



TOLLING. MOVING SMARTER.

Organization Name: North Carolina Turnpike Authority

Project or Program Name: Complete 540 Phase 1

Goal that best reflects your Project or Program's achievements: Demonstrates our organization's procurement efforts to provide partnership opportunities to People of Color and disadvantaged populations

Launch date for the Project or Program

4/12/2018

How many months of proven experience is this submission based upon?

Thirty-eight months from the launch date.

Is this Project or Program complete? If no, when will it be completed?

No. It will be completed in 2023.

Briefly describe the Project or Program

Phase 1 of Complete 540 is a new, six-lane, limited-access tolled highway that will extend the Triangle Expressway in Wake County, North Carolina, for approximately 18 miles from NC 55 Bypass in Apex to I-40/U.S. 70 south of Garner. This project will extend what is currently a partial circumferential highway around greater Raleigh, though only 15 miles of the existing circumferential highway is tolled. The current practice of all-electronic toll collection will continue on the new highway. At \$1.3 billion, Complete 540 Phase 1 is the largest road project in North Carolina's history. The North Carolina Turnpike Authority's (NCTA's) procurement program included an aggressive Disadvantaged Business Enterprise (DBE) goal of approximately \$75 million for the design/build contract as well as an innovative strategy for the right of way program.

What objective(s) was the Project or Program designed to accomplish?

The overall procurement program for Complete 540 Phase 1 was designed to promote significant achievable opportunities for DBE participation in the project.

How did the Project or Program accomplish the stated objectives?

NCTA divided the Phase 1 work into three sections, which improved the ability of DBEs to participate in the project. Companies could thus better evaluate their workload capacity and make better decisions about pursuing work on the project, as they knew the outcome of bids on one section before the next bid was due. NCTA incorporated DBE outreach into its pre-bid informational event for prime contractors and designers by hosting a DBE forum in the same location that day. More than 400 people attended these events on April 12, 2018. Furthermore, elements of the right of way work were structured differently to expand opportunities for DBEs.

What were the successful, demonstrable results of the Project or Program that positively affected the customer, agency and/or the community?

The procurement program for the design/build contract for Complete 540 Phase 1 project achieved the goal of approximately \$75 million for DBEs. Another significant result is described by Vistabution, a DBE firm that successfully bid on the project: "We are very excited to express our gratitude to the NC

Turnpike authority, Mr. Dennis Jernigan, and Mr. Rodger Rochelle for giving Vistabution the opportunity to participate in the largest project in NCDOT history, 'Complete 540.' Being a part of this project has been very rewarding, particularly since 2020 was a period of global distress. While other sectors of our business suffered due to the Coronavirus pandemic, our involvement in I-540 projects grew our Right-of-way business sectors and we were able to retain our workforce and hire new talent because of the Turnpike contracts. On R-2721B we served as a Prime Consultant for Right-of-Way Acquisition and Clearing; on R-2721A, we served as a clearing sub-consultant; and on parts of R-2828, as a clearing and environmental services consultant. This three-phase opportunity showcased our ability to perform and meet the challenge of finishing in a timely manner. I am also appreciative of the Turnpike authority for its forward-thinking and innovative approach to the design-build contracting process. Because of the bundling of Right-of-way acquisition with utility work, environmental remediation, and demolition; our firm was able to serve as a prime consultant on the project team. If this had not been the case, we probably would have been a part of the project team, as a subcontractor, like most DBE firms on design-build project teams." Because the procurement of right of way services was separate from the design/build contract, Vistabution's success meant an additional \$6 million of the project budget went to a DBE firm.

Is your Project or Program relevant and applicable to the overall toll industry? If so, how?

Yes, this procurement program can serve as a model for how large projects can be structured to be more accessible to DBEs. By breaking the project into three sections, NCTA created more opportunities for meaningful DBE participation. In addition, the process of making connections between DBEs and potential prime contractors and designers expanded connections for working relationships beyond the specific project. Furthermore, agencies constructing future toll projects can follow NCTA's example of structuring components of the necessary work in ways that allow DBEs to compete fully by recognizing the skills and talents available from DBEs.

How did this Project or Program achieve or demonstrate excellence?

In the way it connected DBEs and potential prime contractors and design teams, the program expanded connections beyond the project itself. In the way it divided a massive project into smaller sections, the program expanded prospects for DBEs to be successful participants. In the way it packaged right-of-way work, the program created an opportunity for a DBE to serve as a prime contractor on the project. In the way it kept inclusion as a major objective, the program delivered additional contracts worth \$6 million more than the base \$75 million DBE goal.

Describe any innovative aspects of your Project or Program

Specifically, NCTA structured the right of way work in a way to make it possible for a DBE to compete for a prime contract. Typically, different firms handle different parts of the right-of-way acquisition process from appraisals to environmental remediation. In North Carolina, there are no DBE firms with the expertise to win a prime contract for appraisals and closings. However, there are DBE firms with expertise in demolition and environmental remediation. With Complete 540 Phase 1, NCTA approached the process differently, packaging and advertising the right-of-way work in a way to create a one-stop-shop to bring together appraisals, negotiations, demolition, remediation, and all the other steps of the process. This led to a DBE winning the prime contract on one section and being a subcontractor on the other two another sections. Holding a DBE forum on the same day and at the same location as the pre-bid informational event for prime contractors and designers sparked connections that have led to mutually beneficial partnerships that can have an impact beyond the project itself.



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List individuals worthy of special recognition for this Project or Program

Rodger Rochelle NCTA Chief Engineer, Innovative Delivery

Dennis Jernigan NCTA Deputy Chief Engineer for Highway Operations