



INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue
Room N758
Indianapolis, Indiana 46204

PHONE: (855) 463-6848

Eric Holcomb, Governor
Michael Smith, Commissioner

August 15, 2024

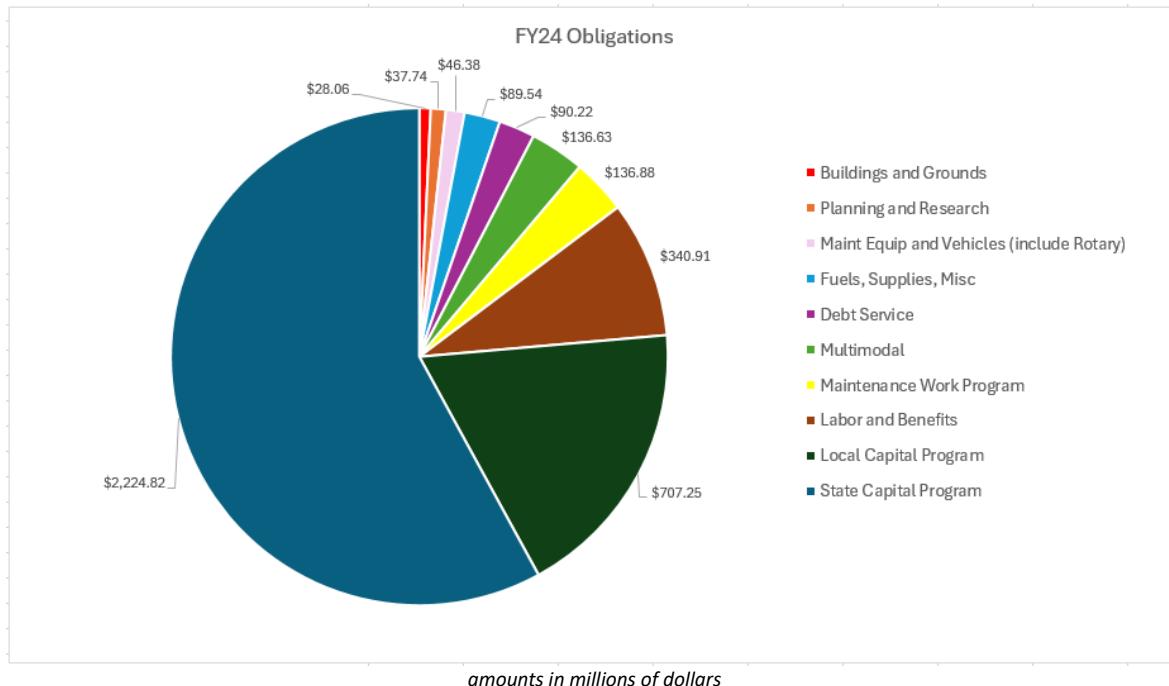
Joseph M. Habig
State Budget Agency
200 W. Washington Street
Statehouse, Room 212
Indianapolis, IN 46204

RE: FY 2026-27 Biennium Letter

Dear Mr. Habig:

The Indiana Department of Transportation (INDOT) 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 transportation. During the last two years, INDOT continued to implement programs to improve the condition of transportation infrastructure throughout the state, increase safety in work zones, enhance initiatives to improve public communication, and accelerate highway construction and maintenance projects that will increase highway capacity, reduce traffic congestion, and improve motorist safety across Indiana. INDOT's success in delivering our mission was, once again, recognized by CNBC in its 2024 America's Top States for Business ranking, which placed Indiana in the top ten in the nation for infrastructure for the eighth consecutive year.

In accordance with Gov. Eric Holcomb's Next Level agenda, INDOT's goals are as follows: excellence in core service delivery, plan for the future, focus on safety, enhance internal services, and intentional partnership. In addition, the chart below displays INDOT's FY 2024 total obligations and demonstrates the agency's commitment to effectively manage taxpayer dollars to enhance the state's transportation infrastructure.



Accomplishments

Excellence in Core Service Delivery

Next Level Roads

INDOT is working to deliver the eighth year of Governor Holcomb'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 has invested approximately \$14.57 billion through the first seven years, with those dollars dedicated to improving the condition of existing roads and bridges, enhancing safety, and correcting drainage issues. Following our road construction plan, INDOT has resurfaced more than 18,220 lane miles of pavement, representing more than 50% of the total INDOT inventory, and repaired or replaced over 4,500 bridges, almost 79% of the total number of bridges on state-maintained roads, through FY 2024.

The state's continued focus on improving and maintaining existing infrastructure has brought us ever closer to the goals set as part of the Next Level Roads plan: 95% of all state-maintained pavement and 98% of all state-maintained bridges in fair or better condition by 2037. At the end of CY 2023, data showed:

- 94.3% of all state-maintained roads in fair or better condition
- 97.1% of all state-maintained bridges in fair or better condition

State and Local Projects

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

- \$5.47 billion in state projects for the construction and rehabilitation of Indiana highways and bridges.
 - Completed or started 340 projects to add lanes, replace, or preserve more than 3,322 lane miles of INDOT roadways (out of more than 29,000 total lane miles).
 - Built, rehabilitated, replaced, or maintained 868 bridges out of more than 5,700 bridges on Indiana interstates, U.S. highways, or state roads.
- \$1.4 billion in local projects to build, replace, or repair local roads and bridges.
 - Built, rehabilitated, replaced, or maintained 88 local bridges.

Major Construction Projects

During the last two years, INDOT started, continued construction, or completed multiple projects to increase highway capacity, reduce traffic congestion, improve motorist safety, and extend the life of our transportation assets along Indiana, interstate highways. These projects include:

Project	Construction Start	Current Status	Open to Traffic Date
I-65/I-70 North Split	December 2020	Open to traffic	Spring 2023
I-65 Bartholomew County, Added travel lanes	February 2021	Open to traffic	Fall 2023
I-65 Boone County, Added travel lanes	March 2021	Open to traffic	Summer 2024
I-69 Finish Line (Section 6), Martinsville to Indianapolis	March 2019	Open to traffic	Summer 2024
I-65 Tippecanoe County, Added travel lanes	March 2022	Open to traffic	Summer 2024
Sherman Minton Renewal	September 2021	Ongoing construction	Summer 2024
I-70 Hancock County, Added travel lanes	May 2022	Ongoing construction	Spring 2025
Clear Path 465	March 2022	Ongoing construction	Fall 2025
I-69 Ohio River Crossing (Section 3), Indiana approach	August 2024	Ongoing construction	Fall 2026

Maintenance and Preservation

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

- Chip-sealed nearly 2,000 lane-miles of state roads
- Crack-sealed over 8,000 lane-miles of state roads
- Applied more than 38,500 miles of centerline and edge line stripes
- Replaced more than 43,000 sheet signs
- Serviced over 4.6 million highway miles during winter operations

Asset Management Plan

INDOT developed a strategic, systematic, and disciplined approach to operate, maintain, and improve Indiana's transportation assets to ensure that we manage our assets to achieve and sustain them in a state of good condition over their lifecycle at a responsible cost. The asset management program has a 20-year plan for every major INDOT transportation asset. The program tracks the condition and planned maintenance activities of those assets over a 20-year period. It establishes asset-level goals and objectives and the activities and resources necessary to achieve the long-range goals. It also documents the decision-making processes and considerations used to prepare treatment strategies over each asset's lifecycle. INDOT's Asset Management Plan helps ensure that the agency effectively maintains our infrastructure for the long-term and achieves a safe, high-quality, and sustainable transportation network. INDOT has been recognized as a national leader in this effort.

Roadside Management

INDOT is working to beautify Indiana's roadways and encourage growth of native plants to support pollinators and wildlife with an updated, comprehensive, roadside management program. This initiative enhances INDOT rights-of-way by removing litter, addressing noxious and invasive plants, and clearing undesirable trees to improve safety and enhance our highways statewide, making Indiana the home of Greener Crossroads. In FYs 2023 and 2024, INDOT and our contractors removed over 5,000 tons of roadside litter and mowed more than 200,000 acres of state-maintained right-of-way.

Plan for the Future

Welcome Centers and Rest Areas

INDOT is executing a long-term plan to improve interstate rest areas and welcome centers statewide by modernizing facilities, constructing new buildings, improving parking, and converting some locations to semi-trailer truck parking. INDOT plans call for improvements to 20 facilities with the addition of more than 1,200 additional truck parking spaces statewide. New welcome centers are currently under construction on I-70 eastbound near Terre Haute (Clear Creek) and on I-64 eastbound in Posey County (Black River). New locations opened in fall 2022 on I-69 southbound in Steuben County (Pigeon Creek) and in fall 2023 on I-65 southbound in Jasper County (Kankakee – pictured above).



Planning and Environmental Linkage (PEL) Studies



Three Planning and Environmental Linkage (PEL) studies are underway in northern and central Indiana. PROPEL US 30 and US 31 are exploring future opportunities and improvements for U.S. 30 and U.S. 31 in the northern part of the state. Both studies are currently in the Level 3 Analysis phase and are expected to be complete at the end of 2024, providing recommendations for both corridors. PROPEL Indy is studying I-65 and I-70 inside the I-465 loop in Indianapolis and will guide the next 20 years of investment in these main thoroughfares. The study is currently in the Purpose and Need phase and is expected to be complete in spring of 2025. All three studies are identifying ways to enhance overall mobility, equity, economic opportunity, and quality of life for each corridor.

Multimodal/Corridor ID

In December 2023, INDOT was awarded funds through the Federal Railroad Administration (FRA)'s Corridor Identification and Development (Corridor ID) program to support the assessment and potential development of the Indianapolis – Chicago passenger rail corridor. Federal funding will aid in creation of a Service Development Plan, which will include information about necessary track improvements and facilities, operating costs, ridership statistics, and state support that would be necessary to begin sustainable service.

Economic Development

INDOT is committed to delivering a transportation network that fuels Indiana's economy and aids in the state's economic development of communities and businesses of all sizes. Project selection is data driven, judgement informed, and financially

constrained. HEA 1002-2017 required INDOT to assess all projects according to economic development, asset condition, safety, and mobility. Recent examples include interchange construction at U.S. 20 and State Road 2 in New Carlisle for the Amazon Data Center, a new I-65 interchange in Lebanon related to the LEAP District, and a road cut project on State Road 109 in Anderson for Malarkey Roofing. INDOT works closely with partners at the Indiana Economic Development Corporation to plan and develop infrastructure projects that help support current and future IEDC initiatives.

Focus on Safety

Work Zone Safety

INDOT continues to focus on improving work zone safety through partnerships and new programs. The agency is working closely with Indiana State Police on enforcement efforts in work zones, continuing to explore applications of Automated Queue Warning and HAAS Alert Systems, and utilizing back-of-queue warning trucks. In addition, INDOT deployed our Worksite Speed Control Pilot Program ([Safe Zones](#)) on August 14, 2024. The program, made possible through passage of House Enrolled Act 1015 in 2023, will utilize camera technology in up to four work zones to document vehicles traveling 11 mph or more over the posted speed limit. Civil penalties will be assessed for violators.



Safety Summits

In January 2024, INDOT held its inaugural Transportation Safety Summit in Indianapolis, bringing together more than 100 state, local, and industry leaders to discuss and learn about experiences and best practices from those who build, manage, patrol, regulate, and use Indiana's roadway network. All six INDOT districts held regional Safety Summits in the first half of 2024 to continue the conversation and provide more local opportunities to share thoughts, plans, and ideas related to road and traffic safety.

Buckle Up Phone Down

[Buckle Up Phone Down](#) is a safety campaign adopted by INDOT in the fall of 2023. The campaign tackles two of the most impactful actions drivers and their passengers can take – wearing their seatbelts and avoiding distractions such as phones. Changing driver behavior is a huge challenge in improving safety on Indiana roadways. This campaign challenges motorists to “take the pledge” to make safe, smart decisions each and every time they get into a vehicle. INDOT is engaging with the traveling public to build brand awareness in a variety of ways, including on social media, at speaking engagements and events, and marketing/advertising opportunities.



Highway Design/Safety Improvements

INDOT continues to implement proven safety solutions on its roadway network. These include roundabouts (42 roundabouts currently on the state network), diverging diamond interchanges, displaced left-turn intersections (first in the state opened in October 2022), and reduced conflict intersections. INDOT also installed our first uses of ramp metering and variable speed limits on I-465 on the southeast side of Indianapolis to create safer, more efficient traffic conditions during peak travel times. Additionally, INDOT has created a Safety Action Plan in partnership with the Indiana State Police that identifies the top 50 corridors and intersections with the greatest number of serious injuries and fatalities.

Enhance Internal Services

Alternative Delivery

Alternative Delivery is another tool INDOT's Major Projects Delivery Division uses to develop, manage and execute complex projects. INDOT began using Design-Build (DB) in the 1990s. Authorization to use Progressive Design-Build (PDB), and Construction Manager General Contractor (CMGC) methods was passed by the Indiana General Assembly in 2023 for a five-year pilot program to further improve INDOT's commitment to deliver the Statewide Transportation Improvement Plan (STIP). Benefits of Alternative Delivery include early contractor engagement, potential schedule acceleration, enhanced risk management, improved industry collaboration, and more efficient processes.

Community Crossings Matching Grant

Community Crossings is a matching grant partnership between INDOT and Hoosier communities 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 nearly \$1.7 billion in state funds for local projects that support economic



development, create jobs, and strengthen local transportation networks. In 2023, INDOT awarded \$225 million to 417 separate communities for 3,304 road and bridge projects. In the first call for projects in 2024, INDOT awarded \$207.3 million to 252 separate communities for 2,480 local projects. During CY 2024, INDOT increased the maximum award amount per calendar year from \$1 million to \$1.5 million. INDOT will reevaluate this change at the end of 2024.

Transportation Services Call Center

INDOT has seen continued success of its customer service call center, launched in February 2018 to manage customer inquiries and work requests. INDOT offers over 100 services with each having specific service level agreements for resolution. Since the start of CY 2022, INDOT created and managed more than 158,000 cases in response to customer phone calls, online Report a Concern messages, and emails. Since the launch of the call center, INDOT customer service has responded to more than 431,000 cases. The average speed to answer incoming phone calls is 43 seconds, and 93% of resolved cases met established INDOT service level agreements.



Operation: Digital Unity

Digital Unity is a comprehensive IT modernization initiative that will improve INDOT's relationship with technology. Today, the agency relies on well over 200 unique applications to execute core functions and serve the state on a day-to-day basis. Through Operation: Digital Unity, INDOT will leverage a single enterprise, low code/no code platform for all applications. The first application within the enterprise platform is the Work Management System (WMS). Development began in Q3 of 2024. Anticipated benefits include cost savings, productivity gains, increased transparency, and improved data quality.

Intentional Partnership

Industry

INDOT continues to grow its participation in the Indiana Transportation Team (ITT), a partnership between INDOT, ACEC Indiana, and Indiana Constructors, Inc. that aims to improve trust, communication, collaboration, and service to Hoosier taxpayers through delivery of the best roadways possible. The agency also assists in planning and executing the annual Purdue Road School Conference and Expo, held each spring on the campus of Purdue University in West Lafayette. The event attracts more than 3,000 local and state officials, contractors, equipment providers, suppliers, and consultants working to enhance, develop, and maintain the state's transportation system. INDOT also maintains relationships with other industry partners, such as the Federal Highway Administration, Accelerate Indiana Municipalities, Association of Indiana Counties, Metropolitan Planning Organizations, Build Indiana Council, Joint Transportation Research Program, and various academic partnerships with engineering programs.

Challenges

Erosion of Transportation Funding

INDOT is adapting our program to offset the effects of inflation on our capital and maintenance programs. While no projects have been canceled due to inflation, the agency has adjusted delivery timelines and project scopes where necessary due to increased costs and loss of purchasing power. In addition to inflation, INDOT continues to see erosion of transportation funds due to increased fuel efficiency (MPG) and EV/Hybrid adoption, leading to reduced revenue from motor fuel taxation. Since the inception of the Next Level Roads initiative, EV/Hybrid adoption, increased MPG, and inflation combined have cost INDOT over \$1 billion in lost purchasing power. The agency will continue participation in the Funding of Indiana's Roads for a Stronger, Safer Tomorrow Taskforce (FIRST) in effort to inform members of the Indiana General Assembly and stakeholders on the current state and potential future of transportation funding.

Managing Requirements of Federal Funds

Since its passage in 2021, additional funds from the Bipartisan Infrastructure Law (BIL) have increased INDOT's core federal program. The additional funds have assisted the agency in weathering inflation, contributed to continued preservation of our roads and bridges, allowed for introduction of new programs such as Charging the Crossroads (National Electric Vehicle Infrastructure Program), and completion of large projects such as I-69 Finish Line. However, with the influx of funds, comes additional requirements to qualify for and deliver associated programs. The BIL includes a greater number of discretionary programs than formula programs, causing INDOT to compete for funding more than we have in the past. This has been a challenge as Indiana's infrastructure priorities aren't always aligned with those at the federal level, resulting in few grant awards. INDOT continues to identify state transportation issues that need to be addressed and pursue competitive grant opportunities.

Work Zone/Roadway Safety

In late 2023, INDOT announced a new safety-focused goal: to reduce fatalities and incapacitating injuries on Indiana roadways by 25% and work zone incidents by 5% in 10 years. In CY 2023 alone, 931 people died on Indiana roadways, 33 in construction work zones. Driver behaviors such as speeding and distracted driving continue to be contributing factors in fatal and serious injury crashes. To address safety in our work zones, INDOT deployed its Worksite Speed Control Pilot Program, known as Safe Zones, in August 2024. INDOT will also continue its Protect the Queue Program, which utilizes back-of-queue warning trucks with advance warning of approaching slowed or stopped traffic and highlight Indiana's Hands-Free Driving Law, with the Buckle Up Phone Down safety campaign.

Objectives for the Next Biennium

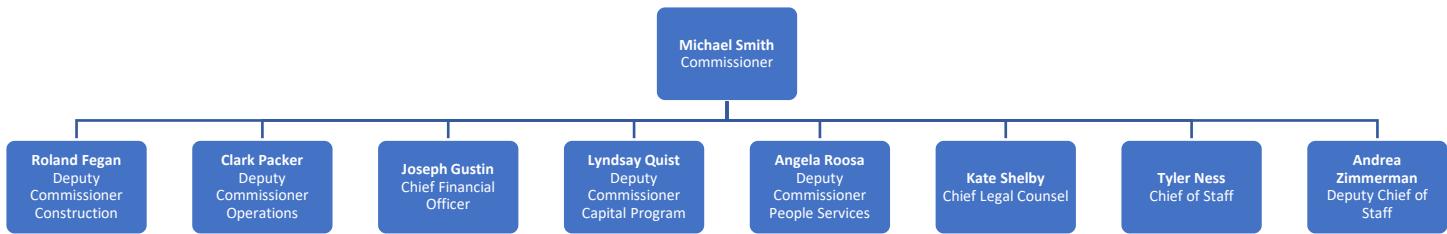
With uncertainty related to federal funding and economic stability through the FY 2026-27 biennium, INDOT will continue to execute the Next Level Roads plan, and make every effort to invest the following into Indiana's transportation system:

- Invest \$4.4 billion in construction and rehabilitation of Indiana highways and bridges.
- Continue support of local projects by investing \$1.38 billion in projects to build, replace, or repair local roads and bridges.
- Complete the Clear Path 465 project, which will improve safety and traffic flow at the I-465 and I-69 interchange on the northeast side of Indianapolis, by the end of CY 2025.
- Complete the three Planning and Environmental Linkage (PEL) studies currently underway to guide potential improvements on U.S. 30 and U.S. 31 in northern Indiana, and I-65 and I-70 inside the I-465 loop in Indianapolis, by the end of CY 2024 and mid-CY 2025, respectively.
- Continue to pursue completion of the agency's plan to improve interstate rest areas and welcome centers statewide to modernize facilities, construct new buildings, and repurpose some locations as truck parking facilities.
- Continue exploring the feasibility of the Mid-States Corridor, an improved highway connection in southern Indiana.
- Continue planning, design and right-of-way acquisition for the I-69 Ohio River Crossing, a new bi-state connection of I-69 between Evansville, IN, and Henderson, KY.
- Continue planning, design and construction efforts related to lane expansion and pavement preservation projects on I-65 and I-70 statewide.

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

- Continue delivering our asset management program to help ensure that INDOT's investments in transportation infrastructure are efficient, effective, and economical.
- Efficiently and effectively deploy federal funds, to take advantage of opportunities, while also supporting locals with their funding.
- Continue implementation of Charging the Crossroads, Indiana's Electric Vehicle Infrastructure Deployment Plan. In late 2023, 39 sites were selected along Indiana's designated alternative fuel corridors as part of the first round of awards.
- Continue to improve work zone safety through effective deployment of INDOT's Worksite Speed Control Pilot Program (Safe Zones), expanding the Protect the Queue program and continuing implementation of additional work zone safety efforts.
- Continue implementation of employee-based innovations to modernize construction and maintenance processes, and business practices, to deliver improved service offerings.
- Continue implementation of our streamlined data governance initiative.
- Continue enhancing internal communications with employees through greater use of direct customized tactics, tools, and targeted messaging.
- Continue expansion of agency inclusion and belonging efforts to develop its diverse 21st Century workforce.
- Continue to execute and improve our roadside management program to beautify INDOT's more than 29,000 lane miles of state-maintained right-of-way.
- Continue progress related to Operation: Digital Unity, INDOT's effort to modernize and sustain the agency's aging IT infrastructure.

Organizational Chart



Looking Ahead

With a renewed focus on safety, INDOT will continue to deliver our Next Level Roads construction, maintenance, and preservation projects, keeping a close eye on economic impacts to our overall program. The agency's data-driven practices provide flexibility when needed to adjust for fluctuations in funding, inflation, and economic conditions.

In the coming biennium, INDOT will maintain focus on its mission and objectives: to collaboratively plan, build, and maintain safe and innovative transportation infrastructure that supports economic growth, ensures motorist and worker safety, accommodates new modes of transport, and enhances quality of life for all Hoosiers. Agency personnel will extend our pursuit of continuous improvement and active asset management practices to ensure our transportation infrastructure is maintained and managed effectively. INDOT will continue to adjust to the ever-changing transportation landscape, including adoption of electric and hybrid vehicles, increased federal funding and associated requirements, and uncertain inflationary conditions while enhancing operations to achieve sustainability and adapting to both customer and safety needs.

INDOT will maintain our support and encouragement of local agencies in their efforts to deliver improvements across the state and harness technology and innovation to develop safer, more effective transportation solutions. INDOT will strive to nurture existing relationships and develop new connections that will result in a safe and reliable transportation system while maintaining continuity of operations. Additionally, we will continue working together for the betterment and advancement of the state of Indiana and delivering the best value to Hoosier residents.

Regards,


Michael Smith, Commissioner
Indiana Department of Transportation