

Department of Transportation - 345

Lead Administrator: Mike Patterson

Lead Financial Officer: Russell Hulin

| FY'17 Projected Division/Program Funding By Source | | | | | | |
|----------------------------------------------------|----------------|----------------------|----------------------|---------------------|------------|------------------------|
| | Appropriations | Federal | Revolving | Local | Other* | Total |
| Transit | \$0 | \$761,648 | \$0 | \$0 | \$0 | \$761,648 |
| Railroads | \$0 | \$0 | \$1,148,944 | \$0 | \$0 | \$1,148,944 |
| Waterways | \$0 | \$0 | \$180,174 | \$0 | \$0 | \$180,174 |
| Highway Maint/Eng. | \$0 | \$37,542,890 | \$316,031,508 | \$0 | \$0 | \$353,574,398 |
| IT | \$0 | \$1,117,000 | \$18,715,000 | \$0 | \$0 | \$19,832,000 |
| Capital Outlay | \$0 | \$636,027,542 | \$342,012,073 | \$25,000,000 | \$0 | \$1,003,039,615 |
| County Projects | \$0 | \$31,800,000 | \$236,376,336 | \$3,500,000 | \$0 | \$271,676,336 |
| Transit Projects | \$0 | \$22,440,000 | \$6,750,000 | \$0 | \$0 | \$29,190,000 |
| Rail Safety Projects | \$0 | \$14,100,000 | \$31,850,000 | \$1,000,000 | \$0 | \$46,950,000 |
| Total | \$0 | \$743,789,080 | \$953,064,035 | \$29,500,000 | \$0 | \$1,726,353,115 |

*Source of "Other" and % of "Other" total for each.

| FY'16 Carryover and Refund by Funding Source | | | | | | |
|----------------------------------------------|----------------|---------|--------------|-------|--------|--------------|
| | Appropriations | Federal | Revolving | Local | Other* | Total |
| FY'16 Carryover | | | \$96,257,985 | | | \$96,257,985 |
| FY'16 GR Refund** | | | \$11,224,483 | | | \$11,224,483 |

*Source of "Other" and % of "Other" total for each.

The FY'16 carryover is primarily from the CIRB Fund used to fund county projects.

**Indicate how the FY'16 General Revenue refund was budgeted

The GR Refund of \$11,224,483 was placed in the ROADS Fund for use on highway and bridge capital projects across the State.

| What Changes did the Agency Make between FY'16 and FY'17? | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p>1.) Are there any services no longer provided because of budget cuts? Reconstruction of roads, bridges and weigh station improvements have been reduced.</p> <p>2.) What services are provided at a higher cost to the user? None</p> <p>3.) What services are still provided but with a slower response rate? Some much needed road and bridge projects are being delayed. The cost of delays with inflation factors on construction and materials will have an impact on the state's infrastructure capital program reducing the number of future projects.</p> <p>4.) Did the agency provide any pay raises that were not legislatively/statutorily required? No.</p> | |

| FY'18 Requested Division/Program Funding By Source | | | | | | |
|----------------------------------------------------|----------------|----------------------|------------------------|---------------------|------------------------|--------------|
| | Appropriations | Federal | Revolving | Other | Total | % Change |
| Transit | \$0 | \$761,648 | \$0 | \$0 | \$761,648 | 0.00% |
| Railroads | \$0 | \$0 | \$1,148,944 | \$0 | \$1,148,944 | 0.00% |
| Waterways | \$0 | \$0 | \$180,174 | \$0 | \$180,174 | 0.00% |
| Highway | \$0 | \$37,542,890 | \$316,031,508 | \$0 | \$353,574,398 | 0.00% |
| IT | \$0 | \$1,117,000 | \$18,715,000 | \$0 | \$19,832,000 | 0.00% |
| Capital Outlay | \$0 | \$636,027,542 | \$451,712,073 | \$25,000,000 | \$1,112,739,615 | 10.94% |
| County Projects | \$0 | \$31,800,000 | \$236,376,336 | \$3,500,000 | \$271,676,336 | 0.00% |
| Transit Projects | \$0 | \$22,440,000 | \$6,750,000 | \$0 | \$29,190,000 | 0.00% |
| Rail Projects | \$0 | \$14,100,000 | \$31,850,000 | \$1,000,000 | \$46,950,000 | 0.00% |
| Total | \$0 | \$743,789,080 | \$1,062,764,035 | \$29,500,000 | \$1,836,053,115 | 6.35% |

*Source of "Other" and % of "Other" total for each.

| FY'18 Top Five Appropriation Funding Requests | |
|-------------------------------------------------------------------------|--------------------|
| | \$ Amount |
| Request 1: Statutory Adjustment to ROADS Fund | \$59,700,000 |
| Request 2: Statutory Tax Allocations from the State Transportation Fund | \$50,000,000 |
| Total Increase above FY-18 Request | 109,700,000 |

| How would the agency handle a 5% appropriation reduction in FY'18? | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| The anticipated annual allocation to the ROADS and State Transportation Fund for FY2017 is \$765.4 million. A 5% reduction from this level would cause a reduction of the current Eight Year Construction Work Plan of \$38.3 million. | \$38,270,000 |

| How would the agency handle a 7.5% appropriation reduction in FY'18? | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| The anticipated annual allocation to the ROADS and State Transportation Fund for FY2017 is \$765.4 million. A 7.5% reduction from this level would cause a reduction of the current Eight Year Construction Work Plan of \$57.4 million. | \$57,405,000 |

| How would the agency handle a 10% appropriation reduction in FY'18? | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| The anticipated annual allocation to the ROADS and State Transportation Fund for FY2017 is \$765.4 million. A 10% reduction from this level would cause a reduction of the current Eight Year Construction Work Plan of \$76.5 million. | \$76,540,000 |

| Is the agency seeking any fee increases for FY'17? | |
|----------------------------------------------------|-----------|
| | \$ Amount |
| Increase 1 N/A | \$0 |
| Increase 2 N/A | \$0 |
| Increase 3 N/A | \$0 |

| What are the agency's top 2-3 capital or technology (one-time) requests, if applicable? |
|--------------------------------------------------------------------------------------------------------------------------|
| No capital requests from general revenue appropriations. All capital projects are funded from dedicated revolving funds. |

| Federal Government Impact |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1.) How much federal money received by the agency is tied to a mandate by the Federal Government? On the average ODOT has found the cost associated with compliance to the National Environmental Policy Act (NEPA) have amounted to approximately \$4.6 million in hard cost, with driver costs undetermined.</p> <p>2.) Are any of those funds inadequate to pay for the federal mandate? None</p> <p>3.) What would the consequences be of ending all of the federal funded programs for your agency? The current Eight Year Construction Work Plan is funded by 52% federal money from the Federal Highway Administration for SFY2016 dropping to 47% by SFY2019 when ROADS funding reaches maximum. Eliminating federal funded programs would cause a dramatic reduction in road and bridge projects funding to ODOT.</p> <p>4.) How will your agency be affected by federal budget cuts in the coming fiscal year? It is anticipated ODOT federal transportation funding will remain consistent with the recent passage of the 5 year FAST Act by Congress.</p> <p>5.) Has the agency requested any additional federal earmarks or increases? ODOT has requested discretionary funding from the Secretary of Transportation related to bridge replacement, roadway improvements, and railroad revitalization.</p> |

Division and Program Descriptions

Operations

Provides operational services such as bid letting, contracting, construction, administration, material testing, research, and maintenance functions. This program coordinates construction and maintenance activities in the eight field divisions.

Capital Projects

8 Year Construction Work Plan Projects, Federal Aid, State Aid, Right-of-Way/Utility Acquisition and Relocation, Industrial Access, and Special Maintenance.

Railroad Improvement

Railroad crossing improvement projects and passenger rail service.

Transit

Administers financial assistance to local, small, urban and rural transit systems throughout the state.

Railroads

Railroad operations for safety, passenger service and oversight of the state-owned rail infrastructure. This program coordinates with Railroad companies for rail crossing improvements and works to retain and enhance passenger service.

Waterways

Promotes the use of barge transportation on the McClellan-Kerr Arkansas River Navigation System by educating the public and working ports and shippers, promoting waterways transportation usage and facilities.

Weigh Stations/Trucking

Provides operations, construction and maintenance of the State Weight Station facilities.

County Projects

This program includes earmarked taxes as well as federal funding for County and City roads and bridges. Heavy equipment is purchased and leased to counties through this program.

FY'18 Budgeted FTE

| | Supervisors | Classified | Unclassified | \$0 - \$35 K | \$35 K - \$70 K | \$70 K - \$\$\$ |
|--------------|-------------|-------------|--------------|--------------|-----------------|-----------------|
| Highways | 503 | 2213 | 90 | 518 | 1615 | 170 |
| Railroads | 4 | 7 | 0 | 0 | 5 | 2 |
| Transit | 3 | 8 | 0 | 0 | 7 | 1 |
| Waterways | 1 | 2 | 0 | 1 | 1 | 0 |
| Total | 511 | 2230 | 90 | 519 | 1628 | 173 |

FTE History

| | 2017 Budgeted | 2016 | 2013 | 2010 | 2006 |
|----------------|---------------|-------------|-------------|-------------|-------------|
| Transit | 8 | 8 | 6 | 6 | 6 |
| Railroads | 8 | 9 | 9 | 9 | 9 |
| Waterways | 2 | 2 | 2 | 2 | 2 |
| Highway | 1739 | 1745 | 1793 | 1782 | 1822 |
| Engineering | 478 | 471 | 464 | 481 | 470 |
| Administration | 170 | 170 | 206 | 225 | 213 |
| | 2405 | 2405 | 2480 | 2505 | 2522 |

| Performance Measure Review | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------|----------------------------|-------|------------------|
| | FY'16 | FY'15 | FY'14 | FY'13 | FY'12 |
| Percentage of on-system Bridges rated as Structurally Deficient | 4.7% | 5.5% | 6.8% | 8.1% | 9.4% |
| Miles of 2 lane rural highways without shoulders | 4,571 | 4,573 | 4,598 | 4,600 | N/A |
| Number of lane miles in Critical or Inadequate Condition | 3,687 | 3,820 | 3,842 | 3,862 | N/A |
| Crossover fatalities on divided state highways | 8 | 8 | 9 | 9 | N/A |
| Construction Contract Growth | 1.90% | 0.94% | 1.36% | 1.12% | 1.95% |
| % of Contract awards within 10% of estimates | 47% | 61% | 55% | 51% | 48% |
| Revolving Funds (200 Series Funds) | | | | | |
| | FY'14-16 Avg. Revenues | | FY'14-16 Avg. Expenditures | | June '16 Balance |
| Fund #210 Oklahoma Railroad Maintenance Revolving Fund | \$36,243,948 | | \$9,885,419 | | \$86,637,276 |
| The purpose of the Fund is for the construction, reconstruction, repair, replacement and maintenance of railroad rights-of-way or trackage throughout the state of Oklahoma. | | | | | |
| Fund #211 Oklahoma Tourism and Passenger Rail | \$3,075,762 | | \$4,071,049 | | \$7,513,737 |
| The Fund's purpose is to acquire, construct, reconstruct, repair, replace, operate and maintain railroad rights-of-way and trackage projects at such locations and on such passenger routes as the Department shall determine to be feasible and economically sound. | | | | | |
| Fund #220 Highway Construction Materials Technician Certification Board | \$173,214 | | \$344,403 | | \$450,477 |
| The Fund's purpose is for conducting training, examinations and registration of highway construction materials technicians and the execution of duties of the Highway Construction Materials Technician Certification Board. | | | | | |
| Fund #225 Public Transit | \$11,793,092 | | \$14,025,091 | | \$2,268,209 |
| The Fund purpose is for establishing, expanding, improving, and maintaining rural and urban public mass transportation services. | | | | | |
| Fund #230 County Road Machinery and Equipment | \$5,320,055 | | \$5,820,816 | | \$4,532,100 |
| The purpose of the Fund is to purchase new or used road and bridge construction and maintenance machinery and equipment for lease or lease-purchase to counties. | | | | | |

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| Fund #265 Weigh Station Improvement Revolving Fund The Fund's purpose is for constructing, equipping and maintaining facilities to determine the weight of vehicles traveling on the roads and highways of this state. | \$18,374,853 | \$23,967,467 | \$18,753,099 |
| Fund #275 Rebuilding Oklahoma Access and Driver (ROADS) Safety The Fund's purpose is for: 1. The construction and maintenance of state roads, bridges and highways; 2. The direct expenses of operating and maintaining the state highway system, including bridges; 3. Direct expenses incurred in constructing, repairing, and maintaining state highways, farm-to-market roads, county highways and bridges as authorized by law; 4. Matching federal funds; 5. The purchase of materials, tools, machinery, motor vehicles, and equipment necessary or convenient for the construction and maintenance of the state highway system and bridges; 6. Debt service. | \$396,673,477 | \$463,139,735 | \$36,398,694 |
| Fund #280 High Priority State Bridge The funds shall be used for the sole purpose of construction or reconstruction of bridges on the state highway system that are of the highest priority as defined by the Transportation Commission. | \$6,240,175 | \$8,441,298 | \$435,305 |
| Fund #285 County Improvements for Roads and Bridges (CIRB) The funds shall be used for the sole purpose of construction or reconstruction of county roads or bridges on the county highway system that are of the highest priority as defined by the Transportation Commission. Counties may accumulate annual funding for a period of up to five (5) years for a specific project, with such funding to be held by the Transportation Commission to the credit of the county project. | \$145,258,461 | \$187,862,570 | \$321,221,528 |

Note: Expenditure numbers for revolving funds include claims paid and transfers.