

Project Delivery

OTHER INVESTMENTS

Project Delivery is one of the thirteen investment categories of MnSHIP, a fiscally constrained plan MnDOT uses to balance the needs and risks of Minnesota's state highway network. Folios for each investment category describe potential levels of investment and associated outcomes. Through MnSHIP, MnDOT will create an investment direction that guides state highway capital investments for the next 20 years.

INVESTMENT CATEGORY DETAILS

What is Project Delivery Investments and why is it important?

Project Delivery is critical to ensuring timely and efficient delivery of projects constructed on the state highway system. Project Delivery Investments investment helps MnDOT optimize resources by targeting support dollars to areas that contribute to project implementation.

Resources are needed in a number of areas to effectively work with partners on improvements, deliver quality capital projects, and optimize MnSHIP investment. These areas include:

- **Right-of-way** - Many capital improvements require additional space for travel lanes, drainage ponds, shoulders, etc. The cost for acquiring the property for improvements is included in this area. Right-of-way acquisition can be permanent (by easement or fee) or temporary (for construction staging).
- **Consultant services** - Private consultants are used to supplement MnDOT staff and provide special expertise in completing preliminary engineering and detailed design work. Consultants can play an important role in



MnDOT uses consultants to assist with project development and design to supplement MnDOT staff when required.

assisting MnDOT with project delivery as well as in construction administration, especially when shorter time frames and more complex designs are needed.

- **Construction incentives** - Incentives are used to promote or increase the likelihood of a desired outcome. One example is paying for early completion. Carrying out construction projects in certain high-traffic areas (such as along I-94 in the Twin Cities) is very disruptive to thousands of people and businesses who use state highways. Implementing weekend or late-night work can help to minimize disruptions, lower congestion, and save many people and businesses hours of lost-productivity. Another example is paying for certain performance outcomes, such as work to achieve higher quality levels and/or to increase the longevity of the work completed (e.g. smoother finished pavement).
- **Supplemental agreements** - Resources are needed to address unanticipated issues that develop during construction (e.g. unknown contaminated soil).



Drainage projects may require the acquisition of right-of-way. Existing culverts may need to be replaced with larger culverts to reduce flooding risks. New culverts may not fit into the existing highway footprint.

How has the planning context for Project Delivery changed since 2013 MnSHIP?

Annually MnDOT completes a 10-Year Capital Highway

Investment Plan which details MnDOT's capital highway investment and project selection over the next 10 years. The document also serves as a check to ensure that MnDOT is meeting the investment levels and performance outcomes identified in 2013 MnSHIP's investment guidance. Investment guidance from 2013 MnSHIP expected Project Delivery expenditures to decrease between years 1-10 (2014-2023) and 11-20 (2024-2033). The comparison between 2013 MnSHIP Guidance and investment in the 10-year CHIP shows that Project Delivery Investments investments were above the 2013 MnSHIP investment guidance. With this MnSHIP update, MnDOT has re-evaluated the Project Delivery needs and has determine that more resources are needed.

How does MnDOT typically invest Project Delivery?

During the MnSHIP 2037 update an analysis was completed identifying expenditures using State Trunk Highway Funds in right-of-way acquisition, consultant services, supplemental agreements, and construction incentives. Over the past 3 years, MnDOT expenditures in Project Delivery Investments have accounted for 12.4% of the total funding available. MnDOT has developed three investment scenarios for the public engagement phase of the MnSHIP 2037 update. These scenarios will be used to help facilitate a discussion with stakeholders and the general public about MnDOT's state highway investment direction. For the

purposes of the scenarios, Project Delivery investments are held constant at 12.4% of the total funds. Final investment direction may or may not be held constant at 12.4%.

How does MnDOT enhance financial effectiveness through Project Delivery?

As an agency, MnDOT continues to strive to deliver projects as efficiently and effectively as possible. In 2014, MnDOT identified an important goal of enhancing the financial effectiveness of the agency. Two of the main questions the agency is asking is how much does it cost to deliver MnDOT's construction program and how much of the construction program can be delivered in-house. Project Delivery investments help to ensure efficient and effective delivery of MnDOT's construction program. MnDOT uses the following cost-effective approaches for efficient and effective project delivery:

- utilizing private consultants to expand the capital project delivery capacity of MnDOT;
- minimizing the impacts construction projects have on traveling public through use of night and weekend construction; and
- limiting cost by only acquiring additional right-of-way temporarily when completing projects.

Find more information with these additional folios!

Asset Management

- Pavement Condition
- Bridge Condition
- Roadside Infrastructure Condition
- Jurisdictional Transfer
- Facilities

Traveler Safety

- Traveler Safety

Critical Connections

- Twin Cities Mobility

- Greater Minnesota Mobility

- Bicycle Infrastructure

- Accessible Pedestrian Infrastructure

Transportation In Context

- Regional + Community Improvement Priorities

Other Investments

- Small Programs

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