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## Wyoming Legislative Service Office

# EXECUTIVE SUMMARY

## WYDOT and General Fund Appropriations for Highways

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Program Evaluation Section

May 2008

### Purpose

The Management Audit Committee directed staff to undertake a review of recent General Fund appropriations to the Department of Transportation (WYDOT) for highway construction and maintenance. WYDOT is responsible for 6,844 miles of highway in the state, including 914 miles of interstates.

### Background

Historically, WYDOT did not request state General Funds for highway construction and maintenance, relying instead on federal funds, fuel taxes, mineral royalties, and severance taxes. However, in recent years, the agency has begun to request and receive General Funds. In the past four years, the Legislature has appropriated almost \$360 million in General Funds to WYDOT for highway construction and maintenance.

### Results in Brief

WYDOT used the 2007/2008 appropriation of General Funds, \$170 million, on 44 highway projects. These projects are either completed or have been let for contract. About 70 percent of that funding went to preserving pavement, and almost a quarter went to safety projects such as installing cable median guardrails. The projects are located throughout the state in each of WYDOT's five operational districts.

Current and future projects are itemized in the State Transportation Improvement Program (STIP). WYDOT schedules

the next six years of projects in the STIP, designating which funding sources it intends to use on each. WYDOT updates the STIP annually, although the plan may change for many reasons, such as when cost estimates or revenues are different than expected. The most recent STIP assumes receipt of \$100 million in General Funds each year.

In the 2008-2013 STIP are 125 future projects designated to receive General Funds. WYDOT will be changing the kinds of projects it does with General Funds. Compared to past General Fund projects, a smaller percent of future funding will go to pavement preservation, and more will go to rehabilitation projects. WYDOT will also be directing more future funding to projects on roads that have limited eligibility for federal funding.

Past, current, and future General Fund projects have been selected using the same process WYDOT uses to select any project, regardless of funding source. This process involves reviewing and analyzing extensive data including data on pavement and bridge conditions, safety ratings, traffic volumes, and crash histories for each section of road. Headquarters staff provide highway data and make sure that funding is available; district staff prioritize the projects in their districts, although headquarters may question these decisions.

After developing a draft STIP, WYDOT solicits input from local officials and the public. Each year district staff hold one meeting in every county with local officials. Some districts invite the public to attend while others do not. The public can comment on the draft list of projects when it is posted on the internet, although we did not find the list easy to locate on WYDOT's website.

### **Principal Findings**

WYDOT is developing a new approach to data analysis called asset management. This system will link data that currently is held in separate pavement, bridge, and safety databases. Siloed information requires engineers and other staff to review numerous reports in order to obtain comprehensive information about a given section of road.

Asset management shows promise for allowing WYDOT staff to integrate and analyze information, and will allow agency staff to analyze needs and proposed projects from a statewide perspective. For example, it will equip the agency to assess what combination of projects results in the greatest improvement to the state system as a whole.

However, asset management's usefulness will be limited if WYDOT continues its policy of allowing district engineers to select and prioritize projects. They have engineering expertise and knowledge of needs in their districts, but a district-by-district focus does not necessarily serve the needs of the state system as a whole.

As WYDOT and the Transportation Commission implement and come to rely on asset management, it will be important that they have policies in support of a system-level approach to decision making, and that they encourage district decisions consistent with that view. We recommend that WYDOT and the Transportation Commission re-orient the

district focus to support a system-level project selection approach.

### **Agency Comments**

WYDOT agrees with the recommendation to move to system-level prioritization of projects. WYDOT will provide the public and local officials with advertised notice of local meetings to discuss the STIP. Also, the agency is redesigning the Internet homepage to make it easier for the public to find information about transportation projects.

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*Copies of the full report are available from the Wyoming Legislative Service Office. If you would like to receive the full report, please phone 307-777-7881. The report is also available on the Wyoming Legislature's website at [legisweb.state.wy.us](http://legisweb.state.wy.us)*