Energy Development and Transmission Committee Meeting

March 4, 2014

NDDOT Director Grant Levi, P.E.

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North Dakota
Department of Transportation

Today's Presentation

- Provide A Transportation Update
- Discuss Proposed Bill

Transportation Update

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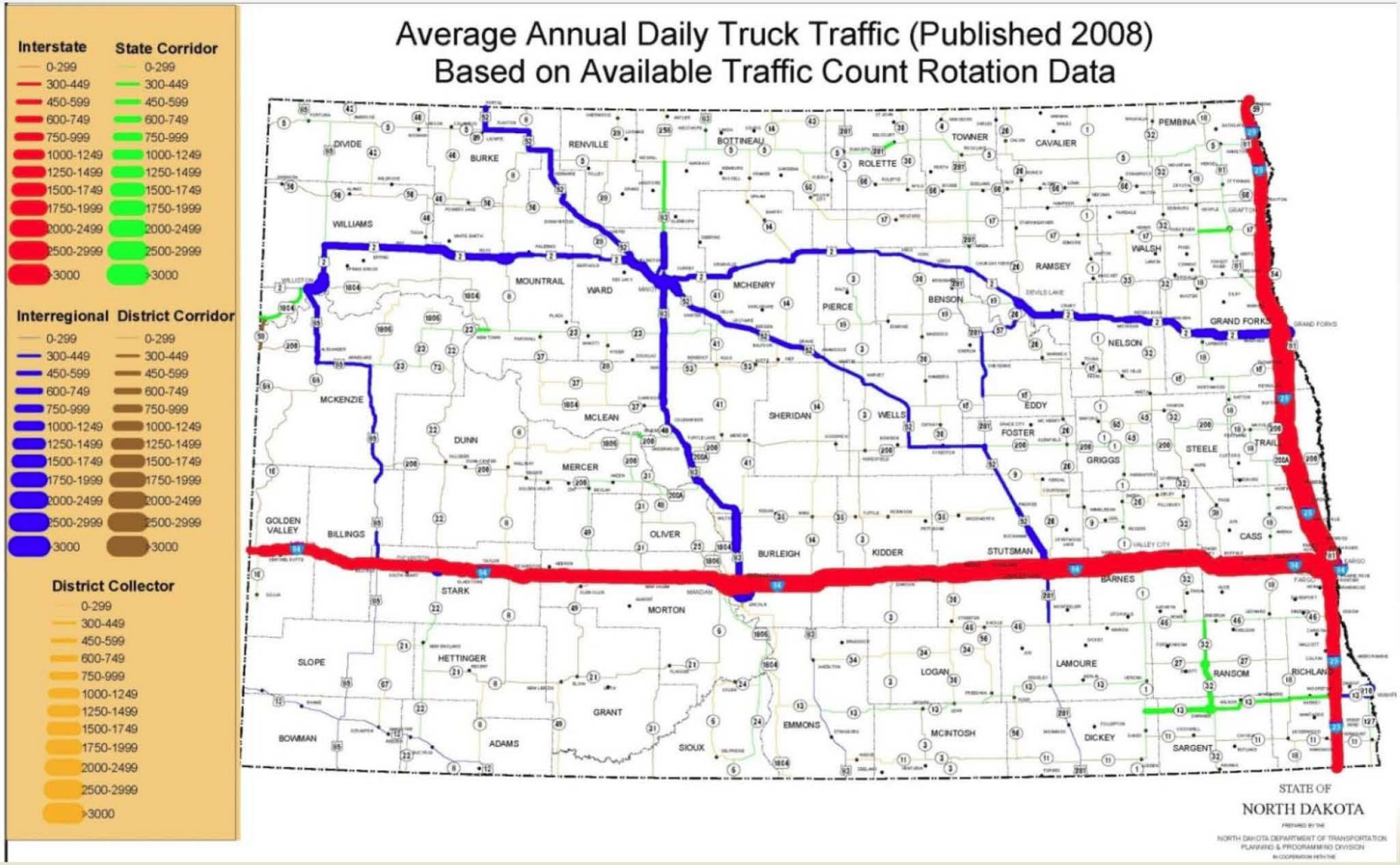
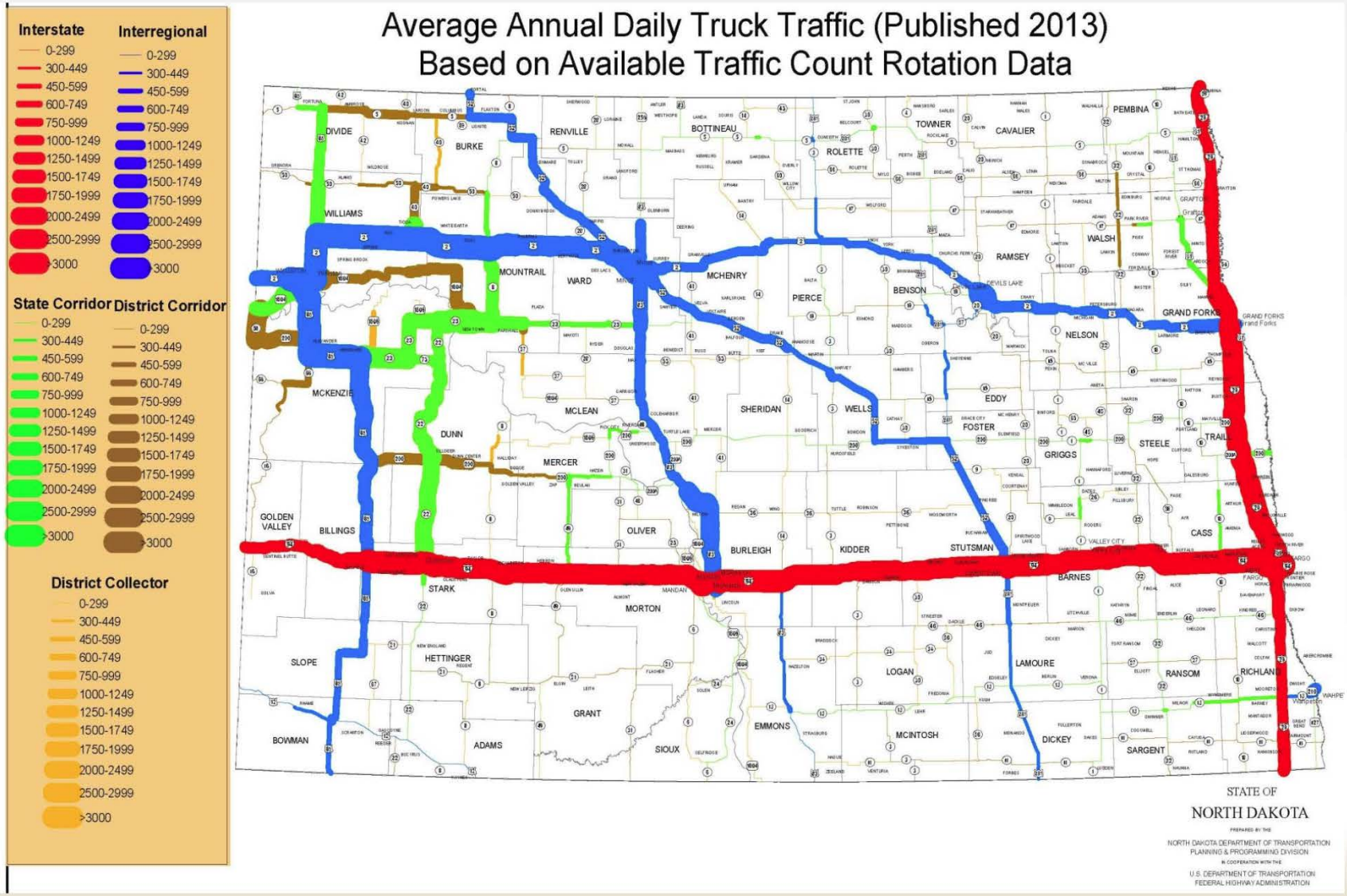
Truck Traffic 2008



Truck Traffic 2012



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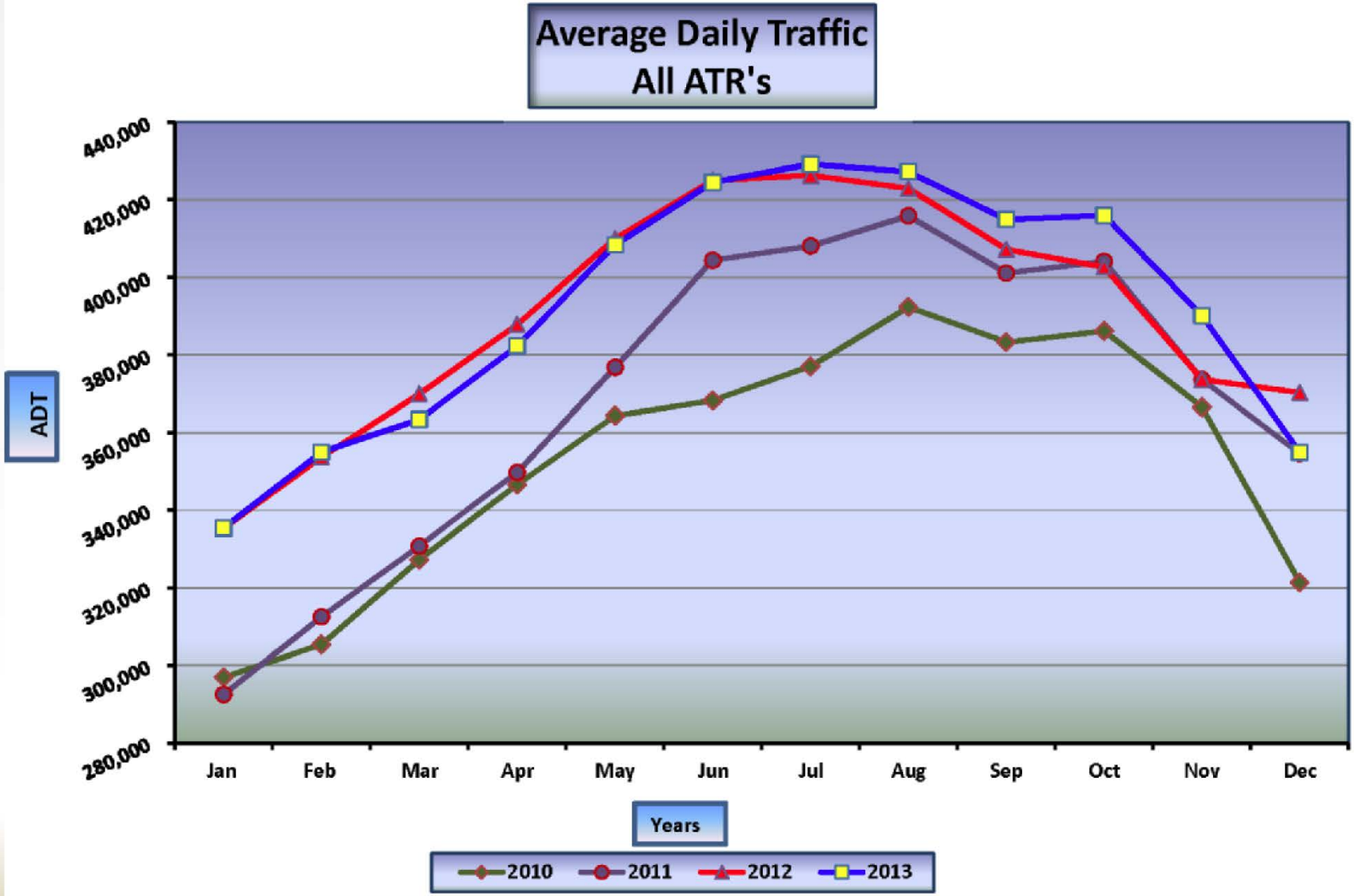
Average Daily Traffic



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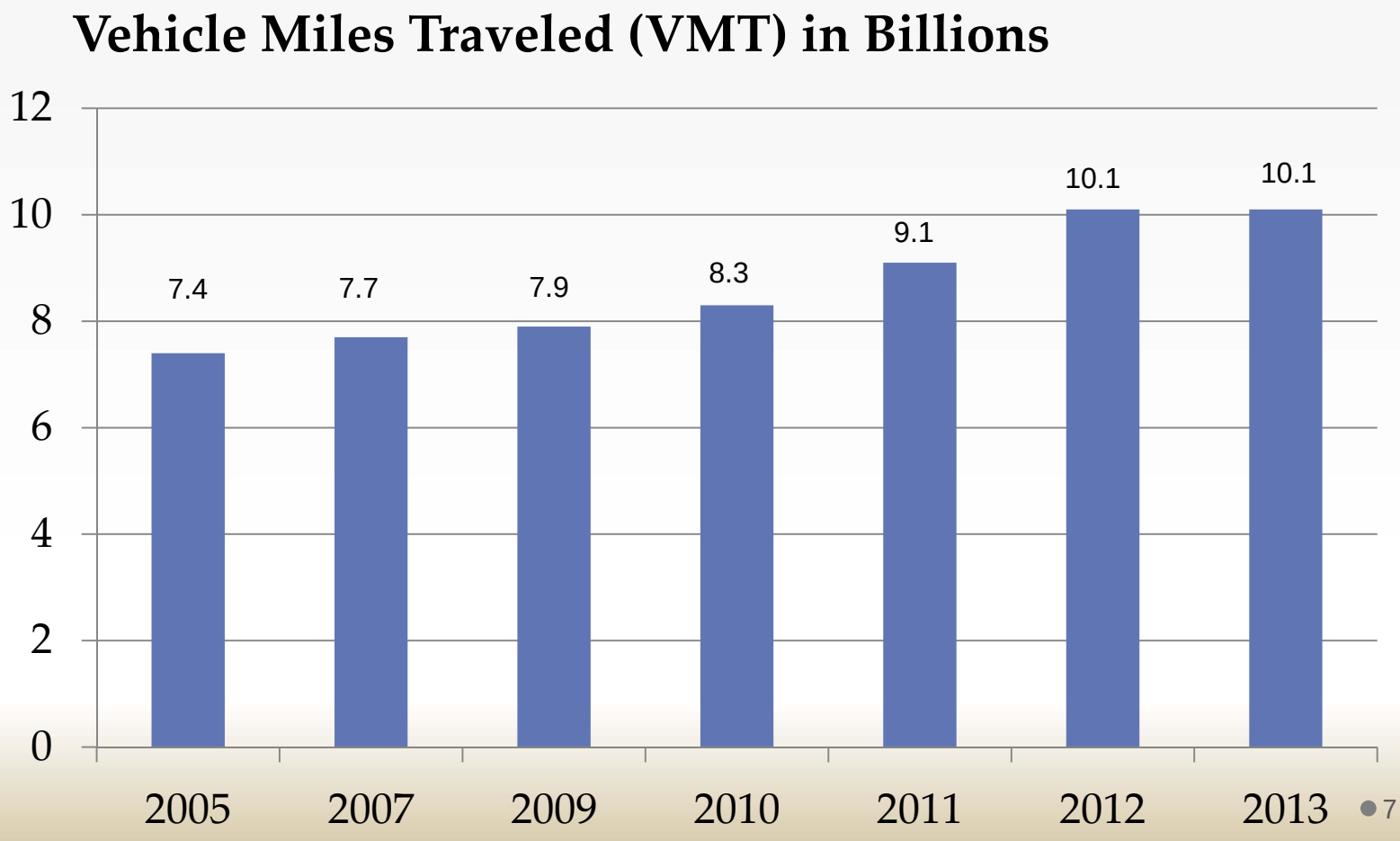
ND Vehicle Miles Traveled

- **Statewide North Dakota saw a 22% increase in traffic from 2010 to 2012. Recent traffic counts show that traffic remained unchanged in 2013.**



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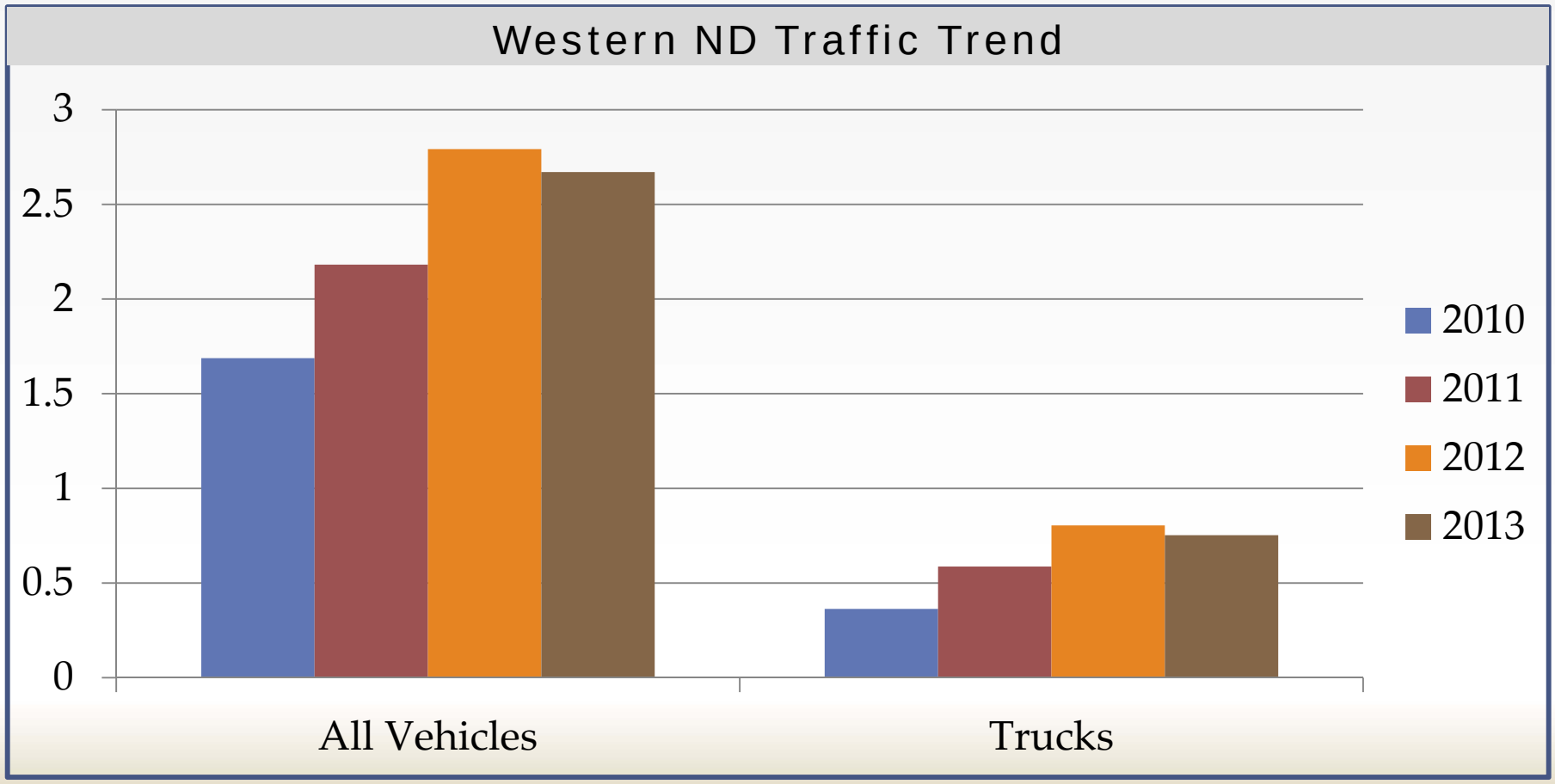
Traffic Stats – Western ND

In the 17 oil producing counties of western ND, there was a traffic increase from 1.7 billion VMT in 2010 to 2.7 billion VMT in 2012. Recent traffic counts show a slight decrease in traffic to 2.6 billion VMT in 2013. Truck traffic also showed a slight decrease last year.



Traffic Delays

- Traffic delays occurring in the state.

US Highway 85 Traffic in Watford City.

Interstate 94 Traffic near Fargo

Road Damage

- Increased traffic volumes, (particularly heavy trucks), have accelerated the deterioration of state highways in the oil impacted areas. Roadways in the western part of the state were originally built to handle agriculture traffic (small grains and ranching) and were not built to carry the heavy loads associated with oil development.

Intersection of US Highway 2 and US Highway 85 near Williston.

Construction Costs

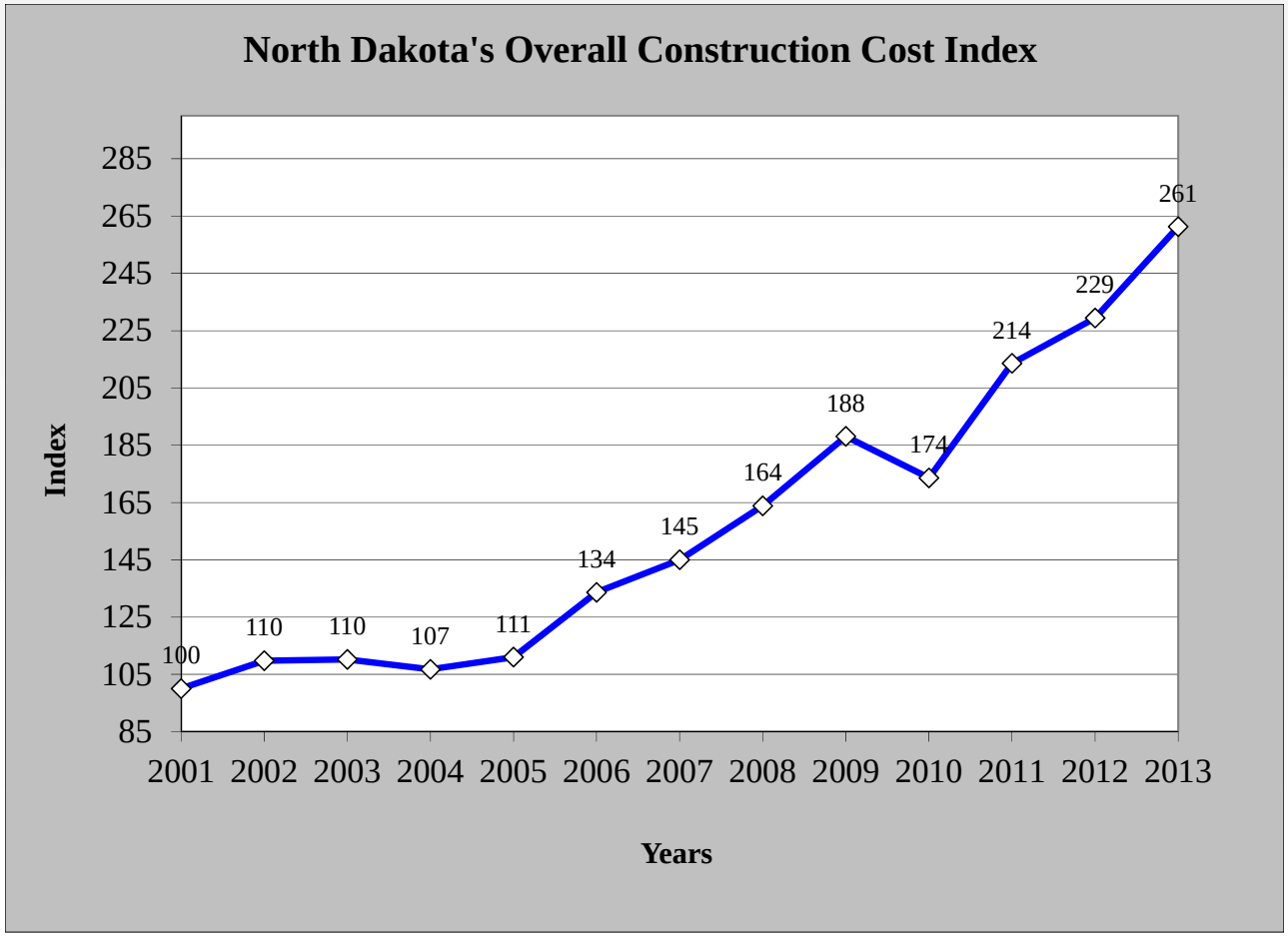


Chart illustrates what cost $1.00 in 2001, cost $2.61 for North Dakota construction in 2013.

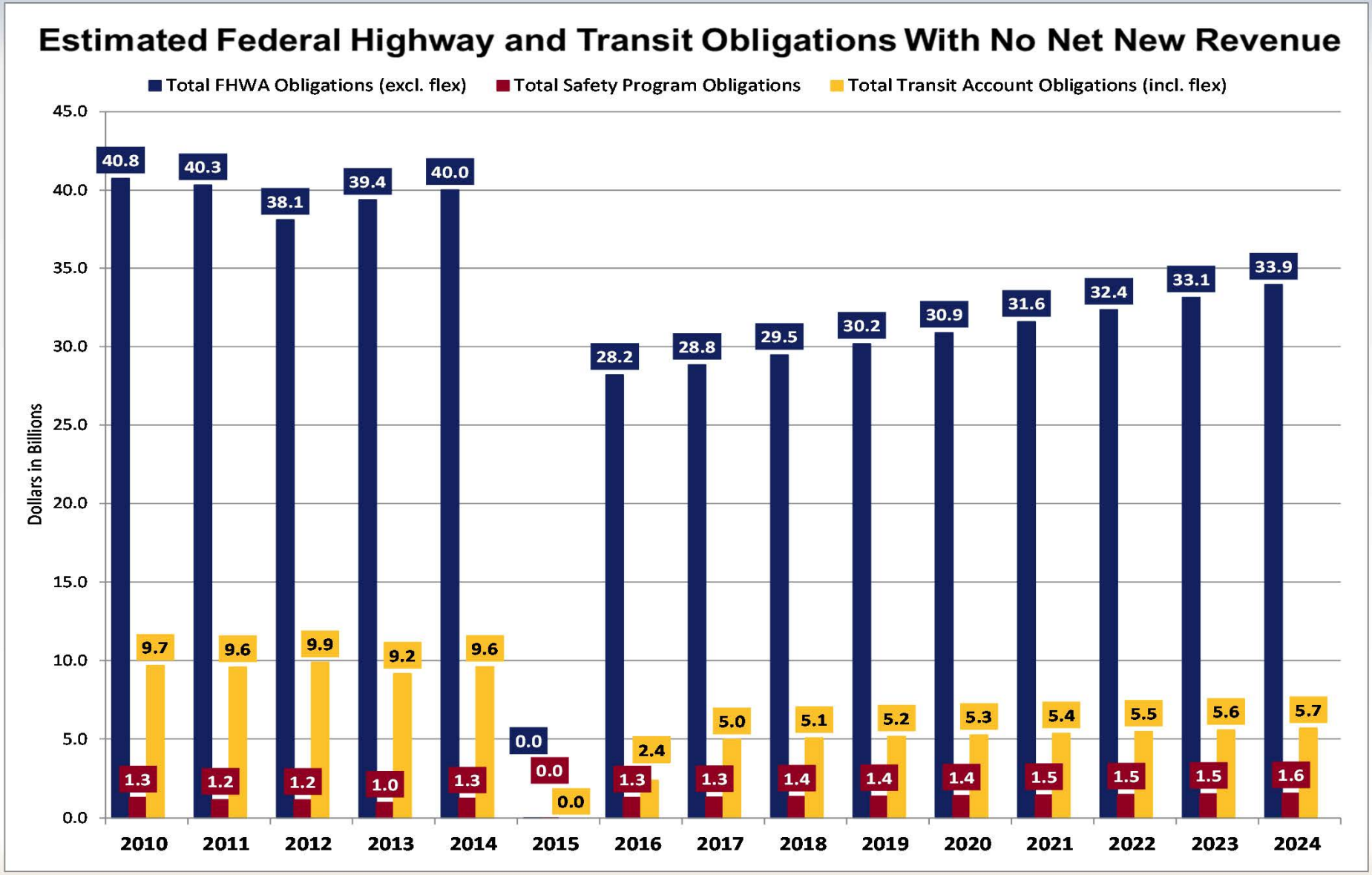
Cost Of Doing Business

Project Type	West	East	% Difference
Concrete Overlay	$ 1,066,879.04	$ 660,465.00	61.5%
Mine & Blend	$ 1,870,656.85	$ 854,075.36	119.0%
Structural Overlay	$ 655,166.24	N/A	N/A
Minor Rehab	$ 509,033.32	$ 292,557.86	74.0%
Mill & Overlay (4 Lane)	N/A	$ 250,160.16	N/A
Mill & Overlay (2 Lane)	$ 762,279.55	$ 224,328.68	239.8%
Thin Lift Overlay	$ 188,057.82	$ 156,991.53	19.8%

Federal Funding

- MAP 21 is a two-year bill signed into law in 2012.
  - Bill expires September 30, 2014.
- North Dakota's funding apportionment:
  - $241.2 million in 2012.
  - $240.0 million in 2013.
  - $239.6 million in 2014.
- Received $241.2 million in obligational authority for 2013.
- The Appropriations Bill was recently passed by Congress, obligational authority for 2014 should be approximately $229 million.
- U.S. DOT is reporting that the Federal Highway Trust Fund will be short of resources this summer.

Federal Funding



If no new revenues are found, federal highway obligations will fall by almost 100% in FY 2015

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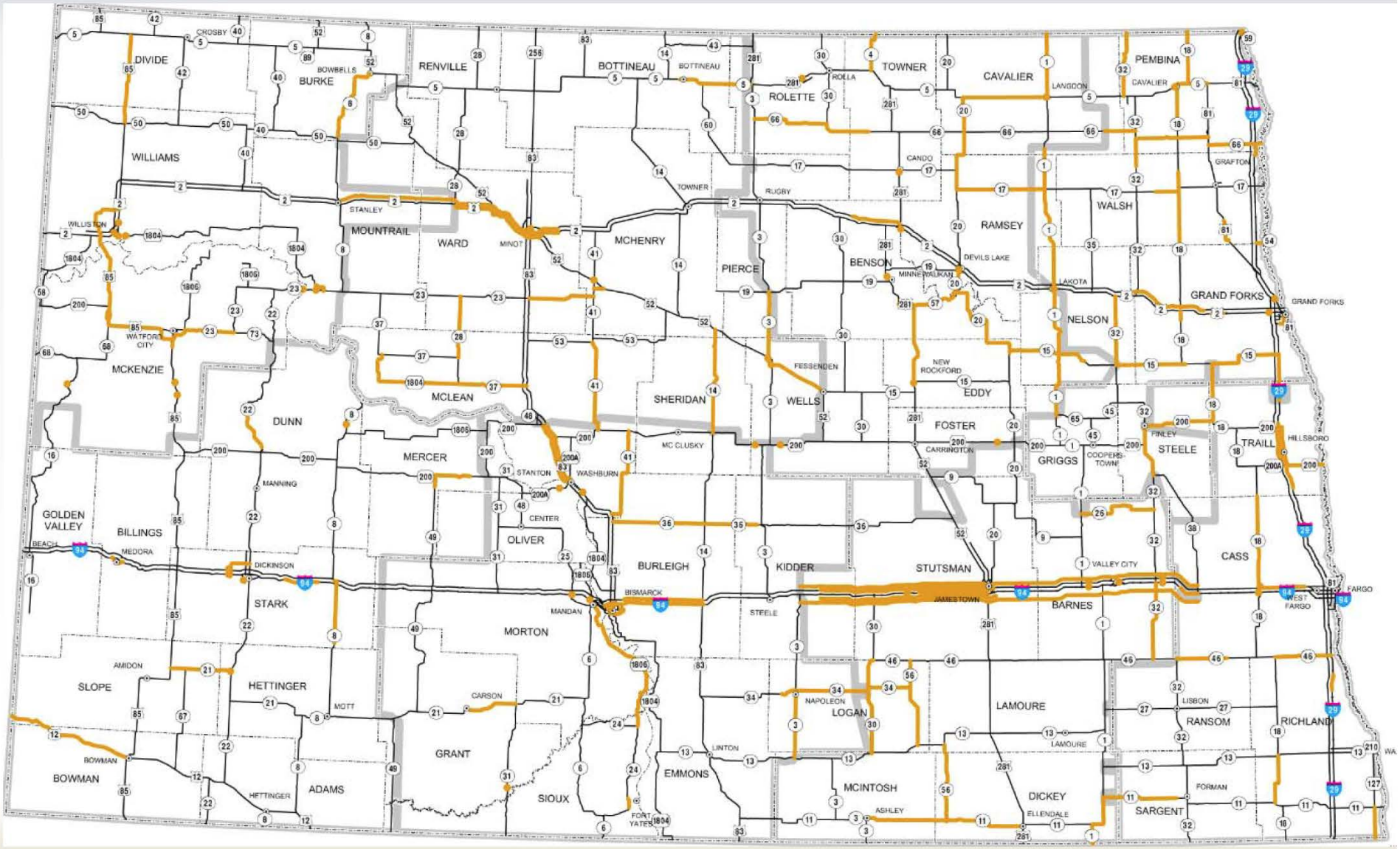
Historic Road Program

- Working with our partners – county, city, township and tribal agencies - the Department had the largest road construction program in state history, over $878 million in 2013.
    - Several major road projects are two year projects that will be completed in 2014.
- The 2014 construction program = approximately $815 million.
    - County work left to be bid = $173 million

2014 Construction Projects



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US 85 Construction Progress

- **US 85 four lane project between Watford City and Williston – all phases under construction this year.**
  - Watford City to Alexander – project will be paved when conditions allow in spring/summer of this year and then all lanes opened to traffic.
  - Alexander to County Road 16 – work began in August, some dirt work remains, roadway will be open to two lanes of traffic each direction by Fall 2014.
  - County Road 16 to Williston- still waiting on environmental document from FHWA.

US Highway 85 west of Watford City

Projects Update

Truck Reliever Routes/Bypasses:

- Watford City US 85 Southwest Bypass – under construction and will be completed this year.
- Watford City ND 23 Southeast Bypass – bid this spring, construction this summer.
- Alexander Bypass – bid in February, construction completed this year.
- Williston Northwest Bypass – all stages under construction this year.
- Dickinson Interim Bypass – first mile completed and open to traffic, remainder will be completed in 2014.
- New Town Northeast Bypass – construction begins this year.
- Killdeer Bypass – in Design and route selection phase.

Watford City US 85 SW Bypass Construction

Cost estimate to 4-lane remainder of US 85

Projects	Today's Dollars	Costs Adjusted for Inflation (12% per year) Construction average since 2001
4-Lane US 85 Watford City to I-94	$735 M	$1,030 M – If construction started in 2016*
4-Lane US 2 from existing 4-Lane to Montana Border	$120 M	$151 M – If construction started in 2016*
4-Lane US 85 South Dakota Border to I-94	$825 M	$1,636 M – If construction started in 2019*
TOTALS	**$1,680 M ($1.68 Billion)**	**$2,817M ($2.817 Billion)**

**The assumed construction year is to illustrate the impact inflation has on the cost. The actual construction year will depend on the ability to complete the environmental documents and the availability of funding.*

Proposed Bill

We understand the counties challenges maintaining the county roadway system.

Last Legislative Session historic funding was provided for transportation with the county distribution as follows:

- Oil producing counties also received funding from:
  - State Highway Tax Distribution Funds.
  - $160 Million (HB 1358)
- Non-oil producing counties also received funding from:
  - State Highway Tax Distribution Funds.
  - $100 Million (SB 2176)
  - $120 Million (HB 1358)

Proposed Bill

In addition to those funds it is our understanding this committee is looking for additional ways to provide resources to the counties, as a result a bill was proposed which:

- Gives DOT additional ability to create a process to take over ownership and/or maintenance of county roads.
- The department would no longer be required to comply with the mileage limitations defined in other sections of law.

Proposed Bill

If the proposed bill would pass the following could occur:

- County would pay DOT for maintenance of roadway. DOT's budget authority would have to be adjusted to expend those funds.

OR

- DOT would fund county maintenance work.
  - DOT would be required to outsource this work, because the department does not currently have the resources to take on additional roadways.
    - DOT requested additional FTE's during last two bienniums.
      - 2011 received 3 maintenance positions
      - 2013 received 4 maintenance positions.

- Either option results in moving resources from state system to county roadways.

Proposed Bill

If the DOT took over county roadways the department would have to:

- Upgrade county roads placed on the state system to meet state standards to comply with federal/state design standards to ensure we do not create liability issues for the state. Additional funding to DOT may be needed.
- Establish load limits.
- Set speed limits to 65 mph as determined by state law, unless DOT Director and Highway Patrol decide differently.
- Maintain road access control.

Proposed Bill

If the bill were to pass, we have a few questions to consider:

- Should the DOT change its process for developing a budget to include a budget for county road maintenance?
- Should county funds that are historically included in county budgets be shifted to DOT if it takes on additional mileage?
- Should additional resources be supplied to the Highway Patrol and other state agencies to address additional state roadways?

Thank You!