

## Federal Budget Update From the Director

It has now been a year since the current six-year transportation bill (TEA-21) expired. Over the past year we have been operating on several short-term extensions. On September 30, 2004, an eight-month extension was passed extending TEA-21 through May 31, 2005. Meanwhile, a continuing resolution will fund the Federal Highway Administration through November 20, 2004. Congress will have to take some action in the lame duck session in late November to release the remainder of the eight-month funding. It is difficult to determine the amount of funding available to the states at this time as FHWA distribution tables are not available.

The major stumbling block in passing a long-term bill continues to be coming to agreement on the overall size of the program. Momentum has been building for a House-Senate conference agreement for a highway and transit reauthorization bill that would provide \$299 billion in contract authority over six years. The proposal would provide \$299 billion in contract authority and \$284 billion in guaranteed spending, with a \$15 billion rescission of unused contract authority from prior bills. There are currently no details available on how the funds would be distributed to the states, so it is difficult to forecast North Dakota's share.

Recently, the House and Senate have advanced FY 2005 appropriations spending bills in the amount of \$34.6 and \$34.9 billion respectively. Based on the current bills in congress, and assuming the distribution formulas do not change, we are projecting that North Dakota will receive about \$203 million in formula funds for fiscal years 2005 and 2006. The two appropriation bills would provide North Dakota with about \$6-\$7 million more than the 2004 appropriation.

The eight-month extension provides for the release of \$1.8 billion which was withheld during the last extension for priority projects. The release of these funds will likely result in North Dakota receiving up to \$12 million of 2004 funding which will be used in 2005.

**Initiatives 1 & 2:** North Dakota will strategically prioritize its use of transportation resources, and, North Dakota will define the levels of transportation service it will strive to provide and maintain.

**Rural Freight Conference address** - On September 8, NDDOT Director Dave Sprynczynatyk made a presentation to the Transportation Research Board's conference on Rural Freight Issues in Minneapolis, MN. The conference was sponsored by University Transportation Centers, USDA and Upper Great Plains Transportation Institute. Mr. Sprynczynatyk's presentation, entitled, "Managing Roads for Rural Economies," explained how NDDOT's Highway Performance Classification System will be used to improve the safety, load carrying capacity and ride quality characteristics of North Dakota's highways.

**Initiative 3:** North Dakota will enhance communication and facilitate cooperation and collaboration between and within governmental units, tribal authorities, modes of transportation, and the public and private sectors.

**BN meeting** - The Public Service Commission's annual meeting with the Burlington Northern Santa Fe (BNSF) Railroad was held in Bismarck September 9. The outlook for BNSF service this year appears to be better than last. BNSF indicated they had acquired more grain cars and locomotives to better serve shippers for this harvest season. They also indicated car delivery time is expected to be timelier this season. Those in attendance included representatives from the Legislature, Governor's Office, state agencies, shippers, and shipper representative organizations;

**Annual STIP presentation to Tribes, League of Cities, and Association of Counties** - The Statewide Transportation Improvement Program (STIP) was presented to the state's tribal governments at their annual Tribal Technical Assistance Program meeting during the United Tribes Powwow on Sept 10th. Presentations of the STIP were also made at the annual meetings of the ND League of Cities on September 25, and the ND Association of Counties on October 5. The STIP is an annual compilation of proposed projects which are eligible for federal funding. A copy of the 2005-2007 STIP may be viewed on NDDOT's website at [www.discovernd.com/dot](http://www.discovernd.com/dot); **2005-2006 State Highway/Tourist Map** - Final comments from the State Highway/Tourist Map Committee have been incorporated, and the new state highway map will be available for distribution in January 2005. The new map is 38% larger than previous maps and will feature larger urban area insets, new tourism themes and materials, and more information for the traveling public.

**Initiative 4: North Dakota will improve the performance of priority transportation corridors and facilities.**

**Hwy. 52 completion** - Final paving and sign work has been completed on the US 52 truck by-pass at Jamestown; **US 281** - The last section of US 281 between Jamestown and the South Dakota border (Edgeley to ND 46) has been scheduled for widening and reconstruction in 2006; **US 281 relocation in the Minnewaukan area** - Grading has been advanced to 2005 with resurfacing scheduled for 2006; **US 12 reconstruction** - The Bowman to Scranton segment has been tentatively scheduled for reconstruction in 2005; **Pembina-Emerson Port of Entry** - NDDOT, Manitoba Transportation and Government Services, and US and Canadian agencies are reactivating the Border Working Group, which was created prior to 9/11/2001. The purpose of the group is to provide a forum for Canadian and US agencies to discuss common transportation and infrastructure issues at the Pembina-Emerson Port of Entry.

**Initiative 5: North Dakota will incorporate economic competitiveness as an integral component of transportation investment strategies.**

**Inter-Agency Forum** - The ND Department of Commerce, ND Trade Office, and the ND Agriculture Departments plan to initiate quarterly discussions to improve the communication, cooperation and coordination of transportation and economic development issues. The meetings will provide a forum for state agencies to exchange information and identify potential cooperative projects that will improve the State's economy.

**Initiative 7: North Dakota will determine the feasibility of, and identify the conditions necessary for, developing an intermodal freight facility or facilities.**

**First phase of Minot Intermodal study** - The first phase of the Minot Intermodal study is completed. Although the report suggests that there is not an immediate need for an intermodal facility, it does advance several recommendations to foster enhanced transportation of cargoes in the Minot area. The Minot Mayor's Intermodal Task Force voted unanimously to move forward with Phase II of the study; **Fargo-Moorhead Council of Governments Intermodal study** - The Fargo-Moorhead Council of Governments has initiated a study to objectively document the feasibility, need, interest, and requirements for an intermodal facility. The first phase of the study is scheduled for completion in January of 2005; **Bismarck Transload Facility** - On September 16, Bismarck Mayor John Warford, Governor John Hoeven, and Senator Kent Conrad, announced the City of Bismarck will develop a transload facility with full intermodal capabilities. The city plans to seek foreign trade zone status and will link the highway, rail and air modes. The facility will be located in southeast Bismarck adjacent to the airport, and will feature easy access to rail and highway infrastructures.

**Initiative 8:** North Dakota will determine the opportunities for, and the economic and safety impacts of, a regional uniform truck size, weight, and permitting system.

**Spring conference on uniform truck, size, and weight** – This regional study is nearing completion. The study will culminate with a conference of DOT, commerce, and economic development people, along with industry participants from the Northern Plains region including Minnesota, North Dakota, South Dakota, Wyoming, Montana, Iowa, Nebraska, Manitoba, Saskatchewan, and Alberta. The goal of the conference will be to encourage a dialog among industry, state and provincial DOTs, and other state agencies that a more uniform system needs to emerge to promote and compliment the trade that exists within the region. Different rules, regulations, and permitting methods for motor carriers stifle trade. Being exposed to the differences that exist within the region may provide a first step towards harmonizing the regulatory and permitting process throughout the region.

**Initiative 9:** North Dakota will appropriately use Intelligent Transportation System (ITS) technologies to enhance service, performance, mobility, safety, and security.

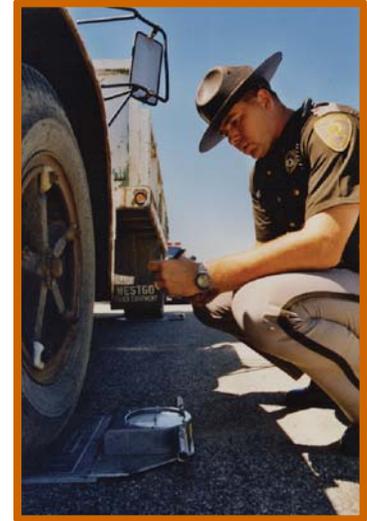
**Weigh-In-Motion update** – In compliance with the Legislature’s directive, conversion from fixed weigh sites to mobile and weigh-in-motion enforcement will be completed during the fall of 2004. **Bridge anti-icing projects** – Two intelligent transportation systems/automated bridge anti-icing projects are scheduled to come on line in 2005. The two projects sites are the I-94 Red River Bridge between Fargo and Moorhead, MN, and the I-94 Grant Marsh Bridge between Bismarck and Mandan. This is in addition to the system already in place on the I-29 Buxton Bridge south of Grand Forks.

**Initiative 10:** North Dakota will conduct a statewide freight origin and destination study and identify priority transportation corridors and facilities.

**TR Expressway (US 85)** – North Dakota’s congressional delegation have introduced and amendment to the reauthorization legislation to include US 85 and US 83 as national system high priority corridors. Obtaining high priority designation will assist in promoting economic development along the corridors and support the state’s vision of expanding tourism, resource development, and value added agriculture. On September 15, Joe Kiley, vice president of the board of directors for the Ports to Plains Corridor, met with interested individuals in Dickinson and Williston to discuss the future development of US 85 referred to as the “Theodore Roosevelt Expressway.” The long range goal is to have a Great Plains Corridor running from Mexico to Canada. Our legislators and several senators and congressman along the route have endorsed the Theodore Roosevelt Expressway running from Rapid City, South Dakota, north to the Canadian border as a high priority corridor.

**Initiative 11:** North Dakota will create a special transportation program (infrastructure funding and technical assistance) to facilitate economic development and competitiveness.

**Legislative Council (transportation-related impediments to economic development)** – In response to a request from the Legislative Council, NDDOT prepared information identifying transportation and transportation-related constraints that may limit North Dakota’s economic development opportunities. Some of these include spring load restrictions, loss of branch-line railroad tracks, and the lack of an intermodal freight facility. Some options being discussed include refocusing resources on major corridors carrying freight, obtaining additional revenue to increase the load-carrying capacity and strengthen high-priority state routes, and promoting uniformity of truck size and weight laws.



**Initiative 12: North Dakota will take a lead role in promoting public-private partnerships to bring about selected transportation initiatives.**

**Runway condition Partnership** - NDDOT has entered into an agreement with the North Dakota Aeronautics Commission (NDAC) to assist them in collecting runway pavement data. Through the use of the NDDOT pavement inspection vehicle, profile data and digital images are being collected from the runways of 72 airports located throughout North Dakota. The data will be used to create an electronic data base to provide the Aeronautics Commission with a state of the art pavement management tool

**Initiative 13: North Dakota will actively participate in regional and national transportation initiatives, programs, studies, and projects.**

**AAMVA, AASHTO, IHEEP** - The NDDOT hosted two major engineering conferences in 2004, and will host another in 2005. From June 27 to July 1, 2004, NDDOT was the host for the AASHTO Highway Subcommittee on Maintenance Summer Meeting. The conference touched on a wide variety of maintenance issues and new technology. From August 22-26, NDDOT played host to the 71st Annual AAMVA International Conference. This was the first time the event was ever held in Bismarck. Motor vehicle administrators from across North America were on hand to discuss licensing and registration issues ranging from uniform registration processes to fighting identity theft. In 2005, NDDOT will host the International HEEP Conference, bringing together highway engineers from across the U.S. and several European countries to discuss programs and technologies that will improve highway management efforts.

**Initiative 14: North Dakota will increase the emphasis on safety and security as integral components in planning, developing, and maintaining the transportation system.**

**PSC briefing on rail crossings** - The National Transportation Safety Board (NTSB), after investigating a Tennessee fatal school bus/train crash that occurred in 2000, made several recommendations to the states regarding school bus safety at rail crossings. The recommendations concerned school bus drivers, school bus equipment, and the crossings. At the request of the North Dakota Public Service Commission, NDDOT planning staff members made a presentation at the PSC's September 8 meeting concerning these recommendations. The PSC requested some follow up detail, which NDDOT staff will provide.



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**Initiative 15: North Dakota will develop a statewide personal mobility plan.**

**Greyhound and Rimrock** – In July, Greyhound Bus Lines sent a letter to Governor John Hoeven that the company would be suspending all service in the state on August 18, with the exception of Fargo. Immediately, the governor’s office, the state’s congressional delegation, and the NDDOT went to work to find a company to serve the areas that Greyhound was abandoning. Rimrock Trailways of Montana stepped in, providing service on August 18 to all cities along I-94 that Greyhound stopped serving, and adding the City of Belfield as well. Rimrock Trailways is providing this service without requesting transit funds from the state.



**Initiative 16: North Dakota will monitor trends in agriculture, manufacturing, tourism, recreation, and energy production to identify potential transportation impacts and opportunities.**

**MON/DAK Ag Open in Williston** – In early August, representatives from NDDOT and other state agencies attended the MON/DAK Ag Open in Williston. The event showcased new and innovative agricultural, manufacturing, and other economic activities in the Montana/North Dakota border region. The event was sponsored by area chambers of commerce and local businesses.

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## North Dakota’s Transportation Mission

North Dakota will provide a transportation system that offers personal choices, enhances business opportunities, and promotes the wise use of all resources.

## North Dakota’s Transportation Vision

North Dakota’s transportation system is an important part of regional, national, and global systems, developed strategically to help grow and diversify the economy and enhance our quality of life.

## North Dakota’s Transportation Goals

- Safe and secure transportation for residents, visitors, and freight.
- A transportation system that allows optimum personal mobility.
- A transportation system that allows the efficient and effective movement of freight.
- A transportation system that enhances economic diversity, growth, and competitiveness.
- Funding sufficient to protect North Dakota’s transportation investment and address future transportation needs.