

Project Selection

Build Nebraska Act

Introduction

Recognizing the need to improve the highway system, the Nebraska Legislature passed the Build Nebraska Act (BNA) into law in 2011. This Law provides 0.25% of existing state sales tax receipts for twenty years be available to expand, reconstruct or build new portions of the expressway system and federally designated high priority corridors, and other high priority highway projects. These funds became available to the Nebraska Department of Roads (NDOR) on July 1, 2013 and are estimated to generate \$1.2 billion over the twenty year period.

Background: Before the Build Nebraska Act

Since early 2008, preservation of the highway system has been the top priority for NDOR. To support this top priority, the NDOR chartered the Funding Distribution Team which was tasked to:

1. Evaluate the financial resources of the NDOR.
2. Evaluate the needs of the State Highway System.
3. Determine the priority for funding the various NDOR programs and projects types with the primary goal of preserving the highway system in mind.
4. Develop and test a methodology to prioritize capital improvement projects with whatever funds remained after fully funding preservation.

This strategy improved the overall condition of the highway system but resulted in limited funding for highway expansion or major improvement projects until the BNA was enacted.

Project Scoring

The project scoring methodology created in 2008 was used as part of the process to select expansion and improvement projects. An index for each candidate project was calculated so that projects could be compared against one another based on many factors. These factors were separated into two tiers.

Tier I	Tier II
Quantitative analysis of direct user benefits and agency costs	Indirect project benefits
Benefits include travel time savings, anticipated crash reduction savings, and operating cost savings.	Analysis of indirect project benefits, such as environmental benefits, economic benefit, the availability of funding from outside sources, and corridor completion
Result: Cost effectiveness ratio for each project that could be sorted to establish a Tier I score.	Result: Summation of points that could be sorted to establish a Tier II score.
60% of overall project score	40% of overall project score

The results of each tier were combined to determine the project's overall score. Project scoring is one of the tools used to assist in the project selection process. It is not the sole gauge of project priority, nor is it an indication of project selection.

Project Selection Criteria – First Ten Years of the Build Nebraska Act

With the passage of the BNA, NDOR needed to develop a plan to select projects for the first ten years of funding. In addition to the project score described above, NDOR considered the following selection criteria:

- **Project Type** – NDOR ensured that the project type conformed to legislative intent.
- **Deliverability** – Because there was little time between the passage of the law and the availability of funds, it was important to consider which of the projects could be ready to be let to construction in the first several years of the BNA.
- **Geographic distribution** – It was important that the BNA funds were distributed across Nebraska
- **Fiscal constraint** – Although there were nearly \$1.5 billion of projects to be considered, there was only \$600 million projected to be available in the first ten years.

Of the 53 projects considered, 16 were selected for construction for the first ten years of BNA funding. The map below shows where the selected projects are located, and what the general scope of work is. Their current status is listed in the adjacent table. The project selection criteria were validated in 2012 through an audit commissioned by the Legislative Performance Committee.

BNA Projects Completed

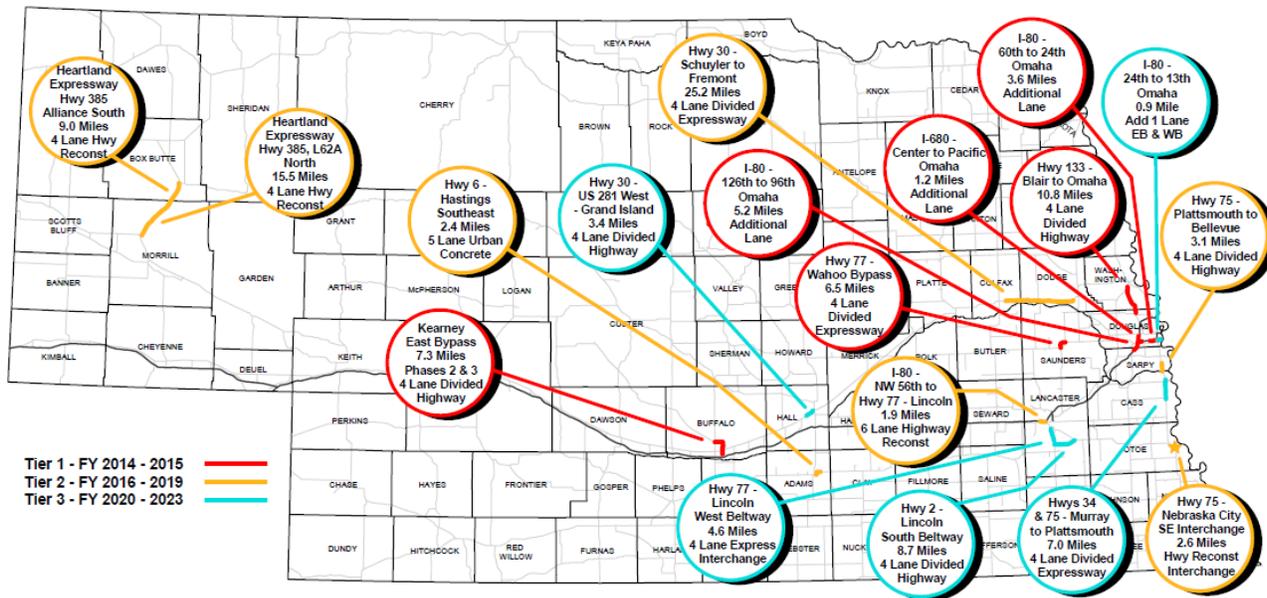
Hwy 77 – Wahoo Expressway
 I-80 Eastbound – 126th – 96th St., Omaha
 I-80 Westbound – I-480 to 60th St., Omaha
 I-680 Northbound – North of Center to Pacific St. – Omaha

Under Construction

Hwy 133 – Blair to Omaha
 Kearney East Bypass, Phases 2 & 3
 I-80 NW 56th to Hwy 77 – Lincoln
 Hwy 75 – Nebraska City SE Interchange

Design Phase

Hwy 30 – Schuyler to Fremont
 Hwy 75 – Plattsmouth to Bellevue – North of Platte River
 Heartland Expressway – Hwy 385, L62A to Alliance
 Lincoln South Beltway
 Hwy 30 – US-281 West – Grand Island
 Hwys 34 & 75 – Murray – Plattsmouth
 Hwy 77 – Lincoln West Beltway
 I-80 24th St. to 13th St. Interchange – Omaha



Locations of selected projects for first 10 years of BNA.

Looking Forward: Project Prioritization

Due to the complexity and size of the projects likely to be considered for future prioritization, it is time to begin project selection and development. Because several years have passed since the initial selection of BNA projects in 2012, it is important to evaluate the previous prioritization process. This process will help determine if refinements are needed to make sure transportation dollars are being invested as wisely as possible to improve safety, travel times and enhance the Nebraska economy.