

What the Infrastructure Bill Means for NC

Thursday, December 9, 2021





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VP, Transportation and
Infrastructure
U.S. Chamber





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NORTH CAROLINA

Department of Transportation



Infrastructure Investment and Jobs Act

North Carolina Chamber Event

December 9, 2021

IIJA Overview

Transportation

Energy &
Environment

Water and
Wastewater

Broadband

Resiliency

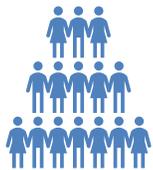
- ❖ **\$1.2 trillion Infrastructure Investment and Jobs Act**
- ❖ **Five-year surface reauthorization is fully funded**
- ❖ **Historic investments in the nation's core infrastructure priorities – including roads and bridges, rail, transit, ports, airports, the electric grid, and broadband**
- ❖ **Increases NCDOT formula funds by 32% (21% highways)**
- ❖ **Enacts changes to expedite permitting, reduce emissions, increase safety, upgrade security, and improve resiliency.**
- ❖ **Invests in rural infrastructure development**

IIJA Benefits

US Economic Benefits



Cumulative GDP grows \$488 billion by 2027 from highway, bridge, and transit spending



Employment will grow 200,000 per year with every \$1M supporting 21 new jobs



\$55.8B of economic output (sales) by 2027 from highway, bridge, and transit spending



\$488B worth of goods and services produced by 2027

NC Economic Benefits



33% Return on Investment



Annual GDP grows \$1.71B



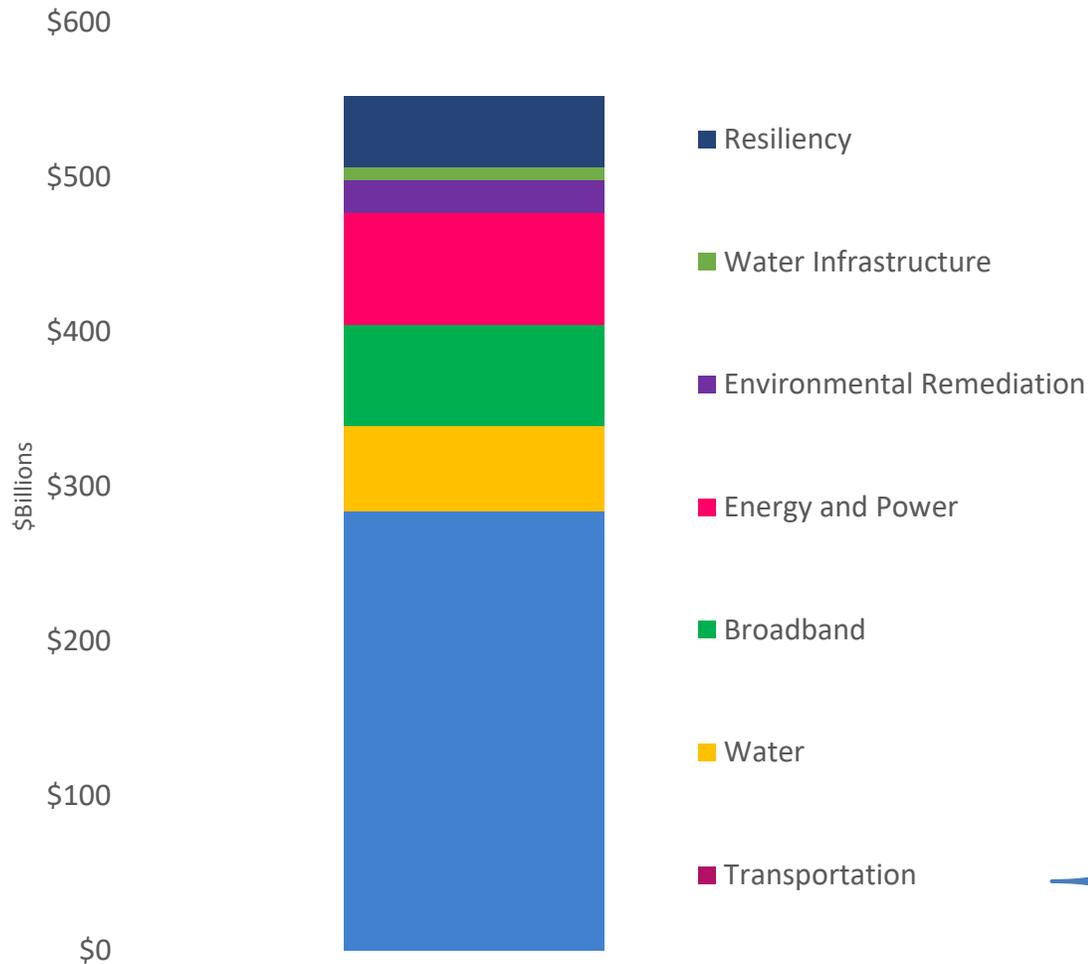
\$150 more in disposable household income each year



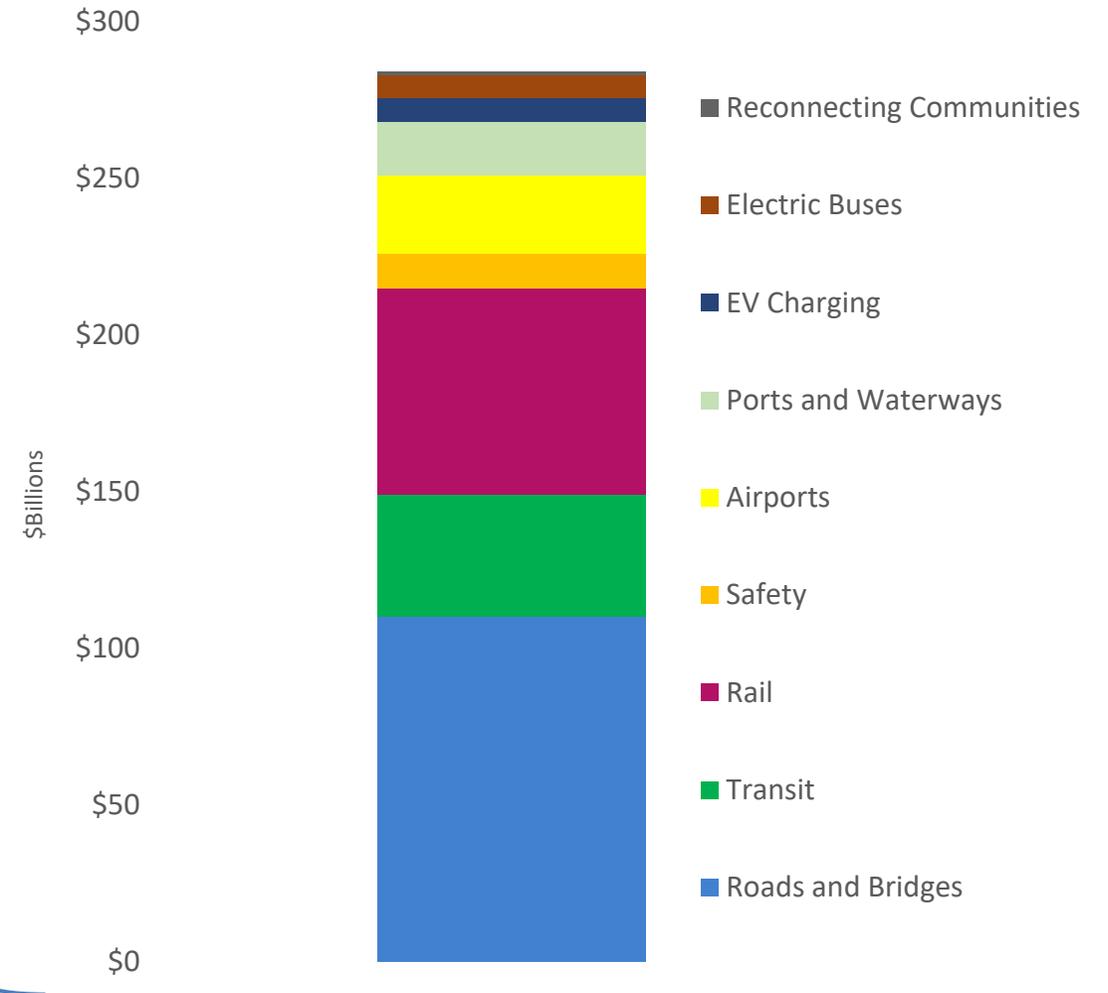
State and local tax receipts grow \$315M annually

IIJA \$550B FFY 2022-26 Increased Allocations

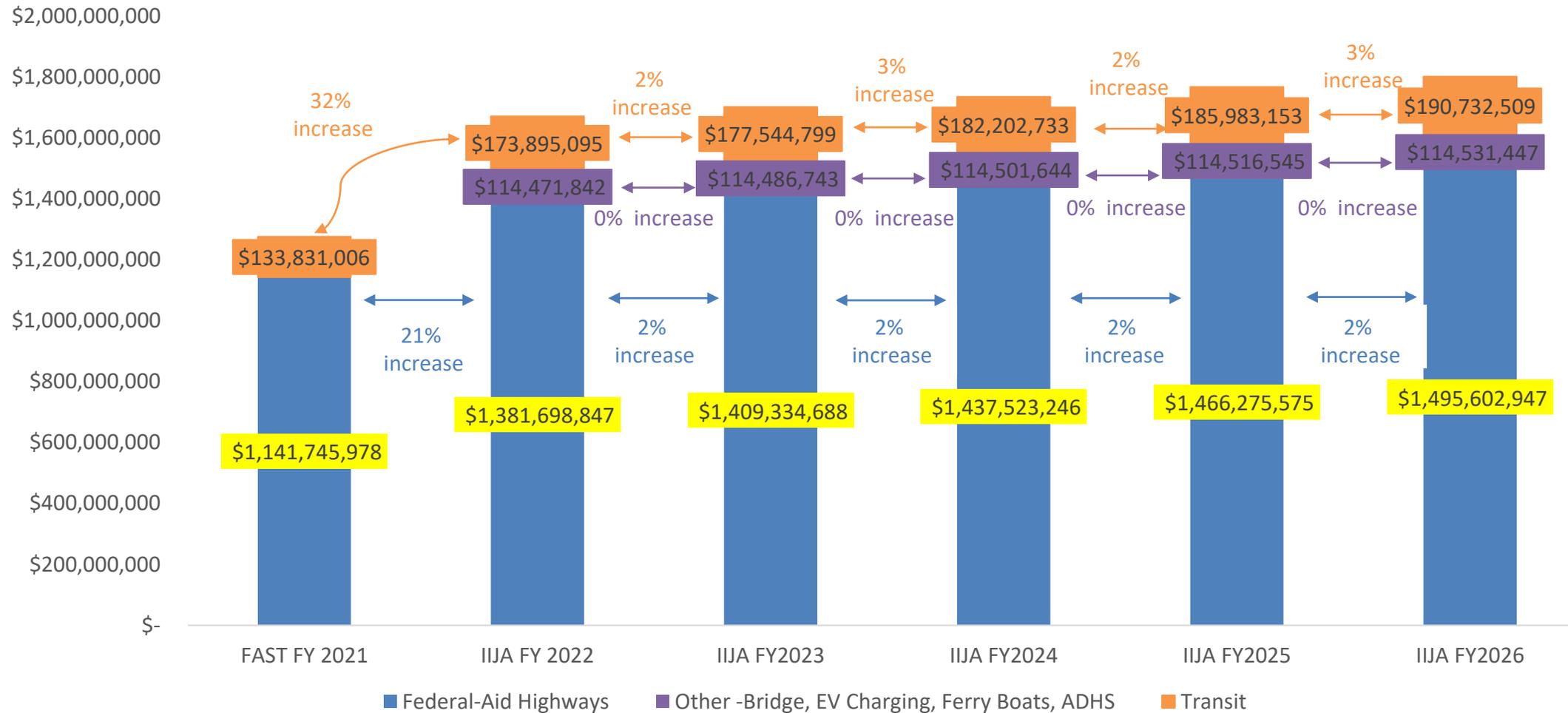
IIJA Funding Above Baseline



IIJA Transportation Funding Above Baseline

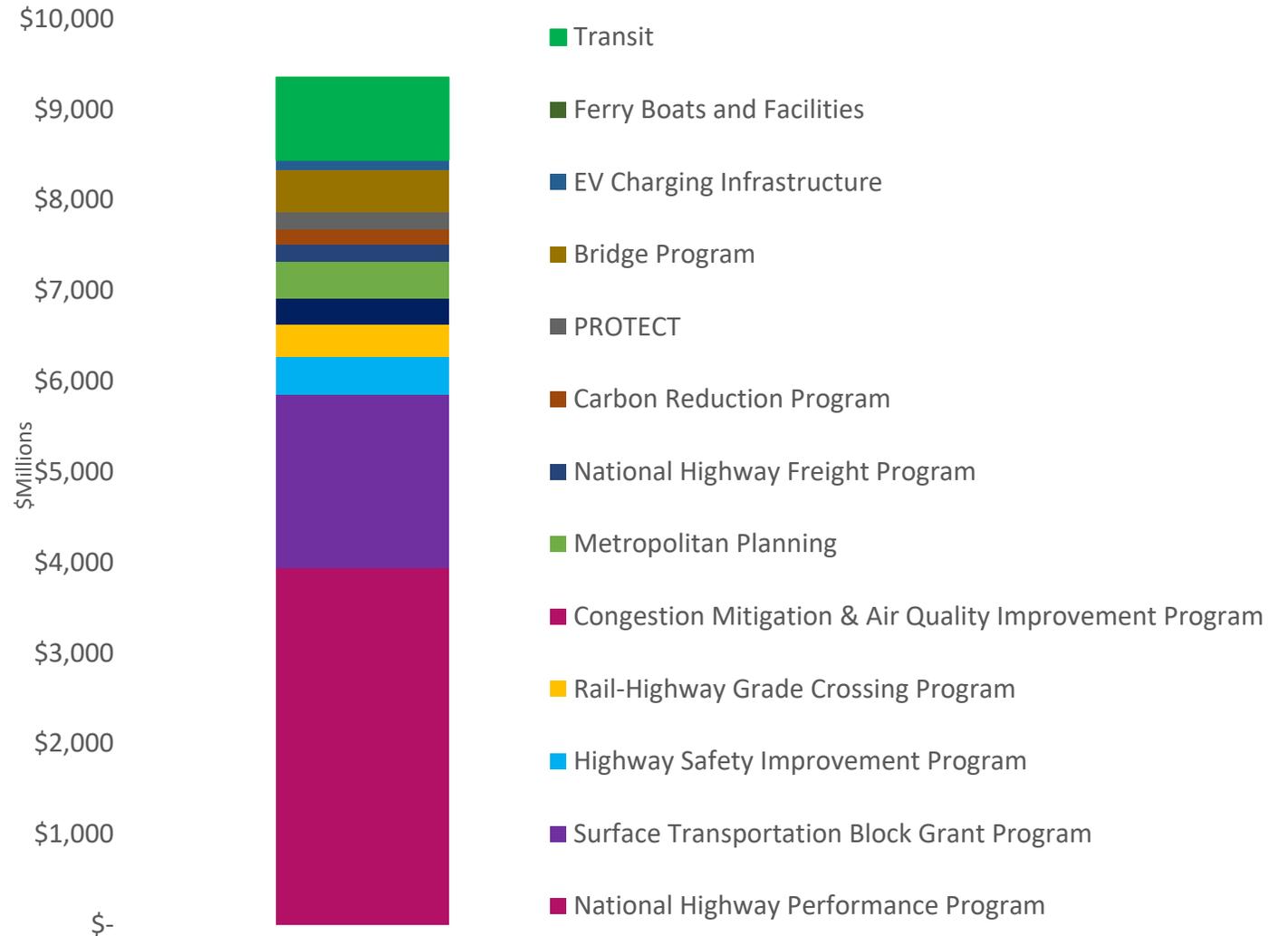


IIJA FFY 2022-26 Increased Allocations



NCDOT FFY 2022-26 Allocations

- ❖ \$8.7 billion over 5 years
- ❖ 23% increase in
 - ❖ Highway Safety Improvement Program
 - ❖ Rail-Highway Grade Crossings
 - ❖ Metropolitan Planning
- ❖ 17% increase in National Highway Performance Program
- ❖ 30% increase in transit



Note: Airport funding not included

P6.0 Funding Availability – Committed Projects Only

| Statewide Mobility | |
|--------------------|--------------------|
| Available Funding | Programming Status |
| \$8.7B | \$4.70B Over |

| Regional Impact | | |
|-----------------|-------------------|--------------------|
| Region | Available Funding | Programming Status |
| A (D1 & D4) | \$542.0M | \$325.8M Over |
| B (D2 & D3) | \$787.1M | \$525.9M Over |
| C (D5 & D6) | \$1.44B | \$627.6M Over |
| D (D7 & D9) | \$1.08B | \$635.9M Over |
| E (D8 & D10) | \$1.35B | \$1.05B Over |
| F (D11 & D12) | \$721.7M | \$578.5M Over |
| G (D13 & D14) | \$560.8M | \$1.07B Over |

REG Total: \$4.81B

| Division Needs | | |
|----------------|-------------------|--------------------|
| Division | Available Funding | Programming Status |
| 1 | \$466M | \$188.2M Over |
| 2 | \$466M | \$266.9M Over |
| 3 | \$466M | \$33.9M Over |
| 4 | \$466M | \$88.6M Under |
| 5 | \$466M | \$281.0M Over |
| 6 | \$466M | \$71.8M Over |
| 7 | \$466M | \$42.1M Over |
| 8 | \$466M | \$177.1M Over |
| 9 | \$466M | \$65.5M Over |
| 10 | \$466M | \$146.7M Over |
| 11 | \$466M | \$94.5M Over |
| 12 | \$466M | \$253.2M Over |
| 13 | \$466M | \$368.9M Over |
| 14 | \$466M | \$181.6M Over |

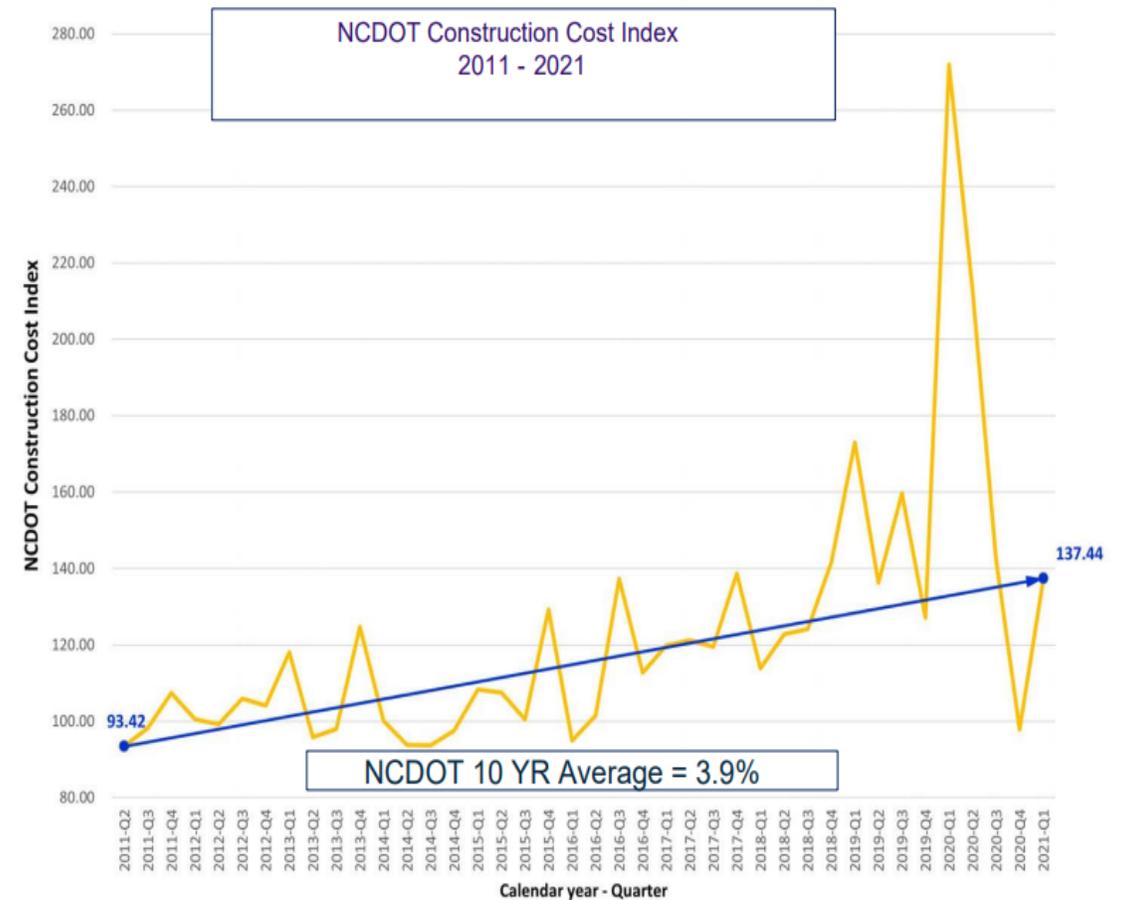
DIV Total: \$2.18B

Available funding based on 2024-2033 timeframe

As of October 19, 2021. Available Funding reflects accounting for 3% inflation. Programming Status Amounts are compared to 100% of budget.

NCDOT Process Improvements

- ❖ Leading causes are rising costs for labor, materials & right of way and internal cost estimation processes
- ❖ Solutions
 - ❖ Pause Prioritization 6.0
 - ❖ Regularly update all STIP cost estimates at 2 year minimum
 - ❖ Evaluate inflationary factor every two years to be more responsive to real world conditions
 - ❖ Refine project scope to reduce costs



Next Steps for 2024-2033 STIP

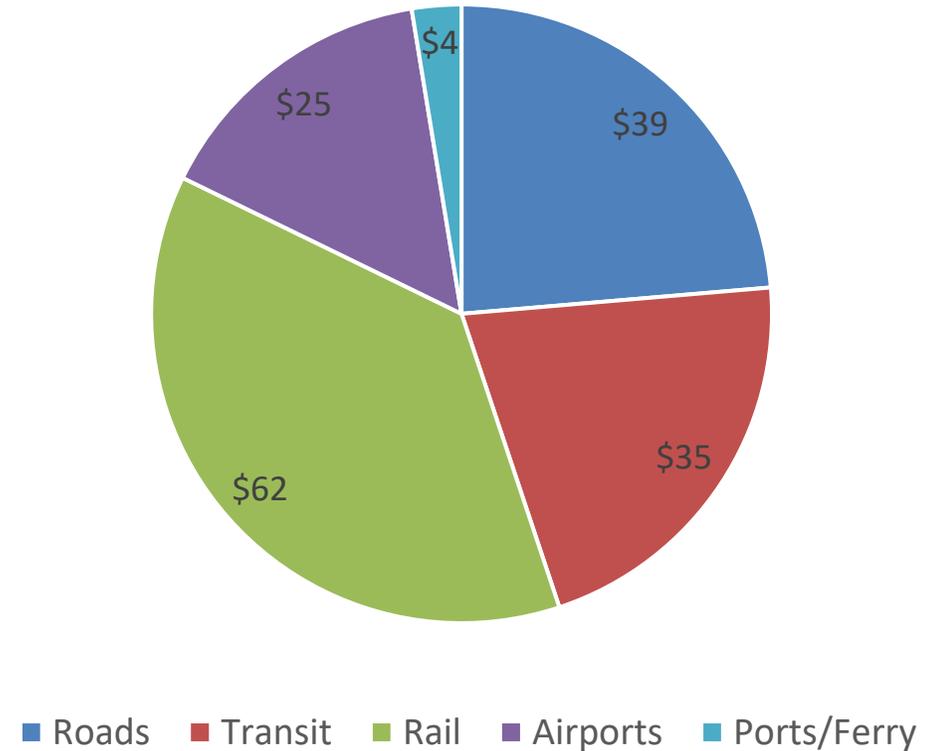
- ❖ Conducting value engineering studies and value assessments
- ❖ Examining policies for any fine-tuning that may be needed to provide a reliable, dependable STIP
- ❖ Focusing on collaboration and transparency with our partners
- ❖ Develop draft STIP for Board of Transportation review by December 2022



Opportunities for Discretionary/Competitive Grants

- ❖ Rail network grants: \$52B
- ❖ RAISE/INFRA: \$10.7B
- ❖ Bridge/Culverts: \$10.2B
- ❖ Safe Streets: \$5B
- ❖ Transit Infrastructure: \$10.2B
- ❖ Fixed Guideway \$23B
- ❖ Airports: \$25B
- ❖ EV Charging: \$2.5B
- ❖ Broadband: \$65B

\$165B



NCDOT Grant Submission Process

Establish lead contact

NCDOT will refine existing processes and appoint new grants manager to oversee selection of grant submissions

Form internal committee

Cross agency team will meet routinely to develop new processes and procedures to ensure NCDOT vigorously pursues grant opportunities using strong candidate projects

Track all opportunities

Create grants management database to track deadlines, processes, and requirements for all modal grant opportunities

Create project database

The 14 division-based Corridor Development Engineers and/or Division Planning Engineers will lead effort to identify candidate projects

Submit grants

Work proactively and collaboratively with federal, state, and private partners to submit winning grant applications

Questions?



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Q&A

