

# Indiana's Highway Program in the 1980's

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Not since 1956 has a federal highway act had such a profound affect on the highway program in Indiana. The 1956 Federal Legislation provided the funds to initiate an interstate network in Indiana that is not surpassed by any state in its advantage for economic development. The 1982 federal highway act has made it possible to protect and maintain that interstate network.

The Interstate funding provided a construction program of significant proportion for several years. The peak year for interstate funding was in 1966 when \$113 million was placed under contract. The ACI program initiated in 1974 enabled Indiana to be one of the first states to finish its original interstate network. Almost \$1.5 billion has now been spent on interstate construction in Indiana and the design of the last segment—20 miles of I-164 in Vanderburgh County is now underway. Construction will be started by 1985.

The next major highway initiative in Indiana was the "Killer Highway" replacement program initiated with the two-cent gas tax increase in 1969. In the early 70's, 45 to 49 million dollars a year were spent on 100% state funded construction dual-laning primary highways. The notorious sections of US 41, US 31, US 30, SR 37 and US 24 were replaced with that program.

As inflation began to spiral in 1974 it was necessary to remove the original restrictions on the "Primary Fund" so it could be used for secondary construction. Then the limitations were removed so it could also be used for resurface and maintenance. As inflation continued we reached the point that there is now only \$5 to \$10 million in 100% state projects each year rather than \$45 million and there are no funds for 100% state resurface in the next biennium.

The State legislature tried to correct the State funding problem in both the 1980 and 1981 sessions. However it is apparent the projections from those years will not come about. Early in 1980 it was projected the average price of gasoline would reach \$2 per gallon in 1984. This would have resulted in a gas tax of 14 cents in 1984 and 16 cents in 1985. The rethinking in early 1981 lowered the rate of increasing price and the revised legislation to accelerate the rate projected a 14-cent gas tax in 1983.

Obviously the projections in both years were far off the mark. Pre-

sent projections indicate the average price of gasoline will not exceed \$1.30 before 1985. Since the present 11.1 cent tax will not increase until the price at the pump reaches \$1.34, present projections indicate no gas tax increase in the next biennium under present legislation.

With the present outlook for state funding the increase in federal funding could not have come at a more opportune time. The 1982 Federal Surface Transportation Act, while far from being perfect legislation, is certainly the most meaningful federal highway legislation since 1976. This is true for the nation as a whole but even more so for the State of Indiana there were so many ups and downs in the month of December that many of us began to feel like Yo-Yo's, but the final result was well worth the days of anxiety.

The benefit to Indiana is principally in five areas of funding. The Interstate 4R category increases from \$20 million in 1982 to \$50 million in 1983, an increase of 150%. This increases further to \$81 million by 1986, a 400% increase over 1982. The Primary category increases from \$30 million in 1982 to \$40 million in 1983, a 33% increase. The Bridge Replacement and Rehabilitation category increases from \$6 million in 1982 to \$38 million in 1983, a 530% increase. You have heard the horror stories of how Indiana had been shortchanged in the BR program. The inequities have not been completely cured but certainly alleviated. The secondary category increases from \$9 million in 1982 to \$15 million in 1983, a 67% increase. The last category of increase, a new one, is the 85% minimum allocation funds of which Indiana receives \$48 million in 1983. Of course Texas receives about \$144 million, but things are always bigger in Texas. Indiana is one of ten states that receive the 85% minimum return. Altogether the increase from 1982 to 1983 is \$128 million. The projections are that the increase will amount to \$190 million by 1986.

Of course the important thing is the increased work and increased benefit to Indiana's highway system that these additional funds make possible. Beginning this year we will double the interstate resurface program to 100 miles. We will also double the interstate bridge repair and be able to move forward in future years with completion of interstate rest areas and modernization of the system.

We will be able to immediately double the bridge replacement and repair program, taking advantage of construction plans waiting on the shelf.

The increase in primary and secondary funds will enable the moving ahead of many projects in the program that have been delayed for lack of funds. For instance, the Fort Wayne By-Pass was projected to stretch out until 1997 before the new funding was provided. This along with hundreds of other projects are now being rescheduled.

The 85% minimum allocation funds will enable a new state initiative

in economic support highways. About 12 months ago the Division of Planning initiated a long range planning study. The long range study correlated to the economic needs of the State and the areas served by its highway will cover the period from 1985 to 2005, and will be published within the next two years.

The initial studies and an interim plan covering the period 1983-1985 was approved by the Transportation Coordinating Board on October 13, 1982. The interim plan shows how highway development policy can relate to and complement the State's economic development strategies. The Department has identified the existing highways in its system which play the most important role in support of the State's economic growth. Neglect of these roads would have the opposite effect.

These roads, all interconnected and serving as the principle commuter routes in the State are being designated the Indiana Economic Support System (INDECS). The system will be composed of the State's Interstate highways plus a limited number of primary arterial routes which connect the principle industrial centers of the State. It contains approximately 2440 miles of highways serving 80 counties. After further refinement of the system, "mine-to-market sub-systems" and "recreation and scenic" routes would be accessed by connector roads so that all counties would be served by INDECS.

The development and improvement of the INDECS system is an immediate priority of IDOH through programs submitted for approval by the Transportation Coordinating Board. The interim plan and INDECS was developed prior to enactment of the 1982 Federal Highway Act. However, the interim plan suggested the dedication of a sizable portion of any "new funds" to the development and improvement of economic support highways.

The "minimum allocation funds" (85% return) to be provided Indiana as a result of recent congressional action will permit an immediate start on the implementation of the INDECS system (in various stages of development) that will be ready for construction letting in the next ten years. Total cost of these projects is over \$550 million. In the few months remaining of the state's 1983 fiscal year, we will let contracts for projects on the INDECS system totaling approximately \$37.4 million; \$22.2 million will be funded by the federal minimum allocation funds—the remaining \$15.2 million are interstate funds.

It is noted, specifically, that while the Interstate System is a part of the INDECS system, minimum allocation of funds will not be used to advance Interstate projects. On the other hand, such major INDECS projects as the Fort Wayne By-Pass and U.S. 50 (which would otherwise be many years delayed) might be advanced to letting much more rapidly with the availability of minimum allocation funds. Other projects of high priority which could be accelerated are projects on routes 27, 231, 24,

25, 31, 37, and 46.

Projects which will be included in the 1983 fiscal year lettings include top priority work on U.S. 30 in Lake, Porter, Starke and Marshall Counties; on U.S. 31 in Howard and Miami Counties; on U.S. 37 in Lawrence County; on State Road 1 in Dearborn County; on State Road 46 in Bartholomew County; and about six smaller jobs at other points on the INDECS system. All these counties, except Starke and Marshall, are presently listed as high-unemployment areas.

INDECS projects presently programmed for FY 1984 total approximately \$26 million; FY 1985, \$38 million; and FY 1986, approximately \$27 million. These totals will be substantially increased as projects presently scheduled for future years are advanced due to the continued availability of the federal funding and such additional funds as may be provided by the Indiana Legislature in future years.

A look at the program for 1983 indicates the immediate affect of the additional federal funding. Rather than the 100 bridge repair replacement contracts originally scheduled this year we will now be doing 197. The interstate resurface program this year will be 97 miles rather than the 53 planned.

Similar increases will occur in 1984 and 1985. Bridge repair and replacement contracts will be about 250 each year and Interstate resurface about 100 miles each year.

The major road program will consist of State Road 18 at Marion, State Road 446 in Monroe County, State Road 22 at Kokomo, State Road 912 in Lake County as well as SR 431 already let in Marion County for 1983. In 1984 we will add US 36 in Hendricks County and the beginning of a protracted program on SR 66 in Evansville and SR 49 in Porter County. The Division Street and SR 49 construction will continue to grow in 1985 along with the beginning of the Fort Wayne By-Pass, the beginning of I-164 and the final contract on State Road 912 in Lake County.

Major road construction on into the 80's will include I-164, Division Street in Evansville, the Fort Wayne By-Pass, the Valparaiso By-Pass, the South Bend By-Pass, US 50 from Bedford to Washington, US 24 in Cass, Wabash and Huntington Counties and many smaller projects. Studies will soon begin for financial feasibility of a Toll Bridge at Mt. Vernon and an improved road from the bridge and Southwind Maritime Center to I-64. Planning studies will also be made on a connector from I-65 and I-265 to the developing port at Jeffersonville.

The great increase in federal funding creates an immediate need for additional state funding. Indiana would have been short in being able to match all federal funds in FY '84 even before the new funding bill. It will now take an additional \$35 million in state match and \$8 million in local match each year to take advantage of the federal funds.

Without this match the loss in federal funds would be over \$100 million to the department and \$30 million to local government each year. Beyond this the department needs \$24 million each year for a half-way adequate resurface program in the biennium.

The next few weeks of the legislative session will determine the exact size of the road and bridge program through 1985. The long range plan now being developed will indicate the state funding needs after 1985. The federal legislation last December laid the groundwork for an enormous increase in highway improvement in Indiana. If the Indiana Legislature follows suit, it is possible the State highway program in Indiana will grow from \$128 million in 1982 to \$270 million in 1983 and \$340 million in 1986, a \$212 million increase in four years.

At last year's Purdue Road School when I talked about Utopia being around the corner they thought I had just one oar in the water; my tricycle only had two wheels. But no one guessed then that the State Highway program would more than double within the next year. The future looks brighter than it has for highways since 1969. The foundation has been laid on the federal level for a long lasting, far reaching solution to highway funding. The long range plan to be completed next year will indicate the long range funding needs on the state level. The job is not done but a good start has been made on the highway program for the 80's.