

OPERATIONS

The majority of MDOT's savings has been achieved by improving day-to-day business practices with the primary goal of cutting costs.

Some examples include:

- Closing and consolidating facilities and reducing staff positions by 15 percent.
- Reusing and recycling materials.
- Reducing snowplow speeds to keep more salt on the road.
- Using tow plows to clear the roads more quickly.

As a result, MDOT achieved recurring annual savings of \$84 million by 2014.

Tow plows work more efficiently by clearing multiple lanes at once.



MDOT ECONOMIES AND EFFICIENCIES

Since the last gas tax increase in 1997, MDOT has reduced its staff by 26 percent.

Since 2010, MDOT has reduced costs, made the most of flat or declining revenues, and confronted higher costs more efficiently. Those internal changes generated cumulative and one-time savings of about \$170 million by 2014.

While that is a lot of money, it is still far short of the amount needed to repair nearly 32,000 lane-miles of high-speed state highways and 4,700 bridges.



1997
MDOT WORKFORCE



2014
MDOT WORKFORCE
26% SMALLER



Providing the highest quality integrated transportation services for economic benefit and improved quality of life.

MICHIGAN DEPARTMENT OF TRANSPORTATION

BETTER
FASTER
CHEAPER
SAFER
SMARTER

How MDOT partners with local agencies and the private sector to provide high-quality transportation systems with the greatest efficiency

MDOT and contractors save time, money and motorist inconvenience with paperless contracts and communication.



FUNDS FALLING SHORT

State transportation funding is falling short of the amount needed to keep roads, bridges and passenger transportation in good condition.

To learn more about transportation funding, visit www.michigan.gov/roadfunding



WHAT IF GOVERNMENT WAS MORE EFFICIENT?

The investment needed to fix the current transportation system would be a huge percentage of the 2014 \$3.4 billion transportation budget for the entire state.

There simply are not enough savings to be found to generate enough of an additional investment – even across more than 700 road and transit agencies.

Road users, through gas taxes and registration fees, fund transportation. As cars become more fuel-efficient, revenue from fuel taxes is declining.

Taking inflation into account, state transportation revenues are actually about \$250 million less than they were 10 years ago.

BETTER
FASTER
CHEAPER
SAFER
SMARTER

PARTNERSHIP

All of MDOT's road and bridge projects are constructed through low-bid contracts awarded to private contractors. MDOT also contracts with private firms for about half of its project design. While MDOT retains some direct forces for snowplowing, the agency works to achieve greater efficiency by negotiating contracts with county road commissions to perform winter maintenance in more than 60 counties.

MDOT continues to look for new and creative ways to achieve efficiency, such as:

- Privatizing rest area maintenance and guard rail replacement.
- Using construction contracts with better oversight and allowing private sector partners to incorporate new technology and cutting-edge construction techniques.
- Working with Meijer stores and other businesses to sign carpool lots in selected parking areas instead of building new state-owned parking lots.

NEW COMMUNICATIONS TECHNOLOGY

Improved communications technology has accelerated MDOT's savings and efficiency greatly, and tools such as e-Construction are leading the nation in transportation technology. Notable innovations include:

- Pioneering “paperless” construction contracts and project designs.
- Providing employee training through webinars and virtual meetings.
- Improving data collection and automatically updated “wikibook” construction manuals.

MDOT's new technologies have saved more than \$30 million per year. In addition to these savings, MDOT has increased its use of social media to communicate important traffic and construction news to our customers—the traveling public and taxpayers.



www.twitter.com/MichiganDOT



www.facebook.com/MichiganDOT



www.youtube.com/MichiganDOT