



American Road
& Transportation
Builders Association

ARTBA Engineering Issues Breakfast **State Department of Transportation Updates**

2019 MAASTO Conference

Indianapolis, IN

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Iowa Department of Transportation

The department's estimates on financial investment in transportation construction:

Amounts projected for primary highway right-of-way and construction in our 5-year transportation program include:

- FY 2020 = \$786.5 million
- FY 2021 = \$749.6 million
- FY 2022 = \$675.3 million
- FY 2023 = \$719.4 million
- FY 2024 = \$695.8 million

Planning and design contracts and resident engineer construction inspection you will be advertising over the next 24 months:

- Bridge Inspection
- Bridge Design
- Road Design
- Survey (photogrammetry, aerial photography, LIDAR, land survey)
- Location and Environment T&E Species
- GIS services
- Asbestos abatement services
- Support Services
- Construction Inspection

Your state's current position regarding design-build and public-private partnership for transportation projects:

In Iowa, state law does not allow design-build and we have not been involved with any public-private partnerships for transportation projects.

Kansas Department of Transportation

The department's estimates on financial investment in transportation construction:

- KDOT plans to spend about \$600 Million a year for the next two years
- We will be proposing a program to the state legislature in the spring to increase that amount

Planning and design contracts and resident engineer construction inspection services you will be advertising over the next 24 months:

- We anticipate spending about \$24 Million a year on Planning and design contracts over the next two years
- We anticipate spending about \$15 Million a year on construction engineering contracts over the next two years

Your state's current position regarding design-build and public-private partnerships for transportation projects:

- Currently KDOT does not have legislative authority to use alternate delivery. We will be working in the next legislative session to obtain that authority.
- In the spring, KDOT plans to seek authority to procure transportation infrastructure projects using alternative project delivery such as design build, CM-CG, and EPC and alternative financing options such as public-public partnerships and public-private partnerships.

Kentucky Transportation Cabinet

The department's estimates on financial investment in transportation construction:

Based on current revenue projections, KYTC anticipates annual construction investment over the next 2-3 years at approximately \$850 Million/year. We have had revenue enhancement bills introduced in the last two annual legislative sessions. Neither passed, but they have furthered the discussion. We anticipate this will be revisited in the 2020 legislative budget session.

Planning and design contracts and resident engineer construction inspection services you will be advertising over the next 24 months:

KYTC averages 200 contracts and contract mods for about \$140 Million annually. These typically pay out about \$80-\$90 Million per year. Again, barring additional revenue we would anticipate these numbers to remain relatively the same.

Your state's current position regarding design-build and public-private partnerships for transportation projects:

Kentucky modified our Design-Build legislation in 2017 to allow expanded capacity. We are currently leveraging that legislation on 4 projects of varying size (\$40 Million to \$180 Million). Our approach has been to use Design-Build when we believe it can add significant value to the project(s). The Cabinet has not entered into a P3 yet. Kentucky also just recently (2016) passed enabling legislation

for P3s. The current legislation limits these to projects over \$100 Million. We have been examining some of our larger projects as possible candidates.

Michigan Department of Transportation

The department's estimates on financial investment in transportation construction:

		Data	
Obligation Year	Work Type Category	CON Budget	CE Budget
2019	Road	\$801,679,618	\$69,155,174
	Bridge	\$252,083,031	\$33,533,357
	System Operations	\$11,835,357	\$1,548,562
	Traffic Safety	\$82,100,224	\$9,240,416
	Other	\$26,897,989	\$4,168,210
2019 Total		\$1,174,596,219	\$117,645,719
2020	Road	\$526,791,272	\$49,802,903
	Bridge	\$175,505,242	\$23,046,189
	System Operations	\$119,214,252	\$14,132,969
	Traffic Safety	\$53,538,032	\$5,257,390
	Other	\$5,717,027	\$329,688
2020 Total		\$880,765,825	\$92,569,139
2021	Road	\$665,688,635	\$63,695,882
	Bridge	\$287,991,195	\$38,047,079
	System Operations	\$18,386,065	\$3,115,201
	Traffic Safety	\$68,913,793	\$12,739,572
	Other	\$6,695,757	\$869,180
2021 Total		\$1,047,675,445	\$118,466,914
2022	Road	\$662,254,085	\$60,963,466
	Bridge	\$140,307,361	\$17,772,756

	System Operations	\$18,842,988	\$3,338,679
	Traffic Safety	\$76,635,377	\$14,636,133
	Other	\$1,085,780	\$121,793
2022 Total		\$899,125,591	\$96,832,827
2023	Road	\$759,893,021	\$66,941,643
	Bridge	\$112,083,758	\$14,591,796
	System Operations	\$18,103,821	\$3,399,958
	Traffic Safety	\$56,962,320	\$5,860,964
	Other	\$548,750	\$77,751
2023 Total		\$947,591,670	\$90,872,112
Grand Total		\$4,949,754,750	\$516,386,711

Planning and design contracts and resident engineer construction inspection services you will be advertising over the next 24 months:

MDOT CSD creates the 'Anticipated Quarterly Advertisement' which documents projects that may be advertised for the next quarter. The most current one that is published is for the period 7/1/19 – 9/30/19. We reach out to Regions to obtain the information. Beyond 9/30/19, MDOT does not have an indication of what will be advertised until we receive it. There is also no guarantee that: The projects on the list will be advertised; or that projects not on the list will be advertised during that timeframe. The current listing is linked below.

https://www.michigan.gov/documents/MDOT_Qrtly_RFPs_010106-033106-posted_121505_145035_7.pdf?20070622

Your state's current position regarding design-build and public-private partnerships for transportation projects:

The Michigan Department of Transportation (MDOT) utilizes various alternative contracting methods to deliver projects. These methods include Design-Build (DB) and Public Private Partnership (P3) delivery, when appropriate. MDOT has a mature Innovative Contracting Unit, having successfully implemented numerous DB and 2 P3 projects, and having benefitted from lessons learned on these projects. MDOT understands the value and efficiency that can be achieved through partnering with Industry on these projects and the volume of projects MDOT delivers through alternative contracting methods is increasing. Information related to MDOT's Innovative Contracting Program including currently advertised projects can be found on MDOT's website at the following location:

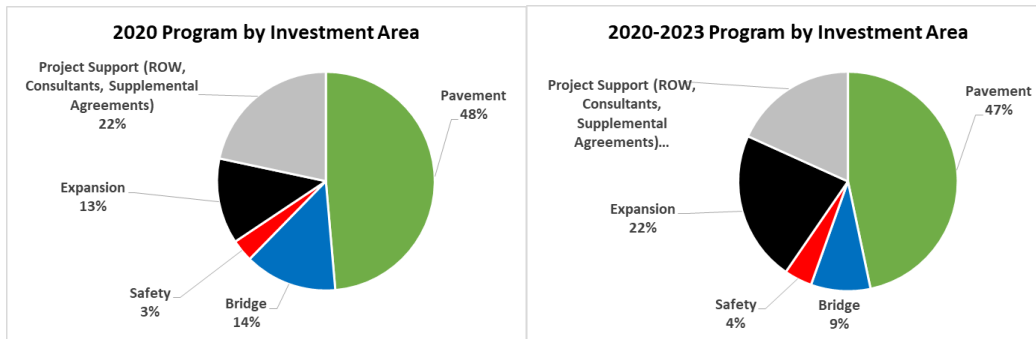
https://www.michigan.gov/mdot/0,4616,7-151-9625_21539_53226---,00.html. Guidance on MDOT's Innovative Contracting Program can be found here:

https://www.michigan.gov/documents/mdot/Innovative_Construction_Contracting_340000_7.pdf.

Minnesota Department of Transportation

The department's estimates on financial investment in transportation construction:

Draft STIP 2020-2023 - State and Federal SRC		
(in millions)		
Investment Area	STIP Year 2020	4-Year STIP 2020-2023
PAVEMENT PRESERVATION (AM, PM, RC, RD, RS, RX)	633	2,224
BRIDGE PRESERVATION (BI, BR)	179	418
SAFETY (SC, SH, SR)	43	196
EXPANSION (MC)	165	1,056
CONSULTANT AGREEMENTS (CA)	105	369
RIGHT-OF-WAY (RW)	30	108
SUPPLEMENTAL AGREEMENT (SA)	51	207
MISCELLANEOUS	96	185
TOTAL	1,302	4,763
		7/31/2019



Planning and design contracts and resident engineer construction inspection services you will be advertising over the next 24 months:

MnDOT does not know which construction projects will require consultants until shortly before construction begins. Our use of consultants for construction contract administration (defined as at least one consultant inspector per project) was about 40% this year, and is expected to be approximately the same next year. MnDOT typically hires consultants to supplement our own staff. We use consultants for construction inspection and oversight but it is hard to predict which jobs/projects will be utilizing consultants unless they have specialty expertise needs.

The vast majority of that 40% usage is through our pre-qualification program and GEC program (as opposed to the full Request for Proposals process). Those two programs serve our quick turn-around design needs so it is also hard to predict which projects will be consulted out. As noted in investments above, our investment in consultant agreements averages about 10% of our construction program investments. A list of upcoming, potential projects that will need consultant contracts can be found on MnDOT's website at: <http://www.dot.state.mn.us/consult/notices.html>

Your state's current position regarding design-build and public-private partnerships for transportation projects:

Minnesota uses Design-Build partnerships when it appears to be the best method to address a particular project's goals. The method is best suited for unique, complicated, and/or accelerated projects. Such projects are often large, but we have found that it can work well for small technical and/or unique projects as well. We believe that, when used on appropriate projects, Design-Build can offer the best overall value to the department in terms of total project cost, quality, time, and other factors.

MnDOT currently lets about three to four design build projects per year. These projects usually large, with estimates between \$25-250 million, but we have let DB projects as small as \$500,000. The three to four project-per-year average will likely hold steady or grow slightly as we move into the future. We view ourselves as having a 'mature' program, and we utilize almost all of the Best Practices recommended by the Design-Build Institute of America (DBIA).

MnDOT does not make use of public-private-partnership (P3) projects. We have studied P3s and believe we have the technical expertise necessary to do so, however, we believe that bonding is a generally superior method to raise funds to advance projects. Furthermore, the Minnesota public does not favor general-purpose toll lanes and, while there are other ways to raise funds for P3 projects, tolling is the easiest and most common. Without tolling, we do not see significant opportunities for P3 projects. MnPASS lanes are an exception, but we already have an organization in place for those lanes and the proceeds from them would be unlikely to support a significant amount of construction in any case.

Missouri Department of Transportation

The department's estimates on financial investment in transportation construction:

We will average \$900 million to \$1 billion in construction awards for the next 5 years. This assumes Congress passes a new Transportation bill that is at least equal to the Fast Act. If Congress doesn't act our awards will reduce by \$330 million a year.

Planning and design contracts and resident engineer construction inspection services you will be advertising over the next 24 months:

We will average \$40 million a year for the next 24 months for consultant services. About 5% will be for construction administration and the rest will heavily be focused on bridge design.

Your state's current position regarding design-build and public-private partnerships for transportation projects:

We are very involved with design build as a delivery method. We have 3 DB projects under construction, one in procurement, and several more on the horizon.