AASHTO Executive Committee

The AASHTO Executive Committee is comprised of the association president; vice president; secretary-treasurer; eight regional representatives and the immediate past-president.

David Bernhardt
President; Director,
Maine Department of Transportation

John Schroer
Vice President; Commissioner,
Tennessee Department of Transportation

Carlos Braceras
Secretary/Treasurer; Executive Director,
Utah Department of Transportation

Randall S. Blankenhorn
Secretary, Illinois Department of Transportation

Patrick McKenna
Director, Missouri Department of Transportation

Charles Kilpatrick
Commissioner, Virginia Department of Transportation

James Bass
Executive Director, Texas Department of Transportation

Carlos Braceras
Executive Director, Utah Department of Transportation

Mike Tooley
Director, Montana Department of Transportation

Leslie Richards
Secretary, Pennsylvania Department of Transportation

Pete Rahn
Secretary, Maryland Department of Transportation
To the Members of Our Board:

It is with great pride that I share with you the 2016 annual report of the American Association of State Highway and Transportation Officials.

This report, our second since the Board of Directors approved the 2014–2019 Strategic Plan, was designed to help you understand how your association is making AASHTO’s mission and vision a reality.

For more than 100 years, our association has shared best practices and embraced innovations. AASHTO has evolved in support of the interests and priorities of our member state departments of transportation and the communities they serve.

As you view this 2016 report, I think you will see that AASHTO’s activities have never been more diverse and strenuous in support of your efforts to improve safety, enhance our quality of life and support an expanding economy.

Sincerely,

Bud Wright
Executive Director
AASHTO Leadership

Bud Wright
Executive Director

Jim Tymon
Chief Operating Officer/Director of Policy and Management

Joung Lee
Policy Director

Jenet Adem
Director of Finance and Administration

King Gee
Director of Engineering and Technical Services

Erin Grady
Director of Publications Production

Lloyd Brown
Director of Communications

Monica Russell
Director of Meetings and Member Services

Jim McDonnell
Program Director for Engineering

Jan Edwards
AASHTOWare Project Director

Steve Lenker
Director, Construction Materials Reference Labs
STRATEGIC GOALS
Supporting the Priorities of a Diverse Association

The American Association of State Highway and Transportation Officials continued during 2016 to advance its century-long legacy of collaboration and innovation. Against the backdrop of the FAST Act, the first long-term federal surface transportation bill in a decade, AASHTO and its members focused on improving project delivery, encouraging ongoing innovation and anticipating technological and society changes that could completely reshape the future of mobility in the United States and beyond.

As an association, AASHTO managers and staff ensured that their work supported the 2014–2019 strategic plan, which was approved by the AASHTO Board of Directors in 2014. The strategic plan outlined four strategic goals for the organization:

• Be a Leader in National Transportation Policy Development
• Provide Value to Members
• Provide Innovative Technical and Professional Services and Products
• Communicate the Value of Transportation

This report outlines how AASHTO managers and staff supported those goals in 2016.
AASHTO strongly and purposefully took actions during 2016 to maintain its leadership role in national transportation policy.

With the December 2015 passage by Congress of the Fixing America’s Surface Transportation Act, AASHTO quickly shifted from a posture of seeking multiyear surface transportation legislation to helping implement the new law to bring investment and mobility benefits to all states as quickly as possible. To this end, AASHTO played a critical role in shaping the regulations and federal guidance—before they were finalized—that were based on the FAST Act and its predecessor MAP-21 law from 2012.

But with an eye toward longer-term policy, and the opportunities to be offered by the election of a new U.S. president and Congress, AASHTO also helped shape a national discussion on the need for more substantial—and sustainable—investments in the nation’s transportation system.

Beyond the FAST Act, AASHTO staff and members worked on issues in a 2016 congressional reauthorization of the Federal Aviation Administration, and worked with both chambers on their separate water-projects bills. The flood control and navigation projects could affect many states and their DOTs; Congress successfully passed the two-year Water Infrastructure Improvements Act for the Nation which includes the traditional Water Resources Development Act.

**FAST Act analysis and implementation plan.** Early in the past year, state DOTs first needed to know how the FAST Act would affect them—how much funding it provided for the mainstay formula highway and transit programs, plus the rail programs it authorized and such new provisions as freight project funding and a large new category of infrastructure grants.

AASHTO’s policy staff experts developed detailed breakdowns of FAST Act sections and made them publicly available on a new AASHTO website called the FAST Act portal, held a well-attended webinar that guided our DOT members through the law’s provisions and reported the developments through news stories in the AASHTO Journal and Daily Transportation Update.

From its passage that December until federal agencies released official guidance documents and notices of funding availability over the following weeks and months, AASHTO worked closely with the USDOT to advise state members on the schedule for issuing those critical documents on how federal agencies would implement FAST Act programs or trigger the grant applications process.

In March, members of AASHTO’s Reauthorization and Implementation Steering Committee—comprised of chief policy officers from state DOTs—developed a comprehensive...
FAST Act implementation plan that sought to address concerns and issues resulting from the new law. This committee plan served as the basis of productive discussions between senior USDOT and AASHTO leadership, and provided a regular platform to monitor implementation progress.

**Earmarks.** During this same period, Congress through a separate fiscal 2016 appropriations bill made available about $2 billion in decade-old, unused congressional earmark funds for states to apply to other project needs. That measure, which Congress also passed in December 2015, included another $500 million round of the USDOT’s annual TIGER infrastructure grants.

While awaiting the release by the Federal Highway Administration of documents that would specify the amounts of freed-up earmarks by state, AASHTO obtained a working document that provided those details. AASHTO promptly reported it to our state members, well ahead of FHWA release, so they would be able to know as soon as possible what earmark funding levels they would be able to repurpose.

By February, when state DOT executives gathered in Washington, D.C., for AASHTO’s annual legislative conference, state officials were still awaiting some important implementing documents for both the appropriations bill and FAST Act. Our state members and AASHTO officials together emphasized to federal officials that they needed this information in order to best plan for their 2016 capital programs as well as plan for subsequent years.

**Modest gains.** Another important role that AASHTO played in the wake of the FAST Act was to effectively communicate a realistic vision of what that legislation provides. In letters to the AASHTO board of directors, in news stories and other venues, AASHTO officials made clear that while the FAST Act provided important planning certainty for state DOTs with the first long-term project funding measure in a decade, its funding levels will simply not do much to improve overall mobility.

The FAST Act’s modest annual revenue increases will not be enough to effectively reduce the nation’s backlog of needed infrastructure projects, and it does not provide a long-term, sustainable revenue stream to the Highway Trust Fund.

AASHTO, along with other transportation investment-focused organizations, made the case so effectively that ahead of the November 2016 elections both major-party presidential nominees pledged to send major

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**IN FOCUS**

**FAST Act’s New Areas**

Under the FAST Act, Congress for the first time created dedicated freight funding programs within the Highway Trust Fund, and authorized passenger rail programs in the surface transportation reauthorization legislation that previously just covered highway and transit programs.

Out of the Highway Trust Fund, Congress allocated both formula funds directly to state DOTs for freight mobility projects and created a new category of freight-related competitive grants to be awarded by the USDOT, in all authorizing nearly $11 billion over five years in dedicated freight funds. These new federal programs enable states to continue playing a key role in how our nation plans infrastructure projects to improve the movement of freight, and in what projects will be completed.

During 2016, the USDOT sought applications to release the first two annual rounds of its so-called Fastlane grants totaling $1.65 billion dollars. It completed the fiscal 2016 awards and took early applications for the fiscal 2017 round so that they could potentially be awarded early in calendar 2017.

In addition, the FAST Act authorized more than $10 billion for intercity passenger rail grants, although its authorized passenger rail funding levels outside the Highway Trust Fund depend on appropriations committees to decide each year to adhere to those levels.

**Budget process.** The association’s leadership and policy staff had been deeply engaged in that 2016 appropriations process. It engaged heavily again as Congress worked on a fiscal 2017 spending bill before lawmakers in September 2016 passed a short-term extension that would initially continue the 2016 spending levels well past the October 1 start of the 2017 budget year.

That short-term measure at first delayed through Dec. 9 the scheduled highway and transit funding increases for 2017 that were already authorized and paid for by the FAST Act. After Donald Trump won the presidential election, Congress extended the 2016 spending levels through April 28, 2017, so that the new president would be able to help decide current-year budget issues after he takes office January 20.

Since some significant issues remained for state DOT programs, AASHTO remained watchful for developments that could lead to a final budget measure. For instance, the Senate’s version of a 2017 appropriations bill would strip away, or rescind, $2.2 billion in uncommitted contract authority of state DOTs and remove it only from certain highway programs. Over time, and paired with a larger 2020 rescission already built into the FAST Act, such a congressional action would eventually hurt the ability of state DOTs to plan for and make necessary investments.

AASHTO continues to work with Congress to make sure lawmakers and congressional staffs fully realize that rescinding uncommitted contract authority will translate into real-world cuts in actual funding levels from what Congress has authorized.

**Regulation.** AASHTO in 2016 submitted a number of formal comments on behalf of members in response to various regulatory proposals, some of which were implementing FAST Act and MAP-21 policies. Through these comments, AASHTO supported development of national standards that can improve the functioning and safety of national transportation system. But AASHTO was also direct in criticism of some proposals that would impose major new cost burdens or that would constrain the flexibility states need to carry out their mission of building transportation systems that respond to their residents’ mobility and safety needs in the most efficient manner.
Given the robust regulatory activity taking place following passage of the FAST Act, AASHTO developed a rulemaking tracker document to indicate the status of key federal actions of interest to state DOTs, updated on a monthly basis on the association’s FAST Act portal.

**System of the future.** Another way in which AASHTO exercised its policy leadership role during 2016 was to help explore and promote emerging mobility technologies, from use of aerial drones to inspect high bridges to working with members in their development of testing sites for autonomous vehicles. AASHTO committees and meetings provided opportunities for thought leaders in these and related fields of smart infrastructure to highlight new developments and share them with each other.

In 2016, AASHTO re-convened the Connected-Automated Vehicle Executive Leadership Team, a high-level forum for state DOT leaders and automaker representatives. The AASHTO-led executive leadership team is a unique state DOT and automaker forum that reflects the inter-disciplinary nature of connected and automated vehicles and supports a critical dialogue between the parties. During its 2016 meetings, the executive leadership team identified seven high-priority policy issues related to connected and automated vehicles for which white papers will be developed.
GOAL
Provide Value to Members

AASHTO offers a wide array of services to member agencies that are within the association’s normal dues-supported structure, from committee staff support and an active publishing schedule to national policy actions. It also provides numerous value-added “technical service programs” in which members may choose to participate with financial and technical support. Below are some highlights from 2016 on how AASHTO programs and special activities provided value to members.

Technical Leadership Initiatives for Safety
With a focus on one of the core values of AASHTO—transportation safety—AASHTO committees advanced two key initiatives aimed at improving traffic safety across the nation.

In one effort with far-reaching impact, the Highway Subcommittee on Design updated the association’s Manual for Assessing Safety Hardware during 2016 with a second edition to reflect improved safety hardware performance standards, and reached agreement with the Federal Highway Administration on a schedule to implement new crash-testing regimes. State DOTs and private contractors across the United States and in other nations closely follow AASHTO-developed standards for roadside safety technology, and the new safety hardware standards are expected to guide hardware manufacturing and purchase decisions throughout the industry.

And as automated vehicles and related technologies continue to grab headlines, AASHTO acted on the belief that greater safety and mobility benefits will come from connected technologies. The AASHTO board agreed with the leadership of various committees and took a tangible step to solve the chicken-or-egg dilemma of how to promote vehicle-to-infrastructure, or V2I, connectivity. It issued a challenge for infrastructure owners to broadcast “signal phase and timing” digital traffic signal information to equipped vehicles. The net result should be to accelerate V2I application deployment by the public sector, by automakers and others in the private sector. Without such action, automakers would be reluctant to build cars with the equipment to receive digital information about traffic signals. The board’s challenge reflects a new partnership initiative that AASHTO has embarked on with auto manufacturers, so that the safety benefits of connected vehicles can be realized sooner rather than later.
Publications

One of AASHTO’s most significant values to members is the high-quality technical publications the association offers through the AASHTO Bookstore, and 2016 saw it leverage the power of technology to expand its flexibility to more titles.

This was possible because in 2015 the Board of Directors had first authorized AASHTO’s online bookstore to distribute digital publications, when they become available, to members, associate members and the broader transportation industry.

This evolution over time toward digital and away from traditional print publication serves several purposes. It meets customer needs for faster topical updates and for use of electronic device tools such as text search while reducing production, warehousing and shipping costs.

Since January 2016, AASHTO produced 30 publications. Of these, the Bookstore released 27 in digital-only format, one as a print-only title and made two available in both digital and print versions. Among the most noteworthy of the digital publications was the manual commonly referred to as the Materials Book, but known formally as the Standard Specifications for Transportation Materials and Methods of Sampling and Testing and AASHTO Provisional Standards.

Other releases included the Manual for Assessing Safety Hardware, 2nd Edition, the Uniform Audit and Accounting Guide, plus two Stormwater Construction and Maintenance Field Guides, the 2015 Salary Survey, the Guide for Maximum Dimensions and Weights for Motor Vehicles, the Transportation Governance and Finance: A 50-State Review of State Legislatures and Departments of Transportation, and several updates to AASHTO’s Practitioner’s Handbooks.

In 2017, AASHTO is expected to release six new bridges and structures publications that are currently in production, including the LRFD Bridge Design Specifications, 8th Edition, as well as the Movable Bridge Inspection, Evaluation, and Maintenance Manual, 2nd Edition.

Training

AASHTO in 2016 continued to invest in developing both current and future leaders for the transportation sector.

Its TRAC and RIDES technical service programs help educate elementary, middle school and senior high students about careers in engineering and transportation. TRAC stands for Transportation and Civil Engineering, and aims to introduce middle and high school students to the working world of transportation, especially civil engineering, and inspire them to consider careers in those fields. RIDES (Roadways In Developing Elementary Students) is a K-5 program to help students use critical thinking skills to solve real-world problems and learn about careers in the transportation industry.

Half of AASHTO member states participated in TRAC and RIDES in 2016. The program ended the year in strong financial and organizational shape due to the support of participating state DOTs and sponsors. Training modules are currently being updated to meet the technological needs of the states.
To help further train officials already working in member DOTs, AASHTO held five sessions around the country of the National Transportation Management Conference—a weeklong training program for middle managers. Separately, the AASHTO National Transportation Leadership Institute, a two-week course for senior managers at Indiana University in Indianapolis, trained nearly 50 transportation executives. And, AASHTO re-started its executive-level policy training, signing an agreement with the Indiana University’s Executive Education School of Public and Environmental Affairs to manage the AASHTO National Transportation Advanced Leadership Institute—a weeklong program scheduled to take place in Washington, DC in April 2017.

Meetings and Member Services

**Associate Membership.** Over the past year, AASHTO added six associate member agencies, to bring the total to 52, and projects an anticipated growth rate in this category at or above the same rate over the next year.

**Knowledge Partnerships.** For the 2016 AASHTO Annual Meeting, the association created a new strategic partner-level sponsorship called “Knowledge Partners.” AASHTO provides an array of opportunities to create lasting relationships among its members; DOT leaders and transportation professionals connect through strategic partnerships, outreach efforts and sponsorships. Now, those Knowledge Partner companies can add various types of content collaborations by providing insight from consulting firms, financial services, manufacturing and specialized technology areas.
In addition, both Premier and Capitol corporate partners have the opportunity to participate at this level of sponsorship, above the current Premier- or Capitol-level sponsorship.

Overall, attendance was strong throughout the year at the various regular meetings including the Washington, D.C. legislative briefing in February, the AASHTO Spring Meeting in April in Des Moines, Iowa, and the AASHTO Annual Meeting in Boston in November. Committees also reported solid participation in their meetings around the country, which were important in shaping policy on a range of issues and developing the next generation of standards used throughout the industry.

Committee Restructuring

While AASHTO’s membership is comprised of 52 member departments and now 52 associate member organizations, AASHTO depends on the volunteer efforts of thousands of people who participate in more than 120 committees, subcommittees, technical committees, and technical service programs.

The 2014–2019 AASHTO Strategic Plan recognized that in order to be successful in the future, “AASHTO needs to become more nimble and adaptable while still representing the diverse views of its members.”

That prompted the board to establish a comprehensive committee review panel, led by 2015–16 AASHTO President Paul Trombino of Iowa and Treasurer/Secretary Carlos Braceras of Utah.

The panel conducted a yearlong consideration of options for changing the committee organizational structure, capped by a summer-long outreach in 2016 to AASHTO committee leaders and volunteers before designing a final plan.

The overarching goal of the procedural and structural changes is to ensure that AASHTO’s committees of DOT professionals from across the country are focused on the latest transportation needs and trends for the 21st century population, able to respond more nimbly to fast-evolving transportation issues and reflect increasing demands of the traveling public for multimodal mobility options.

In November 2016, the Board of Directors considered and approved a proposed updated committee organization (see chart on page 14) that:

- Realigns entities reporting to the Board of Directors and increases the multimodal focus of AASHTO.
- Creates a Transportation Policy Forum to which six modal councils and a Special Committee on Freight provide input on policy direction and technical needs.
- Establishes a Strategic Management Committee within the Board of Directors to provide top-down guidance and direction to the policy forum, councils and committees.
- Expands/combines the scope of some committees, reduces overlap in others, and introduces new topic areas.
- Groups committees based on their primary role within a typical transportation agency: program delivery and operations, enterprise/cross-discipline, and administration.

With the board’s strong approval, that committee restructuring effort will shift in the coming year to implementing the many changes the plan now requires. Two key principles will guide the implementation—sustaining the engagement of state DOT volunteers on committees even as the re-alignment takes place, and maintaining essential services and products that the current committees support.
Approved AASHTO Committee Structure

November 2016
AASHTO’s technical and professional service programs continued to evolve and innovate in 2016, led by new products, the rebranding of a 51-year-old program and the approval of a new TSP. As earlier noted, these value-added programs are available to member agencies that opt to participate in and financially support them.

In August 2016, what had been the AASHTO Materials Reference Laboratory since it was established in 1965 changed its name to “AASHTO re:source.” The updated name and branding reflects the high-quality services supporting the largest accreditation program in the world for labs that serve state DOTs and the construction materials industry.

During 2016, more than 1,900 materials laboratories took part in AASHTO re:source’s Laboratory Assessment and Proficiency Sample programs. While maintaining its traditional programs, AASHTO re:source is also planning to host its first “Technical Exchange” conference in March 2017, to give DOTs and industry professionals the opportunity to learn from experts and to share ideas with peers.

AASHTOWare®, AASHTO’s largest technical service program, increased efforts to market its rapidly updating suite of software products. The year began with its release of AASHTOWare Project Bids™, and AASHTOWare Project™ 3.01 became available in September. Additionally, AASHTOWare Right of Way Outdoor Advertising Control™ was released in July, available at no cost for a 120-day evaluation period for AASHTO member agencies. Other updates included AASHTOWare Pavement ME Design™, AASHTOWare Safety Analyst™, and AASHTOWare Bridge Management™ software packages.

AASHTO’s Innovation Initiative, a peer-to-peer effort to spread advancements in transportation technology, signed an agreement in 2016 with the Federal Highway Administration to manage and coordinate the development of innovative products with FHWA’s Every Day Counts program.

Several more technical service programs continued their cooperative efforts with federal partners.

In 2016 the Center for Environmental Excellence by AASHTO, which was developed in cooperation with the FHWA to promote environmental stewardship and encourage innovation to streamline the project delivery process, renewed its partnership with the FHWA for another five years. The center is designed to serve as a resource for transportation professionals at all levels of government seeking technical assistance, training, information exchange, partnership-building opportunities, and quick access to environmental tools.
AASHTO in 2016 further developed an educational partnership with the U.S. Department of Transportation that focused on helping state DOTs and their local partner agencies build project finance expertise. Known as the Build America Transportation Investment Center Institute: An AASHTO Center for Excellence—but commonly called BATIC—the U.S. DOT and AASHTO launched the program late in 2015 to offer technical training, sharing of best practices and technical assistance to help agencies leverage various types of project finance to enhance taxpayer value from transportation investments.

State DOTs and local agencies also benefited in 2016 from ongoing efforts to encourage and support implementation of innovative strategies and techniques developed through the second Strategic Highway Research Program, or SHRP2. AASHTO has partnered with the FHWA to manage the program’s implementation efforts. In 2016, SHRP2 issued $8 million in the final round of implementation assistance awards to help state DOTs and other agencies use 13 separate research products through 79 transportation projects. Through all seven rounds of such financial and technical assistance, SHRP2 disbursed more than $130 million to aid 430 projects in all 50 states plus Puerto Rico and the District of Columbia.

The National Operations Center of Excellence—a joint program of AASHTO, the Intelligent Transportation Society of America and the Institute of Transportation Engineers—in 2016 added a new director. The center continued to host webinars and peer exchanges that connect the traffic systems management and operations community with important topics such as performance measures, connected and automated vehicle infrastructure readiness, and traffic incident management.

The AASHTO Snow and Ice Cooperative Program, also called SICOP, was heavily involved in planning and participating in the Transportation Research Board’s “International Winter Maintenance and Surface
Transportation Weather Conference” in April 2016. The SICOP program identifies and funds high-priority winter maintenance research and technology transfer projects for AASHTO member agencies, the American Public Works Association and the National Association of County Engineers. In 2017, the program will co-sponsor the “6th National Winter Maintenance Peer Exchange,” which will include updates of all the major research completed and underway involving winter maintenance.

The Board of Directors in November also approved creation of AASHTO’s 20th technical service program. This new TSP will support and facilitate the work of design-focused technical committees that produce and update more than 30 publications, including the association’s flagship A Policy on Geometric Design of Highways and Streets, a title that is heavily used and more commonly known throughout the industry as the Green Book. Supporting such efforts with a new TSP will provide for a more structured and regular production of publication updates, helping develop high-quality and timely technical specifications, standards and guidance in the design arena.

Research remains a critical aspect of AASHTO’s ability to provide innovative technical and professional services. The AASHTO Standing Committee on Research approved more than $32 million in research projects, which will be overseen by the National Cooperative Highway Research Program. In 2016, the research committee established a greater emphasis on implementing research results, setting aside $2 million annually for implementation efforts.

AASHTO members continued their interest in passenger train services, and the association in 2016 helped establish a State-Amtrak Intercity Passenger Rail Committee. AASHTO also agreed in 2016 to continue to provide, in partnership with the Federal Railroad Administration, the AASHTO Rail Resource Center. That online portal allows state DOTs to share information on shared-use passenger and freight rail operations.

IN FOCUS

Transportation Planning Products

AASHTO’s Census Transportation Planning Products technical service program marked a significant achievement in September 2016. The U.S. Census Bureau approved, accepted and agreed to produce the CTPP’s voluminous, customized data request for a new five-year look at how people in the nation travel to and from work.

The Census Bureau’s response capped a long internal effort involving 18 months developing the data request. The resulting data will be a heavily used set of specialized, interactive tables that detail thousands of instances of commuting behaviors. It will still take about two years for the agency to supply the requested material for the 2012-2016 period. But then every state department of transportation, plus hundreds of metropolitan planning organizations, transit agencies, consultants and academics will be able to tap into the customized AASHTO commuting data.

AASHTO partners with the member departments to support the development of special census products and data tabulations for transportation, which are key inputs to a variety of state, regional, and local transportation policy and planning efforts. These census transportation data packages have proved invaluable in understanding characteristics about where people live and work, their journey-to-work commuting patterns, and the modes they use for getting to work.
GOAL

Communicate the Value of Transportation

AASHTO pursued an aggressive communications strategy over the last year—from enactment of the FAST Act on Dec. 4, 2015 and throughout 2016—as it directed messages to its own members, to regulators, to the broader public and to the lawmakers and staffs on Capitol Hill.

Much of that messaging took the form of voicing clear positions through public formats, but some involved crucial, behind-the-scenes work. Eventually the communications efforts involved AASHTO policy staff working with presidential transition teams, before and after the Nov. 8 elections, to get ready for potentially major infrastructure funding packages that both major party candidates proposed to offer early in 2017.

All of the AASHTO effort to communicate the value of transportation was aimed at spreading word about the value of transportation infrastructure investments to the mobility, safety, economic progress and quality of life of the U.S. population.

Sometimes that meant helping explain the extent of the funding need for projects, compared with the way most federal legislation traditionally makes relatively small increases. Sometimes it meant vigorously defending the traditional federal/state partnership for most types of transportation investment, a system that hinges on providing maximum flexibility to state governments to work with communities to channel federal funds to achieve the best results. Sometimes meeting the communications goal meant giving special attention to developments inside states, many of which were taking bold action to increase their own funding levels while some were taking tough steps when funds were just too tight.

Communicating with the public requires working through AASHTO’s own direct news-generating resources, and working with news agencies.

The communications team in 2016 again utilized periodic background meetings and on-the-record interviews between reporters and top AASHTO officials, news releases and opinion pieces from the executive director, and its own coverage of news developments in the staff-produced weekly AASHTO Journal, in a Daily Transportation Update selection of news headlines and in video reports from AASHTO’s Transportation TV. It also generated extensive news coverage of stories that originated with the AASHTO Journal, and of the America’s Transportation Awards that highlight the best new work each year by member state agencies.
Examples

✦ On Dec. 4, 2015, the same day President Obama signed the FAST Act into law, Executive Director Bud Wright and Chief Operating Officer Jim Tymon talked with TTV about the five-year authorization of surface transportation programs that Congress passed the day before. They noted that the bill provided certainty about federal programs for the first time in years, and allowed some funding increases, but that it was not a long-term solution to the revenue shortfalls of the Highway Trust Fund.

✦ In mid-December, Wright convened a meeting of AASHTO policy and communications officials to shape association communications and talking points about the legislation. One aspect was to counter the notion that the first such major legislation in a decade would solve the nation’s congestion problems, or that it represented a major funding boon to state DOTs. On Dec. 18, 2015, Wright told the AASHTO Journal that the FAST Act’s funding levels were “not a windfall” for states, many of which continued to face challenges to pay for projects they need. “That new law’s modest revenue increases won’t go far in chipping away the huge backlog of needed transportation project investments,” he added.
AASHTO top executives and policy experts conducted a 90-minute webinar on Jan. 7, 2016, to explain the new FAST Act. The event drew an estimated 1,000 participants from across the nation, including state DOT officials and others from the transportation community.

As state DOTs awaited details from the Federal Highway Administration on how much money they might each receive from the restoration of decade-old, unused earmark funds through the 2016 appropriations bill, the AASHTO Journal on Jan. 22 reported key details from a list AASHTO staff obtained. That news report became the most-read AASHTO Journal story of the year.

To highlight the use of innovative and cost-saving technology by state DOTs, the AASHTO media relations manager surveyed the agencies on how many were using or testing aerial drones to help inspect hard-to-reach infrastructure such as high bridges. That led to a March 27 press release reporting the results, which in turn spurred a number of news stories in states where agencies were using unmanned aerial vehicles.

Executive Director Wright penned an opinion piece that ran May 16 in The Hill newspaper, which covers national policy issues in Washington, D.C. In it, Wright called for voters and candidates in the 2016 elections to face up to the nation’s transportation needs—by urging voters to demand how potential office-holders would deal with the investment gap and candidates to detail their action plans. The op-ed ran on the first day of a nationwide “Infrastructure Week” focus on project investment needs.

On May 25, 2016, Federal Highway Administrator Gregory Nadeau and AASHTO Executive Director Bud Wright signed an accord under which their two organizations are pooling resources to spur innovation that can help deliver infrastructure projects faster and often at less cost.

In many ways the agreement formalizes longstanding relationships and ways that the FHWA and state DOTs through AASHTO have worked together on national efforts.

The AASHTO Innovation Initiative, which has operated on behalf of state DOTs under the association’s Standing Committee on Highways, pledged in the document to cooperate with and support the FHWA’s Center for Accelerating Innovation, which takes the lead in implementing the agency’s “Every Day Counts” push to speed more projects through the pipeline and spread their economic benefits sooner.

The accord also says the FHWA will provide up to $200,000 a year in funding to the AASHTO program to support testing and pilot or demonstration projects to evaluate potential innovations of mutual interest. That funding is subject to availability, and the two organizations will need to first produce formal cooperative agreements to obligate the funds and outline more terms of the partnership—such as setting out conditions for work performed and progress reporting, and the federal cost share.

FHWA, AASHTO Cooperate on Innovation Efforts
The communications team worked closely with policy staff to make sure the public knew the importance of formal comments AASHTO filed on pending regulatory proposals. An Aug. 19 AJ story about AASHTO warning how a proposed federal rule “would overwhelm” states and metropolitan planning organizations drew heavy readership during the normally slack August news cycle.

AASHTO used the Daily Transportation Update and social media to magnify the reach of its original news efforts, repeating important AJ and TTV coverage to an audience larger than ever, which followed AASHTO on Twitter, Facebook, Instagram and LinkedIn.

AASHTO also increased its work with other transportation professionals, which helps different agencies and associations support each other by sounding similar messages on safety, funding needs, project innovations and other issues. AASHTO was a founding organization of the Surface Transportation Communicators of DC. AASHTO’s own TransComm committee had a near record number of attendees at its September meeting in Charleston, W.Va. And the communications team continued in 2016 to conduct media training sessions for state DOT officials.

AASHTO devoted considerable attention to its America’s Transportation Awards program, working closely with individual DOTs and with their regional groups to promote the program, the winning contestants in each region and the competition for two national awards. That generated extensive local news reports and prompted many DOTs to issue their own press releases noting their ATA awards for special projects. It was a record year for program participation, as 41 state DOTs nominated 84 projects.
AASHTO continues to be committed to serving state DOTs through policy development, technical services and leadership development in a fiscally responsible manner.

At the 2016 AASHTO Spring Meeting in Des Moines, the Executive Committee approved AASHTO’s $78 million fiscal year 2017 budget. The Executive Committee also created a reserve fund and adopted a budget policy of maintaining a balance in the reserve fund of at least 50 percent of AASHTO’s annual operating expenses. The reserve fund was established after an Executive Committee task force in 2014 assessed the association’s long-term financial outlook and developed principles and budget policies that, to the extent possible, maximized budget stability and minimized budget risks. The budget task force determined the association is on firm financial footing but recommended establishing a reserve fund equal.

In order to create the reserve fund without cutting existing AASHTO programs, the Board of Directors approved a 10 percent increase in AASHTO dues. It was the first dues increase since 2009 and resulted in member DOTs paying on average an additional $5,000 a year in dues.

The FY2017 budget is outlined in three categories: Technical Service Programs, AASHTOWare and Operations. Currently, more than 80 percent of AASHTO’s budget is dedicated to delivery and maintenance of the AASHTOWare suite of software products, technical service programs and the execution of federal contracts, which are all fully supported on a fee-for-service basis or through pooled funds.

The cost for a state DOT to participate in each technical service program is set by the AASHTO Board of Directors at a level intended to cover expenses associated with running that program. Similarly, the fee for each AASHTOWare software product is determined by the cost to support and maintain that program, allowing agencies to pool their resources to produce software at a significant cost savings.

The Operations category, which makes up 20 percent of the budget, includes the following subcategories: Publications, Communications, Committee Support, Policy and Legislative Support, Meetings, Administration and Special Projects. Revenue from dues, sponsorships, publications and investment income is used to cover Operations budget expenses associated with personnel costs, meetings, overhead and the cost to produce publications.
AASHTO currently holds approximately $33 million in reserves. However, it is important to note that $26 million of that total is designated to be used for technical service programs and AASHTOWare future activities, for which the revenue was originally collected. Another $7 million of the reserves is dedicated to the newly created AASHTO reserve fund.

### AASHTO Budget Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Audited Actual FY 2015</th>
<th>Approved Budget FY 2016</th>
<th>Approved Budget FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Operations Revenue</td>
<td>13,537,158</td>
<td>14,086,796</td>
<td>13,759,779</td>
</tr>
<tr>
<td>Core Operations Expense</td>
<td>12,219,351</td>
<td>13,766,672</td>
<td>13,651,514</td>
</tr>
<tr>
<td>Unrealized Gain/(loss)</td>
<td>(1,871,383)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>(553,576)</td>
<td>320,124</td>
<td>108,264</td>
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<tr>
<td>AASHTOWare Revenue</td>
<td>33,287,271</td>
<td>44,408,445</td>
<td>32,827,585</td>
</tr>
<tr>
<td>AASHTOWare Expense</td>
<td>33,287,271</td>
<td>44,408,445</td>
<td>32,827,585</td>
</tr>
<tr>
<td>Revenue Gain/(Loss)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Technical Services Revenue</td>
<td>27,681,291</td>
<td>30,652,212</td>
<td>31,434,078</td>
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<tr>
<td>Technical Services Expense</td>
<td>25,871,493</td>
<td>29,831,538</td>
<td>30,402,912</td>
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<tr>
<td>Revenue Gain/(Loss)</td>
<td>1,809,799</td>
<td>820,674</td>
<td>1,031,166</td>
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<tr>
<td>Total Net Revenue Gain/(Loss)</td>
<td>3,127,606</td>
<td>1,140,798</td>
<td>1,139,430</td>
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<tr>
<td>Unrealized Gain/(loss)</td>
<td>(1,871,383)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total Net Revenue Gain/(Loss)</td>
<td>1,256,223</td>
<td>1,140,798</td>
<td>1,139,430</td>
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</tbody>
</table>

#### AASHTO Reserves:

<table>
<thead>
<tr>
<th>Category</th>
<th>Audited Actual FY 2015</th>
<th>Approved Budget FY 2016</th>
<th>Approved Budget FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undesignated–Operations</td>
<td>6,718,813</td>
<td>7,038,937</td>
<td>147,201</td>
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<tr>
<td>Designated–Reserve Fund</td>
<td>—</td>
<td>—</td>
<td>7,000,000</td>
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<tr>
<td>Designated–AASHTOWare</td>
<td>15,292,527</td>
<td>15,292,527</td>
<td>15,292,527</td>
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<tr>
<td>Designated–Tech. Service Programs</td>
<td>10,260,733</td>
<td>11,081,407</td>
<td>12,112,574</td>
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<tr>
<td>Total Net Assets</td>
<td>32,272,073</td>
<td>33,412,871</td>
<td>34,552,302</td>
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</tbody>
</table>