NDDOT Funding

- Approximately $2.3 billion to rebuild and repair state highways, city, county and township roads, bypass routes and other infrastructure upgrades in every region of the state.
- By mid-summer the funds will have been bid and committed to projects, with an exception of funds held back for possible contract changes.
- Outsourced 70-75% of engineering work.
NDDOT Construction Program

2014 Construction Projects
Projects Across The State

- US 85 four lane project between Watford City and Williston – all phases under construction this year.
- US 2 between Berthold and Surrey.
- I-29 from Buxton north to south of ND Highway 15.
- Washington Street in Grand Forks- reconstruction from Hammerling to 32nd Avenue.
- 25th Street reconstruction in Fargo.
- 116th Ave Interchange in Dickinson.
- ND Hwy 23 from Watford City to ND Hwy 73.

Truck Route Update

- The state is investing approximately $409 million to cover all costs for the construction of truck bypass routes for western North Dakota cities of Williston, Watford City, Dickinson, New Town and Alexander.
Truck Bypasses/Reliever Routes

Williston NW Bypass
- 1st phase- US 2 to Co Rd 4 (2.46 mi.)
  o Bid November 2013
  o Scheduled for completion Fall 2014
- 2nd phase- County Rd 4 to US 2 (10.8 mi.)
  o Two lanes of paved roadway to be completed 2014
  o Remaining lanes scheduled for completion end of 2015

Watford City
- US 85 (SW Bypass) – 7.6 mi.
  o Bid September 2013
  o Scheduled completion fall 2014
- ND 23 (SE Bypass) – 5.7 mi.
  o Bid March 2014
  o Scheduled completion fall 2014
Truck Bypasses/Reliever Routes

**Dickinson**
- Interim Bypass (5 mi.)
  - Scheduled for completion 2014
  - Approximately two years to construct

**116th St. Interchange**
- Bid February 2014

**New Town (3.2 mi.)**
- Bid November 2013
- Estimated completion fall of 2014
**Truck Bypasses/Reliever Routes**

Alexander Bypass (3.7 mi.)
- Bid February 2014
- Completion fall 2014

**Killdeer Bypass**
- In design and route selection phase
Future Bypass Work Still Needed

- Dickinson Bypass Phase 2
- New Town Northwest Bypass
- Williston Northeast Bypass

Once bypasses completed, work is still needed on state highway through cities.
County Funding

- SB 2176 allocated $100 million to non-oil producing cities, counties and townships. Distributed by State Treasurer’s Office.

- NDDOT allocated funds through our process.

<table>
<thead>
<tr>
<th>$280 Million HB 1358 County State Aid Road Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>Oil Producing</td>
</tr>
<tr>
<td>Non-Oil Producing*</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

* NDDOT was not able to reimburse the non-oil producing counties until February 2014.

Transit Funding

General state funding was transferred in 2013 and the same action will take place in July 2014.

SECTION 5. APPROPRIATION - CONTINGENT TRANSFERS - GENERAL FUND TO PUBLIC TRANSPORTATION FUND.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,100,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the public transportation fund pursuant to this section during the biennium beginning July 1, 2013, and ending June 30, 2015.

The office of management and budget shall transfer the sum of $550,000 on July 1, 2013, if deposits in the public transportation fund from the highway tax distribution fund are $5,000,000 or less during the period beginning July 1, 2012, and ending June 30, 2013. The office of management and budget shall transfer the sum of $550,000 on July 1, 2014, if deposits in the public transportation fund from the highway tax distribution fund are $5,000,000 or less during the period beginning July 1, 2013, and ending June 30, 2014.
Federal Funding

- MAP 21 is a two-year bill which will expire September 30, 2014.
- North Dakota’s 2014 funding apportionment = $235.5 million.
- There are some concerns that the federal Highway Trust Fund may run out this summer before the September 30th expiration date.
- The House passed a Transportation HUD Bill on June 10th.
  - The bill calls for status quo obligation limits for highways and transit and cuts to Amtrak and TIGER.
- Senate floor action on its counterpart bill could occur later this month.
- Administration introduced the Grow America Bill in April.
  - Bill moves away from traditional, formula based program that were established in MAP-21.

Importance of transportation investments

- Investments in the transportation network allow goods and services to be transported quicker, at lower costs, resulting in lower prices for consumers and increased profitability for businesses.
- Investments in transportation infrastructure will allow businesses in every state to have the opportunity to benefit from growing foreign markets and a global economy. As much as 60 percent of American-made products are now exported.
- Our primary economic competitors such as China, Australia, Brazil and Canada are making major national investments in transportation infrastructure on the basis of promoting economic growth.
- Canada spends 4 percent of its GDP on transportation investment and maintenance, China spends 9 percent, while the U.S. spends only 1.7 percent.
ND Freight Plan

Highway Performance Classification System

Approved by State Legislature in 2003
Agricultural Growth 1950-2012

1950 = 17.1 Billion Pounds*

2010 = 89.4 Billion Pounds*

422% Increase

* Approximate numbers

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1980 CROP PRODUCTION

30.3 Billion Pounds

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Source: United States Department of Agriculture
2010 CROP PRODUCTION

89.4 Billion Pounds

Source: National Agricultural Statistics Service

Manufacturing Growth

North Dakota is one of only a few states to experience a growth in manufacturing between 2000 and 2012.
Energy Growth

- Approximately 1 million barrels of oil produced daily in 2014.
- Compared to 344,064 barrels per day in 2010.

2008 to 2013 Train Volumes in Fargo
Grown from 68 to 127 per day
North Dakota Freight Plan

Purpose:

• Promote safe, secure, sustainable, and reliable freight mobility to enhance a diversified and vibrant economy.

Public Input:

• Public input meetings were held across the state.

• Draft of plan available for public comment on our website at http://www.dot.nd.gov/divisions/planning/freight/

North Dakota Freight Transportation Infrastructure System

<table>
<thead>
<tr>
<th>Freight Mode</th>
<th>Level One</th>
<th>Level Two</th>
<th>Level Three</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>Critical Rural Freight Corridors International/Interstate</td>
<td>Regional/Intrastate</td>
<td>Local</td>
</tr>
<tr>
<td>Air</td>
<td>Commercial Airports Air Force Bases</td>
<td>General Aviation Airports</td>
<td>Public Use Airports Private Airports</td>
</tr>
<tr>
<td>Rail</td>
<td>Class I Mainlines STRACNET</td>
<td>Class I, Regional Railroad branchlines capable of carrying 286K cars</td>
<td>Class I, Regional Railroad branchlines capable of carrying 268K cars</td>
</tr>
<tr>
<td>Pipeline</td>
<td>Interstate Pipelines</td>
<td>Gathering Pipelines</td>
<td>Distribution Pipelines</td>
</tr>
</tbody>
</table>
Given the strong economic activity in our State and the national importance of that activity, we were disappointed when the proposed Primary Freight Network included only 1.87 miles of highway within North Dakota. We certainly believe that greater recognition must be given to the importance of our State’s highways in future Federal legislative and regulatory deliberations.

Any proposed freight network should be an interconnected system allowing for the movement of domestic agricultural, energy and manufactured products to regional, national and international markets. Artificial mileage caps defeat that important policy objective.

The purpose of moving freight across the nation should ensure geographical distribution of the network for all regions of the country.
FHWA Director tours ND

- Federal Highway Administration (FHWA) Acting Director Greg Nadeau visited North Dakota last week.
  - NDDOT presented information at US Department of Transportation Freight Transportation Roundtable in Fargo.
  - The Department also took Director Nadeau on a tour of western N.D.

Future Needs

- The state needs a strong viable transportation system to meet growing demands.
  - NDDOT is working with Upper Great Plains Transportation Institute on state and county transportation needs studies.