



CONTRACT MANAGEMENT CONFERENCE

MDOT UPDATE - MARCH 30, 2016

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DISCUSSION TOPICS

- Transportation Funding
- Warranty Provisions
- Roads Innovation Task Force (RITF)
- Contract Administration
- Construction Manual
- Partnerships

TRANSPORTATION FUNDING

- Beginning January 2017:
 - \$410 million in additional fuel tax revenues
 - Tax on gasoline and diesel fuel rises to \$0.263 (provides for diesel parity)
 - 20% increase in vehicle registration fees (~ \$190 million)
- General Funds transferred to transportation and distributed through three way Act 51 formula for road agencies:
 - 2019: \$150 million
 - 2020: \$325 million
 - 2021: \$600 million
- Beginning in 2022, fuel tax will be indexed, rising in proportion to increases in Consumer Price Index, or 5%, whichever is less.



TRANSPORTATION FUNDING

FUNDING TO MICHIGAN

(in Millions)	MAP-21	FAST Act				
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Apportioned Highway Program Funding	\$1,016	\$1,068	\$1,090	\$1,114	\$1,139	\$1,166
Increase from Prior Year	0.0%	5.1%	2.2%	2.2%	2.2%	2.4%

TRANSPORTATION FUNDING

MTF Revenue Divided 697 Ways

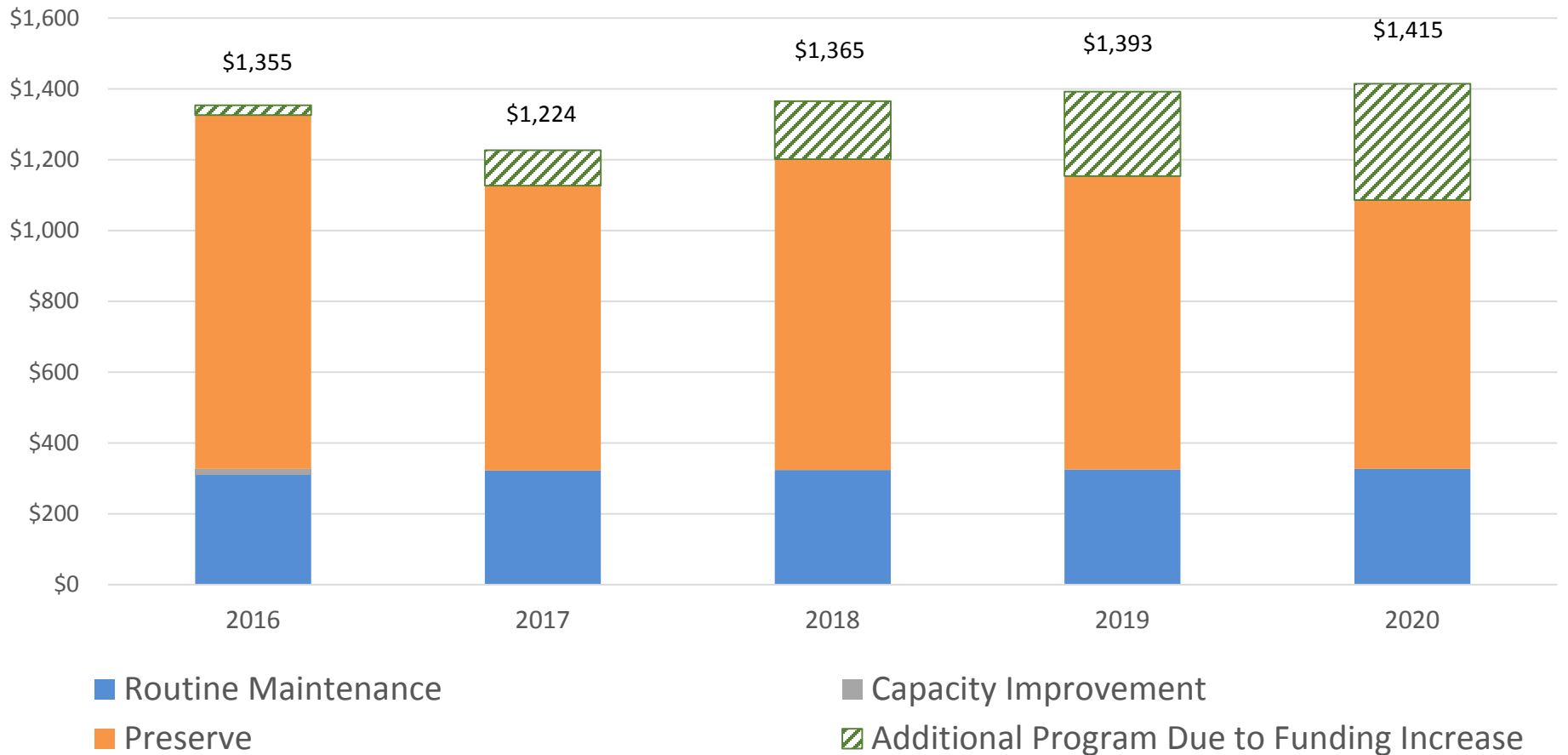


533	Villages & Cities
83	Counties
80	Transit Agencies
1	MDOT
697	Act 51 Agencies

TRANSPORTATION FUNDING

Highway Program Investment by Program Category FY 2016 to 2020

Includes New Federal and State Transportation Revenues



WARRANTY PROVISIONS

- PA 175 of 2015 – Warranty Requirements
- Requires MDOT and locals to use warranties
- Submit program to MDOT for approval
 - Reconstruction and new road construction projects
 - Projects over \$2 Million
- Must implement within one year of MDOT approval
- MDOT/Locals must submit detailed reports on existing warranty projects each year



WARRANTY PROVISIONS



- Local warranty guidelines are being developed to include:
 - Performance Metrics
 - Type of projects/length of warranty
 - Administration and reporting requirements
- Additional meetings planning
- Work to be completed by May 2017

ROADS INNOVATION TASK FORCE (RITF)

- Required formation of internal task force
 - Met with Transportation Partners in December 2015
 - Solicited input from national experts, academia, FHWA
- Evaluate arterials with goal of roads lasting 50 years
- Materials may cost more but produce longer life
- Report submitted on March 1, 2016
- MDOT to present to Joint Committee of House and Senate
- Update and finalize by June 1, 2016

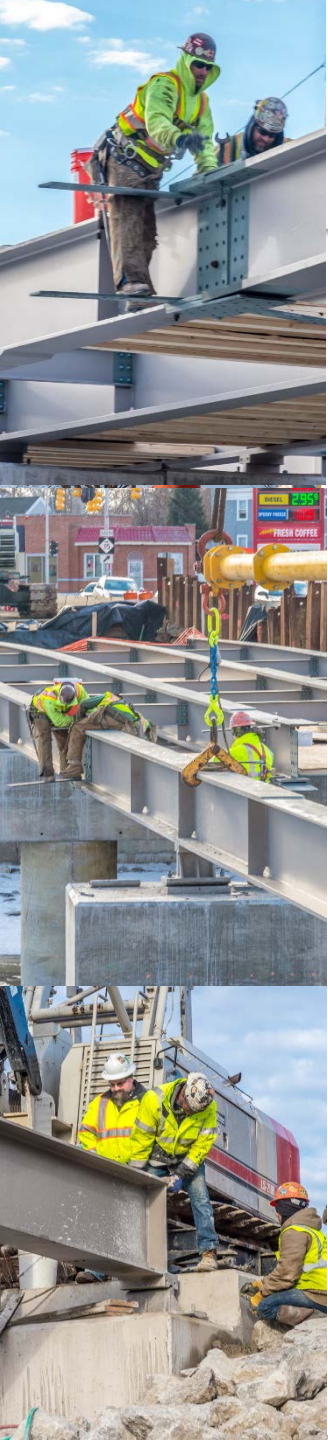
CONTRACT ADMINISTRATION



- Single Audit Topics
 - Davis Bacon
 - Pay Estimate Signatures
 - IDR Review Signature
 - Form 1105
 - Certified Payrolls
 - Material Testing
- Performance Audit
 - Construction Project Management
 - Warranties

CONSTRUCTION MANUAL

- May they rest in peace...
 - Bureau of Highway Instructional Memorandums (BOHIMs)
 - Construction Advisories
- Unified Single Source of Information
 - http://mdotwiki.state.mi.us/construction/index.php/Main_Page
- Updates and Notices
 - Subscribe to “GovDelivery” notices
 - Red envelope on MDOT home page



PARTNERSHIPS

- Simplified Processes and Procedures
- Regular Engagement Meetings
 - CRA, ACEC, Local Agencies, etc.
- Enhanced Response and Support
- Communications
 - CFS Email Resource

THANK YOU

- MDOT CFS Webpage
- http://www.michigan.gov/mdot/0,1607,7-151-9623_26663_27303---,00.html
- ?? Questions ??