



**OKLAHOMA**  
Transportation

# Oklahoma Department of Transportation

**FY 2023 Budget Hearing Presentation**

**Submitted by: Tim Gatz, Secretary of Transportation / Executive Director**

# Tim Gatz, Executive Director



The **Oklahoma Department of Transportation** serves as the agency responsible for the planning, designing, constructing, operating and maintaining Oklahoma's highway-based transportation infrastructure including the non-toll interstate system, the U.S. highway system and the state highway system along with management of the state-owned railroads. ODOT also administers a variety of other multi-modal programs including passenger rail, public transit and the promotion and coordination with the McClellan-Kerr Arkansas River Navigation System (MKARNS), Oklahoma's inland waterway.

Founded in 1911 (formerly known as the Oklahoma Highway Department), ODOT's Executive Staff is a team of nine, led by the Executive Director, which includes the General Counsel and the Interagency Liaison, with the agency managed as follows:

- the Chief Engineer leads the operations and engineering areas of the agency, which includes design, construction and maintenance of Oklahoma's Highway System. The Director of Operations manages construction and maintenance occurring in each of eight field districts, led by the respective field district engineers who retain primary responsibility for the daily and long-term highway maintenance and construction activities and decisions associated with highways within their boundaries. The Director of Engineering is responsible for all preconstruction and design activities which are provided centrally in the Transportation Building located on the Capitol Complex.
- the Deputy Director leads administrative areas of the agency, with the Director of Finance and Administration/CFO who is responsible for state and federal funds administration, including transit funds; and Director of Capital Programs who is responsible for program and project management of the highway system and local governments, as well as the multimodal programs of Rail and Waterways.

\* The Department is currently undergoing a transportation modernization initiative.

# Agency Vision, Mission and Core Values

**Vision:** The Department is an efficient, innovative, and customer-driven organization working collaboratively to provide safe, modernized, integrated and sustainable transportation options throughout Oklahoma.

**Mission:** To provide a safe, economical and effective transportation network for the people, commerce and communities of Oklahoma.

**Core Values:** The Oklahoma Department of Transportation values and behaviors: Improved Collaboration, Enhanced Innovation, Greater Coordination, Exceptional Customer Service, Increased Efficiency, and Rapid Adaptability.



# Accomplishments & Challenges

## Top accomplishments for FY 2021

- 1) Achieved a Top 10 national ranking in highway system bridges by reducing structurally deficient bridges to less than 86, representing 0.99% of the highway system bridges.
- 2) Awarded major federal grants to improve the Red River Bridge with Texas, reconstructing and adding capacity to I-40 at Douglas Boulevard near Tinker Air Force Base, and let the first construction phase of the I-44 & US 75 interchange in Tulsa (INFRA grant awarded in 2020) which begins the much needed replacement of this critical interchange.
- 3) Completed first phase of the Cabinet Modernization Initiative - Current State Assessment. The Current State Assessment provided by Guidehouse identified a future structure and six areas of immediate initiatives. Implemented three of the six initiatives.
- 4) Implemented E-construction systems in combination with paperless processes and management practices.

## Challenges (current & upcoming years)

- Fatality rates have increased across the nation during the pandemic, jeopardizing the achievement of the "5% fatality reduction in 5 years" goal.
- Technology systems deficits must be addressed to improve organization and operation performance
- Freight traffic will continue to increase on the transportation system, impacting condition, safety and travel time reliability.
- Traditional motor fuel tax revenues are anticipated to be significantly reduced over time by fuel efficiencies and electrification of the fleet.
- Managing long term debt service obligations resulting from state budgetary transfers.
- Continue progress towards National Top 10 Rank in good pavement condition on the National Highway System.



# Goals & Projects for FY 2023

## Goals

- 1) Modernize safety data collection systems and technology systems to improve safety analysis and decision making (in coordination with DPS) and align investment strategies to meet long-term goals. Hold traffic fatalities to less than 634.
- 2) Decreasing miles of rural two lanes with deficient shoulders through targeted capital improvements and quarterly reporting of progress statewide and by field district adjusting the 8 Year and Asset Preservation Program and align investment strategies to meet long-term goals. Closing on a TIFIA loan to accelerate 36 miles of improvements, resulting in improved safety.
- 3) Monthly reporting and monitoring of structurally deficient and at-risk bridges on the state highway system. Maintain the reduction in the number of structurally deficient bridges on the state highway system to less than 1% and align investment strategies to meet long-term goals.
- 4) Monitor progress towards goals through quarterly reporting of progress statewide and by field district, adjusting the 8 Year and Asset Preservation Program and align investment strategies to meet long-term goals. Increase 400 miles of highway lane miles to good condition.

## Projects

- 1) Transportation Cabinet Modernization Initiative: Fosters integration and coordination of activities, expertise, and resources across the transportation cabinet agencies to better align projects and key functions to improve efficiency in transportation services for Oklahoma. This initiative incorporates the goals of collaboration, innovation, greater communication exceptional customer service, increased efficiency, and rapid adaptability, with an intent to reduce staff accordingly. Modernize technology and improve business function.
- 2) Innovation: Due to the pandemic response, innovation across the organization and modernization of all business processes will continue to occur at an accelerated pace. Increased efficiencies will be gained through implementing technology solutions with data analytics and tailored technology solutions, and dashboards, such as modernizing accident data collection and analytics, and using Project Status dashboards to inform the public, facilitating communication with the public and elected officials. New work paradigms like telework, will continue, enabling a reduced agency footprint.



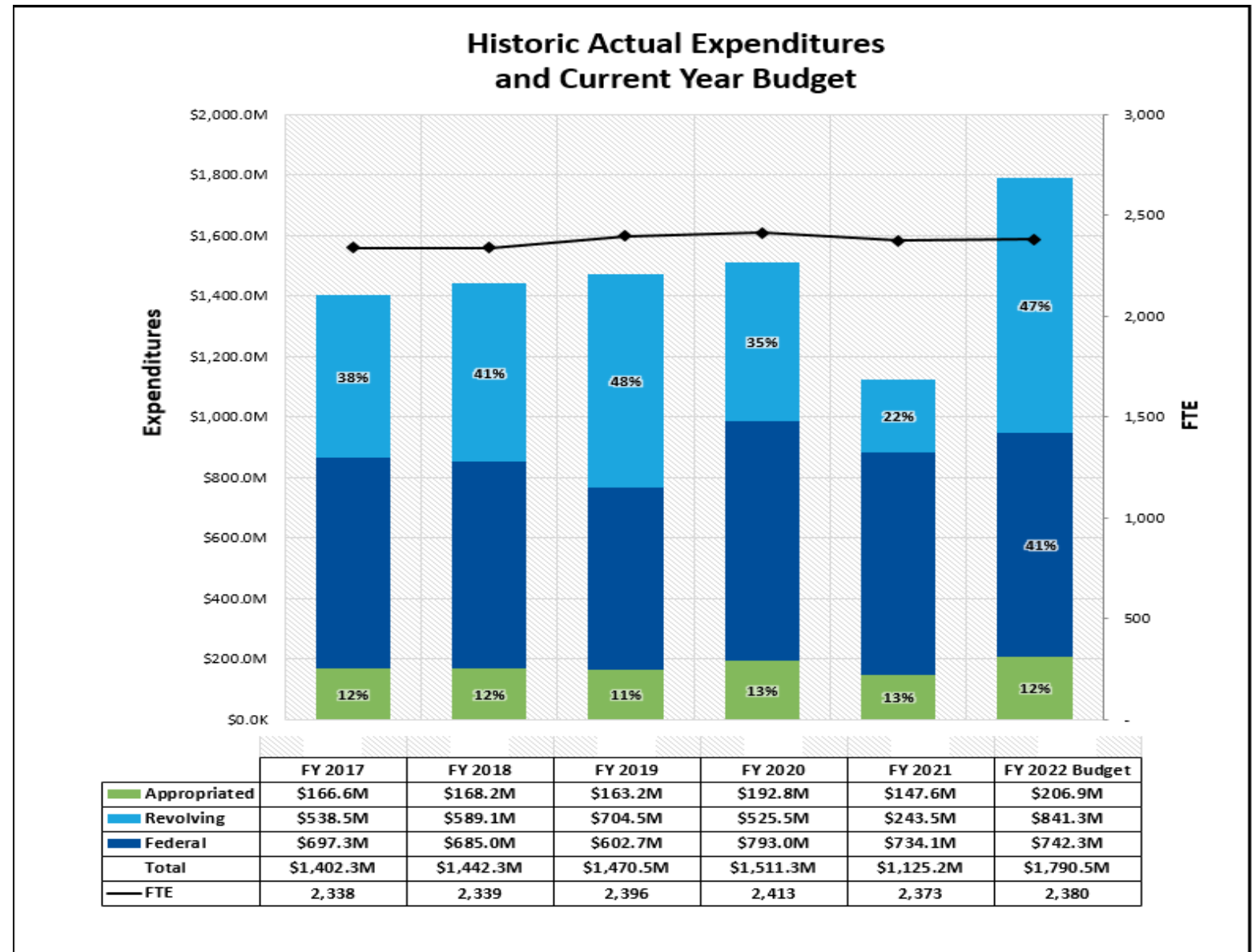
# Savings & Efficiencies

- Top efficiencies:

- Completed :
  - Creation of the Cabinet level Strategic Communication Office comprised of the Communications Divisions for Oklahoma Turnpike Authority, Oklahoma Department of Transportation and Oklahoma Aeronautics Commission. Created a shared services agreement for the head of Strategic Communications.
  - Creation of the Multimodal Division consisting of Rail Division, Office of Mobility and Public Transit and the Waterways Division, enabling administrative efficiencies.
  - Creation of the Office of Innovation to assist the Cabinet Secretary in implementing the recommendations of Guidehouse.
  - Oklahoma Department of Transportation has assumed claims processing for the Oklahoma Aeronautics Commission.
  - Shared services agreement for the Oklahoma Department of Transportation handling of the Oklahoma Turnpike Authority construction bidding process.
  - Use of project bundling for a savings of approximately \$16,948,560 of federal and state funding.
  - Eliminated copiers and phone lines for an estimated savings of \$84,300.
- Work in progress:
  - Shared services agreement for the head of Internal Audit in an effort to combine the Internal Audit function of Oklahoma Turnpike Authority and the Oklahoma Department of Transportation.
  - Created a cross functional team between the Human Resources offices of Oklahoma Turnpike Authority and the Oklahoma Department of Transportation to work on adjusting payroll cycles and new work week requirements for BrightPath / Workday conversion.
  - Shared services agreement for the payroll function of Oklahoma Turnpike Authority to be handled by the Oklahoma Department of Transportation.
  - Created a cross functional team between the Oklahoma Turnpike Authority and the Oklahoma Department of Transportation to collaborate on several position descriptions within the Cabinet - Chief Information Officer, Comptroller, Customer Service, Project Delivery, Design, System Operations and Field Operations.
  - Created a cross functional team between the Purchasing offices of Oklahoma Turnpike Authority and the Oklahoma Department of Transportation to implement a P card program for the Oklahoma Turnpike Authority and to share services of the expansion of ODOT's platform to process contract claims and facilitate construction inspection activities through use of AASHTOWare Project Construction and Materials.
  - Created cross functional teams for SiteManager conversion (e-Construction), Numetrics implementation (accident data and analytics system), and adopting AdobeSign.



# Historic Actual Expenditures (FY 17-21) and Current Year Budget (FY 22)



Data as of October 11, 2021





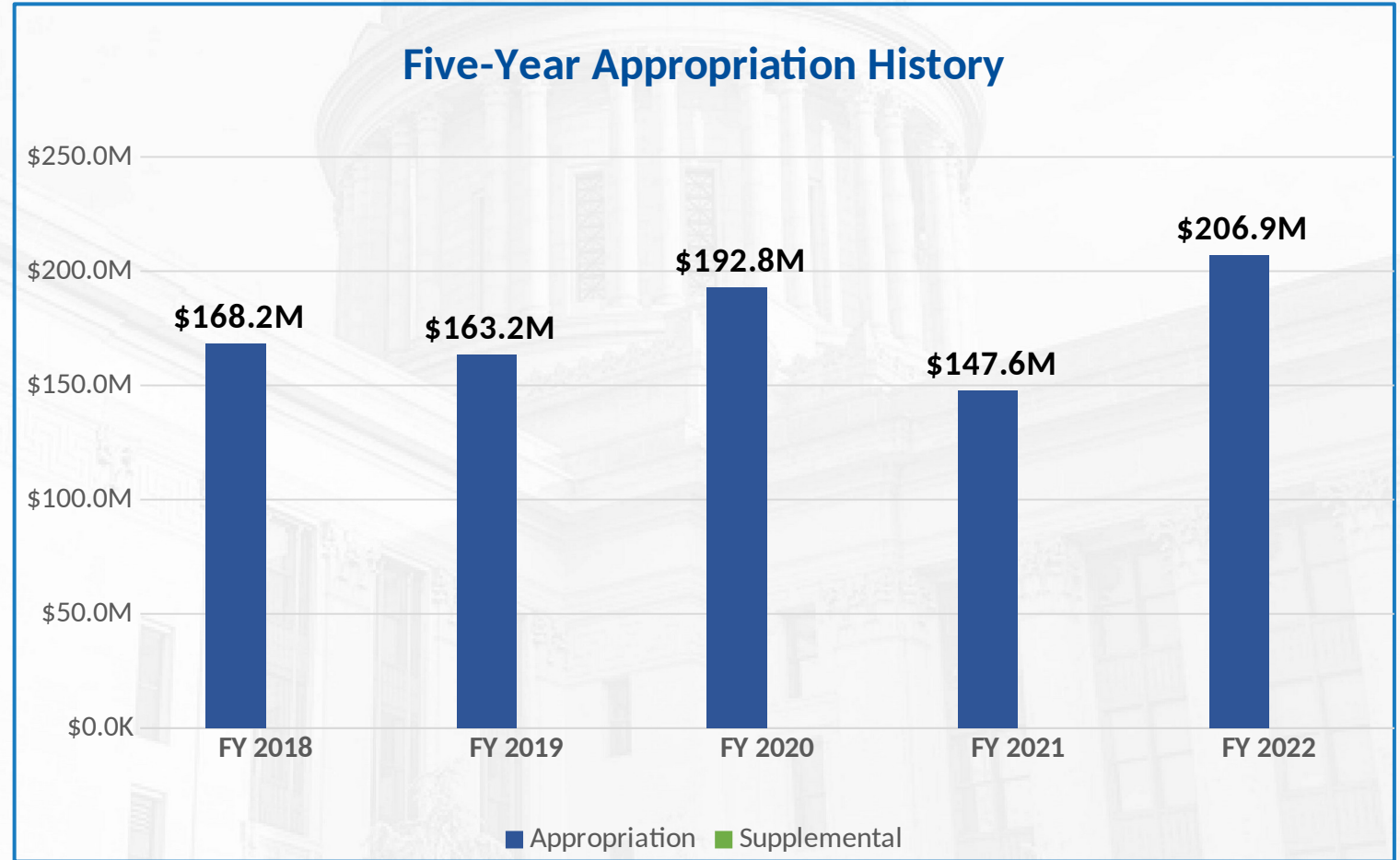
# FY 2022 Budgeted Full Time Equivalents (FTE)

	FY 2022 Budgeted FTE
<b>Total FTE</b>	2380
<b>Supervisor FTE</b>	498
<b>Supervisors to Total FTE Ratio (%)</b>	21%



# Appropriation History

Fiscal Year	Appropriation (\$) <i>(include supplemental if applicable)</i>
FY 2018	168,151,560
FY 2019	163,244,177
FY 2020	192,752,497
FY 2021	147,625,890
FY 2022	206,893,663



# Appropriated Carryover History and Justification

	FY 2017 (Actuals)	FY 2018 (Actuals)	FY 2019 (Actuals)	FY 2020 (Actuals)	FY 2021 (Actuals)	FY 2022 (Planned)
Total appropriated carryover amount expended (\$)	0	0	0	0	0	0

Fiscal Year of the original appropriation	Projected amount carried over to FY 2023 (\$)	Describe how projected carryover will be used in FY 2023
FY 2022	0	Appropriated funds – State Transportation Funds – are spent first.
FY 2021	0	Appropriated funds – State Transportation Funds – are spent first.
<b>Total projected FY 23 Carryover (\$)</b>	0	



# Available Cash Description and Justification

Class Fund #	Available Cash amount (\$)
21000	\$5,000,000
21100	\$1,500,000
22000	\$100,000
23000	\$100,000
26500	\$2,000,000
31000	\$5,000,000
<b>Total Available Cash:</b>	<b>\$13,700,000</b>

*Available cash is unbudgeted cash that is not restricted by federal partners, statute, or contractual obligations.*

Fiscal Year	Agency's plan to deploy available cash (include amounts):
<b>FY 2023</b>	The year end cash balances represent encumbrance reserves predominately for capital obligations. Available funds will be used : to the 21000 Fund Railroad Maintenance Fund are used for rail safety improvement state and federal projects;21100 Fund Rail Passenger Fund are used for increases to the AMTRAK contract; 22000 Fund Highway Construction Material Tech Cert Fund are used for training expenses, equipment used in training courses; 23000 Fund County Equipment Fund are used for the purchase of additional road maintenance equipment; 26500 Fund Weigh Station Fund are used for operations, maintenance and construction of the Weigh Stations or Ports of Entry; 31000 Fund Highway Construction and Maintenance Fund are used for maintenance and construction of highways and bridges.
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# Agency Key Performance Metrics

Metric		Goal	FY 20 Actuals	FY 21 Actuals	FY 22 Target	FY 23 Target
1	Percentage of on-system bridges rated as structurally deficient	To achieve and sustain less than 1% structurally deficient bridges (68 of 6,800).	1.27%	0.99%	1.0%	1.0%
2	Number of statewide fatalities on public roadways	Decrease traffic fatalities by 5% in 5 years	635	690	621	615
3	Miles of two lane rural highways with deficient shoulders	To decrease miles of rural two lanes with deficient shoulders by 10% in four years.	5299	5249	5118	4987
4	Percentage of lane miles in good condition	To increase total lane miles in good condition by 10% ( From 32% to 42%) in 4 years.	35.03%	38.65%	41.15%	43.65%
5						



# Budget & Supplemental Request Summary

Request Name		FY 23 Appropriated Request Amount (\$)	Type of Request: Operating, One-time, or Supplemental
1	Recovery of Revenue Shortfall	\$22	One-Time
2	Receive Full Statutory Allocation	\$30	Operating
3			
4			
5			



# (#1) Budget Request

## Recovery of Revenue Shortfall

Type: (Operating, One-Time, Supplemental)  
One-Time

\$22,000,000

State Transportation Fund original SFY2021 estimate of \$216 M, actual collections, \$193 M.  
ODOT Budget Authority was \$170 M, Actual receipts = \$147 M.

*\* Duplicate these slides as needed to describe all requests.*



# (#2) Budget Request

## Receive Full Statutory Allocation

Type: (Operating, One-Time, Supplemental)  
Operating

\$ Amount Requested for FY 2023

Receive full allocation of Motor Fuel Taxes to the State Transportation Fund as per OS Title 68 Sect 500.4B, Estimates \$216 M (est. from SFY2019), without special cash transfers, as experienced in recent fiscal years.

*\* Duplicate these slides as needed to describe all requests.*



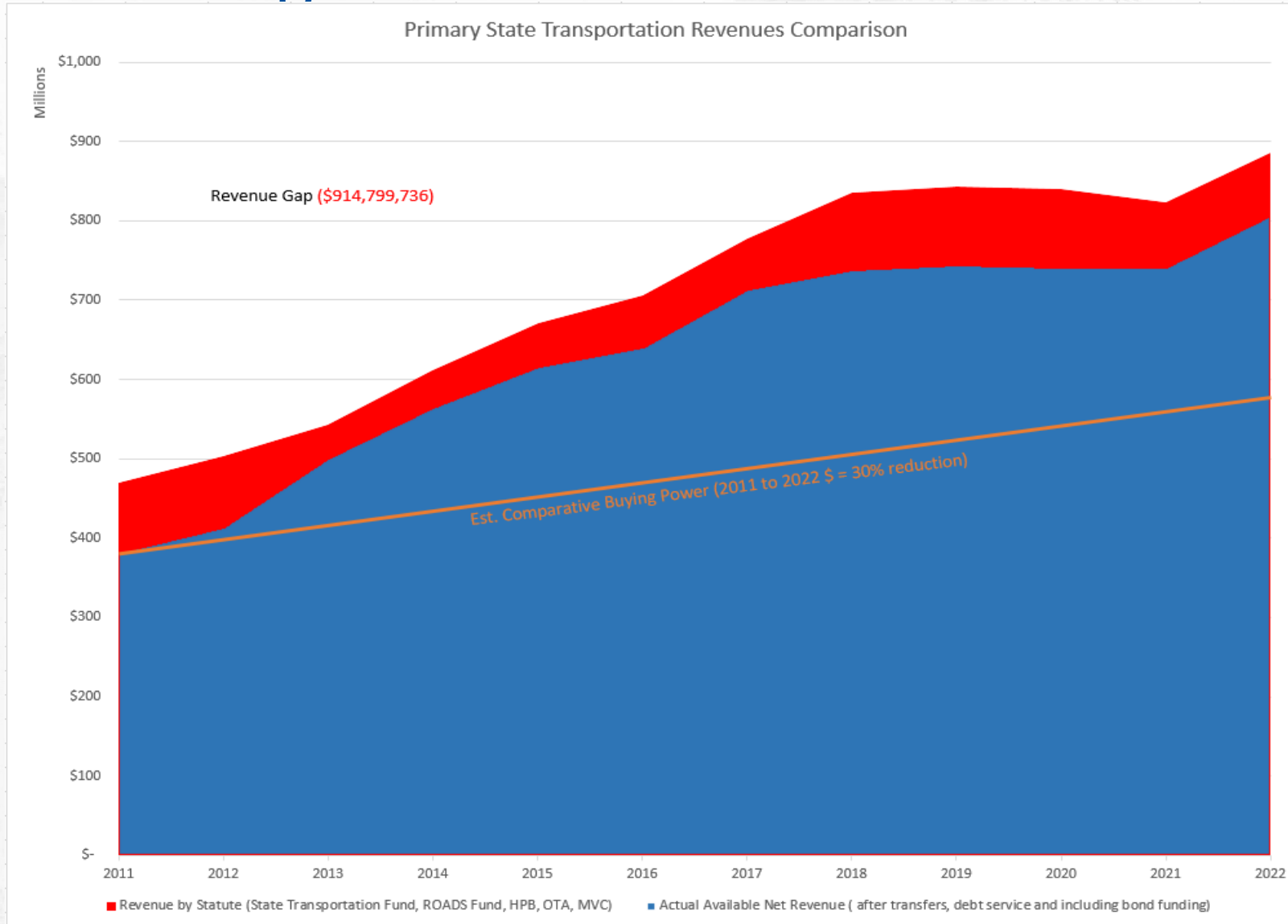


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# Appendix



# Purchasing Power Decline – 30% since 2011



# Modernization...

