

County Infrastructure Funding Case Studies

FIRST Task Force

Funding Indiana's Roads
for a Stronger, Safer Tomorrow



From Our Leadership

Dear Stakeholders:

As the Indiana General Assembly's Funding Indiana's Roads for a Stronger, Safer Tomorrow (FIRSST) Task Force continues its efforts to modernize Indiana's road and bridge funding, it is our pleasure to provide you with the following case studies showing real data and experience from counties across the state. We hope these documents provide you context of how the current funding mechanism affects counties differently and informs you of possible considerations to overcome barriers as you work to craft a solution that benefits local communities and the state, alike.

As you read through the following case studies, we ask that you take careful note of barriers that currently stand in the way of counties' abilities to optimally fund their infrastructure networks. As discussions proceed as to how Indiana will restructure its funding, we hope that you will join us in advocating for policies to reduce these barriers. After all, as a crucial building block of a thriving state infrastructure network, impacts to local infrastructure networks must be heavily considered in determining solutions for sustainable funding.

Additionally, we hope that you will recognize the emphasis county officials have placed on identifying local sources of funding to supplement state appropriations and their commitment to being responsible stewards of all investment dollars. As needs continue to multiply and intensify while, simultaneously, economic barriers become more prevalent, county officials have no choice but to stretch each dollar as far as it can go. And, while these officials are committed to always being responsible stewards of investment dollars, we hope additional investments will allow them to focus more of their efforts on achieving their long-term transportation plans as well as growing their local networks to support new opportunities.

We are grateful for the partnership we have built with leaders in this dialogue, and we look forward to continuing our advocacy efforts on behalf of all Hoosier counties. Should you have any questions or need additional information, we invite you to contact either of our organizations.

Sincerely,



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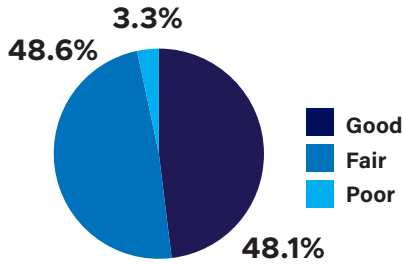
PROFILE



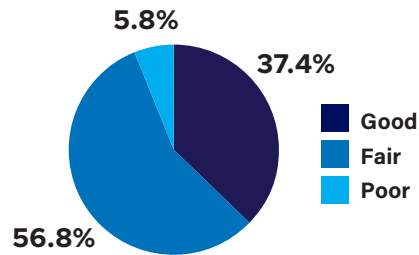
Elkhart County

THE DATA

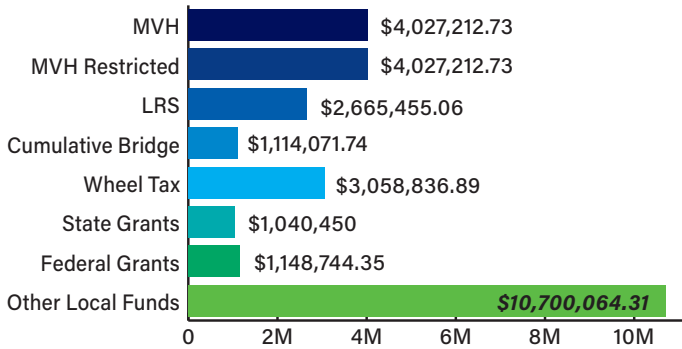
2022 Pavement Condition



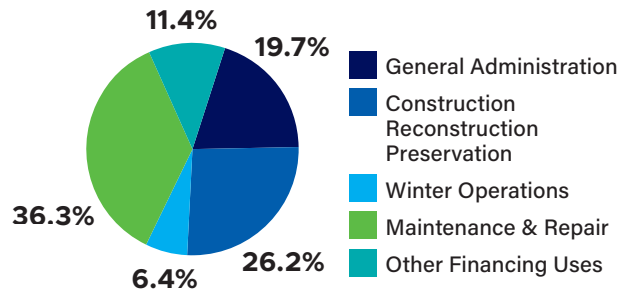
2022 Bridge Condition



2022 Fund Receipts



2022 Fund Dispersements



GOOD STEWARDS OF INFRASTRUCTURE INVESTMENT DOLLARS

Elkhart County maintains a 10-year capital improvement plan for its local road and bridge infrastructure network. Projects are carefully prioritized by need and impact to the network as a whole. Each year, the highway department's engineering division invests significant time and resources into developing asset management plans for maintenance and capital improvement.

ELKHART COUNTY IS LOCALLY INVESTED

2.36

2022 LOCAL LEVEL OF EFFORT*

Elkhart County utilizes the following local funding tools to supplement state investments in the County's infrastructure:

1. Economic Development Income Tax
2. Grant Funding
3. Local Horse and Buggy Registration Revenue
4. Local Stormwater Collection Revenue
5. Major Moves Construction Funding (Revolving Loan)
6. Tax Increment Financing Districts
7. Wheel Tax

* A Local Level of Effort of 1.0 indicates the only money received by the highway/street department is from the state dedicated distributions and grants. A Local Level of Effort of 2.0 means the local government agency is matching the state dedicated funds dollar for dollar. A Local Level of Effort greater than 2.0 means the local government agency is contributing more dollars than they receive from state dedicated sources.

CONSIDERATIONS UNIQUE TO ELKHART COUNTY

Elkhart County's proximity to the Great Lakes results in some portions of the County seeing more than 50 inches of snowfall per year, lending to more costly winter operations and year-round maintenance. Freezing and thawing cycles not only lead to faster-than-normal deterioration of roads and bridges, but also have significant impacts on regulated drains, rivers, and lakes that have residual impacts on the local network's optimization. Additionally, the Indiana Toll Road, running east and west along the entire northern border of Elkhart County, creates heavy commercial traffic on county roads as users travel to and from the route. And, due to the diversity in use of the network, from heavy manufacturing and agricultural machinery to horses and buggies and cyclists, the County must ensure that all infrastructure assets are capable of withstanding unique wear and tear to support all users.

QUALITY INFRASTRUCTURE VITAL TO ELKHART COUNTY'S SUCCESS

Elkhart County leadership has prioritized projects that result in jobs, housing, and economic diversification. The County continues to support development by financing road, bridge, and even city utility improvements to undeveloped areas. As a workforce hub within the region, Elkhart County requires quality infrastructure assets to support not only the many residents who live and work in the County, but also those who travel from outside the County and state for work.

BARRIERS PREVENTING AN OPTIMUM LOCAL INFRASTRUCTURE NETWORK

- Budget Considerations Lending to Deferred Maintenance
- Inflation
- Stagnant Local Revenues

AREAS OF GREATEST NEED

Elkhart County's greatest need continues to be finding sustainable funding to fully maintain its local infrastructure assets. Due to restrictions, the County cannot maintain its network, requiring officials to utilize funding that would otherwise go toward capital expenditures and network growth for regular maintenance. Expanding the state's definition of "preservation" to allow restricted funds to be used for drainage structure maintenance, brush and tree maintenance, snow removal, and associated staff compensation and vehicle maintenance would alleviate many of the County's concerns.

Additionally, the County is hopeful that Tax Increment Financing District (TIFD) revenues will continue keeping pace with asset needs, as no alternative revenue sources have been identified as sustainable replacements.



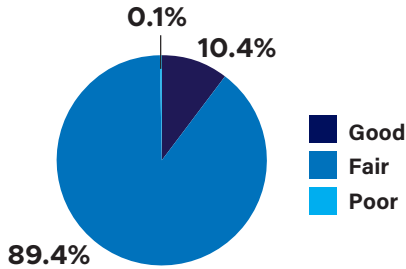


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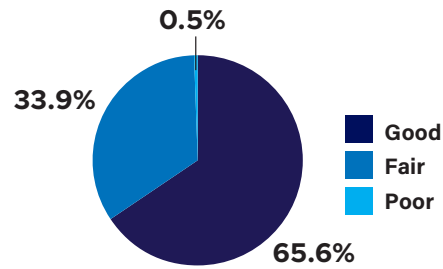
Hancock County

THE DATA

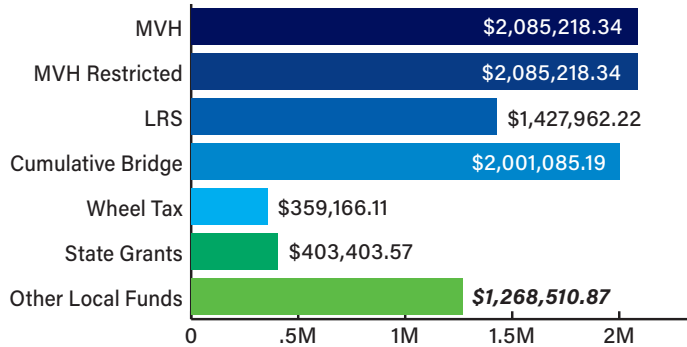
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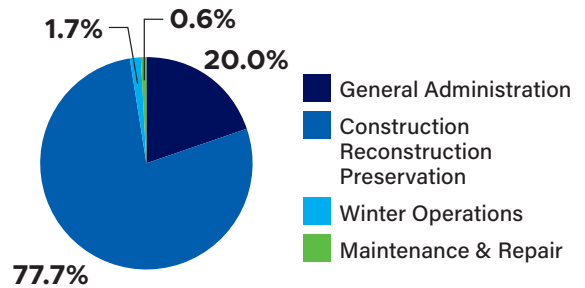
2022 Bridge Condition



2022 Fund Receipts



2022 Fund Dispersements



GOOD STEWARDS OF INFRASTRUCTURE INVESTMENT DOLLARS

Hancock County officials have committed themselves to improving access and safety on their roads, making historic improvements over the past several years. Utilizing a variety of local, state, federal, and private industry revenue sources, the County has reconstructed over 14 miles of roadway, 18 bridges, and 9 roundabouts to date, with more planned in the next five years. These efforts have had a real and profound impact on safety, reducing fatal accidents on county roads from the state average of 7 per 100,000 to 2.5 per 100,000 in 2023.

HANCOCK COUNTY IS LOCALLY INVESTED

1.60

2022 LOCAL LEVEL OF EFFORT*

Hancock County utilizes the following local funding tools to supplement state investments in the County's infrastructure:

1. Cumulative Bridge Tax
2. Grant Funding
3. Local Income Tax
4. Local Public/Private Partnerships
5. Tax Increment Financing Districts
6. Wheel Tax

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CONSIDERATIONS UNIQUE TO HANCOCK COUNTY

While the consistent transition from gravel to paved county roads since the 1980s has created unique opportunities and benefits for Hancock County, it has also created significant budget constraints, as funding levels for construction, maintenance, and growth have remained relatively stagnant. Additionally, due to the County's success in consistently improving road and bridge conditions, residents continually expect increased ride smoothness and enhanced snow removal conditions—and rightly so. However, under current budget constraints, meeting these needs has become increasingly challenging, as expenses outpace state and local revenues.

QUALITY INFRASTRUCTURE VITAL TO HANCOCK COUNTY'S SUCCESS

Recent infrastructure improvements along Olio Road in Hancock County has spurred a great deal of economic development within the county, ultimately lowering the County's unemployment and maximizing high wage job opportunities for residents. Along with making direct improvements to the road, drainage improvements and utility upgrades were vital to bringing these opportunities to fruition. Additional funding for similar projects throughout Hancock County will provide further opportunities, contributing to the state's goals of enhancing quality of life, place, and opportunity.

BARRIERS PREVENTING AN OPTIMUM LOCAL INFRASTRUCTURE NETWORK

- Administrative Burden
- Inflation
- Internal Workforce

AREAS OF GREATEST NEED

Hancock County is looking to make large scale improvements, including a new interchange, to prime a targeted area for housing a new large manufacturing partner. If successful, this opportunity would create additional needs for new and improved roads within the area to meet new usage demands.

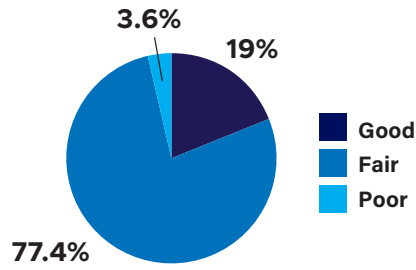




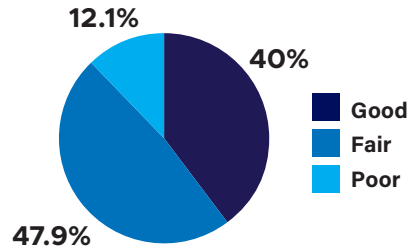
Johnson County

THE DATA

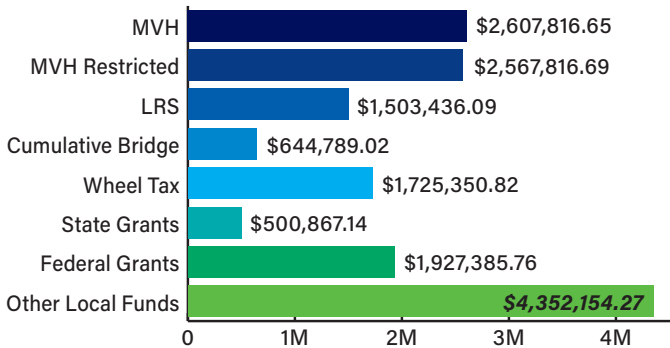
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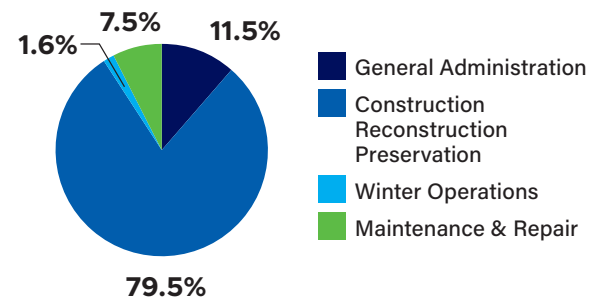
2022 Bridge Condition



2022 Fund Receipts



2022 Fund Dispersements



GOOD STEWARDS OF INFRASTRUCTURE INVESTMENT DOLLARS

Johnson County has taken extraordinary steps to ensure infrastructure investment dollars entrusted to the County render a valuable return on investment, prioritizing cost-effective and comprehensive solutions to infrastructure needs. For example, the County regularly (1) analyzes the benefits and limitations of cost-effective preservation and maintenance solutions — such as chip seal, crack seal, and rejuvenation — to prioritize low-cost solutions that will last; (2) inspects and rates all county roads for the creation of the County's annual maintenance program, allowing officials to direct the limited funding available to the infrastructure assets in greatest need; and (3) balances construction and maintenance activities between in-house and contracted solutions to minimize costs.

JOHNSON COUNTY IS LOCALLY INVESTED

2.20

2022 LOCAL LEVEL OF EFFORT*

Johnson County utilizes the following local funding tools to supplement state investments in the County's infrastructure:

1. Cumulative Bridge Fund
2. Economic Development Income Tax
3. Grant Funding
4. Tax Increment Financing Districts
5. Wheel Tax

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CONSIDERATIONS UNIQUE TO JOHNSON COUNTY

Johnson County has a densely populated unincorporated area in White River Township/Center Grove with service needs and types that are more akin to those found in suburban areas than the typical rural county road network. This is a unique situation, requiring a wide variety of maintenance activities that county highway departments are not typically structured to provide.

Additionally, due to the County's proximity to Indianapolis and large unincorporated population, there are several local roads with considerable traffic volumes within the County's jurisdiction.

QUALITY INFRASTRUCTURE VITAL TO JOHNSON COUNTY'S SUCCESS

Johnson County's proximity to Indianapolis and major routes, such as I-69, SR 135, US 31, I-65, and I-74 in Shelby County, makes the County a prime candidate for economic development opportunities. Additionally, the completion of I-69 in Johnson County provides a generational opportunity for development and redevelopment opportunities. However, a strong local road network is crucial for bringing these opportunities to fruition.

County roads provide critical connections for the movement of goods and people between cities, towns, and other specific economic development locations, not just within Johnson County but into neighboring counties as well. While the completion of I-69, continued development along I-65, growth of local municipalities, and proximity to major roads within and nearby the County are tremendous drivers of economic development, connectivity between these areas is dependent on rural county roads that were neither built nor originally intended for their current use.

BARRIERS PREVENTING AN OPTIMUM LOCAL INFRASTRUCTURE NETWORK

- Availability/Competition for Resources
- Inflation
- Underfunded Cumulative Bridge Fund
- Underfunded Motor Vehicle Highway (MVH) and Local Road and Street (LRS) Distributions

AREAS OF GREATEST NEED

Major capital transportation projects necessitated by past and anticipated economic development growth is undoubtedly the largest infrastructure need for Johnson County. MVH and LRS distributions ultimately fall short of maintenance funding needs and are not currently viable options for undertaking major road projects facing the County. Significant funding is needed to make safety and capacity improvements within the County's infrastructure network to sustain economic development opportunities and grow Johnson County communities.



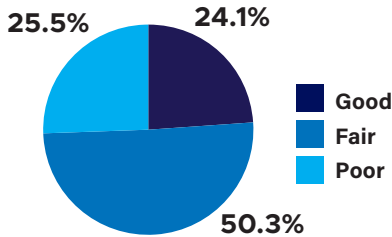


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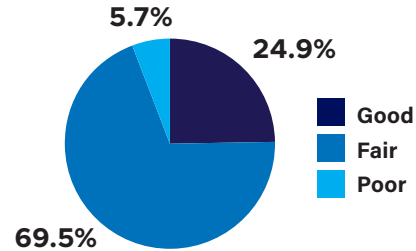
Kosciusko County

THE DATA

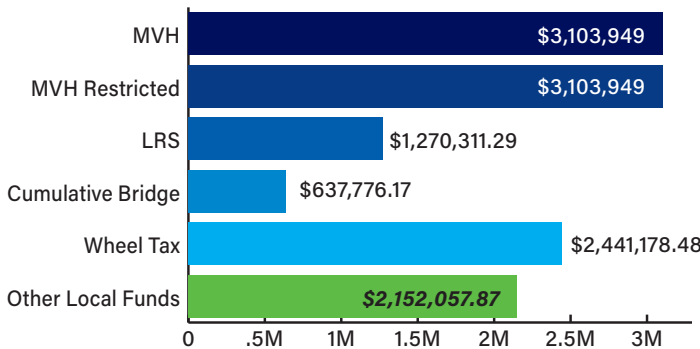
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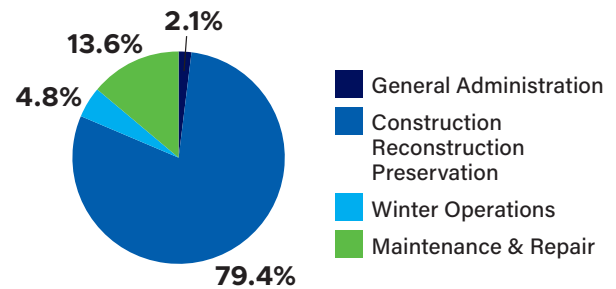
2022 Bridge Condition



2022 Fund Receipts



2022 Fund Dispersements



GOOD STEWARDS OF INFRASTRUCTURE INVESTMENT DOLLARS

Kosciusko County goes the extra mile to ensure that every infrastructure investment dollar, whether from local, state, or federal revenue sources, stretches as far as possible, maximizing returns on investment for all Hoosier taxpayers. In fact, the County has created its own digital program for systematically prioritizing projects that will maximize impact within the community. Also, the County has invested in the resources necessary to perform many road improvement services in-house, including making their own cold-mix asphalt for certain paving needs.

Kosciusko County also takes seriously its infrastructure investment planning, working closely with the local Metropolitan Planning Organization (MPO) and the Local Technical Assistance Program (LTAP) to identify areas of greatest need and prioritize preventative maintenance, ultimately avoiding high-cost reconstruction costs. Additionally, county officials have required that all local wheel tax dollars go directly to construction, reconstruction, and maintenance of assets, rather than administrative overhead costs, to emphasize impact and reduce overhead costs.

KOSCIUSKO COUNTY IS LOCALLY INVESTED

1.70

**2022 LOCAL
LEVEL OF
EFFORT***

Kosciusko County utilizes the following local funding tools to supplement state investments in the County's infrastructure:

1. Cumulative Bridge Tax
2. Grant Funding
3. Tax Increment Financing
4. Wheel Tax

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CONSIDERATIONS UNIQUE TO KOSCIUSKO COUNTY

As one of Indiana's northern most counties, Kosciusko County experiences significant snowfall in the winter months, creating unique barriers for the county related to snow removal and infrastructure maintenance. During a normal winter season, the County requires nearly 3,000 tons of salt and sand to address road conditions—even more being necessary during more precipitous winters. Additionally, overhead costs for paying drivers overtime during periods of high snow removal creates financial strain on the County.

Aside from winter maintenance, Kosciusko County has a high number of local road users who travel by horse and buggy. As the horses regularly travel along the same foot tracks, rutting becomes prevalent along many local roads, requiring additional paving and maintenance procedures.

QUALITY INFRASTRUCTURE VITAL TO KOSCIUSKO COUNTY'S SUCCESS

Recent economic development efforts have required the County to make investments in its infrastructure, and officials believe additional opportunities will require the same. County officials recently made improvements, including widening roads and stabilizing drainage, to enhance conditions for vital businesses and resources in the county, including TruHorizons, Louis Dreyfus, and the North Central Co-Op.

BARRIERS PREVENTING AN OPTIMUM LOCAL INFRASTRUCTURE NETWORK

- Availability/Competition for Resources
- Contractor Availability
- Federal Grant Administrative Burden
- Inflation
- Internal Workforce

AREAS OF GREATEST NEED

Kosciusko County would like to purchase a new paver to further maximize their ability to complete maintenance projects in-house at a low cost. Additionally, the County is currently reviewing short- and long-term business trends to identify areas where infrastructure investments will have greater impacts, targeting areas of business growth and trail developments.



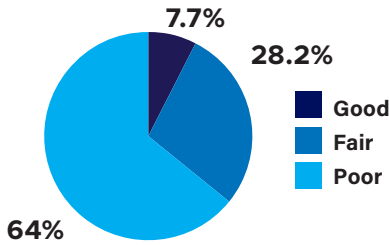


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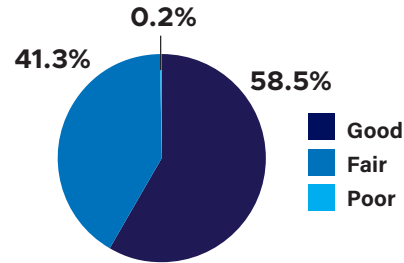
Montgomery County

THE DATA

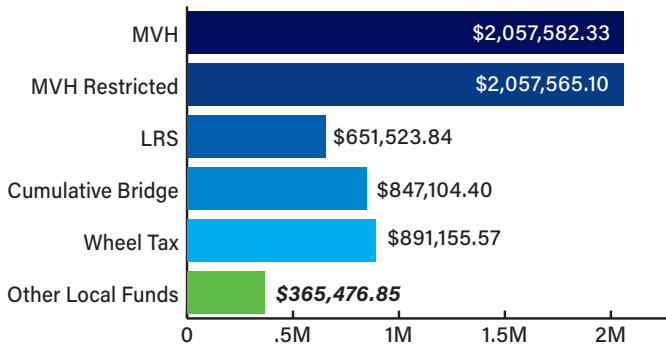
2022 Pavement Condition



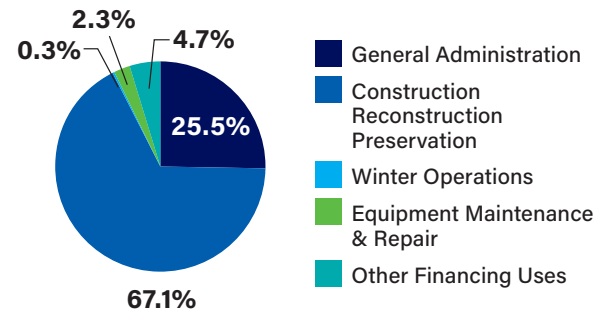
2022 Bridge Condition



2022 Fund Receipts



2022 Fund Dispersements



GOOD STEWARDS OF INFRASTRUCTURE INVESTMENT DOLLARS

Montgomery County has taken planning efforts seriously to prioritize areas of greatest need within the local infrastructure network. The County recently undertook a comprehensive thoroughfare study, created and implemented a road safety plan, and conducted a comprehensive analysis on road and bridge preservation needs that will aid in the prioritization of infrastructure fund disbursements. Collectively, these efforts have improved safety within the community, allowed the County to access additional funding opportunities, and streamlined decision-making processes.

MONTGOMERY COUNTY IS LOCALLY INVESTED

1.44

2022 LOCAL LEVEL OF EFFORT*

Montgomery County utilizes the following local funding tools to supplement state investments in the County's infrastructure:

1. Cumulative Bridge Tax
2. Cumulative Capital Development Tax
3. Grant Funding
4. Local Income Tax
5. Property Tax
6. Tax Increment Financing Districts
7. Wheel Tax

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CONSIDERATIONS UNIQUE TO MONTGOMERY COUNTY

Montgomery County is proud that manufacturing and agricultural industries comprise a significant portion of the local economy; however, with the presence of these unique industries comes unique challenges. County officials must regularly analyze and respond to magnified wear and tear on road and bridges caused by heavy-weight machinery and vehicles.

QUALITY INFRASTRUCTURE VITAL TO MONTGOMERY COUNTY'S SUCCESS

Montgomery County is home to uniquely valuable Hoosier assets, including Wabash College, Shades State Park, several large corporations, and more. Additionally, located off I-74 in West Central Indiana, the County regularly welcomes new residents and visitors from Illinois. As such, the County views its local infrastructure network as a valuable tool, among others, to attract and retain Hoosier visitors and residents alike.

Based on results from the County's comprehensive thoroughfare study, officials recently prioritized road infrastructure improvements surrounding school buildings to maximize community impact. Additionally, the County regularly responds to the needs of its business community, constructing new roads and improving existing ones to improve business practices. With the creation of the LEAP district in neighboring Boone County, Montgomery County is also preparing for increased traffic on county roads, as residents travel to and from the site.

BARRIERS PREVENTING AN OPTIMUM LOCAL INFRASTRUCTURE NETWORK

- Administrative Burden
- Availability/Competition for Resources
- Budget Constraints for Maintaining/Improving PASER Ratings
- Contractor Availability
- Inflation
- Internal Workforce

AREAS OF GREATEST NEED

Montgomery County officials feel they must focus on growing the local infrastructure network to accommodate their growing economy; however, with limited funds available, the County's comprehensive growth plans are regularly thwarted by growing maintenance needs. In fact, County officials have estimated that a \$2.5 million investment deficit is preventing them from optimally maintaining the local network. Committed to seeking additional funds from all revenue sources, Montgomery County hopes to continue improving roads for its residents and businesses.

