



OKLAHOMA
Transportation

ODOT Budget & Performance Review

**Senate Appropriations Sub-Committee on
General Government & Transportation**

January 15, 2025

Tim Gatz, ODOT Executive Director





Oklahoma Department of Transportation Commissioners



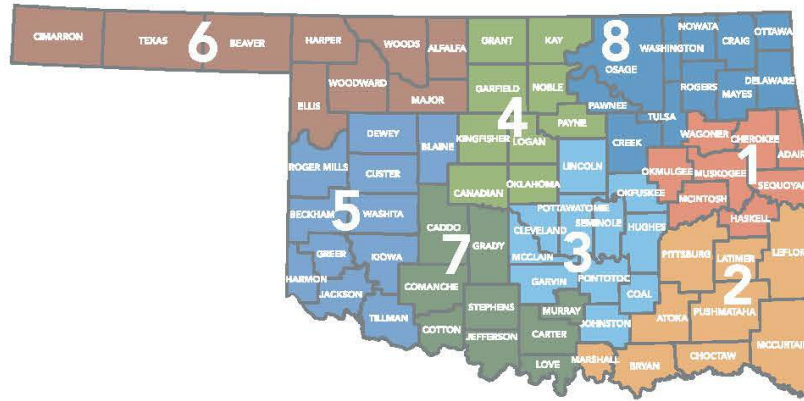
OKLAHOMA
Transportation



BOB COBURN
SECRETARY
DISTRICT 1



DAVID DYSON
VICE-CHAIRMAN
DISTRICT 5



ERIC STUTEVILLE
DISTRICT 2



BOBBY ALEXANDER
DISTRICT 6



T.W. SHANNON
DISTRICT 3



MICHAEL JUNK
AT LARGE



STEVE LAFORGE
DISTRICT 7



DON FREYMILLER
DISTRICT 4



BOB PETERSON
CHAIRMAN
DISTRICT 8


Field District Engineers



District 1
District Engineer – Chris Wallace
Main Phone – 918-687-5407




District 2
District Engineer – Anthony Echelle
Main Phone – 580-298-3371



District 3
District Engineer – Ron Brown
Main Phone – 580-332-1526




District 4
District Engineer – Trenton January
Main Phone – 580-336-7340



District 5
District Engineer – Brent Almquist
Main Phone – 580-323-1431



District 6
District Engineer – Jon Logan
Main Phone – 580-735-2561



District 7
District Engineer – Jay Earp
Main Phone – 580-255-7586



District 8
District Engineer – Trapper Parks
Main Phone – 918-838-9933

Agency Overview

- **8 Field Districts and Central Office in Oklahoma City**
- **2296 employees (Calendar year 2024)**
 - More than 1,530 in field districts
 - Central Office provides support for Transportation and Field Operations
 - Down from 3,200 in 1990s
- **ODOT has jurisdiction over interstates, U.S. numbered routes and state highways**
 - Cities and towns maintain local streets
 - County commissioners maintain county roads
 - Oklahoma Turnpike Authority maintains toll roads

Transportation System Overview

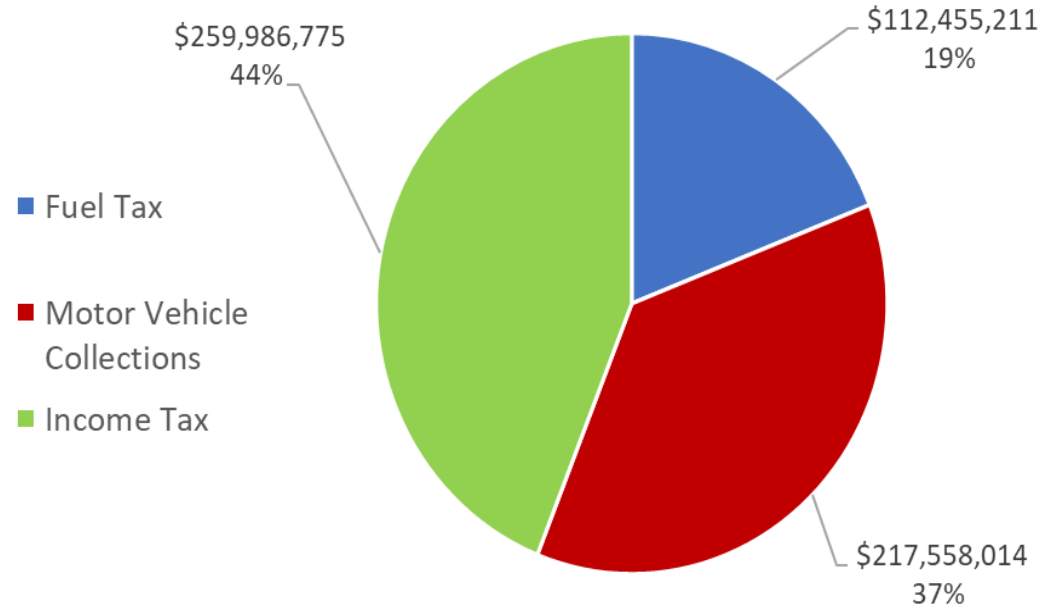
- **17th largest highway system (12,235 centerline miles)**
 - 16th Tennessee: Just over 14,000 miles
 - 18th Florida: Just over 12,000 miles
- **17th largest number of bridges (6,750)**
 - 16th Georgia: (6,868)
 - 18th Florida (5,836)
- **28th most populous state (just over 4 million)**
 - Behind Oregon (4.2 million)
 - Ahead of Connecticut (3.6 million)
- **Nearly 126 miles of state-owned rail lines in operation**
- **McClellan-Kerr Arkansas River Navigation System**
- **Rural Transit Grant Program**
- **Primary funding sources**
 - Federal and state motor fuel taxes / Federal general revenue
 - Rebuilding Oklahoma Access and Driver Safety (ROADS) Fund

Composite of the ROADS Fund

FY2025 Estimated*

Fuel Tax	\$112,445,211
MV Collections	\$217,558,014
Income Tax	<u>\$259,986,775</u>
ROADS Fund cap	\$590,000,000

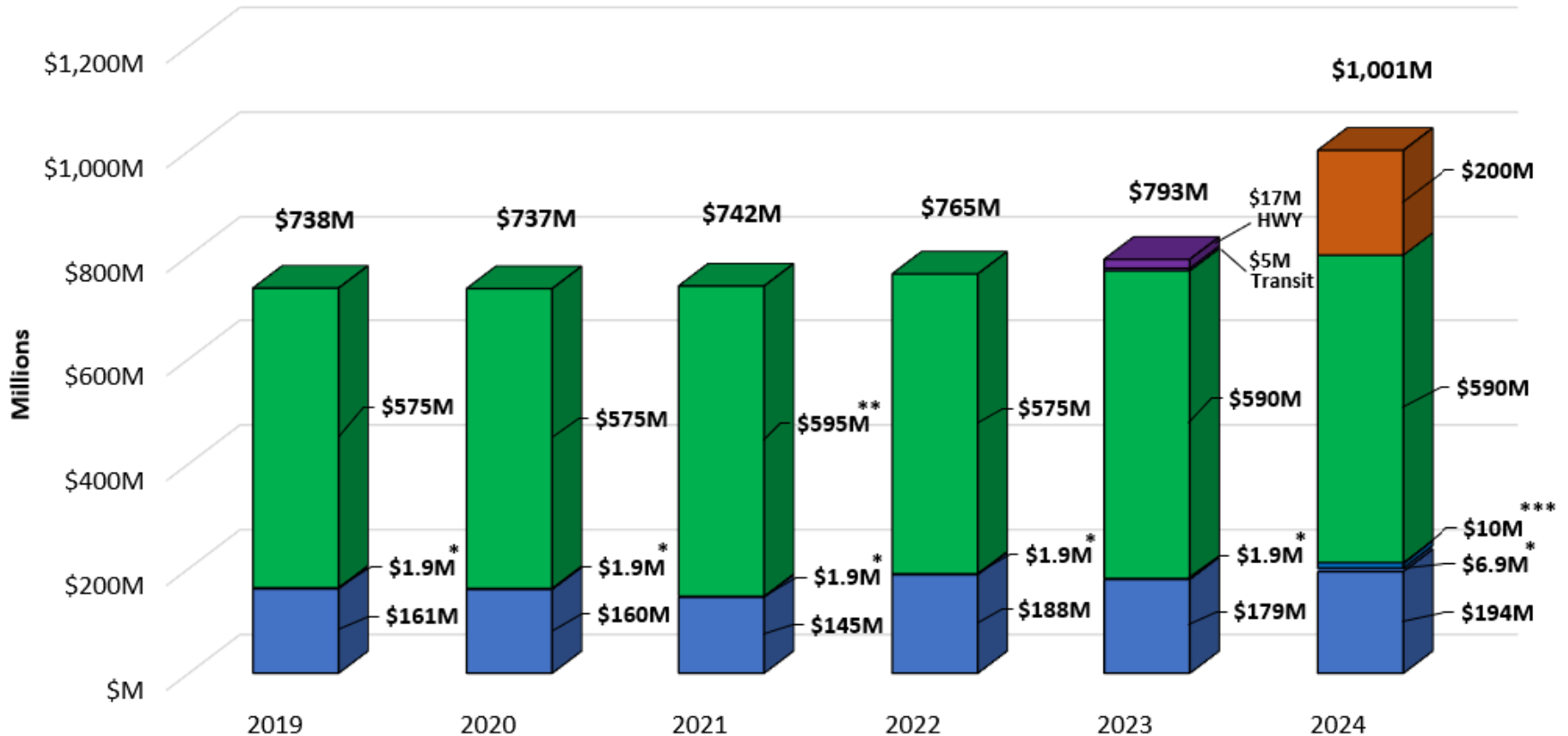
FY2024 Estimated ROADS Fund Revenue



*Source: Board of Equalization FY2024 Revenue Certification, 6/2024

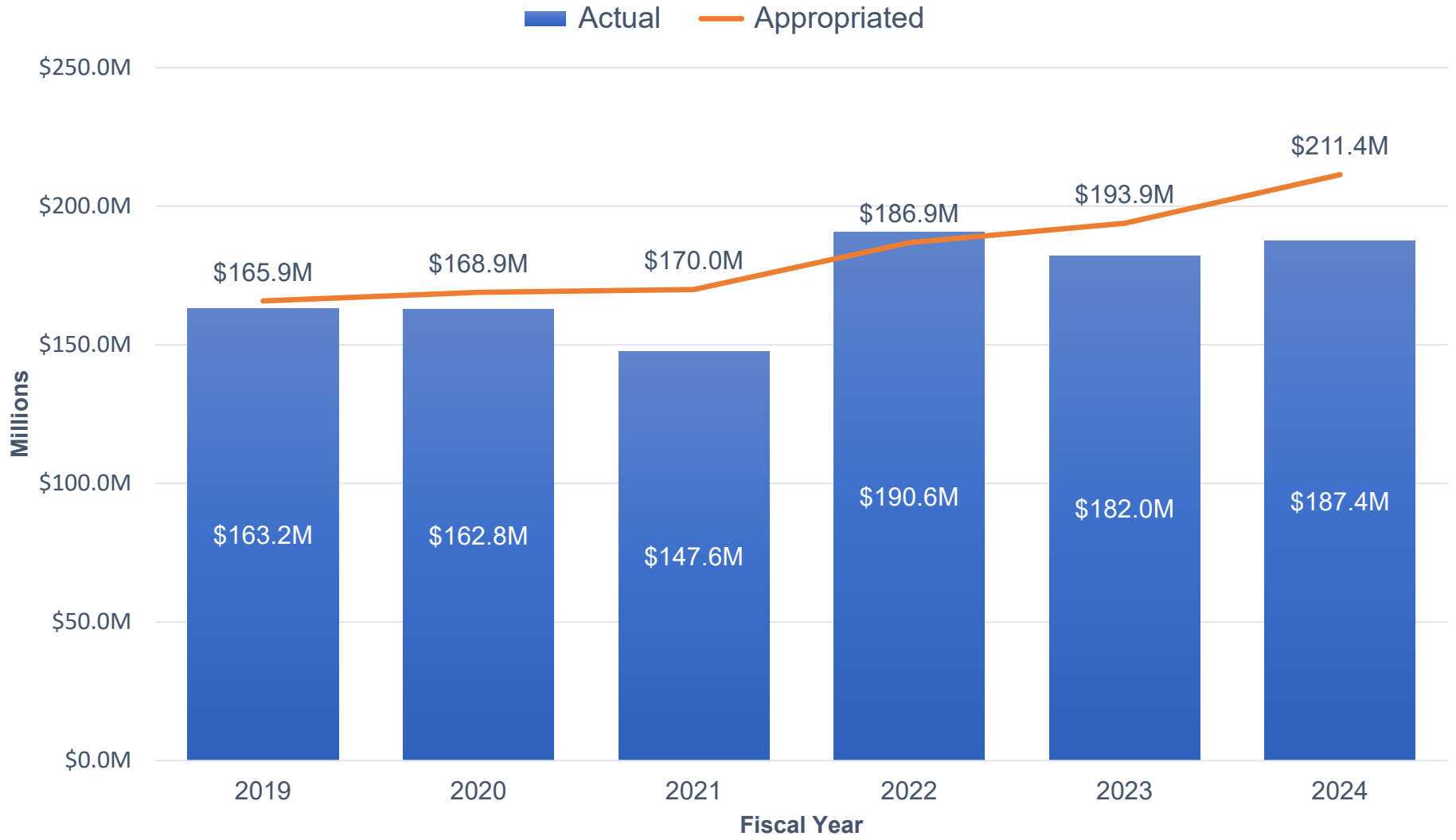
State Funding for Transportation Operations, Construction and Maintenance

STF ROADS RETRO One-Time Appropriation



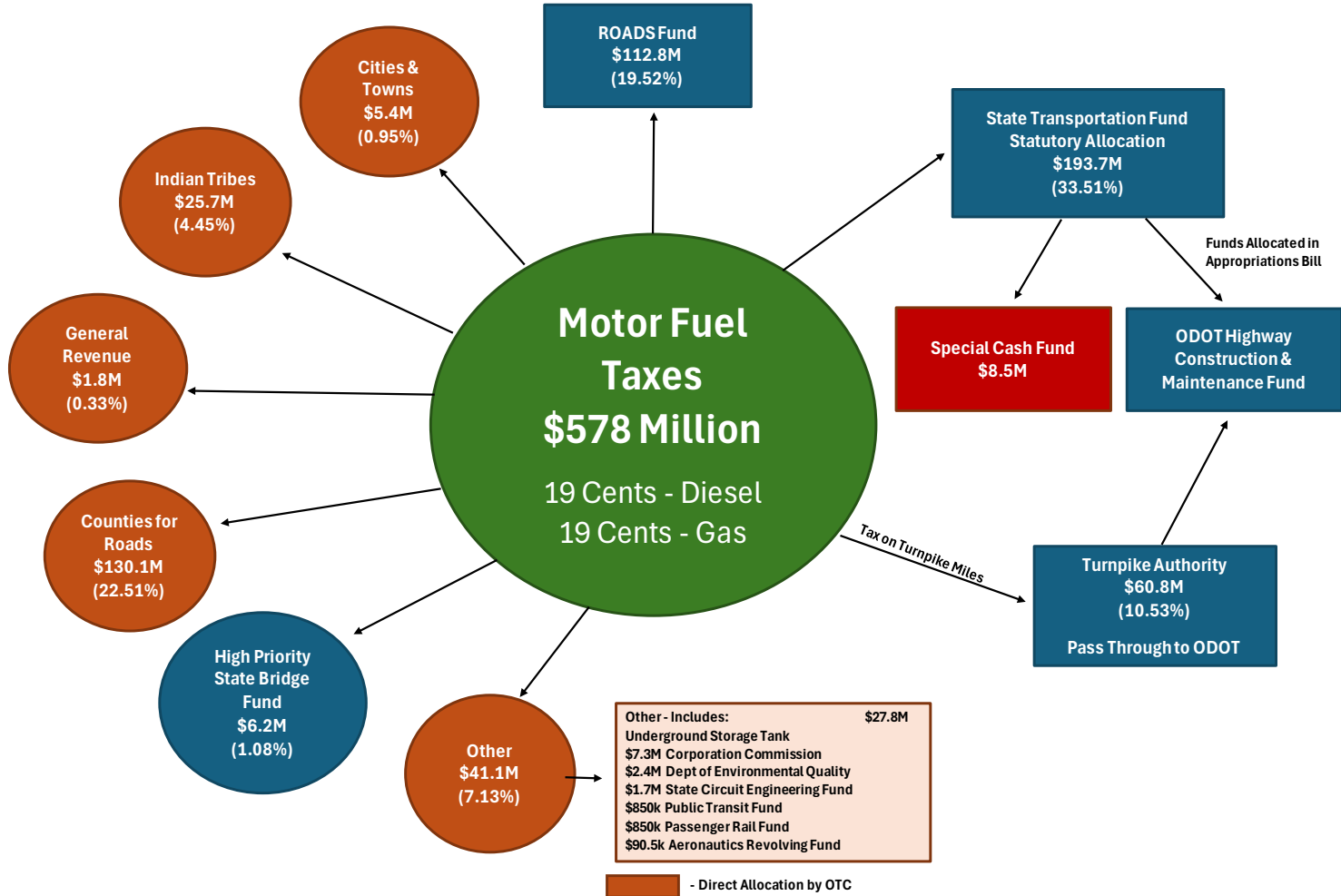
* Rural Public Transit
 ** Includes \$200M Bond Proceeds
 *** STF - Industrial & Lake Access (\$5 Mil Inola)

State Transportation Fund - Actual Vs Appropriated



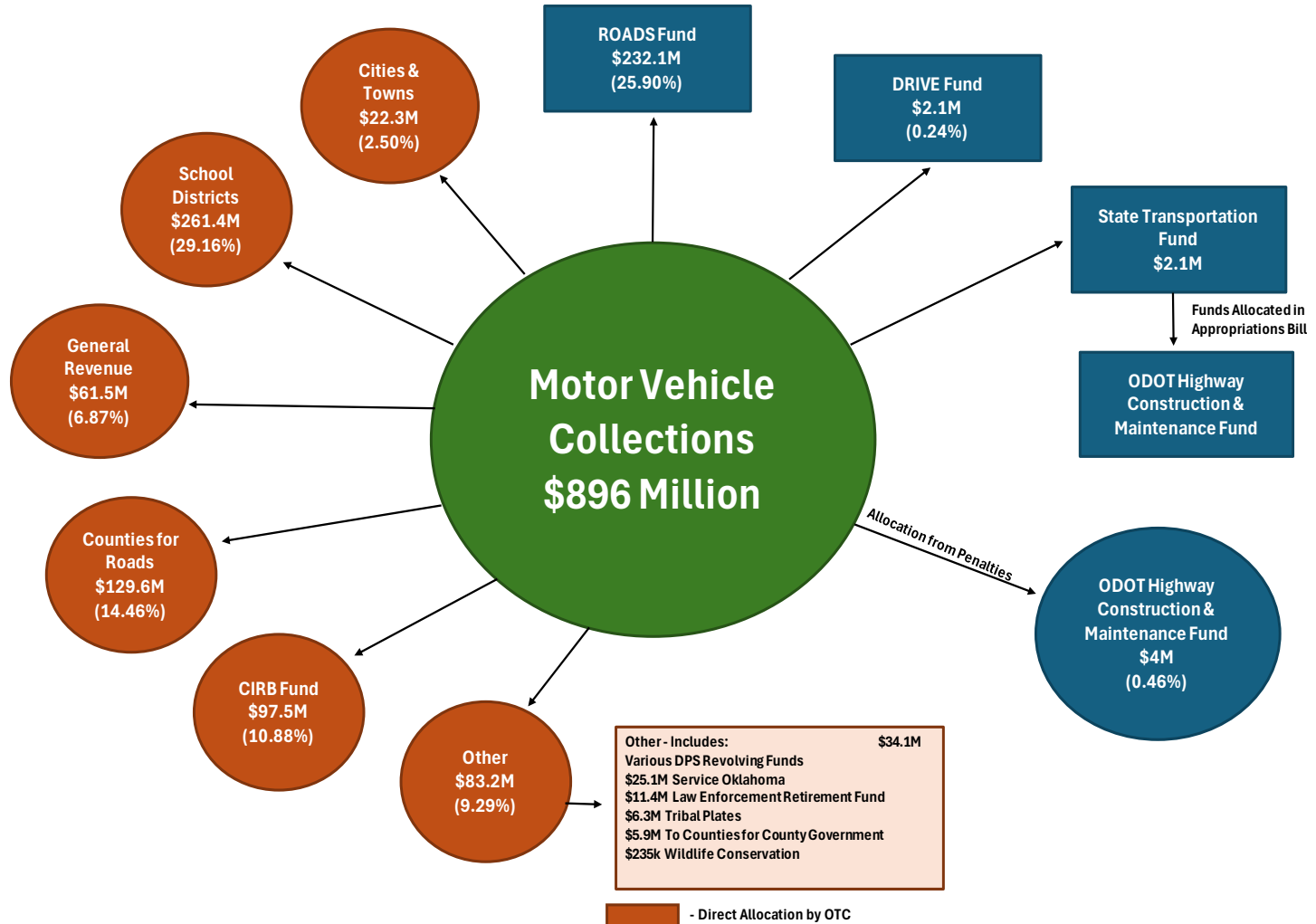
Apportionment of Motor Fuel Taxes - FY2024

Current Law Apportionment - Per OTC Apportionment Chart



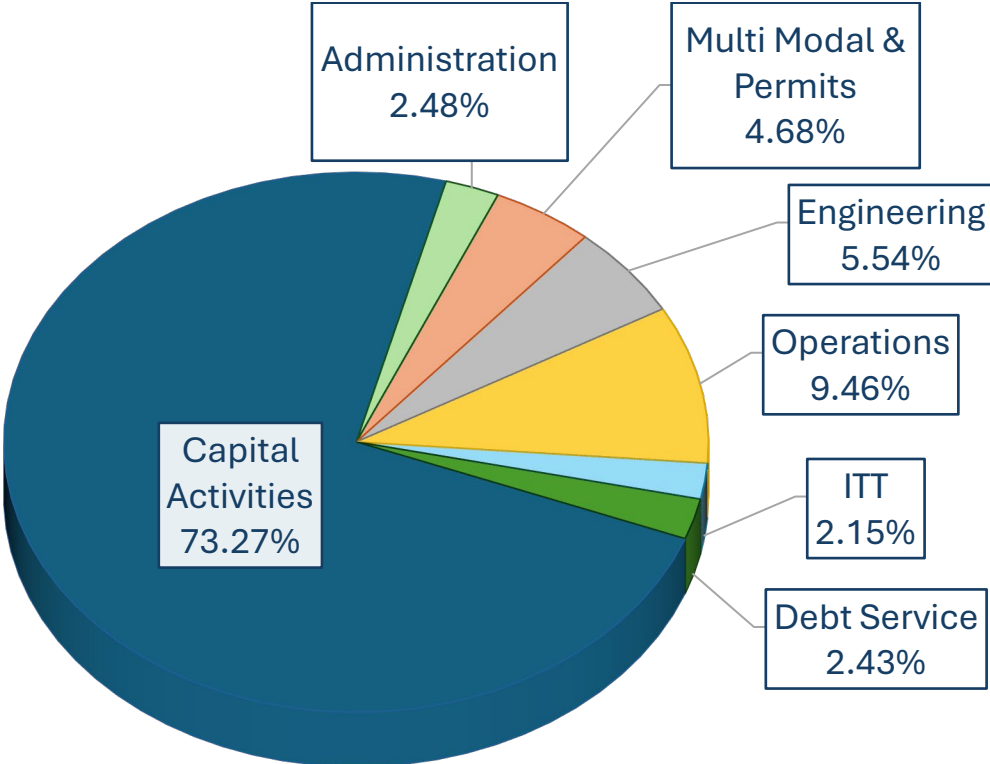
Apportionment of Motor Vehicle Collections - FY2024

Current Law Apportionment - Per OTC Apportionment Chart



Budgetary Overview

- Capital activities include highway and bridge construction.
- Operational costs include highway maintenance and upkeep.
- In addition to “on-highway” activities, ODOT also administers several transportation funding programs for rail, public transit and local government entities.
- Administrative costs account for less than 3% of the total budget.



Total FY2025 Budget \$3.1 Billion

Asset Valuation and Backlog

- Approximately \$102 billion in total assets
- Approximately \$27 billion in backlog of needs to bring to a “good” state of repair

Highway Construction and Maintenance Programs

➤ 8 Year Construction Work Plan

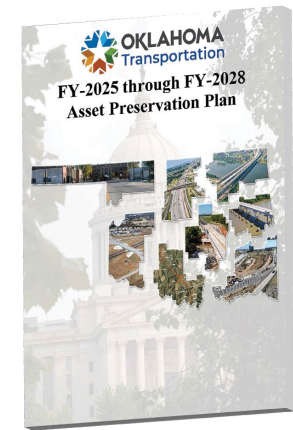
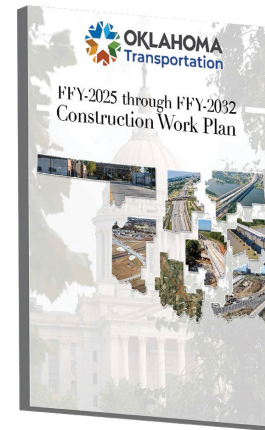
- \$8.6B program
- 1,647 projects

➤ Asset Preservation Plan

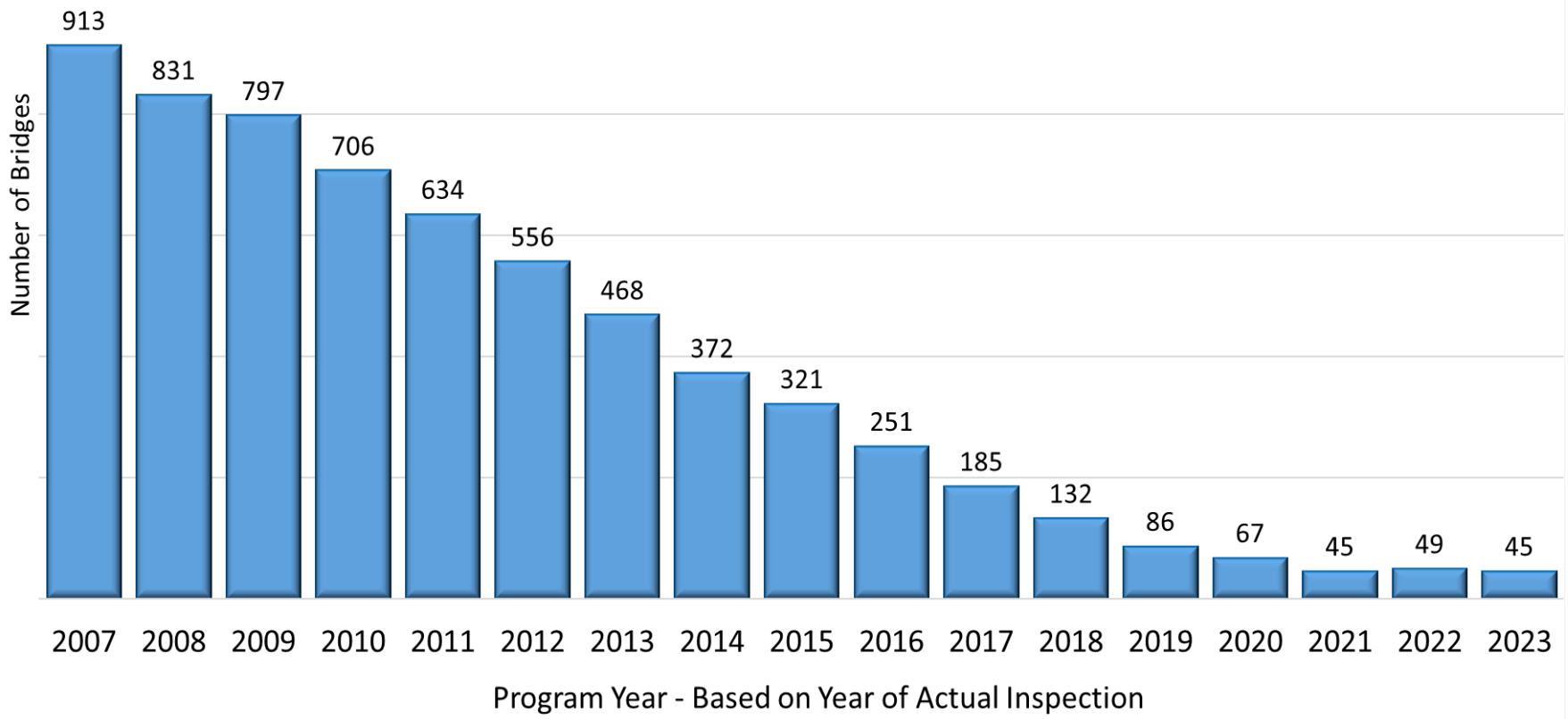
- \$493M program
- 276 projects

➤ Maintenance Program

- \$248M annual budget for FY25



On-System Structurally Deficient Bridges



Local Government Division Programs

- CIRB – County Improvements for Roads and Bridges
- TAP – Transportation Alternative Program
- County Equipment Revolving Fund
- STBG – Surface Transportation Block Grant Bridge and Roadway Programs
- ER – Emergency Relief Program
- Metropolitan Planning Organization support
- Access Roads – Industrial and Lake Access
- Municipal Road Drilling Activity Fund
- Bridge Formula Program
 - Authorized in the Investing in Infrastructure and Jobs Act (IIJA)

Heartland Flyer Operation

- Daily service at Oklahoma stops in:
 - Oklahoma City
 - Norman
 - Purcell
 - Pauls Valley
 - Ardmore
- State Funding
 - \$2 million from income tax revenue
 - \$850,000 from motor fuel tax revenue
- Ridership FY24: 81,261 (11% increase over FY23, exceeds pre-pandemic levels)
- 2024 Contract Amounts
 - Oklahoma: \$4,153,168
 - Texas: \$2,888,846



Northern Extension of the Heartland Flyer

Project Overview

- This project would extend the Heartland Flyer passenger rail service from Oklahoma City to Newton, Kansas where it would connect with the Southwest Chief, a national route on Amtrak's network.
- Dependent upon funding, the estimated completion date is 2029.
- ODOT's estimated cost for the extension: **\$280,825,796**
- Estimated State and local match required: **\$56,200,000**
- Future recurring operating costs are expected to be in the range of **\$8 to 10 million** for Oklahoma, based on doubling the mileage of the route. (Current service is from Oklahoma City to Fort Worth, Texas.)

Funding Opportunities

Corridor ID Program: This discretionary grant program is administered by the Federal Rail Administration (FRA) to fund intercity passenger rail expansion project development at an **80%** federal match.

Restoration and Enhancement Grant (REG): This program funding offsets start-up operating funds with federal funds for the first six years of operations at **90%** federal match then decreases to **0%** after the seventh year.

Transportation Infrastructure and Innovation Act (TIFIA): This is a U.S. federal government program administered by the USDOT to provide credit assistance for qualified regional and national surface transportation projects in the United States.



Office of Mobility and Public Transit

- Office of Mobility and Public Transit provides oversight and administration of the Federal Transit Administration's programs and the federally required State Safety Oversight program for the Oklahoma City Streetcar system.
- First statewide Public Transit Policy Plan created in 2020.
- Supporting mobility management to assist with filling in public transit gaps in between providers.
- Transit Providers
 - 19 rural public transportation systems serve all 77 counties
 - Urban public transportation systems serve the Oklahoma City, Edmond, Norman, Tulsa, Enid and Lawton metro areas
 - 90 transit agencies provide enhanced mobility services for seniors and individuals with disabilities
- Funding
 - \$24.7 million in federal formula funding distributed to transit providers
 - \$5.75 million in state funding used as match
 - \$5 million additional appropriation in 2024

Transit Revolving Fund State Resources

Income Tax Revenue \$3 million

State Transportation Fund \$6.9 million

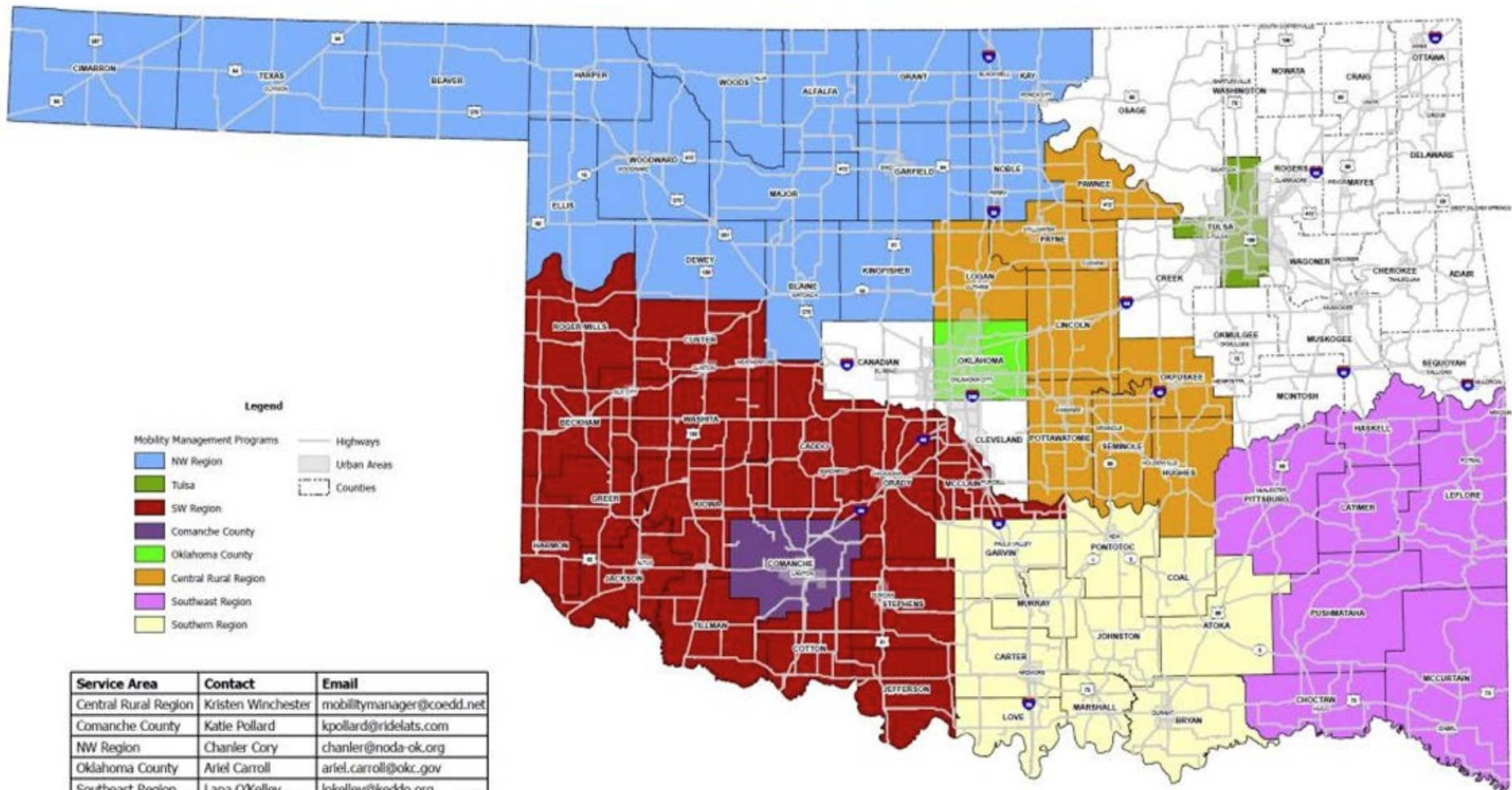
Gas Tax \$850,000

State Public
Transit
Revolving
Fund
\$10,750,000

Mobility Management Program Highlights

Mobility Management is improving coordination among public transit and other transportation service providers to enhance transportation access for people beyond those served by one agency or organization within a community.

- **Working towards an additional 13 mobility management programs to provide 100% coverage across the state. (See map in next slide.)**
 - 8 ODOT mobility programs currently active
 - 3 to 4 additional programs expected in 2025
- **Budget**
 - Each mobility program costs \$100,000
 - To cover the entire state: \$2.5 million annually
 - Currently using FTA funds (seniors and disabled) with 80/20 match but unable to support entire state at current funding levels
 - Looking for alternative federal funds to support entire state



Legend

- Mobility Management Programs
- NW Region
 - Tulsa
 - SW Region
 - Comanche County
 - Oklahoma County
 - Central Rural Region
 - Southeast Region
 - Southern Region
- Highways
 Urban Areas
 Counties

Service Area	Contact	Email
Central Rural Region	Kristen Winchester	mobilitymanager@coedd.net
Comanche County	Katie Pollard	kpollard@ridelats.com
NW Region	Chanler Cory	chanler@noda-ok.org
Oklahoma County	Ariel Carroll	ariel.carroll@okc.gov
Southeast Region	Lana O'Kelley	lokelly@ikeddo.org
Southern Region	Todd O'Neal	toneal@soda-ok.org
SW Region	Cristi Williams	cristi@swoda.org
Tulsa	Clem Neely	cneely@metrolinkok.org

Mobility Management Programs

Statewide Program Contact: Olivia Hook - Mobility Management Director, 405-625-2229, OHook@odot.org



Weigh Stations and Ports of Entry

- Five modern port of entry facilities on I-35 and I-40 in operation.
- New virtual weigh station at the Bryan County Port of Entry for southbound commercial vehicles opened in the Spring 2024.
- Virtual weigh station in Delaware County serves as port of entry from Arkansas on westbound US-412.
- Eight interior weigh stations in operation.
- Enforcement is administered by OCC and DPS.
- Funds from the Weigh Station Revolving Fund are intended to be used by ODOT for construction and maintenance of facilities, including scales and other technology. The online permitting program “OkiePros” is updated and maintained from this fund as well.



Focused Performance Metrics:

- **Continued reductions in:**
 - Highway fatalities
 - Structurally deficient bridges on the highway system
 - Two-lane highways with deficient shoulders
- **Continued improvements to:**
 - Safety
 - Pavement conditions
 - Digital infrastructure including AI initiatives
 - Workforce challenges

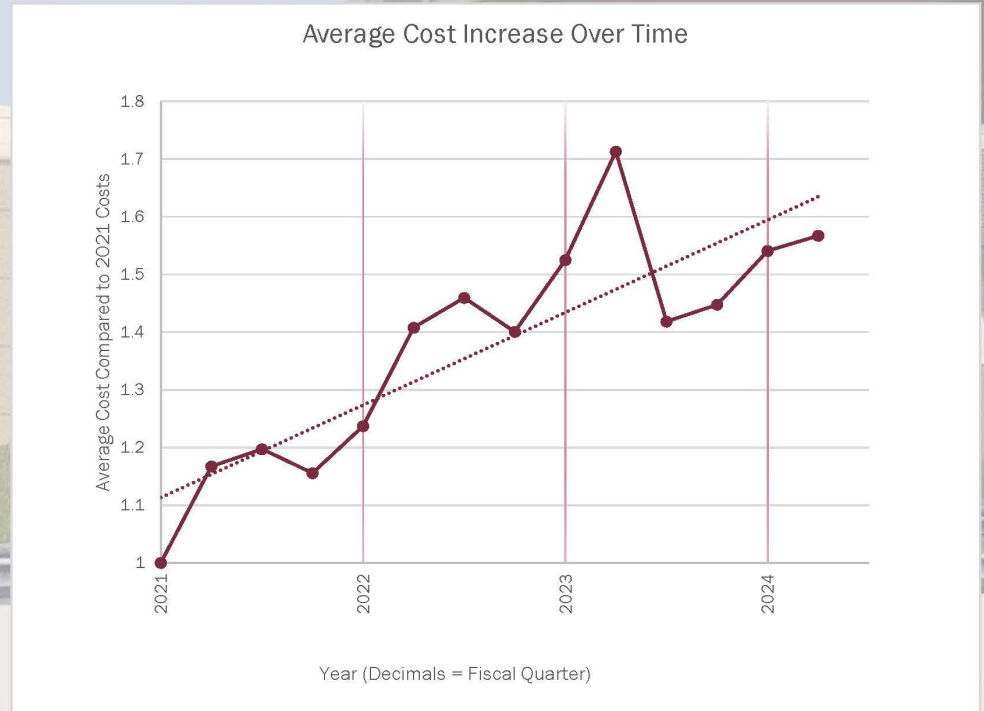


Challenges

INCREASE OF MAJOR PAY ITEMS

- Earthwork
- Sodding
- Asphalt
- Concrete Pavements
- Bridge Beams
- Concrete Bridges
- Reinforcing Steel

On average, costs have increased approximately 60% since 2021.

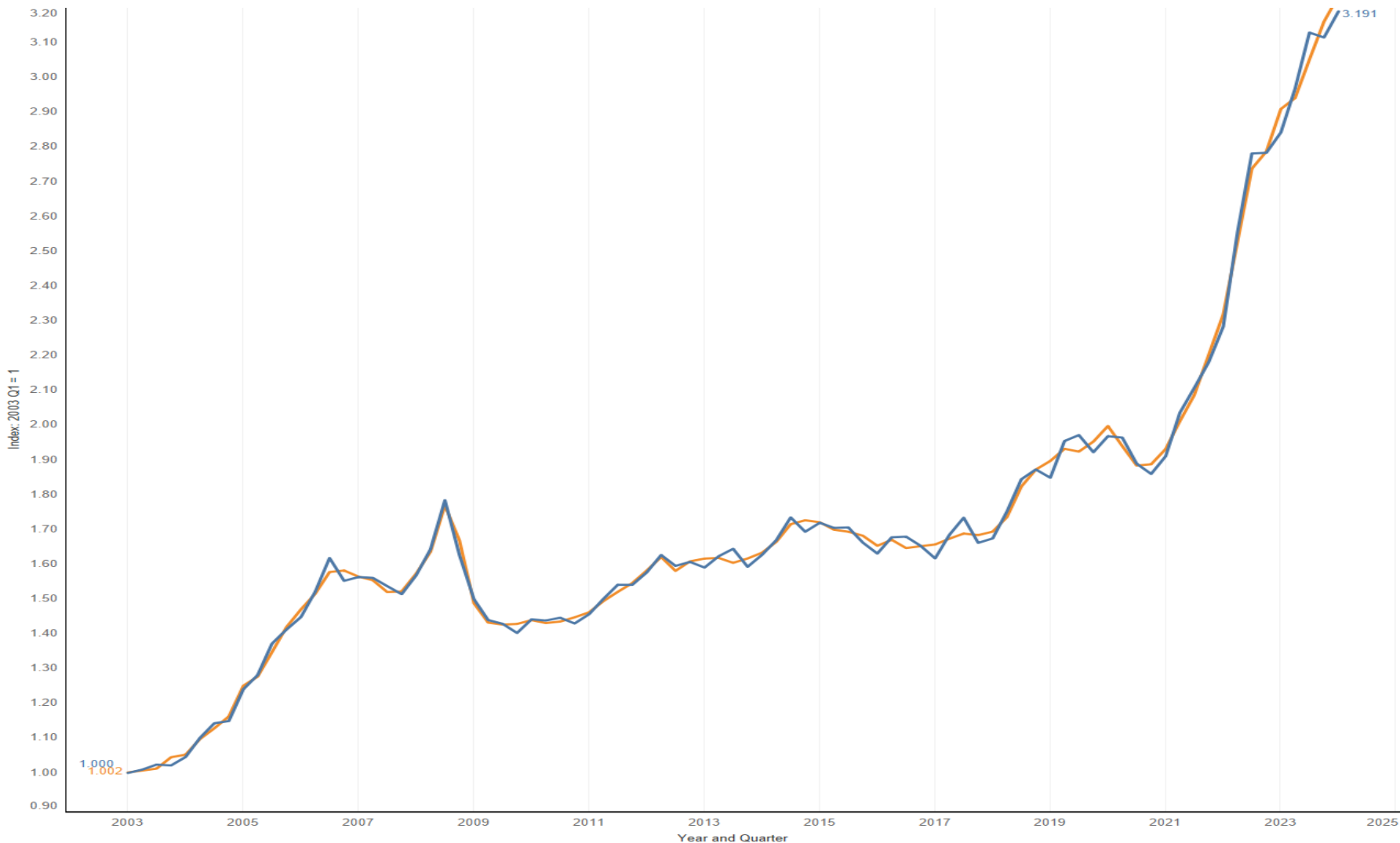




National Highway Construction Cost Index (NHCCI)

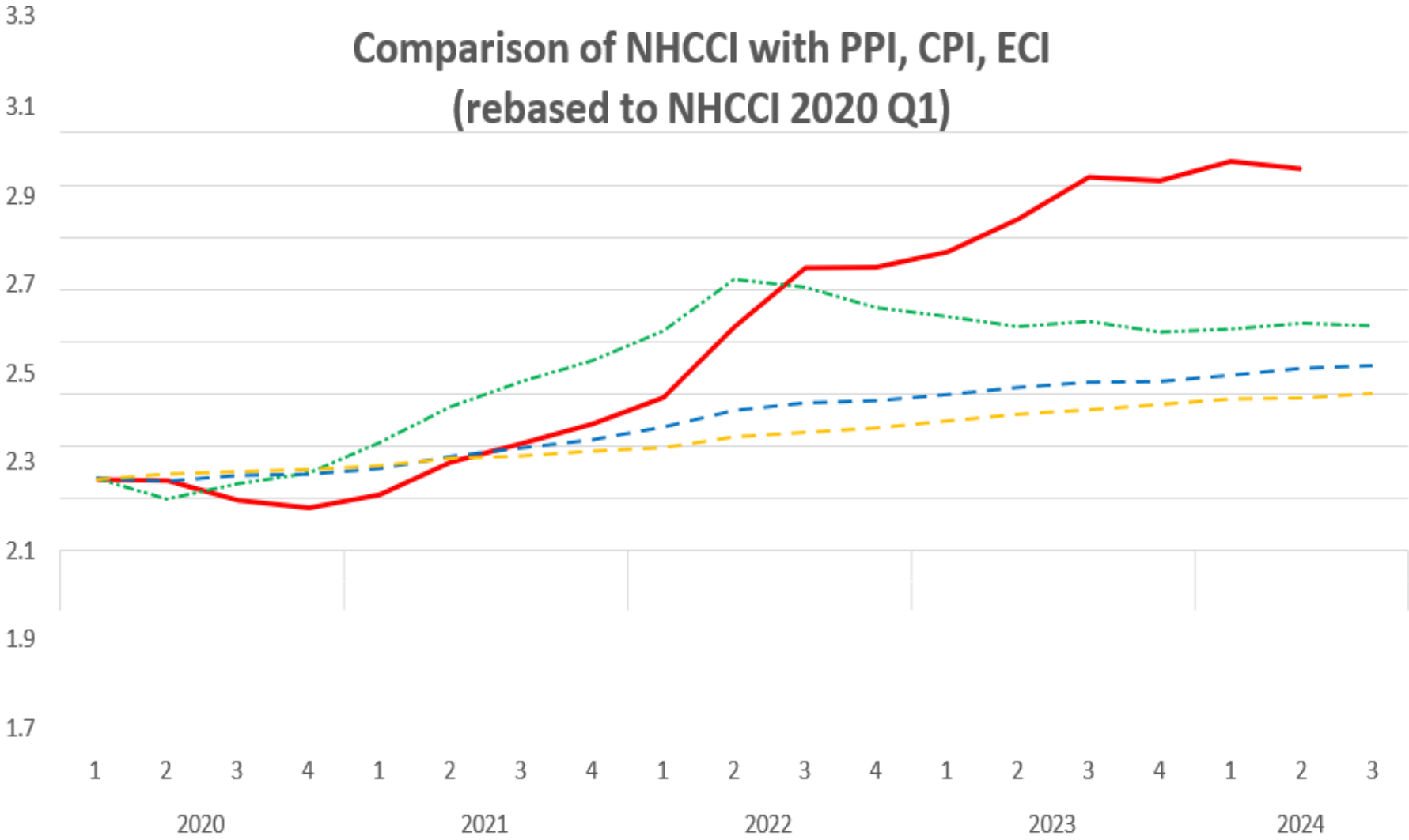
Select Year and Quarter:
2003 Q1 to 2024 Q1
and Null values

Select Series:
 NHCCI
 Seasonally Adjusted NHCCI



2023 Q4 index is preliminary.
2023 Q2 and 2023 Q3 indexes are revised.

Comparison of NHCCI with PPI, CPI, ECI (rebased to NHCCI 2020 Q1)



— NHCCI
 - - - PPI All commodities
 - - - CPI All items
 - - - ECI Construction

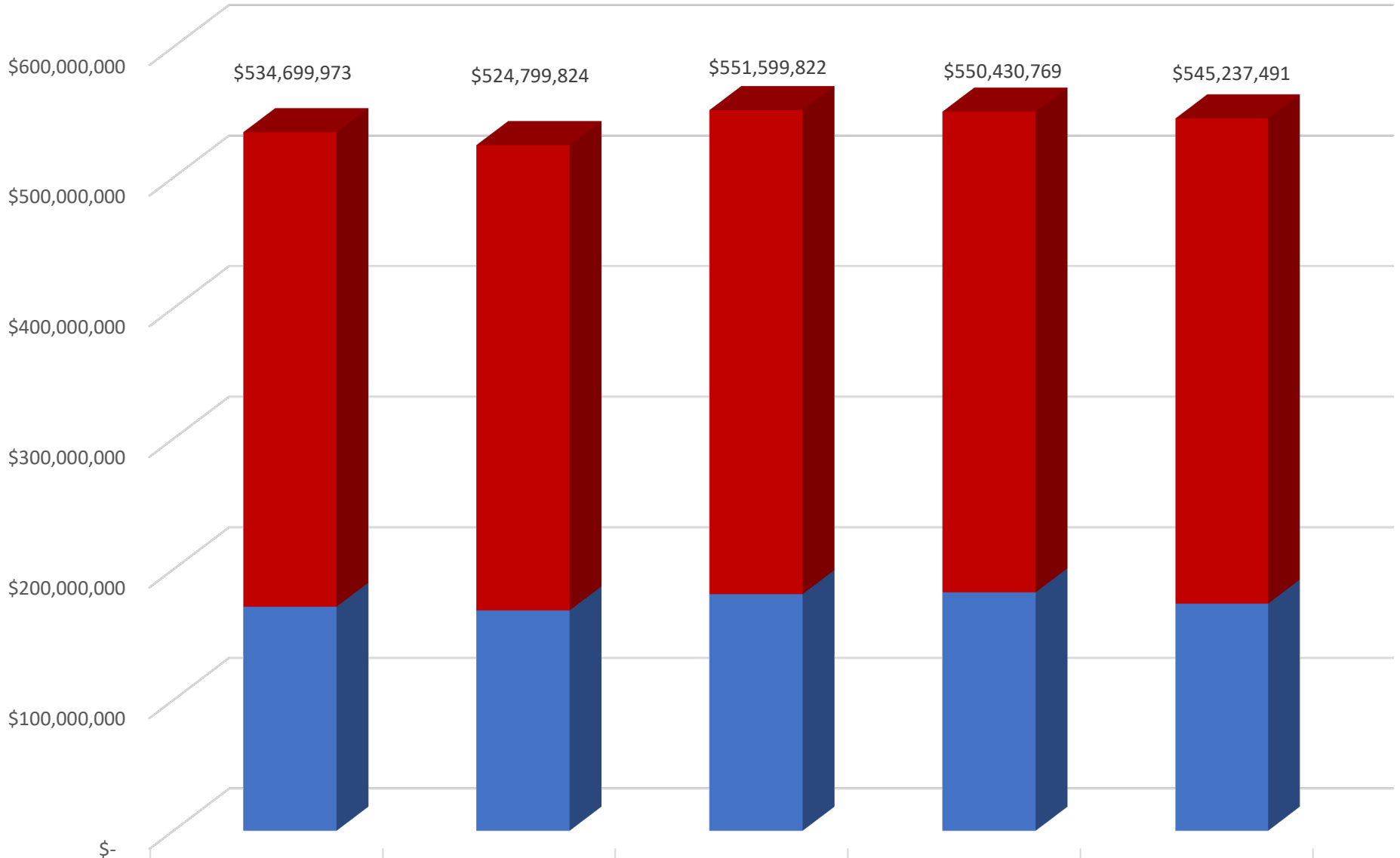
Managing the Challenge of Inflation/Reduced Buying Power

- Recognize the impact inflation has on improving and maintaining an efficient statewide transportation system and plan accordingly
- Monitor trendlines for engineering and other professional services
- Stay informed of costs for major construction items
- Take advantage of creative funding opportunities and innovation, utilization of bonding and federal loans
- Adjust investment strategies based on infrastructure needs

Managing the Workforce Challenge

- Increase the size of co-ops with the universities.
- Cover the cost of design co-op fees such as computer use, parking etc.
- Expand partnerships with the universities and tech schools including branching into the field of construction management.
- Increase the number of job fair recruitment events and initiate an outreach program to engage high schools across the state.
- Provide customized benefit opportunities.
- Job market study and adjustments.

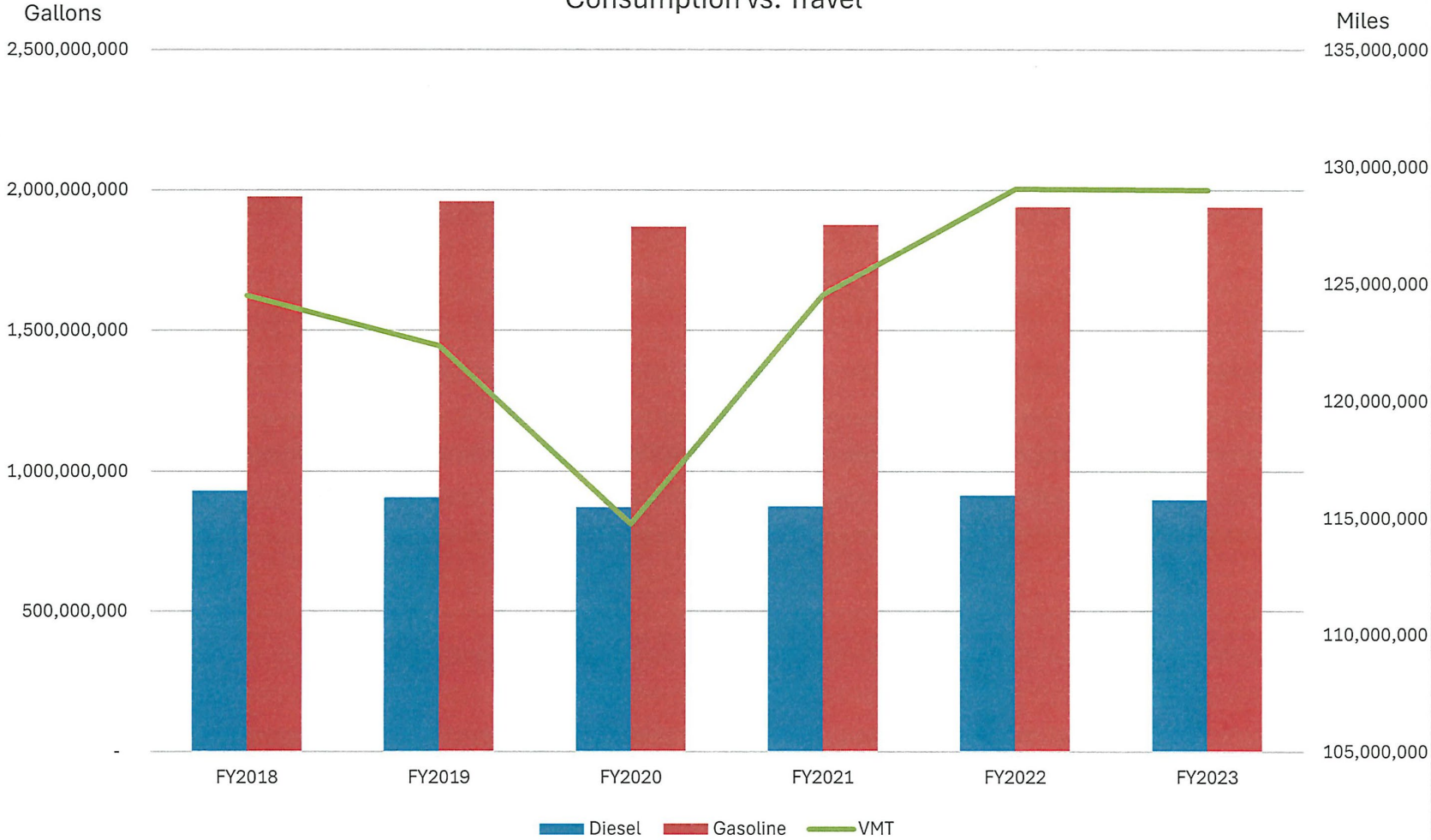
Total Motor Fuel Tax



	SFY 2020	SFY 2021	SFY 2022	SFY 2023	SFY 2024
Gasoline	\$363,331,305	\$356,256,549	\$370,576,303	\$368,022,811	\$371,484,254
Diesel Fuel	\$171,368,668	\$168,543,275	\$181,023,519	\$182,407,958	\$173,753,237

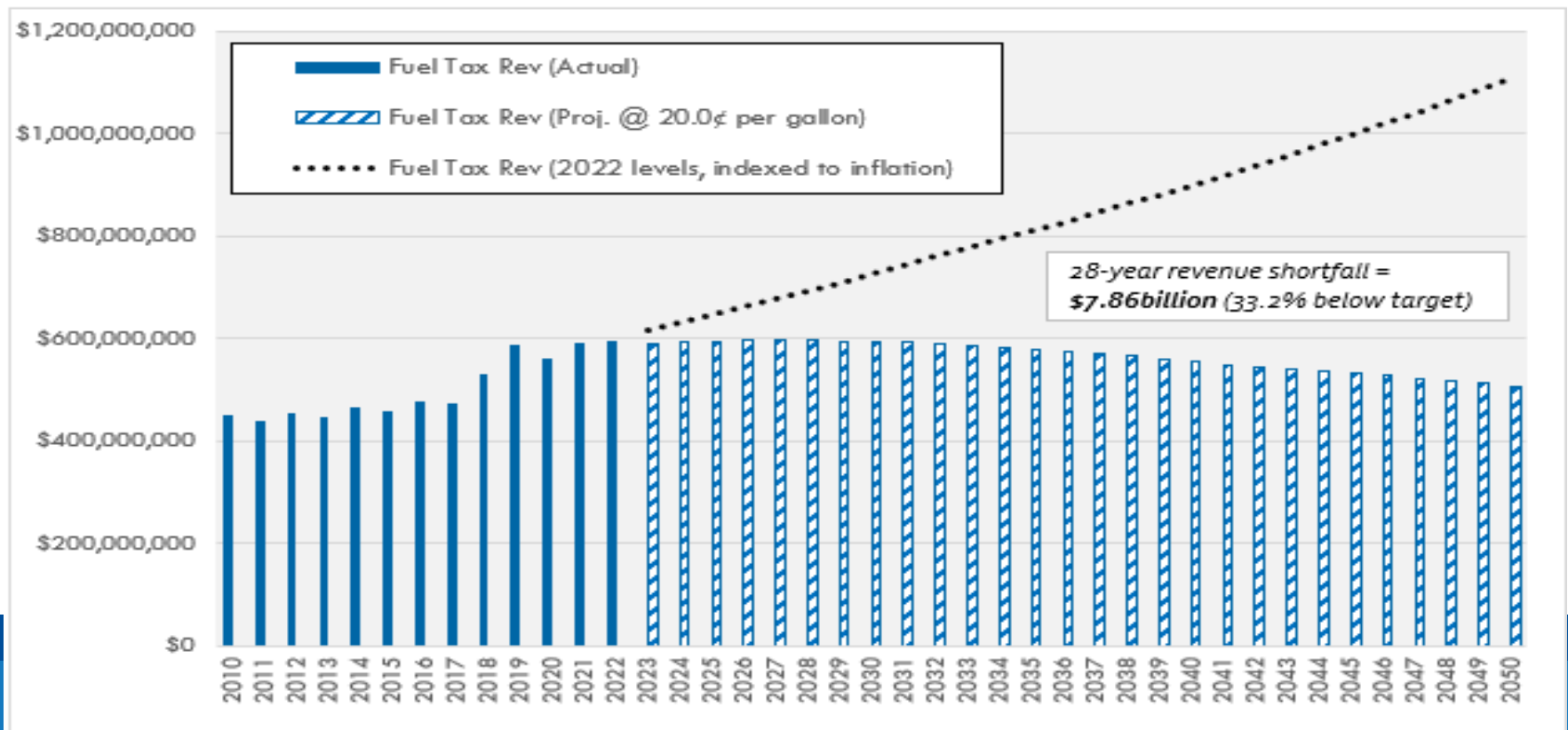
■ Diesel Fuel ■ Gasoline

Consumption vs. Travel

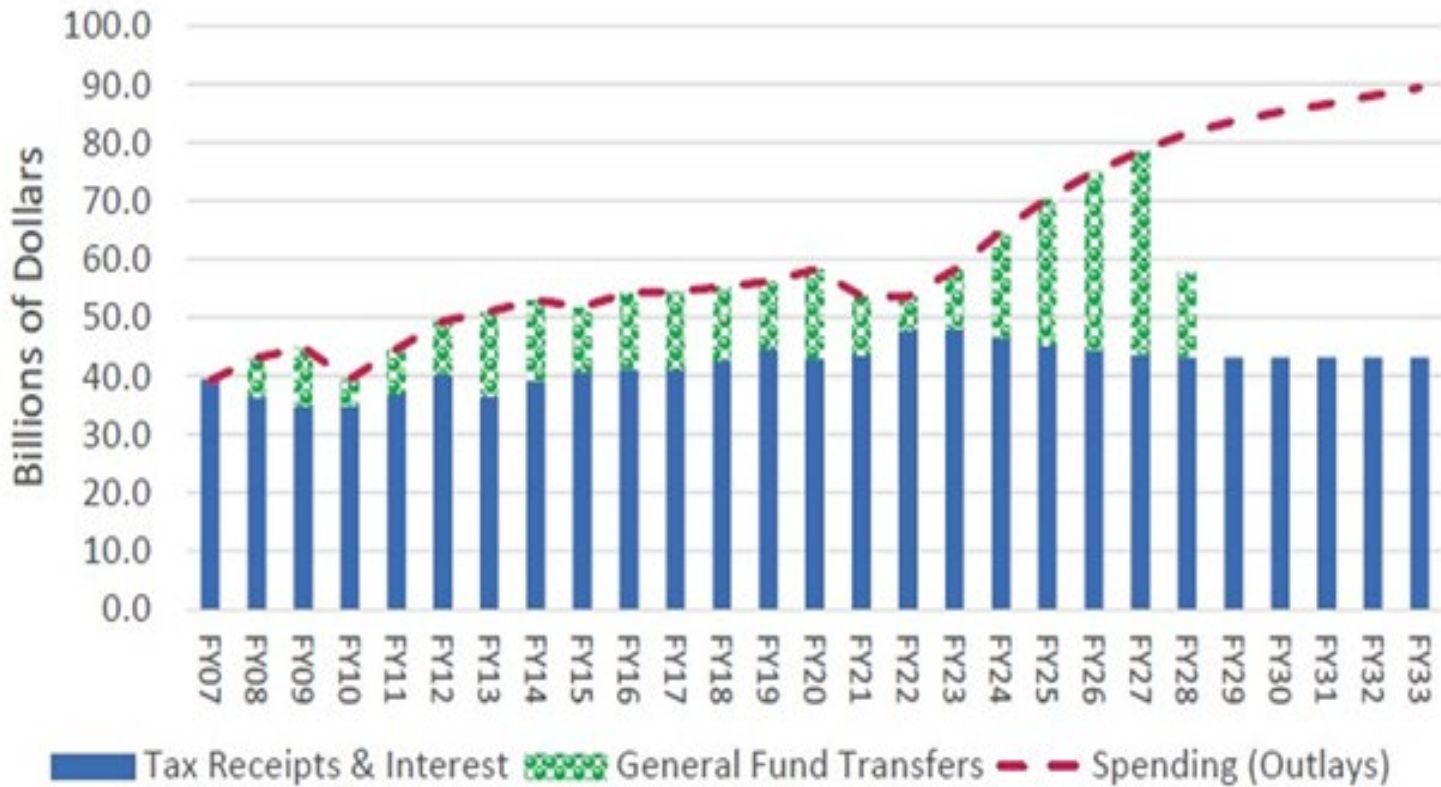


Anticipated Reduction in Motor Fuel Tax

- Oklahoma's fuel tax program is expected to produce a relatively flat stream of revenue that will decline in real (inflation-adjusted) value despite of Vehicle Miles Traveled (VMT) expected growth of 1.5% annually.
- Current policies do not begin to keep pace with inflation, as indicated by the gap between the black dotted line and the hatched blue bars in the graph.
- By 2050, actual fuel tax revenue will be over 50% lower than today's level of revenue.



Highway Trust Fund - FY 2007-2022 (Actual), FY 2023-2033 (CBO Baseline)
 (General Fund transfers shown in the year the transferred funds are spent.)

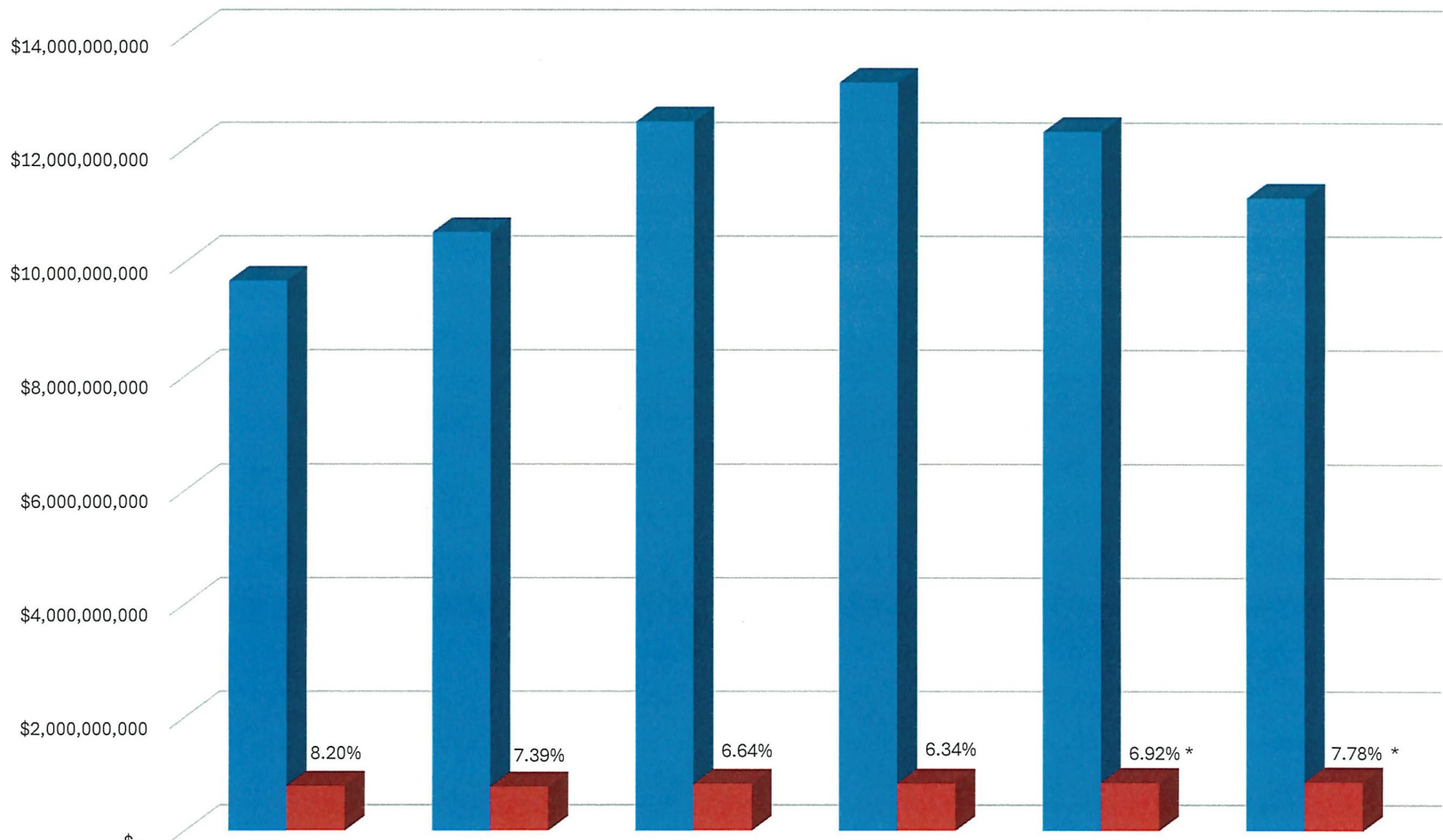


Data sources: FHWA Table FE-1; CBO May 2023 HTF baseline forecast.

FY 2026 Budget Request Summary

- Receive full statutory authorization of the Rebuilding Oklahoma Access and Driver Safety (ROADS) Fund, remaining at the \$590,000,000 cap.
- Receive full statutory allocation of the State Transportation Fund which would equate to approximately \$204 million.
- Restore \$6.3 million to the State Transportation Fund (STF) from SFY2024 revenue shortfall due to previous discrepancies between estimates and receipts in the fund.
- Allocation of \$10 million to the Weigh Station Revolving Fund for the purpose of supporting the Size and Weights Permitting Office, port of entry and weigh station infrastructure construction, operation and maintenance, along with the development, deployment and long-term maintenance of the associated technology and systems as defined in statute.
- Request \$6.9 million to the Rural Public Transit Revolving Fund.
- Request \$2 million to fully fund the Mobility Management program.
- Request \$10 million to fund Lake and Industrial projects.

State Revenue compared to ODOT Revenue



	SFY 2020	SFY 2021	SFY 2022	SFY 2023	SFY 2024	SFY 2025 Estimated
State Revenues	\$9,670,371,713	\$10,523,300,582	\$12,471,706,491	\$13,164,921,310	\$12,298,376,424	\$11,129,414,108
ODOT Revenues	\$793,413,040	\$777,320,711	\$828,447,588	\$834,988,778	\$850,523,261	\$865,339,461

■ State Revenues
 ■ ODOT Revenues

* does not include one-time money

Stay Connected!

- **Phone:** 405-521-8000
- **Email:** odotinfo@odot.org
- **Website:** www.odot.org for maps, project information, traffic advisories, etc.
- **Social Media:** Follow [@OKDOT](#) on X and Facebook and [@Oklahomatransportation](#) on Instagram
- **Video:** View video content and past transportation commission meetings at <https://vimeo.com/odot>
- **Road and Bridge Projects Dashboard:** <https://oklahoma.gov/odot/programs-and-projects/8-year-construction-work-plan.html>

Questions?

Thank you!