1,275 00	$170.00	$438 00	$64 00	$100 00	$385 00	$475 00	$200 00	$700 00	$75 00
XTS5000 Model III, Front Display, Limited Keypad (Model Number H18UCH9PW7AN/BN)	$2,110 00	$1,275 00	$170.00	$438 00	$64.00	$100 00	$385.00	$475 00	$200 00	$700.00	$75.00

EF Johnson 800 MHz Portable Radios (Digital) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Rapid Desk Charger	Rapid Vehicular Charger	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
5100 Model II, Limited Keypad (Model Number 5182-810-22-0000)	$2,360 00	Incl.	N/A	Incl	Incl.	$120 00	N/A	N/A	N/A	N/A	N/A
5100 Model III Full Keypad (Model Number 5183-810-22-0000)	$2,556 00	Incl.	N/A	Incl.	Incl.	$120 00	N/A	N/A	N/A	N/A	N/A

Motorola 800 MHz Mobile Radios (Digital) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Dash Mount/Remote Mount (Choose One)	Control Head Cost	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
Astro Spectra (All Models regardless of control head configuration)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$475 00	$200 00	$770 00	$75 00
Astro Spectra Plus (All Models regardless of control head configuration)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$475 00	$200 00	$770 00	$75 00
XTL5000 Handheld Control Head, Limited Keypad (Model Number M20URS9PW1AN/BN)	$1,497 00	$1,275 00	$170.00	$438 00	$64 00	$107 00/$252 00	$804 00	$475 00	$200 00	$770 00	$75 00
XTL5000 Rotary Control Head, Limited Keypad (Model Number M20URS9PW1AN/BN)	$1,497 00	$1,275 00	$170 00	$438 00	$64 00	$107 00/$252 00	$367 00	$475 00	$200 00	$770 00	$75 00
XTL5000 Pushbutton Control Head, Limited Keypad (Model Number M20URS9PW1AN/BN)	$1,497 00	$1,275 00	$170.00	$438 00	$64 00	$107 00/$252 00	$367 00	$475 00	$200 00	$770 00	$75 00
XTL5000 Pushbutton Control Head, Full Keypad (Model Number M20URS9PW1AN/BN)	$1,497 00	$1,275 00	$170 00	$438 00	$64 00	$107.00/$252 00	$501 00	$475 00	$200 00	$770 00	$75 00
XTL5000 Pushbutton Control Head, Full Keypad 9000e Remote only configuration (Model Number M20URS9PW1AN/BN)	$1,497 00	$1,275.00	$170 00	$438 00	$64 00	$252 00 (Remote Only)	$804 00	$475.00	$200 00	$770 00	$75 00

EF Johnson 800 MHz Mobile Radios (Digital) compatible with VIPER:	Base Radio Cost	SmartZone Operation Cost	OmniLink Operation Cost	Digital CAI Option	Digital ID Display Option	Dash Mount/Remote Mount (Choose One)	Control Head Cost	SmartZone Operation Upgrade Cost	OmniLink Operation Upgrade Cost	Digital CAI Upgrade Cost	Digital ID Display Upgrade Cost
5300 Model III Pushbutton Control Head, Full Keypad (Model Number 5383-810-22-0000)	$3,450 00	Incl.	N/A	Incl	Incl.	$100 00/200 00	Incl	N/A	N/A	N/A	N/A
5300 Model III Handheld Control Head, Full Keypad (Model Number 5383-810-22-0000)	$3,950 00	Incl.	N/A	Incl	Incl	$200 00 (Remote Only)	Incl	N/A	N/A	N/A	N/A

Tone and Voice Paging

The VIPER network, like all other 800 MHz trunked radio systems, will not support paging capabilities. It will be incumbent upon local agencies to provide or continue to support paging systems for their personnel. Where available, the State Highway Patrol will continue to extend access to State Highway Patrol managed tower sites to support local paging operations.

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Potential VIPER Revenue Sources

In times of fiscal restraint, it is difficult to identify funding in a general budget for such large expenditures. However, as identified in the aftermath of the attacks on the United States on September 11, 2001, interoperable communications was the single most identified impediment to emergency responses during those emergencies. Likewise, interoperable communications is vital everyday for public safety and a funding solution should be sought.

Funding Streams

The CJIN-DCC&PS VIPER Subcommittee discussed how to fund VIPER during our meetings. In the time we had to produce this report we have identified the dollars needed for construction costs, recurring costs, and possible funding sources. However, the sources of those funds should be researched and validated by the Legislative Fiscal Staff.

Many states are facing the same interoperability issues after the release of the 9-11 Commission Report that indicated the lack of communications was an obstacle in the effectiveness of emergency responders. Interoperable communications is the number one issue identified by states for addressing homeland security and preparing for a terrorist attack or natural disaster. Unfortunately, with the absence of federal funding, this is an issue that must be addressed by the states.

The following assumptions were made:

- The estimated number of radio equipped first responders in the State is approximately 21,900. We determined this by surveying Granville, Iredell, and Lenoir counties to determine the number of first responders and the number of shifts for each category of first responders. The data from these three moderate sized counties was averaged together and produced a 'multiplier' that represents one hundred NC counties.

- A general obligation bond would take one year from its inception to being passed and funds were available.
- The logistics of collecting the revenue from the various sources could be resolved in a timely manner.
- Revenues generated would come directly to the VIPER fund for use on the VIPER project. They would be considered carry-forward funds, as opposed to reverted funds which go away at the end of a State fiscal year.
- The VIPER Governance Committee would have oversight on the revenue fund expenditures.
- Any fee increase or surcharge would be in addition to what's already out there today.
- All recommendations made here are merely proposals on ways to generate funding, and not necessarily supported by the individual groups being affected.
- Recurring funds in the VIPER budget are for upkeep of items that are damaged such as lightening strikes that are not covered under maintenance agreements and warranty periods. They are not for technology upgrades for the network.

Proposed VIPER Funding Streams

	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Totals
Non Recurring (NR) Infrastructure	$ 47,780,168	$ 45,213,168	$ 31,119,168	$ 31,907,168	$ -	$ 156,019,672
Recurring (R) Operations	$ 6,144,915	$ 7,805,756	$ 9,845,896	$ 11,512,476	$ 11,512,476	N/A

Option 1: 100% general obligation public safety bond, $0 State appropriation

* bond money is available in year 2 (first year is spent getting the bond approved)

Infrastructure	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Totals
NR State appropriation	$ -	$ -	$ -	$ -	$ -	$ -
NR Bond money	not available yet	$ 47,780,168	$ 45,213,168	$ 31,119,168	$ 31,907,168	$ 156,019,672
Operations						
R Other sources of revenues	$ -	$ 6,144,915	$ 7,805,756	$ 9,845,896	$ 11,512,476	N/A

Option 2: A combination of general obligation public safety bond money and State appropriations
(Based on the strategy that VIPER will have the same % user breakdown as CJIN-MDN has today)

* SHP is 15% of CJIN-MDN users (funded by highway fund), other state agencies are 3% of CJIN-MDN users (JPS to fund), bond money does the rest
* state money is available starting in year 1, bond money is available starting in year 2 (first year is spent getting the bond approved)

Infrastructure	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Totals
NR State appropriation - Highway fund	$ 7,167,025	$ 6,781,975	$ 4,667,875	$ 4,786,075	$ -	$ 23,402,951
NR State appropriation - JPS	$ 1,433,405	$ 1,356,395	$ 933,575	$ 957,215	$ -	$ 4,680,590
NR Bond money	not available yet	$ 39,641,798	$ 39,611,718	$ 25,375,878	$ 23,306,738	$ 127,936,131
						$ 156,019,672
Operations						$ 156,019,672
R Other sources of revenues	$ 1,228,983	$ 5,073,741	$ 8,369,012	$ 9,785,605	$ 11,512,476	N/A
note: percentages used due to delayed start of bond monies (rounded)	20%	65%	85%	85%	100%	

Proposed VIPER Funding Streams (continued)

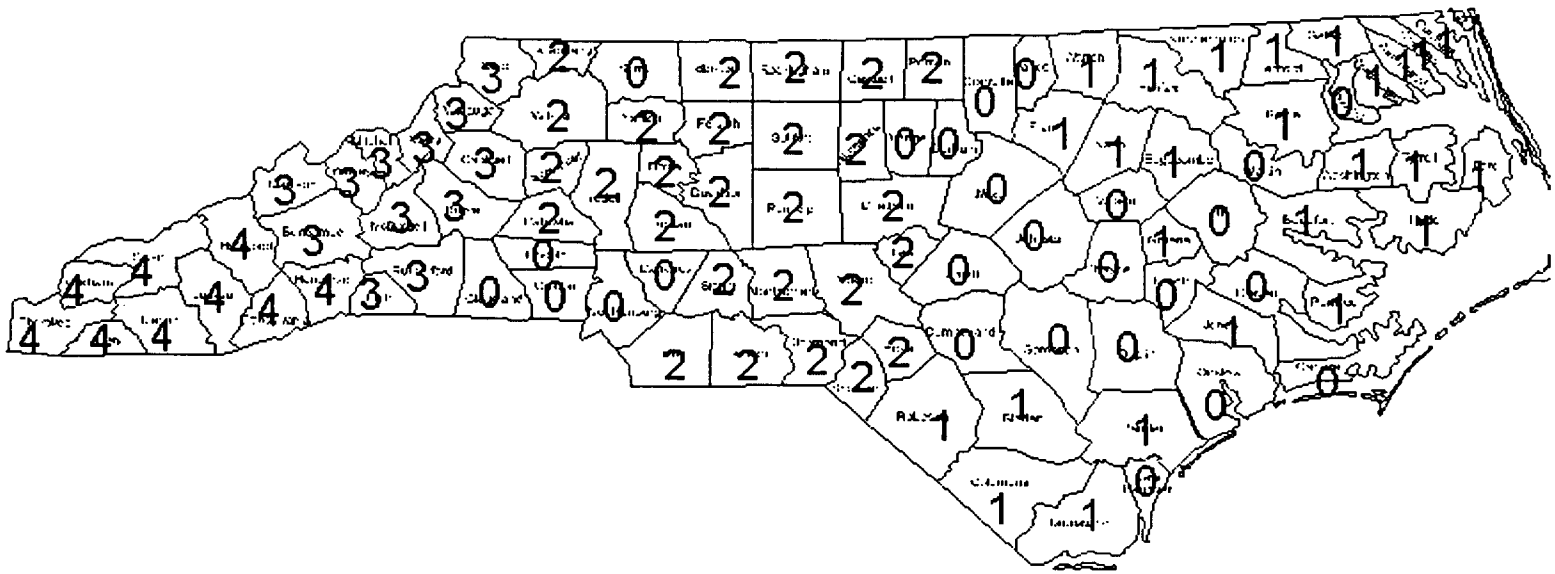
Option 3: All State appropriations, $0 Bond
(Based on the strategy that VIPER will have the same % user breakdown as CJIN-MDN has today)
* SHP is 15% of CJIN-MDN users (funded by highway fund), other state agencies are 3% of CJIN-MDN users (JPS to fund), general appropriation does the rest
* state money is available starting in year 1

Infrastructure	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Totals
NR State appropriation - Highway fund	$ 7,167,025	$ 6,781,975	$ 4,667,875	$ 4,786,075	$ -	$ 23,402,951
NR State appropriation - JPS	$ 1,433,405	$ 1,356,395	$ 933,575	$ 957,215	$ -	$ 4,680,590
NR State appropriation - general fund	$ 39,179,738	$ 37,074,798	$ 25,517,718	$ 26,163,878	$ -	$ 127,936,131
NR Bond money	$ -	$ -	$ -	$ -	$ -	$ -
						$ 156,019,672
Operations						
R Other sources of revenues	$ 6,144,915	$ 7,805,756	$ 9,845,896	$ 11,512,476	$ 11,512,476	N/A

Option 4: A "Fast Start VIPER" approach of State appropriations in years 1-2, Bond
* Ask Highway Fund and JPS to advance us more money in earlier years until the bond money is available in year 2
* This option lets you get started while the bond is being prepared and appproved in year 1.

Infrastructure	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Totals
NR State appropriation - Highway fund	$ 10,000,000	$ 10,000,000	$ 4,692,951	$ -	$ -	$ 24,692,951
NR State appropriation - JPS	$ 2,000,000	$ 2,000,000	$ 938,590	$ -	$ -	$ 4,938,590
NR Bond money (available in year 2)	Not available yet	$ 35,780,168	$ 39,581,627	$ 31,119,168	$ 19,907,168	$ 126,388,131
						$ 156,019,672
Operations						
R Other sources of revenues	$ 1,536,229	$ 5,073,741	$ 8,369,012	$ 10,361,228	$ 11,512,476	
note: percentages used due to delayed start of bond monies	25%	65%	85%	90%	100%	

VIPER Five Year Phased Map



Year Four 4

Year Three 3

Year Two 2

Year One 1

Year Zero 0

Proposed Funding Sources for VIPER Recurring Operational Costs

The VIPER Subcommittee's proposed funding sources for VIPER recurring operational costs are grouped into three categories:

* highly recommended
* recommended / endorsed
* not recommended.

Highly Recommended

- Add a surcharge on 911 wired fees and 911 wireless fees; add a one-time fee to new cell phone accounts upon activation.
- Add a public safety surcharge to real and personal property insurance policies.
- Add a surcharge to the tire disposal fee and the battery disposal fee.
- Add a surcharge to tobacco products

Recommended

- Increase the driver's license fee
- Increase the vehicle registration fee
- Increase the alcoholic beverage tax.

Not Recommended

The following potential funding sources for VIPER recurring costs were discussed but not recommended for various reasons:

- Collect a toll / install toll booths on NC Interstate Highways. The rationale is that everyone driving on the NC Interstate Highway benefits from VIPER so they should help pay for its operations. This recommendation was not pursued because NC does not presently

have toll roads. However, it should be considered in the future if toll roads become a reality

- Add a NC surcharge to the current Federal Communications Commission (FCC) licensing which collected by the federal government. This recommendation was not pursued because the general consensus was that it would be cost prohibitive to implement this idea.

- Add a NC surcharge to the fuel tax. This recommendation was not pursued because NC already has some of the highest fuel taxes of neighboring states.

- Increase the vehicle inspection fee. This recommendation was not pursued because some counties are presently increasing the fee for emissions control.

- Increase court costs. This recommendation was not pursued because recent increases in county fees have gone to the general fund.

- Charge a VIPER subscriber user fee. The VIPER Subcommittee was 100% unanimous that we should **not** charge a user fee. VIPER should be accessible to all first responders in the State, regardless of agency budget. In addition, VIPER is a partnership between the State and the county/local governments. Many of our partners are presently donating in-kind services today, but might be compelled to start charging VIPER for use of their resources if they had to pay an access fee or even decide not to participate at all.

VIPER Revenues for Recurring Costs

Category	Source	Possible Increase/ Surcharge	Annual Transactions	Annual Revenues Generated
Highly Recommended	**Insurance Policy Premium Surcharge**	$5.00	unknown	
Highly Recommended	**Tire disposal fee surcharge/tire ***	$ 1.00	8,407,248	$ 8,407,248
Highly Recommended	**Battery disposal fee surcharge ****	$ 1.00	80,912	$ 80,912
Highly Recommended	**Tobacco tax increase *****	$ 0.01	877,375,117	$ 8,773,751
Highly Recommended	**New cell phone activation: one-time fee**	unknown	unknown	
Highly Recommended	**Wireless 911 fees #**	$ 0.05	3,500,000	$ 2,100,000
Highly Recommended	**Wired 911 fees #**	$ 0.05	4,400,000	$ 2,640,000
Recommended	**Registration fee Increase ##**	$ 1.00	7,000,000	$ 7,000,000
Recommended	**Drivers License Increase ##**	$ 1.00	2,000,000	$ 2,000,000
Recommended	**Alcoholic beverage tax increase**	unknown	unknown	
			Total Annual Revenues	**$ 31,001,911**
			Recurring Cost Needed:	**$ 11,512,476**

* www.wastenotnc.org
**http://wastenot.enr.state.nc.us/swhome/SW01-02_AR.doc
*** www.cdc.gov/tobacco/statehi
Estimate based on population and NC census number of households
DOT/DMV

Endnotes:

[1]" Statewide Interagency Public Safety Radio Communications" Document Introduction, 1994

[2]Price Waterhouse LLP, "Criminal Justice Information Network Final Report" Executive Summary, page 10 electronic copy 1995

[3]Price Waterhouse LLP, "Criminal Justice Information Network Final Report" Statewide Voice and Data, page 228, electronic copy 1995

[4]American National Standards Institute, News Article: 9-11 Commission Hearing Calls for Standards in Areas of Emergency Response *Homeland Security Secretary Tom Ridge Calls for Adoption of National Emergency Preparedness Standards Development by ANSI and NFPA,* May 19,2004

[5]Price Waterhouse LLP, "Criminal Justice Information Network Final Report" Statewide Voice and Data, page 201, electronic copy 1995

[6]Gartner Consulting, State of North Carolina Criminal Justice Information Network-Voice Trunking Network, "CJIN Governing Board Presentation ", pages 16-22, 14 November 2002

[7]National Task Force on Interoperability, *Why Can't We Talk?, Page 5, February 2003*

[8]The SAFECOM Program, Department of Homeland Security, *Statement of Requirements for Public Safety Wireless Communications & Interoperability,* Version 1.0, Page 1, March, 10, 2004

[9]The SAFECOM Program, Department of Homeland Security, *Statement of Requirements for Public Safety Wireless Communications & Interoperability,* Version 1.0, Page 3, March, 10, 2004

R56 COMPLIANCE AUDIT

F.1 PURPOSE

The purpose of the R56 compliance audit is to provide an audit form based on the Motorola Standards and Guidelines for Communication Sites manual (R56) requirements, to ensure the overall performance of individuals and contractors performing or supervising installations.

F.2 SCOPE

It is the Motorola policy that all contracted installations shall either conform to or exceed the minimum guidelines established in the "Motorola Standards and Guidelines for Communication Sites" manual (R56). As new equipment is developed and requirements are strengthened, the installation procedures are updated in an effort to provide the customer with a fault-free communication system. These checklists will enable management personnel to better understand deficiencies associated with the installation affording them the opportunity to take corrective action.

Motorola provides this audit and the opinions solely for the purpose of assisting in the compliance to Motorola installation standards. No opinions or recommendations expressed in this audit shall result in liability to Motorola for any losses, damages, expenses, claims, causes of action incurred or sustained by the customer for any reasons whatsoever. Any work resulting from this audit process involving electrical systems, panels, automatic transfer switches, conduits or outlets must be completed by a suitably qualified and licensed electrician. All work must be performed by properly trained, licensed and qualified contractors.

3. **Specific Deficiencies / Reasons**

   In this area, identify and explain any specific deficiencies that were observed at the site. After this is completed, proceed to the explanation of N/A entries.

   Example:

   2.b: Cable runway system does not meet ceiling separation requirements. A separation of 10 cm (4 in.) was measured.

4. **Explanation of N/A Entries**

   In this area, identify and explain any not applicable (N/A) audit points that were identified. After this is completed, send the cover sheet and a copy of the R56 Compliance Audit to the Project Manager.

   Example:

   3.o.15: There are no security bars or metallic window frames at this location.

F.3.3 R56 COMPLIANCE AUDIT

The R56 Compliance Audit starts on page F-7. Begin by filling in all the required information at the top of the page. Once this has been completed, proceed with the audit.

The Reference column on the audit form provides references to the applicable Motorola requirements within the "Motorola Standards and Guidelines for Communication Sites" (R56) manual.

The remainder of the audit is divided into five separate segments for marking as follows:

R56 Compliance Audit Cover Sheet

Customer Name: _____

Equipment Location: _____

Inspector's Name _____

Inspection Results: Motorola____**%** Customer:____**%** Date:_____

Site/system Description:

_____

_____

_____

_____

_____

_____

Specific Deficiencies/reasons:

_____

_____

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_____

_____

Explanation of N/A Entries:

_____

_____

_____

_____

_____

_____

_____

_____

_____

R56 Compliance Audit

Customer Name:	**Project Name:**
Project Manager:	**Project #:**
Inspector's Name:	**Audit Date:**
Site Name:	

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	Reference
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	
1 GENERAL								
a. A copy of the Project Manager's Compliance Sheet has been completed, certified and supplied for attachment to this audit.								
b. Project Manager's Compliance Sheet shows that all appropriate requirements have been met.								
TOTALS FOR SECTION								
2 BUILDING DESIGN AND INSTALLATION								
a. The ceiling height is sufficient to meet requirements for equipment installation.								Paragraph 5.6.1
b. Cable runway system meets the proper installation requirements.								Paragraph 5.10
c. The floor is sealed as required.								Paragraph 5.5.2
d. Transmission line entry ports, holes or openings which penetrate the outer surface of the building have been properly sealed.								Paragraph 5.7
e. Adequate lighting requirements have been met.								Paragraph 5.11
f. Minimum required fire suppression equipment is properly installed.								Paragraph 5.12
g. A first aid kit is available and meets requirements.								Paragraph 5.12.6.1
h. Required personal protective safety items are available for servicing batteries which require such items.								Paragraph 5.12.6.2
i. A telephone, microwave link, or cellular phone has been made available.								Paragraph 5.12.8
j. Phone numbers of importance are posted at the site.								Paragraph 5.12.8
k. The minimum required signage is posted at the site.								Paragraph 5.13
TOTALS FOR SECTION								

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R56 Compliance Audit

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	Reference
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	
3 EXTERNAL GROUNDING								
a. An External Ground Bus bar (EGB) of suitably sized material is properly installed at the transmission line entry point.								Paragraph 6.3.3
b. The EGB grounding electrode conductor has been properly installed.								Paragraph 6.3.3
c. When a tower ground bus bar (TGB) is used, it meets the proper installation and bonding requirements.								Paragraph 6.3.4
d. Each transmission line outer shield is properly bonded to the tower or TGB at the transition of the vertical transmission line run with a weather sealed transmission line grounding kit.								Paragraph 6.4.6
e. Each transmission line outer shield is properly bonded to the EGB with a weather sealed transmission line grounding kit.								Paragraph 6.4.6
f. The tower is properly bonded with the required number of B42grounding conductors.								Paragraph 6.4.5
g. Ice bridges / cable supports have been properly bonded to the EGB.								Paragraph 6.4.3
h. Each ice bridge / cable support post has been properly bonded to the grounding electrode system.								Paragraph 6.4.3
i. Ice bridges / cable supports have been properly isolated from the tower.								Paragraph 6.4.3
j. Guy wires are properly bonded and their grounding conductor maintains a continuous vertical drop to the grounding electrode.								Paragraph 6.4.5
k. Fencing has been properly bonded to a ground system as required.								Paragraph 6.4.2
l. Each fence gate is properly bonded to its supporting fence post as required.								Paragraph 6.4.2
m. Gate supporting fence posts are properly bonded as required.								Paragraph 6.4.2
n. Generator and support skids have been properly bonded as required.								Paragraph 6.4.1
o. Items listed below are properly bonded to the grounding electrode system as required.								Paragraph 6.4.1
o.1 Metallic entry ports								Paragraph 6.4.1

R56 Compliance Audit

	DESCRIPTION	Motorola Responsibility Passed	Motorola Responsibility Failed	Customer Responsibility Passed	Customer Responsibility Failed	N/A	Motorola Failure Date Corrected	Customer Failure Date Corrected	Reference
o.2	Cable conduits or raceways								Paragraph 6.4.1
o.3	Metallic piping (water, gas, electrical conduits, etc.)								Paragraph 6.4.1
o.4	Air conditioner units								Paragraph 6.4.1
o.5	Metal siding and/or roofing on buildings								Paragraph 6.4.1
o.6	Vent covers and grates								Paragraph 6.4.1
o.7	Metal fuel storage tanks (above or below ground)								Paragraph 6.4.1
o.8	Building slab or pier foundations								Paragraph 6.4.1
o.9	Anchors on prefabricated buildings								Paragraph 6.4.1
o.10	Metallic structures for antenna supports, light fixtures, etc.								Paragraph 6.4.1
o.11	Satellite dish supports								Paragraph 6.4.1
o.12	GPS antenna supports								Paragraph 6.4.1
o.13	Hand and safety rails								Paragraph 6.4.1
o.14	Ladders and safety cages								Paragraph 6.4.1
o.15	Security bars and window frames								Paragraph 6.4.1
o.16	Main electrical ground								Paragraph 6.4.1
o.17	Main telco ground								Paragraph 6.4.1
p.	Approved bonding techniques have been used for the connection of dissimilar metals.								Paragraph 6.5.2
q.	Approved methods have been used for conductor connection and termination.								Paragraph 6.5
r.	Bonding surfaces for lugs and clamps are free of paint and corrosion and a conductive anti-oxidant compound has been applied.								Paragraph 6.5
s.	All painted or galvanized bonding surfaces for exothermic welds were cleaned and painted to inhibit rusting.								Paragraph 6.5
t.	All grounding conductors have been routed towards the EGB, TGB or the grounding electrode system and the minimum bending radius has been observed.								Paragraph 6.3.2+K84
u.	Grounding conductors are routed as straight as possible and protected from physical damage as required.								Paragraph 6.3.2
v.	Grounding conductors maintain the minimum required separation from other cable groups.								Paragraph 6.3.2.3

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R56 Compliance Audit

DESCRIPTION	Motorola Responsibility Passed	Motorola Responsibility Failed	Customer Responsibility Passed	Customer Responsibility Failed	N/A	Motorola Failure Date Corrected	Customer Failure Date Corrected	Reference
w. Grounding conductors are securely fastened as required.								Paragraph 5.4.9
x. Grounding conductors meet or exceed the conductor size requirements.								Paragraph 6.3.2.3
y. Braided grounding conductors are not used anywhere in the external ground system.								Paragraph 6.3.2.1
TOTALS FOR SECTION								

4 INTERNAL GROUNDING								
a. A properly sized Master Ground Bus Bar (MGB) is installed as required.								Paragraph 7.2
b. The MGB grounding electrode conductor has been properly bonded and routed towards the grounding electrode system.								Paragraph 7.2
c. All conductor connections to the MGB follow approved connection methods.								Paragraphs 7.4
d. Where required a Sub System Ground Bus Bar (SSGB) has been properly installed.								Paragraph 7.2.2
e. The SSGB has been bonded back to the MGB as required.								Paragraph 7.2.2
f. All conductor connections to the SSGB follow the approved connection methods.								Paragraphs 7.4
g. Where required an Internal Perimeter Ground Bus (IPGB) is properly installed.								Paragraph 7.3.2
h. Only ancillary equipment is bonded to the IPGB.								Paragraph 7.3.5.3
i. Each ancillary support apparatus is properly bonded to the IPGB, MGB, or SSGB.								Paragraph 7.3
j. Items listed below are properly bonded to the MGB, SSGB, or IPGB using approved connection methods.								Paragraph 7.3.2
j.1 Piping systems								Paragraph 7.3.2.4
j.2 Steel roof trusses								Paragraph 7.3.2.4
j.3 Exposed support beams or columns								Paragraph 7.3.2.4
j.4 Ceiling grids								Paragraph 7.3.2.4
j.5 Raised equipment floor support structure at the proper intervals.								Paragraph 7.3.2.4
j.6 Any exposed metallic building materials (metal siding)								Paragraph 7.3.2.4

R56 Compliance Audit

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	Reference
k. Surge Suppression Device (SPD) metal housings are bonded to the MGB, SSGB or IPGB as required.								Paragraph 7.3.5.8
l. Separately derived AC electrical systems are bonded to the MGB or SSGB as required.								Paragraph 7.3
m. Primary telephone, control, and data network circuit SPDs are properly installed and bonded to the MGB or SSGB as required.								Paragraph 7.3.5.6
n. RF transmission line SPDs are bonded to the MGB or a separate equipment area SSGB as required.								Paragraph 7.3.5.5
o. Cable runways are bonded to the MGB or SSGB as required.								Paragraph 7.3.3.4
p. Each cable runway section is bonded to the adjoining section as required.								Paragraph 7.3.4
q. Ground bus conductors and their extensions are sized as required.								Paragraph 7.3.1.2
r. All ground bus conductors, ground bus extensions and equipment grounding conductors are routed towards the MGB or SSGB as required.								Paragraph 7.3.1
s. Bonding connections to a ground bus or its extensions have been properly insulated as required.								Paragraph 7.3.1.3
t. Cabinets have been properly bonded back to the MGB, SSGB or ground bus by approved methods.								Paragraph 7.2.2.4
u. Racks have been properly bonded back to the MGB, SSGB or ground bus by approved methods.								Paragraph 7.2.2.4
v. Any RGB located within a cabinet or rack is properly bonded back to the MGB, SSGB or ground bus as required.								Paragraph 7.2.2.4
w. Individual system component chassis equipment is properly bonded as required.								Paragraph 7.2.2+K117.4
x. Secondary telephone, control, and data network circuit SPDs are properly installed and bonded back to MGB or SSGB as required.								Paragraph 7.3.5.6
y. All required control center and dispatch equipment is properly bonded back to the MGB, SSGB, or ground bus conductor as required.								Paragraph 7.6
TOTALS FOR SECTION								

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R56 Compliance Audit

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	
5 POWER SOURCES								
a. Circuit breakers are labeled to identify the receptacle outlet they are protecting.								Paragr
b. Proper clearance requirements are being observed for power panels.								Paragr
c. Outlet boxes are permanently marked to identify their assigned circuit breakers and panels.								Paragr
d. Power receptacle outlets are mounted securely to the supporting structure.								Paragr
e. Adequate service receptacle outlets are provided for the technician.								Paragr
f. Each critical piece of equipment has a dedicated branch circuit and dedicated simplex receptacle.								Paragr
g. Power receptacles are installed by the equipment load as required.								Paragra
h. Extension cords including temporary outlet strips are not used in the final installation.								Paragra
i. Exterior receptacle outlets and circuits are GFCI protected as required.								Paragra
j. AC power receptacle outlets and strips are of the proper type and securely mounted as required.								Paragra
k. Appropriate clearance is being observed for safe servicing of UPS and battery banks.								Paragra
l. The neutral - ground bonding conductor has been properly installed in the main service disconnect as required.								Paragrap
m. Equipment grounding conductors have been installed as required.								Paragrap
n. Solar panels have been located away from objects that could damage or block sunlight to the panel.								Paragrap
o. Proper mounting practices are being observed for solar panels or wind generators.								Paragrap
p. Battery racks are bolted to the floor or wall.								Paragrap

R56 Compliance Audit

DESCRIPTION	Motorola Responsibility Passed	Motorola Responsibility Failed	Customer Responsibility Passed	Customer Responsibility Failed	N/A	Motorola Failure Date Corrected	Customer Failure Date Corrected	Reference
q. Battery conductors are enclosed in PVC, metallic conduit or raceways.								Paragraph 8.8.8
r. A battery disconnect and suitable circuit protection device has been installed as required.								Paragraph 8.8.8
s. When a standby power generator has been installed, it meets the proper installation requirements.								Paragraph 8.9.2
t. Standby generators are located in areas only accessible by authorized personnel.								Paragraph 8.9.2
u. Standby generators have an adequate area provided for servicing.								Paragraph 8.9.2
v. Fuel storage tanks for standby generators are located within a secured area.								Paragraph 8.9.3
w. A dedicated electrical circuit has been provided at the generator.								Paragraph 8.9.5
x. A transfer switch of the proper ampacity rating has been installed to perform the switching between commercial power and standby generator power.								Paragraph 8.9.4
y. A main service disconnect has been installed as required.								Paragraph 8.9.4
z. Electrical panelboard ampacity ratings are properly coordinated.								Paragraph 8.9.4
TOTALS FOR SECTION								

6 TRANSIENT VOLTAGE SURGE SUPPRESSION								
a. A Type 1 SAD/MOV surge protection device (SPD) is installed as required.								Paragraph 9.4.2.2
b. A Type 2 MOV surge protection device (SPD) is installed as required.								Paragraph 9.4.2.3
c. Primary SPDs for telephone circuits are installed as required.								Paragraph 9.5.1
d. Secondary SPDs for telephone circuits are installed as required.								Paragraph 9.5.2
e. Primary SPDs for control circuits are installed as required.								Paragraph 9.5
f. Secondary SPDs for control circuits installed as required.								Paragraph 9.5

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R56 Compliance Audit

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	Reference
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	
g. Primary SPDs for data network circuits are installed as required.								Paragraph 9.5
h. Secondary SPDs for data network circuits are installed as required.								Paragraph 9.5
i. All RF transmission lines, including unused spares, have coaxial RF type SPDs properly installed as required.								Paragraph 9.6
j. Where a tower top amplifier has been installed, the sample port and its control cables have SPDs installed as required.								Paragraph 9.8
k. Tower lighting system AC power and data/alarm circuits have SPDs properly installed as required.								Paragraph 9.8
TOTALS FOR SECTION								

7 EQUIPMENT INSTALLATION							
a. Equipment spacing and aisle widths conform to guidelines.							Paragraph 11.3.1
b. Equipment is level and plumb.							Paragraph 11.4.5
c. Equipment is square with surrounding equipment and walls.							Paragraph 11.4.5
d. Where applicable, seismic installation practices have been observed.							Paragraph 11.4.1
e. Cabinets and racks are secured as required.							Paragraph 11.6
f. Cables and cable groups of different function maintain minimum separation of 5 cm (2 in.) as required.							Paragraph 11.8.1
g. RF cables meet or exceed minimum bending radius requirements.							Paragraph 11.8.9
h. Plenum-rated cables are installed as required.							Paragraph 11.8.2
i. Proper cable lengths are used.							Paragraph 11.8.1.2
j. Cables are properly secured at the required intervals.							Paragraph 11.8.1.1
k. AC power conductors installed on cable runway systems meet installation requirements.							Paragraph 11.8.4+K178
l. Cables are properly identified with a standard, double-ended system.							Paragraph 11.8.13

R56 Compliance Audit

DESCRIPTION	Motorola Responsibility		Customer Responsibility			Motorola Failure	Customer Failure	
	Passed	Failed	Passed	Failed	N/A	Date Corrected	Date Corrected	Reference
m. Distribution frame wiring conforms to the proper punch-down or wire-wrap techniques.								Paragraph 11.8.12
n. CAT-5 cables maintain the proper separation from AC power cables.								Paragraph 11.8.7.4
o. CAT-5 cables do not have any sharp bends.								Paragraph 11.8.7.4
p. CAT-5 cables meet all other installation requirements.								Paragraph 11.8.7
q. Cables installed below raised flooring systems are properly installed.								Paragraph 11.9.7
r. Cables installed above suspended ceilings are properly installed.								Paragraph 11.8.2
s. Electrostatic discharge practices are observed as required.								Paragraph 11.9
TOTALS FOR SECTION								

AUDIT TOTALS	MOTOROLA		CUSTOMER			
	Number of Passed	Number of Failed	Number of Passed	Number of Failed	Total N/A	

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Appendix 2

COOPERATIVE AGREEMENT

Between
County/City/Town

and the

NC Department of Crime Control and Public Safety,
Division of State Highway Patrol

for the

USE

of the

VIPER 800 MHZ MIXED MODE
TRUNKED RADIO SUBSYSTEM

TABLE OF CONTENTS

ARTICLE I - PURPOSE 4
ARTICLE II - COOPERATION 4
ARTICLE III - DEFINITION OF TERMS 4
ARTICLE IV - TERM 6
ARTICLE V - DEFAULT 6
ARTICLE VI - CONFORMANCE TO PLANS, ETC. 7
ARTICLE VII - OWNERSHIP OF INFRASTRUCTURE 7
ARTICLE VIII – SYSTEM FUNDING 7
ARTICLE IX - FCC LICENSE AND USE OF FREQUENCIES 7
ARTICLE X – GOVERNANCE COMMITTEE AND TECHNICAL SUBCOMMITTEE 8
ARTICLE XI – RADIO SYSTEMS USES AND LIMITATIONS 11
ARTICLE XII - NOTICE 11
ARTICLE XIII - MERGER AND MODIFICATION 11
ARTICLE XIV – RECORDS, AVAILABILITY 11
ARTICLE XV - INDEPENDENT CONTRACTOR AND INDEMNIFICATION 12
ARTICLE XVI - GOVERNING LAW AND APPLICABLE PROVISIONS OF LAW 13

INTERLOCAL AGREEMENT

BETWEEN

THE COUNTY/CITY/TOWN OF _____ AND THE NORTH CAROLINA STATE HIGHWAY PATROL

REGARDING

USE AND SUPPORT OF THE VIPER 800 MHz TRUNKED RADIO NETWORK

This Agreement entered into this, the _____ day of _____, 200___, by and between the COUNTY/CITY/TOWN of _____, hereinafter referred to as "CITY","COUNTY", or "TOWN" and the North Carolina State Highway Patrol, hereinafter referred to as "PATROL," pursuant to the provisions of Article 20 of Chapter 160A of the North Carolina General Statutes.

WITNESSETH

WHEREAS, the parties to this Agreement are committed to delivery of the highest possible level of fire, law enforcement, medical emergency and related services; and

WHEREAS, the parties to this Agreement believe that interoperability – the ability for public safety agencies and communications centers to seamlessly communicate with each other – is a critical component of state-of-the-art public safety radio communications; and

WHEREAS, the parties to this Agreement are committed to participating in the use and support of such state-of-the-art public safety radio communications and computer aided dispatching systems that:

- Provide for efficient and effective support of the delivery of public safety services to people who need help;

- Provide the greatest support possible for firefighters, paramedics, law enforcement officers and others for whom reliable, interoperable communications can mean the difference between life and death;

WHEREAS, the COUNTY/CITY/TOWN has entered into an Agreement (hereinafter referred to as the, "COUNTY/CITY/TOWN and PATROL Agreement") with the State of North Carolina, through the PATROL, a copy of which is attached hereto as Exhibit A (without Appendix A of that Agreement outlining the technical radio components which the COUNTY/CITY/TOWN shall acquire) and incorporated herein, to work in partnership to develop a state-of-the-art interoperable public safety radio communications system based upon the 800 megahertz analog/digital trunked radio system ("800 MHz system") that is capable of

supporting analog or digital trunked radio services and capable of being expanded in a manner consistent with current public safety communications technical standards; and

WHEREAS, the COUNTY/CITY/TOWN and PATROL Agreement provides for COUNTY/CITY/TOWN and PATROL approval of the use of radio communications created by that Agreement (and COUNTY/CITY/TOWN procurement and construction of an 800 MHz system that operates in a manner consistent with the provisions of the COUNTY/CITY/TOWN and PATROL Agreement) by parties in addition to the COUNTY/CITY/TOWN and the PATROL; and

ARTICLE I - PURPOSE

1.01 The purpose of this Agreement is to define the rights and obligations of the COUNTY/CITY/TOWN and PATROL with respect to the coordinated operation, maintenance, and upgrades of the 800 MHz mixed mode radio system.

ARTICLE II - COOPERATION

2.01 The COUNTY/CITY/TOWN and PATROL will cooperate and use their best efforts to ensure that the various provisions of this Agreement are fulfilled. The parties agree in good faith to undertake resolutions of disputes, if any, in an equitable and timely manner and in accordance with the provisions of this Agreement.

ARTICLE III - DEFINITION OF TERMS

3.01 AGREEMENT. "Agreement" means this document as approved by appropriate action through ordinance, resolution, or other method, pursuant to the ordinances, resolutions, or charter of the governing bodies of the COUNTY/CITY/TOWN and the PATROL.

3.02 AMENDMENT. "Amendment" means a change to this Agreement as submitted to and approved by the governing bodies of the COUNTY/CITY/TOWN and PATROL.

3.03 APPORTIONMENT OF COSTS AND REVENUES. "Apportionment Of Costs And Revenues" means the manner in which the operating, maintenance, and upgrade costs of the 800 MHz mixed mode trunked radio systems may be identified and allocated between the COUNTY/CITY/TOWNS and the PATROL.

3.04 AUTHORIZED USERS. "Authorized users" are COUNTY/CITY/TOWN users duly authorized by the Agreement with the PATROL to utilize the 800 MHz mixed mode trunked radio systems.

3.05 COUNTY/CITY/TOWN. "COUNTY/CITY/TOWN" means the city, county, consolidated city-county, town, local BOARD of Education, sanitary district, facility authority created under Part 4 of § 160A-460, or other local political subdivision, authority, or agency of local government, party to this Agreement.

3.06 COUNTY/CITY/TOWN RADIO EQUIPMENT. "COUNTY/CITY/TOWN radio equipment" means portable, mobile, fixed control stations, or related hardware purchased by the COUNTY/CITY/TOWN for use within the 800 MHz mixed mode radio system. In the event that the COUNTY/CITY/TOWN dissolves this Agreement or otherwise leaves the system, the COUNTY/CITY/TOWN shall retain ownership of any COUNTY/CITY/TOWN radio equipment.

3.07 ELIGIBLE RADIO USERS. "Eligible radio users" means those public and private non-profit entities and individuals eligible to hold FCC licenses in the Public Safety, Local Government, Highway Maintenance, and Special Emergency Radio Services as defined in C.F.R. Part 90, Subparts B and C, and those entities and individuals eligible to operate radios in the Public Safety, Local Government, Highway Maintenance, and Special Emergency Radio Services under the provisions of 47 C.F.R. §90.421, and approved by COUNTY/CITY/TOWN and PATROL pursuant Article 3.08 of the COUNTY/CITY/TOWN/PATROL Agreement.

3.08 FCC. "FCC" means the Federal Communications Commission as established by The Communications Act of 1934.

3.09 FISCAL YEAR. "Fiscal Year" means the period commencing on July 1 of any calendar year and concluding on June 30 of the following calendar year.

3.10 FUNDING. "Funding," means the monies that will be provided by the COUNTY/CITY/TOWN through the PATROL to fund the operation, maintenance, and upgrades to the 800 MHz mixed mode radio system.

3.11 INFRASTRUCTURE. "Infrastructure" is, collectively, the equipment (including hardware and software) that supports shared use of digital and analog mobile and portable radios on the 800 MHz band frequencies licensed to the COUNTY/CITY/TOWN or PATROL for public safety and other authorized use.

3.12 INFRASTRUCTURE ENHANCEMENT. "Infrastructure enhancement" means acquisition and installation of 800 MHz equipment (including hardware and/or software) that serves to enhance the performance of (or add capabilities to) the 800 MHz mixed mode radio system.

3.13 INFRASTRUCTURE MAINTENANCE. "Infrastructure maintenance" means those services required to maintain the operating capability of the 800 MHz mixed mode radio systems, including (but not limited to) replacement of worn or broken components with a unit cost of less than $100,000 (when not otherwise covered by insurance) as well as the maintenance of and utilities for transmission sites, insurance premiums, and any related items as presented to the PATROL.

3.14 INFRASTRUCTURE PURCHASE. "Infrastructure Purchase" means acquisition and installation of 800 MHz mixed mode radio system equipment (including hardware and/or

software) that is required to establish and continually support the designed operating capability of the 800 MHz systems.

3.15 MUTUAL AID USE. "Mutual aid use" means authorized limited and temporary use of the 800 MHz mixed mode radio system for cross-jurisdictional, cross-service, or cross-technology intercommunications required among eligible users not supported as authorized users within the system.

3.16 NPSPAC. "NPSPAC" means the National Public Safety Planning Advisory Committee.

3.17 OPERATING FUND. "Operating Fund" means a financial account specially designated to provide operating funds for the 800 MHz mixed mode radio systems.

3.18 RADIO. "Radio" means the 800 MHz mixed mode radio system.

3.19 SEVERABILITY. "Severability" means that if any provision of the State of North Carolina Inter-local Cooperation Act, or its application to any person or circumstance is held invalid, the remainder of the chapter, or the application of the provision to other persons or circumstances is not affected.

3.20 SYSTEM. "System" means the 800 MHz mixed mode radio system.

3.21 TERM. "Term" means the period of time for which this Agreement is in effect.

3.22 TERMINATION. "Termination" means dissolution of this Agreement.

ARTICLE IV - TERM

4.01 This Agreement shall take effect upon execution by both parties hereto, and shall remain in effect for a period of ten (10) years, starting upon the day in which the governing bodies of the COUNTY/CITY/TOWN and PATROL have executed this Agreement.

4.02 If no action is taken to dissolve this Agreement and the COUNTY/CITY/TOWN and PATROL fail to extend the Agreement after ten (10) years, the Agreement shall automatically be renewed for additional twelve (12) month period(s).

ARTICLE V - DEFAULT

5.01 Any material violation of the Agreement during the term of this Agreement shall constitute a default. In the event of an alleged default, the PATROL shall give the allegedly defaulting party notice of such alleged default. Upon notice, the party alleged to have defaulted shall have a period of thirty (30) calendar days to cure the alleged default or appeal the decision of the PATROL pursuant to this Agreement provided further that the matter is subject to appeal. If the default is not cured to the satisfaction of the PATROL within the thirty (30) day cure period or during the appeal process, Article 10.04-G of this Agreement may apply.

5.02 Except as provided in Article V of this Agreement, either the COUNTY/CITY/TOWN or PATROL may terminate this Agreement upon one hundred (180) days notice.

ARTICLE VI - CONFORMANCE TO PLANS, ETC.

6.01 COUNTY/CITY/TOWN equipment operating on the 800 MHz mixed mode radio system shall comply with technical and performance standards established or adopted by the PATROL.

6.02 The failure of the COUNTY/CITY/TOWN to comply with the provisions of Article 6.01 of this Agreement shall be considered a default as defined in Article 5.01 of this Agreement.

ARTICLE VII - OWNERSHIP OF INFRASTRUCTURE

7.01 The PATROL shall own all infrastructure associated with the 800 MHz systems unless otherwise stated within this Agreement. COUNTY/CITY/TOWN shall not be expected to purchase Fixed Assets except as may be required to provide special system functionality unique to COUNTY/CITY/TOWN.

ARTICLE VIII – SYSTEM FUNDING

8.01 The PATROL shall be responsible for the initial 800 MHz mixed mode radio infrastructure purchase and installation, and for subsequent infrastructure purchases required to maintain the designed operability of the systems.

8.02 In the event that a COUNTY/CITY/TOWN not previously party to this Agreement wishes to join in the shared use of the 800 MHz mixed mode radio and systems and that said COUNTY/CITY/TOWN has determined that infrastructure enhancements need to be made to accommodate the shared use of the 800 MHz mixed mode radio system, that COUNTY/CITY/TOWN shall be responsible for providing for purchase of any infrastructure necessary to make such enhancements to accommodate that COUNTY/CITY/TOWN use of the 800 MHz and systems without interfering with, or otherwise degrading, system capabilities for another COUNTY/CITY/TOWN that is a party to this Agreement.

ARTICLE IX - FCC LICENSE AND USE OF FREQUENCIES

9.01 The PATROL shall be responsible for the maintenance of all FCC licenses required to operate the 800 MHz mixed mode radio system, regardless of whether said licenses are in the name of the COUNTY/CITY/TOWN or the Patrol.

9.02 A participating COUNTY/CITY/TOWN may authorize allocated 800 MHz frequencies for which it is licensed to be utilized by the PATROL 800 MHz mixed mode radio system. COUNTY/CITY/TOWN is not expected to contribute frequencies to the PATROL if such

frequencies cannot be utilized by the 800 MHz mixed mode radio system or if required for the continuing operation of the COUNTY/CITY/TOWN.

9.03 All COUNTY/CITY/TOWN radios used for law enforcement shall be capable of transmission and reception on NPSPAC frequencies.

9.04 Any COUNTY/CITY/TOWN shall operate two-way radio equipment in accordance with the rules of the FCC.

ARTICLE X – GOVERNANCE COMMITTEE AND TECHNICAL SUBCOMMITTEE

10.01 To assist the PATROL in the administration of the radio systems, a GOVERNANCE COMMITTEE ("COMMITTEE") shall be established to develop fiscal and performing policies governing all users of the systems. The COMMITTEE shall meet at least twice per year.

10.02 The COMMITTEE shall be made up of no more than 15 members representing all public safety disciplines. Each member should represent an agency that is an active participant on the VIPER Network. It is recommended that the COMMITTEE have the following representation:

NC Fire Chief's Assn	Wake County Representative
Emergency Medical Services	NCSUN
State Highway Patrol	Local EM Coordinator
State Bureau of Investigation	Local Fire Chief
NC Emergency Management	Local Sheriff
NC Sheriff's Assn	Local EMS Coordinator
NC Police Chief's Assn	US Marshall's Service
CJIN Board	

10.03 The Patrol Commander's designee shall serve as chairman of the COMMITTEE.

10.04 Additionally, the COMMITTEE shall create a technical sub-committee to provide technical advice on issues that could have statewide impact on the network. Membership of the technical sub-committee should come from agencies participating on the network.

10.05 Items for consideration by the COMMITTEE shall include, but not be limited to:

A. Review and respond to matters pertaining to the operation of the VIPER system.

B. With respect to Article 8 of this Agreement, establish the criteria through which governments and other authorized governmental bodies may participate in the radio systems.

C. Develop capital improvement funding plans for infrastructure enhancement.

D Develop a membership allocation voting method for itself and for the Operations Group, in the event that consensus among either body cannot be reached.

E. Recommend to the PATROL when an Interlocal Agreement with a COUNTY/CITY/TOWN should be terminated following a finding that the COUNTY/CITY/TOWN is in default of this Agreement.

F. Review operational matters within the purview of this Agreement and through collegial discussion and non-secret voting, recommend appropriate policies to ensure that the operations of the radio system are reliable.

G. Review applications for membership within the system and make recommendations to the PATROL relative to admission.

H. Review applications for and approve, when appropriate, additional system "talk groups."

I. Review system operating information for the purpose of developing documentation to support requests for additional channel capacity as may be needed.

J. Develop and review general performance standards that serve as the foundation for technical specifications required for radios used by public

safety and non-public safety users that can be procured by all system users at the lowest, responsive vendor price.

K. Submit policies for users of the 800 MHz mixed mode radio systems to the PATROL for approval.

L. Review and approve communications procedures to be utilized during emergencies to ensure that the 800 MHz mixed mode radio system will perform as efficiently and effectively as possible for all users during such an emergency.

10.06 COUNTY/CITY/TOWN shall assume responsibility for costs of attendance at COMMITTEE meetings. The PATROL shall not assume any costs of any kind relative to the attendance or participation of a COUNTY/CITY/TOWN employee at a PATROL or COMMITTEE meeting.

10.07 In the event that the PATROL issues a directive or other such action compelling any party to this Agreement to take certain actions and the COUNTY/CITY/TOWN fails to comply with the instructions of the PATROL, such COUNTY/CITY/TOWN shall be considered to be in default as defined in Article 5.01 of this Agreement.

10.08 In the event that a COUNTY/CITY/TOWN is declared to be in default as defined in Article 5.01 of this Agreement and disagrees with the action of the PATROL, such COUNTY/CITY/TOWN may appeal the directive or action of the PATROL to the COMMITTEE. The COMMITTEE shall consult with a representative of the PATROL or other neutral and disinterested party as appropriate to determine if the PATROL'S actions are contrary to the COUNTY/CITY/TOWN and PATROL Agreement. If the PATROL'S actions are consistent with the COUNTY/CITY/TOWN and PATROL Agreement, the PATROL and appealing COUNTY/CITY/TOWN shall be advised that there is no basis for appeal. However, if the PATROL'S actions are contrary to the COUNTY/CITY/TOWN and PATROL Agreement, the COMMITTEE shall advise the PATROL of the inconsistency permitting the PATROL to amend its action(s) as necessary. The PATROL shall amend the action necessitating the COUNTY/CITY/TOWN to appeal in order to comply with the COUNTY/CITY/TOWN and PATROL Agreement.

10.09 In the event that a COUNTY/CITY/TOWN desires to appeal a decision of the PATROL to the COMMITTEE and such PATROL decision was based upon a requirement or upgrade plan of the PATROL, no appeal shall be heard and the action of the PATROL will be final.

10.10 The authority of the PATROL does not extend to the internal operations of the COUNTY/CITY/TOWN when such operations have no substantial impact upon the management or performance of the 800 MHz and system.

ARTICLE XI – RADIO SYSTEMS USES AND LIMITATIONS

11.01 Permitted users of the radio system may include the COUNTY/CITY/TOWN'S public safety and non-public safety users.

11.02 The non-public safety users of the COUNTY/CITY/TOWN shall be afforded a lower system priority than public safety users.

11.03 To ensure that the channel capacity of the radio system will not be unnecessarily reduced, neither the COUNTY/CITY/TOWN shall utilize any radio with a telephone interconnect capability except as approved by the PATROL.

ARTICLE XII - NOTICE

12.01 Any notice, report of demand which must be given or made by a party hereto under the terms of this Agreement shall be sent by registered or certified mail, return receipt requested. Notices to the PATROL shall be sent to NORTH CAROLINA STATE HIGHWAY PATROL, Technical Services Section, 4702 Mail Services Center, Raleigh North Carolina 27699.

12.02 Any notice, report of demand which must be given or made by a party hereto under the terms of this Agreement shall be in writing and shall be sent by registered or certified mail. Notices to the COUNTY/CITY/TOWN shall be sent to _____.

ARTICLE XIII - MERGER AND MODIFICATION

13.01 It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supercedes all oral arguments, previous written agreements, and negotiations between the COUNTY/CITY/TOWN and the PATROL.

13.02 Any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing and signed by parties hereto as an amendment to this Agreement and signed by the parties hereto.

ARTICLE XIV – RECORDS, AVAILABILITY

14.01 COUNTY/CITY/TOWN and PATROL agree that each party hereto, will cooperate with the State, County or municipal Auditor or any of their duly authorized representatives at any time during normal business hours, and as often

as they deem reasonably necessary, and further, that such auditor shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the other party hereto and involve transactions relating to this Agreement.

14.02 The COUNTY/CITY/TOWN and PATROL agree to maintain all records relative to this Agreement and the use of the system during the period in which such system is used by the COUNTY/CITY/TOWN and further, for an additional period of time as prescribed by law or absent such prescription, for five years beyond the expiration date of the Agreement.

14.03 In the event that legislation is passed by either the United States Congress or the North Carolina General Assembly delimiting public access to the financial, operational, or other relevant records of public safety 800 MHz mixed mode radio system, the State, County or municipal auditor conducting such review shall agree to maintain as confidential any information or data permitted to be excluded from public access and review. Such protected information and data shall not be included in written findings of an auditor nor discussed in any forum open to the public. The COUNTY/CITY/TOWN and PATROL agree to include such restrictions in any public solicitations or contracts for audit services.

ARTICLE XV - INDEPENDENT CONTRACTOR AND INDEMNIFICATION

15.01 The COUNTY/CITY/TOWN and PATROL are, and shall remain, independent contractors with respect to all services performed under this Agreement. Except as provided within this Agreement, the COUNTY/CITY/TOWN and PATROL shall select the means, method, and manner of performing their respective services herein. Nothing is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the COUNTY/CITY/TOWN and PATROL hereto or as constituting either party as the agent, representative, or employee of the other for any purpose or in any manner whatsoever. The COUNTY/CITY/TOWN represents that it has or will secure at its own expense all personnel required in performing services under this Agreement where proportionate reimbursement from a COUNTY/CITY/TOWN as defined by the PATROL is required. Any and all personnel of the COUNTY/CITY/TOWN or other persons engaged in the performance of any work or services under this Agreement shall have no contractual relationship with the other party, and shall not be considered an employee of any other party. Any and all claims that might arise under the Unemployment Compensation Act, the Worker's Compensation Act of the State of North Carolina, or any other applicable Federal or State law, rule, or regulation on behalf of said personnel, arising out of employment or alleged employment, including, without limitation, claims of discrimination against either party, its officers, agents, contractors, or employees shall in no way be the responsibility of the other party. Each party

shall defend, indemnify, and hold the other party, its officers, agents, and employees harmless from any and all such claims. Such personnel or other persons shall neither require nor be entitled to any compensation, rights, or benefits of any kind whatsoever from the other party, including, without limitation tenure rights, medical and hospital care, sick and vacation leave, worker's compensation, Re-Employment Insurance, disability, severance pay, or PERA.

ARTICLE XVI - GOVERNING LAW AND APPLICABLE PROVISIONS OF LAW

16.01 The laws of the State of North Carolina shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations and performance and obligations between the PATROL and COUNTY/CITY/TOWN.

16.02 Applicable provisions of North Carolina State Law, Federal Law, and any applicable local ordinance shall be considered as a part of this Agreement as though fully set forth herein. Specifically, the PATROL and COUNTY/CITY/TOWN agree to comply with all applicable Federal and State laws as well as local ordinances relating to non-discrimination, affirmative action, public purchases, contracting, employment including worker's compensation and state labor wage provisions, and surety deposits required for construction contracts.

COUNTY/CITY/TOWN and **PATROL APPROVAL**

CITY/TOWN, having signed this Agreement, and the PATROL having duly approved this Agreement on the _____ day of _____, 20____, and pursuant to such approval, the proper PATROL and COUNTY/CITY/TOWN officials having signed this Agreement, the parties hereto agree to be bound by the provisions herein set forth.

COUNTY/CITY/TOWN

_____
Authorized Signatory

Approved as to Form:

_____
ATTORNEY GENERAL

_____
Date

STATE HIGHWAY PATROL

By: _____
SECTION DIRECTOR

Approved as to Form and Execution

_____
Legal Counsel

_____
Date

Risk Management Plan– VIPER Strategic Plan

Voice Communications System

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
Funding Project Staff	Project Staff • Reassignment of current state employees.	• Reassignment of duties to other VIPER team members. • Assignment of new members to VIPER team.	1	3	4	1	Col. Clay/Sec. Beatty	Completed
Funding for Equipment	Equipment • Capital infrastructure funding (hardware, antennas, towers, communications equipment).	• Project implementation via phased approach as funding becomes available.	3	5	8	5	Legislature/ Sec. Beatty	In Process
Site Availability	Capacity • Physical tower space and building capacity. Suitability • Access to utilities. • Site upgrades. • Security. Microwave access • New hardware. • Upgrades and improvements to existing hardware. Local assistance Lease contracts	• Make necessary improvements/up-grades or secure new equipment. • Identify alternate locations as needed. • Construct new facilities or secure a lease. • Identify shared resources from allied agencies. • Sign Memorandums of Agreement with allied agencies.	2	2	4	2	Col. Clay/Sec. Beatty	On going

Risk Management Plan– VIPER Strategic Plan

Voice Communications System

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
Personnel	Project staff • Reassignment • Failure to create new support positions	• Request creation of new technical support personnel to perform installation and operational support duties. • Contract technical personnel (costly)	3	5	8	5	Legislature/ Sec. Beatty	In-process
Procurement	Delivery • Availability Compatibility • Compatibility with existing resources; state, and local. State Procurement • Compliance with ITS/state procurement rules. Migration • Migration path to future technologies.	• Identify alternate sources of equipment. • Ensure vendor specifications and equipment selection provides for compatibility with existing resources. • Comply with State procurement rules. • Ensure vendor specifications and equipment selection provides for migration to future technologies where possible.	1	2	3	2	Cpt. Sandy/M. Hodgson/ H. Meacombs	Not started

Risk Management Plan– VIPER Strategic Plan

Voice Communications System

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
Spectrum availability	FCC license • Availability of 800 MHz frequencies. (Present)	• Aggressively identify and license appropriate 800 MHz frequencies.	1	3	4	2	Meacombs/ Hodgson/ Spell	On going
State CIO Approval	Comply with State CIO requirements • Architecture	• Meet with State CIO and staff and comply with requirements.	1	3	4	1	Sandy/ Hodgson	On-going
Implementation	Personnel • Lack of available personnel. Weather • Inclement weather Budget issues • Cost overruns	• Reallocation of personnel. • Contract services if needed (costly) • Implementation schedule will be designed around potential inclement weather. • Close monitoring of expenditures will be conducted to ensure budget compliance. • Cost overruns and unforeseen expenditures mitigated through project risk funds. • Seek alternate sub	2	3	5	3	Sandy/ Meacombs/ Hodgson	Not started

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
Implementation	Installation issues • Sub contractors • Component availability System testing and acceptance • Fails to achieve intended result. • Define automated test plan (ATP). Training • Adequate training for system operation. • Training to describe system capabilities and operation to end users.	contractors and sources of key components. • Incremental testing to ensure overall successful operation prior to project completion. • Training will be conducted for all control point personnel. • End user training available.						
Engineering Issues	Software levels • System requires continual software upgrades. Firmware revisions – Chip sets, ram,	• Ongoing software support budgeted. • Ongoing firmware support budgeted. • Network	1	2	3	1	M. Hodgson	On going

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
	etc. • System requires periodic firmware upgrades. Hardware upgrades • Significant delays in project funding may cause costly technology refresh..	construction proceeds in a timely manner provided budget funds are available.						
Construction	Local ordinances • Compliance with local ordinances may be required. FCC Mandates • Compliance with FCC regulations is required. FAA Mandates • Compliance with FAA regulations is required. EPA Mandates • Compliance with EPA regulations is	• Seek available State property when possible to minimize compliance with local ordinances. • Complete FCC submissions in an efficient and timely manner. • Complete FAA submissions in an efficient and timely manner. • Complete EPA submissions in an efficient and timely manner. • Complete State Construction submissions in an efficient and timely	3	3	6	3	Cpt. Sandy/H. Meacombs/C C&PS Legal Staff	Not started

Category	Description (Defined Risk)	Approach Response (Mitigation Plan)	Likelihood	Severity	Significance	Level of Control	Assigned To	Status
	required. State Construction • Involve state construction as required on state property. State Property • Involve State Property Office as required.	manner. • Complete State Property submissions for lease agreements and property purchases.						

House Pages

Jt. Approp. Transportation / Justice Public Safety

Name Of Committee: _____ Date: 3-9-05

House

1. Name: Brogan Thomas — Krystal Watson
   County: Wake — Person County
   Sponsor: Weiss — Rep. Wilkins
2. Name: ~~Amber Hall~~
   County: Watauga
   Sponsor: Gene Wilson
3. Name: Ashley Caudle
   County: Randolph
   Sponsor: Arlie Culp

Senate

4. Name: Crystal East
   County: Pasquotank
   Sponsor: Basnight
5. Name: Jessica Harris
   County: Carteret
   Sponsor: Scott Thomas

House — Sgt-At-Arms — Senate

1. Name: Dusty Rhodes
2. Name: Jim Womack
3. Name: Frank Prevo
4. Name: Bruce Robinson
5. Name: Curtis Dowd

Mary Perry
Charles Marcellus

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Justice & Public Safety And Joint Appropriations on Department of Transportation — March 9, 2005

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Catherine Davis	ElectriCities
Martha Guzman	WB 22 News 10
Lauren Chesnut	Danville Register & Bee
Peg Dorer	Conference of D.As

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Justice & Public Safety And Joint Appropriations on Department of Transportation — March 9, 2005

Name of Committee — **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
BRIAN LEWIS	NC Covenant w/ NC Children
Lee Hadge	KCLH

Joint Subcommittee on Transportation Appropriations

Agenda

March 10, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, *presiding*

- Martin Marietta Composites
    - Grant Godwin, Vice President, Martin Marietta Composites
- DOT Report on Project Delivery Study Implementation (HB 1414, Section 30.14)
    - Len Sanderson, State Highway Administrator
    - Calvin Leggett, Manager, Program Development
    - Deborah Barbour, Director, Preconstruction
    - Steve DeWitt, Director of Construction
    - Greg Thorpe, Director, Project Development and Environmental Analysis
    - Herb Henderson, Director, Human Resources

Future Meetings (tentative until placed on the Calendar)

Tuesday, March 15, 8:30 am
Transit Budget Items – DOT, Charlotte Area Transit System, Triangle Transit Authority

Wednesday, March 16, 8:30 am
DOT Rail Division, DOT Ferry Division, State Infrastructure Bank

Thursday, March 17, 8:30 am
Division of Motor Vehicles, Information Technology, DOT Accounting System

Joint Appropriations Subcommittee on Transportation
Thursday, March 10, 2005
8:30am
Room 1228, Legislative Building

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Thursday, March 10, 2005 in Room 1228 of the Legislative Building. Six Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Almond, Brown, Coleman, Dickson, Gulley, Martin, Saunders, Steen and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, introduced the pages and the Sergeant-at –Arms. Ms. Betty Huskins, Senior Vice President with Advantage West, one the seven regional Partnerships, introduced the first presenter, Mr. Grant Godwin, President of Martin Marietta Composites. His presentation and handout are Attachment A of these minutes. Mr. Godwin gave a brief overview of his company and what they do to develop and market composite products to the construction, infrastructure and transportation industries.

Susan Coward, Deputy Secretary for Inter-Governmental Affairs and Budget Coordination, Department of Transportation. She stated she would report on the progress that DOT is making on the recommendations that were contained in the report commissioned by the North Carolina General Assembly in 2003 on the Project Delivery that was conducted by Dye Management. After receiving the reporting in 2004, Secretary Tippett charged the senior staff with evaluating and organizing the framework to carry out the recommendations contained in the report. The recommendations lend themselves to 5 key areas of DOT management: Project/Program Management, TIP Development, Environment, Utilities/Consultant Procurement, and Human Resource Management. Senior management formed teams under each of these areas and have met monthly to evaluate the recommendations. Ms. Coward introduced the team leaders and said they would give an update on the status of the recommendations in the report. The first presenter was Ms. Debbie Barbour, Director of Preconstruction with the Department of Transportation. She reported on the Program/Project Management. Ms. Barbour stated that the purpose of this team was to identify and implement measures to improve program and project management throughout the department. Mr. Calvin Leggett represented the TIP Development Team. He said the Dye Report had 3 major comments the team addressed. 1) Change the TIP structure to improve the ability to deliver project as planned. 2) Restructure the TIP so that it includes a development and delivery component. 3) In conjunction with the Highway Trust, amend statute so that it does not predefine the cross section of intrastate projects as four lanes. Dr. George Thorpe, Director, Project Development and Environmental Analysis, spoke about the progress that the environmental team has made on addressing some of the environmental issues that were identified by the report. Mr. Steve DeWitt, Director of Construction, said he

was responsible for statewide administration over highway construction programs. He said one of the issues was that consultant procurement takes too long, and consultant management processes are not streamlined. Mr. Herb Henderson, Director, Human Resources presented the report recommendations for his division. The said their whole intent to the Dye Management Study was done to help formulate a plan that they could deliver projects in a more timely fashion. He then reviewed the recommendations from the report. The NCDOT Project Delivery Study recommendations are Attachment B of these minutes

The meeting adjourned at 10:00 a.m.

S. Clark Jenkins/Chairman

Carolyn M. Gooden, Committee Clerk

Attachment A

Martin Marietta Composites

March 10, 2005

Martin Marietta Composites

Who Are We?

- Subsidiary of Martin Marietta Materials
  - Headquarters in Raleigh, North Carolina
  - Fortune 1000
  - $1.5 Billion in Annual Revenue
  - 6,800 Employees
- Three Divisions
  - Aggregates
    - Second Largest U.S. Aggregate Supplier
    - Approx. 225 operations – 32 states
    - Products to: Construction, Rail, Chemical, Animal Feed
    - Plastics, Glass, Rubber sectors



  - Magnesia Chemicals – International
    - Sales: U.S. and 34 Countries
    - Products: Pollution control; Chemical processing



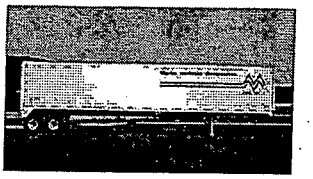
  - Composites
    - Structural composite products
      - transportation, construction, military



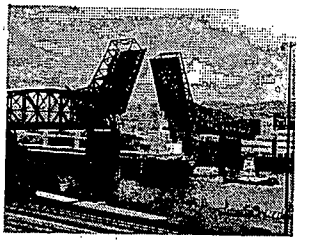
Martin Marietta Composites

Who are We?

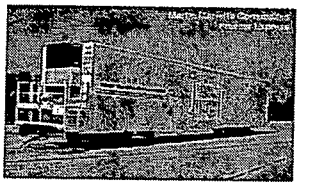
Martin Marietta Composites - Headquartered in Raleigh, NC; Plant located in Sparta, NC



Develops and markets composite products to the construction, infrastructure and transportation industries



Current product lines: Composite Trailers, Bridge Decks, Various Railcar Components, TRANSONITE® Panel



Martin Marietta Composites

What Are Composites?

- Engineered fabrics comprised of ***continuous-fiber*** reinforcements of glass/carbon in plastic resin matrix
- Heated and cured in closed or open-mold process
- (Fiberglass is chopped fiber. Plastic is all resin.)

Martin Marietta Composites

Composites – Application Benefits

- High Strength at Low Weight
  - Strength comparable to metals at 20-50% of weight
- Non-Corrosive
- Non-Conductive
- High Specific Stiffness: equal steel/aluminum at 20%/50% weight
- High Fatigue Strength: 85% better than steel/aluminum
- Design Flexibility
- Parts Integration
- High Impact Resistance
- Dampen Noise and Vibration
- Lower Tooling Cost

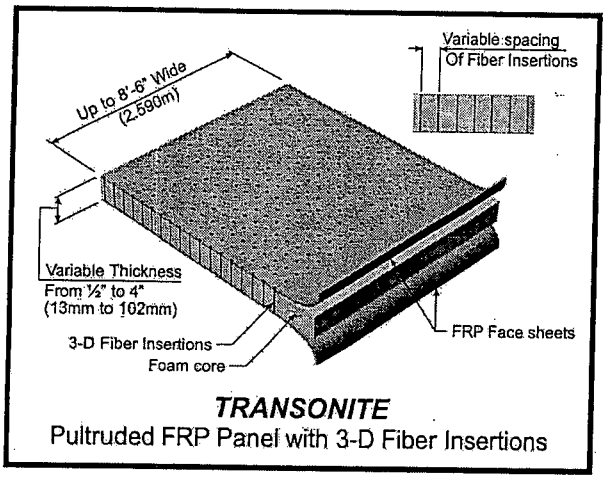
Martin Marietta Composites

Benefit Estimates Composite Materials

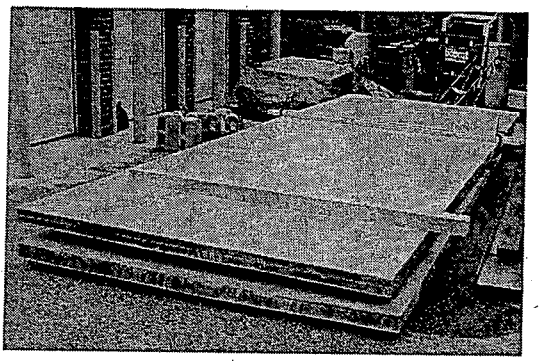
- 15% more load capacity
- 2% +/- more cubic capacity
- 3% better fuel mileage
- Higher thermal efficiency potential
- Greater durability; longer life
- Reduced repair costs
- Smoother ride (less vibration)

Martin Marietta Composites

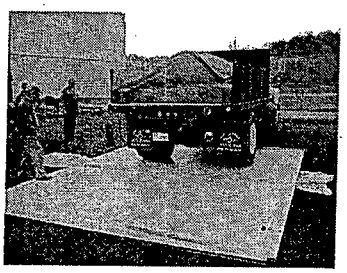
Composite Panel: TRANSONITE®



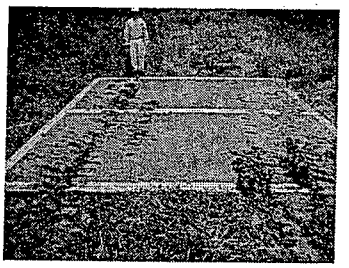
TRANSONITE
Pultruded FRP Panel with 3-D Fiber Insertions

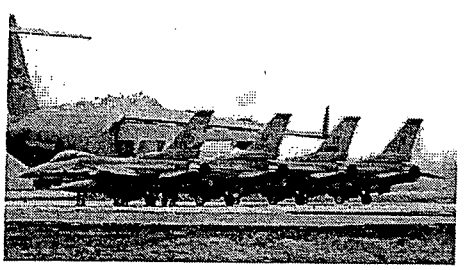


Off Road Mats

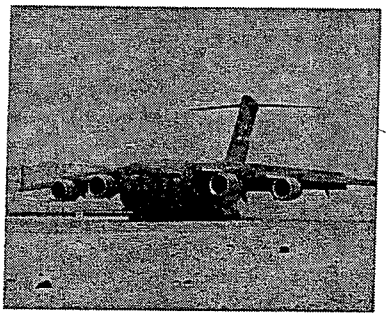








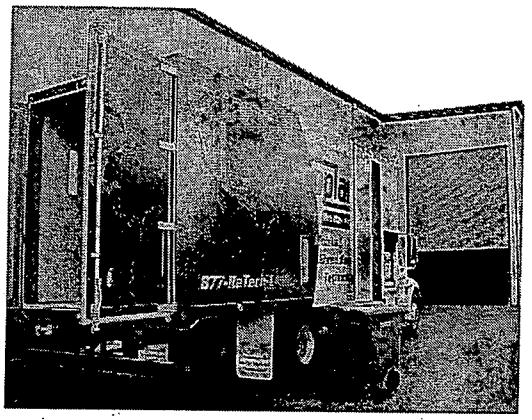




Trailers, Truck Bodies, Rail







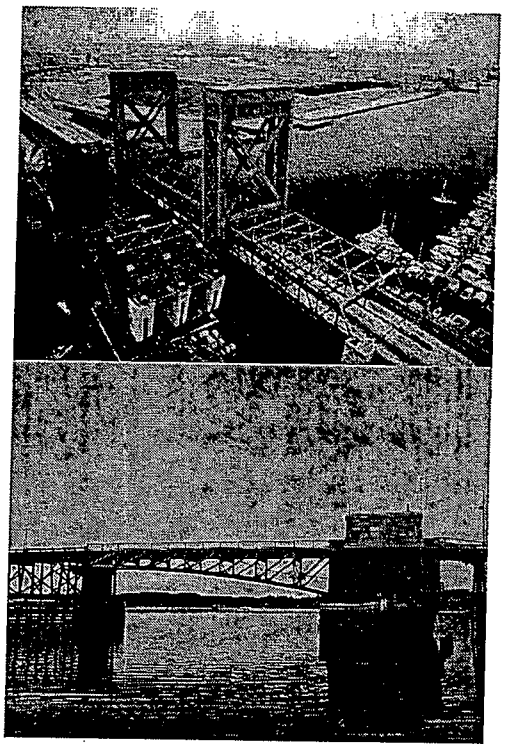
Martin Marietta Composites

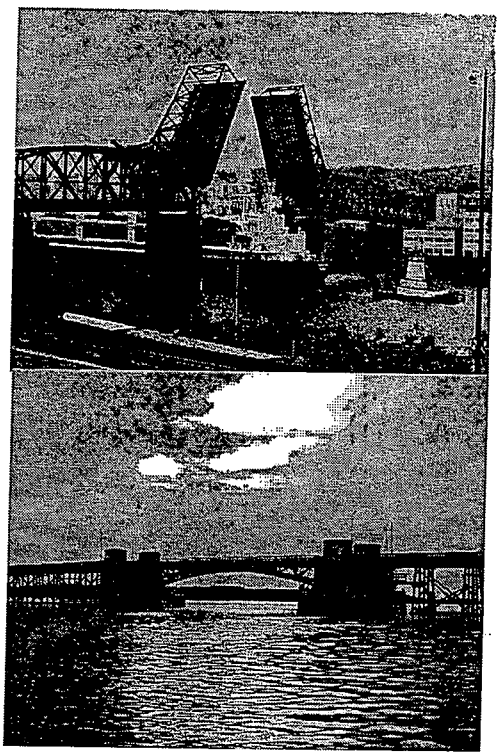
Transportation Focus

- Commercial Truck Trailers
  - Composite Benefit
    - 20% to 30% lighter
    - 8% to 20% freight benefit to shipper
    - Increased Durability
    - Lower Operating/Repair Costs
    - Lower Capital Cost
    - Market/Pricing Strategy Flexibility
  - $2.5 - $3 billion annual North American market
  - 80,000 units – estimated premium sectors; high percentage weight limited
  - Additional 160,000 units ($2 billion) – believe percentage would buy composite to avoid weight constraint

Martin Marietta Composites

Bridge Decks

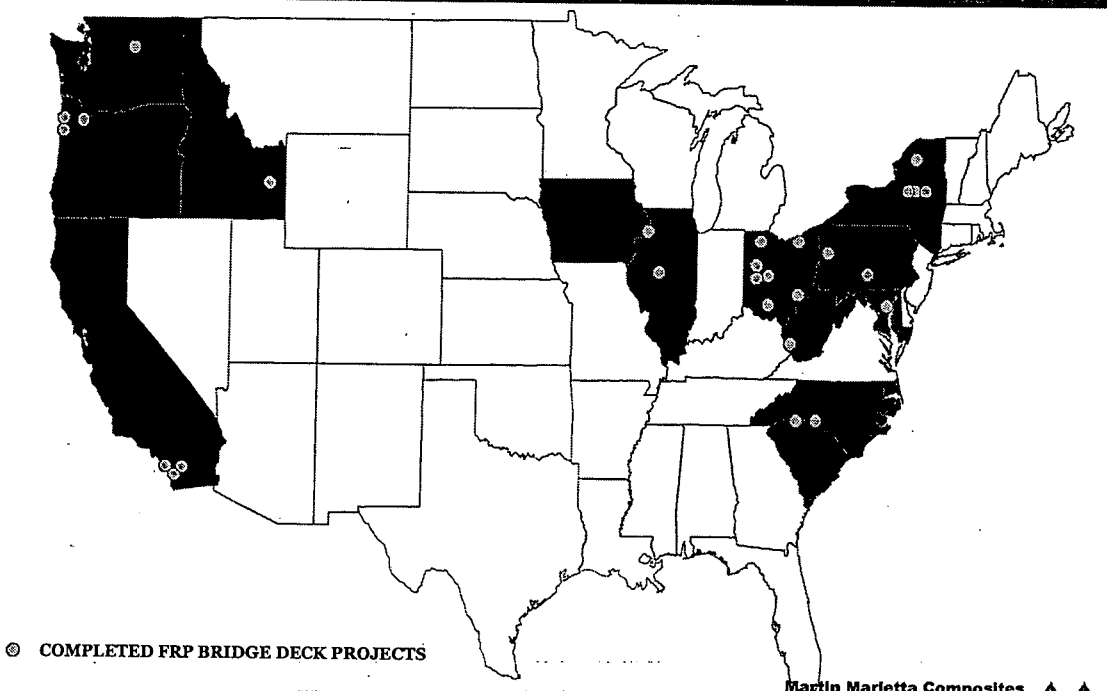




MMC Bridge Decks

- Considered by many as world leader
  - Volume *and* technical expertise
- Over 80,000 square feet of decking produced and installed in the US and abroad
- 29 installations in 13 US states, Germany, Korea

Completed US Bridge Projects



Martin Marietta Composites

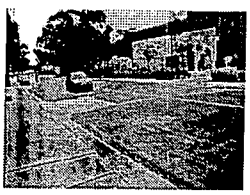
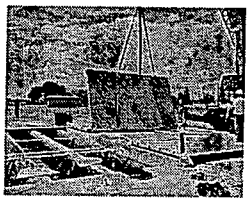
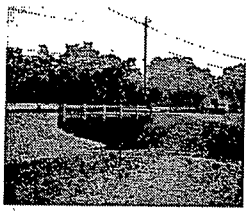
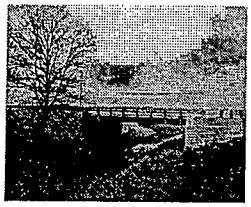
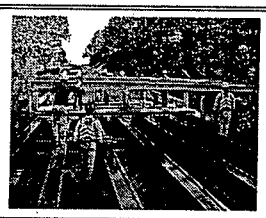
MMC Bridge Decks

- *New bridges* => Rapid installation
  - Reduced work zone impact on traveling public
  - Reduced life cycle costs
- *Bridge rehabilitations* => Save landmark structures
  - Increase structure's load capacity

Martin Marietta Composites

Bridge Project History

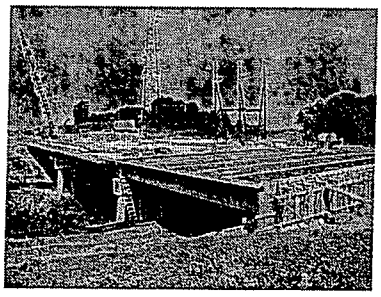
- Started with low profile projects as FRP gained acceptance in bridge community

** Including one project in Union County, NC*

Bridge Project History

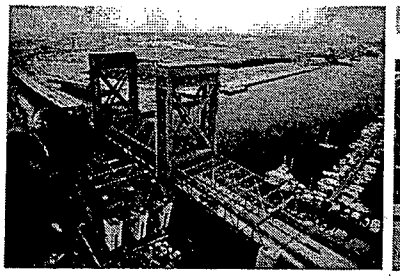
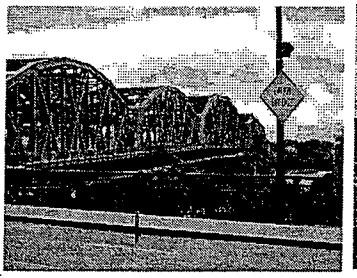
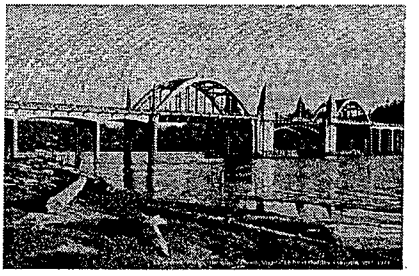
- Evolved to medium span bridges





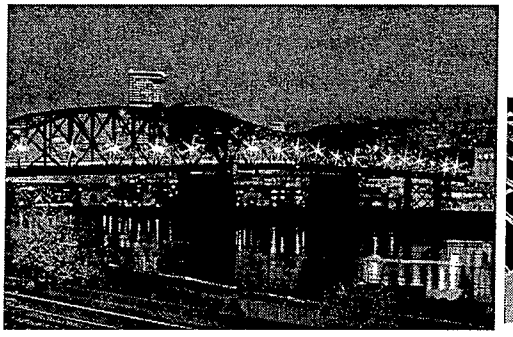
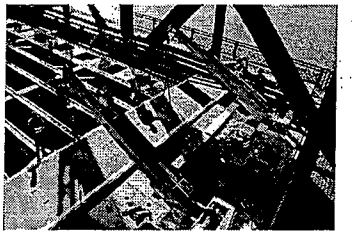
Bridge Project History

- Now applied to significant structures throughout the US

Martin Marietta Composites

Most Recent Installation

- Broadway Bridge – downtown Portland, OR
  - Vital to surrounding community
  - 7th longest draw bridge in the world
  - 30,000 vehicles per day
  - Nearly 12K sq ft installed in 2 shifts

Martin Marietta Composites

FRP Bridge Deck Benefits

- Low weight –
  - *1/5th the weight of comparable concrete*
- Rapidly installed
- High strength
  - *Over-designed for strength*
- Corrosion resistant
- Reduced maintenance costs
- Projected lifespan

Martin Marietta Composites

NC Bridge Statistics

- *Struggling to keep up…*
  - Approximately 1 out of 3 NC bridges is substandard
  - While actively replacing many… in 2003, NC still ranked 10th worst in US in %age of substandard bridges *(N&O, 6-22-03)*
  - ASCE estimates $28 Billion shortfall in NC funding over next 25 years for needed highway & bridge improvements
  - Vehicle travel increased 50% on NC highways 1990-2003
  - Traffic congestion costs all of us billions $$ in excess fuel, lost time, vehicle repairs
  - Citizens want improvements, but do not welcome the requisite inconvenience of a construction project
    - Demand swift, long-lasting solutions
    - *"Get in. Get out. Stay out."*



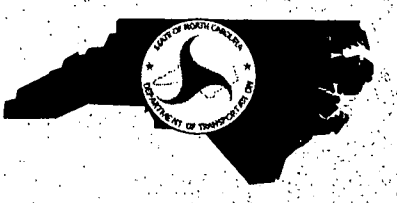
Martin Marietta Composites

- (Recognize Chair & Committee)
- (Introduce myself)
- Please to report progress on dye Report on project delivery.
- Final report issued Summer 2004 – Secretary charged Senior staff, as reported last Fall, with evaluating and organizing framework to carry out recommendations
- Recommendations naturally lend 5 key areas of DOT management:
  - Project/Program Management
  - TIP Development
  - Environment
  - Utilities/Consultant Procurement
  - Human Resource Management – Director of Human Resources
- Teams of Senior Management were formed for each area and have met monthly (at minimum) since September.
- Process (and our charge) not limited to recommendations.
- Reported to BOT last week prompted productive dialogue and suggestions.
- Team leaders will present today and presentation is organized (as best possible) in order recommendation appears in report.
- Closing – Thank you for the study, your investment in and oversight of transportation project delivery in North Carolina.

Attachment B

Transportation Appropriations Subcommittee
Raleigh, NC
March 10, 2005

Status of NC General Assembly
NCDOT PROJECT DELIVERY STUDY
Recommendations



Transportation Appropriations Subcommittee
March 2005

Program/Project Management Team

Debbie Barbour, PE, Director
Preconstruction

Program / Project Management Team

Purpose of Team: to identify and implement measures to improve program and project management throughout the Department

Program / Project Management

- **Report Recommendation 1.1:** Provide proactive and standardized reports at the program and project level to policymakers, customers, and business partners.

  NCDOT Status: Team is still considering this recommendation. Preliminary recommendations include setting up a group of staff to review cost estimating procedures, and project scoping procedures.

- **Report Recommendation 1.2:** Revise the letting list process to improve accuracy and integrate with a multiyear delivery plan.

  NCDOT Status: Strengthen current procedures. Projects are reviewed at the 13th month to determine their readiness to be added to 12 month let list. Only add projects that appear to be ready to be let. If there are substantial issues, do not add the project.

Program / Project Management

- **Report Recommendation 5.1:** Institute a Program Delivery Management Committee to provide oversight, management control, and strategic direction for program management.

  NCDOT Status: Establish a DOT Senior Management Delivery Committee

  1. Develop, implement and update DOT work plan
  2. Ensure effective and efficient delivery
  3. Manage the work

Program / Project Management

- **Report Recommendation 5.2:** Establish measurable department wide strategic objectives for program delivery, an annual business plan for improvements, and management accountabilities for accomplishing them.

  NCDOT Status: Work has begun to develop a DOT Business or "Work" Plan

- **Report Recommendation 5.3:** Establish a Program Office for project delivery.

  NCDOT Status: The team is currently reviewing functions of office and associated findings from Dye Management.

Program / Project Management

- **Report Recommendation 6.6:** Establish process and expectation that program managers monitor, anticipate, and address human resource bottlenecks.

  NCDOT Status: Under review. PMii will supply manpower needs that can be utilized.

Program / Project Management

- **Report Recommendation 7.1:** Build on the recent organizational change establishing TIP Program Managers by making current PDEA and Preconstruction project manager positions:
  - Positions dedicated solely to project management responsible for scope, schedule, and budget management
  - Separate project management duties from technical work tasks

  NCDOT Status: Under review with the Program Management Office recommendation

Program / Project Management

- **Report Recommendation 7.2:** Strengthen project management practices by establishing standardized business rules, roles, and responsibilities for project delivery and then codify these in a project delivery manual.

  NCDOT Status: Merger 01 process narrative is nearing completion. Work is underway in Transportation Planning and PDEA Branches on Procedures Manual. Design Branch has a manual that outlines design procedures.

Program / Project Management

- **Report Recommendation 7.3:** Establish a project management discipline development program for NCDOT employees that recognizes project management as a professional discipline and provides employee development and training to strengthen the project management discipline at NCDOT.

  NCDOT Status: Team is still reviewing this recommendation

- **Report Recommendation 7.4:** For the most complex and/or highest priority projects, pilot a dedicated delivery team approach.

  NCDOT Status: Currently under review.

Program / Project Management

- **Report Recommendation 8.1:** Conduct an expedited organizational readiness assessment; then establish and implement a change management plan for PMii.

  NCDOT Status: PMii implementation has begun. Schedules are currently being input within system and expectation is to fully utilize PMii by late summer.

- **Report Recommendation 8.2:** Design and implement a reporting system for program and project management monitoring and control.

  NCDOT Status: An executive reporting system is being reviewed for the next level of PMii.

Program / Project Management

- **Report Recommendation 8.3:** Stabilize the use of PMii to support scheduling, establish a management-level reporting system before further adding to PMii or instituting other information technology projects.

  NCDOT Status: Again, PMii implementation has begun. Next addition to PMii is targeted for an executive reporting system and insertion of Division managed projects.

TIP Development Team

Calvin Leggett, Manager
Program Development Branch

Team Members

- Calvin Leggett, Chair
- Debbie Barbour
- Susan Coward
- Mark Foster
- David King
- Ashley Memory
- Len Sanderson
- Steve Varnedoe

Dye Report

Predictability, Accountability, and Communications for TIP Delivery

Findings	*Recommendations (1.3)*
• While NCDOT has an effective obligation plan, it does not have an effective multiyear project delivery plan.	• Change the TIP structure to improve the ability to deliver projects as planned.

Dye Report

Overall Project Delivery Process

Findings	*Recommendations (2.1)*
• "...It will be important to establish a transparent planning and prioritization process for projects entering the development phase to most effectively use resources."	• Restructure the TIP so that it includes a development and a delivery component.

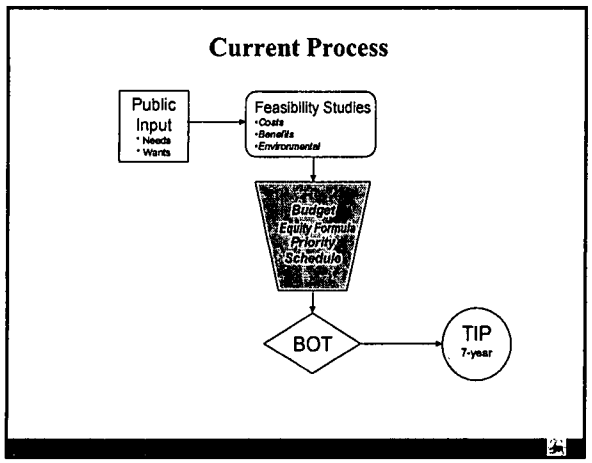
Dye Report

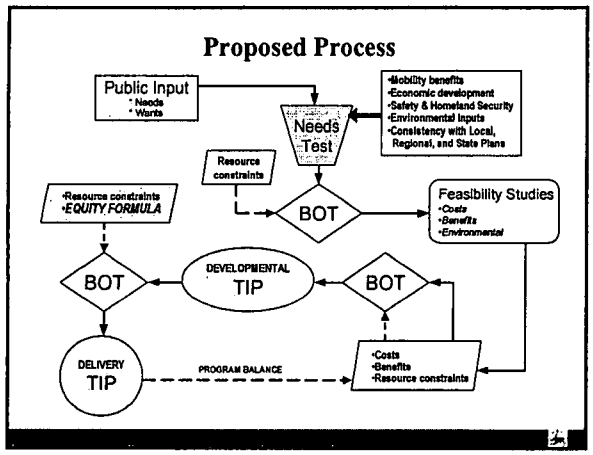
Overall Project Delivery Process *(continued)*

Findings	*Recommendations (2.2)*
• The specification of roadway cross sections in the Highway Trust Fund legislation and the equity formula provide barriers to timely project delivery.	• In conjunction with the Highway Trust Fund Study committee work, amend statute so that it does not predefine the cross section of intrastate projects as four lanes.

Mission Statement

"To develop an improved TIP process that provides greater reliability and predictability"





Environmental Team

Greg Thorpe, PhD, Director

Project Development and Environmental Analysis

Environmental Team

Mission of Team: to review environmental issues and processes contributing to delays in project delivery, and make recommendations for improvements

Environmental Process

➪ **Report Recommendation 3.1:** Stabilize and further strengthen the Merger 01 process.

NCDOT Status: Formalizing and Stabilizing documented procedures in Merger 01 Narrative Procedures Manual which includes MOU to be signed by NCDOT, FHWA, DENR and USACE. Manual provides practical guidance for Merger Team members for new location, widening and bridge TIP projects, as well as in Issue Resolution Process.

Environmental Process

➪ **Report Recommendation 3.2:** Establish performance targets at the project and organizational levels for environmental activities in NCDOT, DENR, and other resource agencies.

NCDOT Status:

- PMii: Includes project time frames and deadlines for Concurrence Points and other major milestones. Development and implementation continuing to include additional reporting and access
- NCDOT Business Plan sets Program-wide goals and objectives, including project delivery
- NCDOT/FHWA Joint Workplan Interagency Leadership Team

Environmental Process

➪ **Report Recommendation 3.3:** Establish a core set of state-level environmental objectives for the delivery of projects which addresses environmental excellence within acceptable cost and schedule constraints.

NCDOT Status:
- NCDOT Business Plan Environmental Excellence Goals and Objectives
- Merger 01 MOU establishes baseline for meeting NEPA and 404 Permit requirements
- NCDOT Permit Application Development and Review Process
- NCDOT/FHWA Joint Workplan Interagency Leadership Team

Environmental Process

➪ **Report Recommendation 3.4:** Establish department wide and cross agency (NCDOT and resource agencies) coordination of the various Project Delivery improvement initiatives.

NCDOT Status:
- Delegated Authority for small projects with minimal environmental impacts
- Allow Minor Modifications to permits in the field
- NCDOT/FHWA Joint Workplan Interagency Leadership Team

Environmental Process

➪ **Report Recommendation 6.7:** Establish work standards and turnaround times for State Historical Preservation Office (SHPO) and NCDOT activities for historical architecture (Section 106) reviews, estimate annual resource needs, and establish a strategy for bottlenecks.

NCDOT Status: There is currently a multi-agency Section 106 Improvement Team that has identified streamlining initiatives for implementation.

Utilities/Consultant Procurement Team

Steve DeWitt, PE, Director
Construction

Consultant Procurement

- **Issue: Consultant procurement takes too long, consultant management processes are not streamlined**
- **Report Recommendation 4.1:** Simplify the consultant procurement process
  NCDOT Recommendation: A simplified negotiation/ selection process
- **Report Recommendation 4.2:** Establish a centralized procurement function to manage and administer all consultant contracts
  NCDOT Status: In process
- **Report Recommendation 4.3:** Simplify consultant contract approval processes
  NCDOT Recommendation: NCDOT Board delegate authority for consultant contracts up to $250,000

Utilities

- **Issue: Relocation of Existing Utilities Delays Projects**

  Past 5 years: 10% of projects impacted by utility delays
  29 impacts > 60 days
  20 impacts > 100 days
  6 impacts > 200 days
  1 impact > 300 days

- **Report Recommendation 9.1:** Establish incentives to induce utilities to relocate their facilities in a timely fashion

  NCDOT Recommendation: Legislative authority granting NCDOT flexibility to utilize incentives, disincentives, or other contractual measures to expedite relocations

Human Resource Management Team

Herbert Henderson, Director

Human Resources

Human Resource Management

- **Report Recommendation 6.1:** Conduct overall multi-project program delivery resource assessment. Establish management level responsibility for human resource management and assessment and prepare multiyear plan.

  NCDOT Status: Plans for recruiting and retention currently being developed. Staffing levels required for delivery will be developed.

- **Report Recommendation 6.2:** Remove, at least on a temporary basis, restrictions on the maximum amount retired staff can earn to encourage retired engineers and other former NCDOT staff to work full-time with NCDOT in temporary positions.

  NCDOT Status: Legislative request to allow the use of retired staff has been submitted.

Human Resource Management

- **Report Recommendation 6.3:** Address as a priority the organizational development and training needs of an organization with new and less experienced employees.

  NCDOT Status: Once the department has developed a standardized project delivery process, training and documentation will be developed. Procedure manual will be utilized in the process.

- **Report Recommendation 6.4:** Provide line managers with headcount and retention metrics/responsibilities.

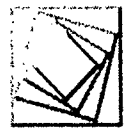
  NCDOT Status: No action at this time.

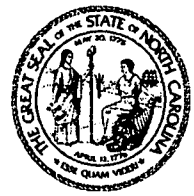
Human Resource Management

- **Report Recommendation 6.5:** Conduct compensation review of key discipline areas, recruitment, and retention strategies. Establish incentive payment mechanisms.

  NCDOT Status: Labor market studies are ongoing. Department is moving to Competency Base pay.

DYE MANAGEMENT GROUP, INC.
City Center Bellevue • Suite 1700 • 500 108th Avenue NE • Bellevue, WA 98004-5500
T. (425) 637-8010 F: (425) 637-8020 • www.dyemanagement.com





North Carolina General Assembly

NCDOT Project Delivery Study

Final Report

July 19, 2004

North Carolina General Assembly

NCDOT Project Delivery Study: Final Report

Table of Contents

Executive Summary ES-1
- A. Introduction and Overview ES-1
- B. Overall Findings and Recommendations ES-2

I. Introduction 1
- A. Study Objectives 1
- B. Approach 2
- C. Study Oversight 4
- D. Study Structure 4

II. Findings and Recommendations 6
- A. Predictability, Accountability, and Communications for TIP Delivery 6
- B. Overall Project Delivery Process 8
- C. Specific Process Improvements to Address Bottlenecks and the Causes of Delay in the Environmental Process 10
- D. Specific Process Improvements to Address Bottlenecks and the Causes of Delay in Consultant Procurement and Management 14
- E. Overall Program Management 17
- F. Overall Program Level Human Resource Management and Planning 20
- G. Organizational Development to Strengthen the Application of Project Management Principles and Practice 24
- H. Project Management Information, Metrics, Standardized Methods, and Project Management Tools 27
- I. Utilities and Right of Way 31

III. Project Delivery Performance 32
- A. TIP and the 12-Month Let List 33
- B. Budget, Scope Management, and Preconstruction Expenditures 44
- C. Construction Time 46

D. Environmental Process 54
IV. Analysis of Reasons for Project Delay 64
A. Complexity of NCDOT Programs and the Extent of New Construction 64
B. Staff Shortages, Retention, and Human Resource Management 69
C. Uniqueness and Extent of North Carolina's Environmental Requirements 78
D. Permitting Process 97
E. Consultant Procurement 102
F. Utilities and Right of way 106
V. Project Management 113
A. Analysis Approach 113
B. Role of Project Manager 114
C. NCDOT's Current Organization and Culture 120
D. Project Management Processes and Methods 128
E. Project Management Tools 131
Attachment A: NCDOT's Environmental Streamlining Initiatives A-1

Executive Summary

A. Introduction and Overview

This Executive Summary presents the findings from a study of North Carolina Department of Transportation (NCDOT) Project Delivery. This study was commissioned by the Joint Legislative Transportation Oversight Committee of the North Carolina General Assembly, which is authorized by section 29.21 of Session Law 2003-284 to study NCDOT's highway construction delivery process.

1. Project Purpose

This study was conducted to achieve the following major objectives:

- To evaluate policymakers' longstanding concerns regarding NCDOT project delivery.
- To provide an independent, fact-based assessment of the factors causing project delay.
- To identify areas of success and meaningful opportunities for improvement.
- To estimate project delay impacts upon NCDOT's ability to deliver the remaining Trust Fund projects.
- To develop recommendations that can be implemented to yield tangible benefits and cost savings.
- To identify and determine the most significant barriers to project completion, be they permitting, environmental review, right-of-way, utility relocation, or others.
- To evaluate NCDOT project delivery performance and business practices against best practice in state departments of transportation and, where appropriate, other public and/or private agencies.

2. Project Approach

To achieve the study objectives, Dye Management Group Inc. applied the following methodology to get beyond perceptions and deliver fact-based analysis and recommendations:

- Conducted numerous interviews with staff at NCDOT, federal and state resource agencies, and private consulting engineers and construction industry representatives.

- Reviewed existing documentation on policies, procedures, and standard practices.
- Collected and analyzed a large volume of data.
- Evaluated NCDOT against best practice.
- Developed recommendations.

B. Overall Findings and Recommendations

This Project Delivery Study of the North Carolina Department of Transportation addresses NCDOT's performance in delivering an annual construction program that is now in excess of $1 billion per year. The study provides a detailed quantitative analysis based on assembling large data sets that reflect NCDOT's most current experience. The report provides some 26 individual recommendations that address current barriers to timely project delivery and that will enable NCDOT to implement industry best practices for program and project management.

1. Recommendations Overview

The NCDOT requires the introduction of top down department-wide organizational and business improvement changes to increase accountability and provide for "end to end" management oversight and control of project delivery. The study finds a need to provide accountability to the General Assembly, NCDOT customers, and NCDOT business partners for the delivery of projects within scope, schedule, and budget on timelines established through multi-year delivery planning.

The NCDOT does not have direct control or jurisdictional authority over all aspects of the project delivery process. The Transportation Improvement Program (TIP) is developed in coordination with local jurisdictions and Metropolitan Planning Organizations. A number of different state and federal resource agencies play key roles in the environmental process through their regulatory and permitting authority. Many communities and citizens become engaged in and provide input throughout the delivery process. Project delivery can often involve the application of a number of technically sophisticated engineering and environmental disciplines. In short, project delivery can be a complex activity with considerable uncertainty and risk.

The very complexity and number of participants in the process increases the importance of effective project management policies, procedures, and controls. To be most successful in this environment, NCDOT needs to be proactive, provide leadership, and exert influence working with all parties to ensure accountability and responsibility for timely cost effective project delivery. The study provides a series of organizational and business improvement recommendations through which both NCDOT and the resource agencies can establish work standards, timelines, and agreed upon accountabilities to improve project delivery performance. These recommendations address the importance of NCDOT establishing strong proactive

leadership and ownership for managing the delivery of projects within agreed time frames, budgets, and scope.

The recommendations recognize, build on, and ensure that NCDOT yields the benefits from the positive improvements that have been made in the environmental process. The redesigned environmental process affords the potential for greatly increasing predictability and reducing delivery time. This potential can only be realized by NCDOT and the resource agencies establishing stronger accountability mechanisms for completing project delivery tasks on agreed timelines. Within the NCDOT, there has been other positive change and the study identifies over 50 improvement initiatives where work is underway to improve parts of the process; however, these initiatives tend to be fragmented because NCDOT lacks a systemic approach to managing overall project delivery. They can not all be implemented.

2. Findings and Recommendations

The findings and recommendations are listed below:

Predictability, Accountability, and Communications for Project Delivery

Findings	Recommendations
• Poor communications and public accountability for delivery performance. • Little systematic and proactive communication of current delivery status and changes in status.	1.1: Provide proactive and standardized delivery reports at the program and project level to policymakers, customers, and business partners (page 7).
• Limited success in meeting the planned 12-month letting schedule. • Improved letting list stability can reduce construction costs.	1.2: Revise the letting list process to improve accuracy and integrate with a multiyear delivery plan (page 7).
• The TIP has no credibility as a project delivery plan or commitment to NCDOT's customers and partners. • No management mechanisms for establishing and communicating a multi-year delivery plan department-wide.	1.3: Change the TIP structure to improve the ability to deliver projects as planned (page 8).

Overall Project Delivery Process

Findings	Recommendations
• The TIP does not provide NCDOT with a multiyear delivery plan to hold itself accountable for delivering. • The current TIP process makes it extremely difficult to establish a multiyear delivery plan with any level of precision.	2.1 Restructure the TIP so that it includes a development and a delivery component (page 9).
• The specification of roadway cross sections in the Highway Trust Fund legislation and the equity formula provide barriers to timely project delivery.	2.2. In conjunction with the Highway Trust Fund Study committee work, amend statute so that it does not predefine the cross section of intrastate projects as four lanes (page 10).
• In general, construction is delivered on the schedules that are set.	2.3. Evaluate alternative project delivery options and pilot their use through the Turnpike Authority (page 10).
• Alternative approaches are being introduced by states to expedite project delivery. NCDOT has some large design build projects.	

Addressing the Causes of Delay - Environmental Process

Findings	Recommendations
• NCDOT's major business improvement, the Merger 01 process, when implemented, will reduce project delivery time and improve predictability. • NCDOT and resource agencies' management have established effective coordination mechanisms.	3.1. Stabilize and further strengthen the Merger 01 process by: • Establishing documented procedures, guidelines, standards, and training for all process participants. • Providing project coordination and management. • Providing a facilitator for Project Team meetings. • Providing automatic issue escalation if work is not completed within specified timeframes. (Page 12)
• There are no measurable performance objectives or work standards for the environmental process.	3.2. Establish performance targets at the project and organizational levels for environmental activities in NCDOT, DENR, and other resource agencies (page 13).

Addressing the Causes of Delay - Environmental Process

Findings	Recommendations
• Multiple state agencies participate in project delivery under different mandates and the potential for competing goals.	3.3 Establish a core set of state-level environmental objectives for the delivery of projects which addresses environmental excellence within acceptable cost and schedule constraints (page 13).
• NCDOT has many improvement initiatives underway to streamline the environmental process. • Process improvements tend to be fragmented. There is no systemic business case assessment from which improvement initiatives are prioritized. • For many of the process improvements, it is too early to quantify benefits through reduced delivery times.	3.4. Establish department-wide and cross agency (NCDOT and resource agencies) coordination of the various Project Delivery improvement initiatives (pages 13–14).

Addressing the Causes of Delay - Consultant Procurement and Management

Findings	Recommendations
• The current process takes much longer than necessary. It can take 6 months or more to issue a notice to proceed.	4.1. Simplify the consultant procurement process (page 16).
• Engineering consultant contracts are put in place and managed by many different units within NCDOT.	4.2 Establish a centralized procurement function to manage and administer all consultant contracts (page 16).
• There has been a marked increase in outsourced design and therefore effective contract management is of increased importance. • Changes to consultant contracts over $30,000 require Board of Transportation approval which can cause delay.	4.3 Simplify consultant contract approval processes (page 16).

Overall Program Management

Findings	Recommendations
• Accountability for project delivery is fragmented and limited. • There is not a senior management committee or team charged with oversight, management, and control responsibilities for program delivery management. • Currently the management, identification, and resolution of barriers to project delivery tend to be fragmented across functional areas and organizational units.	5.1. Institute a Program Delivery Management Committee to provide oversight, management control, and strategic direction for program management (page 18).
• Current business objectives and performance measures are expenditure based – value of contracts let.	5.2. Establish measurable department-wide strategic objectives for program delivery, an annual business plan for improvements, and management accountabilities for accomplishing them (page 18).
• Management lacks the type of information required for effective program level management.	5.3. Establish a Program Office for project delivery (page 18).

Overall Program Level Human Resource Management and Planning

Findings	Recommendations
• High rates of staff turnover heavily concentrated in the units most critical for project delivery is an important contributor to project delay. • Difficulty in filling specialty positions. • Work standards are required by project type as the basis for managing and forecasting labor needs for project delivery.	6.1. Conduct overall multi-project program delivery resource assessment. Establish management level responsibility for human resource management and assessment and prepare multiyear plan (page 21).
• Loss of senior and more experienced personnel. • Difficulty in filling vacant positions with the right skill set due to pay scales. • Absence of formal or informal succession planning.	6.2. Remove, at least on a temporary basis, restrictions on the maximum amount retired staff can earn to encourage retired engineers and other former NCDOT staff to work full time with NCDOT in temporary positions (page 21).
• There is limited documentation and training on how NCDOT delivers projects for employees new to NCDOT and their current positions.	6.3. Address as a priority the organizational development and training needs of an organization with new and less experienced employees (addressed through Recommendations 7.2 and 7.3) (pages 22–22).

Overall Program Level Human Resource Management and Planning

Findings	Recommendations
• NCDOT does not hold managers accountable for managing headcount and retention. This type of management level accountability is typical of successful organizations.	6.4. Provide line managers with headcount and retention metrics/responsibilities (page 22).
• NCDOT staff turnover is heavily concentrated in key units. • Compensation for key positions is likely below market rate. • Small incentive payments to maintenance employees have had big paybacks.	6.5. Conduct compensation review of key discipline areas, recruitment, and retention strategies. Establish incentive payment mechanisms (pages 22–23).
• There are human resource bottlenecks in some specialized environmental areas.	6.6. Establish process and expectation that program managers monitor, anticipate, and address human resource bottlenecks (page 23).
	6.7. Establish work standards and turnaround times for SHPO and NCDOT activities for historical architecture (Section 106) reviews, estimate annual resource needs, and establish a strategy for bottlenecks (pages 24–25).

Organizational Development to Strengthen the Application of Project Management Principles and Practice

Findings	Recommendations
• NCDOT has made organizational changes that give greater visibility to project management manager positions by establishing two TIP Program manager positions. • Project manager positions in PDEA and Preconstruction are not dedicated to project management and primarily do technical work. • The role, responsibilities, and accountability for project management are not well defined.	7.1. Build on the recent organizational change establishing TIP Program Managers by making current PDEA and Preconstruction project manager positions: Dedicated positions solely to project management, responsible for scope, schedule, and budget management. Separate project management duties from technical work tasks. (Page 25)
• Lack of consistent standardized project management methods and tools.	7.2. Strengthen project management practices by establishing standardized business rules, roles, and responsibilities for project delivery and then codify these in a project delivery manual (pages 26–27).

Organizational Development to Strengthen the Application of Project Management Principles and Practice

Findings	Recommendations
• Few employees have project formal management training. They have not been recruited or promoted based on project management knowledge, skills, and abilities.	7.3. Establish a project management discipline development program for NCDOT employees that recognizes project management as a professional discipline and provides employee development and training to strengthen the project management discipline at NCDOT (pages 26-27).
• The use of dedicated teams is an industry best practice on large complex projects.	7.4. For the most complex and/or highest priority projects, pilot a dedicated delivery team approach (page 27).

Project Management Information, Metrics, Standardized Methods, and Project Management Tools

Findings	Recommendations
• Study findings raise strong concerns about NCDOT's organizational readiness to use PMii. (The new project scheduling system). • Institutionalization of PMii will likely be difficult.	8.1. Conduct an expedited organizational readiness assessment; then establish and implement a change management plan for PMii (pages 29–30).
• There is little management information available for program and project delivery management. • There is no management information used for project cost and budget management and control.	8.2. Design and implement a reporting system for program and project management monitoring and control (page 30).
• NCDOT does not have a set of metrics and tools for measuring, managing, and monitoring project delivery performance. • PMii only addresses project scheduling, and project and program management information is required on project budgets and scope. • There are opportunities to increase the use of standardized tools, templates, forms, and checklists for project management.	8.3. Stabilize the use of PMii to support scheduling and establish a management-level reporting system before further adding to PMii or instituting other information technology projects (page 30).

Utilities and Right of Way

Findings	Recommendations
• The actions of privately owned utilities, over which the NCDOT has no direct control, are causing project delays.	9.1. Establish incentives to induce utilities to relocate their facilities in timely fashion (page 31).

VISITOR REGISTRATION SHEET

APPROPRIATIONS/TRANSPORTATION — 03-10-05

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
Mike Stanley	NCDOT
BERRY JENKINS	CAROLINAS AGC
Calvin Leggett	DOT
Greg Thorpe	DOT
Debbie Barbour	DOT
Stephanie Dorko	Charlotte Chamber
Lisa Martin	NC Home Builders Assoc
[illegible]	OSBM
[illegible]	ADVANTAGE WEST - WNC REG. PDC
[illegible]	NC DOT Bridge Maint.
[illegible]	NC DOT " "
Fred Allen	NC Aggregates Assn.
Susan Coward	NCDOT
Portia Manley	NCDOT/DMV
Kerry Sanders	Intern - Ben P. Deegan
Sandra Long	Martin Marietta
Steve DeWitt	NCDOT
HERB HENDERSON	NCDOT
JOE MILAZZO II	REGIONAL TRANSPORTATION ALLIANCE (RTA)
DAVID HUSKINS	METROLINA
Kevin Leonard	WCSR

House Pages

Approp. Transportation (Joint)

Name Of Committee: _____ Date: 3-10-05

House

1. Name: Jessica Barber
   County: Carteret
   Sponsor: Preston
2. Name: ERIC HELLSTRAND
   County: CLEVELAND
   Sponsor: MOORE

Senate

3. Name: Tianna Scriven
   County: Cumberland
   Sponsor: Senator Tony Rand
4. Name: _____
   County: _____
   Sponsor: _____
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Fred Wines
2. Name: Dusty Rhodes
3. Name: Curtis Dowd
4. Name: GEORGE ROBINSON
5. Name: _____

Joint Subcommittee on Transportation Appropriations

Agenda

March 16, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, *presiding*

- State Infrastructure Bank *(Governor's Budget, Summary of Recommendations, page 161)*
    - David King, Deputy Secretary for Transit, DOT
- Rail Division *(Governor's Budget, Summary of Recommendations, page 161)*
    - Pat Simmons, Director, Rail Division, DOT
- Ferry Division
    - Jerry Gaskill, Ferry Director, DOT

Future Meetings

Thursday, March 17, 8:30 am
Division of Motor Vehicles, Information Technology, DOT Accounting System

Tuesday, March 22, 8:30 am
Aviation, Public Transportation, Administration Budget

Joint Appropriations Subcommittee on Transportation
Wednesday, March 16, 2005
8:30am
Room 1228, Legislative Building

MINUTES

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Wednesday, March 16, 2005 in Room 1228 of the Legislative Building. Five Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Almond, Brown, Church, Coleman, Dickson, Gulley, Martin, Saunders, Steen and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, called the meeting to order with the introduction of pages: Crystal Royl, Rebecca Geist, Kevin Myers, and Joshua Sexton. Sergeant-at-Arms, Dusty Rhodes, Leslie Oakley, Curtis Dowd and George Robinson were also introduced.

David King, Deputy Secretary for Transit, DOT was the first presenter. He gave a brief overview of the state infrastructure bank. Mr. King said that six years ago the Federal Highway Administration realized that between state resources and federal resources, they were not meeting all the transportation needs. Federal funds were made available for loans to finance some projects under certain conditions. The state received $1.5 million. We have used that $1.5 million to make two loans for transit. We have had inquiries from a number of small airports from across the state that is in the same kind of budget situation that Roanoke Rapids, Halifax and Northampton counties were in. To name a few, Plymouth, Elizabethtown, Lumberton, Lincolnton are four that come to mind that have shown some interest in using this technique to spread their capital contribution to an airport improvement project. That is the extent of the program right now. Airports in particular are absolutely necessary in order to attract new investment to a county. You have to be able to have the CEO fly in on his site and land at an adequate airport that is safe, and that has adequate length of runway. We think we can borrow or steal the best ideas and the best practice of other states that have been far more aggressive on infrastructure. I think that is a challenge we are going to have to take on. Mr. King took questions from the committee members

Pat Simmons, Director, Rail Division, Dot was the next presenter. The first slide illustrates the statutory responsibilities. I'm going to give you an overview of what we're about. I want to talk about the budget a little bit. I want to talk about something that is in the news a lot that impacts our program and that is Amtrak. I also want to talk about

short lines. You've got a slide in there that shows our organization. We are of course part of the Department and report to Deputy Secretary for Transit. We had three primary divisions. The first one I want to talk about is planning. We have folks that do what you would expect from planners, but they are also are responsible for environmental compliance. We construct projects like rail crossings or any other project, we have to comply with the National Environmental Policy Act, and we have folks that do that. One area I would draw your attention to is the state's rail plan. That's the statutory responsibility of the department. We last updated in 2001. We have some that are in place today, particularly the Nash County railroads. That is one we are engaged in negotiations with. Many of you are familiar with and have participated in our work with our sister state to the north, Virginia, and planning for the advancement of high-speed rail to the southeast. One of the areas that we do work in is that we are completing a major environmental analysis of that. We'll have, by the end of this year, completed 30% preliminary engineering for the corridor from Charlotte, NC to Richmond, VA. Engineering and Safety is our largest branch. We do design development. Not just of the highways of our department, but the railroads. We are the people who have the agency review responsibilities for Triangle Transit Authority and CATS. We have highway rail crossings. So there is someone that looks behind the railroads to make sure that work is taking place. We coordinate hand and glove with the Federal Railroad Administration. With the advent of our two transit new starts, the federal government gave to the states the responsibility for commuter rail safety oversight. So we have to look at their plans and when those projects mature into operation, then it will be our responsibility to also have oversight as well. North Carolina has done a lot in crossing safety. We've improved our statistics. We have far fewer fatalities and far fewer injuries at our rail highway crossings. Mr. Simmons then took questions from the committee members. (See Attachment #1).

Senator Jenkins introduced Mr. Jerry Gaskill, Ferry Director, DOT. I will give you a quick overview of the North Carolina train system. We are the second largest system in the country, behind Washington State. Last year we carried about 1.3 million vehicles and 2.3 million passengers. Our system operates Currituck to Southport. It covers the whole coast of North Carolina, so you can see we are spread all the way to the coast. We have seven operations, plus we have our own shipyard. Currituck operation went into affect in the early 70s. It basically went into affect to take school children back and forth from Knox Island to Currituck County, which is the county seat. That is basically the way it has been since then. There are now many more people riding that ferry. I have worked here twelve years. When I came to work we had about 40 students and this year we have about 140. We have one of the premiere shipyards on the east coast or anywhere in the country. The only problem we have at Mann's harbor is labor shortage. We have a terrible labor shortage there and that is getting worse and worse all the time. We maintain all of our fleet out of that shipyard, including refurbishment or anything we have to do to it. In twelve years we have only sent one ferry out to have work done to it to by a private yard and we had to bring it back and finish it ourselves. We are very proud of that and don't know how much longer we'll be able to continue doing this because of the labor problems we have at the shipyard. All of our vessels are certificated by the US Coast Guard. All of our people are licensed. In those little handouts we gave

you, it shows you the manning requirements for the different type vessels. If we don't have a captain or an engineer or an AB to work that morning, we've got to call someone in on overtime or the vessel cannot operate. We are under very strict Coast Guard requirements and they are becoming stricter all the time, more particularly since Home Land Security. The Coast Guard and other federal and state agencies scrutinize us very strongly. (See Attachment #2).

Senator Jenkins spoke next. Let me make some comments to wrap this up. I served on that committee for ten years and chaired it, I think, for eight. It is probably one of the few departments in the state of North Carolina whose operating budget went down yearly, as a result of better management as a result of this man right here. Innovative things that he did, he mentioned stretching ferries and the Mann's Harbor Maintenance Center. We had an engineering firm come in and verify that Jerry's operation saved the state of North Carolina close to $750,000 as opposed to sending that vessel to some shipyard to have the work done. He mentioned to you that he had to bring one back in that the shipyard did because he couldn't do but one a time, and had to rework the vessel. There was a constant problem and probable a continuing problem with personnel issues and employee caps with employees classified, although they worked full time except for one month out of the year, classified as temporary help in such places as the Hatteras Landing. So obviously they'd go to someplace where they could get benefits. Second, housing is an issue. Housing is very expensive on this coast. Trying to find housing dormitory type style for them was a challenge. A finished ship's carpenter can go to work in Dare County for any builder for $30 an hour tomorrow morning. Any of them will take them tomorrow for $30 an hour even if you can't pass the drug test. Jerry's got a real problem.

The meeting adjourned at 10:00 a.m.

S. Clark Jenkins, Chairman

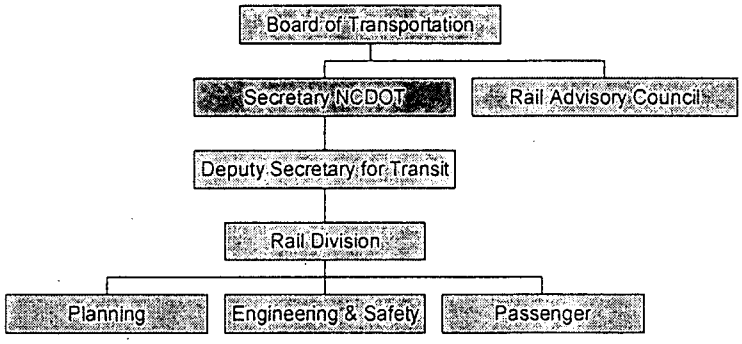
Carolyn M. Gooden, Committee Assistant

Attachment #1

NCDOT - Rail Division
Statutory Responsibilities

- Corridor Preservation
- Intercity Rail Passenger Services
- Crossing Safety
- Safety Inspections
- Industrial Development
- Revitalization

NCDOT-Rail Division Organization

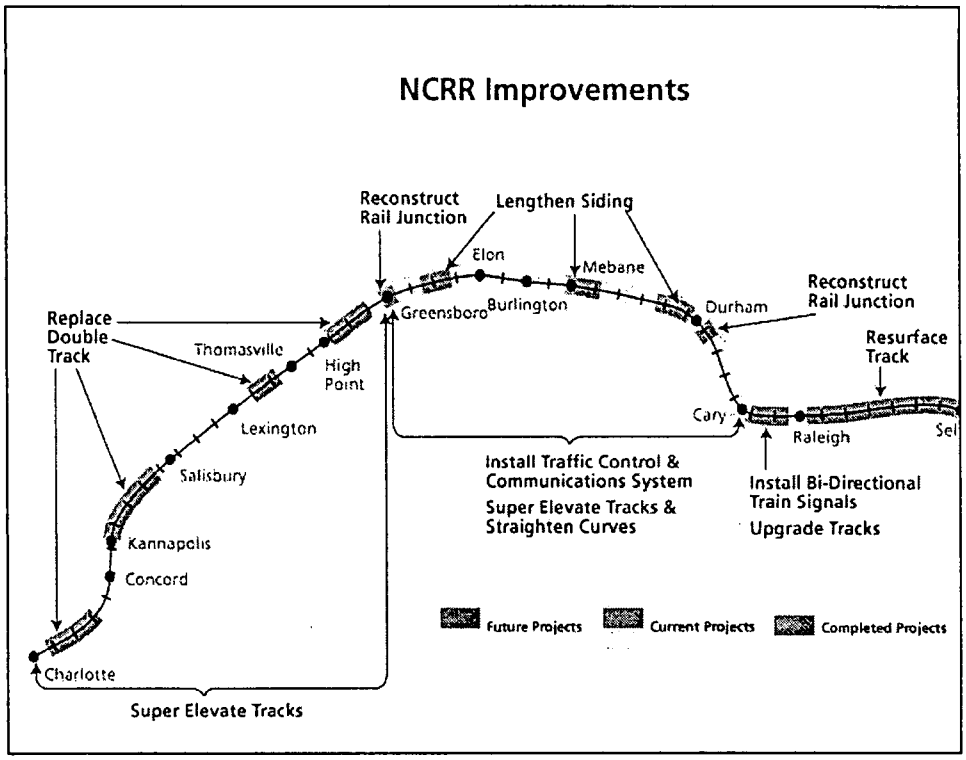


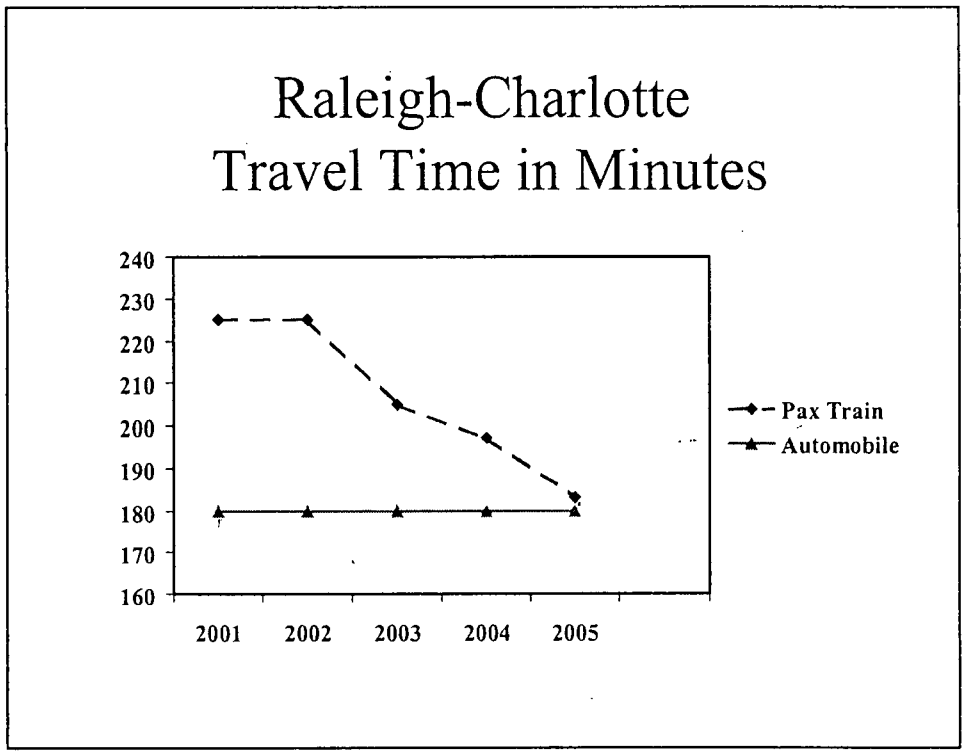
NCDOT- Rail Division Planning

- Short & Long Range Planning for Passenger Services
- Environmental Compliance
- State Rail Plan
- Corridor Acquisition
- Southeast High Speed Rail
- Rail Industrial Access Program
- Freight Assistance Program

NCDOT - Rail Division Engineering & Safety

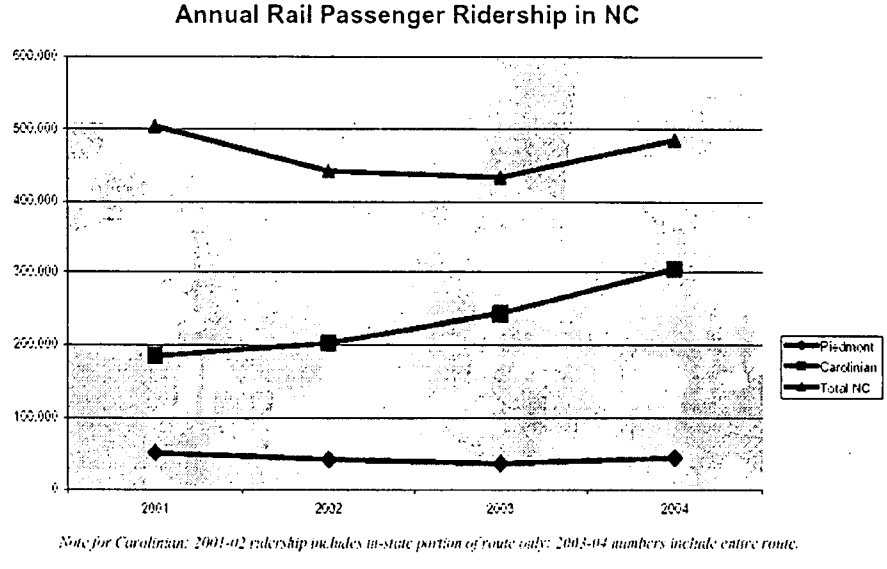
- Engineering
  - Infrastructure improvements-freight, commuter and intercity
  - TIP project scoping
  - Rail Industrial Access Program
- Safety
  - FRA-certified safety inspections
  - Commuter rail safety oversight
- Crossing Safety
  - Sealed Corridor and Traffic Separation Studies
  - Gates, lights and signal improvements
  - Crossing Inventory
- Corridor Management


NCRR Improvements
Reconstruct Rail Junction
Lengthen Siding
Elon
Mebane
Reconstruct Rail Junction
Greensboro
Burlington
Durham
Replace Double Track
Thomasville
High Point
Resurface Track
Lexington
Cary
Raleigh
Salisbury
Install Traffic Control & Communications System
Super Elevate Tracks & Straighten Curves
Install Bi-Directional Train Signals
Upgrade Tracks
Kannapolis
Concord
Future Projects
Current Projects
Completed Projects
Charlotte
Super Elevate Tracks

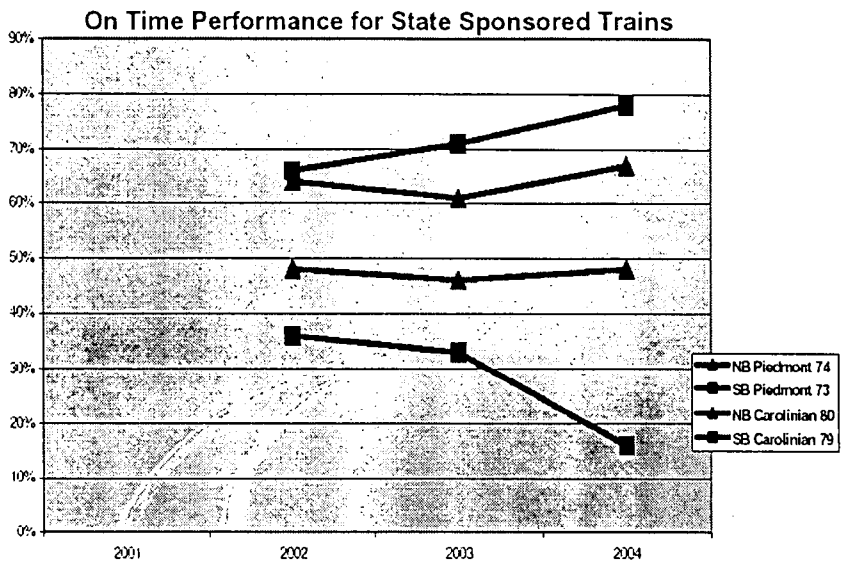

Raleigh-Charlotte
Travel Time in Minutes
240
230
220
210
200
190
180
170
160
2001
2002
2003
2004
2005
Pax Train
Automobile

NCDOT - Rail Division Passenger

- Carolinian
- Piedmont
- Amtrak system trains
- Stations
- Marketing & Graphics
- Equipment



Note for Carolinian: 2001-02 ridership includes in-state portion of route only; 2003-04 numbers include entire route.



Highway Fund-Rail Program

Line Item	FY 04-05	FY 05-06	FY 06-07
Planning & Environmental	$1,750,000	$1,750,000	$1,750,000
Engineering & Safety	$1,750,000	$1,750,000	$1,750,000
Travel Time Improvements	$3,200,000	$3,200,000	$3,200,000
Maintenance	$2,100,000	$2,100,000	$2,100,000
Passenger Operations	$2,875,000	$4,125,000	$5,643,750
Capital & Safety	$2,856, 153	$2,856,153	$2,856,153
Grants to Short Lines	-0-	$1,000,000	$2,000,000
Total	$15,531,153	$17,781,153	$20,299,903

Amtrak Fact Sheet: Federal Fiscal Year 2004
State of North Carolina

Amtrak Service & Ridership

Amtrak operates four long-distance trains through North Carolina:

- The ***Crescent*** (daily New York-Charlotte-Atlanta-New Orleans)
- The ***Palmetto*** (daily New York-Savannah via Fayetteville)
- The ***Silver Meteor*** (daily New York-Miami via Fayetteville)
- The ***Silver Star*** (daily New York-Tampa-Miami via Raleigh)

Amtrak also operates the following trains under contract to the NCDOT:

- The ***Carolinian*** (daily New York-Richmond-Rocky Mount-Charlotte)
- The ***Piedmont*** (daily Raleigh-Charlotte)

During FY04 Amtrak served the following North Carolina locations:

City	Ridership
Burlington	11,027
Cary	15,638
Charlotte	107,896
Durham	32,556
Fayetteville	32,910
Gastonia	1,823
Greensboro	58,274
Hamlet	2,981
High Point (reopened 12/9/03)	8,793
Kannapolis	7,160
Raleigh	110,203
Rocky Mount	38,035
Salisbury	16,238
Selma-Smithfield	8,364
Southern Pines	3,490
Wilson	30,071
Total North Carolina Ridership:	**485,459**

Procurement/Contracts

Amtrak expended $5,440,589 for goods and services in North Carolina in FY04. Most of this money was spent in Laurinburg, $4,195,456, which went to Railroad Friction Products Corporation, maker of brake shoes and disc linings.

Employment

During fiscal year 2004, Amtrak employed 176 North Carolina residents. Total wages of Amtrak employees living in North Carolina were $8,321,782 during this period.

Service Improvements

As of November 1, 2004, the ***Carolinian*** has been re-equipped with newly overhauled Capstone train sets. In addition between 30 and 45 minutes has been cut from the total trip length due to the elimination of mail and express service in 2004.

Station Improvements

City	Status/Comment
Burlington	Renovation completed by North Carolina Railroad
Cary	New station
Charlotte	Doubled waiting room space at current station, property assembled for a major new multimodal station, and working with Charlotte Area Transit System to develop facility design. Have completed track layout, screening by Norfolk Southern underway. Will also encourage public/private development opportunities.
Durham	Modular interim station in use, developing a public/private venture to renovate a historic warehouse for modern station use.
Fayetteville	Renovation completed, new platform, canopy, additional parking and landscaping underway.
Gastonia	Local Planning Underway
Greensboro	Renovated station open for public transit, Phase II rail improvements slated for completion fall 2005.
Hamlet	Renovation completed.
High Point	Renovation completed
Kannapolis	New station completed.
Raleigh	Renovation completed by Amtrak, additional parking underway.
Rocky Mount	Renovation completed.
Salisbury	Renovation completed.
Selma-Smithville	Renovation completed.
Southern Pines	Renovation completed.
Wilson	Renovation completed.

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
Rail Industrial Access Program

Purpose: Grant program started in 1994 to fund the cost of constructing rail spur tracks required to serve new businesses as part of a statewide effort to attract new industry to North Carolina. Funds are granted up to 50% of construction costs.

PROJECTS/FUNDING			ECONOMIC BENEFITS				COMMUNITY IMPACTS				
FY	Number of Project	State Funding	Employ.	Capital Invest.	Rail Cars	Truck Equiv.	West	Pied.	East	Rural	Urban
1994	3	$206,131	630	$42,000,000	134	536	0	1	2	3	0
1995	7	$584,234	847	$129,000,000	3,532	14,128	1	5	1	6	1
1996	4	$511,992	736	$74,000,000	1,600	6,400	0	3	1	3	1
1997	7	$490,099	350	$93,000,000	5,785	23,140	1	1	5	6	1
1998	7	$602,628	452	$147,000,000	5,307	21,228	0	5	2	5	2
1999	4	$415,150	459	$122,000,000	4,787	19,148	0	4	0	2	2
2000	5	$469,775	445	$178,000,000	2,588	10,352	0	4	1	3	2
2001	2	$192,858	139	$20,000,000	987	3,948	0	2	0	1	1
2002	3	$366,015	98	$101,000,000	3,680	14,720	1	1	1	2	1
2003	2	$306,000	117	$73,000,000	2,180	8,720	0	1	1	2	0
2004	7	$777,903	656	$207,000,000	11,298	45,192	0	5	2	3	4
2005	10	$1,004,784	487	$138,700,000	8,203	32,812	0	6	4	6	4
	61	**$5,927,569**	**5,416**	**$1,324,700,000**	**50,081**	**200,324**	**3**	**38**	**20**	**42**	**19**

INDUSTRY/LOCATION	BUSINESS/PRODUCT	INDUSTRY/LOCATION	BUSINESS/PRODUCT
Aberdeen and Rockfish RR, Raeford	Lime	Imperial Freezer, Sanford	Public Freezer
Advanced Drainage Systems, Bessemer City	Pipe Manufacturer	Interstate Bakeries, Rocky Mount	Bakery Goods
Alsco-Amerimark, Fair Bluff	Vinyl Siding	Midstate Mills, Wilson Mills	Flour Milling
Atlantic Bio Energy LLC, Mount Olive	Biodiesel fuel	Mountaire Farms, Candor	Feed Mill/Poultry
Atlantic Structures, Everetts	Building Products	Nationwide Recyclers, Polkton	PET Recycling
Avgol America, Mocksville	Nonwoven material	New Standard Corporation, Rocky Mt.	Metal Fabricating
BPB N. American Services, Roxboro	Wall & Ceiling Product	NGK Ceramics, Mooresville	Ceramic Substrate
Brainerd Chemical, Dunn	Agriculture chemicals	Paragon Films Inc., Taylorsville	Plastic Wrap
Brown's of Carolina, Bladenboro	Feed Mill/Swine	Patrick Industries, Richfield	Building Products
Broad River Logistics, Lattimore	Plastic Resin	PCH, LLC, Landis	Corrugated Paper
Buckeye Technologies, Mount Holly	Airlaid Nonwovens	Polar Plastic, Mooresville	Disposal Dinnerware
Builders Supply and Lumber, Harrisburg	Wood Products	Popplemann Plastics, Claremont	Plastic containers
Builders Supply and Lumber, Mebane	Wood Products	Mecklenburg Project, Huntersville	Disposal dinnerware
Cardinal FG, Mooresville	Glass Manufacturing	Release International, Eden	Release Paper
Case Farms, Morganton	Feed Mill/Poultry	Shurtape Technology, Hickory	Masking Tape
Case Farms, Calypso	Feed Mill/Poultry	Shurtape Technology, Hudson	Carton Sealing Tape
Coastal Cottonseed, Kinston	Cottonseed Merchandiser	Southern Container, Mooresville	Corrugated Containers
Coastal Carolina Cotton Gin, Terra Ceia	Cotton Gin	Southeastern Packaging, Harrisburg	Corrugated Sheets
Code NC, Leland	PET Resins	Steel Technologies, Clinton	Rolled Steel
Cycle Group, Mocksville	Agriculture granule	Stockhausen, Greensboro	Specialty Chemicals
Dopaco, Kinston	Paperboard Packaging	3M, Sanford/Pittsboro	Roofing Granules
Easco Aluminum, Winton	Aluminum Recycling/Manufact.	Southern Film Extruders, High Point	Film packaging
Eclipse Packaging, Statesville	Packaging	Southside Fibers, Mount Olive	Fiberboard
Empire Industries, Tarboro	Consumer Goods	Syfan Manufacturing, Everetts	Plastic shrinkwrap
Eritech, Aberdeen	Grounding Rods	Tidewater Transit, Fayetteville	Chem./Plastic distribut.
Fiber Composites, New London	Plastic decking	Times Fiber Communications, Liberty	Coaxile Cable
Gulf States Paper, Mooresville	Paperboard Packaging	Tolaram Polymer, Asheboro	Polyester Chips
Home Depot, Charlotte	Distribution Center	Unifi, Mocksville	Nonwoven fabric
Homanit GmbH, Mount Gilead	Fiberboard	Weyerhaeuser, Hanrahan	Sawmill
Impact Plastics, Hamlet	Plastic Sheeting	WinCup Holdings, Mooresville	Disposal dinnerware
		Wolverine Tube	Copper Tubing

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

NC Moving Ahead ! Rail Freight Assistance Program

Purpose: Grants made in June 2004 to shortline railroads to help finance track/bridge rehabilitation projects. These investments are part of a statewide effort to upgrade transportation infrastructure required to retain and attract industry. Funds were granted up to 50% of project costs.

PROJECTS/FUNDING			ECONOMIC BENEFITS			COMMUNITY IMPACTS			
Railroad	State Funding	Total Cost	Project Cars/Yr.	Truck Equiv.	Project Cust./Jobs	West	Pied.	East	County
Aberdeen & Rockfish Railroad	$87,000	$174,000	1,700	6,800	2,025			X	Scotland, Hoke,
Aberdeen Carolina &									
Western Railway	$500,000	$1,045,685	12,185	48,740	524		X		Moore, Montgomery
Alexander Railroad	$357,500	$715,000	3,200	12,800	736		X		Iredel
Atlantic & Western Railway	$52,500	$105,000	4,181	16,724	176		X		Lee
Carolina Coastal Railway	$50,000	$100,000	477	1,908	132			X	Beaufort
Laurinburg & Southern Railroad	$105,423	$210,845	5,562	22,248	405			X	Scotland, Hoke
Nash County Railroad	$26,217	$52,434	3,632	14,528	175			X	Nash
North Carolina & Virginia RR	$452,902	$987,111	18,792	75,168	420			X	Hertford. Northampton
Yadkin Valley Railroad	$348,150	$696,300	270	1,080	401		X		Forsyth, Stokes, Surry
	$1,979,692	**$4,086,375**	**49,999**	**199,996**	**4,994**		**4**	**5**	

PROJECT/CUSTOMER	BUSINESS/PRODUCT	PROJECT/ CUSTOMER	BUSINESS/PRODUCT
Pilkington, Laurinburg, AR	Glass Manufacturing	General Shale, Sanford, ATW	Brick
Unilever, Raeford, AR	Personal Care Products	Carolin. Coast.Cotton, Tierra Ceia, CLNA	Cotton Gin
Farm Chemical, Raeford, AR	Liquid Fertilizer	Royster-Clark, Tierra Ceia, CLNA	Fertilizer blending
Aberdeen Bag, Aberdeen, ACWR	Plastic yarn bags	Perdue Farms, Bishops Cross, CLNA	Grain elevator
Gulistan, Aberdeen, ACWR	Carpeting	Coastal Agrobusiness., Pantego, CLNA	Agricultural products
Ferrell Gas, Aberdeen, ACWR	Propane Gas	Myers Lime, Pantego, CLNA	Lime
Perdue Farms, Candor, ACWR	Feed Mill/Poultry	Southern States, Belhaven, CLNA	Farm Supply
Mountaire Farms, Candor, ACWR	Feed Mill/Poultry	Royster-Clark, Belhaven, CLNA	Fertilizer blending
Cotton Creek, Cotton Creek, ACWR	Wood chip mill	NC AG Service, Belhaven, CLNA	Agriculture services
Royster Clark, Statesville, ARC	Blended fertilizer	Pungo Lime/TVA, Belhaven, CLNA	Lime
Deal-Rite Feeds, Statesville, ARC	Animal & Poultry feed	Pilkington Glass, Laurinburg, LRS	Glass Manufacturing
CommScope, Statesville, ARC	Coaxial cable	Browns of Carolina, Laurinburg, LRS	Feed Mill/Swine
Flexsol Pack., Statesville, ARC	Packaging	Farmland Ag Services, Johns, LRS	Agricultural products
Suburban Prop., Statesville, ARC	Propane Gas	Ready Mix Concrete, Rocky Mount, NCYR	Ready mix concrete
Millard Refrigerat., Statesv., ARC	Refrigeration/warehouse	Rocky Mount Recyclers, Rocky Mt., NCYR	Scrap materials
Epperson Lumber, Loray, ARC	Building materials	Braswell Milling, Nashville, NCYR	Animal feed mixing/blending
Bestway South, Loray, ARC	Lumber treating	Royster-Clark, Nashville, NCYR	Blended fertilizer
Shurtape Techn., Stony Pt, ARC	Duct Tape	Perdue Farms, Nashville, NCYR	Feed Mill/Poultry
Sipe Wholesale, Taylorsville, ARC	Building materials	Carolina Steel, Nashville, NCYR	Steel plates
Alexander RR, Taylorsville, ARC	Construction materials	Ferrell Gas, Nashville, NCYR	LP Gas
3-M Company, Pittsboro, ATW	Roofing Granules	Nucor Steel, Tunis, NCVA	Steel Plates
Sanford Recycling, Sanford, ATW	Waste recycling	Perdue Farms, Coefield, NCVA	Feed Mill/Poultry
Lee Iron & Metal, Sanford, ATW	Iron & metal recycling	Wellington Leisure Prds, Pilot Mt., YVRR	Rope
Ready Mix Concrete, Sanford, ATW	Ready-mix concrete	NC Foam, Mt. Airy, YVRR	Foam
Hallman Foundry, Sanford, ATW	Iron castings	United Technologies, Mt. Airy, YVRR	Custom Plastic Extruder

Aberdeen & Rockfish RR (AR)
Aberdeen Carolina & Western Railway (ACWR)
Alexander RR (ARC)
Atlantic & Western Railway (ATW)
Carolina Coastal Railway (CLNA)
Laurinburg & Southern Railway (LRS)
Nash County RR (NCYR)
North Carolina & Virginia RR (NCVA)
Yadkin Valley RR (YVRR)

Attachment # 1

North Carolina Department of Transportation
State Project Number: 2.1023502/TP1000454
State Infrastructure Loan Reimbursable by City of Rocky Mount

Per Agreement dated February 10, 2003
Note: Agreement amended November 5, 2003

	LOAN AMOUNT	INTEREST	TOTAL PAYBACK
LOAN #1	$ 137,354.00	11,131.94	$ 148,485.94
SUPPLEMENTAL LOAN	60,000.00	4,862.74	64,862.74
TOTAL LOAN AMOUNT	$ 197,354.00	15,994.68	$ 213,348.68

	PAYMENT SCHEDULE	PAYMENT AMOUNT
LOAN #1	July 1, 2004	$ 49,495.32
LOAN #1	July 1, 2005	$ 49,495.32
SUPPLEMENTAL LOAN	July 1, 2005	$ 21,620.92
LOAN #1	July 1, 2006	$ 49,495.31
SUPPLEMENTAL LOAN	July 1, 2006	$ 21,620.92
SUPPLEMENTAL LOAN	July 1, 2007	$ 21,620.89

North Carolina Department of Transportation
State Project Number: TP1000425 PT-T
State Infrastructure Loan Reimbursable by City of Gastonia

Per Agreement dated September 9, 2003

PRINCIPAL	$	180,242.00
INTEREST RATE		4.00%
TERM / YEARS		3.00

PAYMENT $64,949.95

PAY#	DUE DATE	INT/PAID	PRIN/PAID	BALANCE
1	July 1, 2005	$ 7,209.68	$ 57,740.27	$ 122,501.73
2	July 1, 2006	4,900.07	60,049.88	62,451.86
3	July 1, 2007	2,498.07	62,451.86	(0.00)

Total Interest	$	14,607.82
Principal Loan	$	180,242.00

TOTAL PRINCIPAL AND INTEREST	$	194,849.83

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY
GOVERNOR

LYNDO TIPPETT
SECRETARY

January 03, 2005

State Infrastructure Bank (SIB)
2004 Annual Report

Section 350 of the National Highway System (NHS) Designation Act of 1995 authorized the U.S. Department of Transportation to establish the SIB pilot program. Prior to the implementation of SIB, the NCDOT had the ability and the authority to establish a SIB. The existing North Carolina General Statutes (Senate Bill 884, S.L.1997-428) allowed the NCDOT to participate in the program to make loans.

History

On July 14, 1999 the City of Greensboro entered into agreement with the North Carolina Department of Transportation to receive Federal dollars of $1,020,000 in FY 1998 and $240,000 in FY 1999 as a loan to rehabilitate the Greensboro Southern Railway Passenger Depot. The state match of 20% equates to $255,000 and $60,000 accordingly.

Financial Status of Project:

Project Sponsor	Purpose of Loan	Loan Approval Date	Project Total Cost	SIB Loan
NCDOT	Rehab Rail Depot	07/12/99	17,053,535	$1,575,000

Interest and Repayment Terms: Interest and repayment terms are 4% on outstanding balances paid in three annual payments.

Principal	Federal Share 80%	State Share 20%
$1,575,000	$1,260,000	$ 315,000

TOTAL
REIMBURSEMENT **$ 1,860,146.85**

Repaid in full November 2001.

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
RESEARCH & ANALYSIS
1549 MAIL SERVICE CENTER
RALEIGH NC 27699-1549

TELEPHONE: 919-733-9790
FAX: 919-715-0137

WEBSITE: WWW.DOT.STATE.NC.US

LOCATION:
TRANSPORTATION BUILDING
1 SOUTH WILMINGTON STREET
RALEIGH NC 27601

The repayment was deposited in SIB in accordance with the provisions of the National Highway Act of 1995. The City of Rocky Mount received approval to purchase 5 heavy-duty transit buses. The federal Transit Administration covers 80 percent of the cost. Rocky Mount needed borrowed the 10% local share of $137,500 over 36 months. The buses are needed immediately but the local government did not have the resources for the ten percent (10%) local share. A completed transaction for the transfer of funds under contract with the City of Rocky Mount for $137, 354 was executed in February 2003. Rocky Mount received a $60,000 supplement to the contract in FY04 for the local share on two additional transit buses. The agreement was signed and processed by Rocky Mount in November 2003.

The City of Gastonia entered into an agreement with The NC DOT in November 2003 to receive $252,000 in SIB dollars to meet the local match for (7) seven full size transit buses. (TIP Project PT #7) Delivery of the buses occurred in July 2004.

The North Carolina Department of Transportation sees a need to expand the SIB to a fully supported state program. Many small municipalities have a need for transportation projects outside the State Transportation Improvement Plan. Many county and city transportation projects are delayed. The SIB would allow local officials to advance the schedule of high priority transportation needs.

A SIB request in May 2004 to borrow money to meet the local match requirement for a municipal airport expansion in Halifax County was approved and executed. The Division of Aviation advanced the funds to Halifax County. The City of Concord in Cabarrus County is pursuing authority to purchase eight (8) buses with the option to use SIB for the local match requirements after they receive FTA approval.

We anticipate an increase in requests for SIB funding for transit, rail, and airport projects within the FY2005 – FY2006 period.

State Contact: Chris McAdams cmcadams@dot.state.nc.us
Research and Program Analysis 919-715-9677

North Carolina Dept. of Transportaion
State Infrastructure Bank
(SIB)

	Revenue/Loan	Description	Transaction	Transaction Amount		Balance
Apr-98	$ 1,020,000.00	Fed 80%	Capitalization	$ 1,275,000.00	total	$ 1,275,000.00
	$ 255,000.00	St 20%				
FY 98	$ 8,779.15	fy98 earnings				
FY 99	$ 79,192.76	fy99 earnings	Interest	$ 87,971.91	total	$ 1,362,971.91
Sep-99	$ 240,000.00	Fed 80%	Capitalization	$ 300,000.00	total	$ 1,662,971.91
	$ 60,000.00	St 20%				
Dec-99	$ 1,575,000.00	G'boro	Loan			$ 87,971.91
FY 00	$ 45,136.22	fy00 earnings	Interest			
FY 01	$ 8,154.61	fy01 earnings	Interest	$ 53,290.83	total	$ 141,262.74
Nov-01	$ 1,575,000.00	G'boro	Payment	$ 1,575,000.00		$ 1,716,262.74
			Interest	$ 127,312.00	total	$ 1,843,574.74
FY 02	$ 56,093.95	fy02 earnings	Interest		total	$ 1,899,668.69
FY 03	$ 137,354.00	Rocky Mt.	Loan		total	$ 1,762,314.69
03	$ 83,088.61	fy03 earnings	Interest		total	$ 1,845,403.30
FY 04	$ 49,495.35	Rocky Mt.	Payment			$ 1,894,898.65
FY 04	$ 62,193.00	fy04 earnings	Interest			$ 1,957,091.65
FY 04	$ 180,242.00	Gastonia	Loan			$ 1,776,849.65
FY 04	$ 44,001.16	Gastonia	Principal pmt.			$ 1,820,850.81
Fy 04	$ 60,000.00	Rocky Mt.	Supplemental			$ 1,716,849.65
FY 05	$ 28,771.42	fy05 earnings	Interest			$ 1,745,621.07
May-04	$ 240,000.00	Halifax airport	Loan			$ 1,505,621.07
Dec-04	$ 350,000.00	Halifax airport	Loan			$ 1,155,621.07
Jul-05	$ 311,111.00	Halifax airport	Loan			$ 844,510.07
Total	$ 901,111.00	Halifax airport	Loans	**Principal**	**Interest**	$ 844,510.07
Jul-07	$ 94,217.00	Halifax airport	Payment	$ 62,297	$ 31,920	$ 938,727.07
Jul-08	$ 355,802.00	Halifax airport	Payment	$ 254,846	$ 100,957	$ 1,294,529.07
Jul-09	$ 355,802.00	Halifax airport	Payment	$ 332,443	$ 3,617	$ 1,650,331.07
Jul-10	$ 261,585.00	Halifax airport	Payment	$ 251,524	$ 10,060	$ 1,911,916.07
Total	$ 1,067,406.00	Halifax airport	Tot Payments	$ 901,110	$ 146,554	$ 1,911,916.07

income
expenditure

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK BALANCE SHEET
FOR FISCAL YEAR 04-05, AS OF DECEMBER 31, 2004

EXHIBIT A

ASSETS:		FUND BALANCE:	
CASH - BUDGET CODE 64202	1,800,016.04	RESERVES / UNOBLIGATED FUNDS	1,801,021.54
CASH - BUDGET CODE 64206	2,763.50	RESERVES / OBLIGATED FUNDS	575,352.84
NOTES RECEIVABLE			
LOAN PROCEEDS DUE FROM THE FOLLOWING:			
THE CITY OF ROCKY MOUNT	93,352.84		
THE CITY OF ROCKY MOUNT *(Supplemental)*	60,000.00		
HALIFAX- NORTH HAMPTON REGIONAL AIRPORT AUTHORITY	240,000.00		
THE CITY OF GASTONIA	180,242.00		
TOTAL ASSETS	2,376,374.38	TOTAL FUND BALANCE	2,376,374.38

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK
STATEMENT OF REVENUES

EXHIBIT B

REVENUE:		
FEDERAL RECEIPTS BROUGHT FORWARD	1,260,000.00	
REVENUE INCREASES:		
STATE RECEIPTS BROUGHT FORWARD	315,000.00	
INTEREST EARNED BUDGET CODE 64202		
OBLIGATED FUND	335,352.84	
UNOBLIGATED FUND	1,767,840.09	
INTEREST EARNED FY 04/05	30,417.95	2,133,610.88
INTEREST EARNED BUDGET CODE 64206		
OBLIGATED FUND	240,000.00	
INTEREST EARNED FY 04/05	2,763.50	242,763.50
TOTAL AVAILABILITY		2,376,374.38
LESS LOAN PROCEEDS DISBURSED TO THE FOLLOWING:		
TO THE CITY OF ROCKY MOUNT		(137,354.00)
THE CITY OF ROCKY MOUNT *(Supplemental)*		(60,000.00)
HALIFAX- NORTH HAMPTON REGIONAL AIRPORT AUTHORITY		(240,000.00)
THE CITY OF GASTONIA		(180,242.00)
LOAN PRINCIPAL REPAYMENT		44,001.16
CASH BALANCE		1,802,779.54

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
STATE INFRASTRUCTURE BANK
FOR FISCAL YEAR 04-05, AS OF DECEMBER 31, 2004

EXHIBIT C

MUNICIPALITY	PRINCIPLE	INTEREST	LOAN REPAYMENT	LOAN BALANCE
CITY OF ROCKY MOUNT	137,354.00	11,131.94	49,495.32	98,990.62
CITY OF ROCKY MOUNT *(Supplemental Loan)*	60,000.00	4,862.74		64,862.74
HALIFAX-NORTH HAMPTON REGIONAL AIRPORT AUTHORITY	240,000.00	19,450.95		259,450.95
CITY OF GASTONIA	180,242.00	14,750.30		194,992.30
				-
				-
				-
				-
				-
				-
				-
TOTAL OF OUTSTANDING LOANS	617,596.00	50,195.93	49,495.32	618,296.61

Time Frame	Activity Type	Party / Description	Transaction Amount	Balance
Apr. 98	Capitalization	Fed 80%	$1,020,000.00	$1,275,000.00
		State 20%	$255,000.00	
End FY 98	Earnings	Interest	$8,779.15	$1,283,779.15
End FY 99	Earnings	Interest	$79,192.76	$1,362,971.91
Sep-99		Fed 80%	$240,000.00	$1,662,971.91
		State 20%	$60,000.00	
Dec-99	Loan	City of Greensboro	-$1,575,000.00	$87,971.91
End FY 00	Earnings	Interest	$45,136.22	$133,108.13
End FY 01	Earnings	Interest	$8,154.61	$141,262.74
Nov. FY 01	Pmt. from City	Principal	$1,575,000.00	$1,843,575.24
	of Greensboro	Interest	$127,312.50	
End FY 02	Earnings	Interest	$56,093.95	$1,899,669.19
Feb-03	Loan	To City of Rocky Moun	-$137,354.00	$1,762,315.19
End FY 03	Earnings	Interest	$83,088.61	$1,845,403.80
FY 04	Earnings	Interest	$62,193.00	$1,907,596.80
through				
Jun-04				
	Encumbrance	Loan to City of Gastonia	$252,000.00	$1,655,596.80
	Encumbrance	Supplemental to City of Rocky Mount	$60,000.00	$1,595,596.80

Attachment 2

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY
GOVERNOR

P.O. BOX 25201, RALEIGH, N.C. 27611-5201

LYNDO TIPPETT
SECRETARY

North Carolina Ferry Division Programs and Initiatives

The North Carolina Ferry Division currently is in the process of constructing several capital projects. Below is a description of these projects and their anticipated date of completion.

- **New Visitor Center at Fort Fisher Terminal** – Funded by TIP – Building is complete. North Carolina Ferry Division is taking possession of building this week.

- **New Visitor Center at Southport Terminal** – Funded by TIP – Building is under construction and will be completed in late April 2005. Project will include the construction of new stacking lanes.

- **New Visitor Center at Ocracoke Terminal** – Funded by TIP – An agreement has been reached with the National Park Service for a special use permit to place the new building. Bids will be solicited in June 2005 and construction should begin in September 2005. This project includes the renovation of the existing visitor center into additional crew housing. This housing is necessary due to a shortage of employees to satisfy vessel and terminal employee billets.

- **New Visitor Center at Cedar Island Terminal** – Funded by TIP – This project is in the design phase and is scheduled to go to bid in late spring 2005. This project is necessitated by "Sick Building Syndrome" as a result of chronic mold and mildew in the existing building. A large portion of the mold and mildew problem is a result of moisture from Hurricane Isabel.

- **Employee Housing Facility at Hatteras Village** – Funded through N. C. Moving Ahead – This project is 28% complete and should be completed in August 2005. Once complete the Ferry Division will be able to house up to 24 employees from areas outside of Dare County. A highly competitive labor pool and a shortage of employees with U. S. Coast Guard licensing has necessitated this project.

- **Expansion of N. C. State Shipyard at Manns Harbor** – Funded through N. C. Moving Ahead and Legislative Appropriation – To date approximately 45% of the necessary funding has been secured. Final engineering is being completed for this project. During the summer of 2005, work on the first phase of this expansion will be completed. This work will include the lengthening of the three work platens and the construction of a new warehouse facility. The new warehouse will be constructed on a parcel of land recently purchased directly adjacent to the existing shipyard property. Upon receipt of the necessary funding the Ferry Division will construct a building large enough to enclose a 220' ferry vessel. Once complete this building will provide a climate controlled environment for workers to perform required

FERRY DIVISION
113 Arendell Street, Maritime Building – Room 120, Morehead City, NC 28557
•Phone (252) 726-6446 • Fax (252) 726-2903

maintenance. This building will greatly improve productivity that is currently lost due to wind, rain, freezing conditions and other types of inclement weather. Due to the proximity and type of work conducted at the shipyard, the Ferry Division is also currently exposed to many environmental regulations and the potential for fines. The completed building will lessen this exposure and impacts to the surrounding environment.

One of the main challenges currently being faced by the Ferry Division is the shortage of qualified individuals to satisfy U. S. Coast Guard Manning Requirements. The Ferry Division is currently working with the DOT Personnel Section to review and evaluate the positions that are critical to the operation of the Ferry Division and also the one's that have receiving the little or no response when posted. This lack of interest in Ferry Division employment is a result of a strong job market along the Outer Banks and the inability of the State to provide competitive compensation. Last year the Ferry Division operated the Hatteras Inlet with 25 fewer employees than necessary to satisfy the vessel manning requirements. These manning requirements are established by the U. S. Coast Guard and without the required number and types of employees, we are not allowed to operate the vessels. In order to satisfy these requirements the Ferry Division has been required to transfer and/or hire employees from other areas and provide housing. We have also satisfied manning requirements by calling employees back on overtime status. This has lead to increased labor costs and a significant aging of our work force. This aging is due to a lack of "young" applicants willing to enter the system and work their way up through the ranks. This aging is also leading to problems filling positions as employees retire or are unable to accomplish the required duties due to health problems and other factors. It is important to note that this employee shortage is also becoming evident at the Southport/Ft. Fisher Route, Ocracoke Island, Manns Harbor and several of our other facilities and routes.

The employee shortage at Manns Harbor has prevented the Ferry Division for doing work for other federal and state agencies. In the past the N.C. State Shipyard at Manns Harbor has completed work for the U. S. Army Corps of Engineers, N. C. Fisheries, Elizabeth II and several other agencies. This work was completed during the summer months and provided an opportunity to offset normal operating expenses and overhead. In past years, this has provided up to $500,000 annually and opportunities to build strong working relationships with these agencies.

We look forward to continued work with the DOT Personnel Section and Office of State Personnel and a timely resolution to these issues.

The North Carolina Ferry Division appreciates the support of the North Carolina Legislature and invites any interested parties to visit our facilities and experience our services. Please feel free to contact me at 252-726-1380 with any additional questions or requests.

Jerry Gaskill, Director
North Carolina Ferry Division



The North Carolina Ferry System

Jerry Gaskill, Director



Our Mission

The North Carolina Ferry Division is dedicated to providing safe, cost effective and dependable service for the traveling public.

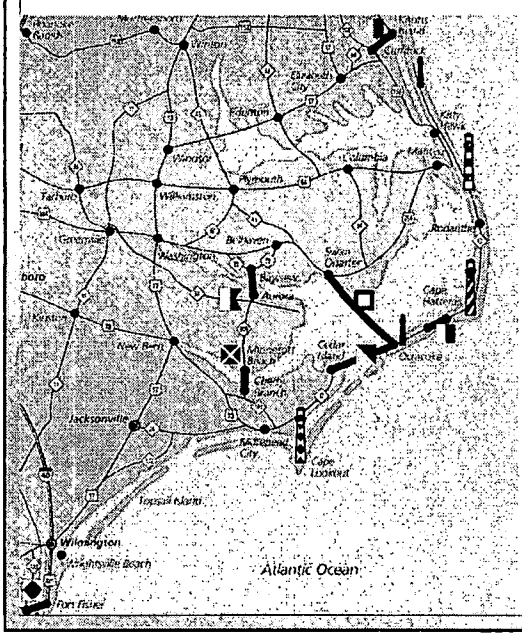
This Mission will be accomplished by:

- Ensuring that our vessels are operated and maintained to the highest levels of maritime safety.
- Promoting Customer Satisfaction by providing information, education, a comfortable environment and other amenities to achieve a favorable traveling experience.
- Operating all vessels and shore establishments with professionally competent, courteous and knowledgeable employees.
- Affording all available resources to aid residents and visitors in response to natural or man-made disasters.



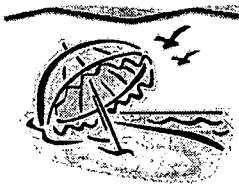


North Carolina Ferry System



- Seven Routes
- Transports over 1.3 million vehicles and 2.3 million passengers annually
- Second largest ferry system in the United States
- Equipment consists of:
  - 23 ferry vessels
  - 1 dredge
  - 2 LCUs and various support vessels

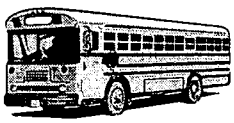
Who We Transport



- Tourists and Residents



- Trucks and Commercial Vehicles



- School Children



- Military Personnel and Equipment

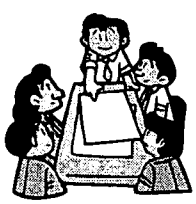
Other Responsibilities



- Aiding in hurricane evacuation and relief

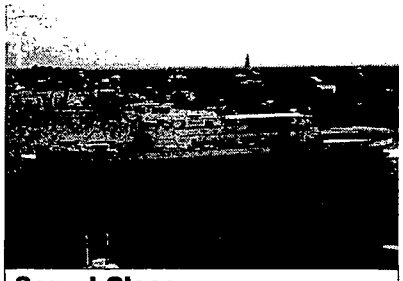


- Providing a positive economic impact by bringing tourists to Eastern North Carolina

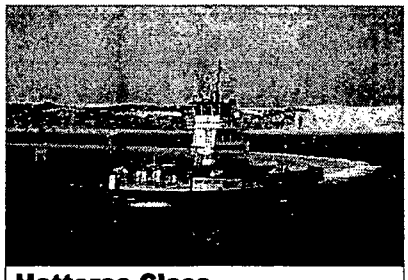


- Working closely with commercial, civic, religious and state organizations

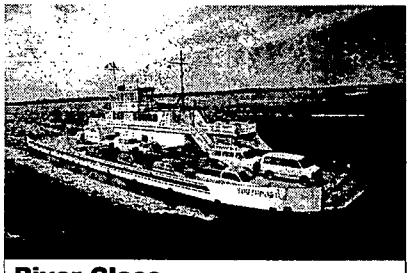
Types of Ferry Vessels



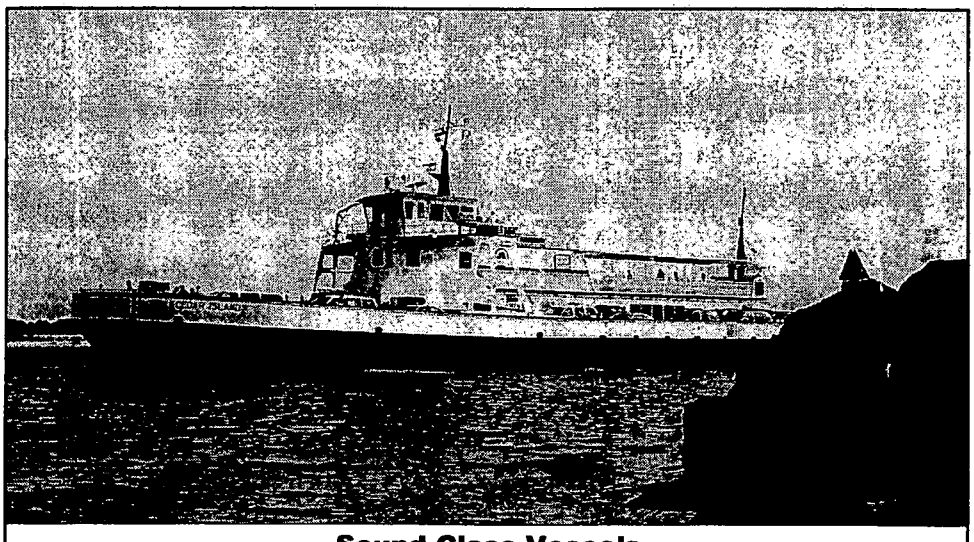
Sound Class



Hatteras Class

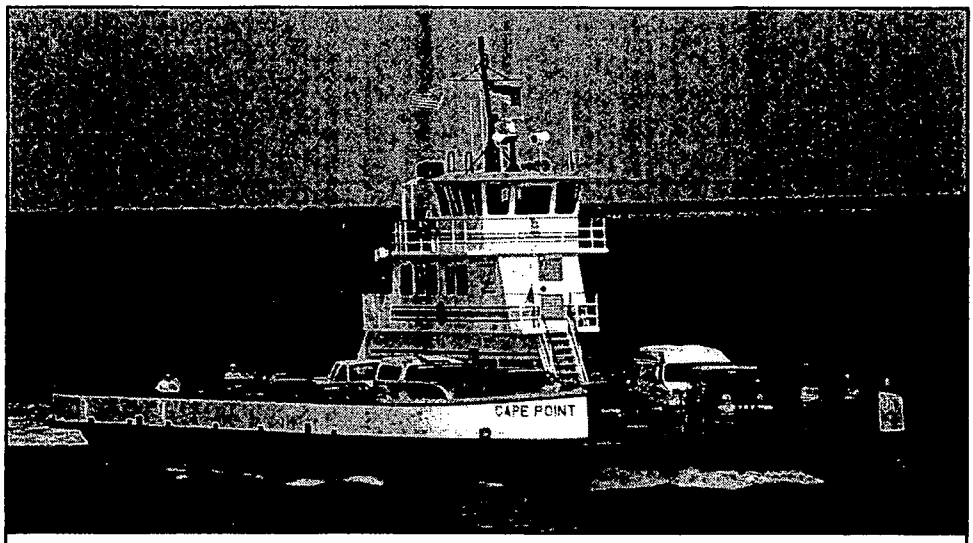


River Class



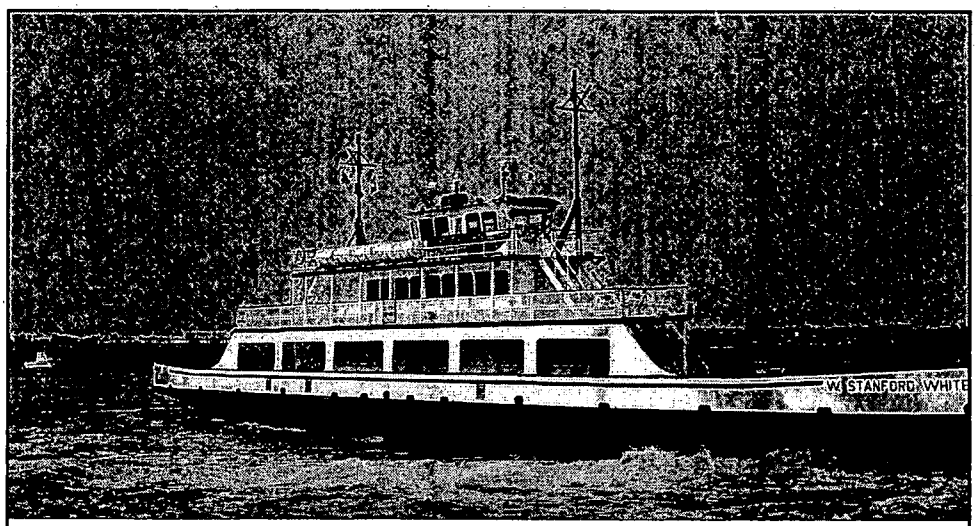
Sound Class Vessels

LENGTH:	**220' 6"**	**BREADTH:**	**50'**
DEPTH:	**12' 6"**	**DRAFT:**	**6' 6" LOADED**
ENGINES:	**(2) CAT 3508 (805HP EA)**	**PASSENGERS:**	**300**
VEHICLES:	**50**	**ROUTE:**	**CEDAR ISLAND to OCRACOKE ISLAND AND SWAN QUARTER TO OCRACOKE**
CREW:	**6**		



Hatteras Class Vessels

LENGTH:	149' 9"	BREADTH:	42'
DEPTH:	8' 6"	DRAFT:	4'
ENGINES:	(2) CAT 3408 (475 HP EACH)	PASSENGERS:	150
VEHICLES:	30	ROUTES:	HATTERAS
CREW:	5		INLET



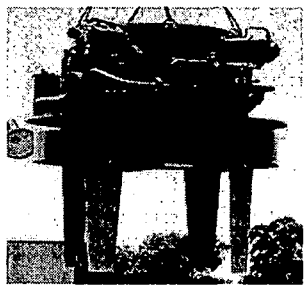
River Class Vessels

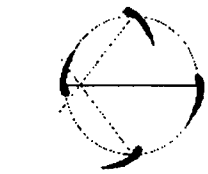
LENGTH:	180'	BREADTH:	44'
DEPTH:	11'	DRAFT:	5' 6"
ENGINES:	(2) CAT 3412 (475 HP EACH)	PASSENGERS:	300
VEHICLES:	40	CREW:	5
ROUTES:	SOUTHPORT/FORT FISHER and CHERRY BRANCH TO MINNESOTT BEACH. TWO NEW FERRIES AT HATTERAS INLET.		

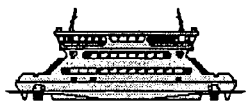
Propulsion Method

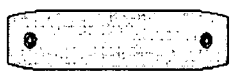
- Some of our vessels use Voith Schneider propulsion, which consists of a series of fins that rotate at a constant RPM
- Similar to a helicopter, the ferry is propelled by changing the pitch of the blades
- This type of propulsion is:
  - Precise
  - Safe
  - Proven
  - Reliable



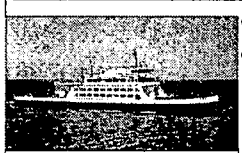
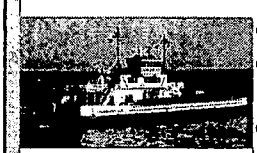
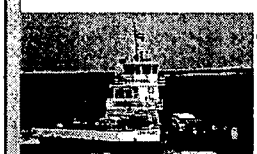




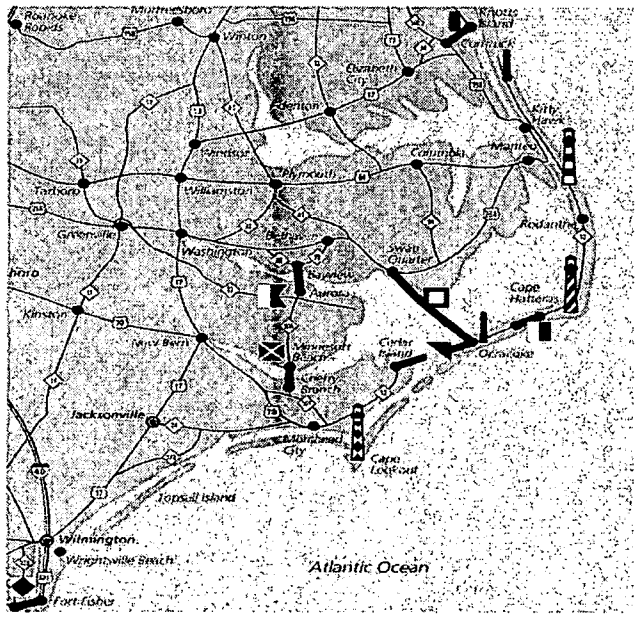




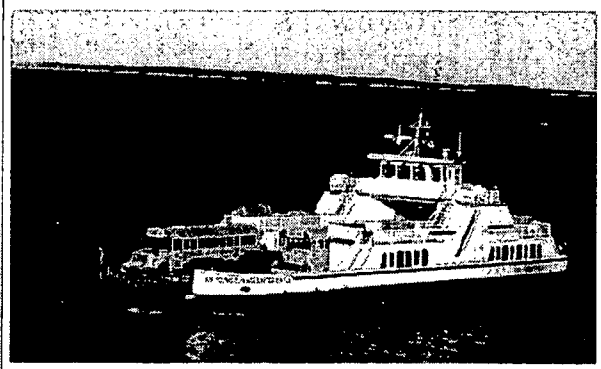
U.S. Coast Guard Manning Requirements

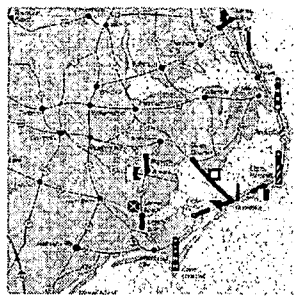
Vessel Type	Route	Manning Requirement
 Sound Class Vessels	• Cedar Island – Ocracoke Island • Ocracoke Island – Swan Quarter	**6 Crewmembers** 1 Master, 1 Chief Engineer, 1 Mate, 1 Oiler, 1 Able Seaman, 1 Ordinary Seaman
 River Class Vessels	• Southport – Fort Fisher • Cherry Branch – Minnesott Beach • Pamlico River	**5 Crewmembers** 1 Master, 1 Chief Engineer, 1 Oiler, 2 Deckhands
 Hatteras Class Vessels	• Hatteras Inlet	**4 Crewmembers** 1 Master, 1 Chief Engineer, 1 Able Seaman, 1 Ordinary Seaman

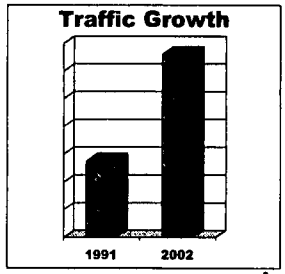
Where We Serve



Currituck to Knotts Island



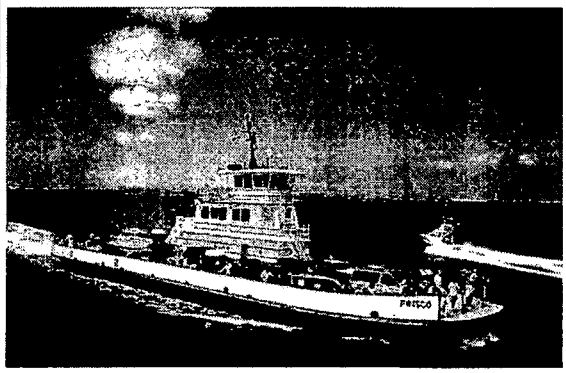


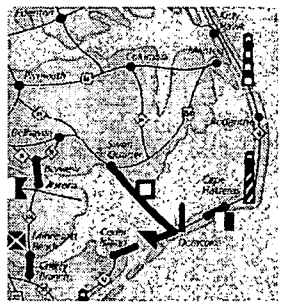


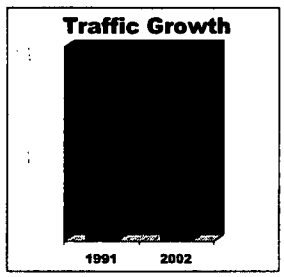
Type of Vessel: Old River Class
Crossing Time: 45 Minutes

Fact: In 1999, the M/V HUNT was lengthened from 130' to 160' at the N. C. State Shipyard at Manns Harbor to accommodate an increase in the number of school children

Hatteras Inlet Ferry Operation



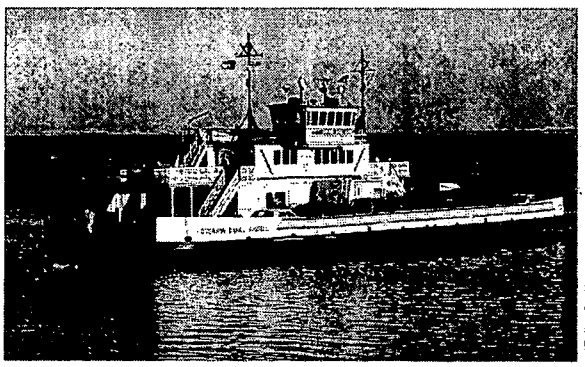


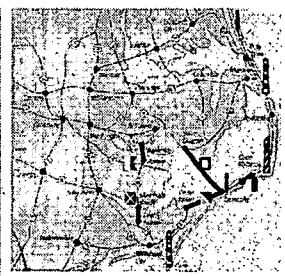


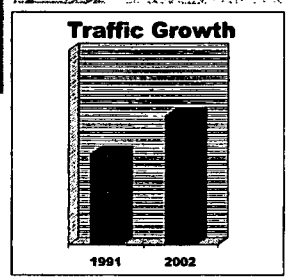
Types of Vessels: Hatteras Class and River Class
Crossing Time: 40 Minutes

Fact: During the busy Summer season we operate 10 boats simultaneously at peak times.

Pamlico River Ferry Operation



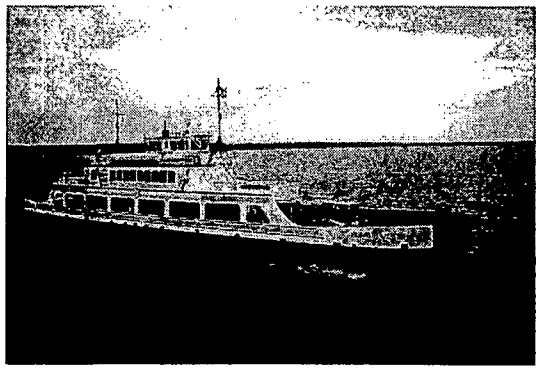


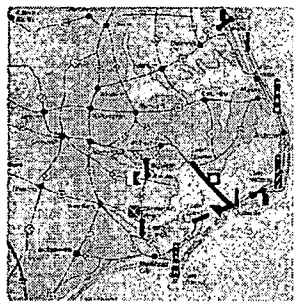


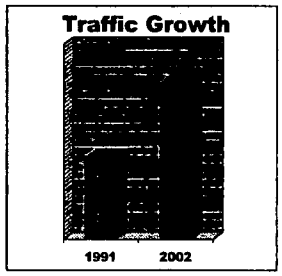
Type of Vessel: River Class Ferry
Crossing Time: 30 Minutes

Fact: This route is the key means of transportation for workers at PCS Phosphate.

Cherry Branch Ferry Operation



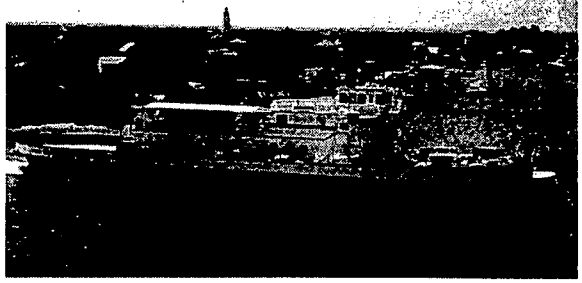


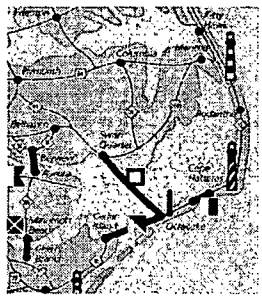


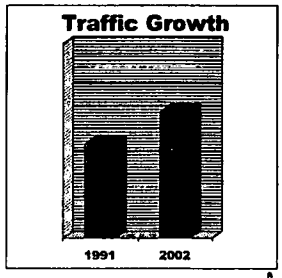
Type of Vessels: River Class Ferries
Crossing Time: 20 Minutes

Fact: This ferry route serves as a way to commute for many employees and enlisted personnel at MCAS Cherry Point.

Cedar Island to Ocracoke Island



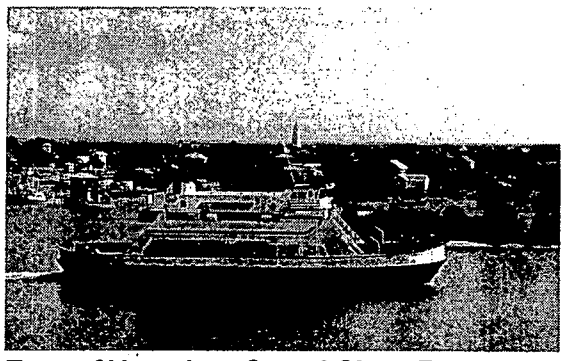


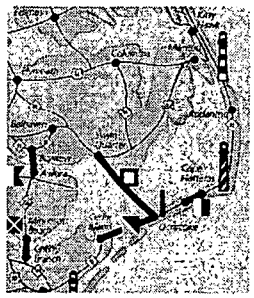


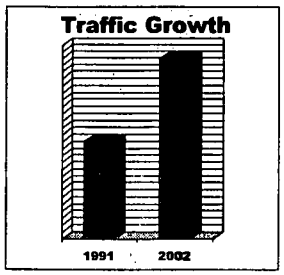
Types of Vessels: Sound Class Ferries
Crossing Time: 2-1/4 Hours

Fact: The Cedar Island to Ocracoke Ferry Route features the largest vessels in the fleet at 220' each.

Swan Quarter to Ocracoke Island



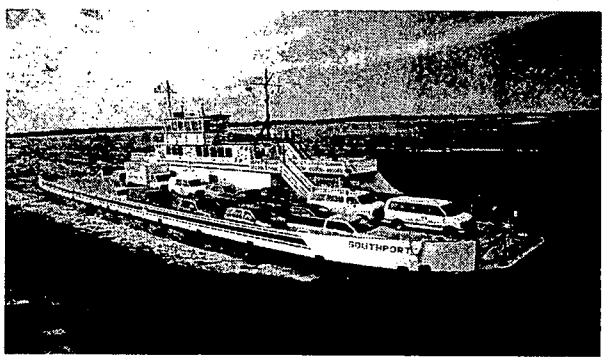


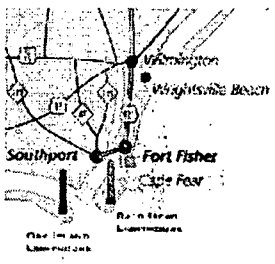


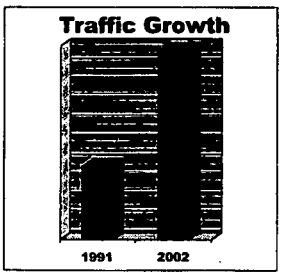
Type of Vessel: Sound Class Ferry
Crossing Time: 2-1/2 Hours

Fact: In 1995, an additional vessel was added to the Swan Quarter to Ocracoke Route during the summer season. This vessel also operates between Ocracoke and Cedar Island.

Southport/Ft. Fisher Operation



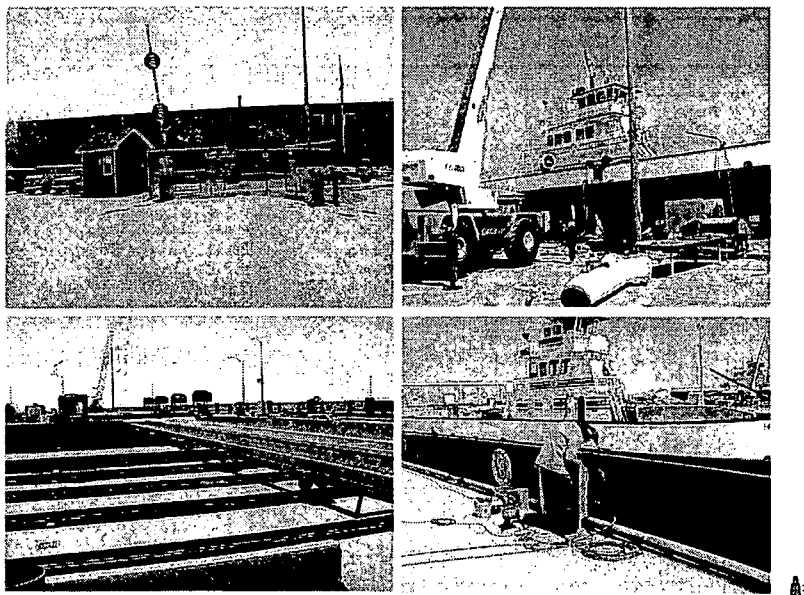


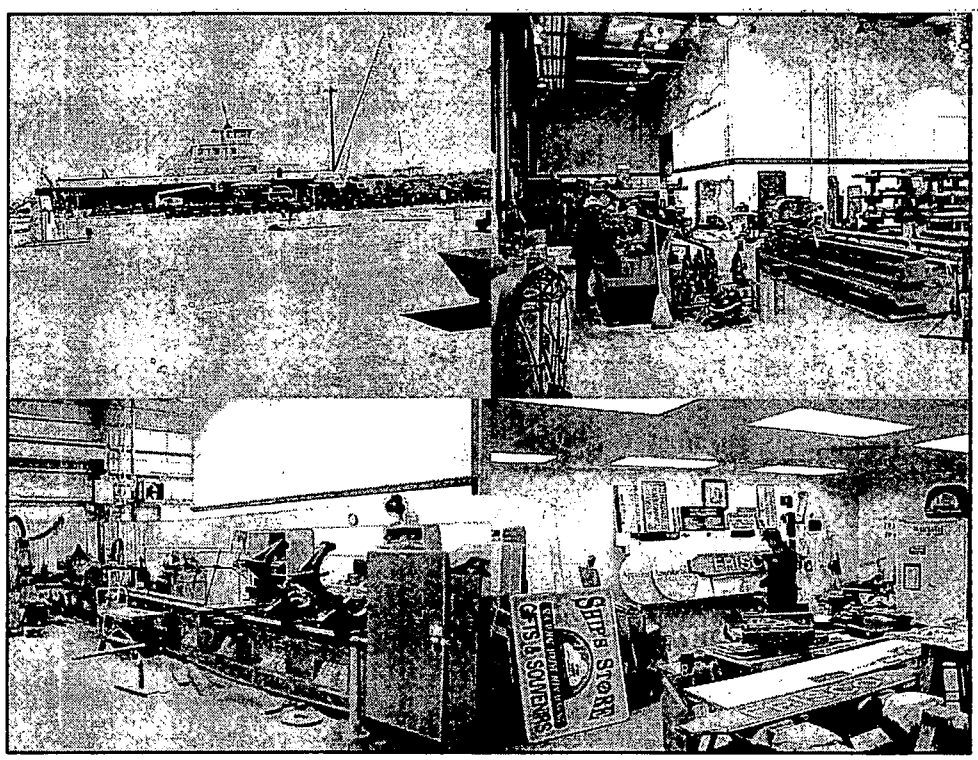


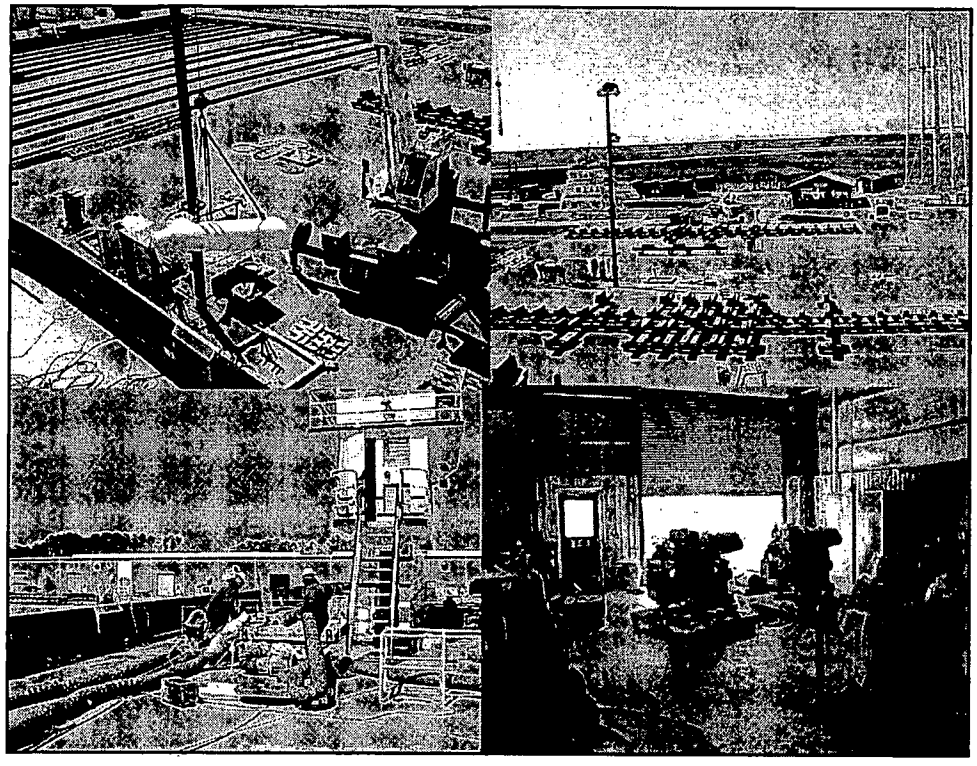
Types of Vessels: River Class Ferries
Crossing Time: 30 Minutes

Fact: The Southport to Fort Fisher Ferry Route is the only ferry route from which one can view three lighthouses simultaneously. These are Bald Head Island, Oak Island and Price's Creek.

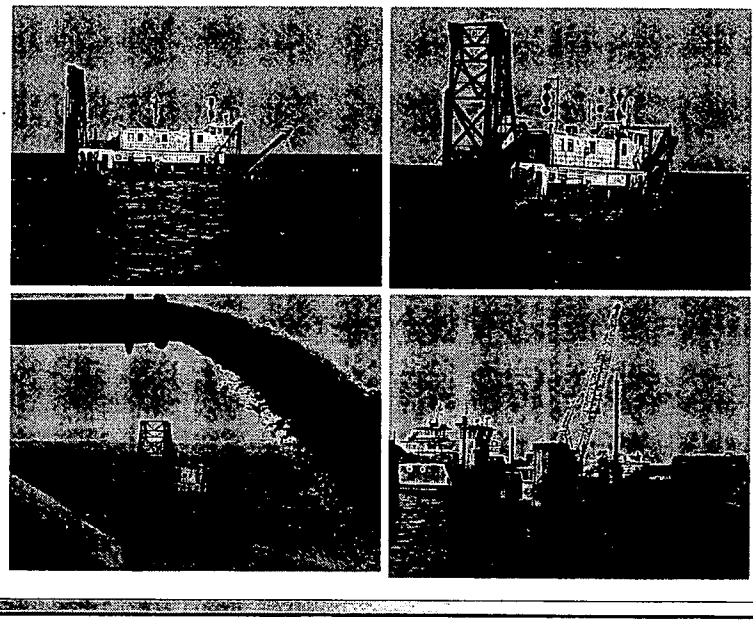
N.C. State Shipyard at Manns Harbor



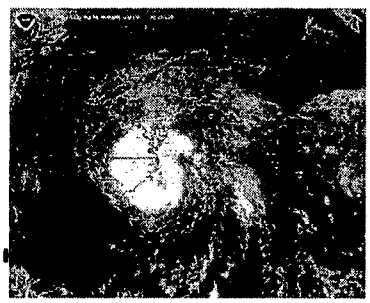


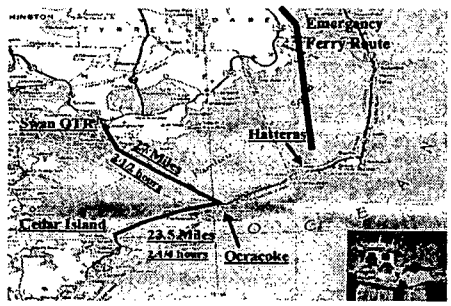


Dredge Carolina and LCU Hatteras



The Ferry Division in Times of Emergency

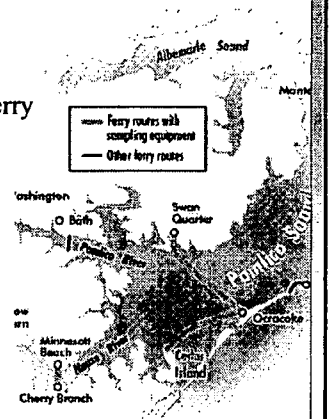




- The Ferry Division was the sole means of transportation to Hatteras Island after Hurricane Isabel
- It also transported all goods, supplies, equipment, and aid to Hatteras Island and Ocracoke Island, as well as all of the trucks and equipment necessary to rebuild the roadways.
- The Ferry Division was active in the filling of the "New Inlet" that cut Highway 12 in half north of Hatteras.

FerryMon

- Ferry-based Monitoring of Surface Water Quality in North Carolina
- Project partners:
  - Institute of Marine Sciences, UNC - Chapel Hill, Duke University Marine Laboratory, NCDOT Ferry Division, NC Department of Environment and Natural Resources, Carolina Environmental Program, UNC - Chapel Hill
- Three ferry vessels equipped to monitor the waters of Pamlico Sound and its tributary rivers:
  - M/V Floyd Lupton (Minnesott Beach to Cherry Branch)
  - M/V Carteret (Cedar Island to Ocracoke)
  - M/V Governor Hyde (Ocracoke to Swan Quarter



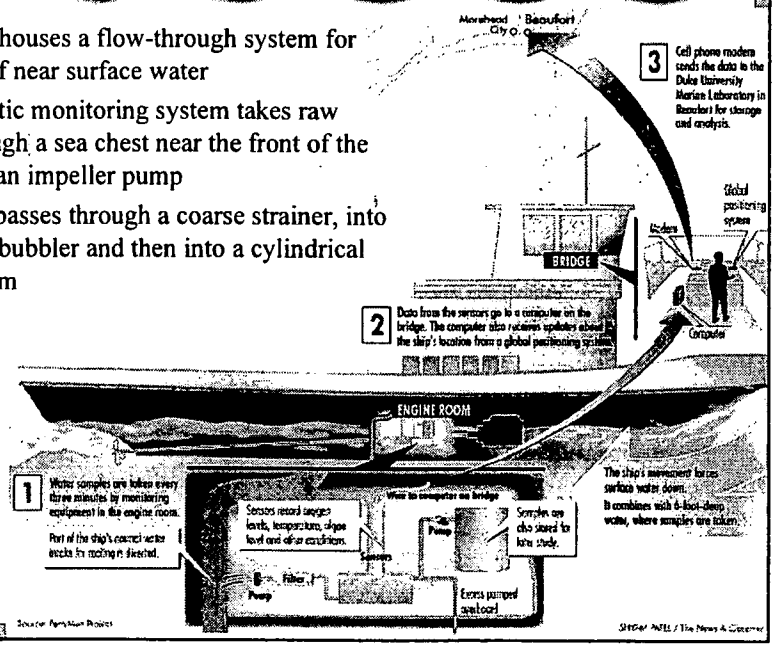
Why FerryMon is Important

- The Albemarle-Pamlico Estuarine System (APES) is North America's second-largest estuary and provides critical habitat for the southeastern U.S. fishery
  - An estuary is an arm of the sea at the lower end of a river or a water passage where the tide meets a river current
- Despite its importance as an essential fish habitat, the APES has not been monitored as intensively or extensively for habitat impacts associated with decreased water quality as other estuaries, such as the Chesapeake Bay
- FerryMon provides a unique, long-term and cost effective monitoring system to evaluate status and trends in APES water quality



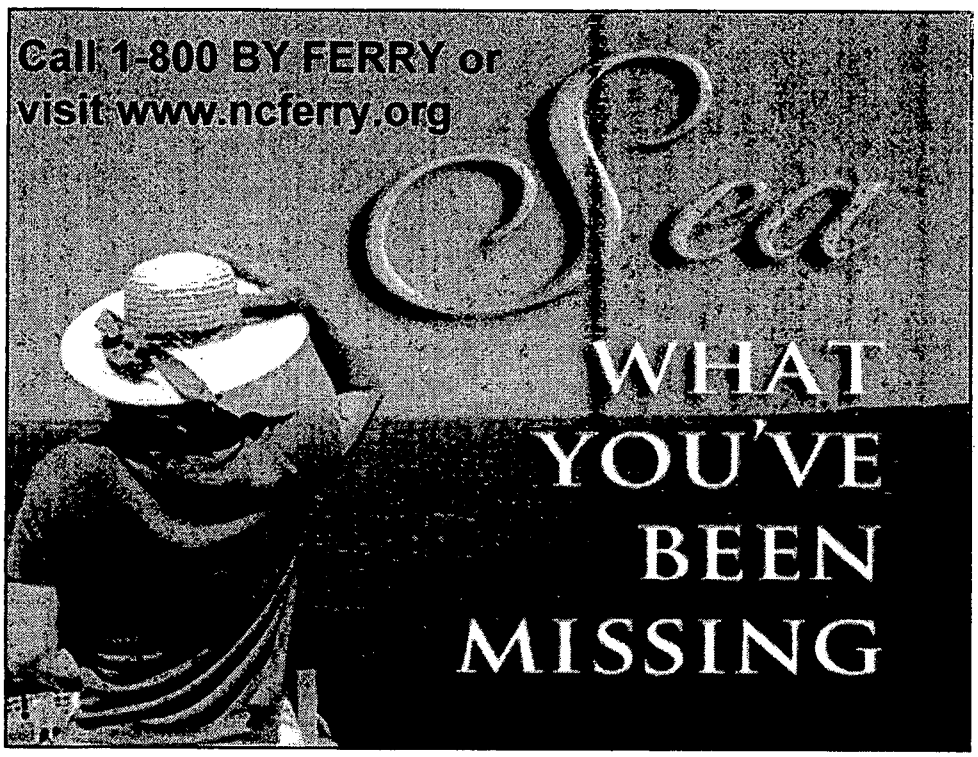
How FerryMon Works

- Each ferry houses a flow-through system for sampling of near surface water
- An automatic monitoring system takes raw water through a sea chest near the front of the ship using an impeller pump
- The water passes through a coarse strainer, into a vortex debubbler and then into a cylindrical PVC plenum



How FerryMon Works - continued

- A YSI Sensor samples
  - Surface water temperature
  - Salinity
  - Dissolved oxygen
  - pH
  - Turbidity
  - Fluorescence of chlorophyll a (algai biomass)
- Navigation is provided by a Furuno 1850 DGPC interfaced with a computer to log sample locations by date, time latitude and longitude
- Logged data are downloaded nightly to a computer located at the Duke University Marine Laboratory in Beaufort, NC, via modem



VISITOR REGISTRATION SHEET

Approp Transportation — 3-16-05

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
Bob Bowen Marcum	Railway Assoc of NC
Chuck Hollowell	NCTMF
Elmer Lamm	NCTMF
Vernon Bell	OSBM
Mitch Alford	OSBM
Kelly Johnson	Johnston
Julian Kmay	Martin Marietta
Karen A. Pearsall	WPSR
Portia Mosley	NCDOT / DMV.
Sandra Love	Martin Marietta
Susan Coward	NCDOT
Beau Mills	NC Metro Coalition / NCCM
Jerry Graves	NCDOT
Erskine Bowles	Charlotte
Lee Hobbs	NCLH
Richard Williams	NCHBA
Lisa Martin	NC Home Builders Assoc
Charles Utz	NCDOT Ferry Div.

House Pages

Approp. Transportation

Name Of Committee: _____ Date: 3-16-05

House

1. Name: Crystal Rouf
   County: Wake
   Sponsor: Mr Hunt
2. Name: Rebecca Reist
   County: Wake
   Sponsor: Speaker Black

Senate

3. Name: Kevin Myers
   County: Johnston
   Sponsor: Senator Smith
4. Name: Joshua Sexton
   County: Wake
   Sponsor: Sen. Malone
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: LESLIE OAKLEY
3. Name: CURTIS DOWD
4. Name: GEORGE ROBINSON
5. Name: _____

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Thursday, March 10, 2005 10:43 AM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: CORRECTED COMMITTEE MEETING NOTICE.doc
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2003-2004 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAYS: **Tuesday March 15, 2005**
Wednesday March 16, 2005
Thursday march 17, 2005

TIME: 8:30 a.m.

Room: 1228/1327 LB

Transportation Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 10:45 a.m. on **March 10, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

3/10/2005

Joint Subcommittee on Transportation Appropriations

Agenda

March 15, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole, *presiding*
Senator Clark Jenkins

- Public Transportation – New Starts Programs
    - Introduction and Full Funding Grant Agreements
        - David King, Deputy Secretary for Transit, DOT
    - Charlotte Area Transit System (CATS)
        - Ron Tober, Chief Executive Officer
    - Triangle Transit Authority (TTA)
        - John Claflin, General Manager

Future Meetings

Wednesday, March 16, 8:30 am
State Infrastructure Bank, DOT Rail Division, DOT Ferry Division,

Thursday, March 17, 8:30 am
Division of Motor Vehicles, Information Technology, DOT Accounting System

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

March 15, 2005

8:30 a.m.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on March 15, 2005 at 8:30 a.m. in room 1228 of the Legislative Building. Representative Nelson Cole presided and called the meeting to order. Five members of the Senate committee were present. A visitor registration sheet is attached and made part of these minutes. The following members of the House Committee were in attendance:

Rep. Nelson Cole
Rep. Lorene Coates
Rep. Bonner Stiller
Rep. David Almond
Rep. Larry Brown
Rep. Walter Church
Rep. Linda Coleman
Rep. Margaret Dickson
Rep. Jim Gulley
Rep. Grier Martin
Rep. Drew Saunders
Rep. Fred Steen
Rep. Arthur Williams

Representative Cole opened the meeting and acknowledged the Pages and Sergeant at Arms. He then introduced Mr. David King, Deputy Secretary for Transit with the Department of Transportation. See Handout #1, NCDOT Commitment Process for New Start Projects. He gave a brief overview of the state process for getting new starts transit projects going. New Starts Projects is a term that the Federal Transit Administration uses to describe projects that start from scratch or the expansion of an existing rail line or urban transit system that are large in scale and would result in new urban transit systems. He went over the commitment process and the state full funding grant agreement for these projects as outlined in the handout.

Mr. King then introduced Mr. Ron Tober, Chief Executive Officer of the Charlotte Area Transit System, who described the Charlotte New Starts Project that is well underway. See Handout #2, Update on Charlotte Area Transit Project. The ridership on public transportation in the Charlotte area since 1998 is up by 45%. The South Corridor Light Rail Project is well underway and the cost estimate is $426.84 million. This estimate is $28.14 million more than projected and is due to the significant increase in steel prices and other building materials. Design changes and cuts were made in order to require as little steel as possible to keep the overage down. The funding for the project is made up of 47% from federal funding, 25% from the state and 28% from CATS funding. The project schedule has changed as the original start of service date was October 2006 and is now April 2007. This project is a 9.6 mile length that parallels I-77 from uptown Charlotte to the south end with a terminal station at I-485. There will be 15 stations on the alignment with 4 in downtown Charlotte, 4 in the south end and 7 park-n-rides lots. This light rail corridor will increase the property values in the south end of Charlotte.

The estimated increase in tax revenues will be from $240,000 to over $6,000,000 annually. The housing, arena, shopping and office projects that are going on along the alignment are shown on pages 9-15 of the handout. Other Charlotte Major Transit Projects are being studied now as part of the 2025 Corridor System Plan. A question and answer period followed. Senator Soles asked where the 25% that is budgeted from the state funding coming from? Mr. David King was called on to answer that question and stated that the money comes from the Highway Fund.

Representative Cole asked Mr. Tober to explain to the committee how Charlotte came about their ½ cents sales tax that was used as their funding for their transportation needs. The Legislature gave Charlotte the authority in 1997-98 to seek the ½ cent sales tax and the citizens were given the opportunity to vote on it during the election in November 1998. The public passed it significantly. The tax will be there as long as the rail system is there. A brief question and answer period followed.

Representative Cole then introduced Mr. John Claflin, General Manager of the Triangle Transit Authority (TTA). See Handout #3, Update TTA Regional Rail System. The original project has been scaled back due to construction costs rising. The project now consists of 12 stations and will run for 28.1 miles with 27 bridges and 33 grade crossings from 9th Street in Durham, through RTP, through Cary and into the government centers in Raleigh. Part of an existing corridor will be able to be used. Late 2008 is the revenue service date for the rail system with construction to begin in late 2005. The total cost of the project is $695 million with $416 million being requested as the federal government share, which would be 59.9% of the cost. The state share estimate is $139 million. The total grant funding to date is: $62,555,180 federal funds; $17,417,943 state funds; and $17,491,346 local/TTA funds for a total grant funding of $97,464,469 as of 1/31/2005.

This rail system will be a diesel powered vehicle as it will be less expensive to operate than the electric system that will be used in Charlotte. A question and answer period followed. Senator Jenkins asked Mr. Claflin to report back to the committee a dollar amount that the real estate could recover if sold back in the event that the $97 million grant funding fell through. Mr. Claflin will provide the committee with that figure.

There being no further business, the chair adjourned the meeting at 9:50 a.m.

Respectfully submitted:

Representative Nelson Cole, Presiding
Co-Chair, House Committee

Suzanne Smith
House Legislative Committee Assistant

#1

NCDOT COMMITMENT PROCESS FOR NEW START PROJECTS

Alternatives Analysis (planning) Phase

- For state share of costs of planning needed to establish a New Starts project
- Approved by Board of Transportation

PE/EIS Phase

- Commits the State to a 25% share of the costs of FTA-eligible PE/EIS work
- Letter from Secretary; Board of Transportation approves grant for funding
- After completion of Alternatives Analysis study that identifies the fixed guideway alternative (the Locally Preferred Alternative) and project limits
- Notes State intention for a Full Funding Grant Agreement after FTA issues a Record of Decision

State Full Funding Grant Agreement

- Establishes state participation in the project, including:
  - maximum state financial participation (25% or ½ half nonfederal share)
  - project limits and description
  - project budget and schedule
- Established by G. S. 136-44.20 added in 2000 session of General Assembly
- No other state model available to use in creating ours
- Executed after Record of Decision is issued by FTA
- Approved by Board of Transportation; reviewed by Joint Legislative Transportation Oversight Committee
- Mirrors the expected Federal Full Funding Grant Agreement
- Amendments must be approved by Board of Transportation and reviewed by Joint Legislative Transportation Oversight Committee

Grant Contract

- Contract by which funds are paid for state share of project costs
- Refers to and follows the State FFGA guidelines and limitations for the project
- Executed after a State FFGA is executed
- Approved by Board of Transportation
- Only for project work that is FTA-eligible

STATE FULL FUNDING GRANT AGREEMENT

Copy of the State Legislation

STATE FULL FUNDING GRANT AGREEMENTS WITH TRANSPORTATION AUTHORITIES AND MUNICIPALITIES

Section 25.7. G.S.136-44.20 is amended by adding a new subsection to read: "(b1) The Secretary may, subject to the appropriations made by the General Assembly for any fiscal year, enter into State Full Funding Grant Agreements with a Regional Public Transportation Authority (RPTA) duly created and existing pursuant to Article 26 of Chapter 160A, a Regional Transportation Authority (RTA) duly created and existing pursuant to Article 27 of Chapter 160A, or a city organized under the laws of this State as defined in G.S. 160A-1(2), to provide State matching funds for `new start' fixed guideway projects in development by any entity pursuant to 49 U.S.C. § 5309. These grant agreements shall be executable only upon an Authority's or city's completion of and the Federal Transit Administration (FTA) approval of Preliminary Engineering and Environmental Impact Studies in anticipation of federal funding pursuant to 49 U.S.C. § 5309.

Prior to executing State Full Funding Grant Agreements, the Secretary shall submit proposed grant agreements or amendments to the Joint Legislative Transportation Oversight Committee for review. The agreements, consistent with federal guidance, shall define the limits of the `new starts' projects within the State, commit maximum levels of State financial participation, and establish terms and conditions of State financial participation.

State Full Funding Grant Agreements may provide for contribution of State funds in multiyear allotments. The multiyear allotments shall be based upon the Department's estimates, made in conjunction with an Authority or city, of the grant amount required for `new start' project work to be performed in the appropriation fiscal year."

#2

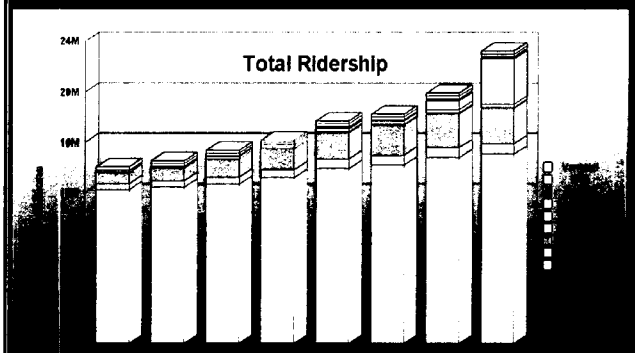
UPDATE ON CHARLOTTE AREA TRANSIT PROJECT

Presentation to the
Legislative Transportation Appropriations Committee
By Ronald J. Tober
Charlotte Area Transit System
March 15, 2005

PRESENTATION OVERVIEW

- General status of transit system
- South Corridor Light Rail Project
- Other Major Investment Projects

Overall CATS Ridership



Charlotte (FY 2004)	16.2M

Other Transit Milestones

- Expansion of bus fleet to 322
- Opening second major bus garage
- Completed 2 new park-n-ride lots
  - 2 more in design
- Completed first Community Transit Center
  - 2 more in design

South Corridor Light Rail Project Status

- Review events over past year
- Project cost estimate
- Project financing
- Project schedule
- Federal funding status
- Economic Development along the rail corridor

Past Year of Project Implementation

January 2004	Reached 65% design level - $398.7m est.
March	Ordered 16 LRV's from Siemens (under budget)
Spring-Summer	Design advanced; required support plans completed; property acquisition continued
August	Federal FFGA application submitted to FTA Demolition contract awarded (under budget)
Oct.-Nov.	First construction contract bids opened; 30% over estimate made at 65% design
Dec.-Jan.	Conducted review of Project w/FTA and NCDOT Opened NCDOT equipment and systems contract bids (under Budget)
January	New Project budget set at $426.8m
February	Revised Federal FFGA application submitted to FTA

South Corridor Light Rail Project
Cost Estimate

- Original Budget (@ 65%) $398.70m
- New Estimate (@100%) $426.84m
- Difference $ 28.14m

South Corridor Light Rail Project
Reasons for Cost Increase

- Volatile nature of building material prices:
  - steel, cement and other materials
  - $398.7m assumed some increase
  - FTA Risk Assessment under-estimated increases
  - Actual supplier quotes to contractors greatly exceeded expectations
- Level of local construction activity
  - Problems lining up local subcontractors
  - Not considered in budget estimate or FTA Risk Assessment

South Corridor Light Rail Project
Actions Taken to Reduce Costs

- Protect safety, reliability, overall attractiveness of line to customers and community and TOD opportunities
- Accepted/incorporated in new estimate:
  - Re-engineering of design to reduce use of steel
  - Design changes: shortening bridge spans, changes to crossovers, re-using existing track components
  - Elimination of non-essential elements: elevator tower/public access to Vehicle Maintenance Facility; some track sections; architectural treatments
  - Reduction in public art elements ($566,000 or 32% of art fabrication/installation budget)



South Corridor Light Rail Project
Budget vs. Project Quality

- Scope reductions could eliminate budget overage
  - Eliminating 3 overpasses at high volume cross streets
  - Eliminating transit oriented development opportunities
  - Eliminating neighborhood-friendly design treatments
- Result would be a Project with reduced effectiveness and quality
  - Impact on rail line safety and reliability
  - Impact on cross-street traffic
  - Reduced ridership
  - Negative impacts on adjacent neighborhoods
  - Reduced TOD opportunities



South Corridor Light Rail Project
Project Financing

Federal		$199.35m	47%
New Starts Program	$192.94m		
Formula Grant	6.41m		
State		106.71m	25%
CATS Funds		120.78m	28%
		$426.84m	100%

South Corridor Light Rail Project
State Share of Project Cost

@ $398.7m	$ 99.67m
@ $426.8m	$106.71m
Difference	$ 7.14m

South Corridor Light Rail Project
Project Schedule

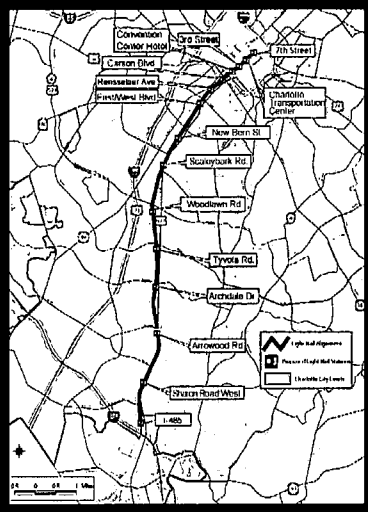
- Original Start of Service: October 2006
- New Date: April 2007
  (FFGA Completion date Dec. 31, 2007)

South Corridor Light Rail Project
Federal Funding Status

- Federal FFGA submitted to Congress on March 4th for 60-day review period.
- Anticipate signing of Federal FFGA in early May.

South Corridor Light Rail Characteristics

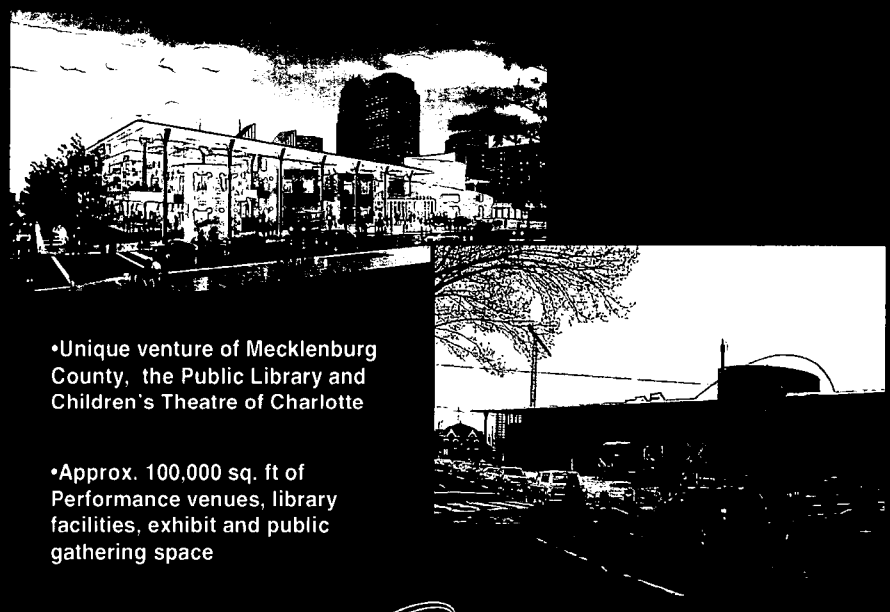
- Uptown Charlotte to I-485
  - 9.6 miles
- Trolley – South End to Uptown
- 15 stations (7 park-n-rides)
- Operate from 5:00 am to 1:00 am daily
- Service frequency
  - Rush hour: 7.5 minutes
  - Non-rush hour: 15 minutes
- Project Budget – $427M
- Start of Service – Spring 2007



Economic Impact of Development Within Corridor

- Momentum for economic development continues to accelerate throughout Corridor.
- City of Charlotte & Mecklenburg County are committed to Smart Growth principles and actions, including transit supportive development policies and zoning districts.
- Major trip generators are under construction or have been completed in Center City (Arena; Westin Hotel/Conf. Center, Johnson & Wales; Imaginon etc.)
- Over 3,000 housing units added in Center City since 1997. Recently announced high rise residential towers to add approx. 1,500 units. Pre-selling phase.
- South End Historic District – Over $300M in private sector investment includes 33 restaurants. 700,000 s.f. office/retail and 1,245 new housing units.
- Estimated tax value of developments within corridor in excess of $550 million. Value of properties in the South End District alone have increased 89% between 2001 and 2004 ($233M to $442M).
- Estimated increase in tax revenues - from $240,000 to over $6,000,000 annually.

Imaginon (7th Street Station)



- Unique venture of Mecklenburg County, the Public Library and Children's Theatre of Charlotte
- Approx. 100,000 sq. ft of Performance venues, library facilities, exhibit and public gathering space

Arena – Center City

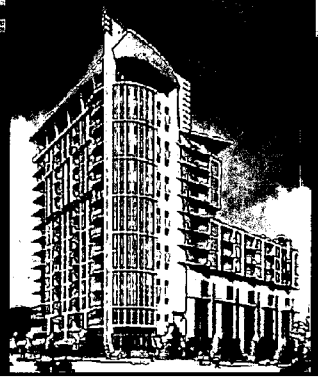
- Will house Charlotte's NBA franchise team, the Charlotte Bobcats and host special events
- 20,500 seat capacity; approx. 8,000 sq. ft. of retail and restaurants
- Adjacent to Light Rail System and across from the Charlotte Transportation Center (CTC)
- Completion Fall/Winter, 2005



The Courtside (Sixth & Caldwell – Arena)







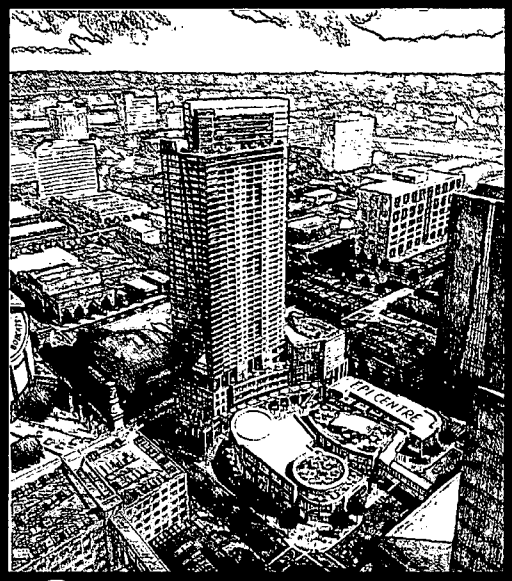
- Adjacent to New Arena
- Less than 2 blocks from 2 Light Rail Stations (CTC and 7th Street Stations)

- 17 stories, 107 residential units
- $150,000 to $600,000 plus

SOLD OUT

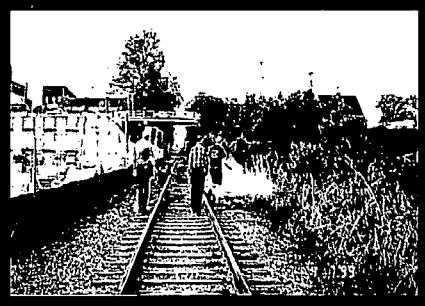
Epicentre Mixed Use Development

- Project includes 1 million square feet in 5 buildings:
- 53 story tower containing 400 residential units;
- 10-screen movie theater, restaurants, shops and offices



- Project Site in the heart of Center City
- Adjacent to Light Rail Station

Summit Grandview (Before and After)





•266 residential units

•Approx. 70,000 s.f office/retail



•465 Parking Spaces

•$70 Million Project Cost

Morehead Square (Before and After)

•Mixed use - project cost $36 million

•296,000 sq. ft. office; 886 space parking deck

•40 condominiums ($175,000 - $325,000)





The Arlington (Before and After)





- Project cost $50 million
- 128 for sale units beginning at $149,900
- 350 space parking deck plus retail space

Kingston Flats



- 12 Residential/Commercial Condo Units and Retail

Camden Row



•Mixed use-residential/retail/office

South End/Steel Yard



•The Steel Yard Complex:
Mixed Use - Restaurants,
Gallery Space, Office Space



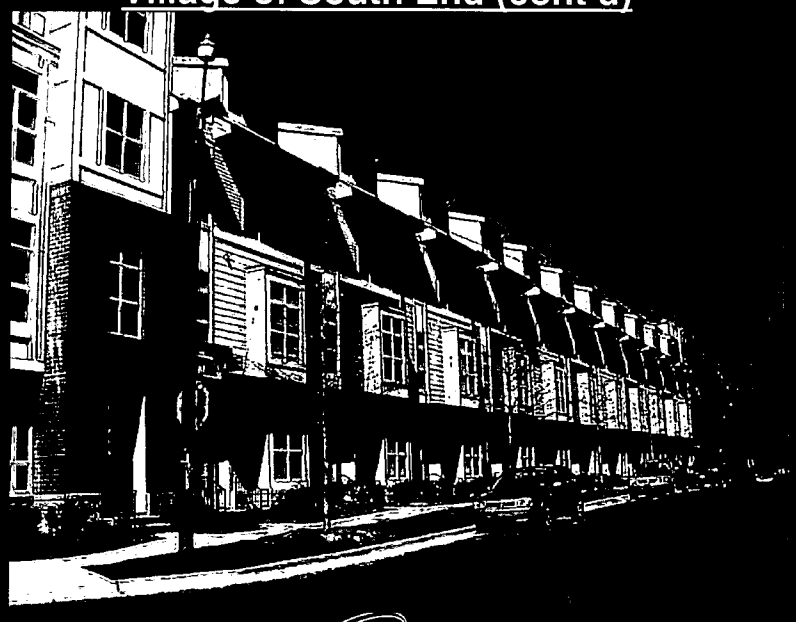
Village of South End (Before and After)



•Mixed use – 113 Residential Units
23,000 sq. ft. office/retail



Village of South End (cont'd)



New Bern Station Area
3030 South (Before and After)





•96 residential rental units
•13,000 sq. ft. of retail/office

Other Charlotte Major Transit Projects

- 2025 Corridor System Plan
  - North Corridor Commuter Rail
  - Northeast Corridor Light Rail extension
  - Southeast-West Corridor Bus Rapid or Light Rail
  - Central area streetcar project
  - Multi-modal Station Project (w/NCDOT)
- Preliminary Engineering/DEIS Studies underway
- Studies to be completed in 2006-07

The Denver Post

Demand drives transit housing

New developments near light-rail stations springing up in Denver, elsewhere

By Doug McPherson
Special to The Denver Post

Sunday, February 13, 2005 -

When Bill Ryan drives downtown from the Denver Tech Center, he sees a much different landscape than other motorists on Interstate 25.

He sees little villages at each of the new light-rail stations, little clusters of businesses and residences joined together like Siamese twins. As he nears the Louisiana Avenue bridge, he sees people walking, biking and sitting outside at a quaint coffee shop.

It's Ryan's job to see things that don't yet exist. He's a developer, and as the senior vice president of High Street Residential, he's helping to build those villages.

By the end of the year, residents will start moving into the village his company calls the Louisiana Station Lofts at Old South Pearl. What now is a muddy lot will hold an $8 million four-story building, with 29 condos and 3,000 square feet of retail space.

It's a prime example of the kind of transit-oriented developments that are sprouting up across the nation, villages that analysts say are especially suited to Denver.

Demand to double

Much of the nation's building boom expected for the next quarter of a century will be homes, condos and apartments built near transit stations, according to Realty Times, a real-estate trade publication.

U.S. demand for housing near transit will double by 2025, with one of every four home buyers looking for housing within a half-mile radius of transit stations, according to a study by Reconnecting America, a non-profit group dedicated to promoting transit-oriented development.

To meet those needs, the study found, 8.3 million new residential units will be required near the nation's 3,971 transit stations. The study also pointed to Denver as fertile ground for transit-oriented development because of its growing population and T-REX and FasTracks construction projects.

The trend is being fueled by home buyers who are "changing dramatically," said Gloria Ohland, a spokeswoman for the Oakland, Calif.-based group.

"American households are getting older, smaller and more diverse, and that's fundamentally rescripting the American Dream," she said. "The large family home with a two-car garage in the suburbs is not attractive to a growing number of home buyers."

Since September, 24 of the 29 Louisiana Station Lofts have been sold for prices that range from $170,000 for a 770-square-foot condo to $365,000 for 1,378 square feet. Most of the buyers are young professionals seeking simpler commutes, developers said, but two

TRENDS FUELING THE POPULARITY

A study by Reconnecting America, a nonprofit organization in Oakland, Calif., that links transit with communities, found the following demands driving transit-oriented development:

units went to families who wanted a second home near downtown. A few more were sold to empty nesters looking to downsize.

Dave and Erwin Buck were among the first to buy there. They're pulling up their roots in suburban Aurora, where they've lived most of their adult lives, to move into a Louisiana Station condo in December.

"We kind of feel like pioneers," Erwin Buck said. "It's unknown territory."

While they won't be retiring for another 10 to 15 years, they'll become empty nesters this fall when their daughter enrolls at Colorado State University.

"One of the things we're really looking forward to is downsizing our lives," said Erwin, 48. "We're hoping to get down to one car from three and really just get rid of a lot of junk." Their Aurora home is 2,500 square feet. Their new place will be just under 1,400 square feet.

- Transit is in a building boom, with virtually every metro region either building a system or an extension to a system.
- The U.S. population is getting older, and households are getting smaller.
- Urban and suburban investment is on the rise, and both employers and investors are beginning to recognize the value of locations near transit.
- Consumer demand is changing as residents seek housing that's affordable and convenient.

The Bucks know what kind of lifestyle they want in retirement, and they believe living near light rail will deliver it.

Louisiana Station Loft residents can walk to the light-rail station in five minutes. A Wild Oats supermarket sits just across a pedestrian bridge; Washington Park, one of Denver's largest parks, is four blocks to the east; the University of Denver is one mile to the south; and a few blocks west is a cluster of small shops and restaurants on South Pearl Street.

"We're very active, and we plan to stay that way. Living near downtown will help us stay busy," Erwin said. "We like the Broncos, the restaurants, the entertainment - all that downtown offers."

High Street Residential liked the area because of its established neighborhood, Ryan said, and because no rezoning was required to build on the site, which held a one- story retail building built in the 1930s.

"The amenities were already there. As these kinds of developments go, this one was relatively easy," Ryan said. But each light-rail station is "unique and presents its own challenges" for developers.

His company also is in the early stages of another transit-oriented project at the Dayton Station at Interstates 25 and 225, which will take three to five years to complete.

"They're not going to sprout like mushrooms," Ryan said of the genre. He said it would take 10 years or more for the character of each station to develop along I-25. "We're ahead of the curve with Louisiana Station because it's so small."

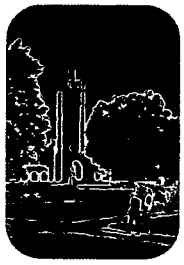
Observers say that transit- oriented and suburban developments are a given as the metro area's population grows. The Denver Regional Council of Governments predicts more than 1 million people will move to the Denver area by 2020.

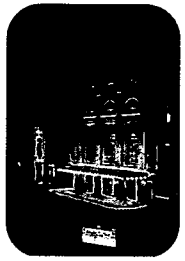
The Bucks say they have only one worry at this stage - noise. "It's probably our biggest concern," Erwin says.

"I think eventually we'll get used to some of the regular noise that just comes with being close to downtown, but the sirens from ambulances and fire engines might be tough."

Regional Rail Transit System

Triangle Transit Authority



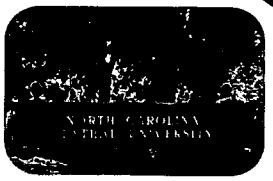


Duke Medical Center

9th Street

Downtown Durham

Alston Avenue



Ellis Road Rail Operation and Maintenance Facility

147

North RTP

40



Triangle Metro Center

RDU International Airport

54

40



Northwest Cary

Downtown Cary



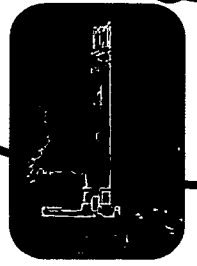
State Fairgrounds

West Raleigh

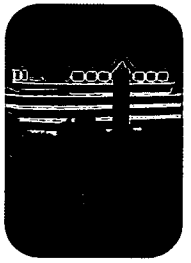
NCSU

Government Center

Downtown Raleigh







Highwoods

Spring Forest

New Hope Church Road

1

401

440

40







Stations opening in 2008

Future stations

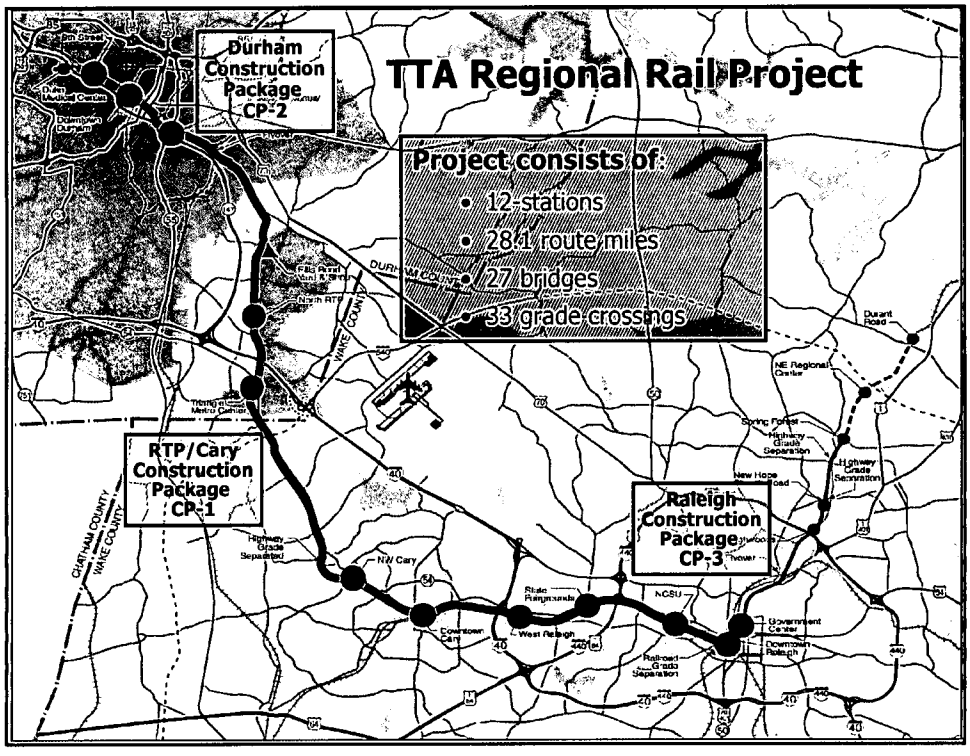
Telephone 919-549-9999
www.rideTTA.org
PO Box 13787 Research Triangle Park, NC 27709

Triangle Transit Authority

Update
TTA Regional Rail System

Joint Appropriations Subcommittee
on Transportation
March 2005

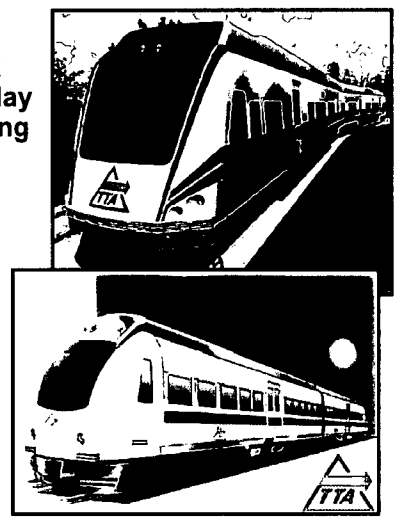
John Claflin, General Manager
jclaflin@rideTTA.org - (919)485-7424



Revenue Service

2008

- **Service at 15-minute weekday peak hour and 30-minute off-peak weekday and weekend frequencies connecting 12 stations:**
  - Ninth Street
  - Downtown Durham
  - Alston Avenue/NC Central University
  - North RTP
  - Triangle Metro Center
  - NW Cary
  - Downtown Cary
  - West Raleigh
  - State Fairgrounds
  - NC State University
  - Downtown Raleigh
  - Government Center



Potential Regional Rail Vehicle Designs

Project Development Process

▲ Record of Decision	January 2003
▲ Final Design approval	February 2003
▲ 60% design plans	January - March 2004
▲ Project scope change	June 2004
▲ 90% plan review	Dec. 2004 - March 2005
▲ 100% design	Summer 2005
▲ FFGA Application	Fall 2005
▲ Construction	Late 2005 - 2008

Travel Demand Ridership Forecast

FTA/TTA Evaluation of Regional Travel Model

- Regional Model used by CAMPO, DCHC MPO, TTA and NCDOT since 1998 to produce model forecasts
- Software "bug" discovered by FTA consultant
- Will re-build the model and re-run ridership forecasts

▲ ***Recalculation of ridership, user benefits and cost effectiveness to be complete by summer 2005. FTA will re-rate project and send rating to Congress.***

Federal Funding

▲ **Total Project Cost: $695 million** *(year of expenditure dollars)*

- Requested federal share: $416M (59.9%)

▲ **Steps Toward Federal Full Funding Grant Agreement (FFGA)**

- **Federal appropriations to date - $84,643,164**
- February 2005 New Starts Report - *project "not rated" due to model evaluation*
- FTA to provide revised project rating once travel model issues are resolved
- Will resubmit request for Letter of No Prejudice to FTA
- **Anticipate FFGA application in Fall 2005**

State Funding

- **State FFGA signed in April 2003**
  - Commitment to provide 50% of the non-federal share of funding
  - Final amount to be determined based on project budget at time of Federal FFGA, and to be approved by NC Board of Transportation
  - State share estimate: $139 million
- **In March 2004 NC Board of Transportation approved request to advance funds for maintenance facility and rail vehicles**

(contingent upon receiving Letter of No Prejudice from FTA)

Grant Funding to Date

Total grant funding to date

(for engineering, right-of-way, real estate and final design)

Federal funds	$62,555,180
State funds	$17,417,943
Local/TTA	$17,491,346
Total	**$97,464,469** *(as of 1-31-05)*

**Grant under development to obligate remaining federal funds*

Pending Procurements

- **Rail vehicles**
  - Contract award to United Transit Systems - *contingent on Letter of no Prejudice*
  - Bid price extended until 12-15-05
  - Negotiating agreements for option cars for other transit agencies
  - Purchase of 12 married pairs in initial order
- **Rail operations and maintenance facility**
  - Approved by state as a design-build project
  - Negotiations with responsive proposer (Archer Western) in December 2004
  - Contract award *contingent on Letter of No Prejudice*
  - Bid price extension underway

Regional Rail Transit System
Frequently Asked Questions

1. What is the Regional Rail Transit System?
The Regional Rail Transit System will connect Durham, Research Triangle Park (RTP), Cary and Raleigh. The system will operate primarily on new tracks that TTA will build within the existing railroad corridor. The trains will use self-propelled, diesel-powered rail cars. Local, regional and university bus systems will serve the rail stations, and shuttles will transport passengers to Raleigh Durham International Airport (RDU) and around RTP.

2. Why does the Triangle need the rail system?
Each year more people are discovering our area's unique qualities and are moving here in significant numbers. From 1990 to 2000, the population in Durham, Orange and Wake counties increased almost 39 percent, and the North Carolina Office of State Planning predicts another increase of 29 percent from 2000 to 2010. Highway construction cannot keep pace with the population growth even with the capacity-increasing projects under way. A rail system within the Triangle can provide a viable transportation alternative for residents. Benefits of the Regional Rail Transit System include:

- High-quality, time-competitive and reliable regional transit service;
- Improved capacity, connectivity and mobility options to accommodate future growth in the region;
- A travel choice in the region that is less stressful and less costly than driving a private automobile and provides time for reading, working or relaxing during the trip.

3. How will the Regional Rail Transit Project be funded?
To build the system, TTA is securing a mix of federal, state and local funds. The federal government is expected to provide approximately 60 percent of the project funding, in the form of grants reserved for fixed guideway projects like rail systems. Since the grants cannot be used for roadway projects, the funds will be "new money" injected into our economy. In April 2003 TTA received a commitment from the state to fund approximately 20 percent of the Regional Rail Transit Project. Local sources will comprise the remaining funds. A five percent tax on car rentals and a $5 vehicle registration fee generate TTA's local funding.

4. Where will the stations be located?
The completed project will be 28 miles long with 12 stations, connecting 9th Street in Durham to the Government Center in Raleigh. TTA will construct a new double-track system to be used exclusively by TTA rail trains in the existing NC Railroad and CSX rail corridors.

5. When will construction begin?
Construction is expected to begin in 2005.

6. When will the Regional Rail Transit System be operational?
Rail service is scheduled to begin in 2008. In the initial operating segment, trains will run from 9th Street in Durham to the Government Center Station in Raleigh. Land acquisition and design work have been completed for the Duke Medical Center Station and three North Raleigh stations — Highwoods, New Hope Church Road and Spring Forest — for future expansion of the rail system.

7. Does the Triangle Area have the population density necessary to support a rail system?
The Raleigh-Durham Metropolitan Area was the sixth-fastest growing area in the U.S. from 1990 to 2000 among metropolitan areas of one half million or more. Growth in the region is expected to continue, with a projected population increase of 110 percent between 1995 and 2025. Approximately 38,500 people work in RTP, and employment is expected to exceed 58,000 within one mile of the rail corridor by 2025. Approximately 25,000 people work for Duke University and its medical center. Data from the Downtown Raleigh Alliance shows that approximately 27,000 people work in downtown Raleigh.

8. What type of trains will the Regional Rail Transit System use?
The Regional Rail Transit System will use self-propelled, diesel-powered rail cars called Diesel Multiple Units (DMU). DMUs come as a married pair (two cars per unit). The married pairs allow the engineer to steer the train from either end, so the trains will not need to turn around once they reach the end of their run. A married pair will be approximately 170 feet long and will be able to carry up to 200 passengers.

9. How will riders use the trains?
Ten of the 12 stations (excluding N. C. State and Government Center) will have parking lots for passengers to leave their cars. Areas for buses and private vehicles to drop passengers off are included in all but one of the stations. Tickets may be purchased from the machines at the stations. Trains will have on-board ticket inspection.

10. How much will it cost to ride the train?
Although the TTA Board of Trustees and staff have not made a decision on the cost, it will be comparable to riding a TTA bus. The cost of using the Regional Rail Transit System will be less than the cost of maintaining a private vehicle.

11. How will the trains be scheduled?
Initially, trains will run every 15 minutes during peak travel hours and every 30 minutes in off-peak hours. Service will run from 6 a.m. until midnight. Local transit buses and TTA shuttles will meet passengers at the stations, providing access to locations beyond the stations.

12. Will passengers be able to bring bicycles on the train?
Bicycles may be limited based on capacity. Stations will be equipped with bicycle racks.

13. How will the RDU Airport be connected to the rail system?
A 2002 study conducted by TTA and RDU concluded that it would not be cost effective at this time to provide a rail link to the airport. TTA will provide convenient bus connections from several rail stations to the airport. Currently, TTA provides bus service to the airport and continues to look for ways to improve this service to make it more attractive to airport employees and visitors. Once the rail system is operational, TTA and RDU will re-examine the possibility of linking the airport.

14. What are the economic benefits associated with the Regional Rail Transit System?
The money generated from construction and development around the stations will improve the economic vitality of the region. An economic and market study of the Triangle by Basile Baumann Prost Associates* shows transit-oriented development around the TTA rail stations has the potential to generate:

- $46 million in nonrecurring tax revenue in 2002 dollars
- $2.1 billion in economic impact from station area development
- $399 million in new material purchases in the region
- $229 million in annual tax revenues after construction
- 46,600 new jobs (direct and indirect) after construction

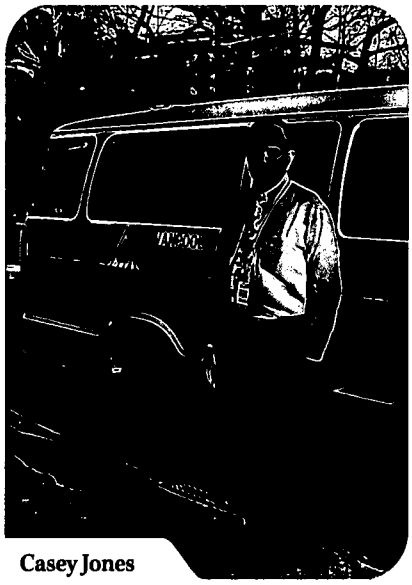
*The results of this study included three future stations in N. Raleigh and proposed station at Duke.

15. How can I get more information on the Regional Rail Transit System?
For more information on the project or to be added to TTA's mailing list, visit www.rideTTA.org, e-mail info@rideTTA.org, call (919) 549-9999 or send a letter to PO Box 13787, Research Triangle Park, North Carolina 27709.

Making the Connection

Customers Praise TTA's Service

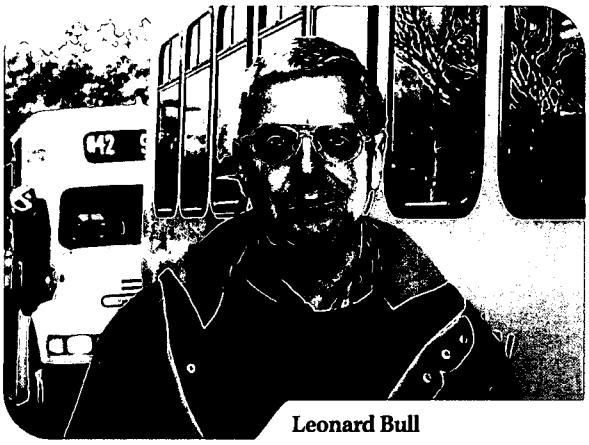
Triangle Transit Authority



Casey Jones

State Employee Saves Money & Stress Driving TTA Vanpool

Casey Jones of Coats has been driving a vanpool since 1986, even before TTA began overseeing the program. He works for state government in Raleigh, the employer with the most participants in the vanpool program. State government provides its employees who are vanpool riders with a subsidy each month. Jones has 11 riders in his vanpool, with a monthly fare of $63. "It saves wear and tear on the car. It's safer, and it saves riders money on insurance. It's convenient and less hassle than driving by yourself," Jones says. Jones believes he has saved at least $100,000 on mileage and wear and tear on his vehicle since he began driving a TTA vanpool.



Leonard Bull

NC State University Professor Finds Value in TTA Bus Commute

"I live in the Woodcroft area of Southeast Durham, and have a round trip commute of about 42 miles. Up until two years ago I was driving my personal car, parking on campus and dealing with traffic on I-40. In addition, whenever I needed to leave campus during the day it was virtually impossible to find a place to park on return. Since the Triangle Transit hub is located in RTP, about five miles from where I live, and a TTA line passes within 1/4 mile of my front door with transfer in RTP, I decided to try that as an alternative. I found that it was a much more convenient process than I had imagined it might be. Sometimes I walked the 1/4 mile and took that bus and more often started driving 10 miles roundtrip to RTP, parking free, and taking the bus that drops me off and picks me up in front of my building at NC State. When NC State took the lead and made TTA ridership free to faculty, staff and students, I decided that this was the way to go. I turned in my on-campus parking pass, and ride the bus virtually every day. When I need a vehicle during the day I drive to the State Fairgrounds lot, park at no cost, and take TTA or Wolfline to and from campus. I am saving about 65-70% on gas purchases for my car alone (including use on weekends, etc.), saving on the fee to park on campus, and I have a ride of 30-40 minutes morning and evening to read, sort mail, or do something productive instead of dealing with traffic as a driver!"

Triangle Transit Authority

Making the Connection



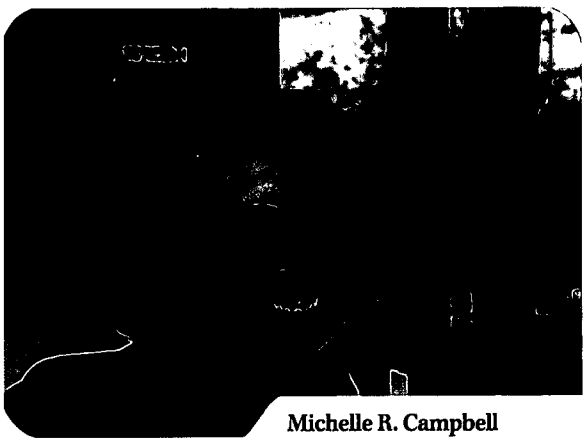
Leslie Seitz

Disability Advocate Endorses TTA's Paratransit Service

"I am originally from Raleigh. I also lived in Chicago for 20 years. I have many years of experience traveling independently on all forms of public transportation. Since moving back to Raleigh, I have watched the local public transportation systems grow. I use the City of Raleigh's Tier II (paratransit) system frequently, and the fixed route bus when I can. I used the Triangle Transit Authority's fixed route buses to commute from Raleigh to Chapel Hill when I was in college. I currently use the TTA paratransit system for leisure activities, such as traveling to Durham to the Duke University Chapel and attending concerts. The Triangle Transit Authority has a great system. The drivers are punctual and courteous. I really like the freedom of being able to travel from one city to another. Public transportation is a very important service. I like to get out and promote activities that improve the quality of life for persons with disabilities. I serve on many Wake County advocacy groups. Without public transportation, I would not be able to help make a difference in the quality of people's lives."

Research Triangle Park Employee Enjoys Bus Commuting

"I have been riding the TTA bus now for a little over a year. In August, my husband started riding TTA to work at UNC with the help of UNC semester passes, and I take advantage of the government's Transhare Program which encourages mass transit. Riding the bus allows me the time to read, saves 20 miles a day on my car, helps the environment and provides time to wind down and relax on the way home instead of dealing with traffic. The drivers are friendly, the buses are really clean, and I feel the TTA staff make a personal effort to make sure their riders catch transfers to other buses."



Michelle R. Campbell

Telephone 919-549-9999
www.rideTTA.org
PO Box 13787 Research Triangle Park, NC 27709

Triangle Transit Authority

FISCAL YEAR 2004

ANNUAL REPORT

TO THE TRIANGLE REGION OF NORTH CAROLINA

REPORT HIGHLIGHTS

GROWING WITH THE TRIANGLE 1

FROM THE LEADERSHIP 2

REGIONAL RAIL 3

EMERGENCY RIDE HOME 3

GO TRIANGLE .ORG 4

FINANCES AT A GLANCE 4

GOVERNANCE 4

2004 STRATEGIC GOALS

- Provide safe, reliable, clean, courteous and coordinated transportation service
- Increase ridership
- Increase public outreach
- **Continue regional rail system engineering and design**

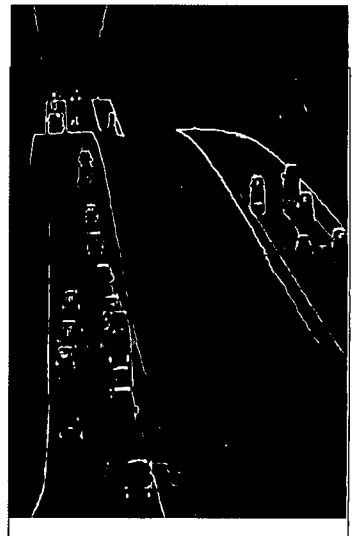
2004: GROWING WITH THE TRIANGLE

In fiscal year 2004, more than one million people throughout the Triangle used TTA services to connect with the region. The ridership figure represents a six percent increase over fiscal year 2003.

Some of the ridership gains on TTA's bus routes can be attributed to the rise in gas prices during the second half of the fiscal year.

Other highlights achieved during FY 2004:

- TTA ridership surveys show more than 63% of all trips on TTA are work trips.
- TTA surveys show 26% of our riders are students at medical centers, technical community colleges and universities.
- TTA's Regional Rail Transit Project was recommended for funding in President Bush's FY'05 Budget.
- TTA implemented a new regional pass program for regular riders, and a pass program at UNC & NC State.
- TTA was named one of the "Best Workplaces for Commuters" by the U.S. EPA.
- TTA increased paratransit ridership by 692%.
- TJCOG completed a report on regional bus transit consolidation between Capital Area Transit, C-Tran (Cary), Chapel Hill Transit, Durham Area Transit Authority, Duke University Transit, NCSU Wolfline, and TTA (decisions on transit consolidation are expected by each agency in FY 2005).



In FY 2004, more riders took TTA as an alternative to being behind the wheel in rush-hour traffic.

TTA: MAKING THE CONNECTION

The Triangle Region continues to receive accolades for its quality of life. The area is frequently ranked as "America's Best Place to Live" and "Best Place to Live and Work."

The population in Raleigh, Durham, and Chapel Hill topped one-million residents in 2002.

Traffic congestion has worsened and major corridors are strained.

Think about *your* connection to transit. Does it get you or your employees to work? Has your life improved because of the money you save riding a bus, shuttle or vanpool? Don't forget the ripple effect that transit creates, such as jobs, strengthening business, moving the economy, and encouraging independence.

Even if you seldom ride TTA, you *do* have a connection to transit. What's *your* connection?

LETTER TO THE COMMUNITY



As Chairman of the Board of Trustees and General Manager of TTA, we are pleased to publish this Annual Report highlighting the significant accomplishments during Fiscal Year 2004. TTA is a small but powerful organization. We can be proud of our growth.

During FY 2004, we continued to build a quality bus and shuttle system with good service and great customer relations; we are instrumental in getting people out of their cars. We are making extensive strides in ensuring that we have ridership standards by which to judge our service and to develop cost-effective routes where the demand is the greatest. We are working closely with our partners on the consolidation of bus services which will provide a seamless connection for our passengers.

We are planning and constructing a regional rail transit system that will complement our current bus, ridesharing, shuttle and vanpool activities. Our work continues with the Federal Transit Administration toward a funding agreement for the 12-station, 28-mile rail project. FY 2005 should bring us a signed contract with a rail supplier, groundbreaking on our Rail Operations and Maintenance Facility and rail station construction. TTA, our city, county, region and state partners will continue to prepare the Triangle Region for growth and development.

Within TTA, we began planning and started design on an expansion of the Bus Operations and Maintenance Facility on Nelson Road to be built in 2005. We have identified employee salary and benefit changes to meet market demand to retain and attract employees. We have instituted an open communication process and procedures based upon employee input and have embarked on training and development to further the goal of having a well-trained and diverse workforce.

We are proud of what we have achieved in this fiscal year and will continue to provide first-class services to our riders. We salute them and our employees for making our success possible. Together, we will continue to offer transportation options for the Triangle that will proactively contribute to our quality of life.

"TA is a small bu
owerful
ganization. We
an be proud of
growth."

William G. Smith
John D. Claflin

William G. Smith

Chairman, TTA Board of Trustees

John D. Claflin

General Manager, TTA



More people have realized the value of riding TTA. Have you?

TTA Annual Report - 2004

Triangle Transit Authority
P.O. Box 13787
Research Triangle Park, NC 27709

To be added or removed from the Annual Report mailing list, please contact TTA Communications

2004 HIGHLIGHT: REGIONAL RAIL PROJECT

This was a pivotal year for TTA's Regional Rail Project. Planners and engineers continued design work on the 12-station, 28-mile rail system between Durham, Research Triangle Park, Cary and Raleigh.

TTA's public outreach sessions in fall 2003 heard comments on individual stations along the proposed corridor and art at each station.

Hundreds attended spring 2004 open houses to see how the public's comments had been integrated into the planning process.

TTA's work to receive continued federal funding moved forward with the Regional Rail Transit Project's recommended funding in President Bush's FY'05 budget.

Because the rail project is part of a regional transit system that will network with bus service, TTA's outreach included more than 100 organizations in 2004, providing information on all of TTA's services and how a network of future transit services will positively impact the region's development and economy.

The Regional Rail Transit System is scheduled to begin service in 2008.



"Riding the bus allows me the time to read, saves 20 miles a day on my car, helps the environment and provides time to wind down and relax on the way home instead of dealing with traffic."

Michelle Campbell

TTA Rider, RTP

2004 HIGHLIGHT: EMERGENCY RIDE HOME

TTA's Emergency Ride Home program is designed to assure a trip home for the commuter who uses transportation alternatives, even in the event of an emergency.

The program is made possible in part through the leadership of the City of Durham and Durham County's Commute Trip Reduction Program. The program uses a series of strategies or actions, typically used during the peak travel hours to increase the use of transportation alternatives to driving such as walking, cycling, public transit and vanpooling or carpooling.

Examples of emergencies include unscheduled overtime work, an immediate family member suffering from an illness or severe crisis, or a ridesharing driver who has to stay later or leave earlier than anticipated.

Once a part of the program, participants receive a voucher for a trip by taxi or rental vehicle available for use if there is an emergency on the day they have used alternative transportation.

More than 80 worksites have registered to be part of the program.

More than 80 worksites have already registered for the TTA Emergency Ride Home" program

2004 HIGHLIGHT: GO TRIANGLE.ORG

TTA's regional cooperation with four transit systems in the Triangle led to a new tool to get from place to place in FY 2004.

GoTriangle.org provides connections on the web for Capital Area Transit (CAT), Chapel Hill Transit (CHT), Durham Area Transit Authority (DATA) and TTA.

Users of the software can type in a starting point, destination, and adjust the time and date of their trip. The "Plan A Trip" function does the rest, informing the rider of any necessary transfers and connections between transit systems. Riders also learn the amount of the fare and how far they may have to walk to access transit to complete their trip.

GoTriangle.org also provides direct links to all regional public transportation and RDU Airport as well as Greyhound/Trailways, SmartCommute and traffic cams.



"The Triangle Transit Authority has a great system. I like the freedom of being able to travel from one city to another."

Leslie Seitz

TTA Rider, Raleigh

FACTS ABOUT TTA

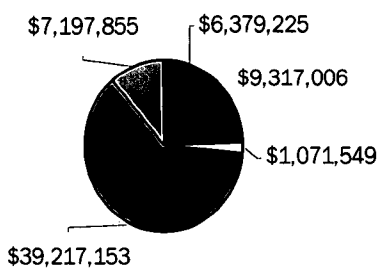
- Provides regional bus & shuttle service, paratransit, vanpools, rideshare matching, trip planning, transportation demand management
- Serves Apex, Cary, Chapel Hill, Durham, Garner, Raleigh, Research Triangle Park, RDU International Airport
- 1,525 square miles in service area
- 711,117 annual regional bus boardings
- 2,680 average weekday boardings (bus/shuttle)
- 160 TTA employees
- 13 bus/4 shuttle fixed routes
- 67 buses and shuttles
- 623 bus stops
- 9 park-and-ride facilities

FUTURE SERVICE

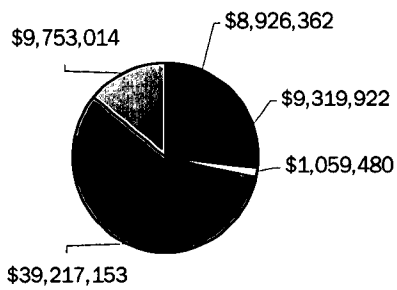
- Regional Rail between Durham, Research Triangle Park, Cary & Raleigh
- 12 stations/28-miles
- Diesel multiple unit (DMU) vehicle
- 2008 operation date

FY 2004 FINANCIAL HIGHLIGHTS

Revenues FY 2004
Total: $63,182,788



Expenses FY 2004
Total: $68,275,931



2004 TTA BOARD OF TRUSTEES

William G. Smith, Chairman (Durham County)

Alice Gordon, Ph.D., Secretary (Orange County)

William V. Bell (City of Durham and Durham County)

Anne S. Franklin (Wake County)

Robert Hinshaw (Town of Cary)

Tyrone "Ty" Cox (N.C. Board of Transportation)

M. Carter Worthy, Vice Chair (Wake County)

W. Lewis Hannah, Jr., Treasurer (Wake County)

Joe W. Bowser (Durham County)

Thomas Hilliard III (City of Raleigh)

Bill Strom (Town of Chapel Hill)

Nina Szlosberg (N.C. Board of Transportation)

House Pages

Approp. Transportation

Name Of Committee: _____ Date: 3-15-05

House

1. Name: Bradford Johnson
   County: Wake
   Sponsor: Grier Martin
2. Name: Seavy Dickson
   County: Cumberland
   Sponsor: Rep. Margaret Dickson
3. Name: Caitlin Sexton
   County: Johnston
   Sponsor: Senator Donelly
4. Name: _____
   County: _____
   Sponsor: _____
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: George Robinson
3. Name: Curtis Powell
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 3/15 **, 2005**

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Patrick Clay	Speaker's Office
BERRY JENKINS	CAROLINAS AGC
Jason Barnes	NCDOT
Chad Robbins	NCTMF
[illegible]	NCTMF
Mitch Alford	OSBM
Theresa Ellard	OSBM
Kary Synhour	Intern
Stephanie Dorko	Charlotte Chamber
Betsy Bailey	NC PTA
LARRY SAMS	—
Kevin Leonard	WCSR
Sandy Sachs	WCSR
Kim Crawford	TTA
WIB GULLEY	TTA
Portia Manley	NCDOT/DMV
[illegible]	AAA Carolinas
[illegible]	[illegible]
Miriam Perry	NCDOT/ Public Transp
Michael Kozak	NCDOT Public Transp. Div.
John Clark/ine	TTA
Mary Thomas	REBIC
Lisa Martin	NC Home Builders Assoc
John & Sandra Long	Martin Marietta
Charlie Dich	NC Trucking Assn.
Henry Hutaff	N.C.S.D.A.
Bill Scoggin	KCCH
Ron Tober	Charlotte Area Transit System

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Thursday, March 10, 2005 10:43 AM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: CORRECTED COMMITTEE MEETING NOTICE.doc
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2003-2004 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAYS: Tuesday March 15, 2005
Wednesday March 16, 2005
Thursday march 17, 2005

TIME: 8:30 a.m.

Room: 1228/1327 LB

Transportation Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 10:45 a.m. on **March 10, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

Joint Subcommittee on Transportation Appropriations

Agenda

March 17, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates, *presiding*
Representative Nelson Cole
Senator Clark Jenkins

- Division of Motor Vehicles
    - George Tatum, Commissioner, DMV
- Information Technology Budget Items *(Governor's Budget, Summary of Recommendations, pages 157-159)*
- DOT Accounting System (BSIP)
    - Mark Paxton, Chief Information Officer, DOT

Future Meetings

Tuesday, March 22, 8:30 am
Aviation, Public Transportation, Administration Budget

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

March 17, 2005

8:30 A.M.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on March 17, 2005 at 8:30 a.m. in room 1228 of the Legislative Building. Representative Lorene Coates presided. Six members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee were in attendance:

Rep. Lorene Coates	Rep. Walter Church
Rep. Nelson Cole	Rep. Linda Coleman
Rep. Mary McAllister	Rep. Margaret Dickson
Rep. Bonner Stiller	Rep. Greer Martin
Rep. David Almond	Rep. Drew Saunders
Rep. Larry Brown	Rep. Arthur Williams

Representative Lorene Coates opened the meeting and introduced the Pages and Sergeant-at-Arms. She welcomed everyone and introduced George Tatum, Commissioner of DMV who spoke to the committee about the overall operations of the Department of Motor Vehicles.

Commissioner Tatum stated that some counties are hard areas to hire and keep Driver's License Examiners positions filled in. They are working on providing better training for employees. Following this years' Drivers License School they had participants complete a survey to better understand some of the areas they can improve on in the employee training process.

He went on to explain about the new facial recognition program. An important new technology identification tool where any face can be checked against a Federal database, while protecting citizens' privacy, because no information is ever shared or leaves the State system unless there is a Federal match made. Even as a person ages the face recognition remains the same regardless of the age they were when the initial information was scanned in. For example a four-year old child whose information is entered under the Kids ID program can still be matched no matter how many years later or how much they age.

Because of this Governor Easley has asked the department to explore using this technology to assist with the Amber Alert program. By kids entering their face information into the system at an early age, it prevents anyone from stealing their identity. Often times they are not even aware that someone has stolen their identity until they come in for their license for the first time, this is also important for an Amber Alert.

Commissioner Tatum talked about the DMV program that trains the school bus drivers across the state and the many improvements that have been made over the last few years.

To better streamline the department they have cut down on the number of divisions and focused on improving training, customer service, and the proper identification of applicants. They have made great strides in traffic records and providing electronic formats for local authorities and the Highway Patrol to provide the data to the department, cutting out a lot of paperwork.

After the merger of the Motor Vehicle Carrier Enforcement Officers over to Crime Control and Public Safety, they are still left with a license and theft division. Responsibilities include emissions and safety, the re-builders program, stolen vehicles and identity theft. We do not have any marked cars or uniformed personnel but we work very closely with the Motor Carrier Enforcement Division when we are out in the field. They work hand in glove with the SBI and it has been a very successful relationship that has resulted in numerous arrests. Because of the stress on immigration officers it is imperative that we are ready to respond to rings of illegal drivers license applicants ourselves.

DMV has worked to improve our training of emissions and safety stations. These business owners have been asked to perform a function for the government and they need adequate training and support to make sure they are following the proper procedures and guidelines. We cannot be selective in our enforcement of laws and we must try very hard to provide equity in the way we enforce laws but with some compassion as we administer these across the state. He presented the committee members with copies of the new licenses with the latest security features.
See (Handout #1) attached as a part of the minutes. Questions and answers followed.

Then Representative Coates called on Mark Paxton, Chief Information Officer DOT for an overview of seven new initiatives. The first is the verification of the customer identification system. This allows officers to verify new document information that applicants bring in such as drivers licenses' from other states, passports, INS documents and so forth. It will also access national databases and look at validating residencies for North Carolina residents with a total cost of one point five million dollars.

The second project is an expansion of an existing system. The automated drivers license testing system that are in forty-five of the busiest offices that DMV has and they expect to have another twenty-three installed by the spring of this year. The requested funds are to install the system, at an additional forty-five sites in the small to medium customer volume areas. This project has a total cost of a little under a million dollars.

The third project is the staggered commercial dealer plates, mandated by S1083. Which basically staggers the renewals of the commercial plates rather than making them renew on the anniversary dates of the end of June and December.

The fourth project is the online dealer registration enhancement that has a total cost of six hundred thousand dollars. This request would enhance the existing online dealer registration system. Which would allow the motor vehicle dealers the option of performing title and registration services on site. This would provide both cost savings and improve service levels. It would replace the two vendors who currently provide these services at twelve dollars per transaction, providing them at a lower fee than is currently charged.

The next item is the document management system. DOT actually has about four or five different document management systems. What we are looking to do here is basically examine what we have, to see if there is some single solution that makes better sense to deliver across the organization. This has received state CIO approval and a five hundred thousand dollar study has been approved. They would assess it at that time to see if the project should continue and if so the terms under which it would continue.

The sixth project is the email system. DOT is running a very old, obsolete email system. It has been out of support by the vendor for a number of years. It has very definitely passed needing to be replaced and the projected cost of moving DOT to the statewide NC mail system, is projected to be about five hundred and fifty thousand dollars a year.

With the seventh item we are asking for a million dollars to allow us to replace a forth of our desktops each year. Basically we have close to eight thousand desktops. With the funds we already have available plus these funds, it would allow us to replace roughly two thousand PC's per year, which would allow us to recycle each PC once every four years.
See (Handout #2) attached as a part of the minutes.

One last item, DOT implemented what we originally called the business system improvement project. We have since renamed that to be business system information portal. That system was implemented in April of 2003. In August of 2003 when I came on board the project was split between the fiscal group and the information technology group and based on recommendations we consolidated the project into information technology. At that point time basically it was clear that we had several objectives to accomplish.

One was a post implementation stabilization of the system, gaining better acceptance amongst the business users and to get some of the annual operating expenses under control. Due to these changes DMV is now completing reports on time and is able to provide more-timely processing of FEMA and HWA disaster reimbursements. We have improved training and worked to make the system more user friendly. When the system was first implemented the projected annual operating expenses were thirty-six million per year and I am happy to report at this time that we have reduced that number to twenty-five point eight million dollars per year. So we are moving in the right direction and we have a few more dollars that we can still bring out of it but that's the good news.
See (Handout #3) attached as a part of the minutes. Questions and answers followed.

With no further business to conduct, Representative Coates announced the next meeting would be the following Tuesday in room 1228 and the meeting adjourned at 9:39 a.m.

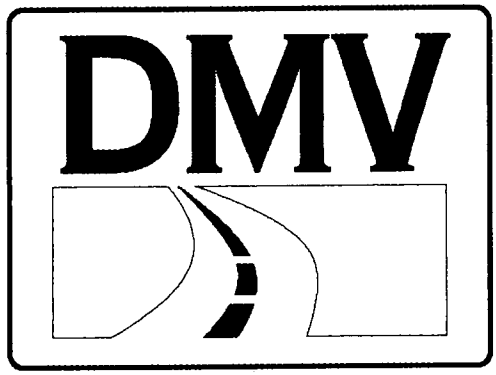
Respectfully submitted:

Lorene Coates
Representative Lorene Coates, Presiding
Co-Chair, House Committee

Melissa Lennon
Melissa Lennon
House Legislative Committee Asst.

DIVISION OF MOTOR VEHICLES

North Carolina Department of Transportation



Overview

(Handout 1)

DIVISION OF MOTOR VEHICLES

Mission

- The DMV Team delivers quality motor vehicle services, promotes highway safety, and furnishes timely and accurate information by providing excellent customer service, enforcing motor vehicle laws, and maintaining the integrity of official DMV records.

Vision

- The vision for the North Carolina Division of Motor Vehicles is to become the most fully integrated, technologically advanced, customer driven motor vehicle services and highway safety system in the country.

Values

- Effective Communication
- Employee Development
- Openness & Honesty
- Accountability
- Continuous Improvement
- Teamwork

Short Term Strategies

- Use Technology Effectively
- Improve Communication & Education
- Improve Physical Facilities
- Improve Personnel Hiring & Development Practices
- Expand & Improve Customer Services
- Promote Strategic Investments
- Develop A Quality Assurance System

Long Term Strategies

- Improve Accountability
- Improve Accessibility
- Reduce Cost
- Reduce Time
- Improve Professionalism

DMV Overall 2003-2004

8 million registered motor vehicles

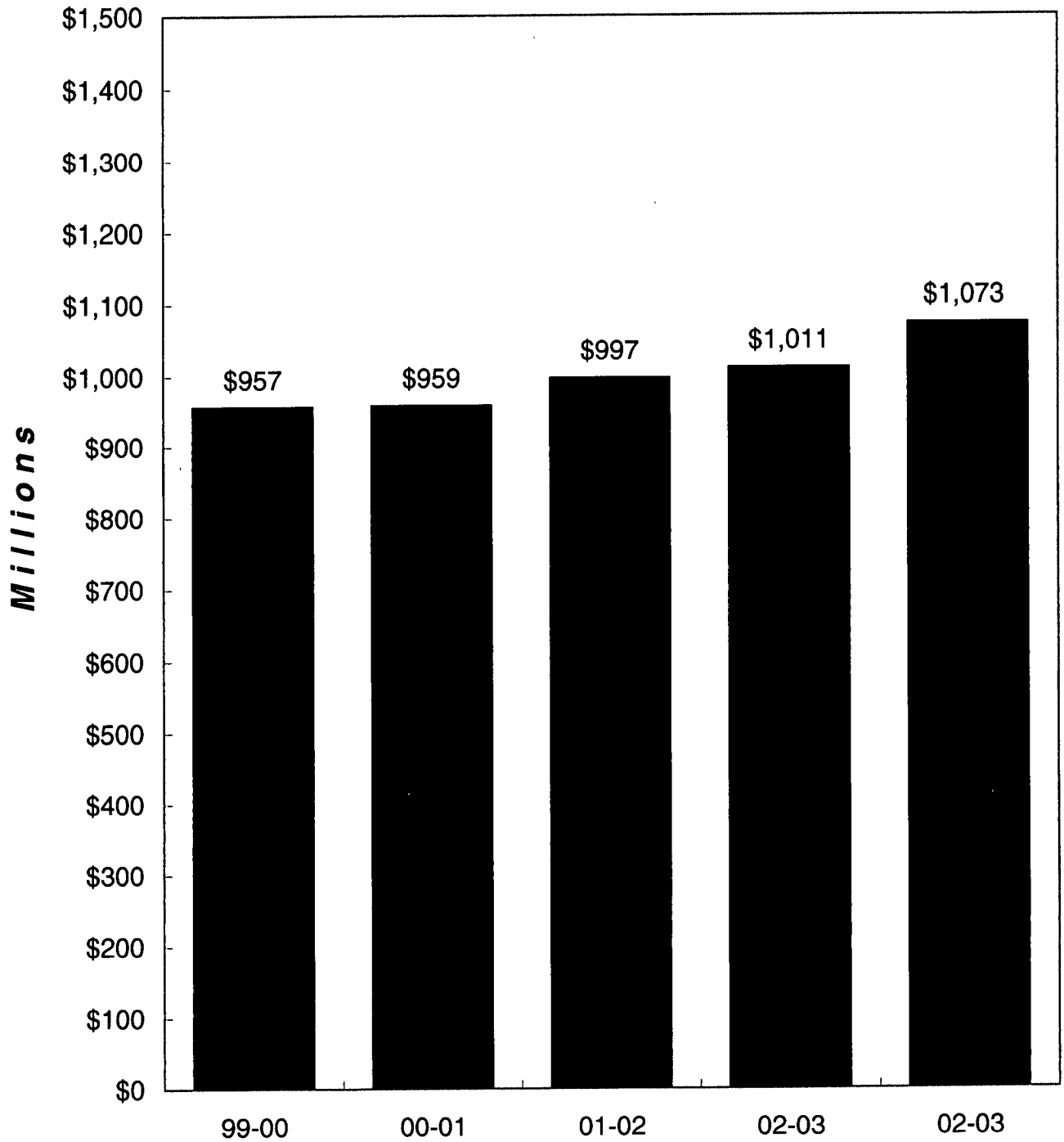
6 million licensed drivers

1,553 employees statewide

10,745 motor vehicle dealers regulated

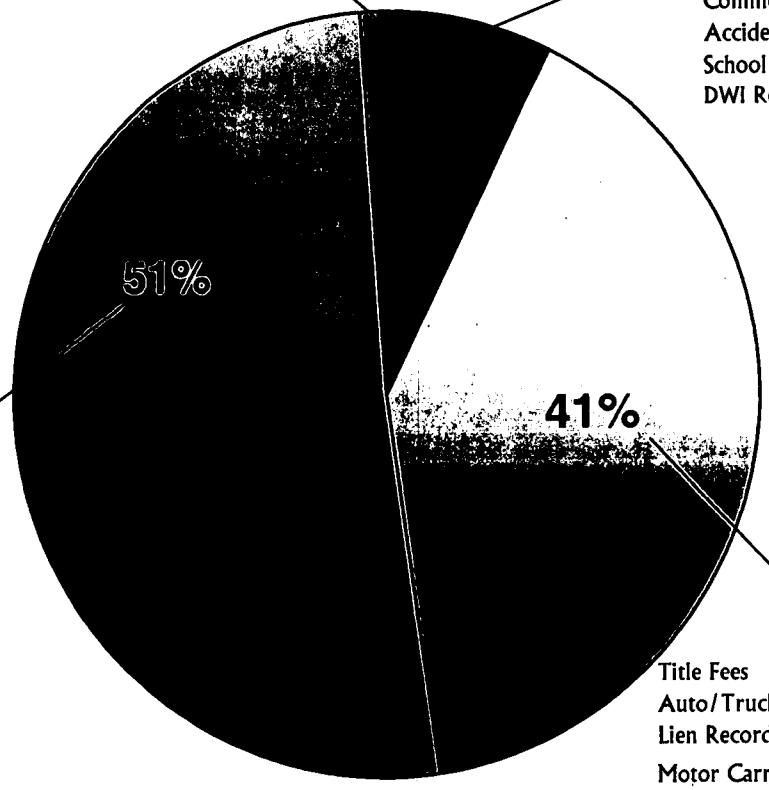
$1 billion collected

NC Division of Motor Vehicles
Revenue Collected
1999-00 through 2003-2004



NC Division of Motor Vehicles

Revenue Sources
2003-2004
Total $1.073 Billion



Other
$13 M

Sales Tax
Process Service Fees
I/M Telecommunication Fees

Drivers
$76 M

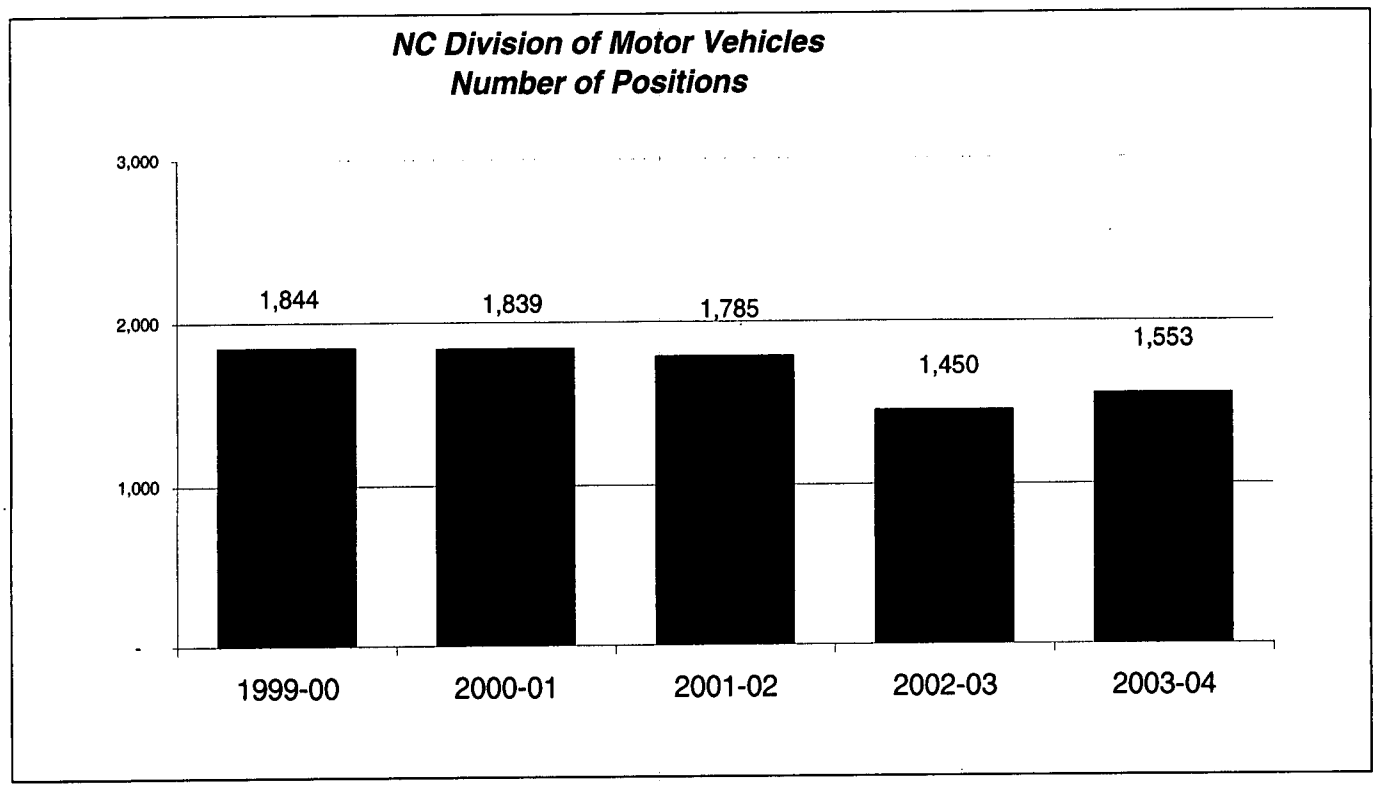
Driver License Fees ID's (II-I5)
Commercial Driving Training
Accident Reports
School Bus and Traffic Safety
DWI Restoration

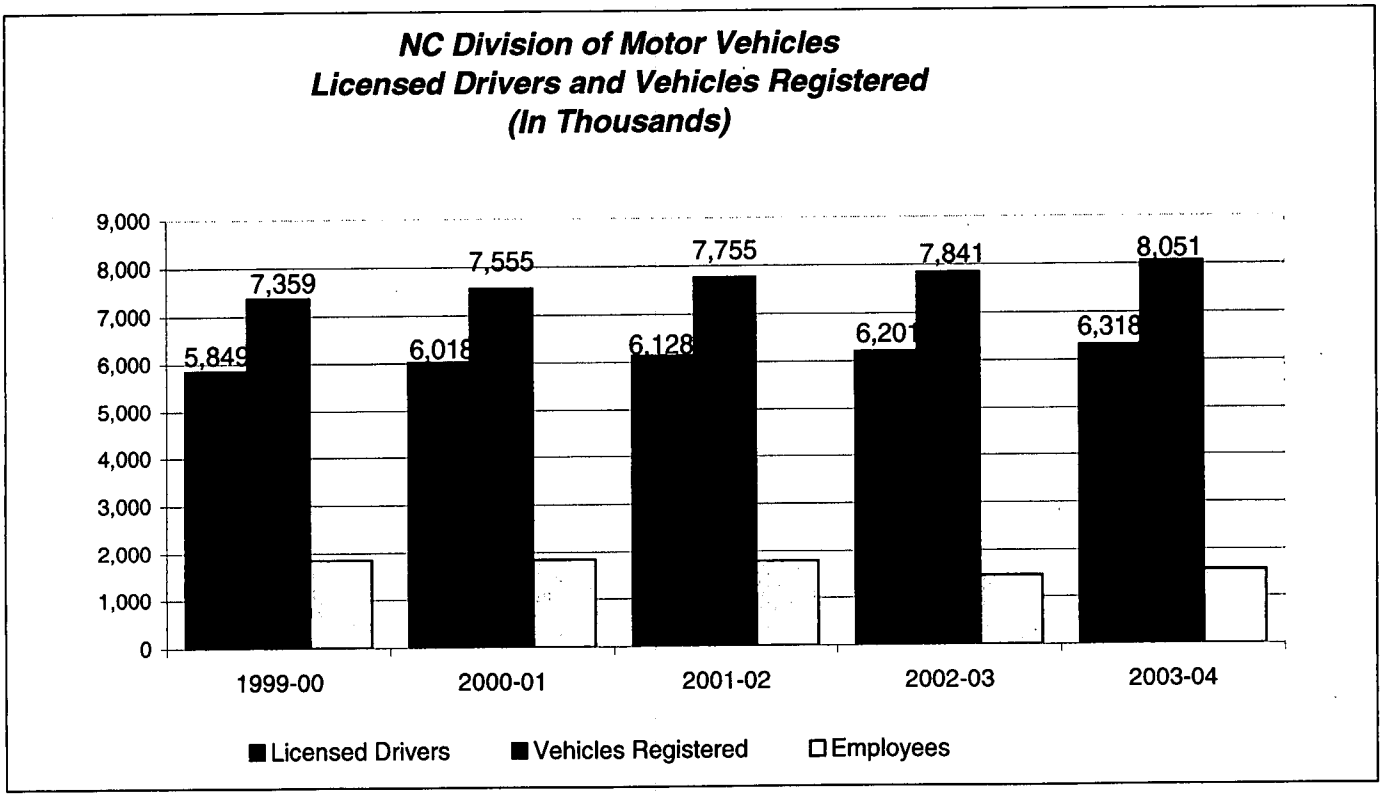
***Highway Use Tax**
$548 M

Vehicles
$436 M

Title Fees
Auto/Truck Renewals
Lien Recordings
Motor Carrier/Weight Enforcement
Safety/Exhaust Emission Inspections
Financial Security Restoration
Dealer & Manufacturer Plates
Registration Information
Acknowledgement Fees
Traffic Records

* Note: Only depicts portion of Hwy. Use Tax collected by Div. Of Motor Vehicles. Collection made by the Dept. of Revenue outlined in G.S. 105-187.5 not included in this total.


NC Division of Motor Vehicles
Number of Positions
3,000
2,000
1,000
-
1,844
1,839
1,785
1,450
1,553
1999-00
2000-01
2001-02
2002-03
2003-04


NC Division of Motor Vehicles
Licensed Drivers and Vehicles Registered
(In Thousands)
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
5,849
7,359
6,018
7,555
6,128
7,755
6,201
7,841
6,318
8,051
1999-00
2000-01
2001-02
2002-03
2003-04
Licensed Drivers
Vehicles Registered
Employees

Commissioner's Office

MISSION AND FUNCTION

The Commissioner's Office provides overall policy, management and administration of the Division of Motor Vehicles and the 1,553 employees.

The Commissioner's Office is responsible for:

- Short and long-range planning
- Budget requests and planning
- Personnel actions
- Legislative program
- Safety planning
- Telecommunications

BUDGET AND PERSONNEL TRENDS

	99-00	00-01	01-02	02-03	03-04
Personnel	$1,253,152	$1,749,756	$904,540	$1,267,585	$1,419,328
Operating	$2,776,085	$1,834,951	$1,164,599	$646,082	$409,559
Total	$4,029,237	$3,584,707	$2,069,139	$1,913,667	$1,828,887
# of Positions	31	27	13	12	12

- FY99-00 includes funding in the amount of $1,486,889 to purchase a Telecommunication System for the Division.

- FY00-01 incorporates the transfer of 4 Division personnel positions to the DOT Human Resources.

- FY01-02 Commissioner's Office streamlined - Personnel responsibilities transferred to DOT Human Resources and Office of Citizen Affairs abolished. Customer Service Coordinator reassigned to Commissioner's Office staff.

- In FY02-03 one civilian position from the Commissioner's Office was transferred to CCPS. Also, with the implementation of the new DOT accounting system, some previous operating line items became a part of the personnel budget.

- In FY03-04 the budget was realigned as a result of the implementation of the SAP Accounting System for DOT. This resulted in operating expenditures being slightly lower

Commissioner's Office Personnel include:

Commissioner - 1
Assistant Commissioners - 2
Staff Support - 5
Budget Office Personnel - 2
Safety Representative -1
Customer Service Coordinator - 1

MAJOR ISSUES AND CHALLENGES

- Providing excellent customer service with limited human & fiscal resources
- Workforce development
- Providing a safe work environment for staff

Vehicle Registration

MISSION AND FUNCTION

The Vehicle Registration Section
(1) delivers quality titling and licensing services,
(2) furnishes timely, accurate information,
(3) provides excellent customer service,
(4) maintains the integrity of official vehicle registration records.

The section provides services through two state offices (Raleigh and Charlotte) and 128 privately contracted license plate agencies. The private contract agents employ over 500 individuals. The section supports the International Registration Program (IRP) which licenses and regulates the trucking industry, and also administers the continuous liability insurance requirements for North Carolina citizens.

BUDGET AND PERSONNEL TRENDS

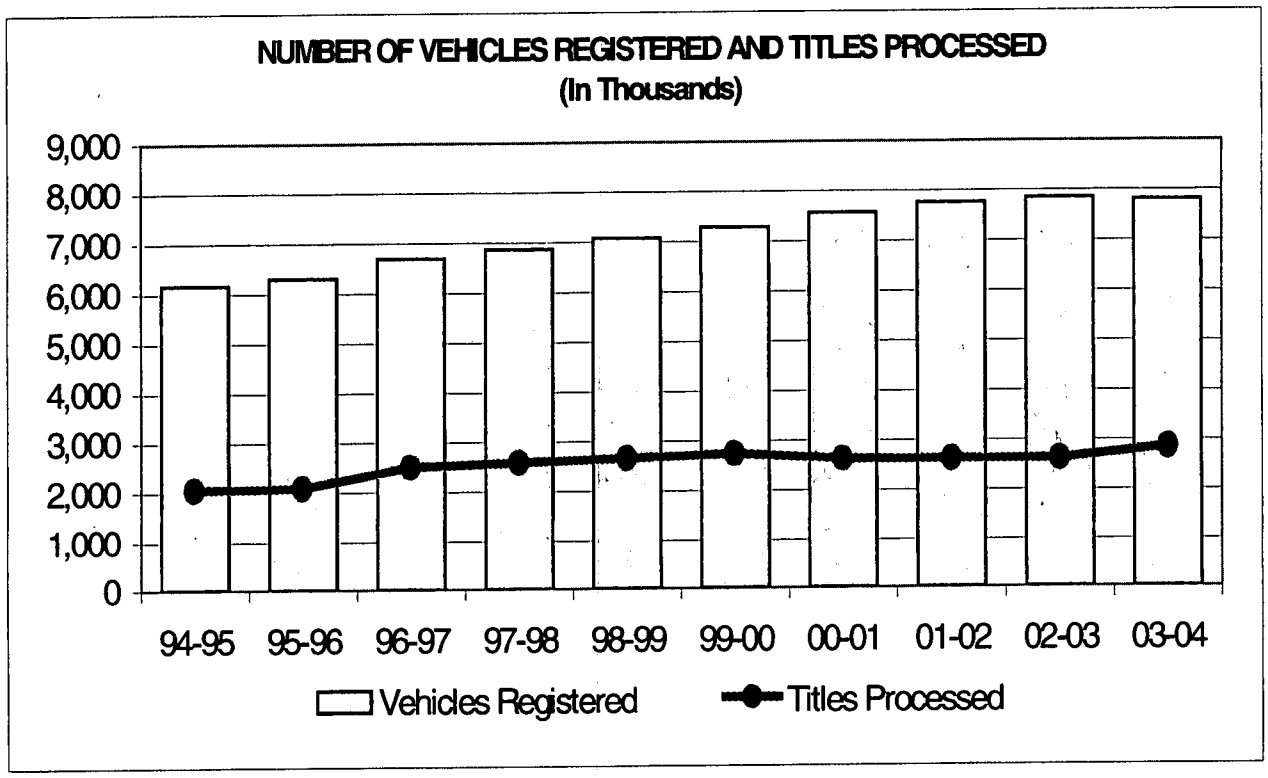
	99-00	00-01	01-02	02-03	03-04
Personnel	14,351,091	16,000,319	15,847,901	15,457,355	15,980,966
Operating	21,204,422	23,016,596	24,783,851	23,244,444	23,311,645
Total	35,555,513	39,016,915	40,631,752	38,701,799	39,292,611
# of Positions	442	438	428	414	412

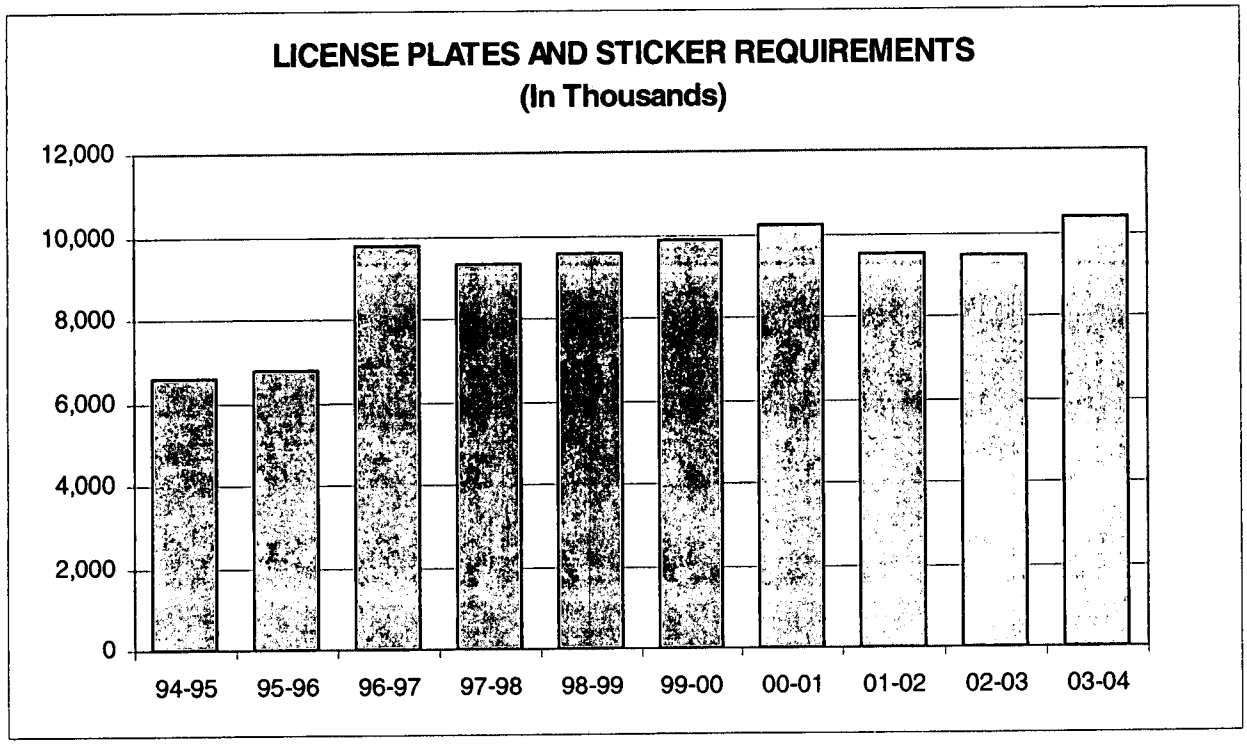
FY 03/04

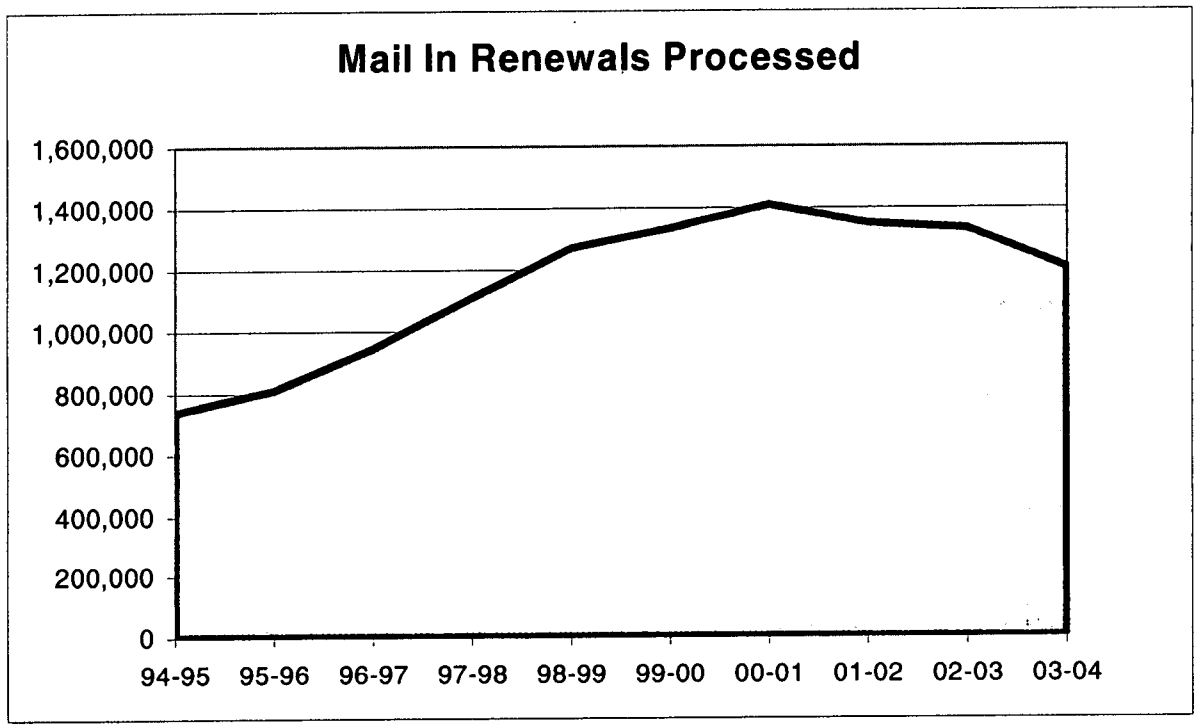
- 62% of the overall operating budget is for branch agent's compensation.
- 20% of the overall operating budget pays for license plates and validation stickers.
- 18% for remaining operations.
- Position changes – Dealer Unit moving under License and Theft Section.

PERFORMANCE INDICATORS

- Number of vehicles registered will not significantly increase due to little population change as a result of an expected flat economy (8 million vehicles registered FY03-04).
- Number of titles processed may increase as a result of continued manufacturer incentives (2,849,574 titles processed FY03-04).
- Number of plates and stickers issued will increase as vehicle base increases.
- Percentage of mail-in renewals will decrease as customers increase the utilization of the internet as an alternative solution to prevent having to walk into an office (decreased from 22% of total renewals FY02-03 to 15% of total renewals FY03-04).


NUMBER OF VEHICLES REGISTERED AND TITLES PROCESSED
(In Thousands)
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
94-95
95-96
96-97
97-98
98-99
99-00
00-01
01-02
02-03
03-04
Vehicles Registered
Titles Processed


LICENSE PLATES AND STICKER REQUIREMENTS
(In Thousands)
12,000
10,000
8,000
6,000
4,000
2,000
0
94-95
95-96
96-97
97-98
98-99
99-00
00-01
01-02
02-03
03-04



SUCCESS STORIES

New IRP (International Registration Plan and Motor Carrier Computer System Successfully Implemented August 1999

- IRP transactions continue to be offered to the public in 35 private contract offices thereby improving customer service for the trucking industry.

- Design will support a staggered renewal system for trucks, which should improve efficiency and reduce costs when implemented. Implementation scheduled for October 2005.

- Internet renewals for IRP implemented January 2002.

- Successfully implemented Interstate exempt and single state registration internet capability January 2003. *New Liability Insurance Tracking and Enforcement System Successfully Implemented August 1999.*

- Legislation implemented October 2000, which requires insurance companies to submit new policy information in addition to notice of termination, which will improve customer service by reducing unnecessary contacts with citizens. {By comparing the new business against the cancellations, we estimate that we have continued to reduce the number of letters to citizens by 100,000 in a one-year period}.

- Automates processes such as scheduling of hearings and allows data captured at point of contact.

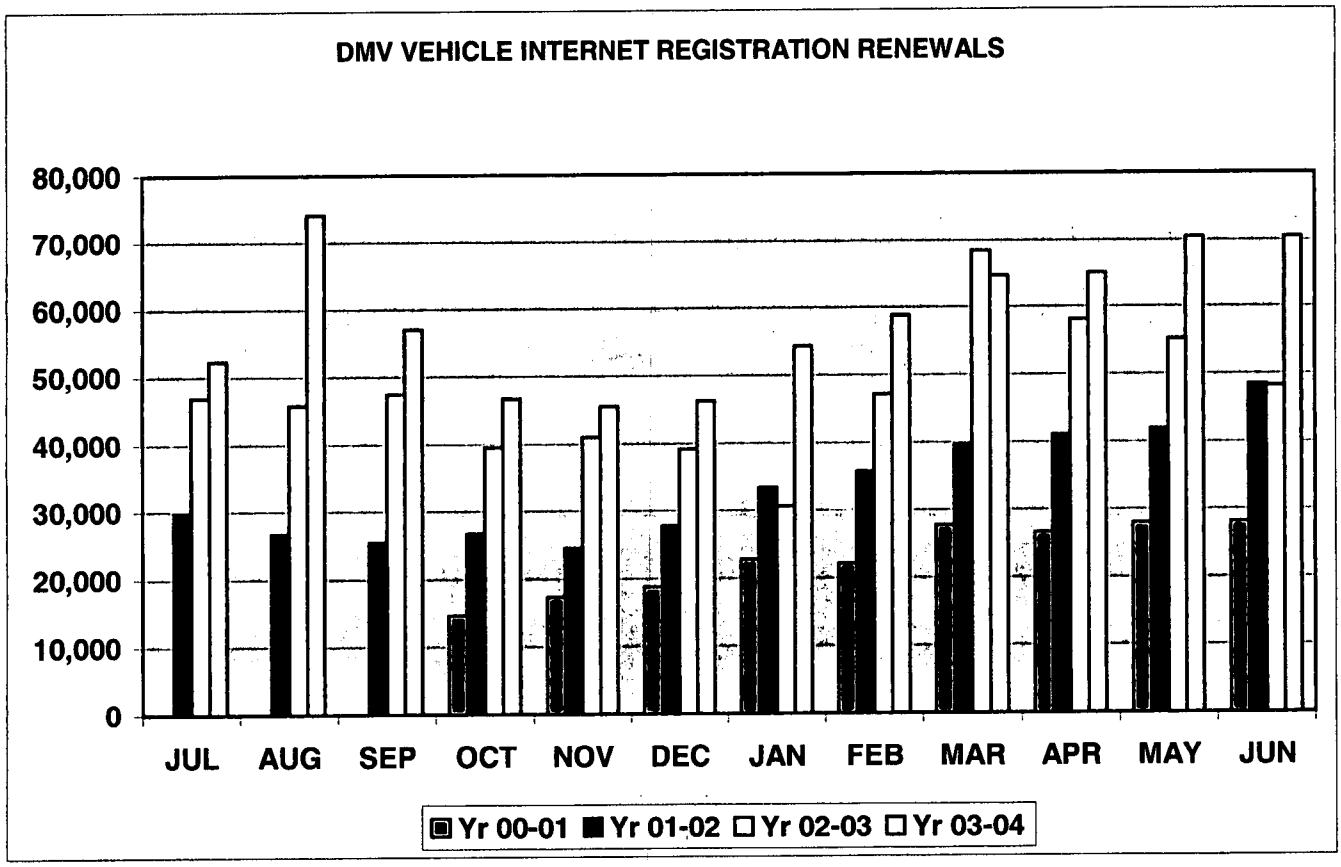
- Implemented Liability Insurance re-certification and payment of penalties via internet – March 31, 2003.

- Implemented internet program for insurance companies to notify DMV of new

insurance business and cancellations – March 31, 2003.

Rolled Out New Click@DMV – *Internet License Plate Renewal September 1, 2000*

- Overwhelming response continues with over 705,407 renewals processed FY 03-04.
- Duplicate Registration option added on March 23, 2001.
- The ability to reserve personalized or special plates was implemented July 2004, averaging 2,000 plates monthly.
- First Application for DMV involving acceptance of credit cards.
- American Association of State Highway and Transportation Officials Standing Committee on Quality Award for Internet Renewal Project, December 2001.



MAJOR ISSUES/CHALLENGES

- Keeping up with public demands for alternative service options.
- The staggering of commercial vehicles to equalize section's workload will be effective January 2006. {Currently, commercial plates must be renewed each year in January and February. Staggering the renewal would allow us to divide the workload into 12 months,

rather than 2 months}.

- NMVTIS (National Motor Vehicle Title Information System) is a federally mandated system to check validity of all state's titles. Concerns regarding cost to section to participate in the program. Batch interface was added October, 2003.

- Vehicle Registration Customer Merge Program. The advantage of the Enterprise Database at D.M.V. is to create one record for a customer. Since Vehicle Registration customers have not always completed registration on vehicles using the same name as reflected on their driver's license, many customers have multiple records/files with D.M.V. It is essential that records be combined so that stops, points on driving records, crash records and other D.M.V. related information all correspond with the correct citizen. Vehicle Registration does not have the technical capability to merge existing files.

  This will require Information Technology Systems (ITS) resources for analysis of user requirements and design to accommodate linking the customer I.D. information in a manner that can be effectively utilized by Vehicle Registration, Drivers License, License and Theft and Crash.

- Ability of section's systems and resources to support the additional functions and processes required by outside agencies; i.e.: county tax administrators and Administrative Office of the Courts (DWI programs).

- Rewriting of LITES (Liability Insurance Tracking and Enforcement System) to include additional functionality combined with a more efficient format. Possible implementation – December, 2004

MISCELLANEOUS

- Section operating more efficiently with a reduction in personnel of 176 positions in the last nine years.

- Automation of processes has allowed Vehicle Registration to continue to maintain title processing time of 3 to 4 days.

- Complete Title re-design, including bar code and additional security features.

Driver License

MISSION AND FUNCTION

The Driver License Section will deliver quality driver license services, promote highway safety and furnish timely and accurate information by providing excellent customer service, enforcing motor vehicle laws and maintaining the integrity of official Driver License records.

The function of the Driver License Section covers these core responsibilities:

- Assess the physical and mental capacity of customers to drive safely
- Conduct driver license examinations and issue licenses or ID cards
- Train and monitor both state and third-party commercial driver license examiners
- Suspend driver licenses and reinstate licenses
- Develop driver license handbooks, testing materials, and training materials

BUDGET AND PERSONNEL TRENDS

	99-00	00-01	01-02	02-03	03-04
Personnel Costs	$20,122,977	$23,278,554	$23,511,806	$23,626,026	$25,845,573
Operating Costs	6,823,779	7,459,156	7,514,960	6,473,603	6,972,793
TOTAL	$26,946,756	$30,737,710	$31,026,766	$30,099,629	$32,818,366
# of Positions	600	634	636	652	697

Changes in Number of positions reflect following actions:

- As of June 30, 2000, the agency had a total of 600 positions including five medical review personnel transferred from the Department of Health and Human Services.
- As of June 30, 2001, a total of 34 positions were added due to merger of DMV Crash Reporting unit with Driver License.
- Since FY2000, personnel changes have resulted from in-house reorganization efforts involving the Medical Unit, Crash Reporting Unit, and Citizen Affairs.
- As of October 26, 2002 a total of 16 positions were transferred from Vehicle Registration and assigned to the 14 district offices to provide administrative support.
- The N C General Assembly appropriated 45 position to the agency through the 2003-2005 biennium budget expansion process.
- Driver License reallocated an existing position, from the SBTS section and established a DL Deputy Directors position February 28, 2004.

Driver License Section has been administered through two branches:

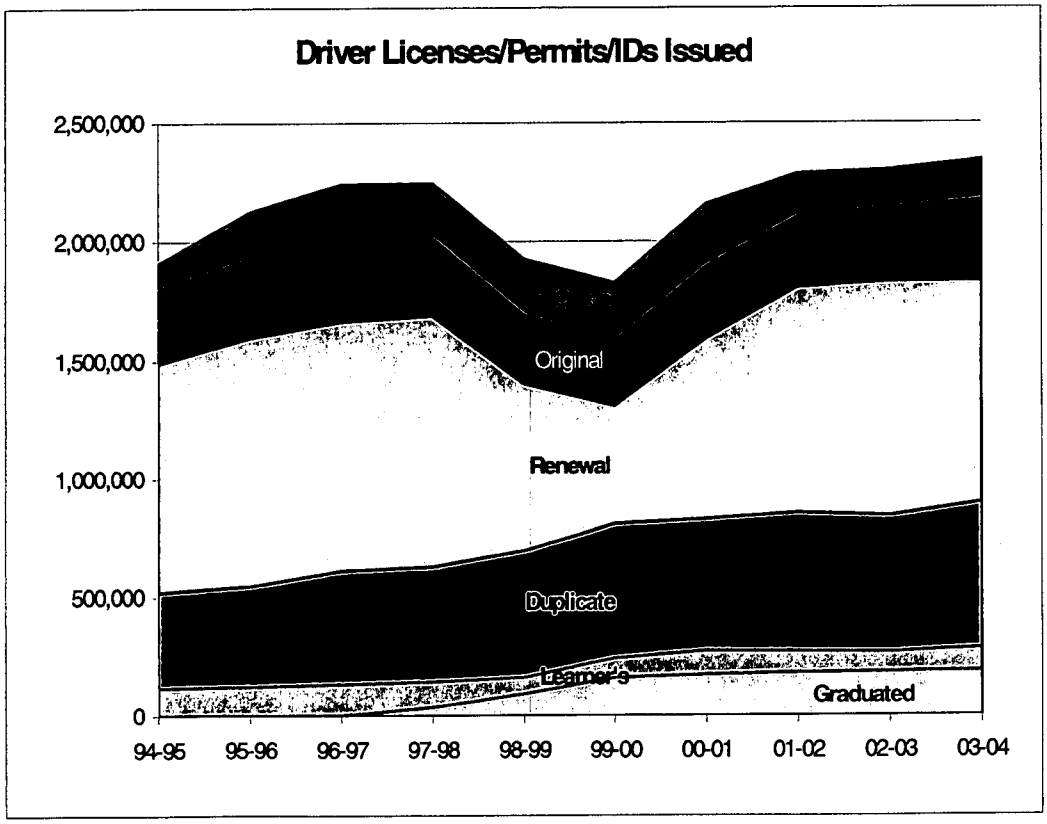
- Certification Branch is responsible for issuance of classified driver license (which includes graduated license), ID cards, and the federally mandated Commercial Driver License (CDL).

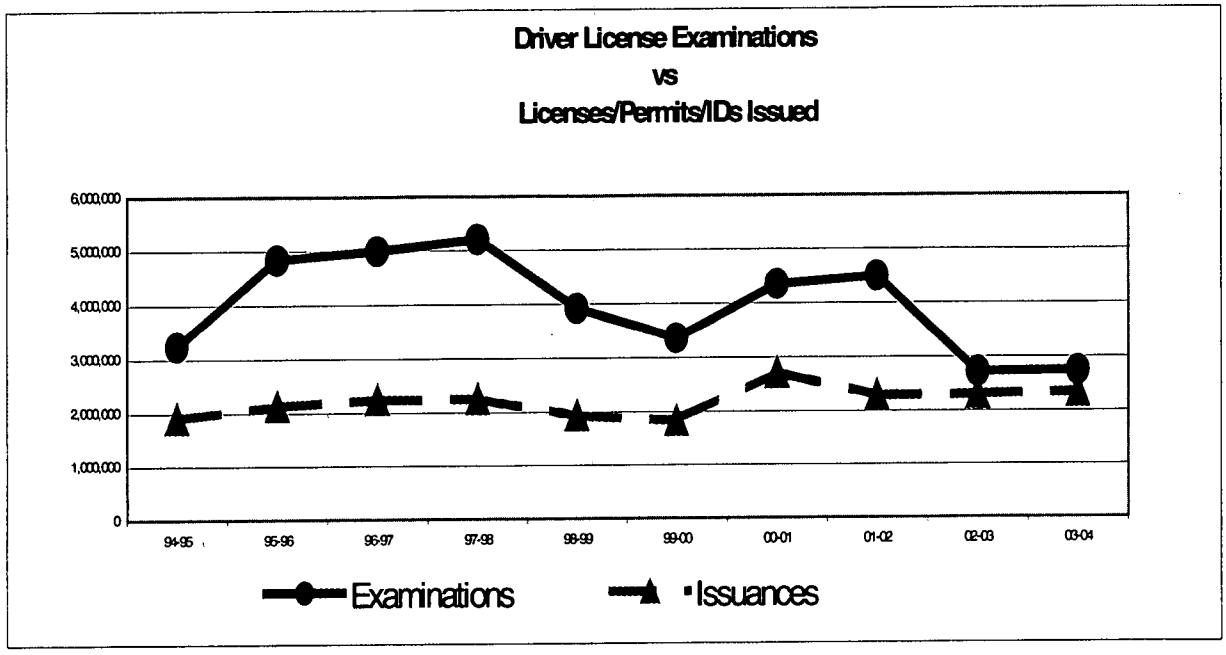
- Administration/Adjudication Branch is responsible for suspension of drivers; hearings for drivers; medical evaluation of drivers; telephone room; budget, supply and audit.

The total Driver License operating budget for 2003-2004 was $6,972,793. Key components of operating budget are travel, telephone, rent, maintenance agreements, digital imagery fee for each license issued, and office equipment. Expenditures in these areas for SFY 2003-2004 are as follows:

Line item	2003-2004	% of Total Operating Budget
Travel Lines Totaled	$892,573	13%
Telephone (52811000)	$886,227	13%
Rent (52511001)	$825,099	12%
Maintenance Agreement (52333002)	$231,269	4%
Rent DL Photo Equipment Fee (52590006)	$2,724,541	41%
Office Equipment (54521000)	$100,030	2%
TOTAL	**$5,659,739**	**85%**

PERFORMANCE INDICATORS





- The Driver License Section issued a record number of driver licenses, learner permits and identification cards **in FY03-04 (2,341,925)**. This was 1 per cent increase over the previous year.
- The number of original issuances for driver licenses, learners' permits, ID cards and graduated driver licenses **actually increased 1%** during the fiscal year. The number of Spanish-language knowledge tests administered also declined slightly from 115,759 to 114,507, a decrease of 1 per cent. Some of the decrease in original issuances reflects changes in the law and policies and procedures that date back to January 1, 2002.

SUCCESS STORIES

- As part of the Governor's "Operation Stop Fraud," the Driver License Section implemented new requirements for proof of identification effective February 2, 2004. The new standards reduced from 17 to 11 the forms of identification that can be used the first time a license or identification card is issued. The new list eliminated the use of birth certificates from countries other than Canada, allows the use only of valid, unexpired passports and immigration documents, and restricts use to documents that can easily be verified. The new ID requirement is consistent with the recommended standards adopted in early 2004 by the American Association of Motor Vehicle Administrators.

- Verification of Social Security Numbers was implemented in spring 2004. The SSN of customers is verified on-line as the customer applies for his or her license or ID card. A batch process was also used to verify existing SSNs in the Driver License database and "mismatches" were flagged for additional documentation or investigation.

- Over 90% of all Driver License Examiners have completed a 20-hour, Level I course in Fraudulent Document Identification based on a training program developed by the

American Association of Motor Vehicle Administrators. This spring, one examiner from each office will complete a 20-hour Level II Fraudulent Document Identification class.

- Forty-five (45) new Driver License Examiner positions were added effective July 1, 2003. The new positions were allocated based on the current population per examiner I each county, with the goal of having a similar number of residents per examiner in each county. Twenty-five new positions were established July 1, 2004 using a similar allocation process. To pay for the new positions and associated facilities and equipment, the cost of a classified "C" license was raised 50 cents per year and CDL license were raised 75 cents per year.

- Customer wait times have been significantly reduced between July 2003 and July 2004 as a result of new examiners. A comparison between the two months – the busiest month of the year – shows that wait times for first-time issuances was reduced by 29 minutes and wait time for renewal and duplicate license customers was reduced by 23 minutes. This represents an estimated saving of 1 million hours of customer wait time for the year.

- The Driver License Section has received three grants totaling $1,087,331 from the Federal Motor Carrier Safety Administration (FMCSA). One grant was used to establish Social Security Number verification with the Social Security Administration on both a batch process and an on-line process. Another grant will be used to make improvements to the State Automated Driver License System (SADLS) to help bring the state into compliance with FMCSA regulations and to create a complete driver history for commercial driver license (CDL) holders. The third grant is being used to monitor CDL skills test to insure proper standards are followed.

- The Driver License Section implemented a pilot project, call the Transportation Notification System, which allows employers to monitor driving problems and qualifications for its drivers. The pilot project is currently being used with 45 public transportation agencies and other public agencies, representing more than 4,500 drivers with CDLs. The Federal Highway Administration (FHWA) and the American Association of Motor Vehicle Administrators in August presented Driver License and DOT IT with its first ever national award for the technology project during the year that contributed the most to highway safety.

- The Driver License DWI restoration hearings have been revised to make them more consistent with legal standards and more efficient. Formerly, the Section used three-person panels that conducted hearings outside of the home district. They have been replaced with a system that uses just one hearing officer in their home district.

MAJOR ISSUES AND CHALLENGES

- DMV began implementation of Face Recognition technology in fall of 2004 and fully implemented its use in the field this week for the issuance process. With Face Recognition, we will be able to do a one-to-one match of every customer prior to issuing the license. The one-to-one match allows us to verify that the customer having his or her

image taken is the same as the last image in the system. Since three-fourths of our identity theft and fraud in North Carolina involves theft of another person's identity, we believe this will provide great benefits to the state.

- Implementation of Face Recognition in the field will also require DMV to work more closely with law enforcement to conduct investigations and make arrests of persons as they attempt to commit identity theft. DMV will implement new field procedures for document review, arrests of fraud suspects, and investigations later this month.

- Face Recognition also includes the capability to match a single image against the entire database of 17 million images to determine whether someone has multiple identities.

- The image used for the match can come from our own Driver License image database, or it can be introduced from an outside source, such as a terrorist watch list, a booking image, or other high quality photo. DMV has conducted briefing sessions with various state and federal law enforcement agencies to make them aware of this new system and its availability for investigations.

- For the first time, DMV is creating its own Driver License fraud unit, dedicated just to investigations of Driver License fraud using face recognition technology and other tools to resolve fraud cases.

- DMV is creating an identity theft lab at its headquarters that will be used by DMV staff to resolve identity theft investigations. The resources of that lab will be available for law enforcement investigators who want to come on-site and work along side our staff to use this new, powerful tool to conduct investigations. The face recognition technology has already been used in several cases to help other law enforcement agencies resolve crimes.

- One of the biggest challenges we will face in the next several years will be taking full advantage of the capabilities of face recognition technology to fight all types of crime and improve homeland security.

- North Carolina is one of only seven states that currently utilize this technology, but the size of our image database makes North Carolina and Illinois the two largest government agencies with FR databases in the world.

- We recognize the need to continue to find ways to stop identity theft and identity fraud. By the end of this calendar year, we hope to install document-imaging systems that will enable us to maintain a record of all the documents used by a customer to establish their identity with us. This will allow us to send documents electronically for review by specialists. It will also create an audit trail to help us prevent internal fraud.

- We also hope to implement in the next fiscal year the use of hardware and software that will validate the authenticity of key documents and verify some information provided by the customer.

- While public safety is our number one priority, we also recognize the need to improve customer service. Our goal is to create "One DMV," an agency that provides the public seamless access to customer service. Towards that end, last fall we merged our Driver

License and Vehicle Registration customer service call center into a "One DMV" call center. All customer service representatives have been cross-trained to assist the public. In addition, our Liability Insurance Hearing Officers and Driver License Hearing Officers are being cross-trained so we can provide hearing services more efficiently and professionally to the public.

- We also face a challenge in the next five years to rewrite our mainframe computer applications for Driver License, Vehicle Registration, Liability Insurance, and other major tasks. Some of the systems are over 11 years old and greatly in need of rewriting. Rewriting them will also create opportunities for efficiencies in our operating procedures.

- We face other challenges to play our role in homeland security. We expect by the end of this summer to implement the computer program that will tie the driver license expiration date to the "end of stay" date allowed by immigration documents. We recently implemented the federally mandated background checks for new customers for a CDL who want a hazardous materials endorsement. That mandate expands to cover all renewal customers, effective May 31, 2005.

School Bus and Traffic Safety (SBTS)

MISSION AND FUNCTION

To promote traffic safety, administer a comprehensive training and certification program for school bus drivers and provide professional leadership in driver improvement for the citizens of North Carolina.

The School Bus and Traffic Safety Section is responsible for:

- Developing programs to enhance highway safety
- Training and certification of school bus drivers
- Conducting safety programs for school bus drivers and passengers
- Ensuring that all school bus drivers are medically and physically able to operate buses
- Licensing commercial driver training schools and instructors
- Developing training materials for School Bus Driver Training Program and the Commercial Driver Training Course
- Section personnel teaching defensive driving courses to law enforcement agencies, DOT Highway Maintenance personnel, and other agencies

BUDGET AND PERSONNEL TRENDS

	99-00	00-01	01-02	02-03	03-04
Personnel	$4,347.490	$4,700,560	$4,604,299	$4,542,039	$4,661,572
Operating	$377,966	$424,066	$384,029	$384,150	$394,537
Total	$4,725,456	$5,124,626	$4,988,328	$4,926,068	$5,056,109
# of Positions	95	95	94	94	94

- In-State Transportation is 66% of FY03-04 operating budget.
- Only four (4) positions are located at DMV Headquarters. The remaining 89 positions are in the field.

PERFORMANCE INDICATORS

School Buses	01-02	02-03	03-04
Number operating	13,301	13,395	13,416
Number of Sch/Acty Bus Drivers in NC	Not Reported	Not Reported	44,319
*Number of drivers trained and certified	8,814	12,998	**34,110
Number of students transported	707,312	714,893	714,975
Number and percentage of buses involved in crashes **	963 (7%)	1,056 (8%)	1,055 (8%)

* North Carolina includes 117 local school districts. Twenty-six local school districts require all non-teaching school personnel to be certified as school bus drivers as a condition of employment.

** Large numbers of trainees are due to the "P" & "S" endorsement certifications.

** The formula to determine the percentage of buses involved in crashes equals number of buses involved in crashes ÷ the number of school buses operating.

***Number of students transported not available at this time.

Commercial Driving Schools	00-01	01-02	02-03	03-04
Number of schools licensed	73	71	68	68
Number of instructors certified	948	1,052	1,160	615
Number of Restricted Permits Issued by DESs	Not Reported	Not Reported	Not Reported	92,120

SUCCESSES THAT IMPROVED EMPLOYEE AND CUSTOMER SERVICE

- No significant increase in number of school buses involved in crashes despite increase in number of buses operating;
- Developed Implementation Plan, in conjunction with the Driver License Section, for issuance of "S" and "P" endorsements required of all School Bus and Activity Bus Drivers;
- The Section merged with the CDL, Training, and Evaluation Unit of the Driver License Section effective August 1, 2003;
- Enhanced School Bus d125 Computer Program to allow Driver Education Specialist to enter Written and Skills test scores, **improving customer service** by reducing time spent in the Driver License Office for issuance of a CDL;

ISSUES/CHALLENGES/INFORMATION

- **Organizational Processes**
  - The School Bus and Traffic Safety Section experienced minimal personnel turnover for a number of years. A significant percentage of SBTS career personnel have now reached or are approaching eligibility for retirement. The Section is losing experienced employees and is involved in intensive efforts related to recruitment, hiring and training new staff;
  - Provide Field Representatives with a **User Guide** for the enhanced d125 system;
  - Informing the Field Representatives of state sponsored computer courses.

Traffic Records

MISSION AND FUNCTION

To deliver quality motor vehicle services, promote highway safety, and furnish timely and accurate information by providing excellent customer service, enforcing motor vehicle laws and maintaining the integrity of official DMV records.

The Traffic Record Section is responsible for:

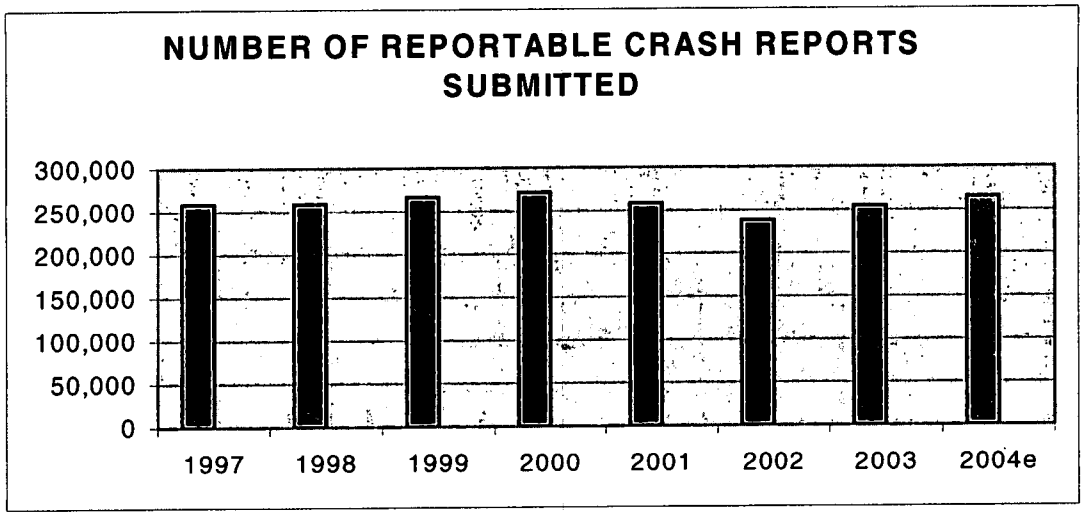
- Establishing and maintaining a central repository for statewide crash data.

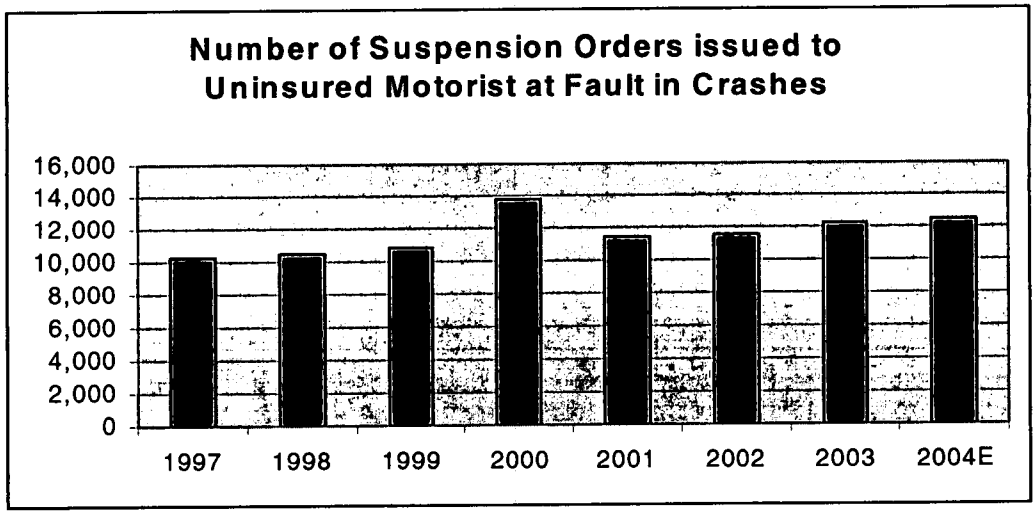
  This data is used by Traffic Engineers of the Division of Highways to identify safety improvements for trafficways; research community to conduct studies on drivers and conditions; to link the severity of injuries and the ability of victims to survive crashes; and to recommend to manufacturers of automobiles safety improvements to vehicle designs
- Developing a crash reporting document (DMV-349) based on federal reporting guidelines and needs of stakeholders.
- Publishing monthly and annual crash statistical reports for the safety community; research organizations; traffic engineers and the motoring public.
- Training of law enforcement officers on completing the crash reporting form.
- Transmitting fatal statistical data to the National Federal Highway Traffic Safety Administration.
- Suspending the driving privileges of uninsured motorists at fault in a crash.
- Managing the NC new Traffic Accident Communication System (TraCS) for transmitting of crash data electronically

BUDGET AND PERSONNEL TRENDS

	99-2000	2000-01	2001-02	2002-03	2003-04
Personnel	$1,653,913	$1,106,747	$815,945	$815,945	$826,369
Operating	209,454	82,049	86,740	$86,740	$85,612
Total	$1,863,367	$1,188,796	$902,685	$902,685	$911,981
# of Positions	53	21	19	19	19

PERFORMANCE INDICATORS (based on calendar year)





SUCCESS STORIES

- Monthly and Annual statistical reports are available via DMV Web site
- Provided access to crash reports via the web to insurance agencies and access to
- Vehicle and driver license database to external agencies.
- Successfully implemented and completed the e-Crash pilot with NC State Highway Patrol

- Successfully developed and put into production the new Traffic Records Communication System (TRCS). This system allows the electronic transfer of crash data from remote locations.

MAJOR ISSUES AND CHALLENGES

Revision of crash program and forms to include emerging data issues

Deployment of the Traffic Records Communication System (TRCS) statewide.

Provide training to local enforcement agencies

Provide a in-house help desk for users of the TRACS programy6

License & Theft Bureau

MISSION AND FUNCTION

The NCDMV License & Theft Bureau will enforce all State and Federal laws which regulate motor vehicle operations, theft, sales and inspection maintenance; and conduct investigations that prevent frauds, impositions and other abuses upon the citizens of the state of North Carolina.
The License & Theft Bureau is responsible for:

- ***Conducting Criminal, Civil and Administrative Investigations***
- ***Automotive Theft, notice and Stored Vehicle Investigations***
- ***Automotive Salvage Investigations***
- ***Dealer Licensing and Investigations***
- ***Drivers License Fraud and Identity Fraud Investigations***
- ***Licensing Safety Inspection Stations/Mechanics and Enforcing Safety Inspection Program Regulations***
- ***DWI Seized Vehicles***
- ***Odometer Fraud Investigations***
- ***Special Investigations***

  - 94 Non – Uniformed Inspector Positions to perform the above duties
  - 83% of job duties consist of the above
  - 17% of job duties are court and training requirements

BUDGET AND PERSONNEL TRENDS

	99-00	00-01	01-02**	02-03	03-04
Personnel	*$25,095,316	*$25,865,409	*$24,423,946	$16,468,501	$9,471,330
Operating	$6,623,011	$5,817,483	$5,844,697	$5,242,759	$3,760,039
Total	$31,718,327	$31,682,892	$30,268,643	$21,711,260	$13,231,369
# Of Positions	576	579	549**	173**	175

*Includes funding for 32 Work Zone Safety personnel.

**Personnel and budget figures reported as of June 30, 2002 was prior to positions being transferred to Crime Control & Public Safety in January 2003. The License & Theft Bureau had 173 positions under this budget department as of June 30, 2003.

- Transportation and License/Sticker costs represent 56 % of the License and Theft Bureau's certified operating budget.

- The License and Theft Bureau does not purchase patrol vehicles.
  - Reimbursement for mileage provided to the Department of Administration.

- Transportation cost budgeted for the FY03-04 is $826,443 or 30 % of the certified operating budget.

- The remaining 44 % of the License & Theft Bureau's certified operating budget is for training needs, basic law enforcement and equipment, auto accessories such as emergency lights and radios, etc., and technology needs.

SUCCESS STORIES

May 2003 - In response to HB 314, which transferred the DMV Motor Carrier Enforcement function to the Department of Crime Control and Public Safety, the License and Theft Bureau developed and implemented a new strategic plan. The plan focuses on both short and long term goals and objectives that are key to the Bureau's ability to accomplish it's overall mission. The following section lists some of the successes.

- Implementation of a new hiring and promotional interview policy that requires full panel consensus for candidate selection. The bureau is able to select the best candidate by utilizing a series of questions with pre-determined behavior dimension qualities that have been deemed appropriate for each position.
- The development of a new recruitment program, which includes a comprehensive policy and guidelines that can be used to effectively attract and employ candidates for law enforcement positions.
- The development of an I.D. Fraud Unit that focuses on driver's license fraud cases.
- Negotiated an interface solution for the law enforcement use of the Lo-Jack tracking System. The system is installed in law enforcement vehicles and is designed to track stolen vehicles through the use of towers and satellite technology.
- Outfitted all law enforcement vehicles with mobile data units. This provides real-time criminal and DMV vehicle/driver information.
- Provided all agents with the AAMVA document recognition training. This training enables the officer to recognize fraudulent documents used to obtain titles, drivers license and identification cards.
- Revamped basic training school to provide the specialized technical enforcement training required for newly hired personnel. This includes all the current I. D. fraud training provided to DMV agents.
- Revamped the Field Training Program to more adequately address the investigative duties and responsibilities for the DMV agents.
- On behalf of the state and in conjunction with the state's Attorney General's office, the License and Theft Bureau planned and hosted an identity theft conference for law enforcement officers. The conference was attended by more than 300 N.C. law enforcement officers and administrators.
- The License and Theft Bureau planned and hosted a training session for DMV hearing officers. The National Judicial College of Reno, Nevada provided administrative hearing training on "Conducting an Administrative Hearing."

MAJOR ISSUES AND CHALLENGES

- One of the major challenges of the License & Theft Bureau is to efficiently utilize limited existing personnel in order to meet the Division of Motor Vehicle and the License & Theft Bureau's many responsibilities and the Secretary of Transportation's goals and objectives.

- There has been no increase in personnel since 1983, however auto thefts, vehicle registration and licensed dealers have increased dramatically.

- Because of homeland security issues and the national problem with identity theft, this agency has been requested to conduct investigations into persons who may attempt to conceal their true identity. To sufficiently investigate these matters it is imperative that additional personnel be allocated for this purpose.

- The ability to track the daily activities of the officers will be utilized as a management tool to evaluate current and future operational needs of the section.

- Enhancement of the Section's technology infrastructure to consistently meet agency needs, as well as customer expectations.

- Train and prepare License & Theft Bureau personnel to operate in this new technological environment. One example of this is the development of a plan to enable the section to migrate into the CJIN network.

- Increased responsibility but no increase in manpower.

License & Theft Bureau – Emissions Program

MISSION AND FUNCTION

To ensure the State of North Carolina continues to enjoy the benefits of the compliance with Federal Clear Air Standards and to enforce all laws and regulations that have been enacted by the State of North Carolina which concern exhaust emissions testing and On Board Diagnostic (OBD) testing.

BUDGET/PERSONNEL TRENDS

	99-00	00-01	01-02	02-03	03-04
Personnel	$2,604,196	$2,611,824	$2,635,940	$6,435,170	$6,808,115
Operating	$2,542,274	$2,135,301	$7,557,768	$5,260,408	$7,138,335
Total	$5,146,470	$4,747,125	$10,193,708	$11,695,578	$13,946,450
# Of Positions	45	45	46	86	144

* FY01/02 includes the transfer of Highway Trust Funds in the amount of $2,623,761 for accrued telecommunication fees as stipulated in HB969 Emissions Fee Bill.

- The North Carolina Emission Program began in 1982 in Mecklenburg County. Vehicles are tested and required to pass the Federal Carbon Monoxide Standards. Between 1986 and 1992, North Carolina added eight (8) more counties to the emission testing requirements. These counties are in five (5) different DMV License & Theft Bureau Districts. Resulting from HB969, fourteen (14) additional counties were implemented into the North Carolina Emissions Program from July 1, 2003 to January 1, 2004.

Mecklenburg	Guilford	Cabarrus
Gaston	Orange	Union
Forsyth	Durham	Wake
Catawba	Cumberland	Davidson
Iredell	Johnston	Rowan
Alamance	Chatham	Franklin
Lee	Lincoln	Moore
Randolph	Stanly	

- Under the terms of the Clean Air Act Amendments of 1990, Environmental Protection Agency was required to establish minimum performance standards for emission programs. These standards were published in the Federal Register Vol. 57, No 215 part 51 and the NCDMV License & Theft Bureau is charged with implementing and enforcing these standards.

- This program is a receipt-funded program. The funding for the License & Theft Bureau Emissions program is $3.00 per inspection and is found within the emissions inspection cost of $30.00. Regular non-emissions inspection cost is $9.10.

- In December 2001, legislation was passed to expand the emissions program to 48 counties over a 5-year period.

INSPECTION FEE DISTRIBUTION

(As of January 2003)

Recipient	Safety Only Inspection	Safety and Emissions Inspection
Highway Fund	$0.55	$0.55
Emissions Program Account	$0.00	$3.00
Volunteer Rescue/EMS Fund	$0.18	$0.18
Telecommunications	$0.00	$1.75
Rescue Squad Workers' Relief Fund	$0.12	$0.12
Division of Air Quality	$0.00	$0.65
Highway Trust Fund Repayment Fee	$0.00	$0.25
Inspection Station	$8.25	$23.50
Total	**$9.10**	**$30.00**

SUCCESS STORIES

- Registration Denial was required to be in place by EPA no later than June 1, 1999. The program was started on April 1, 1999, one month ahead of schedule.
- The North Carolina Inspection/Maintenance Program is moving in a positive direction according to the EPA final report.
- Motorist compliance is over 95% in areas that have been surveyed by the Division of Air Quality.
- Effectiveness of covert audit program including a wide range of undercover vehicles, more effective tampering and rotation of undercover vehicles, and added training for DMV Emission Inspectors.
- Five (5) Day Notice of Violation to the Safety Inspection Stations and Mechanics. These notices inform them of a violation which could suspend or revoke the license within five (5) days of the conclusion of the investigation.
- Implemented a Federally mandated On Board diagnostic (OBD) testing program in existing counties.
- Enhanced the training of the Community College Instructors.

MAJOR ISSUES AND CHALLENGES

- Incorporate a Federally mandated On Board diagnostic (OBD) testing program in the new counties.
- Obtaining the necessary funding through sticker fee increases to implement and maintain program. The funding will be critical due to the changes and challenges the new program faces.
- To thoroughly inform the public through a public awareness campaign and gain acceptance of the program statewide.
- Upgrade the North Carolina Safety Inspection Program to allow for real-time inspection data collection.
- Implementation of OBD II Emission testing in nine (9) current emission counties and thirty nine (39) additional counties over the next six (6) years.
- Implement the OBD program in thirty-nine (39) new counties listed below.

July 2003	January 2004	July 2004	January 2005	July 2005	January 2006
Catawaba	Alamance	Buncombe	Edgecombe	Caldwell	Brunswick
Cumberland	Chatham	Cleveland	Lenoir	Haywood	Carteret
Davidson	Franklin	Granville	Pitt	Henderson	Craven
Johnston	Lincoln	Harnett	Robeson	Rutherford	New Hanover
Rowan	Lee	Rockingham	Nash	Stokes	Onslow
Iredell	Moore		Wayne	Surry	
	Randolph		Wilson	Wilkes	
	Stanley			Burke	

- Hiring and training new employees to audit and oversee the OBD program in new counties.
- Collect outstanding penalties and debts owed by non-compliant motorists.
- Improve and modify the existing program applications to process the enhanced OBD inspection.
- Train DMV personnel on OBD inspections.
- Enhance the training level at the Community Colleges to be able to train mechanics to effectively and efficiently repair OBD failures.

The DMV License & Theft Bureau is the only state law enforcement agency that is charged with the above specific duties.

North Carolina Department of Transportation
FY 2005-2007 Supplemental Budget Requests
Information Technology

	State CIO Gated Approval	2005-06	2006-07	Non-recurring Funds
DMV APPLICATION INITIATIVES				
[1] VERIFICATION OF CUSTOMER IDENTIFICATION SYSTEM This request is to implement hardware and software technology at local DMV offices to access national databases for validation of identities of individuals applying for North Carolina Drivers Licenses. This will be coordinated with applicable new and emerging homeland security initiatives and requirements. The required technology will be outsourced through competitive bid following State IT Purchasing requirements, and State CIO project approval and reporting processes.	–	–	$300,000	$1,272,000
[2] AUTOMATED DRIVER LICENSE TESTING SYSTEM Driver License section has automated testing systems installed in 45 of the busiest offices, and expects to have 23 more installed by the Spring of 2005. The requested funds will be to install the system in 34 additional sites in the small-to-medium customer volume range, providing automated testing systems for offices with more than two (2) examiners.	–	$185,100	$287,100	$811,760
[3] STAGGERED COMMERCIAL AND DEALER PLATES (SENATE BILL 1083) Senate Bill 1083 (ratified in 2004) mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer licenses. Currently, commercial plates expire December 31st and motor vehicle dealer plates expire June 30th. The mandated change goes into effect January 1, 2006.	–	–	$150,000	$1,280,000
[4] ONLINE DEALER REGISTRATION ENHANCEMENTS This request is to enhance the existing Online Dealer Registration System to allow motor vehicle dealers the option of performing titling and registration services on-site. This enhancement would provide funding to write an in-house client-server/Internet application that would provide cost savings and improves service-levels. The State CIO has approved $200,000 for a planning project, with a "gated" approval before allowing the project to proceed further.	$200,000	–	$200,000	$600,000
DOCUMENT MANAGEMENT SYSTEM Document Management refers to the storage, retrieval, tracking, and administration of electronic and scanned documents. Funding is requested for a feasibility study and pre-implementation preparation for a Document Management System to improve, streamline, and preserve information across the DOT. The State CIO has approved $500,000 for a planning project, prior to allowing any technology implementation to begin.	$500,000	–	$1,300,000	$500,000
EMAIL REPLACEMENT SYSTEM The Department of Transportation is running an aging and obsolete Email System. The vendor of this Email System no longer supports the system. The system is unstable and definitely needs to be replaced. The State CIO has approved this project, with $300,000 gated for a planning project.	$300,000	$550,000	$550,000	–
DESKTOP COMPUTER REPLACEMENT The Department of Transportation has approximately 8,000 desktop computers within its many divisions. Due to the large number of existing desktop computers, acquiring these funds will allow us to provide a 4-year rotation or refresh of computers. This request was approved by the State CIO and funding was recommended.	–	$1,000,000	$1,000,000	–
GRAND TOTALS	**$1,000,000**	**$1,735,100**	**$3,787,100**	**$4,463,760**

(Handout #2)

03-15-2005

Joint Subcommittee on Transportation Appropriations

BSIP Update

Mark C. Paxton
Chief Information Officer, DOT
March 17, 2005

(Handout #3)

DOT BSIP

- **Review of BSIP Timeline**
  - **BSIP Implemented April 2003**
  - **New CIO hired for DOT August 2003**
  - **BSIP Project was split between Fiscal and Information Technology until December 2003**
    - **Secretary consolidated BSIP under Information Technology**
- **Post-Implementation Objectives**
  - **Stabilization of System**
    - **On-time Monthly closes**
    - **Successful Fiscal Year End Close for CAFR**
    - **More timely processing for disaster reimbursements, etc.**
  - **Acceptance of System**
    - **Established work groups with users to address questions, issues, and concerns**
  - **Operating Expense Reductions (next page)**

DOT BSIP

BSIP ONLY Project - Annual Operating Expense ($Millions)

	FY 2004 ($ Millions)	FY 2005 ($ Millions)
Labor	$29.2	$18.3
Facilities, Hosting, Misc Expense	$5.6	$6.2
Maintenance Fees	$1.3	$1.3
Total	$36.1	$25.8

House Pages

Name Of Committee: Approp. Trans Date: 3-17-05

1. Name: Madison Bowden
   County: Wake
   Sponsor: John Hall
2. Name: Shane Edwards
   County: Rowan
   Sponsor: Fred Steen
3. Name: JJ Harris
   County: Wake
   Sponsor: Sen. Hunt
4. Name: Corey Barnard
   County: Wake
   Sponsor: Sen. Dannelly
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Bill Sullivan
2. Name: Frank Trevi
3. Name: George Robinson
4. Name: ~~[illegible]~~ Curtis Dowd
5. Name: _____

VISITOR REGISTRATION SHEET

Appropriations TRANSPORTATION 3-17-05
Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
PRESTON H. CUDD	DOT - IT
MARK PAXTON	DOT - IT
Steven Hulsey	DOT - IT
Joey Gardner	DMV License + Theft
Hope McLeod	DOT - DMV
Milton Alford	OSBM
Wayne Henderson	DMV - DOT
John Robinson Jr	DMV - DOT
Portia Mankey	DOT/DMV
Lee Hedgepeth	KCCH
Katy Isenhour	Intern
Lisa Martin	NC Home Builders
Rob Wilkey	Commonwealth Brands Inc
Tim Livesay	Commonwealth Brands Inc
Susan Conrad	NCDOT
Beau Mills	NC Metro Coalition / NCCM
Don Ferrier	NC DMV
Renée Porter	Research Asst. - Senator Larry Shaw
Betsy Bailey	NCPTA
Patrick Clancy	Speaker's Office
MARK POSTER	NCDOT
[illegible]	AP
R. Neal Cobb	NCHBA

Joint Subcommittee on Transportation Appropriations

Agenda

March 22, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, *presiding*

- Aviation Division *(Governor's Recommended Budget – Summary of Recommendations, page 161)*
    - Bill Williams, Aviation Director, DOT
- Public Transportation
    - Miriam Perry, Director, Public Transportation Division, DOT
- Administration Budget
    - Mark Foster, Chief Financial Officer, DOT

Future Meetings

Wednesday, March 23, 8:30 am
North Carolina Railroad
State Highway Patrol

Next Week
Thursday, March 31, 8:30 am
Global TransPark

Other meetings at the call of the Chairs

Joint Appropriations Subcommittee on Transportation
Tuesday, March 22, 2005
8:30am
Room 1228, Legislative Building

MINUTES

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Tuesday, March 22, 2005 in Room 1228 of the Legislative Building. Six Senators and the following Representatives were present: Cole, Coates, Stiller, Almond, Brown, Dickson, Gulley, Holmes, McMahan, Saunders, and Steen. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, introduced the pages and the Sergeant-at-Arms. Mr. Bill Williams, Aviation Director, DOT was the first presenter. He said the mission of the Division of Aviation was to promote the economic well being of North Carolina through air transportation system development and improved aviation safety and education. The Division is responsible for developing a safe and efficient air transportation system for the state and is responsible for the statewide airport/air transportation system consisting of 76 publicly owned/public airports, 3 publicly owned-public use heliports, including 12 commercial service airports and 343 privately owned airports. Mr. Williams then presented the outline of the budget appropriation. This is Attachment A of these minutes.

Ms. Miriam Perry, Director, Public Transportation Division, DOT was the next presenter. Ms. Perry gave a brief overview of the Division and the Federal and State Funding of the Division. This is Attachment B of these minutes. Attachment C of these minutes explains the state match for the Charlotte and TTA Rail projects appropriations vs. need. Ms. Perry stated that during the past several months, the Federal Transit Administration had conducted a full review of the modeling that underlies ridership assumptions for TTA's project. With the reduced scope of TTA's project from postponing 4 stations and 7 miles of track, and with the projects just starting to incur major costs, the state match appropriated to date is adequate for costs that the systems are about to incur. The major project costs will occur in FY's 2006-08. Using the current estimates of the project costs plus a small amount for possible cost increases, our state match appropriations are estimated to fully fund our project shares with the FY07 state budget, assuming that the continuation budget amount remains at $27,470,175. Costs are projected to be completed in FY 2008 for the South Corridor and the TTA regional rail project.

Mr. Mark Foster, Chief Financial Officer, DOT presented the expansion requests for the General Services Division and a brief overview of the Administrative area of DOT. This is Attachment D of these minutes. The first expansion item is to increase the expansion money for $537,500 for FY 2006 and $1,075,000 for FY 07. These are to cover the additional costs for printing of DMV services. The second expansion is for DMV postage expenses. Mr. Foster talked about the Highway Fund and the Highway Trust Fund and the fund sources and fund uses. These charts are on page 2 of the handout. The Department of Transportation utilizes the Highway Trust Fund Administration appropriations to fund the personnel, operating expenses, and activities that support or provide a direct benefit to the Highway Trust Fund program. The Highway Fund Administration expenditures and certified budget is on page 5 of the handout. The Highway Fund Administration is made up of 3 groups: the DOT Administration, DMV Administration, and the Highway Administration. The breakdown of these 3 groups can be found on pages 6 and 7 of this handout. Mr. Foster answered questions from the committee members.

The meeting adjourned at 10:00 a.m.

S. Clark Jenkins, Chairman

Carolyn M. Gooden, Committee Clerk

Attachment A

Outline
Division of Aviation
Budget Appropriation

Mission

Promote the economic well being of North Carolina through air transportation system development and improved aviation safety and education.

Specifically, the Division is responsible for developing a safe and efficient air transportation system for the citizens and businesses of the state. It is responsible for administering aviation programs for the statewide airport/air transportation system consisting of 76 publicly owned/ public use airports, 3 publicly owned-public use heliports, including 12 commercial service airports and approximately 343 privately owned airports.

Budget (FY 04-05)

Administrative Budget **$ 1,958,694**

Provides for the purchasing, logistical and administrative support and management and oversight for the Division of Aviation and its area of responsibility. In addition, provides for the salaries and benefits for 15 employees. Operate and maintain 3 DOT owned aircraft in support of the DOT's photogrammetry and aerial survey services and to support the Department and other governmental agencies with transportation services in support of assigned programs and missions.

State Aid to Airports **$ 11,174,744**

Under the authority of G.S. 63, assist in new airport development and construction and the maintenance and expansion of existing airports. This authority also includes the conduct of airport planning and environmental studies. The Division also identifies aviation safety deficiencies and implements programs designed to correct problem areas. In addition, provides for the salaries and benefits for 8 positions.

Federal State Block Grant Program (FY- 05) **$ 23,205,984***

This program is a further continuation of the grant and aid support described above. Administer the Federal State Block Grant Program under federal delegation and the authority under Chapter 63 of the NC General Statutes.

Total Budget (Estimated) **$ 36,341,422**

NOTE:
The **$23,205,984** in Federal Block Grant Funds includes approximately $7,900,000 in place named; $9,150,000 in AIR-21 funds; and $6,155,000 for apportionment.

Positions

The Division currently has 26 permanent positions (3 of which are vacant) and 4 temporary positions. There are three units:

- Aviation System Development Section
  Administer statewide airport and aviation system development activities including airport improvement and navigational equipment maintenance grants under the State Aid to Airport, Federal AIP (Airport Improvement Program) and AIR-21 (Aviation Investment and Reform Act for the 21st Century) programs. Also provides technical engineering services and program management for all approved projects.

- Aviation Safety and Education Section
  Conduct statewide pilot and mechanic safety and education programs in conjunction with the Federal Aviation Administration and regional pilot groups. Conducts briefings and training regarding airspace usage and aviation security.

- Aircraft Services Section
  Maintain and operate DOT aircraft and provide support and coordination for the North Carolina Department of Commerce (NCDOC).

Major Issues

- Continue to promote the economic will being of the state through the promotion of aviation
- New Airport Construction- Roanoke Rapids
- Continue Statewide Airport/Aviation Infrastructure Maintenance and Upgrade
  - Working with the Highway Division
  - Expanding state program
  - To include rural airports
- Small Community Commercial Airline Service
  - Continue working to improve and upgrade air service statewide
  - New Delta Airlines jet service at Kinston (April 1) and Hickory (May 1)
  - Upgraded jet service (US Airways) at Jacksonville and Fayetteville

- Additional Delta Airlines jet service at Wilmington to Cincinnati
- Lack of Adequate Local Airport Zoning (Height Restrictions)
- Runway Safety Areas
- Wildlife and Bird problems

Trends and Responsibility

- Continue to Increase Business Airport Development
- Continue to Increase in Small Community Commercial Airline Service
- Continue to expand Aviation Education, Safety and Security Programs
- Continue to expand Eligible Projects and activities at rural airports
- Continue to promote aviation safety and efficiency by implementing new aviation technology into the North Carolina Air Transportation System

Successes/Efficiencies

- Promoting Aeronautical Technical Training throughout the state
- Restructured Statewide Funding and Planning Activities Based on Department of Commerce's Enterprise Zone Destination
- North Carolina Aviation Safety Programs
- Continuing to successfully administer State and Federal Aviation Programs
- Support the NCDOC to promote Aviation/ Aerospace Interests in North Carolina
- Enhanced the statewide Airport Maintenance Program

Performance Measures

- Providing Adequate Airport Facilities
- Promptly Correcting Aviation/Airport Safety Deficiencies
- Providing Efficient Air Support and Air Transportation Services
- Providing Positive, Aggressive Leadership to the Aviation Community

Attachment B

NC Department of Transportation

Public Transportation Division
Overview and Funding

Joint Subcommittee on Transportation Appropriations
March 22, 2005

Public Transportation Division

- General Statute 136-44.20 designates NCDOT as the agency to receive and administer Federal and State public transportation funds

Public Transportation Division

It is the mission of the public transportation division, in partnership with other public and private entities, to support and promote the availability of high quality public transportation services and partnerships throughout the state by delivering funding, technical assistance and leadership.

Public Transportation Division

- NCDOT - Public Transportation Division does not own a fleet of vehicles or operate transit services
- Funds are passed through to subrecipients, also known as grantees, to undertake the public transportation project

Public Transportation Division

- Provides funds to local governments, transportation authorities, nonprofit agencies, institutions of higher learning, Indian Tribes and private transportation companies
- Responsible for monitoring the use of the funds and compliance with federal and state rules and regulations

Transit in NC

- 84 Community transportation systems (operate in nonurban areas)
  - 7 multi-county rural transportation systems
- 19 urban fixed route systems
  - 4 city-county transit systems
- 2 regional metropolitan transit authorities

Transit Ridership

(millions of passenger trips)

Fiscal Year	Rural	Urban
2002	6.9	38.9
2003	6.5	41.3
2004	6.6	43.9

Federal and State Funding

- FY06 State Budget of more than $89m
- Federal funds administered by NCDOT to support SFY06 projects of $17m (urban formula funds provided directly to transit system by FTA)
- *All* state funds are passed through to support local programs

State Funding

Rural Funding Programs

Capital Assistance Programs

- Funds up to 90% of the cost of vehicles and related equipment; renovation and construction of administrative and operations facilities; technology deployment
- Annual program of $8.85M

State Funding

Rural Operating Assistance Program

- Elderly and Disabled Transportation Assistance
- Work First/Employment Transportation
- General Public

- Intercity and Regional
- Annual Program of $12.15M

State Funding

Transportation Management Assistance Program

- Funds up to 90% of the administrative cost for human service and community transportation program operating in urban counties
- Annual Program of $2.7M

State Funding

Urban Funding Programs

- Urban and Regional Operating Assistance –
  - Annual Program of $29.9M
- Capital Program
  - Funds up to 90% of the cost of technology deployment and provides 10% match for federal grants for bus and other major capital item such as administrative and operations facilities
  - Regional New Starts - funds up to 25% state match for regional rail systems
  - Annual Program of $31.6M

State Funding

Statewide Public Transportation Grant Program

- matches federal grants administered by the department for local transit systems and metropolitan planning organizations; local transit demonstration projects; transit intern/apprentice programs, etc.
- Annual Program of $4.6M

Federal Funding

- Federal Transit Administration (FTA) Programs Administered by NCDOT
  - **Section 5311-** provides funds to nonurbanized areas for administrative, operating, capital and employee training costs; funds local system planning and statewide technical assistance and training activities provided by PTD

Federal Funding

- **Section 5303/5313** - provides transportation planning funds for metropolitan areas; funds statewide metropolitan technical assistance provided by PTD

Challenges and Opportunities

- Meeting the mobility needs in rural areas
  - Trips are longer, more costly
  - Identify opportunities to further coordinate transportation planning and service delivery
- Focus on the needs of the transit customer -
  - mobility choices
  - access opportunities
  - readily move from place to place

Attachment C

STATE MATCH FOR CHARLOTTE & TTA RAIL PROJECTS

APPROPRIATIONS VS. NEED

For rail transit projects, the State agreed to partner with local sponsors with a state share set at ½ of the nonfederal share -- expected to be 25% of the total project capital cost. The state share costs for each of the projects, per the State Full Funding Grant Agreements, were $199,300,000 for TTA's project and $92,713,368 for Charlotte's project – a total of $292,013,368. The General Assembly started appropriating match funding in FY 2000. A significant boost to funding the state commitment was made in FY's 2003 - 2005 with $86M from the Highway Trust fund balance made available for the rail transit projects. Funding was also provided for preliminary engineering (PE) work on Charlotte's other corridors and for PART's Alternatives Analysis for the East – West corridor.

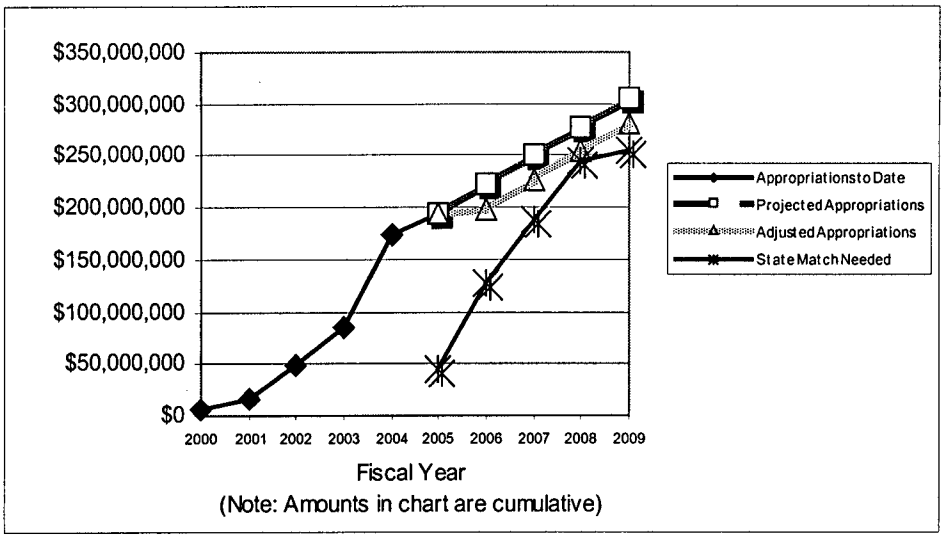
Changes to Projects

Subsequently, additional design work, actual costs for bid awards, putting aside larger contingencies and so on resulted in revised project cost estimates. Charlotte's project, whose costs are now mostly established by bids awards, has a state share of $106,710,892. The TTA project, which was reduced in scope for the initial phase, has a rough estimated state share of $138,900,000. A total of $245,610,892 is required for both projects. In addition to the Charlotte and TTA projects, a funding need has been identified for the PE work on the other Charlotte corridors and for Alternatives Analysis and PE work for the PART East – West corridor. Those costs are also included in the chart below.

Status of State Match Appropriations vs. Needs

During the past several months, the Federal Transit Administration has conducted a full review of the modeling that underlies ridership assumptions for TTA's project. With the reduced scope of TTA's project from postponing 4 stations and 7 miles of track, and with the projects just starting to incur major costs, the state match appropriated to date is adequate for costs that are systems are about to incur. The major project costs will occur in FY's 2006 – 2008. Using the current estimates of project costs plus a small amount for possible cost increases, our state match appropriations are estimated to fully fund our project shares with the FY07 state budget, assuming that the continuation budget amount remains at $27,470,175. Costs are projected to be completed in FY 2008 for the South Corridor and the TTA regional rail project.

Additional costs for the PE for Charlotte's other corridors and Alternative Analysis and PE work for the PART East – West corridor are included in the State Match Needed line for a total of $21,500,000 during the FY05 – 09 period.



Delaying FY 2006 Match Appropriation

Based on project delays for TTA mentioned above, the system scope reduction, current project estimates and past appropriations, NCDOT projects that only $4,063,521 of the continuation budget will be needed in FY06. This is the additional continuation funding appropriated in FY05 for planning activities for Charlotte's remaining four corridors and the Piedmont Authority for Regional Transportation. The department will still meet its match requirements for the two projects in a timely manner, assuming the resumption of the $27,470,175 continuation budget appropriation in FY 2007.

Future State Match Needs

There are significant future rail transit project costs in the pipeline. TTA will need to complete its rail project by extending the initial segment to the Duke Medical Center and to North Raleigh. A very rough estimate of that cost is $100,000,000, which would require a state match of $25,000,000. Charlotte is progressing 4 additional corridors through the New Starts process. The corridor likely to be first into the ROW acquisition and final design phase is the North Corridor, which may reach that status within the next year or two. A very rough estimate of costs for that project is $225,000,000 with a state match of $56,250,000. With a continuation budget of roughly $27.4M per year, the department should be able to provide match for those projects by FY 2012.

Attachment D

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

FY 2005-2007 Expansion Requests

General Services Division

The General Services Division is responsible for the construction, maintenance, and leasing of all buildings used by DOT (including DMV) and the State Highway Patrol. They also administer janitorial contracts, develop recycling programs, and manage the mailroom and printing functions for the department. The continuation budget for General Services is $18.2 million for each year of the biennium.

(1) CONTRACT FOR PRINTING SERVICES

The current printing contract was renewed in March 2005. It was originally established for DMV mainframe printing of registration and driver license renewal cards, public legal correspondence, and daily fiscal reports. Since 2003, DMV has increased printing volume significantly by adding titles and liability insurance forms. Other divisions within DOT have added network printing such as TIP books and BSIP training manuals. This contract now covers department-wide printing needs, where almost as many impressions are done for other divisions within DOT as done for DMV.

Fiscal Year	2005-06	2006-07
Requested Expansion	$ 537,500	$1,075,000
Contract Expenditures	$ 935,830	$1,075,000
Deficit	$(398,330)*	-0-

*Anticipated budget transfer from DOT's Information Technology Division

The renewed contract adds printing of tag stickers for Internet-based registrations to print volume and provides enhanced technology such as file scanning and Web-based printing submission capabilities.

(2) DMV POSTAGE EXPENSES

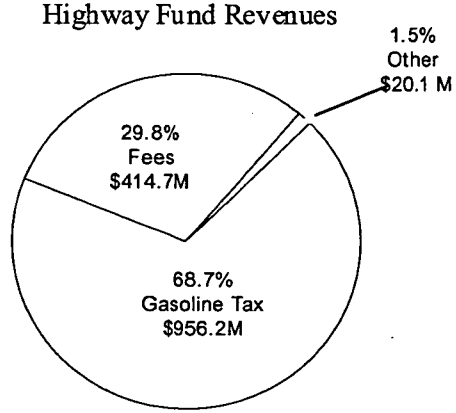
Postage expenses at DMV have been increasing steadily due to rising volumes of mail correspondence and increased postage costs. A partial funding increase of $231,538 was appropriated in 2004, but $900,000 is still needed on a recurring basis. For many years, budgetary shortages in this line item were covered by an internal transfer of available credit balance funds, an unpredictable funding source for a necessary business expense.

Fiscal Year	2002-03	2003-04	2004-05	2005-06
Certified Budget	$ 4,308,289	4,168,289	4,399,827	4,399,827
Actual Expenditures	$ 5,151,314	5,053,595	5,300,000 (est.)	5,300,000
Deficit	$ (843,025)	(885,306)	(900,173)	(900,173)

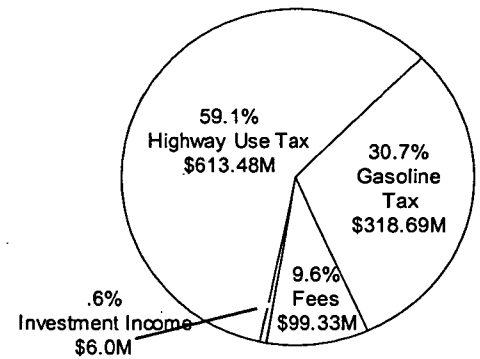
Highway Fund & Highway Trust Fund

2004-05 Fund Sources

Highway Fund Revenues

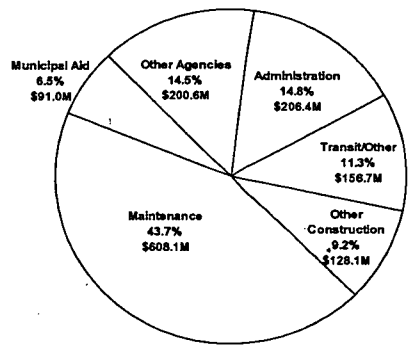


Highway Trust Fund Revenues

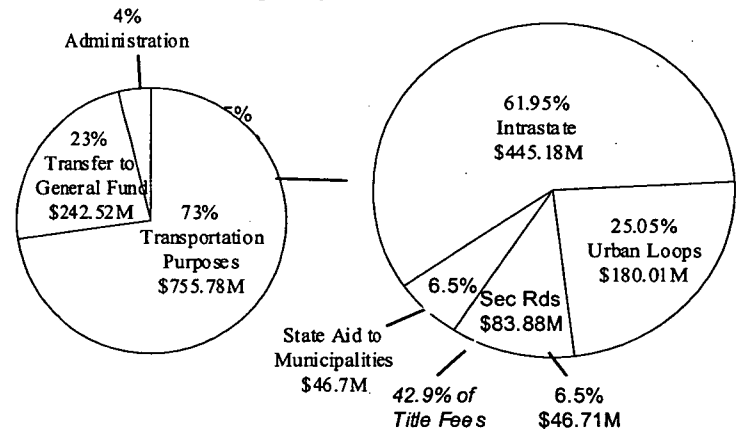


2004-05 Fund Uses

Highway Fund Uses



Highway Trust Fund Uses



Highway Trust Fund Administration Appropriations:

Per G.S. 136-176 (b), 3.8% of certain categories of revenue deposited in the Highway Trust Fund are annually appropriated to the Department of Transportation to be used to administer the Trust Fund. This appropriation is $39.6 million for FY 2004-05, $40.6 million for 2005-06, and $41.6 million for 2006-07. The 3.8% Highway Trust Fund percentage is down from a high of 4.5% in FY 2001-02.

The Department of Transportation utilizes the Highway Trust Fund Administration appropriations to fund the personnel, operating expenses, activities, and initiatives that support or provide a direct benefit to the Highway Trust Fund program. Currently, 75% of the 380 positions and 62% of the authorized budget dollars are for construction and preconstruction related activities in the Division of Highways. The Highway Trust Fund administration apportionment also covers HTF designated positions in DOT (Financial Management / General Services), DMV (Vehicle Registration / License and Theft), State of North Carolina and United States Government Programs (DENR, Cultural Resources, Wildlife Resources, US Fish and Wildlife Resources, US Environmental Protection Agency, and Department of Revenue Motor Fuel Compliance).

FY 04-05 AUTHORIZED HIGHWAY TRUST FUND ADMINISTRATION ALLOCATIONS (February, 2005)

DIVISION	FY 04-05 HTF AUTH BUDG	% BUDGET	# of HTF POS	% of POS
DOT Administration	$ 9,753,759	26%	60	16%
DOH Administration	23,252,495	62%	285	75%
Division of Motor Vehicles	4,396,910	12%	35	9%
Reserves and Transfers	400,880	1%	0	0%
	$ 37,804,044	100%	380	100%

The NC Department of Transportation continues to evaluate funding for initiatives that provide a direct benefit to the Highway Trust Fund. The majority of HTF administration commitments carry forward from year to year. However, there remains some flexibility to spot fund value-added programs.

[1] NCDOT – March 22, 2005

HIGHWAY TRUST FUND ADMINISTRATION ALLOCATION VS. EXPENDITURES
Fiscal Years 1997-98 THROUGH 2006-07

Fiscal Year	Appropriation	Expenditure	
1997-98	$ 25,918,895	$ 22,773,824	
1998-99	27,215,955	26,885,576	
1999-00	28,768,082	24,162,602	
2000-01	34,247,886	28,703,311	
2001-02	34,142,426	26,790,798	
2002-03	32,000,000	29,480,937	
2003-04	40,001,560	36,422,650	
2004-05	39,636,698	37,801,550	Forecast
2005-06	40,648,220		
2006-07	41,565,540		

Prepared by
DOT Budget Section,
3/21/2005

North Carolina Department of Transportation
Highway Fund Administration
Expenditures and Certified Budget

Fiscal Year Actual Expenditures

	2001	2002	2003	2004	2005 Forecast	2006 *Budget*	2007 *Budget*
DOT Administration	$ 75,175,986	$ 72,208,066	$ 70,059,049	$ 73,094,599	$ 70,000,000	82,604,119	83,455,914
DMV Administration	95,473,020	87,838,081	82,923,190	78,648,721	83,000,000	96,047,914	95,468,137
DOH Administration	2,473,872	2,084,855	1,904,446	1,943,050	2,000,000	2,544,160	2,544,160
DOH Operations Administration	24,883,365	24,280,462	23,914,679	25,529,317	27,500,000	28,077,452	28,088,004
Total Highway Fund Administration	$ 198,006,243	$ 186,411,464	$ 178,801,364	$ 179,215,687	$ 182,500,000	$ 209,273,645	$ 209,556,215
Annual Growth	4.2%	-5.9%	-4.1%	0.2%	1.8%	14.7%	0.1%
Total Highway Fund Certified Budget	$1,247,010,000	$1,318,690,000	$1,317,900,000	$1,352,784,674	$1,390,900,000	$1,525,860,000	$1,516,600,000
Administration % of HWF Budget	15.9%	14.1%	13.6%	13.2%	13.1%	13.7%	13.8%

DOT Position Counts

DOT Administration	570	569	574	565	569	568	568
DMV Administration	1,781	1,785	1,825	1,578	1,572	1,572	1,572
DOH Administration	20	17	17	19	15	19	19
DOH Operations Administration	777	722	719	771	770	770	770
Total Highway Fund Administration	3,148	3,093	3,135	2,933	2,926	2,929	2,929
Total NCDOT Positions	14,486	14,397	14,438	14,465	14,544	14,460	14,460

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

Test Report for MFOSTER

Run Date = 3/21/2005

Fiscal year	
Fund	
Commitment item	
Key Figures	
Funds Center	

Current User	MLFOSTER
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Fiscal Year (selection option, requi	2003..2005
Year to Date Period [Default = CFF	12
Fund	HF01

Funds Center		Commitment item / Fiscal year	Annual Expense 2003	2004	2005 Auth. Budget
	150001	Board of Transp	$ 79,741.45	$ 73,199.18	$ 96,284.00
	150002	Public Affairs	$ 1,280,193.63	$ 1,066,898.45	$ 1,537,994.00
	157015	PERSONNEL	$ 2,744,939.91	$ 2,935,176.29	$ 3,473,353.00
	150005	Mgmt Assessment	$ 432,410.43	$ 1,222,867.70	$ 2,405,372.00
	150006	Legal - AG Staff	$ 856,841.89	$ 1,021,123.03	$ 1,150,962.00
	150007	Administration (Sec)	$ 1,827,274.83	$ 1,997,423.70	$ 2,083,261.00
	150008	Internal Audit	$ 540,756.75	$ 502,716.85	$ 751,898.00
	151015	Turnpike Auth Board		$ 0.00	$0.00
	157010	DOT_ADMIN	$ 7,762,158.89	$ 8,819,405.20	$ 11,499,124.00
	157020	FINANCIAL	$ 9,411,352.63	$ 10,744,200.76	$ 10,827,318.00
	157025	INFO_TECH	$ 32,908,022.00	$ 34,071,195.25	$ 39,518,680.00
	157030	GENL_SERV	$ 16,446,102.79	$ 16,264,046.98	$ 17,333,679.00
	150035	Bicycle Program	$ 207,508.48	$ 173,434.31	$ 566,413.00
	150036	Public Transp	$ 249,592.16	$ 256,934.67	$ 411,100.00
	150037	Rail Division	$ 476,291.92	$ 592,504.76	$ 625,925.00
	150041	Aeronautics	$ 1,482,070.74	$ 1,066,793.91	$ 1,958,694.00
	157040	Ferry Admin	$ 1,020,264.99	$ 1,066,834.16	$ 1,228,395.00
	157035	TRANS_ADM	$ 3,435,728.29	$ 3,156,601.81	$ 4,790,527.00
	157920	PLAN & ENVIRON	-$ 103,208.86	$ 142,457.63	$ 170,049.00
	150042	GHSP	$ 95,685.15	$ 0.00	$0.00
	157005	CENT_ADMIN	$ 69,955,840.89	$ 73,197,807.63	$ 84,139,377.00
	157050	DMV_COMM OFFICE	$ 1,195,582.47	$ 1,022,096.57	$ 1,820,382.00
	157055	VEHCLE_REG	$ 29,832,145.08	$ 31,275,695.37	$ 34,127,797.00
	157060	LICENSE & THEFT	$ 19,137,430.76	$ 10,838,181.75	$ 12,545,335.00
	150049	DMV Driver Lic	$ 27,762,841.11	$ 30,256,021.58	$ 42,956,986.00
	150050	DMV Traff Saf Edu	$ 4,464,540.36	$ 4,647,115.51	$ 660.00
	150051	DMV Crash Reports	$ 530,650.51	$ 609,610.61	$ 20.00
	150054	DMV Exh Emiss Insp	$ 0.00	$ 0.00	$0.00
	157045	DMV	$ 82,923,190.29	$ 78,648,721.39	$ 91,451,180.00
	150055	Hwy Administrator	$ 776,229.57	$ 870,321.69	$ 1,060,436.00
	150056	Chief Engineer	$ 619,499.58	$ 781,409.84	$ 840,499.00
	150063	Secondary Roads	$ 179,686.94	$ 291,318.74	$0.00
	150064	Dir Preconstruction	$ 329,030.06	$0.00	$0.00
	151018	Dir. of Construction		$0.00	$0.00
	157065	DOH_ADMIN	$ 1,904,446.15	$ 1,943,050.27	$ 1,900,935.00

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

Test Report for MFOSTER

Run Date = 3/21/2005

Fiscal year	
Fund	
Commitment item	
Key Figures	
Funds Center	

Current User	MLFOSTER
Last Refreshed	3/18/2005 17:42:49
Fiscal Year (selection option, requi	2003..2005
Year to Date Period [Default = CFF	12
Fund	HF01

Funds Center	Commitment item / Fiscal year	Annual Expense 2003	2004	2005 Auth. Budget
▽ ▽ 157150	HWY_DESIGN	$ 0.00	$ 85.00	$0.00
▽ 157175	MAINT_ENVR	$ 4,000,378.24	$ 4,157,329.97	$ 3,267,741.00
▽ 157180	CONSTR_MAT	-$ 1,096.96	$ 0.00	$0.00
▽ 157185	SAFETY	$ 789,440.16	$ 880,994.91	$ 980,014.00
▽ 157080	Division One	$ 1,220,656.35	$ 1,391,824.92	$ 1,502,575.00
157085	Division Two	$ 1,359,649.92	$ 1,480,701.72	$ 1,548,483.00
157090	Division Three	$ 1,408,165.20	$ 1,504,760.44	$ 1,638,881.00
157095	Division Four	$ 1,434,588.59	$ 1,508,665.55	$ 1,631,111.00
157100	Division Five	$ 1,396,724.25	$ 1,549,608.32	$ 1,672,552.00
157105	Division Six	$ 1,408,321.95	$ 1,449,560.61	$ 1,585,280.00
157110	Division Seven	$ 1,598,111.16	$ 1,680,480.72	$ 1,782,825.00
157115	Division Eight	$ 1,382,861.15	$ 1,442,775.42	$ 1,494,299.00
157120	Division Nine	$ 1,281,921.15	$ 1,364,396.78	$ 1,460,806.00
157125	Division Ten	$ 1,571,064.06	$ 1,729,533.93	$ 1,858,700.00
157130	Division Eleven	$ 1,270,876.17	$ 1,351,333.84	$ 1,481,769.00
157135	Division Twelve	$ 1,247,072.86	$ 1,347,294.94	$ 1,497,680.00
157140	Division Thirteen	$ 1,180,597.86	$ 1,181,497.05	$ 1,337,889.00
157145	Division Fourteen	$ 1,334,983.36	$ 1,464,660.26	$ 1,543,952.00
157190	ROW ADMIN	$ 0.00	$ 53.05	$0.00
150149	Traffic Engineering	$ 0.00	$ 0.00	$0.00
150177	Computer Systems	$0.00	$ 0.00	$0.00
150178	PDE Proj Dev & Env	$ 0.00	$ 0.00	$0.00
150179	PDE Eng Trainee Prog	$ 30,363.29	$ 41,682.69	$ 121,415.00
151019	Project Services		$0.00	$0.00
151065	Utilities Unit			$0.00
151067	Materials & Test		$ 1,700.00	$0.00
151069	Roadside Environment		$ 377.10	$ 1,984,546.00
151070	Construction Unit			$0.00
▽ 157152	Contractual Svc Unit			$0.00
▽ 151077	Intelligent Tran Sys		$0.00	$0.00
151078	Civil Rights&Bus Dev			$ 6,848.00
▽ 157075	OPER_ADMIN	$ 23,914,678.76	$ 25,529,317.22	$ 28,397,366.00
TOTAL DOT ADMINISTRATION		$178,698,156.09	$179,318,896.51	$205,888,858.00

M

Senate

~~House Pages~~

Name Of Committee: T Rans Potch Date: 3/22/05

1. Name: Cyrus Scott
   County: WAKE
   Sponsor: Tony Rand
2. Name: Scott Gunn
   County: Alamance
   Sponsor: Hugh Webster
3. Name: Hollie Roney
   County: Wilkes
   Sponsor: John Garwood
4. Name: Matt Southern
   County: Forsythe
   Sponsor: Don East
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Curtis Sowd
2. Name: Leo Robinson
3. Name: Martha Gaddison
4. Name: Frank Prevo
5. Name: _____

Hudson Goldsmith
Reginald Cameron
Myles Coston
Hilton Ashlee

Wake Weiss
Wake Rep. Hall
Wake Rep. Ross
Forsyth Rep. Womble

Brown

VISITOR REGISTRATION SHEET

Joint Subcommittee on Transportation Appropriations
Name of Committee

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
Mark Little	NCTMF
Stephanie Sorko	Charlotte Chamber
Henry Huntsman	N.C.S.D.A.
Karen Bland	OSBM
Mich[illegible]	OSBM
Kim Crawford	TTA
Betsy Bailey	NC PTA
[illegible] Lamb	NCTMF
Gary Isenhour	Intern
Sean Mills	NC Helicopter Coalition
Arlie Kang	Martin Marietta Materials
Angie Harris	Maggie Taylor
Lisa Martin	NC Home Builders
Portia Manley	NCDOT/DMV
S Conrad	NCDOT
John Melton	Gov Ops
[illegible]	[illegible]
Sam Seal	WCSR
Jim Blackburn	NC Ass'n County Commissioners
R. Burl Williams	NCHBA
Vicki Heyward	WCSR
[illegible]	
Charlie Dell	NC Trucking Association
John Cyrus	NCSG

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Tuesday, March 22, 2005 9:55 AM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: APPROP. TRANSP. COMM. MTG 3/23/05
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/TRANSPORTATION** will meet as follows:

DAY: Wednesday March 23, 2005

TIME: 8:30 a.m.

Room: 1228/1327 LB

Transportation Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 10:00 a.m. on **March 22, 2005.**

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

3/22/2005

Joint Subcommittee on Transportation Appropriations

Agenda

March 23, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole, *presiding*
Senator Clark Jenkins

- North Carolina Railroad
    - Scott Saylor, President

- State Highway Patrol Budget Items *(Governor's Budget – Summary of Recommendations, page 159)*
    - Colonel W. Fletcher Clay, Commander, State Highway Patrol

Future Meetings

Next Week
Thursday, March 31, 8:30 am
Global TransPark

Other meetings at the call of the Chairs

JOINT SUBCOMMITTEE ON TRANSPORTATION APPROPRIATIONS

Minutes

March 23, 2005

8:30 a.m.

Room 1228 LB

The Joint Subcommittee on Transportation Appropriations met on March 23, 2005 at 8:30 a.m. in room 1228 of the Legislative Building. Representative Nelson Cole presided and called the meeting to order. Four members of the Senate Committee were present. A visitor registration sheet is attached and made part of these minutes. The following members of the House Committee were in attendance:

Rep. Nelson Cole	Rep. Margaret Dickson
Rep. Lorene Coates	Rep. Jim Gulley
Rep. Mary McAllister	Rep. Grier Martin
Rep. Bonner Stiller	Rep. Ed McMahan
Rep. Larry Brown	Rep. Tim Moore
Rep. Walter Church	Rep. Drew Saunders
Rep. Linda Coleman	Rep. Arthur Williams

Representative Cole opened the meeting and acknowledged the Pages and Sergeant at Arms. He introduced Mr. Scott Saylor, President of North Carolina Railroad. See Handout #1, North Carolina Railroad Company Overview. He gave a brief overview of the company and stated that their primary objective was to provide improvement and protection to the corridor and economic development to the line. They have 60 freight trains a day that are operated by Norfolk Southern with traffic up about 9%. Mr. Saylor then went over the Capital Improvement Schedule for 2001-2008 on page two of the handout. A brief question and answer period followed after page two. Mr. Saylor then went over the Income Statement for year-end 2004, which is found on page three of the handout. Senator Jenkins asked Mr. Saylor to provide the committee with an income statement for the year ending 2003 to show the differences of the two years.

Mr. Saylor then went over the building repair, renovation and relocation projects for the NC Railroad Company found on page four of the handout. Questions and answers followed. He briefly talked about the Economic Development plans for the Railroad.

Representative Cole than introduced the next presenter, Colonel W. Fletcher Clay, Commander with the State Highway Patrol. He introduced the other Highway Patrol members that were guests with him. He went over the State Highway Patrol's recommendations for the Governor's Budget which are found on Handout #2. These recommendations are: 1) VIPER Request at $1,500,000 for first year and $2,000,000 the second year; 2) Motor Carrier Positions Upgrade which would fund the transition of Motor Carrier Officers, formerly DMV Enforcement Officers, to take them to the final step of transition to become a trooper and then be assigned motor carrier enforcement duties.

This request is for $2,209,291 the first year and $3,797,916 the second year. Questions and answers followed this request. 3) To recommend 25 new additional troopers for Fiscal Year 2005-06 and 25 additional troopers for 2006-07 with the request being $1,375,00 for the first year and $2,750 the second year. The average number of calls for service per trooper in North Carolina is 459 calls a year. Questions and answers followed this request. 4) To recommend three new Sergeant (supervisory) positions for the Highway Patrol for the Fiscal Year 2005-06 and two additional Sergeant positions for 2006-07 with the request being $21,300 for the first year and $35,500 the second year. A brief question and answer period followed.

Representative Cole closed by stating that the Chairs of the committee would be meeting on Thursday, March 24th and the next meeting of the full committee would be March 31, 2005. There being no further business, the chair adjourned the meeting at 9:45 a.m.

Respectfully submitted:

Representative Nelson Cole, Presiding
Co-Chair, House Committee

Suzanne Smith
House Legislative Committee Assistant

Handout #1

North Carolina Railroad Company Overview

I. Improvement and Protection of the Corridor

- Capital Program and Obligations 2001-2008 (attached)
  - 2 Major Bridges Under Construction or Completed
  - 39 Miles of Track Replaced and 125 Miles of Upgrading Since 2001
  - 3 Major Bridge Projects Committed for 2005-2008
  - 6 Miles of Pass. Tracks and 32 Miles of Electronic Signals 2005-2006
- Corridor Management Project Implementation in 2005
- Financial Summary (attached)

II. Economic Development

- NCRR's capital program has become a part of local transportation planning and economic development.
- Large Scale Project Involvement
  - Auto Assembly
  - Aircraft Assembly
  - Plant Expansions

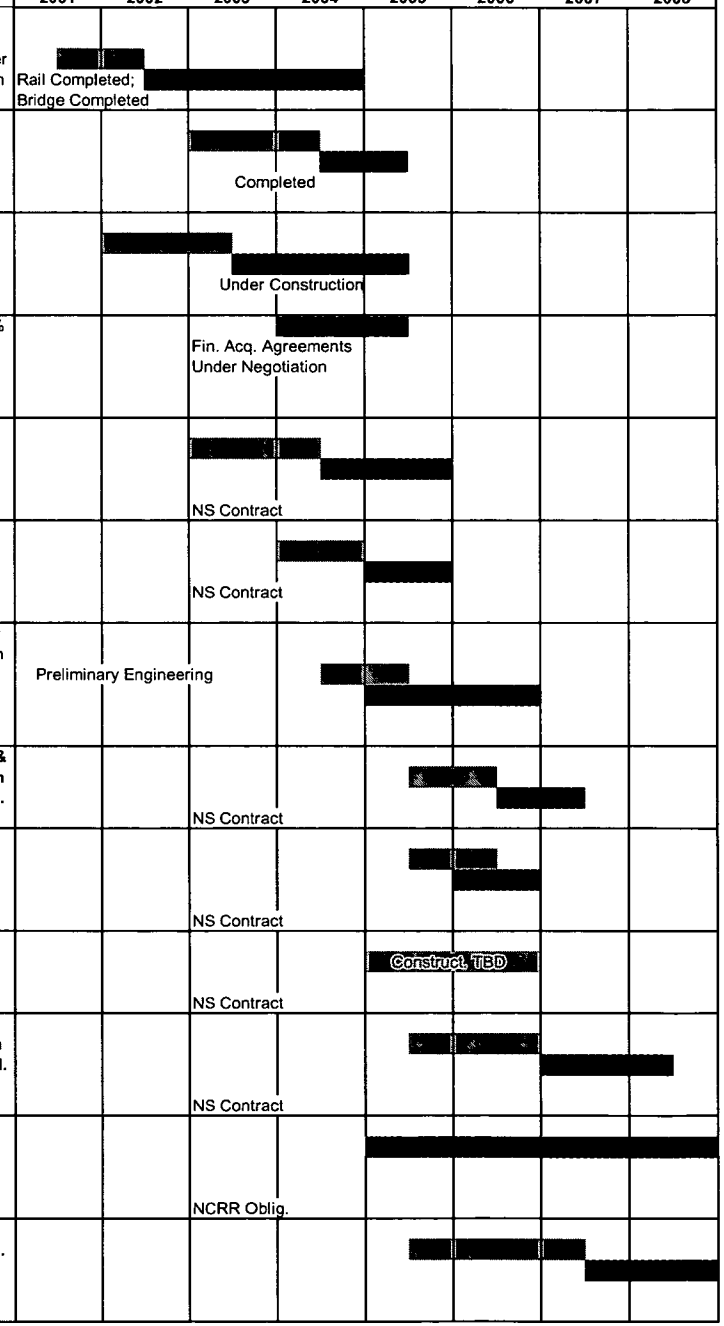
III. Building Renovation and Redevelopment

- NCRR property redevelopment is helping lead downtown revitalization in Raleigh, New Bern, Kinston, Lexington, Burlington, and Morehead City. Burlington and Raleigh projects have each won three development awards.
- $8 Million has been committed through 2008 to repair/redevelop NCRR-owned buildings

IV. Passenger Service and Commuter Rail

- As the state's roads become more congested, NCRR continues to address new passenger options in response to regional interests. In addition to the Charlotte and the Triangle areas, routes in the Triad and from Raleigh to Goldsboro are currently being evaluated.

	SUMMARY - Capital Improvements to NCRR	Benefit / Est. Time Sav.	Safety	Total Estimated Cap. Cost	Status
Rel. / Speed	**I-A; I-B(1) Repair/Replace Neuse River Bridge - Kinston; Imp. Rail** Increase load of bridge to permit 286,000 lb standard railcars as other segments of NCRR and allow port traffic; replace jointed rail with continuous welded rail (remaining 14 mile segment).	Inc. Load Rating; Replace Rail	* * * * *	7,100,000 **NCRR Fund.**	Rail Comp. Bridge Under Construction
Rel. / Speed	**I-B(2) Replace Jointed Rail - Complete Segment** Replace jointed rail with continuous welded rail (remaining 17 mile segment) same as Project I-(B)1; complete final section of NCRR main line with welded rail.	Replace Rail	* * * * *	4,950,000 **NCRR Fund.**	Sched. Dec. 2004
Rel. / Speed	**I-C) Replace NC 54 Railroad Bridge-RTP** Replace existing single track RR bridge in RTP with double track bridge and accommodate regional transit operations; improve traffic flow and eliminate substandard clearance	Capacity Imp Durh-Cary Upgrade Bridge	* * * * *	5,500,000 **NCRR Fund.**	Design Compl. Contract Awarded
Rel. / Speed	**I-D) Acq. Property to Straighten Curve East of NC 54 Bridge** Acquire acreage for future straigtening of curve in Durham County in Res. Triangle Park for adding passing siding and improving curvature to allow higher speeds for freight and passenger trains.	Capacity & Speed Improve.	* * * *	$2,000,000 (not incl. Track/ roadbed work) Add. NCRR R/W **NCRR Fund.**	Acquis. 50% Complete
Reliability	**I-E) Add approx. 6 miles double track Raleigh - Goldsboro** This work is to improve capacity by adding three passing tracks totalling approximately 6 miles between Raleigh and Goldsboro to improve passenger and freight train performance and service.	Capacity Imp	* * * *	18,700,000 **NCRR Fund.**	Design Pending
Rel./Speed	**I-F) CTC & Communications Raleigh - Goldsboro** This work is to add Centralized Traffic Control to raise to same standard as Raleigh - Charlotte to improve speed performance and reliability, and accommodate growth of freight and passenger service.	Elect. Traffic Control			Design Pending
Reliability	**I-G) Double Track High Point/Greensboro Seg. - 9 Miles** This work is to improve capacity by adding a second track (Cox-Hoskins) to reduce delays associated with meeting and passing trains. DOT studies have identified this portion of railroad as one of the most congested. **NCDOT/NCRR**		* *	NCDOT $15,000,000 NCRR $4,000,000	NS Review 30% Design Compl.
Rel. / Speed	**I-H) Repair/Renovate - Neuse R. Bridge - Johnston County** MP 106.5. Bridge constructed in 1927. Bridge is height and width restricted. Replacment under evaluation. 306 ft. long.	Improve Clearance/ Loading	* * *	5,000,000 (est.) NCRR Fund.	**Structural & Foundation Under Eval.**
Rel./Growth	**I-I) Storage Yard Relocation - Raleigh** Relocate storage yard eastward to create real estate development/parking; improve safety at Amtrak station; allow through trains on NCRR to/from New Bern and Morehead City Port (cost share w/ Norfolk Sou.)	Improve Eff., Re-use of Real Estate	* * *	6,500,000 (Neg.) NCRR/Other	**Design Pending / Site Identified**
Freight Dev.	**I-J) Construct 2 Mile Industrial Lead Track - Mebane** Construct track to Ford Distrib. plant in Mebane and other rail served sites in industrial park; joint project with Norfolk Southern	Freight Growth and Econ. Develop.	n/a	1,000,000 NCRR/NS Fund.	**Prelim. Design Complete**
Saf./Speed	**I-K) Reconstruct/Improve Grade Separations - Durham** Bridge and crossing improvements, downtown Durham, to improve roadway and pedestrian crossing safety; Sites are near other NCRR prop. adjacent to large scale redevelopment projects, TTA, and existing freight operations	Improve Speed and Safety	* * * *	4,000,000 NCRR/Other	**Pedestrian Bridge Eval. Pending**
Redev./Income	**I-L) Repair and Renovate NCRR Owned Bldgs. & Rel. Property** Repairs/renovations/relocations of NCRR buildings along the line for rental; Lexington, New Bern, Selma, Kinston, Goldsboro, Kannapolis, others	Economic Redevelop. & Income	* *	8,000,000 (over 4 years) NCRR/Other	**Building Sites Identified**
Safety/Rel.	**I-M) Eval. Bridge / Grade Sep. Sugar Creek Rd. - Charlotte** Grade separation of main freight/pass. line at Sugar Creek Rd under study. Joint safety project with NCDOT. **NCDOT/NCRR**	Improve Safety - Freight/Pass.	* * * *	10,000,000 + NCRR/DOT	**Under Eval.**



North Carolina Railroad Company

INCOME STATEMENT

Year Ended December 31, 2004

DRAFT
3-22-05

Income:	
Lease of roadway and land	$ 11,881,270
Other lease income	1,190,779
Interest income	330,084
Other income	34,375
Total income	13,436,508
Expenses:	
Wages and benefits	797,573
Professional fees	509,816
Contracted services	126,386
Reporting and public relations	118,361
Insurance	182,750
Franchise and property taxes	181,950
Depreciation	435,730
Repairs and maintenance	217,100
Utilities	69,399
General and administrative	316,849
Total expenses	2,955,914
Income before income taxes	10,480,594
Income tax expense	-
Net income	$ 10,480,594

North Carolina Railroad Company

BALANCE SHEET

December 31, 2004

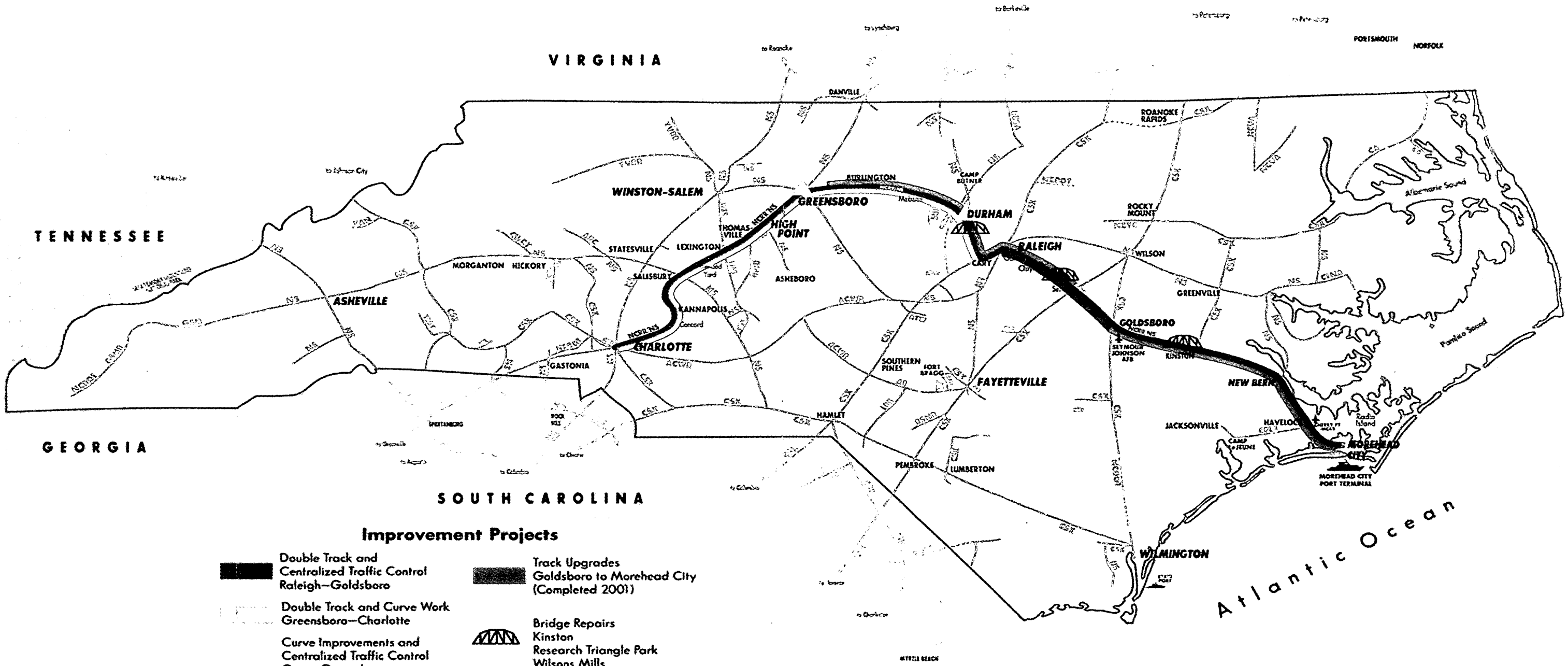
DRAFT
3-22-05

ASSETS

Current assets:	
Cash and cash equivalents	$ 2,515,604
Restricted cash	18,594
Accounts receivable	147,320
Prepaid expenses	46,879
Total current assets	2,728,397
Property and equipment:	
Roadway and land	7,848,742
Track and signals	1,588,540
Bridges and structures	5,448,312
Land	4,115,640
Buildings and improvements	6,059,443
Equipment and furniture	422,006
Construction in progress	8,651,029
	34,133,712
Accumulated depreciation	(1,333,480)
Net property and equipment	32,800,232
Other assets:	
Deposits	10,000
Funded capital projects	21,872,548
Total other assets	21,882,548
Total assets	$ 57,411,177

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:	
Accounts payable and accrued expenses	$ 1,827,242
Long-term liabilities:	
Security deposits	2,873
Shareholders' equity:	
Common stock, $.50 par value, 317 shares issued and outstanding	159
Preferred stock, $.01 par value, 105 shares issued and outstanding	1
Additional paid-in-capital	105,461,149
Retained earnings (deficit)	(49,880,247)
Total shareholders' equity	55,581,062
Total liabilities and equity	$ 57,411,177



Improvement Projects

- Double Track and Centralized Traffic Control Raleigh—Goldsboro
- Double Track and Curve Work Greensboro—Charlotte
- Curve Improvements and Centralized Traffic Control Cary—Greensboro
- Upgrades and Siding Extensions McLeansville, Mebane, Raleigh—Selma and West Durham
- Track Upgrades Goldsboro to Morehead City (Completed 2001)
- Bridge Repairs Kinston Research Triangle Park Wilsons Mills
- Upgrade Connections Greensboro and Durham

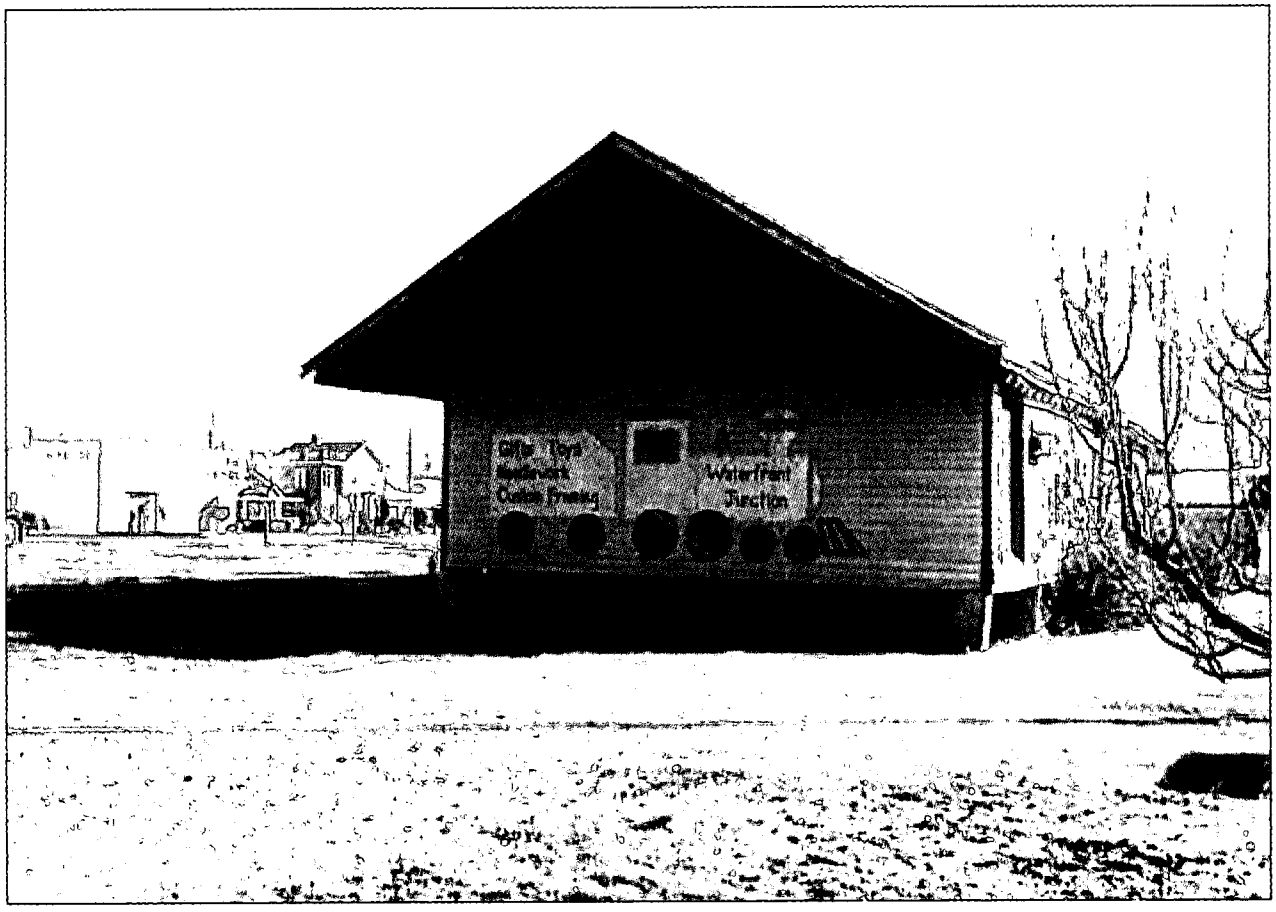
NORTH CAROLINA RAILROAD COMPANY

North Carolina Railroad Company Corridor Improvement Projects 2002–2008

North Carolina Railroad Company
Building Repair, Renovation and Relocation

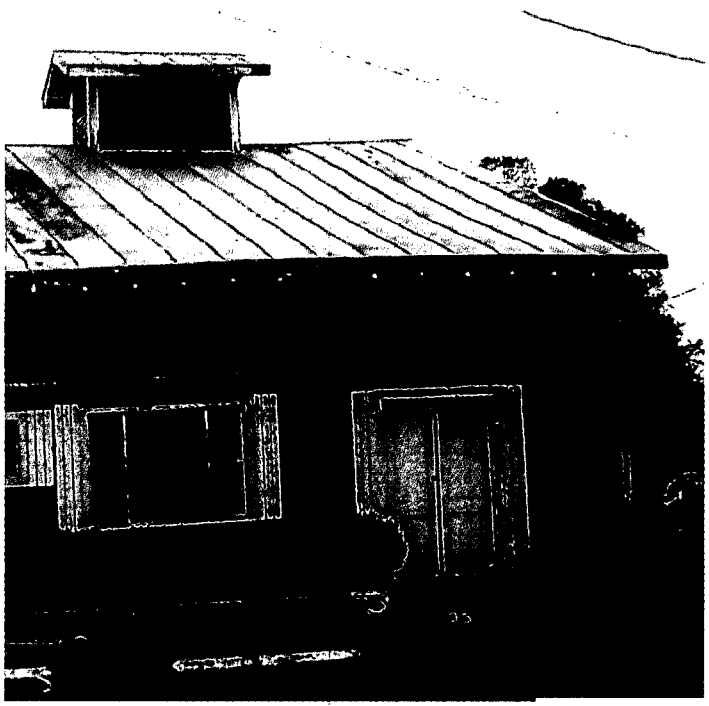
	Project/Requirements	Highest & Best Use/Safety Issues	Existing Use	2005-2008 Commitment
1	**Morehead Freight Depot** Move building/site cleanup	Any use unsuitable at present location -- sell/donate and move to another location	None	150,000
2	**Newport Freight Building** Address deferred maintenance, building upgrade and paving	Office or retail rental	Portion leased as office	250,000
3	**Havelock Depot** Subsidize moving building/ site cleanup	Any use unsuitable at present location - agreement pending to donatel to Havelock Historical Preservation Assoc. for relocation	None	75,000
4	**New Bern Passenger Station** Rehab for adaptive reuse	Possible relocation due to proximity to rail tracks - retail/office uses possible	None	2,100,000
5	**New Bern Warehouses (two attached bldgs)** Address deferred maintenance, building upgrade & site work	Has potential for retail or office as area is redeveloped.	Leased as warehouse/distribution	800,000
6	**Kinston Freight Depot** Address deferred maintenance, building upgrade & site work	Warehouse or Farmers Market has been discussed	None	900,000
7	**Goldsboro Freight Depot** Address deferred maintenance, building upgrade & site work	Warehouse/distribution	Partial Norfolk Southern occupied	1,000,000
8	**Princeton Freight Depot** Move building	Any use unsuitable at present location -- sell/donate and move to another location	None	25,000
9	**Selma Freight Depot** Land acquisition Move building and upgrade	Any use involving automotive or pedestrian traffic is unsuitable at present location -- Town of Selma would like to use as museum but needs to be moved to another site	Leased storage	150,000 300,000
10	**Lexington Freight Depot** Address deferred maintenance, building upgrade & site work	Warehouse/distribution. May have retail possibility as area is redeveloped.	Portion leased to rail user	750,000
11	**Kannapolis Depot** Move or demolish building, upgrade, site cleanup & site work	Now used by Norfok Southern as offices. Any other use unsuitable at present location.	Partial Norfolk Southern occupied	1,000,000
				7,500,000
			Contingency	750,000
			Total	8,250,000

North Carolina Railroad
Morehead City Freight Depot



North Carolina Railroad
Newport Freight Depot









North Carolina Railroad
Havelock Freight Depot



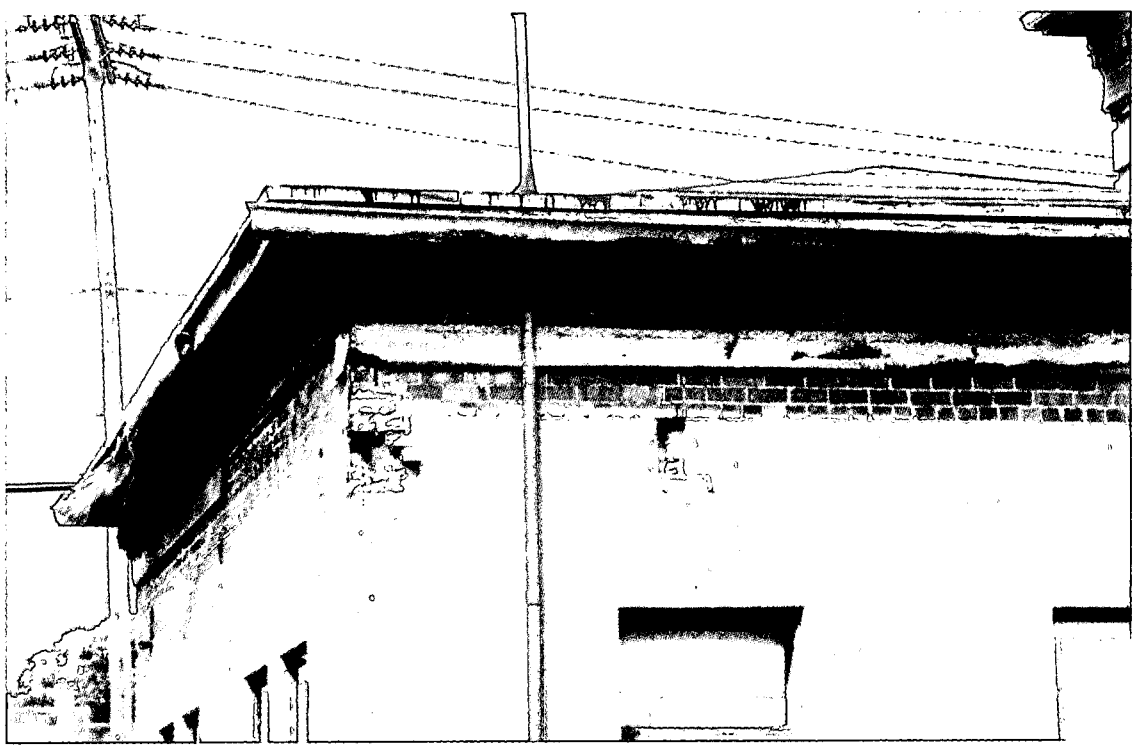
North Carolina Railroad
New Bern Passenger Depot





North Carolina Railroad
New Bern Passenger Depot
(continued)



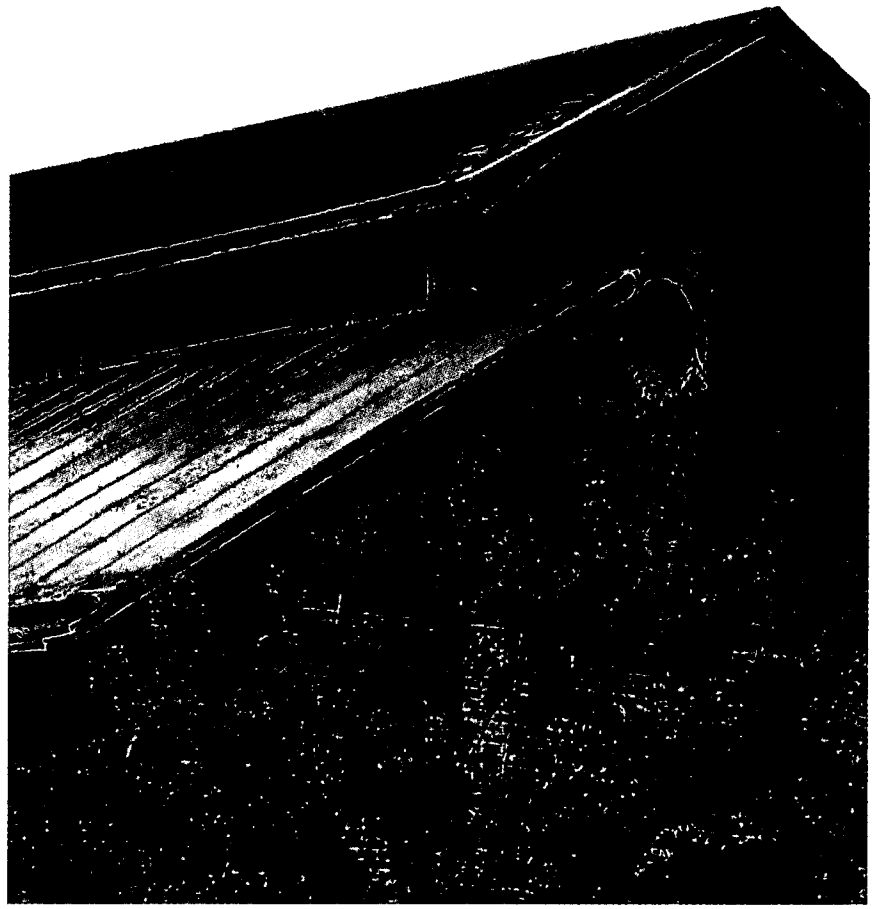


North Carolina Railroad
New Bern Passenger Depot



North Carolina Railroad
Kinston Freight Depot

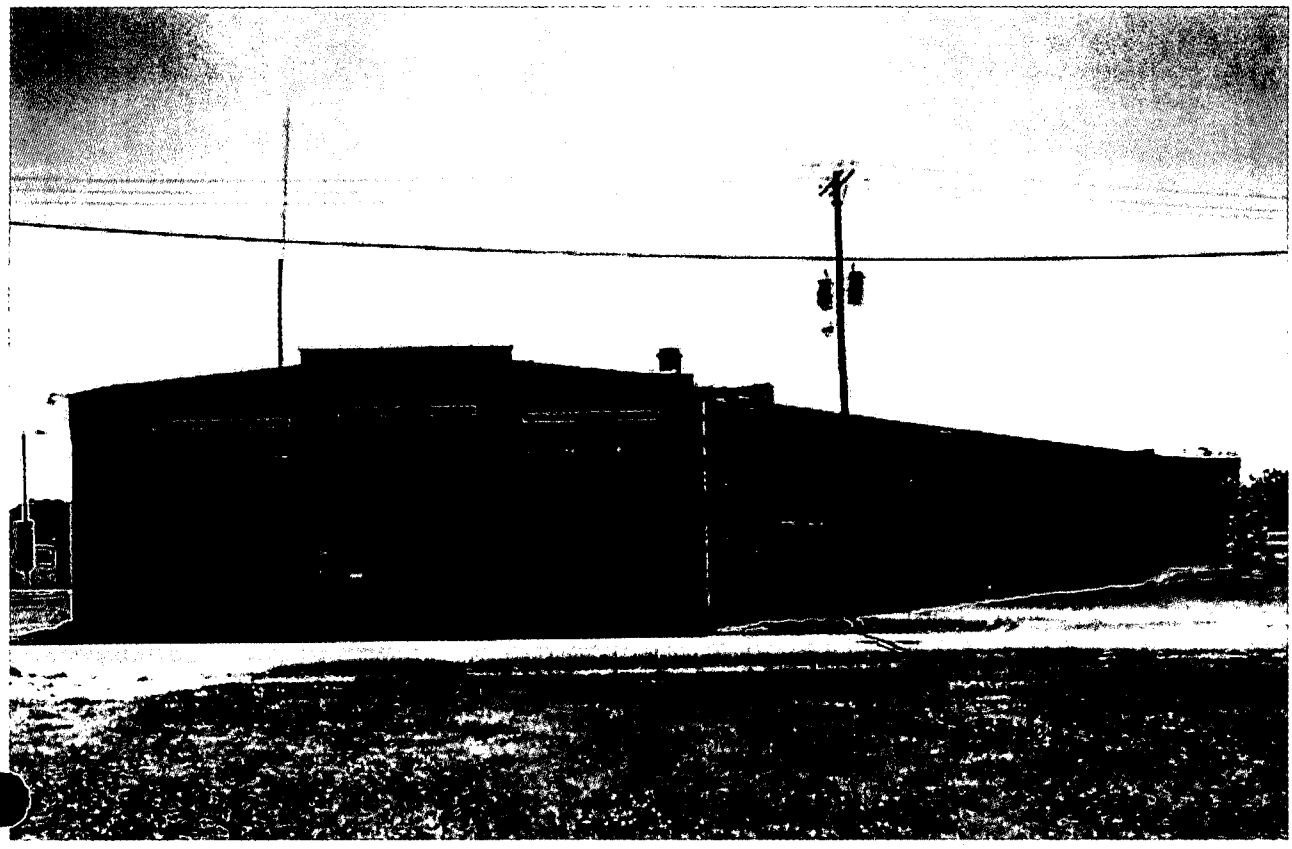




North Carolina Railroad
Kinston Freight Depot
(continued)

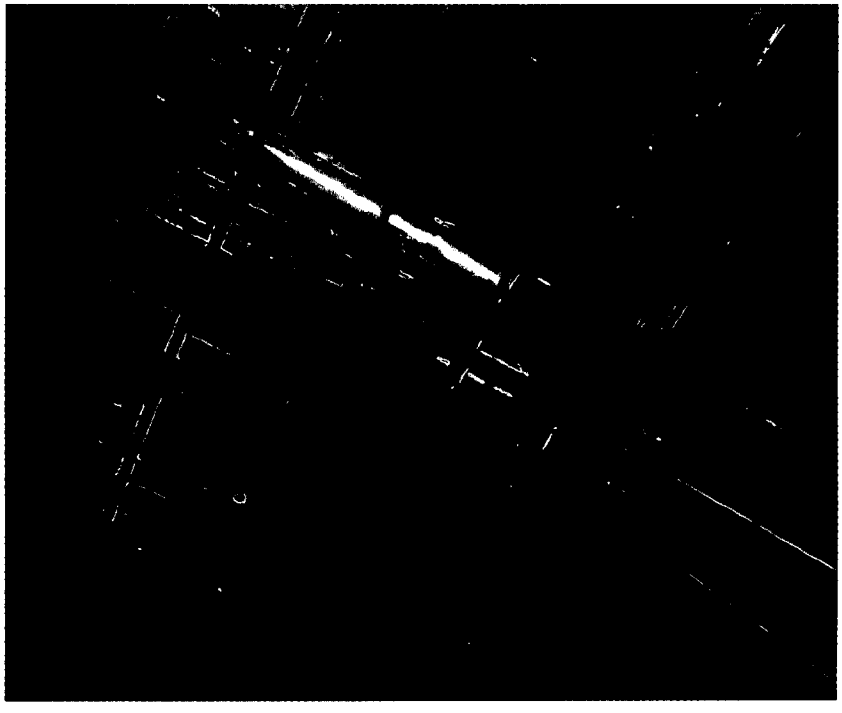


North Carolina Railroad
Goldsboro Freight Depot

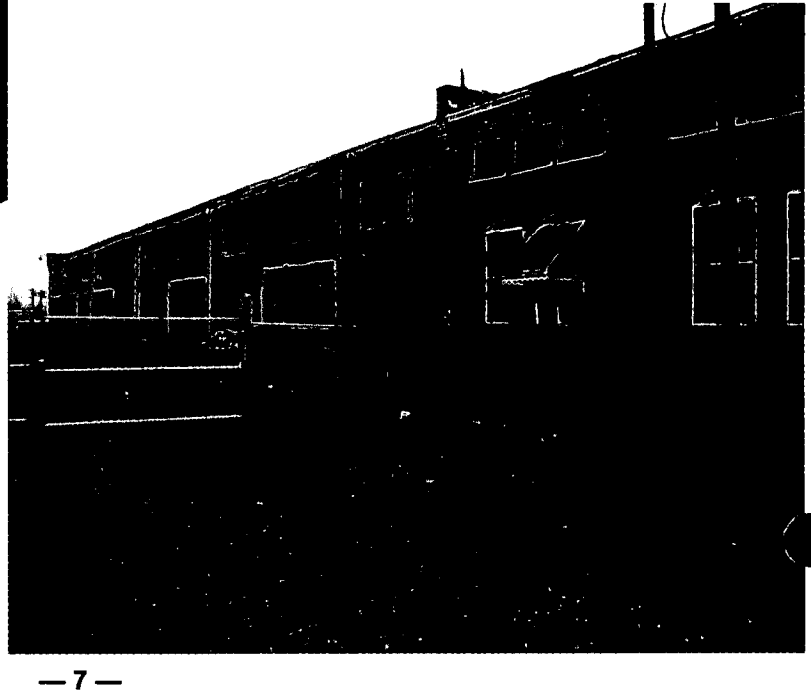




North Carolina Railroad
Goldsboro Freight Depot
(continued)



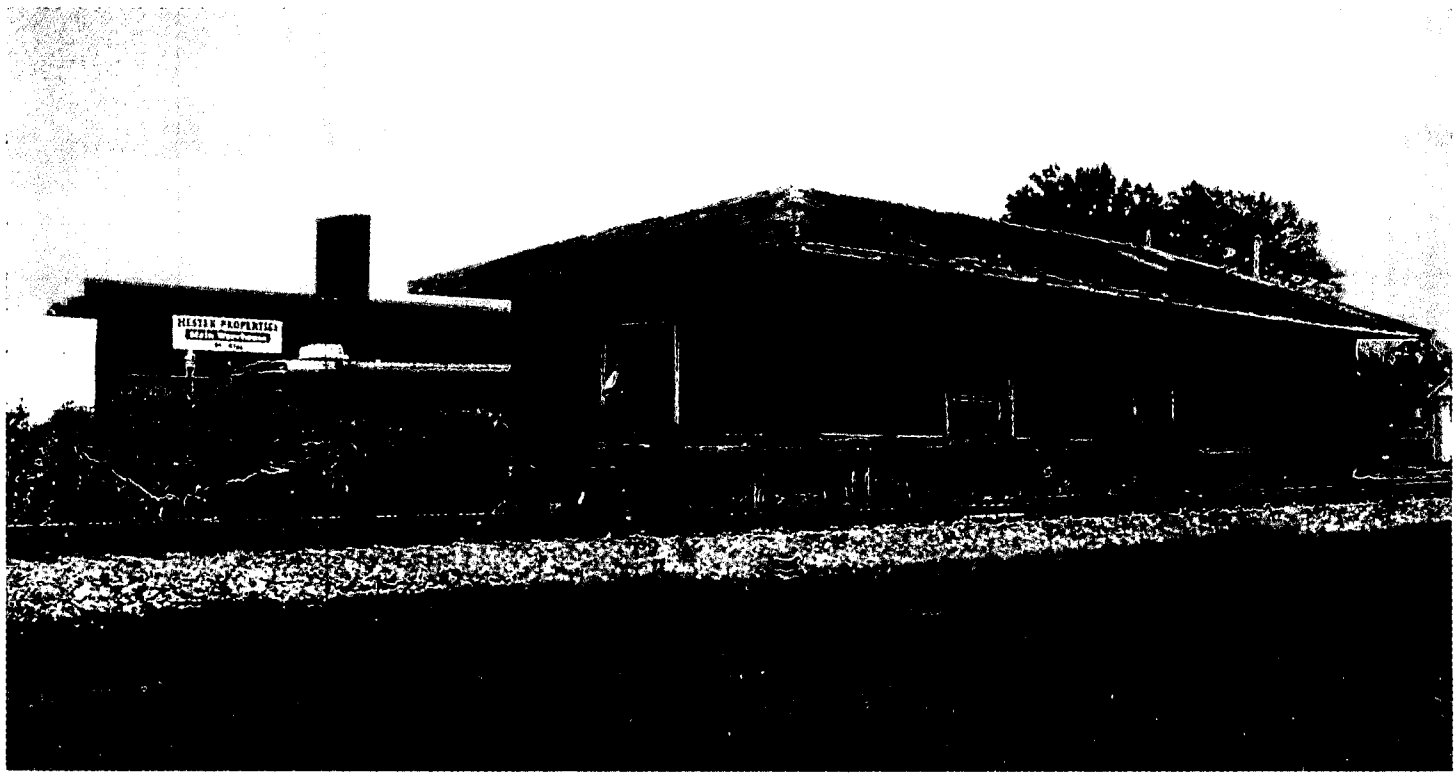




North Carolina Railroad
Princeton Freight Depot

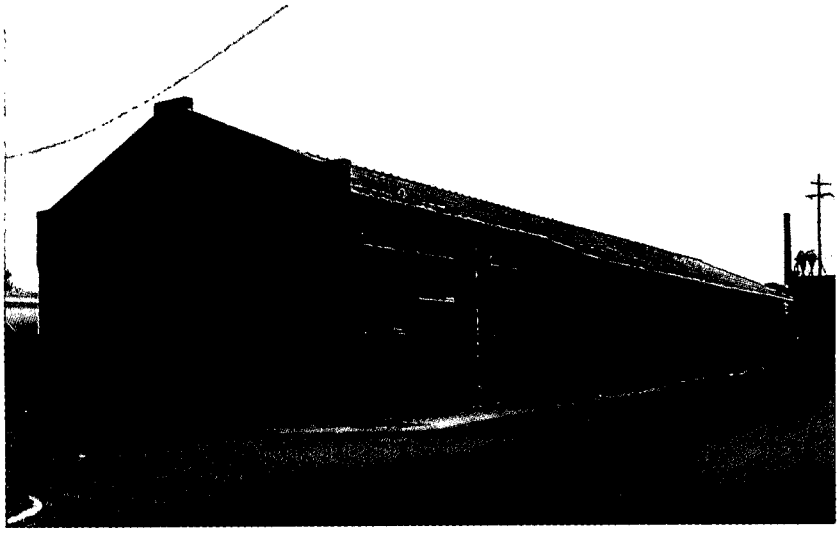


North Carolina Railroad
Selma Freight Depot

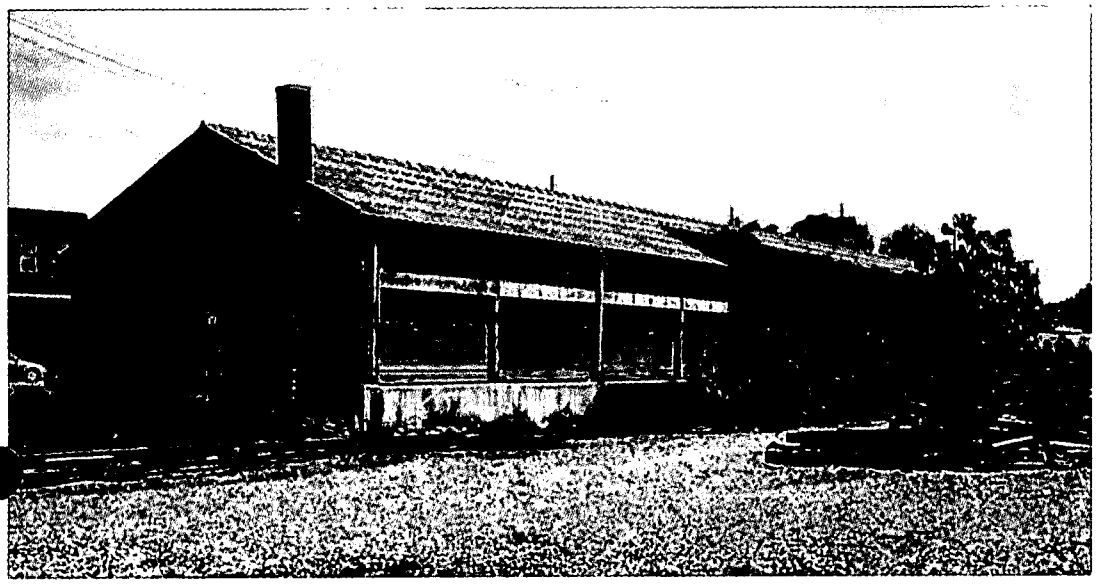




North Carolina Railroad
Lexington Freight Depot







North Carolina Railroad
Kannapolis Passenger Depot



Handout #2

North Carolina State Highway Patrol

VIPER - Voice Interoperable Communications Plan for Emergency Responders

Additional funding is recommended to continue the deployment of the VIPER Strategic 800 MHZ statewide system for all of North Carolina's public safety agencies. This request includes the funding required to continue the rollout of the VIPER project. The SHP represents 15% of the CJIN-MDN users; other state agencies make up 3% of the users, and the remaining balance of the users are local public safety agencies.

1,500,000	2,000,000

Motor Carrier Positions Upgrade

Highway Fund appropriations are recommended to provide 243 Motor Carrier Enforcement Officers, formerly DMV Enforcement Officers, with the required training to get to the same level of arrest authority and pay as their trooper counterparts.

2,209,291	3,797,916

Additional Troopers

It is recommended that Highway Fund appropriations be provided to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. A total of 25 new troopers is recommended for Fiscal Year 2005-06 with 25 additional troopers for Fiscal Year 2006-07, for an increase of 50 for the biennium.

1,375,000	2,750,000

Additional Sergeant Positions

It is recommended that Highway Fund appropriations be provided to increase the number of Sergeant (supervisory) positions for the North Carolina Highway Patrol by upgrading existing Master Troopers to the rank of Sergeant. A total of three new Sergeant positions is recommended for Fiscal Year 2005-06 with two additional Sergeant positions for Fiscal year 2006-07, for an increase of five for the biennium.

21,300	35,500
$5,105,591	**$8,583,416**

Appropriation

1. **VIPER** (Voice Interoperable Communications Plan for Emergency Responders) — 15,000,000 — 15,000,000
2. **Additional Troopers** (training & equipment) — 1,125,000 — 1,125,000

$16,125,000	**$16,125,000**

Appropriation - Nonrecurring

House Pages

Approp Transportation
Name Of Committee: _____ Date: 3-23-05

Senate Pages

1. Name: Brantly Braswell
   County: Wake
   Sponsor: Sen. Basnight
2. Name: Mark Best
   County: Wake
   Sponsor: Sen Hunt
3. Name: Joel Rubin
   County: wake
   Sponsor: Sen. Dorsett

House Pages

4. Name: Kylie Mason
   County: Wake
   Sponsor: Rep. Dollar
5. Name: Reginald Cameron
   County: Wake
   Sponsor: Rep Hall

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: Geo Robinson
3. Name: Curtis Dowd
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 3/23 **, 2005**

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kat Christian	NC Railroad 2809 Highwoods Blvd
Chuck Burrell	NC Railroad " " "
Pat Simmons	NCDOT
Kerry Sanders	Intern
Casandra Skinner	NC CCPS
Bennie Aiken	CCPS
W. Fletcher Clay	NCSHP
Carl Brown	Capitol Group
Mike Clark	OSBM
Warren Plonk	OSBM
Cecil E. Lockley	SHP
JAMIE J. HATCHER	SHP
WOODY F. SANDY	SHP
Elmer Lam	NCTMF
Chuck Hobart	NCTMF
Greg Hayes	NCSHP
Walter J. Wilson, Jr	NCSHP
Lee Hodge	KCLH
[illegible]	NCACC
[illegible]	CAPA

Joint Subcommittee on Transportation Appropriations

Agenda

March 31, 2005
8:30 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins, *presiding*

- North Carolina Global TransPark Authority
    - Darlene Waddell, Executive Director

- DOT Accounting System (BSIP) *continued*
    - Mark Paxton, Chief Information Officer, DOT

Joint Appropriations Subcommittee on Transportation
Thursday, March 31, 2005
8:30am
Room 1228, Legislative Building

MINUTES

The Joint Appropriations Subcommittee on Transportation met at 8:30 am on Thursday, March 31, 2005 in Room 1228 of the Legislative Building. Five Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Almond, Brown, Church, Dickson, Gulley, Martin, McMahan, Moore, Steen, and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, introduced the pages and the Sergeant-at-Arms. Ms. Darlene Waddell, Executive Director, North Carolina Global TransPark Authority was asked to speak to the committee. She gave an overview of the Global TransPark project, where they have been and where they are going. The Global TransPark is composed of three organizations: the Global TransPark Authority, the Global TransPark Foundation, and the North Carolina Global TransPark Development Commission. These are Attachments A and B of these minutes and the handouts will give full details of Ms. Waddell's presentation. Ms. Waddell introduced Dr. Jerry McCrane, President of EcoScience Corporation, to speak about the environmental issues with the Global TransPark project.

Mr. Mark Paxton, Chief Information Officer, DOT gave a brief account of the Business Systems Information Portal (BSIP) Project Briefing. His remarks and presentation are Attachment C of these minutes.

The meeting adjourned at 10:00 a.m.

S. Clark Jenkins, Chairman

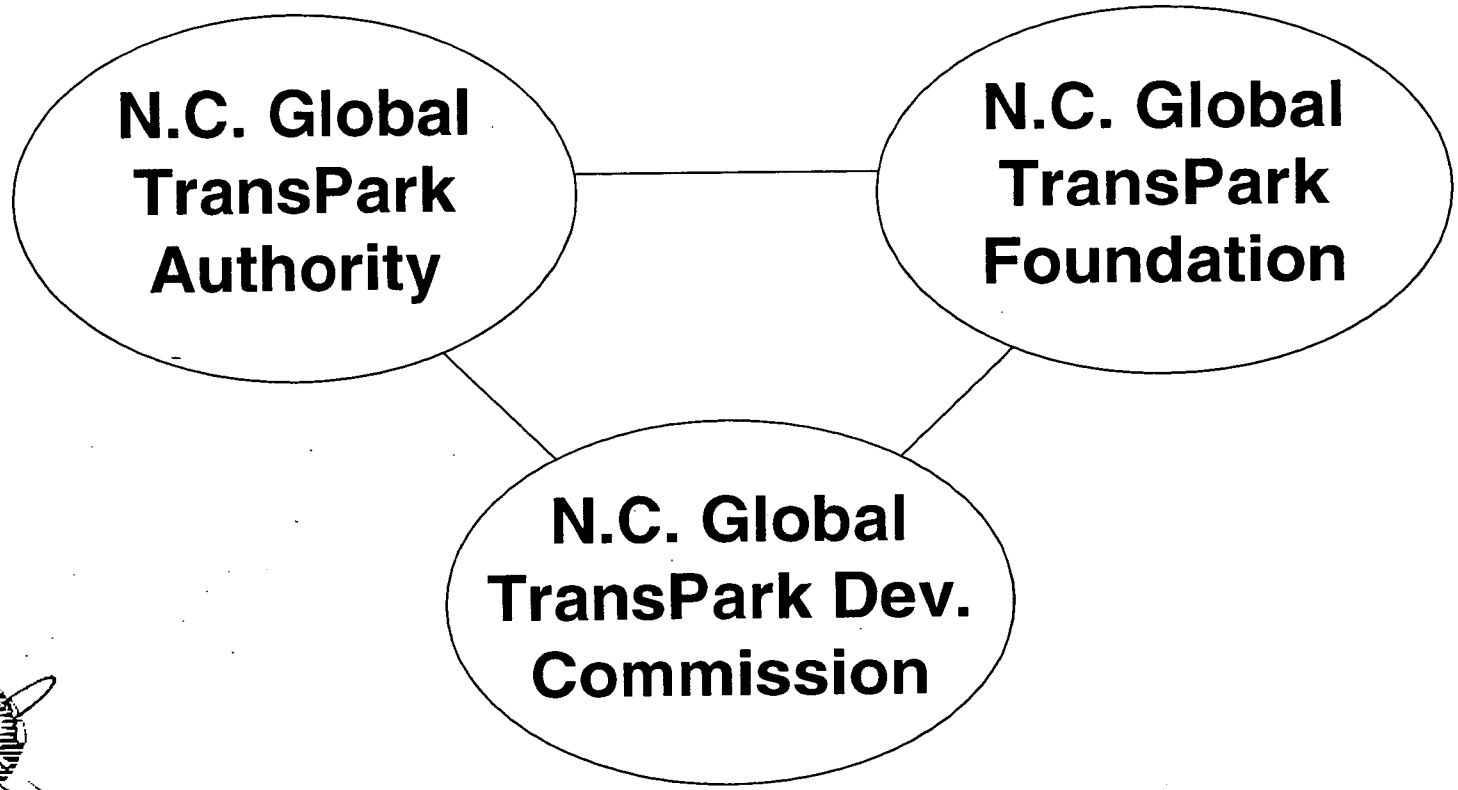
Carolyn M. Gooden, Assistant



North Carolina
Global TransPark®

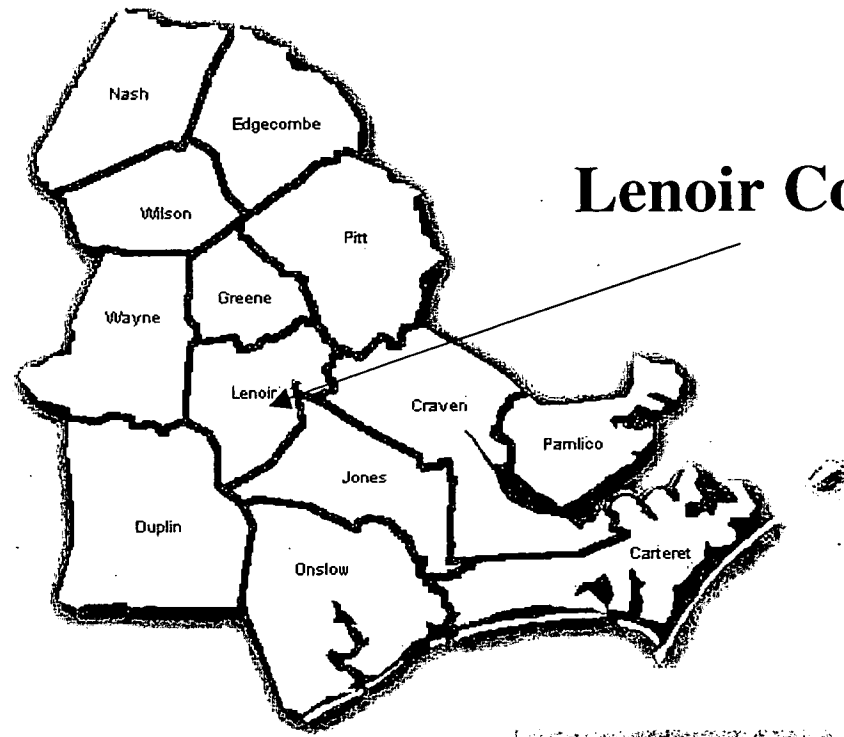
Attachment A

Global TransPark Organizations



North Carolina Global TransPark

13 County Development Region



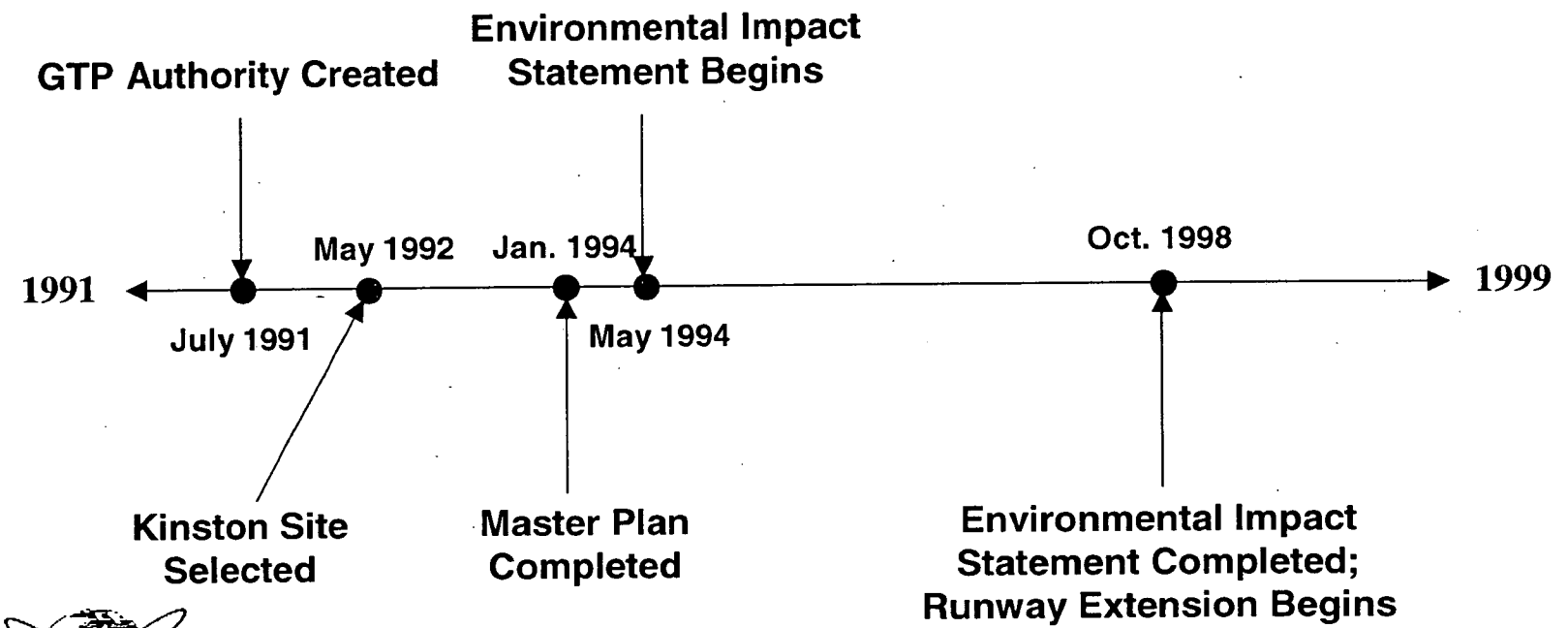
Lenoir County



Area shown

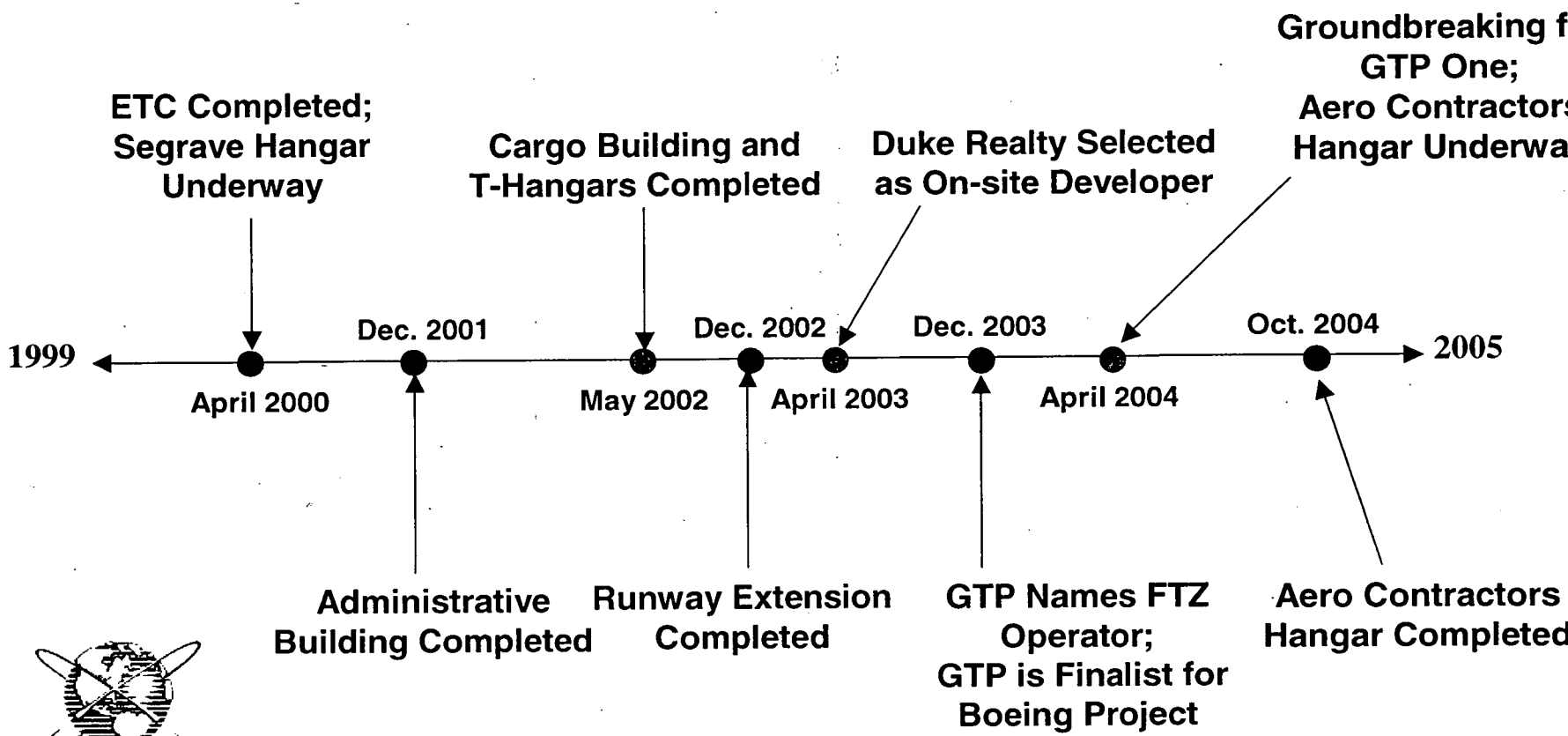
North Carolina
Global TransPark

TransPark Timeline: 1991-1999



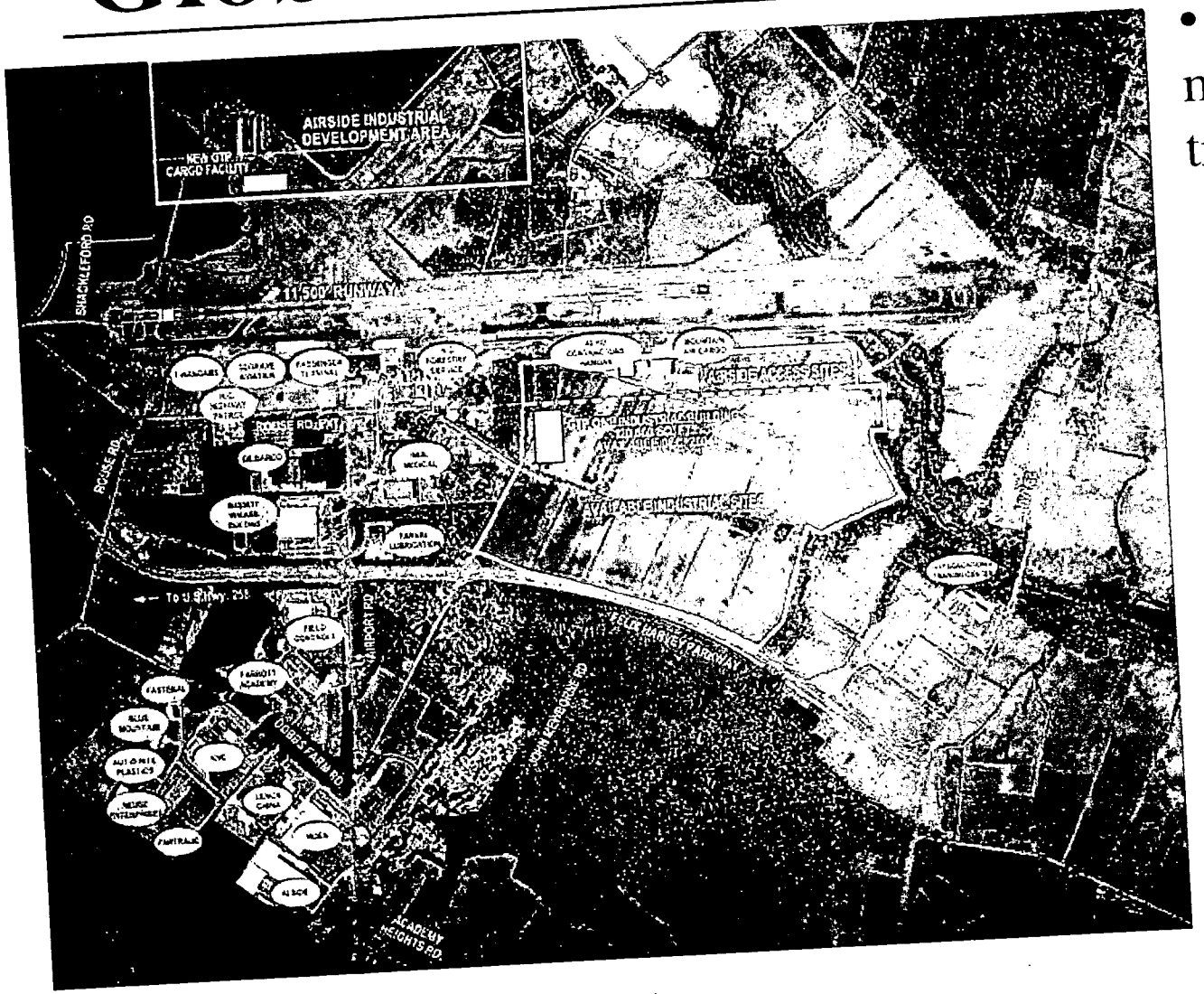
North Carolina Global TransPark

TransPark Timeline: 2000-2005



North Carolina
Global TransPark

Global TransPark Overview



- Master-planned, multi-modal transportation park:
  - 11,500 foot runway
  - Foreign-Trade Zone #214
  - Available industrial sites with infrastructure in place
  - Permit in place spans 5,775 acres
  - Education and Training Center

Global TransPark Tenants

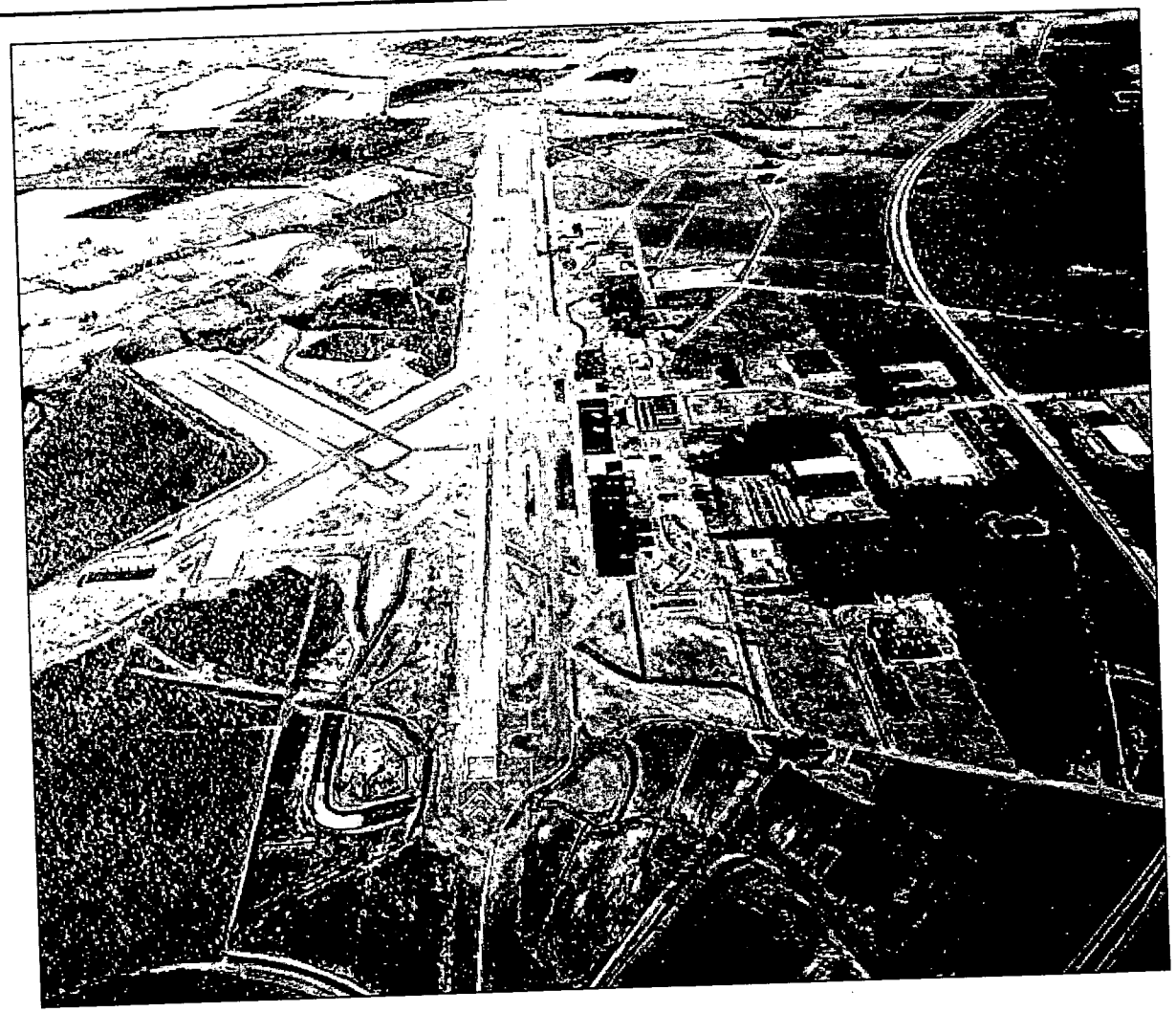
- **On the Airport**
  - Aero Contractors
  - General Service Company
  - Henley Aviation
  - Longistics
  - Mountain Air Cargo
  - N.C. Forestry Service
  - N.C. Highway Patrol
  - Segrave Aviation
  - T-Hangars for private and corporate aircraft

North Carolina Global TransPark

- **Off the Airport**
  - North Carolina's Eastern Region
  - N.C. Div. of Emergency Management

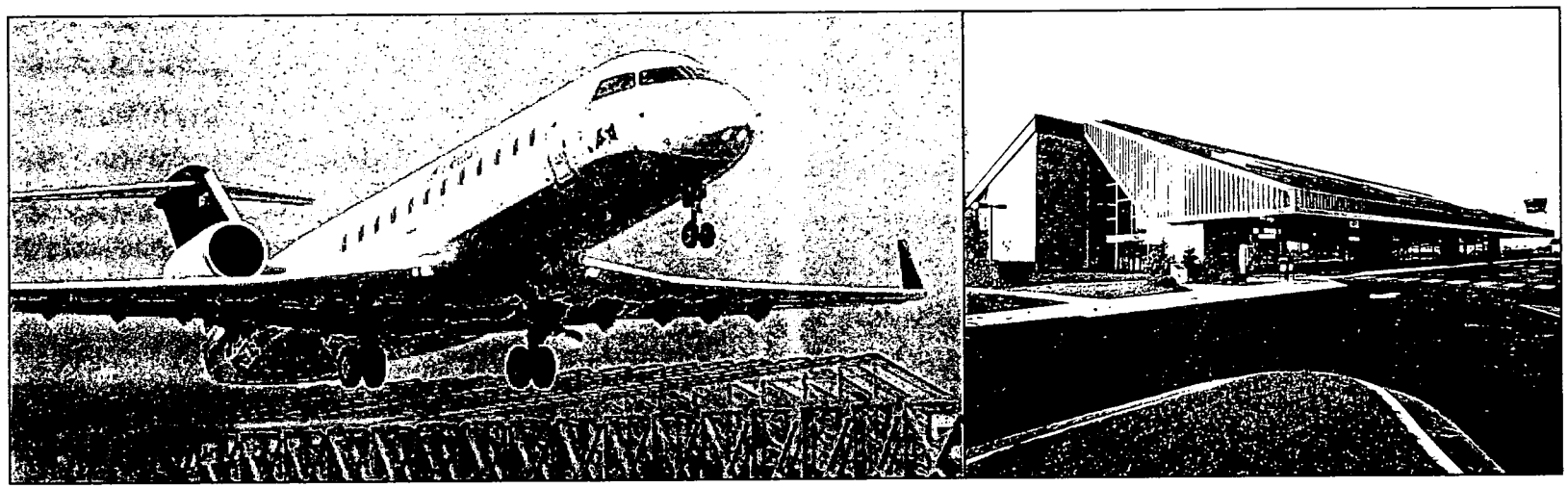
Airfield Development

- CAT III Instrument Landing System by 2006
- Beautification Program in progress



North Carolina
Global TransPark

Delta Air Lines

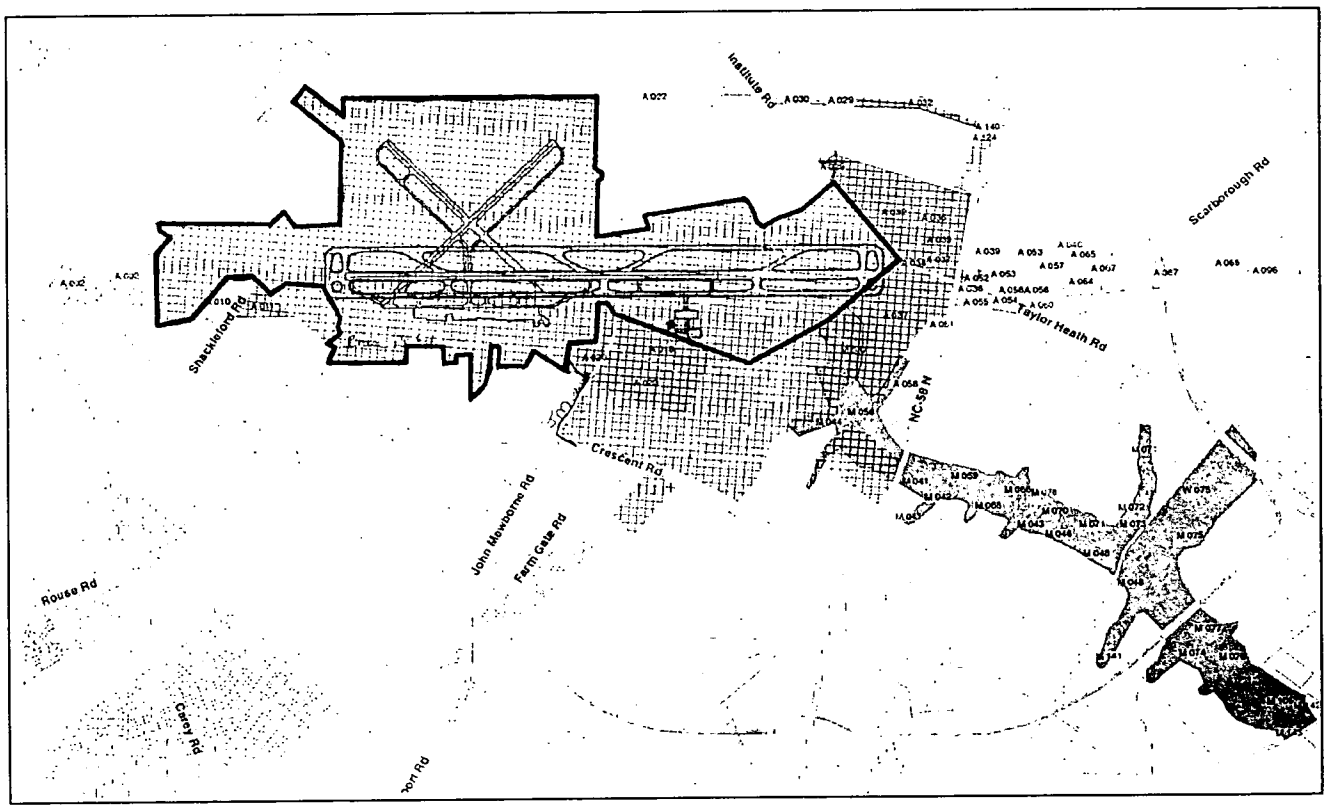


North Carolina
Global TransPark

- The GTP is proud to welcome Delta Connection carrier Atlantic Southeast Airlines to its gates beginning April 1, 2005
- New CRJ200 service plans call for three daily nonstop, round-trip flights to Atlanta.

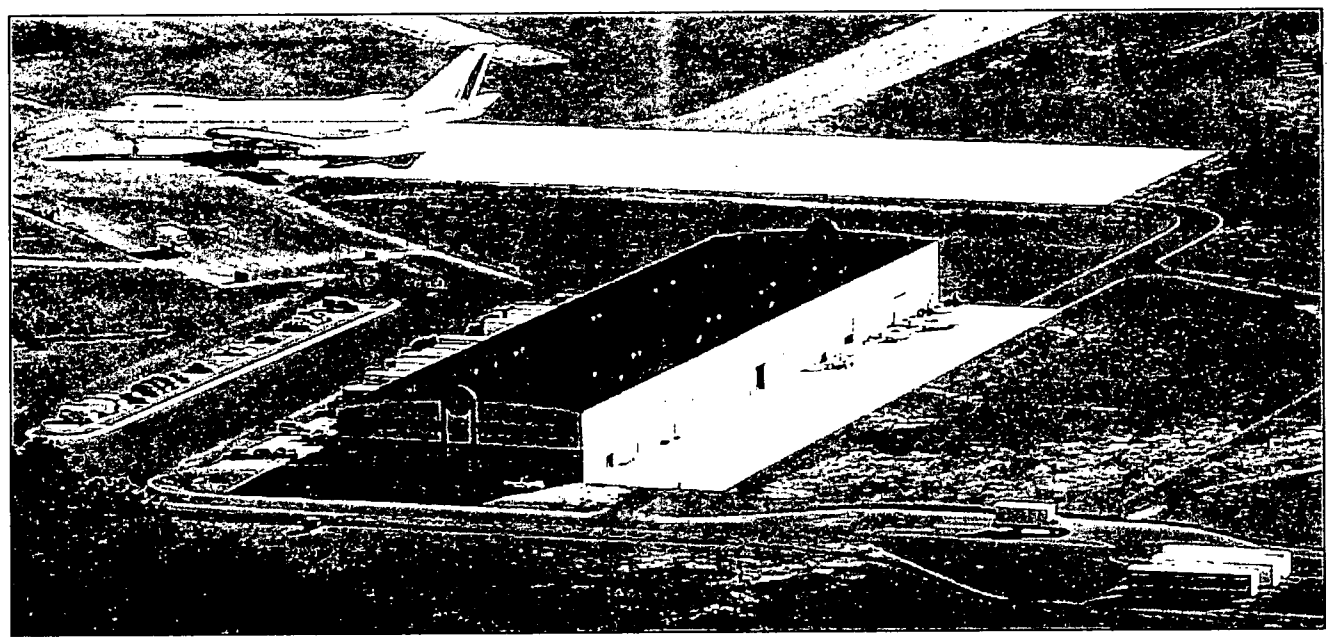
Foreign-Trade Zone

- The GTP is the Grantee of FTZ No. 214, a general purpose zone that encompasses the airport (outlined in black)
- Longistics serves as the GTP's Foreign-Trade Zone Operator



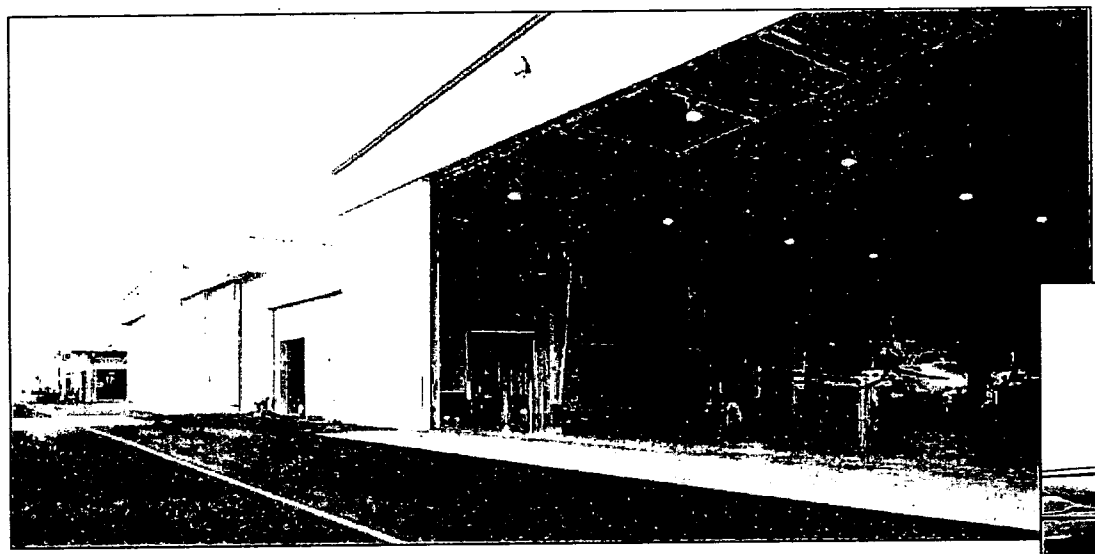
North Carolina
Global TransPark

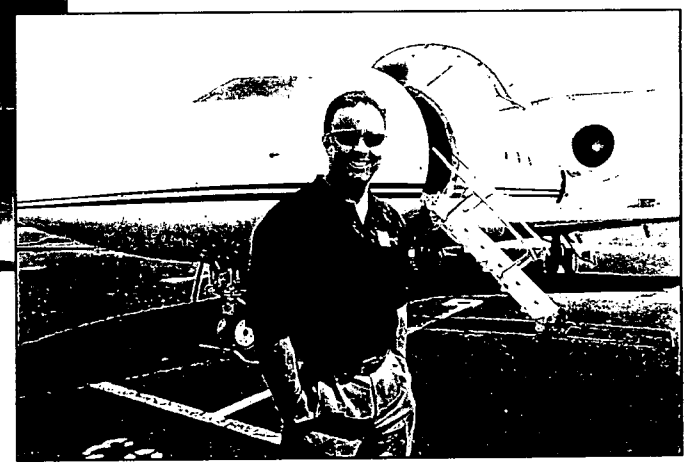
GTP Cargo Building



- The 60,000 sq. ft. Cargo Building is currently 50% leased
- General Service Company and Longistics lease space in the facility

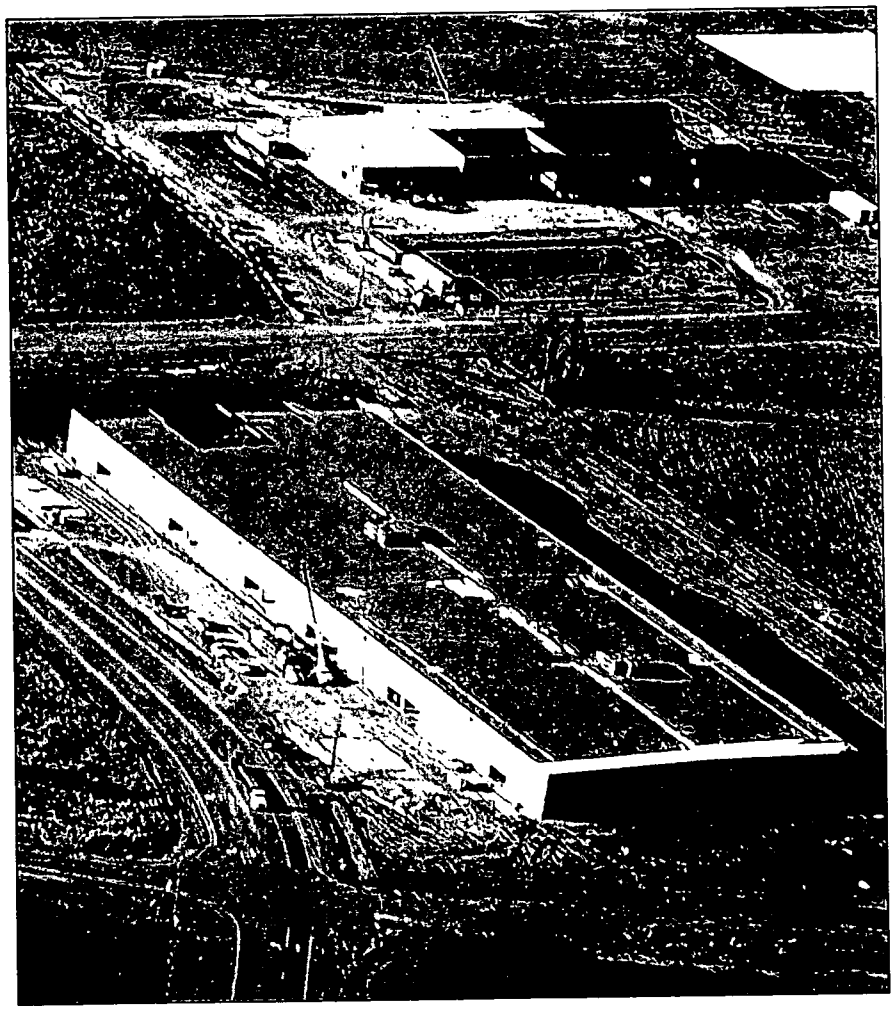
Segrave Aviation





- New aircraft offers Transatlantic and Transcontinental Flights
- Future expansion plans at the GTP are moving forward

GTP Construction



Picture taken Feb. 2005

- ARFF/Ops Bldg – 40,000 SF
Maintenance/warehouse facility for Airport Operations

- GTP One – 120,000 SF
An institutional grade facility designed to appeal to national warehouse, distribution and light manufacturing users

GTP One – 120,000 SF



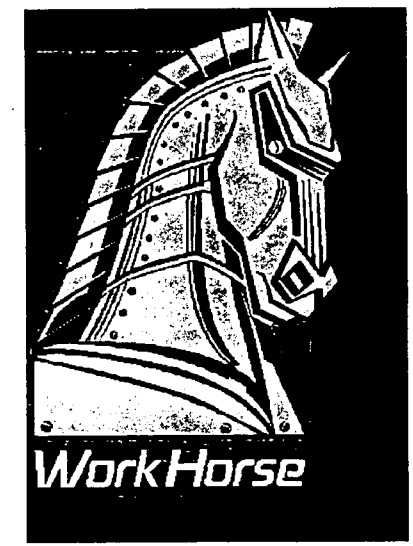
- Subdividable speculative facility will be completed in Spring 2005
- Duke Realty is marketing the facility to clients and real estate brokers

North Carolina
Global TransPark

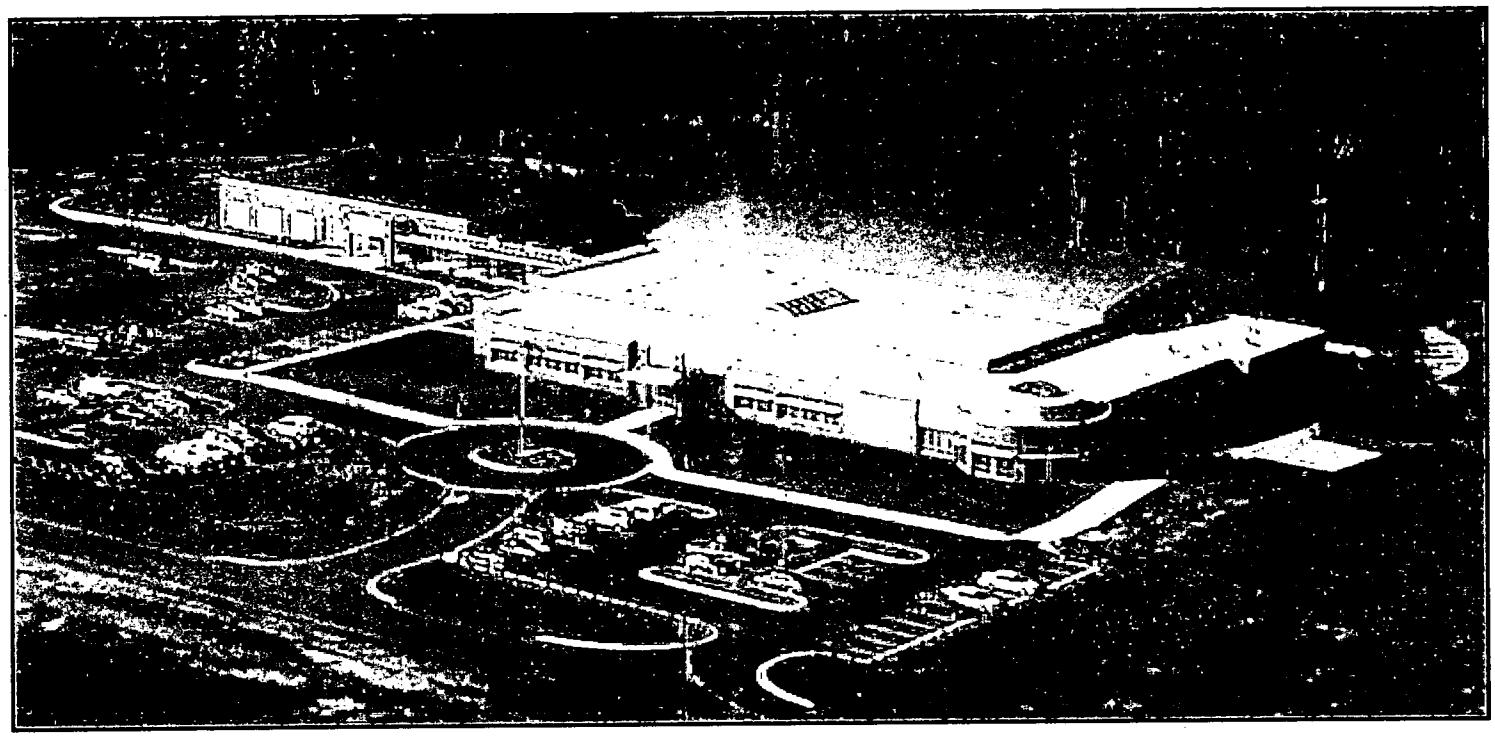
Announcement

- Gov. Mike Easley announced that Workhorse Aviation Manufacturing LLC will open a manufacturing plant in the Global TransPark
- Workhorse will create 50 jobs over the next three years.

North Carolina
Global TransPark



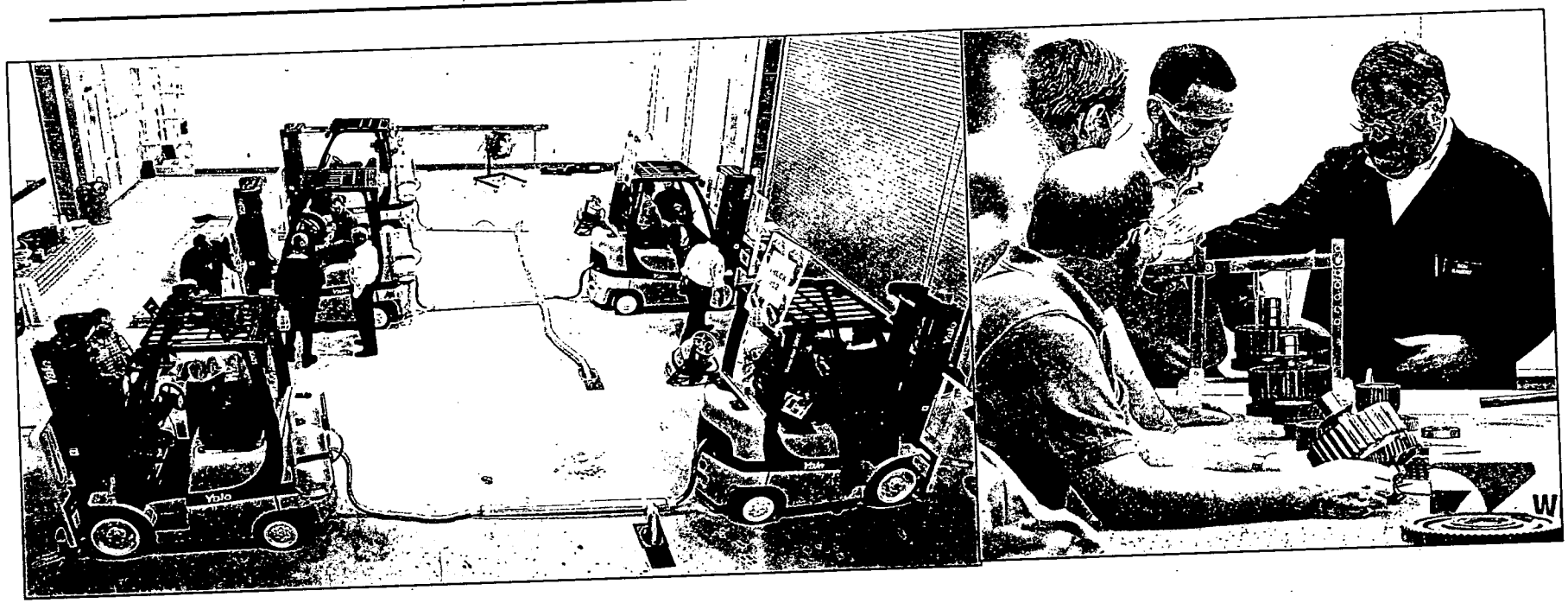
Education and Training Center



North Carolina
Global TransPark

- State-of-the-art training facility has served more than 70,000 people since opening in April 2000
- ETC usage continues to increase

Education and Training Center



North Carolina
Global TransPark

- NACCO Materials Handling leased the facility for a two-week span in November

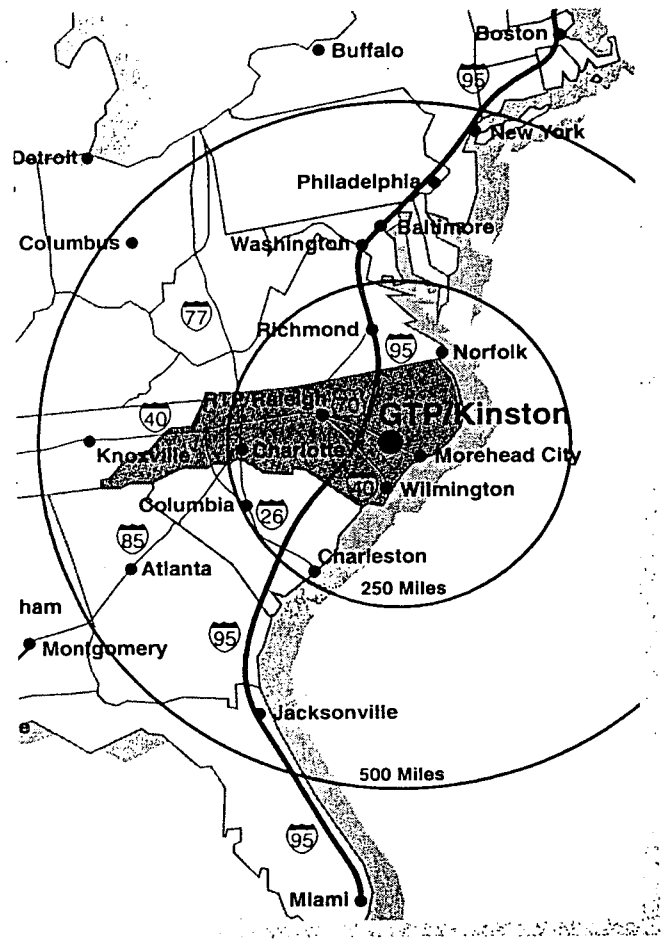
Education and Training Center

- Potential "Higher Education Center" site for the University of North Carolina
  - ✓ Will provide students in Eastern North Carolina with an immediate access point to distance learning higher education
- Potential site for an Advanced Military Manufacturing Office (AMMO)
  - ✓ Will provide advanced manufacturing education, training, and technical support for the Advanced Military Initiative (AMI)

North Carolina
Global TransPark

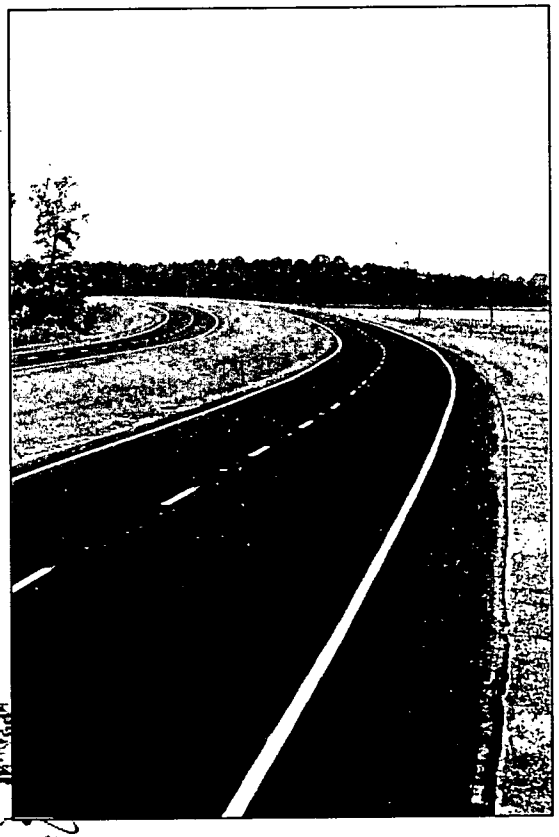
Market Access

- **Central Location on East Coast**
  - One-day trucking to 2/3 of U.S. commercial establishments
  - Within one hour trucking of I-95 / I-40
  - Surrounded by military bases
  - Near two deep water ports



North Carolina
Global TransPark

Accessibility

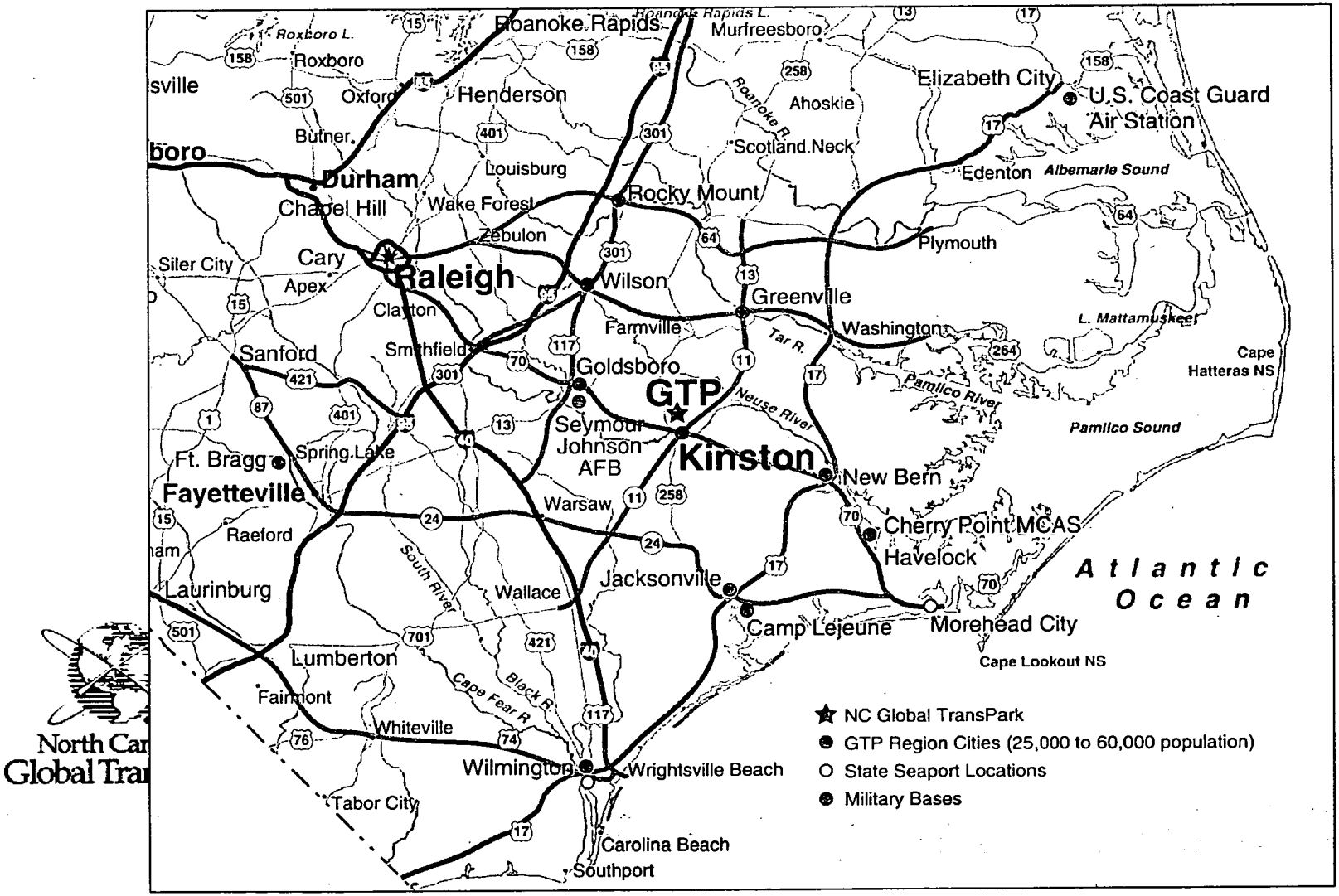


North Carolina
Global TransPark

- Main access to site is via Harvey Parkway
  - Four-lane controlled-access road
  - Connects GTP to N.C. 258
- The second phase of Harvey Parkway will connect to U.S. 70

Accessibility

Overview of Interstate Highway System, Rail, Port



Workforce

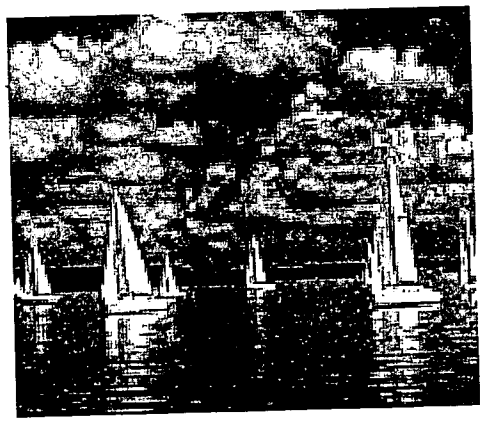
- **Abundant, Diversified Workforce**
  - Approximately 400,000 civilians are in Eastern N.C.'s labor pool
  - More than 12,000 military personnel are released from active duty each year from five area bases
  - Four colleges/universities and 11 community colleges provide easy access to full and part-time workers

North Carolina
Global TransPark

Quality of Life

- Moderate climate
- Proximity to N.C.'s spectacular coast
- Low cost of living
- Excellent schools and hospitals






Global TransPark Summary

- Site-ready
- Aviation-ready
- Environmental approval in place
- Foreign-Trade Zone Grantee

North Carolina
Global TransPark

Attachment B

North Carolina Global TransPark Authority
Funding Summary Updated for FYE 6-30-05

State Appropriations and Grants

State funding for operations, development and planning FY 1991-92 through FY 2003-04 appropriations to the N.C. Global TransPark Authority. Areas supported include project master planning, federal environmental assessment, federal environmental impact statement, environmental permitting and associated costs, acquisition of foreign trade zone status, business information/marketing activities, development of international network relationships, wetlands mitigation, pass-through federal funding for military projects, land use planning, public hearings/information activities, airport operations, education and training center operations and authority operations.	$33,318,226
State match for GTP Education and Training Center construction	3,277,000
State matching funds received from State for $35M airfield improvement project	14,597,080
State matching funds from Division of Aviation for airfield improvement projects	753,708
STATE TOTAL	**$51,946,014**

Federal Grants

GTP Education and Training Center construction	$3,000,000
FAA funding for NCGTP master plan and $35M airfield improvement project	622,000
National Science Foundation Grant – N.C. Consortium for Logistics Education	53,626
Military Construction (MILCON) funding to Kinston Regional Jetport to extend runway from 7,500 feet to 8,600 feet.	4,806,076
Administration and coordination of MILCON Project	324,638
Federal matching funds for $35M airfield improvement project	17,500,000
Airfield Improvement Projects-FAA	3,204,844
USDA Grant	122,250
FEDERAL TOTAL	**$29,633,434**

Private Sector/Local Funds, Contributions and Commitments

Private sector funding commitment (industrial incentives)	$30,000,000
Kinston/Lenoir contributed capital (related to KRJ transfer)	17,707,341
Local government funding commitment (public utility expansion)	10,000,000
Private Funding	740,000
PRIVATE AND LOCAL TOTAL	**$58,447,341**

Other Funding

Pass-through funding from World Bank for Subic Bay Project.	$107,524
OTHER FUNDING TOTAL	**$107,524**

1/14/2005

Attachment C

Joint Legislative Transportation Oversight Committee

Business Systems Information Portal (BSIP) Project Briefing

Presented By:
Mark C. Paxton, NCDOT CIO
March 31, 2005

Business Systems Information Portal (BSIP)

(Formally referred to as the *Business Systems Improvement Project*)

- **Legislative Report Introduction and Agenda**
  - BSIP Background
  - Legislative Committee Members question
    - NCDOT investment costs compared to benefits received
    - Number of resources required to support the system
    - Difficulty of using the system
    - System not providing good information
    - Other?

Background --- History

- **1990's: Became clear a new system was needed**
  - Legacy system was broken and not meeting NCDOT's needs
  - Legacy system's technology was outdated (30+ years old)
- **A diligent analysis of NCDOT needs documented 3800+ Business Requirements the replacement application needed to meet**
  - **Office of State Controller (OSC)** and **Information Resources Management Commission (IRMC)** expressed concerns about NCDOT's ability to build an in-house solution
  - NCDOT's complex requirements for **contract** and **fund matching** eliminated lower-cost accounting software from consideration
- **Search for best solution determined that SAP was best proposal based on cost and functionality (i.e., best fit for NCDOT business)**

Background --- Buy versus Build Decision

- **The buy versus build decision**
  - Direction from OSC and IRMC to "buy" rather than build
  - When you "build" an application in-house
    - *you assume responsibility for ongoing maintenance (new features, bug fixes, etc.) and keeping the software technologically current*
  - When you "buy" from a software vendor
    - *you delegate to (and pay) the software vendor the responsibility for ongoing maintenance (new features, bug fixes, etc.) and technical currency*
- **A Memorandum of Understanding (April 4, 2001) was developed between NCDOT and OSC to reflect the state's strong interest in the possible future expansion of SAP statewide**

Background --- Implementation of BSIP

- **BSIP (SAP) implemented April 2003**
- **Secretary consolidated BSIP Project under Information Technology (December 2003)**
  - Prior to this the BSIP Project was split between Fiscal and Information Technology
- **Post-Implementation Objectives (December 2003)**
  - Stabilization of System
  - Improve Acceptance of System
    - Training, Usability (Training), Issue Resolution, etc.
  - Operating Expense Reductions

Observations on the BSIP Project

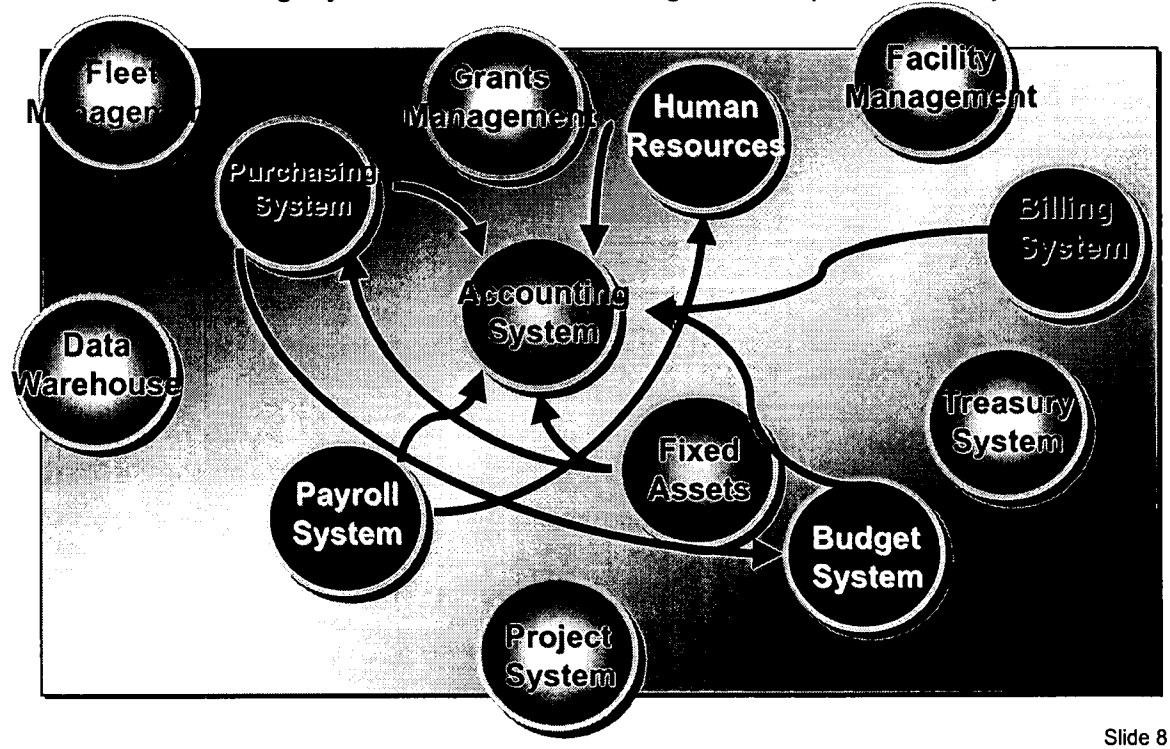
- **SAP was the best proposal in terms of cost and functionality**
  - When you select software you are selecting the vendor as well
    - SAP is largest software company providing inter-enterprise software and the third largest independent software supplier overall
- **BSIP costs were poorly communicated**
  - Ongoing Operational Expense for the system was never discussed
    - $36 million for the first year
  - NCDOT Project Management assigned was inexperienced with project implementations at this scale --- and inexperienced with ERP's

Key Points addressing Legislative Concerns:

- **What is an Enterprise Resource Planning (ERP) System?**
- **What were the legacy system risks?**
- **Why are ERP's becoming a trend in state & local governments?**
- **How is NCDOT benefiting from BSIP?**
- **How has NCDOT overcome some of the issues related to costs, ease of use and reporting from the system?**
- **How many other states and DOT's have implemented or are in the process of implementing SAP?**
- **What are key users of BSIP saying about the system?**
- **What are the strategic benefits of an ERP?**

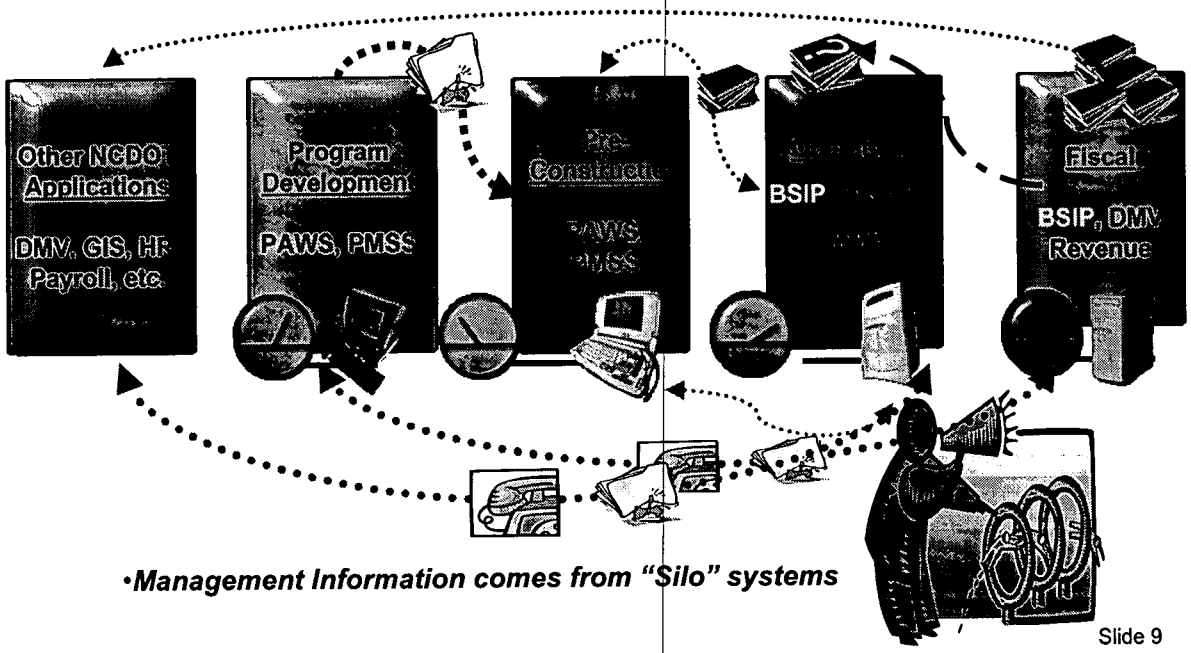
What is an Enterprise Resource Planning (ERP) System?

Legacy: Consisted of non-integrated, disparate, silo systems



What is an Enterprise Resource Planning (ERP) System?

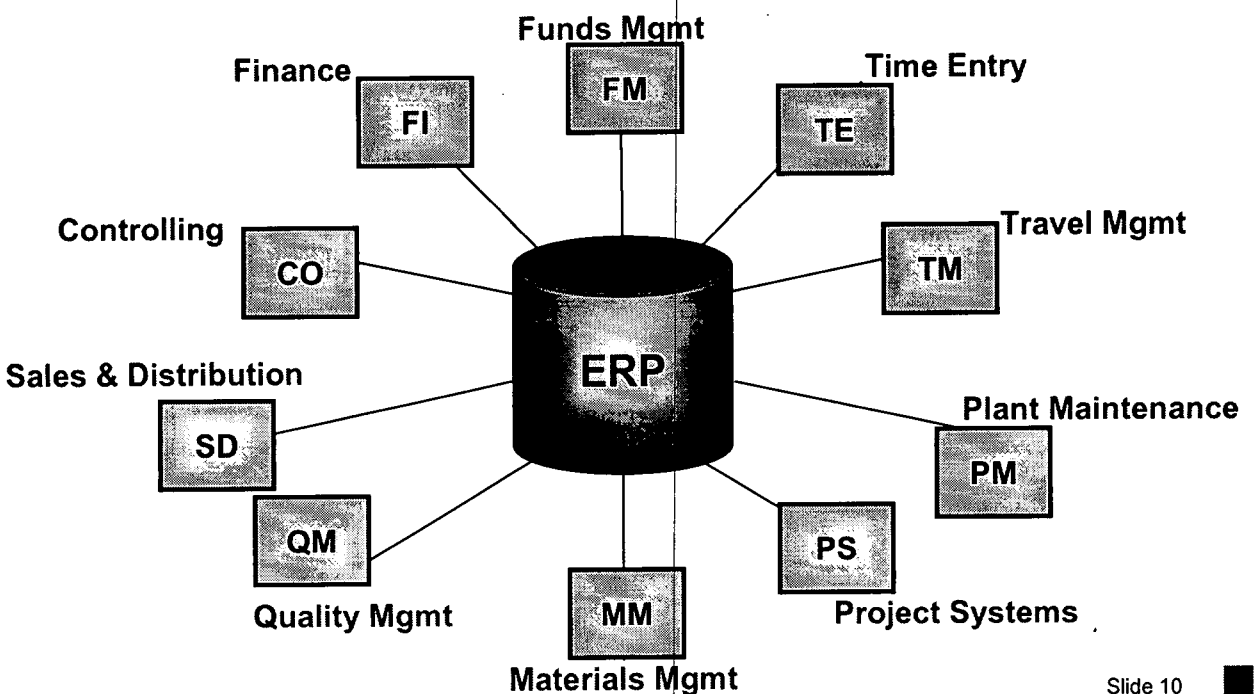
Current NCDOT Infrastructure



- *Management Information comes from "Silo" systems*

What is an Enterprise Resource Planning (ERP) System?

An ERP provides integrated processes and systems.



What were the risks of the legacy system?

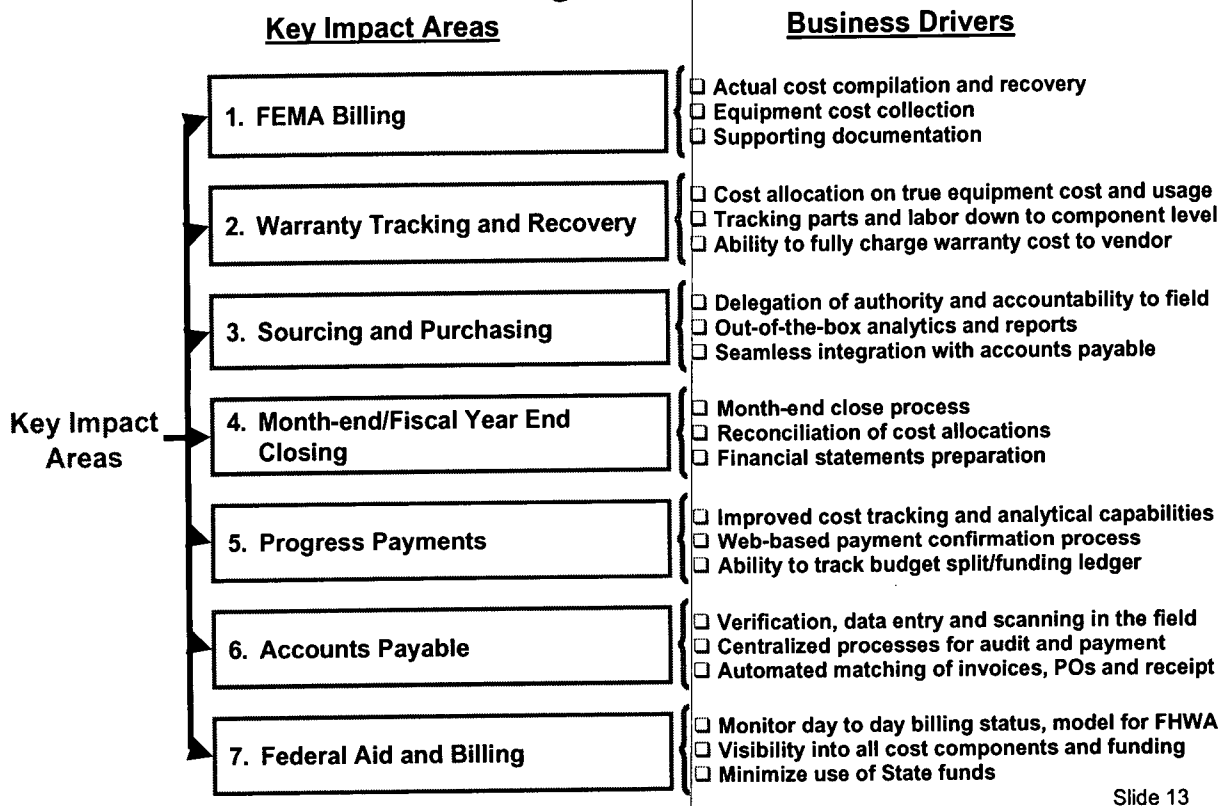
- Aging system (written in Assembler Language - difficult to maintain and enhance)
- Legislative accounting and reporting changes difficult
- Closing process cumbersome and did not meet statutory mandates
- Reporting information not timely and required programming expertise to obtain
- Operations documentation non-existent or simply out of date
- No formal training structure - On-the-job Training only
- Interface was NOT user friendly
- Multiple entry required (i.e., redundant data entry required)
- Coding structures at their limits

Why ERP's are becoming a trend in governments?

Old World	Vs.	New World
Duplicative technology investments	→	Consolidation of technology resources
Independent agency technology planning	→	Governance model and enterprise architecture
Siloed program development	→	Interoperability and standardization
Intra-agency focus	→	Data sharing and interagency cooperation

Source: Gartner: Forecast: State and Local Government, North America, 2004-2007 (2004)

How is NCDOT benefiting from BSIP?



How is NCDOT benefiting from BSIP?

■ Financial Management

- FHWA Billings
  - 20% increase in billings from FY03 to FY04 as the result of more efficient processing which amounted to an additional $163 million in FY04
  - FWHA reported that NCDOT obligations expended on open projects was 91% in 2004, compared to national average of 78%
- Grants (FAA, FTA, GHSP, FRA)
  - NCDOT realized a 40% increase in Grant receipts from FY02 to FY04 as a result of more efficient processing, resulting in an additional $16 million

How is NCDOT benefiting from BSIP?

■ Financial Management (continued)

- FEMA - Disaster Reimbursement
  - BSIP allows NCDOT to capture actual payroll cost to bill FEMA more accurately
  - Prior to BSIP, external consultants were obtained to perform the manual compiling of actual cost for claims
  - BSIP provides the ability to bill actual equipment usage resulting in additional cost recoveries of 40% of equipment charges that were not possible before
- OTHER MISCELLANEOUS PROGRAMS
  - LOGO: 49% increase from FY02 to FY04
  - Outdoor Advertising: 5% increase from FY02 to FY04
  - Other Agencies/LUST: 30% increase from FY02 to FY04

How is NCDOT benefiting from BSIP?

■ NCDOT Project Management

- BSIP supports Project Structures that provide an enterprise view of the work being performed on North Carolina's Transportation Infrastructure
  - Master Project Schedules
  - Integrated Funding (Federal, State, Local)
  - Integrated Billing (efficient cost recovery from Federal Agencies)
  - Integrated WORKFLOW for approval processing
  - Comprehensive Federal and State Reporting capabilities

How is NCDOT benefiting from BSIP?

■ Equipment / Fleet Management

- Liquidated Damages
  - Potential revenue from liquidated damages is $4.9 million.
- Vehicle Damage Recovery
  - Potential revenue from recovery of repair costs caused by a third party due to accident damage is $400,000
- Equipment Procurement
  - Completely automated the $40 million annual procurement process for the Equipment and Inventory Control Unit

How is NCDOT benefiting from BSIP?

■ Materials Management

- **Inventory** - Considerable time savings for processing physical inventory and final reconciliation
  - Monthly reconciliation - time savings estimated between .5 - 7 hours per month per inventory location (> 350 locations statewide)
  - Annual reconciliation - *has been completely eliminated*
    - In the legacy system this took about 2 months to complete
- Eliminated invoice verification group within Purchasing
  - personnel reassigned to agent assistants

How has NCDOT overcome some of the issues related to *costs*, ease of use, and reporting?

- **Costs**

BSIP ONLY Project - Annual Operating Expense ($Millions)

	FY 2004 ($ Millions)	FY 2005 ($ Millions)
Labor	**$29.2**	**$18.3**
Facilities, Hosting, Misc Expense	**$5.6**	**$6.2**
Maintenance Fees	**$1.3**	**$1.3**
Total	**$36.1**	**$25.8**

How has NCDOT overcome some of the issues related to costs, *ease of use*, and reporting?

- **Ease of use (Training)**
  - BSIP Education Services currently offers 50 different classes
  - BSIP Web Portal provides comprehensive information to users including easy to use quick reference guides
  - BSIP's initial go-live training was focused on the way the software is organized resulting in users attending many hours of training that was not job-relevant
    - BSIP Education Services is in the process of revamping all BSIP training to be job-based (i.e., it is all pertinent material to the user)
      - Result is less time in classroom
      - Comment from NCDOT student in redesigned class:

        "I think this concept and materials will far exceed what we had in the beginning classes."

How has NCDOT overcome some of the issues related to costs, ease of use, and *reporting*?

- **Reporting**
  - Reporting was an issue after implementation and was made a priority to address after consolidation of BSIP under Information Technology
  - **January 2004** - formed WORK GROUP to address reporting concerns
    - **Participants:** *Division Engineers, District Engineers, Chief Engineer's office, Fiscal, BSIP team, and other key participants*
    - Key deliverables
      - Document and Develop needed reporting
      - Address any concerns with the system
      - Recommend solutions (such as procedure and policy changes) to NCDOT Senior Management

How has NCDOT overcome some of the issues related to costs, ease of use, and *reporting*?

- **Reporting (continued)**
  - Prioritized development of SAP's Business Warehouse (BW) with emphasis on providing reporting in key areas
    - **Project Systems** (for Project Information)
    - **Plant Maintenance** (for equipment rental information)
    - **Costing** (for Budgetary and monthly financial information)
    - **Time Entry and Personnel Information**

How many other states and DOT's have implemented or are in the process of implementing SAP?

- **Commonwealth of Pennsylvania** (Includes DOT) - HR/Payroll and Financials
- **State of Louisiana** (Includes DOT) - HR/Payroll
- **State of Utah** (Includes DOT) - Payroll
- **State of Arkansas** (Includes DOT) - HR/Payroll and Financials
- **Maryland** General Assembly - HR
- **Georgia** Port Authority - Financials and HR
- **Florida** Department of Revenue - Tax Processing
- **State of Washington** (Includes DOT) - Design Phase for HR/Payroll
- **California** Administrative Office of the Courts - HR and Financials (FI)
- **South Carolina** (Department of Mental Health) - Financials *
- **South Carolina** (Includes DOT) - Design Phase for Financials/later HR *
- **Durham County**-in process of ERP implementation *

- **Colorado DOT** - Strongly evaluating ERP solution *

** Have visited NCDOT to see BSIP, and talk with NCDOT IT and End Users.*

NCDOT showcased BSIP at the April 2004 Southern Transportation Finance Conference to 30 DOT's

What are key NCDOT users of BSIP saying about the system?

Mark Foster, NCDOT Chief Financial Officer

"I would not want to run a $3 billion business without an ERP such as SAP."

Deborah Barbour, Director of Preconstruction, Division of Highways

"The Project Management Information Initiative (PMii) system is important because it provides a Department-wide, integrated scheduling tool.

The system provides the various units across the Department with the ability to determine their upcoming workload and to then plan accordingly based on manpower capabilities. Also, through use of the PMii, we will have a better knowledge of the project status and the remaining project work. The end result, after full implementation of PMii, is that proposed project schedules should be more realistic and more predictable."

Donnie Thorne, NCDOT Purchasing Director

"NCDOT needed a system like SAP many years ago."

What are the strategic benefits?

- **Underlying infrastructure to support an enterprise reporting system for NCDOT management and citizens**
- **Extensive support network by vendor (SAP)**
- **Collaboration with other state DOT's and public sectors to steer SAP public sector model**
- **Integration of HR/Payroll**
- **Standardization of business practices**
- **System investment stays technologically current as SAP continues to invest in technology research and development**
- **SAP continues to add features requested by their customers**

Summary

- **BSIP is up and running, and settled in**
- **There are projects underway (such as PMii and BW Reporting) that are building upon this platform with more that can leverage off of this investment**
  - Future IT projects will continue to leverage off of this investment when feasible
- **Training has become more effective as it becomes job-related**
- **The Business Users continue to gain confidence in their use of the system and the data it provides**
- **Reduction of Annual Operating Expenses continues to be a high priority**

Questions and Answers

VISITOR REGISTRATION SHEET

Transportation — Name of Committee

3/31/05 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
Portia Mantey	NCDOT/DMV
Kary Isaacs	Intern
Stephanie Dorko	Charlotte Chamber
Mitton Alford	OSBM
Warren Plonk	OSBM
Zeke Parkin	DOT
Jan Bryant	DOT/GTP
Pam Wortham	DOT
Gene Conti	NCGTP
[illegible]	NCGTP
Susan Coward	NCDOT
Christie Barbee	CHPH
Lisa Martin	NC Home Builders
Reda Mills	NC Metro Coalition
Tony Adams	NCOAA
[illegible]	AAA Carolinas
Sandra Long	Martin Marietta
Gene Castle	NCMA
Drew Moritz	GRCC
Betsy Bartley	NCPTA
[illegible]	NS
Patricks Cland	Speaker's Office
Angie Harris	Marpin Taylor
Joe Milazzo II	RTA

Senate Subcommittee on Transportation Appropriations

Agenda

May 3, 2005
10:30 am
Room 422 LOB

Chair
Senator Clark Jenkins

- Proposed Subcommittee Budget

Senate Appropriations Subcommittee on Transportation
Tuesday, May 3, 2005
10:30 am
Room 1228, Legislative Building

MINUTES

The Senate Appropriations Subcommittee on Transportation met at 10:30 am on Tuesday, May 3, 2005 in Room 1228 of the Legislative Building. Eight Senators were present. Senator Clark Jenkins presided.

Mr. Evan Rodewald, Fiscal Staff, summarized the Governor's recommendations, the Senate recommended budget, and the differences. This is Attachment A of these minutes. Mr. Rodewald then explained the money report. This is Attachment B of these minutes. He said the only General Fund program in the Department of Transportation is the Aviation Program. This is on page 1 of the handout. Item 2 on page 1 is the transfer of this program from the General Fund to the Highway Fund. The remainder of funds in this handout is appropriated from the Highway Fund.

Mr. Bob Weiss, Fiscal Staff, presented the Special Provisions package. This is Attachment C of these minutes. Senator Jenkins made comments on the budget and then asked for a motion. Senator Holloman made a motion to approve the budget, with language that would allow staff to make technical corrections. Motion carried.

The meeting adjourned at 9:35 am.

S. Clark Jenkins, Chairman

Carolyn M. Gooden, Comm. Assistant

Expansion Budget Differences Between Governor and Senate
Highway Fund, FY 2006

	Governor's Recommendations	Recommended Senate Budget	Difference
Public Transportation	$ -	$ (23,400,000)	$ (23,400,000)
Highway Patrol	21,230,591	9,810,471	(11,420,120)
Information Technology	7,198,860	5,598,860	(1,600,000)
Rail	2,250,000	1,000,000	(1,250,000)
Maintenance Increase	74,887,021	101,101,741	26,214,720
Aviation Grant Program	-	11,284,198	11,284,198
Small Urban Construction	-	7,000,000	7,000,000
Salaries and Benefits	13,309,900	16,151,300	2,841,400
Ferry Division	-	1,000,000	1,000,000
Visitor Center	-	25,000	25,000
Other Items	8,413,655	8,413,655	-
Total	**$ 127,290,027**	**$ 137,985,225**	**$ 10,695,198**

May 2, 2005

Attachment A

Attachment B

Senate Subcommittee on Transportation

Transportation

	GENERAL FUND			
	FY 05-06		FY 06-07	
Adjusted Continuation Budget	**$12,027,377**		**$12,945,066**	
Legislative Changes				
(1200) Airport Grants				
1 Reduction in Grants				
Reduces airport grants to $11,284,198 in FY 2006. This is an increase of $109,454 over funding in FY 2005.	($743,179)	NR		
2 Transfer Support to Highway Fund	($11,284,198)	R	($12,945,066)	R
This reduction is one part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.				
Total Legislative Changes	**($11,284,198)**	**R**	**($12,945,066)**	**R**
	($743,179)	**NR**		
Total Position Changes				
Revised Budget	**$0**		**$0**	

Transportation

	HIGHWAY FUND			
	FY 05-06		FY 06-07	
Adjusted Continuation Budget	**$1,399,158,973**		**$1,401,940,921**	
Legislative Changes				
(0041) Aeronautics				
3 Transfer Support from General Fund This increase is the second part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	$11,284,198	R	$12,945,066	R
4 Airline Recruitment Program Provides funding for an incentive program to attract and retain improved airline services at North Carolina's eleven non-hub airports, where airline passenger traffic levels have been declining due to financial instability among major carriers.	$350,000	R	$350,000	R
(0863) Leaking Underground Storage Tank Fund				
5 Statutory Adjustment In accordance with G.S.105-119.18, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current forecasts. The increase for FY 2006 brings total Highway Fund support for the program under this statute to $6,010,286 in FY 2006.	$156,750	R	$483,777	R
(0866) State Highway Patrol				
6 Motor Carrier Positions Upgrade Provides 149 Motor Carrier Enforcement Officers, formerly DMV Enforcement Officers, with the training required to have the same level of arrest authority and pay as their trooper counterparts.	$1,561,889	R	$1,639,984	R
7 Additional Troopers Provides funding to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. Funding total of two new troopers for FY 2006 with two additional troopers for FY 2007, for an increase of four for the biennium.	$197,495	R	$308,431	R

	FY 05-06		FY 06-07	
8 VIPER (Voice Interoperable Communications Plan for Emergency Responders)	$51,087	R	$51,087	R
Provides funding to continue the deployment of the VIPER Strategic 800 MHZ statewide system for all of North Carolina's public safety agencies. In addition to funding for equipment, funding is also provided for a Network Control Technician I.	$8,000,000	NR		
(0867) DPI - Driver Training Program				
9 Increase Driver Education Funding	$126,213	R	$126,213	R
Provides funds for an increase in the Average Daily Membership (ADM) of students who will become eligible to take driver education during the biennium. With this increase, Highway Fund support for Driver Education in FY 2006 will be $32,604,129.	$3,192	NR		
(0869) Global Transpark				
10 Global Transpark	$1,600,000	R	$1,600,000	R
Provides funding for the Global Transpark Authority.				
(0871) Employer's Retirement Contribution				
11 Optional Retirement Program - 1-year Vesting	$40,200	R	$40,200	R
Increases the contribution rate to the Teacher's and State Employees' Retirement System for FY 2006 and FY 2007 to reduce the vesting period from five years of service to one year of service for employees of the University of North Carolina who elect to participate in the Optional Retirement Program.				
12 Disability Income Plan	$13,500	R	$13,500	R
Additional amount needed in recurring funds for each year of the biennium to restore the reduction made during FY 2005. This increases the State's contribution from 0.445% to 0.52% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.				
13 Retirement System Contributions	$683,400	R	$683,400	R
Increases the State's contribution for FY 2006 and 2007 to provide a 2.0% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System. This adjustment is funded in part with actuarial gains within the Retirement System.				
(0872) Employer's Contributions - Death Benefit				
14 Death Benefit Trust	$54,200	R	$54,200	R
Additional amount needed, after an adjustment to the Continuation Budget in the amount of $589,000 in recurring funds for each year of the biennium, to restore the reductions made during the 2003-2005 biennium. This restores the State's contribution of 0.16% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.				

	FY 05-06		FY 06-07	
(0873) Salary Increase				
15 State Funded Compensation Increases Provides funds to support the greater of a $500 flat amount or a 2% across-the-board salary increase for FY 2005-06 and to support a 3% annual salary increase for FY 2006-07 for full-time permanent employees supported with Highway Fund appropriations.	$9,120,000	R	$23,200,000	R
(0882) Reserve for Visitor Centers				
16 Increase Funding Provides $25,000 in funding to support the visitor center in Transylvania County.	$25,000	R	$25,000	R
(0885) State Health Plan				
17 Premium Increase Effective October 1, 2005, provides a 15.2% premium increase to the Plan to continue non-contributory health benefit coverage for active and retired employees. The remaining financial support to keep the Plan solvent through the 2005-2007 biennium will come from increased fully contributory premiums paid by employees and retired employees to cover their families under the Plan, and a reduction in the Plan's benefits.	$6,240,000	R	$8,320,000	R
(0934) Reserve for General Maintenance				
18 Increase Funding Provides additional funds to help bring highway infrastructure up to an acceptable level of service and to address significant increases in costs of highway construction materials. These funds are in addition to the continuation budget for maintenance, which amounts to $614,793,288.	$50,928,923 $26,772,818	R NR	$50,928,923	R
19 Cover Unreimbursed Maintenance Expenditures for Emergency Relief Of funds DOT has expended in previous years on emergency relief for hurricane and ice storm damage, roughly $80 million will not be reimbursed by federal agencies. Funds are appropriated to partially address this $80 million shortfall.	$23,400,000	NR		
(7025) Information Technology				
20 Email Replacement Provides funding to replace the Department of Transportation's aging and obsolete email system. The current vendor, Netscape, has stopped supporting the email system, the operating system behind it, and the application software. The State CIO has approved $300,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$550,000	R	$550,000	R

	FY 05-06		FY 06-07	
21 Verification of Customer Identification System			$300,000	R
Provides funding for hardware and software at local DMV offices to access national databases for validating identification of people applying for driver licenses. The application will be outsourced through a competitive bidding process under the auspices of the State IT Purchasing Office. The department must follow the State CIO's project approval and reporting process, including procurement review and approval. Also the department must follow applicable new and emerging homeland security requirements.	$1,272,000	NR		
22 System to Stagger Commercial and Dealer Plates (Senate Bill 1083)			$150,000	R
Senate Bill 1083, ratified in 2004, mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer plates expire on the same date, December 31 for commercial plates and June 30 for dealer plates. The mandated change goes into effect January 1, 2006, and additional funds are provided to accommodate the changes. The department must follow the State CIO's project approval and reporting process. Accordingly, the department must receive approval of a planning project and must also receive a "gate" approval before proceeding to the implementation phase.	$1,280,000	NR		
23 Desktop Computer Replacement	$1,000,000	R	$1,000,000	R
The Information Technology Division provides technology support for approximately 8,000 computers within the department. Because of the large number of existing computers, a four year rotation is planned, resulting in one fourth of all computers being replaced each year. This provides the necessary funding.				
24 Document Management System				
Document management refers to the storage, retrieval, tracking and administration of documents within an organization. The term applies to electronic documents and paper-based documents that have been converted to electronic form. Funding is provided for a feasibility study and pre-implementation preparation for a document management system to improve and streamline information access throughout the entire department. The State CIO has approved $500,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$500,000	NR		
25 Automated Driver License Testing Systems	$185,100	R	$287,100	R
The Driver License section has installed automated testing systems in 45 of its busiest offices and will have additional systems installed in 23 more offices by spring of 2005. Provides additional funds to install the system in 34 more sites that are small to medium in customer volume. This will provide automated testing systems for every office that has two or more examiners.	$811,760	NR		

	FY 05-06		FY 06-07	
(7030) General Services				
26 Mail Room Expenses Provides additional funds to match expenditures for the mail room at DMV. The General Services Division administers the mail room services for the Division of Motor Vehicles. All driver license renewal notifications, vehicle registration renewals, and all other DMV related correspondence are processed by this division.	$900,000	R	$900,000	R
27 Division of Motor Vehicles Printing Contract The department's printing and finishing operations are managed by the General Services Division, with the exception of the contract printing and limited finishing services located at the DMV headquarters. The contract for the printing and finishing services expired at the end of 2004. Bids are being solicited for renewal of the existing contractual services in addition to new and expanded services. Provides funding to fully fund the services, including the expanded requirements for additional printing and finishing.	$537,500	R	$1,075,000	R
(7812) Secondary Roads				
28 Statutory Adjustment In accordance with G.S. 136-44.2A, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Secondary Roads Construction allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.	$2,370,000	R	$4,980,000	R
(7813) Small Urban Construction				
29 Increase Funding Provides additional funds to bring the total budget to $21,000,000, consistent with funding levels for FY 2005.	$7,000,000	R	$7,000,000	R
(7825) Ferry Operations				
30 Funds for Maintenance Facility Provides additional funds for the ferry maintenance facility to bring Highway Fund support for the Ferry Division to $21,264,811.	$1,000,000	R	$1,000,000	R
(7829) Rail Program				
31 Grants to Short Line Railroads Creates a state grant program for rehabilitation projects that will strengthen North Carolina's short line infrastructure.	$1,000,000	NR		

	FY 05-06		FY 06-07	
(7831) Public Transportation				
32 Reduction in New Start Regional Transit Projects Delays in federal funding for the Triangle Transit Authority allow the State to postpone providing matching funds. These funds were included in the $89,866,447 continuation budget for the Public Transportation program.	($23,400,000)	NR		
(7836) State Aid to Municipalities				
33 Statutory Adjustment In accordance with G.S.136-41.1, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Aid to Municipalities allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.	$2,370,000	R	$4,980,000	R
Total Legislative Changes	**$98,345,455**	**R**	**$122,991,881**	**R**
	$39,639,770	**NR**		
Total Position Changes				
Revised Budget	**$1,537,144,198**		**$1,524,932,802**	

Attachment C

Senate Appropriations Subcommittee

On Transportation

Special Provisions

May 2, 2005

PART XXVIII. DEPARTMENT OF TRANSPORTATION

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

REMOVE GOV OPS CONSULTATION ON FEDERAL-AID ACTS

SECTION 28.1. G.S. 136-44.2 reads as rewritten:

"**§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads and parking lots which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. ~~No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first consulted with the Joint Legislative Commission on Governmental Operations.~~ For purposes of this section, "federally eligible construction project" means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The "Current Operations Appropriations Bill" shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the

construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

If the unreserved credit balance in the Highway Fund on the last day of a fiscal year is greater than the amount estimated for that date in the Current Operations Appropriations Act for the following fiscal year, the excess shall be used in accordance with this paragraph. The Director of the Budget may allocate part or all of the excess among reserves for access and public roads, for unforeseen events requiring prompt action, or for other urgent needs. The amount not allocated to any of these reserves by the Director of the Budget shall be credited to a reserve for maintenance. The Board of Transportation shall report monthly to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division on the use of funds in the maintenance reserve.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars ($100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

TRANSPORTATION SERVICES FOR TRADE SHOWS

SECTION 28.2. The Department of Transportation, from funds available for public transportation in this act, may use up to one million two hundred thousand dollars ($1,200,000) in each year of the biennium for transportation services for annual or semiannual trade shows of international significance. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee, annually on or before March 1, on the use of these funds.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

CASH-FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND APPROPRIATIONS.

SECTION 28.3.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,551.1 million
For Fiscal Year 2008-2009	$1,593.0 million
For Fiscal Year 2009-2010	$1,647.9 million
For Fiscal Year 2010-2011	$1,716.1 million

SECTION 28.3.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,136.9 million
For Fiscal Year 2008-2009	$1,186.4 million

For Fiscal Year 2009-2010	$1,229.6 million
For Fiscal Year 2010-2011	$1,283.2 million

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

SMALL CONSTRUCTION AND CONTINGENCY FUNDS

SECTION 28.4. Of the funds appropriated in this act to the Department of Transportation:

(1) Twenty-one million dollars ($21,000,000) shall be allocated in each fiscal year for small construction projects reviewed and approved by the Division Engineer and the member of the Board of Transportation representing the district in which the project is to be constructed. These funds shall be allocated equally in each fiscal year of the biennium among the 14 Highway Divisions for small construction projects.

(2) Fifteen million dollars ($15,000,000) in fiscal year 2005-2006 and fifteen million dollars ($15,000,000) in fiscal year 2006-2007 shall be used statewide for rural or small urban highway improvements and related transportation enhancements to public roads and public facilities, industrial access roads, and spot safety projects, including pedestrian walkways that enhance highway safety. Projects funded pursuant to this subdivision shall be reviewed and approved by the member of the Board of Transportation representing the district in which the project is to be constructed.

None of these funds used for rural secondary road construction are subject to the county allocation formulas in G.S. 136-44.5(b) and (c).

These funds are not subject to G.S. 136-44.7.

The Department of Transportation shall report to the members of the General Assembly on projects funded pursuant to this section in each member's district prior to the Board of Transportation's action. The Department shall make a quarterly comprehensive report on the use of these funds to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

USE OF EXCESS OVERWEIGHT/OVERSIZE FEES

SECTION 28.5. Chapter 20 of the General Statutes is amended by adding a new section to read:

"**§ 20-119.1. Use of excess overweight and oversize fees.**

Funds generated by overweight and oversize permit fees in excess of the cost of administering the program, as determined pursuant to G.S. 20-119(e), shall be used for highway and bridge maintenance required as a result of damages caused from overweight/oversize loads."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

FUNDS FOR UNSAFE OR OBSOLETE FIELD FACILITIES

SECTION 28.6. Of the funds appropriated in this act to the Department of Transportation, the Department may use funds not to exceed seventy-five hundredths of one percent (.75%) for maintenance and construction programs for major repair, renovation, or replacement of its field facilities that fail to meet safety standards or that are obsolete for current or future use. Prior to expending these funds, the Department shall submit its proposed budget for these expenditures to the Senate Appropriations Subcommittee on Transportation, the House of Representatives Appropriations Subcommittee on Transportation, and the Joint Legislative Transportation Oversight Committee each year.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

STATE USE OF NORTH CAROLINA RAILROAD DIVIDENDS

SECTION 28.7.(a) G.S. 124-5.1 is repealed.

SECTION 28.7.(b) The Department of Transportation shall use the annual dividends received by the State from its ownership of the stock of the North Carolina Railroad Company in each year of the biennium for track and signal improvements for passenger service, in accordance with G.S. 136-16.6(b)(1).

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

ANALYSIS AND APPROVAL OF RULES, POLICIES, OR GUIDELINES AFFECTING DEPARTMENT OF TRANSPORTATION PROJECTS

SECTION 28.8.(a) G.S. 150B-21.4 is amended by adding a new subsection to read:

"(a1) DOT Analyses. – In addition to the requirements of subsection (a) of this section, any agency that adopts a rule affecting environmental permitting of Department of Transportation projects shall conduct an analysis to determine if the rule will result in an increased cost to the Department of Transportation. The analysis shall be conducted and submitted to the Board of Transportation before the agency publishes the proposed text of the rule change in the North Carolina Register. The agency shall consider any recommendations offered by the Board of Transportation prior to adopting the rule. Once a rule subject to this subsection is adopted, the Board of Transportation may submit any objection to the rule it may have to the Rules Review Commission. If the Rules Review Commission receives an objection to a rule from the Board of Transportation no later than 5:00 P.M. of the day following the day the Commission approves the rule, then the rule shall only become effective as provided in G.S. 150B-21.3(b1)."

SECTION 28.8.(b) Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-44.7C. Analysis and approval of Department of Transportation environmental policies or guidelines affecting transportation projects.**

(a) Analysis Required. – The Department of Transportation shall conduct an analysis of any proposed environmental policy or guideline adopted by the Department that affects Department of Transportation projects to determine if the policy or guideline will result in an increased cost to Department of Transportation projects.

(b) Report of Analysis; Approval of Policy or Guideline Required. – The analysis of a proposed policy or guideline required by subsection (a) of this section shall be reported to the Board of Transportation at least 30 days prior to the proposed effective date of the policy or guideline, and shall not go into effect until approved by the Board of Transportation."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION PRODUCTIVITY PILOT PROGRAMS

SECTION 28.9.(a) The Department of Transportation may continue the productivity pilot programs in the road oil and bridge inspection units implemented under Section 29.3 of S.L. 2003-284.

SECTION 28.9.(b) The Department of Transportation may establish two additional pilot programs to test incentive pay for employees as a means of increasing efficiency and productivity.

One of the new pilot programs shall involve the Pavement Markings Unit. The other pilot program may be selected by the Department of Transportation. Up to one-quarter of one percent (.25%) of the budget allocation for these programs may be used to provide employee incentive payments.

Incentive payments shall be based on quantifiable measures and production schedules determined prior to the implementation of the pilot programs. Pilot programs implemented under this subsection shall last no more than two years.

The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee on the pilot programs developed under this subsection at least 30 days prior to their implementation.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION PERFORMANCE-BASED CONTRACTS

SECTION 28.10. The Department of Transportation may implement up to two performance-based contracts for routine maintenance and operations, exclusive of resurfacing. Selection of firms to perform this work shall be made using a best-value procurement process.

Prior to any advertisement for a proposed project the Department shall report to the Joint Legislative Transportation Oversight Committee on the contractor selection criteria to be used.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION REORGANIZATION

SECTION 28.11.(a) The Secretary of Transportation shall transfer the Program Development branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the Chief Financial Officer of the Department of Transportation.

SECTION 28.11.(b) The Secretary of Transportation shall transfer the Transportation Planning branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(c) The Secretary of Transportation shall transfer the Project Development and Environmental Analysis branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(d) The position of Deputy Secretary for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(e) The position of Special Assistant for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(f) All vacant positions in the Project Development and Environmental Analysis Branch as of April 15, 2005, shall be eliminated except for any vacant position associated with an employee on an approved leave without pay status. Once these positions are eliminated, the Department of Transportation shall not reinstate these positions without the authorization of the General Assembly.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

CONTINUING AVIATION APPROPRIATIONS

SECTION 28.12. G.S. 136-16.4 reads as rewritten:

"**§ 136-16.4. Continuing aviation appropriations.**

~~There is appropriated from the General Fund to the Department of Transportation the sum of eight million four hundred thousand dollars ($8,400,000) for fiscal year 1993-94 and the sum of eight million nine hundred thousand dollars ($8,900,000) for fiscal year 1994-95.~~ There is appropriated from the Highway Fund to the Department of Transportation the sum of eleven million two hundred eighty-four thousand one hundred ninety-eight dollars ($11,284,198) for fiscal year 2005-2006 and the sum of twelve million nine hundred forty-five thousand sixty-six dollars ($12,945,066) for fiscal year 2006-2007. Each subsequent fiscal year, there is appropriated from the ~~General Fund~~ Highway Fund to the Department of Transportation the amount appropriated by this section to the Department of Transportation for the preceding fiscal year, plus or minus the percentage of the amount by which the collection of State sales and use taxes increased or decreased during the preceding fiscal year. The Department of Transportation may use funds appropriated under this section only for aviation purposes."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

TRANSITIONAL TRAINING FOR MOTOR CARRIER ENFORCEMENT OFFICERS

SECTION 28.13.(a) The North Carolina State Highway Patrol is authorized to complete transitional training for 149 Motor Carrier Enforcement Officers to become State Troopers. This transition from Motor Carrier Enforcement Officer to State Trooper shall not relieve the State Highway Patrol of the responsibility of ensuring that all Motor Carrier Enforcement Officer positions and any positions that are transitioned

to State Trooper are dedicated to motor carrier enforcement duties including, but not limited to, permanent weigh station operations, motor carrier inspections, and secondary road checking stations and enforcement.

SECTION 28.13.(b) Any Motor Carrier Enforcement Officer position that is not transitioned or approved for transition by section (a) of this Special Provision shall not be transitioned to the status of a State Trooper.

SECTION 28.13.(c) Of the 59 vacant sworn Motor Carrier Enforcement Officer positions as of April 28, 2005, all lapsed salary and benefits in the amount of two million five hundred forty-eight thousand nine hundred eighty-three dollars ($2,548,983) shall not be spent nor shall any position currently vacant be reclassified by any agency of the State.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION AUTHORITY TO PROVIDE WAY-FINDING SIGNS FOR THE ROANOKE VOYAGES CORRIDOR COMMISSION

SECTION 28.14. Chapter 1194 of the 1981 Session Laws is amended by adding a new section that reads:

"**Sec. 7.2.** At the request of the Roanoke Voyages Corridor Commission, the Department of Transportation is authorized to manufacture and install, on Roanoke Island and up to 30 miles off the island, way-finding signs that, by color, design, and lettering, do not comply with normal transportation signage standards. These signs shall be used to identify and give directions to historic, educational, and cultural attractions on the island. The Department of Transportation shall not erect any signage that would be impracticable, unfeasible, or that would result in an unsafe or hazardous condition."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

REVENUE TAX EVASION PROJECT

SECTION 28.15. Of funds appropriated to Highway Trust Fund Administration, the sum of five hundred forty-eight thousand six hundred thirty-three dollars ($548,633) for the 2005-2006 fiscal year and the sum of four hundred seventy thousand seven hundred one dollars ($470,701) for the 2006-2007 fiscal year shall be used to establish and support nine positions in the Department of Revenue, Motor Fuels Tax Division, to fully implement the Revenue Tax Evasion Project.

Requested by: Senators Jenkins, Snow, Garrou, Dalton, Hagan

VISITOR CENTER FUNDS

SECTION 28.16. G.S. 20-79.7(c)(2) reads as rewritten:

"(c) Use of Funds in Special Registration Plate Account. –

...

(2) From the funds remaining in the Special Registration Plate Account after the deductions in accordance with subdivision (1) of this subsection, there is annually appropriated from the Special Registration Plate Account the sum of ~~nine hundred thousand dollars~~

~~($900,000)~~ one million dollars ($1,000,000) to provide operating assistance for the Visitor Centers:

a. on U.S. Highway 17 in Camden County, ($100,000);
b. on U.S. Highway 17 in Brunswick County, ($100,000);
c. on U.S. Highway 441 in Macon County, ($100,000);
d. in the Town of Boone, Watauga County, ($100,000);
e. on U.S. Highway 29 in Caswell County, ($100,000);
f. on U.S. Highway 70 in Carteret County, ($100,000);
g. on U.S. Highway 64 in Tyrrell County, ($100,000);
h. at the intersection of U.S. Highway 701 and N.C. 904 in Columbus County, ($100,000); ~~and~~
i. on U.S. Highway 221 in McDowell County, ~~($100,000).~~($100,000); and
j. on Staton Road in Transylvania County, ($100,000)."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

MODIFY GLOBAL TRANSPARK DEBT

SECTION 28.17. G.S. 147-69.2(b)(11) reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

...

(11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars ($25,000,000), that have a final maturity not later than ~~July 1, 2005.~~ October 1, 2007. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss.

If any part of the property owned by the North Carolina Global TransPark Authority now or in the future is divested, proceeds of the divestment shall be used to fulfill any unmet obligations on an investment made pursuant to this subdivision."

Special Provision 2005-TRANS-S15

Requested by: Senator Jenkins

BEAVER DAMAGE CONTROL PROGRAM FUNDS

SECTION 28.18. Of funds available to the Department of Transportation for maintenance, the sum of nine hundred thousand dollars ($900,000) for the 2005-2006

fiscal year and the sum of nine hundred thousand dollars ($900,000) for the 2006-2007 fiscal year shall be used to provide the State share necessary to support the beaver damage control program established in G.S. 113-291.10, provided the sum of at least twenty-five thousand dollars ($25,000) in federal funds is available each fiscal year of the biennium to provide the federal share.

VISITOR REGISTRATION SHEET

Transportation ~~Mental Health and Youth Services~~ May 3, 2005 ~~APRIL 28, 2005~~

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Chuck Watts	NCTMF
Elmer Mason	NCTMF
Wayne Horder	DOT - DMV
Joey Gardner	DMV License + Theft
Portia Manley	NCDOT/DMV
Hope McLeod	NCDOT/DMV
Jonia Stevens	NCDOT/DMV
Betsy Bailey	NCPTA
Kim Crawford	TTA
DAN DOMICO	DOT/HR
R.E. Clendenin	SHP

Over on Back

NAME	AGENCY OF FIRM
Col. W. Fletcher Clay	NCSHP
Cassandra G Skinner	NCCCPS
Kary Isenhour	Sen. P. Berger's office
M Bunton	N+R
Barry Smith	Freedom Newspapers
Dan Devane	NCDOT
Mark Foster	NCDOT
Susan Coward	NCDOT
Len Sanderson	NCDOT
Steve Vacendak	NCDOT
Berry Jenkins	Carolinas AGC
Milton Alford	OSBM
Warren Plonk	OSBM
David King	NCDOT
Sandra Long	Martin Marietta

AGENDA

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

May 11, 2005

8:45 AM

Room 1228

Representative Lorene Coates, Presiding Chair
Representative Nelson Cole, Chair

Review of Senate Proposed Transportation Budget

ADJOURNMENT

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

May 11, 2005

8:45 A.M.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on May 11, 2005 at 8:45 a.m. in room 1228 of the Legislative Building. Representative Lorene Coates presided. No members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee were in attendance:

Rep. Lorene Coates
Rep. Nelson Cole
Rep. Fred Steen
Rep. Bonner Stiller
Rep. Jim Gulley
Rep. Tim Moore
Rep. Walter Church
Rep. Linda Coleman
Rep. Margaret Dickson
Rep. Greer Martin
Rep. Drew Saunders

Representative Lorene Coates opened the meeting and introduced the Pages and Sergeant-at-Arms. She welcomed everyone and introduced Bob Weiss, Legislative Fiscal Research Division who spoke to the committee about the proposed Senate Transportation budget.

Mr. Weiss highlighted the key items in the proposed Senate Transportation budget and items that were in common agreement between the House and the Senate budgets. He went on to explain about the differences between the proposed House Transportation budget and the proposed Senate Transportation budget.

See (Handout #1) attached as a part of the minutes. Questions and answers followed.

With no further business to conduct, Representative Coates adjourned the meeting at 9:30 a.m.

Respectfully submitted:

Lorene Coates
Representative Lorene Coates, Presiding
Co-Chair, House Committee

Melissa Lennon
Melissa Lennon
House Legislative Committee Asst.

House Transportation Appropriations Subcommittee

Review of Senate Transportation Budget

May 11, 2005

Handout #1

Expansion Budget Differences Between Governor and Senate
Highway Fund, FY 2006

	Governor's Recommendations	Recommended Senate Budget	Difference
Public Transportation	$ -	$ (23,400,000)	$ (23,400,000)
Highway Patrol	21,230,591	9,810,471	(11,420,120)
Information Technology	7,198,860	5,598,860	(1,600,000)
Rail	2,250,000	1,000,000	(1,250,000)
Maintenance Increase	74,887,021	101,101,741	26,214,720
Aviation Grant Program	-	11,284,198	11,284,198
Small Urban Construction	-	7,000,000	7,000,000
Salaries and Benefits	13,309,900	15,781,300	2,471,400
Ferry Division	-	1,000,000	1,000,000
Visitor Center	-	25,000	25,000
Other Items	8,413,655	8,413,655	-
Total	**$ 127,290,027**	**$ 137,615,225**	**$ 10,325,198**

May 10, 2005

Transportation

	GENERAL FUND			
	FY 05-06		FY 06-07	
Adjusted Continuation Budget	**$12,027,377**		**$12,945,066**	
Legislative Changes				
(1200) Airport Grants				
1 Reduction in Grants				
Reduces airport grants to $11,284,198 in FY 2006. This is an increase of $109,454 over funding in FY 2005.	($743,179)	NR		
2 Transfer Support to Highway Fund	($11,284,198)	R	($12,945,066)	R
This reduction is one part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.				
Total Legislative Changes	**($11,284,198)**	R	**($12,945,066)**	R
	($743,179)	NR		
Total Position Changes				
Revised Budget	**$0**		**$0**	

Transportation

	HIGHWAY FUND			
	FY 05-06		FY 06-07	
Adjusted Continuation Budget	**$1,399,158,973**		**$1,401,940,921**	
Legislative Changes				
(0041) Aeronautics				
3 Transfer Support from General Fund This increase is the second part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	$11,284,198	R	$12,945,066	R
4 Airline Recruitment Program Provides funding for an incentive program to attract and retain improved airline services at North Carolina's eleven non-hub airports, where airline passenger traffic levels have been declining due to financial instability among major carriers.	$350,000	R	$350,000	R
(0863) Leaking Underground Storage Tank Fund				
5 Statutory Adjustment In accordance with G.S.105-119.18, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current forecasts. The increase for FY 2006 brings total Highway Fund support for the program under this statute to $6,010,286 in FY 2006.	$156,750	R	$483,777	R
(0866) State Highway Patrol				
6 Motor Carrier Positions Upgrade Provides 149 Motor Carrier Enforcement Officers, formerly DMV Enforcement Officers, with the training required to have the same level of arrest authority and pay as their trooper counterparts.	$1,561,889	R	$1,639,984	R
7 Additional Troopers Provides funding to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. Funding total of two new troopers for FY 2006 with two additional troopers for FY 2007, for an increase of four for the biennium.	$197,495	R	$308,431	R

	FY 05-06		FY 06-07	
8 VIPER (Voice Interoperable Communications Plan for Emergency Responders)	$51,087	R	$51,087	R
Provides funding to continue the deployment of the VIPER Strategic 800 MHZ statewide system for all of North Carolina's public safety agencies. In addition to funding for equipment, funding is also provided for a Network Control Technician I.	$8,000,000	NR		
(0867) DPI - Driver Training Program				
9 Increase Driver Education Funding	$126,213	R	$126,213	R
Provides funds for an increase in the Average Daily Membership (ADM) of students who will become eligible to take driver education during the biennium. With this increase, Highway Fund support for Driver Education in FY 2006 will be $32,604,129.	$3,192	NR		
(0869) Global Transpark				
10 Global Transpark	$1,600,000	R	$1,600,000	R
Provides funding for the Global Transpark Authority.				
(0871) Employer's Retirement Contribution				
11 Optional Retirement Program - 1-year Vesting	$40,200	R	$40,200	R
Increases the contribution rate to the Teacher's and State Employees' Retirement System for FY 2006 and FY 2007 to reduce the vesting period from five years of service to one year of service for employees of the University of North Carolina who elect to participate in the Optional Retirement Program.				
12 Disability Income Plan	$13,500	R	$13,500	R
Additional amount needed in recurring funds for each year of the biennium to restore the reduction made during FY 2005. This increases the State's contribution from 0.445% to 0.52% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.				
13 Retirement System Contributions	$683,400	R	$683,400	R
Increases the State's contribution for FY 2006 and 2007 to provide a 2.0% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System. This adjustment is funded in part with actuarial gains within the Retirement System.				
(0872) Employer's Contributions - Death Benefit				
14 Death Benefit Trust	$54,200	R	$54,200	R
Additional amount needed, after an adjustment to the Continuation Budget in the amount of $589,000 in recurring funds for each year of the biennium, to restore the reductions made during the 2003-2005 biennium. This restores the State's contribution of 0.16% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.				

	FY 05-06		FY 06-07	
(0873) Salary Increase				
15 State Funded Compensation Increases Provides funds to support the greater of a $500 flat amount or a 2% across-the-board salary increase for FY 2005-06 and to support a 3% annual salary increase for FY 2006-07 for full-time permanent employees supported with Highway Fund appropriations.	$9,120,000	R	$23,200,000	R
(0882) Reserve for Visitor Centers				
16 Increase Funding Provides $25,000 in funding to support the visitor center in Transylvania County.	$25,000	R	$25,000	R
(0885) State Health Plan				
17 Premium Increase Effective October 1, 2005, provides a 14.3% premium increase to the Plan to continue non-contributory health benefit coverage for active and retired employees. The remaining financial support to keep the Plan solvent through the 2005-2007 biennium will come from increased fully contributory premiums paid by employees and retired employees to cover their families under the Plan, and a reduction in the Plan's benefits.	$5,870,000	R	$7,800,000	R
(0934) Reserve for General Maintenance				
18 Increase Funding Provides additional funds to help bring highway infrastructure up to an acceptable level of service and to address significant increases in costs of highway construction materials. These funds are in addition to the continuation budget for maintenance, which amounts to $614,793,288.	$50,928,923 $26,772,818	R NR	$50,928,923	R
19 Cover Unreimbursed Maintenance Expenditures for Emergency Relief Of funds DOT has expended in previous years on emergency relief for hurricane and ice storm damage, roughly $80 million will not be reimbursed by federal agencies. Funds are appropriated to partially address this $80 million shortfall.	$23,400,000	NR		
(7025) Information Technology				
20 Email Replacement Provides funding to replace the Department of Transportation's aging and obsolete email system. The current vendor, Netscape, has stopped supporting the email system, the operating system behind it, and the application software. The State CIO has approved $300,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$550,000	R	$550,000	R

	FY 05-06		FY 06-07	
21 Verification of Customer Identification System Provides funding for hardware and software at local DMV offices to access national databases for validating identification of people applying for driver licenses. The application will be outsourced through a competitive bidding process under the auspices of the State IT Purchasing Office. The department must follow the State CIO's project approval and reporting process, including procurement review and approval. Also the department must follow applicable new and emerging homeland security requirements.	$1,272,000	NR	$300,000	R
22 System to Stagger Commercial and Dealer Plates (Senate Bill 1083) Senate Bill 1083, ratified in 2004, mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer plates expire on the same date, December 31 for commercial plates and June 30 for dealer plates. The mandated change goes into effect January 1, 2006, and additional funds are provided to accommodate the changes. The department must follow the State CIO's project approval and reporting process. Accordingly, the department must receive approval of a planning project and must also receive a "gate" approval before proceeding to the implementation phase.	$1,280,000	NR	$150,000	R
23 Desktop Computer Replacement The Information Technology Division provides technology support for approximately 8,000 computers within the department. Because of the large number of existing computers, a four year rotation is planned, resulting in one fourth of all computers being replaced each year. This provides the necessary funding.	$1,000,000	R	$1,000,000	R
24 Document Management System Document management refers to the storage, retrieval, tracking and administration of documents within an organization. The term applies to electronic documents and paper-based documents that have been converted to electronic form. Funding is provided for a feasibility study and pre-implementation preparation for a document management system to improve and streamline information access throughout the entire department. The State CIO has approved $500,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$500,000	NR		
25 Automated Driver License Testing Systems The Driver License section has installed automated testing systems in 45 of its busiest offices and will have additional systems installed in 23 more offices by spring of 2005. Provides additional funds to install the system in 34 more sites that are small to medium in customer volume. This will provide automated testing systems for every office that has two or more examiners.	$185,100 $811,760	R NR	$287,100	R

	FY 05-06		FY 06-07	
(7030) General Services				
26 Mail Room Expenses Provides additional funds to match expenditures for the mail room at DMV. The General Services Division administers the mail room services for the Division of Motor Vehicles. All driver license renewal notifications, vehicle registration renewals, and all other DMV related correspondence are processed by this division.	$900,000	R	$900,000	R
27 Division of Motor Vehicles Printing Contract The department's printing and finishing operations are managed by the General Services Division, with the exception of the contract printing and limited finishing services located at the DMV headquarters. The contract for the printing and finishing services expired at the end of 2004. Bids are being solicited for renewal of the existing contractual services in addition to new and expanded services. Provides funding to fully fund the services, including the expanded requirements for additional printing and finishing.	$537,500	R	$1,075,000	R
(7812) Secondary Roads				
28 Statutory Adjustment In accordance with G.S. 136-44.2A, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Secondary Roads Construction allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.	$2,370,000	R	$4,980,000	R
(7813) Small Construction				
29 Increase Funding Provides additional funds to bring the total budget to $21,000,000, consistent with funding levels for FY 2005.	$7,000,000	R	$7,000,000	R
(7825) Ferry Operations				
30 Funds for Maintenance Facility Provides additional funds for the ferry maintenance facility to bring Highway Fund support for the Ferry Division to $21,264,811.	$1,000,000	R	$1,000,000	R
(7829) Rail Program				
31 Grants to Short Line Railroads Creates a state grant program for rehabilitation projects that will strengthen North Carolina's short line infrastructure.	$1,000,000	NR		

	FY 05-06		FY 06-07	
(7831) Public Transportation				
32 Reduction in New Start Regional Transit Projects Delays in federal funding for the Triangle Transit Authority allow the State to postpone providing matching funds. These funds were included in the $89,866,447 continuation budget for the Public Transportation program.	($23,400,000)	NR		
(7836) State Aid to Municipalities				
33 Statutory Adjustment In accordance with G.S.136-41.1, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Aid to Municipalities allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.	$2,370,000	R	$4,980,000	R
Total Legislative Changes	**$97,975,455**	**R**	**$122,471,881**	**R**
	$39,639,770	**NR**		
Total Position Changes				
Revised Budget	**$1,536,774,198**		**$1,524,412,802**	

PART XXVIII. DEPARTMENT OF TRANSPORTATION

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

REMOVE GOV OPS CONSULTATION ON FEDERAL-AID ACTS

SECTION 28.1. G.S. 136-44.2 reads as rewritten:

"**§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads and parking lots which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. ~~No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first consulted with the Joint Legislative Commission on Governmental Operations.~~ For purposes of this section, "federally eligible construction project" means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The "Current Operations Appropriations Bill" shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the

construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

If the unreserved credit balance in the Highway Fund on the last day of a fiscal year is greater than the amount estimated for that date in the Current Operations Appropriations Act for the following fiscal year, the excess shall be used in accordance with this paragraph. The Director of the Budget may allocate part or all of the excess among reserves for access and public roads, for unforeseen events requiring prompt action, or for other urgent needs. The amount not allocated to any of these reserves by the Director of the Budget shall be credited to a reserve for maintenance. The Board of Transportation shall report monthly to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division on the use of funds in the maintenance reserve.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars ($100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

TRANSPORTATION SERVICES FOR TRADE SHOWS

SECTION 28.2. The Department of Transportation, from funds available for public transportation in this act, may use up to one million two hundred thousand dollars ($1,200,000) in each year of the biennium for transportation services for annual or semiannual trade shows of international significance. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee, annually on or before March 1, on the use of these funds.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

CASH-FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND APPROPRIATIONS.

SECTION 28.3.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,551.1 million
For Fiscal Year 2008-2009	$1,593.0 million
For Fiscal Year 2009-2010	$1,647.9 million
For Fiscal Year 2010-2011	$1,716.1 million

SECTION 28.3.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,136.9 million

For Fiscal Year 2008-2009	$1,186.4 million
For Fiscal Year 2009-2010	$1,229.6 million
For Fiscal Year 2010-2011	$1,283.2 million

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

SMALL CONSTRUCTION AND CONTINGENCY FUNDS

SECTION 28.4. Of the funds appropriated in this act to the Department of Transportation:

(1) Twenty-one million dollars ($21,000,000) shall be allocated in each fiscal year for small construction projects reviewed and approved by the Division Engineer and the member of the Board of Transportation representing the district in which the project is to be constructed. These funds shall be allocated equally in each fiscal year of the biennium among the 14 Highway Divisions for small construction projects.

(2) Fifteen million dollars ($15,000,000) in fiscal year 2005-2006 and fifteen million dollars ($15,000,000) in fiscal year 2006-2007 shall be used statewide for rural or small urban highway improvements and related transportation enhancements to public roads and public facilities, industrial access roads, and spot safety projects, including pedestrian walkways that enhance highway safety. Projects funded pursuant to this subdivision shall be reviewed and approved by the member of the Board of Transportation representing the district in which the project is to be constructed.

None of these funds used for rural secondary road construction are subject to the county allocation formulas in G.S. 136-44.5(b) and (c).

These funds are not subject to G.S. 136-44.7.

The Department of Transportation shall report to the members of the General Assembly on projects funded pursuant to this section in each member's district prior to the Board of Transportation's action. The Department shall make a quarterly comprehensive report on the use of these funds to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

USE OF EXCESS OVERWEIGHT/OVERSIZE FEES

SECTION 28.5. Chapter 20 of the General Statutes is amended by adding a new section to read:

"**§ 20-119.1. Use of excess overweight and oversize fees.**

Funds generated by overweight and oversize permit fees in excess of the cost of administering the program, as determined pursuant to G.S. 20-119(e), shall be used for highway and bridge maintenance required as a result of damages caused from overweight/oversize loads."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

FUNDS FOR UNSAFE OR OBSOLETE FIELD FACILITIES

SECTION 28.6. Of the funds appropriated in this act to the Department of Transportation, the Department may use funds not to exceed seventy-five hundredths of one percent (.75%) for maintenance and construction programs for major repair, renovation, or replacement of its field facilities that fail to meet safety standards or that are obsolete for current or future use. Prior to expending these funds, the Department shall submit its proposed budget for these expenditures to the Senate Appropriations Subcommittee on Transportation, the House of Representatives Appropriations Subcommittee on Transportation, and the Joint Legislative Transportation Oversight Committee each year.

Requested by: Senator Jenkins

STATE USE OF NORTH CAROLINA RAILROAD DIVIDENDS

SECTION 28.7.(a) G.S. 124-5.1(a) reads as rewritten:

"(a) Notwithstanding the provisions of G.S. 136-16.6, in order to increase the capital of the North Carolina Railroad Company, any dividends of the North Carolina Railroad Company received by the State shall be applied to reduce the obligations described in subsection (c) of Section 32.30 of S.L. 1997-443, as amended by subsection (d) of Section 27.11 of S.L. 1999-237. Any dividends of the North Carolina Railroad Company received by the State shall be used by the Department of Transportation for the improvement of the property of the North Carolina Railroad Company as recommended and approved by the Board of Directors of the North Carolina Railroad Company. The improvements may include the following project types:

(1) Railroad and industrial track rehabilitation.
(2) Railroad signal and grade crossing protection.
(3) Bridge improvements.
(4) Corridor protection.
(5) Industrial site acquisition."

SECTION 28.7.(b) This Section becomes effective July 1, 2005.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

ANALYSIS AND APPROVAL OF RULES, POLICIES, OR GUIDELINES AFFECTING DEPARTMENT OF TRANSPORTATION PROJECTS

SECTION 28.8.(a) G.S. 150B-21.4 is amended by adding a new subsection to read:

"(a1) DOT Analyses. – In addition to the requirements of subsection (a) of this section, any agency that adopts a rule affecting environmental permitting of Department of Transportation projects shall conduct an analysis to determine if the rule will result in an increased cost to the Department of Transportation. The analysis shall be conducted and submitted to the Board of Transportation before the agency publishes the proposed text of the rule change in the North Carolina Register. The agency shall consider any

recommendations offered by the Board of Transportation prior to adopting the rule. Once a rule subject to this subsection is adopted, the Board of Transportation may submit any objection to the rule it may have to the Rules Review Commission. If the Rules Review Commission receives an objection to a rule from the Board of Transportation no later than 5:00 P.M. of the day following the day the Commission approves the rule, then the rule shall only become effective as provided in G.S. 150B-21.3(b1)."

SECTION 28.8.(b) Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-44.7C. Analysis and approval of Department of Transportation environmental policies or guidelines affecting transportation projects.**

(a) Analysis Required. – The Department of Transportation shall conduct an analysis of any proposed environmental policy or guideline adopted by the Department that affects Department of Transportation projects to determine if the policy or guideline will result in an increased cost to Department of Transportation projects.

(b) Report of Analysis; Approval of Policy or Guideline Required. – The analysis of a proposed policy or guideline required by subsection (a) of this section shall be reported to the Board of Transportation at least 30 days prior to the proposed effective date of the policy or guideline, and shall not go into effect until approved by the Board of Transportation."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION PRODUCTIVITY PILOT PROGRAMS

SECTION 28.9.(a) The Department of Transportation may continue the productivity pilot programs in the road oil and bridge inspection units implemented under Section 29.3 of S.L. 2003-284.

SECTION 28.9.(b) The Department of Transportation may establish two additional pilot programs to test incentive pay for employees as a means of increasing efficiency and productivity.

One of the new pilot programs shall involve the Pavement Markings Unit. The other pilot program may be selected by the Department of Transportation. Up to one-quarter of one percent (.25%) of the budget allocation for these programs may be used to provide employee incentive payments.

Incentive payments shall be based on quantifiable measures and production schedules determined prior to the implementation of the pilot programs. Pilot programs implemented under this subsection shall last no more than two years.

The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee on the pilot programs developed under this subsection at least 30 days prior to their implementation.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION PERFORMANCE-BASED CONTRACTS

SECTION 28.10. The Department of Transportation may implement up to two performance-based contracts for routine maintenance and operations, exclusive of resurfacing. Selection of firms to perform this work shall be made using a best-value procurement process.

Prior to any advertisement for a proposed project the Department shall report to the Joint Legislative Transportation Oversight Committee on the contractor selection criteria to be used.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION REORGANIZATION

SECTION 28.11.(a) The Secretary of Transportation shall transfer the Program Development branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the Chief Financial Officer of the Department of Transportation.

SECTION 28.11.(b) The Secretary of Transportation shall transfer the Transportation Planning branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(c) The Secretary of Transportation shall transfer the Project Development and Environmental Analysis branch from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(d) The position of Deputy Secretary for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(e) The position of Special Assistant for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(f) All vacant positions in the Project Development and Environmental Analysis Branch as of April 15, 2005, shall be eliminated except for any vacant position associated with an employee on an approved leave without pay status. Once these positions are eliminated, the Department of Transportation shall not reinstate these positions without the authorization of the General Assembly.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

CONTINUING AVIATION APPROPRIATIONS

SECTION 28.12. G.S. 136-16.4 reads as rewritten:

"**§ 136-16.4. Continuing aviation appropriations.**

~~There is appropriated from the General Fund to the Department of Transportation the sum of eight million four hundred thousand dollars ($8,400,000) for fiscal year 1993-94 and the sum of eight million nine hundred thousand dollars ($8,900,000) for fiscal year 1994-95.~~ There is appropriated from the Highway Fund to the Department of Transportation the sum of eleven million two hundred eighty-four thousand one hundred ninety-eight dollars ($11,284,198) for fiscal year 2005-2006 and the sum of

twelve million nine hundred forty-five thousand sixty-six dollars ($12,945,066) for fiscal year 2006-2007. Each subsequent fiscal year, there is appropriated from the ~~General Fund~~ Highway Fund to the Department of Transportation the amount appropriated by this section to the Department of Transportation for the preceding fiscal year, plus or minus the percentage of the amount by which the collection of State sales and use taxes increased or decreased during the preceding fiscal year. The Department of Transportation may use funds appropriated under this section only for aviation purposes."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

TRANSITIONAL TRAINING FOR MOTOR CARRIER ENFORCEMENT OFFICERS

SECTION 28.13.(a) The North Carolina State Highway Patrol is authorized to complete transitional training for 149 Motor Carrier Enforcement Officers to become State Troopers. This transition from Motor Carrier Enforcement Officer to State Trooper shall not relieve the State Highway Patrol of the responsibility of ensuring that all Motor Carrier Enforcement Officer positions and any positions that are transitioned to State Trooper are dedicated to motor carrier enforcement duties including, but not limited to, permanent weigh station operations, motor carrier inspections, and secondary road checking stations and enforcement.

SECTION 28.13.(b) Any Motor Carrier Enforcement Officer position that is not transitioned or approved for transition by section (a) of this section shall not be transitioned to the status of a State Trooper.

SECTION 28.13.(c) Of the 59 vacant sworn Motor Carrier Enforcement Officer positions as of April 28, 2005, all lapsed salary and benefits in the amount of two million five hundred forty-eight thousand nine hundred eighty-three dollars ($2,548,983) shall not be spent nor shall any position currently vacant be reclassified by any agency of the State.

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

DEPARTMENT OF TRANSPORTATION AUTHORITY TO PROVIDE WAY-FINDING SIGNS FOR THE ROANOKE VOYAGES CORRIDOR COMMISSION

SECTION 28.14. Chapter 1194 of the 1981 Session Laws is amended by adding a new section that reads:

"**Sec. 7.2.** At the request of the Roanoke Voyages Corridor Commission, the Department of Transportation is authorized to manufacture and install, on Roanoke Island and up to 30 miles off the island, way-finding signs that, by color, design, and lettering, do not comply with normal transportation signage standards. These signs shall be used to identify and give directions to historic, educational, and cultural attractions on the island. The Department of Transportation shall not erect any signage that would be impracticable, unfeasible, or that would result in an unsafe or hazardous condition."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

REVENUE TAX EVASION PROJECT

SECTION 28.15. Of funds appropriated to Highway Trust Fund Administration, the sum of five hundred forty-eight thousand six hundred thirty-three dollars ($548,633) for the 2005-2006 fiscal year and the sum of four hundred seventy thousand seven hundred one dollars ($470,701) for the 2006-2007 fiscal year shall be used to establish and support nine positions in the Department of Revenue, Motor Fuels Tax Division, to fully implement the Revenue Tax Evasion Project.

Requested by: Senators Jenkins, Snow, Garrou, Dalton, Hagan

VISITOR CENTER FUNDS

SECTION 28.16. G.S. 20-79.7(c)(2) reads as rewritten:

"(c) Use of Funds in Special Registration Plate Account. –

...

(2) From the funds remaining in the Special Registration Plate Account after the deductions in accordance with subdivision (1) of this subsection, there is annually appropriated from the Special Registration Plate Account the sum of ~~nine hundred thousand dollars ($900,000)~~ one million dollars ($1,000,000) to provide operating assistance for the Visitor Centers:

a. on U.S. Highway 17 in Camden County, ($100,000);
b. on U.S. Highway 17 in Brunswick County, ($100,000);
c. on U.S. Highway 441 in Macon County, ($100,000);
d. in the Town of Boone, Watauga County, ($100,000);
e. on U.S. Highway 29 in Caswell County, ($100,000);
f. on U.S. Highway 70 in Carteret County, ($100,000);
g. on U.S. Highway 64 in Tyrrell County, ($100,000);
h. at the intersection of U.S. Highway 701 and N.C. 904 in Columbus County, ($100,000); ~~and~~
i. on U.S. Highway 221 in McDowell County, ~~($100,000).~~($100,000); and
j. on Staton Road in Transylvania County, ($100,000)."

Requested by: Senators Jenkins, Garrou, Dalton, Hagan

MODIFY GLOBAL TRANSPARK DEBT

SECTION 28.17. G.S. 147-69.2(b)(11) reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

...

(11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars ($25,000,000), that have a

final maturity not later than ~~July 1, 2005.~~ October 1, 2007. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss.

If any part of the property owned by the North Carolina Global TransPark Authority now or in the future is divested, proceeds of the divestment shall be used to fulfill any unmet obligations on an investment made pursuant to this subdivision."

Requested by: Senator Jenkins

BEAVER DAMAGE CONTROL PROGRAM FUNDS

SECTION 28.18. Of funds available to the Department of Transportation for maintenance, the sum of nine hundred thousand dollars ($900,000) for the 2005-2006 fiscal year and the sum of nine hundred thousand dollars ($900,000) for the 2006-2007 fiscal year shall be used to provide the State share necessary to support the beaver damage control program established in G.S. 113-291.10, provided the sum of at least twenty-five thousand dollars ($25,000) in federal funds is available each fiscal year of the biennium to provide the federal share.

Requested by: Senator Jenkins

REPORT ON STORMWATER PILOT PROJECT

SECTION 28.19. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee by August 1, 2005 on its plan to clean up ocean outfalls in accordance with Section 30.20 of S.L. 2004-124.

Requested by: Senator Jenkins

TRANSFER TRANSPORTATION MUSEUM ADMINISTRATION

SECTION 28.20.(a) The Secretary of Transportation shall make capital improvements to the Back Shop at the North Carolina Transportation Museum. The Secretary may spend up to seven million two hundred twenty-five thousand dollars ($7,225,000) of funds available in each fiscal year of the biennium for this purpose.

SECTION 28.20.(b) The administration and oversight of the North Carolina Transportation Museum is transferred from the Historic Sites Section of the Department of Cultural Resources to the Department of Transportation.

SECTION 28.20.(c) This Section becomes effective July 1, 2005.

May 1, 2005

Major DOT Fee Changes in SB622

The DOT fee changes in SB622 would raise revenues to the Highway Fund and Highway Trust Fund, on an annual basis, as follows:

Highway Fund	$141.0 million
Highway Trust Fund	$ 17.8 million

(The revenues shown on this page are annualized. The revenues in FY06 would actually be lower by 25% than those shown as the increases would not be implemented until October 1, 2005.)

Major Changes in Fees Going to the Highway Fund (Annual Basis)

Driver License Fees

Copies of Driver License Records — $23.7 million
Increases about 60%; last fee change1991

Operator Licenses – Class C *(most common)* — $ 5.1
Increase 31% to $4 per year; last fee change 2004

Restoration Fee *(after license revocation)* — $ 3.0
Increase 100% from $25 to $50; last fee change 1981

Commercial Operators Licenses and Endorsements — $ 2.8
Increase from $10 to $15/year for license; $1.25 to $3/year for endorsements; last fee change 1995

Staggered Registration — $63.0
Mostly automobiles and light trucks; automobile registration (tag) fees would go from $20 to $28, or 40%; last increase 1983

Truck Licenses — $22.0
Property-hauling vehicles; fees are based on weight; Increases of about 26-38%; last (significant) increase 1981

International Registration Plan — $15.8
Generally trucks used in interstate commerce; fees are apportioned among the member states; same increases as for truck licenses

Major Changes in Fees Going to the Highway Trust Fund (Annual Basis)

Certificate of Title — $11.7
Increase to $40; fee set at $35 in 1989 and increased By $1 in 2004

Registration Fees — $ 5.0
Miscellaneous fees set in 1989 at $10 are increased to $15; instant title fee increased from $50 to $75

DOT Fee Changes in SB622

Description	G.S. Ref.	Last Fee Change	Fee Amount		% Increase	New Fee Amount		% Increase	Revenues FY04	Annual Increase
Driver's License Fees										
Chauffeurs License-Class A&B	20-7 (l)	11/2004	$4.30	per year	-7%	$ 4.00			$ 129,004	$ (9,000)
Operators License-Class C	20-7 (l)	11/2004	$3.05	per year	31%	$ 4.00			$ 16,291,746	$ 5,074,478
Duplicate License	20-14	11/2004	$10.05		0%	$ 10.00			$ 5,735,130	$ (28,533)
Learners Permit (Incl CDL Permit)	20-7(l) & 20-37.13	8/1/1991	$10.00		50%	$ 15.00			$ 1,796,750	$ 898,375
Restoration Fee (inc 1/2 of DWI)	20-7(i1)	7/1/1981	$25.00		100%	$ 50.00			$ 3,031,478	$ 3,031,478
Special ID Card (same as duplicate)	20-14 20-37.7(d)	8/1/1991	$10.00		50%	$ 15.00			$ 2,284,250	$ 1,142,125
Record Fee (MVR)	20-26(c)	8/1/1991	$5/$7		60%	$8/$11			$ 39,467,378	$ 23,680,427
Drivers Improvement Clinic	20-16(e)	10/1/1982	$25		100%	$ 50.00			$ 86,678	$ 86,678
Commercial Application	20-37.15(a1)	9/1/1990	$20		50%	$ 30.00			$ 706,743	$ 353,372
Commercial License, Class A, B, C	20-37.16(d)	1/1/1995	$10/year		50%	$ 15.00			$ 2,963,866	$ 1,481,933
Commercial Endorsement	20-37.16(d)	1/1/1995	$1.25/year		140%	$ 3.00			$ 960,707	$ 1,344,990
Provisional License (Limited)	20-11(j)		$10		50%	$ 15.00			$ 1,148,184	$ 574,092
Staggered Registration									$ 157,378,509	**$ 62,951,404**
Automobile	20-87	9/1/1983	$20.00		40%	$ 28.00				
Trucks 4,000 lbs. & less	20-88(b)(1)	9/1/1983	$21.50		30%	$ 28.00				
Motorcycle	20-87(6)	9/1/1983	$9.00		67%	$ 15.00				
Trailer-Boat-Utility-Semi	20-88(c)	9/1/1983	$10.00		90%	$ 19.00				
Trailer-House	20-87(9)	10/1/1989	$7.00		57%	$ 11.00				
Temporary Plate (10 day)	20.50 (b)	10/1/1989	$3.00		67%	$ 5.00				
U-Drive It - 15 Passengers or fewer	20-87(1)	9/1/1983	$41.00		24%	$ 51.00				
Buses		9/1/1983	$23.00		43%	$ 33.00				
Misc. Registration Fees									$ 2,787,378	**$ 1,839,669**
Salvage Titles	20-85 (a)	8/15/1989	$10		50%	$ 15.00				
Late Penalty Fee	20-73©	8/1/1991	$10		50%	$ 15.00				
Certification Fee	20-42(b)	8/1/1991	$5		100%	$ 10.00				
Truck License	20-88	7/1/1981							$ 66,816,761	**$ 22,049,531**
			Farmer	Other	%Inc. Fmr	Farmer	Other	%Inc. Other		
4,000 lbs. and less			$0.23	$0.46	26%	$ 0.29	$ 0.59	28%		
4,001 - 9,000 lbs.		10/1/1993	$0.29	$0.63	38%	$ 0.40	$ 0.81	29%		
9,001 - 13,000 lbs.		10/1/1993	$0.37	$0.78	35%	$ 0.50	$ 1.00	28%		
13,001 - 17,000 lbs.		10/1/1993	$0.51	$1.06	33%	$ 0.68	$ 1.36	28%		
Over 17,000 lbs.		10/1/1993	$0.58	$1.20	33%	$ 0.77	$ 1.54	28%		
Lien Recording Fee (License & Theft)	20-77	7/1/1991	$10		50%	$ 15.00			$ 228,420	$ 114,210

DOT Fee Changes in SB622

Description	G.S. Ref.	Last Fee Change	Fee Amount		% Increase	New Fee Amount		% Increase	Revenues FY04	Annual Increase
International Registration Plan	20-86.1	7/1/1981	Farmer	Other	%Inc. Fmr	Farmer	Other	%Inc. Other	$ 47,623,500	$ 15,715,755
			$0.23	$0.46	26%	$ 0.29	$ 0.59	28%		
			$0.29	$0.63	38%	$ 0.40	$ 0.81	29%		
			$0.37	$0.78	35%	$ 0.50	$ 1.00	28%		
			$0.51	$1.06	33%	$ 0.68	$ 1.36	28%		
			$0.58	$1.20	33%	$ 0.77	$ 1.54	28%		
Dealer and Manufacturers License Fees	20-289								$ 1,071,555	$ 478,985
Distributors		7/1/1992	$50		40%	$ 70.00				
Wholesalers		7/1/1992	$50		40%	$ 70.00				
Manufacturers		7/1/1992	$100		50%	$ 150.00				
Factory Branch		7/1/1992	$70		43%	$ 100.00				
Factory and Distributor Rep		7/1/1992	$10		50%	$ 15.00				
Salesman		7/1/1992	$10		50%	$ 15.00				
Dealers		7/1/1992	$50		40%	$ 70.00				
Motor Carrier Fees	20-385	10/10/1983								
Registration of Exempt Operations			$25		80%	$ 45.00			$ 418,144	**$ 167,258**
Certificate of Exemption			$25		80%	$ 45.00				
Emergency Permit			$10		80%	$ 18.00				
Title Fees (Highway Trust Fund)										
Certificate of Title	*20-85*	*8/15/1989*	*$35*		*14%*	*$ 40.00*			*$ 83,715,429*	*$ 11,720,160*
Lien Recording or Removal Fee (HTF)	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*			*$ 2,141,361*	*$ 1,070,681*
Registration Fees (Highway Trust Fund)									*$ 10,067,099*	*$ 5,033,549*
Duplicate/Corrected Title	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Repossessor Title	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Transfer of Registration Plate	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Replacement of Registration Plate	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Duplicate Registration Card	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Manufacturer of Dealer Title	*20-85*	*8/15/1989*	*$10*		*50%*	*$ 15.00*				
Instant Title	*20-85.1(b)*	*8/15/1989*	*$50*		*50%*	*$ 75.00*				
Special Identification Card (11-15)	20-37.7	8/1/1991	$10		50%	$ 15.00			$ 137,790	$ 68,895
Sale of Collision Reports	20-42	7/1/1981	$4		25%	$ 5.00			$ 18,195	$ 4,549
									$ 447,006,055	$ 158,845,060

Note: Fees that go to the Highway Trust Fund are shown in italics.

Highway Fund	**$ 351,082,166**	**$ 141,020,670**
Highway Trust Fund	***$ 95,923,889***	***$ 17,824,390***

Note: Fee changes would be effective 10/1/05. The Annual Increase for FY06 would be 75% of the totals shown.

12

House Pages

Approp. Transportation

Name Of Committee: _____ Date: 5-11-05

1. Name: Matthew Knight

   County: Durham

   Sponsor: Rep. Wilkins

2. Name: _____

   County: _____

   Sponsor: _____

3. Name: _____

   County: _____

   Sponsor: _____

4. Name: _____

   County: _____

   Sponsor: _____

5. Name: _____

   County: _____

   Sponsor: _____

Sgt-At-Arms

1. Name: Dusty Rhodes
2. Name: Linda Fuller
3. Name: _____
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

Approp Transportation — 5/11/05

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Portia Mankey	NCDOT/DMV
Lee Hedgpeth	KCLH
BILL SCOGGIN	"

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Wednesday, May 18, 2005 3:35 PM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: Thursday APPROP. TRANSP. COMM. MTG 5/19/05
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/TRANSPORTATION** will meet as follows:

DAY: Thursday May 19, 2005

TIME: 9:00 a.m.

Room: 1228/1327 LB

Transportation Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 3:40 a.m. on **May 18, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

5/18/2005

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

MAY 19, 2005

9:00 A.M.

Room 1228 LB

The House Appropriations Subcommittee on Transportation met on May 19, 2005 at 9:00 a.m. in room 1228 of the Legislative Building. Representative Lorene Coates presided and called the meeting to order. She recognized the Pages and Sergeant-at-Arms. A visitor registration sheet is attached and made part of these minutes. The following members were present:

Rep. Lorene Coates
Rep. Nelson Cole
Rep. Mary McAllister
Rep. David Almond
Rep. Larry Brown
Rep. Walter Church
Rep. Margaret Dickson
Rep. Jim Gulley
Rep. Grier Martin
Rep. Ed McMahan
Rep. Tim Moore
Rep. Drew Saunders
Rep. Fred Steen
Rep. Arthur Williams

Representative Coates opened the meeting explaining that the intent of the meeting was to review the changes that had been made in the Senate Proposed Budget for the Transportation/Appropriations Subcommittee. There would be no amendments made at this time. The House Subcommittee on Transportation Appropriations **DRAFT** Budget is made a part of these minutes as Handout #1. Rep. Coates then turned the meeting over to Evan Rodewald, staff, who only went over the changes made in the Senate Subcommittee on Transportation Appropriations Budget vs. the House Subcommittee on Transportation Appropriations Budget. These changes are as follows:

Page K-1, AIRPORT GRANTS. He then asked Mr. David King, Deputy Secretary of DOT to explain the changes.

Page K-2; line item #6, VIPER (Voice Interoperable Communications Plan for Emergency Responders). Some discussion followed on this item and Colonial Fletcher Clay with the Highway Patrol was asked to explain some of the concerns.

Page K-3, line item #8, ADJUST DRIVER EDUCATION FUNDING.

Page K-3, line item #12, INCREASE FUNDING in the Reserve for General Maintenance.

Page K-4, line item #17, ONLINE DEALER REGISTRATION ENHANCEMENT.

Representative Coates then recognized Bob Weiss, staff, who presented the changes of the Special Provisions of the House Subcommittee on Transportation Appropriations **Draft** Budget (part of Handout #1). The changes from the Senate Special Provisions of the Senate Subcommittee on Transportation Appropriations Budget are as follows:

Page one, REMOVE GOV OPS CONSULTATIONS ON FEDERAL AID ACTS; line item #31.

Page seven, STATE USE OF NORTH CAROLINA RAILROAD DIVIDENDS; lines 11-18 added.

Page 11, DEPARTMENT OF TRANSPORTATION REORGANIZATION; technical change was made.

Page 18, DEPARTMENT OF TRANSPORTATION PRODUCTIVITY PILOT PROGRAMS. The change includes the percentage of budget allocation for employee incentive programs.

Page 19, CONTINUING AVIATION APPROPRIATIONS; technical change was made.

Page 21, ESTABLISHING TOLL WAYS ON FEDERALLY FUNDED HIGHWAYS DESIGNATED AS INTERSTATES. Changes were made on lines 8,10,11,16,19 20,21,24,25,26,33,34 and 35.

A brief question and answer period followed after these provisions were presented.

Michael Gross, the new Legislative Drafting staff person was introduced who went over Page 20, TRANSITIONAL TRAINING FOR MOTOR CARRIER ENFORCEMENT OFFICERS. Changes were made on lines 5,6,9,10,11,12,13,15,16 and 17. Lines 24-30 were added. Colonial Fletcher Clay with the Highway Patrol was called upon to make a few comments on this provision.

With the House Subcommittee on Transportation Appropriations Draft Budget changes having been presented, Representative Coates adjourned the meeting at 9:50 a.m.

Respectfully submitted:

Representative Lorene Coates
Co-chairman

Suzanne Smith
Legislative Committee Assistant

Handout #1

House Subcommittee on Transportation Appropriations

DRAFT

Money Report and Special Provisions

May 19, 2005

Transportation

	GENERAL FUND			
	FY 05-06		FY 06-07	
Recommended Budget	**$12,027,377**		**$12,945,066**	
Legislative Changes				
(1200) Airport Grants				
1 Transfer Support to Highway Fund This reduction is one part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	($11,284,198)	R	($12,945,066)	R
2 Reduction in Grants Reduces airport grants to $11,284,198 in FY 2006. This is an increase of $109,454 over funding in FY 2005.	($743,179)	NR		
Total Legislative Changes	**($11,284,198)** **($743,179)**	R NR	**($12,945,066)**	R
Total Position Changes				
Revised Budget	**$0**		**$0**	

Transportation

	HIGHWAY FUND			
	FY 05-06		FY 06-07	
Recommended Budget	**$1,399,158,973**		**$1,401,940,921**	

Legislative Changes

(0041) Aeronautics

3 Transfer Support from General Fund This increase is the second part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	$11,284,198	R	$12,945,066	R
4 Airline Recruitment Program Provides funding for an incentive program to attract and retain improved airline services at North Carolina's eleven non-hub airports, where airline passenger traffic levels have been declining due to financial instability among major carriers.	$350,000	R	$350,000	R

(0863) Leaking Underground Storage Tank Fund

5 Statutory Adjustment In accordance with G.S.105-119.18, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current forecasts. The increase for FY 2006 brings total Highway Fund support for the program under this statute to $6,010,286 in FY 2006.	$156,750	R	$483,777	R

(0866) State Highway Patrol

6 VIPER (Voice Interoperable Communications Plan for Emergency Responders)	$51,087	R	$51,087	R
Provides funding to continue the deployment of the VIPER Strategic 800 MHZ statewide system for all of North Carolina's public safety agencies. In addition to funding for equipment, funding is also provided for a Network Control Technician I.	$8,000,000	NR		
7 Additional Troopers Provides funding to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. Funding total of two new troopers for FY 2006 with two additional troopers for FY 2007, for an increase of four for the biennium.	$197,495	R	$308,431	R

	FY 05-06		FY 06-07	
(0867) DPI - Driver Training Program				
8 Adjust Driver Education Funding Provides funds for a ninth grade average daily membership (ADM) of 132,780 in FY 2006 and 133,580 in FY 2007 at a level of $235 per ADM. With this reduction, Highway Fund support for Driver Education in FY 2006 will be $31,203,300.	($1,271,424)	R	($1,283,056)	R
(0869) Global Transpark				
9 Global Transpark Provides funding for the Global Transpark Authority.	$1,600,000	R	$1,600,000	R
(0882) Reserve for Visitor Centers				
10 Increase Funding Provides $25,000 in funding to support the visitor center in Transylvania County.	$25,000	R	$25,000	R
(0934) Reserve for General Maintenance				
11 Cover Unreimbursed Maintenance Expenditures for Emergency Relief Of funds DOT has expended in previous years on emergency relief for hurricane and ice storm damage, roughly $80 million will not be reimbursed by federal agencies. Funds are appropriated to partially address this $80 million shortfall.	$23,400,000	NR		
12 Increase Funding Provides additional funds to help bring highway infrastructure up to an acceptable level of service and to address significant increases in costs of highway construction materials. These funds are in addition to the continuation budget for maintenance, which amounts to $614,793,288.	$202,330,261	R	$215,000,000	R
(7025) Information Technology				
13 Verification of Customer Identification System Provides funding for hardware and software at local DMV offices to access national databases for validating identification of people applying for driver licenses. The application will be outsourced through a competitive bidding process under the auspices of the State IT Purchasing Office. The department must follow the State CIO's project approval and reporting process, including procurement review and approval. Also the department must follow applicable new and emerging homeland security requirements.	$1,272,000	NR	$300,000	R

	FY 05-06		FY 06-07	
14 Document Management System				
Document management refers to the storage, retrieval, tracking and administration of documents within an organization. The term applies to electronic documents and paper-based documents that have been converted to electronic form. Funding is provided for a feasibility study and pre-implementation preparation for a document management system to improve and streamline information access throughout the entire department. The State CIO has approved $500,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$500,000	NR		
15 System to Stagger Commercial and Dealer Plates (Senate Bill 1083)			$150,000	R
Senate Bill 1083, ratified in 2004, mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer plates expire on the same date, December 31 for commercial plates and June 30 for dealer plates. The mandated change goes into effect January 1, 2006, and additional funds are provided to accommodate the changes. The department must follow the State CIO's project approval and reporting process. Accordingly, the department must receive approval of a planning project and must also receive a "gate" approval before proceeding to the implementation phase.	$1,280,000	NR		
16 Automated Driver License Testing Systems	$185,100	R	$287,100	R
The Driver License section has installed automated testing systems in 45 of its busiest offices and will have additional systems installed in 23 more offices by spring of 2005. Provides additional funds to install the system in 34 more sites that are small to medium in customer volume. This will provide automated testing systems for every office that has two or more examiners.	$811,760	NR		
17 Online Dealer Registration Enhancement			$200,000	R
Provides funding to enhance the existing Online Dealer Registration System to allow motor vehicle dealers the option of performing titling and registration services on-site. The enhancement would allow the department to write its own client-server/internet application to interface with the mainframe and replace the present outsourced application resulting in savings and service level improvements. The State SCIO has approved $200,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$600,000	NR		
18 Desktop Computer Replacement	$1,000,000	R	$1,000,000	R
The Information Technology Division provides technology support for approximately 8,000 computers within the department. Because of the large number of existing computers, a four year rotation is planned, resulting in one fourth of all computers being replaced each year. This provides the necessary funding.				

	FY 05-06		FY 06-07	
19 Email Replacement Provides funding to replace the Department of Transportation's aging and obsolete email system. The current vendor, Netscape, has stopped supporting the email system, the operating system behind it, and the application software. The State CIO has approved $300,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$550,000	R	$550,000	R
(7030) General Services				
20 Mail Room Expenses Provides additional funds to match expenditures for the mail room at DMV. The General Services Division administers the mail room services for the Division of Motor Vehicles. All driver license renewal notifications, vehicle registration renewals, and all other DMV related correspondence are processed by this division.	$900,000	R	$900,000	R
21 Division of Motor Vehicles Printing Contract The department's printing and finishing operations are managed by the General Services Division, with the exception of the contract printing and limited finishing services located at the DMV headquarters. The contract for the printing and finishing services expired at the end of 2004. Bids are being solicited for renewal of the existing contractual services in addition to new and expanded services. Provides funding to fully fund the services, including the expanded requirements for additional printing and finishing.	$537,500	R	$1,075,000	R
(7812) Secondary Roads				
22 Statutory Adjustment In accordance with G.S. 136-44.2A, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Secondary Roads Construction allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.	$2,370,000	R	$4,980,000	R
(7813) Small Construction				
23 Increase Funding Provides additional funds to bring the total budget to $21,000,000, consistent with funding levels for FY 2005.	$7,000,000	R	$7,000,000	R
(7825) Ferry Operations				
24 Funds for Maintenance Facility Provides additional funds for the ferry maintenance facility to bring Highway Fund support for the Ferry Division to $21,264,811.	$1,000,000	R	$1,000,000	R

	FY 05-06		FY 06-07	
(7829) Rail Program				
25 Grants to Short Line Railroads				
Creates a state grant program for rehabilitation projects that will strengthen North Carolina's short line infrastructure.	$1,000,000	NR		
(7831) Public Transportation				
26 Reduction in New Start Regional Transit Projects				
Delays in federal funding for the Triangle Transit Authority allow the State to postpone providing matching funds. These funds were included in the $89,866,447 continuation budget for the Public Transportation program.	($23,400,000)	NR		
(7836) State Aid to Municipalities				
27 Statutory Adjustment	$2,370,000	R	$4,980,000	R
In accordance with G.S.136-41.1, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Aid to Municipalities allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,237,000 in FY 2006.				
Total Legislative Changes	**$230,635,967**	**R**	**$251,902,405**	**R**
	$13,463,760	**NR**		
Total Position Changes				
Revised Budget	**$1,643,258,700**		**$1,653,843,326**	

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H1(S28.1)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

REMOVE GOV OPS CONSULTATION ON FEDERAL-AID ACTS

SECTION 28.1. G.S. 136-44.2 reads as rewritten:

"**§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads and parking lots which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first ~~consulted with~~ reported to the Joint Legislative Commission on Governmental Operations. For purposes of this section, "federally eligible construction project" means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The "Current Operations Appropriations Bill" shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

If the unreserved credit balance in the Highway Fund on the last day of a fiscal year is greater than the amount estimated for that date in the Current Operations Appropriations Act for the following fiscal year, the excess shall be used in accordance with this paragraph. The Director of the Budget may allocate part or all of the excess among reserves for access and public roads, for unforeseen events requiring prompt action, or for other urgent needs. The amount not allocated to any of these reserves by the Director of the Budget shall be credited to a reserve for maintenance. The Board of Transportation shall report monthly to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division on the use of funds in the maintenance reserve.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars ($100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H2(S28.2)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

TRANSPORTATION SERVICES FOR TRADE SHOWS

SECTION 28.2. The Department of Transportation, from funds available for public transportation in this act, may use up to one million two hundred thousand dollars ($1,200,000) in each year of the biennium for transportation services for annual or semiannual trade shows of international significance. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee, annually on or before March 1, on the use of these funds.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H3(S28.3)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

CASH-FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND APPROPRIATIONS.

SECTION 28.3.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,551.1 million
For Fiscal Year 2008-2009	$1,593.0 million
For Fiscal Year 2009-2010	$1,647.9 million
For Fiscal Year 2010-2011	$1,716.1 million

SECTION 28.3.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,136.9 million
For Fiscal Year 2008-2009	$1,186.4 million
For Fiscal Year 2009-2010	$1,229.6 million
For Fiscal Year 2010-2011	$1,283.2 million

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H4(S28.4)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

SMALL CONSTRUCTION AND CONTINGENCY FUNDS

SECTION 28.4. Of the funds appropriated in this act to the Department of Transportation:

(1) Twenty-one million dollars ($21,000,000) shall be allocated in each fiscal year for small construction projects reviewed and approved by the Division Engineer and the member of the Board of Transportation representing the district in which the project is to be constructed. These funds shall be allocated equally in each fiscal year of the biennium among the 14 Highway Divisions for small construction projects.

(2) Fifteen million dollars ($15,000,000) in fiscal year 2005-2006 and fifteen million dollars ($15,000,000) in fiscal year 2006-2007 shall be used statewide for rural or small urban highway improvements and related transportation enhancements to public roads and public facilities, industrial access roads, and spot safety projects, including pedestrian walkways that enhance highway safety. Projects funded pursuant to this subdivision shall be reviewed and approved by the member of the Board of Transportation representing the district in which the project is to be constructed.

None of these funds used for rural secondary road construction are subject to the county allocation formulas in G.S. 136-44.5(b) and (c).

These funds are not subject to G.S. 136-44.7.

The Department of Transportation shall report to the members of the General Assembly on projects funded pursuant to this section in each member's district prior to the Board of Transportation's action. The Department shall make a quarterly comprehensive report on the use of these funds to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H5(S28.5)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

USE OF EXCESS OVERWEIGHT/OVERSIZE FEES

SECTION 28.5. Chapter 20 of the General Statutes is amended by adding a new section to read:

"**§ 20-119.1. Use of excess overweight and oversize fees.**

Funds generated by overweight and oversize permit fees in excess of the cost of administering the program, as determined pursuant to G.S. 20-119(e), shall be used for highway and bridge maintenance required as a result of damages caused from overweight/oversize loads."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H6(S28.7)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

STATE USE OF NORTH CAROLINA RAILROAD DIVIDENDS

SECTION 28.7. G.S. 124-5.1(a) reads as rewritten:

"(a) Notwithstanding the provisions of G.S. 136-16.6, in order to increase the capital of the North Carolina Railroad Company, any dividends of the North Carolina Railroad Company received by the State shall be applied to reduce the obligations described in subsection (c) of Section 32.30 of S.L. 1997-443, as amended by subsection (d) of Section 27.11 of S.L. 1999-237. Any dividends of the North Carolina Railroad Company received by the State shall be used by the Department of Transportation for the improvement of the property of the North Carolina Railroad Company as recommended and approved by the Board of Directors of the North Carolina Railroad Company. The improvements shall be limited to the following project types:

(1) Railroad and industrial track rehabilitation and installation in high traffic areas.
(2) Railroad signal and grade crossing protection.
(3) Bridge improvements.
(4) Corridor protection.
(5) Industrial site acquisition."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H7(S28.6)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

FUNDS FOR UNSAFE OR OBSOLETE FIELD FACILITIES

SECTION 28.6. Of the funds appropriated in this act to the Department of Transportation, the Department may use funds not to exceed seventy-five hundredths of one percent (.75%) for maintenance and construction programs for major repair, renovation, or replacement of its field facilities that fail to meet safety standards or that are obsolete for current or future use. Prior to expending these funds, the Department shall submit its proposed budget for these expenditures to the Senate Appropriations Subcommittee on Transportation, the House of Representatives Appropriations Subcommittee on Transportation, and the Joint Legislative Transportation Oversight Committee each year.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H9(S28.8)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

ANALYSIS AND APPROVAL OF RULES, POLICIES, OR GUIDELINES AFFECTING DEPARTMENT OF TRANSPORTATION PROJECTS

SECTION 28.8.(a) G.S. 150B-21.4 is amended by adding a new subsection to read:

"(a1) DOT Analyses. – In addition to the requirements of subsection (a) of this section, any agency that adopts a rule affecting environmental permitting of Department of Transportation projects shall conduct an analysis to determine if the rule will result in an increased cost to the Department of Transportation. The analysis shall be conducted and submitted to the Board of Transportation before the agency publishes the proposed text of the rule change in the North Carolina Register. The agency shall consider any recommendations offered by the Board of Transportation prior to adopting the rule. Once a rule subject to this subsection is adopted, the Board of Transportation may submit any objection to the rule it may have to the Rules Review Commission. If the Rules Review Commission receives an objection to a rule from the Board of Transportation no later than 5:00 P.M. of the day following the day the Commission approves the rule, then the rule shall only become effective as provided in G.S. 150B-21.3(b1)."

SECTION 28.8.(b) Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-44.7C. Analysis and approval of Department of Transportation environmental policies or guidelines affecting transportation projects.**

(a) Analysis Required. – The Department of Transportation shall conduct an analysis of any proposed environmental policy or guideline adopted by the Department that affects Department of Transportation projects to determine if the policy or guideline will result in an increased cost to Department of Transportation projects.

(b) Report of Analysis; Approval of Policy or Guideline Required. – The analysis of a proposed policy or guideline required by subsection (a) of this section shall be reported to the Board of Transportation at least 30 days prior to the proposed effective date of the policy or guideline, and shall not go into effect until approved by the Board of Transportation."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H10(S28.10)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

DEPARTMENT OF TRANSPORTATION PERFORMANCE-BASED CONTRACTS

SECTION 28.10. The Department of Transportation may implement up to two performance-based contracts for routine maintenance and operations, exclusive of resurfacing. Selection of firms to perform this work shall be made using a best-value procurement process.

Prior to any advertisement for a proposed project the Department shall report to the Joint Legislative Transportation Oversight Committee on the contractor selection criteria to be used.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H11(S28.11)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

DEPARTMENT OF TRANSPORTATION REORGANIZATION

SECTION 28.11.(a) The Secretary of Transportation shall transfer the Program Development branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the Chief Financial Officer of the Department of Transportation.

SECTION 28.11.(b) The Secretary of Transportation shall transfer the Transportation Planning branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(c) The Secretary of Transportation shall transfer the Project Development and Environmental Analysis branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(d) The position of Deputy Secretary for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(e) The position of Special Assistant for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(f) All vacant positions in the Project Development and Environmental Analysis Branch as of April 15, 2005, shall be eliminated except for any vacant position associated with an employee on an approved leave without pay status. Once these positions are eliminated, the Department of Transportation shall not reinstate these positions without the authorization of the General Assembly.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H12(S28.14)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

DEPARTMENT OF TRANSPORTATION AUTHORITY TO PROVIDE WAY-FINDING SIGNS FOR THE ROANOKE VOYAGES CORRIDOR COMMISSION

SECTION 28.14. Chapter 1194 of the 1981 Session Laws is amended by adding a new section that reads:

"Sec. 7.2. At the request of the Roanoke Voyages Corridor Commission, the Department of Transportation is authorized to manufacture and install, on Roanoke Island and up to 30 miles off the island, way-finding signs that, by color, design, and lettering, do not comply with normal transportation signage standards. These signs shall be used to identify and give directions to historic, educational, and cultural attractions on the island. The Department of Transportation shall not erect any signage that would be impracticable, unfeasible, or that would result in an unsafe or hazardous condition."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H13(S28.15)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

REVENUE TAX EVASION PROJECT

SECTION 28.15. Of funds appropriated to Highway Trust Fund Administration, the sum of five hundred forty-eight thousand six hundred thirty-three dollars ($548,633) for the 2005-2006 fiscal year and the sum of four hundred seventy thousand seven hundred one dollars ($470,701) for the 2006-2007 fiscal year shall be used to establish and support nine positions in the Department of Revenue, Motor Fuels Tax Division, to fully implement the Revenue Tax Evasion Project.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H14(S28.16)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

VISITOR CENTER FUNDS

SECTION 28.16. G.S. 20-79.7(c)(2) reads as rewritten:

"(c) Use of Funds in Special Registration Plate Account. –

...

(2) From the funds remaining in the Special Registration Plate Account after the deductions in accordance with subdivision (1) of this subsection, there is annually appropriated from the Special Registration Plate Account the sum of ~~nine hundred thousand dollars ($900,000)~~ one million dollars ($1,000,000) to provide operating assistance for the Visitor Centers:

a. on U.S. Highway 17 in Camden County, ($100,000);
b. on U.S. Highway 17 in Brunswick County, ($100,000);
c. on U.S. Highway 441 in Macon County, ($100,000);
d. in the Town of Boone, Watauga County, ($100,000);
e. on U.S. Highway 29 in Caswell County, ($100,000);
f. on U.S. Highway 70 in Carteret County, ($100,000);
g. on U.S. Highway 64 in Tyrrell County, ($100,000);
h. at the intersection of U.S. Highway 701 and N.C. 904 in Columbus County, ($100,000); ~~and~~
i. on U.S. Highway 221 in McDowell County, ~~($100,000).~~($100,000); and
j. on Staton Road in Transylvania County, ($100,000)."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H15(S28.17)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

MODIFY GLOBAL TRANSPARK DEBT

SECTION 28.17. G.S. 147-69.2(b)(11) reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

...

(11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars ($25,000,000), that have a final maturity not later than ~~July 1, 2005.~~ October 1, 2007. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss.

If any part of the property owned by the North Carolina Global TransPark Authority now or in the future is divested, proceeds of the divestment shall be used to fulfill any unmet obligations on an investment made pursuant to this subdivision."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H16(S28.19)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

REPORT ON STORMWATER PILOT PROJECT

SECTION 28.19. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee by August 1, 2005 on its plan to clean up ocean outfalls in accordance with Section 30.20 of S.L. 2004-124.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H17(S28.20)i

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: **Representative**

TRANSFER TRANSPORTATION MUSEUM ADMINISTRATION

SECTION 28.20.(a) The Secretary of Transportation shall make capital improvements to the Back Shop at the North Carolina Transportation Museum. The Secretary may spend up to seven million two hundred twenty-five thousand dollars ($7,225,000) of funds available in each fiscal year of the biennium for this purpose.

SECTION 28.20.(b) The administration and oversight of the North Carolina Transportation Museum is transferred from the Historic Sites Section of the Department of Cultural Resources to the Department of Transportation.

SECTION 28.20.(c) This Section becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H18(S28.9)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

DEPARTMENT OF TRANSPORTATION PRODUCTIVITY PILOT PROGRAMS

SECTION 28.9.(a) The Department of Transportation may continue the productivity pilot programs in the road oil and bridge inspection units implemented under Section 29.3 of S.L. 2003-284. The Department of Transportation may expend up to one-half of one percent (.50%) of the budget allocation for these programs for employee incentive payments to maintain the increased efficiency and productivity under these programs.

SECTION 28.9.(b) The Department of Transportation may establish two additional pilot programs to test incentive pay for employees as a means of increasing and maintaining efficiency and productivity.

One of the new pilot programs shall involve the Pavement Markings Unit. The other pilot program may be selected by the Department of Transportation. Up to one-half of one percent (.50%) of the budget allocation for these programs may be used to provide employee incentive payments.

Incentive payments shall be based on quantifiable measures and production schedules determined prior to the implementation of the pilot programs. Pilot programs implemented under this subsection shall last no more than two years.

The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee on the pilot programs developed under this subsection at least 30 days prior to their implementation.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H19(S28.12)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

CONTINUING AVIATION APPROPRIATIONS

SECTION 28.12.(a) G.S. 136-16.4 and G.S. 136-16.5 are repealed.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H20(S28.13)

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

TRANSITIONAL TRAINING FOR MOTOR CARRIER ENFORCEMENT OFFICERS

SECTION 28.13.(a) G.S.20-183.10 reads as rewritten:

"**§ 20-183.10. Operation of the permanent weigh stations by the Department of Crime Control and Public Safety, Division of ~~State Highway Patrol~~Motor Carrier Enforcement, uniformed personnel.**

The permanent weigh stations to be established pursuant to the provisions of this Article shall be operated by the Department of Crime Control and Public Safety, Division of ~~State Highway Patrol~~Motor Carrier Enforcement, who shall assign a sufficient number of sworn and ~~nonsworn~~non-sworn personnel to the various weigh stations. Sworn personnel of the Division of ~~State Highway Patrol~~Motor Carrier Enforcement shall supervise all ~~nonsworn~~non-sworn personnel assigned to weigh stations. The sworn and ~~nonsworn~~non-sworn personnel shall have authority to weigh vehicles and to assess civil penalties pursuant to Article 3, Part 9 of this Chapter and shall wear uniforms and operate patrol vehicles to be selected and furnished by the Department of Crime Control and Public Safety, Division of ~~State Highway Patrol~~Motor Carrier Enforcement. The uniformed sworn and ~~nonsworn~~non-sworn personnel assigned to the various permanent weigh stations shall weigh vehicles and complete various reports as may be necessary for recording violations relating to the weight of vehicles and their loads. The uniformed officers assigned to the various permanent weigh stations shall have the powers of peace officers for the purpose of enforcing the provisions of this Chapter and in making arrests, serving process, and appearing in court in all matters and things relating to the weight of vehicles and their loads. For administrative purposes, the Division of Motor Carrier Enforcement shall report to the Commander of the State Highway Patrol. The State Highway Patrol shall provide all administrative and logistical support to the Motor Carrier Enforcement division to include uniforms, patrol vehicles, all safety equipment and training. Motor Carrier Enforcement division members shall not be subject to the State Highway Patrol's chain of command except that the Commander shall direct the daily operation of the Motor Carrier Enforcement division. "

SECTION 28.13.(b) Effective July 1, 2005, the State Highway Patrol shall not initiate any transitional training of Motor Carrier Enforcement officers to State Trooper. The State Highway Patrol may complete any training initiated prior to July 1, 2005. All positions designated as Motor Carrier Enforcement Positions shall be placed in the Division of Motor Carrier Enforcement, regardless of the status of the employee as a Motor Carrier Enforcement Officer or State Trooper.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H21

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

ESTABLISHING TOLL WAYS ON FEDERALLY FUNDED HIGHWAYS DESIGNATED AS INTERSTATES

SECTION #.(a) The North Carolina Department of Transportation shall apply to the United States Department of Transportation for a permit to allow tolling on established Interstate highways in North Carolina.

SECTION #.(b) The title of Article 6F of Chapter 136 of the General Statutes reads as rewritten:

"North Carolina Toll Road and Bridge Authority."

SECTION #.(c) G.S. 136-89.159 reads as rewritten:

"**§ 136-89.159. ~~Bridge~~ Toll road and bridge projects.**

(a) The creation of the North Carolina Toll Road and Bridge Authority is necessitated by:

(1) The high cost of constructing long bridges;

(2) The need for providing better access to areas of a peninsula of the mainland where egress has been blocked by federal acquisition of property; ~~and~~

(3) The need for providing additional critically needed evacuation routes from the Outer Banks during hurricanes and in the event of other natural ~~disasters~~ disasters; and

(4) The need to expand and maintain rural interstate highways in the State.

(b) The North Carolina Toll Road and Bridge Authority shall construct, maintain, repair, and operate a bridge of more than two miles in length going from the mainland to a peninsula from which land egress is through property of the United States.

(c) The North Carolina Toll Road and Bridge Authority may charge a toll to expand or maintain any interstate route in the State only pursuant to a permit issued by the United States Department of Transportation."

SECTION #.(d) G.S. 136-89.160 reads as rewritten:

"**§ 136-89.160. Funding for projects.**

All expenses incurred in carrying out the provisions of this Article shall be payable solely from funds, including federal funds, that are now or may become available to the Authority in the future for projects. Any fees collected under this Article shall be credited to the Highway Trust Fund and used to offset the costs of building, maintaining, or operating the bridge and other related projects. Any fees collected pursuant to this Article from an interstate toll road shall be used for expanding or maintaining that interstate."

SECTION #.(e) G.S. 136-89.161 reads as rewritten:

"**§ 136-89.161. North Carolina Toll Road and Bridge Authority.**

(a) There is created a body politic and corporate to be known as the "North Carolina Toll Road and Bridge Authority". The Authority is constituted a public agency, and the exercise by the Authority of the powers conferred by this Article in the construction, operation, and maintenance of the bridge ~~project~~ project, or interstate expansion, or maintenance project shall be deemed and held to be the performance of an essential governmental function.

(b) The North Carolina Toll Road and Bridge Authority shall consist of eight members:

(1) The Secretary of Transportation.

(2) Three members shall be appointed by the Governor, one for a term expiring on July 1, 1996, one for a term expiring on July 1, 1997, and one for a term expiring on July 1, 1998. Each subsequent appointment shall be for a term of four years.

(3) Four members shall be appointed by the General Assembly, two upon the recommendation of the President Pro Tempore of the Senate and two upon the recommendation of the Speaker of the House of Representatives, in accordance with G.S. 120-121.

a. The President Pro Tempore of the Senate shall recommend the appointment of two members, one of whom shall serve a term expiring June 30, 1997, and one of whom shall serve a term expiring June 30, 1999. Each subsequent regular appointment shall be for a term of four years.

b. The Speaker of the House shall recommend the appointment of two members, one of whom shall serve a term expiring June 30, 1997, and one of whom shall serve a term expiring June 30, 1999. Each subsequent regular appointment shall be for a term of four years.

(c) The successor of each of the appointed members shall be appointed for a term of four years, but any person appointed to fill a vacancy shall be appointed to serve only for the unexpired term, and a member of the Authority shall be eligible for reappointment. Each appointed member of the Authority may be removed by the appointing authority for misfeasance, malfeasance, or willful neglect of duty. Each appointed member of the Authority before entering upon the member's duties shall take an oath to administer the duties of the office faithfully and impartially, and a record of each oath shall be filed in the Office of the Secretary of State.

(d) At its first meeting after July 1, 1995, and every two years thereafter, the Authority shall elect from its appointed membership a chair and a vice-chair. The Authority shall also elect a secretary who need not be a member of the Authority. The secretary shall serve as an officer at the pleasure of the Authority. Five members of the Authority shall constitute a quorum, and the affirmative vote of five members shall be necessary for any action taken by the Authority. No vacancy in the membership of the Authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority.

(e) The appointed members of the Authority shall receive no salary for their services but shall be entitled to receive per diem and allowances in accordance with the provisions of G.S. 138-5.

(f) The Authority shall be located within the Department of Transportation for administrative purposes but shall exercise all of its powers independently of the Department of Transportation.

(g) The Authority shall adopt bylaws with respect to the calling of meetings, quorums, voting procedures, the keeping of records, and other organizational and administrative matters as the Authority may determine.

(h) Upon completion of any bridge constructed pursuant to this Article, or institution of any toll on an interstate highway, the Authority shall appoint an executive director, whose salary shall be fixed by the Authority, to serve at its pleasure. Prior to appointing an Executive Director, the Authority shall confer with the Governor regarding the proposed salary to be paid to the Executive Director. The Executive Director shall be responsible for the daily administration of bridges constructed, maintained, or operated pursuant to this Article."

SECTION #.(f) G.S. 136-89.162 reads as rewritten:

"**§ 136-89.162. Powers of the Authority.**

(a) The Authority shall have all of the powers necessary to execute the provisions of this Article which shall include at least the following powers:

(1) The powers of a corporate body, including the power to sue and be sued, to make contracts, to adopt and use a common seal, and to alter the adopted seal as needed.

(2) To establish, purchase, construct, operate, and regulate toll roads and bridges and to own, lease, sell, or manage real or personal property.

(3) To charge and collect tolls and fees for the use of the toll roads and bridges, for services rendered in the operation of the toll roads and bridges, or to offset the costs of building the toll roads and bridges. A bridge toll shall not exceed ten dollars ($10.00) and an annual fee for a single vehicle to use the bridge during a year shall not exceed five hundred dollars ($500.00). Tolls for interstate highways shall be levied only at the borders of the state and otherwise at the discretion of the Authority, but shall not exceed ten dollars ($10.00). The Authority shall report its schedule of tolls and fees to the Joint Legislative Transportation Oversight Committee.

(4) To rent, lease, purchase, acquire, own, encumber, or dispose of real or personal property.

(5) To establish, construct, purchase, maintain, equip, and operate any structure or facilities associated with a toll road or a bridge.

(6) To pay all necessary costs and expenses in the formation, organization, administration, and operation of the Authority.

(7) To apply for, accept, and administer loans and grants of money from any federal agency, from the State or its political subdivisions, or from any other public or private sources available.

(8) To adopt, alter, or repeal its own bylaws or rules implementing the provisions of this Article.

(9) To employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and other consultants and employees as may be required in the judgment of the Authority and to fix and pay their compensation from funds available to the Authority.

(10) To procure and maintain adequate insurance or otherwise provide for adequate protection to indemnify the Authority and its officers, directors, agents, employees, adjoining property owners, or the general public against loss or liability resulting from any act or omission by or on behalf of the Authority.

(11) To receive and use appropriations from the State, including an appropriation from the proceeds of State general obligation bonds or notes.

(b) To execute the powers provided in subsection (a) of this section, the Authority shall determine its policies by majority vote of the members of the Authority present and voting, a quorum having been established."

House Pages

Name Of Committee: Approp. Transportation Date: 5-19-05

1. Name: Charis Craig
   County: Catawba
   Sponsor: Hilton
2. Name: Kelly Smith
   County: Catawba
   Sponsor: Hilton
3. Name: _____
   County: _____
   Sponsor: _____
4. Name: _____
   County: _____
   Sponsor: _____
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: James Womack
2. Name: Linda Fuller
3. Name: _____
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 5/19 **, 2005**

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Warren Plonk	OSBM
Elmer Lam	NCTMF
Chuck Talton	NCTMF
Portia Hanley	NCDOT/DMV
Milton Alford	OSBM
David King	NCDOT
S. Courage	NCDOT
M Foster	NCDOT
Cassandra Skinner	NCCPS
Lee Hodge	KCLH
Betsy Bailey	NCPTA
Stefanie Brierley	Gov Office
Rebecca Trawick	NCACC
Jay Pinsley	AAA Carolinas
Martin Lentz	Martin Marietta
Christie Lambeth	CAPA
Bill Hester	A.D.S.
Kevin Leonard	DCSR
Erin Kinney	NC Conservation Network
Alyssa Dolan	NC Conservation Network
Nick Coulton	atty.

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Thursday, June 09, 2005 10:43 AM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: CHANGED TO TODAY THURSDAY 6/9/05 12NOON APPROP. TRANSP. COMM. MTG
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/TRANSPORTATION** will meet as follows:

DAY: THURSDAY JUNE 9, 2005

TIME: 12:00 P.m.

Room: 1228/1327 LB

Transportation Budget Overview

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 10:45 a.m. on **June 9, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

Joint Subcommittee on Transportation Appropriations

Agenda

June 9, 2005
12:00 p.m.
Room 1228/1327 LB

Chairs
Representative Lorene Coates, *presiding*
Representative Nelson Cole
Senator Clark Jenkins

*** Transportation Budget Overview**

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

June 9, 2005

12:00 P.M.

Room 1228 LB

The Joint Appropriations Subcommittee on Transportation met on June 9, 2005 at 12:00 p.m. in room 1228 of the Legislative Building. Representative Nelson Cole presided. No members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee were in attendance:

Rep. Nelson Cole	Rep. Walter Church
Rep. Lorene Coates	Rep Linda Coleman
Rep. Mary McAllister	Rep. Margaret Dickson
Rep. Bonner Stiller	Rep. Greer Martin
Rep. David Almond	Rep. Drew Saunders
Rep. Larry Brown	Rep. Arthur Williams

Representative Nelson Cole opened the meeting and introduced the Pages and Sergeant-at-Arms. He introduced Evan Rodewald, Legislative Fiscal Research Division who spoke to the committee about the House Appropriations Subcommittee on Transportation proposed budget, noting any changes.

Evan went through the proposed budget item by item noting any changes made by the committee.
See (Handout #1) attached as a part of the minutes. Questions and answers followed.

Then Representative Cole recognized Bob Weiss, Legislative Fiscal Research Division to explain the Special Provisions to the budget.

Bob went over every item contained in the Special Provision document and noted any changes made by the committee.
See (Handout #2) attached as a part of the minutes. Questions and answers followed.

Representative Cole called on Representative Brubaker and Representative Stam to explain a special provision for a Church property in Randolph County. Representative Stiller moved for a favorable motion. Motion carried.

Representative Cole recognized Representative Saunders to present H248. Representative Saunders stated that the bill applied only to Mecklenburg County and only to the I-45 portion over to South 485. He cited the need to complete the Northern portion before the Southern is finished, even though both portions are needed, the road is expected to be completed by 2012 or 2013.

Representative Saunders moved for a favorable report and the motion carried.
See H248 and the Committee Report attached as a part of the minutes.

With no further business to conduct, Representative Cole adjourned the meeting at 12:45 p.m.

Respectfully submitted:

Nelson Cole

Representative Nelson Cole, Presiding
Co-Chair, House Committee

Melissa Lennon

Melissa Lennon
House Legislative Committee Asst.

House Subcommittee on Transportation Appropriations

Budget Recommendations

FY2005-06
FY2006-07

June 9, 2005

Transportation

	GENERAL FUND			
	FY 05-06		FY 06-07	
Recommended Budget	**$12,027,377**		**$12,945,066**	
Legislative Changes				
(1200) Airport Grants				
1 Transfer Support to Highway Fund This reduction is one part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	($11,284,198)	R	($12,945,066)	R
2 Reduction in Grants Reduces airport grants to $11,284,198 in FY 2006. This is an increase of $109,454 over funding in FY 2005.	($743,179)	NR		
Total Legislative Changes	**($11,284,198)**	**R**	**($12,945,066)**	**R**
	($743,179)	**NR**		
Total Position Changes				
Revised Budget	**$0**		**$0**	

Transportation

	HIGHWAY FUND			
	FY 05-06		FY 06-07	
Recommended Budget	**$1,399,158,973**		**$1,401,940,921**	
Legislative Changes				
(0041) Aeronautics				
3 Airline Recruitment Program Provides funding for an incentive program to attract and retain improved airline services at North Carolina's eleven non-hub airports, where airline passenger traffic levels have been declining due to financial instability among major carriers.	$350,000	R	$350,000	R
4 Transfer Support from General Fund This increase is the second part of a two step process to shift support of the aviation grant program from the General Fund to the Highway Fund.	$11,284,198	R	$12,945,066	R
(0863) Leaking Underground Storage Tank Fund				
5 Statutory Adjustment In accordance with G.S.105-119.18, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Leaking Underground Storage Tank Fund allocation in line with current forecasts. The increase for FY 2006 brings total Highway Fund support for the program under this statute to $6,010,286 in FY 2006.	$156,750	R	$483,777	R
(0866) State Highway Patrol				
6 Additional Troopers Provides funding to increase the number of State Trooper positions for the North Carolina Highway Patrol. The addition of trooper positions will help the SHP advance its mission by promoting safe and efficient transportation for all motorists traveling through North Carolina. Funding total of two new troopers for FY 2006 with two additional troopers for FY 2007, for an increase of four for the biennium.	$197,495	R	$308,431	R
7 VIPER (Voice Interoperable Communications Plan for Emergency Responders)	$51,087	R	$51,087	R
Provides funding to continue the deployment of the VIPER Strategic 800 MHZ statewide system. In addition to funding for equipment, funding is also provided for a Network Control Technician I.	$8,000,000	NR		

	FY 05-06		FY 06-07	
8 Motor Carrier Position Transition Provides funds to train and transition all Motor Enforcement Officer positions so that they have the same level of arrest authority and pay as other troopers.	$2,209,291	R	$3,797,916	R
(0867) DPI - Driver Training Program				
9 Adjust Driver Education Funding Provides funds for a ninth grade average daily membership (ADM) of 132,780 in FY 2006 and 133,580 in FY 2007 at a level of $235 per ADM. With this reduction, Highway Fund support for Driver Education in FY 2006 will be $31,203,300.	($1,271,424)	R	($1,283,056)	R
(0869) Global Transpark				
10 Global Transpark Provides funding for the Global Transpark Authority.	$1,600,000	R	$1,600,000	R
(0871) Employer's Retirement Contribution				
11 Retirement System Contributions Increases the State's contribution for FY 2006 and 2007 to provide a 2.0% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System. This adjustment is funded in part with actuarial gains within the Retirement System.	$683,400	R	$683,400	R
12 Disability Income Plan Additional amount needed in recurring funds for each year of the biennium to restore the reduction made during FY 2005. This increases the State's contribution from 0.445% to 0.52% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.	$13,500	R	$13,500	R
(0872) Employer's Contributions - Death Benefit				
13 Death Benefit Trust Additional amount needed, after an adjustment to the Continuation Budget in the amount of $589,000 in recurring funds for each year of the biennium, to restore the reductions made during the 2003-2005 biennium. This restores the State's contribution of 0.16% of payroll as recommended by the Plan's actuary to ensure the Plan is adequately funded.	$54,200	R	$54,200	R
(0873) Salary Increase				
14 State Funded Compensation Increase Provides funds to support the greater of a $500 flat amount or a 2.5% across-the-board salary increase for FY 2006 for full-time permanent employees supported with Highway Fund appropriations.	$11,402,000	R	$11,402,000	R

	FY 05-06		FY 06-07	
(0885) State Health Plan				
15 Premium Increase Effective October 1, 2005, provides a 15.8% premium increase to the Plan to continue non-contributory health benefit coverage for active and retired employees. The remaining financial support to keep the Plan solvent through the 2005-2007 biennium will come from increased fully contributory premiums paid by employees and retired employees to cover their families under the Plan, and a reduction in the Plan's benefits.	$6,400,000	R	$8,500,000	R
(0934) Reserve for General Maintenance				
16 Increase Funding Provides additional funds to help bring highway infrastructure up to an acceptable level of service and to address significant increases in costs of highway construction materials. These funds are in addition to the continuation budget for maintenance, which amounts to $614,793,288.	$166,472,486	R	$187,838,316	R
17 Cover Unreimbursed Maintenance Expenditures for Emergency Relief Of funds DOT has expended in previous years on emergency relief for hurricane and ice storm damage, roughly $80 million will not be reimbursed by federal agencies. Funds are appropriated to partially address this $80 million shortfall.	$23,400,000	NR		
(7025) Information Technology				
18 Desktop Computer Replacement The Information Technology Division provides technology support for approximately 8,000 computers within the department. Because of the large number of existing computers, a four year rotation is planned, resulting in one fourth of all computers being replaced each year. This provides the necessary funding.	$1,000,000	R	$1,000,000	R
19 Verification of Customer Identification System Provides funding for hardware and software at local DMV offices to access national databases for validating identification of people applying for driver licenses. The application will be outsourced through a competitive bidding process under the auspices of the State IT Purchasing Office. The department must follow the State CIO's project approval and reporting process, including procurement review and approval. Also the department must follow applicable new and emerging homeland security requirements.	$1,272,000	NR	$300,000	R

	FY 05-06		FY 06-07	
20 Automated Driver License Testing Systems The Driver License section has installed automated testing systems in 45 of its busiest offices and will have additional systems installed in 23 more offices by spring of 2005. Provides additional funds to install the system in 34 more sites that are small to medium in customer volume. This will provide automated testing systems for every office that has two or more examiners.	$185,100 $811,760	R NR	$287,100	R
21 System to Stagger Commercial and Dealer Plates (Senate Bill 1083) Senate Bill 1083, ratified in 2004, mandated the staggered issuance of commercial license plates, dealer license plates, and motor vehicle dealer plates expire on the same date, December 31 for commercial plates and June 30 for dealer plates. The mandated change goes into effect January 1, 2006, and additional funds are provided to accommodate the changes. The department must follow the State CIO's project approval and reporting process. Accordingly, the department must receive approval of a planning project and must also receive a "gate" approval before proceeding to the implementation phase.	$1,280,000	NR	$150,000	R
22 Email Replacement Provides funding to replace the Department of Transportation's aging and obsolete email system. The current vendor, Netscape, has stopped supporting the email system, the operating system behind it, and the application software. The State CIO has approved $300,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$550,000	R	$550,000	R
23 Document Management System Document management refers to the storage, retrieval, tracking and administration of documents within an organization. The term applies to electronic documents and paper-based documents that have been converted to electronic form. Funding is provided for a feasibility study and pre-implementation preparation for a document management system to improve and streamline information access throughout the entire department. The State CIO has approved $500,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$500,000	NR		
24 Online Dealer Registration Enhancement Provides funding to enhance the existing Online Dealer Registration System to allow motor vehicle dealers the option of performing titling and registration services on-site. The enhancement would allow the department to write its own client-server/internet application to interface with the mainframe and replace the present outsourced application resulting in savings and service level improvements. The State CIO has approved $200,000 for a planning project, with a "gate" approval in the project approval and reporting process before allowing the implementation to begin.	$600,000	NR	$200,000	R

	FY 05-06		FY 06-07	
(7030) General Services				
25 Mail Room Expenses Provides additional funds to match expenditures for the mail room at DMV. The General Services Division administers the mail room services for the Division of Motor Vehicles. All driver license renewal notifications, vehicle registration renewals, and all other DMV related correspondence are processed by this division.	$900,000	R	$900,000	R
26 Division of Motor Vehicles Printing Contract The department's printing and finishing operations are managed by the General Services Division, with the exception of the contract printing and limited finishing services located at the DMV headquarters. The contract for the printing and finishing services expired at the end of 2004. Bids are being solicited for renewal of the existing contractual services in addition to new and expanded services. Provides funding to fully fund the services, including the expanded requirements for additional printing and finishing.	$537,500	R	$1,075,000	R
(7812) Secondary Roads				
27 Statutory Adjustment In accordance with G.S. 136-44.2A, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Secondary Roads Construction allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,910,000 in FY 2006.	$910,000	R	$1,650,000	R
(7813) Small Construction				
28 Increase Funding Provides additional funds to bring the total budget to $21,000,000, consistent with funding levels for FY 2005.	$7,000,000	R	$7,000,000	R
(7824) Contract Resurfacing				
29 Increase Funding Contract resurfacing is a major component of the State effort to maintain and preserve the State highway infrastructure. Of the $614,793,288 continuation budget for maintenance, $157,208,316 is for contract resurfacing. This action increases the contract resurfacing budget to $185,000,000.	$27,791,684	R	$27,791,684	R
(7825) Ferry Operations				
30 Funds for Maintenance Facility Provides additional funds for the ferry maintenance facility to bring Highway Fund support for the Ferry Division to $21,264,811.	$1,000,000	R	$1,000,000	R

	FY 05-06		FY 06-07	
(7829) Rail Program				
31 Grants to Short Line Railroads				
Creates a state grant program for rehabilitation projects that will strengthen North Carolina's short line infrastructure.	$1,000,000	NR		
(7831) Public Transportation				
32 Reduction in New Start Regional Transit Projects				
Delays in federal funding for the Triangle Transit Authority allow the State to postpone providing matching funds. These funds were included in the $89,866,447 continuation budget for the Public Transportation program.	($23,400,000)	NR		
(7836) State Aid to Municipalities				
33 Statutory Adjustment	$910,000	R	$1,650,000	R
In accordance with G.S.136-41.1, an adjustment based on estimated gallons of motor fuel sold is necessary to bring the Aid to Municipalities allocation in line with current forecasts. This increase brings total Highway Fund support for the program to $91,910,000 in FY 2006.				
Total Legislative Changes	**$240,387,267**	**R**	**$270,298,421**	**R**
	$13,463,760	**NR**		
Total Position Changes				
Revised Budget	**$1,653,010,000**		**$1,672,239,342**	

Transportation

	HIGHWAY TRUST FUND			
	FY 05-06		FY 06-07	
Recommended Budget	**$1,076,190,000**		**$1,100,330,000**	
Legislative Changes				
(6002) Program Administration				
34 Funds for Highway Trust Fund Administration Adjusts continuation budget based on revised revenue estimates. With this adjustment, program administration in FY 2006 will be $41,295,740.	$647,520	R	$1,353,180	R
(6003) Transfer to General Fund				
35 Transfers Funds to General Fund Increases General Fund transfer to reflect the forgiving of the $125 million loan to the General Fund and the consequent elimination of debt service payments. With this adjustment, the transfer in FY 2006 will be $252,558,117.	$19,500,000	R	$30,100,000	R
(9050) Intrastate System				
36 Funds for Intrastate System Adjusts continuation budget, consistent with statutory formulas, to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes, the budget will be $472,112,367 in FY 2006.	($1,925,108)	R	$2,575,151	R
(9052) Secondary Road Construction				
37 Funds for Secondary Highway Construction Adjusts continuation budget, consistent with statutory formulas, to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes, the budget will be $86,825,599 in FY 2006.	($201,989)	R	$270,193	R
(9054) Urban Loops				
38 Funds for Urban Loops Adjusts continuation budget, consistent with statutory formulas, to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes, the budget will be $190,902,579 in FY 2006.	($778,434)	R	$1,041,283	R

	FY 05-06		FY 06-07	
(9060) Aid to Municipalities				
39 Funds for Aid to Municipalities Adjusts continuation budget, consistent with statutory formulas, to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes, the budget will be $49,535,599 in FY 2006.	($201,989)	R	$270,193	R
Total Legislative Changes	**$17,040,000**	**R**	**$35,610,000**	**R**
Total Position Changes				
Revised Budget	**$1,093,230,000**		**$1,135,940,000**	

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H1(S28.1)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

REMOVE GOV OPS CONSULTATION ON FEDERAL-AID ACTS

SECTION 28.1. G.S. 136-44.2 reads as rewritten:

"**§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads and parking lots which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first ~~consulted with~~ reported to the Joint Legislative Commission on Governmental Operations. For purposes of this section, "federally eligible construction project" means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The "Current Operations Appropriations Bill" shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

If the unreserved credit balance in the Highway Fund on the last day of a fiscal year is greater than the amount estimated for that date in the Current Operations Appropriations Act for the following fiscal year, the excess shall be used in accordance with this paragraph. The Director of the Budget may allocate part or all of the excess among reserves for access and public roads, for unforeseen events requiring prompt action, or for other urgent needs. The amount not allocated to any of these reserves by the Director of the Budget shall be credited to a reserve for maintenance. The Board of Transportation shall report monthly to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division on the use of funds in the maintenance reserve.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars ($100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H2(S28.2)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

TRANSPORTATION SERVICES FOR TRADE SHOWS

SECTION 28.2. The Department of Transportation, from funds available for public transportation in this act, may use up to one million two hundred thousand dollars ($1,200,000) in each year of the biennium for transportation services for annual or semiannual trade shows of international significance. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee, annually on or before March 1, on the use of these funds.

DRAFT
SPECIAL PROVISION

2005-TRANS-H3(S28.3)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

CASH-FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND APPROPRIATIONS.

SECTION 28.3.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,551.1 million
For Fiscal Year 2008-2009	$1,593.0 million
For Fiscal Year 2009-2010	$1,647.9 million
For Fiscal Year 2010-2011	$1,716.1 million

SECTION 28.3.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,136.9 million
For Fiscal Year 2008-2009	$1,186.4 million
For Fiscal Year 2009-2010	$1,229.6 million
For Fiscal Year 2010-2011	$1,283.2 million

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H4(S28.4)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

SMALL CONSTRUCTION AND CONTINGENCY FUNDS

SECTION 28.4. Of the funds appropriated in this act to the Department of Transportation:

(1) Twenty-one million dollars ($21,000,000) shall be allocated in each fiscal year for small construction projects reviewed and approved by the Division Engineer and the member of the Board of Transportation representing the Division in which the project is to be constructed. These funds shall be allocated equally in each fiscal year of the biennium among the 14 Highway Divisions for small construction projects.

(2) Fifteen million dollars ($15,000,000) in fiscal year 2005-2006 and fifteen million dollars ($15,000,000) in fiscal year 2006-2007 shall be used statewide for rural or small urban highway improvements and related transportation enhancements to public roads and public facilities, industrial access roads, and spot safety projects, including pedestrian walkways that enhance highway safety. Projects funded pursuant to this subdivision shall be reviewed and approved by the member of the Board of Transportation representing the Division in which the project is to be constructed.

None of these funds used for rural secondary road construction are subject to the county allocation formulas in G.S. 136-44.5(b) and (c).

These funds are not subject to G.S. 136-44.7.

The Department of Transportation shall report to the members of the General Assembly on projects funded pursuant to this section in each member's district prior to the Board of Transportation's action. The Department shall make a quarterly comprehensive report on the use of these funds to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division.

DRAFT
SPECIAL PROVISION

2005-TRANS-H5(S28.5)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

USE OF EXCESS OVERWEIGHT/OVERSIZE FEES

SECTION 28.5. Chapter 20 of the General Statutes is amended by adding a new section to read:

"**§ 20-119.1. Use of excess overweight and oversize fees.**

Funds generated by overweight and oversize permit fees in excess of the cost of administering the program, as determined pursuant to G.S. 20-119(e), shall be used for highway and bridge maintenance required as a result of damages caused from overweight/oversize loads."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H6(S28.7)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

STATE USE OF NORTH CAROLINA RAILROAD DIVIDENDS

SECTION 28.7. G.S. 124-5.1(a) reads as rewritten:

"(a) Notwithstanding the provisions of G.S. 136-16.6, in order to increase the capital of the North Carolina Railroad Company, any dividends of the North Carolina Railroad Company received by the State shall be applied to reduce the obligations described in subsection (c) of Section 32.30 of S.L. 1997-443, as amended by subsection (d) of Section 27.11 of S.L. 1999-237. Any dividends of the North Carolina Railroad Company received by the State shall be used by the Department of Transportation for the improvement of the property of the North Carolina Railroad Company as recommended and approved by the Board of Directors of the North Carolina Railroad Company. The improvements shall be limited to the following project types:

(1) Railroad and industrial track rehabilitation and installation in high traffic areas.
(2) Railroad signal and grade crossing protection.
(3) Bridge improvements.
(4) Corridor protection.
(5) Industrial site acquisition."

DRAFT
SPECIAL PROVISION

2005-TRANS-H9(S28.8)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

ANALYSIS AND APPROVAL OF RULES, POLICIES, OR GUIDELINES AFFECTING DEPARTMENT OF TRANSPORTATION PROJECTS

SECTION 28.8.(a) G.S. 150B-21.4 is amended by adding a new subsection to read:

"(a1) DOT Analyses. – In addition to the requirements of subsection (a) of this section, any agency that adopts a rule affecting environmental permitting of Department of Transportation projects shall conduct an analysis to determine if the rule will result in an increased cost to the Department of Transportation. The analysis shall be conducted and submitted to the Board of Transportation before the agency publishes the proposed text of the rule change in the North Carolina Register. The agency shall consider any recommendations offered by the Board of Transportation prior to adopting the rule. Once a rule subject to this subsection is adopted, the Board of Transportation may submit any objection to the rule it may have to the Rules Review Commission. If the Rules Review Commission receives an objection to a rule from the Board of Transportation no later than 5:00 P.M. of the day following the day the Commission approves the rule, then the rule shall only become effective as provided in G.S. 150B-21.3(b1)."

SECTION 28.8.(b) Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-44.7C. Analysis and approval of Department of Transportation environmental policies or guidelines affecting transportation projects.**

(a) Analysis Required. – The Department of Transportation shall conduct an analysis of any proposed environmental policy or guideline adopted by the Department that affects Department of Transportation projects to determine if the policy or guideline will result in an increased cost to Department of Transportation projects.

(b) Report of Analysis; Approval of Policy or Guideline Required. – The analysis of a proposed policy or guideline required by subsection (a) of this section shall be reported to the Board of Transportation at least 30 days prior to the proposed effective date of the policy or guideline, and shall not go into effect until approved by the Board of Transportation."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H18(S28.9)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

DEPARTMENT OF TRANSPORTATION PRODUCTIVITY PILOT PROGRAMS

SECTION 28.9.(a) The Department of Transportation may continue the productivity pilot programs in the road oil and bridge inspection units implemented under Section 29.3 of S.L. 2003-284. The Department of Transportation may expend up to one-half of one percent (.50%) of the budget allocation for these programs for employee incentive payments to maintain the increased efficiency and productivity under these programs.

SECTION 28.9.(b) The Department of Transportation may establish two additional pilot programs to test incentive pay for employees as a means of increasing and maintaining efficiency and productivity.

One of the new pilot programs shall involve the Pavement Markings Unit. The other pilot program may be selected by the Department of Transportation. Up to one-half of one percent (.50%) of the budget allocation for these programs may be used to provide employee incentive payments.

Incentive payments shall be based on quantifiable measures and production schedules determined prior to the implementation of the pilot programs. Pilot programs implemented under this subsection shall last no more than two years.

The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee on the pilot programs developed under this subsection at least 30 days prior to their implementation.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H10(S28.10)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

DEPARTMENT OF TRANSPORTATION PERFORMANCE-BASED CONTRACTS

SECTION 28.10. The Department of Transportation may implement up to two performance-based contracts for routine maintenance and operations, exclusive of resurfacing. Selection of firms to perform this work shall be made using a best-value procurement process.

Prior to any advertisement for a proposed project the Department shall report to the Joint Legislative Transportation Oversight Committee on the contractor selection criteria to be used.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H11(S28.11)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

DEPARTMENT OF TRANSPORTATION REORGANIZATION

SECTION 28.11.(a) The Secretary of Transportation shall transfer the Program Development Branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the Chief Financial Officer of the Department of Transportation.

SECTION 28.11.(b) The Secretary of Transportation shall transfer the Transportation Planning Branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(c) The Secretary of Transportation shall transfer the Project Development and Environmental Analysis Branch, as it existed on May 1, 2005, from the Deputy Secretary for Environmental, Planning and Local Government Affairs to the State Highway Administrator.

SECTION 28.11.(d) The position of Deputy Secretary for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(e) The position of Special Assistant for Environmental, Planning and Local Government Affairs shall be eliminated.

SECTION 28.11.(f) All vacant positions in the Project Development and Environmental Analysis Branch as of April 15, 2005, shall be eliminated except for any vacant position associated with an employee on an approved leave without pay status. Once these positions are eliminated, the Department of Transportation shall not reinstate these positions without the authorization of the General Assembly.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H19(S28.12)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

CONTINUING AVIATION APPROPRIATIONS

SECTION 28.12.(a) G.S. 136-16.4 is repealed.

SECTION 28.12.(b) G.S. 136-16.5 is repealed.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H12(S28.14)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

DEPARTMENT OF TRANSPORTATION AUTHORITY TO PROVIDE WAY-FINDING SIGNS FOR THE ROANOKE VOYAGES CORRIDOR COMMISSION AND THE BLUE RIDGE NATIONAL HERITAGE AREA PARTNERSHIP

SECTION 28.14.(a) Chapter 1194 of the 1981 Session Laws is amended by adding a new section that reads:

"**Sec. 7.2.** At the request of the Roanoke Voyages Corridor Commission, the Department of Transportation is authorized to manufacture and install, on Roanoke Island and up to 30 miles off the island, way-finding signs that, by color, design, and lettering, do not comply with normal transportation signage standards. These signs shall be used to identify and give directions to historic, educational, and cultural attractions on the island. The Department of Transportation shall not erect any signage that would be impracticable, unfeasible, or that would result in an unsafe or hazardous condition."

SECTION 28.14.(b) At the request of the Blue Ridge National Heritage Area Partnership, as established by Public Law 108-108, Title I, Section 140 (d)(3), the Department of Transportation is authorized to manufacture and install, way-finding signs that, by color, design, and lettering, do not comply with normal transportation signage standards. Signage throughout the 25-county area, as defined in Public Law 108-108, Title I, Section 140 (d)(2), of the Blue Ridge National Heritage Area shall be used to identify and give directions to historic, educational, and cultural attractions. The Department of Transportation shall not erect any signage that would be impracticable, unfeasible, or that would result in an unsafe or hazardous condition.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H13(S28.15)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

REVENUE TAX EVASION PROJECT

SECTION 28.15. Of funds appropriated to Highway Trust Fund Administration, the sum of five hundred forty-eight thousand six hundred thirty-three dollars ($548,633) for the 2005-2006 fiscal year and the sum of four hundred seventy thousand seven hundred one dollars ($470,701) for the 2006-2007 fiscal year shall be used to establish and support nine positions in the Department of Revenue, Motor Fuels Tax Division, to fully implement the Revenue Tax Evasion Project.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION



2005-TRANS-H15(S28.17)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

MODIFY GLOBAL TRANSPARK DEBT

SECTION 28.17. G.S. 147-69.2(b)(11) reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

...

(11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars ($25,000,000), that have a final maturity not later than ~~July 1, 2005.~~ October 1, 2007. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss.

If any part of the property owned by the North Carolina Global TransPark Authority now or in the future is divested, proceeds of the divestment shall be used to fulfill any unmet obligations on an investment made pursuant to this subdivision."

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

DRAFT
SPECIAL PROVISION

2005-TRANS-H16(S28.19)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

REPORT ON STORMWATER PILOT PROJECT

SECTION 28.19. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee by August 1, 2005 on its plan to clean up ocean outfalls in accordance with Section 30.20 of S.L. 2004-124.

DRAFT
SPECIAL PROVISION

2005-TRANS-H21-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representatives Cole, Coates

ESTABLISHING TOLLWAYS ON FEDERALLY FUNDED HIGHWAYS DESIGNATED AS INTERSTATES

SECTION #.(a) The North Carolina Department of Transportation shall apply to the United States Department of Transportation for a permit to allow tolling on established interstate highways in North Carolina.

SECTION #.(b) Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-89.198. Authority to toll existing interstate highways.**

Notwithstanding any other provision of this Article, the Authority may collect tolls on any existing interstate highway for which the United States Department of Transportation has granted permission by permit, or any other lawful means, to do so. The revenue generated from the collected tolls shall be used by the Authority to repair and maintain the interstate on which the tolls were collected. These revenues shall not be used to repair, maintain, or upgrade any State primary or secondary road adjacent to or connected with the interstate highways."

Hig[redacted] Fund

Budget Decisions for FY 2006 - FY 2007

		Governor's Budget		Senate Budget		Draft House Budget	
		FY 2005-06	FY 2006-07	FY 2005-06	FY 2006-07	FY 2005-06	FY 2006-07
1	**Availability**						
2	Revenue estimate	1,525,860,000	1,516,600,000	1,631,640,000	1,661,240,000	1,653,010,000	1,712,940,000
3	Continuation budget	1,398,569,973	1,401,351,921	1,399,158,973	1,401,940,921	1,399,158,973	1,401,940,921
4	**Funds Available**	**127,290,027**	**115,248,079**	**232,481,027**	**259,299,079**	**253,851,027**	**310,999,079**
5							
6	**Statutory Budget Adjustments**						
7	Technical adjustment to secondary roads	2,370,000	4,980,000	2,370,000	4,980,000	910,000	1,650,000
8	Technical adjustment to aid for municipalities	2,370,000	4,980,000	2,370,000	4,980,000	910,000	1,650,000
9	Technical adjustment for LUST	156,750	483,777	156,750	483,777	156,750	483,777
10							
11	**Adjustments for Consistency with General Fund**						
12	Retirement system death and diability plan	902,400	902,400	67,700	67,700	67,700	67,700
13	Increase retirement contribution - COLA	807,500	807,500	683,400	683,400	683,400	683,400
14	Optional Retirement Program			40,200	40,200	-	-
15	State Health Plan	4,000,000	5,500,000	5,870,000	7,800,000	6,400,000	8,500,000
16	Salary increase	7,600,000	7,600,000	9,120,000	23,200,000	11,402,000	11,402,000
17	**Subtotal - Adjustments**	**18,206,650**	**25,253,677**	**20,678,050**	**42,235,077**	**20,529,850**	**24,436,877**
18							
19	**Total Funds Available for Expansion**	**109,083,377**	**89,994,402**	**211,802,977**	**217,064,002**	**233,321,177**	**286,562,202**
20							
21	**Expansion and Other Adjustments**						
22	Highway Maintenance Reserve - Recurring	50,928,923	50,928,923	50,928,923	50,928,923	166,472,486	187,838,316
23	Highway Maintenance - Nonrecurring	23,958,098 NR		50,172,818 NR		23,400,000 NR	
	Contract Resurfacing	-	-	-	-	27,791,684	27,791,684
24	Public Transportation						
25	Regional New Starts and Capital	-	-	(23,400,000) NR		(23,400,000) NR	
26	**Information Technology**						
27	Verification of Customer Identification System	-	300,000	-	300,000	-	300,000
28		1,272,000 NR		1,272,000 NR		1,272,000 NR	
29	Automated Driver License Testing Systems	185,100	287,100	185,100	287,100	185,100	287,100
30		811,760 NR		811,760 NR		811,760 NR	
31	System to Stagger Commercial and Dealer Plates (SB1083)	-	150,000	-	150,000	-	150,000
32		1,280,000 NR		1,280,000 NR		1,280,000 NR	
33	Online Dealer Registration Enhancement	-	200,000	-	-	-	200,000
34		600,000 NR		-		600,000 NR	
35	Email Replacement	550,000	550,000	550,000	550,000	550,000	550,000
36	Desktop Computer Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
37	Document Management System	-	1,300,000	-		-	
38		500,000 NR		500,000 NR		500,000 NR	
39	Reserve for File Server Consolidation	1,000,000	1,000,000	-	-	-	-

Hig[illegible]Fund

		Governor's Budget				Senate Budget				Draft House Budget			
		FY 2005-06		FY 2006-07		FY 2005-06		FY 2006-07		FY 2005-06		FY 2006-07	
40	**State Highway Patrol**												
41													
42	VIPER	1,500,000		2,000,000		51,087		51,087		51,087		51,087	
43		15,000,000	NR	15,000,000	NR	8,000,000	NR	-		8,000,000	NR	-	
44	Motor Carrier Positions Upgrade	2,209,291		3,797,916		1,561,889		1,639,984		2,209,291		3,797,916	
45	Additional Troopers	1,375,000		2,750,000		197,495		308,431		197,495		308,431	
46		1,125,000	NR	1,125,000	NR	-		-		-		-	
47	Additional Sergeant Positions	21,300		35,500		-		-		-		-	
48	Shift support for aviation grants to Highway Fund	-		-		11,284,198		12,945,066		11,284,198		12,945,066	
49	Airline Recruitment Program	350,000		350,000		350,000		350,000		350,000		350,000	
50	Piedmont and Carolinian Operations	1,250,000		2,768,750		-		-		-		-	
51	Grants to Short Line Railroads	1,000,000		2,000,000		1,000,000	NR			1,000,000	NR		
52	State infrastructure bank program	0		750,000	NR	-		-		-		-	
53	Mail room expenses	900,000		900,000		900,000		900,000		900,000		900,000	
54	DMV printing contract	537,500		1,075,000		537,500		1,075,000		537,500		1,075,000	
55	Adjust transfer for driver education	126,213		126,213		126,213		126,213		(1,271,424)		(1,283,056)	
56		3,192	NR			3,192	NR						
57	Global Transpark funding	1,600,000		1,600,000		1,600,000		1,600,000		1,600,000		1,600,000	
58	Visitor Centers					25,000		25,000		-		-	
59	Ferry Division					1,000,000		1,000,000		1,000,000		1,000,000	
60	Small Urban Construction	-		-		7,000,000		7,000,000		7,000,000		7,000,000	
61													
62	**Subtotal - Expansion**	**109,083,377**		**89,994,402**		**116,937,175**		**80,236,804**		**233,321,177**		**245,861,544**	
63						**39,639,770**	**NR**	**-**	**NR**	**13,463,760**	**NR**	**-**	**NR**
64						**77,297,405**	**R**	**80,236,804**	**R**	**219,857,417**	**R**	**245,861,544**	**R**
65													
66													
67	**Balance**	**-**		**-**		**94,865,802**		**136,827,198**		**-**		**40,700,658**	
68													
69													

June 8, 2005
12:00 p.m.

2005 PERMANENT SUBCOMMITTEE REPORT
HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE
The following report(s) from standing committee(s) is/are presented:

By Representative(s) Coates, Cole (Chairs) for the Appropriations Subcommittee on Transportation.

☐Committee Substitute for
HB 248 A BILL TO BE ENTITLED AN ACT TO REMOVE THE CAP ON EARNINGS BY RETIRED DEPARTMENT OF TRANSPORTATION ENGINEERS AND ENGINEERING TECHNICIANS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

WITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:

Representative Clary, Crawford, Earle, Nye, Owens, Sherrill (Chairs) for the Standing Committee on Appropriations.

s/ _____

☒With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution (No._____) is placed on the Calendar of _____. (The original bill resolution No._____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. ____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. ___) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H D

HOUSE BILL 248*
PROPOSED COMMITTEE SUBSTITUTE H248-PCS70516-MA-21

Short Title: Charlotte Interstate Loop. (Public)

Sponsors:

Referred to:

February 16, 2005

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE OUTER LOOP AROUND CHARLOTTE TO BE COMPLETED BEFORE ANY EXPANSION LANES MAY BE CONSTRUCTED.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-180(a) reads as rewritten:

"(a) Funds allocated from the Trust Fund for urban loops may be used only for the following urban loops:

Loop	Description	Affected Counties
Asheville Western Loop	Multilane facility on new location from I-26 west of Asheville to US-19/23 north of Asheville for the purpose of connecting these roads. The funds may be used to improve existing corridors.	Buncombe
Charlotte Outer Loop	~~Multilane facility encircling City of Charlotte including 6-laning of the portion from Johnston Road/US 521 south to I-77 south of Charlotte including widening, resurface,~~ Multilane facility on new location only encircling City of Charlotte.	Mecklenburg
Durham Northern Loop	The projects listed below are eligible for funding under this section as part of	Durham, Wake

	the Durham Northern Loop. The priorities for planning and constructing these projects will be established by mutual agreement of the Metropolitan Planning Organization (MPO) and the Department of Transportation through the federally mandated Transportation Improvement Program development process. The cross sections for these projects will be established by mutual agreement of the MPO and the Department of Transportation through the State and federal environmental review process. (1) East end connector, from N.C. 147 to U.S. 70 East. (2) U.S. 70, from Lynn Rd. to the Northern Durham Parkway. (3) I-85, from U.S. 70 to Red Mill Rd. (4) Northern Durham Parkway, Section B, from Old Oxford Rd. to I-85. (5) Northern Durham Parkway, Section A, from I-85 to I-540. (6) Northern Durham Parkway, Section C, from Old Oxford Rd. to Roxboro Rd. (7) Roxboro Rd. from Duke St. to Goodwin Rd.	
Fayetteville Western Outer Loop	Multilane facility on new location from US 401 north of Fayetteville to I-95 south of Hope Mills	Cumberland
Gastonia Loop	Multilane facility known as the Garden Parkway, on a new location beginning at I-485, extending west across southern Gaston County to I-85, and continuing	Gaston, Mecklenburg

	north to US 321	
Greensboro Loop	Multilane facility on new location encircling City of Greensboro including interchanges with Cone Boulevard Extension and Lewiston-Fleming Road Extension	Guilford
Greenville Loop	Multilane extension of the Greenville Loop from US 264 west of Greenville to NC-11 south of Winterville	Pitt
Raleigh Outer Loop	Multilane facility on new location encircling City of Raleigh	Wake, Durham, Johnston
Wilmington Bypass	Multilane facility on new location from US-17 northeast of Wilmington to US 421 in southern Wilmington, continuing from US 421 in southern Wilmington northeast along Independence Blvd., and extending to Martin Luther King, Jr. Parkway, and including the Blue Clay Road interchange	New Hanover
Winston-Salem Northbelt	Multilane facility on new location from I-40 west of Winston-Salem northerly to US 311/Future I-74 in eastern Forsyth County"	Forsyth

SECTION 2. This act is effective when it becomes law.

House Pages

1. Name: Brogan Thomas
   County: Wake
   Sponsor: Weiss
2. Name: Amber A Hall
   County: Watauga
   Sponsor: Gene Wilson
3. Name: Crystal East
   County: Pasquotank
   Sponsor: Basnight
4. Name:
   County:
   Sponsor:
5. Name:
   County:
   Sponsor:

Sgt-At-Arms

1. Name: DUSTY RHODES
2. Name: FRED HINES
3. Name: George Robinson
4. Name: Curtis Dowd

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 6-9, 2005

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Steven Huslsey	DOT-ST
Joey Gardner	DMV
Milton Alford	OSBM
Wayne Hardee	DMV - DOT
[illegible] Robinson	DMV
Portia Manley	DMV
Lisa Martin	NC Home Builders
Susan Coward	NCDOT
Renee Porter	Asst. Sen Shaw
Patrick Clancy	Speakers office
MARK FOSTER	NC DOT
Paul Wilms	NC HBA
[illegible]	AP

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE AND BILL SPONSOR NOTICE
2005-2006 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/Transportation** will meet as follows:

DAY: Tuesday, August 23, 2005

Time: 9:00 a.m.

Room: 1228 LB

The following bill will be considered:

SB 185 WINDSHIELD REPLACERS-STICKERS W/O FEE
Senator Holloman

Respectfully,

Representatives Cole and Coates
Chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 4:45 p.m. on **August 11, 2005**.

___Principal Clerk
___Reading Clerk - House Chamber

Suzanne Smith (Committee Assistant)

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

AUGUST 23, 2005

10:00 A.M.

Room 1228 LB

The House Appropriations Subcommittee on Transportation met on August 23, 2005 at 10:00 a.m. in room 1228 of the Legislative Building. Representative Nelson Cole presided and called the meeting to order. He recognized the Pages and Sergeant-at-Arms that were in attendance. A visitor registration sheet is attached and made part of these minutes. The following members were present:

Rep. Nelson Cole
Rep. Lorene Coates
Rep. Mary McAllister
Rep. David Almond
Rep. Larry Brown
Rep. Linda Coleman
Rep. Margaret Dickson
Rep. Jim Gulley
Rep. George Holmes
Rep. Grier Martin
Rep. Drew Saunders
Rep. Fred Steen
Rep. Arthur Williams

Rep. Cole opened the meeting and indicated that intent of the meeting was to discuss SB 185 WINDSHIELD REPLACERS-STICKERS WITHOUT FEE. He recognized Senator Robert Holloman, Bill Sponsor, to explain the bill. This bill would do away with the existing fee to businesses for replacement of the inspection sticker on windshields. Discussion followed with a brief question and answer period. The desire of the committee is to have it studied in Transportation Oversight Committee during the interim and to be taken up during the upcoming short session.

There being no further business, Representative Cole adjourned the meeting at 10:10 a.m.

Respectfully submitted:

Representative Nelson Cole, Presiding
Co-Chairman

Suzanne Smith
Legislative Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

S 2

SENATE BILL 185
House Committee Substitute Favorable 7/19/05

Short Title: Windshield Replacers – Stickers w/o Fee. (Public)

Sponsors:

Referred to:

February 23, 2005

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT REPLACEMENT INSPECTION STICKERS FOR USE ON A REPLACED WINDSHIELD ARE NOT SUBJECT TO THE INSPECTION STICKER FEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-183.7(a) reads as rewritten:

"(a) Fee Amount. – When a fee applies to an inspection of a vehicle or the issuance of an inspection sticker, the fee must be collected. The following fees apply to an inspection of a vehicle and the issuance of an inspection sticker:

Type	Inspection	Sticker
Safety Only	$ 8.25	$0.85
Emissions and Safety	23.50	6.50.

The fee for performing an inspection of a vehicle applies when an inspection is performed, regardless of whether the vehicle passes the inspection. The fee for an inspection sticker applies when an inspection sticker is put on a vehicle. The fee for an inspection sticker does not apply to a replacement inspection sticker for use on a windshield replaced by a business registered with the Division pursuant to G.S. 20-183.6. The fee for inspecting after-factory tinted windows shall be ten dollars ($10.00), and the fee applies only to an inspection performed with a light meter after a safety inspection mechanic determined that the window had after-factory tint. A safety inspection mechanic shall not inspect an after-factory tinted window of a vehicle for which the Division has issued a medical exception permit pursuant to G.S. 20-127(f).

A vehicle that is inspected at an inspection station and fails the inspection is entitled to be reinspected at the same station at any time within 30 days of the failed inspection without paying another inspection fee.

The inspection fee for an emissions and safety inspection set out in this subsection is the maximum amount that an inspection station or an inspection mechanic may charge

for an emissions and safety inspection of a vehicle. An inspection station or an inspection mechanic may charge the maximum amount or any lesser amount for an emissions and safety inspection of a vehicle. The inspection fee for a safety only inspection set out in this subsection may not be increased or decreased. The sticker fees set out in this subsection may not be increased or decreased."

SECTION 2. This act is effective when it becomes law.

House Pages

Approprations/
Name Of Committee: Transportation Date: 8/23/05

1. Name: Travis Waddell
   County: Sampson
   Sponsor: Black
2. Name: Joshua Cronfill
   County: Sampson
   Sponsor: Black
3. Name: Stephen Jacobs
   County: Sampson
   Sponsor: Black
4. Name: _____
   County: _____
   Sponsor: _____
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: Linda Fuller
2. Name: Martha Parrish
3. Name: Bill Sullivan
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION 8/23, 2005

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mike Gaitley	NCDMV License & Theft
Portia Money	NCDMV
Miller Caley	Comp & Assoc
S. Cassard	NCDOT

ATTENDANCE

APPROPRIATIONS Subcommittee on Transportation

2005-2006 Session

DATES 2006	5/8	5/30	6/8												
Cole, Co-Chair	X	X	X												
Coates, Co-Chair	X	X	X												
McAllister, Vice-Chair			X												
Stiller, Vice-Chair															
Almond, Jr.	X	X	X												
Brown	X	X	X												
Church	Ex	X	X												
Coleman	X	X													
Dickson	X	X	X												
Gulley	X	X	X												
Holmes		X													
Martin		X													
McMahan	Ex		X												
Moore															
Saunders			X												
Steen			X												
Williams			X												
Ex Officio Members:															
Hackney															
Cunningham															
Eddins															

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the **Joint Appropriations Subcommittee on Transportation AND Joint Legislative Transportation Oversight Committee** will meet as follows:

DAY: Monday, May 8, 2006

Time: 1:00 p.m.

Room: 1228 LB

Respectfully,

Representatives Cole and Coates
Chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 1:25 p.m. on Tuesday, April 25, 2006.

___Principal Clerk
___Reading Clerk - House Chamber

Suzanne Smith (Committee Assistant)

Joint Legislative Transportation Oversight Committee
And
Joint Subcommittee on Transportation Appropriations
May 8, 2006
1:00 p.m.
Room 1228/1327LB

AGENDA

Chairs: Senator Clark Jenkins and Representative Nelson Cole (Oversight and Appropriations); Representative Lorene Coates (Appropriations)

- DOT Financial Report and Outlook
  - Mark Foster, Chief Financial Officer

- DOT Legislative Proposals – Presentation and Vote *(by Oversight Committee members)*
  - Giles Perry, Research Division, Committee Staff
    - DOT Contract Provision Changes: 2005-RWz-40
    - DOT Secondary Road Formula Change: 2005-RWz-41
    - DOT Performance Based Maintenance Contracts Bonds: 2005-RWz-42
    - DOT General Contractor License Exceptions: 2005-RWz-43
    - Repeal Toll Bridge Authority: 2005-RWz-45

- VIPER Project
  - Major Woody Sandy, State Highway Patrol

MINUTES
JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE
And
JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Monday, May 8, 2006
1:00 PM
Room 1228, Legislative Building

The Joint Legislative Transportation Oversight Committee met with the Joint Appropriations Subcommittee on Transportation on Monday, May 8, 2006, at 1:00 PM in Room 1228 of the Legislative Building. Members in attendance from the Transportation Oversight Committee were Senators Jenkins, Co-chair, Rand, Soles and Stevens; Representatives Cole, Co-chair, Allred, Coates, Crawford, Jones. Members in attendance from the Appropriations Subcommittee on Transportation were Senators Jenkins, Co-chair, Holloman, Boseman, Stevens, Soles and Rand; Representatives Cole, Co-Chair, Coates, Almond, Brown, Coleman, Dickson, and Gulley. Representative Cole presided.

Representative Cole first asked Mr. Mark Foster, Department of Transportation (DOT) Chief Financial Officer, to present the Financial Report and Outlook for DOT (see Attachments #1 and #2). Mr. Foster told the Committee that the Report was a 36-month forecast going out to December 2008. He stated that 2006 will be the third year DOT will experience 14-15% inflationary costs. Last year DOT incurred $225 million in extra costs because of rising fuel prices and inflationary pressures on other construction materials. Also, the rising fuel prices have impacted the two sources of revenue for the Highway Trust Fund; the gas tax and highway use tax. Mr. Foster told the Committee that Federal reimbursements were also lower than anticipated so the federal revenue forecast had to be adjusted down by $720 million over the next three years. The shortfall is due to:

- DOT's over estimation of federal reimbursements when Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) went into effect last year. Under SAFETEA-LU the State now receives from the federal government $.86 for every $1.00 the State sends to Washington instead of the anticipated $.92.
- The two "buckets" of federal reimbursements that the State cannot take advantage of because it does not have any projects that qualify for the funds. These are $100 million for the Appalachian Program and $100 million for the High Priority Program.

Mr. Foster then told the Committee that with construction costs rising and revenues declining, the DOT will shortly be out of money. On page 9 of Attachment #1, Mr. Foster highlighted possible contingency plans to keep DOT in the black over the next three years:

1. The Legislature could eliminate the $80 million Highway Trust Fund transfer to the General Fund.

2. The Legislature could reimburse the Highway Trust Fund the $125 million transferred to the General Fund in 2002.
3. The State Budget Office could delay the recurring General Fund Transfer.
4. The DOT could delay the TIP projects by 4 months starting June.
5. The DOT could reduce spending for Preliminary Engineering and Right of Way by $20 million each per year.

The remainder of Attachment #1 consists of charts showing how these various contingency plans impact the DOT's 36 month cash flow forecast. The chart on page 13 shows the combination of all 5 plans, which the Governor's Office is recommending.

After Mr. Foster's presentation, Representative Almond asked for a list of the projects that would be affected by a 4-month delay. Mr. Foster replied no list was available but in the next couple of weeks DOT would be looking at possible projects to delay. They will look at factors such as which projects have been delayed before and which projects are driving inflation. Representative Brown then asked if DOT had considered asking municipalities to partner with the State to expedite projects. Mr. Foster replied that DOT does approximately 50 municipal agreements a month but most municipalities do not have the funds to partner in a significant way to accelerate the projects.

Next, Representative Cole asked Giles Perry, Staff Attorney, to review the DOT's legislative proposals (see Attachment #3). Representative Cole reminded the members that only the members of the Transportation Oversight Committee were to vote on these proposals.

Proposal #1: DOT Contract Provision Changes. Motion to approve Proposal #1 carried.

Proposal #2: DOT Secondary Road Formula Change. Representative Allred asked what impact this proposal had on the division of funds per county. Mr. Steve Vardenoe with DOT responded that each county is supposed to get its proportional share of the State total. There was a mistake in the language of the original bill and this proposal corrects the language. Motion to approve Proposal #2 carried.

Proposal #3: DOT Performance Based Maintenance Contracts Bonds. Motion to approve Proposal #3 carried.

Proposal #4: DOT General Contractor License Exceptions. Senator Stevens asked if the "rest areas" in the proposal referred to the buildings at the rest areas. Giles replied yes, the routine maintenance and repair of the buildings, not construction of buildings. Motion to approve Proposal #4 carried.

Proposal #5: Repeal Toll Bridge Authority. Motion to approve Proposal #5 carried.

Next, Representative Cole asked Major Woody Sandy with the State Highway Patrol to give the Committee an update on the Voice Interoperability Plan for Emergency Responders (VIPER) Project (see Attachment #4). Major Sandy told the Committee that

costs for the VIPER Project included $189 million for infrastructure and $11.5 million recurring costs for support and personnel. Major Sandy also told the Committee that the VIPER network is being built for several hundred million dollars less than most states because of partnering with local agencies. To date $63.2 million has been received, mostly from Homeland Security funds. Local agencies receive 80% of the Homeland Security funds, but as a result of partnering, they give the money to the Highway Patrol to build VIPER in their area. It is the Highway Patrol's recommendation to not charge a user fee because of the funds and land received from the local agencies.

Major Sandy told the Committee that $8 million was appropriated last year for the VIPER Project but those funds will be exhausted by mid May. They had requested $1.6 million for personnel for the 2005 biennium budget but received only $52,000. Major Sandy said money for support personnel to assist in maintaining existing sites was needed in the 2006 budget. Currently, 52 sites are on the air and there are 68 additional sites in the process of being built and installed. Another 138 sites are still needed. Major Sandy concluded his comments by telling the Committee that $125.8 million was still needed for infrastructure and $11.5 recurring funds for support and personnel.

After Major Sandy's presentation, Representative Coleman asked what would be the projected date of completion. Major Sandy replied that if they received about $40 million a year the network could be completed in 5 years. Representative Dickson asked what percentage of the State was covered at this point. Major Sandy replied that the 120 sites covered about 30-40% of the State. As the sites move west, the density of the terrain increases which increases the number of needed sites.

Before Representative Cole adjourned the meeting he asked if any members had any comments about anything. Representative Allred stated that several meetings ago he had requested a copy of the DOT policy for building sound barrier walls and he was still waiting to receive a copy of the policy. He felt there was inconsistency in the policy. Representative Cole said the policy would be given to the Committee members and added that unlike years ago, sound barriers are now built into contracts for road construction.

Representative Crawford asked for the disposition of the school bus and DOT tire bidding process. Bob Weiss, Fiscal Analyst, replied the Chairs of the Joint Appropriation Subcommittee on Transportation, the Chairs of the Joint Appropriation Subcommittee on Education and the Chairs of the Joint Appropriation Subcommittee on General Government will be meeting to discuss this issue.

There being no further business, the meeting was adjourned at 1:45 PM.

Representative Nelson Cole, Chair

Carol Resar, Committee Clerk

North Carolina Department of Transportation

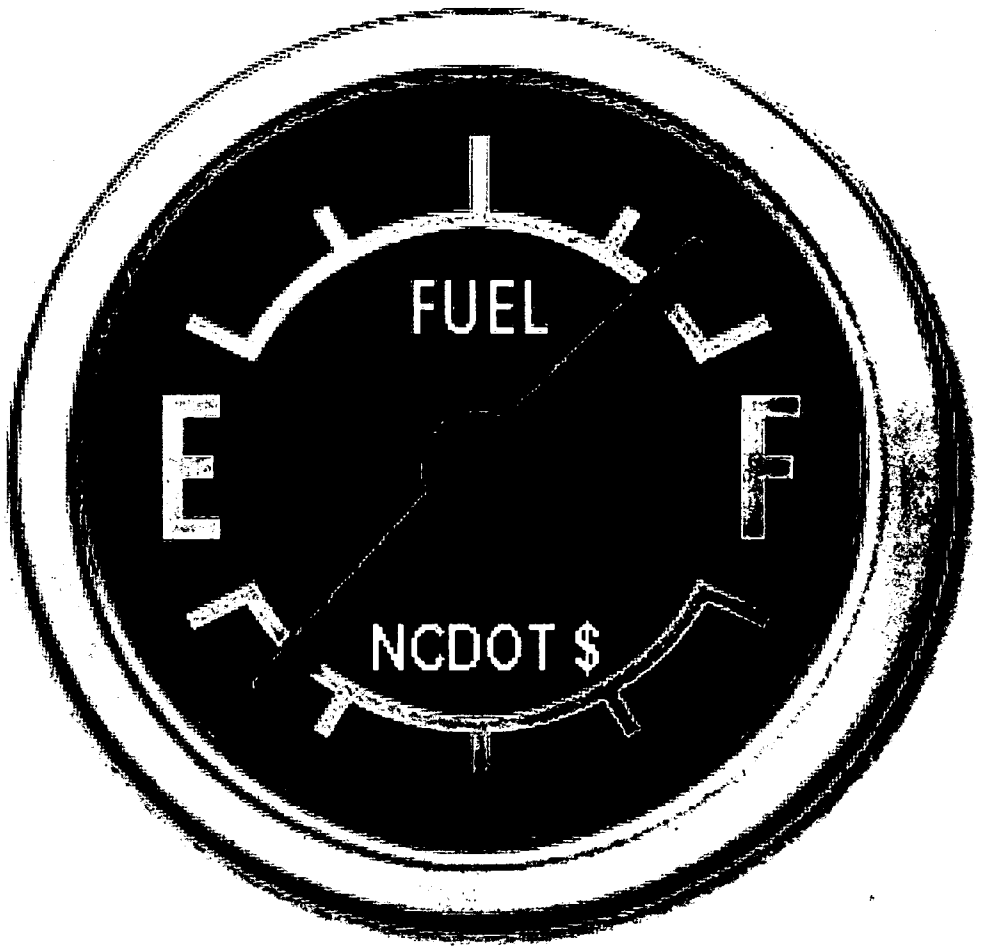
Financial Report and Outlook

Mark Foster
Chief Financial Officer

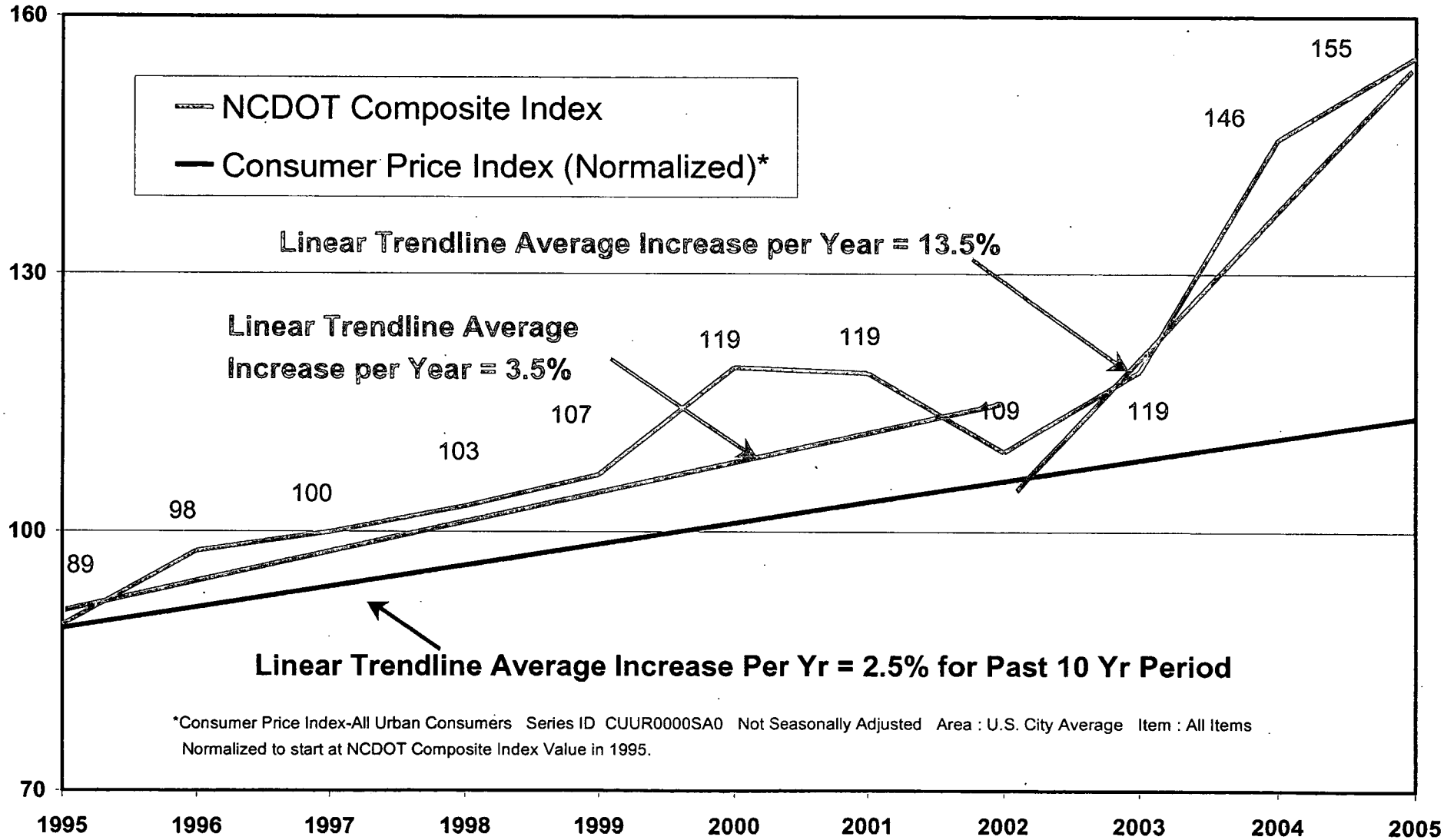
May 8, 2006

Attachment # 1

NCDOT Revenue Summary

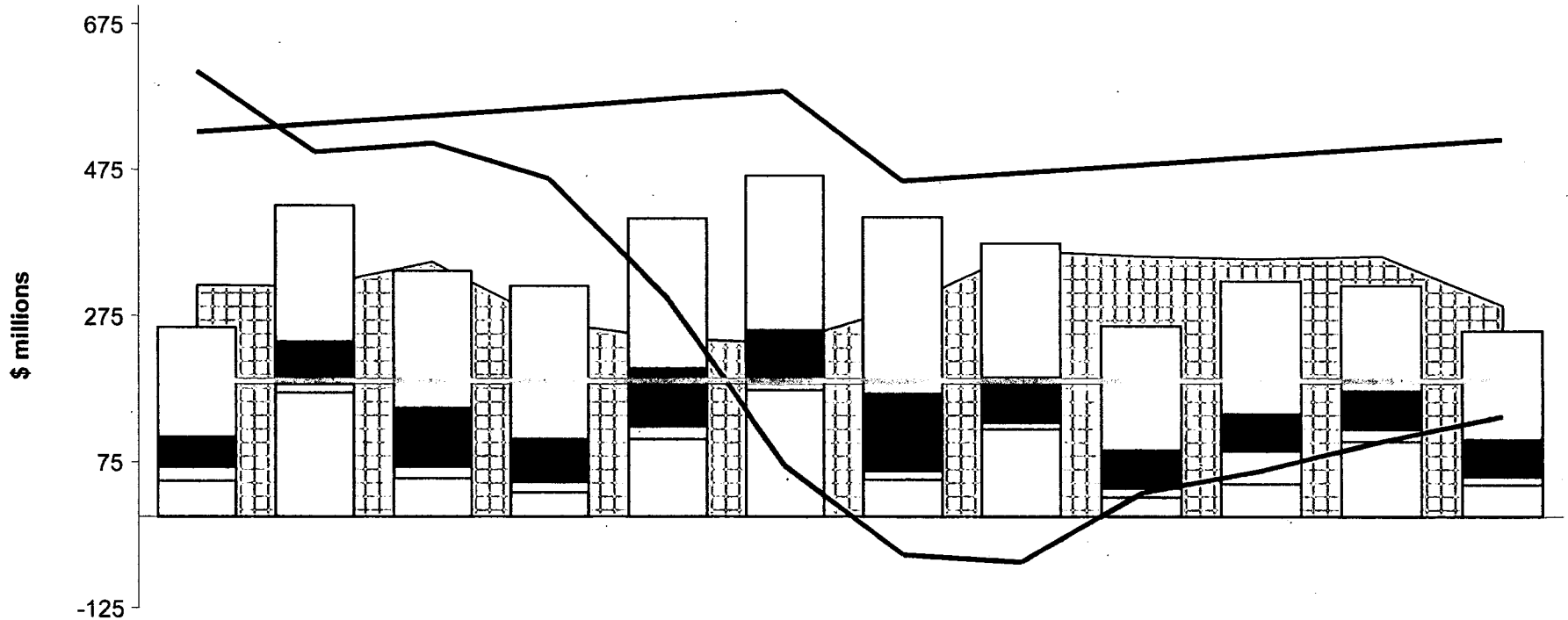


North Carolina Highway Construction Cost Index
Annual Index (1997 Base Year)



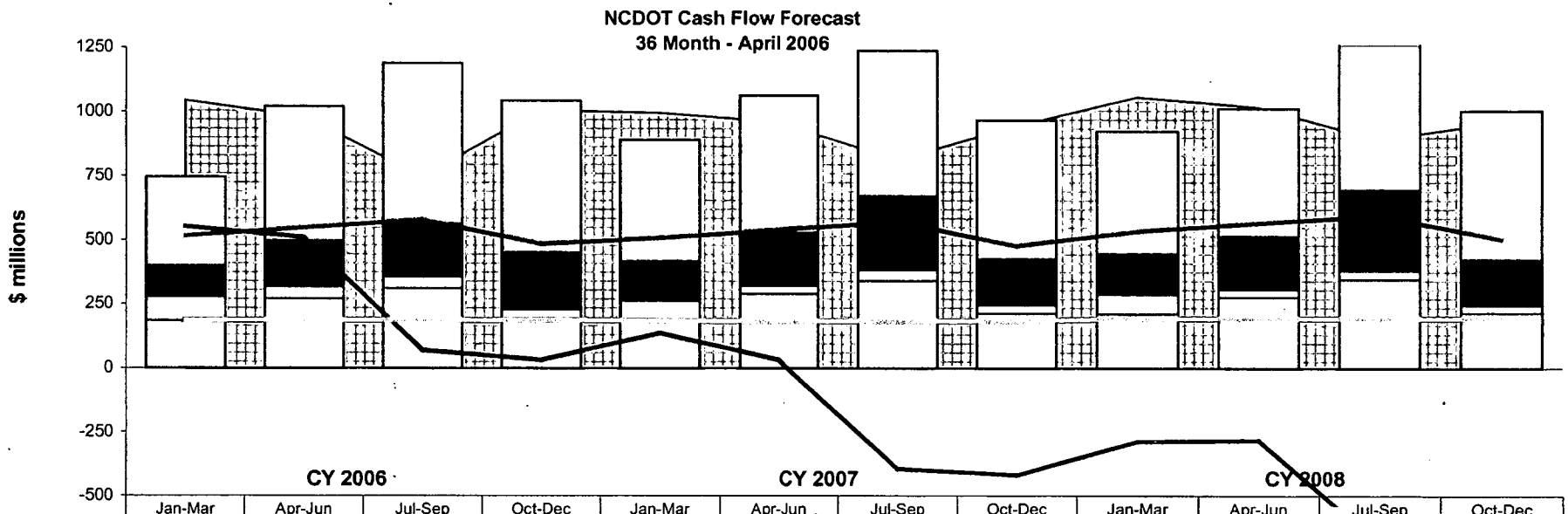
*Consumer Price Index-All Urban Consumers Series ID CUUR0000SA0 Not Seasonally Adjusted Area : U.S. City Average Item : All Items
Normalized to start at NCDOT Composite Index Value in 1995.

Preliminary
NCDOT 12 Month Cash Flow Forecast from April 2006



	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Revenues	317	315	348	267	244	238	287	363	356	352	356	288
Other Expenditures	49	170	53	33	106	174	50	120	27	45	103	44
Other Modes	18	12	15	14	17	14	12	8	12	45	16	11
Maintenance Expenditures	42	57	80	59	80	67	106	62	52	50	53	50
Construction Expenditures	150	187	188	210	205	212	242	183	170	181	144	149
Cash Balance Target	526	538	549	560	571	583	459	470	481	493	504	515
Closing Cash Balance	610	499	511	462	298	70	(53)	(63)	32	62	102	137
Cash Balance Floor	186	186	186	186	186	186	186	186	186	186	186	186

Preliminary
NCDOT 36 Month Cash Flow Forecast from April 2006

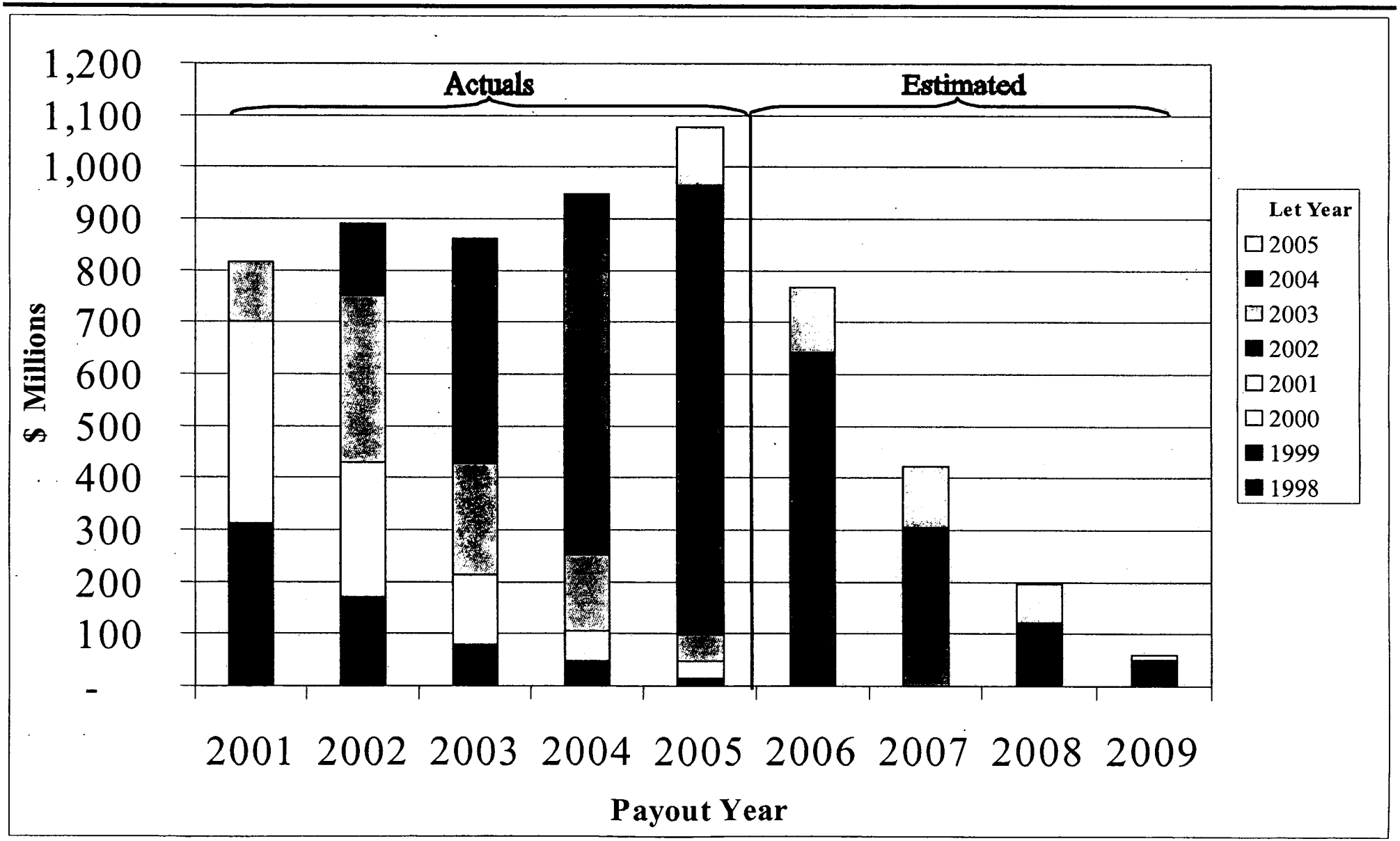


	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Revenues	1,043	980	749	1,006	995	959	812	943	1,055	1,018	891	961
Other Expenditures	186	272	313	197	192	291	341	214	211	278	349	217
Other Modes	92	45	45	32	72	31	43	34	77	30	34	31
Maintenance Expenditures	121	179	206	219	153	206	288	177	158	206	312	177
Construction Expenditures	346	524	626	595	474	534	567	542	478	500	601	580
Closing Cash Balance	552	510	70	31	136	32	(395)	(419)	(288)	(283)	(689)	(732)
Cash Balance Target	516	547	578	484	508	539	570	476	534	565	596	502
Cash Balance Floor	189	189	189	189	185	185	185	185	196	196	196	196

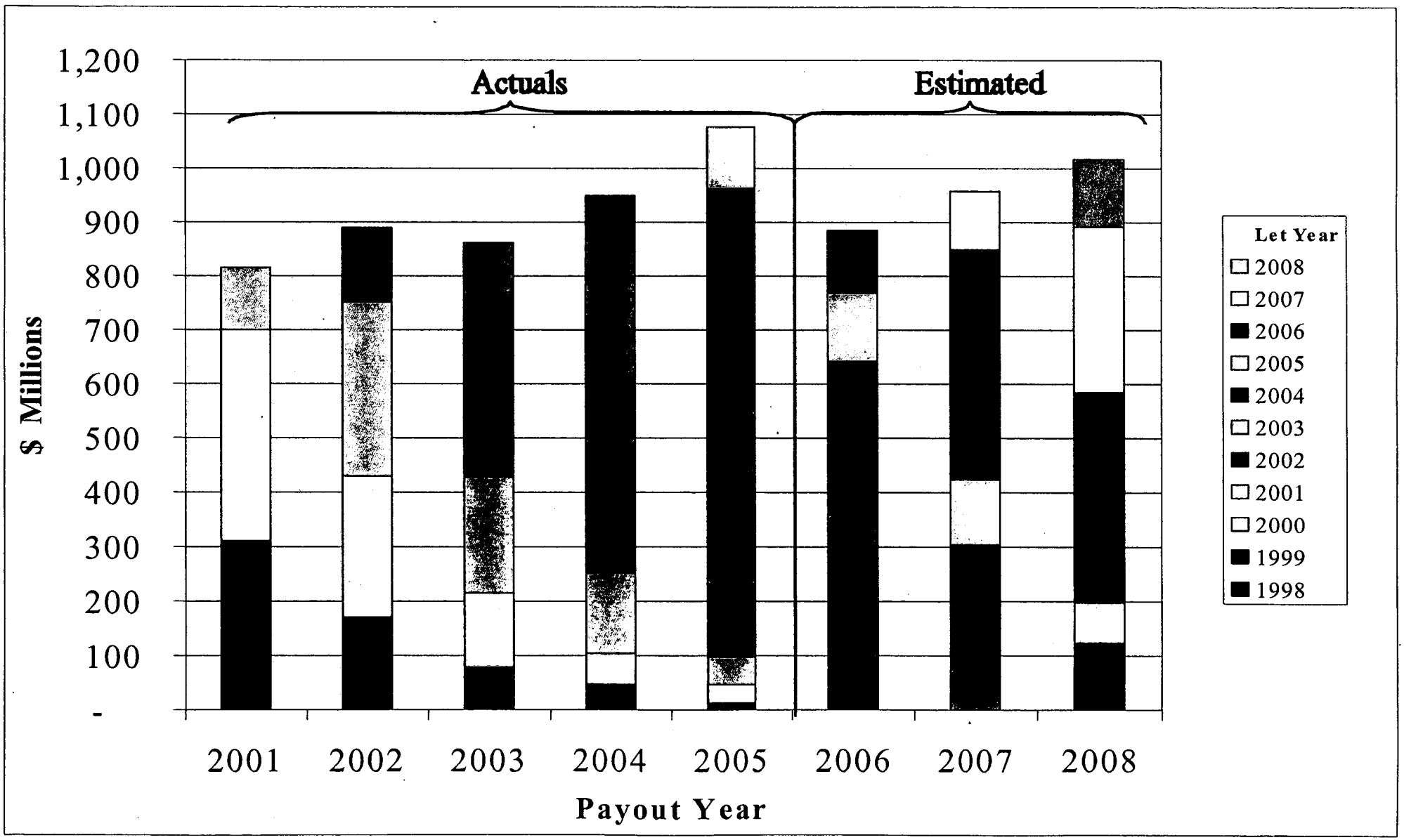
Required Action:

Legislative	no	Scenario 1: Completely eliminate $80 million off top of GF Transfer
Legislative	no	Scenario 2: Recognize $125 million in August 2006
State Budget Office	no	Scenario 3: Delay General Fund Transfer (Aug to Jan and Nov to March)
NCDOT	no	Scenario 4: TIP delay starting June for *xx* months: 4
NCDOT	no	Scenario 5: Reduce PE & ROW $*xx* million per year: $ 20
NCDOT	no	Scenario 6: Scale back program expenditures by *xx* % as shown in column to right
	April 06	Federal Aid Revenue Forecast

TIP Construction Payout Distribution by Let Year
Actual and Estimated Payments for Awarded Projects



TIP Construction Payout Distribution by Let Year
Actual and Estimated Payments - Current



Contingency Planning Options

Required Action:

Legislative

- Scenario 1: Completely Eliminate $80 million off top of GF Transfer
- Scenario 2: Recognize $125 million of GF Transfer in August 2006

State Budget Office

- Scenario 3: Recurring General Fund Transfer Delay (Aug to Jan and Nov to March)

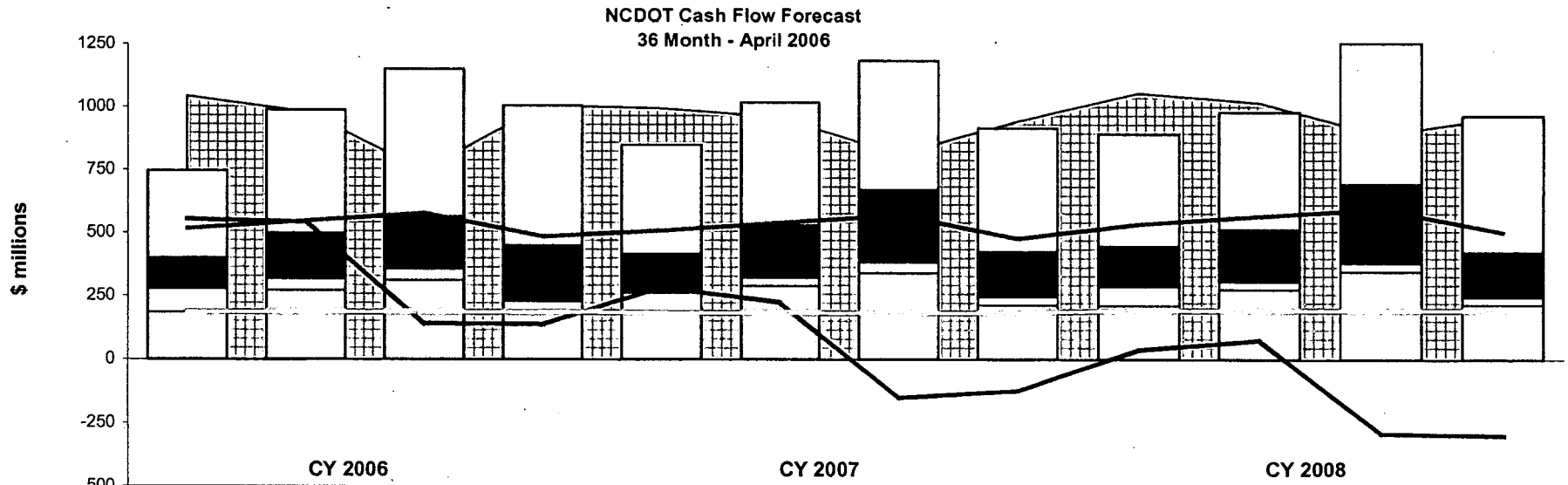
NCDOT

- Scenario 4: Delay TIP projects by 4, 12 months starting June
- Scenario 5: Reduce PE & ROW $20 million each per year

Preliminary

NCDOT 36 Month Cash Flow Forecast

Scenarios 4 & 5: 4 Month Delay, PE & ROW Cutbacks

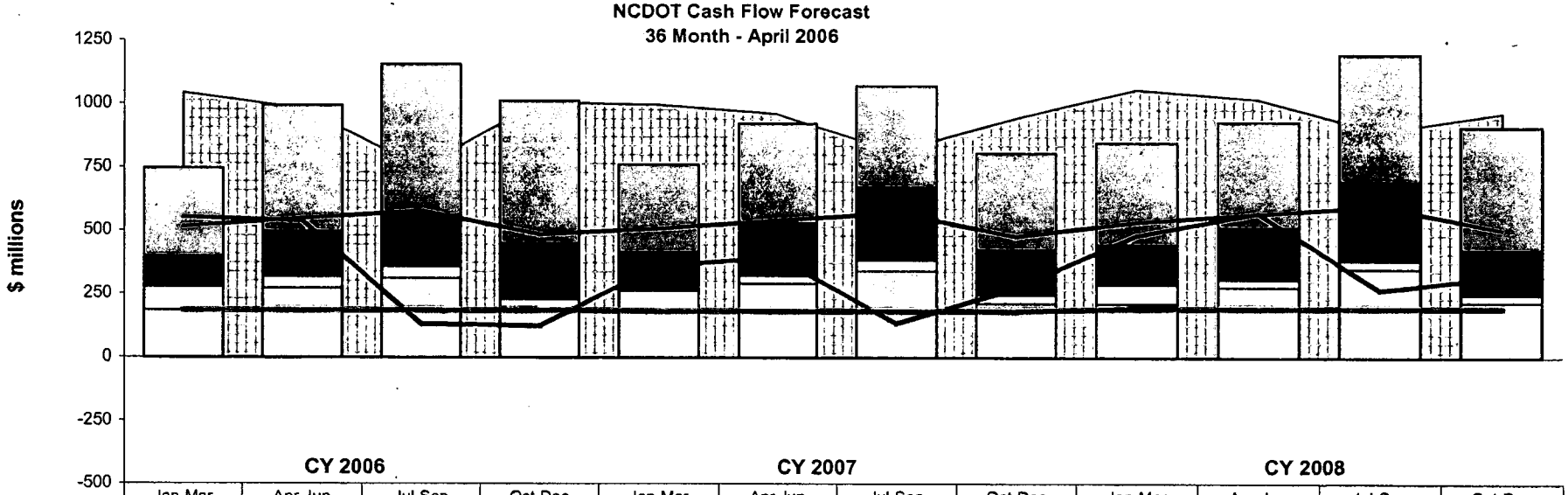


	CY 2006				CY 2007				CY 2008			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Revenues	1,043	980	749	1,006	995	959	812	943	1,055	1,018	891	961
Other Expenditures	186	272	313	197	192	291	341	214	211	278	349	217
Other Modes	92	45	45	32	72	31	43	34	77	30	34	31
Maintenance Expenditures	121	179	206	219	153	206	288	177	158	206	312	177
Construction Expenditures	346	492	588	558	433	490	514	492	448	467	562	542
Closing Cash Balance	552	542	140	138	283	223	(151)	(124)	37	74	(292)	(298)
Cash Balance Target	516	547	578	484	508	539	570	476	534	565	596	502
Cash Balance Floor	189	189	189	189	185	185	185	185	196	196	196	196

Required Action:

Legislative	no	Scenario 1: Completely eliminate $80 million off top of GF Transfer
Legislative	no	Scenario 2: Recognize $125 million in August 2006
State Budget Office	no	Scenario 3: Delay General Fund Transfer (Aug to Jan and Nov to March)
NCDOT	y	Scenario 4: TIP delay starting June for *xx* months: 4
NCDOT	y	Scenario 5: Reduce PE & ROW $*xx* million per year: $ 20
NCDOT	no	Scenario 6: Scale back program expenditures by *xx* % as shown in column to right
	April 06	Federal Aid Revenue Forecast

Preliminary
NCDOT 36 Month Cash Flow Forecast
Scenario 4: 12 Month Delay



	CY 2006				CY 2007				CY 2008			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Revenues	1,043	980	749	1,006	995	959	812	943	1,055	1,018	891	961
Other Expenditures	186	272	313	197	192	291	341	214	211	278	349	217
Other Modes	92	45	45	32	72	31	43	34	77	30	34	31
Maintenance Expenditures	121	179	206	219	153	206	288	177	158	206	312	177
Construction Expenditures	346	496	593	563	344	394	400	381	401	416	501	483
Closing Cash Balance	552	538	131	124	358	394	135	272	480	569	263	316
Cash Balance Target	516	547	578	484	508	539	570	476	534	565	596	502
Cash Balance Floor	189	189	189	189	185	185	185	185	196	196	196	196

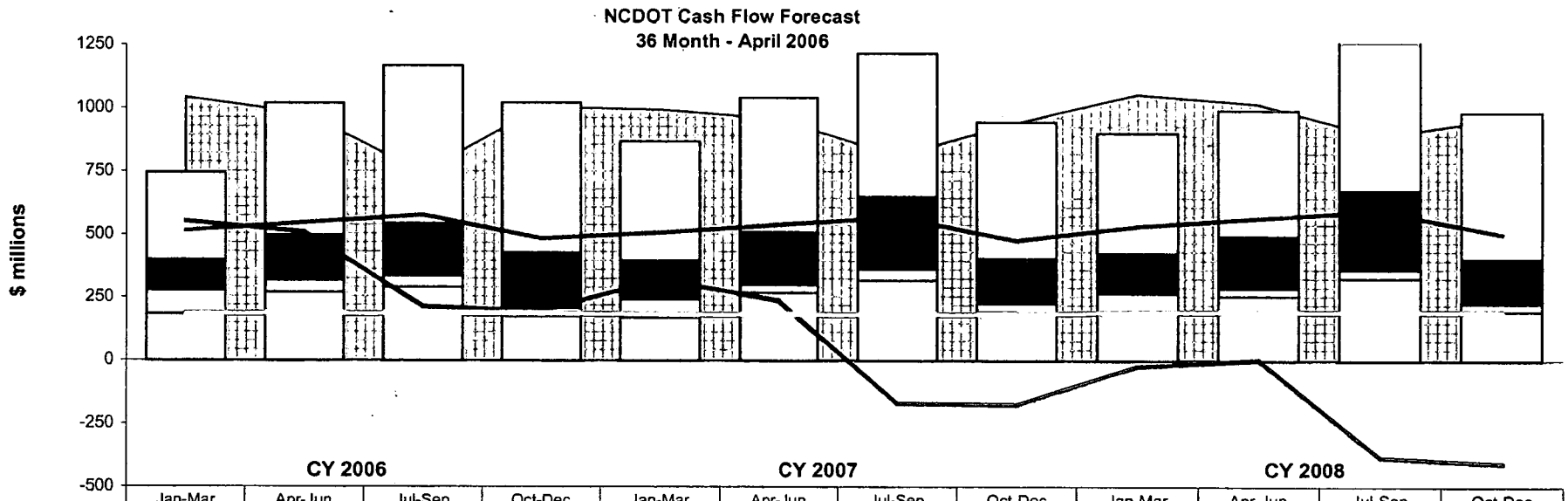
Required Action:

Legislative	no	Scenario 1: Completely eliminate $80 million off top of GF Transfer
Legislative	no	Scenario 2: Recognize $125 million in August 2006
State Budget Office	no	Scenario 3: Delay General Fund Transfer (Aug to Jan and Nov to March)
NCDOT	yes	Scenario 4: TIP delay starting June for *xx* months: 12
NCDOT	no	Scenario 5: Reduce PE & ROW $*xx* million per year: $ 20
NCDOT	no	Scenario 6: Scale back program expenditures by *xx*% as shown in column to right
	April 06	Federal Aid Revenue Forecast

Preliminary

NCDOT 36 Month Cash Flow Forecast

Scenarios 1 & 2: Legislative Action

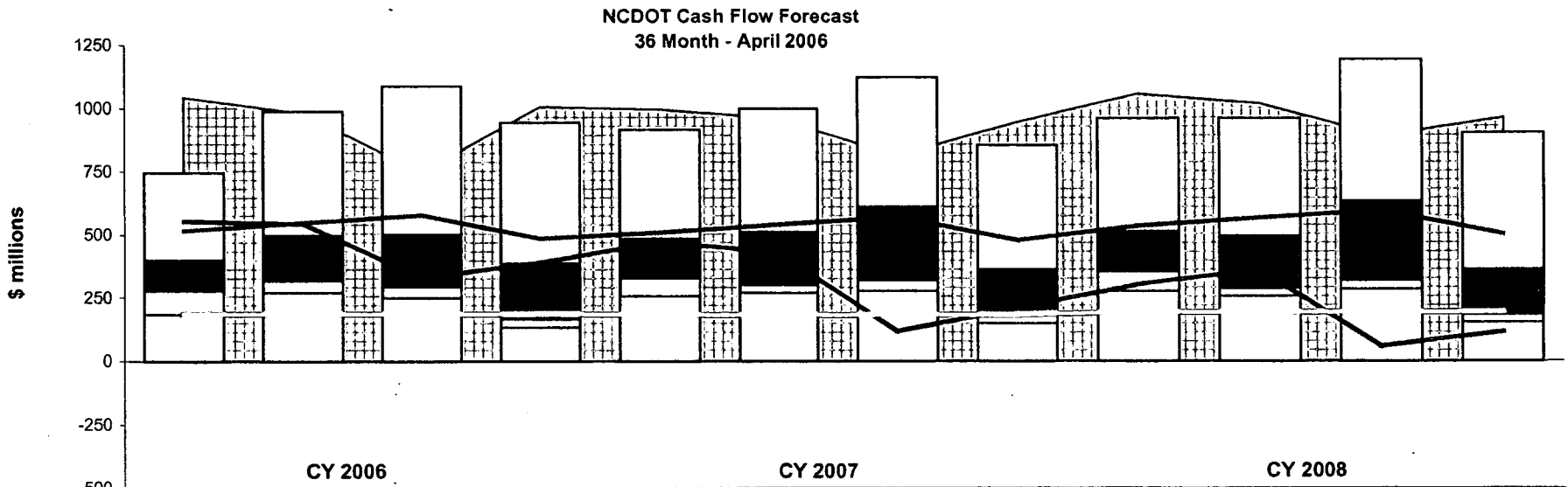


	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Revenues	1,043	980	749	1,006	995	959	812	943	1,055	1,018	891	961
Other Expenditures	186	272	293	177	171	271	321	194	191	258	329	197
Other Modes	92	45	45	32	72	31	43	34	77	30	34	31
Maintenance Expenditures	121	179	206	219	153	206	288	177	158	206	312	177
Construction Expenditures	346	524	626	595	474	534	567	542	478	500	601	580
Closing Cash Balance	552	510	215	196	321	237	(169)	(173)	(22)	2	(383)	(407)
Cash Balance Target	516	547	578	484	508	539	570	476	534	565	596	502
Cash Balance Floor	189	189	189	189	185	185	185	185	196	196	196	196

Required Action:

Legislative	y	Scenario 1: Completely eliminate $80 million off top of GF Transfer
Legislative	y	Scenario 2: Recognize $125 million in August 2006
State Budget Office	no	Scenario 3: Delay General Fund Transfer (Aug to Jan and Nov to March)
NCDOT	no	Scenario 4: TIP delay starting June for *xx* months: 12
NCDOT	no	Scenario 5: Reduce PE & ROW $*xx* million per year: $ 20
NCDOT	no	Scenario 6: Scale back program expenditures by *xx*% as shown in column to right
	April 06	Federal Aid Revenue Forecast

Preliminary
NCDOT 36 Month Cash Flow Forecast
Scenarios 1 - 5

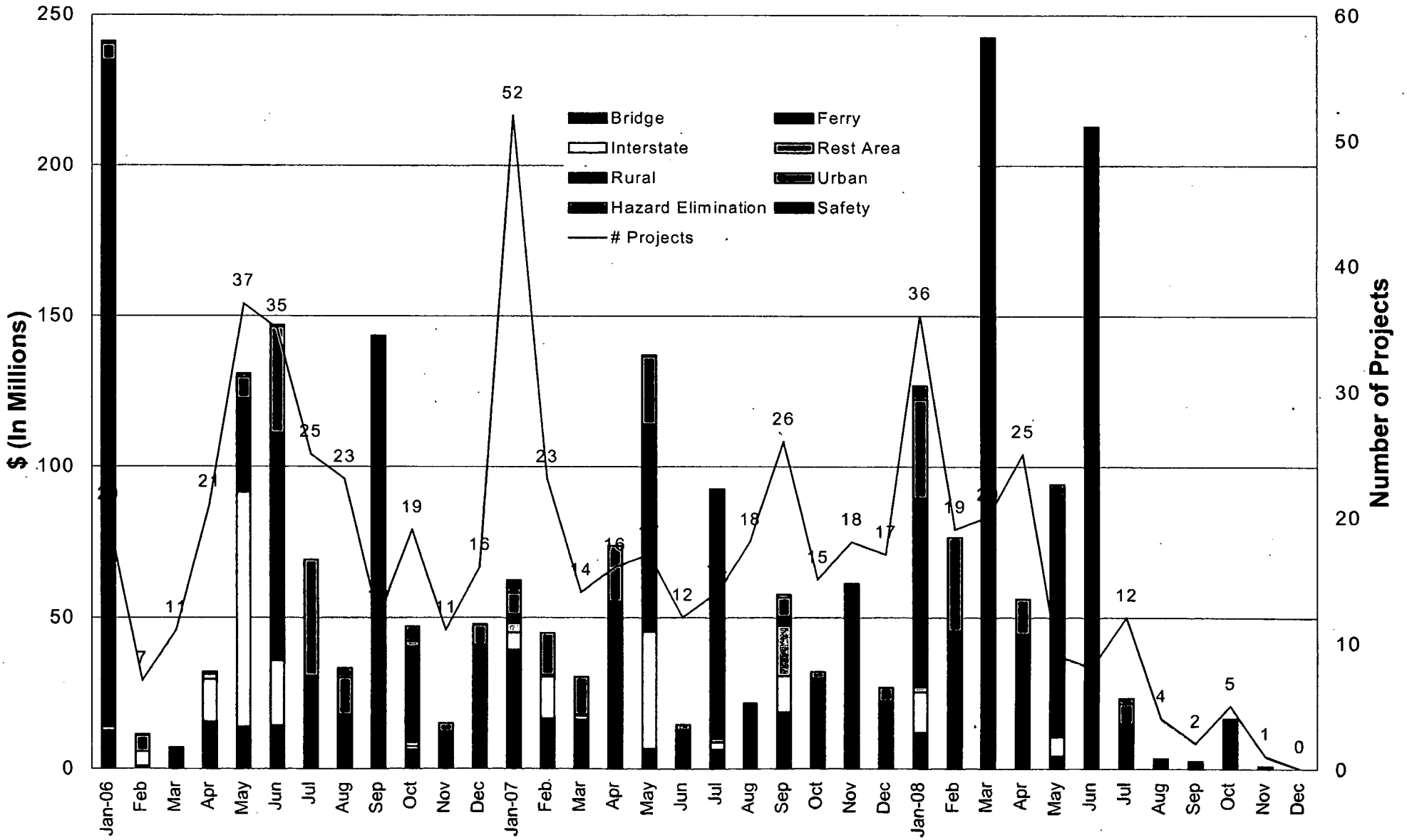


	CY 2006				CY 2007				CY 2008			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Revenues	1,043	980	749	1,006	995	959	812	943	1,055	1,018	891	961
Other Expenditures	186	272	250	134	257	271	278	151	277	258	285	153
Other Modes	92	45	45	32	72	31	43	34	77	30	34	31
Maintenance Expenditures	121	179	206	219	153	206	288	177	158	206	312	177
Construction Expenditures	346	492	588	558	433	490	514	492	448	467	562	542
Closing Cash Balance	552	542	328	389	469	429	118	207	302	360	58	116
Cash Balance Target	516	547	578	484	508	539	570	476	534	565	596	502
Cash Balance Floor	189	189	189	189	185	185	185	185	196	196	196	196

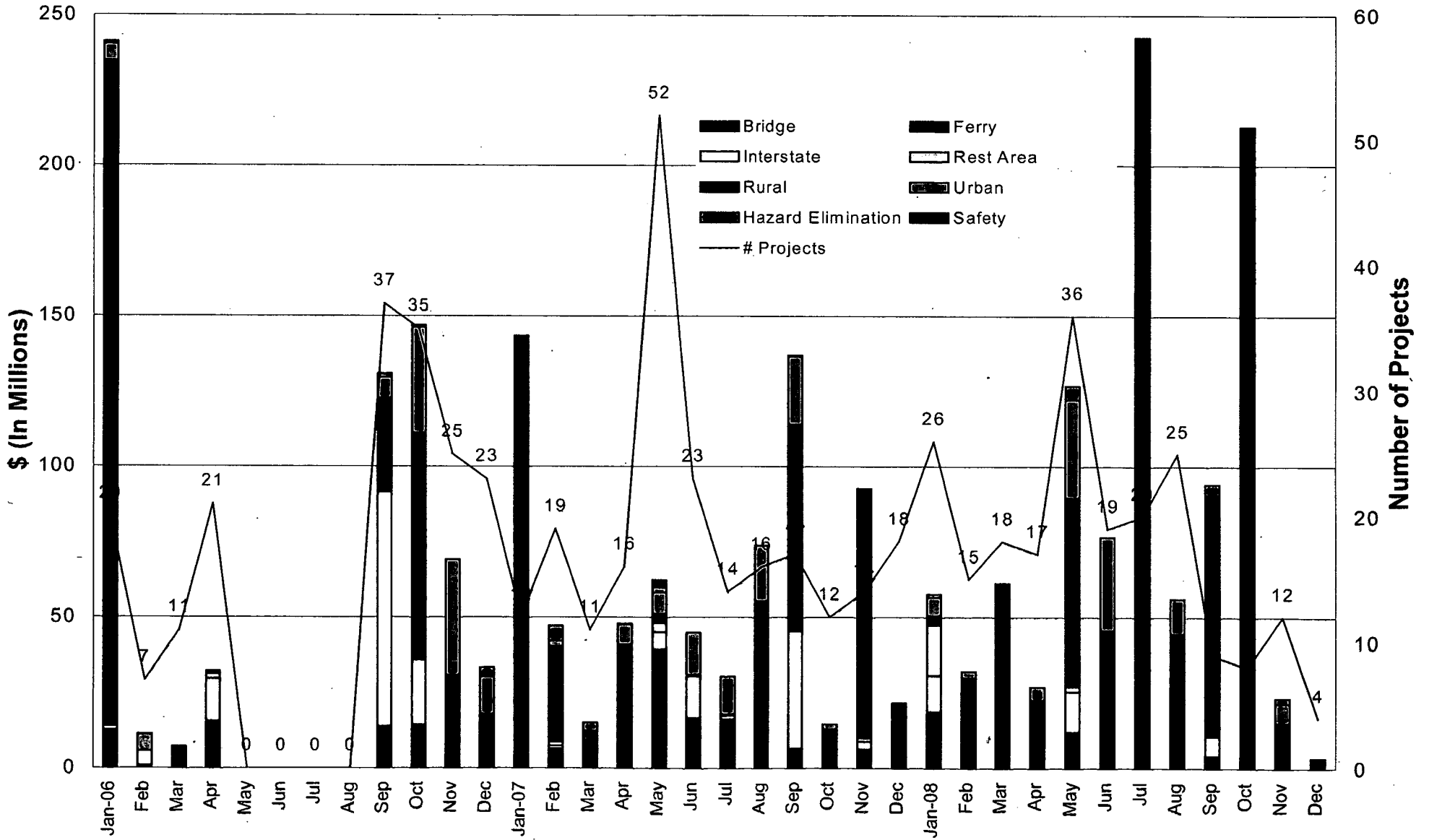
Required Action:

Legislative	y	Scenario 1: Completely eliminate $80 million off top of GF Transfer
Legislative	y	Scenario 2: Recognize $125 million in August 2006
State Budget Office	y	Scenario 3: Delay General Fund Transfer (Aug to Jan and Nov to March)
NCDOT	y	Scenario 4: TIP delay starting June for *xx* months: 4
NCDOT	y	Scenario 5: Reduce PE & ROW $*xx* million per year: $ 20
NCDOT	no	Scenario 6: Scale back program expenditures by *xx*% as shown in column to right
	April 06	Federal Aid Revenue Forecast

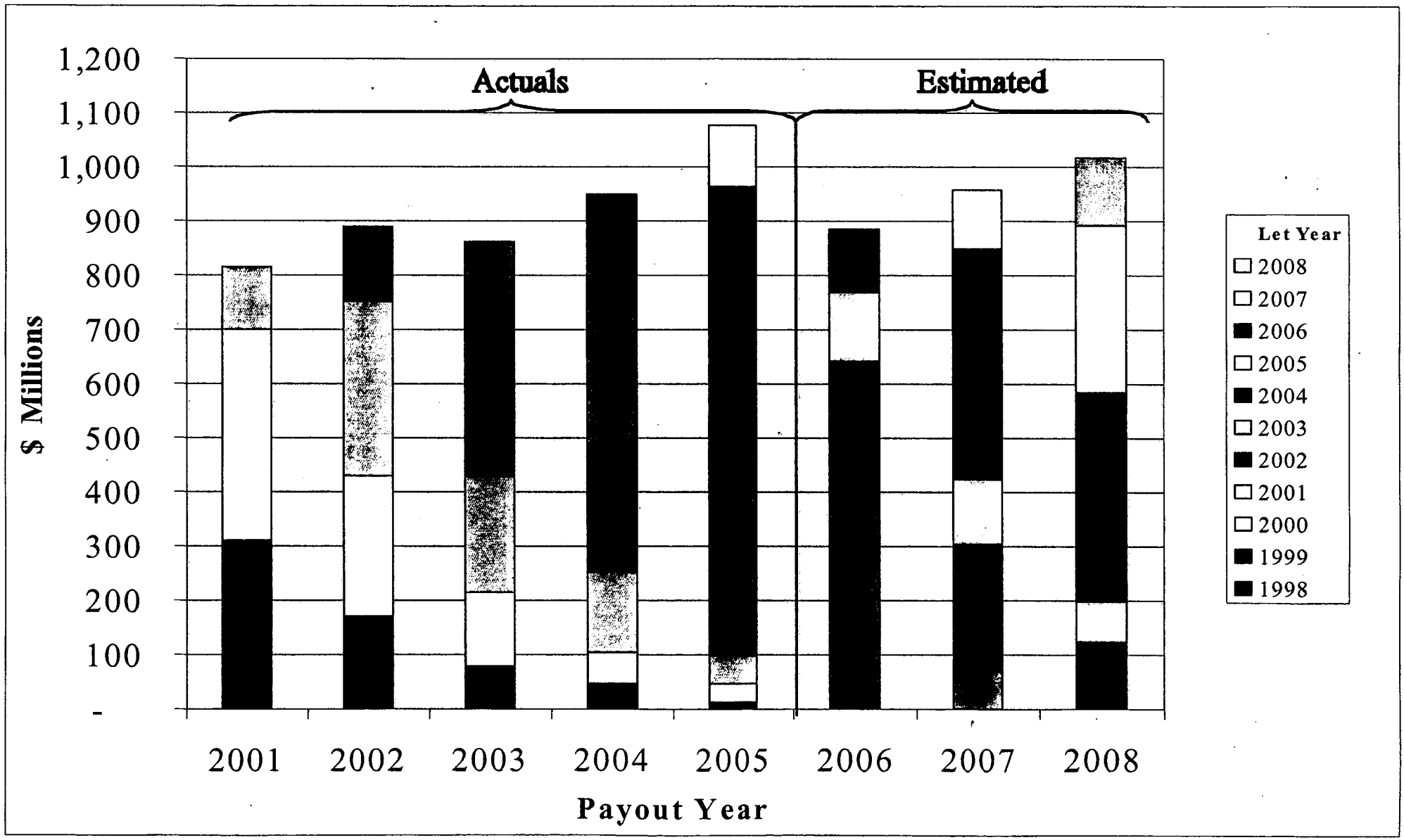
2006 to 2008
Letting Distribution by Month and Type
No Delay



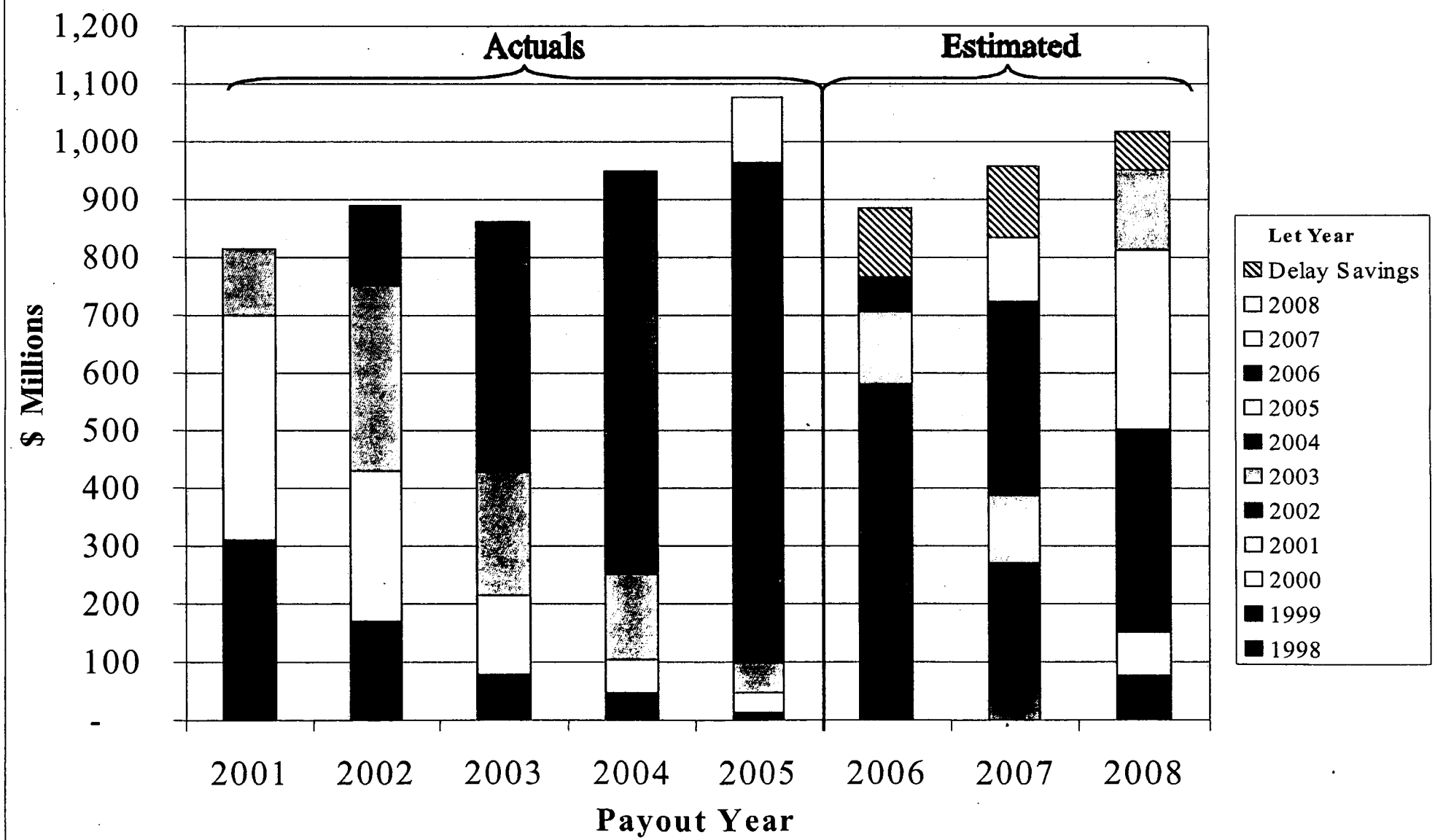
2006 to 2008
Letting Distribution by Month and Type
With 4 Month Delay



TIP Construction Payout Distribution by Let Year
Actual and Estimated Payments - Current



TIP Construction Payout Distribution by Let Year
Actual and Estimated Payments - 4 Month Delay





Revenue and Disbursement Rankings for State-Administered Highways - 2004

$ Thousands

State	Miles	Rank	Lane-Miles	Rank	State Revenues $ / Lane-Mile	State Revenues Rank	All Revenues $ / Lane-Mile	All Revenues Rank	Total Disbursement $ / Lane-Mile	Total Disbursement Rank
Florida	12,047	18	41,266	13	$ 78	3	$ 138	4	$ 134	5
Georgia	17,943	10	46,785	11	21	25	47	27	39	28
North Carolina	78,871	2	168,029	2	11	44	19	47	20	47
South Carolina	41,532	4	89,713	4	5	49	13	50	13	50
Texas	79,624	1	190,226	1	18	32	33	37	35	33
Virginia	57,515	3	124,304	3	16	35	22	46	22	45
50 State Average	774,687		1,834,132		$ 25		$ 49		$ 48	

Source: Highway Statistics - US Department of Transportation Federal Highway Administration

Attachment # 2

NCDOT Breakdown of Accelerated Project Delivery / Other Spending

Activity	Legislative Authorization	Expended as of March 2006
$ in Millions		
Beginning Cash balance as of June 2001		$ 1,100
Incremental Cash Spending:		
SB 1005 Projects	$ 687	$ (542)
General Fund Transfers *	$ 515	$ (495)
NC Moving Ahead	$ 700	$ (387)
Acceleration of TIP Projects		$ (575)
Disaster Funding (non-reimbursed FHWA / FEMA)		$ (129)
Ecosystem Enhancement Program		$ (117)
DENR Leaking Underground Storage Tank Fund	$ 32	$ (32)
Contract Resurfacing		$ (78)
Incremental Resources		
Available Working Capital		$ 797
Bond Funds (including premiums)		$ 754
Advanced Federal Reimbursements		$ 256
Ending Cash balance as of March 2006		$ 552

* Amount reflects incremental transfers of G.S. 105-173 over $170M

Attachment #3

Department of Transportation
Legislative Proposals
May 8, 2006

Proposal #1
DOT Contract Provision Changes
Draft # 2005-RWz-40

Proposal #1 amends current law governing use of alternate contract provisions in DOT contracts. NC DOT is authorized by federal law (23 C.F.R. § 635.109) to use alternative contract provisions for differing site conditions, suspensions of work ordered by the engineer, or significant changes in the character of the work, if the alternative contract provisions are required by State law.

Section 1 of this proposal modifies the State law requirement to use alternate contract provisions in two ways: by correcting a federal Code reference and by changing the source of the alternative contract provisions to provisions developed by NC DOT and approved by the Board of Transportation.

Section 2 of this proposal provides that it would become effective July 1, 2006.

Proposal #2
DOT Secondary Road Formula Change
Draft # 2005-RWz-41

Section 1 of this proposal amends the secondary road construction formula, which was revised in 2005 (HB 750, S.L. 2005-404), to add paved road mileage in the denominator of the formula.

Section 2 of this proposal provides that it would become effective July 1, 2006.

Proposal #3
DOT Performance Based Maintenance Contracts Bonds
Draft # 2005-RWz-42

Section 1 of this proposal authorizes DOT to modify the bonding requirements for two specific performance based contracts for routine maintenance and operations authorized by a 2005 budget provision (Section 28.10 of S.L. 2005-276).

Section 2 of this proposal provides that it would become effective July 1, 2006.

Proposal #4
DOT General Contractor License Exceptions
Draft # 2005-RWz-43

Section 1 of this proposal exempts DOT contracts for: (1) routine maintenance and minor repair of: pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas; and (2) installation and maintenance of: pavement markings and markers, ground mounted signs, guardrail,

fencing, and roadside vegetation and plantings from the general contractor licensing requirements of Article 1 of Chapter 87.

Section 2 of the proposal is a cross reference to the exception in Article 1 of Chapter 87.

Section 3 of this proposal provides that it would become effective July 1, 2006.

Proposal #5
Repeal Toll Bridge Authority
Draft # 2005-RWz-45

Section 1 of this proposal repeals the North Carolina Bridge Authority (Article 6F of Chapter 136) and the authorization for NC DOT to issue a private pilot toll project license (Article 6G of Chapter 136).

Section 2 of this proposal provides that it would effective become when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

U D

BILL DRAFT 2005-RWz-40 [v.3] (04/12)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/12/2006 4:16:51 PM

Short Title: DOT Contract Provision Changes. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE BOARD OF TRANSPORTATION TO APPROVE STANDARD DEPARTMENT OF TRANSPORTATION CONTRACT PROVISIONS ON DIFFERING SITE CONDITIONS, SUSPENSIONS OF WORK, AND CHANGES IN CHARACTER OF WORK.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-28.1(a) reads as rewritten:

"(a) All contracts over one million two hundred thousand dollars ($1,200,000) that the Department of Transportation may let for construction or repair necessary to carry out the provisions of this Chapter shall be let to a responsible bidder after public advertising under rules and regulations to be made and published by the Department of Transportation. The right to reject any and all bids shall be reserved to the Board of Transportation. Contracts for construction or repair for federal aid projects entered into pursuant to this section shall not contain the standardized contract clauses prescribed by 23 U.S.C. § 112(e) and ~~23 C.F.R. § 635.131(a)~~ 23 C.F.R. § 635.109 for differing site conditions, suspensions of work ordered by the engineer or significant changes in the character of the work. For those federal aid projects, the Department of Transportation shall use only the contract provisions ~~provided in~~ for differing site conditions, suspensions of work ordered by the engineer or significant changes in the character of the work developed by the North Carolina Department of Transportation, ~~Standard Specifications for Roads and Structures, January 1, 1984, except as each may be changed or provided for by rule adopted~~ and approved by the Board of ~~Transportation in accordance with the Administrative Procedure Act.~~Transportation."

SECTION 2. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

U D

BILL DRAFT 2005-RWz-41 [v.1] (04/12)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/12/2006 12:24:30 PM

Short Title: DOT Secondary Road Formula Change. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AMEND THE DEPARTMENT OF TRANSPORTATION SECONDARY ROAD CONSTRUCTION FORMULA.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-44.5(b) reads as rewritten:

"(b) The first sixty-eight million six hundred seventy thousand dollars ($68,670,000) shall be allocated as follows: Each county shall receive a percentage of these funds, the percentage to be determined as a factor of the number of miles of paved and unpaved State-maintained secondary roads in the county divided by the total number of miles of paved and unpaved State-maintained secondary roads in the State, excluding those unpaved secondary roads that have been determined to be eligible for paving as defined in subsection (a) of this section. Beginning in fiscal year 2010-2011, allocations pursuant to this subsection shall be based on the total number of secondary miles in a county in proportion to the total State-maintained secondary road mileage."

SECTION 2. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

U D

BILL DRAFT 2005-RWz-42 [v.1] (04/10)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/12/2006 12:36:59 PM

Short Title: DOT Perf. Based Maintenance Contract Bonds. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE BONDING REQUIREMENTS FOR UP TO TWO DOT PERFORMANCE BASED CONTRACTS FOR ROUTINE MAINTENANCE AND OPERATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 28.10 of S.L. 2005-276 reads as rewritten:

" **SECTION 28.10.(a)** The Department of Transportation may implement up to two performance-based contracts for routine maintenance and operations, exclusive of resurfacing. Selection of firms to perform this work shall be made using a best-value procurement process.

Prior to any advertisement for a proposed project, the Department shall report to the Joint Legislative Transportation Oversight Committee on the contractor selection criteria to be used.

SECTION 28.10.(b) For contracts authorized under this section, notwithstanding G.S. 44A-26(a)(1) and (a)(2), the Department of Transportation may require the bonds issued pursuant to Article 3 of Chapter 44A of the General Statutes for public construction to be provided on a periodic basis and in the amount to cover that specific period rather than for the entire project duration."

SECTION 2. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

U D

BILL DRAFT 2005-RWz-43 [v.2] (04/12)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/25/2006 4:03:20 PM

Short Title: DOT General Contractor License Exceptions.	(Public)
Sponsors: .	
Referred to:	

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN DOT CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-28.14. Project contractor licensing requirements.**

The letting of contracts under this Chapter for the following types of projects shall not be subject to the licensing requirements of Article 1 of Chapter 87 of the General Statutes:

(1) Routine maintenance and minor repair of: pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas.

(2) Installation and maintenance of: pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings."

SECTION 2. Chapter 87 of the General Statutes is amended by adding a new section to read:

"**§ 87-1.2 Exception for specified Department of Transportation contractors.**

The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be subject to the licensing requirement of G.S. 87-1.

SECTION 3. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

S D

BILL DRAFT 2005-RWz-45 [v.2] (04/13)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/26/2006 3:09:54 PM

Short Title:	Repeal Toll Bridge Authority.	(Public)
Sponsors:	Senator.	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO REPEAL THE NORTH CAROLINA BRIDGE AUTHORITY AND THE AUTHORIZATION FOR THE DEPARTMENT OF TRANSPORTATION TO ISSUE A PRIVATE PILOT TOLL PROJECT LICENSE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 6F of Chapter 136 of the General Statutes is repealed.

SECTION 2. Article 6G of Chapter 136 of the General Statutes is repealed.

SECTION 3. This act is effective when it becomes law.

Attachment #4

VIPER Summary

In response to the lack of communications between emergency responders during Hurricanes Fran and Floyd, and the extensive review of the short comings of emergency responders after the attacks of 9-11, Secretary Beatty and Colonel Clay tasked us with putting together a plan for interoperable communications for all emergency responders in North Carolina. The need for interoperable communications has most recently been demonstrated by the events of Hurricane Katrina. NC's plan, the Voice Interoperability Plan for Emergency Responders (VIPER), pushes forward the previously suggested Criminal Justice Information Network (CJIN) interoperable communications system. VIPER is based on the same concept of sharing resources with other state, local and federal agencies as used when building the CJIN Mobile Data Network (MDN). We are partnering with these agencies where possible to keep the overall cost of the infrastructure to a minimum by sharing land, towers and buildings.

By building this network with partnerships with local government agencies, we suggest that there be no user fee charged to use VIPER. This allows us to have free access to the local's assets and also allows the smaller and less funded jurisdictions to participate.

Currently we have 52 sites on the air. We have funding for and are in process of building/installing 68 additional sites. Last year we were appropriated $8m for VIPER; those funds will be completely exhausted by the end of next week.

We have a critical need for recurring funds for support personnel to assist us in maintaining these sites as they are completed and become the primary communications systems for the Highway Patrol and our local partners.

The funds represented in this report are for infrastructure only and not radios for use on the system by state or local agencies. Those costs will be assumed by the agencies and can hopefully be partially funded with grants and internal budgets.

Funding Required			
Infrastructure Requirements		$189,000,000	
Annual Support and Personnel (recurring)		$ 11,502,476	
Funding Received		**Requested**	**Received**
Federal Homeland Security '04			$28,420,782
Legislative Appropriations Infrastructure'04-'05		$10,000,000	$ 500,000
Legislative Appropriations Personnel '04-'05		$ 1,000,000	0
Federal Homeland Security '05			$26,244,500
Biennium Budget Request Infrastructure '05		$30,000,000	$ 8,000,000
Biennium Budget Request Personnel '05		$ 1,600,000	$ 52,000
Total Funding to date			**$63,217,282**
Remaining to be funded Infrastructure		$125,834,718	
Remaining to be funded Support and Personnel		$ 11,450,476	

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Tuesday, May 09, 2006 2:15 PM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: Approp. Transportation Mtg. 5/10/06

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the House Committee on **APPROPRIATIONS/TRANSPORTATION** will meet as follows:

DAY: Wednesday May 10, 2006

TIME: 2:00 p.m.

Room: 1228/1327 LB

Joint Transportation Budget Briefing

Respectfully,

Representatives Cole and Coates
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 2:15 p.m. on **May 9, 2006**.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon (Committee Assistant)

Joint Subcommittee on Transportation Appropriations

Agenda

May 10, 2006
2:00 pm
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins

- Governor's Budget Recommendations for Transportation
  - Mark Foster, Chief Financial Officer, DOT

- Governor's Budget Recommendations for State Highway Patrol
  - Expansion Items (page 186)
    - Colonel W. Fletcher Clay, Commander, State Highway Patrol
  - Technical Adjustment (page 181)
    - Mercidee Benton, Office of State Budget and Management

Joint Subcommittee on Transportation Appropriations

Agenda

May 10, 2006
2:00 pm
Room 1228/1327LB

Chairs
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Representative Nelson Cole
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- Governor's Budget Recommendations for State Highway Patrol
  - Expansion Items (page 186)
    - Colonel W. Fletcher Clay, Commander, State Highway Patrol
  - Technical Adjustment (page 181)
    - Mercidee Benton, Office of State Budget and Management

Joint Appropriations Subcommittee on Transportation
Wednesday, May 10, 2006
2:00 pm
Room 1228, Legislative Building

MINUTES

The Joint Appropriations Subcommittee on Transportation met at 2:00 pm on Wednesday, May 10, 2006 in Room 1228 of the Legislative Building. Four Senators and the following Representatives were present: Cole, Coates, McAllister, Stiller, Almond, Brown, Church, Coleman, Dickson, Gulley, Martin, McMahan, Moore, Saunders, and Williams. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, called the meeting to order with the introduction of pages: Crystal Royl, Rebecca Geist, Kevin Myers, and Joshua Sexton. Sergeant-at-Arms, Dusty Rhodes, Leslie Oakley, Curtis Dowd and George Robinson were also introduced.

Mr. Mark Foster, Chief financial Officer, Department of Transportation, reviewed the Governor's Budget recommendations for Transportation from the Highway Fund and the Highway Trust Fund. This is Attachment A of these minutes. This explains what the financial positions are today and the outlook for the next three years. The DOT, before some assistance from the Governor's Budget, was looking at a $300 million dollar a year problem, primarily in the Trust Fund. With the assistance of the Governor's give back of $80 million and $115 million one time adjustment, it gets the DOT part way back where they need to be financially, but DOT will be adjusting the portfolio primarily with the Trust Fund projects and will be delaying projects to fit themselves into cash needs. Mr. Foster began the overview on page 181, Attachment A and concluded with the presentation on page 185.

Colonel Fletcher Clay, Commander, State Highway Patrol, reviewed the expansion items on page 186 of Attachment A. Col. Clay said the Governor's Budget request was for 10 troopers. He said 82 people were getting ready to start trooper school. He also stated that VIPER is operating 52 tower sites in NC.

Ms. Mercidee Benton, Office of State Budget and Management, spoke to page 181 in Attachment A. She said that a technical adjustment was listed for the transfer that the DOT makes to Crime Control and Public Safety for the Highway Patrol and the Commercial Vehicles Enforcement activities. She said she had prepared a one page correction that outlines what the continuation budget support for the Highway Patrol

showed in their budget vs. what DOT had in their budget and what the deficit was. This is Attachment B of these minutes.

The meeting adjourned at 2:50 pm.

S. Clark Jenkins, Chairman

Carolyn M. Gooden, Committee Assistant

Attachment A

Recommended Appropriations

Transportation

Highway Fund

Highway Trust Fund

Department of Transportation

Overview

Funds totaling $3.8 billion for 2006-07 are required to support North Carolina's transportation program. Approximately $1.7 billion, or 45%, will be provided from the Highway Fund. The Highway Trust Fund will add approximately $1.2 billion or 31% this fiscal year.

Departmental receipts will add an additional $5 million with federal funds totaling $890 million. The General Fund will provide $23.5 million if required to hold the Highway Fund and Highway Trust Fund harmless from capping the variable portion of the Motor Fuels Tax at the January 1, 2006 rate for 2006-07.

Summaries of the total transportation program showing the source of funding and activities supported appear below. Details about funding from the Highway Fund and the Highway Trust Fund follow the summary.

Table 10

North Carolina Transportation Program

2006-07

Department of Transportation	Highway Fund	Highway Trust Fund	Department Receipts	Federal Funds	Total
Administration	$ 84,305,914	$ 7,761,140	$ 311,000	$ -	$ 92,378,054
Division of Highways					
Administration	30,632,164	23,120,989	486,112	-	54,239,265
Construction	179,189,500	1,042,162,634	-	838,880,000	2,060,232,134
Maintenance	855,127,857	-	-	-	855,127,857
Planning and Research	4,280,000	-	-	17,120,000	21,400,000
OSHA Program	425,000	-	-	-	425,000
Ferry Operations	21,264,811	-	-	-	21,264,811
State Aid					
Municipalities	94,089,500	69,881,824	-	-	163,971,324
Public Transportation	75,866,447	-	-	10,000,000	85,866,447
Airports	15,295,066	-	-	15,478,062	30,773,128
Railroads	20,299,903	-	-	-	20,299,903
Governor's Highway Safety	293,118	-	-	4,609,283	4,902,401
Division of Motor Vehicles	97,636,438	4,396,910	4,212,093	4,053,680	110,299,121
Other State Agencies	230,186,648	400,880	-	-	230,587,528
Reserves and Transfers	58,247,634	-	-	-	58,247,634
Transfer to General Fund	-	57,486,602	-	-	57,486,602
Uncommitted Trust Fund Admin.	-	10,419,021	-	-	10,419,021
Total Operating	1,767,140,000	1,215,630,000	5,009,205	890,141,025	3,877,920,230
Grand Total[1]	$1,767,140,000	$1,215,630,000	$ 5,009,205	$890,141,025	$ 3,877,920,230

[1] Highway Fund total includes $17.6 million transfer from GF to hold HF harmless from capping variable component of Motor Fuels Tax at the January 1, 2006 rate for 2006-07.
Highway Trust Fund total includes $5.7 million transfer from GF to HTF to hold HTF harmless from capping variable component of Motor Fuels Tax at the January 1, 2006 rate for 2006-07.

Figure 19

Funding Sources

North Carolina Transportation Program
2006-07

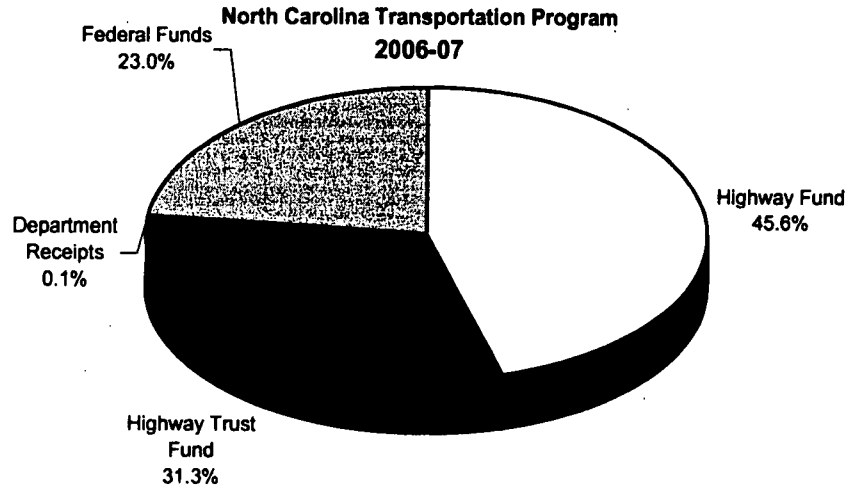
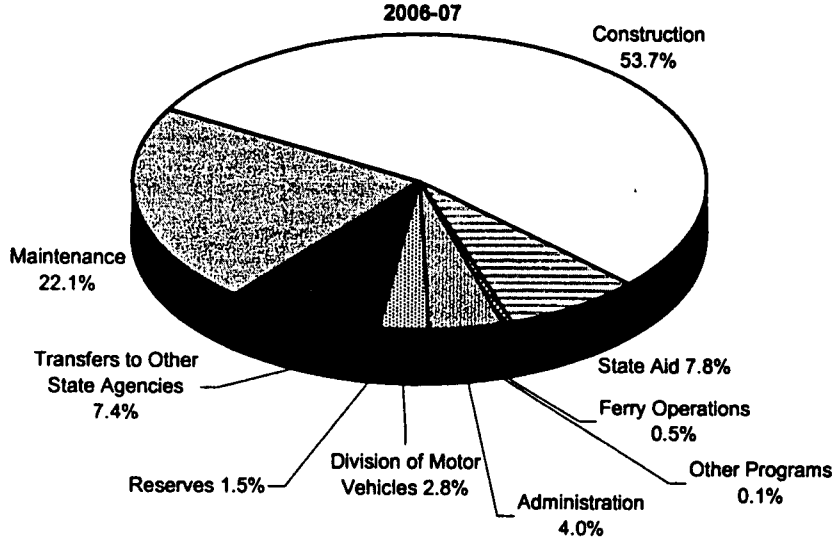


Figure 20

Appropriations

North Carolina Transportation Program
2006-07



Highway Fund Budget Changes (84210)

Total Appropriations and Positions

	2006-07 Certified	2006-07 Recommended	Percentage Change
Requirements	$2,493,335,476	$2,721,566,547	9.2 %
Receipts	954,426,547	954,426,547	0.0 %
Appropriation	$1,538,908,929	$1,767,140,000	14.8 %
Positions	-	-	

Appropriation Items -- Recommended Adjustments

Technical Adjustments

2006-07

Reserves and Transfers

1. **Crime Control and Public Safety**

An increase is recommended in the Highway Fund appropriation to correct a continuation budget funding deficit for the Department of Crime Control and Public Safety. The Highway Fund dollars support the Highway Patrol and commercial vehicle enforcement activities.

Appropriation **$3,273,666**

Total Recommended Technical Adjustments

Recurring

Requirements	$3,273,666
Receipts	-
Appropriation	$3,273,666
Number of Positions	-

Nonrecurring

Requirements	-
Receipts	-
Appropriation	-
Number of Positions	-

Expansion

2006-07

Mandated Adjustments

1. **Statutory Adjustment to Leaking Underground Storage Tank Fund**

In accordance with G.S. 105-119.18(a) and (b), an adjustment is required to the appropriation for the Leaking Underground Storage Tank Fund to bring the allocation in line with current Highway Fund revenue projections for the gasoline inspection fee.

Appropriation **($150,000)**

2. **Statutory Adjustment to Aid to Municipalities Allocation**

In accordance with G.S. 136-41.1, an adjustment based on the estimated gallons of motor fuel sold is necessary to bring the allocation for state aid to municipalities in line with current revenue projections.

Appropriation **$1,439,500**

3. **Statutory Adjustment to Secondary Roads Construction Allocation**

In accordance with G.S. 136-44.2A, an adjustment based on the estimated gallons of motor fuel sold is necessary to bring the allocation for secondary roads construction in line with current revenue projections.

Appropriation **$1,439,500**

Maintenance

1. **Contract Resurfacing**

Increased funds for contract resurfacing are recommended to address growing needs for highway asphalt overlays as pavement conditions continue to degrade due to increased lane mileage and vehicle miles traveled. An increase in the cost of highway construction materials has reduced the number of miles resurfaced each year.

Appropriation **$82,853,280**

2. **System Preservation**

Funds are recommended for highway maintenance activities that preserve and extend the life of infrastructure assets, including pavements, bridges, and traffic signal systems.

Appropriation **$57,481,289**

Weigh Station Improvements

1. **Automated Weigh Stations**

An appropriation is recommended to provide partial funding for weigh station improvements identified in a 2005 statewide feasibility study. The study concluded that $97.4 million is required between 2006 and 2013 to implement the proposed recommendations.

Appropriation **-**

Appropriation - Nonrecurring **$12,824,782**

Small Construction

1. Economic Development

Funding is recommended to restore $28 million in nonrecurring funds approved in 2005-06 for economic development, spot safety, or transportation improvement projects. An additional $10 million is recommended for statewide projects.

Appropriation $38,000,000

Public Transportation

1. Reduction in New Starts Program Funding

It is recommended that public transportation funding for the state's New Starts program be reduced for 2006-07. The reduction is recommended in anticipation of decreased expenditures, primarily due to the delayed Triangle Transit Authority commuter rail project.

Appropriation -

Appropriation - Nonrecurring ($23,400,000)

2. Statewide Grant Program

Increased state funding for public transportation is recommended to match increased federal funds provided by the latest federal transportation reauthorization bill. Federal funds cannot be utilized without committed state and/or local matching funds.

Appropriation $3,000,000

Appropriation - Nonrecurring $2,400,000

3. Urban and Regional Program

An increase is recommended for the State Maintenance Assistance Program (SWAP), which helps regional, urban, and small urban areas pay for public transportation fixed-route and dial-a-ride services that are not covered by federal funding.

Appropriation $2,000,000

4. Urban/Regional Bus and Facility Program

An increase is recommended for the Urban/Regional Bus and Facility Program, which helps local governments match federal transit administration grants from the latest federal transportation reauthorization bill.

Appropriation $2,000,000

5. Realign Rural Program Funding

Consolidation of public transportation funding is recommended for several small rural programs. The one resulting large rural capital program will provide greater funding flexibility, decrease total dollars by realigning fund availability with actual needs, enable leveraging of additional federal funds, and increase funds for rural operations on a recurring basis. The total public transportation funding available for rural transit is unchanged.

Appropriation -

Aeronautics

1. Rural Airport Development

Funding is recommended to supplement the current State Aid to Airports Program to assist rural airports with capital improvement projects.

Appropriation $2,000,000

Rail Program

1. **Piedmont and Carolinian Operations**

Increased funds are recommended to cover the operational costs of the state-sponsored Piedmont and Carolinian passenger trains. The Piedmont provides daily passenger service from Raleigh to Charlotte. The Carolinian provides daily passenger service from Charlotte to New York.

Appropriation **$1,198,750**

2. **Grants to Short-Line Railroads**

Funds are recommended to continue and double the 2005-06 $1 million nonrecurring appropriation for short-line railroad companies. The funds will be used as rehabilitation project grants to strengthen North Carolina's short-line infrastructure.

Appropriation **$2,000,000**

Division of Motor Vehicles

1. **Driver License Mobile Units**

Funding is recommended to purchase two additional driver license mobile units. As recommended in a 2005 performance audit, the mobile units provide licensing and vehicle registration services to areas of the state where population and transaction volumes do not warrant full-time offices and where the use of one-person offices creates a security risk.

Appropriation **$69,000**

Appropriation - Nonrecurring **$391,000**

2. **License Plate Recall**

Funds are recommended to replace old license plates that are in poor condition and that often provide limited visibility to law enforcers. License plates were last recalled in 1990. A continuous license plate recall system is also recommended.

Appropriation **$889,971**

Appropriation - Nonrecurring **$338,330**

3. **Customer Traffic Management System**

Funds are recommended to install automated queuing systems in 32 additional driver license offices throughout the state. The systems allow for improved customer service to citizens and have already been installed in 27 high-volume driver license offices.

Appropriation **$32,000**

Appropriation - Nonrecurring **$448,000**

Information Technology

1. Department of Transportation Information Technology Requests

A Highway Fund appropriation is requested for the following information technology projects that have been reviewed and approved by the State CIO.

1. Server Consolidation

Consolidating and replacing existing servers with larger-capacity servers is recommended for more economical operations and management. A number of the existing servers are no longer under warranty, and some have older versions of operating systems that are no longer under vendor support. 1,000,000

2. Microsoft Office Enterprise Agreement

Funding is recommended to replace MS Office 97, the current department standard, with a newer version to facilitate consistency with external customers and partners. 1,500,000

Appropriation **$2,500,000**

Reserves and Transfers

1. Salary Increase

Funds are recommended to provide a 4% recurring salary increase for all employees in the Department of Transportation and other state agencies whose positions are paid from the Highway Fund.

Appropriation **$19,500,000**

2. Retirement System Contributions

Funding is recommended for a 3.7% cost-of-living adjustment (COLA) for retirees of the Teachers' and State Employees' Retirement System.

Appropriation **$2,500,000**

3. Salary Adjustment Reserve

Increased funding is recommended for the salary adjustment reserve for the Department of Transportation to implement mandated career bandings and other range revisions as directed by the Office of State Personnel.

Appropriation **$1,000,000**

4. Adjust Driver Education Funding

An increase is recommended in the Highway Fund appropriation transferred to the Department of Public Instruction for driver education to allow for a projected increase in Average Daily Membership (ADM) in the ninth grade for 2006-07.

Appropriation **$457,971**

5. State Highway Patrol

Highway Fund appropriations are recommended to fund the following State Highway Patrol requests:

1. Shift Temporary Positions to Permanent Positions

Replace 17 temporary State Highway Patrol employees with permanent employees. This change will eliminate the need for temporary employee training and improve performance and efficiency as employee competencies grow. 552,501

2. VIPER Support Personnel

Provide two additional personnel to support and maintain the Voice Interoperable Communications Plan for Emergency Responders (VIPER) infrastructure. 144,058

3. VIPER Network Expansion

Continue the expansion of the VIPER voice radio network for public safety agencies. -

4. Additional Troopers

Establish ten additional State Trooper positions for assignment to areas with the highest volumes of service calls. Licensed drivers have increased 26.5% since 1994, but trooper positions have increased by only 6.9%. 547,163

Appropriation	**$1,243,722**
1. VIPER Support Personnel	64,834
2. VIPER Network Expansion	10,000,000
3. Additional Troopers	435,476
Appropriation - Nonrecurring	**$10,500,310**

Total Recommended Expansion

Recurring	
Requirements	$221,454,983
Receipts	-
Appropriation	$221,454,983
Number of Positions	-
Nonrecurring	
Requirements	$3,502,422
Receipts	-
Appropriation	$3,502,422
Number of Positions	-

Total Recommended Adjustments for Highway Fund Budget Changes 2006-07

Recurring	
Requirements	$224,728,649
Receipts	-
Appropriation	$224,728,649
Number of Positions	-
Nonrecurring	
Requirements	$3,502,422
Receipts	-
Appropriation	$3,502,422
Number of Positions	-

Table 11

Condition of the Highway Fund

2006-07

Availability	2005-06 Appropriated	2006-07 Authorized	Net Changes Recommended	2006-07 Recommended
Beginning Credit Balance				
Appropriation Reversions	$ 10,490,000	$ -	$ -	$ -
Overrealized Revenue	-		-	-
Subtotal	10,490,000	-	-	-
Transfer from General Fund[1]	-	-	17,662,725	17,662,725
State Highway Fund Revenue	1,627,520,000	1,697,940,000	51,537,275	1,749,477,275
Total Availability	1,638,010,000	1,697,940,000	69,200,000	1,767,140,000
Expenditures and Commitments				
Expended and Reserved	1,638,010,000	1,538,908,929	228,231,071	1,767,140,000
Ending Credit Balance	$ -	$ 159,031,071	$ (159,031,071)	$ -

[1] Transfer being made to hold HF harmless from capping variable component of Motor Fuels Tax @1-1-06 rate for 2006-07.

Table 12

Changes to the Highway Fund Budget

FY 2006-07

	2005-06 Appropriated	2006-07 Authorized	Recommended	2006-07 Recommended
DOT-General Administration	$ 82,254,119	$ 81,805,914	$ 2,500,000	$ 84,305,914
Highway Division Administration	30,621,612	30,632,164	-	30,632,164
Federal Aid Match - Planning and Research	4,280,000	4,280,000	-	4,280,000
Construction Program				
State Secondary System	91,910,000	92,650,000	1,439,500	94,089,500
State Urban System	14,000,000	14,000,000	-	14,000,000
Discretionary Funds	15,000,000	15,000,000	-	15,000,000
Spot Safety Improvements	9,100,000	9,100,000	-	9,100,000
Access and Public Service Roads	2,000,000	2,000,000	-	2,000,000
Small Urban Const.	35,000,000	7,000,000	38,000,000	45,000,000
Total Construction Program	167,010,000	139,750,000	39,439,500	179,189,500
Maintenance Program				
Primary System	124,750,498	124,750,498	-	124,750,498
Secondary System	214,243,652	214,243,652	-	214,243,652
Urban System	40,079,682	40,079,682	-	40,079,682
Contract Resurfacing	186,208,316	186,208,316	82,853,280	269,061,596
System Preservation	-	-	57,481,289	57,481,289
General Maintenance Reserve	239,432,391	149,511,140	-	149,511,140
Total Maintenance Program	804,714,539	714,793,288	140,334,569	855,127,857
Ferry Operations	21,264,811	21,264,811	-	21,264,811
State Aid to Municipalities	91,910,000	92,650,000	1,439,500	94,089,500
State Aid to Railroads	17,308,153	17,101,153	3,198,750	20,299,903
State Aid for Public Transportation	66,466,447	89,866,447	(14,000,000)	75,866,447
Airports	11,634,198	13,295,066	2,000,000	15,295,066
Asphalt Plant Cleanup	425,000	425,000	-	425,000
Governor's Highway Safety Program	293,118	293,118	-	293,118
Division of Motor Vehicles	96,047,914	95,468,137	2,168,301	97,636,438
Total Department of Transportation	1,394,229,911	1,301,625,098	177,080,620	1,478,705,718
Transfers to Other State Agencies				
Agriculture	4,115,930	4,234,921	-	4,234,921
Revenue	4,873,784	4,877,766	-	4,877,766
State Treasurer	-	-	-	-
Public Instruction-Driver Education	31,867,200	32,059,200	457,971	32,517,171
CCPS - Highway Patrol	175,534,211	166,804,276	15,017,698	181,821,974
DENR - LUST Trust Fund	6,010,286	6,337,313	(150,000)	6,187,313
DHHS - Chemical Test	546,826	547,503	-	547,503
Total-Other State Agencies	222,948,237	214,860,979	15,325,669	230,186,648
Reserves and Transfers				
Salary Adjustment	650,000	650,000	1,000,000	1,650,000
Minority Contractor Development	150,000	150,000	-	150,000
State Fire Protection Grant	150,000	150,000	-	150,000
Stormwater Discharge Permit	500,000	500,000	-	500,000
Weigh Station Improvments	-	-	12,824,782	12,824,782
Reserve for Visitor's Centers	400,000	400,000	-	400,000
Global Transpark	1,600,000	1,600,000	-	1,600,000
Reserve for Legislative Increase	10,364,000	10,364,000	19,500,000	29,864,000
Reserve for Health Insurance Adjustment	5,070,000	6,661,000	-	6,661,000
Reserve for Disability Income Plan	13,500	13,500	-	13,500
State Employee Reserve	842,658	842,658	-	842,658
Employer's Contribution to Retirement	1,037,494	1,037,494	2,500,000	3,537,494
Employer's Contribution to Death Benefit	54,200	54,200	-	54,200
Total Reserves	20,831,852	22,422,852	35,824,782	58,247,634
Total Current Operations	1,638,010,000	1,538,908,929	228,231,071	1,767,140,000
Capital Improvements	-	-	-	-
Total Highway Fund Appropriation	$ 1,638,010,000	$1,538,908,929	$ 228,231,071	$1,767,140,000

Highway Trust Fund Budget Changes (84290)

Total Appropriations and Positions

	2006-07 Certified	2006-07 Recommended	Percentage Change
Requirements	$1,135,940,000	$1,215,630,000	7.0 %
Receipts	-	-	
Appropriation	$1,135,940,000	$1,215,630,000	7.0 %
Positions	-	-	

Appropriation Items -- Recommended Adjustments

Reductions

2006-07

1. **Transfer of Funds to the General Fund**

An adjustment consistent with statutory formulas is recommended to the funds previously appropriated to be transferred to the General Fund to reflect revised revenue estimates for the Highway Trust Fund for 2006-07.

Appropriation **($176,407)**

2. **Reduction in Transfer of Additional Funds to the General Fund**

It is recommended that the transfer of an additional $80 million to the General Fund be restored to the Highway Trust Fund for 2006-07. The transfer was implemented as an effort to recover a portion of the loss of sales tax revenue on motor vehicles realized by the General Fund. The loss of revenue started when the Highway Trust Fund was created in 1989.

Appropriation - Nonrecurring **($80,000,000)**

3. **Reduce Transfer to General Fund to Allow for Loan Repayment**

It is recommended that the transfer from the Highway Trust to the General Fund authorized by G.S. 105-187.9 be reduced by $115 million for 2006-07. The $115 million represents the outstanding balance on the $125 million loan made from the Highway Trust Fund to the General Fund in 2002-03.

Appropriation - Nonrecurring **($115,000,000)**

Total Recommended Reductions

Recurring

Requirements	($176,407)
Receipts	-
Appropriation	($176,407)
Number of Positions	-

Nonrecurring

Requirements	($195,000,000)
Receipts	-
Appropriation	($195,000,000)
Number of Positions	-

Expansion

2006-07

1. **Funds for Intrastate System**

An adjustment consistent with statutory formulas is recommended to the previous appropriation for the Intrastate System. This adjustment reflects the impact of an $80 million reduction in the transfer to the General Fund, repayment of outstanding loan balance of $115 million from the General Fund, and revised revenue estimates for the Highway Trust Fund for 2006-07.

Appropriation $169,102,879

2. **Funds for Urban Loops**

An adjustment consistent with statutory formulas is recommended to the previous appropriation for Urban Loops Construction. This adjustment reflects the impact of an $80 million reduction in the transfer to the General Fund, repayment of outstanding loan balance of $115 million from the General Fund, and revised revenue estimates for the Highway Trust Fund for 2006-07.

Appropriation $68,378,162

3. **Funds for Aid to Municipalities**

An adjustment consistent with statutory formulas is recommended to the previous appropriation for State Aid to Municipalities (Powell Bill). This adjustment reflects the impact of an $80 million reduction in the transfer to the General Fund, repayment of outstanding loan balance of $115 milllion from the General Fund, and revised revenue estimates for the Highway Trust Fund for 2006-07.

Appropriation $17,742,836

4. **Funds for Secondary Roads Construction**

An adjustment consistent with statutory formulas is recommended to the previous appropriation for Secondary Roads Construction. This adjustment reflects the impact of an $80 million reduction in the transfer to the General Fund, repayment of outstanding loan balance of $115 million from the General Fund, and revised revenue estimates for the Highway Trust Fund for 2006-07.

Appropriation $16,462,310

5. **Funds for Program Administration**

An adjustment consistent with statutory formulas is recommended to the funds previously appropriated for Highway Trust Fund Administration. This adjustment reflects the impact of an $80 million reduction in the transfer to the General Fund, repayment of outstanding loan balance of $115 million from the General Fund, and revised revenue estimates for the Highway Trust Fund 2006-07.

Appropriation $3,180,220

Total Recommended Expansion

Recurring

Requirements	$274,866,407
Receipts	-
Appropriation	$274,866,407
Number of Positions	-

Nonrecurring

Requirements	-
Receipts	-
Appropriation	-
Number of Positions	-

Total Recommended Adjustments for Highway Trust Fund Budget Changes 2006-07

Recurring	
Requirements	$274,690,000
Receipts	-
Appropriation	$274,690,000
Number of Positions	-
Nonrecurring	
Requirements	($195,000,000)
Receipts	-
Appropriation	($195,000,000)
Number of Positions	-

Table 13

Condition of the Highway Trust Fund

2006-07

	2005-06 Appropriated	2006-07 Authorized	Net Changes Recommended	2006-07 Recommended
Availability				
Beginning Credit Balance				
Appropriation Reserves	$ -	$ -	$ -	$ -
Highway Trust Fund Revenue	1,093,230,000	1,135,940,000	(41,197,575)	1,094,742,425
Transfer from General Fund[1]	-	-	5,887,575	5,887,575
Total Availability	$ 1,093,230,000	$ 1,135,940,000	$ (35,310,000)	$ 1,100,630,000
Expenditures and Commitments				
Expended and Reserved	840,671,883	883,276,991	159,866,407	1,043,143,398
Transfer to General Fund[2]	252,558,117	252,663,009	(195,176,407)	57,486,602
Total Expenditures and Commitments	$ 1,093,230,000	$ 1,135,940,000	$ (35,310,000)	$ 1,100,630,000
Ending Credit Balance	$ -	$ -	$ -	$ -

[1]Transfer being made to hold HTF harmless from capping variable component of Motor Fuels Tax at the January 1, 2006 rate for 2006-07.

[2]Transfer required by G.S. 105-187.9 (includes reduction of $115 million to allow for repayment of outstanding loan balance from 2002-03).

Table 14

Recommended Highway Trust Fund Appropriations

2006-07

	2005-06 Appropriated	2006-07 Authorized	Net Changes Recommended	2006-07 Recommended
Department of Transportation				
Maximum Allowance for Administration	$ 41,295,740	$ 42,918,720	$ 3,180,220	$ 46,098,940
Construction Allocation				
Intrastate System	472,112,366	496,924,658	169,102,879	666,027,537
Urban Loop System	190,902,579	200,935,637	68,378,162	269,313,799
Secondary Roads	86,825,599	90,358,988	16,462,310	106,821,298
State Aid to Municipalities	49,535,599	52,138,988	17,742,836	69,881,824
Transfer to the General Fund[1]	252,558,117	252,663,009	(195,176,407)	57,486,602
Total Highway Trust Fund	$ 1,093,230,000	$ 1,135,940,000	$ 79,690,000	$ 1,215,630,000

[1]Transfer required by G.S. 105-187.9 (includes reduction of $115 million to allow for repayment of outstanding loan balance from 2002-03).

Attachment B

Correct Continuation Budget Error in Transfer from Highway Fund to Crime Control and Public Safety
FY 2006-07

Highway Patrol (B/C 24960)

Fund 2610 (State Highway Patrol)	153,730,889
Fund 2690 (Reserves and Transfers)	1,352,789
Total Continuation Budget Highway Patrol	155,083,678
Continuation Budget Transfer from DOT (Fund 0866)	147,077,115
Initial FY 2006-07 Continuation Budget Deficit	(8,006,563)
Budget Revision 11-0044 Prepared by CCPS (Correct Motor Vehicle Budget)	6,653,774
Revised FY 2006-07 Continuation Budget Deficit for the Highway Patrol	(1,352,789)

Commercial Vehicle Enforcement (B/C 24960)

Fund 2681 (Commercial Vehicle Enforcement)	18,811,397
Total Continuation Budget Commercial Vehicle Enforcement	18,811,397
Continuation Budget Transfer from DOT (Fund 1010)	16,890,520
FY 2006-07 Continuation Budget Deficit for Commercial Vehicle Enforcement	(1,920,877)
Total FY 2006-07 Continuation Budget Deficit for Crime Control & Public Safety	$ (3,273,666)

Prepared by Mercidee Benton
Budget Analyst for Transportation
Office of State Budget and Management
5/10/2006

VISITOR REGISTRATION SHEET

Jt. App. — Name of Committee

5/10/06 — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
W.F. CLAY	NCSHP, RALEIGH
John Long	Martin Marietta
Sandra Long	Martin Marietta Materials
Mac Bradley	N.C. Aggregates
PATRICK BUFFKIN	ALLEY ASSOC, INC.
	AAA
	FABA
Jon Williams	CCPS
	CCPS
Marvin Lotters	CCPS
Mercidee Benton	OSBM
	Railway Assoc of NC
Johanna Reese	DOT

VISITOR REGISTRATION SHEET

Name of Committee _____ Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
George Tatum	DOT/DMV
Cathi Holder	DOT/DMV
Hope McLeod	DOT/DMV
Kathryn Sawyer	ACEC/NC
Damian Graham	TTA
Betsy Bailey	NCPTA
DAVID KING	NCDOT
Jeff Mixon	Civitas Inst.
Pat Simmons	NCDOT
Burt Iasaico	NCDOT
AMY SIMES	NC DENR
STEVE VALNETOS	NCDOT
SUSAN COWALD	NCDOT

VISITOR REGISTRATION SHEET

Name of Committee _____ Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Miriam Perry	NCDOT
Jennie New	Kennedy covington
Joe Milazzo II	R.T.A.
John Fotinos	NCADA
Elmer Lam	NCTME
Raymond Goodson Jr.	NS
Ashley Haigler	East Surry High School
Jenny Jessup	East Surry High School.
Morgan Hackett	East Surry High School
Allison Meredith	East Surry High School
Johnson York	East Surry High School
Colby Stott	East Surry High School
Maria Trejo	East Surry High School

VISITOR REGISTRATION SHEET

Name of Committee | Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Derrick Ogletree	East Surry High School
SHANE CASSELL	EAST SURRY HIGH
Christie Barbee	CHPA

Senate Subcommittee on Transportation Appropriations

May 23, 2006
8:30 am
Room 1228/1327

AGENDA

Senator Clark Jenkins, Chair

- Proposed Senate Transportation Budget
  - Chair and Staff

Senate Appropriations Subcommittee on Transportation
Tuesday, May 23, 2006
8:30 am
Room 1228, Legislative Building

MINUTES

The Senate Appropriations Subcommittee on Transportation met at 8:30 am on Tuesday, May 23, 2006 in Room 1228 of the Legislative Building. Four Senators were present. Senator Clark Jenkins presided.

Senator Jenkins, Chairman, called the meeting to order with the introduction of Pages and Sergeant-at-Arms. Chairman Jenkins said this meeting was an informational meeting to review of the budget, but would not take a vote. He said the report would be sent to the General Appropriations meeting later in the morning.

Bob Weiss, Fiscal Staff, reviewed the Proposed Money Report for the Department of Transportation. This is Attachment A of these minutes.

Lisa Hollowell, Fiscal Staff, reviewed the Special Provisions, which were included in the Modify Appropriations Act of 2005, Senate Bill 1741. This is Attachment B of these minutes. The Department of Transportation budget section begins on page 134 of this Attachment.

The meeting adjourned at 9:00 am

S. Clark Jenkins, Chairman

Carolyn M. Gooden, Committee Assistant

Attachment A

Senate Appropriations Subcommittee on Transportation

Proposed Money Report

May 23, 2006

Transportation

HIGHWAY FUND

	FY 06-07
Total Budget Approved 2005 Session	**$1,538,908,929**

Budget Changes

Administration

1	**Administrative Expenses** Reduces the administration budget for the Department of Transportation by 3.5%.	($5,000,000)	R

Aeronautics

2	**Rural Airport Development** Expands funding for the current State Aid to Airports program for assistance to rural airports for capital improvement projects.	$2,000,000	R

Division of Motor Vehicles

3	**Customer Traffic Management System** Provides funds to install automatic queuing systems in 32 additional driver license offices throughout the state. The systems allow for improved customer service and have already been installed in 27 high volume driver license offices.	$32,000 $448,000	R NR
4	**License Plate Recall** Provides funds to replace old license plates that are often in poor condition and provide limited visibility to law enforcement officers. License plates were last recalled in 1990.	$1,228,301	NR
5	**Driver License Mobile Units** Provides funding for two additional driver license mobile units. These units will provide licensing and vehicle registration services to areas where population and transaction volumes do not warrant full-time offices.	$69,000 $391,000	R NR
6	**Closure of Thirteen Driver License Offices** Reduces the budget for the local driver license offices. Four offices have been closed already and an additional nine will be closed in December 2006. This savings represents disconnecting the data lines for these offices.	($81,600)	R
7	**On-line Dealer Registration** Eliminates funding for development of an online dealer registration system.	($200,000)	R

DPI - Driver Training Program

8 Driver Education Funding — $457,971 R

Increases the Highway Fund transfer to the Department of Public Instruction for driver education to allow for a projected increase in Average Daily Membership (ADM) in the ninth grade for FY2006-2007.

Ferry Division

9 Ferry Division — $1,000,000 NR

Provides additional funds for the ferry maintenance facility.

Information Technology

10 Server Consolidation — $1,000,000 R

Increases information technology funds to consolidate and replace existing servers to obtain a more economical operations and management system.

11 Software Agreement — $1,500,000 R

Increases funds to replace Microsoft Office 97 with a newer version to facilitate consistency with external customers and partners.

Maintenance

12 System Preservation — $82,022,632 R

Provides funds for highway maintenance activities that preserve and extend the life of infrastructure assets, including pavements, bridges, and traffic signal systems.

13 Contract Resurfacing — $113,995,624 R

Increases funds for contract resurfacing to offset increased material costs and to prevent further road degradation resulting from increased vehicle miles of travel and increased lane mileage.

Public Transportation

14 Reduction in New Starts Program — ($23,400,000) NR

Reduces funding for the state's New Starts program. The reduction represents decreased expenditures for the Triangle Transit Authority's commuter rail project.

15 Statewide Grant Program — $3,000,000 R; $2,400,000 NR

Increases state funding to match increased federal funds provided through the federal transportation reauthorization bill.

16 Urban and Regional Program — $2,000,000 R

Increases funds for the State Maintenance Assistance Program for operations assistance to regional, urban, and small urban transit systems.

17 Urban/Regional Bus and Facility Program — $2,000,000 NR

Increases funds to assist local governments in matching federal transit administration grants authorized through the latest federal transportation reauthorization bill.

Rail Division

18 Piedmont and Carolinian Operations — $1,198,750 NR

Increases funds to cover the operational costs of the Piedmont and Carolinian passenger trains.

19 Short-Line Railroads — $2,000,000 R

Increases funds for the grant program supporting short-line railroad companies. The funds are used as rehabilitation project grants to strengthen North Carolina's short-line infrastructure.

Retirement Contribution

20 Retirement System Contributions — $1,339,000 R

Increases the state's contribution for FY2006-2007 to provide a 3.0% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System.

Salary Increases

21 State Funded Compensation Increase — $23,940,000 R

Provides funds to support a 5% annual salary increase for full-time permanent employees in the Department of Transportation and other state agencies whose positions are paid from the Highway Fund.

Small Construction

22 Economic Development — $28,000,000 R

Provides additional recurring funds for economic development, spot safety, and transportation improvement projects.

State Highway Patrol

23 New Permanent Positions — $552,501 R

Creates 17 permanent positions that are now temporary positions. The positions include: eight Tradesworker III positions at a pay grade 61, eight Office Assistant IV's at a pay grade 59, and one Aircraft mechanic position at a pay grade 68.

24 VIPER Network Expansion — $10,000,000 NR

Provides funding for the continued development and building of the Voice Interoperable Communications Plan for Emergency Responders.

25 VIPER Maintenance — $208,892 R

Provides funding for the maintenance of the VIPER system already built.

Statutory Adjustments

26 Adjust Secondary Road Construction Funding $1,439,500 R

Adjusts funding for secondary road construction based on revised projections in accordance with G.S. 136-44.2(a).

27 Leaking Underground Storage Tank Fund ($150,000) R

Adjusts funding for Leaking Underground Storage Tank Fund based on revenue projections for the gasoline inspection fee in accordance with G.S. 105-119.18(a)

28 Adjust Aid to Municipalities $1,439,500 R

Adjusts funding for Aid to Municipalities based on revised projections in accordance with G.S. 136-41.1.

Transfers

29 Standards Inspector Position $36,243 R

Transfers funds from the Highway Fund to the Department of Agriculture and Consumer Services for the support of one Retail Motor Fuel Device Inspector position.

30 Leaking Underground Storage Tank Fund Reduction ($36,243) R

Reduces funding to the Leaking Underground Storage Tank Fund to support a newly created position within the Department of Agriculture and Consumer Services. The position will be a Retail Motor Fuel Device Inspector.

Budget Changes	**$259,565,020**	R
	($4,733,949)	NR
Total Position Changes		
Revised Total Budget	**$1,793,740,000**	

Transportation

HIGHWAY TRUST FUND

	FY 06-07
Total Budget Approved 2005 Session	**$1,135,940,000**

Budget Changes

Highway Trust Fund

31 Reduce Transfer of Funds to the General Fund
Reduces the transfer of funds to the General Fund under G.S. 105-187.9 by $115 million. This amount is the outstanding balance on the $125 loan from the Highway Trust Fund to the General Fund in fiscal year 2002-03. ($115,000,000) NR

32 Reduction in Transfer of Funds
Reduces the transfer to the General Fund consistent with G.S. 105-187.9(b)(2). ($176,407) NR

33 Reduce Transfer to General Fund
Reduces transfer to General Fund by $80 million. The $80 million transfer was implemented to recognize the growth that would have occurred in the sales tax on vehicles that was repealed when the Highway Trust Fund was created in 1989. ($80,000,000) NR

34 Funds for Intrastate System
Increases funds for the Intrastate System consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $594,785,037. $97,860,379 NR

35 Funds for Urban Loops
Increases funds for urban loops consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $240,506,299. $39,570,662 NR

36 Funds for Aid to Municipalities
Increases funds for aid to municipalities (Powell Bill) consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. $8,987,310 NR

37 Funds for Program Administration
Increases funds for administration consistent with statutory formulas. The maximum allowance for Program Administration will be $46,098,940. $3,180,220 NR

38 Funds for Secondary Road Construction

Increases funds for secondary road construction consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund.

$10,267,836 NR

Budget Changes **($35,310,000)** **NR**

Total Position Changes

Revised Total Budget **$1,100,630,000**

Attachment B

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

S 1

SENATE BILL 1741

Short Title:	Modify Appropriations Act of 2005.	(Public)
Sponsors:	Senators Garrou, Dalton, Hagan; Albertson, Atwater, Berger of Franklin, Bland, Boseman, Clodfelter, Cowell, Dannelly, Dorsett, Graham, Holloman, Hoyle, Kerr, Kinnaird, Lucas, Malone, Purcell, Rand, Snow, Soles, Swindell, and Weinstein.	
Referred to:	Appropriations/Base Budget.	

May 22, 2006

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE CURRENT OPERATIONS AND CAPITAL APPROPRIATIONS ACT OF 2005, TO ENACT AN EARLY REDUCTION IN THE SALES TAX RATE AND AN EARLY REDUCTION IN THE INCOME TAX RATE APPLICABLE TO MOST SMALL BUSINESSES, TO INCREASE THE MINIMUM WAGE, AND TO PROVIDE FOR THE FINANCING OF CONSTRUCTION OF PSYCHIATRIC HOSPITALS AND OTHER CAPITAL PROJECTS.

The General Assembly of North Carolina enacts:

PART I. INTRODUCTION AND TITLE OF ACT

INTRODUCTION

SECTION 1.1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

TITLE OF ACT

SECTION 1.2. This act shall be known as "The Current Operations and Capital Improvements Appropriations Act of 2006."

PART II. CURRENT OPERATIONS AND EXPANSION/GENERAL FUND

CURRENT OPERATIONS AND EXPANSION/GENERAL FUND

SECTION 2.1. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated are adjusted for the fiscal year ending June 30, 2007, according to the schedule that follows. Amounts set out in brackets are reductions from General Fund appropriations for the 2006-2007 fiscal year.

VISITOR REGISTRATION SHEET

5-23-06

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Lacy Love	NCDOT
STEVE VACNEDDES	NCDOT
AMY SIMES	NCDENR
Lee Sanderson	NC DOT
[illegible]	NCDOT
Miriam Perry	NCDOT
Susan Coward	NCDOT
BERRY JENKINS	CAGC
Mercedes Barton	OSBM
Sandra Long	Martin Marietta
[illegible]	CFX

VISITOR REGISTRATION SHEET

5-23-06

Name of Committee **Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Bill Caudhen	CAOS
	AAA
Betsy Bailey	NCPTA
Johanna Reese	DOT
Cecil E. Lockley	SHP

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
2005-2006 SESSION

You are hereby notified that the **Appropriations Subcommittee on Transportation** will meet as follows:

DAY: Tuesday, May 30, 2006

Time: 9:00 a.m.

Room: 1228 LB

To be briefed on Senate Budget

Respectfully,

Representatives Cole and Coates
Chairs

I hereby certify this notice was filed by the committee clerk at the following offices at 12:00 p.m. on Tuesday, May 25, 2006.

___Principal Clerk
___Reading Clerk - House Chamber

Suzanne Smith (Committee Assistant)

Joint Subcommittee on Transportation Appropriations

Agenda

May 30, 2006
9:00 am
Room 1228/1327LB

Chairs
Representative Lorene Coates
Representative Nelson Cole
Senator Clark Jenkins

- Lisa Hollowell, Staff *Overview of Proposed Senate Budget

JOINT APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION
MINUTES
Tuesday, May 30, 2006 9:00 a.m.
Legislative Building Room 1228

The Joint Appropriations Subcommittee on Transportation met on May 30, 2006 at 9:00 a.m. in room 1228 of the Legislative Building. Representative Lorene Coates, Co-Chair presided. No members of the Senate committee were present. A visitor registration list is attached and made a part of these minutes. The following members of the House committee and staff were in attendance:

Rep. Lorene Coates, Co-Chair	Rep. Walter Church
Rep. Nelson Cole, Co-Chair	Rep. Linda Coleman
Rep. Larry Brown	Rep. Margaret Dickson
Rep. Grier Martin	Rep. Jim Gulley
Rep. George Holmes	Rep. David Almond
Bob Weiss, Staff	Lisa Hollowell, Staff
Pages: Marcus Jones, Wake County	Peter Partin, Wake County
Sgt-At-Arms: Fred Hines	Martha Parrish & Marvin Lee

Representative Lorene Coates opened the meeting and introduced the Pages and Sergeant-at-Arms. She welcomed everyone and recognized Lisa Hollowell, Legislative Fiscal Research Division to explain the Senate Budget to the committee.

Ms. Hollowell highlighted the key items in the proposed Senate Transportation budget and items that were in common agreement between the House and the Senate budgets. She went on to explain about the differences between the proposed House Transportation budget and the proposed Senate Transportation budget. See Attachment #1.

Comments, questions and answers followed.

With no further questions or business to conduct the meeting adjourned at 9:38 a.m.

Respectfully submitted:

Lorene Coates
Representative Lorene Coates, Presiding
Co-Chair, House Committee

Melissa Lennon
Melissa Lennon
House Legislative Committee Asst.

House Pages

APPROPRIATIONS/TRANS.

Name Of Committee: _____ Date: MAY 30, 2006

1. Name: Marcus Jones
   County: Wake
   Sponsor: Allen B
2. Name: Peter Hartin
   County: Wake
   Sponsor: Allen B.
3. Name: _____
   County: _____
   Sponsor: _____
4. Name: _____
   County: _____
   Sponsor: _____
5. Name: _____
   County: _____
   Sponsor: _____

Sgt-At-Arms

1. Name: FRED HINES
2. Name: MARTHA PARRISH
3. Name: MARVIN LEE
4. Name: _____
5. Name: _____

VISITOR REGISTRATION SHEET

APPROPRIATIONS/TRANSPORTATION — 05/30/06

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME	FIRM OR AGENCY
Mercedes Benton	OSBM
PAT Simmons	NCDOT
Miriam Perry	NCDOT
Christie Barbee	CAPA
BERRY JENKINS	CAGC
Wiley Coyle	Roadrunner
Len Sanderson	NCDOT
STEVE VANNETTE	NCDOT
SUSAN COWARD	NCDOT
Mark Foster	NCDOT
BILL STOGGIN	KCLH
Johanna Reese	DOT
AMY SIMES	NCDENR
[illegible]	RANK
Sandra King	Marsh Marietta
Silke Wood	NCFB
Kevin G. Leonard	WCSR
Alex Sewell	WCSR

House Appropriations Subcommittee on Transportation

Senate Budget Report

May 30, 2006

Attachment #1

Transportation

HIGHWAY FUND

	FY 06-07
Total Budget Approved 2005 Session	**$1,538,908,929**

Budget Changes

Administration

1 Administrative Expenses ($5,000,000) R

Reduces the administration budget for the Department of Transportation by 3.5%.

Aeronautics

2 Rural Airport Development $2,000,000 R

G

Expands funding for the current State Aid to Airports program for assistance to rural airports for capital improvement projects.

Division of Motor Vehicles

3 Customer Traffic Management System $32,000
$448,000 NR

G

Provides funds to install automatic queuing systems in 32 additional driver license offices throughout the state. The systems allow for improved customer service and have already been installed in 27 high volume driver license offices.

4 License Plate Recall

G modified

Provides funds to replace old license plates that are often in poor condition and provide limited visibility to law enforcement officers. License plates were last recalled in 1990. $1,228,301 NR

5 Driver License Mobile Units $69,000 R
$391,000 NR

G

Provides funding for two additional driver license mobile units. These units will provide licensing and vehicle registration services to areas where population and transaction volumes do not warrant full-time offices.

6 Closure of Thirteen Driver License Offices ($81,600) R

Reduces the budget for the local driver license offices. Four offices have been closed already and an additional nine will be closed in December 2006. This savings represents disconnecting the data lines for these offices.

7 On-line Dealer Registration ($200,000) R

Eliminates funding for development of an online dealer registration system.

DPI - Driver Training Program

8 Driver Education Funding — $457,971 R

G Increases the Highway Fund transfer to the Department of Public Instruction for driver education to allow for a projected increase in Average Daily Membership (ADM) in the ninth grade for FY2006-2007.

Ferry Division

9 Ferry Division — $1,000,000 NR

Provides additional funds for the ferry maintenance facility.

Information Technology

10 Server Consolidation — $1,000,000 R

G Increases information technology funds to consolidate and replace existing servers to obtain a more economical operations and management system.

11 Software Agreement — $1,500,000 R

G Increases funds to replace Microsoft Office 97 with a newer version to facilitate consistency with external customers and partners.

Maintenance

12 System Preservation — $82,022,632 R

G modified Provides funds for highway maintenance activities that preserve and extend the life of infrastructure assets, including pavements, bridges, and traffic signal systems.

13 Contract Resurfacing — $113,995,624 R

G. modified Increases funds for contract resurfacing to offset increased material costs and to prevent further road degradation resulting from increased vehicle miles of travel and increased lane mileage.

Public Transportation

14 Reduction in New Starts Program — ($23,400,000) NR

G Reduces funding for the state's New Starts program. The reduction represents decreased expenditures for the Triangle Transit Authority's commuter rail project.

15 Statewide Grant Program — $3,000,000 R; $2,400,000 NR

G Increases state funding to match increased federal funds provided through the federal transportation reauthorization bill.

16 Urban and Regional Program — $2,000,000 R

G Increases funds for the State Maintenance Assistance Program for operations assistance to regional, urban, and small urban transit systems.

G modified

17 Urban/Regional Bus and Facility Program $2,000,000 NR

Increases funds to assist local governments in matching federal transit administration grants authorized through the latest federal transportation reauthorization bill.

Rail Division

G modified

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Increases funds to cover the operational costs of the Piedmont and Carolinian passenger trains.

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G

Increases funds for the grant program supporting short-line railroad companies. The funds are used as rehabilitation project grants to strengthen North Carolina's short-line infrastructure.

Retirement Contribution

20 Retirement System Contributions $1,339,000 R

Increases the state's contribution for FY2006-2007 to provide a 3.0% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System.

Salary Increases

21 State Funded Compensation Increase $23,940,000

Provides funds to support a 5% annual salary increase for full-time permanent employees in the Department of Transportation and other state agencies whose positions are paid from the Highway Fund.

Small Construction

G modified

22 Economic Development $28,000,000 R

Provides additional recurring funds for economic development, spot safety, and transportation improvement projects.

State Highway Patrol

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G

Creates 17 permanent positions that are now temporary positions. The positions include: eight Tradesworker III positions at a pay grade 61, eight Office Assistant IV's at a pay grade 59, and one Aircraft mechanic position at a pay grade 68.

24 VIPER Network Expansion $10,000,000 NR

G

Provides funding for the continued development and building of the Voice Interoperable Communications Plan for Emergency Responders.

G modified

25 VIPER Maintenance $208,892 R

Provides funding for the maintenance of the VIPER system already built.

Statutory Adjustments

26	**Adjust Secondary Road Construction Funding** Adjusts funding for secondary road construction based on revised projections in accordance with G.S. 136-44.2(a).	$1,439,500	R
27	**Leaking Underground Storage Tank Fund** Adjusts funding for Leaking Underground Storage Tank Fund based on revenue projections for the gasoline inspection fee in accordance with G.S. 105-119.18(a)	($150,000)	R
28	**Adjust Aid to Municipalities** Adjusts funding for Aid to Municipalities based on revised projections in accordance with G.S. 136-41.1.	$1,439,500	R

Transfers

29	**Standards Inspector Position** Transfers funds from the Highway Fund to the Department of Agriculture and Consumer Services for the support of one Retail Motor Fuel Device Inspector position.	$36,243	R
30	**Leaking Underground Storage Tank Fund Reduction** Reduces funding to the Leaking Underground Storage Tank Fund to support a newly created position within the Department of Agriculture and Consumer Services. The position will be a Retail Motor Fuel Device Inspector.	($36,243)	R

Budget Changes	**$259,565,020**	R
	($4,733,949)	NR
Total Position Changes		
Revised Total Budget	**$1,793,740,000**	

Transportation

HIGHWAY TRUST FUND

	FY 06-07
Total Budget Approved 2005 Session	**$1,135,940,000**

Budget Changes

Highway Trust Fund

31 Reduce Transfer of Funds to the General Fund — ($115,000,000) NR

Reduces the transfer of funds to the General Fund under G.S. 105-187.9 by $115 million. This amount is the outstanding balance on the $125 loan from the Highway Trust Fund to the General Fund in fiscal year 2002-03.

32 Reduction in Transfer of Funds — ($176,407) NR

Reduces the transfer to the General Fund consistent with G.S. 105-187.9(b)(2).

33 Reduce Transfer to General Fund — ($80,000,000) NR

Reduces transfer to General Fund by $80 million. The $80 million transfer was implemented to recognize the growth that would have occurred in the sales tax on vehicles that was repealed when the Highway Trust Fund was created in 1989.

34 Funds for Intrastate System — $97,860,379 NR

Increases funds for the Intrastate System consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $594,785,037.

35 Funds for Urban Loops — $39,570,662 NR

Increases funds for urban loops consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $240,506,299.

36 Funds for Aid to Municipalities — $8,987,310 NR

Increases funds for aid to municipalities (Powell Bill) consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund.

37 Funds for Program Administration — $3,180,220 NR

Increases funds for administration consistent with statutory formulas. The maximum allowance for Program Administration will be $46,098,940.

38 Funds for Secondary Road Construction

Increases funds for secondary road construction consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund.

$10,267,836 NR

Budget Changes	**($35,310,000)**	**NR**
Total Position Changes		
Revised Total Budget	**$1,100,630,000**	

(k) Members of the Board, who are not officers or employees of the State, shall receive per diem and necessary travel and subsistence in accordance with the provisions of G.S. 138-5, funded as provided in subsection (m) hereof.

(l) All clerical and other services and personnel required by the Board shall be supplied by the ~~Secretary of Administration~~Department of State Treasurer, funded as provided in subsection (m) hereof.

(m) Investment of deferred funds shall not be unreasonably delayed, and in no case shall the investment of deferred funds be delayed more than 30 days. The Board may accumulate such funds pending investment, and the interest earned on such funds pending investment shall be available to and may be spent in the discretion of the Board only for the reasonable and necessary expenses of the Board. The ~~Secretary of Administration~~State Treasurer is authorized to prescribe guidelines for the expenditure of such funds by the Board. From time to time as the Board may direct, funds not required for such expenses may be used to defray administrative expenses and fees which would otherwise be required to be borne by teachers and employees who are then participating in the Plan.

(n) A majority of the Board shall constitute a quorum for the transaction of business.

(o) It is intended that the provisions of this Part shall be liberally construed to accomplish the purposes provided for herein."

PART XX – A. GENERAL ASSEMBLY

GOVERNMENT PERFORMANCE AUDIT

SECTION 20A.1(a). The General Assembly shall contract for a performance audit of the executive branch of State government, including The University System. The goals of the audit are to evaluate the efficiency and effectiveness of State government and The University System and to identify specific ways to make improvements. The audits may examine entire departments, agencies, or institutions, or similar programs in several departments. The results of the audits shall be reported on or before February 1, 2008.

The performance audit shall include an examination of the efficiency and effectiveness of major management policies, practices, and functions, including the following areas:

(1) Planning, budgeting, and program evaluation policies and practices, including an analysis of the compliance of the executive branch and The University System with existing planning requirements, such as the Capital Improvement Planning Act, Article 1B of Chapter 143 of the General Statutes.

(2) Personnel systems operations and management.

(3) State purchasing operations and management.

(4) Information technology and telecommunications systems policy, organization, and management.

(5) Review of duplications and related or overlapping services or activities for the purpose of coordinating and streamlining programs to achieve consistent and clear objectives.

SECTION 20A.1.(b) Of the funds appropriated to the General Assembly for the 2006-2007 fiscal year, the sum of up to one million dollars ($1,000,000) shall be used to contract for the audit required by this section. These funds shall not revert at the end of the 2006-2007 fiscal year but shall remain available for expenditure in the 2007-2008 fiscal year for the performance audit required by this act.

PART XXI. DEPARTMENT OF TRANSPORTATION

TRANSPORTATION OF WOOD RESIDUALS

SECTION 21.1. G.S. 20-118(c)(15) reads as rewritten:

"(c) Exceptions. – The following exceptions apply to G.S. 20-118(b) and 20-118(e).

...

(15) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle combination that meets all of the conditions below, but all other enforcement provisions of this Article remain applicable:

a. Is hauling wood residuals, including wood chips, sawdust, mulch, or tree ~~bark,~~ bark from any site; or is transporting bulk soil, bulk rock, sand, sand rock, or asphalt millings from a site that does not have a certified scale for weighing the vehicle.

b. Does not operate on an interstate highway, a posted light-traffic road, or a posted bridge.

c. Does not exceed a maximum gross weight 4,000 pounds in excess of what is allowed in subsection (b) of this section.

d. Does not exceed a single-axle weight of more than 22,000 pounds and a tandem-axle weight of more than 42,000 pounds.

..."

ONLINE DEALER REGISTRATION FUNDS

SECTION 21.2.(a) Notwithstanding the provisions of Section 28.22(b) of S.L. 2005-276, for fiscal year 2006-2007, the Division of Motor Vehicles is prohibited from spending any funds appropriated to it for Online Dealer Registration enhancements.

SECTION 21.2.(b) This section becomes effective June 30, 2006.

TRANSPORTATION IMPROVEMENT PLAN PILOT

SECTION 21.3. The Department of Transportation may enter into agreements with units of local government for the purpose of expediting transportation projects currently programmed in the Transportation Improvement Plan.

The agreements affected by this section shall be between the Department of Transportation and units of local government. The agreements may authorize units of local government to construct projects scheduled in the Transportation Improvement Plan more than two years from the date of the agreement. The units of local government shall fund one hundred percent (100%) of the project at current prices. In a future year, when the project is funded from State and federal sources, the units of local government shall be reimbursed an appropriate share of the funds, at the future programmed project funding amount, as identified and scheduled in the Transportation Improvement Plan.

The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee by December 1, 2006, on any agreements executed with units of local government pursuant to this section.

CASH FLOW HIGHWAY FUNDS AND HIGHWAY TRUST FUND APPROPRIATIONS

SECTION 21.4.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,798.0 million
For Fiscal Year 2008-2009	$1,836.2 million
For Fiscal Year 2009-2010	$1,859.2 million
For Fiscal Year 2010-2011	$1,872.6 million

SECTION 21.4.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,128.9 million
For Fiscal Year 2008-2009	$1,167.8 million
For Fiscal Year 2009-2010	$1,203.0 million

For Fiscal Year 2010-2011 $1,235.0 million

DEPARTMENT OF TRANSPORTATION TO PROVIDE REAL-TIME ACCESS TO ALL WEIGH-IN-MOTION DATA PRODUCED AND TRANSMITTED FROM WEIGH-IN-MOTION SITES THROUGHOUT THE STATE AND PROVIDE PERIODIC SUMMARIES OF DATA COLLECTED AT EXISTING DOT WEIGH-IN-MOTION SITES

SECTION 21.5.(a) The Department of Transportation shall provide the State Highway Patrol real-time access to all real-time data collection efforts at all existing weigh-in-motion sites by October 1, 2006, to include but not limited to:

(1) Install wireless access points at each site to allow the State Highway Patrol to station troopers at or near the weigh-in-motion site, capture data on a computer with software and technology capable of receiving the real-time data as it is captured by the weigh-in-motion site, and then take appropriate enforcement action.

(2) Provide periodic summaries of collected data to assist in monitoring overweight vehicle travel volumes, habits, routes, and date and time information.

(3) Acquire any necessary software to allow the State Highway Patrol to interface with the existing systems at all weigh-in-motion sites throughout the State.

(4) Provide access to any new facilities constructed on DOT rights-of-way that collect, monitor, seize, or capture any data related to violations of weight, length, or height restrictions.

SECTION 21.5.(b) The State Highway Patrol shall report the effectiveness of the access to weigh-in-motion sites, the collected data, and use of these sites as a vehicle weight screening technology to increase the effectiveness of Motor Carrier Enforcement activities to the Joint Legislative Transportation Oversight Committee by October 1, 2006.

FUNDS FOR ECONOMIC DEVELOPMENT, SPOT SAFETY, AND TRANSPORTATION IMPROVEMENT PROGRAM PROJECTS

SECTION 21.6. Of the funds appropriated by this act to the Department of Transportation in fiscal year 2006-2007, twenty-eight million dollars ($28,000,000) shall be allocated equally among the 14 Highway Divisions for economic development transportation projects recommended by the member of the Board of Transportation representing the Division in which the project is to be constructed in consultation with the Division Engineer and approved by the Board of Transportation. Funds in each Division not needed for economic development projects shall be used on spot safety needs to enhance safety, reduce congestion, improve traffic flow, reduce accidents, and for system preservation. Any remaining funds in each Division shall be used on Transportation Improvement Program projects. The Secretary of Transportation shall not prevent or delay the implementation of any projects approved by the Board of Transportation pursuant to this section.

CHANGE SUNSET OF OPEN CONTAINER LAW

SECTION 21.7. Section 21 of S.L. 2000-155, as amended by Section 1 of S.L. 2002-25, reads as rewritten:

"**SECTION 21.** Section 4 of this act is effective September 1, 2000, and expires September 30, ~~2006.~~2010. Sections 19 and 20 of this act are effective when those sections become law. The remainder of this act becomes effective September 1, 2000, and applies to offenses committed on or after that date."

MAINTENANCE OF PERMANENT WEIGH STATIONS

SECTION 21.8. G.S. 20-183.9 reads as rewritten:

"**§ 20-183.9. Establishment and maintenance of permanent weigh stations.**

The Department of Crime Control and Public Safety is hereby authorized, empowered and directed to ~~equip, operate, and maintain~~ equip and operate permanent weigh stations equipped to weigh vehicles using the streets and highways of this State to determine whether such vehicles are being operated in accordance with legislative enactments relating to weights of vehicles and their loads. The permanent weigh stations shall be established at such locations on the streets and highways in this State as will enable them to be used most advantageously in determining the weight of vehicles and their loads. The Department of Transportation shall be responsible for the maintenance and upkeep of all permanent weigh stations established pursuant to this section."

VIPER RADIO PROGRAM

SECTION 21.9. The State Highway Patrol shall issue a request for a proposal for the maintenance of the Voice Interoperability Plan for Emergency Responders (VIPER). The bid shall be for the current system in place and shall not include installation of the system.

The Criminal Justice Information Network (CJIN) shall prepare a cost allocation plan for the continued building and operation of the VIPER system that shall include proposed shared costs for installation and use by all State government users, including, but not limited to the Department of Health and Human Services, the State Emergency Management Division, the Wildlife Resources Commission, the State Bureau of Investigation, the State Highway Patrol, and Alcohol Law Enforcement.

The CJIN shall report to the Legislative Transportation Oversight Committee, the Chairs of both the Appropriations Subcommittees for Transportation and Justice and Public Safety, and the Fiscal Research Division by October 1, 2006.

ACCESS ROADS FOR ECONOMIC DEVELOPMENT

SECTION 21.10. Of funds appropriated to the Department of Transportation, the Department shall use up to the sum of one million seven hundred thousand dollars ($1,700,000) from the maintenance funds account for construction of access roads in municipalities that have populations greater than 500,000 persons, according to the most recent decennial federal census, to encourage economic development of undeveloped lands. The Department of Transportation may contract with an approved developer to construct an access road and reimburse the developer from the appropriate funds.

CONFORM SEAT BELT LAW TO FEDERAL LAW TO PREVENT A LOSS OF FEDERAL HIGHWAY FUNDS

SECTION 21.11. G.S. 20-135.2A.(c) reads as rewritten:

"(c) This section shall not apply to any of the following:

(1) A driver or occupant of a noncommercial motor vehicle with a medical or physical condition that prevents appropriate restraint by a safety belt or with a professionally certified mental phobia against the wearing of vehicle restraints;

(2) A motor vehicle operated by a rural letter carrier of the United States Postal Service while performing duties as a rural letter carrier and a motor vehicle operated by a newspaper delivery person while actually engaged in delivery of newspapers along the person's specified route;

(3) A driver or passenger frequently stopping and leaving the vehicle or delivering property from the vehicle if the speed of the vehicle between stops does not exceed 20 miles per hour;

(4) Any vehicle registered and licensed as a property-carrying vehicle in accordance with G.S. 20-88, while being used for agricultural ~~or commercial purposes;~~ purposes in intrastate commerce; or

(5) A motor vehicle not required to be equipped with seat safety belts under federal law."

UTILIZATION OF SMALL BUSINESS ENTERPRISES IN DEPARTMENT PROJECTS OR THE USE OF FULLY OPERATED RENTAL EQUIPMENT

SECTION 21.12. From funds available to the Department of Transportation, a goal of fifty million dollars ($50,000,000) per year is established for the utilization of small business enterprises through contracts or the use of fully operated rental equipment.

CONSOLIDATION OF RURAL FUNDING PROGRAMS BY THE DEPARTMENT OF TRANSPORTATION'S PUBLIC TRANSPORTATION DIVISION

SECTION 21.13. The Department of Transportation, Public Transportation Division, may consolidate its rural funding programs into one large rural capital and operating program for funding of rural and small urban public transportation systems. The Division shall have flexibility to realign funding based on actual needs of transportation systems and for leveraging additional federal funds. The programs affected by the consolidation include: Rural Capital Program, Rural Intercity Program, Rural General Public, Rural Facility Program, Elderly and Disabled Transportation Assistance Program, Rural Technology Program, and Work First/Employment Transportation Program.

The Division shall submit a report on its funding allocation no later than October 31, 2006, to the Chairs of the Appropriations Subcommittee for Transportation and the Fiscal Research Division.

FUNDS FOR STORMWATER PROJECTS

SECTION 21.14. Of funds available to the Department of Transportation, fifteen million dollars ($15,000,000) shall be transferred during the 2006-2007 fiscal year to the Department of Environment and Natural Resources for a stormwater pilot project to clean up State-maintained ocean outfalls and associated outlets through new and innovative technologies and filtering mechanisms.

ALLOWABLE LOADS IN AGRICULTURAL TRANSPORTING

SECTION 21.15. G.S. 20-51(6) reads as rewritten:

"(6) Any trailer or semitrailer attached to and drawn by a properly licensed motor vehicle when used by a farmer, his tenant, agent, or employee in transporting unginned cotton, peanuts, soybeans, corn, hay, tobacco, silage, cucumbers, ~~potatoes,~~ potatoes, all vegetables, fruits, greenhouse and nursery plants and flowers, Christmas trees, fertilizers or chemicals purchased or owned by the farmer or tenant for personal use in implementing husbandry, irrigation pipes, loaders, or equipment owned by the farmer or tenant from place to place on the same farm, from one farm to another, from farm to gin, from farm to dryer, or from farm to market, and when not operated on a for-hire basis. The term "transporting" as used herein shall include the actual hauling of said products and all unloaded travel in connection therewith."

AN ACT TO PROMOTE PRESERVATION OF THE INTERSTATE HIGHWAY SYSTEM

SECTION 21.16. In order to promote the preservation of the Interstate Highway System and to more effectively utilize existing Federal Highway Funds for Interstate Maintenance and Preservation, the Department of Transportation shall annually allocate, of the funds available from the Interstate Maintenance Federal Funds authorization, thirty million dollars ($30,000,000) to the 14 Highway Divisions for

Interstate resurfacing and preventive maintenance activities specifically for the purposes of pavement preservation, improving ride quality, and extending the life of the Interstate System.

These funds shall be distributed to each Highway Division according to the percentage of lane-miles of Interstate Highways within that division and deducting from that lane-mileage, projects awarded the previous fiscal year for pavement rehabilitation, not including Division awarded projects for preventive maintenance.

If during any fiscal year, the Board of Transportation authorizes the transfer of Interstate Maintenance Funds to other federal funding types, the amount of funds distributed to the 14 Highway Divisions by this act shall be concurrently increased by an amount equal to the transfer of Interstate Maintenance Funds.

DEVELOP AND IMPLEMENT A PLAN TO PLANT TREES AND OTHER VEGETATION ON THE RIGHT-OF-WAYS OF THE STATE'S ROADS AND HIGHWAYS AND TO PROVIDE FUNDING FOR THAT PLAN.

SECTION 21.17.(a) The Department of Environment and Natural Resources, in collaboration with the Departments of Transportation and Correction shall develop and implement a plan to plant the maximum number of trees and other natural and native vegetation feasible along State roads and highways in the right-of-way of the Department of Transportation. The Department of Environment and Natural Resources shall report to the Legislative Oversight Commission on Governmental Operations and the Fiscal Research Division by January 1, 2007, on the number of trees and the amount of native vegetation planted pursuant to this section.

SECTION 21.17.(b) Of the funds available to the Department of Transportation, the Department shall transfer twenty-five thousand dollars ($25,000) to the Department of Environment and Natural Resources during the 2006-2007 fiscal year to implement this section.

PART XXII. SALARIES AND EMPLOYEE BENEFITS

GOVERNOR AND COUNCIL OF STATE/SALARY INCREASES

SECTION 22.1.(a) Effective July 1, 2006, G.S. 147-11(a) reads as rewritten:

"(a) The salary of the Governor shall be ~~one hundred twenty-three thousand eight hundred nineteen dollars ($123,819)~~ one hundred thirty thousand ten dollars ($130,010) annually, payable monthly."

SECTION 22.1.(b) Section 29.1(b) of S.L. 2005-276 reads as rewritten:

"**SECTION 29.1.(b)** Effective ~~July 1, 2005,~~ July 1, 2006, the annual salaries for the members of the Council of State, payable monthly, for the ~~2005-2006 and~~ 2006-2007 fiscal ~~years~~ year are:

Council of State	Annual Salary
Lieutenant Governor	$~~109,279~~114,743
Attorney General	~~109,279~~114,743
Secretary of State	~~109,279~~114,743
State Treasurer	~~109,279~~114,743
State Auditor	~~109,279~~114,743
Superintendent of Public Instruction	~~109,279~~114,743
Agriculture Commissioner	~~109,279~~114,743
Insurance Commissioner	~~109,279~~114,743
Labor Commissioner	~~109,279~~114,743"

NONELECTED DEPARTMENT HEADS/SALARY INCREASES

SECTION 22.2. Section 29.2 of S.L. 2005-276 reads as rewritten:

SECTION 2.2.(g) The State Treasurer shall transfer funds reserved to hold harmless the Highway Fund and the Highway Trust Fund from the General Fund to the Highway Fund and the Highway Trust Fund only if the variable wholesale component of the motor fuel excise tax rate in G.S. 105-449.80 would, without the imposition of the cap imposed by Section 24.3 of this act, exceed twelve and four-tenths cents (12.4¢) a gallon. A transfer required under this subsection must be made on a monthly basis. The amount to be transferred from the General Fund to the Highway Fund is the difference between the amount of motor fuel excise tax revenue allocated to the Highway Fund under G.S. 105-449.125 for a month and the amount that would have been allocated to it if the variable wholesale component were not capped at twelve and four-tenths cents (12.4¢) a gallon. The total amount transferred to the Highway Fund under this subsection during fiscal year 2006-2007 may not exceed seventeen million six hundred thousand dollars ($17,600,000). The amount to be transferred from the General Fund to the Highway Trust Fund is the difference between the amount of motor fuel excise tax revenue allocated to the Highway Trust Fund under G.S. 105-449.125 for a month and the amount that would have been allocated to it if the variable wholesale component were not capped at twelve and four-tenths cents (12.4¢) a gallon. The total amount transferred to the Highway Trust Fund under this subsection during fiscal year 2006-2007 may not exceed five million seven hundred thousand dollars ($5,700,000).

PART III. CURRENT OPERATIONS AND EXPANSION/HIGHWAY FUND

CURRENT OPERATIONS AND EXPANSION/HIGHWAY FUND

SECTION 3.1. Appropriations from the Highway Fund of the State for maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the fiscal year ending June 30, 2007, according to the schedule that follows. Amounts set out in brackets are reductions from Highway Fund Appropriations for the 2006-2007 fiscal year.

Current Operations – Highway Fund	**2006-2007**
Department of Transportation	
Administration	$ (2,500,000)
Division of Highways	
Administration	0
Construction	29,439,500
Maintenance	196,018,256
Planning and Research	0
OSHA Program	0
Ferry Operations	1,000,000
State Aid	
Municipalities	1,439,500
Public Transportation	(14,000,000)
Railroads	3,198,750
Governor's Highway Safety	0
Division of Motor Vehicles	1,886,701
Other State Agencies	13,069,364
Reserves and Transfers	25,279,000
TOTAL	**$254,831,071**

HIGHWAY FUND AVAILABILITY STATEMENT

Suzanne Smith (Rep. Cole)

From: Melissa Lennon (Rep. Coates)
Sent: Wednesday, June 07, 2006 5:40 PM
To: @House/Appro/Sub on Transportation; @HouseCommitteeNotice
Subject: House Appropriations Transportation Comm. Mtg. June 8, 2006
Importance: High

NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2005-2006 SESSION

You are hereby notified that the Committee on
APPROPRIATIONS TRANSPORTATION will meet as follows:

DAY & DATE:	**Thursday**
TIME:	**10:30am**
LOCATION:	**1425 LB**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):
Budget Overview

Respectfully,
Representative Nelson Cole
Representative Lorene Coates
Representative Drew Saunders
Chairs

I hereby certify this notice was filed by the committee assistant at the following offices at 5:45 p.m. on June 7, 2006.

___Principal Clerk
___Reading Clerk - House Chamber

Melissa Lennon, Committee Assistant

HOUSE APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION

Minutes

June 8, 2006

10:30 a.m.

Room 1425 LB

The House Appropriations Subcommittee on Transportation met on June 8, 2006 at 10:30 a.m. in room 1425 of the Legislative Building. Representative Nelson Cole presided and called the meeting to order. He recognized the Pages and Sergeants-at-Arms. A visitor registration sheet is attached and made part of these minutes. The following members were present:

Rep. Nelson Cole	Rep. Walter Church
Rep. Lorene Coates	Rep. Margaret Dickson
Rep. Drew Saunders	Rep. Jim Gulley
Rep. Mary McAllister	Rep. Ed McMahan
Rep. David Almond	Rep. Fred Steen
Rep. Larry Brown	Rep. Arthur Williams

Representative Cole opened the meeting explaining that the intent of the meeting was to review the changes that had been made in the Senate Proposed Budget for the Transportation/Appropriations Subcommittee. The House Appropriations Subcommittee on Transportation Proposed Budget is made part of these minutes as Handout #1. Rep. Cole then turned the meeting over to Lisa Hollowell, staff, who explained the Proposed House Budget to the subcommittee. She indicated that the line items with the letter "D" on the left hand side indicated a change from the Senate Budget.

Representative Cole then recognized Bob Weiss, staff, who presented the House Appropriations Subcommittee on Transportation Proposed Special Provisions, Handout #2. Mr. Weiss indicated that the only Special Provisions that were different from the Senate Special Provisions were the CHANGE SUNSET OF OPEN CONTAINER LAW and the VIPER RADIO PROGRAM on pages 4 and 5 of Handout #2.

A very brief question and answer period followed after the Proposed Budget and Special Provisions were presented.

Representative Saunders moved to give a favorable report to the House Appropriations Subcommittee on Transportation Proposed Budget and Proposed Special Provisions. Representative Coates seconded and motion passed.

There being no further business, the chair adjourned the meeting at 11:00 a.m.

Respectfully submitted:

Nelson Cole

Representative Nelson Cole
Presiding Chairman

Suzanne Smith

Suzanne Smith
Legislative Committee Assistant

HOUSE PAGES:

Name:
Tremaine Williams

Town:
Halifax

Sponsor:
Rep. Ed Jones

Name:
George Smith

Town:
Raleigh

Sponsor:
Daughtridge

10:30 AM

1425

House Pages

Name Of Committee: APPROPIATION TRANS Date: 8-JUNE-2006

1

1. Name: _____

County: _____

Sponsor: _____

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: FRED MINES

2. Name: JERALD PERRY

3. Name: _____

4. Name: _____

5. Name: _____

VISITOR REGISTRATION SHEET

HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION **June 8 , 2006**

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Mark Foster	NCDOT
Steve Varnado	
Delbert Roddenbery	
Susan Conaway	
Lee Hodge	KCCH
Miriam Perry	NCDOT
Pat Simmons	NCDOT
Damien Graham	TTA
Jennifer Benton	USIBM
[illegible]	CHPW
John Goodman	NCCBI
Casandra White	NCCCPS

Handout #1

House Appropriations

Subcommittee on Transportation

Proposed House Budget

June 8, 2006

House Subcommittee on Transportation

Transportation

HIGHWAY FUND

Total Budget Approved 2005 Session

FY 06-07
$1,538,908,929

Budget Changes

Administration

1 Administrative Expenses — ($2,500,000) R

Senate = -$5M

Reduces the administration budget for the Department of Transportation by approximately 3%.

Aeronautics

2 Rural Airport Development — $2,000,000 R

Expands funding for the current State Aid to Airports program for assistance to rural airports for capital improvement projects.

Division of Motor Vehicles

3 Closure of Thirteen Driver License Offices — ($581,600) R

Senate = -$1,600

Reduces the budget for the local driver license offices. Four offices have been closed already and an additional nine will be closed in December 2006. This savings represents disconnecting the data lines for these offices as well as other budgeted expenses associated with the operations of these offices.

4 Customer Traffic Management System — $32,000 R / $448,000 NR

Provides funds to install automatic queuing systems in 32 additional driver license offices throughout the state. The systems allow for improved customer service and have already been installed in 27 high volume driver license offices.

5 License Plate Recall — $1,228,301 NR

Provides funds to replace old license plates that are often in poor condition and provide limited visibility to law enforcement officers. License plates were last recalled in 1990.

6 Driver License Mobile Units — $69,000 R / $391,000 NR

Provides funding for two additional driver license mobile units. These units will provide licensing and vehicle registration services to areas where population and transaction volumes do not warrant full-time offices.

7 On-line Dealer Registration — ($200,000) R

Eliminates funding for development of an online dealer registration system.

DPI - Driver Training Program

8 Driver Education Funding — $457,971 R

S

Increases the Highway Fund transfer to the Department of Public Instruction for driver education to allow for a projected increase in Average Daily Membership (ADM) in the ninth grade for FY2006-2007.

Ferry Division

S

9 Ferry Division — $1,000,000 NR

Provides additional funds for the ferry maintenance facility.

Information Technology

10 Server Consolidation — $1,000,000 R

S

Increases information technology funds to consolidate and replace existing servers to obtain a more economical operations and management system.

11 Software Agreement — $1,500,000 R

S

Increases funds to replace Microsoft Office 97 with a newer version to facilitate consistency with external customers and partners.

Maintenance

12 Automated Weigh Stations — $12,824,782 NR

H

Provides partial funding to improve and automate weigh stations. The entire effort will cost $97.4M.

13 System Preservation — $83,135,571 R

D

Provides funds for highway maintenance activities that preserve and extend the life of infrastructure assets, including pavements, bridges, and traffic signal systems.

14 Contract Resurfacing — $93,143,964 R

D

Increases funds for contract resurfacing to offset increased material costs and to prevent further road degradation resulting from increased vehicle miles of travel and increased lane mileage.

Public Transportation

15 Reduction in New Starts Program — ($23,400,000) NR

S

Reduces funding for the state's New Starts program. The reduction represents decreased expenditures for the Triangle Transit Authority's commuter rail project.

	FY 06-07	
16 Statewide Grant Program Increases state funding to match increased federal funds provided through the federal transportation reauthorization bill.	$3,000,000 $2,400,000	R NR
17 Urban and Regional Program Increases funds for the State Maintenance Assistance Program for operations assistance to regional, urban, and small urban transit systems. These funds will be used to match the Federal Transit Administration's Section 5307 Urbanized Area Formula Program and Section 5309 Capital Program grants.	$2,000,000	R
18 Urban/Regional Bus and Facility Program Increases funds to assist local governments in matching federal transit administration grants authorized through the latest federal transportation reauthorization bill.	$2,000,000	NR
Rail Division		
19 Piedmont and Carolinian Operations Increases funds to cover the operational costs of the Piedmont and Carolinian passenger trains. This is a one-time increase and will allow the Transportation Oversight Committee to analyze the benefits and make a recommendation about future funding.	$1,198,750	NR
20 Short-Line Railroads Increases funds for the grant program supporting short-line railroad companies. The funds are used as rehabilitation project grants to strengthen North Carolina's short-line infrastructure.	$2,000,000	NR
Retirement Contribution		
21 Retirement System Contributions Increases the state's contribution for FY2006-2007 to provide a 3.1% cost-of-living adjustment to retirees of the Teachers' and State Employees' Retirement System.	$1,465,000	R
Salary Increases		
22 State Funded Compensation Bonus Provides a $300 one-time bonus for full-time permanent employees in the Department of Transportation and other state agencies whose positions are paid from the Highway Fund."	$4,787,939	NR
23 State Funded Compensation Increase Provides funds to support a 5% annual salary increase for full-time permanent employees in the Department of Transportation and other state agencies whose positions are paid from the Highway Fund.	$23,940,000	R

Senate = $28M

Small Construction

24 Economic Development — $38,000,000 NR

D

Provides additional nonrecurring funds for economic development, spot safety, and transportation improvement projects.

State Highway Patrol

25 New Permanent Positions — $552,501 R

S

Creates 17 permanent positions that are now temporary positions. The positions include: eight Tradesworker III positions at a pay grade 61, eight Office Assistant IV's at a pay grade 59, and one Aircraft mechanic position at a pay grade 68.

17.00

26 VIPER Maintenance — $208,892 R

S

Provides funding for the maintenance of the VIPER system already built.

Statutory Adjustments

27 Adjust Secondary Road Construction Funding — $1,439,500 R

S

Adjusts funding for secondary road construction based on revised projections in accordance with G.S. 136-44.2(a).

28 Leaking Underground Storage Tank Fund — ($150,000) R

S

Adjusts funding for Leaking Underground Storage Tank Fund based on revenue projections for the gasoline inspection fee in accordance with G.S. 105-119.18(a)

29 Adjust Aid to Municipalities — $1,439,500 R

S

Adjusts funding for Aid to Municipalities based on revised projections in accordance with G.S. 136-41.1.

Transfers

30 Leaking Underground Storage Tank Fund Reduction — ($37,160) R

D

Reduces funding to the Leaking Underground Storage Tank Fund to support a newly created position within the Department of Agriculture and Consumer Services. The position will be a Retail Motor Fuel Device Inspector.

31 Standards Inspector Position — $37,160 R

D

Transfers funds from the Highway Fund to the Department of Agriculture and Consumer Services for the support of one Retail Motor Fuel Device Inspector position.

1.00

	FY 06-07	
Budget Changes	**$211,952,299**	**R**
	$42,878,772	**NR**
Total Position Changes	18.00	
Revised Total Budget	**$1,793,740,000**	

Transportation

HIGHWAY TRUST FUND

Total Budget Approved 2005 Session

FY 06-07
$1,135,940,000

Budget Changes

Highway Trust Fund

32 Reduce Transfer of Funds to the General Fund

S

Reduces the transfer of funds to the General Fund under G.S. 105-187.9 by $115 million. This amount is the outstanding balance on the $125 loan from the Highway Trust Fund to the General Fund in fiscal year 2002-03.

($115,000,000) NR

33 Reduce Transfer to General Fund

S

Reduces transfer to General Fund by $80 million. The $80 million transfer was implemented to recognize the growth that would have occurred in the sales tax on vehicles that was repealed when the Highway Trust Fund was created in 1989.

($80,000,000) NR

34 Reduction in Transfer of Funds

S

Reduces the transfer to the General Fund consistent with G.S. 105-187.9(b)(2).

($176,407) NR

35 Funds for Intrastate System

D

Increases funds for the Intrastate System consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $597,492,253.

$100,567,595 NR

36 Funds for Urban Loops

D

Increases funds for urban loops consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. With these changes the budget will be $241,600,983.

$40,665,346 NR

37 Funds for Aid to Municipalities

D

Increases funds for aid to municipalities (Powell Bill) consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. The total amount for the Aid to Municipalities is $62,690,874.

$10,551,886 NR

38 Funds for Secondary Road Construction

D

Increases funds for secondary road construction consistent with statutory formulas to reflect new revenue estimates and changes in the amount transferred from the Highway Trust Fund to the General Fund. The total budget for secondary road construction is $99,630,348.

$9,271,360 NR

FY 06-07

39 Funds for Program Administration

Reduces funds for administration consistent with statutory formulas. The maximum allowance for Program Administration will be $41,728,940.

($1,189,780) NR

Budget Changes ($35,310,000) NR

Total Position Changes

Revised Total Budget $1,100,630,000

Handout #2

House Appropriations

Subcommittee on Transportation

Proposed
Special Provisions

June 8, 2006

Same as Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H3(S21.2)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

ONLINE DEALER REGISTRATION FUNDS

SECTION 21.2.(a) Notwithstanding the provisions of Section 28.22(b) of S.L. 2005-276, for fiscal year 2006-2007, the Division of Motor Vehicles is prohibited from spending any funds appropriated to it for Online Dealer Registration enhancements.

SECTION 21.2.(b) This section becomes effective June 30, 2006.

1

Same as Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H5(S21.4)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

CASH FLOW HIGHWAY FUNDS AND HIGHWAY TRUST FUND APPROPRIATIONS

SECTION 21.4.(a) The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 2007-2008	$1,798.0 million
For Fiscal Year 2008-2009	$1,836.2 million
For Fiscal Year 2009-2010	$1,859.2 million
For Fiscal Year 2010-2011	$1,872.6 million

SECTION 21.4.(b) The General Assembly authorizes and certifies anticipated revenues of the Highway Trust Fund as follows:

For Fiscal Year 2007-2008	$1,128.9 million
For Fiscal Year 2008-2009	$1,167.8 million
For Fiscal Year 2009-2010	$1,203.0 million
For Fiscal Year 2010-2011	$1,235.0 million

2

Same as Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H7(S21.6)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

FUNDS FOR ECONOMIC DEVELOPMENT, SPOT SAFETY, AND TRANSPORTATION IMPROVEMENT PROGRAM PROJECTS

SECTION 21.6. Of the funds appropriated by this act to the Department of Transportation in fiscal year 2006-2007, twenty-eight million dollars ($28,000,000) shall be allocated equally among the 14 Highway Divisions for economic development transportation projects recommended by the member of the Board of Transportation representing the Division in which the project is to be constructed in consultation with the Division Engineer and approved by the Board of Transportation. Funds in each Division not needed for economic development projects shall be used on spot safety needs to enhance safety, reduce congestion, improve traffic flow, reduce accidents, and for system preservation. Any remaining funds in each Division shall be used on Transportation Improvement Program projects. The Secretary of Transportation shall not prevent or delay the implementation of any projects approved by the Board of Transportation pursuant to this section.

3

Different

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H8(S21.7)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

CHANGE SUNSET OF OPEN CONTAINER LAW

SECTION 21.7. Section 21 of S.L. 2000-155, as amended by Section 1 of S.L. 2002-25, reads as rewritten:

"**SECTION 21.** Section 4 of this act is effective September 1, ~~2000, and expires September 30, 2006.~~ 2000. Sections 19 and 20 of this act are effective when those sections become law. The remainder of this act becomes effective September 1, 2000, and applies to offenses committed on or after that date."

4

GENERAL ASSEMBLY OF NORTH CAROLINA Different

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H10(S21.9)-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

VIPER RADIO PROGRAM

SECTION 21.9. The State Highway Patrol shall issue a request for a proposal for the maintenance of the Voice Interoperability Plan for Emergency Responders (VIPER). The bid shall be for the current system in place and shall not include installation of the system.

The Criminal Justice Information Network (CJIN) shall prepare a cost allocation plan for the continued construction and operation or the leasing of the VIPER system that shall include proposed shared costs for installation and use by all government users, including, but not limited to, the Department of Health and Human Services, the State Emergency Management Division, the Wildlife Resources Commission, the State Bureau of Investigation, the State Highway Patrol, and Alcohol Law Enforcement, and local agencies. This plan shall include the assessment of service contracts to ensure functionality and technological updates of the Viper System.

The CJIN shall report to the Legislative Transportation Oversight Committee, the Chairs of both the Appropriations Subcommittees for Transportation and Justice and Public Safety, and the Fiscal Research Division by October 1, 2006.

5

Same as Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H12(S21.11)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

CONFORM SEAT BELT LAW TO FEDERAL LAW TO PREVENT A LOSS OF FEDERAL HIGHWAY FUNDS

SECTION 21.11. G.S. 20-135.2A.(c) reads as rewritten:

"(c) This section shall not apply to any of the following:

(1) A driver or occupant of a noncommercial motor vehicle with a medical or physical condition that prevents appropriate restraint by a safety belt or with a professionally certified mental phobia against the wearing of vehicle restraints;

(2) A motor vehicle operated by a rural letter carrier of the United States Postal Service while performing duties as a rural letter carrier and a motor vehicle operated by a newspaper delivery person while actually engaged in delivery of newspapers along the person's specified route;

(3) A driver or passenger frequently stopping and leaving the vehicle or delivering property from the vehicle if the speed of the vehicle between stops does not exceed 20 miles per hour;

(4) Any vehicle registered and licensed as a property-carrying vehicle in accordance with G.S. 20-88, while being used for agricultural ~~or commercial purposes;~~ purposes in intrastate commerce; or

(5) A motor vehicle not required to be equipped with seat safety belts under federal law."

6

Same as Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2006

DRAFT
SPECIAL PROVISION

2006-TRANS-H13(S21.12)i-P

Department of Transportation
Appropriations Subcommittee on Transportation

Requested by: Representative

UTILIZATION OF SMALL BUSINESS ENTERPRISES IN DEPARTMENT PROJECTS OR THE USE OF FULLY OPERATED RENTAL EQUIPMENT

SECTION 21.12. From funds available to the Department of Transportation, a goal of fifty million dollars ($50,000,000) per year is established for the utilization of small business enterprises through contracts or the use of fully operated rental equipment.

7