



# COGENCE Alliance

Owners + Architects + Engineers + Contractors

*Inspire. Educate. Unite.*



# Mission + Purpose

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**Cogence** *(Latin)*

**“To drive together” or “Thinking that is well organized”**

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The purpose of the Alliance is to bring Owners and Developers, Architects and Engineers, Construction Managers and Contractors, and Allied Industry Professionals together to **advocate** and be a **resource** for improved project delivery.

For more information visit us at [www.cogence.org](http://www.cogence.org)

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# 2022 Town Hall

## Sep. 27-28



# 2022 Town Hall

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# Agenda

- Introduction
- Today's Construction Market
- Presenter – Avery Pierson & Josh Prest
- Presenter – Michael Ciammaichella
- Presenter – Ahmed Abonamah
- Questions/Discussion
- Plus / Delta



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## Today's construction market

- Volatility – “The Contractor Squeeze”
- Interest rates
- Workforce availability
- Product and material availability, lead times
- Market drivers:
  - DEMAND

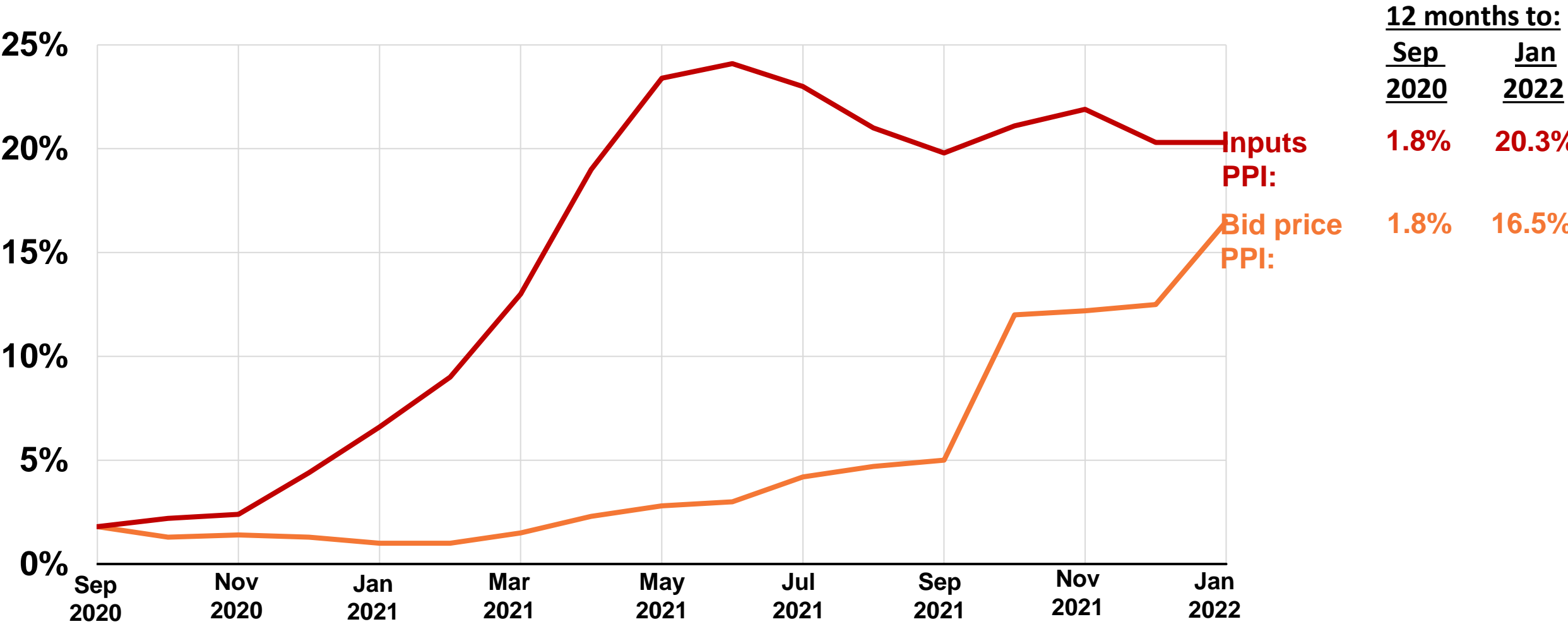


# Change in prices for inputs to new nonresidential construction

Year-over-year change in PPIs, Sep 2020 – Jan 2022, not seasonally adjusted



**AGC**  
THE CONSTRUCTION  
ASSOCIATION



| 12 months to: |      |
|---------------|------|
| Sep           | Jan  |
| 2020          | 2022 |

|                |      |       |
|----------------|------|-------|
| Inputs PPI:    | 1.8% | 20.3% |
| Bid price PPI: | 1.8% | 16.5% |

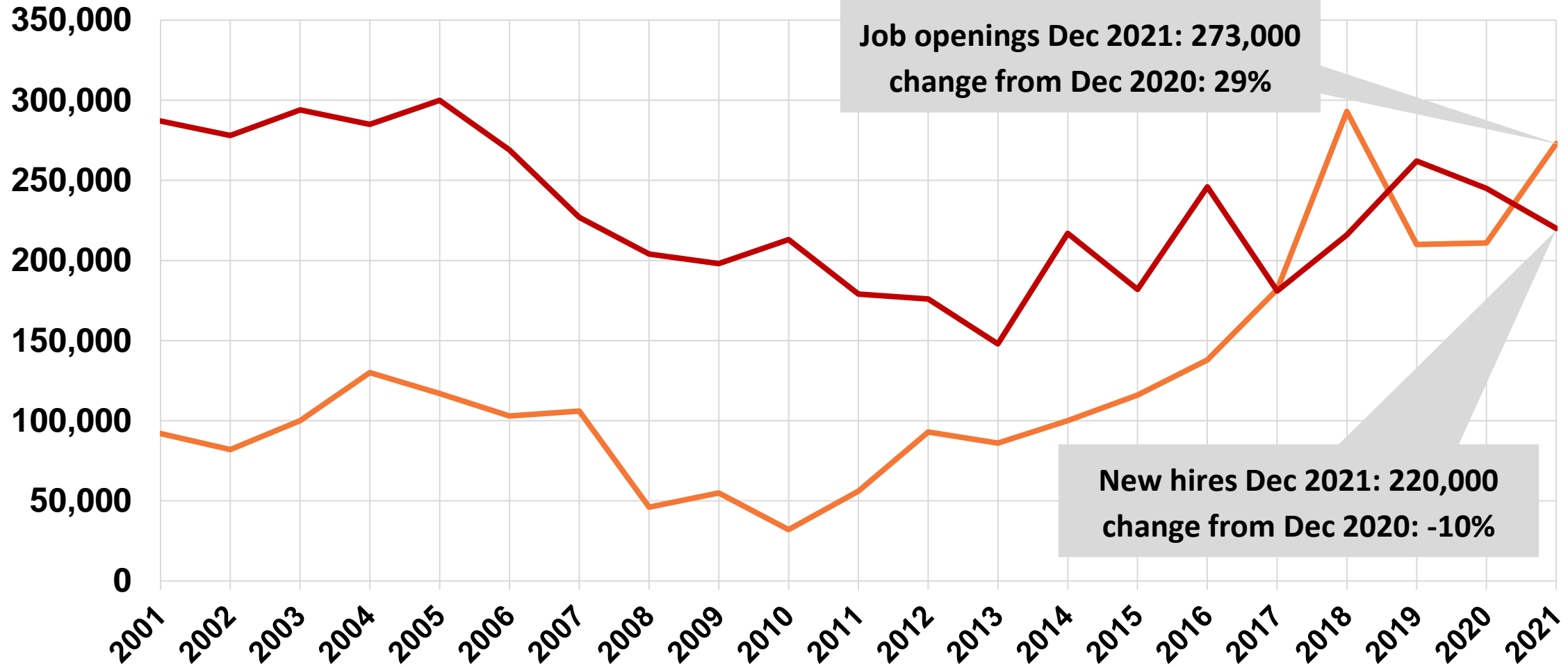


# Construction job openings and hires

Dec 2001-Dec 2021, not seasonally adjusted



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## **Market Drivers: The importance of policy**

- Monetary policy – monetary supply & interest rates**
- Fiscal policy – taxation and spending programs**



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## Market Drivers: Legislation

### American Rescue Plan Act of 2021

- \$1.9 trillion economic stimulus
- March 11, 2021
- Extended unemployment, paid leave, direct payments to individuals
- Grants to small businesses, state, local governments



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## Market Drivers: Legislation

### Infrastructure Investment and Jobs Act of 2021

- \$1.2 trillion investment
- November 15, 2021
- Highway, bridges, transit, research, rail
- Broadband, clean water, electric grid



## Construction spending: 2021 totals vs. 2020



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- Total 8%; private residential 23% (single-family 33%; multi 16%); private nonres -2%; public -4%

Largest segments (in descending order of 2021 spending)

- Power -0.1% (electric 1%; oil/gas fields & pipelines -5%)

- Highway and street 0.3%

- Education -9% (primary/secondary -7%; higher ed -14%)

- Commercial 4% (warehouse 16%; retail -8%)

- Office -6%

- Mfg. 9% (chemical 7%; computer/electronic 27%; transp. equip. -0.5%; food/beverage/tobacco 31%)

- Transportation -6% (air -10%; freight rail/trucking -6%; mass transit -0.7%)

- Health care 2% (hospital 5%; medical building 0.8%; special care -6%)

- Lodging -32%



# Avery Pierson & Josh Prest

Legislative Assistant & District Representative



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# Summary of the Bipartisan Infrastructure Law

\$540 billion in new spending for 2022-2026

- **Roads, Bridges, & major projects: \$110B** – Includes surface transportation reauthorization. Funds new, dedicated grant program to replace and repair bridges and increases funding for the major project competitive grant programs.
- **Passenger and Freight Rail: \$66B** – Provides funding for the Amtrak National Network for new service and dedicated funding to the Northeast Corridor, which has incurred a severe repair backlog. Increases funding for freight rail programs.
- **Safety and Research: \$11B** – Funds highway, freight, and pedestrian safety and research programs, as well as pipeline safety and repair.
- **Public Transit: \$39.2B** – Funds nation's transit system repair backlog, fleet and facility modernization, and service expansion
- **Broadband: \$65B** – Includes grants to states for broadband deployment and other efforts to close the digital divide. Expands eligible private activity bond projects to include broadband infrastructure.
- **Airports: \$25B** – Increases funds for Airport Improvement grant program for runways, gates, & taxiways as well as a new Airport Terminal Improvement program for terminals, concessions, and multimodal connections.
- **Ports and Waterways: \$17.4B** – Funding for waterway and coastal infrastructure, inland waterway improvements, port infrastructure, and land ports of entry through the Army Corps, DOT, Coast Guard, the GSA, and DHS.
- **Water Infrastructure: \$54B** – Provides a historic \$15 billion for lead service line replacement and \$10 billion to address PFAS. Includes Drinking Water State Revolving Fund.
- **Western Water Infrastructure: \$6B** – Funds for the Bureau of Reclamation western water infrastructure, including for aging infrastructure, rural water projects, water storage, and water recycling and reuse.



# \$540 billion in New Spending for 2022-2026

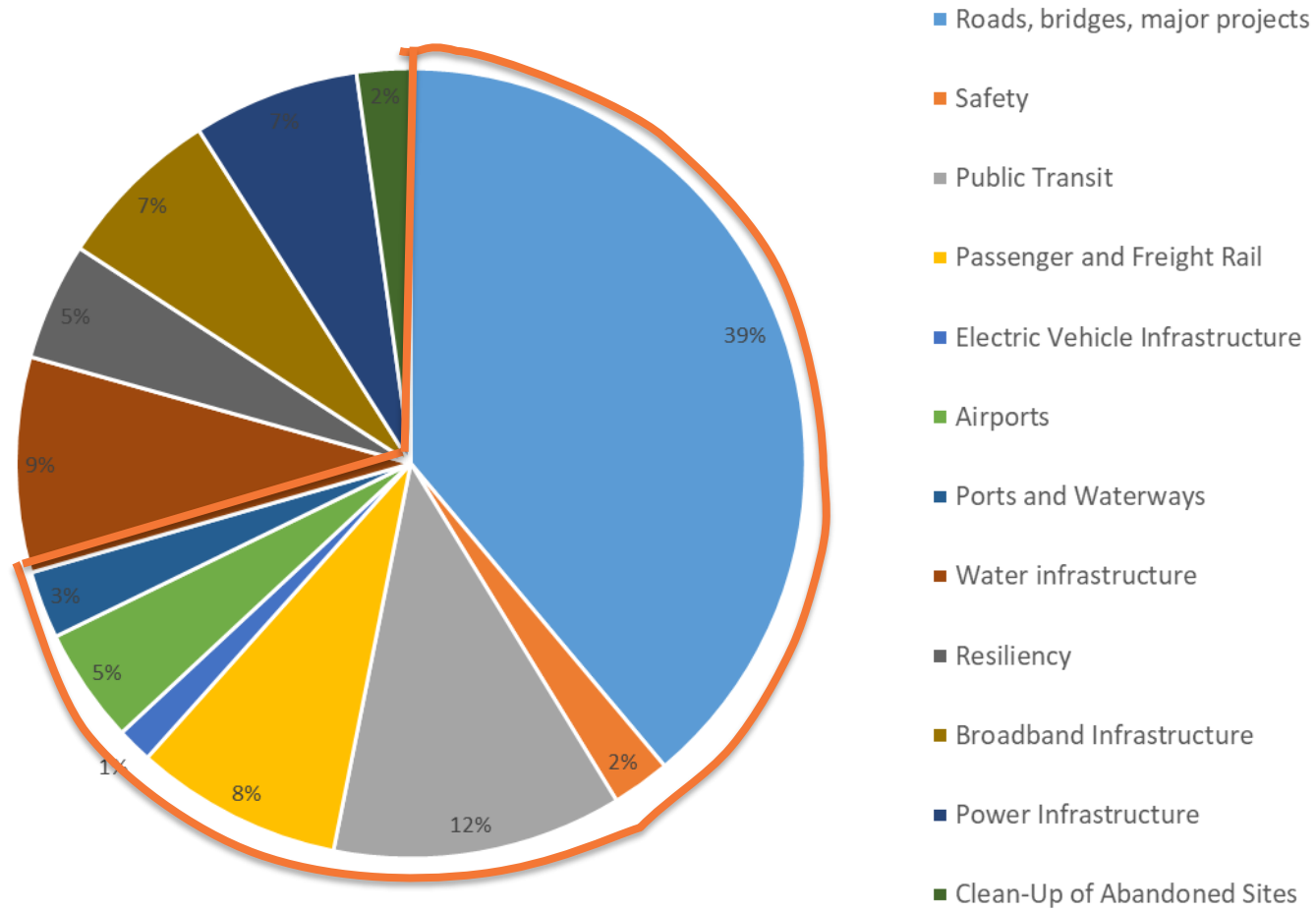
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- **Power and Grid: \$65B** – Includes funds for grid reliability and resiliency and support for a Grid Development Authority; critical minerals and supply chains for clean energy technology; key technologies like carbon capture, hydrogen, direct air capture, and energy efficiency; and energy demonstration projects.
- **Resiliency: \$46B** – Funding for cybersecurity to address critical infrastructure needs, flood mitigation, wildfire, drought, coastal resiliency, waste management, ecosystem restoration, and weatherization.
- **Low-Carbon and Zero-Emission School Buses & Ferries: \$6.25B** – Funds for the adoption of low-carbon and zero-emission school buses, including through hydrogen, propane, LNG, compressed natural gas, biofuel, and electric technologies. Provides support for a pilot program for low emission ferries and rural ferry systems.
- **Electric Vehicle Charging: \$7.5B** – Funds for alternative fuel corridors and to build out a national network of electric vehicle charging infrastructure to facilitate long-distance travel and to provide convenient charging where people live, work, and shop. The funding will have a particular focus on rural and hard-to-reach communities.
- **Reconnecting Communities: \$1B** – Funds for projects that remove barriers to opportunity caused by legacy infrastructure. The program will provide dedicated funding for planning, design, demolition, and reconstruction of street grids, parks, or other infrastructure.
- **Addressing Legacy Pollution: \$21B** – Funds to clean up brownfield and superfund sites, reclaim abandoned mine lands, and plug orphan oil and gas wells, improving public health and creating good-paying jobs.



# Core Infrastructure

Infrastructure Spending: \$973 Billion Over 5 Years







# What does this mean for Ohio?

Nearly \$3 billion in allocated funding announced so far

| PROGRAM NAME                                                     | AGENCY NAME | BUREAU NAME                     | ANNOUNCED FUNDING (\$) | CATEGORY                          |
|------------------------------------------------------------------|-------------|---------------------------------|------------------------|-----------------------------------|
| National Highway Performance Program                             | DOT         | Federal Highway Administration  | 951,025,810            | Roads, Bridges and Major Projects |
| Surface Transportation Block Grant Program                       | DOT         | Federal Highway Administration  | 462,661,205            | Roads, Bridges and Major Projects |
| Congestion Mitigation and Air Quality Improvement Program        | DOT         | Federal Highway Administration  | 104,335,142            | Roads, Bridges and Major Projects |
| Metropolitan Planning                                            | DOT         | Federal Highway Administration  | 15,281,866             | Roads, Bridges and Major Projects |
| National Highway Freight Program                                 | DOT         | Federal Highway Administration  | 46,486,316             | Roads, Bridges and Major Projects |
| Carbon Reduction Program                                         | DOT         | Federal Highway Administration  | 41,253,957             | Roads, Bridges and Major Projects |
| Bridge Formula Program                                           | DOT         | Federal Highway Administration  | 104,290,750            | Roads, Bridges and Major Projects |
| Appalachian Development Highway System                           | DOT         | Federal Highway Administration  | 18,530,495             | Roads, Bridges and Major Projects |
| Metropolitan Planning                                            | DOT         | Federal Highway Administration  | 1,764,849              | Roads, Bridges and Major Projects |
| Appalachian Development Public Transportation Assistance Program | DOT         | Federal Transit Administration  | 1,640,955              | Public Transportation             |
| Bus and Bus Facilities Formula Grants                            | DOT         | Federal Transit Administration  | 18,759,292             | Public Transportation             |
| Enhanced Mobility of Seniors and Individuals with Disabilities   | DOT         | Federal Transit Administration  | 22,019,430             | Public Transportation             |
| Formula Grants for Rural Areas                                   | DOT         | Federal Transit Administration  | 43,242,148             | Public Transportation             |
| Metropolitan Transportation Planning Program                     | DOT         | Federal Transit Administration  | 4,934,633              | Public Transportation             |
| Rural Transportation Assistance Program                          | DOT         | Federal Transit Administration  | 815,953                | Public Transportation             |
| State of Good Repair Grants                                      | DOT         | Federal Transit Administration  | 20,795,652             | Public Transportation             |
| State of Good Repair Formula Grants                              | DOT         | Federal Transit Administration  | 43,557,094             | Public Transportation             |
| Statewide Transportation Planning                                | DOT         | Federal Transit Administration  | 1,032,703              | Public Transportation             |
| Urbanized Area Formula Grants                                    | DOT         | Federal Transit Administration  | 185,001,265            | Public Transportation             |
| Airport Infrastructure Grants                                    | DOT         | Federal Aviation Administration | 50,798,720             | Airports                          |



# What does this mean for Ohio?

Nearly \$3 billion in allocated funding announced so far

| PROGRAM NAME                                             | AGENCY NAME | BUREAU NAME                                    | ANNOUNCED FUNDING (\$) | CATEGORY                  | CITY           | COUNTY    | PROJECT NAME                       |
|----------------------------------------------------------|-------------|------------------------------------------------|------------------------|---------------------------|----------------|-----------|------------------------------------|
| Highway Safety Improvement Program                       | DOT         | Federal Highway Administration                 | 98,401,295             | Safety                    |                |           | N/A                                |
| Railway-Highway Crossings Program                        | DOT         | Federal Highway Administration                 | 9,435,945              | Safety                    |                |           | N/A                                |
| Highway Safety Programs                                  | DOT         | National Highway Traffic Safety Administration | 4,143,351              | Safety                    |                |           | N/A                                |
| National Priority Safety Programs                        | DOT         | National Highway Traffic Safety Administration | 3,836,542              | Safety                    |                |           | N/A                                |
| Drinking Water State Revolving Fund                      | EPA         | Environmental Protection Agency                | 45,156,000             | Water                     |                |           | N/A                                |
| DWSRF Lead Service Lines Replacement                     | EPA         | Environmental Protection Agency                | 71,111,000             | Water                     |                |           | N/A                                |
| DWSRF Emerging Contaminants (incl. PFAS)                 | EPA         | Environmental Protection Agency                | 18,963,000             | Water                     |                |           | N/A                                |
| Clean Water State Revolving Fund                         | EPA         | Environmental Protection Agency                | 101,021,000            | Water                     |                |           | N/A                                |
| CWSRF - Emerging Contaminants                            | EPA         | Environmental Protection Agency                | 5,303,000              | Water                     |                |           | N/A                                |
| National Electric Vehicle Infrastructure Formula Program | DOT         | Federal Highway Administration                 | 20,739,853             | Electric Vehicles & Buses |                |           | N/A                                |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 228,000                | Ports and Waterways       |                | Delaware  | Alum Creek Lake                    |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 6,750,000              | Ports and Waterways       |                | Mahoning  | Berlin Lake                        |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 150,000                | Ports and Waterways       | Oregonia       |           | Caesar Creek Lake                  |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 530,000                | Ports and Waterways       | Springfield    |           | Clarence J Brown Dam               |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 38,000                 | Ports and Waterways       | Mount Sterling |           | Deer Creek Lake                    |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 4,525,000              | Ports and Waterways       |                | Delaware  | Delaware Lake                      |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 500,000                | Ports and Waterways       |                | Muskingum | Dillon Lake                        |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 15,000                 | Ports and Waterways       |                | Portage   | Michael J Kirwan Dam And Reservoir |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 150,000                | Ports and Waterways       |                | Trumbull  | Mosquito Creek Lake                |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 590,000                | Ports and Waterways       | Multiple       | Multiple  | Muskingum River Lakes              |
| Corps of Engineers Operation and Maintenance             | DoD         | Corps of Engineers – Civil Works               | 100,000                | Ports and Waterways       | Cincinnati     |           | West Fork Of Mill Creek Lake       |
| Watershed Rehabilitation Program                         | USDA        | Natural Resources Conservation Service         | 3,688,000              | Clean Energy and Power    |                |           | Margaret Creek Structure #1        |
| Watershed Rehabilitation Program                         | USDA        | Natural Resources Conservation Service         | 2,900,400              | Clean Energy and Power    |                |           | Margaret Creek Structure #6        |
| Weatherization Assistance Program                        | DOE         | Energy Programs                                | 172,384,124            | Clean Energy and Power    |                |           | N/A                                |
| Watershed Rehabilitation Program                         | USDA        | Natural Resources Conservation Service         | 633,833                | Clean Energy and Power    |                |           | Upper Hocking Structure #3         |

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# What does this mean for Ohio?

Nearly \$3 billion in allocated funding announced so far

| PROGRAM NAME                                                                                           | AGENCY NAME | BUREAU NAME                                          | ANNOUNCED FUNDING (\$) | CATEGORY                  | CITY           | COUNTY    | PROJECT NAME                                     |
|--------------------------------------------------------------------------------------------------------|-------------|------------------------------------------------------|------------------------|---------------------------|----------------|-----------|--------------------------------------------------|
| Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) | DOT         | Federal Highway Administration                       | 46,908,706             | Resilience                |                |           | N/A                                              |
| Orphaned Well Site Plugging, Remediation, And Restoration                                              | DOI         | Department-Wide Programs                             | 84,852,000             | Environmental Remediation |                |           | N/A                                              |
| Abandoned Mine Reclamation Fund                                                                        | DOI         | Office of Surface Mining Reclamation and Enforcement | 46,444,000             | Environmental Remediation |                |           | N/A                                              |
| Low Income Home Energy Assistance Program                                                              | HHS         | Administration for Children and Families             | 4,470,005              | Other                     |                |           | N/A                                              |
| Continuing Authorities Program                                                                         | DoD         | Corps of Engineers – Civil Works                     | 2,166,000              | Resilience                | Grand River    |           | Grand River, Bank St                             |
| Continuing Authorities Program                                                                         | DoD         | Corps of Engineers – Civil Works                     | 50,000                 | Resilience                | Port Clinton   |           | West Lakeshore Drive                             |
| Watershed And Flood Prevention Operations                                                              | USDA        | Natural Resources Conservation Service               | 55,000                 | Resilience                |                |           | PIFR – Upper Rush Creek                          |
| Watershed And Flood Prevention Operations                                                              | USDA        | Natural Resources Conservation Service               | 55,000                 | Resilience                |                |           | PIFR – Upper Rush Creek                          |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 7,700,000              | Resilience                |                | Stark     | MAGNOLIA LEVEE, BOLIVAR DAM                      |
|                                                                                                        |             |                                                      |                        |                           |                |           | OHIO & NORTH DAKOTA ENVIRONMENTAL INFRASTRUCTURE |
| Water-Related Environmental Infrastructure Assistance                                                  | DoD         | Corps of Engineers – Civil Works                     | 2,497,000              | Resilience                | Multiple       |           |                                                  |
| Coastal Storm Risk Management, Hurricane, And Storm Damage Reduction Projects                          | DoD         | Corps of Engineers – Civil Works                     | 250,000                | Resilience                | Ashtabula      |           | ASHTABULA HARBOR                                 |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 50,000                 | Resilience                | Mount Sterling |           | DEER CREEK LAKE                                  |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 1,989,000              | Resilience                |                | Muskingum | DILLON LAKE                                      |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 1,200,000              | Resilience                |                | Trumbull  | MOSQUITO CREEK LAKE                              |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 6,785,000              | Resilience                |                | Multiple  | MUSKINGUM RIVER LAKES                            |
|                                                                                                        |             |                                                      |                        |                           |                |           | NORTH BRANCH KOKOSING RIVER LAKE                 |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 4,493,000              | Resilience                |                | Knox      |                                                  |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 63,000                 | Resilience                | Bainbridge     |           | PAINT CREEK LAKE                                 |
|                                                                                                        |             |                                                      |                        |                           |                |           | ROSEVILLE LOCAL PROTECTION PROJECT               |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 330,000                | Resilience                | Roseville      |           |                                                  |
|                                                                                                        |             |                                                      |                        |                           |                |           | WEST FORK OF MILL CREEK LAKE                     |
| Inland Flood Risk Management Projects                                                                  | DoD         | Corps of Engineers – Civil Works                     | 93,000                 | Resilience                | Cincinnati     |           |                                                  |
| Watershed And Flood Prevention Operations                                                              | DoD         | Natural Resources Conservation Service               | 143,149                | Resilience                |                |           | Upper Hocking 3                                  |

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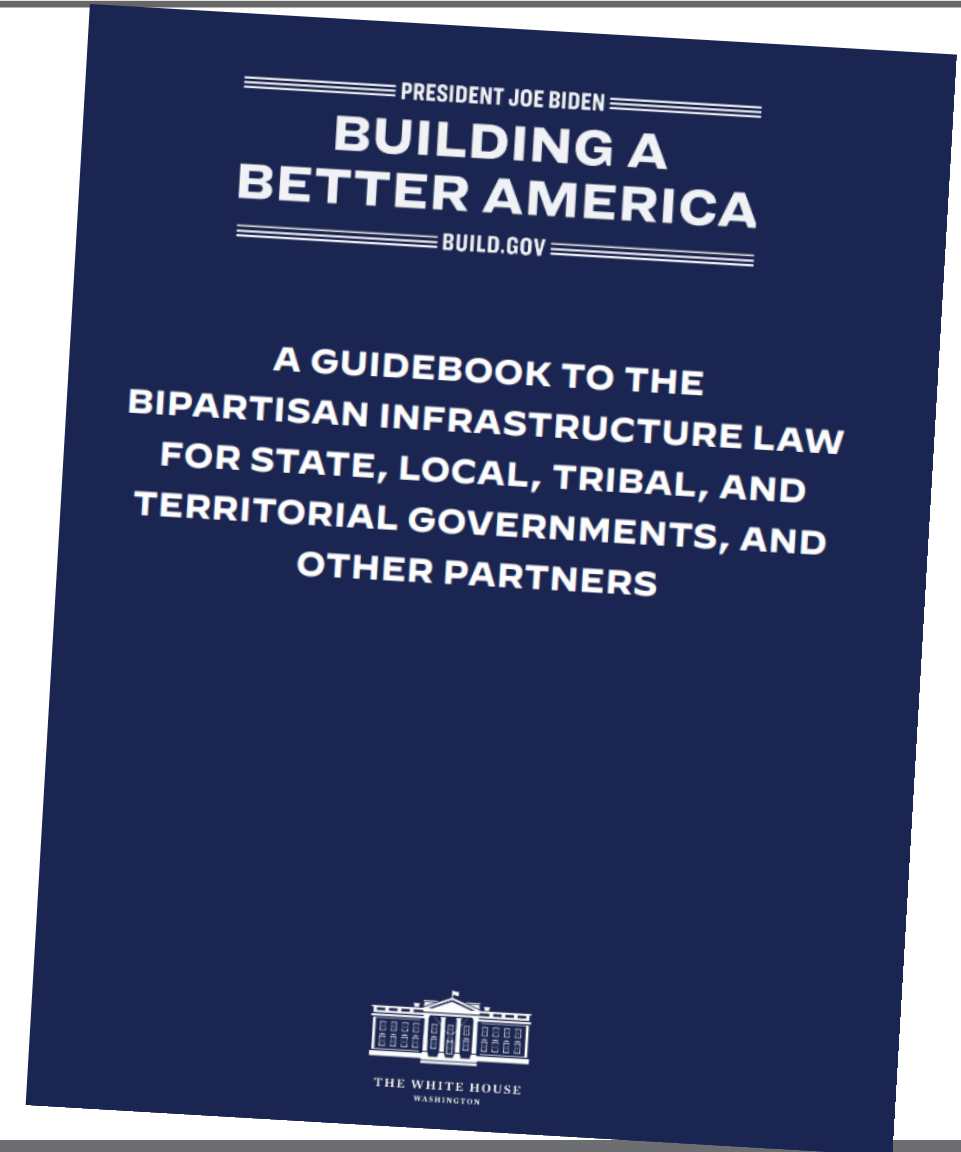
# Competitive Opportunities

| Agency         | Program Name                                          | Amount         |                                                                                                                                 |
|----------------|-------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------|
| <b>DOT/OST</b> | RAISE                                                 | \$1.5B (FY22)  | Applications due in April 14 <sup>th</sup> , awards issued by August 12 <sup>th</sup>                                           |
| <b>MARAD</b>   | Port Infrastructure Development Program               | \$450M (FY22)  | Applications due May 16 <sup>th</sup> , awards issued in the fall                                                               |
| <b>DOT</b>     | Mega Grants Program                                   | \$1B (FY22)    | Applications due May 23, 2022; awards issued in the fall                                                                        |
| <b>DOT</b>     | INFRA Grant Program                                   | \$1.55B (FY22) | Applications due May 23, 2022; awards issued in the fall                                                                        |
| <b>DOT</b>     | Rural Surface Transportation Grant Program            | \$300M (FY22)  | Applications due May 23, 2022; awards issued in the fall                                                                        |
| <b>FTA</b>     | Low-No Grant Program                                  | \$1.1B (FY22)  | Applications due May 31, 2022; awards issued in the fall                                                                        |
| <b>FTA</b>     | Bus & Bus Facilities Grant Program                    | \$372M (FY22)  | Applications due May 31, 2022; awards issued in the fall                                                                        |
| <b>FAA</b>     | Airport Terminal Grant Program                        | \$1B (FY22)    | Applications due by March 28 <sup>th</sup> , awards issued in July                                                              |
| <b>FCC</b>     | Affordable Connectivity Program                       | \$14.2B        | \$30/month subsidy available until expended                                                                                     |
| <b>DOE</b>     | Civil Nuclear Credit Program                          | \$1.2B (FY22)  | Not yet; DOE issued an guidance regarding the establishment of the program.                                                     |
| <b>DOI</b>     | Bureau of Reclamation Projects and Programs           | \$1.66B (FY22) | Spend plan submitted; various timing milestones for funding allocations                                                         |
| <b>DOI</b>     | Orphan Oil and Gas Well Remediation Program           | \$1.15B (FY22) | State allocations are determined, but states will need to officially apply for these funds; application guidance is forthcoming |
| <b>DOI</b>     | Abandoned Mine Land Reclamation Program               | \$725M (FY22)  | State allocations are determined, but states will need to officially apply for these funds; application guidance is forthcoming |
| <b>NTIA</b>    | Enabling Middle Mile Broadband Infrastructure Program | \$1B           | Applications open June 21, with applications due by September 30                                                                |
| <b>NTIA</b>    | Broadband Equity, Access, and Deployment Program      | \$42.45B       | State allocations based on FCC's Broadband DATA Act maps (est. Nov.); Letters of Intent due to NTIA on July 18 <sup>th</sup>    |



# Implementation

- There are 375 unique programs included in the law, 125 of which are brand new and spread across 9 different agencies. Over 90 percent of the funding in the law will be delivered, in the end, by states, localities, and other non-federal entities.
- Infrastructure Implementation Task Force
  - Co-chaired by Brian Deese and Mitch Landrieu
  - USDA, Commerce, DOE, DOL, DOI, and DOT; OMB, EPA, and OPM.
- State Infrastructure Coordinators
  - Nikki Gulliford, Direct of Federal Government Affairs for Governor DeWine
- [Build.gov](https://www.build.gov) and the White House Guidebook





# Michael Ciammaichella

Vice President Civil Division

The Ruhlin Company



# **Infrastructure Investment and Jobs Act - IIJA**

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- Passed November 15, 2021
- Also known as the Bipartisan Infrastructure Bill (BIL)
- \$1.2 Trillion in total spending over 5 years, 2022 through 2026
- Approximately \$550 Billion in additional spending
- Continuation for funding of \$700 Billion
- State of Ohio to receive approximately \$11.3 Billion in total
- ODOT \$9.7 B for transportation



# AGC summary of IIJA (BIL)

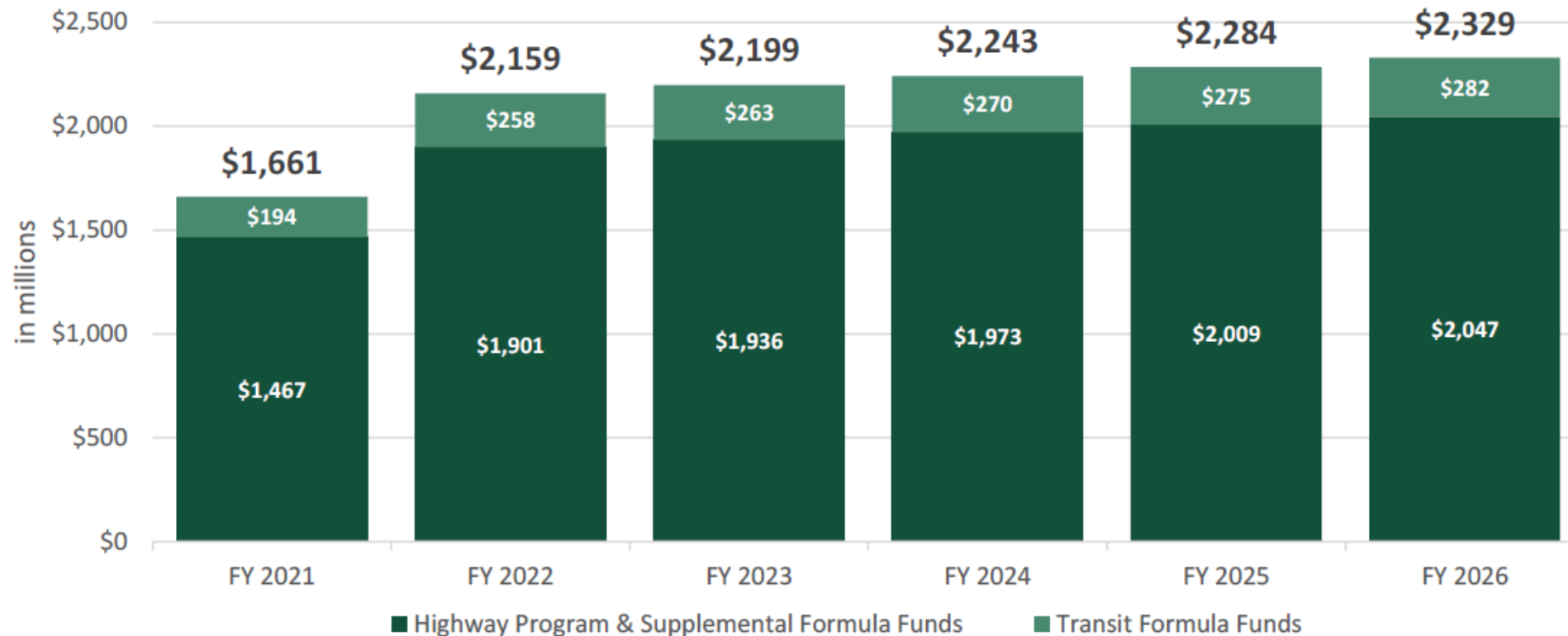
## BIPARTISAN INFRASTRUCTURE LAW

| New Infrastructure Investment*<br>*As widely reported, above baseline |        | New + Baseline Investment*<br>*Construction-oriented investment |          |
|-----------------------------------------------------------------------|--------|-----------------------------------------------------------------|----------|
| Roads and Bridges                                                     | \$110B | Roads and Bridges                                               | \$351B   |
| Power and Grid                                                        | \$73B  | Transit                                                         | \$106.9B |
| Passenger and Freight Rail                                            | \$66B  | Passenger and Freight Rail                                      | \$102.1B |
| Broadband                                                             | \$65B  | Water Infrastructure                                            | \$60.4B  |
| Water Infrastructure                                                  | \$55B  | Broadband                                                       | \$44.8B  |
| Resiliency                                                            | \$46B  | Airports                                                        | \$20B    |
| Transit                                                               | \$39B  | Ports and Waterways                                             | \$17B    |
| Airports                                                              | \$25B  | Power and Grid                                                  | \$17B    |
| Environmental Remediation                                             | \$21B  | Abandoned Mine Reclamation                                      | \$17B    |
| Ports and Waterways                                                   | \$17B  | EV Infrastructure                                               | \$7.5B   |
| Safety                                                                | \$11B  | Wild-Fire Resiliency                                            | \$7B     |
| Low Carbon Buses and Ferries                                          | \$7.5B | Culverts                                                        | \$4B     |
| EV Infrastructure                                                     | \$7.5B | FEMA Resiliency                                                 | \$1B     |





State Apportionments Under the IIJA and Continuing Appropriations Act, 2021



Source: Data from Federal Highway Administration, Senate EPW Committee. Highway includes core highway funds, supplemental bridge formula funds, and EV charging station formula funds. Transit includes formula grant funds.



The Infrastructure Investment & Jobs Act (IIJA) will provide **\$11.21 billion** for highway, bridge, and transit investment in Ohio over the next five years, including a **30 percent** funding increase in FY 2022.

As projects are completed over time, the overall transportation system will become more reliable for the traveling public. Businesses will also be more productive as their costs are lowered.

The positive impacts from IIJA-related construction activity will be felt quickly as work gets underway. A September 2021 report by IHS Markit, a world leader in critical information, analytics and solutions, quantifies the initial outcomes:

- IIJA investment to fix Ohio's roads and transit system will add an **additional \$2.37 billion** in state gross domestic product each year.
- The increased economic activity will benefit Ohio residents – disposable income will increase by \$895 million each year, an **average of \$182 per household**.
- State and local tax receipts will increase by an average of **\$417 million per year**. This is additional income that can be reinvested in the state, without any increase in tax rates.

Ohio IIJA Federal  
Highway Funds  
**\$9.87 billion**

Ohio IIJA Federal  
Transit Funds  
**\$1.35 billion**

FY 2022 Funding  
Increase  
**30%**  
vs. 2021

# Federal Formula Program Funds In BIL For Ohio – 5 year contributions

**\$11.3 billion**



Highways

**\$9.2**  
billion



Bridges

**\$483**  
million



Transit

**\$1.2**  
billion



Electric  
Vehicle  
Charging  
**\$140 million**



Airports

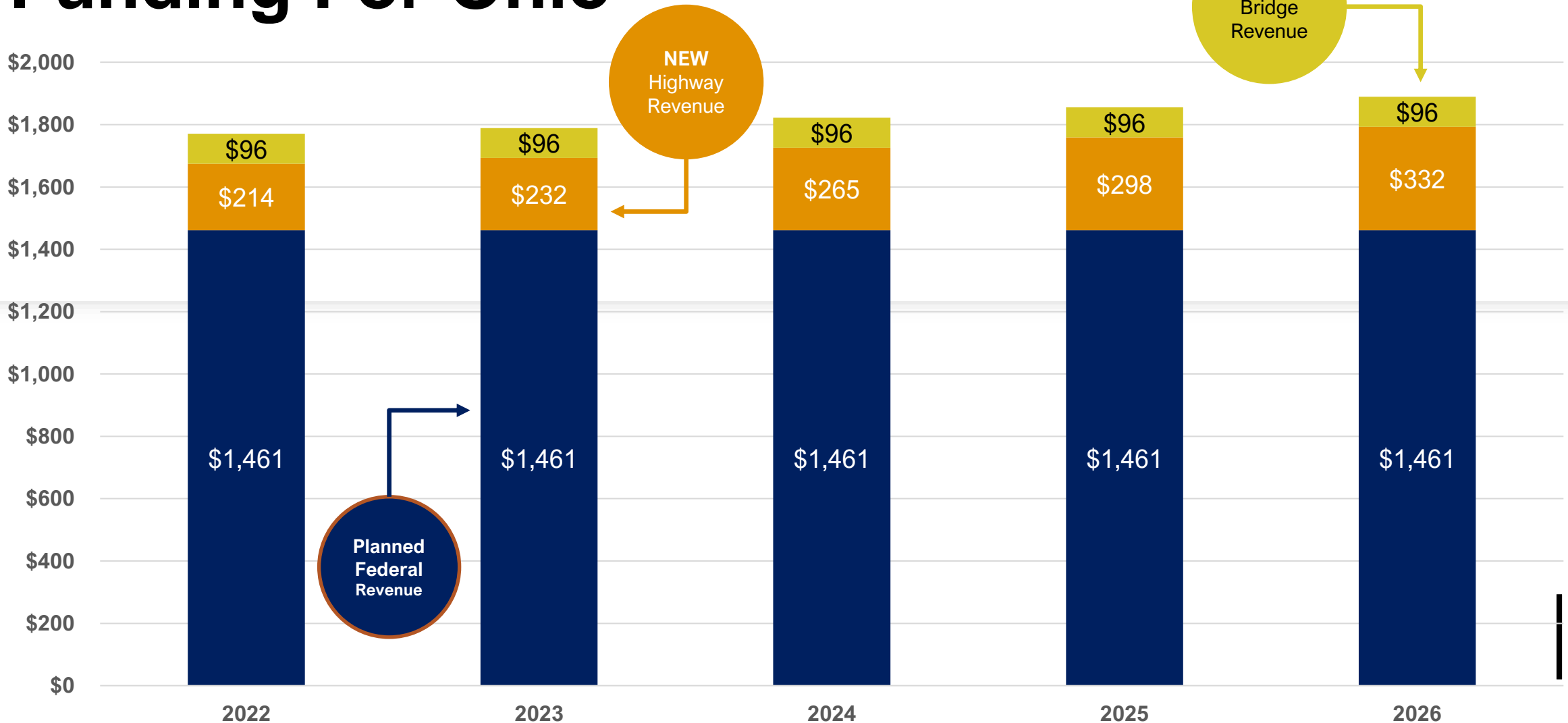
**\$253**  
million

**\$9.7 billion**

**\$1.6 billion**



# Bipartisan Infrastructure Law Funding For Ohio



# Ohio's Highway System

**Massive – Diverse – Complex!**



## **OHIO**

- 35th in the Nation in Size
- 7th in the Nation in Total Population
- 5th Largest Interstate System
- 5th in Total Vehicle Miles Traveled
- Single Day's Drive from 60% of the U.S. Population

# Ohio's Highway System

**Massive – Diverse – Complex!**



- 116,000+ miles of highways, roads and streets
- 42,000+ bridges
- 1,000,000+ miles of underground utility lines
- 2,700,000+ jobs rely on Ohio's infrastructure – other sector jobs from trucking to tourism.
- 109,000+ direct jobs in Ohio





# Paying For Ohio's Highway System

## Typical Distribution Breakdown

- 44.7% to State Roads and Bridges
- 34.4% to Cities, Counties, and Townships
- 8.7% to Other State Agencies(includes Public Safety, State Highway Patrol, Attorney General, Taxation, Natural Resources, and Public Utilities Commission)
- 7% to ODOT Debt Payments
- 5.2% to Multi-modal





# Ohio Department of Transportation

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- Funding sources for Transportation projects in Ohio come mainly from Federal and State motor fuel tax revenue
- COVID had negative effect on motor fuel tax collection due to decreased miles traveled
- Inflation is eating into ODOT's buying power



# Paying For Ohio's Highway System



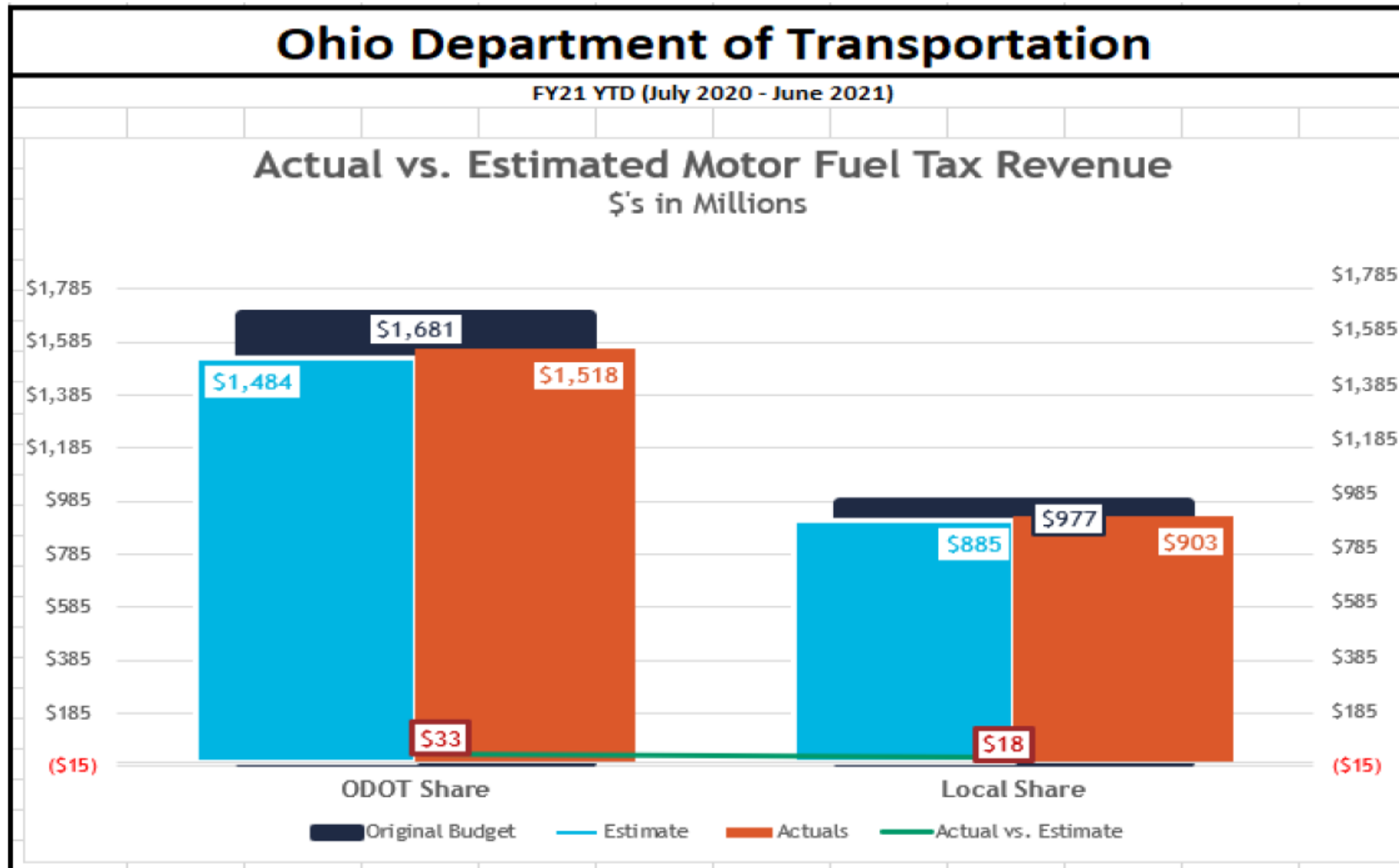
How do we pay for the construction and maintenance of our highway system today?

- **Ohio's transportation system is funded mainly by the Motor Fuel User Fee**
  - **Federal level is 18.4 cents per gallon of gas and 24.4 cents per diesel**
  - **State level is 38.5 cents per gallon of gas and 47 cents per gallon of diesel**





# ODOT statistics FY 2021





# ODOT FY comparisons Pre vs Post Covid

## MFT Forecast Before and After Virus





# BEYOND TRANSPORTATION

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|                              | <u>FEDERAL AMOUNT</u> | <u>OHIO AMOUNT</u> |
|------------------------------|-----------------------|--------------------|
| • Electric Grid Update:      | \$73 B                | Unknown            |
| • Broadband Internet:        | \$65 B                | \$1.1 B            |
| • Water Infrastructure:      | \$80 B                | \$1.4 B            |
| • Climate Resiliency:        | \$50 B                | Unknown            |
| • Environmental Remediation: | \$21 B                | Unknown            |
| • EV Charging Stations       | \$15 B                | \$140 M            |
| • Aviation                   | \$25 B                | \$253 M            |
| • Ports                      | \$17 B                | Unknown            |



# What is in the IIJA for Building Contractors

As of August 10, 2021 – Subject to change



## Infrastructure Investment and Jobs Act

*What is in it for building contractors?*

The AGC [supported](#) Senate [bipartisan infrastructure bill](#) would invest more than \$1.2 trillion to build the nation's roads, bridges, transit systems, airports, ports and waterways, drinking water and wastewater systems, energy infrastructure and more. Here is a breakdown of some of what is in it for building contractors.

|                                                                                                                                                                                                                         |        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| Energy Efficiency Revolving Loan Fund Capitalization Grant program<br>Establishes new revolving fund for states to conduct commercial or residential energy audits or upgrades and retrofits.                           | \$250M |
| Grants for energy efficiency improvements and renewable energy improvements at public school facilities                                                                                                                 | \$500M |
| Cost-Effective Codes Implementation for Efficiency and Resilience<br>New competitive grant program for states or regional partnerships to implement updated building energy codes                                       | \$225M |
| Weatherization Assistance Program<br>Grant program to reduce residential energy usage through the installation of energy saving measures                                                                                | \$3.5B |
| Energy Efficiency and Conservation Block Grant<br>Block grant program to provide grants to state and local governments for energy efficiency and conservation projects                                                  | \$550M |
| Energy efficiency materials pilot program<br>Grants to non-profits to install energy-efficiency materials in their buildings                                                                                            | \$50M  |
| AFFECT Grants<br>Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) grant program, to provide grants to federal agencies to make energy and water efficiency upgrades to federal buildings     | \$250M |
| Building, Training, and Assessment Centers<br>Grants to higher education institutions to train building technicians and engineers on implementing modern building technologies.                                         | \$10M  |
| Career Skills Training<br>Grants for skills training program for industry-related certification to install energy efficient buildings technologies                                                                      | \$10M  |
| Transportation Technology Center (TTC)<br>Authorizes the Secretary of Transportation to construct or repair buildings and/or facilities at the TTC in Pueblo, Colorado, and collect fees to carry out said construction | N/A    |

### *Additional Background*

#### Does Not Include the [AGC-Opposed](#) PRO Act

Unlike other proposals that tie investment in infrastructure to passage of the PRO Act, this historic investment in our infrastructure will provide long-term certainty in the planning process for states and create good-paying construction jobs.

#### Doesn't Increase Taxes on Construction Companies

Unlike prior proposals, like the [American Jobs Plan](#), this does not include increases to the corporate tax rate which could have undermined the economic benefits of this investment.

*Inspire. Educate. Unite.*



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# Recent Impacts to the Construction Industry



# Impacts affecting construction

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- March 2020 – COVID Pandemic, labor shortages
- Essential Business designation, transportation work continues
- Supply chain issues
- February 2021 – resin shortage due to Texas ice storms, creates material shortages and price escalations
- Late 2021 – PPP Loan Forgiveness
- February 2022 – Russian Invasion of Ukraine
- Fuel price escalation
- Inflationary prices
- Domestic materials procurement requirements in IJA and BAA





# BAA - Buy America Act

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## Buy America, Build America

- Adds “Construction Materials” to Buy America and Buy Americanu
- **Exempts** concrete, asphalt, and aggregates
- What about everything else?
- OMB guidance expected in late spring / summer





# Credits

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- **OCA – Ohio Contractors Association**
- **ARTBA – American Road & Transportation Builders Assoc.**
- **AGC – Association of General Contractors**
- **ODOT – Ohio Department of Transportation**



# Ahmed Abonamah

Chief Financial Officer  
City of Cleveland



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# Questions



# Plus / Delta

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## Plus (+)

- Great speakers
- Diversity of viewpoints
- Tech worked well
- In person
- Good venue
- Bar was open at beginning

## Delta (-)

- Need microphone(s)
- No breakout sessions



# Next Program

July 27, 2022

Workforce & Talent Retention