

**2017**

# Transportation Innovation Act and Build Nebraska Act

**NEBRASKA**

Good Life. Great Journey.

DEPARTMENT OF TRANSPORTATION



Construction on the Nebraska City project.

Pete Ricketts  
Governor

Kyle Schneweis, P.E.  
Director

## Executive Summary

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Together the Transportation Innovation Act and the Build Nebraska Act have allowed the Nebraska Department of Transportation to plan for the future, while preserving the state's transportation network. These strategic investments help expedite planning, development and construction for a 21st Century Infrastructure. The tools and funding that resulted from the Transportation Innovation Act and Build Nebraska Act are vital to Nebraska's continued quality of life and economic growth.

# Build Nebraska Act – First 10 Years

Enacted in 2011, the Build Nebraska Act (BNA) dedicated ¼ of one percent of sales tax receipts for expansion of the Expressway System, federally designated High Priority Corridors, and preservation of the existing transportation system.

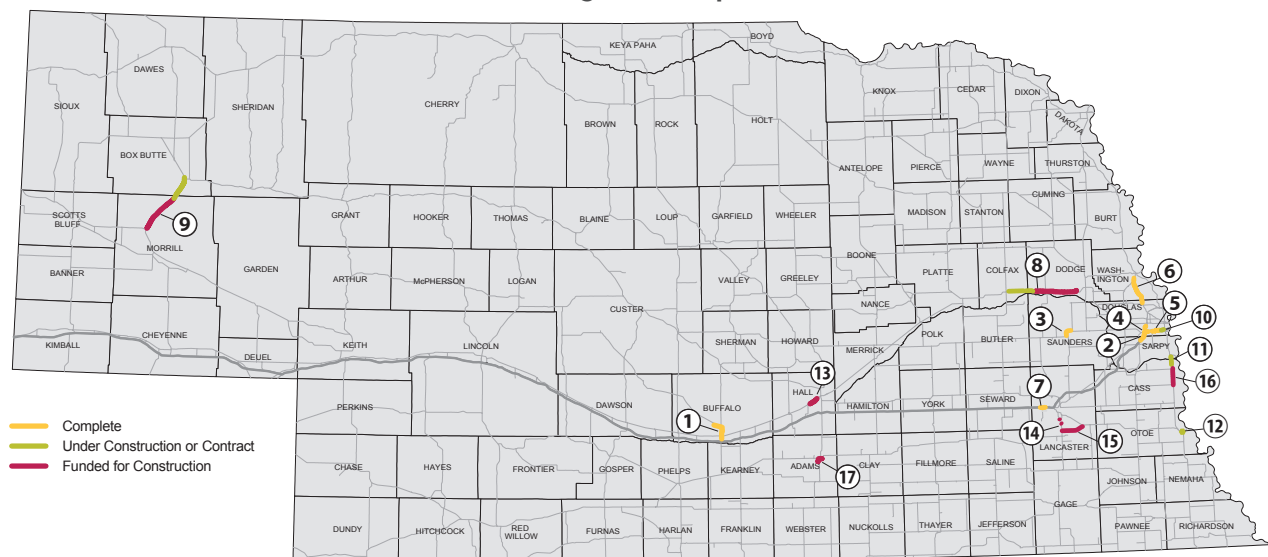
## Revenue

This Act dedicated 85 percent of the revenue generated towards Nebraska Department of Transportation (NDOT) projects and 15 percent towards local roads and streets. Revenue became available in fall of 2013, and is on track to generate an estimated \$1.2 billion for NDOT before its sunset in June 2033.

## Programs and Progress

In November of 2011, NDOT announced approximately \$600 million in investments to expand 17 expressway, interstate or national high priority corridors. To date, seven of these corridors are complete, the remaining are under construction or funded for construction and on track for completion. Project details are available at [dot.nebraska.gov/projects/tia/cap-improve/](http://dot.nebraska.gov/projects/tia/cap-improve/).

Progress Map



Complete		Estimate (millions)	Under Construction or Contract		Estimate (millions)	Funded for Construction		Estimate (millions)
①	N-10 Kearney East Bypass 4-Lane Divided Highway	\$50	⑧	US-30 Schuyler to Fremont 4-Lane Divided Expressway	\$170	⑬	US-30/281 West Grand Island 4-Lane Divided Expressway	\$31
②	I-80 126th to 96th, Omaha Additional Lane, EB	\$12	⑨	US-385 L62A to Alliance 4-Lane Divided Highway	\$63	⑭	US-77 Lincoln West Beltway Interchanges at Warlick Blvd. & Pioneers Blvd.	\$25
③	US-77 Wahoo Bypass 4-Lane Divided Highway	\$22	⑩	I-80 24th to 13th, Omaha Additional Lane, EB & WB	\$21	⑮	N-2 Lincoln South Beltway 4-Lane Divided Expressway on New Alignment	\$300
④	I-680 Center to Pacific St., Omaha Additional Lane, NB	\$5	⑪	US-75 Plattsmouth to Bellevue (North of Platte River) 4-Lane Divided Expressway	\$41	⑯	US-34\US-75 Murray to Plattsmouth 4-Lane Divided Expressway	\$43
⑤	I-80 60th to 24th, Omaha Additional Lane, WB	\$9	⑫	US-75 Nebraska City Southeast Interchange Reconstruction	\$31	⑰	US-6 Hastings Southeast 5-Lane Urban Highway	\$28
⑥	N-133 Blair to Omaha 4-Lane Divided Highway	\$36						
⑦	I-80 NW 56th to US-77, Lincoln 6-Lane Reconstruction	\$43						

# Transportation Innovation Act

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Enacted in April 2016, the Transportation Innovation Act (TIA) provided NDOT with new revenue, programs and tools to increase mobility, freight, economic growth and safety in Nebraska. The purpose of TIA is to accelerate highway capital improvement, promote innovative solutions for deficient county bridges, and help finance transportation improvements that connect new and growing businesses.

## Revenue

The TIA legislation resulted in a total allocation of \$450 million for targeted infrastructure investment. The TIA legislation created the Transportation Infrastructure Bank (TIB) that received a one-time transfer of \$50 million from the Cash Reserve Fund in 2016. The TIB receives annual revenue from fuel taxes generated by the LB 610 (2015). The fuel tax revenue is projected to generate \$400 million for infrastructure investment prior to the 2033 sunset of the TIB.

## Programs and Progress

Three programs were created by TIA. Each program contains needed tools to better support the continued development of a robust statewide transportation system.

## Accelerated State Highway Capital Improvement Program

### Overview

This program is focused on fast-tracking completion of Nebraska's 600-mile Expressway System by 2033. Until the TIA bill was passed, several stretches of the expressway remained unfunded including stretches of U.S. Highway 275 between Omaha and Norfolk, U.S. Highways 75/34 between Omaha and Nebraska City, and U.S. Highway 77 between Wahoo and Fremont.

This legislation also authorized the use of alternative contracting methods never before allowed in Nebraska. The Design-Build process will help expedite the delivery process of the state's largest capital improvement projects, allowing completion dates to come two to four years sooner than traditional Design-Bid-Build methods.

### Progress

#### New Selections

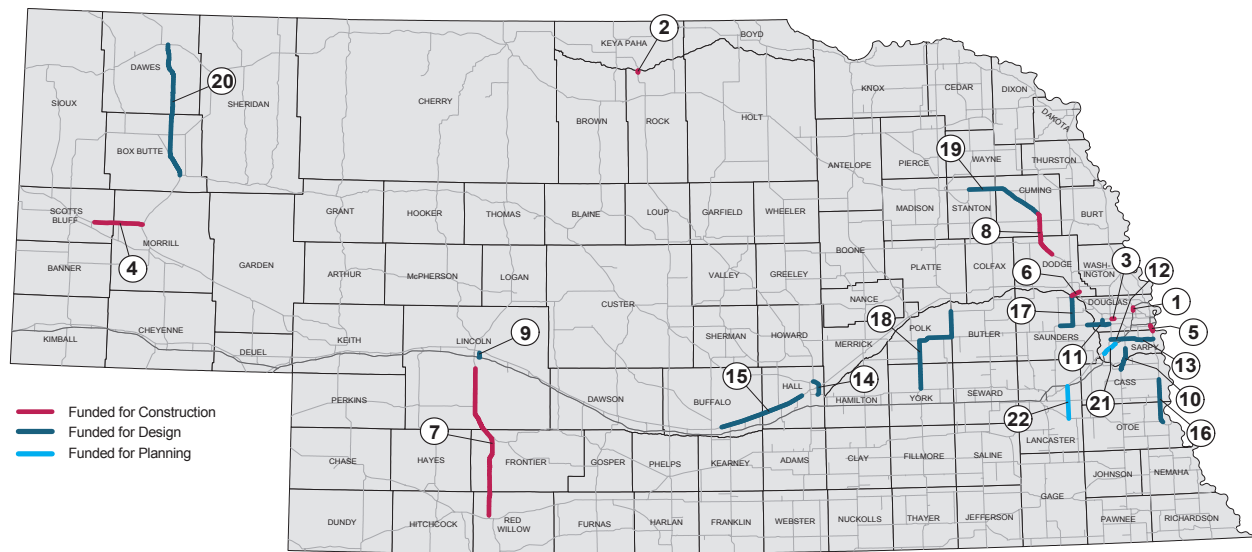
In the summer of 2016, NDOT rewrote the book on Capital Improvement selection. A listening campaign and new selection process known as StEEP (Stakeholder.Engineering.Economics.Priorities) was used to prioritize candidate projects that reflect the connection between transportation investments and the economy, and also recognizes local buy-in from communities. More than 2,000 Nebraskans participated in the process that identified more than \$8 billion in potential transportation projects for funding consideration. Candidate projects were evaluated for their economic and engineering performance and given an overall performance score. Projects were selected based on performance scores and other important considerations, such as geographic inclusion, progress on Expressway and High Priority Corridors, Interstate and Expressway connectivity, and available supplemental funding.



In September 2016, NDOT announced that 100 percent of the Expressway System is either complete, under construction, or funded for construction or design. The StEEP selection process resulted in a \$300 million investment in eight construction projects, twelve design projects and the planning of two more. These selections are funded by a combination of the BNA Next 10 Years and the TIA projected revenues anticipated by 2033. The investments will improve safety on our highways, promote economic growth throughout the state, and fulfill the 1988 vision to expand Nebraska's Expressway System.

## New Selections

Locations Selected for Construction, Design and Planning  
in the Next 10 Years of the Build Nebraska Act and the Transportation Innovation Act



### Funded for Construction

Project Number	Description	Estimate (millions)
①	I-680 Fort St. to Irvington St. 6-Lane Reconstruction	\$29
②	N-7 Bassett to Springview Modernization	\$10
③	US-6 192nd & West Dodge Rd., Omaha Interchange Reconstruction	\$17
④	US-26 Minatare to US-385 4-Lane Divided Highway	\$60
⑤	US-75 Chandler Road, Northbound Additional Lane, NB	\$10
⑥	US-77 Fremont Southeast Beltway 4-Lane Divided Expressway	\$40
⑦	US-83 McCook to North Platte Super 2	\$60
⑧	US-275 Scribner to West Point 4-Lane Divided Expressway	\$109

### Funded for Design

⑨	I-80 Newberry Interchange & L56G to US-30 Modified Interchange & 4-Lane Construction
⑩	N-50 Louisville to Springfield 4-Lane Divided Highway
⑪	N-92 Yutan East Corridor 4-Lane Divided Highway
⑫	N-370 Gretna East to I-80 6-Lane Reconstruction
⑬	N-370 I-80 to Bellevue 6-Lane Reconstruction
⑭	US-30 Grand Island East Bypass 4-Lane Divided Highway
⑮	US-30 Kearney to Grand Island Super 2
⑯	US-75 Nebraska City to Murray 4-Lane Divided Expressway

⑰	US-77 Wahoo to Fremont 4-Lane Divided Expressway
⑱	US-81 York North 4-Lane Divided Expressway
⑲	US-275 West Point to West of Pilger 4-Lane Divided Expressway
⑳	US-385 Alliance to Chadron Super 2

### Funded for Planning

⑳	I-80 New Interchange(s), Omaha New Interchange(s)
㉑	New Lincoln East Beltway 4-Lane Divided Highway

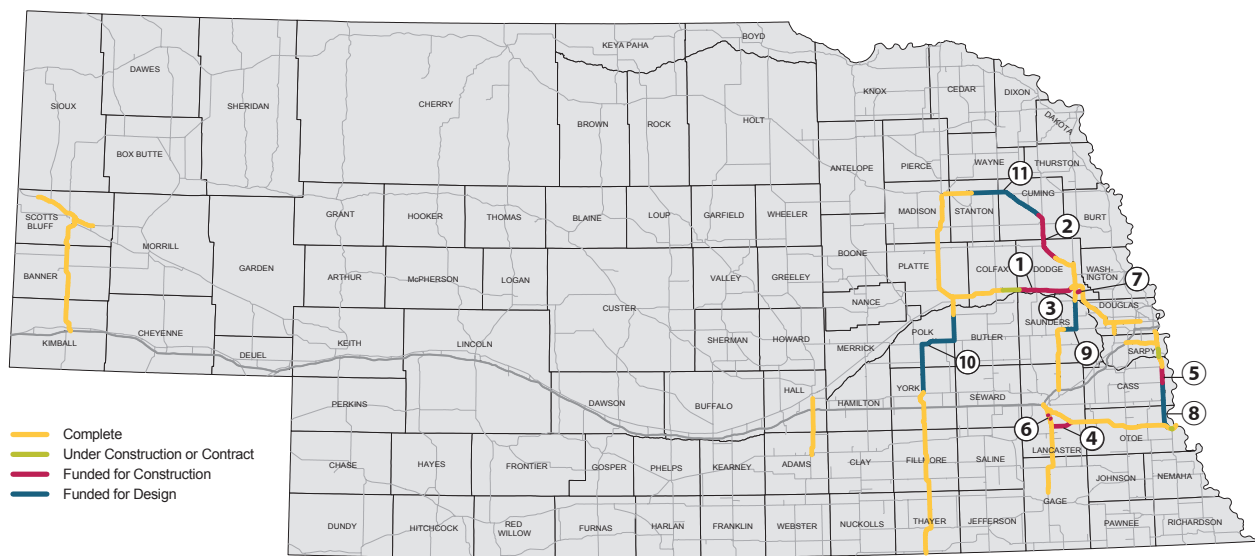
## Expressway System

In 1988, the Legislature placed into law the creation of an Expressway System. The first needs analysis presented by NDOT in December 1988 identified the highways to be included. The Nebraska Expressway System was expanded to encompass 16 corridors of approximately 600 miles, based on:

- **Socioeconomic data:** Employment data, population and demographic trends, economic activity as based on sales tax revenue agricultural production
- **Connecting Urban Centers to the Interstate:** Population over 15,000
- **Serve Commercial Traffic:** More than 500 trucks traveled on average daily
- **Continuity Between Expressway Segments**

NDOT has completed approximately 70 percent of the Expressway System expansion. The rest of the Expressway System is either currently under construction or is funded for construction, design or planning.

### Original Nebraska Expressway System (1988) Progress Map



### Incomplete Expressway Segments

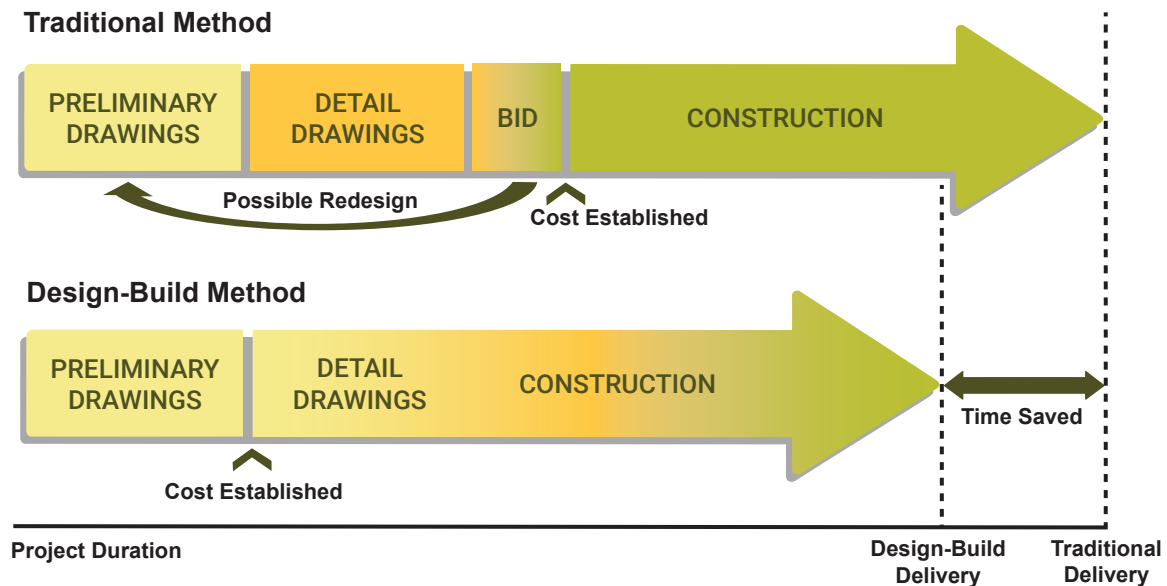
<b>Funded for Construction</b>		Estimate (millions)	Estimated Construction Start	<b>Funded for Design</b>		
				<b>Construction Estimated to Start 2024-2033</b>		
①	US-30 Rogers to North Bend 4-Lane Divided Expressway on New Alignment	\$53	2018	⑧	US-75 Nebraska City to Murray 4-Lane Divided Expressway	\$79
②	US-275 Scribner to West Point 4-Lane Divided Expressway	\$109	2019	⑨	US-77 Wahoo to Fremont 4-Lane Divided Expressway	\$68
③	US-30 North Bend to Fremont 4-Lane Divided Expressway on New Alignment	\$83	2019-2023	⑩	US-81 York to Columbus 4-Lane Divided Expressway	\$214
④	N-2 Lincoln South Beltway 4-Lane Divided Expressway on New Alignment	\$300	2019-2023	⑪	US-275 West Point to West of Pilger 4-Lane Divided Expressway	\$152
⑤	US-34/US-75 Murray to Plattsmouth 4-Lane Divided Expressway	\$43	2019-2023			
⑥	US-77 Lincoln West Beltway Interchanges at Warlick Blvd. & Pioneers Blvd.	\$25	2019-2023			
⑦	US-77 Fremont Southeast Beltway 4-Lane Divided Expressway on New Alignment	\$40	2024			

## Alternative Contracting

### Nebraska's First Design-Build Project is Underway

The first project selected for the Design-Build accelerated project delivery method is the four-lane expansion of Highway 275 Expressway between Scribner and West Point. This 25-mile segment will support development in the area and improve connectivity to I-80 and I-29.

The project is in the preliminary engineering, environmental permitting and right-of-way acquisition phase of development. Much of the work done so far has been to determine the best alignment for the roadway to be constructed. The new roadway around Scribner will perform as the levee to protect the town from flood events, therefore, careful consideration of the impacts to the environment are important. The Request for Qualifications (RFQ) for Design-Build contractors closed in November 2017. NDOT will shortlist up to three firms to submit proposals in the Request for Proposal (RFP) phase. The RFP for shortlisted contractors will be available in draft form for industry review in January 2018. Construction is anticipated to begin in the summer of 2019.



# County Bridge Match Program

## Overview

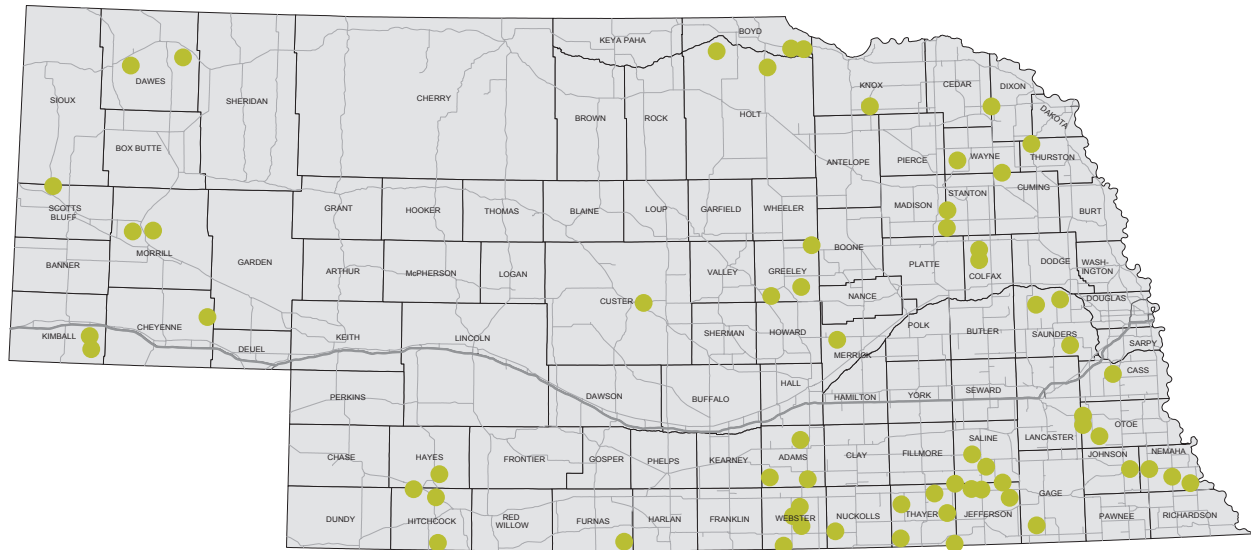
The County Bridge Match Program (CBMP) is an example of NDOT's commitment to working with local municipalities to address transportation concerns of the system statewide. CBMP allocates up to \$40 million from the TIB for the innovative replacement and repair of structurally deficient bridges on county roads. CBMP awards will fund 55 percent of the bridge construction costs, up to \$150,000 for each bridge. The program will sunset in 2023.

A working group of NDOT and county officials developed the selection criteria and program details, which are available at [dot.nebraska.gov/projects/tia/bridge-match/](https://dot.nebraska.gov/projects/tia/bridge-match/).

Eligible bridges are:

- Structurally deficient
- Greater than 20 feet long
- Located on a roadway classified as a local road or above (minimum maintenance roads are excluded)

## Bridges Funded for Construction





## Progress

- In October 2016, selection criteria and initial Request for Proposals (RFP) for the first round was announced.
  - 61 counties submitted 80 proposals with 12 being multi-county proposals
- In January 2017, 22 proposals were selected for a total initial award of \$4 million.
  - The list of selected bridges is available at [dot.nebraska.gov/media/6964/cbmp-selected-bridge-sites.pdf](http://dot.nebraska.gov/media/6964/cbmp-selected-bridge-sites.pdf)
  - Selected proposals will replace or remove 68 bridges in 32 counties
  - Construction is complete on seven of the selected bridges
  - All initially selected bridges must be constructed by December 31, 2018
  - The \$4 million investment generated at least \$7 million in construction
- In October 2017, NDOT issued the RFP for the second round of candidates.
- Proposals are due in December 2017.
- New awards will be announced in January 2018.

Program innovations implemented thus far include:

- Cooperation between multiple counties
- Bundling of multiple bridges on a contract
- Construction with county forces
- Replace bridges with multiple culvert pipes
- Accelerated construction with precast concrete deck panels



Government and construction officials look over plans at the site of the first County Bridge Match Program project located near Broken Bow.

## Economic Opportunity Program

### Overview

The Economic Opportunity Program (EOP) targets transportation projects that connect new or expanded businesses to Nebraska's multimodal transportation network, with the goal of creating jobs and private investment in Nebraska. This TIA Program is being led by NDOT with assistance from the Nebraska Department of Economic Development (NDED) and a working group of economic developers, representatives from private industry, and an elected official.

Program criteria includes:

- Projects must show a clear need for transportation improvements that enhance economic prosperity within the State of Nebraska.
- Projects must lead either to immediate creation or to retention of permanent, high quality, private sector jobs, or to new private capital investment in Nebraska.
- Only local public entities (e.g. Nebraska cities, counties, or Metropolitan Planning Organizations) can apply for EOP funding, but NDOT encourages supporting participation by private sector beneficiaries.
- Recipients must provide matching funds equal to at least 25 percent of eligible project costs.
- Recipients are responsible for ensuring that funds are used only for projects that meet EOP Program goals. Funds used in projects that do not meet those goals will be subject to repayment to the NDOT.
- Complete program guidelines can be found at [dot.nebraska.gov/projects/tia/eco-opp/](http://dot.nebraska.gov/projects/tia/eco-opp/).

### Progress

At least 15 projects have shown initial interest in the EOP since its launch in December 2016. Nebraska Department of Transportation and Department of Economic Development (NDED) have held monthly panel meetings to discuss and assess applicants for the EOP. Each project that meets the program guidelines submits an application. For each completed application, NDED performs an economic analysis to determine the impacts of the proposed project.

The first project awarded EOP funding is in Merrick County, where Preferred Popcorn LLC has committed to a nearly \$6 million expansion of their business activities. Merrick County and NDOT will divide the cost of paving 1.25 miles of gravel on Merrick County Road 9 between US-30 and the Preferred Popcorn facility. NDOT will fund up to \$500,000 of the project based on a 50/50 cost share agreement. The company's manufacturing facility expansion is expected to have an economic output of almost \$9 million. Approximately \$13 million of economic output is projected in Nebraska, during the first year of expanded operation. The expansion will create at least 10 new full time jobs, paying an anticipated \$290,000 in wages.





Governor Pete Ricketts spoke at the Preferred Popcorn facility's groundbreaking ceremony held in August.



A group tours the new Preferred Popcorn facility after the groundbreaking ceremony in August.



# NDOT Mission Statement

*We provide the best possible statewide transportation system for the movement of people and goods.*



Sam Harmer, former NDOT employee, attends ribbon-cutting ceremony on Hwy. 133 south of Blair, held in July.



Lincoln South Beltway Public Hearing at Sesostri Shrine Center.



The bridge construction crew, representatives from the NDOT (including Director Kyle Schneweis, center), Governor Pete Ricketts, and other officials at the site of the first project for the County Bridge Match Program near Broken Bow.