

## 10<sup>th</sup> Annual Concrete Conference

### *Being Successful in Today's Uncertain World*

**Richard Hogg, PE, Deputy Secretary for  
Highway Administration**

*January 27, 2009*



## Congratulations!

US Routes 22/322, Lewistown  
Narrows Project (Derry  
Township and Fermanagh  
Township, Mifflin & Juniata  
County)

- ❖ AASHTO America's  
Transportation Award –  
"OnTime" – Large Project
- ❖ NPHQ - Gold Award  
"Making a Difference"
- ❖ FHWA – Award of Excellence in  
Highway Design (Rural  
Highways: Freeways)



Designer: The EADS Group, Altoona, PA  
Contractor: Walsh Construction, Chicago, IL  
Owner: PENNDOT Engineering District 2-0



## Congratulations!

State Route 8, Mae West Bend Project (Etna Borough and Shaler Township, Allegheny County)

- ❖ FHWA – Honorable Mention Award of Excellence in Highway Design (Urban Highways: Surface Streets)

Designer: PENNDOT Engineering District 11-0  
 Contractor: Mascaro Contracting, L.P., Pittsburgh, PA  
 Owner: PENNDOT Engineering District 11-0



## Congratulations!

State Route 830, Airport Access Road Project (Washington Township, Jefferson County)

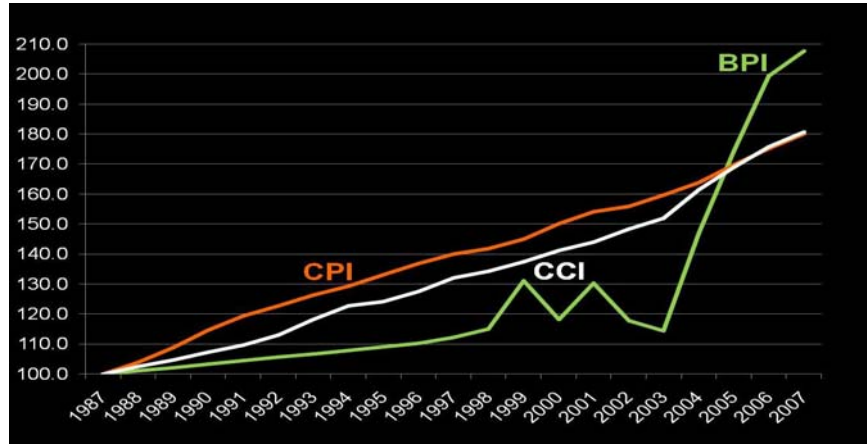
- ❖ AASHTO America's Transportation Award Finalist - "People's Choice Award"

Designer: KCI Technologies, MTA Associates, SAI Engineers, L. Robert Kimball, & PENNDOT Engineering District 10-0

Contractors: Glen O. Hawbaker, Inc., State College, PA ;  
 Hi-Way Paving, Columbus, Ohio  
 & Francis J. Palo, Inc, Clarion, PA  
 Owner: PENNDOT Engineering District 10-0



## Inflation Indices



Sources: FHWA Bid Price Index for PA (BPI), Engineering News Record Construction Cost Index (CCI), Bureau of Labor and Statistics Consumer Price - Index (CPI), compared to 3% Annual Increase Base Line (Calendar Year)



## Reduction in Buying Power

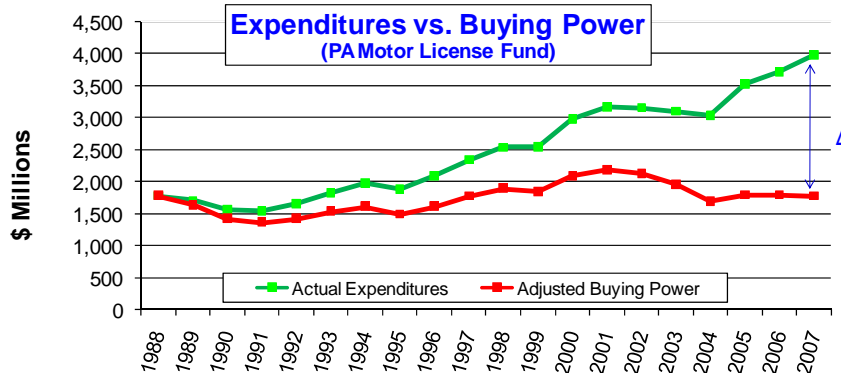


Chart Based on 1988 \$ Values;  
 Δ is a function of inflation



## Where We Are – January 2009

- Volatile Material Costs
- Competition – White vs. Black
- Stopped Letting Jobs
- Addressing Funding Shortfalls
- Preparing for Stimulus



## Revenue Impacts

- MLF Revenue
- Steel Escalation
- ADA Requirements and Costs
- Escalating Inflation
- Salt Shortage
- Fuel Costs



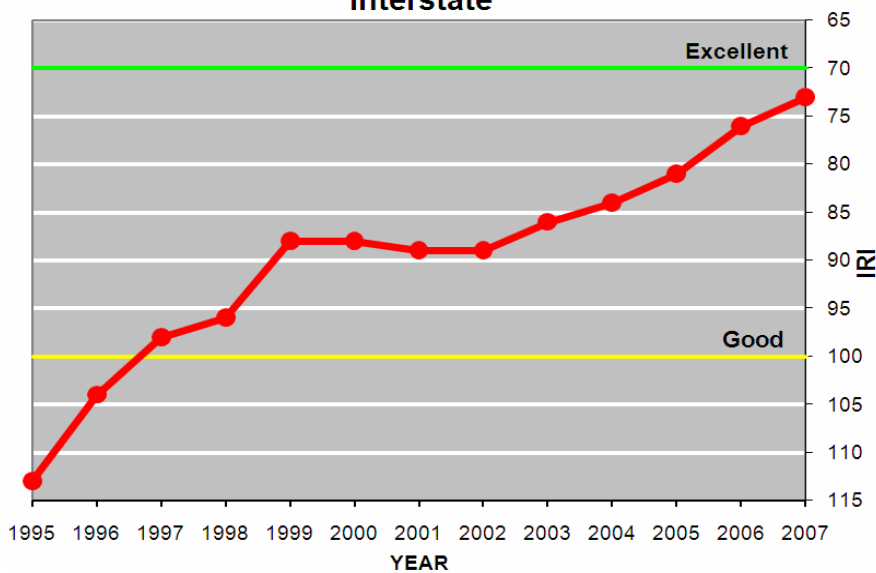
## Cost Saving Initiatives

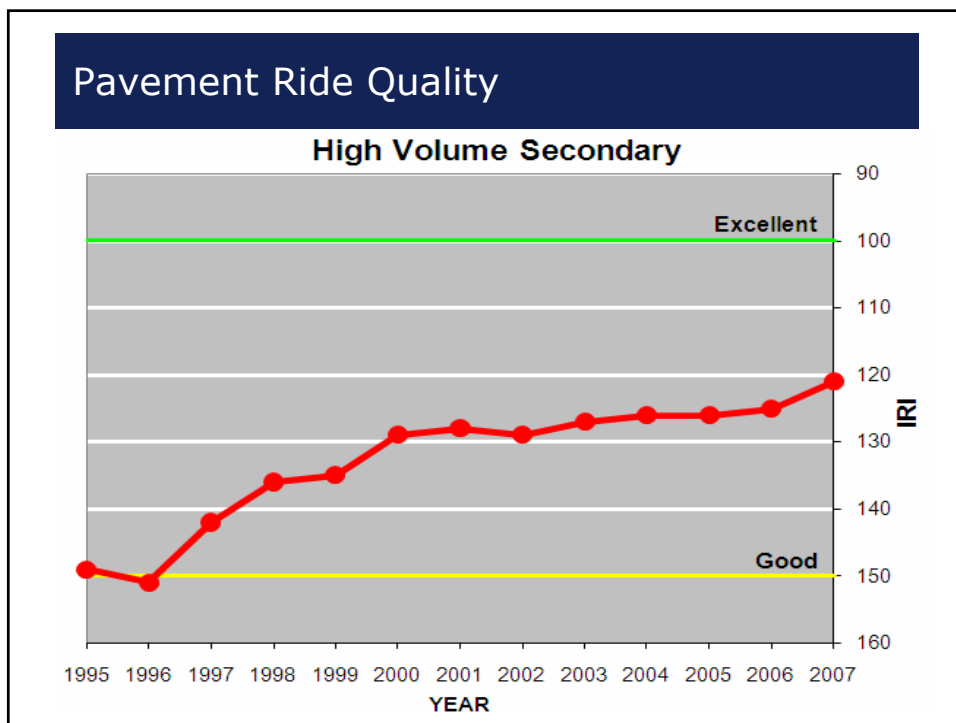
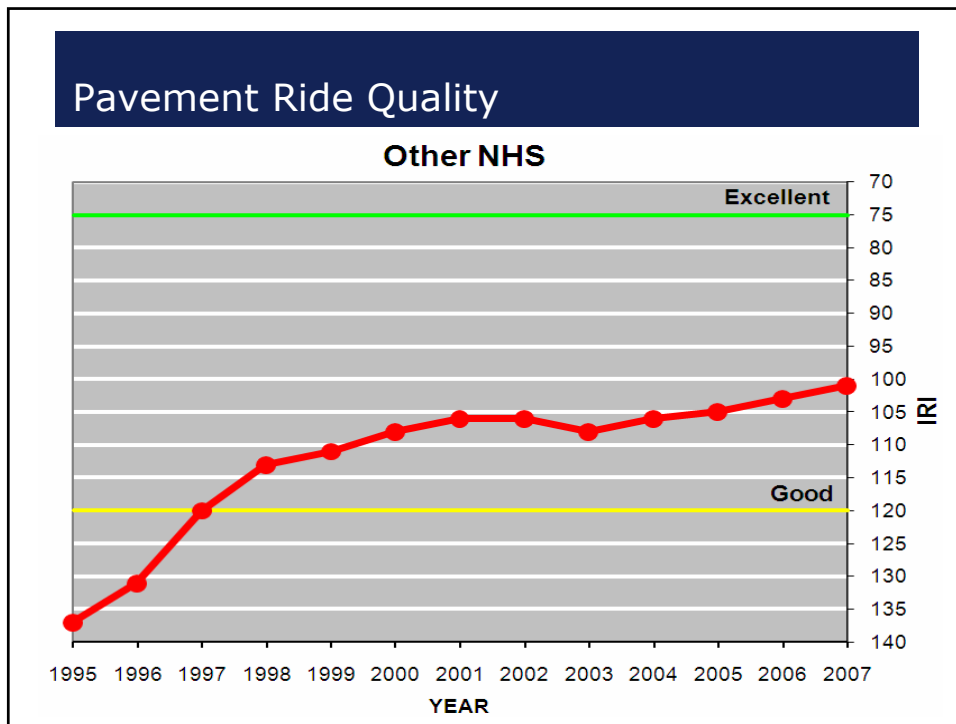
- Improve Winter Management & Communications
- Aggressive Equipment Management
- Alternate Bidding Pavement
- Warranties
- Improved Technologies

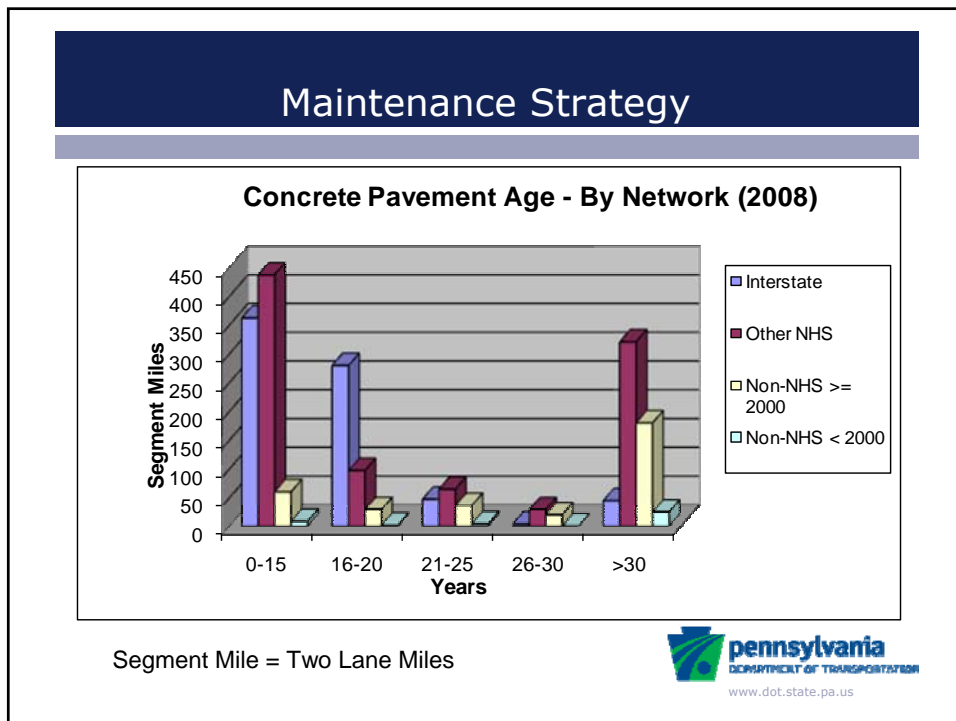
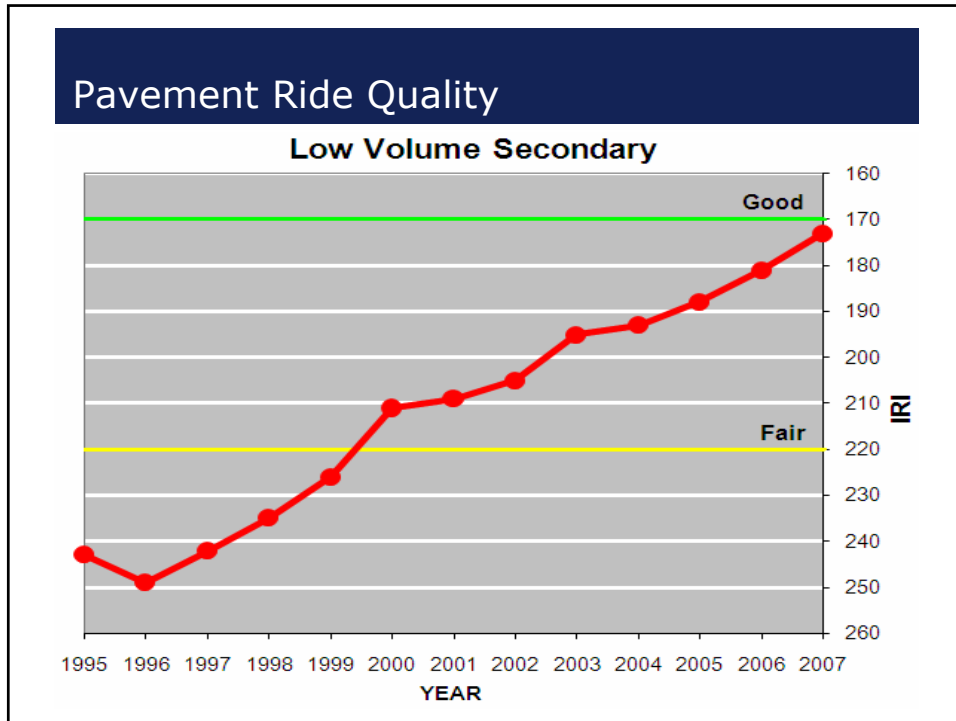


## Pavement Ride Quality

### Interstate








### Concrete Preservation

- Concrete Pavement Restoration (CPR)

<i><b>Year</b></i>	<i><b>Number of Projects</b></i>
2005	57
2006	75
2007	74
2008	87




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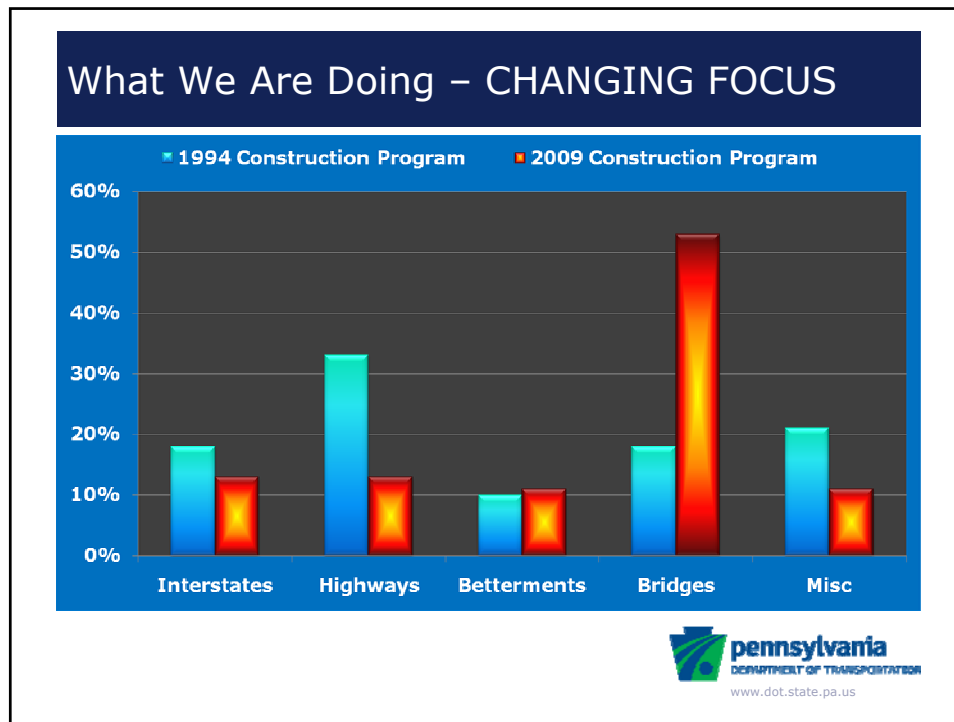
### Slab Cracking in Concrete Pavement on Treated Base


- Data results from RMS of the concrete pavement conditions with ATPBC or CTPBC

Year	Total Miles	Total Segments	Total Slabs	Slabs with Trans. Cracks	% Total Slabs w/ Trans. Cracks
2007	251.2	513	70,143	252	0.36
2008	322.4	673	95,381	319	0.33



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- ### 2009 Construction Program Primary Focus
- Accelerated Bridge Program & Preservation
  - Focus on Preservation of the Network
  - Limited Major Projects >\$20M (12)
- 
  
[www.dot.state.pa.us](http://www.dot.state.pa.us)

## Initiatives

- Alternate Bidding
- Warranty
- Best Practices
  - National Concrete Consortium
- Research
  - Ultra-Thin Pooled Fund Study



## Materials Usage Totals

	2006	2007	2008	2009*
<b>Concrete (CY)</b>	519 K	846 K	1.0 M	1.1 M
<b>Aggregate (Tons)</b>	16.4 M	13.9 M	9.9 M	10.5 M
<b>Asphalt (Tons)</b>	11.7 M	10.0 M	7.3 M	6.3 M

\* 2009 Projected Material Usage



