

Build Nebraska Act and Transportation Innovation Act

2020



Pete Ricketts, Governor
Moe Jamshidi, P.E., Interim Director

EXECUTIVE SUMMARY

Together the Build Nebraska Act and the Transportation Innovation Act allow the Nebraska Department of Transportation (NDOT) to support the economic vitality of the State by maintaining and expanding our transportation network. These pieces of legislation enable the NDOT to strategically plan for the future while also expediting planning, development and construction for a 21st Century Infrastructure System.

The tools and funding that resulted from the Build Nebraska Act and the Transportation Innovation Act are vital to maintaining Nebraska's quality of life and economic growth.

BUILD NEBRASKA ACT - FIRST 10 YEARS

Enacted in 2011, the Build Nebraska Act (BNA) dedicated one-quarter of 1 percent of sales tax receipts for expansion of the Expressway System, federally designated High Priority Corridors, and preservation of the existing transportation system.

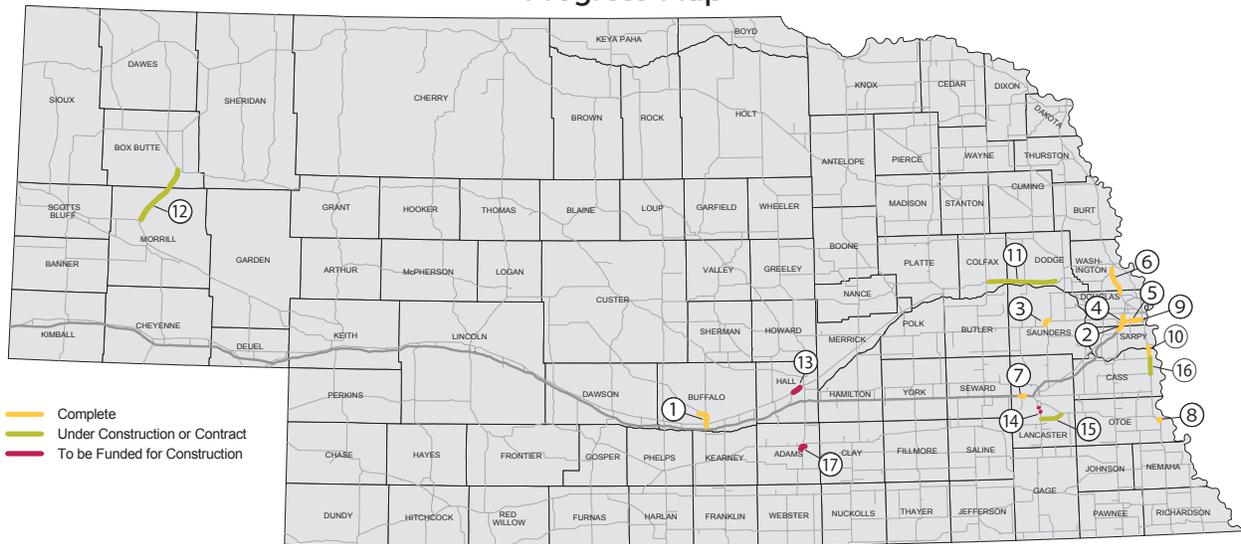
REVENUE

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

PROGRAMS AND PROGRESS

In November 2011, NDOT announced approximately \$600 million in investments to expand 17 expressway, interstate or national High Priority Corridors. To date, 14 portions of these 17 locations 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/.

Progress Map



Complete	Estimate (millions)	Complete (cont'd.)	Estimate (millions)	Under Construction or Contract (cont'd.)	Estimate (millions)
① N-10 Kearney East Bypass 4-Lane Divided Highway	\$50	⑧ US-75 Nebraska City Southeast Interchange Reconstruction	\$30	⑮ N-2 Lincoln South Beltway 4-Lane Divided Expressway on New Alignment	\$352
② I-80 126th to 96th, Omaha Additional Lane, EB	\$12	⑨ I-80 24th to 13th, Omaha Additional Lane, EB & WB	\$21	⑯ US-34\US-75 Murray to Plattsmouth 4-Lane Divided Expressway	\$46
③ US-77 Wahoo Bypass 4-Lane Divided Highway	\$22	⑩ US-75 Plattsmouth to Bellevue (North of Platte River) 4-Lane Divided Expressway	\$44		
④ I-680 Center to Pacific St., Omaha, Additional Lane, NB	\$5			To be Funded for Construction	Estimate (millions)
⑤ I-80 60th to 24th, Omaha Additional Lane, WB	\$9	Under Construction or Contract	Estimate (millions)	⑬ US-30/281 West Grand Island 4-Lane Divided Expressway	\$34
⑥ N-133 Blair to Omaha 4-Lane Divided Highway	\$36	⑪ US-30 Schuyler to Fremont 4-Lane Divided Expressway	\$172	⑭ US-77 Lincoln West Beltway Interchanges at Warlick Blvd. & Pioneers Blvd.	\$40
⑦ I-80 NW 56th to US-77, Lincoln 6-Lane Reconstruction	\$43	⑫ US-385 L62A to Alliance 4-Lane Divided Highway	\$86	⑰ US-6 Hastings Southeast 5-Lane Urban Highway	\$39

TRANSPORTATION INNOVATION ACT

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 support 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 TIA. The fuel-tax revenue is projected to generate \$400 million for infrastructure investment prior to 2033.

PROGRAMS AND PROCESS

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

The Accelerated State Highway Capital Improvement Program is focused on fast-tracking completion of Nebraska's 600-mile Expressway System by 2033. Investments from the TIA and BNA have allowed the state to make progress towards building a 21st century transportation system that improves mobility and supports economic development.

The legislation also authorized the use of alternative contracting methods to expedite the delivery process of the state's largest capital improvement projects. Design-Build and Construction Manager/General Contractor (CMGC) methods streamline processes to provide the earliest possible mobility, freight, safety and economic benefits to the public.

PROGRESS

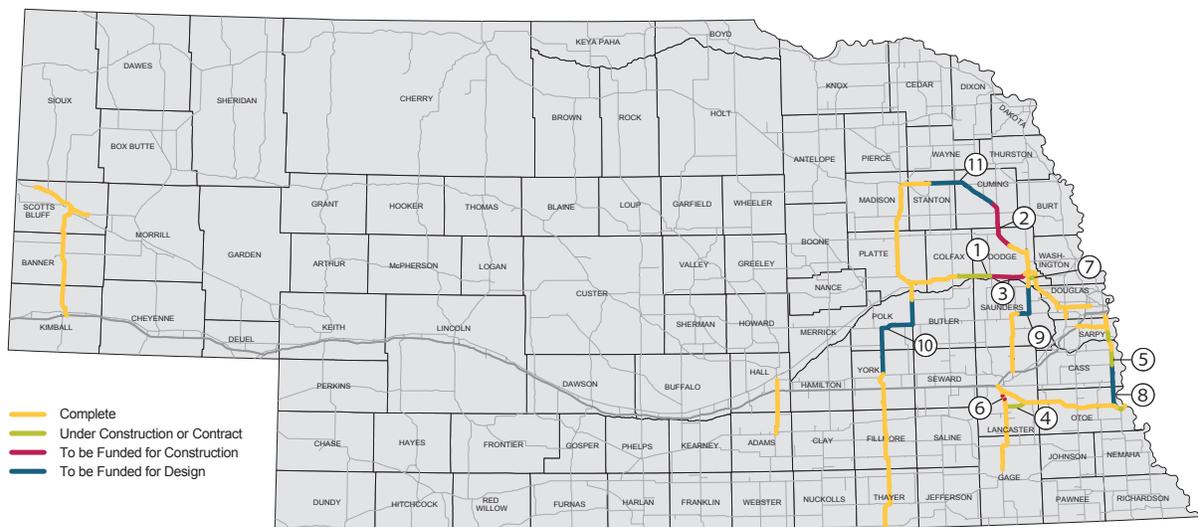
Expressway System

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



Under Construction or Contract		Estimate (millions)	Estimated Construction Start	To be Funded for Design Construction Estimated to Start 2027-2033		Estimate (millions)
①	US-30 Schuyler to North Bend, 4-Lane Divided Expressway on new Alignment	\$92	2018	⑧	US-75 Nebraska City to Murray 4-Lane Divided Expressway	\$79
④	N-2 Lincoln South Beltway 4-Lane Divided Expressway on New Alignment	\$352	2020	⑨	US-77 Wahoo to Fremont 4-Lane Divided Expressway	\$68
⑤	US-34/US-75 Murray to Plattsmouth 4-Lane Divided Expressway	\$46	2021	⑩	US-81 York to Columbus 4-Lane Divided Expressway	\$214
⑦	US-77 Fremont Southeast Beltway 4-Lane Divided Expressway on New Alignment	\$75	2020	⑪	US-275 West Point to West of Pilger 4-Lane Divided Expressway	\$152
To be Funded for Construction						
②	US-275 Scribner to West Point 4-Lane Divided Expressway	\$120	2021			
③	US-30 North Bend to Fremont 4-Lane Divided Expressway on New Alignment	\$80	2021			
⑥	US-77 Lincoln West Beltway Interchanges at Warlick Blvd. &	\$40	2024-2026			

2016 Selections

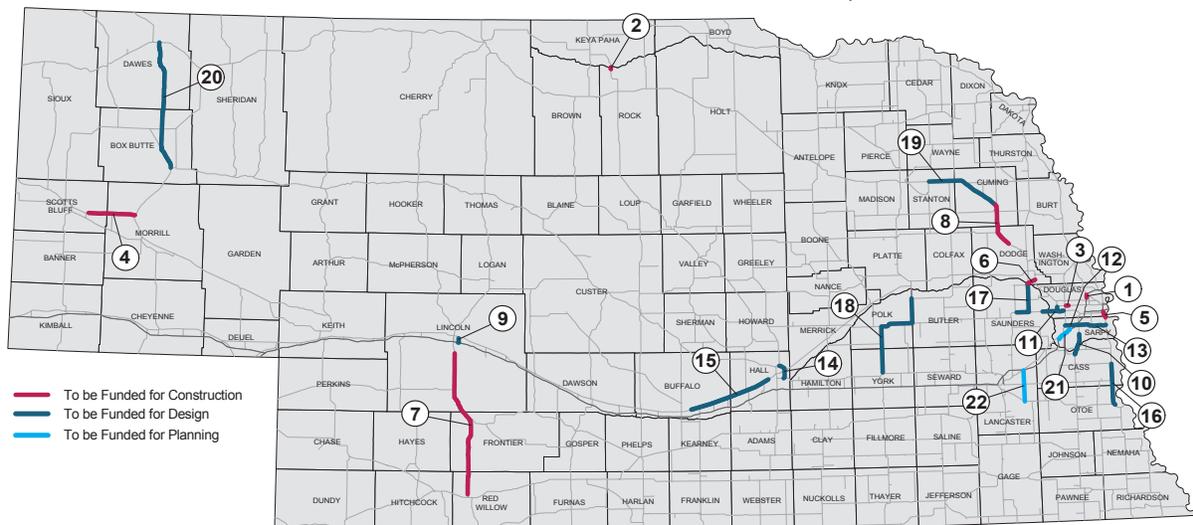
In the summer of 2016, NDOT rewrote the book on Capital Improvement selection. The new selection process, StEEP (Stakeholder.Engineering. Economics.Priorities.), incorporated a listening campaign that emphasized public input. StEEP was used to prioritize candidate projects that reflect the connection between transportation investments and the economy. 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.

The StEEP selection process resulted in a \$300 million investment in eight construction projects, 12 design projects and the planning of two more. These selections were 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.

In September 2016, NDOT announced that 100 percent of the Expressway System was either complete, under construction or funded for construction or design.

2016 Selections

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



To be Funded for Construction

Project Number	Description	Estimate (millions)
①	I-680 Fort St. to Irvington St. 6-Lane Reconstruction	\$30
②	N-7 Bassett to Springview Modernization	\$10
③	US-6 192nd & West Dodge Rd., Omaha Interchange Reconstruction	\$21
④	US-26 Minatare to US-385 4-Lane Divided Highway	\$60
⑤	US-75 Chandler Road, Northbound Additional Lane, NB	\$9
⑥	US-77 Fremont Southeast Beltway 4-Lane Divided Expressway	\$75
⑦	US-83 McCook to North Platte Super 2	\$60
⑧	US-275 Scribner to West Point 4-Lane Divided Expressway	\$120

Estimate (millions)

To be 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

To be Funded Planning

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

Unique Combination of State, Federal and Local Funding Expands Capacity of Nebraska Transportation System

In the fall of 2020, NDOT's progress towards four-lane expansion will increase in the panhandle and eastern Nebraska thanks to Federal Competitive Transportation Discretionary Grants that will compliment Build Nebraska Act funding. Nebraska was awarded BUILD and INFRA Transportation Discretionary grant funding which require a demonstration of project readiness and the ability to meet match requirements of each grant.

Heartland Expressway Expansion



The Heartland Expressway is a vision born in 1988, of a four-lane highway connecting Denver, Colorado to Rapid City, South Dakota. In October 2019, a ten-mile segment of the Heartland Expressway on U.S. Highway 385 south of Alliance was open to traffic. The Nebraska DOT was awarded \$18.26 million through competitive Federal INFRA Transportation Discretionary Grant to supplement Build Nebraska Act funding and begin construction on the next segment of the Heartland Expressway which will extend 15 miles of four-lane highway to the junction of L-62A.

Highway 75 Murray to Plattsmouth Expansion

Nebraska DOT was awarded \$20 million through a competitive Federal BUILD grant for the expansion of Highway 75 Murray to Plattsmouth. This project includes expanding approximately 6.8 miles of Hwy. 75/34 to a four-lane expressway, replaces an existing bridge and improves the condition of existing roadway. The expected benefit of this project includes reduced congestion, enhanced mobility and promotes economic development. Traffic will stay open during construction, which is expected to take approximately two years.



County Bridge Match Program

OVERVIEW

The County Bridge Match Program (CBMP) is an example of NDOT’s commitment to working with local agencies and counties to address transportation concerns of the system statewide. CBMP allocates up to \$40 million from the Transportation Infrastructure Bank for the innovative replacement and repair of deficient bridges on county roads. CBMP awards will fund 55 percent of the bridge construction costs, up to \$200,000 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.

Eligible bridges are:

- Deficient
- Greater than 20 feet long
- Located on a roadway classified as a local road or above

PROGRESS

ROUNDS 1, 2 & 3

227 Proposals
53 are Multi-county

65 Awards
\$12.1 Million

200 Bridges
Replaced or Removed
in 55 Counties

\$25.6M
Generated
in Construction

ROUND 4

October 2019

63 Proposals
45 Counties
17 Multi-county

January 2020
Selections

20 Awards
\$4 Million

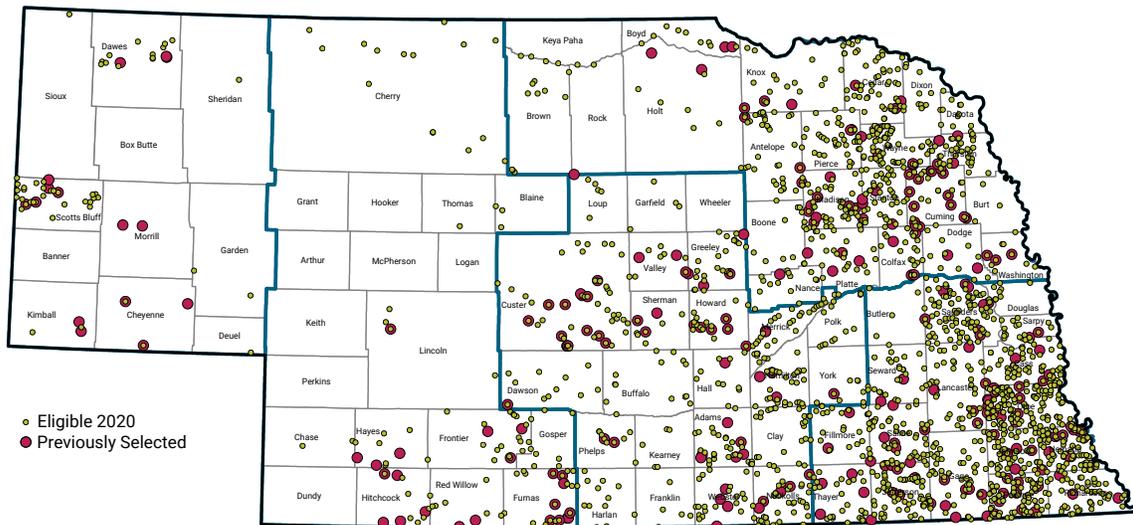
54 Bridges
Replaced or Removed
in 29 Counties

Generate
\$8.7M
in Construction

Types of Bridges to be Constructed

- Culvert Pipes (*some non-bridge length*)
- Concrete Box Culverts
- Bridge Removals
- Rehabs or Repairs
- Precast Deck Panels
- Steel Girder Bridges
- Concrete Slab Bridges

Funded and Eligible for Construction



The list of selected bridges is available at: <https://dot.nebraska.gov/projects/tia/bridge-match>

The CBMP encourages innovative ideas and solutions that positively impact the design, construction and maintenance of bridge replacement and repair projects.

Program innovations implemented thus far include:

- **Bundling multiple bridges** awarded two or more similar bridge projects to a single contractor to reduce bid prices and save money.
- **Multi-county coordination** saw counties cooperate by combining similar projects.
- **Construction with county forces** focused on building bridges with county employees and equipment.
- **City, county and NRD coordination** developed a flood control project to reduce flows and require shorter, less expensive bridges.
- **Bridge removals** took down deficient bridge spans.
- **Rehabilitation/repair** updated still-viable spans.
- **Replacement with non-bridge length structures** allowed some counties to substitute culvert piping for bridge-length spans.
- **Construction with precast concrete deck panels** permitted on-site assemblage of components made elsewhere.
- **Multiple culvert pipes** replaced spans with roadway atop a series of culvert openings.



Concrete Box Culvert in Lancaster County.



Precast Deck Panel Bridge in Ote County.

Economic Opportunity Program

OVERVIEW

The Economic Opportunity Program (EOP) targets transportation projects that connect new or expanding businesses to Nebraska's multimodal transportation network, with the goal of creating jobs and private investment in Nebraska. This TIA Program is administered and run as a partnership between NDOT and Nebraska Department of Economic Development (NDED).

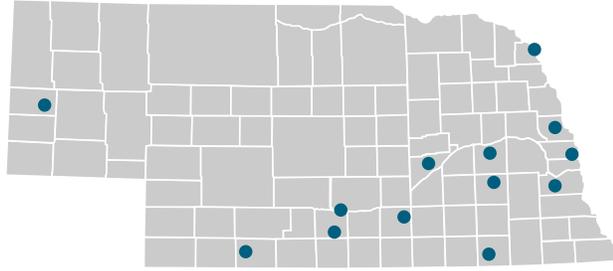
Program criteria includes:

- 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/. NDED performs an economic analysis to determine the impacts of each eligible project.

PROGRESS

The fourth year of the EOP saw the approval of three new EOP grants, all of which are from rural areas. All three projects remain active and are progressing. One project already let with construction to begin in Spring 2021 and another set for letting in January 2021 and construction complete by October 2021. Overall, the EOP has 13 active projects across Nebraska, from Gering to South Sioux City to Endicott. Twelve of the 13 active projects are in rural areas.

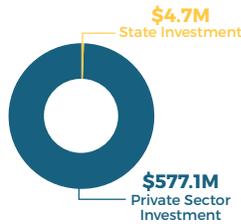
It is anticipated that the 13 approved projects will create a total of 747 new jobs. These new, high-quality jobs are within industries that NDED has identified as a priority, such as manufacturing, research and development, or transportation logistics, to name a few. In addition to jobs, these projects bring a total of approximately \$557 million in private capital investment to Nebraska. Each project has been analyzed and shown positive economic return on investment prior to the application being approved. It is anticipated that six years of operation of these companies will have an impact on the state's economy of approximately \$6 billion. These jobs and this economic activity were made possible by a total investment by the state of Nebraska of approximately \$4.7 million. To date, the state of Nebraska has reimbursed 3 projects for an approximate total of \$1.1 million, all in 2020.



747
Full Time Jobs Created

13
Active Projects

92%
of projects are in rural counties



\$6 billion
Six-Year Expected Economic Benefit

Note: Project information is current as of November 2020. Economic analyses performed by NDED using IMPLAN. The number of jobs anticipated to be created are submitted by applicants and will be documented as a term of the executed agreements.

SPOTLIGHT: CITY OF PLATTSMOUTH

The City of Plattsmouth and Vireo Resources have had a strong partnership since 2008 when the company first moved into a 2,000 sq.ft. building in the City's Four-Mile Industrial Park. Three years later, the company added a 10,000 sq.ft. building. Since then, the company's growth has created the need for further expansion. To help keep the company's expansion plans in Nebraska, the City applied for an EOP grant to assist with paving a drive in the industrial park to support heavy truck traffic. The added traffic using the road will support a new 32,000 sq.ft plant, which will expand production, including the creation of a new anti-coronavirus product. The EOP provided \$322,586 to support road paving activities. Meanwhile, Vireo committed \$11 million in private capital to the project, which is expected to create 75 new jobs within the first year of expanded operations. The company, with the help of the new expansion, is expected to generate an economic impact of nearly \$314 million within the first six years of operation. Beyond their current project, Vireo has plans for further expansion and private capital investment up to \$50 million within the next seven years. This expansion could create as many as 300 new jobs to add to the 40 presently on staff. Without support from the EOP, the company would have considered making their expansion in another state, taking their investments and jobs with them. So far, Vireo's expansion is on track and is expected to be completed in 2021.



State and civic leaders, including Governor Pete Ricketts, joined Vireo executives in Plattsmouth, Nebraska to celebrate the ground-breaking of a new manufacturing plant to expand the business's operations. The project is expected to be completed in 2021.



NEBRASKA

Good Life. Great Journey.

DEPARTMENT OF TRANSPORTATION