

NCDOT financial woes delay more Triangle road projects, with one exception

The Herald-Sun By Richard Stradling September 3, 2019

RALEIGH – Financial problems at the N.C. Department of Transportation will mean more delays for dozens of state highway projects in the Triangle over the next decade.

The delays will affect construction of new interchanges and additional lanes meant to better handle the growing volume of traffic, as well as repaving projects and upgrades to traffic signals. They're reflected in the latest State Transportation Improvement Program or STIP, which lays out schedules for more than 1,700 projects statewide through 2029 and is expected to be approved by the State Board of Transportation on Thursday.

A draft of the STIP released last winter already proposed delays to a dozen highway projects in the Triangle, including the conversion of Capital Boulevard into a freeway between Raleigh and Wake Forest. At the time, NCDOT officials cited several reasons for the changes, including rising prices for materials and labor and faulty estimates that didn't accurately reflect the cost of buying land in urban areas like the Triangle.

Since then, NCDOT's financial picture has gotten worse. The department has spent nearly \$300 million in the last year on cleanup and repairs following storms, including Hurricane Florence, which hit just two years after Hurricane Matthew. Meanwhile, NCDOT has spent more than \$300 million settling lawsuits related to the Map Act, a law the state used to reserve land for future roads without actually buying it. The state Supreme Court found the law unconstitutional, and NCDOT says the cost to settle individual lawsuits could top \$1 billion.

Those added expenses have forced NCDOT to delay construction projects across the state. Among the Triangle projects affected are:

- The redesign and reconstruction of the interchange where Glenwood Avenue meets the Raleigh Beltline, which would include changes to [Crabtree Valley Avenue and Ridge Road](#). At one point, NCDOT had expected to start the project this year and now doesn't expect construction to begin until 2028.
- The widening of U.S. 64 in Cary and Apex, including the conversion of intersections into interchanges, will be delayed three years, to 2025.
- The conversion of U.S. 70 into a freeway from between Lynn Road and South Miami Boulevard in Durham will be delayed 5 years, to 2025.
- The widening of Wade Avenue between the Beltline and I-40 near the PNC Arena will be delayed four years, to 2027.

U.S. 1 FREEWAY

Amid all the delays, two projects will happen sooner than planned under [the final version of the STIP](#).

Last winter, NCDOT proposed to delay turning Capital Boulevard into a freeway from Interstate 540 in Raleigh to Purnell Road on the north side of Wake Forest. Now the department has proposed to start building the first leg of the freeway, between I-540 and Durant Road, in 2022 as originally planned. That mile and a half of freeway would cost an estimated \$124.7 million.

Construction of the freeway north of Durant Road would not begin until 2024 or beyond.

Joey Hopkins, NCDOT's top engineer for the region that includes Wake County, said the department worked with regional transportation planners to juggle priorities and find a way to get at least part of the freeway built on time.

"It's a great connection from the suburban areas of the northern part of the Triangle to the jobs that are in the Wake County area," Hopkins said in an interview. "So we started looking at what we were able to do, and we were able to push that one back up to its original schedule."

Lobbying for the U.S. 1 freeway was the Regional Transportation Alliance, a program of the Greater Raleigh Chamber of Commerce. Joe Milazzo, the group's executive director, said it is pleased at least part of the project won't be delayed.

"We were very clear about what our top priority was, and others were as well, and I think the department has shown great responsiveness," Milazzo said in an interview. "We would rather have the whole thing built yesterday, but any movement that gets rid of significant stoplight delays sooner is good movement in the view of the regional business community."

The other project that was moved up is the state's role in upgrading the software for Raleigh's traffic signals, now scheduled for 2025. The new software is needed for the city's planned bus rapid transit system, which will give buses along BRT routes green lights at intersections.

So far, financial problems facing NCDOT have not affected construction projects that are already underway, including the widening of the Beltline or Interstate 40 south of Raleigh, said spokesman Steve Abbott. And some new projects are getting underway as planned, particularly those paid for with federal money or bonds issued by the state. Bobby Lewis, the department's chief operating officer, said NCDOT will likely award \$2.5 billion in contracts for construction work in the next year or so.

Still, the cutbacks have reached all areas of NCDOT, including the suspension of non-essential travel, training and purchases and a reduction in hiring. The department is also reviewing the work of more than 1,000 temporary and contract employees to see how many it can do without for a while. So far, about 500 have been laid off or are no longer working on NCDOT projects, Abbott said.

Some of the construction projects that are being delayed were in the early planning stages and may not be anticipated by the public. Others, including the Glenwood Avenue interchange near Crabtree Valley Mall and the widening of U.S. 64 in Cary and Apex, have been the subject of intense scrutiny by the public.

Hopkins, the regional engineer, says all of them have their constituencies.

"To me, trying to deliver a transportation program that helps resolve some of the growing congestion and safety issues, they all hurt," he said. "Depending on your commute or where you live, they're important to everybody."

Gov. Cooper wants more electric vehicles in NC. Will NCDOT's plan make it happen?

The Herald-Sun By Richard Stradling September 2, 2019

RALEIGH – Last fall, as part of his executive order on climate change and clean energy, Gov. Roy Cooper asked the N.C. Department of Transportation to develop a plan to significantly increase the number of zero-emission vehicles on the road in North Carolina.

Now NCDOT is seeking the public's feedback on its plan to promote electric cars and trucks before it goes to the governor on Oct. 1. The state has posted the plan at www.ncdot.gov/initiatives-policies/environmental/climate-change/Pages/electric-vehicles.aspx and will accept comments through Friday, Sept. 6.

The plan lays out several strategies for increasing the number of electric vehicles registered in North Carolina from about 6,000 last fall to 80,000 by 2025. Cooper set the goal as part of a broader effort to reduce North Carolina's greenhouse gas emissions to 40 percent below 2005 levels by 2025 and to promote clean energy technologies and businesses in the state.

The electric vehicle strategies fall into four areas:

- Education: Help potential buyers and sellers of electric vehicles, including the public, dealerships and fleet owners, understand what's available, what it costs to buy and operate and the options for charging.
- Convenience: Help make it easier to charge an electric vehicle, by increasing the availability of charging stations and making sure drivers can find them.
- Affordability: Help reduce the costs of buying an electric vehicle, possibly through financial incentives and by helping to develop a market for used electric cars and trucks.
- Policy: Adopt government policies that promote the use of electric vehicles and revise or remove those that discourage it.

NCDOT says more than 1,200 individuals and organizations helped craft the plan, including local governments, environmental groups, university researchers, utility companies and automakers such as Tesla and Nissan.

It appears that North Carolina will have help from manufacturers in persuading people to switch to electric vehicles in the coming years. Automakers in Europe, Asia and North America are developing new electric models; GM, which says it envisions an "all-electric future," says it plans to introduce 20 by 2023. Even Harley Davidson has gone electric, [introducing the LiveWire](#) electric motorcycle this year.

Lawsuit settlement clears way for DOT to finish NC 540 loop

WRAL.com By Matthew Burns August 22, 2019

RALEIGH, N.C. — The state Department of Transportation and environmental groups said Thursday that they have settled a lawsuit holding up completion of the N.C. Highway 540 toll road in southern Wake County.

The agreement between the DOT and Sound Rivers Inc., the Center for Biological Diversity and Clean Air Carolina means the state can proceed with final permitting and project financing for the highway, known as the Triangle Expressway Southeast Extension.

Construction on the southeastern portion of N.C. 540 has been held up for years by environmental concerns, including an endangered mussel that forced state transportation officials to look at various alternative routes.

[Map of final N.C. 540 toll road route](#)

"This agreement is a win for North Carolina," Transportation Secretary Jim Trogdon said in a statement. "Instead of fighting in court, we negotiated a settlement that saves time and money while it protects and preserves some of this region's most beautiful natural areas."

The agreement, which will be implemented during the next several years, includes the following provisions:

The DOT will take steps to reduce emissions from construction equipment, conduct greenhouse gas analyses as part of major project studies in North Carolina and focus on strategies and tools to reduce vehicle miles traveled and vehicular emissions across the state.

The agency will help enhance the water quality of critical streams and rivers in the project area by implementing additional protections, providing more stream mitigation and restoration, conducting research and developing new

stormwater design guidelines. The department also will help Johnston County improve its stormwater management program.

The DOT will set aside funds to assist in Wake County's goals to preserve open space for the benefit of the community.

The department will provide environmental work to protect streams, restore wildlife habitat and provide a lifeline for some of North Carolina's rarest and most endangered aquatic species.

"This unprecedented agreement will be a game-changer for many of the most important environmental issues in our state," Kym Hunter, senior attorney with the Southern Environmental Law Center, which represented the three conservation groups, said in a statement. "This agreement sets in place critical protections for the Neuse River watershed, preserves beautiful open space in Wake County, provides a lifeline for some of the state's rarest and most endangered aquatic species and creates important new mechanisms for combating climate change."

DOT: Why more drivers are using the Triangle Expressway

The settlement means that three environmental groups will end a federal lawsuit filed last year and claims in the North Carolina Office of Administrative Hearings filed early this year related to the environmental process and impacts of the construction of N.C. 540. In addition to the DOT, the Federal Highway Administration, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service were defendants in the federal lawsuit and the state Division of Water Resources was a defendant in the state action.

The state has already awarded contracts to build the six-lane highway from east of Pierce Olive Road, near Holly Springs, to east of U.S. Highway 401 and from there to Interstate 40.

A third contract to design and build a segment of the highway between the N.C. Highway 55 Bypass in Apex and Pierce Olive Road is expected to be awarded later this year.

Construction could begin late this year, and the project is expected to open to traffic in 2023, officials said.

Work on the stretch between I-40 and U.S. Highway 264 in Knightdale wouldn't start until 2027, officials said last year.

NCDOT to lay off hundreds of workers, as storms, lawsuits sap its budget

The Herald-Sun By Richard Stradling August 13, 2019

RALEIGH -- The N.C. Department of Transportation plans to lay off hundreds of temporary and contractual workers statewide to help cover the costs of repairing roads damaged by hurricanes and other harsh weather and to settle lawsuits related to a 30-year-old law that was declared unconstitutional.

The layoffs will hit a wide variety of workers, including laborers who patch pot holes, inspectors on construction sites and contractors who review highway plans. The exact number was not clear Tuesday, but Bobby Lewis, NCDOT's chief operating officer, said the department is reviewing more than 1,000 positions to see which ones it can do without for a while.

"We're looking at any temporary workers that are not absolutely essential for critical activities," Lewis said in an interview late Tuesday.

He said it's not clear yet how much the department will save, but said NCDOT considers the layoffs temporary. He said the department hopes to rehire some or all of the affected workers next year.

Lewis said some workers have been notified, but that decisions about some of the layoffs have not been made yet.

MAP ACT SETTLEMENTS

The move is a response to two unusual types of expenses that are drawing down the department's budget.

The first is cleanup and repair to roads, culverts and bridges following a spate of storms, including hurricanes Matthew in 2016 and Florence last fall. In more than a decade before Matthew, NCDOT averaged about \$65 million a year in weather-related expenses, due to hurricanes, flash floods, rock slides and snow and ice, Lewis said.

In the last three years, that number has grown to more than \$225 million a year, he said, including \$300 million in the last year alone.

Those costs come at a time when the NCDOT is settling hundreds of lawsuits related to the Map Act, a law that allowed the state to reserve land where it planned to someday build a road to prevent the owners from developing it.

But in several cases, decades passed without the state buying the property, leaving owners with land they couldn't develop and struggled to sell. Hundreds sued the state, and the state Supreme Court eventually declared the Map Act an illegal taking of private property by the government.

Now, as NCDOT settles with the individual owners, it not only must pay for their property but also legal fees and damages for the lost value of the property over the years. Lewis said NCDOT has spent \$311 million settling Map Act cases so far, and that the final cost could exceed \$1 billion.

Lewis said NCDOT has taken other steps to save money, including delaying property purchases or doing engineering work for projects that aren't scheduled to get started for a few years. Next month, the state Board of Transportation is expected to approve a 10-year plan that further delays dozens of projects, including the widening of Wade Avenue near the PNC Arena and the widening of N.C. 147 between I-40 and the East End Connector in Durham.

For now, Lewis said he doesn't anticipate delays to projects already under construction, including the widening of the Raleigh Beltline and an 11-mile stretch of Interstate 40 in Wake and Johnston counties.

Large parts of NCDOT's budget, including federal grants and money it borrows by issuing bonds, must be spent on construction projects. So even as it lays off workers, Lewis said he expects the department will award contracts worth \$2.5 billion related to construction work in the next year or so.

NCDOT FUNDING SOURCES

Unlike other state departments, NCDOT doesn't receive money from the state's general fund. Its problems are not tied to the new fiscal year's budget, which has yet to be approved this summer by the legislature and governor. Instead, the department's \$5 billion budget comes primarily from state and federal gas taxes, Division of Motor Vehicles fees and taxes on the sale of cars and trucks.

Lewis said it's too late to seek help from the General Assembly this year but that assistance would be welcome in the future. Last week, a Board of Transportation member suggested the legislature might want to create a rainy day fund to help NCDOT pay for unusual storm-related expenses when they happen.

"Certainly, things like that would help," Lewis said. "We're just trying to control what we can control."

The layoffs will come from the operations and maintenance side of the budget. Lewis said the department will put a priority on fixing safety hazards and that he hopes the public won't notice a decline in the condition of the state's roads.

"We're going be safety first," he said. "But as an engineer, I certainly get worried about lack of effort on operations and maintenance. Less of the preventive stuff we do today will just cost us more in time."