



#### **Doing more with less:** economically-efficient management of pavement networks

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### The US is not sufficiently investing in its ailing road system

21% of the US highways are in poor condition



Investment in Surface Transportation Is Not Keeping Up With Needs:

estimated funding: \$941 Billion

total needs: \$2.042 Trillion





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### **Governments are being forced to do more with less**



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Gas Taxes Fail to Keep Up Because most states do not tie their gasoline tax to inflation, taxes are worth less over time. Increased fuel efficiency also means consumers are using less gas.

Sources: American Petroleum Institute; Tax Policy Center

### Infrastructure spending is at an all-time low

#### More Potholes? This Might Be Why.

Infrastructure spending as a percentage of G.D.P. has fallen to the lowest level in decades.



# The New York Times Public Works Funding Falls as Infrastructure Deteriorates

By BINYAMIN APPELBAUM AUG. 8, 2017



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Source: U.S. Census Bureau

A water main and sewer renovation project in Somerville, Mass., this month. Public works projects have slowed across the country. Brian Snyder/Reuters

Life cycle cost analysis is a key element of addressing infrastructure funding gap

### ASCE GRAND CHALLENGE

Reduce life cycle costs by 50% by 2025\*

Areas of focus

- Resilience
- Innovation
- Life cycle costs
- Performance standards



\*\$4.6 trillion needed in infrastructure investment by 2025 \$2 trillion is unfunded



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## Asset management allocation tools are critical to economically-efficient infrastructure



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### Solutions to Raise the Grade

Fix the federal Highway Trust Fund by raising the federal motor fuels tax, and explore alternative, long-term funding mechanisms.

Increase investment at all levels of government to reduce the backlog of rehabilitation needs. Use asset management best practices to prioritize projects and improve the condition, security, and safety of assets while minimizing costs over its entire life span.

## **Tools for economically-efficient management of pavement networks**

# Competitive Paving Prices

# Life Cycle Cost Analysis

# Asset Management



### **Does the presence of competition between material** substitutes impact pavement material prices?

Statistical analyses of Oman BidTabs\* data using these parameters:

- Project size (quantity)
- State market size (annual spending)
- Price adjustment clauses (asphalt only)
- Number of bidders (intra-industry competition)
- Dominant market share -(% spending on AC; inter-industry competition)

**10-Year Average Percent Spending on AC** 



\*2005-2015, 47 states, 298k pay items, 164k jobs



#### Statistical model shows large impact of inter-industry competition





## Lower unit-prices for bid items are correlated with increased concrete spending



### Increased competition can translate into more paving



## **Tools for economically-efficient management of pavement networks**

# Competitive Paving Prices

# Life Cycle Cost Analysis

# Asset Management



### LCCA – Life-cycle cost analysis: Method for evaluating total costs of ownership





#### **CSHub created probabilistic cost estimates for entire life-cycle**





### **CSHub conducted LCCAs for a wide range of scenarios**



#### 3 Traffic Levels

- Rural local street/highway
- Rural state highway
- Urban interstate

## Several framing conditions

- Pavement designs
- Maintenance
   schedules
- Design life
- Analysis period Slide 15



### Life cycle matters

Future costs can be significant



Flexible pavement design developed by Applied Research Associates (ARA), Inc,: AADTT 1k/day; 4 lanes; Wet-no-freeze-FL; FDOT-based rehabilitation schedule; Analysis period = 50 years.



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#### **Context matters**

Costs vary with location, traffic level, & pavement design



### Life cycle perspective alters relative competitiveness



### There is significant variation in initial costs



#### **Capture drivers of initial cost and variation through statistical models**



### **Probabilistic analysis provides insight on relative risks**



## **Tools for economically-efficient management of pavement networks**

# Competitive Paving Prices

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# Asset Management



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FHWA has issued new performance management rules due to MAP-21

FHWA motivation: *improve decision-making* through performance-based planning and programming

Key elements of asset management plans:

- Life cycle planning
- Risk management analysis
- 10-year financial plan





### **Pavement network performance management process**



% Good	Pavement	Which strategies?
% Poor	Management	At what cost?
	System	

How to allocate funds to obtain best performance at lowest cost?



Pavement Segment	Pavement Condition Index
А	45
В	47
С	51
D	52
E	56
F	62
G	67

- How to prioritize which segments to repair?
- Will targets be met?
- Which strategies should be used?
  - Many short term fixes?
  - Few long-term fixes?



An optimization modeling approach is required to answer these questions: Performance-Based Planning **Goal of MIT asset management research: improve allocation decisions** 

Performance-based planning through Performance-based budget allocation



Objective: prioritize projects that maximize performance and minimize cost



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### Why is this a challenge?

The scale of the problem for state pavement networks is daunting

Making decisions about ... Thousands of pavement lane-miles ... which preservation, overlay, or reconstruction activity Dozens of technologies to maintain or replace pavements to apply to ... which segment Fixed budget at Future budget and road ... what time (now or future)? condition = ? **Budget Allocation** What is the best Allocating limited funds to the set of activities that meet the plan? goals of the network operator MIT CSHub Slide 27

### **How to Overcome the Challenge?**

Practical network allocation involves two interlinked tasks

### **Segment-level Decision**

 What is the best POR strategy for this segment? (This will involve a sequence of POR activities over time)

Network-level Decision (Allocation)

• What set of best POR strategies will give us the best **network performance** but still be within our budget?

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### **Implementing Two Stage Budget Allocation Algorithms**



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### **Case study – Iowa U.S. route system**

- Iowa PMS 2017
- 9,550 lane miles
- Pavement type: asphalt, asphalt overlay composite, and concrete
- Initial traffic-length weighted IRI (TWIRI) = 1.65 m/km
- Initial traffic-length weighted PCI (TWPCI) = 76.3



PCI distribution for U.S. route network in Iowa



### **Treatment strategies**



\*AC: asphalt concrete, PCC: Portland cement concrete

## **Excess fuel consumption of vehicles caused by pavement design and maintenance**



### **Key conclusion: leverage four strategies**

### Sufficient budget

### Mix of pavement types

## Mix of short and long-term fixes

### Long evaluation periods

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## **Sufficient budget:** increasing budget level improves network performance and reduces GHG emissions



## **<u>Mix of pavement types:</u>** Diverse materials improve network performance and reduce GHG emissions

- AC only strategy: maintain more pavement area, but treatment effects are short
- PCC only strategy: treatment effects are long, but maintain less pavement area



## <u>Mix of fixes:</u> Diverse treatment types improve network performance and reduce GHG emissions

- Short-term strategy: maintain more pavement area, but treatment effects are short
- Long-term strategy: treatment effects are long, but maintain less pavement area





### **Long evaluation periods: Treatment actions with long-term benefits improve network performance and reduce emissions**

- Segment analysis period (SAP) represents the period to evaluate benefits of treatments
- SAP=5: treatments with short-term benefits are preferable
- SAP=10: treatments with long-term benefits are preferable



### **Key conclusion: leverage four strategies**

### Sufficient budget

### Mix of pavement types

## Mix of short and long-term fixes

### Long evaluation periods

**Benefits increase with higher budgets** 

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### Data analysis can be challenging



Many segments exhibit a decrease in their IRI over time

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What is signal? What is noise?



### **Measure pavement roughness using Carbin app**



### **Crowdsourced data can support asset management**







#### Thank you

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