



OSARC

— OFFICE OF —
STATE AID ROAD CONSTRUCTION

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**5-Year Strategic Plan
Fiscal Years 2024-2028**

Office of State Aid Road Construction

1. Comprehensive Mission Statement

The mission of the Office of State Aid Road Construction is to administer state and federally funded road and bridge construction projects in accordance with the statutory requirements of Sections 65-9(1-33) and 65-37(1-15) of the Mississippi Code of 1972, by providing project planning, review, engineering oversight, accounting, contract administration and information systems, for the benefit of each of Mississippi's 82 counties.

2. Philosophy

The Office of State Aid Road Construction is committed to providing project administration services to the County Board of Supervisors through the County Engineer of each county in Mississippi that improve the quality and safety of all county roads and bridges. The philosophy of the Office of State Aid Road Construction is to demonstrate high ethical and professional standards in both agency administration and construction project administration, that strictly adhere to state and federal guidelines while maintaining the flexibility to address emerging issues, and to provide legislative representation for each county for the programs administered.

3. Relevant Statewide Goals and Benchmarks

Statewide Goal #1. To ensure the construction and maintenance of infrastructure including, but not limited to, roadways, bridges, waterways, railways, airports, water and sewer systems, pipelines, electricity lines, and public buildings) are adequate to meet the needs of citizens and the business community.

Relevant Benchmark #1.

- Roadway condition (As determined by yearly maintenance inspections)
- Number and percentage of deficient bridges and cost to correct

Statewide Goal #2. To create efficiency in government and an informed and engaged citizenry that participates in the election of capable leaders at all levels of government.

Relevant Benchmark #2.

- Administrative efficiency: expenditures on state government administrative activities as a percentage of total operational expenditures

4. Overview of the Agency 5-Year Strategic Plan

The Office of State Aid Road Construction (OSARC) has four main priorities for the agency over the next five years. First, OSARC is committed to administering through completion county road and bridge construction projects that have been let to contract prior to July 1, 2022. Second, OSARC will work with each county to initiate and prioritize new road and bridge construction projects. Third, OSARC will assist the counties in complying with federal requirements for bridge inspections. Fourth, OSARC will provide both agency administrative services, as well as support for computer software used at the local level for road and bridge construction projects as well as for bridge inspections and project billing.

When funds are appropriated to OSARC, authorization to spend the funds is given to each county by legislatively established formula allocation, although the cash remains in aggregate at the State Treasury. Revenue projections including the use of advance credits to allow for project planning are made for each county by four-year board term. Funds remain intact once they are committed to a county or project for the counties to properly plan and construct road and bridge projects. Administrative Program funds are transferred from the State Aid Program (SAP) construction funds previously allocated to each county. General Funds are not used for agency administration. Any reduction in Administrative Program funds would be transferred back to the State Aid Program construction funds, thereby yielding no increase to State General Funds.

OSARC continually utilizes existing resources to increase productivity and transparency and to meet state and federal requirements; however, with changes in technology a new project accounting system, paperless project billing system, and paperless workflow system are all needed to increase productivity, reduce manual errors, increase transparency, improve reporting capabilities, and decrease supply costs.

OSARC currently administers the State Aid Program consisting of construction and maintenance projects on county roads and bridges funded with funds appropriated to OSARC and Federal funds when available. Priorities of this program include overseeing regular required maintenance inspections on all completed projects, administering maintenance projects to preserve county roads and bridges and increase safety, increasing current weight limits to accommodate agriculture, timber, and business industries, and administering projects on non-collector Local System Roads. The priority given to projects in order of importance is: Bridge repair/replacement projects, maintenance projects, reconstruction and rehabilitation of roads, and new construction.

Roads and bridges are replaced and/or repaired preventing closures or dangerous conditions, as well as facilitating the movement of agricultural commodities such as timber, poultry and other goods or services to areas throughout the state. Construction contracts provide jobs and revenue for companies in Mississippi. Better roads and bridges decrease vehicle repair cost to residents, tourists, and businesses. A decrease in deficient bridges allows safer bus travel to and from schools for students throughout the

state, provides critical access for emergency and essential services, and safer mail delivery routes for the United States Postal Service and other delivery services.

OSARC also continues to administer projects financed with other federal funds, when available, for county roads by the Federal Highway Administration (FHWA) through the Mississippi Department of Transportation (MDOT). These projects include previously authorized congressional earmark projects; Federal Land Access Highway Program (FLAP) projects, and emergency projects. Completing these projects is a major priority for all parties involved.

OSARC assists the counties with the administration of the National Bridge Inspection Standards (NBIS). FHWA regulations for bridge inspections have intensified since the collapse of the I-35 Mississippi River Bridge in Minnesota on August 1, 2007, the I-40 Bridge closure in Memphis, TN, and most recently the Fern Hollow Bridge collapse in Pennsylvania in February 2022. A computer database program is used to compile bridge inspection data and reports at the local and state levels to assist in complying with federal regulations. As NBIS regulations continue to evolve, the impact on the counties and the workload on the agency has increased exponentially. Federal regulations for the inspection of timber and complex bridges, and non-complex bridge inspection requirements, have more than doubled the workload and cost of previous bridge inspections. If inadequate federal funds are available to cover mandatory bridge inspections, State Aid or local funds must be used. This use of funding takes away from any potential projects for bridge repair, replacement, or road construction. Bridge inspections have led to a significant number of local bridges being closed and cause disruption to the flow of traffic for residential and business travel and commerce. Federal funds provided to the counties are being utilized to meet NBIS inspection requirements, leaving no funding available for the repair or replacement of deficient bridges throughout the state.

OSARC administers the Local System Bridge Replacement and Rehabilitation Program (LSBP) by providing project funding and administration to assist the counties and municipalities with the replacement and rehabilitation of eligible deficient bridges on Local System Roads throughout the State. The LSBP program supports agricultural and commercial industries in the State and the traveling public by reducing the number of load-posted and closed bridges on local roads throughout the state.

OSARC assists the Mississippi Development Authority (MDA), per their request, in the administration of certain projects that are off the state designated systems. Through the Economic Development Highway Act these projects provide an economic benefit to a city or county, by encouraging private companies to locate and develop in their area, thereby providing new employment opportunities and increased tax revenue.

5. External/Internal Assessment & Internal Management Systems

5.1 External/Internal Assessment

- 1) The programs administered by OSARC are tied to the four-year terms of the County Board of Supervisors for each county and the cyclical nature of the expenditure of funds for construction projects. Construction projects and expenditures are dependent upon funding being available and priorities of each new County Board of Supervisors.
- 2) The number of OSARC administered construction projects using federal funding is decreasing. The availability of federal funds, as well as the reimbursement of federal expenditures for county projects, continues to be an area of uncertainty.
- 3) Road and bridge transportation projects require planning far in advance, which can be an issue when funding is not guaranteed from state, federal, or other sources.
- 4) Federal regulations and bridge inspection requirements for maintaining the National Bridge Inventory (NBI) continue to increase. Bridge inspections are increasingly more expensive and challenging to administer for the counties. Most of the federal funds available to the counties are being diverted to meet the National Bridge Inspection Standards (NBIS) which are the standards established over the safety inspections of highway bridges on public roads throughout the United States. As a result of these inspections, bridges are subsequently being load posted and/or closed for safety reasons. Limited funds are available to repair or replace bridges in poor condition.
- 5) The cost of material used in road and bridge construction continues to rise while gasoline tax, sales tax and other revenue sources remain level. As a result, the greater portion of OSARC's funding is being used to maintain and repair existing infrastructure with little funding remaining to improve county roads and bridges. The cost of wetland mitigation, when necessary, storm water abatement, and new federal regulations in addition to the rising cost of labor and materials, has reduced the amount of federal funds available for improvement of county roads and bridges.
- 6) While OSARC performs oversight and approval functions, many major functions both leading up to construction and the advancement of projects is ultimately controlled by the County Board of Supervisors in each county, OSARC's performance is partially dependent upon actions taken at the county level.
- 7) Environmental factors such as weather and natural disasters can severely impact the goals and outcomes of OSARC's construction related programs. Whereas weather is somewhat predictable, the effects of severe weather and natural disasters can divert funding to repairing damage instead of making improvements.
- 8) While technological advancements can improve efficiency in business practices and enhance compliance with state and federal regulations, the financial and human capital costs associated with changes in technology can be a burden and challenging,

especially during transition periods. OSARC has the need for a new project accounting system that incorporates a paperless workflow and project billing system. Systems that can handle our needs and interface with the Statewide accounting system (MAGIC) are not readily available. Several of these systems, along with our bridge inspection system are used by each county to submit required information, documents, and upload/download reports. OSARC provides maintenance and support to each county for these systems.

5.2 Internal Management Systems

Members of OSARC executive staff meet periodically to discuss the factors listed above, to update internal policies to reflect current demands, and to ensure internal management systems address potential deficiencies. OSARC works with MDOT and FHWA to address the need for changes to current policies and procedures, primarily as it relates to federal projects or programs, and participates in MDOT's Environmental Management System. OSARC regularly meets with members of the County Boards of Supervisors and County Engineers to assess the needs of the counties and to discuss many of the factors listed above.

6. Agency Goals, Objectives, Strategies and Measures by Program for FY 2024 through FY 2028

Program 1: Administrative

GOAL A: Provide funding and administration for county road and bridge construction projects (Miss. Code Ann. §§ 65-9-1 et seq.)

OBJECTIVE A.1. Effectively provide contract administration, accounting, project planning, engineering review and oversight for county road and bridge construction projects through the County Boards of Supervisors.

Outcome: Maintain level of administrative costs as compared to construction costs at 5% or under

Outcome: Allocate over 95% of State Aid Construction funds to county construction program

A.1.1. STRATEGY: Review and approve contract documents, project design plans, and cost estimates, as well as oversee engineering services provided by County Engineers.

Output: Number of projects let to contract

Efficiency: Percentage of agency personnel devoted to construction programs

A.1.2. STRATEGY: Secure funding obligations from FHWA through the Mississippi Transportation Commission and oversee the acquisition of right-of-way, environmental permits, and other federal permits.

Output: Federal percentage of total project fund obligations

GOAL B: Provide internal administrative services as a state agency in Mississippi
(Miss. Code Ann. § 25)

OBJECTIVE B.1. Effectively provide human resource, accounting, and information systems services for the agency.

B.1.1. STRATEGY: Provide support for agency-maintained computer software used by the County Engineers and produce accurate reports for state and federal governing entities.

Program 2: State Aid Construction

GOAL A: Provide funding for and oversee the construction and maintenance of county road and bridge projects on the State Aid Road System and Local System Roads (Miss. Code Ann. §§ 65-9-1 et seq.)

OBJECTIVE A.1. Effectively utilize to the fullest practicable extent the balance of monies in the State Aid Construction Fund, including federal funds, when available, in administering county construction projects that maintain, rehabilitate, and reconstruct existing roads and bridges, as well as construct new roads and bridges.

Outcome: Percentage reduction of structurally deficient bridges

Outcome: Percentage increase of total miles paved

Outcome: Percentage of total State Aid funds available programmed or obligated to projects

A.1.1. STRATEGY: Improve safety and increase accessibility while promoting economic development, through the construction and repair of county roads and bridges regularly used for transport of agricultural commodities, serving commuters and businesses, education, and industrial activities.

Output: Number of State Aid projects let to contract

Output: Number of federal projects let to contract

Output: Number of federal projects completed

Output: Number of bridges replaced or repaired

Output: Total number of structurally deficient bridges on the State Aid System

Output: Average cost of a State Aid/Federal bridge project

Efficiency: Average time from initiation to completion of a federal project (Days)

A.1.2. STRATEGY: Strictly adhere to the allocation formula for State Aid Construction funds available per county and encourage the application of federal, county, or grant funds to supplement funding on projects when needed.

Output: Amount of State Aid Construction funds obligated to projects

Program 3: Local System Bridge Replacement and Rehabilitation (LSBP)

GOAL A: Provide funding and oversee the replacement and rehabilitation of eligible bridges on local system roads and in incorporated municipalities (Miss. Code Ann. §§ 65-37-1 et seq.)

OBJECTIVE A.1. Effectively utilize Local System Bridge Program (LSBP) funds by administering construction projects that replace qualifying structurally deficient local bridges, minimize bridge closures, improve safety, and encourage economic development.

Outcome: Percentage change of deficient LSBP bridges

Outcome: Maintain average number of active LSBP projects per county

Outcome: Percentage of total LSBP funds available programmed or obligated to projects

A.1.1. STRATEGY: Decrease the number of LSBP bridges that are closed or rated as structurally deficient.

Output: Number of LSBP projects let to contract

Output: Number of LSBP projects completed

Output: Number of LSBP bridges replaced or repaired

Output: Number of eligible deficient LSBP bridges

Efficiency: Average time from initiation to completion of a LSBP project (Days)

Efficiency: Percentage of bridges eligible for LSBP funds

Efficiency: Percentage of counties utilizing all of their available LSBP funds