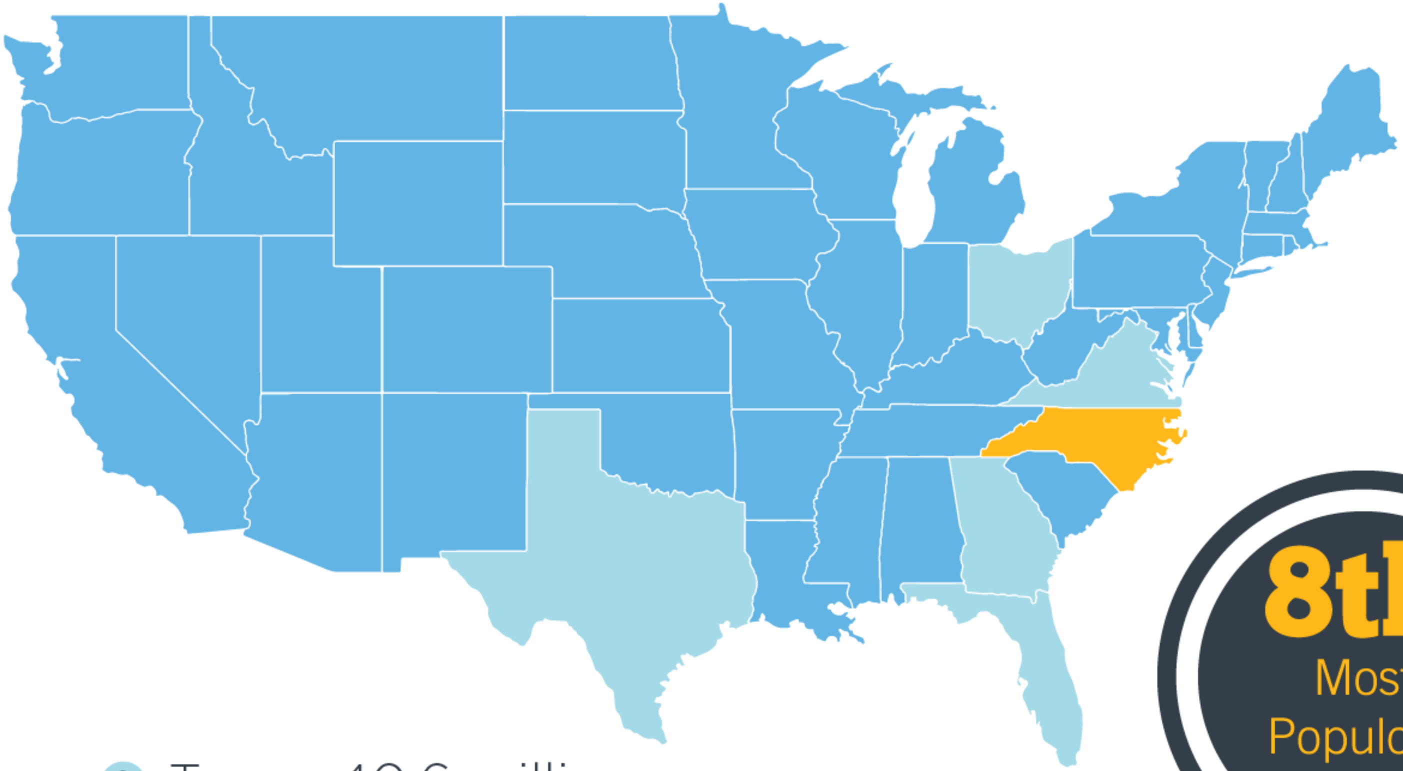
NORTH CAROLINA
Department of Transportation

CAPA/NCDOT Annual Meeting

Secretary Jim Trogdon
February 21, 2019

Expected Population Growth by 2035



Population Ranking

- 2 Texas: 40.6 million
- 3 Florida: 28.2 million
- 6 Georgia: 12.8 million
- **8 North Carolina: 12.5 million**
- 9 Ohio: 11.7 million
- 10 Virginia: 10.2 million

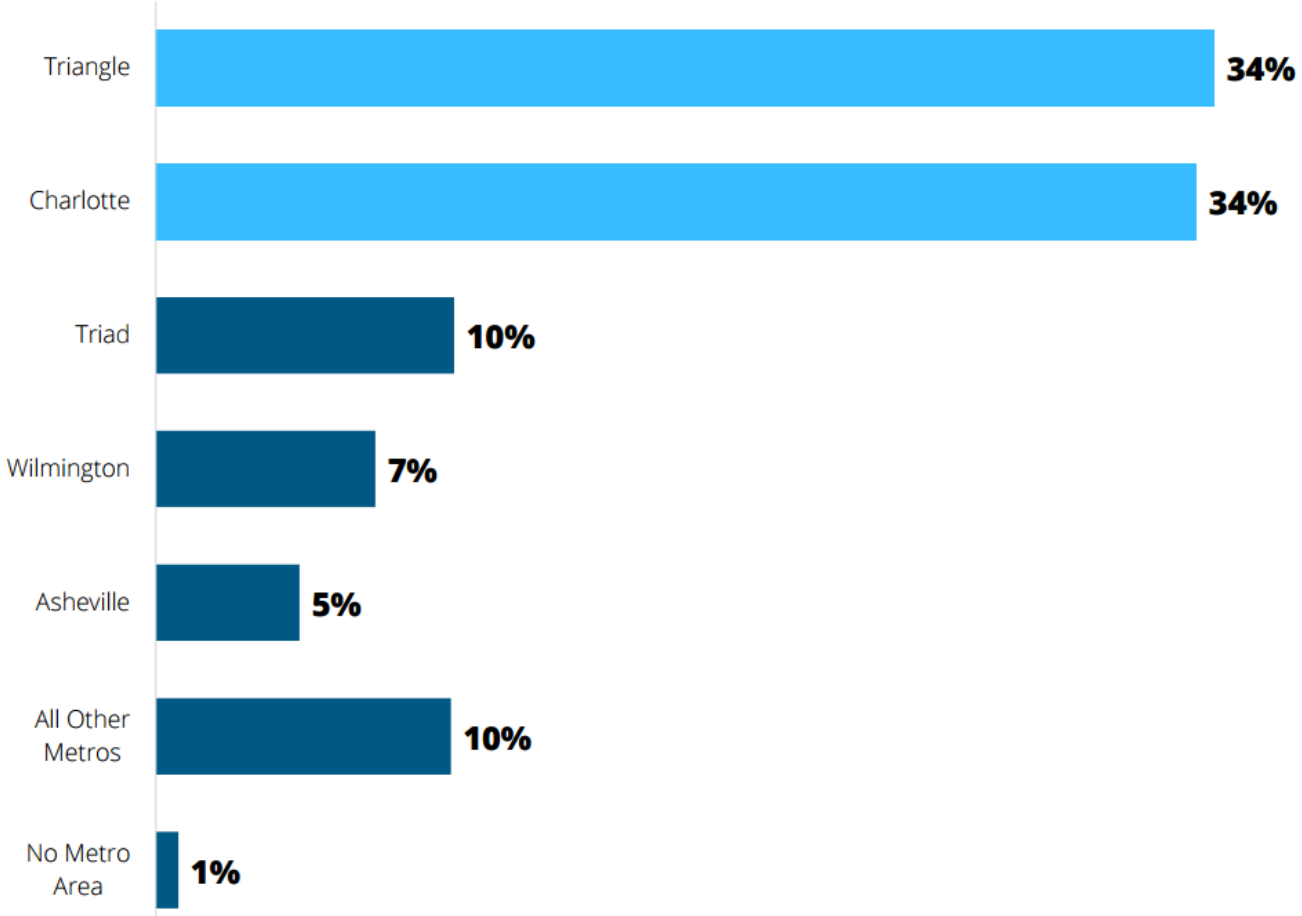
8th Most Populous State

32% **increase from NC's 2010 population**

NC Demographics

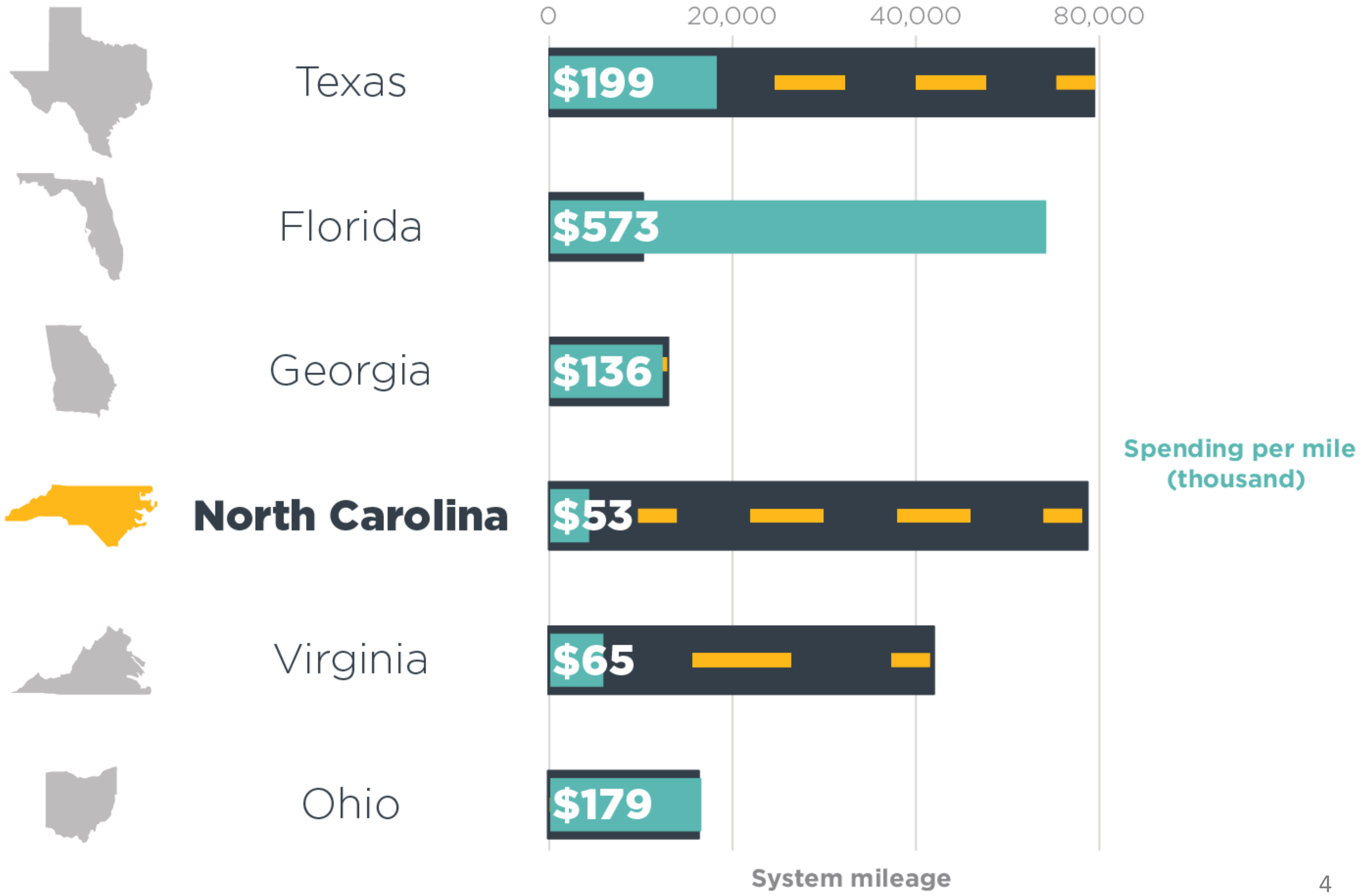
Two-thirds of NC growth projected to occur in Triangle or Charlotte

Projected share of 2010-2035 state population growth for select North Carolina metropolitan areas

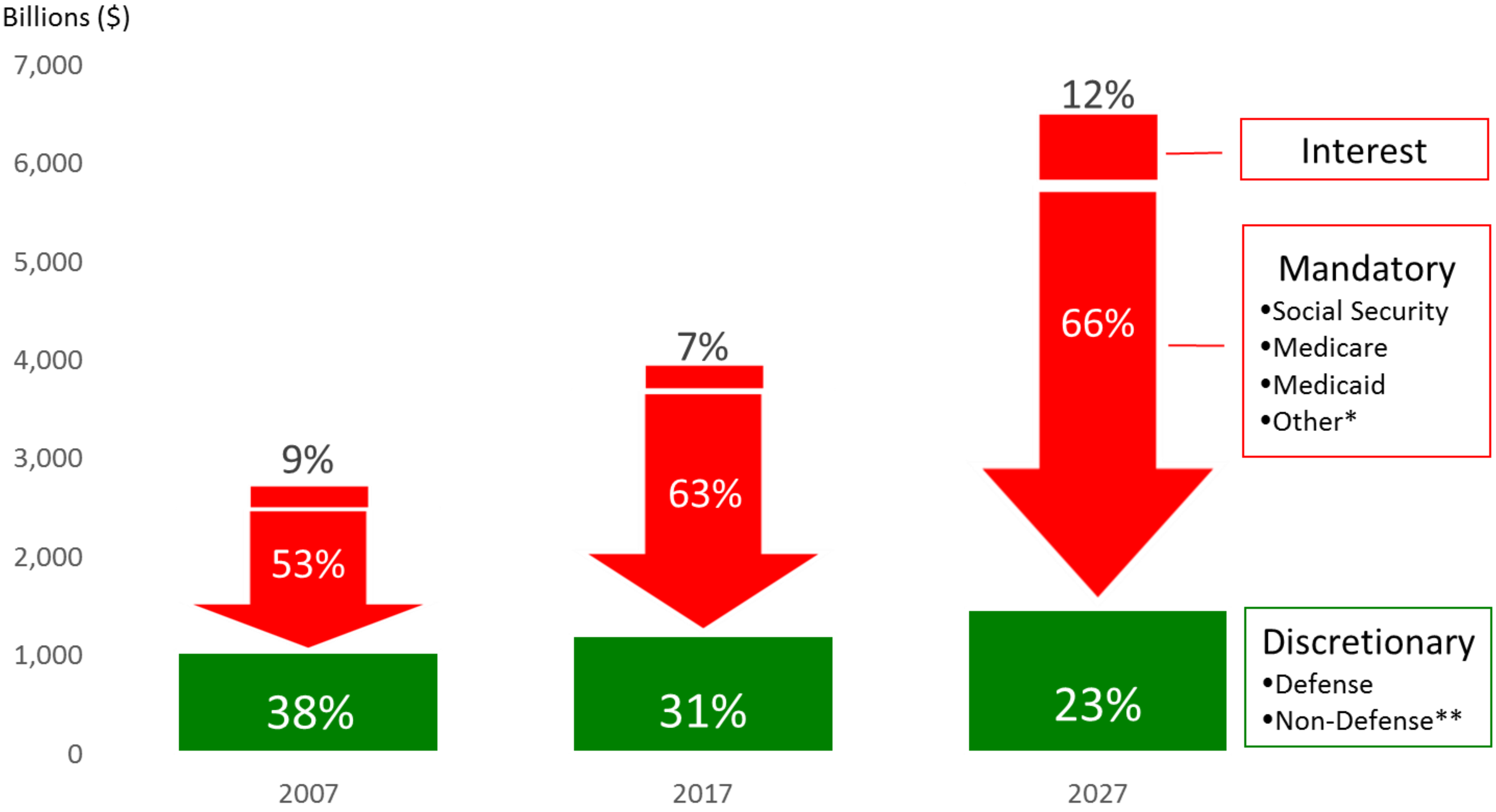


Data Source: NC OSBM

System Mileage vs. Spending Per Mile



Uncertain Federal Funding



*unemployment compensation, federal civilian and military retirement, some veterans' benefits, the earned income tax credit, the Supplemental Nutrition Assistance Program and other mandatory programs

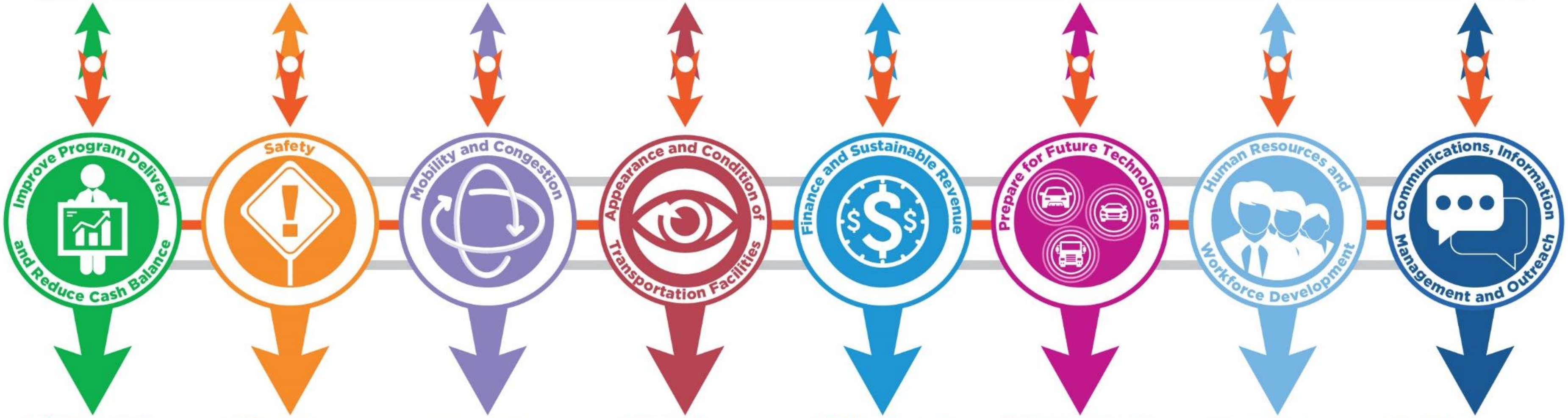
**transportation, education, veterans' benefits, health, housing assistance, and other activities

Where We Were (Jan. 2017)

- Lack of project delivery had resulted in buildup of cash balance
  - Delivering 78% of TIP on schedule
  - Doing too many tasks sequential
  - Not adjusting to revenue/cost conditions
- Plan of action
  - ***Reassessed and established new TIP project schedules (Complete)***
  - ***Delegated projects for Division Delivery (Complete)***
  - ***Revising project development cycles (Complete)***
  - ***Monthly monitoring of program delivery status/cash management (Ongoing)***

Better Transportation Service for North Carolina

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


Improve Program Delivery and Reduce Cash Balance
Safety
Mobility and Congestion
Appearance and Condition of Transportation Facilities
Finance and Sustainable Revenue
Prepare for Future Technologies
Human Resources and Workforce Development
Communications, Information Management and Outreach

- ☑ Prioritization/ Programming
- ☑ Scoping, Scheduling
- ☑ Project Development
- ☑ Procurements
- ☑ Right-of-Way
- ☑ Operations and Maintenance
- ☑ Revenue and Cash Model

- ☑ Executive Committee for Highway Safety
- ☑ Vision Zero
- ☑ Technology Pilots
- ☑ Planning and Policy

- ☑ State Mobility Models and Analytics
- ☑ Rural Mobility and Economic Development
- ☑ Mobility Modernization Fund Implementation
- ☑ Mobility Performance Data

- ☑ Roadside Appearance
- ☑ Bridge and Structures
- ☑ Pavements; Signals/ITS
- ☑ Transportation Facilities
- ☑ Budgeting and Performance Plans

- ☑ Future Revenue Options for Sustained Transportation Delivery
- ☑ Debt Capacity Instruments

- ☑ Unmanned Aerial Systems
- ☑ Connected and Automated Vehicle Policy
- ☑ Connected and Automated Vehicle Infrastructure and Data
- ☑ Industry Technology Advisory Group
- ☑ University Center for Transportation Innovation
- ☑ Decision Support and Operations Control Data, Integration, Infrastructure, and Analysis Systems Technology

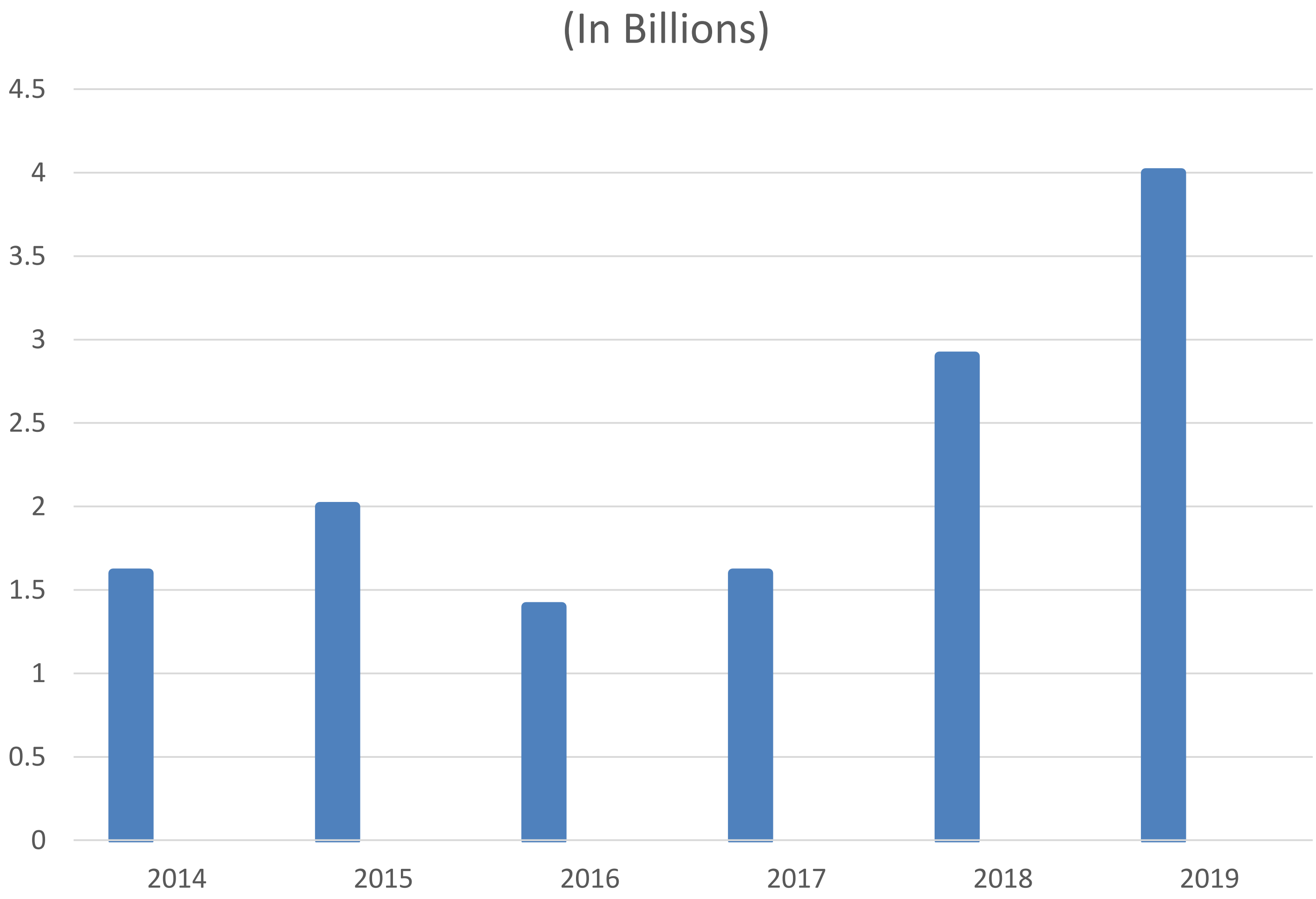
- ☑ Recruiting
- ☑ Small Business Development
- ☑ Benefits/ Compensation Reform and Modernization
- ☑ Scholarships/ Internships/ Apprenticeships

- ☑ Real Time Internal/External Performance Measures and Dashboarding
- ☑ External Communications and Outreach of DOT Services—Planning, Project Development, Construction, Operation, Transportation Permits, Vehicle and Driver Services
- ☑ Real Time Data Collection, Analysis, Storage, and Reporting Across all Modes and Operations to Obtain and Sustain Full Time Situational Awareness

Results

- Cash Balance is ~ $478 M
- Accelerated projects resulted in decreased cash balance
- Steady delivery maintains even level of cash balance
- Funding events/emergencies create a challenge

Construction Lettings



BUILD NC

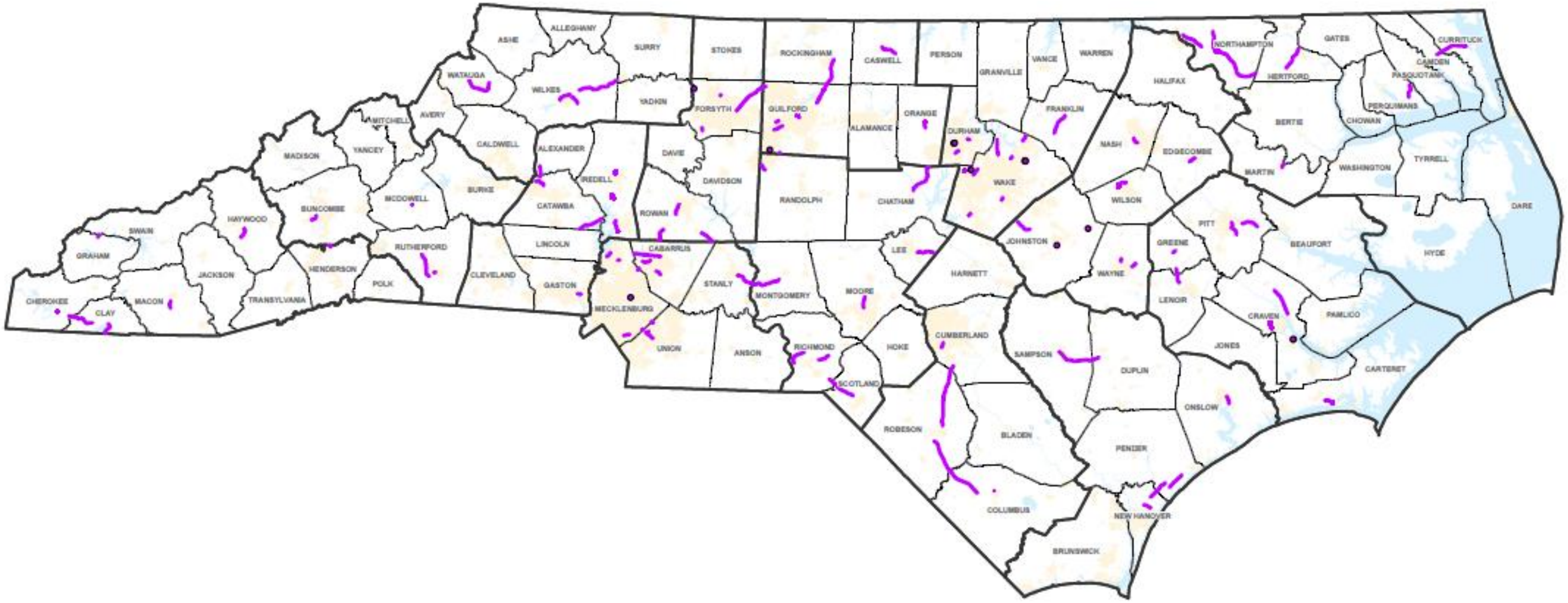
- Modeled after GARVEE
- Will maintain integrity of STI
- Have appropriate oversight
- Be utilized at the Regional and Division project tiers (projects NOT eligible for GARVEE)
- Affordability will be determined by the State Treasurer

BUILD NC - Legislation

HB 1010 / S 758

- Signed by the Governor
  on 6/20/2018
- **57 Regional and Division Projects funded through BUILD NC over next 5 years**
- Will ask State Treasurer to issue bonds May

Proposed Projects Funded with Build NC Bonds in Draft 2020-2029 STIP


ALLEGHANY
ASHE
SURRY
STOKES
ROCKINGHAM
CASWELL
PERSON
GRANVILLE
VANCE
WARREN
NORTHAMPTON
GATES
CURRITUCK
CAMDEN
PASQUOTANK
HERTFORD
HALIFAX
WATAUGA
WILKES
YADKIN
FORSYTH
GUILFORD
ALAMANCE
ORANGE
DURHAM
FRANKLIN
PERQUIMANS
CHOWAN
BERTIE
MITCHELL
AVERY
CALDWELL
ALEXANDER
DAVIE
MADISON
YANCEY
NASH
EDGECOMBE
TYRRELL
MARTIN
WASHINGTON
IREDELL
DAVIDSON
RANDOLPH
CHATHAM
WAKE
WILSON
BURKE
MCDOWELL
BUNCOMBE
CATAWBA
ROWAN
DARE
HAYWOOD
SWAIN
PITT
LINCOLN
CABARRUS
JOHNSTON
GREENE
BEAUFORT
GRAHAM
RUTHERFORD
LEE
HYDE
HENDERSON
JACKSON
CLEVELAND
HARNETT
WAYNE
POLK
STANLY
GASTON
MONTGOMERY
MOORE
CHEROKEE
MACON
TRANSYLVANIA
LENOIR
CLAY
MECKLENBURG
CRAVEN
PAMLICO
CUMBERLAND
UNION
ANSON
RICHMOND
HOKE
JONES
SAMPSON
DUPLIN
CARTERET
SCOTLAND
ONSLOW
ROBESON
BLADEN
PENDER
COLUMBUS
NEW HANOVER
BRUNSWICK

Human Resources Pilot Program

- Department has approximately 20% vacancy rate, with 2,000 employees eligible to retire in the next 5 years
- At NCDOT, high vacancy rate can negatively effect public safety
- Granted pilot authority from NCGA in 2018
- Commissioned a market assessment study from Mercer to determine market rate for NCDOT job classifications
- Overall 89% of employees were below market rate
- Next Phase Focus on Joint Industry Recruiting

Additional Revenue/Funding

Discretionary Grants/Opportunities

- Blue Ridge Road Grade Separation (TIGER) **$20M**

- I-95/US 70 (INFRA) **$147M**
- Rural bridges (BUILD) **$23M ($119M total)**
- August Redistribution

$295M (2017 & 2018)

I-95/US 70
INNOVATIVE TECHNOLOGY & RURAL MOBILITY CORRIDOR IMPROVEMENTS
95
70

2019 NC TRANSPORTATION SUMMIT

Moving from Vision to Reality at the Speed of Change

Mark your calendars:

January 8-9, 2020

NC FIRST (Future Investment Resources for Sustainable Transportation) Commission

- Scope: To study and recommend methods for future transportation investment
- Schedule: Begin March 2019. Quarterly meetings until January 2021
- Composition: Economists, representatives of Financial, Government, and Business sectors
- Outcome: Report and Recommend methods to NCGA by January 2021

Summary

- NC is growing and changing
- Multiple tools are necessary to meet immediate as well as future needs
- Thank you for your strong partnership. Now and in the future!

2019 Goals

- Establish a Commission to evaluate future funding options
- Continue efforts to make NCDOT more efficient
- Execute BUILD NC