



Ohio House Finance Subcommittee on Transportation

ODOT Legislative Update on Budget and Operations

Jack Marchbanks, Ph.D.
Ohio Department of Transportation

June 25, 2019

Chairman Greenspan, Ranking Minority Member Skindell, and members of the Ohio House Finance Subcommittee on Transportation:

Thank you for the invitation to address you today and provide an update.

As you are aware, in just six days our state's highway user fees will increase for the first time in nearly 15 years. While we understand the impact this will have on the wallets of the people who live and travel here, we also know it is much-needed and long-overdue.

Thanks to the passage of House Bill 62, ODOT and local governments can now invest billions of dollars over the next few years into our aging roads and bridges. These are projects that would not have happened without the additional revenue provided by this budget, and many of them could save lives.

The increased revenue allows ODOT to do three things. First, the revenue will cover our projected maintenance needs for at least the next five years. Second it allows ODOT to dedicate an additional \$50 million a year towards projects specifically aimed to improve safety. Third, we can now invest \$150 million into what we call 'major new' improvement projects.

As an aside, personally, I don't care for the term 'major new' projects. To me, it implies building brand new roads when most-often these are projects that re-engineer the **existing** highway system (originally designed in the 1950s) to better meet our 21st century transportation needs. They are 'major' projects because they cost more than \$12 million and they are 'new' because (to meet those 21st century needs) they add capacity (think lanes or interchanges) to the existing highway system.

TRAC

That said, I'd like to start by providing an update on our process of determining how that \$150 million allocated for 'major new' construction projects will be spent.

In the 1990s, Ohio made a conscious decision to take the politics out of decision-making when it comes to how we will invest dollars into what we call 'major new' construction projects by establishing the

Transportation Review Advisory Council (or, TRAC). This is a nine-member, bi-partisan body that authorizes funding for the development and construction of 'major new' construction projects. The TRAC usually accepts applications on an annual basis. Previously, there was no TRAC application cycle last year and there were no plans for a cycle this year because there was no funding available for 'major new' projects beginning July 1.

Thanks to the passage of House Bill 62, however, ODOT made a funding application round available. Applications were accepted throughout May and will be evaluated by the Council over the next few weeks.

Applications are evaluated for transportation factors, economic development potential, local investment, and the project's funding plan. The applications are scored **prior** to committing any funds for preliminary engineering, detailed design, right-of-way or construction. At the end of each application cycle, TRAC develops a three-tiered construction program list which outlines four years of project commitments.

That list is expected to be finalized by the end of November.

WEATHER EVENT CLEANUP

In addition to preparing for an increase in the number of projects we will be able to complete, ODOT has been very busy responding to the numerous severe weather events the state has experienced over the last few months. Flooding, tornadoes, landslides, and big swings in the freeze-thaw cycle that damage pavement are making a big impact in our operational plans and budgets.

For example, ODOT employees have already spent more than 20 thousand hours assisting with clean up from the Memorial Day tornadoes. This event has cost the agency \$520,000. Since 2015, severe weather emergencies have cost ODOT nearly \$53 million.

Responding to disasters is a part of our job we are happy to do. Reopening roadways closed by flooding or debris from storms is vital to helping residents, businesses and local government partners recover from these types of disasters. But, when our workers are out placing 'road closed' barricades, clearing debris, or making emergency pavement repairs, that's time they can't do other planned work to improve our infrastructure.

Without the additional revenue provided by House Bill 62, ODOT would have been forced to make some tough decisions about delaying more projects to help offset emergency costs and balance our already-tight budget. Thanks to House Bill 62 and our continued efforts to see operational efficiencies, we are confident we will be able to complete the work we have planned for the year.

2019 CONSTRUCTION PROGRAM

Being the last week of June, we are also putting the wrap on our state fiscal year 2019 construction program. I am happy to report we finished the year with just over \$2 billion in contract work representing more than 1,000 projects, including 246 directly focused on safety. Ninety cents of every dollar we spent went to preserving existing roads and bridges. From paving more than 5,100 miles of roadway to repairing or replacing 871 bridges, we've continued to work hard to protect and improve the investment Ohioans have made in transportation.

BROADBAND RFI

We also announced last week the issuance of a Request for Information (RFI) in conjunction with InnovateOhio to see if we can improve broadband access to people across the state.

The RFI considers the possibility of opening the rights of way along ODOT-maintained state highways and to broadband providers in exchange for private investment that improves access to underserved Ohioans. These state-owned right of way corridors provide significant value that could potentially be leveraged to the benefit of Ohioans living in areas that still lack access to high-speed internet.

We understand that the vast network of highway rights-of-way owned and maintained by ODOT is a critically important asset which makes possible the safe, efficient movement of people and goods in the Buckeye State. We are excited to learn how we can leverage this valuable real estate for the benefit of all Ohioans by identifying how we can use them to increase broadband access in the state.

MATERIALS AND SELECTION FOR PAVING PROJECTS

The Chairman's office also asked that I touch on selection of materials for paving projects.

Generally speaking, materials used to pave roads consist of Hot Mix Asphalt and Concrete.

Material types are selected for our preservation program using a Pavement Management Software. This software analyses historically developed pavement performance and distress data from ODOT's annual Pavement Condition Rating system to optimize pavement treatments for the entire network.

For new roadway construction of 4 lane miles or more, ODOT has a Pavement Selection Policy. This policy uses factors such as research, composition of adjacent sections, geotechnical concerns, amount of new pavement being placed and life cycle cost analysis to determine the best pavement to be placed on a particular project.

Once the pavement type is selected, this material is included in a set of construction plans. The contract is awarded to the contractor that provides the Lowest, Responsive Bid.

In closing, we are also continuing to push forward and find opportunities to save on costs and leverage our assets to make the most of each tax dollar we receive. We are working closely with Auditor of State Keith Faber to assist with the Department's performance audit as prescribed in House Bill 62.

We look forward to reporting back on our progress with these and other upcoming efforts in planning for a more positive future for Ohio over the next few years.

Thank you Chairman Greenspan. I will address questions, if members have any at this time.