

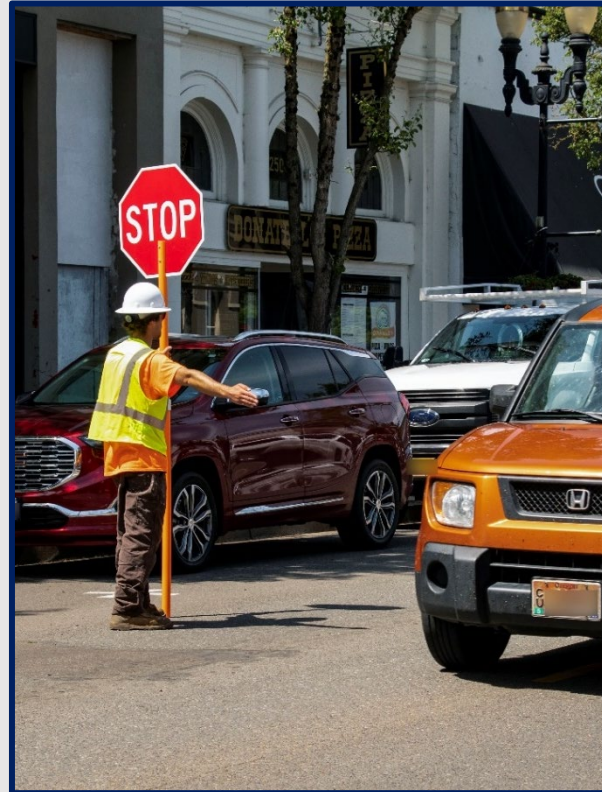


Project Delivery Outlook

AGC/ODOT Conference | February 2023

Mac Lynde, Delivery & Operations Division Administrator

ODOT contractors provide the critical services Oregon needs to develop and preserve its infrastructure, enhance traveler safety, and support economic health.



IJA funding

- **\$1 trillion for infrastructure**
- **\$567 billion for transportation**
- **Surface transportation includes:**
 - Reauthorization of surface transportation programs
 - Special funding for bridges and EV charging
 - New programs for resilience and climate
 - Significant increase in amount of discretionary grants
 - All over five years (2022-2026)

Bridges

- \$228 million
- Repair and replace aging structures

Safety

- \$45 million
- Improve transportation safety for all users

Resilience

- \$94 million
- Increase resiliency to natural disasters

Active Transportation

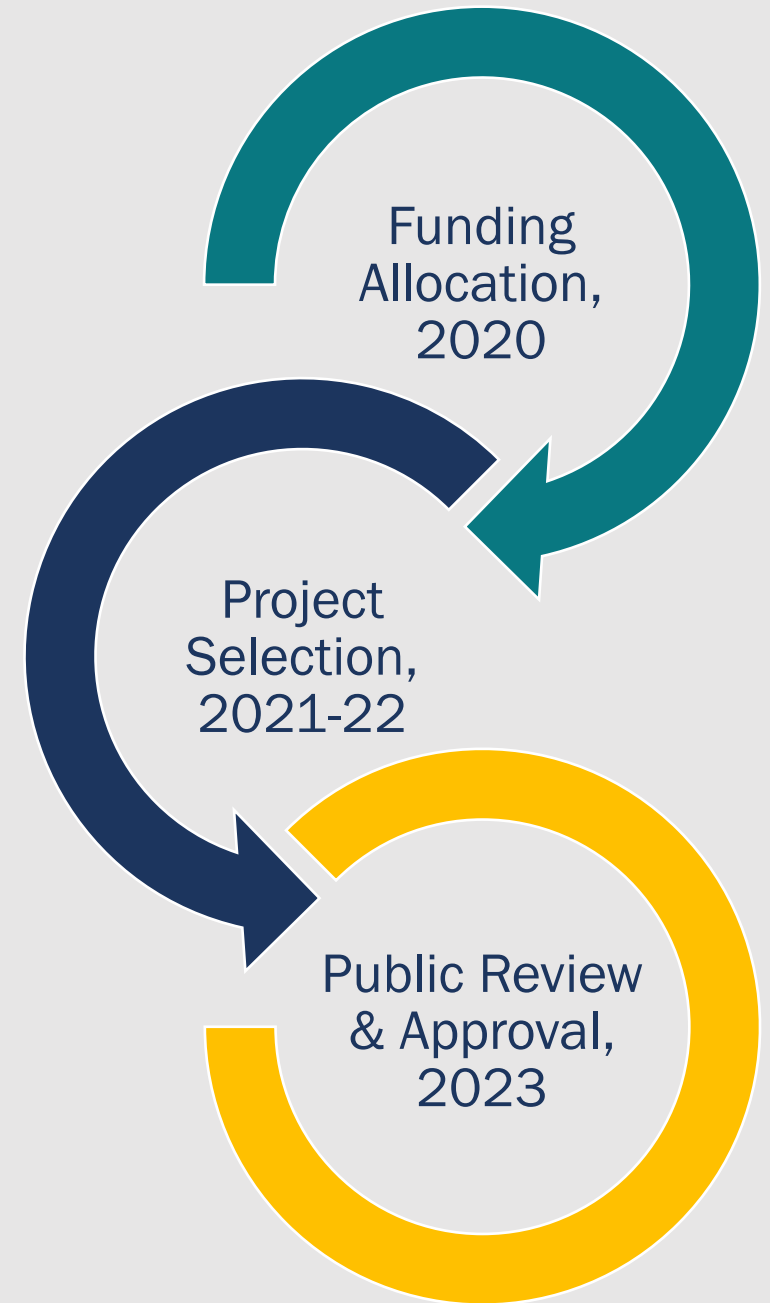
- \$30 million
- Invest in bicycle and pedestrian projects

Discretionary Grants

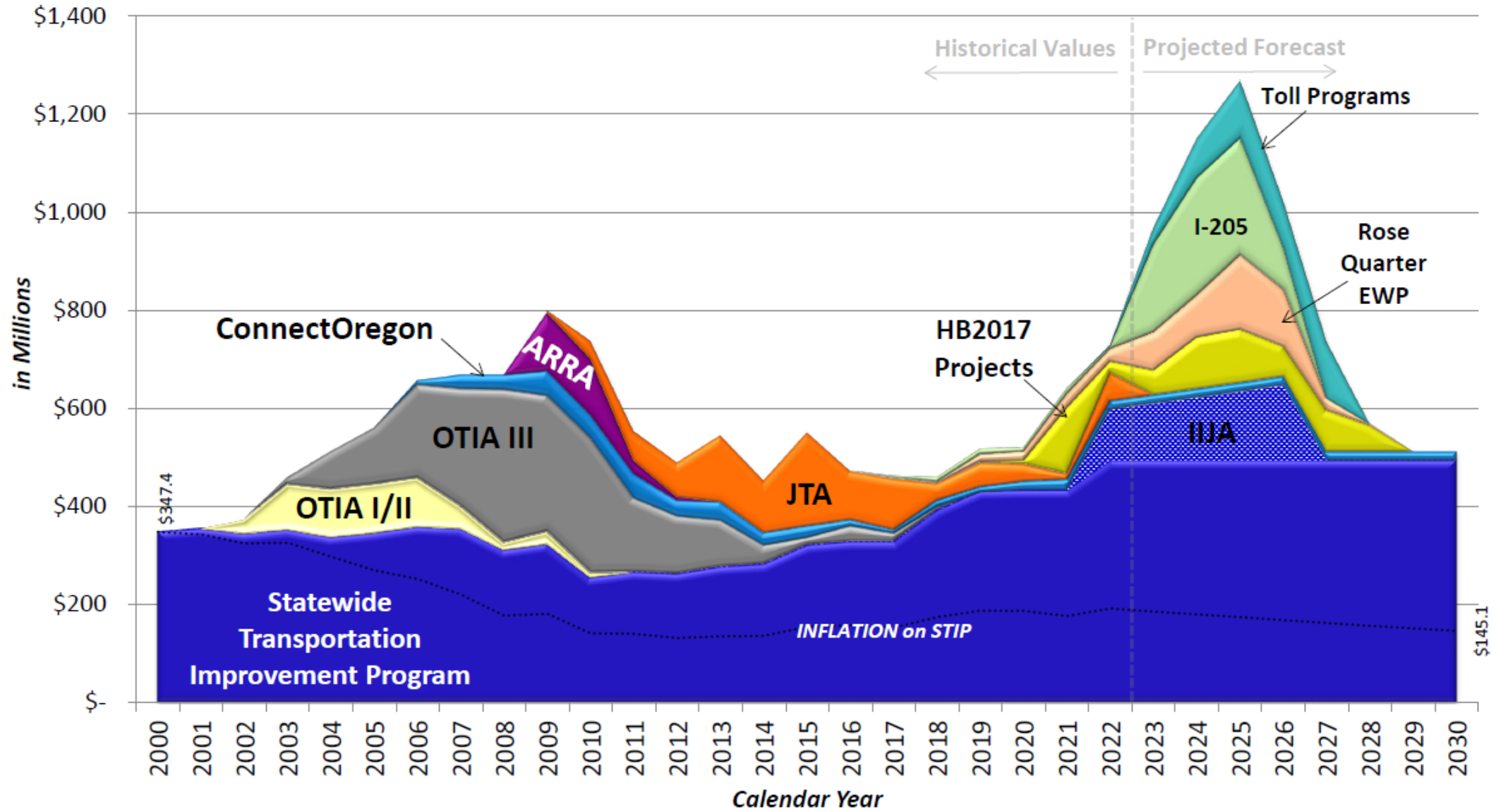
- \$100 billion
- Federal grant program opportunities

Statewide Transportation Improvement Program, 24-27 Cycle

- \$3.3 billion + state and federal
 - HB 2017 & federal infrastructure bill (IIJA)
- 348 projects
- Major investments
 - ADA curb ramps
 - Bridges
- Greater investments
 - Local governments
 - Safety



ODOT Construction Programs



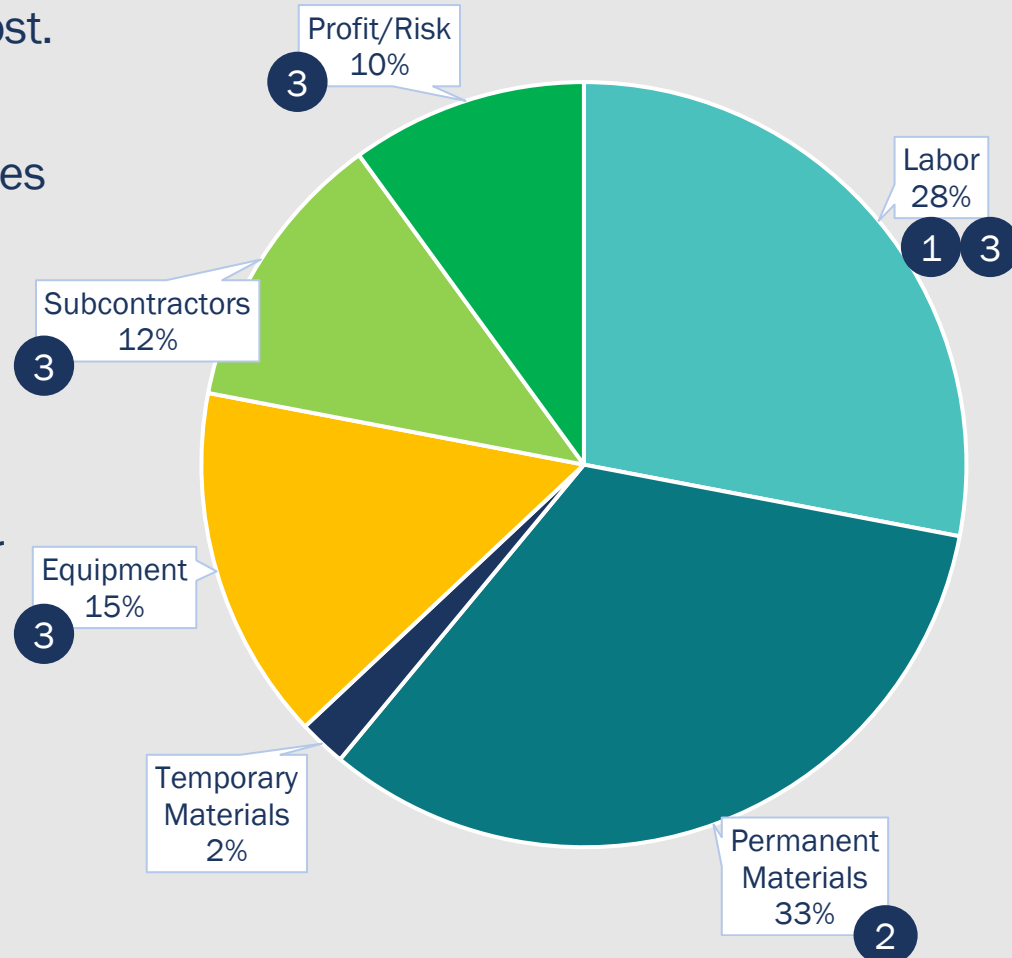
What's Driving Cost Overruns?

Example of project cost composition

1 Wages drive labor cost.

2 Crude oil & steel prices drive materials cost. High bid volumes increase demand.

3 Bid volumes drive equipment and labor availability and increase profit/risk cost.



Key Indicators 2016 - 2022

Labor – ↑ 30%

- BOLI wages
- Worker shortage

Permanent Materials

- Asphalt oil – ↑ 122%
- Diesel cost – ↑ 207%
- Steel – ↑ 125%
- Availability (supply chain)

Bid Volume

- Historical high in 2022 – ↑ 166%
- 1.09 fewer bidders/project – ↓ 26%

Data: 2016-07 - 2022-07



Workforce Opportunities

Community Benefit Contracts



Project Labor Agreements (PLA)

Pre-hire collective bargaining agreement between the owner and one or more labor organizations.



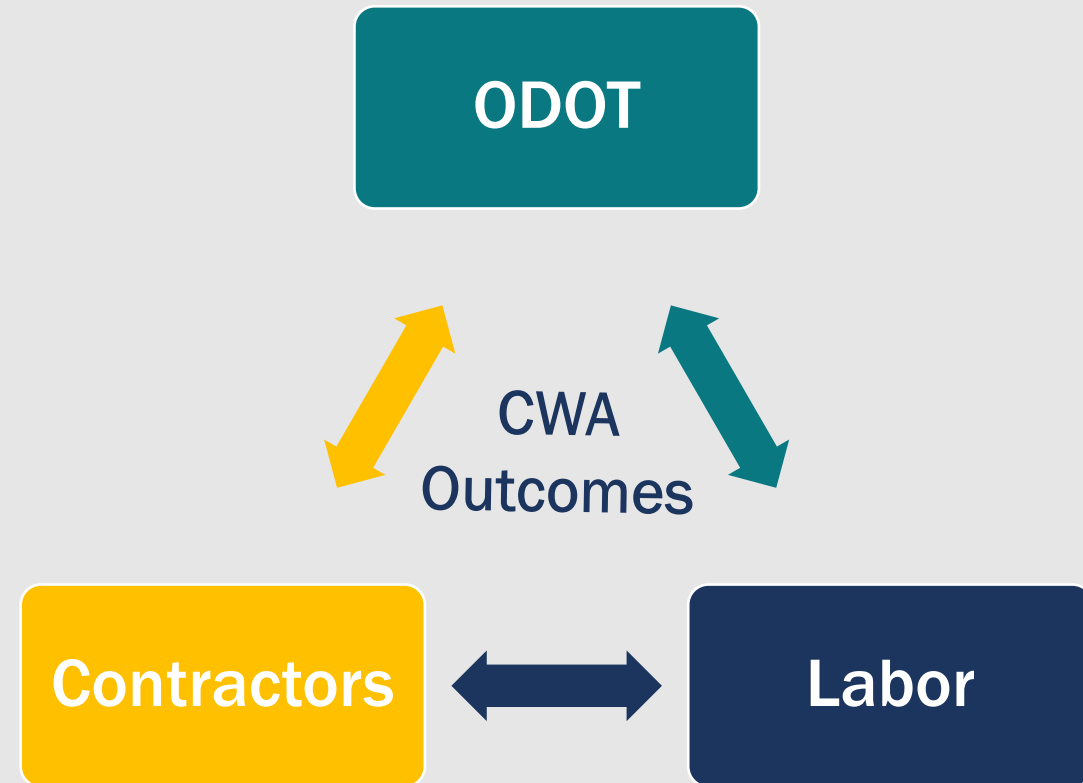
Community Workforce Agreements (CWA)

PLA with additional benefits like workforce goals or requirements for apprenticeship, workforce diversity, residents from economically distressed areas.

Continued Partnership and Outcomes

CWAs are a mechanism to remove barriers and achieve sustainable outcomes in workforce development.

- Apprenticeship targets by project and trade.
- Prioritized hiring from economically distressed zip codes.
- Prioritized hiring of people of color, tribal nations, women and veterans.



Legislation & Authorities

- 2021 Legislature passed HB 3011 and SB 420.
- HB 3011 mandates use of project labor agreements (PLAs) on certain projects, including Newberg-Dundee.
- SB 420 revised ORS279C.308; authorizes the designation of public improvement projects as “community benefit contracts.”
- Oregon Transportation Commission approved Community Benefit Program; 8 projects.

R1

- U.S. 26 (Powell Blvd): SE 99th Ave – East City Limits
- I-84: EB McCord Creek Bridge Replacement

R2

- OR 58: Salt Creek Bridge
- Additional project to be determined.

R3

- U.S. 101: Gold Beach (Rogue River) Bridge

R4

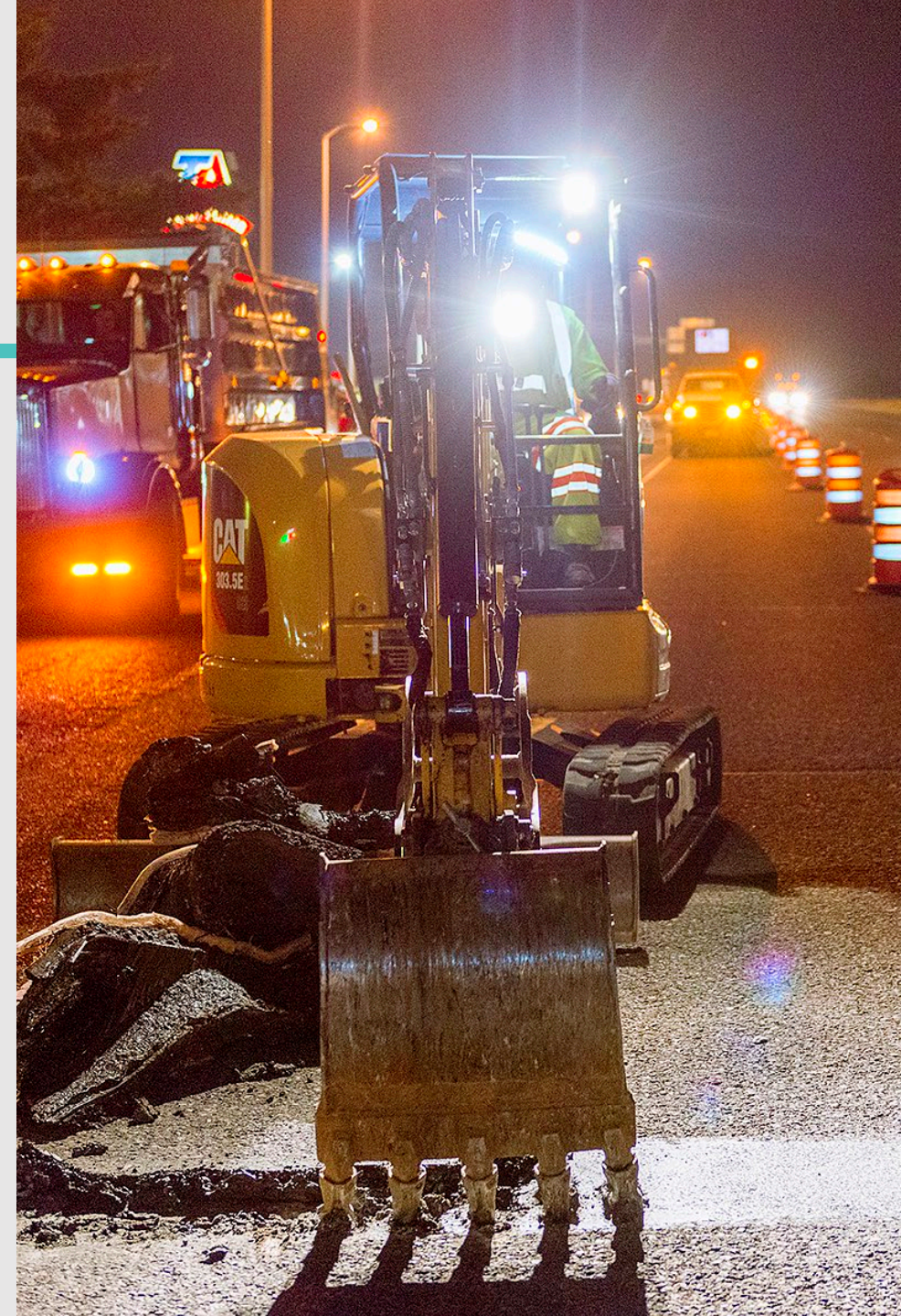
- I-84: Rufus and Arlington Bridge Deck Rehabilitation
- U.S. 97: Lower Bridge Way – NW 10th Street

R5

- Project to be determined.

What's Happening: Now & Next

- CWA authorized by OTC
- FHWA review and approval in process
- Developing ODOT infrastructure to support successful implementation
- Outreach
 - Project list
 - Requirements
 - Coordination with projects
- Trainings





**Thank you
for your
continued
partnership**



**Oregon
Department
of Transportation**