# SURFACE

road & bridge progress from the ground up

TWO THOUSAND FLEVEN

### TZUST

#### RESTORING OKLAHOMA ROADS WITH TRUST

Surface is a publication of TRUST dedicated to bringing news about the financing of Oklahoma's transportation infrastructure to community, business and policy leaders around the state. This biannual publication has a central focus of:

- Federal and state funding
- Regulatory news from State Capitol and Congress
- TRUST events and news
- Innovative topics on transportation funding

#### CONTENTS

01

08

02	FY-12 Transportation Talk with Secretary Ridley
03	2011 Transportation Legislation Analysis
04	2011 TRUST event photos
06	Governor Fallin Bridge/ Turnpike Plan

2011 Legislative Review

2011 TRUST event photos

#### BOARD OF DIRECTORS

Frank Keating, Co-Chairman Kell Kelly, Co-Chairman Neal McCaleb, President Robert Poe, Treasurer Jim Duit Lew Meibergen Larry Mocha LaVern Phillips Jim Rodriguez Mike Webb Ken Wert



THE FIRST SESSION OF THE 53RD **OKLAHOMA LEGISLATURE** began February 7th and adjourned May 20th, one full week earlier than the required adjournment. With the 2011 session being the first for new Governor Mary Fallin, Senate Pro Tempore Brian Bingman and Speaker of the House Kris Steele, the consensus from political analysts and longtime Capitol observers was all-around success for many aspects of state government, including transportation. As was the case in 2009 and 2010, managing an approximate \$500 million budget shortfall for FY-2012 was a top challenge, requiring state agencies to make significant cuts, and unlike 2010 when one-time funds such as federal stimulus dollars and the Rainy Day fund were utilized to fill the budget gap, legislative leaders did not have these funds in 2011.

As legislative leaders and the governor were dealing with the budget shortfall, Oklahoma's economy was showing additional signs of improvement with collections of gross production, motor vehicle and personal income tax continuing to increase. Earlier this summer State Finance Director Preston Doerflinger and State Treasurer Ken Miller announced the state would be making deposits, totaling approximately \$100-115 million, into the Rainy Day fund which is an excellent indicator of economic recovery. All in all, Oklahoma's slow but steady economic recovery and relative low unemployment rate is envied by other states. The challenge and/or call-to-action for the Legislature and governor is for continued investment in those areas of government, such

as transportation infrastructure, that will create jobs and economic development opportunities for all Oklahomans.

What does the conclusion of the first session of the 53rd Oklahoma Legislature mean for transportation funding and TRUST? First of all it means thank you for your involvement in and support of TRUST legislative events. Your participation and advocacy does make a positive difference and we are very appreciative of your time and resources. TRUST has worked diligently over the past six years to greatly enhance transportation funding and return it as a priority with members of the Legislature and the executive branch. The same diligence will be required in 2012 and beyond.

On the federal level, Congress recently approved yet another temporary reauthorization highway funding bill that will allow planning for ODOT's eight-year road and bridge construction plan to continue through early 2012. TRUST, along with Secretary of Transportation Gary Ridley and ODOT staff, favor a multi-year reauthorization bill, and we are working closely with Oklahoma's two transportation committee members, Senator Jim Inhofe and Representative James Lankford, toward this goal.

Thank you for your continued support and please remember we must continue our focus so that the outstanding momentum we have generated over the past few years continues. You are the reason for our success.

### TRANSPORTATION TALK

### with Secretary Gary Ridley

**TRUST SAT DOWN WITH GARY RIDLEY,** state Secretary of Transportation and Director of the Oklahoma Department of Transportation recently to get his thoughts on transportation and other issues as well.

**TRUST:** First of all, let's begin with the 2011 state legislative session. What do HB 2171and SB 976 mean to ODOT's eight-year construction work plan and what is the status of the plan heading into 2012?

**RIDLEY:** HB 2171 authorizes a \$70 million bond issue which provides partial relief for the effects of the budget reduction contained in HB 2170, which transferred \$101,695, 609 from the State Highway Funding to the Special Cash Fund for appropriation by the Legislature. As we unveil the next eight-year plan, there will be minor adjustments in year one but over the life of the plan, there will be a significant increase as a result of SB 976.

**TRUST:** How important is raising the cap on the ROADS fund from \$400 to \$435 million and the "off the top" allocation from \$35.7 million annually to \$41.7 million?

**RIDLEY:** The eight-year plan will be larger. This provides an opportunity for the department to increase funding to the eight-year plan while also covering debt service. In turn, this will greatly help us continue the trend of improving Oklahoma's highway and bridge infrastructure.

**TRUST:** With hopefully no budget shortfall - or a very limited one – for FY 2013, where will transportation funding stand if no bond issue is needed?

**RIDLEY:** If the state is fortunate enough to avoid a budget shortfall, there would be no need for a bond issue and most importantly the eight-year plan would be fully funded. Funding the eight-year plan without additional bond payments would certainly be welcome.

**TRUST:** Over the last six years the Legislature has turned its attention to infrastructure funding and improvements more than any time in state history. In your opinion, why has that happened and how important is the Legislature's commitment to continue to place road highway and bridge funding as a top priority?

**RIDLEY:** The Legislature turned its attention to improving infrastructure funding because of increased public support, particularly after the needs were clearly made known during the gas tax vote in 2005. For decades transportation funding in Oklahoma was not a top priority and the result was a highway system in need of major improvements. We did not get into this situation overnight and it will not be fixed overnight; however we are making steady, good progress. Continued and consistent funding are key to improving Oklahoma's highway system.

**TRUST:** How important is it for Oklahoma to ultimately have a multiyear federal transportation reauthorization bill in place?



Governor Mary Fallin and Secretary of Transportation Gary Ridley chat during the TRUST-AGC reception hosted by the governor for U.S House Transportation and Infrastructure Committee Chairman John Mica (R-Florida).

RIDLEY: It would certainly allow us to plan our operation better. ODOT has an eight-year construction work plan and we have to make assumptions in three areas. The first is how much projects cost. Secondly, we have to determine how much money we'll receive at the state level for the next eight years and thirdly we have to know how much money we'll receive at the federal level over the same time period and the regulatory responsibilities tied to those funds. The fact of the matter is we have to make some assumptions, and it would be better if we have accurate information as far out as possible so the assumptions we make regarding projects are not changing every few months. To provide some certainty regarding funding, a long term bill is always paramount to effective project planning.

**TRUST:** How did you get started in your profession and specifically at ODOT?

**RIDLEY:** I started in 1965 in the maintenance department of the Department of Highways as it was known back then and I've enjoyed it ever since. I joke with my wife that I've been married to ODOT longer than her and we just celebrated our 45<sup>th</sup> anniversary this year. It is not a job and it is more than a career. It is fun, enjoyable and frustrating at times but all enjoyment is frustrating at times or there would not be any enjoyment.

**TRUST:** Besides improving Oklahoma's infrastructure, what other activities do you enjoy outside of your career?

**RIDLEY:** My wife and I have four grandchildren and we very much enjoy taking them on trips especially in the summertime when we can get them all together. I also enjoy eating breakfast on Saturday mornings with my wife at Jimmy's Egg. It is always the highlight of my week. The work I do is a hobby to me and I cannot think of anything else I would rather do. It is very enjoyable.

**TRUST:** Now for the really important question. Who wins the Bedlam football game this fall?

**RIDLEY:** Let me put it this way. Every school that has Oklahoma in its name I am for; however on Saturdays I wear orange.

### 2011 Transportation Legislation Analysis

### Bills Signed into Law .....

6	Bill Number	Authors	Bill Summary
	HB 1060	Rep. Mike Sanders/Sen. Bryce Marlatt	Changes reimbursement provision to payable; removes reimbursement to the board of county commissioners for county-built bridges which achieve a load rating of H. 23 tons. Signed by Governor Fallin.
	HB 1061	Rep. Mike Sanders/Sen. Ralph Shortey	Allows ODOT or OTA to use flashing red and blue lights on machinery or vehicles when performing emergency work, construction or maintenance on highways. Signed by Governor Fallin.
-	HB 1304	Rep. David Derby/Sen. Clark Jolley	Mandates that all information technology assets of state agencies will be transferred to the Information Services Division of the Office of State Finance and the Chief Information Officer. Signed by Governor Fallin.
A	HB 1323	Rep. Harold Wright/ Sen. Mike Schulz	Modifies the makeup of the County Energy District Authority to include only the circuit engineering district board of directors. Signed by Governor Fallin.
	HB 1489	Rep. David Brumbaugh/ Sen. Bill Brown	The website operated by the Office of State Finance will include apportionment data on diesel and gasoline excise tax, gross production tax, motor vehicle collections and motor vehicle excise tax. Signed by Governor Fallin.
	HB 1664	Rep. Leslie Osborn/Sen. Anthony Sykes	Removes provision requiring constitutional amendment questions to be dictated at an eighth grade reading level; allows Pro Tempore of Senate and Speaker of House to appeal ballot titles to state Supreme Court. Signed by Governor Fallin.
	HB 1685	Rep. Pam Peterson/Sen. Bill Brown	Requires that a quarterly report of the road and bridge projects may be prepared and kept electronically by the consuming department. Signed by Governor Fallin.
Contract of the last	HB 1686	Rep. Richard Morrissette/Sen. Brian Crain	A new law creating the 'Eastern Flyer Passenger Rail Development Task Force': the purpose of the task force is to study and develop a comprehensive plan for expanding conventional rail service from Tulsa to OKC. Signed by Governor Fallin.
	HB 1815	Rep. Danny Morgan/ Sen. Bryce Marlatt	Implements equitable distribution of road user fees. As usage of Compressed Natural Gas (CNG) and electronically-powered vehicles and fleets continues to increase, these road users will contribute an equitable share of user fees to maintain adequate investment in road and bridge infrastructure. Signed by Governor Fallin.
			Continued page 4



Rep. Randy McDaniel (left) and Speaker of the House Kris Steele listen as House Transportation Committee Chairman T.W. Shannon addresses guests at the TRUST House Transportation Committee dinner.



Speaker Pro Tempore Brian Bingman addresses guests at the TRUST Senate Transportation Committee dinner.

#### From page 3...

Bill Number	Authors	Bill Summary
HB 1953	Rep. Skye McNiel/Sen. Mike Mazzei	Establishes the Oklahoma Quick Action Closing Fund which will be used by the Governor for economic development and infrastructure development; monies paid from the fund may not be used for political contributions. Signed by Governor Fallin.
HB 1990	Rep. Dan Sullivan/Sen. Dan Newberry	Creates the 'Oklahoma Inter-Modal Transportation Authority Act', creates an intermodal transportation public trust; expands the definition of transportation system or project to include intermodal facilities. Signed by Governor Fallin.
HB 2170	Rep. Earl Sears/Sen. David Myers	General appropriations to various agencies and departments. Signed by Governor Fallin.
HB 2171	Rep. Earl Sears/Sen. David Myers	Relating to transportation finance and the Oklahoma Capitol Improvement Authority. Signed by Governor Fallin.
SB 117	Sen. Roger Ballenger/ Rep. Paul Roan	Relates to qualifications for county office; imposing certain requirements to file as candidate for office of county commissioner and providing an effective date. Signed by Governor Fallin.
SB 193	Sen. Mike Schulz/Rep. Guy Liebmann	Renames the 'Interstate Commerce Commission' as the 'Surface Transportation Board'. Signed by Governor Fallin.
SB 235	Sen. Eddie Fields/Rep. Harold Wright	ODOT is to be consulted with in regards to transportation housing structures on state or federal highways. Signed by Governor Fallin.
SB 339	Sen. Cliff Branan/Rep. T.W. Shannon	Authorizes ODOT to establish a process for an outdoor advertising permit holder to conduct vegetation management within a specific area surrounding the advertising device. Signed by Governor Fallin.
SB 593	Sen. Rick Brinkley/Rep. Marty Quinn	Account procedures for the Port Authority are required to be the same procedures enforced by the State Treasurer for state funds under the Treasurer's office. Signed by Governor Fallin.
SB 772	Sen. Clark Jolley/Rep. Jason Murphey	Creates the Business and Professional License Facilitation Task Force to study the existing governmental models of states that have a central contact point or agency facilitating professional licenses and applications. Signed by Governor Fallin.
SB 816	Sen. Dan Newberry/ Rep. Skye McNiel	Disallows public highways from being built on land with already proposed construction plans. Signed by Governor Fallin.
SB 976	Sen. David Myers/Rep. Earl Sears	Increasing amounts appropriated to the Rebuilding Oklahoma Access and Driver Safety Fund. Signed by Governor Fallin.



Rep. Eric Proctor (left) and Rep. Cory Williams (right) join former Pennsylvania Governor and Building America's Future co-chairman Ed Rendell for a photo at the TRUST Transportation Innovation Banquet.



Sharing a table at the TRUST Transportation Innovation Banquet are Xavier Neira (left), with Manhattan Construction Company and Corporation Commission chairwoman Dana Murphy.



Enjoying the House Transportation Committee dinner are James Roller (left), market development coordinator for Chesapeake Energy Corporation, and TRUST president Neal McCaleb.

### Governor Fallin Unveils

## BRIDGE IMPROVEMENT & TURNPIKE MODERNIZATION PLAN

TRUST MEMBERS were among a standing-room only news conference October 3rd at the state Capitol to hear Governor Mary Fallin unveil her new initiative to target and fix all 706 of the Oklahoma state highway system's currently identified structurally deficient bridges by 2019. The governor's 'Bridge Improvement and Turnpike Modernization Plan' also includes projects related to Oklahoma's turnpike system, most specifically the widening of the Creek and Kilpatrick turnpikes. These improvements will be made without increasing taxes or tolls and the governor said the historic number of upcoming infrastructure improvements will benefit public safety, commerce and travel in Oklahoma for decades to come.

"Having a safe, reliable and modern transportation infrastructure is important for Oklahoma's economy and important for the safety of our citizens," Fallin said. "By the end of this decade, Oklahoma will be one of the top five states in the nation for well-maintained highway bridges.

Our plan also delivers much-needed improvements to two of the state's most widely traveled highways: the Creek and Kilpatrick turnpikes. I'm looking forward to working with both ODOT and the state legislature to fully implement this plan, improve our turnpikes and to finally deliver a safer, more modern bridge system to Oklahoma."

State secretary of transportation and ODOT Director Gary Ridley said the governor's plan will allow ODOT to clear its backlog and to make dramatic improvements to Oklahoma's transportation infrastructure.

"Today's announcement puts us on the fast track to finish the remaining critical backlog of on-system bridge improvements," said Ridley. "Our agency is committed to getting projects ready for construction and to make the improvements that Oklahoma citizens deserve."

Three immediate actions called for by Governor Fallin include:

Directing the Oklahoma Department of Transportation to include 126 additional projects targeting structurally deficient bridges into its FFY 2012-2019 Construction Work Plan. With 413 bridges already in the plan, this represents the largest number of highway bridges ever scheduled for work in the department's eight-year plan.

Beams removed from the current I-40 Crosstown bridge replacement project in Oklahoma City will be offered for use in county bridge



TRUST board members (left-to-right) Ken Wert, Kell Kelly, Neal McCaleb, Jim Duit, Jim Rodriguez and Mike Webb pose with Governor Fallin during the Bridge Improvement & Turnpike Modernization Plan announcement. (photo provided by ODOT)

projects. Selected beams will be inspected for reuse, and could help reduce costs for approximately 300 county bridge projects statewide.

The Oklahoma Turnpike Authority is directed to include projects in its capital plan to add capacity and for safety improvements on the Creek Turnpike in Tulsa and the Kilpatrick Turnpike in Oklahoma City, at a cost of approximately \$150 million.

Shortly after, the expansion of the two turnpikes can begin in order to help meet current and future traffic demands. Additionally, Governor Fallin will ask legislators to provide funding for the 167 structurally deficient bridges through the Rebuilding Oklahoma Access and Driver Safety (ROADS) fund. An increase to aid hundreds of county bridge projects through the County Improvement for Roads and Bridges (CIRB) fund will also be requested. The additions are generated by raising the annual ROADS fund increases to \$56.7 million from \$41.7 million, and raising the cap to \$550 million from \$435 million. Similarly, counties would benefit from increases of about \$25 million per year to the CIRB program, phased in over a three-year period.

The governor's plan also requires system-wide accountability by calling for annual reports on the plan's progress for all three areas.

In 2006, Oklahoma topped national lists for the number of deficient bridges. At that time, nearly 1,200 of ODOT's 6,800 bridges were considered structurally deficient. Since that time, ODOT has been able to repair or replace some of the worst bridges in its system and reduce that number to 706 thanks to increased funding by the Legislature in recent years. Under Governor Fallin's plan, ODOT expects to remove those remaining bridges from the list by 2019.

## Bridge Improvement & Turnpike Modernization Plan 2011-2019

Over the last several decades, Oklahoma consistently ranked at or near the bottom of the list of states with the nation's worst bridge conditions. Crumbling transportation infrastructure and deficient bridges hurt Oklahoma commerce, job creation and economic growth and can even endanger our citizens. Governor Fallin has introduced a solution to that problem: the 'Bridge Improvement and Turnpike Modernization Plan' will bring Oklahoma to the Top 5 of those rankings and reduce the percentage of structurally deficient on-system bridges.

"Structurally deficient" means structural members of a bridge are showing signs of deterioration and the structure itself needs to be significantly rehabilitated or replaced.

706 of the state's nearly 6,800 bridges on the state highway system are currently identified as structurally deficient due to bridge conditions documented during the latest cycle of federal bridge inspections which ended in December 2010. Increased funding in recent years has begun to reduce the number of structurally deficient bridges in Oklahoma from a high of almost 1,200 in recent years.

413 of these bridges are currently scheduled to be replaced in the next seven years, but 293 structurally deficient bridges remain unfunded. Improvement costs for these unfunded bridges are estimated at \$869 million in today's dollars.

As part of Phase 1 of the 'Bridge Improvement and Turnpike Modernization Plan', ODOT is directed to add projects to improve an additional 126 of the 293 unfunded structurally deficient bridges to its FFY 2012-2019 Eight-Year Construction Work Plan, pending commission approval. These 126 much-needed bridge rehabilitations or replacements are estimated to cost \$430 million.

As part of Phase 2, the governor is requesting legislation to raise the incremental annual contribution to the Rebuilding Oklahoma Access and Driver Safety (ROADS) fund by \$15 million starting in 2013, increasing the total funding cap to \$550 million. By doing so, an estimated \$479 million can be generated between 2012 and 2019.

By passing that legislation, all remaining 167 unfunded structurally deficient bridges can then be added to the FF 2012-2019 Eight-Year Construction Work Plan. The 167 unfunded structurally deficient bridges have an estimated improvement cost of \$439 million in today's dollars or \$478 million as inflated through state fiscal year 2019.

All of the proposed bridge projects will be designed and constructed by the private sector.

ODOT will be required to provide a progress report each year to state leaders and to the public for accountability purposes. This report will include an on-system state bridge update to assess progress.

#### **Timeline**

#### PHASE '

October 3, 2011: Governor Fallin announces improvement and modernization plan.

The Oklahoma Department of Transportation presents FFY 2012-2019 Eight-Year Construction Work Plan to the Oklahoma Transportation Commission for approval. The plan includes an additional 126 structurally deficient on-system bridges to be rehabilitated or replaced by 2019 as directed by the governor.

**Spring 2012**: ODOT will begin to offer usable beams from the I-40 Crosstown project in Oklahoma City to counties across the state.

#### PHASE 2

**Through 2019:** Legislative action will allow funds to be directed towards the final remaining 167 structurally deficient bridges that are currently unfunded and placed in the FFY 2012-2019 Eight-Year Construction Work Plan. The action will raise the incremental annual contribution to ODOT through the Rebuilding Oklahoma Access and Driver Safety (ROADS) fund by \$15 million each year starting in 2013, increasing the total funding cap to \$550 million.

**Through 2014**: Legislative action will incrementally increase revenues from the County Improvement for Roads and Bridges (CIRB) program, from 15 percent to 20 percent.

All proposed county bridge projects using the I-40 Crosstown beams will be under contract or completed by December 2014.

#### **NOTES**

- The Oklahoma Turnpike Authority will include expansions of the Creek and Kilpatrick turnpikes in its Capital Plan by the end of 2011.
- Construction of the two turnpikes will begin by mid-2012.
- Annual progress reports are required from OTA and from ODOT, which will also provide updates on the CIRB program.

## Why Join TRUST?

Be a part of the voice for transportation advocacy that works with legislators to implement solutions. Without your support of and membership to TRUST, we risk losing the valuable momentum we have gained over the past five years. At the state Capitol, we must have a constant and growing voice for transportation and we hope you will join us in this vital cause.

#### Mission Statement

The Transportation Revenues Used Strictly for Transportation Coalition is an advocacy group dedicated to restoring Oklahoma's transportation infrastructure. We are committed to creating a culture within Oklahoma government that values and adequately funds transportation as a top priority.

## Principles of TRUST

- Using all state transportation-related taxes and fees strictly for transportation
- Protecting and growing dedicated funds for Oklahoma's transportation system
- Educating policy makers and the public on the importance of investing in roads and bridges
- Supporting leaders who are committed to transportation as a priority of state government
- Using high-quality, lasting materials in building and maintaining roads and bridges
- Advocating efficiency and accountability within the Oklahoma Legislature and Department of Transportation

### TRUST on the Web RestoreTrust.org

#### Oklahoma Transportation News



Our online news page is updated daily with local and national transportation headlines. To receive articles as they are posted, select the orange RSS feed button located on the news page of the website.

#### Follow TRUST on Twitter and Facebook





You can follow TRUST on Twitter under the username "RestoreTRUST" and Facebook. If you haven't become a TRUST Facebook fan be sure and do so today.

#### **Grassroots Action Center**

Our online grassroots action center allows you to instantly connect with your state and federal elected officials. Registering is quick, simple and your contact information is always kept confidential. By registering you will also be notified when your advocacy is needed at the Legislature or in Congress.

#### **Events Online**

TRUST also provides the opportunity to review all upcoming events and register and pay for them online. In addition to TRUST events, we post meetings for other transportation and member organizations. To review the latest transportation happenings in Oklahoma, visit the events page of RestoreTrust.org. To have your organization's activities posted contact Helra Han at helrahan@gmail.com.

#### Update Your Member Profile Online

In our ongoing effort to conserve costs, TRUST is continually updating our mailing lists and contact database. If you wish to continue to receive TRUST mailings, emails and newsletters, or wish to add additional contacts within your organization, please visit RestoreTrust.org, click on the contribute page and select "update membership profile."



A capacity crowd applauds Secretary Ridley as he receives the TRUST Guardian of Transportation award during the TRUST Transportation Innovation Banquet.



Listening intently to testimony during the transportation field hearing are U.S. House Transportation and Infrastructure Committee Chairman John Mica and Oklahoma 5th District Representative James Lankford.



Participating in the transportation field hearing hosted by Chairman John Mica are left-to-right: Governor Fallin, Secretary Ridley, TRUST president Neal McCaleb and TRUST board member Jim Duit.



Enjoying the TRUST-AGC reception hosted by Governor Fallin are left-to-right: former Speaker of the House Todd Hiett, TRUST board member LaVern Phillips, TRUST member Larry Lemon and House Transportation Committee chairman T.W. Shannon.



ODOT Director and state Secretary of Transportation Gary Ridley receives the first TRUST Guardian of Transportation award from TRUST president Neal McCaleb during the TRUST Transportation Innovation Banquet.

## Sponsors of Surface

SpiritBank













DUIT





























Dues paid to TRUST, a project of Oklahomans for Safe Bridges and Roads, Inc., are not deductible as charitable contributions. However, 40% of dues paid may be claimed as business expense for federal income tax purposes for fiscal year 2011. Any dues paid used for lobbying efforts are not tax deductible.



The TRUST Coalition
Post Office Box 16112
Oklahoma City, OK 73113

PRESORTED STANDARD
US POSTAGE
PAID
OKLAHOMA CITY, OK
PERMIT 2000

Please Plan to Attend
Our TRUST Congressional Forum
with Special Guest,

U.S. Senator Jim Inhofe Monday, November 14, 2011 7:30-9:00 A.M.

SPIRIT BANK
1800 SOUTH BALTIMORE AVENUE, TULSA, OKLAHOMA
RSVP: HELRAHAN@GMAIL.COM OR WWW.RESTORETRUST.ORG