



# INDIANA DEPARTMENT OF TRANSPORTATION

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**Eric Holcomb, Governor**  
**Joe McGuinness, Commissioner**

September 1, 2020

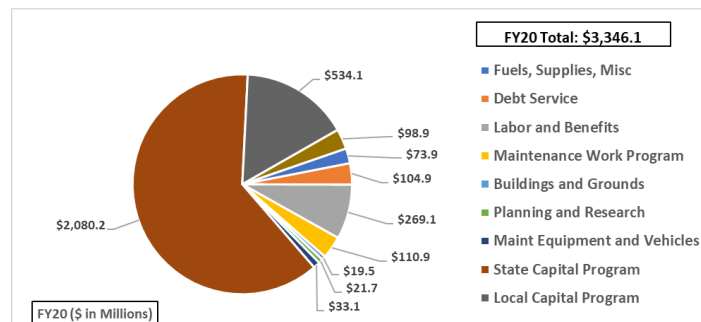
Mr. Zachary Q. Jackson, State Budget Director  
Indiana State Budget Agency  
200 W. Washington Street  
State House, Room 212  
Indianapolis, IN 46204

RE: FY 2022-23 Biennium Letter

Dear Mr. Jackson:

The Indiana Department of Transportation is pleased to present its biennium budget. INDOT’s mission is to collaboratively plan, build, and maintain safe and innovative transportation infrastructure that enhances Indiana’s quality of life, drives economic growth, and accommodates new modes of transport, and we strive each day to deliver on that quest. During the last two years, INDOT implemented programs to improve the condition of transportation assets throughout the state, enhanced initiatives to improve public communication and customer service, and opened to traffic or broke ground on major highway construction projects that will increase highway capacity, reduce traffic congestion, and improve motorist safety across Indiana.

Keeping with Gov. Eric Holcomb’s Next Level agenda, INDOT’s goals are: Deliver great service; Enhance Indiana’s economic competitiveness and quality of life; Execute a 20-year road and bridge plan; and Develop INDOT’s 21<sup>st</sup> Century workforce. In addition, the chart below displays INDOT’s FY 2020 operations and capital program expenditures and demonstrates the agency’s focus on managing taxpayer dollars to enhance the state’s infrastructure.



## Accomplishments

### Next Level Roads

INDOT moved quickly to increase transportation construction, maintenance and preservation activities as directed in the Governor’s Next Level Roads plan, a 20-year initiative to improve Indiana’s roads and bridges made possible through the bipartisan passage of House Enrolled Act 1002 during the 2017 legislative session. The Next Level Roads plan outlined approximately \$5.1 billion in total investment through the first five years, with nearly 90% of those dollars dedicated to improving the condition of existing roads and bridges, enhancing safety, and correcting drainage issues. INDOT’s road construction plan for the first five years of the Next Level Roads plan outlines specific projects that will improve existing roads and bridges and complete current projects. These plans include resurfacing nearly 10,000 lane miles of pavement, representing 33% of total inventory, and repairing or replacing approximately 1,300 bridges, nearly 23% of total bridges, on state-maintained roads through Fiscal Year 2022.

## State and Local Projects

During the past two years, INDOT invested the following in state and local projects:

- \$2.23 billion in state projects for the construction and rehabilitation of Indiana highways and bridges.
  - Completed or started 571 projects to add lanes, replace, or preserve 2,332 centerline miles of INDOT roadways (out of more than 11,200 total centerline miles).
  - Built, rehabilitated, replaced or maintained 1,492 bridges and culverts on Indiana interstates, U.S. highways, or state routes.
- \$422.5 million in local projects to build, replace or repair local roads and bridges.
  - 94 projects to rehabilitate or replace local roads, and build, rehabilitate, or replace 46 local bridges and culverts.

## Major Construction Projects

During the last two years, the following major projects were opened to traffic or are nearing completion:

- I-69 Section 5 from Bloomington to Martinsville opened to traffic in August 2018. Construction began in 2014.
- A Final Environmental Impact Statement and Record of Decision on I-69 Section 6 from Martinsville to Indianapolis was issued in February 2018. Construction began in 2020.

Project	Status	Open to Traffic Date
I-65 Clark County, Added travel lanes	Open to Traffic	November 2018
I-65 Lake County, Added travel lanes	Open to Traffic	June 2019
I-69 Madison County, Added travel lanes	Open to Traffic	December 2019
I-65 Bartholomew County, Added travel lanes	Open to Traffic	August 2020

## Maintenance & Preservation

The following maintenance and preservation activities were accomplished during the last two years:

- Chip-sealed more than 2,900 lane-miles of state roads
- Crack-sealed over 8,400 lane-miles of state roads
- Applied more than 48,000 miles of centerline and edgeline stripes
- Replaced nearly 36,000 sheet signs
- Serviced more than 6.5 million highway lane miles during winter operations

## Community Crossings

Community Crossings is a matching grant partnership between INDOT and Hoosier communities, both urban and rural, to invest in road and bridge infrastructure projects. Projects submitted to INDOT for funding are evaluated based on need, traffic volume, local support, impact on connectivity and mobility, and regional economic significance. Since 2016, the state has awarded \$840.2 million in state funds for local road and bridge projects that support economic development, create jobs and strengthen local transportation networks. In 2019, INDOT awarded \$214.5 million to 370 separate communities for 3,400 road and bridge projects. In the first call for projects in 2020, INDOT awarded \$126.5 million to 218 separate communities for 2,091 local projects. During the second call for projects in 2020, INDOT awarded \$101.5 million to 238 separate communities for 1,527 road and bridge projects, totaling \$228 million for 3,618 local projects in 2020.

## Roadside Management Program

INDOT is working hard to clean up Indiana's roadways and encourage the growth of native plants to support pollinators and wildlife with an updated comprehensive roadside management program. Launched in March 2019, this initiative enhances INDOT rights-of-way by mowing, addressing noxious and invasive plants, clearing brush and trees, and removing litter and debris to enhance safety and improve our highways statewide. INDOT's \$30.5 million plan is multi-faceted and includes activity and performance goals for both contracted and state employees on interstate and non-interstate highways. In fiscal years 2019 and 2020, the effort resulted in more than 159,000 acres of mowed INDOT right-of-way; 106,754 acres treated with selective herbicides; brush cut or removed from over 2,800 acres; and litter and debris removed from along more than 34,000 miles of highways.

## Transportation Services Call Center

INDOT launched its customer service call center with one statewide toll-free phone number in February 2018 to manage customer inquiries and work requests. INDOT offers over 100 services and each of these services have specific service level agreements for completion of the work. INDOT created and managed more than 142,000 cases in response to customer phone calls, online Report a Concern messages, and emails in the past two fiscal years. The average speed to answer incoming phone calls is 19 seconds, and 91% of resolved cases met the established INDOT service level agreements.



## DamageWise

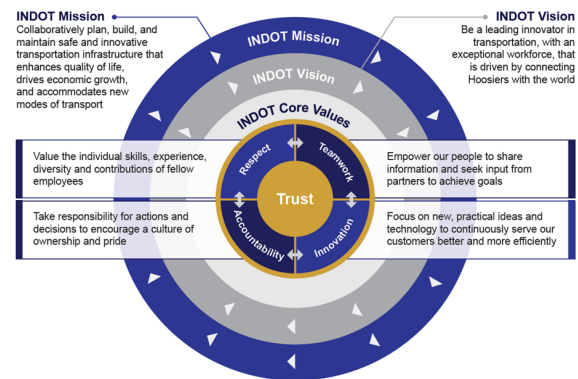
The DamageWise program, a partnership between INDOT, Attorney General's office, and law enforcement, continues to serve as an effective, innovative solution to the increasing financial burden of repairing and replacing damaged right-of-way infrastructure. Approximately 6.6% of motor vehicle crashes that occur each year cause damage to state property, such as guardrails, cable barriers, signs, and bridges. The program enables INDOT to seek reimbursement for repair costs from vehicle drivers or their insurance companies regarding crash-damaged highway infrastructure or INDOT-owned vehicles and equipment. Collected reimbursements are reinvested into INDOT capital programs and operations. In fiscal years 2019 and 2020, INDOT invoiced more than \$21 million in reimbursements for damage to state property. Since program inception, INDOT has successfully collected 90% of its invoices for damaged property, ranking among the best in the nation.

## Broadband Corridor Program

INDOT's Broadband Corridor program is accelerating the deployment of broadband infrastructure across the state. This program enables broadband providers, for a fee, to utilize INDOT roadway right-of-way to extend broadband service to Indiana communities. Since its inception in 2018, the Broadband Corridor program has created an access policy and established a fair-market value for broadband access, set standards to reduce barriers to broadband right-of-way construction, implemented a standardized access agreement for fiber, verticals and state-owned broadband structures, and taken over managing INDOT's ground lease program for cell phone towers. The program has also generated a significant increase in broadband permit applications — from 416 applications in CY 2017 to 1,447 in CY 2019. INDOT, along with the Indiana Economic Development Corp., secured an agreement with a private corporation/service provider for the installation of 90 miles of fiber optic cable along one of Indiana's Interstates. INDOT received \$2.4 million in cash in addition to an in-kind offer that resulted in 90 miles worth of conduits and 24 fiber cable along with handholes and maintenance. The total value of this improvement to INDOT was approximately \$3.5 million.

## Strategic Plan

In April 2019, INDOT unveiled its new agency Strategic Plan. The plan outlines INDOT's mission, vision, goals, and objectives for transportation across the state of Indiana and will guide the agency in developing a long-term strategic roadmap, direction, and goals. The Plan will enable INDOT to navigate changes to the agency's operating environment (including funding, workforce, and technological advancement) while preserving our ability to deliver on our ultimate mission of providing better transportation infrastructure to Hoosiers. Not only did the plan introduce our new Mission, Vision and Values for INDOT, it also outlined key strategic priorities and initiatives that will guide all employees in daily activities, today and into the future.



## Innovation and Process Improvement

INDOT's mission calls for a focus on new, practical ideas and technology to improve processes, improve efficiency and better serve our customers. To lead this effort, INDOT launched the Division of Innovation and Process Improvement to identify and implement new technologies, best practices, and new applications in the field. The division gathers information and ideas from employees at all levels of INDOT, focusing on solutions which foster an environment of idea sharing and process execution. Between July and November 2019, the division received 176 employee ideas for improvement processes and technologies. After evaluation, 114 of these ideas were adopted and are being distributed and adopted statewide. Submissions have slowed somewhat because of COVID-19, but 77 additional ideas have been submitted since November 2019.

## Legislative and Local Officials Program

To improve communication and develop innovative ways to connect with state legislators and officials at the more than 600 local public agencies in Indiana, INDOT created a government affairs team comprised of a legislative affairs director and a local

government liaison. The team helps support transportation-related legislative priorities, including work-zone and motorist safety efforts, and provides enhanced communication to key INDOT partners and constituents. Interaction with elected officials includes conflict resolution and strategic communications, as well as working with them to resolve constituent concerns.

### **LED Lighting**

INDOT is switching from high-pressure sodium to light-emitting diodes (LED) luminaires to light up interstates and highways. INDOT plans to eventually replace approximately 16,000 lights in its overall highway inventory with new LED lights. After rigorous testing and evaluation at field demonstration sites and in the lab at Purdue University's Energy Efficiency and Reliability Center, INDOT determined that the new lights will reduce energy consumption by one-third to one-half and require less maintenance. The new LED luminaires also provide better, full spectrum light, which will improve visibility and safety along our highways. INDOT has upgraded approximately 6,000 luminaires in the Greenfield district by converting them to LED. A contract to upgrade about 2,300 lights in the Fort Wayne District will be let the winter of 2020, followed by the LaPorte, Crawfordsville, Seymour and Vincennes districts in subsequent years.

## **Challenges**

### **COVID-19 Response**

In March and April of this year, in response to the COVID-19 pandemic, INDOT, the Indiana State Police, and the Indiana National Guard planned and distributed critical personal protective equipment and medical supplies to those hospitals and county health departments with urgent needs throughout the state. INDOT completed deliveries to more than 200 health locations in all 92 Indiana counties, using more than 120 INDOT trucks and vans, and 140 ISP vehicles. More than 300 employees supported the relief effort. The crucial supplies came from the National Strategic Stockpile. After they were sorted in Indianapolis, INDOT, ISP and the Indiana National Guard delivered them to medical facilities around the state. In total, INDOT helped deliver 372,120 surgical masks, 295,150 gloves, 113,308 surgical gowns, 85,920 face shields, and 2,313 coveralls. In June, employees from the INDOT Office of Transit also delivered more than 4,000 cloth face masks to rural public transit systems to help deter the spread of COVID-19. The 4,000 cloth masks came from the Federal Emergency Management Agency to support the transportation workers, and riders, of the 42 rural public transit systems in Indiana. INDOT will continue to provide statewide support to address needs related to the pandemic.

### **Reduced Revenues**

While the state's financial landscape is uncertain due to the COVID-19 pandemic, through Indiana's Next Level Roads program, INDOT has a solid plan in place to deliver its operations and capital program. The pandemic and its related impacts on the Indiana economy resulted in a \$40M reduction to INDOT's revenues in FY2020. This amount, while significant, was mitigated in its impact on FY 2020 results because of the late stages (May and June) in which the reduced tax receipts were negatively affected. FY 2021 revenues are expected to be much more negatively impacted due to the pandemic; however, INDOT will offset this by using its accumulated cash reserves within the State Highway Fund. INDOT has taken steps to comply with the OMB guidelines released in June and will continue to adjust expenditures as necessary. During the FY 2021 construction season, we do not foresee a major interruption in our construction program, and currently plan to invest more than \$2 billion in projects throughout the state of Indiana. At present, this represents an increase of approximately 12% over our FY 2020 program investment. Beyond FY 2021 is less certain, however. We will watch revenue forecasts for FY 2022 and into the future, and as funding fluctuates, INDOT is prepared to adjust accordingly.

### **Asset Condition**

The age and condition of Indiana's highway infrastructure continue to be challenges faced by the state relating to the surface transportation system. More than 96% of INDOT's 5,700 bridges are in fair or better condition and 92% of INDOT-maintained roads are rated fair or better. (See KPI chart on page 5.) Additional levels of funding provided through the Next Level Roads plan enables INDOT to better realize its preservation philosophy to deliver the most cost-effective, long-term solutions to maintaining the state's road and bridge assets in fair or better condition over the next 20 years.

### **Work Zone Safety**

Reducing injuries and deaths from work zone crashes remains a focus area for INDOT. Unfortunately, 2019 represented a very challenging year with 28 deaths in work zone crashes in Indiana – the highest number recorded in the last 15 years. So far in CY 2020, six people have lost their lives in work zones. While traffic volumes are reduced during the COVID-19 pandemic, drivers continue to speed, disregard signage, and slowed or stopped vehicles in work zones creating serious dangers for INDOT employees, contractors and other motorists. We look forward to working with all stakeholders to improve work zone safety on Indiana roads.

## Objectives for the next Biennium

Understanding the revenue uncertainties, in the next biennium, INDOT will continue to execute the Next Level Roads plan, and make every effort to invest the following into Indiana’s transportation system:

- Invest \$3.4 billion in construction and rehabilitation of Indiana highways and bridges
- Continue support of local projects by investing \$650.2 million in projects to build, replace or repair local roads and bridges
- Continue project construction of I-69 Section 6, Martinsville to Indianapolis, leading to its 2024 opening.
- Begin I-65/I-70 North Split reconstruction in downtown Indianapolis, scheduled to be complete in 2022 (FY 2023)
- Begin the Sherman Minton bridge rehabilitation and painting project, anticipated to last two to three years

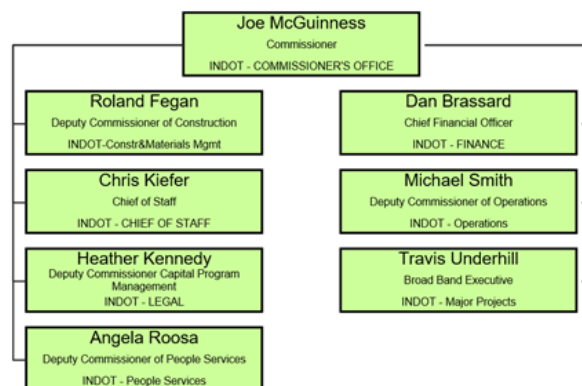
INDOT will deliver continued improvement of operational and strategic initiatives, through the following:

- Improve work zone safety by implementing the Protect the Queue program, designed to alert motorists that they are approaching a work zone and need to be prepared to stop
- Partner with contractor industry stakeholders to deliver an aggressive work zone safety and Hands-Free Indiana communications campaign
- Continue implementation of employee-based innovations to modernize construction and maintenance processes, and business practices, to deliver improved service offerings
- Enhance data integrity through implementation of our streamlined data governance initiative
- Focus on diversity and inclusion with INDOT’s workforce through continued enhancement of employee training and retention opportunities, and more innovative recruitment efforts

## Key Performance Indicators Management Performance Hub

Metric	Target	Status
% state-controlled roads in fair or better condition	>=90%	92.0%
% bridges in fair or better condition	>=96%	96.5%
Net change in project cost	<=0%	-3.8%
On-time project completion	>=80%	79.4%
JTRP research project conversion rate	>=90%	92.0%

## Organizational Chart



## Program Updates

With a focus on safety, INDOT will continue to deliver its record Next Level Roads construction program and maintenance and preservations projects, keeping an eye on revenue forecasts. Since we manage a data-driven program, we are well positioned to make modifications as necessary to adjust for fluctuations in funding. If funding increases, we will accelerate components of the

plan, and if funding is reduced, we will make spending adjustments accordingly. As we execute agency operational programs, we will utilize the key priorities and initiatives that are outlined in INDOT's Strategic Plan to serve as a guide in the implementation of those daily activities, now and into the future.

### Looking Ahead

As INDOT navigates through the uncertainty of our current times, we shall maintain a keen focus on our mission and objectives. Collaboratively building and maintaining the state's transportation infrastructure to support personal and business growth, ensuring motorist and worker safety, enhancing end-to-end customer and freight journeys across the state, and enhancing the quality of life for Hoosiers is vital to Indiana's economic future. In the coming biennium, INDOT will deliver great service; execute the Next Level Roads plan to improve pavement and bridge quality, safety, and mobility to benefit motorists, businesses and taxpayers. The agency will support and encourage local agencies in their efforts to identify and develop projects around the state; harness technology and innovation to develop more effective transportation solutions; and implement diversity and inclusion programs to develop INDOT's diverse 21<sup>st</sup> Century workforce; at all times staying ever-vigilant to expending tax dollars in a manner that brings best value to all Hoosiers.

Regards,

A handwritten signature in black ink, appearing to read "Joe McGuinness", with a horizontal line extending from the end of the signature.

Joe McGuinness, Commissioner  
Indiana Department of Transportation