

2013 *annual report*
PERFORMANCE



our MISSION

Connecting people and places safely and efficiently, with accountability and environmental sensitivity to enhance the economy, health and well-being of North Carolina.

our VALUES

SAFETY

We strive for safety throughout our transportation networks as well as in our work and our daily lives.

CUSTOMER SERVICE

We respond to our customers, both internal and external, in an open, professional and timely manner.

INTEGRITY

We earn and maintain trust by responsibly managing the state's assets, acting ethically, and holding ourselves accountable for our actions.

DIVERSITY

We draw strength from our differences and work together in a spirit of teamwork and mutual respect.

QUALITY

We pursue excellence in delivering our projects, programs, services and initiatives.

message from the SECRETARY

Dear North Carolinian:

As detailed in the following report, State Fiscal Year 2012–2013 was a landmark year for transportation in North Carolina.

Most notably, Gov. Pat McCrory signed into law House Bill 817, entitled “Strategic Transportation Investments,” which provides more efficiency in how we fund transportation projects to help us better meet the changing needs of our state. This legislation was passed in record time by an overwhelming bipartisan majority. We are extremely pleased with the success of these efforts and the difference they will make for North Carolinians.

Transportation touches on nearly every aspect of daily life in North Carolina and contributes greatly to the overall well-being of our state. In particular, there is an important connection between transportation and the economy, and we want to make sure our transportation investments align with our state's commerce and economic development initiatives.

Along with this, we want to provide excellent customer service and ensure that all our operations are as efficient as possible. We also want to remain environmentally sensitive and continue addressing the local concerns of communities across North Carolina while also considering regional and statewide priorities. To that end, we are working with our partners on all levels to assess North Carolina's transportation demands and refine our business practices to better serve the state's various interests.

As we look to the future, we will continue to build on this successful foundation as we develop a 25-year vision for transportation in North Carolina and work to identify new solutions to meet our state's growing transportation needs.

I firmly believe that any organization's greatest resource is its human capital, and we are fortunate to have a skilled and knowledgeable team at NCDOT that is dedicated to serving the people of North Carolina. We are proud to play a central role in strengthening our state and providing new opportunities for all North Carolinians.

Sincerely,



Anthony J. Tata
Secretary of Transportation

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Supporting material, including background information, definitions and rationale on the performance scorecard, is available at www.ncdot.gov/performance.

Information in this report is based on State Fiscal Year (SFY) 2013, which covers the time period of July 1, 2012 to June 30, 2013, unless otherwise noted.

about our DEPARTMENT

The N.C. Department of Transportation (NCDOT) is responsible for all modes of transportation in North Carolina, including highways, rail, aviation, ferries, public transit, and bicycle and pedestrian transportation. It also includes the state's Division of Motor Vehicles, Turnpike Authority and the Governor's Highway Safety Program, which aims to promote safety awareness and reduce highway crashes and fatalities. Additionally, NCDOT oversees and helps expand economic growth opportunities through the N.C. State Ports and N.C. Global TransPark.

The Department's operations are led by the Secretary of Transportation. A 19-member Board of Transportation is the Department's governing body and responsible for overseeing the transportation policy-making process and monitoring performance of the agency.

NCDOT is a performance-based organization with a strategic, data-driven decision-making process that is transparent and accountable. This approach ensures that politics do not determine transportation priorities and aligns the Department's operations with its overall mission and goals.

2nd largest
state-maintained highway system

85 24
nearly
15,000 miles
of primary highways
(Interstate, US and NC routes)

MAIN ST
nearly
65,000 miles
of secondary roads

2nd largest
state-operated
ferry system
and the
largest
on the
East Coast

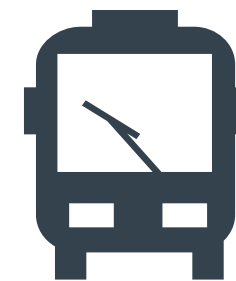
22
ferries that serve
7
routes

more than
13,500 bridges

7,000
registered aircraft
15,000
licensed pilots

72
publicly owned airports
and nearly 300 privately
owned airports,
heliports and other
landing areas

**9 commercial airports have
regularly scheduled service**



transit systems
provide
transportation
options to
residents in all
100 counties

ADOPT
A
HIGHWAY



\$4.8 million
saved by taxpayers
through partnership
with **5,000 volunteer**
groups to clean
10,000 miles of
state-maintained
roads annually

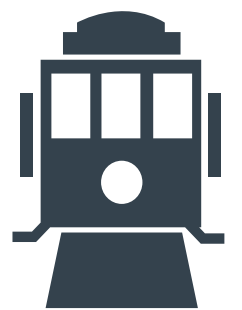
8.8 million
vehicles registered
in North Carolina

7.1 million
licensed drivers

serviced by

5 mobile units **236 offices**

3,300
number of miles of tracks
operated in North Carolina



North Carolinas's Amtrak
provides 3 roundtrips daily to
Charlotte, Greensboro, Raleigh
and 9 other North Carolina cities

OUR DIVISIONS

Motor Vehicles

The mission of the Division of Motor Vehicles is to deliver quality motor vehicle services, promote highway safety, and furnish timely and accurate information by providing excellent customer service, enforcing motor vehicle laws and maintaining the integrity of official DMV records.

Public Transportation

The Public Transportation Division was created in 1974 by the N.C. General Assembly to foster the development of intercity, urban and community public transportation for all North Carolinians. PTD administers federal and state transportation grant programs, provides leadership and training opportunities to transit professionals, makes planning and technical assistance available to enrich transit services, and prepares projections to meet future public transportation needs. Public transportation systems provide transit options in all 100 counties, providing a safe, cost-effective and environmentally friendly alternative for residents who cannot or choose not to drive.

Ferry

The Ferry Division's mission is to provide safe, cost-effective and dependable service for the traveling public. The division operates seven routes across five separate bodies of water—the Currituck Sound, Pamlico Sound, Cape Fear River, Neuse River and Pamlico River. The division also is capable of activating an emergency ferry route between the Dare County mainland and Hatteras Island at Rodanthe within two to three hours in the event of a long-term or emergency closure of N.C. 12. The ferry operations are supported by a full-service shipyard, dredge, crane barge, tugboats and other support vessels.

Rail

North Carolina has more than 3,300 miles of railroad tracks throughout the state

used by both freight and passenger trains, providing travel options as well as efficient and environmentally friendly transportation. The Rail Division works with communities throughout the state to make rail-highway crossings safer by installing traffic-control equipment, and closing and consolidating high-accident crossings on highways, streets and bridges.

The state-owned *Piedmont* passenger train provides service at stops between Raleigh and Charlotte three times a day. The state-supported *Carolinian* provides service between Charlotte and Raleigh, and up the East Coast to New York City.

Bicycle and Pedestrian

The Division of Bicycle and Pedestrian Transportation is a comprehensive operation touching all aspects of bicycling and walking by designing facilities, creating safety programs, mapping cross-state bicycle routes, training teachers, sponsoring workshops and conferences, fostering multi-modal planning, and integrating bicycling and walking into the ongoing activities of the Department.

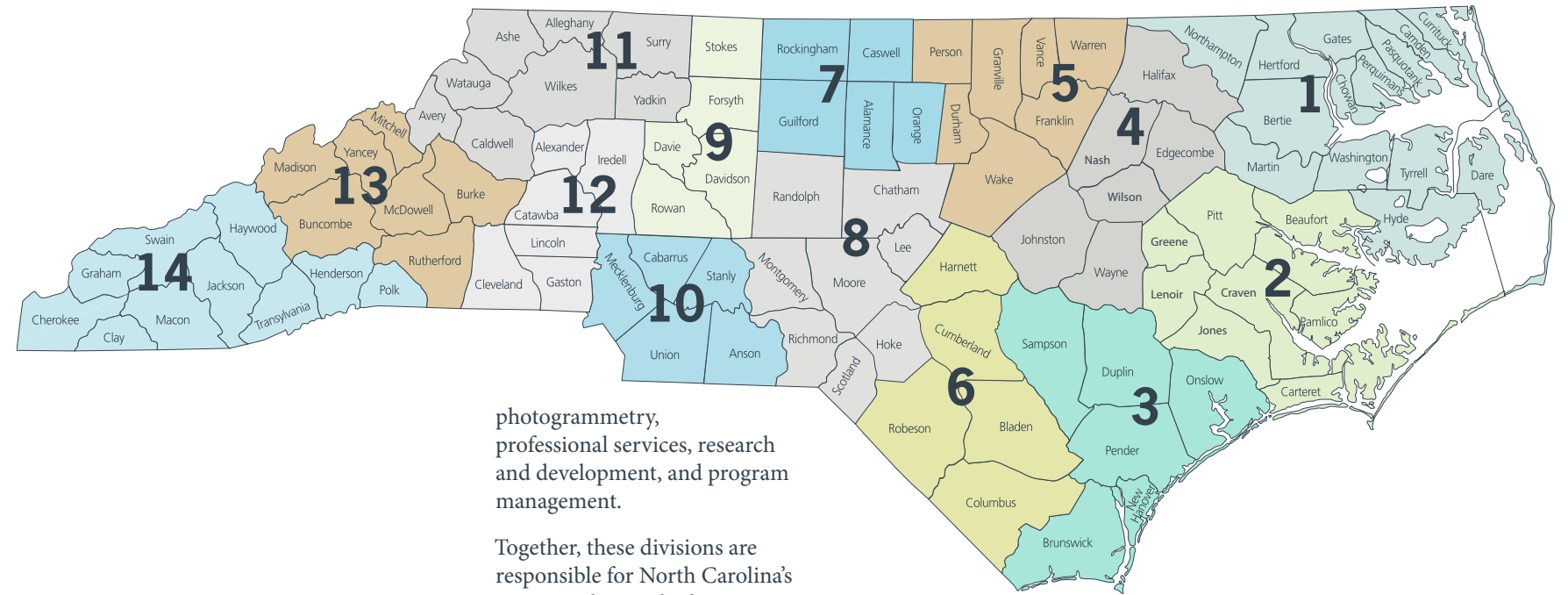
Aviation

The Division of Aviation is responsible for all aviation functions regarding state system planning and development, and provides funding to communities for constructing and improving airports. Additionally, the division operates a very active aviation safety and education program.

Highways

The Department's highway program is delivered primarily by the Division of Highways (DOH), and the Division of Technical Services (DTS). The DOH comprises central and field-based functions—including Preconstruction, Safety and Mobility, Field Support, Asset Management and Operations—all of which support delivery of transportation projects statewide. The DTS supports the delivery of projects through six key functions: contract standards and development, contractual services,

14 TRANSPORTATION DIVISIONS



photogrammetry, professional services, research and development, and program management.

Together, these divisions are responsible for North Carolina's 80,000-mile state highway system, which is the second largest in the nation in mileage after Texas. The planning, programming, technical assistance and engineering for major highway projects are handled within the central office in Raleigh, while the 14 transportation divisions, or field offices, manage project construction. The divisions also maintain and operate the road system within their geographical areas and handle planning and engineering for small projects.

Turnpike Authority

The mission of the Turnpike Authority is to supplement the traditional non-toll transportation system in North Carolina by accelerating the delivery of roadway projects using alternative financing options and facilitating the development, delivery and operation of an integrated, creative system of toll roads. It was created in 2002 by the N.C. General Assembly in response to concerns about rapid growth, heavy congestion and dwindling resources.

State Ports

North Carolina's ports in Wilmington and Morehead City, plus inland terminals in Charlotte and the Piedmont Triad at Greensboro, have the capability and capacity

to serve as competitive alternatives to ports in neighboring states. Owned and operated by the Ports Authority, North Carolina's port system combines modern facilities and abundant capacity with the commitment to excel in service to our customers, without taxpayer subsidy.

Global TransPark

The N.C. Global TransPark is a 2,500-acre industrial/airport site situated strategically in eastern North Carolina. Its on-site Composite Center is one of the most advanced workforce development training facilities in the state. The GTP's integrated infrastructure and close proximity to Interstates 40 and 95 and the state's two deep water ports make it an ideal location for a variety of business types, especially companies involved in the aerospace sector and logistics.

Governor's Highway

Safety Program

The Governor's Highway Safety Program is dedicated to promoting highway safety awareness to reduce the number of traffic crashes and fatalities in the state of North Carolina through the planning and execution of safety campaigns.

investing in OUR PEOPLE

NCDOT is working to move North Carolinians forward, not just by helping them travel from Point A to Point B, but by thinking strategically about the overall direction of our state, and its current and future needs in all areas.

Transportation is a common thread that connects us all. It not only gets us safely and efficiently to our daily destinations, but it also makes possible the ongoing success of our people and our communities. Therefore, a lot of careful thought must go into our decisions to ensure we are investing in the right way to achieve our long-range vision for the entire state.

In many ways, North Carolina is a state of extremes. While we are fortunate to be home to both the mountains and the coast and everything in between, the geography, climate and culture of our state's regions vary greatly. The needs of our growing urban centers are very different from those of rural areas that have seen declines in both jobs and population.

Demands on our infrastructure continue to increase while revenue sources are generating fewer dollars than in the past. We must maximize our existing resources and seek to invest them in a way that will provide the greatest benefit to North Carolina while balancing the diverse needs of our local communities.



strategic THINKING

To that end, NCDOT developed and worked with the N.C. General Assembly to pass a landmark Strategic Transportation Investments law establishing the Strategic Mobility Formula, a data-driven approach that makes better use of existing funds to complete improvements that support economic growth and quality of life in North Carolina.

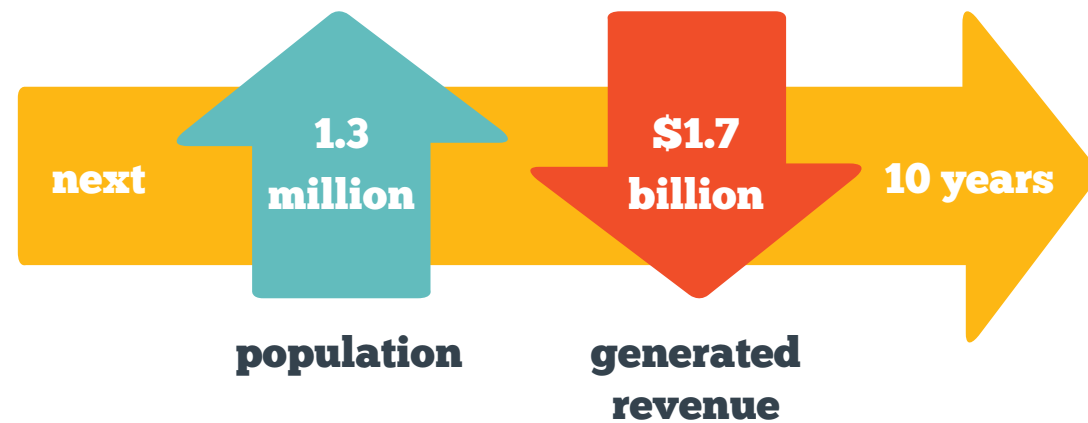


The Strategic Mobility Formula provides more efficiency in funding transportation improvements across our state that will allow us to complete more transportation projects and create more jobs over the next 10 years by creating a framework that encourages us to think beyond the individual needs of our communities and work together to achieve a strategic vision for all of North Carolina.



investing in THE FUTURE

Over the next 10 years, North Carolina's population is expected to increase by 1.3 million people. At the same time, our transportation revenue sources—motor fuel tax, highway use tax, and DMV fees—will generate \$1.7 billion less than they would have in the past. We expect that this trend will continue as vehicles become more fuel efficient and people drive less, buy fewer cars, and are legislatively required to renew their driver licenses less often.



PROVIDING OPTIONS

Long known as the “Good Roads” state, North Carolina is home to one of the largest state-maintained highway systems in the nation. However, as our state’s population increases and demands on our infrastructure continue to grow, it takes a broad range of transportation options to fully meet North Carolina’s travel and logistics needs.

Highlights from our FY 2012–13 investments in alternative modes of travel include:

- **Increased Rail Ridership and Revenue.** According to Amtrak’s 2013 federal fiscal year report, the state-supported *Piedmont* and *Carolinian* trains continue to be among the most rapidly growing in the Amtrak system. Ridership on the *Piedmont* service increased by 4.7 percent to 170,266, and revenue increased 8.1 percent to more than \$3.3 million. Similarly, ridership on the *Carolinian* increased by 3.6 percent to 317,550, and revenue increased by 6.4 percent to more than \$19.8 million during that same period. This is the fourth consecutive year of positive growth for both routes.
- **Continued Development of WalkBikeNC.** This statewide bicycle and pedestrian plan is the first of its kind in the nation that encompasses elements of economic and health impact analysis and is based on partnerships with multiple state agencies, including the departments of Health and Human Services, Commerce, and Environment and Natural Resources. The goals of the plan are to increase tourism dollars and decrease healthcare cost.
- **LYNX Blue Line Extension.** Currently under construction, the \$1.1 billion LYNX Blue Line Extension will add nine miles to the state’s first light rail system, expanding it from Charlotte’s Center City to the University of North Carolina at Charlotte. NCDOT contributed \$299 million and worked with partners on the federal and local levels to help make the extension a reality. The Federal Full Funding Grant Agreement, the final funding piece for the project, was signed in October 2012. Completion is scheduled for 2017, with ridership on the 18-mile corridor projected to average 51,000 people per day by 2035.
- **Public Transit Investment to Support Fortify Project Efforts.** In FY 2012–13, NCDOT committed to providing \$12 million for transit improvements in association with the Fortify project, which will rebuild 11.5 miles of I-40/440 in Raleigh. Providing additional transit options for commuters out of Johnston County and other areas into downtown Raleigh is critical to addressing the traffic impacts of the project and reducing congestion along the heavily traveled route.
- **Shuttle Service during Alligator River Bridge Closure.** In April 2013, NCDOT had to close the Alligator River Bridge on U.S. 64 on the Dare/Tyrrell County line for repairs, necessitating a 90-mile highway detour during the 13-day closure.

To help those who lived on the Tyrrell County side of the bridge but worked on the Dare County side, NCDOT worked with the InterCounty Public Transit Authority and Hyde County Transit to set up shuttle service in the mornings and evenings. Funding from the Federal Transit Administration’s Job Access Reverse Commute grant program was used to fund this service, and NCDOT provided the required 50-percent match.
- **Aviation Grant Funding.** During 2012–13, NCDOT awarded \$49.4 million in airport grants, including \$28.5 million in state funds and \$20.9 million in federal funds. Commercial and general aviation airports in North Carolina provide more than \$25.9 billion in economic impact each year and support more than 108,000 jobs.

ECONOMIC COMPETITIVENESS

Transportation plays an integral role in North Carolina's ability to attract and retain business and industry and in furthering the economic growth of its communities. To fully leverage our existing infrastructure, we want to ensure that all aspects of our system are aligned and being used to their full potential to create jobs, meet logistics needs and position North Carolina for future economic growth.

Some prime examples of this multi-modal integration include:

- **Public-Private Partnerships at the State Ports.** NCDOT has established three multi-million dollar agreements at the state ports in Wilmington and Morehead City that will enable North Carolina to better meet the needs of its key industries.

In February 2013, the Council of State approved a lease agreement for a public-private partnership to create a new Cold Storage Facility at the Port of Wilmington. This partnership with USA Investco is expected to provide 100 direct jobs and 200 indirect jobs, and bring an initial \$13 million investment.

In June 2013, the Council of State also approved a lease agreement that allows the North Carolina State Ports Authority to enter the highly competitive wood pellet industry. The agreement between the State Ports Authority and Enviva Holdings, a wood pellets supplier and manufacturer, could allow for construction of a wood pellet export facility at the Port of Wilmington. This agreement is expected to bring an estimated \$2.5 million in annual revenue and at least \$1.25 million in annual operating earnings, along with about 70 new jobs and at least 80 indirect jobs. A similar agreement was approved at the Port of Morehead City in October 2013.

Case Study: Sierra Nevada

When Sierra Nevada announced in 2012 that it would build its brewery in the Henderson County town of Mills River, NCDOT began working closely with the company to solve logistical challenges associated with constructing and supporting the company's \$107.5 million investment. NCDOT tailored the infrastructure to meet the needs of both Sierra Nevada and the community. Efforts included constructing a new entrance road to the brewery complete with bike lanes, a roundabout that will welcome visitors and trucks, and a traffic signal that will make it easier to access the site. A Rail Industrial Access grant was also awarded to the company for construction of an unloading facility where material from rail cars is emptied into trucks for transport to the brewery.

The road work is perhaps the most visible example of how the state's transportation infrastructure played a key role in supporting one of western North Carolina's largest economic development projects, but the Port of Wilmington facilitated another critical part of the project—getting the brewery equipment to the site in Mills River. The Port of Wilmington received multiple shipments of tanks and other brewery components, which were then transported to Henderson County.

Additional equipment was received at a South Carolina port and shipped up Interstate 26 into North Carolina. This equipment included large fermentation vessels measuring 80 feet long and 14 feet wide, which required special accommodation to transport. NCDOT led the effort to truck the vessels through North Carolina, temporarily closing roads and lifting light and power poles out of the way.

Case Study: Horsehead Corporation

The Horsehead Corporation's establishment of a zinc and diversified metals production facility near Forest City represents one of the largest recent corporate investment projects in North Carolina, supporting an estimated 250 new jobs in an economically depressed area.

To support this new plant, NCDOT completed a \$4 million project to relocate Hicks Grove Road to provide a new half-mile long access road from U.S. 221 into the new facility. A new, wider bridge was also constructed over the CSX Railroad to better accommodate heavier vehicles accessing the new plant.

Funding for the project came from NCDOT, the Appalachian Regional Commission, the Golden Leaf Foundation and Horsehead Corporation. NCDOT was responsible for the project planning, while the project was designed by Vaughn and Melton Consulting Engineers and constructed by Devere Construction Company.

- **Repositioning the Global TransPark.** NCDOT has also focused on maximizing the resources the Global TransPark in Kinston offers to meet our state's vital needs and attract new businesses by:
 - Supporting military logistics with available facilities and infrastructure
 - Supporting additional North Carolina exports
 - Working with education and economic development partners to support STEM (science, technology, engineering and math) education and workforce development
 - Focusing on aviation-related businesses and increasing airport utilization
 - Supporting logistics for existing industry in eastern North Carolina—including expansion and promotion of the Foreign Trade Zone program.

As of June 30, 2013, the GTP supported 486 private-sector jobs, with employment expected to top 1,000 by the end of 2016. The average private-sector job at GTP paid \$50,400 annually; 17 percent higher than the state average, and the annual private-sector payroll for GTP tenants was more than \$24 million.

- **Rail.** We have also invested in our rail infrastructure to help improve mobility, connectivity and economic development across the state. In FY 2012–13, we began construction on projects as part of the Piedmont Improvement Program, investing \$500 million in American Recovery and Reinvestment Act funds to improve the rail corridor between Raleigh and Charlotte. This initiative will greatly benefit both passenger and freight rail.

Additionally, we continued to provide valuable support for freight rail and employers throughout North Carolina through our Rail Industrial Access and Short Line Infrastructure Assistance programs. Since it began in 1994, 83 grants have been awarded through the Rail Industrial Access Program (RIAP), which provides funding for rail spurs for new or expanding industry. These grants total more than \$9.3 million and have added more than 6,600 industry jobs and more than 71,000 industry carloads.

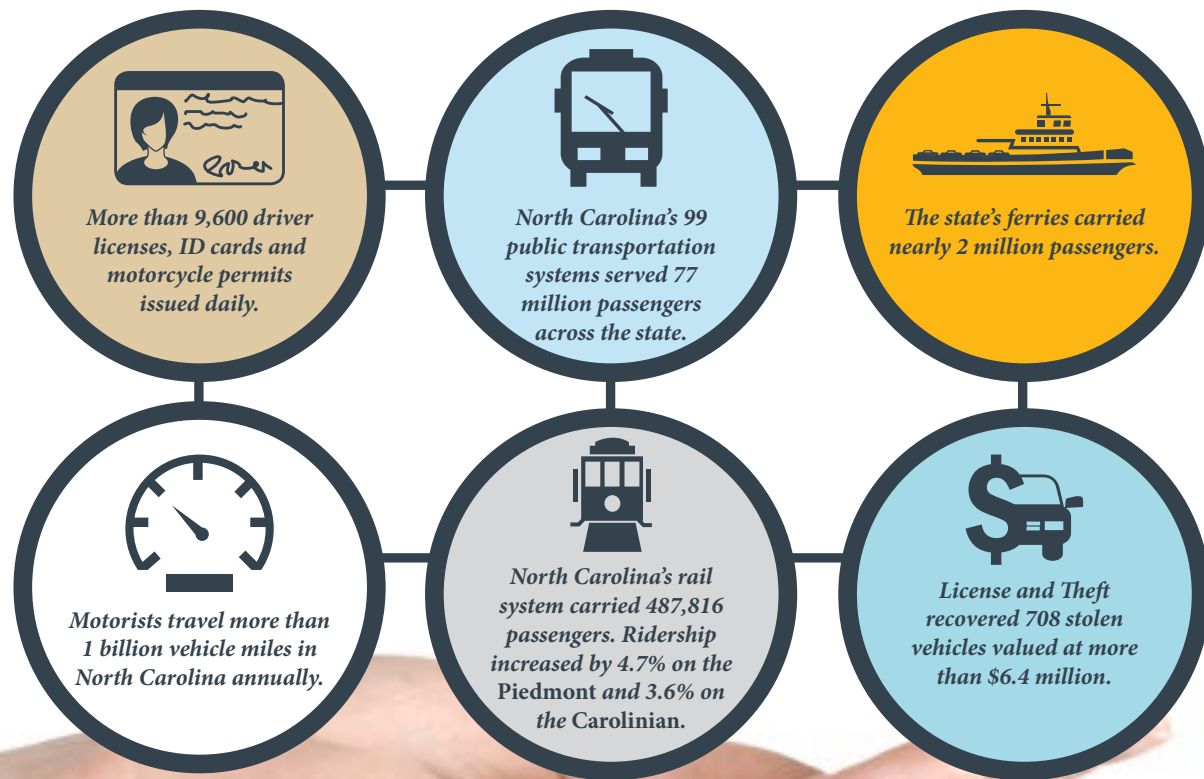
In FY 2012–13, grants were awarded under the RIAP to Pactiv Corporation in Kinston, Edwards Wood Products in Wadesboro, Wood Fuels NC in Sims, and Chemtex in Clinton. These grant recipients committed to 154 new jobs and shipping 5,654 rail carloads per year once the industries are operating.

Along these same lines, the Short Line Infrastructure Assistance Program provides funding for upgraded and rehabilitated track and structures for short line railroads. Since the program began in 2004, 74 grants totaling nearly \$13 million have been awarded. These grants have funded improvements to rail infrastructure used by an average of 62 industries annually, which have employed an average of 7,300 people and shipped 36,000 carloads of freight each year on the grant recipients' short line railroads.

In FY 2012–13, track rehabilitation and upgrade improvements were completed under grants to Atlantic & Western, Wilmington Terminal, Carolina Coastal and Caldwell County short line railroads.

servicing NORTH CAROLINIANS

NCDOT is dedicated to serving travelers throughout North Carolina by providing modern transportation infrastructure, cutting-edge communication about our operations and activities, and services that enhance safety and improve quality of life.



Engagement is an important part of serving the people of North Carolina. NCDOT created and actively uses Twitter feeds to provide information regarding NCDOT activities to more than 48,021 followers.

The Department's YouTube site had more than 161,362 views during the fiscal year.

The Department hosts seven Facebook pages with more than 18,656 followers.

NCDOT's Flickr site, featuring photos of Department events and activities, had a total of more than 5.1 million views at the end of the year.

NCDOT's new social media pages, Pinterest and Instagram, have 359 and 519 followers respectively.

ncdot.gov
received approximately
43.5 million views



customer **FOCUS**

As we make investments in our infrastructure, we recognize that the heart of our mission is serving the people of North Carolina and are working to maintain a customer-centered focus in all we do.

From offering extended hours at DMV offices across the state to working around-the-clock to keep our highways safe and passable in the wake of hurricanes, heavy rains and winter weather, NCDOT is committed to providing the highest possible level of service to customers across the state who rely on our infrastructure daily.

DMV Reform

Improving customer service at the state's Division of Motor Vehicles continues to be a top priority of the Department.

NCDMV began offering extended evening and Saturday hours at a handful of driver license offices across the state in February and they are now available at 19 offices throughout North Carolina. More than 7,300 transactions were conducted during extended hours through the end of June, and more than 85 percent of the population statewide is now within a 30-mile radius of DMV extended hours services.

DMV also worked to launch a number of other major initiatives during FY 2012–13 including:

- “Tag and Tax Together,” which combines payment of vehicle property taxes with vehicle registration renewals.
- A partnership with Ft. Bragg and Johnston Community College to begin providing Commercial Driver License courses on post at Ft. Bragg at reduced rates for current service members and their spouses. Additionally, House Bill 322 now allows DMV to waive the CDL skills test for veterans who have passed the military skills test.

Weather-Related Recovery and Emergency Response Efforts

N.C. 12 along Hatteras Island was battered in Fall 2012 by Hurricane Sandy and back-to-back Nor'easters. Emergency ferry service was immediately implemented, and temporary four-wheel drive access was established to provide residents vital connections to jobs and medical care until this lifeline was restored just in time for Christmas. We also created a Facebook page to help provide citizens real-time information regarding travel to and from the island.

Additionally, significant rainfall led to flood and slide damage statewide early in 2013. Nearly all 100 counties had roadways affected, but the hardest hit area was in the mountains, where 11 counties had more than 244 sites with damage in January and May combined. Division personnel worked to reopen roads quickly.



alternative **SOLUTIONS**

While the efficiencies we have already implemented help our existing resources go further, they are not a true solution to the growing transportation funding gap faced by our state. In fact, there is no single answer—but, rather, we must continue utilizing a wide range of tools available to help meet our state’s needs.

Alternative financing such as tolls, Grant Anticipation Revenue Vehicles (GARVEE bonds), and public-private partnerships, as well as alternative delivery methods such as design-build that allow us to complete projects more efficiently, continue to be part of the equation.

- GARVEE bonds allow NCDOT to borrow against future federal funding to pay for improvements of statewide significance, helping complete projects sooner and reducing inflation-related costs. To date, the Department has realized net inflation-related savings of \$540 million.
- Public-Private Partnerships, such as those being established at the state ports and through programs like Sponsor-A-Highway, help supplement taxpayer dollars and provide valuable opportunities to partner with the private sector on transportation improvements.
- Design-build allows a single team to be responsible for the simultaneous design and construction of a project. This method not only expedites completion time, but often results in cost savings due to project innovations and avoidance of inflation-related costs. Low bids received on design-build projects to date are about 8.7 percent below NCDOT’s total estimates, and innovations have cut an average of three to six years off project completion times.
- Express Design-Build stems from the success of design-build and allows the Department to expedite the contracts for small bridge replacements, accelerating many of the projects by as much as two years. NCDOT has replaced nearly 300 bridges using express design-build since March 2012. The program has received good reviews by industry partners and other states around the country.
- Through the State-Funded Bridge Improvement Program we are investing more state funding in our bridges to help improve their condition. Through this program, the largest of its kind in state history, NCDOT is investing \$810 million over four years to not only replace, but also strategically preserve or rehabilitate, existing bridges to help extend their lifespan and stretch existing resources further.
- NCDOT implemented toll transponder interoperability with E-ZPass®, which allows drivers with an NC Quick Pass® or E-ZPass® to use their prepaid electronic toll collection account in 15 states. North Carolina is the first state in the nation to implement this interoperability.

THE N.C. GENERAL ASSEMBLY APPROVED A
\$450 MILLION INVESTMENT IN BRIDGES
FOR FY 2012 AND 2013, WHICH RESULTED IN:



improvements to more than
790 bridges

270 fewer
structurally deficient bridges

improved Bridge Health Index for
570 bridges
that were previously rated as “poor”

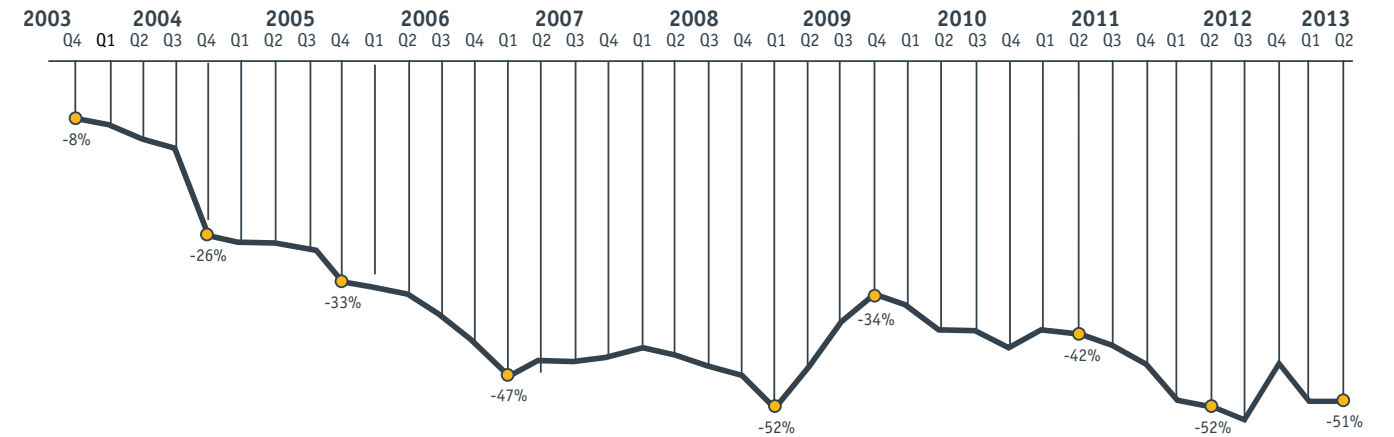
312 fewer bridges
with weight restrictions

*Based on this success, the N.C. General Assembly
approved an additional \$360 million in the
2014–2015 budget to continue the
program over the next two years.*

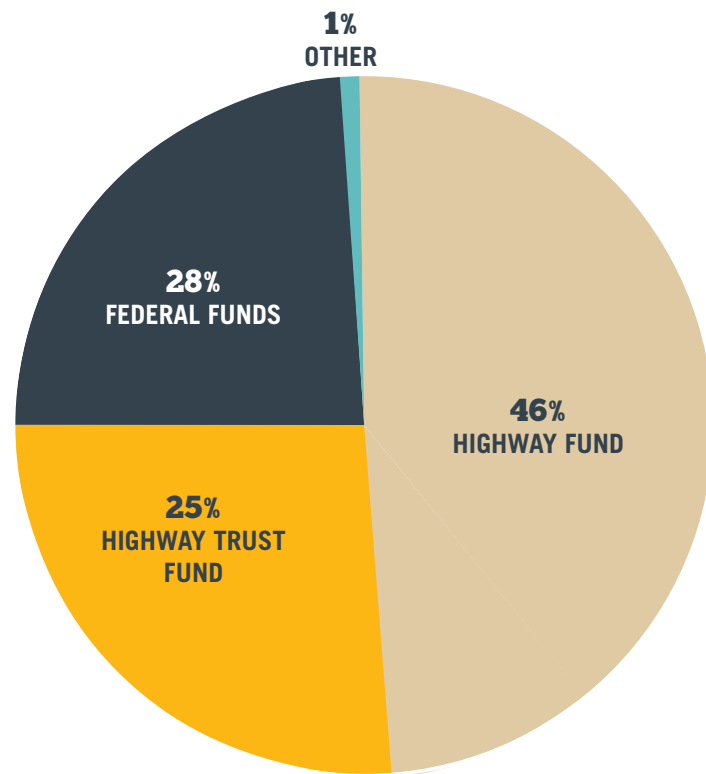
funding OVERVIEW

NCDOT has an annual operating budget of about \$4 billion, with dedicated revenue sources that fund its operations. The three primary sources are the Highway Fund, the Highway Trust Fund and federal funds.

PURCHASING POWER OF NCDOT HIGHWAY CONSTRUCTION DOLLARS



REVENUE BY MAJOR FUNDING SOURCES

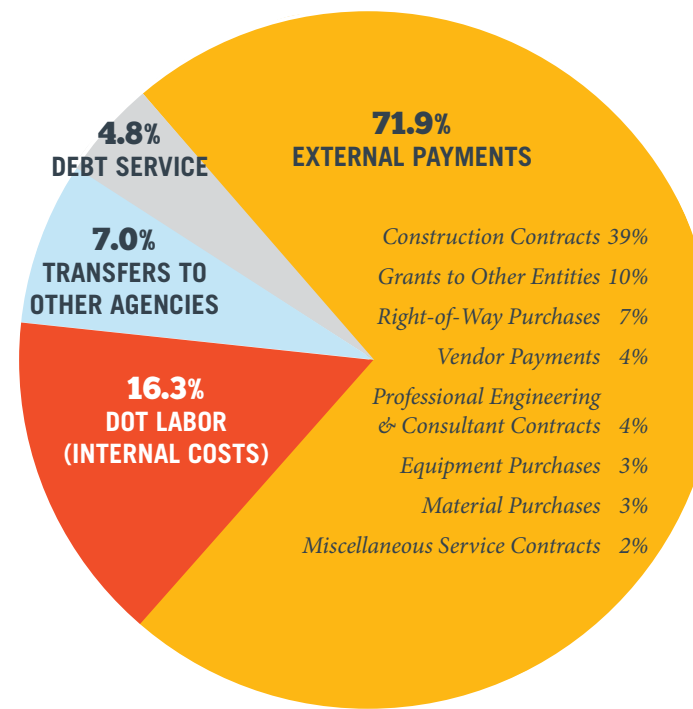


State	\$3,070,749,116
Federal	1,111,736,910
Federal Stimulus	64,253,645
Local	40,710,154
Grants	86,374,176
Debt—GARVEE	58,047,991
Debt—NCTA	76,495,267
Toll Rev./Int.	10,416,388

Total	\$4,518,783,647
Forecast	\$4,629,066,111
Variance %	-2.4%

Note: NCTA=N.C. Turnpike Authority

EXPENDITURES BY MAJOR CATEGORIES



Construction	\$2,096,838,249
Construction—Stimulus	19,940,009
Construction—NCTA	95,283,972
Maintenance	1,137,658,873
Transit & Other Modal	211,300,925
Transit—Stimulus	11,806,009
Rail—Stimulus	38,565,766
Debt Service	162,033,333
Finance Cost—NCTA	80,027,377
Administration	231,877,929
Transfers	285,310,234
(General Fund)	\$27,595,861
(Highway Patrol)	196,209,049
(Public Instruction)	26,330,000
(Other Agencies)	35,175,324
State Aid Municipalities	142,804,499
Other Programs	24,557,766

Total	\$4,538,004,941
Forecast	\$4,585,058,617

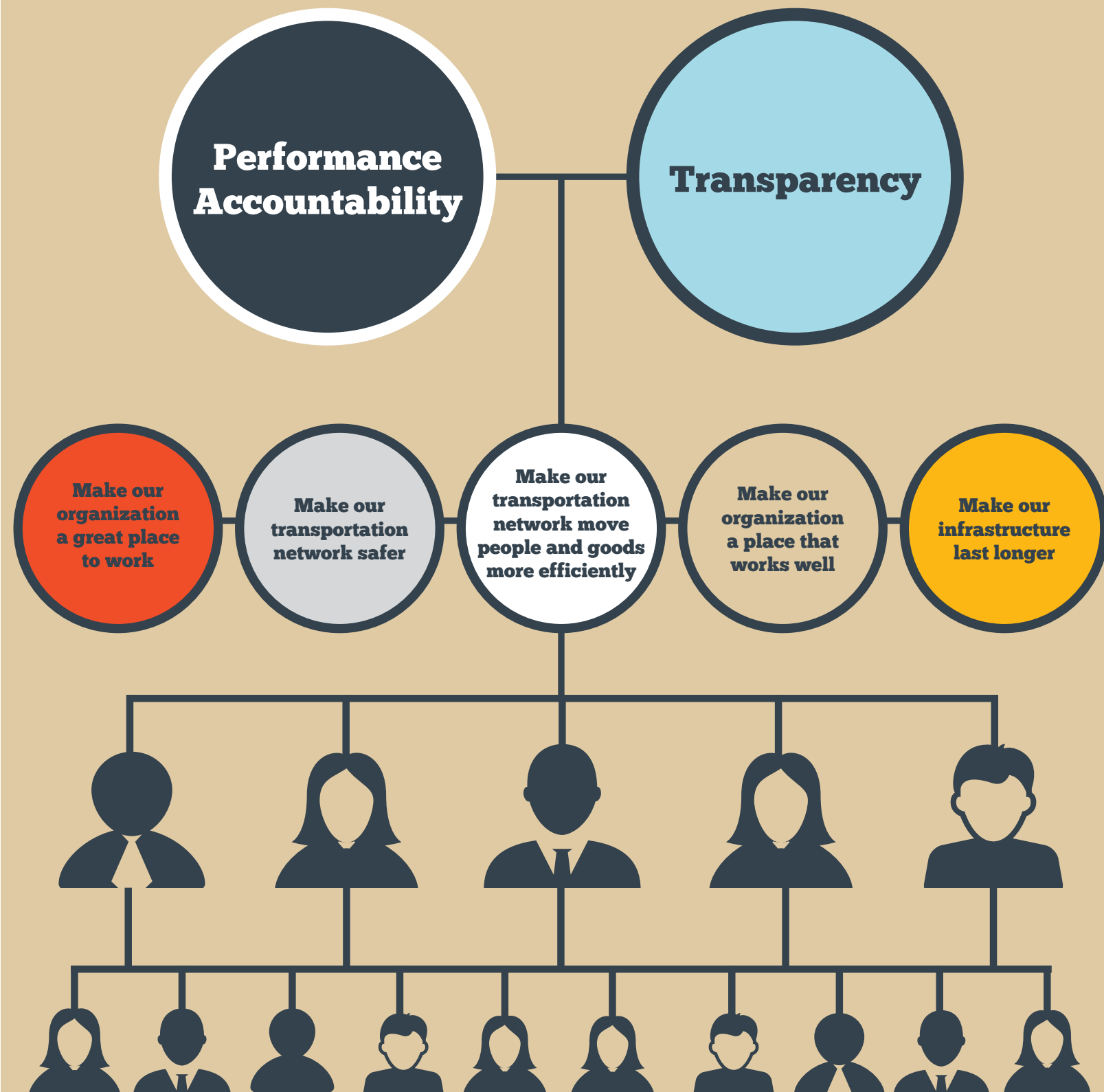
Variance % -1.0%

Note: NCTA=N.C. Turnpike Authority

measuring **OUR PERFORMANCE**

As part of our continuous efforts to operate more efficiently, NCDOT measures its performance based on expected results to be more transparent and more accountable for what we promise. Performance accountability starts at the top of our organization and cascades down to all employees. All functions within the agency must work together efficiently and effectively to ensure our programs, projects and services are delivered on schedule and within budget. We have identified 27 key performance measures to gauge our success in meeting our five organizational goals.

In State Fiscal Year 2012–13, we met or exceeded 19 measures and did not meet six. We did not have results for two of these measures. Our Performance Scorecard reports the results in each area as compared to numerical performance targets. Included with each section is an explanation of where we did not meet annual expectations, why we did not, and what we are doing as a Department to improve performance in these areas. If results are not achieved, the appropriate agency head is expected to identify causes and improve results. Our detailed performance metrics for SFY 12–13 are included at the back of this report in the appendix. Additionally, our web-based Performance Dashboard is continually updated to display the most recent results of our organizational performance. Both the Dashboard and performance measures can be found on our website at ncdot.gov/performance.



performance SCORECARD

Met or Exceeded Target Within 5% of Target Below Target

Goal	Defined Performance Measure	SFY2012 Result	SFY2013 Target	SFY2013 Result
Safety: Make our transportation network safer	Statewide network crash rate ¹	230	234 or less	237
	Percentage of surveyed North Carolina drivers using a safety belt ²	87.5% ⁸	90.0% or greater	88.6%
Mobility: Make our transportation network move people and goods more efficiently	Average statewide accident clearance time	61 min.	70 min. or less	62 minutes
	Travel time index for surveyed interstates ⁵	0.98	1.04 or less	0.98
	Percentage of planned ferry runs completed as scheduled	97%	95.0% or greater	97.3%
	Percentage of planned passenger trains arriving on schedule (<i>Carolinian</i> and <i>Piedmont</i> only)	58.4%	80% or greater	59%
	Percentage change in public transit ridership ⁷	5%	+5% or greater	1%
	Percentage change in Ports Authority cargo movements (bulk and breakbulk cargo only) ⁷	new measure	+5% or greater	10%
What are we doing to improve?				
Percentage of planned passenger trains arriving on schedule (<i>Carolinian</i> and <i>Piedmont</i> only)				
A number of projects are underway as part of the Piedmont Improvement Program, or PIP, that will add parallel tracks where passenger and freight trains now share a single track along the Raleigh to Charlotte corridor. These improvements, along with the construction of highway/railroad bridges, will improve reliability and on-time performance.				
Percentage change in public transit ridership⁷				
While there was an increase in ridership in FY '13 from FY '12, it was not as large as anticipated. This can be attributed to a number of factors, including lower gasoline prices and unemployment rates, the elimination of the GoPass program for state employees in the Triangle, and route adjustments or fare increases on some systems to meet reduced budgets or increased operating costs. We continue to work in partnership with municipalities on various Transportation Demand Management programs designed to reduce congestion by educating and motivating commuters to explore various forms of public transit. These programs have resulted in a 25.9 percent reduction in the projected growth of commuter vehicle miles traveled from 2009 through 2013.				
Infrastructure Health: Make our infrastructure last longer	Percentage of bridges rated in good condition ⁶	66.2%	65.0% or greater	64.9%
	Percentage of pavement miles rated in good condition ²	68.9%	70.0% or greater	68.7%
	Average highway feature condition scores (excluding pavement and bridges) ²	89.7	84 or greater	89.7
	Average rest area condition scores	97	90 or greater	95

Goal	Defined Performance Measure	SFY2012 Result	SFY2013 Target	SFY2013 Result
Make our organization a place that works well	Percentage of work program projects on schedule ³	75%	85% or greater	76.1%
	a. Percentage of centrally-managed STIP projects let on schedule			84%
	b. Percentage of division-managed STIP projects let on schedule			72%
	c. Percentage of municipal- and locally-managed STIP projects let on schedule			70%
	Percentage of division-managed non-STIP projects on schedule ⁴	new measure	85% or greater	71.2%
	Percentage of construction projects completed on schedule	85%	85% or greater	88.7%
	Total budget overrun for completed construction projects	-2%	5% or less	-1.7%
	Percentage of NCDOT's total budget expended on external goods, materials, services, debt and transfers ⁴	new measure	80% or greater	84%
	Percentage of the overall budget for administrative costs	5.5%	7.6% or less	5.3%
	Percentage of the total program budget paid to minority- and women-owned businesses	12.3%	10.7% or greater	13.5%
	Average customer wait time at DMV facilities that track transactions	25 min.	24 min. or less	data unavailable*
	Average statewide environmental compliance score on construction and maintenance projects	8.7	7.5 or greater	8.7
	Percentage of surveyed customers satisfied with transportation services in North Carolina ²	new measure	75% or greater	data unavailable*
What are we doing to improve?				
Percentage of work program projects on schedule³				
The State Transportation Improvement Program (STIP) delivery result continues to improve annually, increasing 12 percent since FY '09. The Department continues to look for process efficiencies to meet our target delivery rate. We also have made improvements to our project management system to make it more efficient for our engineers to manage project activities and schedules.				
Percentage of division-managed non-STIP projects on schedule				
This is the first full year that NCDOT has implemented a project management system for these smaller, division-let projects. This result is anticipated to improve as division personnel grows more accustomed to the system.				
Make our organization a great place to work	Percentage of employees retained after three years ⁴	new measure	90% or greater	98.1%
	Employee safety index	4.84	6.16 or less	4.27

¹ The crash rate is measured by dividing the crash count and fatality count by 100 million vehicle miles traveled.
² The performance measure and result are based on a standing survey or periodic assessment and not based on the state fiscal year; therefore it is considered "static" and is assumed to have no change since the most recent result was published. Current NCDOT systems only track the result annually or biennially.
³ The result only evaluates STIP projects that are on the Work Program delivery list downloaded from the project schedule management tool (STARS) on July 1, 2012. Performance results are adjusted to include projects that are added or advanced in the program.
⁴ The performance measure was first introduced this fiscal year and not tracked in prior years on the Performance Scorecard.
⁵ The result is a 12-month moving average (July 2012–June 2013) and excludes the hours of 10:00 p.m. to 6:00 a.m.
⁶ The result is an actual summary of active bridge condition ratings as of July 2, 2013.
⁷ The percentage change is compared to the quarterly results one year prior.
⁸ Due to calculation errors in 2012, the published result was incorrect and has been adjusted.

* Data that is unavailable is due to absent or incomplete information that limits the ability to provide an accurate result.

future VISION

With the Strategic Mobility Formula laying the groundwork for our future, we are now developing our vision for transportation throughout the state for the next 25 years, which will allow us to fully implement our strategic direction for North Carolina and ensure we are leveraging our infrastructure to support job creation and economic development for decades to come.

Together, we are making a difference for North Carolina as our state's story continues to unfold. While we face significant challenges ahead, with the right investments, we can meet these challenges head on and continue to move our state forward in all areas of life.



2014 executive performance METRICS

Goal	Defined Performance Measure: SFY 2014	Target
Make our transportation network safer	Statewide network crash rate	233 or less
	Statewide network fatality rate	1.39 or less
	Percentage of surveyed North Carolina drivers using a safety belt*	90% or greater
Make our transportation network move people and goods more efficiently	Average statewide accident clearance time	70 min. or less
	Travel time index for surveyed interstates	1.02 or less
	Percentage of planned ferry runs completed as scheduled	95% or greater
	Percentage of planned passenger trains arriving on schedule (Carolinian and Piedmont only)	80% or greater
	Percentage change in public transit ridership*	+5% or greater
	Percentage change in Port Authority cargo movements (bulk and breakbulk cargo only)	+5% or greater
Make our infrastructure last longer	Percentage of bridges rated in good condition	65% or greater
	Percentage of pavement miles rated in good condition*	70% or greater
	Average highway feature condition score (excluding pavement and bridges)*	84 or greater
	Average rest area condition score	90 or greater
	Percentage of work program projects on schedule (STIP only) a. Percentage of centrally managed STIP projects let on schedule b. Percentage of division-managed STIP projects let on schedule c. Percentage of municipal-and locally managed STIP projects let on schedule	85% or greater
Make our organization a place that works well	Percentage of division-managed non-STIP projects on schedule	85% or greater
	Percentage of construction projects completed on schedule	85% or greater
	Total budget overrun for completed construction projects	5% or less
	Percentage of NCDOT's total budget expended on external goods, materials, services, debt and transfers	80% or greater
	Percentage of the overall budget for administrative costs	7.6% or less
	Percentage of the total program budget paid to minority- and women-owned businesses	12.1% or greater
	Average customer wait time at DMV facilities that track transactions	24 min. or less
	Average statewide environmental compliance score on construction and maintenance projects	7.5 or greater
	Percentage of surveyed customers satisfied with transportation services in North Carolina*	75% or greater
	Make our organization a great place to work	Percentage of employees retained after three years
Employee engagement survey score*		5.25 or greater
Employee safety index		6.16 or less

*Performance measure is based on a standing survey or assessment and not tracked quarterly.

APPENDIX

In addition to the Performance Scorecard on page 26, NCDOT maintains and tracks hundreds of various key performance measures and level of service indicators that influence the Department’s ability to move people and goods and provide an improved level of service to our citizens.

The detailed results of these key measures are monitored by management on an on-going basis, reported periodically throughout the year as well as annually in the following pages of this report. When applicable, historical data and color indicators are included to illustrate increased and decreased results, which can fluctuate from year to year due to a number of variables.

The following tables and charts provide a more detailed view of several key performance measures maintained regularly by Department analysts and experts. Additional information and more up-to-date results are available at ncdot.gov/performance.

Highway Performance Profile: Infrastructure Health Condition Scores

Division	2012 Pavement Conditions*			2013 Bridge	2012*
	Statewide Tier (70–85%=yellow)	Regional Tier (65–80%=yellow)	Subregional Tier (60–75%=yellow)	Conditions (55–65%=yellow)	Roadside Features Index (80–84%=yellow)
1	58.7%	65.3%	63.7%	56.3%	86.1
2	81.8%	49.3%	62.2%	71.2%	90.0
3	64.6%	54.5%	68.5%	58.1%	86.9
4	71.8%	54.9%	76.5%	70.9%	90.6
5	82.8%	71.1%	67.1%	75.0%	89.1
6	81.0%	65.5%	83.1%	59.3%	87.5
7	74.1%	54.2%	68.9%	59.3%	87.7
8	81.7%	68.8%	74.6%	64.5%	91.3
9	72.9%	77.4%	68.9%	68.0%	91.4
10	61.2%	59.3%	68.3%	72.6%	89.0
11	77.0%	61.0%	64.0%	60.1%	90.0
12	71.6%	61.5%	68.2%	69.2%	89.5
13	87.9%	78.0%	69.8%	61.6%	91.1
14	68.0%	60.1%	60.3%	62.2%	89.5
Statewide	73.5%	62.5%	69.3%	64.9%	89.7

Notes:

- * Pavement Conditions and Roadside Features are currently produced biennially. These conditions will be reevaluated in 2014.
- o Pavement Condition is defined as the percentage of pavement miles in good condition.
- o Bridge Condition is defined as the percentage of bridges in good condition.
- o Roadside Features is defined as a composite score from 1–100 with 100 being the best.
- o For counties included in each division, please see map on page 9.

Highway Performance Profile: Highway Safety Rates

Division	VMT (per 100 MVMT)		Total Crashes		Crash Rates (per 100 MVMT)		Total Fatalities		Fatality Rates (per 100 MVMT)		Total Injuries		Injury Rates (per 100 MVMT)	
	5YrAvg*	FY 13**	5YrAvg*	FY 13	5YrAvg*	FY 13	5YrAvg*	FY 13	5YrAvg*	FY 13	5YrAvg*	FY 13	5YrAvg*	FY 13
1	31.88	30.56	5,809	5,757	182.22	188.36	50	47	1.56	1.54	2,567	2,256	80.53	73.81
2	49.13	49.37	11,794	13,266	240.05	268.73	77	78	1.56	1.58	5,740	5,722	116.84	115.91
3	70.29	72.21	16,469	17,136	234.28	237.32	116	111	1.65	1.54	7,661	6,895	108.98	95.49
4	69.19	68.29	14,821	15,405	214.19	225.57	111	108	1.61	1.58	7,064	6,967	102.09	102.02
5	144.15	150.53	39,976	43,354	277.33	288.02	130	136	0.90	0.90	14,468	15,340	100.37	101.91
6	71.81	71.67	18,067	17,063	251.60	238.07	159	165	2.22	2.30	9,729	8,449	135.48	117.88
7	97.05	99.32	20,618	21,896	212.45	220.46	111	90	1.14	0.91	10,430	10,887	107.47	109.61
8	51.72	52.02	11,311	11,611	218.71	223.20	93	83	1.80	1.60	5,460	5,239	105.57	100.71
9	80.17	80.75	16,736	16,821	208.75	208.30	100	104	1.25	1.29	7,728	7,260	96.39	89.90
10	146.45	153.34	36,876	40,249	251.79	262.48	130	126	0.89	0.82	18,214	20,879	124.37	136.16
11	39.94	39.38	8,453	7,896	211.64	200.50	64	59	1.61	1.50	3,897	3,403	97.57	86.41
12	79.60	78.43	17,390	18,119	218.48	231.02	101	77	1.27	0.98	9,104	8,773	114.37	111.85
13	54.96	54.45	10,533	11,171	191.66	205.18	65	58	1.19	1.07	5,437	5,130	98.94	94.22
14	42.07	41.59	6,915	6,728	164.35	161.76	56	49	1.33	1.18	3,274	2,891	77.83	69.51
Statewide	1,028.41	1,041.92	235,768	246,472	229.25	236.56	1,364	1,291	1.33	1.24	110,773	110,091	107.71	105.66

- Trend is down (FY13 compared to 5-year average)
- Trend is statistically even (+/- 2.5%)
- Trend is up (FY13 compared to 5-year average)

Notes:

- *5YrAvg is for FY08-FY12
- **FY13 VMT is calculated by using the most current published VMT data from the Transportation Planning Branch that is available at the time the statistics are compiled.
- FY VMT, which is used to determine the 5YrAvg VMT, is calculated by using 50% of the VMT for each calendar year.
- VMT=vehicle miles traveled
- MVMT=million vehicle miles traveled
- For counties included in each division, please see map on page 9.

Rail Performance Profile: Ridership Statistics

SFY Quarter	SFY 2009	SFY 2010	SFY 2011	SFY 2012	SFY 2013	5YrAvg
Quarter 1	180,946	174,255	215,865	211,159	232,227	202,890
Quarter 2	198,649	197,132	245,816	250,270	257,654	229,904
Quarter 3	140,211	163,491	198,237	204,272	222,722	185,787
Quarter 4	175,480	214,663	232,820	236,634	231,477	218,215
Annual Total	695,286	749,541	892,738	902,335	944,080	836,796

- Results compared to 5-year average have increased 10% or more
- Results compared to 5-year average have increased between 0% and 10%
- Results compared to 5-year average have declined

Note:
 ◦ Data includes all Amtrak passengers whose trip originates or ends in North Carolina.

Public Transit Performance Profile: Ridership Statistics

SFY	Total	Difference from Year Prior	% Change
2003	48,500,000	1,000,000	2.06%
2004	50,500,000	2,000,000	3.96%
2005	52,300,000	1,800,000	3.44%
2006	55,972,623	3,672,623	6.56%
2007	56,781,441	808,818	1.42%
2008	62,200,000	5,418,559	8.71%
2009	68,452,104	6,252,104	9.13%
2010	68,251,786	-200,318	-0.29%
2011	72,957,653	4,705,867	6.45%
2012	77,191,873	4,234,220	5.49%
2013	77,689,129	497,256	0.64%

Ferry Performance Profile: Ridership Statistics

Ferry Route	SFY 2009		SFY 2010		SFY 2011		SFY 2012		SFY 2013*	
	Vehicles Transported	Passengers Transported	Vehicles Transported	Passengers Transported	Vehicles Transported	Passengers Transported	Vehicles Transported	Passengers Transported	Vehicles Transported	Passengers Transported
Southport to Fort Fisher	154,318	426,973	167,773	455,668	175,168	476,646	180,072	478,249	183,223	485,424
Cherry Branch to Minnesott	260,134	453,043	229,270	403,984	249,945	432,991	231,948	409,685	214,114	381,591
Cedar Island to Ocracoke	34,235	84,604	32,354	77,672	32,725	79,324	30,660	73,707	28,054	66,426
Ocracoke to Cedar Island	33,303	82,308	32,091	77,250	32,700	78,601	30,012	72,052	26,753	64,911
Pamlico River	80,211	124,994	67,416	100,252	70,493	101,850	69,750	94,163	66,125	90,103
Swan Quarter to Ocracoke	12,908	29,314	11,936	27,719	12,722	29,777	18,355	42,217	17,245	37,835
Ocracoke to Swan Quarter	12,298	28,803	11,783	25,326	13,259	29,595	17,940	39,454	17,058	36,434
Hatteras Inlet	328,324	869,139	339,013	875,257	324,340	859,343	264,508	703,309	260,248	697,149
Currituck	27,773	85,255	25,033	78,374	26,312	84,359	23,593	72,862	21,805	63,227
Summary	943,504	2,184,433	916,669	2,121,502	937,664	2,172,486	866,838	1,985,698	834,625	1,923,100

- % change was positive compared to 5-year average
- % change was 0 to -7.99% compared to 5-year average
- % was greater than or equal to -8% compared to 5-year average

Note:
*In SFY13 ferry operations were impacted due to Hurricane Sandy and other weather-related storm events.

Motor Vehicles Performance Profile: Driver Statistics

Performance Element	SFY 2008	SFY 2009	SFY 2010	SFY 2011	SFY 2012	5YrAvg*	SFY 2013
Licensed Drivers	6,650,610	6,700,342	6,800,191	5,973,646	6,934,427	6,611,843	7,100,000
Registered Vehicles	8,545,254	8,451,048	8,212,407	8,650,028	8,700,000	8,511,747	8,800,000
Titles Processed	2,777,000	2,373,050	2,343,929	2,143,906	2,566,580	2,440,893	2,248,516
Plates/Stickers Requested	9,252,294	9,163,348	8,749,229	8,883,540	7,159,592	8,641,601	8,957,212
Internet Renewals	1,389,207	1,530,019	1,567,438	1,646,496	1,628,284	1,552,289	1,673,929
Graduated Licenses Issued	192,627	191,191	206,498	210,038	213,066	202,684	210,074
Learner's Permits Issued	93,156	88,037	57,267	59,766	89,822	77,610	87,544
Duplicate Licenses Issued	763,692	711,290	620,153	595,978	639,475	666,118	698,284
Renewals Issued	953,693	888,700	957,550	974,235	754,941	905,824	490,825
Original Licenses Issued	348,291	304,643	276,008	280,363	307,428	303,347	314,825

- Results compared to 5-year average have increased
- Results compared to 5-year average have stayed the same or declined less than 10%
- Results compared to 5-year average have declined by greater than 10%

Note:
*5YrAvg includes the preceding 5 years of data

Bicycle and Pedestrian Performance Profile: Fatalities

Division	SFY 2008		SFY 2009		SFY 2010		SFY 2011		SFY 2012		SFY 2013			5YrAvg*		
	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Bicycle	Ped.	Comb.	Bicycle	Ped.	Comb.
1	0	8	3	6	1	3	1	5	2	9	3	11	14	1.4	6.2	7.6
2	1	9	2	12	2	6	1	6	2	10	2	10	12	1.6	8.6	10.2
3	2	15	4	17	0	20	4	11	1	13	6	18	24	2.2	15.2	17.4
4	0	14	2	6	1	15	3	14	1	9	0	21	21	1.4	11.6	13.0
5	3	28	1	15	2	13	2	16	0	24	3	21	24	1.6	19.2	20.8
6	2	19	0	18	4	30	2	25	2	21	5	26	31	2.0	22.6	24.6
7	1	20	2	16	2	10	1	9	4	9	2	18	20	2.0	12.8	14.8
8	0	11	1	9	0	5	1	10	2	6	2	9	11	0.8	8.2	9.0
9	0	16	2	9	1	8	2	10	2	13	0	15	15	1.4	11.2	12.6
10	2	20	1	14	2	22	2	26	0	36	1	28	29	1.4	23.6	25.0
11	0	2	0	4	2	2	0	2	2	0	0	3	3	0.8	2.0	2.8
12	0	18	4	8	0	16	0	11	0	11	0	15	15	0.8	12.8	13.6
13	1	6	1	6	0	7	1	6	0	12	0	5	5	0.6	7.4	8.0
14	0	4	0	5	0	1	0	1	0	2	0	5	5	0.0	2.6	2.6
Statewide	12	190	23	145	17	158	20	152	18	175	24	205	229	18.0	164.0	182.0

- Trend is down (FY13 compared to 5-year average)
- Trend is statistically even (+/- 2.5%)
- Trend is up (FY13 compared to 5-year average)

Note:
* For counties included in each division, please see map on page 9.
*5YrAvg includes SFY08-SFY12

North Carolina

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