

Interim Budget Committee
Wednesday, September 23, 2015

North Dakota Department of Transportation
Grant Levi, Director

Mr. Chairman and members of the committee - I'm Grant Levi, Director of the North Dakota Department of Transportation (DOT). Per your request, I am here to provide you an update on one-time state funding for the 2015-2017 biennium.

Thank you for the biennial appropriation of approximately \$2.82 billion for maintenance and enhancement of state, county, city and township roadways. This year's construction program is underway and estimated at \$822 million of work on state highways, city and county roads. Approximately \$600 million was bid through NDDOT and about \$222 million was bid through counties.

- A program of this size is only possible because of the early surge funding provided by the Legislative Body in passing SB 2103.

The chart in Attachment A illustrates the one-time state funding commitments and expenditures invested in transportation projects as of September 21, 2015.

County Funding: Below is a brief update on the 2015-2017 transportation funding distributions for county roadways.

SB 2103:

- Funds were allocated to oil producing counties based on the Upper Great Plains Transportation Institutes (UGPTI) Needs Study.
- Funds were allocated to non-oil producing counties using the County Major Collector (CMC) miles.
- As of this date, all 53 counties have submitted approved projects to use their allocated funds. DOT has received approximately \$529 million in requests for projects for the allocated \$352 million in surge funding.

HB 1176:

- Funds were allocated using the UGPTI Needs Study and also CMC miles
- Thirty-six (36 out of the 43) counties eligible for transportation funding from HB 1176 have submitted approved projects. Counties that haven't submitted projects are currently working to prioritize their projects and will submit them for approval this fall.

Please see Attachment B for more detailed information on distribution of county funding. The funds distributed are improving safety and the structural carrying capacity of the state's roadways.

Federal Funding: The DOT budget of \$2.82 billion, including triggers, assumes approximately \$616.5 million in federal funding will be received in the 2015-17 biennium.

- All of the federal funds we budgeted for in 2015 have been received.
- The DOT is presently operating under a continuing resolution that ends on October 31, 2015.
- The Senate recently passed the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act, which reauthorizes transportation programs for six years. The bill provides contract authority for six years but only provides funding for three years. The House is also considering transportation legislation.

I would be happy to answer any questions at this time. Thank you.

State Transportation Investments for 2015-2017

STATE FUNDING 2015- 2017 BIENNIUM	One-Time State Funding	Committed to as of 9/21/15	Expenditures ⁽²⁾ as of 9/21/15	Balance to be Committed in 2015-2017 Biennium	Anticipated Carryover ⁽³⁾ 2017-2019 Biennium
	(\$ Millions)	(\$ Millions)	(\$ Millions)	(\$ Millions)	(\$ Millions)
State Funds for State Highways - HB 1012/SB 2103/ SB 2015 ⁽¹⁾	\$991.1	\$470.7	\$110.6	\$520.4	*
State Funds Oil Producing Counties - SB 2103	\$240.0	\$159.4	\$133.2	\$80.6	*
State Funds Non-Oil Producing Counties - SB 2103	\$112.0	\$62.2	\$39.9	\$49.8	*
State Funds Non-Oil Producing Counties - HB 1176 ⁽⁴⁾	\$112.0	n/a	n/a	\$112.0	*
<i>Based on a trigger that is contingent upon revenue exceeding projections by \$126M on either 12/31/15 or 6/30/16 in General Fund - SB 2015</i>	\$25.9	\$0.0	\$0.0	\$0.0	*
<i>Based on a trigger that is contingent upon revenue exceeding projections by \$250M on 12/31/16 in the General Fund - SB 2015</i>	\$46.0	\$0.0	\$0.0	\$0.0	*

- (1) Includes \$971.1M provided through surge and biennium allocation and \$20M provided through a trigger met based on revenue levels.
- (2) Expenditures for the state and county differ. State expenditures occur when payments are made to the contractor when work is completed. County expenditures can be when the county enters into a contract with a contractor.
- (3) It is difficult to estimate carryover funding due to the uncertainty of when environmental approval will occur on some projects.
- (4) House Bill 1176 is not available for distribution until February 1, 2016.

Attachment B – Allocation of State Funds to Counties

State Funds to Counties

County	SB 2103 (2015-2017)	HB 1176 (2015-2017)
Adams	\$2,203,814.65	\$1,972,451.87
Barnes	\$3,899,171.22	\$3,810,977.94
Benson	\$3,373,923.61	\$2,590,401.04
Billings	\$12,066,655.62	\$0.00
Bottineau	\$15,417,767.68	\$0.00
Bowman	\$12,475,403.92	\$0.00
Burke	\$12,704,739.80	\$0.00
Burleigh	\$3,776,247.43	\$4,294,654.73
Cass	\$6,272,476.33	\$7,321,691.81
Cavalier	\$2,957,575.28	\$2,640,725.11
Dickey	\$2,735,403.20	\$2,777,980.03
Divide	\$9,869,243.45	\$0.00
Dunn	\$25,768,304.46	\$0.00
Eddy	\$1,063,270.15	\$1,080,035.27
Emmons	\$2,169,557.64	\$1,380,178.75
Foster	\$1,461,167.28	\$1,312,624.02
Golden Valley	\$1,946,308.79	\$1,948,626.48
Grand Forks	\$4,587,116.36	\$5,399,171.32
Grant	\$1,964,919.51	\$1,684,337.46
Griggs	\$1,817,190.30	\$1,537,974.06
Hettinger	\$2,321,314.74	\$1,684,549.62
Kidder	\$2,572,173.92	\$2,037,726.03
LaMoure	\$3,105,729.88	\$2,327,893.73
Logan	\$1,724,921.02	\$1,108,005.88
McHenry	\$3,186,872.61	\$4,326,491.41
McIntosh	\$1,697,523.39	\$1,333,236.22
McKenzie	\$47,968,641.82	\$0.00
McLean	\$3,627,880.14	\$4,744,456.52
Mercer	\$2,696,799.25	\$2,853,355.13
Morton	\$4,028,489.11	\$3,752,072.12
Mountrail	\$37,960,548.77	\$0.00
Nelson	\$2,285,887.91	\$1,955,526.74
Oliver	\$1,379,585.87	\$1,174,453.84
Pembina	\$2,223,409.08	\$2,977,662.99
Pierce	\$1,529,415.44	\$1,645,782.29
Ramsey	\$2,395,810.78	\$2,144,769.35
Ransom	\$2,099,009.73	\$1,515,994.48
Renville	\$2,042,645.84	\$1,822,071.07
Richland	\$2,539,179.77	\$4,065,172.87
Rolette	\$1,755,642.00	\$2,000,806.68
Sargent	\$2,595,623.42	\$2,174,413.35
Sheridan	\$1,756,306.67	\$1,176,628.41
Sioux	\$1,128,327.90	\$1,219,634.97
Slope	\$1,942,586.65	\$1,473,100.47
Stark	\$21,641,038.64	\$0.00
Steele	\$1,678,886.08	\$1,586,981.93
Stutsman	\$4,286,154.49	\$3,741,405.22
Towner	\$1,568,484.65	\$1,313,166.62
Traill	\$2,555,676.84	\$2,775,432.22
Walsh	\$3,729,747.23	\$5,335,217.14
Ward	\$5,177,381.85	\$5,978,708.03
Wells	\$2,140,391.99	\$2,003,454.78
Williams	\$44,127,655.84	\$0.00
Totals	\$352,000,000.00	\$112,000,000.00

Oil Producing based on Legislation